UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 106th CONGRESS
FIRST SESSION

VOLUME 145—PART 19

OCTOBER 26, 1999 TO NOVEMBER 3, 1999
(PAGES 26721 TO 28315)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1999

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SENATE—*Tuesday, October 26, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Ever-loving God, we thank You for the quiet rest of the night, for the promise that has come with this new day, and for the hope that we feel. While we slept, we rested under the shadow of Your love. Now, as sleep has been washed from the eyes of our minds, implant them with trifocal lenses so that we may be able to behold Your signature in the natural world around us, see the needs of people so we can care for them with sensitivity, and visualize the work that we must do. With minds alert and hearts at full attention, we salute You as our Sovereign. Thank You for meeting all the needs of our bodies, souls, and spirits so that we can serve You with renewed dedication. As You hover around us as we pray, grant us wisdom throughout the day. In the name of Him who is Your amazing grace. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Delaware is recognized.

SCHEDULE

Mr. ROTH. Mr. President, this morning the Senate will resume debate on the motion to proceed to the African trade bill with a cloture vote on the motion to proceed scheduled to occur at 10 a.m. Following the vote, it is hoped that the Senate can start debate on the bill so that Senators can begin to offer their amendments. Completion of the bill is expected to occur midweek so that the Senate can move to other items on the calendar prior to adjournment. The conference committees are working to complete action on the two remaining appropriations conference reports, and the Senate will consider these conference reports as soon as they become available.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

AFRICAN GROWTH AND OPPORTUNITY ACT—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the motion to proceed to H.R. 434, which the clerk will report.

The bill clerk read as follows:

> Motion to proceed to the consideration of H.R. 434, an act to authorize a new trade investment policy for sub-Saharan Africa.

The PRESIDING OFFICER. Under the previous order, there will be 30 minutes for debate equally divided.

Mr. ROTH. Mr. President, I rise in support of the motion to proceed to H.R. 434. As I indicated on Friday, when we proceeded to the bill, I will offer a substitute to the House language that consists of the Finance Committee-reported bills on Africa, CBI, GSP renewal, and the reauthorization of our Trade Adjustment Assistance programs.

Each one of these measures deserves our support. What each represents in its own way is an attempt to reach out and provide not just a helping hand, but an opportunity—an opportunity for millions around the world to seize their own economic destiny.

Africa has for too long suffered from our neglect. The continent faces daunting political, economic, and social challenges. Yet, African leaders are seizing the opportunity to press for political and economic change.

The goal of the Finance Committee's Africa bill is to meet Africa's leaders half way. It is not a panacea for Africa's problems; rather, it is a small downpayment—an investment—in a partnership that I hope we can foster through our actions here.

The Finance Committee's CBI bill does much the same. It builds on an economic foundation begun with the passage of the original CBI in 1983, but responds as well to the efforts of Caribbean and Central American leaders to rebuild their economies in the face of incalculable devastation their countries faced this past year. The bill would afford the same basic package of enhanced trade preferences offered to Africa under the Finance Committee's bill.

The economic opportunities offered by the Finance Committee Africa and CBI bills extend to U.S. industry as well. According to the American Textile Manufacturers Institute, the Finance Committee bills would lead to an increase in their sales of $8.8 billion over 5 years and an increase in employment of 121,000 jobs. The bills are expressly designed to ensure that they are a benefit to Africa and the Caribbean, and to the United States as well.

The renewal of the Generalized System of Preferences would continue the longstanding policy of the United States of opening our market to create economic opportunity throughout the developing world and merits our continued support.

The renewal of the Trade Adjustment Assistance programs is entirely consistent with the theme of creating economic opportunity, but it is focused on home. I have always maintained that those who benefit from trade should help those who are adversely affected. The TAA programs have lapsed and must be renewed if we are to fulfill that commitment.

Now, much has been made in this debate of the fact that Finance Committee bills entail a unilateral grant of preferences. The implication is that there is nothing in this for the United States. In fact, the economic growth

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

fostered by this legislation create new markets for our goods and services, as well as help create more prosperous and stable neighbors.

That is an investment I will make any time. I strongly encourage my colleagues to support the cloture motion and the motion to proceed to H.R. 434.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I yield myself so much time as is allotted.

Mr. President, right to the point made by our distinguished chairman, the expression was used, "meeting halfway." I am of the school that NAFTA did not work. But assuming it did work, it at least included the side agreements with respect to the environment, side agreements with respect to labor, and reciprocity with respect to the actual tariffs. This particular bill has no reciprocity, whether it be in the Caribbean—we are prepared now to list the various tariffs there, minding you that the United States average textile tariff is about 10 percent.

I am looking at lists of the sub-Saharan Africa tariff rates: Ethiopia, the average there would be about—I see some 65, but most of them on apparel are 80 percent; other made-up products, textile, home furnishings, 80 percent; Gabon, 30 percent for an average there; Ghana, 25 percent. We are going to do away with the Ivory Coast, which has a markup also, a tariff; Kenya: 50, 50, 50, 62 percent on laminated fabric, 50 percent on apparel; the textile, home furnishings, another 50 percent; Madagascar: 25 percent, 30 percent; Mauritius, 80 percent for man-made filament yarn, textile floor coverings, apparel, textile; home furnishings, 80 percent—I ask unanimous consent a summary of these tariffs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APPENDIX

SUB-SAHARAN AFRICA TARIFF RATES—SUMMARY

HS Chapter and product	Tariff rate[1] (percent ad valorem)	
	Range	Average (estimate)
50—Silk fiber, yarn and fabric	0–100	15
51—Wool yarn and fabric	0–100	18
52—Cotton yarn and fabric	0–65	18
53—Other vegetable fiber yarn and fabric	0–100	15
54—Manmade filament yarn and fabric	0–65	17
55—Manmade staple fiber yarn and fabric	0–80	17
56—Wadding felt & nonwovens, yarn twine, cordage	0–100	19
57—Carpets and other textile floor coverings	0–100	34
58—Special woven fabric, tufted fabric, lace, tapestries	0–100	24
59—Impregnated, coated, laminated fabric	0–100	22
60—Knit fabrics	0–80	28
61—Knit apparel	0–100	31
62—Apparel, not knit	0–100	27
63—Other made-up products, textile home furnishings	0–100	27

[1] Summary of 28 countries' tariff rates (South Africa, Botswana, Lesotho, Namibia, Swaziland, Central African Republic, Burkina Faso, Cameroon, Chad, Congo, Eritrea, Ethiopia, Gabon, Ghana, Ivory Coast, Kenya, Madagascar, Malawai, Mali, Mauritius, Mozambique, Nigeria, Rwanda, Sudan, Tanzania, Uganda, Zambia, and Zimbabwe).

Mr. HOLLINGS. That is for the sub-Sahara. Later, when we have more time I will be delighted to list in there, too, what we have down in Nicaragua and Panama, and the other so-called Caribbean Basin Initiatives.

The truth of it is, in the initial observation of our distinguished chairman that this is going to give millions around the world a chance to seek their economic destiny, my problem is it is going to sink the economic destiny of the United States, particularly in the textile field, as it were, and many other fields as we set the case for so-called free trade.

I wish I had the time to emphasize the fact there is no such thing. Starting with Alexander Hamilton, in the earliest days of David Ricardo and comparative advantage, and just after the fledgling colonies had won their independence, that the Brits corresponded with Alexander Hamilton saying now what you should do is trade best with what you produce and we will trade back from the mother country with what we produce best. In a little booklet, "Reports On Manufacturers"—there is one copy left there at the Library of Congress—Alexander Hamilton, in a line said: Bug off. We are not going to remain your colony. We are not going to continue to ship our wheat and our corn and our coal and our timber, our natural resources, like some kind of infant republic, and let you have the manufacturing strength.

As a result, on the 4th day of July, 1789, the second bill to pass the National Congress after we had adopted the Resolution for the Seal of the United States, the second bill was a tariff bill of 50 percent covering some 60 articles. We built this economic giant with protectionism.

We maintain certain protections, oh, yes, we make sure we protect intellectual property, you know, that brainy crowd, that Microsoft crowd that has 22,000 employees who are all millionaires; 22,000 millionaires working for you. I wish I were one of them. That is a wonderful situation, when you have all that manpower. But the real strength of our democracy is our middle class. Henry Ford said: Pay them enough so they can buy what they are producing. That is how we develop, with our manufacturing strength, this industrial power, the United States of America.

Now there is a zeal for continuing foreign aid as foreign trade. This is not a trade bill, it is an aid bill. It is unilateral. It is a one-way street. It is not even like NAFTA. There are not any side agreements whatever, yet you do not find some of our leaders in the environment and in labor. I know not why the chairman mentioned ATMI. No one has worked more intimately with ATMI than myself, until we got to NAFTA. Then the fabric boys said: The dickens with you apparel boys, we are going for broke. Certain it is they can sew down in Mexico as well as they do in the United States. That is your problem. Our problem is, with all this fine manufacturing, where we can produce the fabrics and continue to make a fortune.

So they just dropped their political strength. As the principal author of five textile bills that passed in this Senate in the last 30 years or more, I know better than any that we have the votes from up in the Northeast. The apparel boys—Saul Chaikin would turn over in his grave at this particular bill. Herman Staorbin, Jack Sheinkman—real leaders. I don't know where they are today. I cannot find them around. They seem to go along with foreign aid, export some more jobs. Yes, under NAFTA, we lost 420,000 textile jobs. The chairman is quoting ATMI that it is going to produce 121,000 jobs. That is pure poppycock. I make a bet on it. Let him bet on his words, any odds he wants and I will cover the bet. I can tell you here and now there is no chance of creating the jobs. This is a one-way export of jobs.

That Finance Committee comes around and says: Exports, exports, we have to emphasize exports. We do not have anything left to export. We are not exporting any software. We are not exporting the computers or anything else such as that. We had to put in Semitech to save the semiconductor industry. They talk about aid and subsidies and everything else—oh, they are all for themselves but they are not for working Americans.

It is unique. Here I am—I voted for the right-to-work law and I am a strong supporter at the State level, not at the Federal level; I want my advantage down there in South Carolina because that is how we are getting a lot of good industry there; I want that individual decision—but this so-called conservative southern Governor is now having to protect organized labor when there is no one around this morning at all. There is no voice to be heard to save the jobs up there in the Northeast or anywhere else.

This is a sad occasion. Let me try to list some of those things we have imported now, from the Center of Domestic Consumption, the various products there, to show you exactly where we are. With respect to the machinery sector—48.9 percent of the machinery sector is represented in imports. I know with respect to textiles it is over 66 and two-thirds.

I told the Members on Friday we were alarmed when it reached 10-percent import penetration in textiles. Now two-thirds of the clothing I am looking at is imported; 86 percent of the shoes. I know with respect to electronic products it is 57.9 percent.

It is sad. We invented the radio and electronics, and the Japanese have taken over in those areas. These things are too detailed to put in the CONGRESSIONAL RECORD. I will have a better listing. Sometimes when you try to get information, you get so much information it is totally useless.

My point is, the strength and security of the United States of America is like a three-legged stool: One leg is our values as a nation. That is unquestioned. Everyone knows America will commit in Somalia and help bring about freedom and democracy in Bosnia. As we travel the world as Senators, we see we are the envy of the world with respect to individual rights, freedom of mankind, and equal justice under law. They all acknowledge that. We do not have to worry about that leg.

The other leg, of course, is the military leg or military power. As the one remaining superpower, that is unquestioned.

But the third leg, the economic leg, has been fractured. We have had foreign aid. It worked. This Senator is not complaining about it. I am making a factual observation as to where we are. Yes, we started after World War II and taxed ourselves some $85 billion for the Marshall Plan. We sent over our machinery, the best of our machinery, the best of minds, the technology, the managers, and capitalism has conquered communism in the Pacific rim and in Europe. We continued.

I will never forget, as a Governor, they said: Governor, come on, what do you expect these recovering and emerging nations to make, airplanes and computers? We will make the airplanes and computers, and they will make the shoes and the clothing. My problem today is, they are making the shoes, they are making the clothing, they are making the computers, and they are making the airplanes. They are dumping them.

We are finally getting the attention of the Senators from Washington and Boeing. They are beginning to understand. I have had their opposition over many years with respect to trade because they like the Federal Government, in defense, doing all their research, they like the Federal Government putting in the Eximbank to subsidize their sales overseas. We never had subsidized sales for textiles. They love all of that. Then they said: Oh, we have to get to work; we have a global economy, competition, competition.

The textile industry—look at the record—for 15 years has reinvested an average of $2 billion a year modernizing. I told the story of the Clinton plant the other day. It is 100 years old. It looks like from the outside it will fall down, but it has the most modern machinery. There was no one in the card room. Where they once had 125 in the weave room, there are no more than 15. They have mechanized, computerized, and electronically controlled operations.

Those companies that have survived are the most productive, competitive textile industry in the entire world. Our problem is, it is not going to pay to invest and continue to compete and survive for the plain and simple reason that this one-way street of foreign aid—I wish it were going to aid those countries.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. Mr. President, I will continue at the appropriate time. I thank the Chair. I yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I want to transfer my hour under cloture. I ask unanimous consent that the hour transfer to the Democratic manager so it can be yielded to another Senator today.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. It is just a transfer of an hour. I do not think anybody will object to it. I have to make an appearance before the city council of Isle of Palms relative to the loss of my home. I have to leave to make that appearance and come back.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I thank the distinguished Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Paul Hamrick, a congressional fellow in Senator GRAHAM's office, be granted the privilege of the floor during debate on this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, this side yields back what unexpended time we have.

CLOTURE MOTION

The PRESIDING OFFICER. All time having expired, under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa:

Trent Lott, Bill Roth, Mike DeWine, Rod Grams, Mitch McConnell, Judd Gregg, Larry E. Craig, Chuck Hagel, Charles Grassley, Pete Domenici, Don Nickles, Connie Mack, Paul Coverdell, Phil Gramm, R.F. Bennett, and Richard G. Lugar.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. McCAIN) is necessarily absent.

The yeas and nays resulted—yeas 90, nays 8, as follows:

[Rollcall Vote No. 341 Leg.]

YEAS—90

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Burns
Campbell
Cochran
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (OR)
Specter
Stevens
Thomas
Thompson
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—8

Bunning
Byrd
Cleland
Collins
Helms
Smith (NH)
Snowe
Thurmond

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 90, the nays are 8. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I believe strongly in free trade. I believe in the productivity of the American worker. I believe in American ingenuity and technology and I believe that, if we eliminate the barriers, our industry and our workers can compete effectively with anyone in the world.

I have always supported fast-track legislation to give the executive branch the freedom to negotiate trade agreements with other nations.

But back in 1993, despite my inclination to support free trade, I wrestled long and hard with the facts and the figures and I determined that NAFTA—the North American Free Trade Agreement—was not a good agreement for us.

It was a hard vote for me—in 1993—but I ended up voting against NAFTA. I was convinced that it would indeed cost this Nation jobs.

Unfortunately, time and the trade statistics have proven me right. NAFTA was a bad agreement. Since the implementation of NAFTA, we have managed to turn a trade surplus with Mexico of $1.7 billion a year into a trade deficit that, this year, will exceed $20 billion.

The giant sucking sound has been heard in Kentucky—5,000 jobs from the apparel industry—sucked out of the State and the Nation. Thousands of appliance manufacturing jobs have drifted south to Mexico. At least 7,000 Kentucky jobs are gone.

In particular, the apparel and textile industries have been devastated. In the last 56 months—since the implementation of NAFTA, the apparel industry has lost 305,000 jobs, and the textile industry has lost 125,000 jobs.

They are just gone, disappeared.

Now, we are being asked to expand portions of this agreement to include the other Caribbean and Central American countries—and to provide new trade preferences for the 48 countries of Sub-Saharan Africa.

Basically, we are being asked to take a failed policy—NAFTA—and expand it dramatically. That makes absolutely no sense at all.

I urge my colleagues to vote against this expansion of NAFTA and the guaranteed loss of additional U.S. jobs.

The CBI parity portion of this legislation is based on the premise that we need to spur economic growth in the Caribbean and Central America. The same arguments are used in favor of this bill that were used in support of NAFTA.

Supporters say that economic growth and investment in our neighbors to the south will benefit us in terms of increased exports and increased domestic employment because of those exports. And that logic is very difficult to dispute—over the long haul.

Certainly, healthy economies in the Caribbean and Central American countries would open new export opportunities for U.S. goods and services. Certainly, expanding economies in the area would reduce the pressure of immigration—legal and illegal alike.

Certainly we want healthy economies in this area to help strengthen the growth and stability of democracy in our neighborhood.

We do need to do everything we can, within reason, to encourage economic growth in the Caribbean. It makes sense.

But it doesn't make sense to sacrifice an entire U.S. industry and hundreds of thousands of U.S. jobs to do it. And that is what this bill will do.

The Caribbean Basin apparel and textile business is already booming. Last year, apparel and textile exports from the Caribbean and Central America to the United States grew 9 percent, a growth rate double that of the U.S. economy.

At $8.4 billion in 1998, textile and apparel exports from the Carribean Basin countries to the United States already exceed the $7.5 billion in textiles and apparel exported to our Nation by Mexico.

When it comes to helping expand the economies of the Caribbean countries and Central American countries, the American textile and apparel workers have already given at the office—430,000 jobs have been lost to help fuel this exodus.

Expanding NAFTA in this way, at this time, will simply reward the companies that have already left the United States and sent their manufacturing facilities to the Carribean Basin because of lower wages.

In the process, we stand to lose another 1.2 million jobs in the apparel and textile industry.

Ask the people in Campbellsville, Kentucky if that makes sense to them. It doesn't.

The African trade portion of this bill doesn't make much more sense.

I think that everyone certainly agrees that we need to encourage economic development in Africa. It is in our long-term best interests to establish strong trade linkages with Africa because it is a huge potential market for U.S. goods.

And if this bill simply provided incentives for increased manufacturing and production of African products, I would probably not have any problem with it.

But this bill doesn't just open the door for increased trade with Africa—it opens, even wider, the door to a flood of Asian products that could further devastate our domestic textile and apparel industry. So, our good intentions would, in all likelihood benefit Asia much more than Africa.

The bill creates a huge new incentive for transshipments of Asian goods through Africa.

Transshipment is nothing new. Asian manufacturers have been illegally transshipping goods into the United States through Africa for more than 15 years.

Customs has estimated that transshipments from Asia have grown from $500 million in 1985 to $2 billion, and possibly as much as $4 billion a year. Africa has been one of the major transshipment routes into this country.

This bill, because it lowers tariff duties dramatically, would create an almost irresistible incentive to cheat even more.

And ironically that cheating will actually undermine NAFTA and the Caribbean Basin Initiative which include strict anti-fraud provisions that safeguard our domestic producers to some extent.

Because it offers lucrative incentives for Asia to transship and no realistic methods to prevent transshipment, billions of dollars of illegal Asian imports will enter the United States duty free and quota free from Africa in direct competition with NAFTA and Caribbean Basin products.

And no matter how good U.S. workers are, they can't compete against Asian imports that are subsidized from fiber production on down.

The U.S. Customs Service doesn't have the resources to stop illegal transshipment. Local African customs officials don't have an incentive to stop it.

Asian manufacturers, who dominate world trade in textiles and apparel are unlikely to invest money in Africa if it is more cost effective to transship through Africa.

And that means the Asian manufacturers will either transship the entire garment or they will only do minor assembly work in Africa. Either way, the yarn, the fabric and most, if not all, of the labor will come from Asia.

A couple buttons or a zipper here and there might be added in Africa, but this trade bill will benefit Asia much more than Africa and African workers.

So, here we have two trade bills wrapped into one. Both are flawed. Both jeopardize domestic industries and domestic workers who have been devastated already.

The Caribbean Basin Initiative portion of this bill expands NAFTA—which has already been costing us thousands—hundreds of thousands of jobs—many of them from my home State of Kentucky.

It rewards companies which have already moved their jobs from the United States to the Caribbean and for what purpose?—to expand growth in an industry which is already growing very nicely in those Caribbean nations.

More U.S. jobs will be lost as a result.

The African trade provisions in this bill are designed to increase investment and expand the manufacturing base in Africa. But in the absence of strong, realistic restrictions on transshipment of Asian manufactured products, this bill would, in all likelihood, benefit Asia more than Africa.

And it would further devastate the apparel and textile industries in our own country.

I still believe in fair trade. But there is nothing fair about this bill for the U.S. apparel and textile industries.

We keep talking about creating a level playing field when it comes to fair trade. But this bill pulls the field right out from under U.S. industries which have already had an uphill fight just to stay alive.

It doesn't make any sense. And I urge my colleagues to vote against it. NAFTA should have taught us a lesson.

Mr. WELLSTONE. Mr. President, I have a question. If the Senator from Florida is going to speak now, I am not actually trying to get the floor ahead of him. I wanted to ask the Senator from Florida, is it his intention to speak on this legislation now?

Mr. GRAHAM. I am prepared to yield time to the Senator if he is prepared to speak at this time.

Mr. BREAUX. Will the Senator yield?

Mr. GRAHAM. Will the Senator from Minnesota yield? I had indicated to our colleague, the Senator from Louisiana, who wishes to make a memorial statement for our colleague, Senator Chafee, that he would have an opportunity to do so at this time.

Mr. WELLSTONE. Absolutely. Of course.

Mr. GRAHAM. I yield 5 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. BREAUX. Mr. President, I take this opportunity to rise to express my thoughts about the loss of a great friend and a dear colleague, Senator John Chafee. The Senate has lost a great Senator and this country has, indeed, lost a great American. All of us in the Senate family have lost a great friend.

John Chafee was a Senator who thought of what was best for his country first and thought about the politics, if he did at all, last. All of his colleagues, I know, will have great personal memories of Senator Chafee, how their paths crossed over the years, and the work he did as a leader of the Senate Environment and Public Works Committee. On our own Senate Finance Committee, when we had such historic debates, Senator Chafee was always in the midst of them. I know his work on the Environment and Public Works Committee will ensure all Americans in the future will breathe cleaner air and drink cleaner water and have to worry less about their health because of the environment in which we all live. He always was a leader in the environmental area and will always be noted for that. It is true; all of us are better off for the services he provided in that capacity.

I remember John Chafee and the efforts he and I undertook together. It was, indeed, my privilege to work with him on what became known as the Centrist Committee, a centrist coalition. Senator Chafee was enthusiastic about finding a consensus on the difficult issues that faced our country, but he was concerned about more than just trying to find a consensus; he was really concerned about creating a consensus. His efforts in our little coalition produced some dramatic results because he, in hosting these meetings with our colleagues from both sides of the aisle, truly recognized solutions to difficult problems cannot come from the far left or the far right. These difficult solutions must be found in the center, and that is where I think he found himself most comfortable.

We used his hideaway office here in the Senate almost on a weekly basis, as I said, to host meetings between Republicans and Democrats who worked together. We talked to each other rather than merely listened to echoes of ourselves. We actually spoke about the issues and tried to find and recommend solutions that were not necessarily good political solutions but were the right thing to do for this country.

I think his greatest accomplishment in this area that I remember was the recommendations that he helped guide in the area of health care. We ultimately brought them to the floor of the Senate and they were adopted by a very strong majority of this Senate, to a large extent because of the credibility John Chafee brought when he was listed as being one of the principal cosponsors. Unfortunately, those recommendations did not become the law of the land, but I am certain, and very confident, that one day they will.

So John Chafee will be missed by all of us. He served his State and he served his Nation very well. I look to the day in the Senate when there will be more John Chafee's. Certainly this Nation and this country needs them and we deserve them.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Mr. President, I join my colleagues in expressing my profound sadness on the passing of our good colleague and our great friend, Senator John Chafee, and to offer my most sincere condolences to his wife Ginny, their 5 children, and 12 grandchildren, the entire Chafee family, and also people in Rhode Island, who have lost a strong advocate, a compassionate leader, and a true friend.

This body and this Nation are diminished today by the loss of one of the finest people I have ever had the privilege to know in politics.

Senator Chafee's life was an ode to the finest ideals of public service. He fought in World War II and Korea because he believed in freedom. He served in the State legislature and as Governor of Rhode Island because he loved his State. He answered the call to become Secretary of the Navy because he wanted us to have the best defensive force in the world. He ran for the Senate because he thought he could make a difference, and what a difference he has made.

I had the honor of working with Senator Chafee in this body for only a little under 5 years, but as did everyone else on Capitol Hill, I had long known of his reputation for thoughtfulness and reason. Indeed, for anyone who really cared about the art of legislating, John Chafee was a household name.

I consider myself fortunate for the opportunity to have worked with this great American and to have seen firsthand why he engendered such respect and affection from both sides of the aisle and from all political persuasions. He was an extraordinary man of sincere humility, boundless energy, and steadfast integrity. It was difficult enough coming to terms with his impending retirement from the Senate. Now it will be immeasurably more difficult to come to terms with his passing.

Throughout my tenure in the Senate, I have felt a special kinship with Senator Chafee on a number of levels. For one thing, he and his wife Ginny have long had a home in my State of Maine, a home that has been in his family more than 100 years, in the beautiful town of Sorrento just across the bay from where my husband's family has a place. And we had a chance to see them during the course of the summer. Clearly, I knew from the start that Senator Chafee was a man of discerning taste.

In fact, he would often say—only half-jokingly—he considered himself the third Senator from Maine. If such a thing were really possible, we could not have been more honored, and we certainly could not have had a better advocate for our great State.

On the political front, I always saw Senator Chafee as something of a kindred spirit. He epitomized what it meant to be a modern, moderate Republican. For him, compromise was a way things got done. It was the way we distilled all the opinions, all the issues, all the viewpoints, and arrived at legislation that could change America and change lives for the better. For John Chafee, there was strength in compromise, courage in compromise, honor in compromise, and he was right. He viewed it not as an abdication of principle but a catalyst for constructive policy.

Senator Chafee was willing to take risks in order to do what he believed was in the best interests of Rhode Island and our country. For him, leadership and the public good were two concepts forever and eternally intertwined. Sometimes that meant being a lone voice in the wilderness, and he was willing to be that voice.

Time and again, John Chafee was there, both out in front and behind the scenes, as Senator Breaux just mentioned, forging consensus, breaking deadlocks, and bringing people together on countless issues that were key for Americans, issues that resonate today in people's daily lives and will continue to resonate for generations to come.

John Chafee always put ideas ahead of ideology. That is why he was at the forefront of the legislative and political debates in Congress. He proposed sensible, viable, and realistic alternatives. I well remember in the budget debates of 1995 and 1996 when Senator Chafee joined Senator Breaux to form a bipartisan group of Senators to bridge the political gulf that had opened in the aftermath of the Government shutdown. I was proud to be a member of that group because John Chafee was never about making the political points; John Chafee was about making the process work, and that is precisely what he did during the budget debate and throughout his entire 23 years in the Senate.

He was a tireless advocate on so many issues vital to the future of this country, perhaps none more important than the health of our Nation's environment. In fact, when it comes to the protection of our natural resources, it can truly be said that John Chafee has left a lasting mark on the landscape of America.

He was a strong voice for the environment, shepherding the Clean Air Act of 1990 and consistently supporting the preservation of our country's precious wetlands and open spaces. He has played a role in every major Federal initiative to control pollution and protect our natural resources over the past 20 years, and it is testament to his vision that generations of Americans not even born will have John Chafee to thank for a healthier world.

Of course, it is not only the health of our environment he sought to protect. Until the very end, John Chafee was a champion for those less fortunate, and that includes health care for low-income families and expanded health coverage for uninsured low-income children. He was a visionary on the issue of child care. He knew we had to make it safer, more accessible, more affordable, and it was my privilege to join him in that fight.

More recently, just last week, I joined him on a bill he and Senator Rockefeller introduced that will help foster children make the transition to independent living. Just shortly after I learned of John's passing, I had to get on a plane yesterday, and I picked up a newspaper and read an editorial in the Los Angeles Times, in fact, praising this legislation, saying this is not extending a welfare project but building a bridge to independence. That is the type of approach John would take on issues.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Los Angeles Times, Oct. 25, 1999]

Fostering Life Skills

Every year 20,000 foster children, in the United States turn 18 and are "emancipated." It's a cheerful euphemism for loss—of shelter, health care and their foster parents.

Federal Health and Human Services statistics show that many former foster children lack the resources and training to make much of their abrupt freedom. In Los Angeles County, for instance, fully half of the 1,000 foster children who are "aged out" of the system every year end up homeless within six months.

Legislation now pending in the Senate Finance Committee, by Sens. John Chafee (R–R.I.) and John D. Rockefeller (D–W. Va.), gives Congress a chance to recognize what any parent raising an adolescent already knows: Yanking the whole safety net at age 18 can be a recipe for disaster.

Since 1992, Washington has allocated $70 million a year to states that want to help foster children ages 16 to 18 prepare for independent living by teaching them how to budget money, prepare for college and find a job. The modest Chafee/Rockefeller bill would double funding to $140 million a year, allow that money to be spent helping those over 18 and extend Medicaid eligibility to those ages 18 to 21.

This is not extending a welfare crutch; it's building a bridge to independence. "Bridges to Independence" is in fact the name of a nonprofit program in Los Angeles that has successfully given older foster children the tools they need—from a sympathetic ear to job-interview counseling and apartment-hunting skills—to lead productive lives.

Chafee and Rockefeller have asked Congress to approve their bill by voice vote and send it to President Clinton this week.

Congress is scrambling to approve several higher-profile, multibillion-dollar spending bills before recessing next week. And fast-tracking the bill, which largely mirrors President Clinton's fiscal year 2000 budget requests for foster care, means getting the approval of fervent anti-Clinton Republicans like House Majority Whip Tom Delay (R–Texas). However, the bill is gaining broad support in Congress and was championed in Senate testimony last week/19 by none other than Delay. Delay explained that, as the foster father of two adolescents himself, he understands the problems of the foster children who testified before him. One "emancipated" foster child told legislators how she ended up sleeping behind McDonald's, in laundry rooms and hospitals "because they were safe and they were warm."

The United States can surely do better by its most vulnerable youth than a "safe, warm" laundry room to call home.

Ms. SNOWE. Mr. President, that was typical of John Chafee. He saw the potential of people—the best in people—and did everything he could to enhance their lives. He did not just root for the underdog; he was on the field helping the underdog. We can attribute more than a few upset victories over the years to his efforts.

It is hard for me to believe it was just 6 days ago I saw John at the weekly lunch we moderate Republicans hold every Wednesday. We take turns holding them in our offices. Last week, it was in John's office. Little did we know it would be for the last time.

It was a tradition he started in 1995. Back then, our circle included Senators Cohen and Kassebaum. We always looked forward to them. They were our refuge to discussions of what was happening on the floor, in the Senate, and in the country. It was a refuge from the "hurly-burlyness" of the process in the Senate with like-minded Senators. It was a tradition we looked forward to every week. I know it will not be the same without him.

At these luncheons, John always brought to the table the issues about which he most cared. We would also expect he would have a list of issues and legislation he was promoting that he thought was important to bring to our attention and to get our support. In fact, John was just speaking last week, as I said, about the foster children legislation, and I joined him on that issue because he was so passionate, as he was on all of the issues, whether it was child care, the environment, or families on welfare looking to make a better life for their family. Such talk never surprised any of us in the room because it was the essence of the man; it was what drove him.

Once again, it was also revealed in words forged by deep compassion and unyielding humanity in so many respects. Maybe it sounds trite in our world at the end of the 20th century, maybe it sounds old fashioned in a time when cynicism is celebrated over optimism, but John Chafee cared. He was a good man who believed he had something to offer the Nation in which he felt privileged to live, and he saw public service as a noble calling. Ironically, perhaps, it is precisely because of people such as John Chafee that public service remains a noble calling.

So today, there is a hole in the Senate where this great man once was. There is an empty desk on this floor where a remarkable leader once stood. There is a hollowness in our hearts.

But even in the midst of our sadness, let us also celebrate the life of a man who brought such extraordinary credit upon himself, his family, his State, and this institution. Senator Chafee now and forever will be a part of this Chamber. His compassionate and reasoned voice will forever echo from these walls, and his legacy will endure. It is a legacy we would all do well to follow.

We measure success in our lives and in this body by many different standards. But at such a solemn time as this, I cannot help but think of the words of Ralph Waldo Emerson who wrote:

> . . . to know even one life has breathed easier because you have lived. . . . This is to have succeeded.

So many lives have breathed easier because John Chafee lived, because John Chafee cared, because John Chafee was a United States Senator.

I thank the Chair. I yield the floor.

Mr. GRAHAM. Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. DURBIN. I thank the Senator from Florida.

Yesterday, as I was driving with my wife to the airport in Springfield, IL, to catch the plane, we were listening to National Public Radio and heard that my friend and colleague, Senator John Chafee, had passed away. I turned to my wife and said: This was a really special guy. I am sorry you didn't get to know him.

I have only served in the Senate for a little over 2 years. I look over there at his desk, which now has a bouquet of flowers, and realize that just a few days ago we were on the floor together talking about legislation and votes.

He was such an extraordinary man. In the 2½ years I have been here, I came to know him and developed a friendship across the aisle, Democrat to Republican. I really came to respect John Chafee. He has an amazing story. Tom Brokaw has a famous book that is very popular called "The Greatest Generation," about the men and women who served our country in World War II and what special people they were. John Chafee was one of those people. To leave Yale and enlist at the age of 20, to go into the Marines and be part of the invasionary force on Guadalcanal, and then to come back and complete his education but to consider his obligation to his country so paramount he left again to serve in the Korean war under some very difficult circumstances, it shows a special, personal commitment to public service. Many of us, myself included, stand in awe when we consider that.

Then, of course, he served as Secretary of the Navy during the Vietnam war, a very controversial period in our history, and was regarded as a fair and honest man in that responsibility. Three times Governor of his State of Rhode Island, four times elected as Senator from a State which has historically elected more Democrats than Republicans, it was quite a tribute to John Chafee that he was elected time and again by his neighbors and friends in the State of Rhode Island.

Here on the Senate floor he played an important role. In my mind, he was a constant reminder of what the Senate could be on a good day; that there could be people of like mind on both sides of the aisle coming together to find bipartisan solutions. When I would have a gun control bill I wanted to offer to try to reduce gun violence, I would look across the aisle. I always knew John Chafee would stand up and come to the press conference. We would announce the bill. As we would leave, he would say: I know I am going to hear it again from the National Rifle Association back home but, he said, I just think this is the right thing to do.

It wasn't just on issues of gun violence. You could find the same thing when it came to issues to protect the environment. John Chafee always stood out from the pack. He was always a special person, trying to build an alliance, trying to build a coalition.

I recall when he came to me and asked me to do him a personal favor. As a junior Member of the Senate who respected him so much, I wasn't going to say no. But he told me he had been chosen by the Chicago Council on Foreign Relations to head up an Atlantic Forum that took place every 2 years, bringing together political leaders from Europe, South America, and North America to talk about the future. He asked me if I would be kind enough to attend that conference in Portugal.

I thought about it and realized if it was important to him, it should be important to me. We went to Portugal together. John Chafee presided over about the 150 gathered to talk about some very involved political issues. He did it with such grace and style, such knowledge of the subject. It was one of the more successful conferences I ever attended. When it was over, he announced, shortly thereafter, that he was going to retire from the Senate. He came and asked me, as a favor, would I consider taking over the chairmanship of this forum.

It was a great honor that he would even ask me to consider following in his footsteps, after he had written such an envious record as the chairman of the Atlantic Forum. I have agreed to do that. I hope it will continue in his memory.

As he tried to bridge the ocean to make sure people in North America and South America and Europe came together to find common ground, he did the same thing day in and day out in the Senate.

Just a few months ago we had a contentious debate over gun control. At the last moment, Vice President GORE came in to cast the deciding vote. An important bill left the Chamber, but before that vote was cast, I was talking to John Chafee about this issue on which we held common views. He talked to me about what we could accomplish on the Senate floor and how we shouldn't go too far. He said: A lot of my colleagues over here on the Republican side disagree with me on this issue. I think we ought to stop at this point. I think we have made our point, and we have a good bill. We should proceed.

When I came back over to the Democratic side, I said: This is the advice of John Chafee. A lot of Democratic Senators looked and nodded because they knew it was good advice. It was not only good advice from the head; it was advice from the heart. That was the kind of person he was, respected so much for his intelligence but respected even more for his kindness and his compassion.

I am honored to serve in the Senate. There are moments in public life when each of us think twice about whether we chose the right career. But there are also moments that are ennobling moments, when you feel as if you were part of a great institution for a great Nation. I always felt working with John Chafee embodied those moments. He spoke to the best of the Senate.

He was a good friend, a great colleague, and he was a great American who served his Nation in so many ways. We are going to miss John Chafee, but his memory will endure.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Florida.

Mr. GRAHAM. Mr. President, before yielding time to the Senator from Minnesota, I will take a few moments to also share some thoughts about our departed colleague, John Chafee.

I had the great privilege of serving with John Chafee for nearly 13 years. We served together on the Environment and Public Works Committee and on the Finance Committee and had many opportunities to work closely together.

John Chafee was the kind of public servant whom citizens in a democracy hope to have representing them. He represented a small State, both geographically and relatively, in population. It is the kind of State where the citizens have an intimate relationship with their elected representatives; they know them personally; they can evaluate their character; they are not dependent on a flickering 30-second television ad to give them information about the people who are seeking their vote.

Election after election, in a largely Democratic State, Republican John Chafee received the vote of the people of the State of Rhode Island, a great tribute to the fundamental character of the citizens of that State and the man who gave his life in the service of that State.

John Chafee's life was epitomized by the word "service." As Governor, as Secretary of the Navy, as a Senator, he displayed wisdom, dedication, and patriotism. Those qualities had been molded in the flames of World War II and the Korean war, where he served in some of the most intense combat. I imagine when some people suggested that a vote in the Senate was a testing vote, a difficult vote, he might have put that in the context of what he experienced in his young adult life at Guadalcanal.

As a colleague, I particularly admired the thoughtful, pragmatic manner in which he approached his duties in the Senate. He was a mentor. I remember the first committee meeting in which I participated, which was a markup, a meeting in which legislation was before the Environment and Public Works Committee for action and then recommendation to the full Senate. It was the 1987 version of the transportation bill, always a controversial matter.

I had come to that committee with a number of ideas from my previous State experience in Florida. I was enthusiastic and had some amendments to propose. On the first day of committee consideration of this legislation, I was fortunate to get two of my amendments adopted. After the vote on the second amendment, Senator Chafee, speaking across the committee room from his position on the Republican side, said to me: Good work; now I recommend you quit.

That was good advice for that day.

His willingness and distinctive ability to reach out to Senators with all points of view kept the Senate at the reasonable center of American politics. John Chafee was proud to be categorized a moderate, proud to assume the label of a centrist. He brought common sense to our deliberations.

The Senate has sometimes been analogized to "the saucer," as in a cup and saucer. It is the place where the hot tea or coffee is poured so that it can be cooled before it is consumed. That was one of the rationales of our Founding Fathers, establishing a bicameral legislature with one house being very close to the people and one house being, hopefully, a more deliberative body. John Chafee epitomized that concept of the place where the hot passions are reconciled.

John Chafee was also the kind of person who was more interested in results than with recognition. There probably are some pieces of legislation that are known as the Chafee act, or have his personal name associated with them. But, frankly, today, I cannot recall what that might be. I think John Chafee is perfectly satisfied with that. His goal was not to have his name etched in legislative marble or stone but, rather, to achieve a result. He was interested in building the edifice, not whose name was on the cornerstone of the edifice. That was the kind of human being John Chafee was.

As a result of his commitment to results rather than recognition, in fact, some of the Senate's most memorable achievements in recent years bear his imprint. Expanded environmental protections, a balanced budget, and an improved transportation system were the results of his leadership and influence.

As with all of us, John Chafee was a good friend, a trusted colleague. John will be sorely missed. He leaves a legacy that adds distinction to this body and to the title of public servant. We all send our deepest sympathy and best wishes that solace will be found in the great accomplishments of this truly great man, and that his family and the thousands of persons fortunate enough to call John Chafee a friend will find a solace and a capacity to deal with the grief that we all suffer today.

Mr. President, I yield such time as he may wish to the Senator from Minnesota.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, first of all, for those who might be watching our deliberations, I had a chance to speak yesterday about Senator Chafee. I will get back to the debate on this legislation.

As I listened to my colleagues, I was reminded of a press conference that we had several months ago on some work I have been doing with Senator DOMENICI. The legislation is called the Mental Health Equitable Treatment Act, which we very much want to pass this year. Certainly, we won't get it done in the next 2 weeks, but I hope we will when we come back. I remembered that one of the original cosponsors was Senator Chafee. I agree with what everybody has said about him. It will be a tremendous loss for the Senate and our country. Again, today, I extend my love to Senator Chafee's family.

AFRICAN GROWTH AND OPPORTUNITY ACT—MOTION TO PROCEED—Continued

Mr. WELLSTONE. Mr. President, both colleagues have been gracious to those of us who are in opposition to this legislation. We will be taking some time to lay out our case against the legislation. Senator HOLLINGS, of course, is one of the leading opponents. Because of the necessity to go back to his family experience of the real agony of having a home burned down, he needs to be away for this afternoon. A number of us will be here because a number of Senators want to speak. I will divide up my time and take about a half hour now, and I will be back this afternoon as other Senators speak.

I have a letter that went out to Senators, signed by many African American religious leaders who oppose the African Growth and Opportunity Act and support the HOPE for Africa Act. That is the title.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AFRICAN-AMERICAN RELIGIOUS LEADERS OPPOSE THE "AFRICA GROWTH AND OPPORTUNITY ACT" (AGOA) AND SUPPORT THE "HOPE FOR AFRICA ACT", OCTOBER 20, 1999

DEAR SENATOR: We are a group of religious leaders who share with other community leaders, scholars and activists, grave concerns about the various proposed versions of the "Africa Growth and Opportunity Act" (AGOA: H.R. 434, S. 1387, S. 666). We urge you to oppose the AGOA approach to U.S.-Africa relations.

We support an alternative legislative proposal, the "HOPE for Africa Act" (HOPE meaning Human Rights, Opportunity, Partnership and Empowerment) S. 1636 introduced by Senator Russ Feingold (WI). The HOPE for Africa bill has been developed with colleagues and other public interest advocates, human rights and community groups in Africa and the United States.

We have been very clear about our opposition to H.R. 434, the "Africa Growth and Opportunity Act" that has now come over to the Senate. We view this controversial bill, which was accurately dubbed the "African Re-colonization Act" last year, as actually *damaging* to the interests of the majority of African people.

The AGOA's sponsors have refused to seriously address the concerns of its prominent critics, such as TransAfrica President Randall Robinson, Professor Ron Walters, President Nelson Mandela of South Africa, Rev. William Campbell, Clergy and Laity United for Economic Justice and Rep. Jesse Jackson Jr., and many of his colleagues in the Congressional Black Caucus including Rep. Maxine Waters, and Rep. John Lewis.

Over the course of the last and current Congress, African American leaders and organizations concerned about Africa have carefully studied the actual provisions of the different versions of the AGOA. Close analysis of the bills reveals that although they are wrapped in rhetoric about helping Africa, these bills are designed to secure U.S. business interests, often at the expense of the interests and needs of the majority of African people and at the expense of African nations' sovereignty and self-determination. They have thus been rightly designated as "corporate bills" rather than as measures promoting justice or fair trade.

Incredibly, the House version of AGOA, which its proponents insist will be preserved in any House-Senate conference process, imposes substantial burdens on the sub-Saharan countries, burdens which are not imposed on other U.S. trading partners. That the U.S. should condition trade with African nations alone on demands that these countries reorganize their domestic policies and priorities is offensive. To add injury to insult, these burdens are in exchange for meager trade benefits—two of the 48 sub-Saharan countries would have quotas for textiles and apparel removed, yet all such quotas expires when the Multifiber Agreement sunsets in 2005.

The Senate versions of the "Africa Growth and Opportunity Act" effectively eliminate even the meager trade benefits the House version of AGOA could provide African countries. After all, it is highly unlikely that manufacturers will assume the expense of shipping product to Africa (as opposed to the Caribbean) just for the limited purpose of assembly, as provided in the bill.

The people of Africa must have our support as they strive to build democracy and improve the standard of living in their nations. Certainly it would be a travesty if U.S. policy actually undermined the future prospects of most Africans, which is why many on the continent oppose AGOE.

Given our opposition to the AGOA approach and our strong desire for a mutually beneficial U.S.-Africa policy, African colleagues participated in crafting a proposal aimed at promoting equitable, sustainable, sovereign African development. The key elements of "The HOPE for Africa Act" are the African priorities of debt relief and self-determination of those economic and social policies best suited to meeting the needs of African people. These include strengthening and diversifying Africa's economic production capacity (for instance in the processing of African natural resources and manufacturing), and fair trade in sectors (unlike textiles and apparel) promising a long term opportunity for African economic development.

We urge you to support S. 1636, the forward-looking "HOPE for Africa Act," that would meet the needs and interests of the people of both Africa and the United States, and to oppose the various outstanding versions of the AGOA approach.

Sincerely,

Rev. William D. Smart, Phillips Temple CME Church, Los Angeles, CA.

Rev. Dr. Bennie D. Warner, Camden, AR.

Rev. William Monroe Campbell, Second Baptist Church, Los Angeles, CA.

Rev. M. Andrew Robinson-Gaither, Faith United Methodist Church, Los Angeles, CA.

Rev. Richard (Meri Ka Ra) Byrd, Senior Minister Unity Center of African Spirituality, President of the Los Angeles Metropolitan Churches (LAM), CA.

Pastor Leroy Brown, Wesley United Methodist Church, Los Angeles, CA.

Pastor William Brent, Evening Star Baptist Church, Los Angeles, CA.

Rev. E. Winford Bell, Mount Olive Second Missionary Baptist Church, Los Angeles, CA.

Rev. Al Cooke, Fort Mission Fruit of the Holy Spirit Church, Los Angeles, CA.

Pastor Wellton Pleasant, South LA Baptist Church, Los Angeles, CA.

Pastor Maris L. Davis Sr., New Bethel Baptist Church, Venice, CA.

Pastor Robert Arline, Bethesda Church, Los Angeles, CA.

Reve. Joseph Curtis, United Gospel Outreach, Los Angeles, CA.

Rev. Eugene Williams, Los Angeles Metropolitan Churches, Los Angeles, CA.

Pastor Larry D. Morris, Mount Gilead Baptist Church, Los Angeles, CA.

Rev. W.K. Woods, President Progressive Baptist Convention of CA.

Pastor Kenneth B. Pitchford, Greater Hopewell Full Gospel Baptist Church, Los Angeles, CA.

Rev. J.C. Briggs, Christian Life Missionary Baptist Church, Los Angeles, CA.

Rev. Michael Pfleger, St. Sabina Church, Chicago, IL.

Dr. Rev. Bennet Poage, Associate Regional Minister, Christian Church Kentucky for Kentucky Appalachian Ministry.

Rev. Dr. Curtis A. Jones, Madison Avenue Presbyterian Church, Baltimore, MD.

Rev. Clarence Philips, Nazareth Baptist Church, Menden Hall, MS.

Rev. David E. Womack, Mt. Olive Ministries, MS.

Rev. Artis Fletcher, Mendall Bible Church, MS.

Rev. Thomas Jenkins Sr., New Lake Church, MS.

Rev. R.J. Walker, St. Matthew Baptist, MS.

Pastor Tony Duckworth, Mount Olive Community Church, MS.

Rev. John L. Willis, Disciples of Christ Inter-denomination, Menden Hall, MS.

Pastor Neddie Winters, The Church of the City, MS.

Rev. Phil Reed, Voice of Calvary Ministries, MS.

D.L. Govan, Voice of Calvary Fellowship, MS.

Rev. Edward Allen, Philemon Baptist Church, Newark, NJ.

Bishop Alfred L. Norris, The United Methodist Church, Northwest Texas—New Mexico Area.

Reverend David Dyson, Pastor, Lafayette Avenue Presbyterian Church, Brooklyn, NY.

Rev. Daniel Mayfield, Knoxville, TN.

Rev. Derek Simmons, First AME Zion Church, Knoxville, TN.

Rev. Walter Shumpert, Houston St. Baptist Church, Knoxville, TN.

Rev. Brian Relford, Logan Temple AME Zion Church, Knoxville, TN.

Rev. Dr. Terrie E. Griffin, Founder & President of HEALAIDS Inc., Richmond, VA.

Dr. Jesse Gatling, Richmond, VA.

Rev. Rufus Adkins, Richmond, VA.

Rev. Joan Armstead, Richmond, VA.

Dr. Charles Sr. Baugham, Richmond, VA.

Rev. Selwyn Q. Bachus, Richmond, VA.

Dr. Louis R. Blakey, Richmond, VA.

Rev. Meredith J. Blow, Richmond, VA.

Rev. Delores O. Booker, Richmond, VA.

Rev. J. Elisha Burke, Richmond, VA.

Rev. Gloria W. Flowers, Mechanicsville, VA.

Rev. Dr. G.G. Campbell, Richmond, VA.

Rev. Marie G. Arrington, Richmond, VA.

Rev. Joseph A. Fleming, Richmond, VA.

Dr. Samuel F., Jr. Williams, Richmond, VA.

Rev. Dr. B.S. Giles, Mechanicsville, VA.

Rev. Dr. Terrie E. Griffin, Richmond, VA.

Rev. Queen Harris, Richmond, VA.

Rev. Barbara Ingram, Glen Allen, VA.

Rev. William Jenkins, Sandston, VA.

Rev. John E. Jr. Johnson, Richmond, VA.

Rev. D. Wade Richmond, Richmond, VA.

Rev. Dr. Robert L. Taylor, Glen Allen, VA.

Rev. Fernando, Sr. Temple, Richmond, VA.

Rev. Robert E. Sr. Williams, Richmond, VA.

Rev. Lucille L. Carrington, Richmond, VA.

Rev. William Moroney, Missionaries of Africa, Washington, DC.

Mr. WELLSTONE. Mr. President, I want to say to my colleague from Florida, given the remarks I am about to make, that I know when it comes to the United States-Caribbean Basin Trade Enhancement Act, although we have a number of trade bills that are lumped together right now—he is interested in one of the questions that I am going to be raising today and one of the reasons I oppose this. I certainly hope we can have some enforceable labor standards. I will talk about that in a moment.

I want to say one of two things. Either the debate on S. 1387 and S. 1389 is not the debate that we should be having now, or if we do move on to this legislation—I ask for the yeas and nays on the motion to proceed.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WELLSTONE. If we go forward, I want to make the case that either we should not be considering this legislation, or if we go forward, a number of Senators are very anxious to have the opportunity to bring amendments to the floor that are all about our work and representation of the people in our States. In particular, I want to make the case that I have an amendment that I have said to the majority leader for the last 4 weeks—I have had to even put holds on other bills of some Senators, making the point that I am not opposed to your legislation. I don't want it going through by unanimous consent, and I only want an opportunity to have an up-or-down vote on this amendment that deals with the mergers and acquisitions that are taking place in agriculture.

My view is we ought to have a moratorium on these mergers and acquisitions at least for the next 18 months. We ought to do that because, right now, this frightening concentration of power on the part of these packers and grain companies and on the part of these middle men, on the part of these exporters is driving our family farmers and producers off the land—that along with record low prices. The two are interrelated. I certainly, as I speak today—and probably this afternoon—will talk about that amendment and talk about why I believe so strongly that I should have the opportunity to—and I intend to—bring that amendment out on this legislation if we go forward.

I also want to say I don't think the debate on campaign finance reform should be over. It is too central an issue to politics and public life in America. I think it is the core problem. I think it is one of the major reasons why people are so disillusioned. I had an amendment that I brought to the floor, which basically went down when those who were opposed to campaign finance reform were able to block the legislation.

The amendment I am focused on says, look, if we are not prepared to enact bold reform, then at least let's not get in the way of citizens around the country who, at the grassroots level, are making a difference. And if the people in Maine, Vermont, Missouri, Massachusetts, and other States are going to go forward with the clean money/clean election initiative, which is a way of getting the big, private interest money out and basically making sure the public financing means these elections belong to the people, they ought to be able to apply that to Federal races as well, the Senate races and House races. For any Senator or Representative, it would be voluntary on our part as to whether we want to be part of that system. But States ought to be able to pass legislation to present that option. I will have that amendment, and I will be ready to introduce that amendment to this legislation. I don't think the debate on campaign finance reform should be over. I hope other Senators will come out here with other amendments to deal with campaign finance reform.

If we think this is such a central issue, if we think this is an issue perhaps of the same importance as the civil rights question and legislation that we passed in 1964 and 1965, we ought not to be abandoning this fight. And there are a number of us with amendments.

For me, again, my answer on that is, first and foremost, the producers and the family farmers of my State are being driven off the land. I think the farm policy is a miserable failure. I think we have to make some changes. I am hoping people on both sides of the aisle will agree. I am not interested in pointing fingers and saying you cast the wrong vote X number of years ago; you are wrong, and you are wrong. I am interested in making some modifications and changes to get farm prices up and farm income up to give our producers a fair shake. That is what I am interested in. I certainly am interested in this whole question of campaign finance reform.

I also want to say to colleagues that I certainly hope we consider an amendment on raising the minimum wage. We have been trying to get this amendment up for some time now.

Senators should have an up-or-down vote. If Senators are opposed to raising the minimum wage $1 over 2 years, then Senators can come out here and say they are opposed and make their case. I think that is the way it should be. I am sure I will hear some good arguments on the other side of the aisle, or maybe even among some Democrats. I don't know why they oppose raising the minimum wage. I think some of them will be forceful arguments. But the point is, we ought to be accountable. The point is, we ought to be willing to have an up-or-down vote. I am assuming there will be Senators who will want to have an amendment on raising the minimum wage, Senator KENNEDY being the leader of this effort with any number of us joining in.

Finally, before I get to the substance of this bill, I want to bring up another topic which I am sure some of my colleagues are tired of. This will be the fourth round where I have been making the appeal that we ought to have the courage to do the policy evaluation to know what is happening with the welfare bill. Every time I do this, I am either defeated by a close vote or it is passed and then dropped in conference. I think that has happened again. To me, it is outrageous. I will have an opportunity to talk about this when I introduce this amendment.

But to make a very long story short, to cut the welfare rolls in half does not necessarily mean we have success. We have success when we have cut poverty in half; we have success when welfare recipients, who by definition are basically single-parent families—women and children primarily—are better off economically. So we ought to know, as women and children are essentially no longer receiving welfare assistance, do women have jobs now? What kind of wages do they pay? We need to understand. The Families U.S.A. study says 670,000 of America's children have no medical assistance because of this bill. Do they still have health care coverage or not? In addition, we ought to know with the 30- to 35-percent drop in food stamp participation—the Food Stamp Program being the major safety net program for children's nutrition—does this mean more children are now going hungry today in our country?

Finally, we need to know whether or not there is affordable child care. We ought to at least do the honest policy evaluation. Given, again, the conference committee dropped this, I will be back with this amendment.

After having said that, in particular, again, let me emphasis my primary focus—there are a number of amendments—which is, more than anything else, I want to make the fight on agriculture. I want to have the opportunity to bring to the floor of the Senate an amendment and legislation that I think will help alleviate some of the suffering among family farmers. I want to do that. I think we should have, before we leave, the opportunity to have a debate about ways in which we can change agricultural policy for the better. If other Senators have other ideas, I think that is great as well. I do not want to see us leave without trying to take some positive action.

After having said that, I think this debate about the CBI and the African trade bill could be useful and enlightening. I said this on Friday as well. The question really is, when we talk about trade policy, we want to know whether we can make the global economy work for working families. That is the test: Can we make this new global economy work for working families in our country. I am an internationalist. I argue for the people of the other countries as well.

Senator FEINGOLD introduced an impressive and innovative bill based on legislation that was introduced in the House by JESSE JACKSON, Jr., that blazes a trail for U.S. trade policy. It is truly ground breaking.

Finally, people who want our trade policy to work for working families will have an alternative that I think they can wholeheartedly support. I don't think the issue is whether or not we expand trade. I don't think the issue is whether or not the United States of America is part of an international economy. I certainly don't think the issue is that we should put walls up on our borders. I think the issue is, on whose terms are we going to expand trade? What are the rules and who benefits from those rules? I am interested in the rules of trade. I am not interested in trade without rules. Let me say that again. I am interested in the rules of trade, which means I am interested in trade. I am not interested in trade without rules.

In this case, the choice could hardly be clearer. The Feingold-Jackson legislation, called the HOPE for Africa Act, says the expansion of trade should benefit working families and poor families in America and in Africa. Trade agreements should be about making the global economy work for ordinary citizens. The HOPE for Africa bill says if you are really serious about raising labor and environmental standards across the globe, then we have to have enforceable—let me mention that two or three times—enforceable protections built into our trade agreements. The HOPE for Africa bill says that we can't be serious about wanting to help African countries develop economically if we don't do anything about their crushing debt burden. The HOPE for Africa bill says that the lives of Americans or the lives of Africans suffering from AIDS are more important than the monopoly profits of the pharmaceutical companies. The HOPE for Africa bill has its priorities set straight. It expands trade the right way by putting people first. We have heard that before. Why don't we make it a reality?

Our other option, I fear, is more of the same, more NAFTAs—NAFTA for the Caribbean, NAFTA for all of South America, NAFTA for Africa. I certainly don't want to see IMF-style economic policies that I think have been impoverishing one country after another all over the world with the austerity measures—raise interest rates, try to export your way out of a crisis, and more investment protections for multinationals to export jobs overseas so they can avoid complying with American-style labor and environmental standards. That is what we are talking about—more investment protection for multinationals to export jobs overseas so they can avoid complying with American-style labor and environmental standards—more trade incentives so multinationals can shift those goods right back into the United States, competing against American workers trying to organize a union.

The message is: Try to organize a union and we go to another country. More enforceable protections for the interests of multinationals and foreign investors and more unenforceable lip service for the interests of working families. This is a policy that says to working Americans: Don't even try to organize a union.

This is the main basis of my opposition. Do that and we will move jobs overseas with special trade and investment incentives. It says to workers overseas, don't try to organize a union; the only way to compete for foreign investment is by accepting rock bottom wages.

That is the flaw in this trade legislation. It is a pretty good deal for an investor who wants to save labor costs, but it is a pretty rotten deal for an American worker or worker overseas. That is what is at issue. We are basically saying to working Americans: Don't even try to organize a union; do that and we will move your jobs overseas. That is what we are saying.

It says to the workers overseas: Don't try to organize a union; the only way to get the foreign investment is by accepting rock bottom wages.

It is great for the investors who want to save labor costs, but it is a rotten deal for an American worker and it is a rotten deal for a low-wage worker in another country.

I want to see a global trade policy that works for workers. I want to see a trade policy that lifts the living standards of workers. This is a developmental model that has failed time after time. This is the way of the past. It is time to say good riddance once and for all.

It is not as if we don't have any choice. The Feingold bill gives a clear alternative. It is called the HOPE for Africa Act. We need something similar for the Caribbean. I know my colleague from Florida is now working on trying to have some enforceable labor standards. That would make a huge difference.

We have a World Trade Organization meeting coming up in Seattle. I hear the discussion from the administration and others who want this trade legislation to pass. They think it is possible we could push for meaningful and enforceable labor and environmental standards.

What kind of message are we now conveying, with about a month to go before this critical WTO meeting, when we are talking about a bilateral trade agreement which does not have any enforceable labor and environmental standards? I ask the administration: Where are you going with this? What is your message to labor? What is your message to the environmental groups? What is your message to the human rights groups? What is your message to all the nongovernment organizations that are going to be out in Seattle?

As a Senator, I will be proud to join them. On the one hand, we have the rhetoric that says we think it is possible through WTO to have enforceable labor and environmental standards. That is implied in the rhetoric. At the same time, we have some trade bills that the administration is saying we have to pass; this is a No. 1 priority; we have to pass them before the WTO, which communicates the exact opposite message. They basically say we are not interested in enforceable labor standards; we are not interested in enforceable environmental standards.

And, by the way, the message for farmers and producers in my State: If we don't have an opportunity to offer amendments, we are also not interested in trade policy that gives them any kind of fair shake. Both Senator DORGAN and Senator CONRAD will be out here, as well.

I will say that 1,000 times over the next X number of hours: If we don't have the commitment to enforceable labor and environmental standards in our bilateral trade agreements, how can we credibly expect to include them in multilateral agreements?

I think this legislation in its present form sets a terrible precedent. I think it goes in exactly the opposite direction from the words I hear the administration speak. I think it goes in the exact opposite direction from the rhetoric of at least some of my colleagues.

I am interested in negotiations. Senator GRAHAM has talked about the United States-Caribbean trade agreement and is trying to work on enforceable labor standards. However, I don't now see it in any of these trade bills. From my point of view, I think we have to have some enforceable labor standards that give working people in these other countries the right to organize and bargain collectively.

If someone in the Senate says that my insistence as a Senator from Minnesota on some enforceable global labor standard is protectionist and that is the case, then we might as well say the Fair Labor Standards Act is also protectionist. That is the piece of legislation that relates to commerce in States in our country. We are saying we are going to apply this to all the States. Companies are not going to be able to have these atrocious child labor conditions. We will have protection dealing with child labor. Senator HARKIN will probably be here with an amendment dealing with that. We will make sure people have a right to organize and bargain collectively.

If we live in a global instead of a national economy—haven't I heard all Members say that—then we need the same kind of rules on the global level that we have on the national level for exactly the same kinds of reasons.

I will come back later this afternoon to critique the legislation. I am preparing amendments to introduce.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the very distinguished Senator from Minnesota, Mr. WELLSTONE, for his graciousness in yielding the floor. I realize this is somewhat inconvenient for him, but I deeply appreciate his kindness in yielding at this time.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. BYRD. Mr. President, the Senate today is a sadder, lesser place. Like many others, I am shocked and saddened by the sudden loss of Senator John Chafee. My thoughts, and my wife Erma's, go out to his family—to his wife, Virginia; his sons, Zechariah; Lincoln; John, Jr.; and Quentin; and his daughter, Georgia.

I understand the funeral will take place this coming Saturday in Providence. Senator John Chafee is the eighth Senator from Rhode Island to die in office, the second in this century, since Senator LeBaron B. Colt on August 18, 1924.

Since his first election to the Senate in 1976, Senator Chafee was the kind of Senator upon which the smooth running of the Congress has always depended. He was a man of great humor, gentleness, thoughtfulness, and compromise—none of which detracted from his clear views and opinions as to what the best course of action was for the nation. He could disagree with his colleagues and still find a way to move forward on issues that were important to him.

This was a man devoted to the well-being of his country, in war and in peace. As others have stated, Senator Chafee served in World War II and in Korea. He also served as Secretary of the Navy. He served in the state legislature and as Governor of Rhode Island before his election to the Senate. He is a man who heard the clear call of duty and of love for his country and its people like a church bell ringing over the gentle hills of his beloved Rhode Island. His acts of faith came daily in his service to that calling bell.

His golden locks time hath to silver turn'd;
O time too swift, O swiftness never ceasing!
His youth 'gainst time and age hath ever spurn'd
But spurn'd in vain; youth waneth by increasing:
Beauty, strength, youth, are flowers but fading seen;
Duty, faith, love, are roots, and ever green.

So wrote poet George Peele in the 16th century. But surely John Chafee's sense of duty and his faithful service to the nation will prove equally evergreen, living beyond his untimely demise in laws and legislation that bear his stamp of compromise and caring for even our smallest and most helpless citizens.

We live in deeds, not years; in thoughts, not breaths;
In feelings, not in figures on a dial.
We should count time by heart-throbs. He most lives
Who thinks most—feels the most—acts the best.

Senator Chafee was consistent in his feelings, in his outlook, and in his actions. He always looked out for children in the health care debates that have consumed the Senate. His love of nature and his championing of environmental causes is well known, but tempered by his sense of fairness and practicality. He supported the Clean Air Act and the Rio treaties on global climate change and biodiversity, but he also supported requiring cost-benefit analyses of Environmental Protection Agency regulations and voted in support of the Byrd-Hagel Resolution requiring developing nation participation and a cost-benefit analysis of the Kyoto Protocol on global warming before the Senate would consider that treaty. Senator Chafee was a principled man. He was true to his bedrock beliefs, but he was not so idealistic that he would sacrifice success for unyielding principle. In doing so, he advanced his causes most effectively.

For a man as battle-tested as his history suggests, Senator Chafee was known for his civility and his ability to seek a gentler, more civil path in the often strife-torn and partisan Senate. I have not served on any committees with Senator Chafee, but I was well aware of his ability to work with colleagues from both sides of the aisle to ensure the success of his legislative agenda. This talent ensured that he would be sorely missed upon his retirement from the Senate next year. Upon announcing his retirement plans last March, he made it clear that he was not "going away mad or disillusioned or upset with the Senate. I think it's a great place," he said. I think it was a greater place for his presence. It is merely unlucky chance that he is gone before we could all savor our last months in his company.

Now, we must instead hold close our best last memories of this kind and gentle man, crusty New Englander that he was. We must measure the legacy that he leaves in legislation and in the fine example that he set with his life. Only thus can we, in the poet William Wordsworth's words, aspire to "Intimations of Immortality:"

> Though nothing can bring back the hour
> Of splendor in the grass, of glory in the flower;
> We will grieve not, rather find
> Strength in what remains behind;
> In the primal sympathy
> Which having been must ever be;
> In the soothing thoughts that spring
> Out of human suffering;
> In the faith that looks through death,
> In years that bring the philosophic mind.

Senator John Chafee leaves behind a rich legacy that honors his name, his State, and the United States Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, this sad and somber day, we recall our wonderful friend John Chafee and begin to appreciate how much he will be missed. We extend our love and respect to his family. I suspect John would like us to move forward with the business of the Senate. As Senator BYRD has just said, he was a crusty New Englander, and I believe John would be very happy with that description. One of the many admirable traits of crusty New Englanders is that they like to get down to business.

AFRICAN GROWTH AND OPPORTUNITY ACT—MOTION TO PROCEED—Continued

Mr. GRAHAM. Mr. President, one of the last conversations I had with John Chafee just a few days ago was about the legislation we are now considering. John Chafee, as in all things, was a commonsense pragmatist. I do not know how he would have voted on these measures, but I think he would have been appealed to by the practical rationale for the United States moving forward in the way this legislation directs us.

This legislation, which was a product of the Committee on Finance, on which Senator Chafee served with such distinction, a committee in which he had voted for this legislation as a member of the committee during the time it was being considered there, I believe embodies many of the principles for which John Chafee stood. I want to particularly talk about one component of this legislation, and that is the United States-Caribbean Basin Trade Enhancement Act component.

Since the passage of the North American Free Trade Agreement, our Caribbean and Central American neighbors have been at a competitive disadvantage. There is now a benefit of in the range of 5 percent to 10 percent, having the identical production factories located in Mexico as opposed to in Central America or Caribbean nations which are members of the Caribbean Basin Initiative. It has been stated we should have dealt with this issue when the North American Free Trade Agreement was first adopted. Unfortunately, we did not. Today, we have the opportunity to begin the consideration of the restoration of parity and balance within our region.

I thank Senator Lott for his support in bringing this important legislation to the floor. I also thank Senator ROTH and Senator MOYNIHAN for the leadership which they have provided through the consideration of this legislation in the Senate Finance Committee.

Over the last 5 years, I have worked to enhance and build upon our existing trade relationship with our neighbors in the Caribbean Basin region. On February 3 of this year, in response to the overwhelming devastation and destruction caused first by Hurricane Georges and then by Hurricane Mitch, I introduced the Central American and Caribbean Relief Act. This bill represented a broad and comprehensive strategy to provide immediate disaster relief, economic and infrastructure recovery, and long-term trade enhancement that would benefit both the United States and the countries in the region.

On March 23, 1999, we passed legislation that provided immediate disaster relief to the countries in the region that were impacted by Hurricanes Georges and Mitch. This legislation included $41 million of debt relief. We wiped out all of the bilateral debt of these countries to the United States and contributed to a Central American relief fund which will be beneficial in terms of reducing other forms of indebtedness of those countries that were so ravaged by the hurricanes.

I am pleased that now we are considering a bill that includes many of the long-term trade enhancement provisions that were part of the Central American and Caribbean Relief Act. Enacting this legislation is critical to the continued economic growth and health of our Nation and the economic health of our closest neighbors in the Caribbean and Latin America. It is also in the national security interest of the United States of America.

Let me review what are some of the compelling reasons for the adoption of this legislation.

First, humanitarian. I have made three trips to Central America and the Caribbean since the devastation of Hurricane Georges and Hurricane Mitch. As a Floridian, I have had some exposure to the destruction that hurricanes can inflict upon a community. I can say I have seen nothing the likes of which I saw in Honduras after Hurricane Mitch. I know that many of my colleagues have also seen the destruction caused by these hurricanes. These two destructive storms caused a level of death and devastation not seen in the Western Hemisphere in over 200 years.

We have all heard of the tremendous loss of life, the economic disruption, the human suffering caused by these hurricanes. As a neighbor, a friend, and a great Nation, the United States has both a history and a current obligation of response with assistance to those in need, especially those nations and those peoples who are our closest neighbors. Providing enhanced trade benefits will be a significant part of that humanitarian response. It will allow nations that had major parts of their economies, particularly agricultural economies, devastated by these hurricanes to begin to rebuild on a more diversified and stable economic basis.

A second reason to pass this legislation is economic. Caribbean Basin enhancements are in the best economic interest of the United States. Experience shows us that providing trade benefits to the Caribbean Basin is good business for the United States. Following the enactment of the Caribbean Basin Initiative in 1983, our trade position with the region has improved from a trade deficit of $3 billion with the Caribbean Basin, which we suffered in 1983, to today approaching a $3.5 billion trade surplus. These are not only good neighbors, but they are good trading partners. They are trading partners who, on a per capita basis, have consistently outpaced all other regions of the world in terms of the U.S. trade surplus.

Between 1983 and 1998, U.S. exports to the region increased fourfold, while total imports into the U.S. region grew by less than 20 percent. In fact, since 1995, U.S. exports to the CBI countries have increased by approximately 32 percent. There are over 58 million consumers in the 24 countries represented by the CBI region. Seventy percent of their nonpetroleum imports come from the United States.

Let me repeat that: 58 million consumers in 24 countries close to the United States; 70 percent of their nonpetroleum imports come from the

United States. Yet there is another reason to strengthen the Caribbean economies, and that is the importance of the stability of our closest neighbors.

When the CBI bill was adopted in 1983, the Caribbean Basin, particularly Central America, was in flames with violent conflicts and rampant drug trafficking. The primary goal of the initial CBI legislation was to stabilize the region by building stronger, more diverse economies. These economies were seen as a critical element in supporting democratic governments.

Our national security and our continued interest in reducing the level of flow of illegal drugs and illegal immigrants into the United States was also at stake in the stability of the region.

According to the Department of State's Bureau of International Narcotics and Law Enforcement Affairs, increased law enforcement efforts along the Southwest border of the United States have again encouraged drug traffickers to reactivate their old, well-established smuggling routes in the Caribbean and Central America. Recent cocaine seizures in the regions bear this out. In 1998, authorities in the Dominican Republic seized 2.4 metric tons of cocaine. During the same period, Guatemalan authorities seized 9.2 metric tons of cocaine, and Panamanian authorities seized 11.8 metric tons of cocaine. Cocaine seizures in the Bahamas during 1998 totaled 3.7 metric tons, the highest level in that country since 1992, while at the same time an estimated 54 metric tons of cocaine flowed through Haiti.

Experience tells us the vast majority of this cocaine was destined for the United States of America. Without assistance to restart the regional economy, without assistance to make it possible for people to provide for their families, the nations in this region will be even more susceptible to the scourge of drug trafficking. The people of this region must have opportunities in the legal economy so they may feed their families and resist the financial temptations associated with drug trafficking.

Failing to enact CBI enhancements will increase the pressure for illegal immigration into the United States. The people of the CBI region must have the real opportunity at home so they are not forced to turn to illegal immigration to find employment and feed their families.

The painful lessons of the 1980s need not be repeated as we move into the new century. We can act—we must act—to prevent it.

Today, I want to focus on yet another reason why passing the Caribbean Basin Initiative enhancement legislation is so critical. The reason can best be demonstrated by looking at these two shirts. This golf shirt is made in China. It is made from fabric that was grown by Chinese farmers, woven in Chinese textile mills. This shirt costs approximately $4.75 to produce. This shirt was made by a Caribbean Basin country, similar plant. It was made with fabric that was grown on U.S. farms, and it was spun in U.S. textile mills. This shirt costs approximately $5 to produce. Both of these shirts were imported into the United States for sale at U.S. retail stores. There is no significant difference between these shirts, save the location, China and Nicaragua, where they were manufactured, and where the components were grown and spun into textile—China, the United States of America. Each of these shirts sells for approximately $19. That is the price the law of supply and demand has set upon these items.

Mr. President, I ask unanimous consent to be allowed to present these shirts before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. One might ask the question of basic economics. If the Chinese shirt is identical to the Nicaraguan shirt, if the Chinese cotton that is spun into this shirt is to the consumer essentially the same as the American cotton, which is spun into the Nicaraguan-assembled shirt, and yet the Chinese shirt costs 5 percent less to produce, sells for the same price, why is it there are any shirts being produced in Nicaragua or in the other Caribbean Basin countries?

Well, there are several reasons why there is a market for the more-expensive-to-produce CBI shirt. Transportation costs between the Caribbean Basin and the United States are less than the transportation costs between China and the United States. The proximity of the Caribbean Basin to the United States means that transit time for textile products manufactured in the CBI region and destined for sale in the United States is significantly less than transit time for Chinese products. This is a particularly important factor in the apparel industry with its rapid style changes. But neither of those are the most important reason.

The most significant reason why there is a market for the Caribbean-assembled shirt, the shirt which assembles U.S. cotton which is milled in U.S. textile mills, the most important is because there is a limitation on the number of these shirts which can be imported from China.

In 1999, the import quota for Chinese-manufactured shirts, such as the one I hold today, the exact number of these shirts which can be imported from China to the United States is 2,336,946 dozen per year. Imports of the shirt manufactured in Nicaragua, as well as other Caribbean Basin countries, where U.S.-grown and processed cotton is the basis of manufacture, are not subject to quota restrictions. The difference represented by these two shirts will become much more apparent in the year 2005, a watershed year for the textile and apparel industry in the United States and the Caribbean Basin.

Why is 2005 such a significant date on the calendar? The import quotas which are currently applicable to textile products of most Asian nations, originally imposed under the Multi-Fiber Arrangement, now the Agreement on Textiles and Clothing, will be phased out. There will no longer be, for most Asian nations, a quota limitation on the number of items such as this golf shirt which can be imported into the United States. At that time, textile production in the Caribbean Basin will be placed in a distinct and growing disadvantage due to its higher cost of production. Disinvestment in the region is a real potential, reducing the incentive to use any material from U.S. textile mills or cotton grown in the United States. We face the prospect in the year 2005, with the lifting of the quotas, that the already 5-percent production cost advantage of Asian countries will expand, as they are able to spread their production cost over an unlimited number of apparel items to be imported into the United States.

The transportation and proximity advantages of the CBI country will not be able to sustain the raw economic advantage of the lower cost of production under current standards in Asia.

That is why passing CBI enhancement legislation now, in 1999, is critical to U.S. textile and yarn industries as well as to U.S. cotton growers. There are 64,000 U.S. textile workers who are dependent on this partnership of textile produced in the United States and assembled in the Caribbean for their jobs. Overall, 400,000 U.S. jobs are dependent upon textile exports to the CBI region. Last year, $4.5 billion worth of U.S. textile and apparel products were exported to the CBI region for assembly. Only by providing incentives for the development of stronger relationships with apparel manufacturers in our hemisphere will we have any chance of maintaining a market for U.S. cotton and textiles after the quotas are eliminated in 2005.

We must see this 5-year period as a period of challenge, a period in which we must increase the production competitiveness of U.S. textiles and Caribbean apparel. If we squander these 5 years, we face the very real prospect that we will be having a debate over nothing because, with the lifting of the quotas, there will be a strong incentive for this industry and the cotton farmers and the textile workers who support it to move from the Caribbean to Asia.

Developing strong relations with the countries in the Caribbean Basin, therefore, will not only promote political stability, will not only be in our humanitarian tradition, but will also be critical to the economic health of an important American industry.

An independent economic analysis funded by the Inter-American Development Bank and prepared by Professor Raul Hinojosa-Ojeda of the UCLA School of Public Policy and Social Research and Professor Robert K. McCleery of the Monterey Institute for International Studies makes just this point. The numbers are clear.

According to the American Apparel Manufacturers Association, without CBI enhancement, U.S. textile and agriculture will be adversely affected, and the U.S. economy will suffer. Currently, 50 percent of the apparel items consumed in the United States are manufactured with U.S. cotton. Industry estimates indicate that if we can increase the attractiveness of the Caribbean Basin as the place of assembly, that number will grow from 50 percent of U.S.-consumed apparel made with U.S. cotton to 70 percent. But if we fail to act, if we allow this partnership of U.S. textile and Caribbean assembly to wither, this number will drop to 30 percent. Without these enhancements, the U.S. cotton content will continue to decline, as apparel producers look to reduce costs and will move towards products made from cheaper labor and cheaper materials, primarily in Asia.

The impact of the Agreement on Textiles and Clothing and year 2005 changes on man-made fiber industries will be comparable to the cotton situation. Without CBI enhancements, the U.S. man-made fiber content of imported apparel will continue to significantly decline. Without CBI legislation and in the face of year 2005 quota reductions, producers of man-made fibers will be inclined to relocate their production facilities in order to take advantage of lower wages and production costs. If we begin to work to establish stronger relationships with the nations of the Caribbean Basin, we will be able to provide incentives to sustain these industries in our own hemisphere.

Inherent in our CBI enhancement efforts are public and private investment incentives that will increase productivity and the quality of life within the region. We anticipate the textile industry will provide investment capital targeted for the construction and maintenance of schools, health and child care facilities, and technology enhancements to increase the productivity of both workers and existing manufacturing facilities. A well trained and healthy workforce will be more productive and efficient as Caribbean Basin producers compete for shares of the international textile market.

We have an unprecedented opportunity to strengthen our economic and national security through the enhancement of our trade relationship with our neighbors in the region. We must act prior to 2005 to build a dynamic, formidable Western Hemisphere trade alliance that encourages U.S. industry to invest in the region and to make commitment to rebuilding the industrial infrastructure in the region.

We are about to make a fundamental decision that will impact our closest neighbors, a decision that will impact a significant part of the economy of the United States. We can choose to create a climate where the United States and our neighbors can be competitive into the 21st century or we can repeat the same turmoil of the 1980s. The choice is clear, it is stark, and I think it is beyond reasonable debate: Will we engage or will we retreat?

I urge you to extend this assistance to our neighbors to expand commerce and promote economic and political stability in the region. A primary beneficiary of that stability and expansion, a primary beneficiary of the new enhanced partnership between the United States and our neighbors in the Caribbean, will be the United States of America and its citizens.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IN HONOR OF SENATOR JOHN CHAFEE

Mrs. HUTCHISON. Mr. President, I rise today to talk about a friend, an athlete, a scholar, a lawyer, a Governor, a Secretary of the Navy, a Senator, and a marine—not necessarily in that order.

The Senate and our country have lost a great man with the passing of John Chafee. He exemplified everything that is so good and decent and honorable about our country. A man born to privilege, he also recognized a duty and an obligation to serve his country. As a young freshman at Yale, he was moved to action by the Japanese attack on Pearl Harbor. He became a marine because he wanted to fight, and they promised him he would do just that in the Pacific.

So many of our World War II generation, called by Tom Brokaw "our greatest generation," did exactly what John Chafee did. They left their ivy league campuses and their State universities, their jobs and their families, and they saw it as their duty to serve.

The Marines delivered on their promise; they gave John Chafee a chance to fight. Soon after his initial training, he found himself as a young private on the beach at one of America's bloodiest battles, at Guadalcanal. Several years ago, at a program at the Smithsonian, Senator Chafee joined a group of World War II veterans who discussed their memories of the war. John Chafee related that the lesson he carried with him was that there was no rhyme or reason to who lived and who died in combat. He said he learned that it didn't matter how good a marine you might be, the incoming artillery rounds and the enemy bullets did not discriminate among good and bad marines and that if one survived it was not though personal merit but by the grace of God. He came away from that experience with a commitment to live honorably and well because he recognized that every day was a gift and because he owed that to those who he left behind on those fields.

He went on to receive a commission as a lieutenant and the Marines continued to provide those opportunities to fight in other bloody battles in the Pacific theater including Okinawa.

When the war ended, he took off his uniform, returned home, and picked up where he left off. He graduated from Yale where he distinguished himself as a collegiate wrestler and captain of the Yale wrestling team. Although a supremely modest man, the one honor for which he was always very proud and willing to talk about was his induction several years ago into the Collegiate Wrestling Hall of Fame in Oklahoma.

After Yale, he went on to Harvard and graduated in a class filled with many other veterans with similar war records including Senator TED STEVENS. But soon after graduating from law school, John Chafee learned the Marines weren't done with him and their promise to give him a chance to fight.

In fact, John Chafee related this experience to me when we were driving together in a car to see the mustering out of one of my favorite aides, my legislative aide Dave Davis, whose wife happened to be John Chafee's personal assistant. We were going out together because this was a big day for Dave Davis. He was going to leave the Army and to come with me full time. I must say it was a great day for me. John Chafee said: You know, I left after World War II, and I thought I was finished. I didn't sign any papers saying I had left the service; I didn't think it was necessary. And all of a sudden, one day during the Korean war, I get a notice from the U.S. Marines saying you never left the marines, and we are going to send you to Korea. He said: My gosh, I was so surprised.

He was no longer an 18-year-old who was looking for a place to fight. He had a wife and child. He had just graduated from Harvard Law School with a bright future ahead. John Chafee said: I still have a commitment and I am going to keep it.

He said he had a responsibility to young marines to teach and tell them what he knew from his own combat experience because he knew that would be helpful. He answered the call without complaint and once again distinguished himself as a marine company commander in battle against the Chinese in North Korea in the mountains of Korea.

One of his young lieutenants in that company in Korea was the novelist and writer James Brady. Brady wrote a book about his experience in the Korea war entitled "The Coldest War" and John Chafee is the hero of that story. Brady writes.

> That's how it is in the Marine Corps. There are rules and a subtle understanding some of them are to be broken. Colonels broke rules, I suppose generals did, enlisted men broke them, I broke them whenever I could with circumspection, but Chafee never. Captain Chafee kept the rules. Not that he was prissy. It simply did not occur to Chafee to cut corners.

Brady also writes about not having a chance to tell John Chafee how much he meant to him in a way in which many of us in the Senate can identify with today.

> There was so much I wanted to say: what his confidence meant to me, how I admired him, how much he'd taught all of us. He was the only truly great man I'd met in my life, and all I had the time to do was say thanks. Maybe he understood.

We all know his incredible achievements after returning from battle. He continued to serve his native Rhode Island well as a three-term Governor and then Senator for 23 years. He also continued to serve his beloved Marine Corps as the Secretary of the Navy.

He kept faith with all those marines who paid the supreme sacrifice in the Pacific and in Korea by living a good life and representing them well. He was always Semper Fi to the Corps.

One story recalled by another member of the platoon years later at a gathering of Korean war veterans told of how John Chafee's Marine company was moving across snow-covered ground that was believed to be covered with landmines. No one in the company was eager to march through the area so Captain John Chafee, showing no fear, took point and led his men through the snow. When the marines reached the top of the hill, someone looked back and observed that the entire company had left only one set of tracks as each marine had carefully stepped exactly in Captain John Chafee's footprints.

This lieutenant observed nearly 50 years later that he and the others were still trying to follow in John Chafee's footsteps.

As did his marines so long ago, many of us are trying to follow in John Chafee's footsteps, setting a standard of decency, civility, and kindness, remembering how to disagree without rancor. This is something all of us in the Senate need to remember when we think of John Chafee. It is the lesson all of us could relearn as we are going into some very tough times in the Senate. He loved this institution. He loved what it meant. We have all been enriched and blessed by his presence.

I hope his legacy will be that all of us will be better for John Chafee having been here because he is known as one of the kindest, most civil, and absolutely great Members of this body by everyone who knew him. I have never heard anyone say John Chafee was not a superior person. Whether or not you agreed with him on the merits of an issue, you could never say he wasn't the best of us.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. VOINOVICH. Mr. President, I rise to pay tribute to John Chafee. Although I am a new Member of the Senate, I worked with John for many years as Governor of Ohio and as vice chairman and chairman of the National Governors' Association. I worked with him to reform Medicaid and welfare and to reform our laws to protect the environment.

I always found him to be a gentleman, a thoughtful man who listened and gave a fair hearing, whether it was in his office or before his committee. I also found him to be a man of profound principle with a deep and abiding sense of care for the less fortunate and the environment.

No environmental legislation emerged from this Congress without his imprint. I am sure he looked at the improving environment in this country as part of his public service legacy. In particular, I remember working closely with him on the effort to reform the Safe Drinking Water Act. I was one of the leads for the Governors of the State and local government coalition, and John, of course, was chairman of the Environment and Public Works Committee.

John was a visionary leader insisting on enhancing protection of public health and, for the first time, requiring the use of cost-benefit analysis and risk assessment in setting environmental standards.

When we in the State and local government community started out, we were told we wouldn't succeed; that the environmental community would never accept these far-reaching reforms.

However, due to John's hard work and credibility, we did succeed and the enactment of the bill was celebrated at The White House. The result was that the bill was viewed as a model for environmental reform by state and local elected officials and as an advancement in the protection of public health by the environmental community.

Since I arrived in the Senate earlier this year, I have been privileged to serve on John's Environment and Public Works Committee. We had many oars in the water, so to speak, bills that we were working on. I am saddened that I did not have more of an opportunity to work with John as a colleague here in the Senate, as so many others did, who have spoken so eloquently of their high regard and treasured friendship with him.

However, it has been a privilege to work with him and serve with him. I have learned from him and his example. There is no one who ran a better or fairer hearing than John. When John chaired a hearing, you could count that it would start on time. In fact, I tried to get there before him to let him know that first. I respected his chairmanship and, second, to take advantage of his "early bird" rule. For those of you who are unaware of the chairman's "early bird rule," it was his way of specially recognizing those who made the effort to show up on time for his hearings. The "early bird rule" provided that he would recognize Senators in the order they arrived—regardless of seniority—although on occasion he did make exceptions if a "late arrival" had a special issue to bring before the committee.

John reminded me of my father-in-law—if you weren't 5 minutes early for a scheduled meeting, he would be standing there waiting for you while looking at his watch.

I have decided that in the future I will no longer refer to the "early bird rule," but will begin a new tradition honoring the chairman by now referring to the "Chafee rule."

Others have spoken of John's military and civic service to his country with beautiful oratory, but I simply want to say that as a freshman he was my role model. John Chafee was an honest, hard working, decent, principled, and straight-forward man. I will miss him and the Senate will surely be the less for his loss.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, there have been a number of my colleagues who have spoken about a wonderful man and a good friend and colleague, Senator John Chafee. I will take a few moments to talk about John Chafee the friend, John Chafee the legislator, and the man who served as a role model for all in public service, regardless of the partisan affiliation, ideology, or views on any particular issues.

I happened to be in New Hampshire yesterday morning—ironically, discussing the possibilities of attending a function in New England honoring Senator Chafee—when I heard the tragic news of his passing. It was, indeed, a shock. I saw John in his wheelchair on the subway after the last vote on Friday. He was engaged in conversation with some constituents, visitors to the Capitol. I didn't interrupt him because I didn't want to interrupt that conversation. I wish I had. That would have been the last opportunity to say goodbye to him.

My thoughts and prayers are with his family, with Ginny and the children and the grandchildren, but also with Senator Chafee's very devoted staff, both on the Environment and Public Works Committee and in his personal office.

Others on the floor have reviewed Senator Chafee's record of achievements. It is an inspiring record. Others have dwelled on it extensively. It stands in stark contrast to what many Americans today think about politics, politicians, and political leaders.

I want to emphasize the qualities of public service and patriotism that motivated John Chafee. In the spirit of Jimmy Stewart, who believed that good leaders should occupy the offices here, John Chafee was in that tradition. As a young man of 20, John left college to enlist in the Marine Corps after the attack on Pearl Harbor. He fought at Guadalcanal, and after that he resumed his studies. After the war, he earned an undergraduate degree from Yale and a law degree from Harvard. He again served his country in the Korean conflict where he commanded Dog Company, a 200-man rifle unit in the first marine division. That is not easy duty.

After serving his country with honor in the military, he embarked on what would be another honorable career for John Chafee; 6 years in the Rhode Island House of Representatives, including the rise to the post of minority leader. He ran for the Governor of Rhode Island and was elected by a 398-vote margin in 1962. His constituents recognized John Chafee's leadership, integrity, and intelligence by rewarding him with two more terms as Governor—in both cases by the largest margins in the State's history.

In 1969, President Richard Nixon appointed John Chafee as Secretary of the Navy where he served with and was succeeded by our mutual friend, JOHN WARNER. John Chafee was elected to the Senate in the bicentennial year of 1976 as the first Republican to be elected Senator from Rhode Island in 46 years. His work as a Senator was rewarded with reelection in 1982, 1988, 1994, and he would have been reelected again in 2000 had that been in the cards.

He was looking forward to spending more time with Ginny and the grandchildren. I think that is the greatest tragedy of all, that they will miss a wonderful husband and a wonderful father and grandfather.

I first got to know John Chafee when I was elected to the Senate in 1990. I served on the Environment and Public Works Committee where he was a ranking member and then chairman. We worked together on all of the environmental bills that come down the pike: Clean Air Act, Clean Water Act, the Safe Drinking Water Act and, most importantly, on Superfund, where we shared the frustrations of working and fighting the good fight, where we had differences on the other side of the aisle. But John was a patient legislator in spite of the frustrations, in spite of the times he could have been angry—politically angry—at those on the other side of the aisle. He never was. One couldn't get him to say one cross word about anybody on that committee no matter what. He wouldn't do it.

I was taking the subway and saw John talking to a person, perhaps posing for a picture. And sometimes the people were not sure who he was. One time a person asked: Do you know which Senator that was, sir? And I said: I do. That is Senator John Chafee. They said: What do you know about him? I said: He is the nicest man in the Senate, and don't forget it.

He was. He looked after his colleagues.

In 1996, when I ran for reelection, there were attacks on my environmental record that were not justified. He came to my aid in New Hampshire and spent a day up there with me deflecting those attacks. Although he was criticized for doing it, he did it anyway. He was glad to do it. I will never forget it.

Both New Englanders, Chafee and SMITH, both veterans, both committed to protecting the environment, John a far greater leader than I in that regard, we did have a lot in common. We disagreed on issues, as well. If there was anyone who ever lived who perfected the art of disagreeing without being disagreeable, it was John Chafee. Many times I marveled at his ability to participate in a heated debate, in close quarters, sometimes without losing his composure and his good humor. One of the qualities I will always remember about John was his demeanor and good humor.

When I first came to the Senate—and Senator WARNER referred to this yesterday—one of his favorite expressions was, "Oh, dear." Senator WARNER spoke eloquently about it yesterday. I had a personal experience with "Oh, dear" when I first came to the Senate in 1990 and we reorganized the Senate. I didn't know people that well. I was getting pressure from some Senators on one quarter to vote for one person for leadership and others were suggesting I vote for Senator Chafee. As I went into the last moments before the vote in the Republican conference, I still had not made up my mind.

Finally I decided. My decision was to vote against Senator Chafee. So I said: I have to tell him this. My conscience would bother me too much if I didn't walk up and tell him before the vote because it was a secret ballot. I walked up and I said: John, I just want to let you know I decided to vote for the other guy, and he just said, "Oh, dear." And he lost by one vote.

It really was the beginning of a long friendship which I will always cherish. There will be a lot of tributes to Senator Chafee over the next several months. None of them will do justice to the memory of his legacy. I would like to propose one myself today, as one small way to deal with that legacy. As we all know, throughout his career John fought for the protection of our natural resources. One initiative many Americans may not appreciate that was sponsored by Senator Chafee in 1982 was the Coastal Barrier Resources Act. I know enacting that into law was one of the proudest moments of Senator Chafee's tenure here.

For the benefit of my colleagues who are not familiar with this act, its primarily purpose is to restrict Federal expenditures and financial assistance that encouraged the development of undeveloped coastal barriers. Development in ecologically critical coastal barriers along the Atlantic and Gulf coasts not only damaged fish and other natural resources but often resulted in the loss of human life as well.

The act permitted Federal expenditures for energy resource development, military activities, channel improvements, conservation activities, emergencies, navigation aids, and scientific research projects. It permitted, but did not require, interested private landowners to enter the system on a voluntary basis. The Coastal Barrier Resources System comprises approximately 3 million acres and 2,500 shoreline miles.

This act was vintage Chafee. It was balanced. It was fiscally prudent. It was environmentally protective. I can think of no more fitting tribute to Senator John Chafee than to name the system created by that legislation the John H. Chafee Coastal Barrier Resources System. I intend to introduce legislation to that effect and look forward to its quick passage with the support of my colleagues.

In closing, I say to Ginny and to the children and grandchildren, our thoughts and prayers are with you. All of us are proud to have called your husband, your father, and your grandfather, a friend. He was a decent, wonderful man. I am proud to call him a friend.

I would like to close reading Psalm 15, which the Chafee staff read in an effort to comfort one another about their leader. The Psalm is as follows:

> Lord, who may dwell in your tabernacle?
> who may abide upon your holy hill?
>
> Whoever leads a blameless life and does what is right, who speaks the truth from his heart.
>
> There is no guile upon his tongue; he does no evil to his friend; he does not heap contempt upon his neighbor.
>
> In his sight the wicked is rejected, but he honors those who fear the Lord.
>
> He has sworn to do no wrong and does not take back his word.
>
> He does not give his money in hope of gain, nor does he take a bribe against the innocent.
>
> Whoever does these things shall never be overthrown.

It is a wonderful tribute from the Chafee staff to their friend and their boss. I don't think it could be said any better than that.

We will miss you, John, but we are a lot richer because you were here with us.

Mr. BAUCUS. Will the Senator yield? I want to tell the Senator what a gracious suggestion he has made, naming the Coastal Barrier Resources System after Senator John Chafee. I cannot think of a more fitting tribute with respect to legislation with which he has been associated. I hope, therefore, we can bring that bill out quickly—I do not think it is controversial at all—and pass it in this session of this Congress. I thank the Senator. I express my appreciation to the Senator for such a gracious thought, and I will join with him, moving as quickly as we can to make that become law with John's name on it.

All of us are at a loss to find the words. We dig down deep to try to ascertain the meaning of John's death. It was so sudden. It happened so quickly, and to such a wonderful, decent, good man. I think basically all of us are going to be remembered to some degree by who we are as people, more than what legislation we passed. We all work together here to pass legislation, but it is really the character of the person that is remembered by family, friends, associates.

I can think of no person for whom I presently do have a fonder memory or more respect than John Chafee. There is no man who was more of a good man than John Chafee. His decency, his civility—they do not come any better. They just don't. We are all thinking about John. Words don't come to us—certainly not to this Senator at this moment—but we all know what a good man he was. We cherish those memories very deeply.

He was a great Senator.

Mr. HOLLINGS. Mr. President, I rise today to remember our friend John Chafee. The state of Rhode Island and the United States have lost a great man—a valiant soldier, a dedicated statesman and a gentleman of a breed we don't see enough of these days.

I always felt an affinity with John because our political careers followed similar paths. Like me, he returned from military service overseas and soon began his political career in his home state of Rhode Island, eventually serving as Governor and then as a United States Senator.

The courage and integrity that earned John accolades in the Marine Corps marked his tenure in the Senate, where he stood up for issues he believed in, no matter the opposition, and worked to break gridlock between Democrats and Republicans and forge partnerships amid partisanship. He knew when to be a leader in his party and when to be a loner, and most people respected him dearly for it. A former Secretary of the Navy, he steered his own course.

Environmentalists will remember John Chafee as their chief Republican ally, a man whose vision led to the crafting of numerous pieces of key legislation, including the 1988 law against ocean dumping, the 1989 oil spill law and most notably the Clean Air Act of 1990. More recently, he led successful efforts to enact oil spill prevention and response legislation and a bill to strengthen the Safe Drinking Water Act. His years of commitment to the protection of the nation's wetlands and barrier islands are also tributes to his environmental legacy.

John had many visions, one of which was providing all Americans with comprehensive health care. His hard work in drafting a Republican health care package and pushing for a bipartisan compromise will not be forgotten. Neither will his efforts to expand health care coverage for women and children, improve community services for persons with disabilities and reduce the federal budget deficit.

Democrats and Republicans alike in John's home state of Rhode Island knew they had a friend in their Senator. He fought for local issues with the same vigor as national ones. When he announced this March that he would not seek a fifth Senate term in 2000, he became emotional as he explained, "I want to go home." In many ways I think John has gone home, in that he took his deep love of Rhode Island and its residents with him as he left this earth on Sunday.

As a Marine, John Chafee followed the motto "Semper Fi," or "always faithful." He carried that motto with him throughout his life. He was always faithful to his state, his country and his family. I will miss him and his statesmanship on the Senate floor.

Mr. ENZI. Mr. President, even now that we've had a moment to pause and reflect, it's hard to believe just how quickly John Chafee was taken from us. His passing, without any warning, caught us all unawares, and it leaves a hole in our lives and our work that will not be easily filled.

Like so many of my colleagues, I will always recall John's friendly, courteous personality—the way he listened carefully to what you had to say and explained any differences he had in position or philosophy. His interest in a vast variety of subjects and the knowledge and insight that he shared on them made him both a friend and a teacher to his colleagues in the Senate.

I remember my first year in the United States Senate. I was working hard on an issue I really wanted to make some progress on. In an effort to encourage people to clean up environmental hazards, some States had provided a way where businesses could search for problems, identify them, begin to correct them, and then have reduced or no fines depending on the severity of the situation. The language of this regulation varied from State to State. Then the Environmental Protection Agency started coming into the States following these environmental audits and fining people. They were also threatening to take away the State's ability to continue to allow these audits.

I drafted a bill to make the environmental audits federally accepted. I wasn't on the right committee for this legislation and I hadn't had an opportunity to get my bill taken up for consideration when the appropriations process came around. So, I submitted my bill as an amendment. Senator Chafee had me meet with him. He explained the appropriations process, and then explained the complexities of taking up my bill as an amendment. He said if I would withdraw my amendment he would hold a hearing in his committee. I withdrew my amendment certain there would be no further action taken on it that session.

Shortly after my visit with Senator Chafee, and without any additional urging on my part, he had set a date for a hearing on environmental audits. During the hearing, Senator Chafee's indepth questions helped to bring focus and perspective to the issue at hand. When the hearing was gaveled to a close, everyone had a better understanding of the problem and what we needed to do to correct it.

A few months later, Kyoto, Japan became the site for the Global Climate Change Conference. Senator Chafee and I and several others went to Kyoto to reaffirm our position and deliver the message included in the Senate resolution dealing with global climate change. While we were there I attended several meetings with him. I also spent some time outside of the meetings with him. It was a good opportunity to break bread with him and get to know this very fine man a little better.

I recall our first night to Kyoto. Several members of the delegation checked on places to eat and they had selected a restaurant. Senator Chafee checked to see how expensive the restaurant was. He thought that was too much money to spend on any dinner. So, he had his dinner in the hotel lobby. I joined him and appreciated very much the evening of discussion that we had on Japan, global climate change, and a variety of environmental issues. Eating our dinner and sharing our views gave me a little more insight into the character of this phenomenal man who sat next to me.

John had a remarkable ability to bring people together—and keep them together. He also had a gift for putting into words that one, deep, probing question that got right to the heart of the matter. And, in these days when it is sometime more popular to cling to what is politically correct than what is right—John never wavered in his beliefs and he never compromised his principles. He always stood tall and proud for what he believed in. That's why he was always so deeply respected by this colleagues and his constituents.

Something tells me that God must have had a special need for someone with John's unique skills, so He called him home. I wouldn't be surprised if right now, John is chairing a meeting with God's angels in heaven to help get them more organized and focused, too. That would be just like him.

In the years to come, I think what I will miss most about John will be his warmth, his laugh, his voice, and his walk before and after the cane. John was both a gentleman and a gentle man and his remarkable persona will be greatly missed. For the moment we will each cling to the instant replay memories we have of him to help to fill the void his passing leaves behind.

John, your service in the Senate leaves us all with a good example for us to follow in the way you always gave totally of yourself to your family, to your state, to each of us, to your country and to the world around us. Thanks for all the ways you've served us all. Thanks for all the things you've done. So much of your State, our country, and parts all around this great world of ours bear your mark for your having passed by. Thanks for the seeds that you planted that will effect the future. Because of them, you will never be forgotten.

Mr. INOUYE. Mr. President, I rise to make a few remarks concerning the recent passing of Mr. Chafee.

Mr. Chafee was one of a kind. His life was a life of service. He served in two great wars—World War II and the Korean conflict, rising from private to captain. He served Rhode Island as a member of the Rhode Island House of Representatives and as Governor, then as its United States Senator.

He has left a most positive legacy for the citizens of this land to emulate. But his greatest legacy was a legacy of decency. It mattered very little to Mr. Chafee whether a proposal was made by the Democrats or the Republicans. His only question was: Is this program or project in the best interest of this nation?

Our nation has lost a great leader and a most dedicated public servant. The State of Rhode Island has lost its most brilliant star. But for many, many of us—we have lost a friend. I will miss him.

Mr. KENNEDY. Mr. President, we are all deeply saddened by the sudden loss of our colleague and friend, John Chafee. He was a very special Member of the Senate who embodied the noblest traditions of this institution. He would fight with great vigor and passion for the principles he believed in, trying to persuade colleagues to adopt his point of view. But his devotion to a cause never made him intransigent or unwilling to consider competing ideas.

John Chafee had a unique ability to build consensus, and he was forever searching to find common ground across partisan and ideological battlelines. He was a student of history, and he knew that principled compromise was essential if the legislative process is to serve the public interest. He understood that a Congress mired in gridlock could not solve the Nation's problems.

He cared far too deeply about the country he served to accept political stalemate. Because of his deep commitment to these abiding principles, he held the trust and respect of colleagues across the political spectrum, and he was often able to find that common ground when others could not.

John Chafee's 23 years in the Senate have truly made a difference. The American people enjoy cleaner air and cleaner water because of his tireless and skillful efforts to protect the environment. Foster children are treated more humanely because he assumed the role of their legislative guardian. Poor families who must depend on Medicaid have more secure access to health care because of his concern for their well-being.

While John Chafee was a skilled consensus builder, he was never reluctant to speak out on controversial issues. His gentle and gracious manner was accompanied by a very strong will. His political courage was evident on a broad range of issues—from his outspoken advocacy of banning the manufacture and sale of handguns, to his vigorous defense of abortion rights, to his steadfast support for nuclear weapons control. He was a man of principle, whose strength was evident to all who knew him. I will always remember his extraordinary efforts in 1993 and 1994 to enact health insurance coverage for all Americans. Through that battle, John Chafee never gave up and never gave in. He showed great perseverance under exceptional pressure, and great commitment to a cause he believed in deeply.

His ideals and patriotism was shaped as a young soldier in combat on Guadalcanal and Okinawa during World War II and in the Korean conflict. Tom Brokaw has called John Chafee's generation "The Greatest Generation." In his well-known book by that name, Mr. Brokaw wrote:

> They came of age during the Great Depression and the Second World War and went on to build modern America—men and women whose everyday lives of duty, honor, achievement, and courage gave us the world we have today.

John Chafee symbolizes those eloquent words. As a state legislator, as Governor of Rhode Island, as Secretary of the Navy, and as a four-term United States Senator, John Chafee devoted his entire adult life to public service. He gave our nation not only length of service, but service of the highest caliber. He believed in the capacity of government to improve the lives of its citizens, and he worked every day to make it so. His distinguished service will leave a lasting legacy.

We all feel his loss today. But it will be felt even more deeply by the Senate as time passes. We will miss his wise counsel, we will miss his political courage, and we will miss his extraordinary ability to build bridges across partisan and ideological divides.

I extend my deepest sympathy to John's wife, Virginia, and to his children and grandchildren. Our Senate family truly shares your loss.

Mr. HARKIN. Mr. President, our friend and colleague John Chafee was a good man, a first among equals. He was a statesman and a public servant. He dedicated his professional life to the service of his country. He was a good friend to colleagues on both sides of the aisle.

John Chafee was respected by all who knew and served with him. And he returned that respect in kind. He was a bridge builder, always looking for a way to craft consensus.

He set aside partisanship and put his energies into working for the greater good. And he won high praise from a wide spectrum of admirers, from the ACLU to the Chamber of Commerce!

John had an early and lifelong sense of duty to his country. He left college in 1942 to join the Marine Corps. He fought in the U.S. invasion of Guadalcanal and later on Okinawa. He returned to active military duty in 1951 in Korea. Between his tours of duty, John earned his bachelor's degree at Yale and his law degree at Harvard.

He built a career of distinguished service to his state and his nation. He served in the Rhode Island House of Representatives (1957–63), as Governor of Rhode Island (1963–69), as Secretary of the Navy (1969–72). And in 1977, John Chafee came to the United States Senate, the first Republican Senator elected in his state in 46 years.

No matter where public service took him, his heart was always in Rhode Island. And it was to Rhode Island that he planned to retire next year.

John Chafee wore many titles in his lifetime, and he wore them all with distinction: Captain, Governor, Secretary, Senator.

But I believe that John was proudest of being a husband, father, and grandfather. He was devoted to his family—to Virginia, their five children, and twelve grandchildren. Their loss is tremendous, and I hope in the days and weeks ahead they take some small comfort in John's magnificent legacy.

When the major achievements of the 20th Century are recounted, many of them will bear the mark of John Chafee: the Clean Air Act, the Superfund, Social Security, fair housing, civil rights.

He played a major role in every major piece of environmental legislation that has passed during the past two decades. He fought for health care coverage for low income families and expanded coverage for uninsured children.

He fought for the Family and Medical Leave Act. John made it his mission to ensure that no American fell between the cracks. And America's women, children, and families are the beneficiaries.

John Chafee and I worked together long and hard to protect kids from tobacco addiction. In 1998, we introduced the first comprehensive bipartisan tobacco prevention bill—the Kids Deserve Freedom from Tobacco Act.

Our bill—also known as the KIDS Act—was designed to cut tobacco use by kids in half over a three-year period. John took some risks in joining this bipartisan effort, but he did it because he was a passionate advocate for children.

I also had the privilege of working with John on disability issues. He was a major champion for creating alternatives to institutions for people with disabilities.

Senator Chafee's work to create the Medicaid home and community-based waivers opened the doors to independent living for tens of thousands of people with disabilities. His efforts in this area alone are too numerous to recount.

In addition, he worked in true bipartisan manner to promote maternal and child health programs and to protect thousands of children with disabilities from losing SSI.

John Chafee's commitment to fighting for what he believed in was matched by the dedication of his longtime, loyal staff. Our hearts go out to all of them.

Mr. President, John Chafee was a humble giant. He had a broad, inclusive vision. He was principled and thoughtful. He asked and gave the best of himself in everything he did. He didn't seek recognition. He just rolled up his sleeves and got to work. His spirit and his voice will be sorely missed. I am privileged to call him my friend.

Mr. GRAMS. Mr. President, I rise today to join my colleagues in mourning the untimely death of our friend, John Chafee. Today, we celebrate the enthusiastic spirit he brought with him each day to the Senate, and the generous public spirit exemplified by his work.

With John's passing, the State of Rhode Island has lost a leader, the Senate has lost a statesman, and the Chafee family has lost a loving, dedicated husband, father, and grandfather. As the Senate family, the prayers of John's colleagues and our staffs are with Ginny and her entire family.

Many of my colleagues have recited the accomplishments of John Chafee. They bear repeating, however.

Before his achievements as a legislator, John was a leader in the Marines. He served in the original invasion at Guadalcanal, and when he was recalled to active duty in 1951, he commanded a rifle company in Korea.

John then turned his service to the State of Rhode Island, first as a member of its House of Representatives, where he eventually attained the rank of Minority Leader. In 1962, John ran for Governor and won—though it was a very close race. He increased that margin of victory significantly in the following two elections, in 1964 and 1966, when he was reelected with the largest margin in the State's history.

Following his governorship, John Chafee went on to serve as Secretary of the Navy for three and a half years.

Beginning in 1976, John began his long career in the U.S. Senate. As the only Republican elected from Rhode Island in the past 68 years, John vigorously pursued the interests of his constituents, including environmental issues, health care concerns, and efforts to reduce the Federal budget deficit. Through his position on the Senate Finance Committee, and mine on the Foreign Relations Committee, we worked closely together on a number of fronts to support free trade and oppose unilateral sanctions. I recall at one point we were two of five Senators who opposed a resolution we both thought was harmful to our relationships with another country.

John Chafee's contributions to this Senate, however, go much deeper than just those outlined within the pages of his impressive biography.

I remember when I moved from the House to the Senate, and those early, confusing days working out of the cramped Dirksen basement. John Chafee was moving his office at the same time, and he invited me up to look his over. He made this new Senator feel welcome in a place where bonds between the "old-timers" are strong and newcomers can sometimes feel intimidated. Ultimately, I didn't take John Chafee's office, but I gladly accepted his friendship. When I last spoke to John, during a short conversation in this Chamber late last week, he talked about his son, Lincoln, and the possibility that son would replace father in the Senate. I think he took great pride in the thought of his family carrying on his tradition of public service.

I was moved by the words of John Chafee's staff in a statement they collectively issued on Monday. It said, in part: "His sense of public spirit was infectious, and we have all learned a great deal from him. But more important than any lesson in civics is the example he set for all of us about how to conduct our lives: listen to both sides; do what's right; always look for the good in people; and, even if you don't prevail, be of good cheer."

Mr. President, John was a tireless advocate for his constituents, a man who sought agreement in the often-acrimonious atmosphere of Washington, a man who brought meaning to the idea of giving one's word and standing by one's principles. And he was consistently of good cheer. I was proud to serve with him, and proud to consider him a friend.

Ms. MIKULSKI. Mr. President, I rise today to celebrate the life and legacy of a dear friend and colleague, Senator John Chafee.

I was deeply saddened yesterday to hear of Senator Chafee's passing. The Chafee family lost a dear husband, father and grandfather. My thoughts and prayers go out to Virginia, his children, and his grandchildren. The Senate lost one of our most principled and reasoned colleagues. Senator Chafee will be greatly missed here. The people of Rhode Island, whose needs and concerns guided his actions on a daily basis, lost an admired Senator. His impact will be felt in Rhode Island for generations to come. Our country lost a tireless leader who consistently fought for what he believed in, and for that, I am deeply saddened.

Senator Chafee was the kind of Senator that this country needs. In times of increasing partisanship, John Chafee always reached across the aisle to form alliances, to build compromises, to get things done. He let principles, not politics, be his guide. And that enabled him to be an unbending bridge between both sides that we have so desperately needed.

Senator Chafee's politics was the kind of politics this country needs. He inspired voters on both sides of the party line with his honest, independent politics. Senator Chafee always believed that persistent honesty and unshakeable integrity were the cornerstones of public life. His was always the quiet voice of reason.

And Senator Chafee was the kind of person this country needs. John Chafee devoted his life to public service—as a Marine, as a State legislator and minority leader in the Rhode Island House, as Governor of Rhode Island, as Secretary of the Navy, and as a United States Senator. He and his wife Virginia raised a beautiful family, and instilled in them the values of public service and integrity. I am proud to have worked with such a distinguished man.

We will always celebrate, and never forget, the work that was born of his public service, his commitment to his family, and his commitment to his principles. Senator Chafee's work here in the Senate has had a tremendous impact on our nation. He leaves a remarkable legacy.

We will always celebrate Senator Chafee's leadership on the Clean Air Act. We will always celebrate his fight to strengthen the Safe Drinking Water

Act. We will always celebrate his hard work in authoring the Superfund program. The air we breathe and the water we drink is cleaner and safer because of his landmark efforts.

We will always remember his unwavering advocacy for a woman's right to chose. We will always remember his fight to enact the Family and Medical Leave bill. We will always remember his important work to curb gun violence in America. Our families are stronger, our constitutional rights have been protected, and our streets are safer because of his steadfast devotion to these causes.

In these ways and more, Mr. President, we will always remember and celebrate his quiet strength, his unwavering commitment to the people of his state, and to his own principles. Senator Chafee has had an indelible impact on our policy and our politics, on our culture and our country. And for that, we will always be grateful.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having come and gone, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:46 p.m., the Senate recessed until 2:14 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HAGEL).

AFRICAN GROWTH AND OPPORTUNITY ACT—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I understand the Senator from Montana wishes to speak. I know there are a number of other Senators who wish to speak on the Social Security issue.

Mr. President, what is the regular order? Do we have an hour?

The PRESIDING OFFICER. The Senate is on the motion to proceed under cloture to H.R. 434.

Mr. GREGG. Mr. President, I ask unanimous consent that I be given 15 minutes as in morning business.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Reserving the right to object, my understanding is there is no time constraint. We are on the motion to proceed; is that correct?

Mr. GREGG. There is an hour.

The PRESIDING OFFICER. Each Senator is limited to no more than 1 hour.

Mr. BAUCUS. Asking further clarification, is that on the motion to proceed?

The PRESIDING OFFICER. On the motion to proceed.

Mr. BAUCUS. Mr. President, I ask unanimous consent that following the Senator from New Hampshire, I be allowed to speak for 20 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Hampshire.

SOCIAL SECURITY

Mr. GREGG. Mr. President, I rise today to express my concern about the President's latest Social Security proposal as outlined in his recent radio address. I hope Congress will resolve to oppose this proposal unless it can be significantly modified, and it does not appear the President wants to modify it.

I am greatly disappointed with the decision by the President to bring forward this proposal. I had hoped to work with the President in a bipartisan manner to resolve the Social Security issue. There are a number of us in the Senate who are willing to go forward in a bipartisan manner on this issue. For example, Senator KERREY, Senator BREAUX, Senator GRASSLEY, and I have introduced a comprehensive Social Security reform bill. I have been pleased with this bipartisan effort, at least in the Senate, but I have been extremely disappointed by the White House's continued partisan approach toward the Social Security problem and especially their most recent proposal, which is, to say the least, a sham proposal. My goal today is to make absolutely clear for my colleagues just why this proposal does not work.

This is not an easy task because it is a complicated and confusing issue, but it is something that must be done. Regrettably, I think the complicated and confusing nature of the proposal was intentionally created in that concept so the people would not understand it, so it would be confusing, and so that, therefore, by glossing over it with terms such as "saving Social Security," they could attempt to hide the underlying documents and energy of it, which is to basically undermine Social Security.

Thus, it is vitally important that we all understand exactly what is at stake. So I am going to go back to basics and try to simplify this as much as I can.

In its simplest terms, the Social Security system has enough money to pay benefits today but does not have enough money to pay the projected benefits in the future, beginning in the year 2014. That is the entire problem.

What will we do in the year 2014 under the current law? We will have to raise additional money through the income tax, through the general revenues of the Federal Government. The gap between benefits promised and the Social Security taxes will get bigger and bigger every year. It will be $200 billion annually by the year 2020 and $666 billion annually by the year 2030. Under the current law, we will simply keep raising revenues every year until the Federal Government has paid everything it owes to the Social Security system in the year 2034.

When we reach that point, we declare insolvency, the Government of the United States, and the benefits would have to be cut, and Social Security would basically go into a tailspin. These funding gaps are so large, it would be unfair to a future generation to wait until that time and do the drastic cuts in benefits or radical increases in taxes which would occur in order to pay for the system. That is why so many of us have been calling for a comprehensive reform, a reform that will begin now, when we have time to work on the system and to make it work.

What has the President proposed? The President has proposed that as part of any lockbox legislation we accompany the lockbox with a provision that will transfer interest payments to the Social Security system. It is vital that my colleagues understand two things: This proposal would do nothing, absolutely nothing, to fund the future Social Security benefit; in fact, it would undermine the Social Security system by giving the false assurance of improvement. Secondly, this proposal would formally commit tens of trillions of dollars in new income taxes, simply through some accounting sleight of hand. That means that future generations, our children, our grandchildren, would get a tax increase as a result of this President's proposal which would run into the trillions of dollars.

To understand why, let me first show my colleagues this quote from the President's budget of last year. It was tucked away on page 337 in the analytical perspective section. Some budget analyst must have experienced an attack of truth in budgeting and included the language. It is definitive.

> Trust Fund balances are available to finance future benefit payments and other trust fund expenditures—but only in a bookkeeping sense . . . They do not consist of real economic assets that can be drawn down in the future to fund benefits. Instead, they are claims on the Treasury that, when redeemed, will have to be financed by raising taxes, borrowing from the public, or reducing benefits or other expenditures. The existence of large trust fund balances, therefore, does not, by itself, have any impact on the Government's ability to pay benefits.

That last sentence is the clearest explanation of what the problem is. No matter how large the trust fund stated number is, it does nothing to pay down the benefits, if there are not assets to back it up which can be drawn on without raising taxes.

I hope every Member of Congress understands this. I hope the American people understand it. If we use our power to artificially inflate the balance of the trust it does not do the beneficiaries one bit of good. If we decree that it is a $1 trillion or a $10 trillion or even a nothing number in the trust fund, it has exactly the same financial impact. It has no impact on the outyear benefit structure. So the President's proposal to credit the trust fund with the interest savings will have no impact at all on the structure of the system and the liability which the American taxpayer will have to pay to support the system in the outyears.

What it would do, however, is give a false impression that we have taken some substantive action. And that, of course, is the goal of this President—politics over substance. We already have a problem of understanding. Already the Social Security system's problems are papered over by the declaration of actuarial solvency through the year 2034. This disguises the fact that the real problem for us and for the next generation begins in the year 2014. What the President is effectively saying is that we should now paper over the problem even further, that we should wait until the year 2050.

Earlier this year, the Comptroller of the United States, David Walker, testified before the Senate Finance Committee. He was speaking about the President's proposal of earlier this year, but his comments are equally valid regarding the most recent proposal he has put forward. He said:

> . . . it is important to note that the President's proposal does not alter the projected cash-flow imbalances in the Social Security program. Benefit costs and revenues currently associated with the program will not be affected by even one cent.

In other words, the proposal the President is putting forward has absolutely no impact on the ability to pay the benefits that are going to be required to be paid to maintain the Social Security system in the outyears.

Moreover, he went on to say: One of the risks of the proposal is that the additional years of financing may very well diminish the urgency to achieve meaningful changes in the program. That would not be in the overall best interest of the Nation. It would be tragic, indeed, if this proposal masked the urgency of the Social Security solvency problem and served to delay the much-needed action.

In other words, even though this proposal would not do anything for Social Security, it would make the representation to the public that we had. This would become a license for irresponsibility. It would break the faith of the Social Security beneficiaries by representing that the problem had been solved for another 50 years, even though we have taken absolutely no real action.

Here is a chart that shows the workings of the Social Security system in a simplified form and represents the problems we confront. On the left of the chart, we can see the projections under the current law. On the right-hand side of the chart, we can see projections under the President's proposal. There is absolutely no difference. The President's proposal has no effect on the problems of the system. Current law problems which caused the system to go into insolvency are going to exist in the same form if we follow the President's proposal.

The numbers are startling. We term it insolvent in the year 2040 because the cost is so high. Under the President's proposal, it is a $1.1 trillion increase in the year 2040 on the taxpayers of America, which, in my opinion, represents an insolvency event, if we follow the President's proposal.

What is the President's argument? He is arguing that his program provides for additional reduction in public debt and that we can justify these additional income tax liabilities by the fact that the public debt has been reduced and debt service has also been reduced. But, once again, the reality is different from the claim. If you study the Social Security actuary's memo in the President's plan written last Saturday, October 23, you would find the following information. I hope the press will pick up on this. Transfers are not contingent on actual amounts of reductions of debt held by the public. Transfers are assumed to be as indicated, regardless of the effect on the budget balances.

Now, it may well be the President will yet propose a way to require that only a reduction in public debt will trigger the transfers he has suggested, but that is not what his current proposal says. His current proposal only issues this new debt and these new liabilities and does not make them in any way contingent upon public debt being reduced. This is not a plan to reduce public debt. It is a plan to issue new debt. It creates new income tax obligations, regardless of what happens with the overall budget balance. It has nothing to do with straightening out the Social Security system by reducing public debt. It is simply an increase in income tax obligations as a result of an increase in debt obligations of the Federal Government.

One other point: The President believes it is appropriate to reward Social Security by giving it the interest savings from the reduced public debt. Current law already credits Social Security with interest, as if we had saved the surplus, whether we do or do not. This is current law. What the President is proposing is that we give a second round of transfers to the Social Security system. We are already crediting Social Security with interest saved. That is what produced the finding that the system is sound until the year 2034.

The President is simply proposing that we arbitrarily issue a second round of credit, not justified or contingent upon anything happening in public debt reduction, and increase the income tax obligations to the program. Remember, again, all the taxes the President is talking about pouring into this program as a result of this accounting process gimmickry are income taxes; they are not payroll taxes.

So we are shifting the burden, under the President's proposal, of the Social Security system from being a payroll tax system to being an income tax system, from going to a system where the people who receive the benefit under the retirement process and pay for it during their working lives are now receiving a benefit from the general revenue fund and the income tax fund versus the payroll tax fund. That is a huge change in the basic philosophy of the way we have supported the Social Security system. The President does this with his proposal, which is to create a new accounting mechanism.

So the practical effect of the President's proposal is to do absolutely nothing in the way of resolving the fundamental problems that confront Social Security. The practical effect of the President's proposal is to create an accounting gimmick that makes you feel as if you have done something. The practical effect of the President's proposal is to undermine the momentum for fundamental, fair, effective Social Security reform in exchange for a political statement that may get you through the next election but which is going to create major crises for the system in the outyears.

The President's proposal fails any form of accounting test. The President's proposal fails any form of a reasonable review. The President's proposal, most importantly, fails the next generation and the generation behind it because what it does is transfer onto their backs, for the sake of a political statement today, a tax burden that will amount to trillions of dollars. It is an action that is absolutely inappropriate and which I hope this Congress and the American people will reject.

I yield the floor.

PRIVILEGE OF THE FLOOR

Mr. BAUCUS. Mr. President, I ask unanimous consent that Peter Washburn, a fellow with the Environment and Public Works Committee, be allowed floor privileges during the introduction of the Good Samaritan legislation.

The PRESIDING OFFICER. Without objection it is so ordered.

Under the previous order, the Senator from Montana is recognized.

(The remarks of Mr. BAUCUS pertaining to the introduction of S. 1787 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I ask unanimous consent to be recognized to speak for up to 15 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY

Mr. THOMPSON. Mr. President, I want to address the subject of Social Security, as my colleague from New Hampshire has so eloquently addressed a few minutes ago. It is a matter about which we are all concerned. We all agree that something is going to have to be done about it because the numbers simply don't work. We all know that the money needed to pay to more and more retirees is not going to be sufficient because we are not going to have a sufficient number of people paying into the trust fund. We are going to have more and more retirees and fewer and fewer workers in the future. The numbers simply are not going to add up.

We all recognize that a day of reckoning is coming, and many of us have been struggling to try to decide what to do about it. It seems as if there are really only three choices.

One is to raise taxes. We pay for Social Security with Social Security taxes, FICA taxes. We could raise them astronomically on future workers.

The second is to cut benefits, which, of course, nobody wants to do.

The third choice is to have some kind of fundamental restructuring and reform. I think more and more people have concluded that is what has to happen.

A lot of people, including myself, think we have to have some system whereby the worker can invest some of that money in those FICA taxes for something that will have a much greater return than they are getting today.

We were hoping that before the President left office, there would be some leadership from the President in making some of the hard choices we all know are going to have to be made. Any one of those choices I have just described is not an easy political choice to make. It will never be made unless we get some leadership from the President, at which point I think a lot of people will fall in line.

We have, on a bipartisan basis in the Senate, already been trying to work toward that end. Frankly, I don't think the political risks are as great as a lot of people think. I think we should tell the people the truth and do something, go ahead and do it. There is not a lot of risk to that. Most people believe otherwise. But we will have to have Presidential leadership under any circumstances.

The President has come forth with a plan which does not really do those three things I mentioned before in terms of the alternatives, but he seeks to basically put the problem off to another day. It is a good strategy in a year before an election because it avoids the problem while pretending to solve it. But it certainly doesn't do anything to solve it.

I think we can reach agreement on that with a pretty wide consensus on a bipartisan basis in this body because too many Democrats and Republicans have been working together and concluding that the approach that has recently been suggested by the President is something that just won't work.

Here is the basic situation. Right now, mandatory spending programs such as Social Security and Medicare consume two-thirds of our Federal budget. In 1980, it was 53 percent; 1990, 63 percent; today, 66.5 percent. By 2030, if no changes are made, mandatory spending, including Social Security and Medicare, will eat up 100 percent of Federal revenue.

We know we cannot go down that route forever. At the same time, we are facing a demographic time bomb that will place unprecedented new burdens on the Federal budget. The number of Americans over the age of 65 will more than double between now and 2030. Also, during the same period, the working age of Americans will only increase by 25 percent. This means there will be fewer people paying into the system to support many more beneficiaries. Most everyone, myself included, argues that more people living longer is not a bad problem to have. But it will place tremendous strain on the Social Security Program and on our Federal budget, neither of which is particularly well equipped to deal with it.

I cannot agree with the President when he said in his radio address that his proposal to transfer general revenue credits—getting away from the FICA self-financing system that we have now, but dipping into general revenue credits, coming in from income taxes because we have a surplus now, that to transfer these credits into the Social Security trust fund is "the first big step toward truly saving Social Security."

Let me first point out the general revenues the President wants to transfer to Social Security come from the very same projected budget surplus he said we could not count on for tax cuts. Now he is using those same uncertain surpluses to so-called save Social Security. The President cannot have it both ways.

I will quote from testimony of David Walker, Comptroller General, testifying before the Finance Committee in February. The Senator from New Hampshire quoted Mr. Walker saying "this does not represent a Social Security reform plan." I will not quote all of his statement at this point, but an additional statement he made was that "the changes to the Social Security Program will thus be more perceived than real," talking essentially the same as the President's plan. Although the trust funds will appear to have more resources as a result of the proposal, in reality nothing about this program is changed. He concluded that the proposal does not present Social Security reform but, rather, it represents a different means to finance the current program.

It is not Social Security reform and will not save Social Security. One of the risks of the proposal is that the additional years of financing may very well diminish the urgency to achieve meaningful changes in the program. That would not be in the overall best interests of the Nation. In other words, whether it is designed to have the effect of convincing people we are doing something that we are not, that we don't have to address the problem for a while, when, in fact, we are not taken care of, thereby makes the problem worse when we finally do get around to instituting some responsible reforms.

I don't know if I can say it any better than the Comptroller. What the President is proposing is to add more debt to the Social Security trust fund, more paper IOUs that one day will have to be redeemed. What is different about these paper IOUs is that they do not represent excess FICA taxes—money collected for the specific purpose of financing the Social Security Program. For the first time, the President is proposing to inject general revenue dollars into the trust fund, based on a calculation of interest savings we will realize as a result of paying down the debt.

There are several problems with this. One, as the Comptroller General pointed out, adding more IOUs to the trust fund may give the impression on paper of extended solvency but it does not change by one minute the day on which the cash-flow problem comes home to roost; that is, the day on which payroll taxes will not be sufficient to cover benefit payments and we will have to begin redeeming the IOUs in the trust fund.

In the absence of real reform, as I said, there are only three ways to redeem the IOUs. Rather than taking steps to reduce the program's unfunded liability, the President's proposal makes us more reliant on the unhappy choices of raising taxes or cutting benefits. Rather than acknowledging that we will have to either raise payroll taxes, adjust benefits, or find a way to enable people to earn a higher return on FICA taxes, the President makes the program more dependent on future infusions of general revenues from the Treasury—income taxes from young workers that will come into the system later on. That will only exacerbate the trend I discussed earlier in which an ever-increasing portion of the overall Federal budget is being dedicated to entitlement programs for the elderly.

Everyone believes Social Security is a vitally important program, and everyone is committed to making sure that it is there for current seniors and future generations to rely upon. I am not sure we are all committed to the proposition that 100 percent of the Federal budget should be dedicated to Social Security and Medicare. In fact, I am pretty sure most believe the Federal Government has other responsibilities as well, such as national defense, national parks, infrastructure, and schools. That is the direction in which we are headed and the President's proposal gets us there more quickly.

The second problem with transferring general revenues into the Social Security trust fund, as David Walker pointed out, is that will, in all likelihood, diminish the momentum for real reform. If we continue to avoid real reform, we only have to look at countries in western Europe to catch the glimpse of the problems we face: Pension benefits that are on average 1½ to 2 times as generous as our Social Security; astronomical payroll taxes to fund the benefits; 40 percent in France; 42 percent in Germany; 39 percent in Italy, on top of other taxes imposed by the government, and an average unemployment rate across European Union countries that will be double that of the United States this year, 9.1 versus 4.3.

According to a recent series in the Washington Post, it simply costs companies too much to create jobs in Europe. In Germany, the textile industry, for example, payroll taxes and fringe benefits add 70 percent to the average salary. These countries have promised more than they can afford, just as we have.

We need to have a debate about structural reform of our Social Security Program. It needs to be a bipartisan debate. We need to have real options on the table, not gimmicks designed to give one party political advantage over the other. I hope the President will agree to work toward that goal, but until he does I hope we do not fall into the trap of instituting something that makes the situation worse. That is what this proposal will do.

I yield the floor.

Mr. KERREY. Mr. President, let me thank President Clinton for provoking debate about Social Security and what we ought to be doing to extend the solvency of the program. I don't support the proposal he has made, but I suspect there are many people in this body who don't support the proposal that I have made either. At least the President has put on the table an idea, and it is an idea that enables us, if we take a bit of time, to see what is wrong with the funding of this program and why there is an urgent need to fix it.

First, what the President does is exactly what I just heard the Senator from Tennessee say; what the President would do through his proposal is give beneficiaries who are alive between 2035 and 2050—beneficiaries who are, today, between the ages of 30 and 45—an additional $20 trillion claim on the income taxes of future working Americans. That is how the President's proposal would be funded.

Under current law, we will need $6 trillion worth of income taxes to pay beneficiaries between 2014 and 2034—this is above and beyond the revenue beneficiaries can claim from the 12.4% payroll tax on all working Americans. Today, there are 44 million beneficiaries: 39 million are old-age beneficiaries, 6.5 million are disabled, and 7 million are survivors. These beneficiaries receive the proceeds of a 12.4-percent payroll tax on the wages of most working Americans.

I suspect most Members of Congress didn't realize that back in 1983 we made a change in the law to assess a payroll tax that was larger than needed to pay the bills. Since then, those extra payroll tax dollars have been spent on other things. Between 2014 and 2034, we will have to pay back those borrowed Social Security payroll tax dollars with interest—and we will do so by either increasing income taxes, cutting other spending, or increasing our national debt. This year, for example, we will take in about $513 billion in revenue into the program—but we only need about $387 billion to cover expenditures. My guess is most Members of Congress didn't realize that the Treasury can only use these excess payroll tax dollars to buy special-issue Treasury bonds. Eventually, the Treasury has to reconvert those bond assets to cash—and it does so by using income tax dollars. Starting in 2014, Treasury will have to use income taxes and corporate income taxes to convert each and every single one of those bonds into cash that they will then use to pay beneficiaries—about $6 trillion worth.

If that does not bother you that we have to use an additional $6 trillion to pay benefits between 2014 and 2034—money that could have been spent on important discretionary spending programs, then you probably like the President's proposal. If you want the Social Security program to become more and more a program that uses both payroll taxes in addition to individual and corporate income taxes, you probably like the President's proposal. The President's proposal allows you to avoid making the difficult choices necessary in reforming Social Security, such as either explicitly raising the payroll tax—and I haven't heard anybody actually support that, although some have supported increasing the wage base—or making benefit adjustments out in the future; or a third way, which the Senator from Tennessee and I and half a dozen others in this body have chosen to do, is to use a combination of benefit adjustments out in the future, holding harmless everybody currently over the age of 62, and establishing retirement savings accounts—designed in a progressive way. Our plan ensures that women and low income individuals will receive significantly larger benefits. That is the purpose of these savings accounts—to help all working Americans build wealth for themselves. Privatization is just an attempt to give, especially that lower-wage individual, more than just the promise of a transfer payment coming from Social Security taxes. Our goal is to make individuals less dependent on the government for their financial security at retirement.

One of the most difficult and important things to understand in the Social Security debate is this idea of solvency. Solvency is an accountant's term. There are 270 million Americans today—nearly all of whom will be beneficiaries of the Social Security program at some point during their lifetimes. More than 44 million are eligible today. That means there are 230 million beneficiaries who will be eligible at some point in the future. That is the way to think about solvency—we have to make the program solvent for all retirees current and future. The idea is to keep the promise for every eventual beneficiary, whether you are 20 years old or 70 years old. Right now we cannot keep the promise to all 270 million Americans. There are approximately 145 million working Americans under the age of 45 to whom we cannot keep the promise of paying benefits. According to the Social Security Administration, these 145 million Americans will experience somewhere between a 25- and a 33-percent cut in benefits at some point during their retirement.

So when we talk about solvency, it is a real human issue. There are 145 million Americans today to whom we are not going to be able to keep the promise we made back in the 1930s. That is why a large percentage of young people say they don't believe Social Security will be there. They are partly right—Social Security will be there, but in a much smaller form as a consequence of Congress simply not having enough revenue in the system to be able to cover the bills.

What the President says is that he doesn't want to propose a payroll tax increase, or benefit reductions. He doesn't want to support the idea of individual wealth accounts. What he wants to do is give the Social Security beneficiaries out in the future a larger claim than they would have under current law on income taxes—on the wages of future working Americans.

I believe we made a mistake in 1983; that diverting $6 trillion of individual and corporate income taxes into the Social Security program makes our tight discretionary budget problem even worse. The President's plan exacerbates this problem by saying what we should give an additional $20 trillion in income tax dollars to extend the solvency of the trust for another 20 years.

I will reiterate what I said at the beginning. I still appreciate the President's contribution to the debate. He has provoked, for a short period of time at least, a real debate about what we are going to do to solve the problem of Social Security insolvency. I disagree with one element of his proposal because I think it takes a necessity and converts it into a virtue. I do hope, at least for a short period of time, we will discuss and debate Social Security reform. I hope we can discuss in a constructive fashion, what we are going to do to reform the program—rather than just talk about needing to fix Social Security. We need to discuss what we are going to do to finally change the law to keep the promise to all 270 million American beneficiaries.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask consent I be permitted to speak for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I did not come to the floor to speak exclusively on the issue of Social Security and the President's proposal. But before my good friend from Nebraska leaves, I wish to make a couple of comments. Then I would like to share with the Senate some very optimistic information with reference to our fiscal house and how well we are doing in terms of growth of government.

I suggest Republicans did a good job when they came up with the idea of locking up these Social Security trust funds so they wouldn't be spent. Frankly, even as short a time ago as last year, nobody thought we could quickly come upon a year when we would not spend a bit of the Social Security trust fund money in paying for our Government and would even have some left over to start a pay-down of Social Security. But in the year just passed, that actually happened. Things changed so much for the positive that last year we did not touch Social Security trust fund money and we accumulated $1 billion in surplus on budget, and it has nowhere to go except to pay down the debt—which helps with Social Security.

Frankly, I do not quite understand why, in the waning moments of this year, over the weekend in his weekly radio address, the President came up with a new idea about Social Security. I speculate maybe the idea of the lockbox and not spending any Social Security money was beginning to take hold and, of course, his new proposal takes 15 years, not 10 years, to get his job done that he perceives to be in the interests of Social Security solvency.

I remind everyone, if in fact the President has a way, with no new taxes, which none of us want, no benefit changes, no increases in what each particular citizen of the United States who puts money through the payroll account—they don't have any share of the profits and the increases that come, either from Wall Street or from investing in debt—somehow the Wizard of Oz came upon us and all of a sudden we can do this by just investing IOUs. As my friend from Texas said, you just take them as a piece of paper, walk them across the street, put them in a cabinet, and say: We have given them to the Social Security trust fund.

The President has one better. At a point in time way out there somewhere he is going to say: That is not the only thing I am doing. I am going to credit the Social Security account for the interest that was saved on the national debt by us putting those IOUs in that box.

Over the weekend I had a chance to discuss this. I look forward to seeing some details. I cannot believe what I am hearing. But I nicknamed this proposal and I think it is so. I think it is the "Godzilla" of all gimmicks. That is the way I would classify it, for those who are wondering about gimmicks.

I am not going to talk much more about that. But I will say to the President, if you have a little time left before you leave, and if you would like to fix Social Security, then engage in a bipartisan way, with Senators on both sides of the aisle, who would like to do something that would help make Social Security a better investment for the millions of Americans who are having this money taken out of their payroll and put in an account that yields them little or nothing.

If you had sitting in front of you a group of 22-year-olds, 25-year-olds, just starting out their work years in the American marketplace, and you said to them: For all of you, what is one of the worst investments you could make, in terms of putting money away until you are 65 and then drawing on it? anybody looking at it would have to say it is the Social Security system.

It is one of the worst investments you could make because you do not get anything on your investment. Sooner or later, somebody is going to come into the Presidency—if this President would like to do it, he ought to change his mind again and come to the party—and say we have to make that a better investment. By making a better investment, you enhance the value of the trust fund and thus make it more solvent over time.

Republicans invented the Social Security lockbox; Democratic Senators oppose it. Republicans support locking away every penny of the Social Security surplus—we have made that clear repeatedly to the President. In fact, we came up with the idea of the Social Security lockbox and have tried to pass legislation in the Senate on at least five occasions. This lockbox would stop the President and Congress from spending any of the Social Security surplus. Unfortunately, Democratic Senators have filibustered the lockbox.

The President wants to spend Social Security Surpluses. Congress has nearly completed action on all 13 appropriations bills, and we will do it without touching Social Security. But the President and his staff are demanding that we spend more on scores of government programs, including foreign aid, but they have yet to provide any credible proposals as offsets. Republicans and many Democrats have made it clear that we will not raise taxes to support the President's spending programs. If the President persists in demanding new spending without specifying a credible offset, I can only conclude that he wants to tap Social Security for his programs.

The President's proposal for Social Security solvency is the "Godzilla" of gimmicks. The President proposes no changes whatsoever in the structure of Social Security, and yet he wants the American people to believe he has made "tough choices" to save the program. It is simply not credible. In fact, for all the talk about gimmicks, it seems to me that this is the "Godzilla' of gimmicks—a $34 trillion gimmick. The President's plan is nothing more than paper transfers from the general fund of government to Social Security, amounting to a cumulative $34 trillion in new IOUs in Social Security between now and 2050. At some point, when Social Security needs those IOUs to pay benefits, a future President and a future Congress will have to raise taxes to meet those obligations. So, in effect, this proposal is a $34 trillion tax increase on America's future.

There is bipartisan opposition to this gimmick in the Senate, including Senators BREAUX, KERREY, and ROBB, all of whom are on the Finance Committee with jurisdiction over Social Security.

Let me read some quotes from the experts:

David Walker, Comptroller General GAO, in testimony before Senate Budget Committee, February 1999:

> [President Clinton's Social Security proposal] does not come close to "saving Social Security".
>
> Under the President's proposal, the changes to the Social Security program will be more perceived than real: although the trust funds will appear to have more resources as a result of the proposal, nothing about the program has changed.

Federal Reserve Chairman Alan Greenspan, in Q&A before Senate Banking Committee, July 1999, when asked if he supported using general revenues to shore up Social Security—which is the basis of the President's SS IOU scheme—the Chairman said this:

> I would very much prefer that we did not move in the direction of general revenues because in effect, once you do that, then you've opened up the system completely and the issue of what SS taxes are becomes utterly irrelevant. And I'm not terribly certain that serves our budgetary processes in a manner which I think is appropriate.

Federal Reserve Board Member Edward Gramlich and Chairman of the 1994–1995 Social Security Advisory Council, in testimony before Senate Finance Committee, February 1999:

> During the deliberations of the 1994–1996 Social Security Advisory Commission, we considered whether general revenues should be used to help shore up the Social Security program. This idea was unanimously rejected for a number of reasons . . . there are serious drawbacks to relaxing SS' long-run budget constraint through general revenue transfers.

The Concord Coalition, in a press release, September 27, 1999:

> . . . we do not agree that [the President's] plan to credit Social Security with new Treasury IOUs representing interest savings from presumed debt reduction does anything to save the program . . . All it does is simply paper over Social Security's looming shortfalls.

Gene Steuerle, senior fellow, Urban Institute, in testimony before Senate Finance Committee, February 1999:

> My own assessment is an additional transfer from the government's left hand (Treasury) to its right hand (Social Security) . . . tends to mask too much. The simple fact is that future taxpayers must cover the cost of the interest and principal on any gift of bonds from Treasury to Social Security.

The President could have had a legacy if he had shown leadership. The President spent most of 1998 telling the country he would show true leadership on Social Security. If he had proposed real reform, many in Congress were ready to work with him. Unfortunately, he chose this non-reform, dooming his chances of any real legacy in Social Security.

Mr. GRAMM. Will the Senator entertain a question or two about Social Security?

Mr. DOMENICI. Absolutely. Surely.

Mr. GRAMM. We are, obviously, all aware Senator DOMENICI has been chairman of the Budget Committee longer than anyone has ever been, or ever will be again, under our new rules. We know he, of all people, knows how the budget works.

If you wanted to write a proposal and implement it in the future, after its potential impact on anything we are doing now would be zero, given our budget rules about things that affect taxes and entitlements, when would you let it go into effect?

Mr. DOMENICI. You have to tell me.

Mr. GRAMM. I will tell you. Under our current rules, we budget on entitlement and taxes for 10 years; right?

Mr. DOMENICI. That is correct.

Mr. GRAMM. So that anything we do today that has any effect prior to 2011 has an impact on our current budget.

Mr. DOMENICI. That is correct.

Mr. GRAMM. When do you think the President starts this godzilla of all phony proposals?

Mr. DOMENICI. 2015.

Mr. GRAMM. Exactly. Actually, he begins on 2011 and then changes the formula on 2015. The first point is that one indication it is phony is that he does not start it until enough time has elapsed that it will have no impact on anything we are doing now.

Mr. DOMENICI. The reason I did not understand the Senator's question is that sometimes we use 5 years. The President came along early this year for the first time in history and used 15 years. Thus, we said 15 is too long; let's do 10. But I am not sure where we are going to be on a permanent basis because we are looking at this to see what makes sense. I think what the Senator just said is absolutely right.

Mr. GRAMM. Let me pose another question. I have a memorandum from the chief actuary at the Social Security Administration which analyzes the President's proposal. I will read one part of a paragraph that analyzes the point the Senator from New Mexico outlined, and that is, the President is saying that in the future, long after it could have any impact on the amount of money we are spending now, we should pay the Social Security Administration for the interest savings we are accruing in the budget from using Social Security surpluses to pay down the debt.

When the Social Security Administration in their memorandum of October 23 analyzed that, they concluded the following:

> Calculation of the assets in the combined trust funds on September 30 of the year 2011 through 2015 would treat all amounts transferred as if—

"As if"—

> they had been invested in special obligations of the United States. This provision is not likely to have any effect under enactment of this bill alone because the managing trustee of the Social Security trust funds is not authorized to invest any asset of the fund in stock, corporate bonds under either current law or this proposal.

Mr. DOMENICI. Right.

Mr. GRAMM. In essence, the Social Security Administration says the proposal acts as if there is a transfer that can be invested, but since it cannot be invested, what you are doing is simply giving Social Security more meaningless IOUs, and the net result is no impact on anything.

When the President said in his State of the Union Address now 3 years ago, "Save Social Security first," we never heard a program as to how we were going to save it. When he said last year, "Save it now," we had all of these meetings and all of these proposals, and the President ultimately proposed nothing.

Now what we are seeing, sadly, is another gimmick where we do not do anything until the year 2011, and then it is simply a meaningless IOU where the Government owes Social Security but no money is available to pay for it other than if we raise taxes or cut Social Security benefits or cut another program in the future.

I thank the Senator for yielding. If there has ever been a fraudulent proposal, this is it. The tragedy is, the President had an opportunity to lead on this. There were Democrats and Republicans willing to follow him, and he did not do it.

Mr. DOMENICI. I thank the Senator.

I want to take a few minutes and look at this simple chart. We have been engaged for many years—in this Senator's case, 26 years—in talking about getting the expenditures of our Government down so we do not continue to incur huge deficits that force our children in the future to pay for our bills. We got to the point where that was something being spread across this land and everybody understood it. They said: Let's stop spending more than we take in.

Have we succeeded? Are we really doing something about how big Government was growing, and have we taken it by the horns and said we are going to do something about it or not?

This is a simple bar graph which shows in 1970–1975, the combined growth in Government for all of the entitlements—military and discretionary spending—was almost 11 percent. In 1975–1980, it was up even from that. It grew 12.2 percent. From 1980–1985, looking at this chart that has it in detail, all spending grew at 10 percent. From 1985–1990, all spending grew at 5.8 percent. It kept coming down.

Guess what it is for the last 5 years, I say to my friend from Tennessee. The combined growth of Government—entitlements, domestic and military—is now down to an annual spending of 2.8 percent, and that is made up of defense spending at 1 percent growth and nondefense discretionary at 1.4 percent annually.

I know we get into arguments on the floor and those who are worried about spending try to outdo each other as to how much we are going to save and make arguments of every single proposal that comes along in terms of cutting more—let's take some out of this program. All of those are good ideas. We are governed by a majority, so eventually whatever ideas you have, you have to get at least 51 votes.

Success in terms of getting Government down in size so we can live with it and do not have to incur significant deficits every year has occurred most significantly in the last 5 years. I remind everyone, throughout all these other years, we have had either a Republican President and both Houses Democrat, a Democrat President with both Houses Democrat, or a Republican President with one House Republican. And guess which combination has been most effective in getting spending down. It is when the Congress has Republicans in the House and Senate.

For 5½ years, we have had the lowest growth in Government at every level since 1970. It is pretty revealing. I share with anybody who wants to go through it—and we can talk more about how it has happened—but when people think the Congress did not do much, we were not big players in getting us a balanced budget, I submit this is a pretty big part of it. If those went back up to the levels that were here 15, 20 years ago, we would sure be looking around wondering, are we ever going to stop spending Social Security money to pay for the expenses of our ordinary Government?

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I thank the Chair.

Mr. President, I am going to address the Senate on the issue of the Caribbean Basin Initiative and the related parts of that package. But I appreciated being in the Chamber for these last few minutes to hear some of the discussion on Social Security and budgetary items.

I say with regard to Social Security—and I do not sit on a major committee dealing with the Social Security issue—all I know is, in the last few weeks, the Congressional Budget Office reported that while there may be a lockbox, apparently only one side has the keys to it because some $18 billion has already been dipped into in order to pay for spending in the present budget.

While we have a lockbox, apparently only a handful of people have the keys to be able to dip into it when it becomes necessary to find funding. I hope, as well, we can find common ground solutions to the Social Security issue. As the Senator from Nebraska has pointed out, the long-term interests of all Americans depend upon our ability to make sure we have a trust fund that is sound and in good shape.

I also recall a few years ago when there were proposals to amend the Constitution of the United States to require a balanced budget. The advocates of that proposal, of course, included that Social Security be calculated in reaching a balanced budget. There were those who argued that you couldn't do that because Social Security ought not to be used for that purpose. But those who were the authors of the constitutional amendment to balance the budget are some of the same ones today who argue on the lockbox. It wasn't a lockbox when we were talking about balancing the budget with a constitutional amendment. It is today. Nonetheless, I hope we can come up with some answers to this for the long-term.

AFRICAN GROWTH AND OPPORTUNITY ACT—MOTION TO PROCEED—Continued

Mr. DODD. Mr. President, I want to address the issue of the Caribbean Basin Initiative and the African Growth and Opportunity Act which is pending before the Senate. The package of incentives the Senate is considering this week includes the African Growth and Opportunity Act, the United States-Caribbean Basin Trade Enhancement Act, and the reauthorization of the Generalized System of Preferences and Trade Adjustment Assistance. Those are the four pieces of the proposal before us.

The Trade Adjustment Assistance dates back to 1962, when we decided to provide assistance to men and women in this country who had been adversely affected as a result of trade policies and who lost jobs. Trade adjustment allows for those individuals and companies that may be adversely affected to get some help. It has been a good law for almost 40 years, and I am confident this piece of the package is one all of our colleagues will support.

The matter dealing with the Generalized System of Preferences, the GSP, is also pretty routine, and one that we need to have enacted. I am, again, confident that this provision will also enjoy broad-based support.

The two pieces that are provoking the debate have to deal with the enhancement of the Caribbean Basin Initiative and the Africa Growth and Opportunity Act.

I will spend a couple minutes talking about both of those provisions. I support them. I think they are important pieces of legislation that are going to accrue to the benefit of our country. I know there are those who are going to argue that somehow this is going to cause great damage to certain workers in the country. I don't believe it to be the case. In fact, I argue that if we were to defeat the Caribbean Basin Initiative and the Africa Growth provisions, that they will actually accrue to the detriment of workers.

These are two important provisions which are going to enhance job opportunities in this country and are not going to harm people. I notice the presence of the distinguished Senator from Delaware, chairman of the Finance Committee. I commend him and his colleagues on the Finance Committee for dealing as expeditiously as they did with this trade package. This is the only piece of trade legislation I am aware of that we will deal with in this session of this Congress. I am hopeful that a good, strong majority of our colleagues will support these two provisions on the Caribbean Basin Initiative and the Africa Growth and Opportunity Act.

First, let me share some factual information so people can put this whole effort into context. Today, the Caribbean countries and the Central American nations comprise about 1.9 percent of all of the imports that come into the United States, 1.9 percent total. Of the 48 countries in sub-Saharan Africa that will be affected by this legislation if it is adopted, more than 700 million people who are the poorest in the world, live in these 48 countries. These countries make up .86 percent of 1 percent of textile and apparel imports to the United States. So between the 48 countries and more than 700 million people in the sub-Saharan Africa region and the 24 countries that make up the Caribbean Basin and the Central American nations, we are talking about something around 2.75 percent of imports that come into the United States.

We are talking about millions of people who live in these nations. We have a provision that would allow for the duty-free import of products that come out of these two parts of the world. But it isn't just duty free. It doesn't mean anything they produce automatically comes to this country. In this provision, there is a very important clause regarding textiles, which is the source of most of the argument, I think. The distinguished Senator from Delaware can correct me if I am wrong, but I think the textile provisions are probably provoking the most debate. In the textile provisions, we say that the fabric and the thread that is used to assemble the product in the 48 countries in Sub-Saharan Africa and the 24 countries in the Caribbean, that fabric and that thread must be made in the United States. You can then assemble the product in these other countries and it will come into the United States.

Why is that important? Today, we have a massive amount of imports that come into this country from the Pacific Rim, Asian countries. There is no such requirement in those trade agreements, while there are quotas. In the year 2005, the quotas come off entirely. If we don't pass the Caribbean Basin Initiative and the Africa Growth and Opportunity Act, by 2005, we are going to find our markets flooded by products made in the Pacific Rim, where there is no U.S. content requirement.

There are some 400,000 jobs in this country that make fabric and make the thread used in the production of these textile products that would come out of Africa and the Caribbean Basin. If we don't pass this legislation, those 400,000 jobs are in jeopardy. That is why this bill is important. First and foremost, this bill is important to America. As with any piece of legislation, the first consideration is, does it do any good or do no harm, but most especially, does it do any good for the people of the United States of America? I argue this bill is critically important to the well-being of almost a half million workers in the United States. Our failure to enact this legislation places those 400,000 jobs in jeopardy.

There are other reasons why I think this is important, aside from our own interests. We spent $6 billion of U.S. taxpayer money in the 1980s in one of these Caribbean Basin countries, El

Salvador; $6 billion from the U.S. Treasury went to finance a war basically in the one country of El Salvador. Today, there are some 335,000 Salvadorans living in the United States. In fact, there are 1 million illegal aliens from the 24 Caribbean Basin countries living in the United States. And every day, more come.

Why do they come here? Why did my great-grandparents come here? Why do the grandparents of parents of most people, with the exception of African Americans, come to America? My great-grandparents left Ireland not because they did not love Ireland any longer. It was because they were discriminated against. They couldn't get work. They weren't allowed to be educated. So they were left with no choice but to leave the country they loved to come to America. That is true for millions and millions of people in this country.

Why do Salvadorans, Nicaraguans, people of the Dominican Republic and other nations leave to come here? It is not because they don't love their own countries, but the opportunities in these nations are almost nonexistent in many cases. That is why they come here. Do you want to stop that flood from coming? You have to create economic opportunity or that flood is going to continue, as sure as I am standing here.

This effort doesn't solve that problem entirely. It would be ludicrous to suggest it would. But it would start to create economic opportunities in these countries that would allow their people to have some future without looking for the next boat or raft or plane in which to escape the economic deprivation they see in their own nation and to seek what millions have done over the years; that is, to come to this land of opportunity. If we are going to stem that tide, we have to begin by creating economic opportunity, or at least assisting in that process. I think this bill attempts to do that and does begin that process.

Let me remind my colleagues that many of these Caribbean countries over the last few years have been devastated by natural disaster.

These hurricanes that have swept across these islands and across these countries have left thousands homeless, without any future whatsoever.

I recall that only about a year ago at this time, or a little less—actually in early November of last year—I flew down to Nicaragua, after the hurricane hit there, with the wife of our Vice President, Mrs. Gore, Tipper Gore, and a group of Members of Congress. We went down for a weekend to help out with the international relief organizations to try to see what we could do as volunteers to provide some assistance.

I will never forget, there were six or seven of us inside a one-room schoolhouse in Nicaragua, outside of Managua. It took us an entire day with shovels to shovel out the mud in a one-room schoolhouse. That is how thick it was. It took six people almost an entire day to shovel the mud out of what had been a one-room schoolhouse a few days earlier.

We were looking over a small community that had just been devastated, with tent cities going up. Most of them were made of whatever scrap pieces of metal and cardboard people could find.

So we talk about these neighbors of ours to the immediate south in this hemisphere who have been devastated by these natural disasters and events and our efforts to try to help them get back on their feet. We could write a check, although I suspect we would not come up with $6 billion in aid relief, as we did during the guerrilla conflict in Central America, for one country. We probably could not get that passed.

What we can do is try to provide some opportunity for jobs to be created, using U.S. content product, that would put some people to work in these countries, which keeps people working in America, and will provide some ray of hope for millions of people in these countries.

I commend the chairman of the Finance Committee and those who worked with him. This is a good bill. It is not perfect, and there may be some amendments that would be offered. My good friend and colleague from Wisconsin, Senator **FEINGOLD**, has an idea that is a different approach to what is included in the Africa Growth and Opportunity Act. I like what he is going to propose. I don't know if he will offer it as an amendment or not. My concern is that it probably would not pass. It has a factor of aid written into it, and I don't think there are 51 votes for a massive aid package here, nor does it exist in the House.

So while I like what he proposes, I am concerned that would not make it, and what we have here, I think, can. I am attracted to what he is suggesting, but I don't necessarily believe that is going to be the answer in terms of how to do it. In the long term, it is creating economic opportunity in these countries that makes the most difference.

We now have a balance of payment and trade in the 24 Caribbean countries that is positive. We talk about a mounting trade deficit, and it is true; but now if we are going to attack the trade deficit, we are aiming at the wrong target.

To give you an idea where the numbers are, in the last several years, the trade surplus with the 24 Caribbean Basin countries is over $2 billion. In the first 6 months of 1999, the surplus stands at $830 million for this year alone. That is getting near $3 billion in a trade surplus with these 24 countries.

It seems to me, if you want to deal with the trade deficit, maybe you ought to be aiming your sights on other parts of the world, although I am not advocating you do it. But if you do, that is where we ought to be looking. We have a trade surplus, and it is only a small amount of imports; 1.9 percent of the total imports come out of these 24 countries. Nonetheless, we have a trade surplus.

It seems to me that trying to expand trading opportunities is one of the few bright spots around the globe when it comes to expanding job opportunities here by providing new markets where American-produced products can be sold.

With regard to these African countries, all of us have seen these photographs. You don't have to go to Africa or necessarily become a great student of what is going on in the sub-Saharan region. But anybody with even a passing awareness of what has happened to these countries over the last number of years has to be moved by it. They have to be moved by what they see.

When you see more than 700 million people living under the most abject conditions of poverty imaginable in the world, with less than 1 percent of textile and apparel imports coming from those 700 million people—I think .86 percent is the number; that is all it is coming into this country. If we can't say to these 700 million people in these 48 countries, look, take our fabric and our threads, and if you can produce a product to sell into this country, keeping the jobs here at home and enhancing your economic opportunities, then what do we stand for? How else do we really, in the long term, provide assistance to these people?

Does anybody really believe we are going to take out a check and write out an aid program to provide assistance to this many people in those countries? I don't think so. Ironically, only two of the countries in the sub-Saharan region have any kind of trading relationship with us at all. The other 46 have virtually no trading relationship. While this bill would potentially affect 48 countries, in fact, only 2 of the 48 really have any kind of involvement in terms of trading. Again, it is almost exclusively in the textile area.

Again, I will make the point I tried to make at the outset. This bill, first and foremost, is good for this country. In the year 2005, the quotas come off. Again, my colleague from Delaware has forgotten more about this issue than I know. He can correct me if I am wrong. In the year 2005, as I understand it, the quotas on trade from the Pacific rim come off. There are no content requirements, as I understand it, with product produced in the Pacific rim.

So if we don't provide an offsetting market to the Pacific rim market in the Caribbean Basin Initiative in the sub-Saharan region, come the year 2005, the people today who produce the fabric and produce the threads that would be used to produce the products out of the nations affected by this bill would have their jobs in jeopardy because that content requirement is not there on the Pacific rim nations. The quotas do come off, and we could be adversely affected, in my view, by such an event. So it is going to be critically important that we start to build up an alternative market that has U.S. content requirements in it.

I know some of my colleagues have raised the issue of labor standards. They are legitimate issues to raise. I point out that, to the best of my knowledge, all 24 countries in the Caribbean Basin Initiative are signatories to the international labor agreements. They are already on the line for supporting those labor standards. There is a legitimate issue about enforcement of the standards; that is a separate issue.

But the fact is, there are labor standards here. The issue is whether or not you can enforce them and see to it that people are going to be protected to the extent possible by those labor standards. I hope we will figure out a mechanism to enforce the standards in those laws. The laws do exist to require these countries to meet those labor standards.

Again, I commend those who have been involved. I will have more to say on the bill as the debate moves forward.

For those who think that somehow this is a giveaway, this is just a favor we are doing for people who live in the island nations of the Caribbean or the Central American countries, nothing could be further from the truth. This bill is good for America. It protects jobs in America, expands growth and opportunity for businesses to be able to sell into these markets.

The best social welfare program is a job. That is the best social welfare program. Nothing does more for a nation, for a family, or for an individual than to give them an opportunity to have a job, where they are self-sufficient and providing for their families and themselves. This proposal that increases a trading opportunity with these poor countries in Central America and the Caribbean and in the 48 nations of sub-Saharan Africa gives them an opportunity to have a job which, in the long-term, is what preserves democracy and creates the kind of wealth and education necessary for nations to prosper and to grow.

Again, with only 1.9 percent of all the imports coming from the Caribbean, those 24 countries, and less than 1 percent of textiles and apparel coming from the 48 nations in the sub-Saharan Africa nations, I think this country of ours and the Senate should support this initiative and say to the nations and the people: We want you to be partners with us. We want you to have the chance to provide for your own people. We want to do so without costing jobs for hard-working Americans. This bill does both of those things, and for those reasons is richly deserving of the support and votes of Members of the Senate.

For those reasons, I urge adoption of this bill when the appropriate time comes to vote aye.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I understand that I am entitled to up to 1 hour under the rules at this point, or at any point during the debate on the motion to proceed. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. FEINGOLD. Thank you, Mr. President.

PRIVILEGE OF THE FLOOR

Mr. President, I ask unanimous consent that during debate of H.R. 434 the following members of my staff have access to the floor: Mary Murphy, Tom Walls, Mary Ann Richmond, Linda Rotblatt, Sumner Slichter, and Michelle Gavin.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, I come to the floor today to talk about the African Growth and Opportunity Act and the Africa trade debate.

The African Growth and Opportunity Act's supporters believe that this legislation is a landmark—that it represents a real opportunity for growth on the continent, a new way of thinking about Africa.

And they want us to believe, as they believe, that to reject it, or try to improve it, would be to reject all engagement with the continent and indeed to reject all of the African people's enterprise and energy.

On that they are wrong. This bill is deeply flawed, and must be changed in a number of fundamental ways or, quite frankly, if we can't do that, I think it should be defeated.

For 7 years I have served on the Subcommittee on Africa and I have committed myself to supporting democratization, peace, and development in the many varied countries of that continent. I support engagement with Africa as strongly as any Member of this body.

I am deeply concerned about the dearth of economic ties between the people of the United States and those of the African continent. The current level of trade between us is depressingly small. Africa represents only 1 percent of our imports, 1 percent of our exports, and 1 percent of our foreign direct investment.

Should something to done to stimulate our trade with Africa? Absolutely.

But I urge this body—let's not pretend that we are now debating a comprehensive trade package for Africa, for this bill is not in the least comprehensive. Let's not fail to address the need to build an environment that will foster and sustain mutually beneficial economic relationships. If we fail to assemble the components of that environment in this trade package, it cannot be called comprehensive, and I don't think it should even be passed.

There really are only two defensible views of this bill. It either does virtually nothing at all or, worse, it actually does harm.

This legislation actually does very little for Africa. The trade benefits we are talking about are not terribly significant. The African Growth and Opportunity Act makes African states eligible for temporary preferential access to the U.S. market for textiles and apparel only.

Many of Africa's primary exports are not addressed at all by this legislation.

The African Growth and Opportunity is silent on the subject of corruption. But surely corruption ranks right beside instability as one of the primary disincentives for American companies to get involved in Africa.

In fact, of the 17 sub-Saharan African states rated in Transparency International's 1998 Corruption Perception Index, 13 ranked in the bottom half. Shouldn't a major piece of U.S.-Africa trade legislation at least mention this issue? Shouldn't it at least take a stab at addressing the corruption that impedes healthy commercial relationships?

Mr. President, this legislation does nothing at all to address the African context for economic growth. That context is a challenging one—it is a context of boundless potential amid a web of obstacles.

Economic growth in Africa faces the obstacle of a devastating HIV/AIDS epidemic. In the course of 1998, AIDS was responsible for an estimated 2 million African deaths. That's 5,500 deaths a day.

Eighty-seven percent of the world's HIV-positive children live in Africa. Their lives are that continent's future. Their chronic illness and their deaths each day erode a little more of Africa's promise. It is difficult to see how the United States can enjoy mutually beneficial trade relations with Africa unless we commit ourselves to addressing HIV/AIDS crisis on a scale beyond anything we have done before.

Economic growth in sub-Saharan Africa faces the obstacle of a staggering $230 billion in bilateral and multilateral debt. Africa's debt service requirements now take over 20 percent of the region's export earnings. How can Africa become a strong economic partner when its states must divert funds away from schools, away from health care, and away from infrastructure in order to service their debt burden?

How can we talk about economic engagement and simply ignore these painfully obvious realities?

Mr. President, in several ways, I believe that this legislation actually would do harm.

By seriously addressing only the textile industry, it would discourage the kind of diversification that African economies need to gain strength and stability.

AGOA also fails to adequately tackle the problem of transshipment. Transshipment is a practice whereby producers in China and other third party countries establish sham production facilities in countries which may export to the United States under more favorable conditions. Then these producers ship goods made in their factories at home and meant for the U.S. market to the third country, in this case an African country, pack it or assemble it in some minor way, and send it along to the United States marked "Made in Africa," enjoying all of the trade benefits that label would bring.

As my colleagues know, transshipment is a very serious problem. Approximately $2 billion worth of illegally transshipped textiles enter the United States every year.

The U.S. Customs Service has determined that for every $1 billion of illegally transshipped products that enter the United States, 40,000 jobs in the textile and apparel sector are lost.

I'd like to share some words from the Peoples Republic of China with my colleagues.

It is a pretty startling example of what can happen.

This is a quote taken from the official website of the Chinese Ministry of Trade and Economic Cooperation. It says, and this is a direct quote:

> There are many opportunities for Chinese business people in Africa. . . . Setting up assembly plants with Chinese equipment, technology and personnel could not only greatly increase sales in African countries, but also circumvent the quotas imposed on commodities of Chinese origin imposed by European and American countries.

Mr. President, it's not hard to see that those who would engage in transshipment aren't too worried about the protections we currently have in place to guard against it.

If nothing else raises a red flag for my colleagues when they consider the African Growth and Opportunity Act, this should be a crystal clear signal. Whatever opportunities this legislation creates by and large will not be opportunities for Africans.

In fact, the African Growth and Opportunity Act does not require that Africans themselves be employed at the firms receiving trade benefits.

While it is utterly silent on African employment, AGOA actually takes a step backwards for Africa with regard to content. The GSP program requires that 35 percent of a product's value-added content come from Africa. This legislation lowers that bar to 20 percent. This is progress?

Mr. President, AGOA also contains weak provisions for ensuring workers' rights. It relies on GSP provisions to protect African labor. But some countries—like Equatorial Guinea—have GSP today, and still do not allow the establishment of independent free trade unions.

AGOA could lead to exploitation in the name of increased trade. AGOA does not mention environmental standards at all. Any plan for sustainable economic development must include some notion of environmental protection. This is particularly true of a continent like Africa, where in some countries 85 percent of the population lives directly off the land.

We are all affected when logging and mining deplete African rainforests and increase global warming; we all lose when species unique to Africa are lost to hasty profitmaking schemes, hatched without regard to sustainability or long-term environmental effects.

Environmental quality also has serious implications for peace and stability in the region. As we have seen in the Niger Delta, environmental degradation can lead to civil unrest.

Responsible trade policies must adequately address human rights and environmental issues—not just because it is the right thing to do, but also because, in the long run, it will create a better business climate for Africans and Americans alike.

In addition, the failure of the African Growth and Opportunity Act to mention the critical role that development assistance plays in promoting African growth and opportunities has raised alarm here at home and internationally. The perception is that the United States has deluded itself into believing that a small package of trade benefits—benefits which may not actually affect Africans themselves—can replace a responsible and well-monitored program of development assistance. This inevitably must cast doubt on the United States commitment to development in Africa.

I care deeply about Africa and about United States policy towards Africa, and my colleagues know that. But I am here today not just because of my own concerns, but because of others—because I know how deeply they care about Africa, and I have heard them voice their very serious concerns about AGOA.

African-American leaders ranging from Cornel West to Randall Robinson oppose the African Growth and Opportunity Act.

Just 2 weeks ago, a group of African-American ministers representing communities from Massachusetts and Missisippi, California and New Jersey, Virginia and Illinois came to Capitol Hill to express their opposition to the African Growth and Opportunity Act. I will read briefly remarks of Rev. Alexander Hurt of the Hurt Inner-City Ministries, Church of God and Christ on the African Growth and Opportunity Act:

> I have never fully felt like an American until the day that I watched my President land in the land of my fathers. It was like introducing two old friends to each other. That the AGOA is in any way associated with that trip is the saddest part of this debate. There are millions of African-Americans who, like me, connect the President's trip to Africa with a start of a new kind of relationship between not only Africa and America, but Africa and the West. AGOA closes that possibility. For it represents not a new future, but a return to the past.
>
> America in a period of abundance that is unknown in human history, can not be moved to reach out to Africa to help starving nations. In the end we must decide if we will have a foreign policy that reaches out with a hand toward nations as equals, or with a hammer and pound them into subjection.
>
> Few things have changed with America's position toward Africa. What was once done with the canon and the gun is now being done with medicine and debt.

I have heard African voices raise the alarm about AGOA as well as American ones. The Congress of South African Trade Unions has issued a statement opposing the African Growth and Opportunity Act.

A statement issued by 35 African NGO's—including Angola's Journalists for the Environment and Development, Kenya's African Academy of Sciences, South Africa's International People's Health Council, and Zambia's Foundation for Economic Progress—strongly opposed AGOA.

Women's groups have spoken out as well. Women in Law Development in Africa, a coalition of African women and women's advocacy groups, opposes the African Growth and Opportunity Act, as does Women's EDGE, a coalition of international development organizations and domestic women's groups.

The Africa-America Institute organized focus group discussions in eight African countries and the United States to foster discussion of proposed United States-Africa trade legislation. They found that AGOA will not contribute to African development unless the United States and other donor countries also increase investments in African human resource development and take measures to relieve Africa's debt burden.

I know others have voiced support for AGOA, and I don't question their motives. Some of those supporters believe that this is the only game in town, and that a deeply flawed Africa trade bill is better than no bill at all. I think they are wrong. This Senate has a responsibility either to make this bill better, or to refuse to let it become law.

I want to take a positive approach and make this bill better. Therefore, I have proposed alternative legislation, S. 1636, the HOPE for Africa Act. It was based largely on the efforts of my colleague from the House, Congressman

JESSE JACKSON, Jr., and I am grateful to him for his leadership on this issue.

The provisions of the HOPE bill point the way toward a truly comprehensive and a more responsible United States-Africa trade policy. I intend to use elements of HOPE to try to amend and improve AGOA.

Mr. President, I want to amend AGOA to make goods listed under the Lome Convention eligible for duty-free access to the United States, provided those goods are not determined to be import-sensitive by the President. These provisions would mean more trade opportunities for more African people.

At the same time, AGOA must be changed to reflect the importance of labor rights, human rights, and environmental standards. My proposals will clearly spell out the labor rights that our trade partners must enforce in order to receive benefits. They will also contain a monitoring procedure that involves the International Federation of Trade Unions, so that violations will not be glossed over at the expense of African workers.

I will propose stronger human rights language, and incentives for foreign companies operating in Africa to bring their environmental practices there up to the standards that they adhere to at home.

I will propose tough transshipment protections that give American entities a stake in the legality of the products they import. I want to be sure that Africans and Americans really do benefit from our United States-Africa trade policy.

In that same vein, I will propose that trade benefits be contingent upon African content and the employment of African workers.

I will propose that the United States reassert its commitment to responsible, well-monitored development assistance for Africa.

I would be irresponsible if I did not propose changes to AGOA that will address the factors crippling Africa's economic potential today—debt, HIV/AIDS, and corruption.

I will urge this Senate to include anticorruption provisions that I will offer as an amendment to the African Growth and Opportunity Act.

I will propose that we address debt relief in this legislation so that, at the very least, we can put ourselves on the path toward taking well-thoughtout and responsible action.

For all its wealth of natural resources, Africa's people are its most valuable resource. I will support measures to prioritize HIV/AIDS prevention and treatment in AGOA. In addition, I want to address the issue of Africa's intellectual property laws, to ensure that United States taxpayer dollars are not spent to undermine the legal efforts of some African countries to gain and retain access to low-cost pharmaceuticals.

Mr. President, if all of this sounds ambitious, it is. Any plan to seriously engage economically with Africa must be ambitious. My bill and the amendments I will offer to AGOA are the minimum we must do to knock down the obstacles to a healthy, thriving, and just commercial relationship between the countries of Africa and the United States. The bill before us falls short of the minimum meaningful effort. The rhetoric that surrounds the African Growth and Opportunity Act is certainly ambitious. It is the content that is insufficient.

We must demand more of. a United States-Africa trade bill than AGOA has to offer. Ambitious plans can lead to rich rewards for both America and Africa. Anything less promises failure, despair, and decades more of lost opportunity.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. CONRAD. Mr. President, it is with great sadness I rise to mourn the passing of Senator John Chafee. Senator Chafee was much more than a colleague to me. Senator Chafee was a very close friend as well. The Senate has lost a giant, and I assuredly have lost a friend.

John Chafee will go down in history as one of the best U.S. Senators to ever grace this Chamber. Senator Chafee was one of those rare people who was able to rise above partisanship and work constructively with others on both sides of the aisle to achieve important things for the American people.

John Chafee always had a smile, he always had a feeling of the possible, and even in the darkest times when it seemed as if there was no way to bring people together in this Chamber, John Chafee had the confidence that if we just reached out, if we were rational and reasonable and talked to each other, we could accomplish great things. That was the spirit of John Chafee, and it will be in this Chamber long after he has left us.

I look at his desk now and I see the bouquet of flowers there. What a fitting tribute to John Chafee because he graced any room he entered. That is the way I remember John. When I learned yesterday that he had died, I was thinking of my last encounter with John, which was on the floor last Thursday. I was exiting the Chamber with a group of Senators. I walked past him and he said: Hey, don't you talk to me anymore? Because I hadn't exchanged our usual greeting.

I came back and I reached out to him. We shook hands, had a brief conversation, and I told him: John, you know I'll always talk to you. We had a little conversation about what was occurring in the Senate and what might be done to improve things. That was John Chafee. That was quintessential John Chafee. How are we going to make things better?

He never spent a lot of time ruminating and worrying. Instead, he spent time figuring out how we were going to make things better. That is what I so admired about John Chafee, that and his basic human decency. You could not find a more decent person to work with in this Senate or in any other forum than John Chafee. I admired him so much because he really gave a life of dedication to public service.

John Chafee, we all know, was very fortunate. He grew up in a family of means. He did not have to spend his life in public service. He could have been on "easy street." But that is not the way John Chafee chose to lead his life. Instead, John determined he would take on one public challenge after another, whether it was serving in the Marine Corps, of which he was very proud, or whether it was serving his State as Governor, or serving as Secretary of the Navy, or serving here in the Senate. John Chafee had a life dedicated to public service. His State of Rhode Island and our country are the richer for it.

I served on the Finance Committee, with John. It was the only committee assignment we shared. But I soon became a partner and ally of John Chafee's on the Senate Finance Committee because we thought about issues in much the same way. John Chafee was somebody who believed deeply in fiscal responsibility. He felt very strongly that was something we should pursue. But at the same time, he had a progressive agenda. He was really the leading advocate for the mentally ill, the disabled, and the retarded. As the Finance Committee considered changes to Medicare and Medicaid, I was honored to work closely with John to make sure that changes did not negatively impact those groups.

Together, I remember well, we sponsored an amendment to ensure that disabled children would not be removed from the Supplemental Security Income Program. As a result of John's leadership, more than 100,000 disabled children were able to maintain critical benefits to help their families afford the costs associated with their disability. That was John Chafee. He cared about other people—and really cared, not that superficial "just talk the talk." John Chafee cared enough to take risks and to make a difference in people's lives.

We all know John was also a strong advocate of health care. In many ways, he became the leader on the Finance Committee on issues of health care and especially health care as it related to low-income Americans. He wanted to make certain people had a chance, an opportunity. Oh, yes, John believed in personal responsibility; there was no question of that with John Chafee. But he also believed there were people who were less fortunate in life who also deserved a hand up—not a handout but a hand up. That, too, was John Chafee.

I especially remember back in the early 1990s when we had a series of very thorny health care issues to work out. A group was formed on the Senate Finance Committee, the Centrist Coalition. That group worked under the leadership of John Chafee and JOHN BREAUX on a series of budget questions. That group was preceded by what we called the Mainstream Coalition, a group of Senators, Democrats and Republicans, who worked together to try to rescue health care reform when it looked as if it was going down the tubes.

In fact, the Senate Finance Committee recessed and gave the Mainstream Coalition a chance to try to bring together the diverse interests in this Chamber so we could have a chance for health care reform to work. I remember spending hundreds of hours with John Chafee and that group down in John's hideaway working on health care reform—hour after hour after hour. John did not want to give up. Even when it seemed as if there was absolutely no hope, John Chafee urged us to continue to work together, to talk together, and to try to come up with a plan that would make a difference in the lives of the American people. That was John Chafee.

Later, with the Centrist Coalition, we focused on the budget. I remember the day we brought a budget resolution to the floor that the Centrist Coalition had put together. It was a very close vote. There were 20 of us in the Centrist Coalition: 10 Democrats, 10 Republicans. We met during the Government shutdown. We met throughout the spring. Even those of us on the Budget Committee separately debated the budget resolution. But when we entered S-201 of the Capitol, Senator Chafee's hideaway, we left all partisanship at the door. That was the rule. We debated numbers and entitlements and discretionary spending. We considered alternatives and options. We voted and we made decisions. We put together a budget package that received 46 bipartisan votes in the Senate despite the opposition of the leaders on both sides. We had the leader of the Democrats and the leader of the Republicans both in opposition to our plan, but we got 46 votes.

I think it shocked many people—24 Democrats and 22 Republicans. I remember John's reaction. He was proud. He was proud we had come forward with a plan that commanded that kind of support on the floor of the Senate, even in the face of leadership opposition.

Do you know what. I believe that plan helped form the basis for what came later. I believe that plan helped demonstrate to the leaders there really was support for balancing this budget, for getting our fiscal house in order and for making a difference. John Chafee was a leader in that effort, and he was proud of it. He deserved to be proud of it because he was making a difference.

The vote on the Centrist Coalition budget and the effort that went into putting it together was public policy at its best. It could not have happened and would not have happened had it not been for Senator Chafee. He demonstrated extraordinary patience, always moving forward, always keeping the debate focused until consensus could be reached.

I remember so well, John, your admonition to us: Steady as she goes. That was one of John's favorite sayings: Steady as she goes. His strong, steady leadership allowed the centrist coalition to be successful.

That is how I will remember Senator Chafee, and that is just one of the reasons we will miss him so terribly in the Senate.

I say to our dear friend, John Chafee, this afternoon as he said so many times to us: Steady as she goes, John, steady as she goes. We will miss you very, very much.

I thank the Chair and yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, I come to this Chamber concerning the tragic news we received yesterday morning that our friend and colleague, John Chafee, passed away on Sunday.

John Chafee was a leader who moved the Senate to do great things. He embraced the bipartisanship we are so quick to reject in this Chamber, and he did so with a dignity and integrity that made us proud to serve with him in this body and to call him a colleague and to call him a friend.

John constantly worked to bring his colleagues together and to bring his keen intellect and spirit of fairness to bear in an effort to move legislation forward. Whether he was working on health care, the environment, constitutional issues, or Government reform, he approached every issue on its merits and found ways to overcome partisanship to work together.

In an atmosphere which asks us to take sides and defend our ground, John Chafee instead sought common ground, and he sought it with an uncommon commitment to what was best for our Nation. And always, as he worked to foster bipartisanship and civility, he held fast to the principles that guided him: a deep commitment to fiscal responsibility and a dedication to protecting our children, preserving our environment, and striving for better health care for every American.

I had the honor and pleasure of working with Senator Chafee on a number of issues that affected my State of Wisconsin and the entire Nation. As a distinguished veteran and one of the Senate's greatest patriots, Senator Chafee had the courage and the commitment to constitutional freedom to be a vocal opponent of a constitutional amendment on flag desecration.

When he spoke against the amendment before the Judiciary Committee in April, he criticized the measure as the first amendment to the Constitution that would limit, not expand, our freedoms in that great document. But most of all, this great patriot was deeply troubled by state-mandated patriotism. John Chafee said:

> We cannot mandate respect and pride in the flag. In fact, in my view, taking steps to require citizens to respect the flag sullies its significance and symbolism.

With this issue and so many others, it was Senator Chafee's thoughtful and fair-minded approach that commanded my utmost respect and admiration.

His work in the area of conservation was legendary. He won huge gains in the fight to protect the environment, including perhaps his greatest achievement, his vital improvements to the Clean Air Act during its reauthorization in 1990.

Senator Chafee also was a dedicated advocate for the reauthorization of the Superfund Program and the Endangered Species Act, and though his attempts at reauthorizing these programs were unsuccessful in recent Congresses, in characteristic fashion he managed to carve out significant common ground between the parties on both issues.

John's efforts on these issues were a great service to the Nation, as was his support for another issue recently before this body—campaign finance reform. While John and I did not always see eye to eye about each aspect of campaign finance reform, he characteristically found common ground on which we could agree and lent his invaluable credibility to our efforts.

I was also fortunate enough to work with Senator Chafee in the area of health care reform where he displayed an unparalleled commitment to improving access and quality of health care for those most in need. His ability to rise above partisanship enabled him to do the real work of the people, working in bipartisan coalitions to address problems in the managed care system and doing the vitally important work of examining health promotion, disease prevention, and improving health care quality.

Most recently, I had the pleasure of working with Senator Chafee to draft legislation to refine portions of the Balanced Budget Act of 1997 that have adversely affected home health care agencies.

In everything he did, John Chafee brought a quiet dignity to his work and to the work of this body. We all benefited from the spirit of civility and bipartisanship he fostered during his 23 years in the Senate. I hope we can cherish and nurture that spirit in the years to come.

I extend my deepest condolences to John's family, his wife Ginny, his 5 children, and 12 grandchildren. John Chafee was a hero in battle, a distinguished Secretary of the Navy, a great leader as Governor of Rhode Island, and a towering figure in the Senate for more than two decades. His life was an inspiration to all those who believed public service can, indeed, be an honorable profession. All of us who had the opportunity to work with him will cherish his memory and do our best to honor his legacy to the Nation.

I thank the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I join with my colleagues, many who are honoring John Chafee today. He was a proud New Englander and a person, in my opinion, who embodied the spirit of service which characterizes so many of his contemporaries and those who came before him, not only from his State but across the Nation, especially from New England.

He came out of a culture which always put public service first. To him, public service was the purpose of being an elected official. He had no other cause or commitment other than doing well by the people he represented and by his Nation.

There is a lot of identity I have shared with John Chafee, more in the sense of a father figure than as a comrade or a contemporary, during my years growing up. He went to Yale at about the same time my father went to Yale. Then he went to Harvard Law School about the same time my father went to Harvard Law School. He was elected Governor not too long after my father was elected Governor. So there was a parallel career path.

In my household in New Hampshire, the name John Chafee, although it came from the distant State of Rhode Island, echoed with great respect. It was a name that had attached to it an understanding that there was a leader who was committed to his Nation and who understood that to be a good leader, you had to be concerned for others first. He was a person who set a standard for all of us.

When I arrived at the Senate and I met Senator Chafee as a contemporary, so to speak, I had great anticipation because he was literally a very large figure for me as I grew up and a large figure within the New England community. I would not have been surprised had he been a person who just sort of smiled at a new Senator and said: Nice to have you here; we'll see you in a couple years when you get your feet on the ground.

No, that wasn't John Chafee's style. He reached out to me, as he reached out to so many Senators who had served with him, both new and those who served with him for a considerable period of time. He said: Join me; I have some ideas. Sit down with me and listen to them. I would like to hear your ideas.

He brought me into this council he had begun, the centrist group, and treated me as someone whose thoughts and concerns were equal to his and were of legitimate importance and significance. I greatly appreciated that, coming from someone with his senior status and great knowledge on issues such as health care. It was really an experience in how one builds consensus to deal with John Chafee at any time but especially during the first few years I served in this body. My respect for him only grew as I had the opportunity to serve with him over the years.

There was no issue he undertook that he did not undertake as a person committed to identifying and obtaining a thoughtful and substantive response to that issue. I never experienced at any time his addressing an issue in a partisan way or in a political way in the negative sense but always in a constructive way and in a manner in which he was looking towards resolution. He would take the most complex issues that this body had to address, issues such as Medicare, the general health care system, environmental laws, issues which created great fervor and intensity on both sides of the aisle. He would sit down and, through the force of his personality, which was one of generosity and intelligence, of sincerity and of commitment, sift through the issue and work with the parties and, more often than not, be able to reach a consensus position—an extraordinarily impressive individual.

His greatest strength, I think, was that he was just plain Yankee. He had a way about him that is personified by the Yankee mystique. It can be defined as being honest and committed, patriotic—of course, a lot of other people fall in that category, too—but there was also that willingness to be precise, curt, some may say, the willingness to cut through the large ferocity of this body to the essence of an issue quickly, and the understanding always that our purpose is to serve. His purpose above all was to serve the people of Rhode Island and the people of this Nation.

As with everyone else in this body, my heart goes out to Ginny and his family. We wish them, during this time of difficulty, Godspeed, and we are thankful for the time which we had with John as he showed us how to be a good citizen, a good legislator and, most importantly, a good American.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, twice I have spoken about John Chafee. He was one of the very special people. We just can't stop thinking about him or talking about him. I will not take a great length of time except to say that as I was listening to my colleague from New Hampshire and other colleagues, it really struck me that he was the quintessential, almost perfect public servant.

I believe service is the most noble human profession—service to family, service to church, service to community, service to friends, public service. There is no more noble pursuit than service. John Chafee epitomized public service.

I wish Americans could have known John Chafee and could have watched him and been with him during the day. If American schoolchildren were to have been with John Chafee, watched John Chafee, I know one thing, most everybody would have wanted to be a Senator. Most everybody would have wanted to emulate John Chafee; he was so good. He taught by example. Somewhat by words, somewhat by telling students what to do, but much more by example.

We are all almost in awe of John Chafee because of his example, what he did. He didn't make a big thing about it. He didn't brag about himself. He didn't try to take credit for anything. He just acted according to what he thought was in the country's best interest and in Rhode Island's best interest. It was just by accident that I learned only a couple years ago that he was a highly decorated Korean war hero. There are Senators on this floor sometimes who like to brag about their exploits in the armed services or at least allude to them and hope that somebody asks them more questions about it, pursue it a little more. Not John Chafee.

If John Chafee's staff would write a statement or a speech on his behalf and allude to his service in Korea or Guadalcanal as a veteran, he would strike it. He didn't want to brag about anything. He didn't want to brag about all the awards he had been given. He was that kind of guy. To me, they don't get any better. There aren't many cut from that bolt of cloth these days.

I wish more people could have seen and watched John as a person, as he was, and a Senator. I know this country would have a much higher regard for public service if they just knew who John Chafee was.

This is really John Chafee's day. I hope we all will savor the good thoughts and the wonderful memories of John, this day and in future days.

OPENING JAPANESE MARKETS

Mr. BAUCUS. Mr. President, when we go to H.R. 434, I am going to introduce a sense-of-the-Senate resolution encouraging the U.S. Government to pursue its bilateral measures with Japan and urge the United States to urge Japan to go further to open up telecommunications markets, particularly its Internet services, and so forth. I will have a lot more to say at the appropriate time. I believe strongly that we, as a country, have to go further and, more importantly, Japan has to go a lot further in opening up its market. It would be in the best interest of Japanese consumers, if it were to do so, and it would surely be in the best interest of peoples all around the world. At the appropriate time, I will speak more at length.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

MINIMUM WAGE

Mr. KENNEDY. Mr. President, I would like to take a few moments of my time under the bill to talk about a subject I am very hopeful we will be able to address in the very near future. It is a subject matter that has been outstanding during the course of this year and that we have still failed to act on, and that is to try to see an increase in the minimum wage for many of the workers in this country.

We have seen in more recent times the Congress move ahead to increase its own salary some $4,600 a year. When we increase the minimum wage, it will mean approximately $2,000 to those who are working the hardest at the lower end of the economic ladder but who perform extraordinarily important jobs that are really, in many respects, at the heart of the engine of the American economy today.

I think all of us are mindful that we have had the most extraordinary economic boom in the history of our country. But there are those Americans who have been left out and left behind. There is no group of Americans who have been more disadvantaged than those who are working at the minimum wage level. That is why I was very hopeful we would see fit to address this issue this year because we find that those minimum wage workers are falling further and further behind.

I want to remind our colleagues about what has happened on the issue of job growth because the most familiar argument we have in opposition to the minimum wage is that it will somehow dampen the increase in jobs and, secondly, it will add to the rate of inflation.

Let's look at what has happened in the most recent times. This chart goes from 1995 up through 1999 and it indicates when the Senate and the Congress actually increased the minimum wage. We increased the minimum wage to $4.75 in 1996, and still we saw job growth continue through 1996 and 1997. We increased the minimum wage then in 1997 up to $5.15. This was a two-step increase of 50 cents and 40 cents, up to what is now $5.15.

There were those who warned the Senate of the United States that if we saw this kind of increase, we would lose anywhere from 200,000 to 400,000 or 500,000 jobs in the job market. But what we have seen is a continuation of the expansion of the job market, where we find it going up and up until September of 1999. Past increases in the minimum wage have not meant the loss of jobs.

Secondly, if we look at this chart, this is the employment rate. Another way of looking at the issue of jobs is the employment in our country with the increase in the minimum wage. The unemployment rate is at historic lows after a minimum wage increase. On the two steps here, if we look, we find that we went from almost 5.5 percent unemployment, and then in September of 1997 we were just below 5 percent. Since that time, it has continued to decline. So we have seen an expansion of the growth rate and a decline in overall unemployment in this country.

Well, you could say there must have been some impact in terms of the rate of inflation. But what we have seen, and as we know, is if you have an increase in productivity and the rise in productivity exceeds the increase in the payment, you don't get the rates of inflation. That is what we have seen.

According to labor statistics, we have seen what is represented by this blue line on the chart—an increase in productivity for American workers over the period from 1957 to 1959, up to 1998. This is the annual productivity increase. We have seen a significant increase in the productivity.

If we look at what has been the impact of the real minimum wage, the kind of decline here, now the spread between productivity and the purchasing power of the minimum wage is at one of its greatest since the enactment of the increase in the minimum wage. Productivity is up, and we should see an increase in terms of the wages for those workers.

If we look at what has happened in terms of the real value of the minimum wage, we see that in 1968 it would be worth $7.49. If we had the minimum wage today in purchasing power of what it was in 1968, it would be $7.49. This is what has happened in terms of real dollars.

We are now at this level of $5.15 an hour. Without this increase, it will drop down to $4.80, almost back to where it was at the time we saw the very modest increase 4 years ago. Even with the increase, it would put the real value at $5.73. With two 50-cent increases over the next 2 yours, the purchasing power would still be only $5.73. We are always playing catchup with the millions of American workers who receive the minimum wage.

We are delighted to debate these issues with those who continue to give the old, worn-out, tired arguments in opposition: that raising the minimum wage will mean loss of jobs and that it is going to add to inflation. We are glad to debate those issues. But we are being denied by the Republican leadership the ability to consider an increase in the minimum wage.

This is a Business Week editorial, May 17, 1999. It is not a Democrat journal. It is not a voice for the Democratic Party. Of course, years ago when we had the increases in the minimum wage, we had bipartisanship. It has been only in recent times when it has become a partisan issue.

As Business Week points out,

> Old myths die hard. Old economic theories die even harder . . . higher minimum wages are supposed to lead to fewer jobs. Not today. In a fast-growth, low-inflation economy, higher minimum wages raise income, not unemployment.

I ask unanimous consent that the full article with regard to the minimum wage be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Business Week, May 17, 1999]

THE MYTH OF THE MINIMUM WAGE

Old myths die hard. Old economic theories die even harder. Remember the one about inflation rising as unemployment falls? How about productivity dropping as the business cycle ages? Or the U.S. is a mature economy doomed to slow growth? One old favorite is that higher taxes inevitably lead to recession. These day's, none of these theories appears to work. A new economy driven by high technology and globalization seems to be changing old economic relationships. But one economic shibboleth still remains popular: the bane of minimum wages.

Congress is debating whether to raise the minimum wage from $5.15 to $6.15. Opponents of the bill cite reams of economic research showing that minimum-wage hikes curtail demand for cheap labor. Like the trade-off between employment and inflation once said to be inherent in the Phillips curve, higher minimum wages are supposed to lead to fewer jobs. Not today. In a fast-growth, low-inflation economy, higher minimum wages raise income, not unemployment.

For proof, look no further than the minimum-wage hike of 1996-97. The two-stage hike of 90¢ raised the wages of nearly 10 million employees. Nearly three-quarters of these were adults, and half the people worked full-time. In 1996, the unemployment rate was 5.4%. Today, it is 4.2% (page 42).

The economy is evolving at a tremendous clip—shedding its old skin before our eyes. In this ever-changing environment, the best policy aims at increasing flexibility and options. Keep markets free, promote growth and entrepreneurship, and open the doors to opportunity for all participants. A higher minimum wage can be an engine for upward mobility. When employees become more valuable, employers tend to boost training and install equipment to make them more productive. Higher wages at the bottom often lead to better education for both workers and their children.

In the New Economy, it often makes sense to leave old economic nostrums behind and take prudent risks. Federal Reserve Chairman Alan Greenspan, for example, has withstood pressure to raise interest rates in the face of strong economic growth. Traditional theory said that inflation follows fast growth. It hasn't. Greenspan bravely took a chance, and America has profited from higher growth. Congress, for its part, has withstood pressure to allow states to impose sales taxes on the Internet. Economic theory says this is harmful because it creates an unfair competitive advantage. But it is the right policy because it nurtures a pervasive technology that is driving the economy.

It is time to set aside old assumptions about the minimum wage, as well. We don't know how low unemployment can go before inflation is once again triggered. But Greenspan is testing the limits. We don't know how high the minimum wage can rise before it hurts demand for labor. But with the real minimum wage no higher than it was under President Reagan, we can afford to take prudent risks.

Mr. KENNEDY. Mr. President, in reading that particular article, you will see that they make the point that the money that is actually used or actually received by minimum wage workers is spent and adds to the economy.

Take a State such as Oregon, that has the highest minimum wage in the country. Since Oregon went to a higher minimum wage more people are working, because it brought people who work back into the labor market because they were able to provide meaningful income to themselves and to their families. It provided an additional boost to the economy.

That concept has been supported by the Card and Krueger studies that have been referred to in other debates on the minimum wage.

Raising the minimum wage is an issue of fundamental and basic fairness, fairness and justice for men and women who are working at the lower economic rungs of the economic ladder. These are people working as assistants to school teachers in many of the schools across the country. These are people who are working as assistants in nursing homes that are looking after our parents and grandparents. These are men and women working in the great buildings in our major cities cleaning up after long days. These buildings effectively would not be functioning unless people were willing to provide that kind of work.

This issue, as I have said many times, is a women's issue because the majority of individuals will benefit from increasing the minimum wage are women. This is an issue of civil rights because one-third of minimum wage workers are men and women of color. This is a children's issue because more than 80 percent of families earing the minimum age are headed by women. Providing for the children in these families is directly related to the incomes that people have, and many have not just one job but the two jobs held down by many minimum wage workers who are heads of households.

We hear a great deal about family values. How are parents going to be able to spend their time with their children when they are out there working on two different jobs trying to put food on the table, a roof over their heads, and trying to clothe their children?

It is amazing to me when we have this greatest economic boom in the history of this country, this body is going to be begrudging to men and women who work hard, 40 hours a week, 52 weeks of the year, and who value work. How many speeches did we hear on the other side of the aisle that we honor work, and we want them to go out and work? People are out there working, and you refuse to give them the kind of income they need so that they can work in dignity and not live in poverty.

I know we have a lot of important pieces of legislation. This isn't a very complicated issue. Every Member in this body knows these issues. Everybody knows this issue. We are not talking about a complicated policy question. It is just a question of whether we are prepared to stand up and speak for those individuals who have fallen further behind economically than any other group—any other group in our society. They are the minimum wage workers. They haven't even been able to maintain the purchasing power of their wages, they have fallen further and further behind and continue to do so.

With all respect to all the other items we have in the Senate in terms of public policy questions, certainly the issue of fairness to our fellow citizens is something the American people understand.

The obstinacy of the Republican leadership in refusing to permit a limited period of time for us to vote on this issue, I think, is a real tragedy for these families. It certainly is. But they have refused and refused and refused with these tired, old arguments. We cannot get this issue on the agenda. They say we are the majority and we will set the agenda.

Let us have an opportunity to vote on those issues.

We saw our colleagues on the other side of the aisle say: Well, all right; if we are going to find an increase in the minimum wage for 2 years, we are going to require $35 billion in unpaid tax breaks that are going to swell to $100 billion over ten years.

If you want to look after the working poor, Senators, they say, you are going to have to provide $100 billion in tax breaks—not related to small businesses, not related to minimum wage individuals, but to the highest paid 10 percent of taxpayers in this country who will get over 90% of the benefit from those tax breaks.

Still we can't even have a chance to debate, they refuse us the time even to debate that. They ought to be ashamed of themselves.

The last time we provided an increase in the minimum wage was the first time we added all the tax goodies. Now the Republican leadership understands they have a train coming along the tracks, and they are piling up and piling up.

They may consider doing $1 over 3 years.

We have already delayed a year—2 years now. They refused to let us bring up the issue up last year, and they are refusing to let us bring it up this year. They want to spread it out three more years. That won't even keep up in terms of inflation for those working families. And to be able to do even that, you have to tag on $100 billion over a 10-year period of tax goodies, unpaid for.

If these individuals end up contributing and paying taxes, they will be paying some of their taxes to try to offset the increase that the Republican leadership wants in these tax breaks.

We may see another hour that goes by without facing the minimum wage issue. We may see another day that goes by without facing the minimum wage issue. But I will tell you, it is inevitable that we will one way or the other bring these measures to the attention of the Senate and try to get accountability.

How many times do we have to hear about accountability on the other side of the aisle? We want accountability. We want accountability for this. We want accountability for that. We want accountability for everything except being willing to vote up or down on the increase in the minimum wage. Yet they were quite prepared to vote themselves—all of the Senate, and the House of Representatives—a $4,600 raise. But they won't even permit a vote on the Senate floor on an increase in the minimum wage.

Mr. President, maybe that goes over well someplace. But it doesn't seem to me that it will go over well with the American people. We intend to continue to press this issue.

Mr. President, I withhold the remainder of my time.

AFRICAN GROWTH AND OPPORTUNITY ACT—MOTION TO PROCEED—Continued

Mr. WELLSTONE. Mr. President, I had a chance to speak this morning and I don't really want to repeat what I said, except to mention one point which is both an argument I want to make to my colleagues here and an argument I want to also make to the administration.

We have a WTO meeting coming up next month in Seattle. There will be many rank-and-file labor people and labor leaders attending, farm organizations, nongovernment organizations, environmentalists. We have been told by the administration that maybe within WTO we can have some enforceable labor standards, some enforceable environmental standards, so we are raising everything up rather than racing to the bottom.

This is important because with NAFTA, in spite of what was said, the truth is, the environmental standards and labor standards were an afterthought and not enforceable. What kind of message are we sending to people when, on the one hand, we have the administration and others saying with WTO we will try to have enforceable standards, and then we have a bilateral agreement, several trade agreements, without enforceable labor standards, without enforceable environmental standards?

As a Senator my bottom line is that I am in favor of the right of people to organize and bargain collectively in our country and in other countries. I am in favor of the rights of ordinary citizens to be able to bargain collectively and have the right to organize so they can make a decent wage and support their families. That is what is sorely lacking in this legislation.

I will mention one amendment. I mentioned several this morning. If we go forward with this legislation tomorrow, I certainly want to have the right to introduce amendments. I talked about a number of amendments. One dealt with campaign finance reform and for the right to apply for clean money, clean elections for Federal offices. I don't think we should abandon this debate or issue.

The amendment I want to introduce tomorrow, if that is the direction in which we are heading, deals with this economic convulsion that is taking place in agriculture. On October 25, Bird Island Elevator, Renville, MN, crop prices: Wheat, $2.89 a bushel; corn, $1.43 a bushel; soybeans, $4.04 a bushel. This has nothing to do with what our livestock producers are getting.

Let me say to those who don't know agriculture, this is way below what it costs farmers to produce a bushel of wheat or corn.

Let me say to my colleagues, in my State of Minnesota, farm income has decreased 43 percent since 1996, and more than 25 percent—a quarter of our farmers—may not be able to cover expenses for 1999.

At the same time, you have these conglomerates that have muscled their way to the dinner table, exercising their power over family farmers. They will do it over consumers, and they are driving our family farmers out.

According to a recent study at the University of Missouri, five firms now control over 80 percent of beef packing; six firms, 75 percent of the pork packing, and the list, frankly, goes on and on.

I want to give a few more figures, then mention the amendment and finish up. The top four pork packers have increased their market share from 36 percent to 57 percent. That is what has been occurring. Smithfield is buying up Murphy, and now they are about to buy part of Tyson Foods that deals with pork production. Our pork producers are facing extinction and these packers are in hog heaven.

The top four beef packers have expanded their market share from 32 percent to 80 percent just in recent years. The top four flour millers have increased their market share from 40 percent to 62 percent. The top four turkey processors now control 42 percent. The list goes on and on.

What we have is a food industry where we are looking for the competition. So here is the amendment I will introduce with Senator DORGAN. I think we may get a majority of votes. I hope so. This will be an amendment to address the market concentration in agriculture. What we would call for is a moratorium that would apply to these mergers and acquisitions over the next 18 months, during which time there are a couple of things that will happen. This would deal with companies that had assets of over $100 million and the second party had more than $10 million. This is the threshold test right now under which these firms would have to apply to the Justice Department and FTC.

The moratorium would last for 18 months or until Congress passes comprehensive antitrust legislation to deal with this problem of the concentration in agriculture, whichever comes first. Moreover, our amendment will establish an antitrust review division to look at this concentration in agriculture and to make recommendations as to what kind of regulations are necessary and what kind of action we should take.

I finish this way. We will be talking about this legislation today. I spoke about it earlier. If we move forward tomorrow, as a Senator from Minnesota I want to have the opportunity to introduce this amendment with Senator DORGAN that calls for a moratorium on these acquisitions and mergers. I want to do it because these big conglomerates are pushing our family farmers off the land. I want to do it because there is a direct correlation between their concentrated market power and the record low prices that our producers are receiving. I want to do it because if we do not have a moratorium over the way in which these huge conglomerates are taking over agriculture, then our rural communities will be devastated and more and more family farmers will be driven off the land. Someone will own the land, someone will own the livestock, but it will be the few.

I think that kind of concentration of power is frightening. It is frightening for our family farmers. It is driving them off the land. It is frightening for our rural communities that depend upon the number of family farmers who live in the communities and buy there. Do you know what else? It is frightening for America. Food is a very precious commodity. We ought not have just a few conglomerates that control all phases of this food industry from seed all the way to grocery shelf. This is wrong. It is not acceptable.

As a Senator from Minnesota, I hope my colleagues will excuse me for saying that for 4 weeks I have asked the majority leader for an opportunity to introduce the amendment. Tomorrow morning, if we go forward with this legislation, I will be here first thing and this is the first amendment I am going to introduce to this legislation. Then we can have an up-or-down vote, and I am hoping we will get a majority vote.

I see my colleague from North Carolina. I gather he wants to spend some time.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Mr. President, on the Africa-Caribbean trade bill, let me say first I believe in free trade. This country and my State of North Carolina are part of a global economy. To put our heads in the sand and pretend that is not true is completely unproductive and accomplishes nothing.

My concern is that the bills we are addressing this week, the African-Caribbean trade bills, put us in a position of playing with fire. The Senate version of those bills is marginally acceptable but they are significantly different, from my perspective, than the House version of those bills. The Senate version specifically contains provisions for what is called yarn forward and fabric forward, which I will talk about in a few minutes. But both bills are dramatically deficient in one respect; that is, they make it almost impossible, in my judgment, to enforce provisions against transshipment.

Transshipment, as my colleagues know, means a country such as China can ship goods to Africa that they otherwise could not ship directly to the United States because of quotas, have a button sewn onto a garment or a piece of apparel, and then have it shipped to the United States and otherwise circumvent existing tariffs and quota requirements. The problem is the enforcement mechanisms against transshipment. In the House bill, in my judgment, they are virtually nonexistent. In the Senate bill, while somewhat better, still we rely heavily on African countries to develop and enforce rules against transshipment. That is simply not a bet worth taking. Unfortunately, transshipment has the potential of putting an enormous number of folks out of work in North Carolina and having a dramatic impact on the textile and apparel industry in my State of North Carolina.

The second problem with these bills is the issue of yarn and fabric forward. The Senate bill provides for yarn and fabric forward, which essentially means African countries operating under the Senate bill, if it were passed, would be required to use American yarn, American fabric, which theoretically would help protect American manufacturers in those two areas. The problem is those provisions are not in the African trade bill on the House side. Unfortunately, if this bill passes the Senate, once it gets to conference, there would be enormous pressure to drop out the fabric forward and yarn forward provisions. Without those provisions, the textile and apparel industry in the United States and in my State of North Carolina would be dramatically affected.

I said when I began that I believe in free trade, and I do believe in free trade. But I think there are certain fundamental principles with which every free trade agreement should comply.

First, the agreements must be negotiated and must be multilateral. The countries with which we are entering into these agreements have to give something up. As I will discuss in a few minutes, that is not true with respect to this bill.

All the trade laws have to be fair and enforceable. As I indicated a few minutes ago, there is at least one major area, transshipment, that in my judgment is not enforceable in this bill.

Third, the trade bill must have adequate labor and environmental protections overseas.

That is common sense. If our businesses and workers in this country are going to compete, as they should, with businesses and workers overseas, these bills must have adequate labor and environmental protections.

Finally, the trade bills must have tangible and provable benefits for U.S. companies and U.S. workers.

Those four criteria must be present for a free trade bill to make sense for our country and for my State of North Carolina.

I am going to talk about some of these principles and how they apply to this specific bill.

First, I just mentioned tangible benefits for U.S. workers. Let me tell you a little bit about what is happening with textile and apparel industry jobs in this country and specifically in my State of North Carolina.

We have 177,000 textile jobs in North Carolina. We have 45,000 apparel jobs, 222,000 jobs in total. Almost a quarter of a million workers in my State of North Carolina are dependent on the textile and apparel industry to put food on the table for their families; a quarter of a million families who are going to be impacted if this bill passes and is signed by the President and becomes law.

Let's look at what has happened to folks who have worked in that area in North Carolina over the last several years. In the last 5 years, from 1993 to 1998, North Carolina has lost 62,000 jobs in the area of textile and apparel manufacturing. That is 62,000 families who had a breadwinner working in that industry who lost their jobs. I believe the studies have shown that those folks have had a terrible time finding other employment. The reality is that the people who work in these jobs need these jobs. They are critically important to provide them and their families with a livelihood. Oftentimes, there is nowhere else for them to go.

I want my colleagues to recognize that when we do pass the kind of legislation we are talking about in these trade bills, it is not just an economic issue. This has real and human consequences on families in my State of North Carolina.

We have lost during that same 5-year period in the textile apparel industry almost 300,000 jobs nationally, which means 300,000 families in this country have lost their source of income during that same 5-year period.

What has happened during the 10-year period from 1989 to 1999? In North Carolina, we have gone from 220,000 to 177,000 textile jobs, almost 43,000 jobs lost, a 20-percent drop in 10 years. We have gone from 83,000 to 45,000 in the apparel industry, which means they have almost been cut in half; half the people in North Carolina who were dependent on the apparel industry to provide income and livelihood for their families have been put out of work; a 45-percent drop, almost half. The reality is, these families have been devastated by the loss of these jobs.

The bill we are talking about today, the African-Caribbean trade bill, could very easily have exactly the same impact because it ensures these jobs we are trying to hold on to in the United States are very likely to be exported to the Caribbean and to African countries.

The average apparel wage in the United States is $8 an hour. Let's see how that compares with these other countries. In Mexico, the average wage is 85 cents an hour. In the Dominican Republic, it is 69 cents an hour; El Salvador, 59 cents an hour; Guatemala, 65 cents an hour; and Honduras, 43 cents an hour—$8 an hour to, in all these countries, well under $1 an hour that companies will have to pay in wages. It does not take a mathematical wizard to figure out what is going to happen to these jobs and to all these folks in my State who are completely dependent on the textile and apparel industry to provide for their families, many of whom have been working in this industry for many years.

On a personal note, I grew up in the textile business. My dad worked in the textile business for 37 years before his retirement from that business. I have seen firsthand, having worked in mills in North Carolina when I was in high school and in college, how heavily folks depend on these jobs. They have nowhere else to go.

The bottom line is, it is all they know, and it is all well and good to talk abstractly about retraining, but when you are talking about retraining somebody who does not have a high school education and who has spent the last 30 or 40 years of their life working in a cotton mill, they have no idea what to do and they have no realistic prospect of going to some other field of employment. These people need these jobs. This is a human tragedy that is created oftentimes by these trade bills. I want folks to realize this is real, and it has a real and devastating effect on people's lives in my State of North Carolina and all over this country.

Let me talk briefly about the jobs we know have been lost and the plants that have been closed over the last few years in North Carolina. In September of this year, Pluma, Inc. closed a plant in Eden, NC, a small community in North Carolina, 500 jobs lost; 500 families lost their breadwinner. The company of Jasper closed a plant in Whiteville, NC, in September of this year; 191 jobs lost. Whiteville Apparel in Whiteville, NC, in eastern North Carolina, closed a plant in August of this year; 396 jobs lost. Stonecutter Mills in Rutherford and Polk in western North Carolina closed a plant in June of this year; 800 jobs lost. Dyersburg, in Hamilton, NC, closed a plant in May of this year; 422 jobs lost. Unifi in Raeford and Sanford closed a plant in March of this year; 257 jobs lost. Levi Strauss closed a plant in Murphy; 382 jobs lost. Burlington Industries in January of this year closed plants in Cramerton, Forest City, Mooresville, Raeford, Oxford, and Statesville; 2,600 jobs lost. Cone Mills at the end of last year, in December, closed a plant in Salisbury; 625 jobs lost.

In a period of less than a year, 6,173 jobs have been lost in my home State of North Carolina. Just imagine what impact the passage of this piece of legislation will have. It will accelerate those numbers. It will not retard them. It will accelerate them, so more and more workers who have spent their lives working in textiles will have nowhere to go, no way to feed their families, and their families are just out of luck.

I want to read from a news story that appeared in the Arizona Republic. It appeared on October 23 of this year—just recently. It is entitled "Textile Industry Unravels Workers Idled By Cheap Labor." It does a terrific job of telling the story of what is happening to workers and families all over North Carolina who are being impacted by these trade bills:

> It was the only work she'd ever done, the only work she'd ever wanted to do. And a contented Lorie Coleman spent a decade and a half inspecting stitch lines, examining cloth and making sure everything that came out of the Ithaca Industries textile mill here met her "high standards"—never mind the company's. A $6-an-hour job it may have been, but it was hers.
>
> Then it was gone.
>
> "To think you could work somewhere," Coleman . . . said recently, her voice still tinged with disbelief . . ." and the next thing you know, you're gone, just like that."
>
> Just like that, a livelihood for the Lorie Colemans of North Carolina and thousands of others in the Piedmont area is disappearing.
>
> Since 1995, according to state labor statistics, more than 160 textile and apparel mills have closed in North Carolina, leaving nearly—

Listen to this, Mr. President—

> leaving nearly 30,000 people out of work [since 1995].
>
> Those losses are reflected throughout the Southeast, which, according to federal figures, lost more than 85,000 such jobs, even as the country was experiencing its fabled economic expansion.

During a period of booming prosperity for this Nation's economy, when everyone else is taking advantage of investment in Wall Street, great earnings on Wall Street, companies are doing terrifically well, 85,000 people in the Southeast lost their jobs, 30,000 in my State of North Carolina.

> To be sure, North Carolina is still the leading state in the leading region for U.S. production of textiles and apparel. Nevertheless, the State is hemorrhaging.
>
> Few places in the State have felt the sting of such losses as much as Lorie Coleman's native Columbus County. Home to nine mills just three years ago, the county now has 3 mills, and two of those are scheduled to close this fall.

They will have one mill left.

> It's a corner of North Carolina that was spared from the worst of Hurricane Floyd's floods last month, but it is bearing the brunt of an industry's decline. After Jasper Textiles and Whiteville Apparel close their gates, the number of textile jobs in this county [Columbus County in eastern North Carolina] will have fallen to 50 from 2,100.

In other words, they have gone from 2,100 jobs to 50. There is nowhere for these people to go to work. They have no comparable jobs. There is nowhere else for them to go.

> Those figures also bear witness to the decline of a distinctly Southern way of life.

Lorie Coleman said it best. She spent her life working in this mill and all of a sudden it was gone. Everything she spent her life learning to do has disappeared.

There is another fundamental problem with this bill. These bills are unilateral. They are not multilateral. Every Member of the Senate should require, in order to vote for a trade bill, that it be multilateral.

What does that mean? First, in the Caribbean, the Dominican Republic charges a 30 to 35 percent tariff on apparel imports. Honduras charges 25 percent. Nicaragua charges 20 percent. We are lowering our tariffs in this bill. Do we have a corresponding lowering of tariffs in those countries? The answer is no. We are unilaterally lowering our tariffs and expecting nothing from the countries that are part of this trade agreement. Their tariffs remain exactly the same. Where is the fairness in this agreement?

In Africa, the average tariff on apparel is 27 percent. Exactly the same tariff is charged on home textiles. This simply makes no sense. Why should we as a nation unilaterally lower our tariffs and have our companies in this country subjected to tariffs in the countries we are entering into contracts or agreements with, where they can charge any tariff they want? That is exactly what is happening in this agreement. There is no lowering of trade barriers in Africa, no lowering of trade barriers in the Caribbean. Instead, we have decided unilaterally we will lower trade barriers.

I have heard a lot of my colleagues talk about the poverty that reigns in Africa and in the Caribbean. My heart goes out to those people. They are suffering; they are struggling. The fact that they are working for anywhere from 35 to 85 cents an hour bears witness to the terrible lives with which they and their families are confronted. But we, in my State of North Carolina, have an awful lot of people who are struggling to make ends meet, too. We have an awful lot of people and families who have spent their lives going into those mills every day, 5, sometimes 6 days a week, 8 to 10 hours a day, to learn to do a job, to build up seniority, to provide for their families.

When we enter into these kind of trade agreements, particularly when we can't enforce provisions against transshipment, where there is a real likelihood that yarn and fabric forward will go out when this bill goes to conference and, as a result, there is a devastating economic impact on North Carolina's textile business and on North Carolina's textile workers, those people lose everything. This is not just an abstract economic proposition we are debating. We are talking about human lives. We are talking about an enormous impact on the families I represent in North Carolina.

I want my colleagues, when they come to vote, either on cloture or on the passage of this bill ultimately, if we reach that stage, to understand every single one of them has a dramatic effect on real human beings' lives across this country and in my home State of North Carolina.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. EDWARDS. Mr. President, I want to say a word about my friend and colleague, Senator Chafee. Having had the honor and privilege of being his friend for the 10 months I have been here, the thing that struck me most about Senator Chafee was his kind and gentle nature. It was the sort of thing I am afraid we need more of in government in general and particularly in this body. He was a thoughtful leader who showed exactly the kind of leadership we desperately need in our country today. He was also a thoughtful, nonpartisan voice on issues that were not partisan, issues we ought to be able to work together on, issues that are good for America.

It is an extraordinary loss for me personally to lose Senator Chafee. He was someone I looked up to and admired in my brief time here. I don't know anyone here who did not love and adore him. I can certainly add my voice to those who will miss him dearly.

Ms. LANDRIEU. Mr. President, I rise this afternoon for just a few moments to add my voice to the chorus of leaders in the Senate, in Congress, and throughout the Nation who have expressed in the last 2 days their admiration and respect for our colleague, Senator John Chafee of Rhode Island.

Upon coming to this Chamber almost 3 years ago, one of the first things I did was to try to search out role models who put principle ahead of politics, who held people more important than political parties. John Chafee was such a role model.

As has been mentioned many times on this floor, as a young marine who battled at Guadalcanal, to the Rhode Island Statehouse as Governor, to the floor of this Chamber, John Chafee answered the call of his country. While he was never afraid to fight for his country or for his principles, as we all know, he knew that common ground provided a better place to find solutions than the battleground. That is one of his most outstanding legacies to this body, to his State, and to our Nation.

Throughout his public career, John Chafee was a tireless fighter for America's children and their families. He correctly perceived that the future of our country would be dictated by how we treated and nurtured our children and set about to create laws, policies, initiatives, and programs which prepared them for the future.

We were all privileged to work with him on many issues. I was, indeed, privileged to work with him on a particular issue of which he was so proud: The Adoption and Safe Families Act. I spoke on the floor about this act, of which he was a tireless advocate and leader, just a few weeks ago and said in its first year 37,000 children had been moved from foster care to a place of limbo, to a place where they were not certain anyone wanted them, to families of their own. That was a 32-percent increase over the previous year. John Chafee had a great deal to do with making that happen.

As leaders retire or pass on, as in this case, through our meager ways we try to construct buildings, highways, and bridges and name them in their honor. I am sure Senator Chafee will have the prerequisite number of bridges or buildings or statues in his honor. I think knowing him the way I did, the way we all did, the legacy of which he will be most proud is that he spent an entire career building up families, building up children, building up people. There will be millions of families built stronger and nurtured and provided for because of the great work he did, not only on the floor of this Senate but in the many ways he has served his State and Nation.

I also want to mention his legacy in regard to the environment. I find, unfortunately, few voices of reason on a subject that is so important to the future of our country. I was so proud, as we all were, to work with Senator Chafee on many issues regarding the environment. He was one of our outstanding leaders working to find a permanent source of funding for the Land and Water Conservation Fund, funding of Teaming with Wildlife programs, for wetlands, for estuaries, for endangered species. I am confident that as we continue the work in these areas, many of his dreams and aspirations on these initiatives will come to pass.

In addition, his passion for history and historic preservation was evident until the end. Fittingly, his last public appearance was at the 50th anniversary of the National Trust for Historic Preservation, just this last Thursday at the National Cathedral. In his final speech, he wisely warned of the danger to America's future if it forgets its past. It was a fitting tribute to 50 years of tremendous work, 25 years or more by a leader in this particular area.

The poet Abraham Joseph Ryan wrote:

> A land without ruins is a man without memories. . . . A land without memories is a land without history.

John Chafee understood that. Today we honor his memory. Let us never forget his example as an excellent role model, a tireless crusader forfamilies and for children, and a tremendous and reasoned voice in our debate on how to balance the needs of our Nation and our world with the great need to preserve and protect our environment.

Today there is an emptiness in this Chamber that we all sense, a terrible emptiness because a grand man, a great man, has left us. We hope our work in these areas will be pleasing to him so we can carry on many of the initiatives he started.

I yield the floor.

Mr. BROWNBACK. Mr. President, I rise to speak regarding the late Senator John Chafee. I have a few comments I want to make.

I was privileged to be presiding whenever our colleagues spoke about Senator Chafee and what a great man he was. People have gone through his resume. It struck me as I was listening that it is rare for us to recognize giants when they are among us. It is generally only after they leave us that we recognize the giant of the individual.

Senator Chafee was such a giant. For all the things he has done and for which he has been recognized—his work for his country, his fighting for his country, his service in this body, his service in Rhode Island—he was truly a giant among us. Only now do we measure his true greatness because we have this void in that he is no longer with us. He was a great giant, he was a humble giant, he was a kind giant, a giant of a man, and a giant of a soul.

We can look at his desk and see the flowers—and they are beautiful flowers. As I look at Senator Chafee's desk, I see this giant oak tree. It is a soaring oak tree, and it has limbs that branch out everywhere. It has leaves that are providing shade and support and nurturing and housing for so many people. It glistens and reaches all the way across America. That is the kind of person he really is. He is a giant of that stature and that nature. The other thing about him is, he doesn't even want to be noticed that he is there. He just wants to do that. He just wants to provide this great shade and this great tree and this great support for this country. He really doesn't even want to be noticed.

When you said, my, isn't that great; he just kind of said, no, I just wanted to do this. I just wanted to help the people in this country whom I love so much, these people who are here for whom I feel so strongly. I believe that I have been given much. To whom much is given, much is expected. I am just providing what I think I ought to.

That was the kind of humble man he was.

I have my own personal experience and memory, as all of us do, about working with him. I am a newer Member, so I didn't have the length of service others did. But I was working with him on a rails-to-trails bill that had a particular problem for Kansas. This was a program he deeply loved. Yet I was having a particular narrow problem. Normally, one would think—I am a new Member and this is a program he loves; I am having a problem with it—that he would kind of quickly shuffle me to the side, that that would have been the normal experience. Yet he was the kindest man about it. He said: I know you have a problem with this. Let's see if we can work it out. He could have easily said: I really don't have time for this. I have more important things to do. But my problem was his problem. He worked with me, and he worked with me in kindness and in gentleness to try to deal with the problem I had with which, in many respects, he disagreed. Yet that was the kind of man he was. There was a great kindness about him.

In my estimation, few have carried greatness so gently as John Chafee carried it. If pride is the first sin, humility is the first grace. And John was a truly humble man. John was a man of grace. We will all miss him dearly, as we see this giant that is no longer amongst us. We loved him. God loves him. Our prayers will be with him and his family.

I only hope his memory can stay with us as long and that we can recognize that giant who was amongst us and in many respects that giant tree which is still there.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair for an opportunity to join my voice with others who have talked about our dear friend, John Chafee.

This place is sadder these last couple days because of the unexpected passing of Senator John Chafee. His death has left the Senate and the entire country mourning the loss of one of our most admired and respected elected leaders.

Senator Chafee belonged to a breed of public servants who have become a vanishing species in American politics. He was always a gentleman, even under attack while defending causes about which he felt deeply. He always stood for moderation and common sense over political extremism.

Senator Chafee was a consensus builder. He believed in bipartisan solutions as an alternative to the typically partisan bickering which is now often a feature of congressional debate.

I served for 15 years with John Chafee on the Environment and Public Works Committee—some of those years, obviously, before he became chairman, and these recent years when he was chairman of the committee. He and I were allies on many battles for a cleaner environment. Even when our approaches diverged, his commitment and leadership were always to be admired. He worked tirelessly to make our air cleaner, to keep pollutants from being dumped into our oceans, and to preserve those species that were endangered.

He had a wonderful patience factor in his being. Senator Chafee and I spent years trying, in good faith but, unfortunately, unable to reach a consensus on a Superfund reform bill. The reason we failed to reach a consensus was not for lack of effort Senator Chafee put in to try to get a Superfund bill out that was satisfactory to both sides and a majority view.

Senator Chafee played an important role in most of the major environmental bills that have come before the Senate since 1977. In standing up for the environment, he often had to stand firmly against overwhelming pressure from powerful special interest groups—not to mention, by the way, pressures from members of his own party, and certainly from some pressures on our side as well—to try and form the consensus we so much wanted to have. He was a role model for all of us in public service and for anyone considering a career in government. He voted his conscience on issues as diverse as child care, welfare reform, tobacco, and transportation, even when voting his conscience meant crossing party lines.

I was particularly proud to have Senator Chafee agree with me, when he supported my bill to require background checks at gun shows. These were not easy votes to make because most of the Members of his party felt differently about that. But he stood up for what he believed in and voted that way and spoke that way and was honored for his views. His own gun safety initiatives made him a hero to me and to all Americans. This was noteworthy, considering his wartime experiences in the face of deadly combat. In World War II, he fought with the Marine Corps in the invasion of Guadalcanal. In 1951, he reentered the service and commanded a rifle company in Korea. His political career was exemplary, including 6 years in the Rhode Island legislature, 3 terms as the State's Governor, and 3 years as Secretary of the Navy. And his four highly distinguished terms here in the Senate made him one of the most treasured figures in American politics.

In his home State, Senator Chafee was known directly as "the man you can trust." No one was more deserving of that trust or worked harder to earn it. His constituents in Rhode Island and all of us here always knew where Senator Chafee stood on an issue. That was true largely because he believed in the Government's ability to help people, to make their lives better. He didn't buy into the notion that Government was the people's enemy.

Mr. President, Senator Chafee's death is an incalculable loss to the Senate and the American people. He set an example that all of us here would be proud to emulate. I know I speak for everyone in the Senate when we extend our deepest sympathies to his wife Ginny, whom we have gotten to know over the years, and his entire family. Senator Chafee's unique style and his physical and moral courage are irreplaceable. The country has lost a great public servant. We are all poorer with his demise, and we will all miss him.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, I ask unanimous consent that I be allowed to speak for up to 15 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESCRIPTION DRUG COVERAGE FOR SENIORS

Mr. WYDEN. Mr. President, this is the sixth time I have come to the floor in recent days to talk about Medicare coverage for prescription medicine and particularly to talk about bipartisanship. I want to talk about this issue of prescriptions for senior citizens.

I am very pleased to see my good friend and colleague from Oregon in the chair. He has been extremely supportive of the effort Senator SNOWE and I have been making over these last few months to try to show that we can deal in a bipartisan manner with this issue of prescription drugs for the Nation's elderly. I think a lot of people have pretty much consigned this issue to part of the campaign trail in the fall of 2000 and that Republicans and Democrats are just going to fight about it and nothing is going to get done. But what Senator SNOWE and I have been talking about for the last few weeks is that we ought to act on this now; we ought to deal with it in this session of Congress. I thank the Chair, my friend and colleague from Oregon, because he has been very supportive.

I am going to read this afternoon, as I have done on five previous occasions, from some of the letters we are getting from seniors across the State of Oregon who are concerned about this issue. In fact, this is part of a campaign Senator SNOWE and I are making to urge seniors across the Nation, as we say in the poster, to send in their prescription drug bills. We hope they do send them to their Senators, in the hopes that we can galvanize bipartisan action in this session. It is more than a year until the next election. It would be a shame, with all of the suffering and hardship we are seeing in these letters, to have the Senate just take a pass on this issue and say, well, we will deal with it some other time and on some other day.

So I am going to, as I have on five previous occasions, read from some of these letters in an effort to try to make the case for bipartisanship and action in this session.

One senior from Lebanon wrote recently that she has about $990 per month in income. This senior spends about $175 of that for just one prescription each month. That leaves this older person a little over $700 a month on which to live. Think about what it is actually like for a senior citizen on a $990-a-month income to spend $175 of that for just one prescription each month. It is pretty clear that you just can't pay for necessities if you have to pay out of your monthly income that very large prescription drug bill.

It would be one thing if that letter were a rarity, but here is another letter I got recently from a couple in The Dalles, OR—the Chair and I have been in that community often—who has to spend something like $1,500 a year for tamoxifen, a drug used to fight cancer. It is very clear that with their other health expenses, their dental work, eyeglasses, a variety of things that Medicare doesn't cover, this couple in The Dalles, OR, is walking on an economic tightrope, having to balance food costs against fuel costs, their fuel costs against their medical bills.

So I am very hopeful that, as a result of this campaign Senator SNOWE and I are making to urge seniors to send in their prescription drug bills, we are going to have a chance to respond in this session.

I see our good friend, Senator MOYNIHAN. He has really led in the area of health research and prevention. We talked a little bit about it on Friday last. What is so important about this issue and dealing with it in this session of Congress and not in 2001—by the way, we won't have the good fortune of having Senator MOYNIHAN as a Member of this body then. The reason we ought to deal with it now is that the drugs seniors need most are preventive in nature.

Back when I was director of the Gray Panthers, which was for about 7 years before I was elected to the Congress—and I think the Chair was still practicing law at that time. It is clear that these new drugs can make a tangible, significant difference in the lives of our elderly people. I talked about a drug last week, an anticoagulant that a senior could get for just over $1,000 a year; and if they take that medicine, it can prevent strokes and debilitating illnesses that can cost more than $100,000 a year. Think of it—a modest, preventive investment in an anticoagulant drug, helping us to save $100,000 that seniors might need to treat a debilitating stroke.

I am going to be brief this afternoon. I am going to wrap up with a few additional cases.

In Portland, I was told by a constituent about her mother and father. They are 83 and 79 years old. Right now at their home in Portland, OR, they are being treated for diabetes, hypertension, and a variety of illnesses relating to arthritis. They have a monthly income of $1,600 a month. They are spending more than $400 of it on prescription medicine—25 percent of their monthly income for an older couple 83 and 79 in our home State of Oregon just for prescription medicine.

From Silverton, OR, a senior sent me a copy of all of her prescription drugs for 1 year. She spent more than $1,000. Her annual income that year was $868 a month. She is spending more than 10 percent of her income on prescription drugs.

From Astoria, OR, a couple on a modest income wrote that for the first 10 months of 1999 they spent over $5,000 on their prescription drug costs.

What Senator SNOWE and I have said is that we have an opportunity to deal with this on a bipartisan basis. We can steer clear of price controls and one-size-fits-all Federal policy. We can use a model that we know works. It is based on the Federal Employee Health Plan, one that serves all of us and our families here in the Senate.

Our bill is called the SPICE Program, the Senior Prescription Insurance Coverage Equity Act.

Our legislation now is the only bipartisan prescription drug bill now before the Senate.

Frankly, I am very confident in the bipartisan team I see assembled from the Finance Committee with Chairman ROTH and Senator MOYNIHAN.

I would like to see as a result of seniors sending in to all the Senators—as this poster says, "Send in your prescription drug bills"—I would like to see the Senate Finance Committee have the opportunity under Chairman ROTH and Senator MOYNIHAN to devise a good bipartisan proposal in this area.

Senator SNOWE and I have an approach that we think works. More than 54 Members in the Senate have voted for the funding mechanism we have proposed. We have a majority in the Senate already on record supporting the funding approach that we would take.

Frankly, when Chairman ROTH and Senator MOYNIHAN sit down, they may well have better ideas for dealing with it. It is not as if Senator SNOWE and I are saying we have the last word in terms of dealing with this issue. What we are saying is given the severity of the problem, given the stakes and the chance to do some real good with anticoagulant drugs where $1,000 a year worth of help can save $100,000 in terms of the cost of a stroke, let's go forward, and let's not let this issue become fodder for the 2000 election.

I am going to wrap up because the chairman and Senator MOYNIHAN are here. They want to talk about this important trade bill, which I also happen to support.

But I hope seniors will keep sending me copies of these bills. Just as the poster says, "Send your prescription drug bills" to your Senator. Senator SNOWE and I are collecting these.

We are going to talk again and again on the floor of the Senate about the importance of this issue.

I think we can do this with market forces. We can use an approach that gives senior citizens the kind of bargaining power that a health maintenance organization has.

What is so sad about this is these vulnerable older people, such as the ones I have described in these letters, are getting hit twice.

First, Medicare doesn't cover their prescriptions. When the program began in 1965, it didn't cover the cost of prescriptions. So there is no coverage either under Part A or Part B of Medicare for most of the Nation's seniors.

Second, the seniors end up subsidizing the big business. Big buyers can get discounts.

So you have big buyers, health plans, and a variety of big purchasers using their marketplace clout in order to get a good price, and the senior citizen in Silverton or Pendleton, the Presiding Officer's hometown, who walks in and buys their prescription off the street ends up subsidizing those big buyers. That is not right.

Senator SNOWE and I are going to continue to try as a result of our conversation with colleagues to catalyze a bipartisan effort to address this issue.

I think the question of adding prescription drugs to Medicare would be a real legacy for this session of the Senate.

I think about all of the accomplishments of Senator MOYNIHAN in this health care field over the years, what he has done in terms of graduate medical education, and what he has done in research is extraordinary. I would like to see as part of the great legacy that he leaves for his career in the Senate action on this bipartisan issue before he retires at the conclusion of this session of Congress.

Mr. President, I will be back on the floor—I know Senator SNOWE intends to as well—talking about this issue. We hope seniors send us a copy of their prescription drug bills. We are going to address this issue in a bipartisan way. I will be back on the floor soon to talk about this issue and bring other real, live, concrete cases to the Senate in hopes, as the Presiding Officer of the Senate and I have done at home in Oregon, we can work on this in a bipartisan kind of way.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise once more to thank our dear colleague, the Senator from Oregon, for his remarks and his typically self-effacing mode. He said we may not have the last word. Indeed, we may not. But we have the first word. We have to do this together; that is, both sides of the aisle. We can. He and the Senator from Maine have the votes. But we need a vehicle.

His most important point is that medication is now making that great move from treatment of disease to prevention. That is always the great advance in health for everyone. The single most important health measures that we have done in the last century have been to clean up our water supplies so that we don't get ill. These drugs do the same.

He is right. I am with him.

I yield the floor, sir.

The PRESIDING OFFICER. The Senator from Delaware.

UNANIMOUS-CONSENT AGREEMENT—H.R. 434

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 434 at 10:30 a.m. on Wednesday, notwithstanding rule XXII, and the yeas and nays be vitiated on the motion to proceed.

The PRESIDING OFFICER. Is there objection?

Mr. MOYNIHAN. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. In light of this agreement, there will be no further votes this evening.

MORNING BUSINESS

Mr. ROTH. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. MOYNIHAN. Mr. President, as have so many of our colleagues today, I rise to speak in memory of and in praise of John Chafee. He was my dearest friend for nigh onto a quarter century.

We came to the Senate together in 1977. As it happens, we were both appointed to the same committees. As we all know, the life of a Senator very much depends on the committees he or she is appointed to and the amount of time that they remain on those committees.

We were appointed to the Committee on Finance with its enormous range of jurisdiction, and to the Committee on Environment and Public Works. Only recently at that point had the "environment" come up and made its way onto the title of what had previously been a Public Works Committee. We worked together on both committees from the very first. These are exceptional committees. Possibly because of the great common interests that are dealt with, they have been exceptionally bipartisan committees.

I point out at this point we have three measures before the Senate: The trade legislation which we will go to tomorrow morning, the tax extender legislation which we must get to, and the Medicare and Medicaid amendments to the Balanced Budget Act of 1997. All three of these measures come to the floor with practically unanimous agreement. Two cases were unanimous; on another, just a voice vote with two dissents.

John Chafee, ranking Republican, as Senator ROTH, the chairman, would agree, was part of this consensus development from the first. He was instinctively a man of this body, and the national interests always came first. I can recall an occasion on the Committee on Environment and Public Works when we took a vote and afterwards John said: Hold it, hold it, did we just have a vote along party lines? We haven't had one of those in 15 years on this committee.

It happened we had one, and that moment passed.

He was deeply involved in environmental matters—the world environment as well as our own. I tended to emphasize public works, and we had a remarkably reinforcing and effective time, or so we like to think. Everyone has commented on his work.

On the Finance Committee—which not everyone understands is, in fact, also the health committee of the Senate—we deal with Medicare and Medicaid. John did a great many things. The one that was so typical and wonderful was to transmute gradually—over a quarter century—the Medicaid program from a program of health insurance for persons on welfare under title IV(a) of the Social Security Act such that we confined the population who could benefit to those persons who were dependent on welfare and added another incentive to dependency. He slowly moved this program to a health insurance program for low-income Americans. It was brilliantly done, not least of all because he never said he was instituting it; it just happened at his insistent and consistent behest.

The last great matter we addressed together was the effort to postpone, so as not to reject, the Comprehensive Test Ban Treaty. He was deeply involved with that. It is perhaps not easily accessible to others now that he was of a generation—I suppose I was of that generation—who can very arguably be said to owe their lives to the atom bomb. He was with marines already in the Solomon Islands. I was in the Navy; I would soon be on a landing craft. We were all headed for Honshu. The war would go on but then stopped because of that terrible, difficult, necessary decision President Truman made.

It was the most natural thing in the world for someone such as John Chafee to spend the rest of his life, in effect, trying to ensure that such a terrible act never was repeated. He was deeply attached to maintaining the essentials of the antiballistic missile program and believed that a rejection of the test ban treaty would then lead to our insisting on that. He did not prevail, but he was witnessed, as he was all of his life, as a man of valor, a man of courage, and such a decent man.

He was chairman of the Republican Conference. Around 1990, I believe, he was challenged, and openly—legitimately, in politics of our type—as too liberal. It was a very close contest, decided by a single vote. Another colleague of his from that side of the aisle, of course, thought the honorable thing to do was to tell him in advance that he would be voting against Senator Chafee's role as party conference chairman and came over to John on the floor and told him this. It was, in effect, devastating news. John's reaction was, "Oh, dear." Never a word of acrimony. He told me about it smiling the next day. He was hurting a bit, but he smiled even then.

He was so wide in his concerns and his empathy and his sympathy. I can only say all of us deal with special interests; we all have special interests. But the only one I can identify with him was the Rhode Island Jewelry Manufacturers. Never did a trade bill pass through our committee without a little essay by him on the subject of the necessity to protect this important sector of the American economy; and he did, and without difficulty. If he wanted it, we wanted him to have it.

I close with the lines of W.B. Yeats, a wonderful poem, "The Municipal Gallery Revisited," which concludes:

> Think where man's glory most begins and ends.
> And say my glory was I had such friends.

We, all of us, share in that as we contemplate our loss, a loss which is more than made up by the great glory of his friendship. Liz and I send our deepest love to Ginny and to his family.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, a life lived richly is the phrase that comes to my mind as I think of John Chafee: A life lived richly, not of the material things of this world but in the magnificent service he provided from the time before he was old enough to vote until his dying day; a life lived richly in the love and honor and respect of those who knew him best, many of whom are Members of this Senate, but love and honor and respect that came from his fellow citizens of Rhode Island and from men and women all across the United States of America.

I knew John Chafee for only 18 years. The word "only" and the phrase "18 years" do not generally go together, but even that relatively extended period of 18 years was only a modest fraction of the life of service performed by John Chafee. As a U.S. Marine before his 21st birthday, and through many battles and two wars, as Governor of the State of Rhode Island, as Secretary of the Navy, and for almost 23 years as a Member of this body, John Chafee dedicated his life and his entire career to the people whom he represented in the State of Rhode Island and, beyond that, to the grand concept that is the United States of America.

Unlike my eloquent colleague from New York who just spoke, I only served on a committee of this body with John Chafee for a relatively short 2 years. But I do remember vividly the work of several years in his office here in the Capitol in what seemed at the beginning almost a forlorn hope to balance the budget of the United States and to put this Nation and its economy on the sound footing that has been so evident in our economic successes over the course of the last few years.

As was the case with his work on the Committee on Environment and Public Works, that effort was a bipartisan effort, with most of its time being spent with the cochairmanship of the Senator from Louisiana, Mr. BREAUX. It was not at first successful, but it was the immediate parent of the success that this body, the entire Congress, and the President of the United States had in 1997 with a result that was greater than the expectations of any of those who began that lonely struggle or who were in on its completion. It might accurately have been said that success would not have taken place as dramatically or as soon without the dedicated efforts of John Chafee.

On a lesser but still significant level because, of course, each one of us does represent a particular constituency, I can remember vividly the way in which John Chafee, a Senator from Rhode Island, would make requests of me in connection with each of the year's Interior appropriations bills I have managed, softly and diffidently, but with a persuasive manner and reasoning and a persistence that lasted until the conclusion itself—a conclusion that, if my memory serves me correctly, was always favorable to Rhode Island and to the specific requests John Chafee made, partly on the merits of the case and partly because of the respect and love I held for John Chafee, along with all of my colleagues.

He did love his small State. He cared deeply about its people and carried the burden and responsibility of representing them both lightly and well. John Chafee, not surprisingly for a former member of the U.S. Marines with many battles and much conflict under the flag of his country in his early life, was not afraid to be alone even in this body and even in contentious times when he believed, as he often did, that his position was the right one. Equally, he was not afraid to join with others to test his ideas against the ideas of others and to reach a conclusion that could command the respect and the votes of a majority of this body.

He was a highly successful Member of the Senate, and so we will miss him, even though, in a way, some can envy a man who, continuously from the age of 18 or 19 until his dying day, was permitted to serve his country in so many ways and in so vital a fashion.

Now we are constrained to bid him farewell. But he goes with our admiration, our respect, and our prayers.

Mr. ABRAHAM. I will speak briefly with respect to the passing of our dear colleague, John Chafee. He was a great friend to all Members, those who had the chance to work with him closely across the board from one side of the Chamber to the other. I think all felt the highest degree of respect and admiration for him. Today I want to express to his family my deepest condolences and those of my family.

A lot of great things have already been said about John Chafee's remarkable career both in public service and in service of his country, his academic achievements, as well as his professional achievements. I will have many memories of him. Probably one that will be the most vivid in a certain way is something I took note of after reading a book about the Korean war which talked about John Chafee. The book made reference to his very distinguishable way of walking, the sort of commanding stride with which he moved among the troops. After I read that, I started noticing the way he walked from one building to another of the Senate, and I noticed the same absolutely distinguishable stride with which he carried himself; somebody who was in command, somebody who moved purposefully forward to meetings, to the floor of the Senate, to attain the objectives which he had for his State and his country.

Certainly, anyone who had the chance to work with him, whether in the context of the issues that came before the Finance Committee or the Committee on Environment and Public Works, knows he brought to the Senate a great sense of dedication, commitment, integrity, and principle. We worked together quite a bit last goround on the highway transportation bill. I remember on numerous occasions appearing in his office to make the plea for my State of Michigan. While he didn't have the ability to provide each and every Member with everything we wanted, he certainly put the time in to make sure he did the best for all of us in our States. That was his way of addressing all the things that came before him.

It will be hard to move forward without him because we will all miss him, and I think as a collective chamber we will miss his leadership.

As I said to his family and those close to him, I offer both my condolences but, at the same time, I express how much admiration I had for him and how I hope all Members can draw from our experiences with Senator Chafee some insights into how to make sure we conduct ourselves as Senators, with integrity and with the willingness and ability to work together to achieve great things. He certainly achieved many great things in his career, and I hope other Members can come close in our careers to achieving what he did.

Mr. MURKOWSKI. Mr. President, when I first came to this body in the Congress that convened in January of 1981, I was the 100th Senator. There is no question about that. There is a certain degree of humility associated with that prized and coveted position.

As a consequence of the reality that we came in with 16 other Republican Senators in what was somewhat of a revolution associated with President Reagan, some suggested we came in on his coattails. Those of us who prided ourselves on our accomplishment were not ready to attribute totally that responsibility to President Reagan, but nonetheless we were fortunate to be here.

In the determination of how this place works, as a freshman Senator, one quickly has an opportunity to participate in the selection of committees. Being the 100th Senator, you take what is left and what you get. I found myself having perhaps made the choice, but clearly with the realization that while my first choice was the Finance Committee, my realistic choice was the Environment and Public Works Committee. At that time, Senator Chafee had taken over the chairmanship of that.

One of the interesting reflections is not too many of the Republicans, in spite of their seniority, knew what chairmanships were all about because it had been a long dry spell in the Senate —several decades.

In any event, I had an opportunity to serve with the late Senator John Chafee. As a junior member of that committee, I was quickly immersed in the technical aspects of such issues as emissions, NO_X, CO_2, clean water, clean air, the role of the Environmental Protection Agency, and a host of other eventualities that suggested that clearly there was an institutional memory associated with many of these issues. I found, much to my relief, that the late Senator Chafee was a patient, caring, and intensely dedicated Member of this body. I know many Members have discussed his military role, his individual and personal sacrifice on behalf of our Nation in serving. Having dedicated his life to public service, I think it is a reflection of the type of American and unique Senator he was.

During that time on his committee, I was privileged to participate in significant events that were charged to his responsibility. Looking back on those instances, they were really opportunities to get to know and understand and appreciate the contribution Senator John Chafee made to the Senate.

Later, I had an opportunity to serve with him on the Republican health care task force. Even later, finally, after some 14 years in this body, I did get my first choice of committees, the Senate Finance Committee. John Chafee was on that committee as a senior member. John took over an obligation to coordinate the Republican health task force. John studied in depth the details of health care. He probably knew them better than anyone in this body. He cared very deeply about bettering the lives of those he met. I remember the morning meetings when he went into great depth on the health care issue and how we could meet our obligations to provide reasonable health care for the Nation. It was a disputed area of concern relative to a certain amount of partisanship, which occasionally raises its head around here. Nevertheless, John was above that; he was dedicated and committed to trying to accomplish something meaningful in that area. He never gave up, as he didn't on many of the issues about which he cared so deeply.

So as we look at John's desk and the flowers that adorn it, it is with fond memories that we think of a fine American and an outstanding Senator with whom we were privileged to serve for a number of years—in my own case, for some 19 years. I treasure that time with John Chafee. I shall miss his contribution to this body. We had certain disagreements from time to time on issues, as Senators do in this body, but I always respected where he stood. I always knew where he was coming from. He was a gentleman whose word was his bond.

Coincidentally, recently I made a telephone call to a friend who has been ill for some time. He was known to many in this body. The gentlemen's name is Duffy Wall. He was a friend to many Members of this body. Duffy Wall passed away yesterday, as well, at about 4:15 in the morning. I talked to his wife Sharon, who was kind enough to phone me and advise me that Duffy had passed on. It was kind of memorable that, in her reflection, she said, "You know, Frank, Duffy was a great friend of John Chafee's." She believed that Duffy wanted to go with Senator Chafee. So wherever the two are today, obviously, they have affection and great friendship. As Senators, we suffer the loss of our dear friend John Chafee.

I thought it fitting to add that there was another dear friend of ours and John Chafee's who also passed away yesterday morning.

Mr. President, I extend to Mrs. Chafee and her family my sincere sympathy. I also extend to Sharon and the Wall family our sympathy for the loss of Duffy Wall.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I offer my condolences to Ginny and the entire Chafee family for the loss of her husband, their father, and our friend, John Chafee.

When a great person leaves us, we know we can't replace him and we know have suffered the loss in a very personal way. All of us feel that loss with John Chafee. It is not just the loss of a Senator, it is someone now who is missing in our lives, and we have to deal with that in the way human beings have to deal with losses of this kind. Also, when a great man leaves us, when great people leave us, oftentimes they will put on the television screen the date of birth and the date of passing, and they did that in this case with John Chafee: 1922–1999. He was 77 remarkable years, Mr. President.

I had a conference in Omaha with young people recently on the question of how to save money. They were juniors and seniors. I have done this for 2 or 3 years in a row. Warren Buffett, a rather wealthy man, was our keynote speaker. He talked for a couple of minutes, and then he took questions. Two years ago, a young person said to him, "Mr. Buffett, I mean no disrespect, but aren't most wealthy people jerks?" Warren answered, "No, that is not my experience. Wealth just allows you to be a little more of what you already were. If you start off a jerk and become wealthy, you can be a real big jerk and hire lawyers for $1,000 an hour and sue all your friends. On the contrary, if you start off a good person and you acquire wealth, you can be a really good person."

That was John Chafee. John was born into wealth and privilege. At the age of 19, after the United States was drawn into World War II after being attacked by Japan, he volunteered, but not for any special duty; he was an enlisted man in the U.S. Marine Corps. Among other places, he had to fight in one of the bloodiest battles in Guadalcanal. Then he went back to college, and the Korean conflict broke out, and there was no question that had he chosen to, he could have figured out a way not to go. But he went in this time as an officer commanding a rifle company.

I have had many occasions where I would say, "I was so impressed, John, by what you did"; and, of course, all of us who knew him would know he would blush and change the subject. He did not want praise. He didn't want people to think he was anything special. He did this all as a consequence of the way he was. He didn't think he deserved any special attention at all.

Again, taking my Warren Buffett experience, in talking to the young people, he didn't talk about wealth. He said: You are born with three things—intelligence, endurance, and the opportunity to build integrity. You have to decide how much intelligence and endurance you are going to use. You build integrity every single day with the choices you make. Sometimes you make good choices, and sometimes they are bad.

I would scratch my head if somebody asked me to give them a choice John Chafee made that was bad, which produced inferior integrity. And I don't just mean the issues. I am impressed by what he did on the environment. He believed we needed to leave the world better than we found it. He knew we had to think beyond our lifetimes in order to do that. I was impressed by his courage on public safety. I never have and never would go as far as he did on gun control, but it took guts to do that. All of us who watched him do that had to admire that.

On health, there were always other people—the disabled and people who were born with less than he was born with. He didn't just fight with them, and he knew it wasn't for political reasons. He cared about the lives of other people. So I was impressed with what he did on all the issues. But the thing that moved me the most and causes me to say that I will miss this man and I will note his absence is that I consider what the world is like without him, and I think it is less without him. So it was considerably more as a consequence of the choice he made to be kind, the choice he made to be considerate, the choice he made to respect other people. That is a choice we all have to make. Are you going to be kind? You are not born with an attitude of kindness. You have to choose it. You have to choose to be considerate and respectful.

Again, I have been here for 10 years. I can't think of a single moment even when he was provoked that John Chafee ever said an unkind word about anybody. He would disagree. He would argue. I never heard him say an unkind word. That was a choice he made. It didn't come as a result of him being a man or a human being. It was a choice and a decision that he made. It was old school values, in my opinion.

As a consequence of that, I find myself wondering what life is going to be like without John Chafee.

I hope his wife and family understand what a big impact he made. John caused not just improvement in our laws, improvement of our country, and improvement of our world but improvement of our values.

For those of us who fall short of the mark that John Chafee laid down with his behavior, there is an ideal of a goal that he set for ourselves.

I hope as we debate and make decisions about how we are going to treat one another that we remember the way John Chafee treated us. I think if we remember that, it is likely that we will treat not just one another better but as a consequence of that treatment this will be a better place, and the country will be a better place, and the world will be a better place as well.

I yield the floor.

Mr. CRAPO. Mr. President, I rise today to join so many of my colleagues in making a few remarks about our colleague, Senator John Chafee.

As we all know, many of us have risen over the last 2 days to speak of our memories of Senator Chafee and the friendships we have developed with him over the years. Because of my short time in the Senate, my experiences with Senator Chafee are more limited, but I have had ample time to observe Senator Chafee as the good, kind, and honorable man so many of my colleagues have spoken about in the last couple of days.

I can recall when I first came to the Senate and we were organizing. I wondered what my committee assignments would be. John Chafee, knowing of the interest of Idaho in natural resource issues, came to me and said I ought to try to get on the Environment and Public Works Committee which he chaired. I said: I would love to work with you on that committee. When the appropriate opportunity to make a selection came along, I ultimately did, make that choice and had the chance to work with Senator Chafee.

John Chafee represented what is good about American politics. Senator Chafee was a man of the highest principles and utmost integrity. The Washington Post referred to him as "a gentle but stubborn champion." That is exactly right.

I was remarking to one of our colleagues as we walked back from the Capitol Building after a matter of business earlier today that John was always friendly and helpful and was such a kind man, but he was also a firm man in championing the principles he advocated. I believe that description of him, "a gentle but stubborn champion," is a very apt way to describe him.

John Chafee was deeply committed to the issues he undertook to fight for, and, at the same time, he was always a gentleman and a statesman. Senator Chafee was instantaneously a likable person. Part of his charm was he was entirely unassuming and friendly.

Perhaps what made his demeanor more unique was he had enjoyed such an impressive career. Senator Chafee clearly worked hard to make a difference throughout his entire life. His career accomplishments were extraordinary, but then he was an extraordinary man. These things have already been said, but I want to repeat them.

He served in World War II at Guadalcanal and Korea. He was a graduate of Yale University and Harvard Law School and served in the Rhode Island House of Representatives and as Governor of Rhode Island. In 1969, he was appointed Secretary of the Navy and served in that post for 3½ years during one of the most critical times in our history.

Senator Chafee's life's work has been furthering the issues he believed would make America a better place. His commitment to the issues and his good nature are what I will miss the most.

I knew if I needed to talk with someone who would have a unique and heartfelt perspective on an issue we were debating, all I had to do was sit down at his desk, where there are now flowers, and talk to John. He would have thought through the issue carefully and whatever his position on it, he would have a good, balanced, thoughtful reason for it.

I particularly want to share some of the personal experiences I have had with him.

Being from a different part of the country—I come from the West and John comes from the Northeast—it is no secret those of us from different parts of the country often approach environmental issues and some of the natural resource issues in a different way, and that was true about John and me on some of the issues. We found a lot of common ground where we worked together, and we found those issues where we were different.

What was always remarkable to me is that he was always willing to work with me to try to understand my point of view and to see if the issues and concerns of the people I represent in Idaho could be squared with the issues and the concerns of the people he represented in Rhode Island, and if the interests of the Nation could be brought together in a solution that found common ground, that was one of his strengths.

I note he always engaged the people in our hearings in a friendly fashion that made them feel at home and at ease. He took a direct interest in legislation and in each committee member's personal interest in legislation which was important to them.

He personally worked closely with me on legislation on which we found we could develop common ground. It is because he chose to make his life one of service that so many people today stand in honor of him. America truly lost one of our great leaders. I believe he stands as a tremendous example to all of us of the kind of difference you can make if you are willing to put your life into the service of the people of this country.

John Chafee truly did that. On behalf of all of us in America, I say thank you.

ACADEMIC ACHIEVEMENT FOR ALL ACT

Mr. GORTON. Mr. President, I rise to express my gratitude and my appreciation to the House of Representatives for an action it took last week, under the leadership of Congressman GOODLING, chairman of the House committee dealing with education. The House has now passed the Academic Achievement For All Act, or Straight A's, a concept and a crusade in which Mr. GOODLING and I have joined as sponsors in our respective Houses of Congress. It is so dramatic a reform, so dramatic an expression of understanding on the part of the majority of the Members of the House of Representatives, that those who provide educational services for our children—their teachers and principals and superintendents and elected school board members, not to mention their parents—ought to be empowered to use the money they receive from the Federal Government for that education in a way they deem best, given the circumstances of each child and of each of the 17,000 school districts in the United States.

That philosophy is very much at variance with the standard philosophy of Acts of Congress, which increasingly over the years have told our schools in detail what they must teach, how they must teach it, and how they must account for it if they are to receive a modest percentage of their budgets that Congress itself supplies to them.

In order to pass Straight A's through the House of Representatives, Mr. GOODLING and his supporters had to scale it back to a 10-State experiment.

Even at that level, I believe it will be a dramatic reform, not simply because it provides this trust in our local educators and parents and school board members, but because it carries with it a requirement for accountability that is a real bottom line requirement; that is to say, in order to take advantage of Straight A's, a State must have a system of determining, through some type of examination or a test, whether or not it is actually improving the educational achievement of the children under its care. It is only results that count in Straight A's and not how you fill out the forms or what the auditors say you have done with the money.

I believe we in the Senate will take up Straight A's in that form, or in some similar form, sometime during the winter or very early spring of the year 2000 when we deal with the Elementary and Secondary Education Act. But I am delighted that we have made such progress already in the House of Representatives.

Simply to ratify some of my remarks, I want to share with my colleagues comments that we have received from across the country about this dramatic change in Federal education policy:

> I am pleased to offer my support to the Academic Achievement for All Act. This proposal, if enacted into law, would serve to complement the Commonwealth of Virginia's nationally-acclaimed national education reforms.

Governor James Gilmore of Virginia.

> A new relationship between the states and Washington, as reflected in Straight A's, can refocus federal policies and funds on increasing student achievement.

Governor Jeb Bush of Florida.

> Straight A's would allow us to use federal funds to implement our goals while assuring taxpayers that every dollar spent on education is a dollar spent to boost children's learning.

Governor John Engler of Michigan.

> I'm not a Democrat or a Republican. I'm a superintendent. And what GORTON is trying to do would be the best for our kids.

Superintendent Joseph Olchefske, Seattle public schools.

> The Straight A's Act will allow those closest to the action to make decisions about education in their own local school district.

Robert Warnecke, Washington State Retired Teachers Association.

> Senator GORTON's Straight A's proposals is well-conceived with great flexibility for states and districts. It would help to focus federal resources where they are most needed.

Janet Barry, Issaquah Superintendent and 1996 National Superintendent of the Year.

> I look forward to the debate in the Senate on these changes with particular delight because the House of Representatives' majority has already said that this is the direction in which we ought to lead the country.

(The remarks of Mr. CRAPO pertaining to the introduction of S. 1795 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CRAPO. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—S. 761

Mr. ABRAHAM. Mr. President, I would like to propound a unanimous consent request.

I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to the consideration of Calendar No. 243, S. 761, under the following limitations:

That there be 1 hour for debate equally divided in the usual form, and the only amendment in order to the bill be a manager's substitute amendment to be offered by Senators ABRAHAM, WYDEN, and LOTT.

I further ask unanimous consent that following the use or yielding back of time and the disposition of the substitute amendment, the committee substitute be agreed to, as amended, the bill be read a third time, and the Senate proceed to a vote on passage of S. 761 with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, there are a number of people on this side of the aisle who reluctantly have asked that we object to this matter with the caveat that it is very clear that there should be something worked out on this in the near future. We hope that will be the case. In the meantime, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ABRAHAM. Mr. President, I appreciate the perspective offered by the Senator from Nevada.

I want to acknowledge, while he is still on the floor, the continuing interest that I have in trying to work to a resolution on this issue because I think it is one, as is evidenced by the bipartisan nature of both the original bill and the proposed substitute, where there are, in fact, Members on both sides of the aisle who have an interest in proceeding in this area. So I hope we will be able to reach some kind of an agreement soon.

I have a little bit more I want to say about the legislation before we adjourn, but I thank the Senator from Nevada for his expression of a continuing interest to work together.

THE MILLENNIUM DIGITAL COMMERCE ACT

Mr. ABRAHAM. Mr. President, we originally introduced this legislation, which is entitled "The Millennium Digital Commerce Act" on March 25. I introduced it with Senators WYDEN, MCCAIN, and BURNS.

The Senate Commerce Committee held a hearing on the legislation May 27. Subsequently, the legislation passed unanimously by the Senate Commerce Committee on June 23.

President Clinton's administration indicated a statement of support. That was issued on August 4.

I think that sequence of events suggest that there is a strong degree of support for this type of legislation.

The same week the President expressed his support, we attempted to pass the bill in the Senate by unanimous consent. That was just before the August recess.

Concerns were raised by two Members of the Senate about the possible impact of this bill on consumer protection.

Since that time, we have worked to try to incorporate some of the changes and some of those considerations into the legislation to address consumer protection concerns while still providing the tremendous benefit of electronic signatures to the public which was intended by the legislation. I believe the substitute which we would propose to offer does just that.

As was the case with the legislation which passed the Senate Commerce Committee, the substitute will promote electronic commerce by providing a consistent framework for electronic signatures in transactions across all 50 States.

That framework is simply a guarantee of legal standing in each of those States. Such a guarantee will provide the certainty which today is lacking and will encourage the development and the use of electronic signature technology by both businesses and consumers.

The legislation addresses the concerns raised by the use of electronic records and electronic transactions. It will allow people to secure loans on line for the purchase of a car, home repair, or even a new mortgage by giving both companies and consumers the legal certainty they need.

However, the bill now includes safeguards to guarantee that electronic records will be provided in a form that accurately reflects the original transaction and which can be reproduced later. These safeguards are taken directly from the completed version of the Electronic Transactions Act, the ETA.

This legislation also recognizes that there are some areas of State law which should not be preempted. These are specifically spelled out and excluded in this bill. They include but are not limited to wills, codicils, matters of family law, and documents of title.

As almost anyone in this country knows who has paid the slightest degree of attention to developments in the areas of sales, or economy, or the markets, or watches their television and follows the commercials to the slightest degree, we are entering an age in which electronic commerce is rapidly serving as a substitute for traditional means of commercial activity.

Many individuals and companies, as well as others who wish to engage in electronic commerce and other electronic exchanges, are suffering because there is no uniform supporting legal infrastructure in the United States which could provide legal certainty for electronic agreements.

The problem is simple. We have about 42 States that have adopted their own basic version of how to authenticate documents that are entered into through electronic transmission. They are all different. Because of those differences, the potential exists for transactions and contracts entered into online through electronic commerce to be challenged in court because the laws of one State might be different from the laws in another. We wish to end that problem.

The States are moving as fast as they can to address it through a uniform act which has been developed by the States. And slowly but surely we believe that act will be adopted by State legislatures and signed into law by Governors. But until the States get to that point, we need an interim solution so that electronic commerce can continue to expand and people can continue to engage in electronic commercial activity.

The current and prospective patchwork of law and regulation cannot support, and in some cases is incompatible with, the e-commerce market's demanding requirements that are flowing from the interstate and international nature of Internet commerce.

The uncertainty and certainly the existence of all these different State laws provides a lot of uncertainty, and the resulting risks that stem from that harm America's businesses and consumers because it puts a limit on the amount of commercial activity that is capable of being handled in this fashion.

I think it further hinders the broad deployment of many innovative products and services by American companies, and, of course, in turn limits the choices for those who are prospective consumers, whether it is in business-to-business transactions, or business-to-consumer transactions.

The point is this legislation cannot continue to wait. We have tried on several occasions already to bring it to the floor. We tried to pass it through unanimous consent agreements. We have tried to negotiate. So far we have been unsuccessful.

The concepts and the goals behind this move toward electronic commerce and authentication are not a subject of controversy. Obsolete statutes that exist in State law should not be permitted to bar innovation and economic growth.

This is no longer a States rights issue because we are dealing with otherwise enforceable contracts involving interstate commerce. Thus, passing legislation that contains crucial provisions providing interstate commerce certainty for electronic agreements, in my judgment, and I believe in the judgment of a lot of others, should be a top priority for the Congress before leaving this year.

The legislation which we are talking about has been endorsed by numerous organizations and companies who are trying to expand e-commerce in our country.

They are: America Online, American Bankers Association, American Council of Life Insurance, American Electronics Association, American Financial Services Association, American Insurance Association, Business Software Alliance, Charles Schwab, Chase Manhattan Bank, Citicorp, Coalition of Service Industries, Consumer Bankers

Association, Consumer Mortgage Coalition, Digital Signature Trust Co., DLJ Direct, Electronic Check Clearing House, Electronic Industries Alliance, Equifax, Fidelity, and Ford Motor.

Also, the Financial Services Roundtable, Gateway2000, General Electric Company, GTE, Hewlett-Packard, IBM, Information Technology Association of America, Information Technology Industry Council, Intel, International Biometric Industry Association, Internet Consumers Organization, Intuit, Investment Company Institute (ICI), Jackson National Life, Keybank, Microsoft, National Association of Manufacturers, National Association of Mutual Insurance Companies, National Retail Federation, NCR Corporation, New York Clearing House Association L.L.C., PenOp Inc., Securities Industry Association, Telecommunications Industry Association, U.S. Bancorp, U.S. Chamber of Commerce, Wachovia Corporation, Zions First National Bank, and Zurich Financial Services Group.

The fact that the legislation passed the Commerce Committee unanimously, the fact the President has endorsed it, should be a signal to everybody that this is legislation that does have the kind of bipartisan backing that should allow it to move fairly quickly through the Senate. Yet it is not. It has been since June that we have tried to do this. We have yet to have a successful completion of our efforts.

There are many issues involved in electronic authentication that can wait for the market to mature for resolution. Contractual certainty cannot. The absence of certainty with respect to electronic authentication contracts creates a huge impediment to the development of e-commerce both here and internationally.

Before I finish on this issue, I am still very much interested in working with people who have objections. I hope we can work something out in the next day or two, but I do think we need action this year. If we can't work something out in the next day or two, it will certainly be my intention to ask the majority leader to see if we can't file a cloture motion on a motion to proceed to this legislation so we can work it out. It seems to me if people have substantive differences we ought to be able to enter into a consent agreement to afford the opportunity for a limited number of amendments on this legislation so those differences can be worked out on the floor. To hold the bill up and prevent proceeding to the bill jeopardizes our ability to get anything done this year. I appeal to those who raised objections to work with Members in the next day or two to find an amicable as well as hopefully a fairly quick process by which we can bring the legislation through the Senate.

Mr. LEAHY. Mr. President, along with many of my colleagues on both sides of the aisle, I have long been an advocate of legislation to enable and encourage the expansion of electronic commerce, and to promote public confidence in its integrity and reliability. In that bipartisan spirit, many of us worked together in the last Congress to pass the Government Paperwork Elimination Act, which established a framework for the federal government's use of electronic forms and signatures. I believe that the same spirit, and the same process of listening to the people involved and the experts on the issue, and of reasoned deliberation, could yield an electronic signatures and electronic contracting bill that would benefit our entire national economy.

Sadly, however, the bill before us today is not the product of such a process, and it is not such a bill. Where the Government Paperwork Elimination Act was an object lesson in bipartisanship, the bill before us today is an object lesson in special interest politics.

This bill has a history. If we listen to that history, we may hear some of the voices that have been silenced in the rush to bring it to the floor. So let me recount it briefly.

On May 27, the Commerce Committee held hearings on Senator ABRAHAM's original S. 761. Remarkably, for a bill that proscribed rules for business-to-consumer transactions as well as business-to-business transactions, neither the Federal Trade Commission, nor state consumer protection authorities, nor any consumer advocates, were invited to testify at those hearings. Sometimes it seems that we forget that the purpose of commerce is to provide goods and services for consumers.

In June, neglecting the concerns of silent consumers, the Commerce Committee reported a bill of quite unprecedentedly sweeping preemptive effect. The Commerce-passed bill would have overridden untold numbers of federal, state and local laws that require contracts, signatures and other documents to be in traditional written form.

I was concerned that the Commerce-passed bill was federal preemption beyond need, to the detriment of American consumers. For example, the bill would have enabled businesses to use their superior bargaining power to compel or confuse consumers into waiving their rights to insist on paper disclosures and communications, even when they do not have the technological capacity to receive, retain, and print electronic records.

On August 10, I asked the FTC whether S. 761 as reported by the Commerce Committee could undermine consumer protections in state and federal law, and how the bill might be improved. The FTC responded by letter dated September 3 that, while it shared the broad goals of S. 761, the bill's potential application to consumer transactions raised questions that needed to be addressed:

> For instance, would the bill preempt numerous state consumer protection laws? Would borrowers be bound by a contract requiring that they receive delinquency or foreclosure notices by electronic mail, even if they did not own a computer? Would consumers who had agreed to receive electronic communications be entitled to revert to paper communications if their computer breaks or becomes obsolete? Would consumers disputing an electronic signature have to hire an encryption expert to rebut a claim that they had 'signed' an agreement when, in fact, they had not? What evidentiary value would an electronic agreement have if it could easily be altered electronically?

The FTC concluded that further clarification was needed to provide protection for consumers while allowing business-to-business commerce to proceed unimpeded.

Consumer and privacy advocates, consumer lawyers and law professors echoed the FTC's views. Among the many national organizations opposed to the bill: Consumer Union, Consumer Action, Consumer Federation of America, National Consumer Law Center, National Association of Consumer Agency Administrators, National Consumers League, National Center on Poverty Law, National Legal Aid and Defenders Association, National Senior Citizens Law Center, Privacy Rights Clearinghouse, United Auto Workers, U.S. Public Interest Research Group, and Utility Consumers Action Network. They wrote to the Senate on September 9, that, while consumers can potentially benefit from receiving information electronically, "the broad-brush approach of S. 761 . . . would eviscerate important consumer protections in state and federal law, as well as interfere with a state's rights to protect its own consumers without imposing any protections against misuse, mistake, or fraud."

The Commerce Department also came to oppose S. 761 as reported by the Commerce Committee, because of its spillover effect on existing consumer protection and regulatory standards. In a letter this month to the Chairman of the House Judiciary Committee, the Commerce Department noted its concern that enactment of S. 761 was desired by some precisely because of this spillover effect.

Faced with a bill that proclaimed an objective that I agreed with, but also presented serious dangers for consumers, I committed to working with Senator ABRAHAM and others to rewrite S. 761 in a manner that would benefit businesses and consumers alike. For many weeks, we strove to do the work that the Commerce Committee had failed to do, meeting with business and consumer representatives in order to make sure that we understood and fully addressed their concerns.

I was and still am proud of what this consultative process produced. The Leahy-Abraham compromise bill satisfied the primary and valid goal of the business community, which was to ensure that contracts could not be invalidated solely because they were in electronic form or because they were signed electronically. The bill also promoted competition and innovation by proscribing that regulations would not discriminate between reasonable authentication technologies. At the same time, the bill left in place essential safeguards protecting the nation's consumers.

As of September 28, then, the prospects looked good for a bipartisan compromise that furthered the interests of industry and consumers alike. The prospects looked even better two weeks later, when a bipartisan majority of the House Judiciary Committee adopted the Leahy-Abraham compromise bill as a substitute to the radically preemptive H.R. 1714.

That was the history of S. 761, until today. Senator ABRAHAM is now seeking unanimous consent to pass a totally different bill, a bill that is more preemptive and potentially more harmful to consumers than the bill reported by the Commerce Committee in June. How did this reversal happen? I as one of the architects of the compromise was not consulted. But that is not what troubles me.

What troubles me is that, so far as I know, the FTC was not consulted; the Commerce Department was not consulted, and consumer groups were certainly not consulted. I do not know who was consulted, but I do know that, whatever process created this new bill, it was not a bipartisan process, it was not an open process, and it completely bypassed the Committee system.

What is in this mystery bill, which was unveiled less than 24 hours ago, and which we are now asked to pass by unanimous consent? A very small part of this bill focuses, as did the Leahy-Abraham compromise, on validating electronic contracts. A much larger part of the bill is devoted to electronic records, which is broadly and vaguely defined in such a way as to encompass any text on any computer anywhere.

The bill provides that if any law, federal or state, requires a record to be in writing, an electronic record satisfies the law. I frankly do not know what that means. My fear is it means that if a patient purchases medication from "drugstore.com," the listing of dosage instructions and counter-indications on the "drugstore.com" web site could be deemed to satisfy the FDA's safety labeling requirements. To take another example, what happens if the homeowner cannot access an email from the bank threatening foreclosure because her computer is broken?

The bill also sweeps unduly broadly in its provisions on electronic signatures. Under this bill, if any law, federal or state, requires a signature, an electronic signature is deemed to satisfy that law. The term "electronic signature" is defined to include any electronic sound, symbol or process used with intent to sign and associated with an electronic record. This captures everything from the most secure, encrypted, state-of-the-art authentication technology to my typing my initials at the end of an email.

This one-size-fits-all legislative approach substitutes for the uniqueness and reliability of a human signature a wide range of unreliable and unauthenticable technologies, without providing any of the protections that, say, credit card owners have. To take an old-fashioned example, where parents used to sign their children's homework, this approach would suggest that the teacher should be satisfied by the sight of the parent's initials attached to an email. The ramifications are much more serious when we consider the prospect of children using insecure technologies to bind their parents to electronic transactions that they cannot afford.

There are other problems with this bill as well. It has a new and complex provision regarding what it calls "transferable records," in effect, electronic negotiable instruments. This provision has never been considered by any Committee of the House or Senate, or to my knowledge by any banking regulators. Maybe the sponsors of the bill are prepared to take us through it in detail on the floor today. If not, we would be derelict in our duty if we brought into force a whole new legal regime that we have neither scrutinized nor understood.

Then there is the issue of preemption. State laws include a large number—usually thousands—of references to signatures and writings. A recent review of the Massachusetts General Laws uncovered over 4,500 sections dealing with or requiring a signature or writing, and I understand that this is typical among the states.

In some cases, it may be appropriate to reform such requirements to allow electronic means rather than paper and pen. In other cases, it may be appropriate to maintain paper requirements or, if the law is to be changed to allow electronic means, to tailor the law to maintain the legislative intent, as for example in the case of consumer protection provisions requiring conspicuous terms. But aside from a handful of specific exclusions, the new S. 761 does not attempt to differentiate among state laws, nor does it concern itself with the reasons why state legislatures required a signature or writing in the first place; rather, S. 761 simply wipes these thousands of state laws off the books.

We have heard a lot of late about the integrity of state law. We have heard that providing federal protections for battered women would unduly intrude on the states' authority. We have heard that allowing federal authorities to prosecute hate crimes would violate state sovereignty. It is interesting to note that the principal sponsor of this bill is also a cosponsor of S. 1214, the Federalism Accountability Act, which aims to protect the reserved powers of the states by imposing accountability for federal preemption of state and local laws.

I myself have always taken a more pragmatic line about the pros and cons of federal versus state law. But it is ironic to hear Members who speak the rhetoric of states' rights on a regular basis to turn around and advocate a bill that would preempt thousands of state laws ranging from the common-law statute of frauds to California's recent enactment of a modified version of the Uniform Electronic Transactions Act.

Finally, one important provision that we included in the Leahy-Abraham compromise is missing from this bill—a provision that asked the FTC to study the effectiveness of federal and state consumer protection laws with respect to electronic transactions involving consumers. That kind of scrutiny would be all the more valuable in the context of this new bill, which would radically change the legal landscape by stripping consumers of a host of current legal protections.

It is a disturbing testament to the power of special interests that the reporting provision at the end of this bill one-sidedly demands a report on what it calls "barriers to electronic commerce," while creating no provision for any investigation of the effects of its new regime on the nation's consumers.

I do not consent to passage of S. 761 in its current form.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I take this opportunity to address in the Senate some matters that I believe are important as we approach the end of the fiscal year 2000 appropriations cycle.

Foremost among my concerns is the increasing role the Federal Government plays in our everyday lives in the area of education, and the budgetary impact on our nation that results from assuming this and other roles more properly and constitutionally the responsibilities of State and local government.

I have witnessed during my first year in the Senate a number of positively amazing and enlightening experiences that have made me feel proud to be able to serve in this body and at this level of government. Yet my pride is increasingly tempered by subjects which have caused me great concern.

You needn't be an experienced member of the Senate, a Governor, or public official to appreciate the dire situation our nation faces with regard to the solvency of Social Security and Medicare. However, as public officials and stewards of our Nation's finances, I believe that we must be all the more vigilant of this reality since every decision we make at this level in some way will impact whether we as a nation will be able to honor the commitments we have made.

I wish to highlight some recent examples as to how we in the Senate have, I believe, erroneously prioritized with respect to our federal responsibilities.

For example: Mr. President without a doubt, improvement in the quality of education is a top concern for parents, teachers, and employers across the country—in fact, improvement in the quality of education ought to be our number one priority as a nation.

As with all issues, when discussing education we must ask two key questions: 1. What level of government is responsible? 2. How are we going to pay for it?

Since the introduction of the Elementary and Secondary Education Act of 1965 by President Johnson, the Federal Government has gradually been increasing it's involvement in education.

Rather than the role of a very junior partner in education reform, the President has offered a number of initiatives throughout his term that would substitute the U.S. Department of Education for most local school boards.

Mr. President, we recently spent hours and hours of debate on the subject of education in the context of the fiscal year 2000 Labor, HHS, and Education Appropriations Bill.

We allocated $2.3 billion more on education in this year's Senate bill compared to fiscal year 99, a more than 6% increase at a time when we have a problem balancing the budget.

Yet, the primary responsibility for our nation's education doesn't and shouldn't reside in Washington.

The text of the Constitution and the Federalist Papers indicate that responsibility for our Nation's education resides with State and local government—not the Federal government.

And indeed, States have upheld their constitutional responsibilities and have responded to our education needs by moving forward with appropriate reforms and spending.

State spending in education has increased dramatically in the past decade.

According to a recent report by the National Governors' Association and the National Association of State Budget Officers entitled The Fiscal Survey of States, elementary and secondary educational now accounts for slightly more than one-third of State general funds spending and about one-quarter of State spending from all funding sources.

The report goes on to say that:

> . . . elementary and secondary educational has been the largest state expenditure category, with almost $182 billion in total expenditures in 1998. Its growth has outpaced the growth in total state expenditures, with overall state expenditures increasing by 6 percent between 1997 and 1998 and elementary and secondary education spending increasingly by 7.2 percent.

Governors' recommended budget for fiscal year 2000 include an average proposed increase for elementary and secondary education of 4.8 percent, and an average proposed 4.3 percent increase for post-secondary education.

During my two terms as Governor of Ohio, we increased education spending from our General Revenue Fund by $2 billion, or 50.7 percent. The amount of Basic Aid per pupil rose during my term from $2,636 to $3,851, or 46 percent—and a 56 percent increase in per-pupil expenditures was measured for the poorest one-fourth of Ohio's schools.

In addition, under my administration, State funding support for capital improvements for Ohio's primary and secondary school buildings totaled more than $1.56 billion. We have wired every classroom for voice, video, and data to the tune of $525 million.

We have increased accountability and established higher classroom standards in Ohio and are implementing a more stringent set of academic requirements that students must meet to earn a high school diploma.

In particular, State funding for Ohio's youngest children has grown tremendously. Child care spending alone increased by 681 percent under my administration!

I am especially proud of what we have done in Ohio with the Head Start program. Ohio is now the national leader in State support for Head Start. When I began as Governor, State support for Head Start in fiscal year 1990 was $18.4 million. In fiscal year 1998, State spending for Head Start had increased to $181.3 million, making Ohio the first State in the nation to provide a slot for every eligible 3- or 4-year-old child whose family desires quality early care and education services.

The first question we should ask is: whose responsibility is education—and mostly it is a State and local responsibility. The second question is: how are we going to pay for it?

A few weeks ago I spoke on the Senate floor in response to the President's announcement of a $115 billion surplus in fiscal year 1999, indicating that it would be wonderful if it were only true.

The President, however, neglected to mention during his remarks in the Rose Garden that OMB also projected an on-budget deficit.

The only way the President could claim an on-budget surplus was by using the employee payroll taxes coming into the Social Security trust fund.

During the recent debate over the Labor, HHS, Education appropriations bill, I heard a lot of talk in the Senate with respect to funding for schools, funding for 100,000 new teachers, funding for teacher training.

We spent a great deal of time discussing Federal class size initiatives. Additional debate on the role of the Federal Government in providing funding for school construction is likely to follow in future debates.

The reality is, however, that many States already have class size initiatives in place—I know of at least 20 States that are doing this now. Additionally, it is also reported that at least 28 States have already proposed major initiatives in the area of school construction in their fiscal year 2000 budgets.

Governors of at least 13 states have already recommended using a portion of their tobacco settlement funds for education. Ohio itself would commit $2.5 billion of their tobacco settlement funds for school facilities under Governor Taft's plan.

You will recall that the States fought hard to keep the President from using any of the tobacco settlement funds recovered from State-initiated lawsuits for his own priorities in his budget.

Instead, many States are exercising responsible leadership by recommending these funds be used to honor a number of key state priorities and commitments such as education.

My point is this: The Federal Government is not the school board of America. The Members of the U.S. Senate are not members of the school board of the United States. The responsibility for education is at the state and local level, where they are in much better financial shape than the Federal Government, as I've illustrated.

We have a staggering $5.6 trillion national debt—a debt that has grown some 1,300 percent in the last 30 years. I remind my colleagues, with each passing day, we are spending $600 million a day just on interest on the national debt—$600 million a day!

Most Americans do not realize that 14 percent of their tax dollar goes to pay off the interest on the debt, 15 percent goes to national defense, 17 percent goes for non-defense discretionary spending, and 54 percent goes for entitlement spending.

We are spending more on interest payments today than we spend on Medicare and Congress needs to spend more money on Medicare as we all know—now!

When my wife and I got married in 1962, interest payments on the dept were at 6 cents on the dollar. If we would have only had to pay 6 cents on the dollar last year, Americans would have saved $131 billion dollars. We would have saved $229 billion if we didn't have to make any interest payments on the debt last year!

Meanwhile, States have been both cutting taxes and running true surpluses—a reality that does not exist here in Washington.

For fiscal year 1999, my last budget as Governor, Ohio had a budget surplus of $976 million, and operates a rainy day fund containing $953 million—up from 14 cents in 1992. And because of good management and a strong economy, we provided an almost 10 percent across-the-board reduction this year for those filing their 1998 returns.

As I said earlier, the States are in a much better position to spend money on education than we are, yet we continue to advocate more Federal spending—more than last year, more than the year before—dipping into our nation's pension fund.

As it is, the Federal Government does have responsibilities to the American people to uphold the promises we have given to them in Medicare, Social Security and national security—promises that we are desperately struggling to maintain.

We need to begin establishing just what our priorities are as a legislative body, and where our responsibility lies.

One instance in the context of the Labor, HHS, Education legislation we just completed where I believe the Federal Government has been particularly irresponsible is in the almost $1 billion decrease in funding for the Social Services Block Grant originally written into the bill.

As you know, States rely on the Social Services Block Grant to provide crucial services to low-income individuals, including children, families, the elderly and the disabled.

However, funding for this block grant has been cut repeatedly the last few years, despite the Federal commitment made in the 1996 welfare reform agreement with the States. Congress and the administration guaranteed that funding would be maintained at $2.38 billion each year from fiscal year 1997—fiscal year 2002.

Instead, funding for the Social Services Block Grant for fiscal year 2000 has only reached the level of $1.05 billion.

Yet, in the appropriations bill we have somehow managed to increase funding in a number of other areas, including a $2 billion increase above the fiscal year 1999 funding level of $15.6 billion for the National Institutes of Health.

In the process of providing for the 13 percent increase in funding for the National Institutes of Health, we have cut the Social Services Block Grant, which provides for the most vulnerable and underserved in our population, by 45 percent. How do we reconcile these kinds of decisions based on our responsibilities here in Washington and with previous commitments to the States?

I should add I believe many of the services provided to young children under the Social Services Block Grant serve as preventive medicine for a number of ailments they may encounter later in life—ailments the Federal Government funds the National Institutes of Health to research.

In other words, if we do not take care of those kids during that prenatal period, they will develop many of the things that the National Institutes of Health are trying to take care of, like high blood pressure and diabetes. Why not take care of it earlier? That does not make sense to me—$2 billion more, and cutting the Social Service Title 20 block grant. It does not make sense.

Before we go off spending more money on new education initiatives, such as 100,000 new teachers and financing for new school construction, we should at the very least make it a top priority to honor the Federal Government's funding commitment to the Individuals with Disabilities Education Act—currently the largest unfunded mandate by the Federal Government on the states. IDEA currently contains a provision authorizing the Federal Government to fund up to 40 percent of the services provided under Part B of the act. Since its enactment, however, the Federal Government has only appropriated funds for 10 percent of these services—only 10 percent.

In the meantime, we must begin taking a serious look at the billions of dollars we spend on education programs to determine whether these programs are effective, and whether the Federal Government should have a role in these programs in the first place.

According to GAO, there are 560 different education programs administered by 31 Federal Government agencies. I have asked GAO to formulate methodology that determines the overall effectiveness of Federal education programs. Currently, there is no methodology to do this.

Wouldn't it be nice to sit down and look at what we are doing as a country in education, identify the programs definitively, look at those that are really making a difference, get rid of those that are not, and put the money in the programs that are successful?

It all gets back to the fact that at each level—Federal, State and local—we all want value, which is getting the best product for the least amount of money, and we all want positive results.

To this end, we must work with State governments as partners to come up with a system where we can maximize our dollars to make a difference in the lives of our children.

Rather than enact more Federal mandates and raid Social Security to increase Federal spending on State and local responsibilities—we should be giving states greater flexibility to innovate and tailor their education programs to the unique needs of their children.

Congress has been talking about drawing a line in the sand, committing not to raid any more from the Social Security trust fund to pay for increased spending for Federal programs. Yet we recently learned from CBO Director Dan Crippen that the FY2000 spending bills that we've been laboring over are already eating up billions of the Social Security surplus—even while our promises to maintain the integrity of the trust fund still hang in the air! I have not forgotten the lockbox I had on my desk, and many other Members of the Senate, putting a firewall between spending and the Social Security trust fund.

When faced with honest choices, the American people will not accept the Federal Government paying for programs that are primarily the responsibility of the States at the expense of sacrificing our commitment to Social Security and Medicare, as well as to numerous other commitments the Federal Government has made under law and under the Constitution of the United States of America. That is absolutely unacceptable, and the American people have a right to be upset. We need to be doing better.

As the appropriations legislation is finalized in negotiations, I hope that we in the Senate can inject some common sense into the dialog, taking into account our priorities as a Federal legislative body, and weighing the extent to which we should or should not maintain our involvement in various programs that are more properly the responsibility of State and local government. Even now, however, I fear we are primarily driven to compete with the President for political oneupsmanship in the area of education which, while ranked first as a national priority according to polling data, is not the primary responsibility of State and local government.

Medicare, Social Security, and national security—these are the primary challenges before us. As fiscal stewards of our Nation's economy, we cannot afford to continue maintaining our involvement in so many other areas, spending at such a pace as we have and it has been enormous. We must define our responsibilities. We must prioritize. We must exercise fiscal discipline and restraint and insist that we work harder and smarter and do more with less.

The current budgetary path that we are on is both dangerous and irresponsible and downright misleading.

I am sad to say that many of the fiscal year 2000 appropriations bills with which we have invested so much of our time, despite our best intentions, are flawed by the use of budgetary gimmicks that I cannot help but say overshadow the labors of so many of my colleagues who are shouldered with the difficult task of constructing a budget that both meets all of the perceived demands placed on this body and keeps us out of the red. That is why we must prioritize.

In the meantime, I cannot condone the sleight of hand that allows us to postpone making the kind of tough choices that are required to balance our books, and because of that I have voted against a number of these spending bills—bills that, to be sure, would benefit Ohio in a number of ways.

We have committed over $17 billion in emergency spending in these bills, and that does not even count the billions of dollars of other spending that's being hidden. We are plastering—and I mean plastering—this spending over with something called directed scoring. Instead of using CBO numbers—that is, the Congressional Budget Office numbers—we have been selectively using numbers from the Office of Management and Budget, the agency for which the President is responsible, whenever they allow us to spend more.

Incidentally, does anyone remember the last time we did not have an emergency for which we had to account? Let's end the charade and admit we use emergency spending to avoid the balanced budget spending caps and, while we are at it, admit we are spending every dime of the projected on-budget surplus in fiscal year 2000.

When I go back to Ohio, people say to me: What about the tax reduction? You guys are having a tough time just balancing the budget.

I want to say this: If we do not have substantially more revenues in fiscal year 2000 than what is currently projected, CBO will announce in January that we are using Social Security to balance the 2000 budget. We have to pray the dollars come in a lot more, but if the dollars do not come in more, then CBO is going to announce in January this budget uses Social Security.

It is time to bite the bullet and make the hard choices. Nobody else but us can exercise the fiscal responsibility that is needed. If we cannot do it now, with the lowest unemployment we have had and a booming economy, the question I have is, When will we ever be able to do it? If we fail to make the tough choices now, we will soon be facing a train wreck that will make it impossible for us to respond to the needs specifically delegated in the Constitution to the Federal Government and fail to keep the sacred Social Security and Medicare covenant we have with the American people. Let's get back on track so when we return to Washington at the start of the new millennium, which is just around the corner, we can say with confidence we have, indeed, been the stewards of a government the American people deserve.

I yield the floor.

NOTICE OF OBJECTION

Mr. WYDEN. Mr. President, today I have informed the Minority Leader in writing that I will object to any motion to proceed or to seek unanimous consent to take up and pass H.R. 2260, the Pain Relief Promotion Act of 1999, when it is received from the House.

BRING ON THE WRITE STUFF

Mr. BYRD. Mr. President, according to recent results from the 1998 National Assessment of Educational Progress (NAEP), only about a quarter of fourth, eighth, and twelfth graders write well enough to meet the "proficient" achievement grading level, and a measly one percent of students attained the "advanced" grading level. Approximately six out of ten pupils reached just the "basic" level—defined as "partial mastery" of writing skills by the National Assessment of Educational Progress exam.

What startling results, Mr. President! How do we expect our nation to forge ahead in a global economy with a "partial mastery" of writing skills? From the typical thank-you note to a cover letter for a job opening to a simple exchange with friends over the Internet, writing is a skill essential to everyday existence, no matter what path in life one may choose to pursue. The power of words and the blending of thoughts in a succinct, clear, and grammatically correct manner is often a daunting endeavor, and one that is too easily dismissed with a poor letter grade or a critical evaluation by a mentor or coworker.

The path to becoming a solid writer is a long and arduous road. I continue to improve my writing skills each day through reading and through practice. As the old saying goes, "practice makes perfect." Well, Mr. President, this dictum does not just apply to perfecting your baseball swing or your tennis serve. It is an edict we all ought to follow with a little greater will and fortitude in all of life's quests.

What makes someone a better writer? Lots of things, I say, but perhaps a strong foundation is the most critical, and often the most neglected, step along the way. Today's children are ripe with great ideas and creativity, but without proper instruction and strong reading skills, bright promise fades into fractured thoughts and misspelled words on paper. Based upon the results of the 1998 NAEP test, students who did well tended to be those who planned out their compositions and had teachers who required practice drafts. Moreover, youngsters from homes filled with books, newspapers, magazines, and encyclopedias had higher average scores.

So often, we hear students gripe about burdensome summer reading lists, and even more shockingly, we witness parents encouraging their children to buy the "Cliff Notes" of the book to provide them with the basic character and plot summaries while avoiding the hefty task of reading the novel from cover to cover. What nonsense! Perhaps, the greatest benefit of a child's summer agenda is reading. Skimming and reading shortened versions or the so-called "Cliff Notes" rob children of wonderful learning experiences.

Reading is an essential ingredient to enhancing one's writing skills. From enjoying the morning newspaper over a cup of coffee to reading an educational magazine or a novel, one can benefit greatly from this endeavor. Given the expansive English vocabulary, there is much to learn from different styles of writing. How often does a person come across an unfamiliar word or phrase in reading? Quite often, I suspect. But how often does the person actually interrupt their reading to consult the dictionary for the word's definition or origin? Not very often, I venture to guess. An appreciation of the soaring majesty of the English language is the key to unlocking one's own writing skills and letting one's own words take wing.

I am pleased to be a cosponsor this year of S. 514, legislation to reauthorize the National Writing Project. The National Writing Project (NWP) is the only federally funded program that specifically works to improve a student's writing abilities and provide professional development programs in the area of writing instruction for classroom teachers. This program operates on a "teachers teaching teachers" model, meaning that successful writing teachers conduct workshops for other teachers in the schools during the school year to improve overall writing skills. It is critically important that our nation have skilled teachers in the area of writing, and this program goes straight to the heart of that. West Virginia is home to three federally funded National Writing Projects, including programs at West Virginia University and Marshall University.

The act of writing is itself an art, one which not only requires creativity, but one that can also glisten with beauty. Calligraphy, for example, is a beautiful form of writing, very popular in formal invitations and for special events. And while most of us are not gifted calligraphers by nature, we all ought to take a little more pride in the presentation of our writing. A beautifully worded poem or essay can be easily tarnished by poor penmanship. Conversely, good penmanship can enhance the overall beauty of one's writing by simple finishing touches, beginning with the dotting of our i's and the crossing of our t's. It is very easy to become sloppy in one's writing, but we must not forget that appearance does matter, and a good essay that is illegible will have little impact.

Sadly, today's young generation seems to be more happily occupied with a telephone in one hand and a television remote control in the other than with a book or a newspaper. I fear that the entertainment luxuries of the twentieth century have misplaced the old-fashioned art of reading and writing. Computer electronic mail too often has become a replacement for a hand-written thank-you letter to a deserving colleague or peer. Reading from Plutarch's "Lives," Homer's "The Iliad" and "The Odyssey," or a Shakespearean play has taken a backseat to video games and Hollywood movies.

I challenge all of us to set higher standards in our reading and writing skills, and to help our young people do the same. Put down the remote control and pick up a good book. Write a poem for a friend on her birthday. Poetry is a wonderful gift—such heartfelt thoughts on paper tend to last much longer than a piece of clothing exhibiting the latest fashion trend. Embrace the English language and take pride in each word that you place on paper—after all, your writing is a reflection of you.

I yield the floor.

CBO COST ESTIMATE FOR S. 1377

Mr. MURKOWSKI. Mr. President, at the time Senate Report No. 106–177 was filed to accompany S. 1377, the Congressional Budget Office report was not available. I ask unanimous consent that the report which is now available be printed in the CONGRESSIONAL RECORD for the information of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 6, 1999.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1377, a bill to amend the Central Utah Project Completion Act regarding the use of funds for water development for the Bonneville Unit, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mark Hadley, who can be reached at 226–2860.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, OCTOBER 6, 1999

S. 1377: A BILL TO AMEND THE CENTRAL UTAH PROJECT COMPLETION ACT REGARDING THE USE OF FUNDS FOR WATER DEVELOPMENT FOR THE BONNEVILLE UNIT, AND FOR OTHER PURPOSES

(As ordered reported by the Senate Committee on Energy and Natural Resources on September 22, 1999)

CBO estimates that enacting S. 1377 would have no impact on the federal budget. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

S. 1377 would authorize the appropriation of up to $60 million for the Secretary of the Interior to acquire water rights for instream flows and to complete certain other projects, if such funds are not needed for the projects currently authorized by the Central Utah Project Completion Act. Based on information from the Department of the Interior, CBO expects that the department will use all available funds for purposes authorized under current law, assuming appropriation of such amounts. Thus, the bill would neither affect funds already appropriated nor increase the total amount of funds authorized to be appropriated for the Central Utah Project.

The CBO staff contact is Mark Hadley, who can be reached at 226–2860. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CBO COST ESTIMATE FOR S. 986

Mr. MURKOWSKI. Mr. President, at the time Senate Report No. 106–173 was filed to accompany S. 986 the Congressional Budget Office report was not available. I ask unanimous consent that the report which is now available be printed in the CONGRESSIONAL RECORD for the information of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 18, 1999.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 986, the Griffith Project Prepayment and Conveyance Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Megan Carroll (for federal costs), who can be reached at 226–2860, and Marjorie Miller (for the state and local impact), who can be reached at 225–3220.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, OCTOBER 18, 1999

S. 986: GRIFFITH PROJECT PREPAYMENT AND CONVEYANCE ACT

(As reported by the Senate Committee on Energy and Natural Resources on October 6, 1999)

SUMMARY

S. 986 would direct the Secretary of the Interior, acting through the Bureau of Reclamation (Bureau) to convey the Robert B. Griffith Water Project (Griffith Project) to the Southern Nevada Water Authority (SNWA). The transfer would occur after the SNWA pays about $121 million to the Bureau to meet its outstanding obligations under an existing repayment contract with the federal government. A substantial portion of the Griffith Project is located on federal land administered by the National Park Service (NPS) and the Bureau of Land Management. Under S. 986, the SNWA would retain rights-of-way across this federal land at no cost.

CBO estimates that enacting S. 986 would yield a net increase in asset sale receipts of $112 million in 2000, but that this near-term cash savings would be offset on a present value basis by the loss of other offsetting receipts over the 2001–2033 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply. CBO also estimates that implementing S. 986 could cost up to $50,000 a year in appropriated funds over the 2001–2004 period. S. 986 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The project conveyance, and any costs associated with it, would be voluntary on the part of the SNWA. The bill would impose no costs on any other state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 986 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars				
	2000	2001	2002	2003	2004
CHANGES IN DIRECT SPENDING [1]					
Estimated Budget Authority	−112	9	9	9	9
Estimated Outlays	−112	9	9	9	9

[1] S. 986 also would authorize additional spending, subject to appropriation, of up to $50,000 a year over the 2001–2004 period.

BASIS OF ESTIMATE

For this estimate, we assume that S. 986 will be enacted early in fiscal year 2000. Based on information from the SNWA and the Bureau, CBO expects that the authority will make the prepayment during fiscal year 2000, and that the formal project conveyance will be completed during fiscal year 2001.

Direct Spending. S. 986 would direct the Secretary of the Interior to sell the Griffith Project to the SNWA, in exchange for a one-time payment of about $121 million. The sales price would be adjusted to reflect any additional payments made by SNWA before the project transfer is completed. CBO expects the prepayment to occur during fiscal year 2000 and estimates that those receipts would be offset by the loss of currently scheduled repayments of about $9 million a year between 2000 and 2022 and $6 million a year between 2023 and 2033.

Spending Subject to Appropriation. Presently, the SNWA bears the full cost of operating and maintaining the Griffith Project. In addition, pursuant to an agreement with the Bureau, the SNWA will absorb all administrative costs associated with the conveyance. Thus, implementing this provision would not affect discretionary spending. The NPS currently collects about $50,000 a year from the SNWA to offset the costs of administering and monitoring rights-of-way within the Lake Mead National Recreation Area. Under S. 986, the SNWA would maintain rights-of-way across these federal lands at no cost after the conveyance is completed. CBO estimates that implementing this provision would require a net increase in amounts appropriated to the NPS of about $50,000 annually to continue administrative activities related to monitoring these rights-of-way.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted.

	By fiscal year, in millions of dollars									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Changes in outlays	−112	9	9	9	9	9	9	9	9	9
Changes in receipts	Not applicable									

Under the Balanced Budget Act, proceeds from nonroutine asset sales (sales that are not authorized under current law) may be counted for pay-as-you-go purposes only if the sale would entail no financial cost to the government. Based on information provided by the bureau, CBO estimates that the sale of the Griffith Project as specified in S. 986 would result in a net savings to the government, and therefore, the proceeds would count for pay-as-you-go purposes.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 986 contains no intergovernmental mandates as defined in UMRA. In order to receive title to the Griffith project, the bill would require the SNWA to assume all costs associated with the project and to prepay their outstanding liability to the federal government. The conveyance would be voluntary on the part of the authority, however, and these costs would be accepted by it on that basis. Further, the authority is already responsible for all costs of operating and maintaining the facility. The bill would impose no costs on any other state, local, or tribal governments.

ESTIMATED IMPACT ON THE PRIVATE-SECTOR

This bill contains no new private-sector mandates as defined in UMRA.

Estimated prepared by: Federal Costs: Megan Carroll (226-2860). Impact on State, Local, and Tribal Governments: Marjorie Miller (225-3220).

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CBO COST ESTIMATE FOR S. 1211

Mr. MURKOWSKI. Mr. President, at the time Senate Report No. 106–175 was filed to accompany S. 1211, the Congressional Budget Office report was not available. I ask unanimous consent that the report which is now available be printed in the CONGRESSIONAL RECORD for the information of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 5, 1999.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1211, a bill to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Mark Grabowicz (for federal costs), who can be reached at 226-2860, and Marjorie Miller (for the state and local impact), who can be reached at 225-3220.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, OCTOBER 5, 1999

S. 1211: A BILL TO AMEND THE COLORADO RIVER BASIN SALINITY CONTROL ACT TO AUTHORIZE ADDITIONAL MEASURES TO CARRY OUT THE CONTROL OF SALINITY UPSTREAM OF IMPERIAL DAM IN A COST-EFFECTIVE MANNER

(As ordered reported by the Senate Committee on Energy and Natural Resources on September 22, 1999)

SUMMARY

S. 1211 would authorize the appropriation of $175 million for a program to control the salinity of the Colorado River upstream of the Imperial Dam. Under current law the Congress has authorized the appropriation of $75 million for this activity. The bill would direct the Secretary of the Interior to prepare a report by June 30, 2000, on the status of the comprehensive program for minimizing salt contributions to the Colorado River.

Assuming appropriation of the necessary amounts, CBO estimates that implementing S. 1211 would result in additional discretionary spending of about $6 million over the 2000–2004 period. Enacting this legislation would not affect direct spending or receipts, so pay-as-you-go procedures would not apply. S. 1211 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments might incur some costs to match the federal funds authorized by this bill, but these costs would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1211 is shown in the following table. Of the $75 million authorized under current law about $36 million has been appropriated through fiscal year 2000. Assuming that annual appropriations for this program continue near the 2000 level of $12 million as anticipated by the Department of the Interior, the balance of the $75 million authorization would not be exceeded until fiscal year 2004. Thus, CBO estimates that the additional $100 million authorized by S. 1211 would be appropriated in 2004 and in the following years. We estimate that the report required by the bill would cost less than $500,000 in fiscal year 2000. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars				
	2000	2001	2002	2003	2004
Spending subject to appropriation					
Spending Under Current Law:					
Budget Authority/Estimated Authorization Level [1]	12	12	12	12	2
Estimated Outlays	12	12	12	12	6
Proposed Changes:					
Estimated Authorization Level	[2]	0	0	0	10
Estimated Outlays	[2]	0	0	0	6
Spending Under S. 1211:					
Estimated Authorization Level [1]	12	12	12	12	12
Estimated Outlays	12	12	12	12	12

[1] The 2000 level is the amount appropriated for the Colorado River salinity control program for that year. The estimated levels for fiscal years 2001 through 2004 represent the use of the remaining authorization under current law.

[2] Less than $500,000.

Pay-as-you-go considerations: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1211 contains no intergovernmental or private-sector mandates as defined in UMRA. State and local governments might incur some costs to match the federal funds authorized by this bill, but these costs would be voluntary.

Estimate prepared by: Federal Costs: Mark Grabowicz (226-2860). Impact on State, Local, and Tribal Governments: Marjorie Miller (225-3220).

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

OPPOSITION TO FRAMEWORKS LANGUAGE IN CONFERENCE REPORT TO H.R. 2670

Mr. AKAKA. Mr. President, I rise today in opposition to a provision in the Commerce, Justice, State and the Judiciary conference report, which Congress passed a few days ago, and which the President vetoed yesterday. As the ranking member of the Senate Subcommittee on Proliferation, International Security, and Federal Services, with jurisdiction over the census, I am disappointed the conference report requires that decennial census activities be appropriated by specific program components, known as frameworks.

Appropriating by framework for the decennial census has never been done before and would cause serious management problems for Census 2000. According to Census Director Kenneth Prewitt, such a change in funding practices would come at the same time that Census 2000 activities are at their highest. Past congressional direction on the allocation of funds by framework has been in report language, which afforded Congress the ability to guide spending without hamstringing operational management of the census.

Director Prewitt noted in a letter to the Chairman of the House Subcommittee on the Census, "Congressional approval in the form of a reprogramming would be required for any movement of funds between decennial program components." This would necessitate obtaining clearance by the Department of Commerce and the Office of Management and Budget, as well seeking congressional approval. The Senate version of H.R. 2670 did not include this onerous provision, which will seriously impede the Census Bureau from shifting needed funds in a timely manner. "A decennial census is, by its nature, an unpredictable exercise. Decisions must be made quickly and frequently adjusted to adapt to ever-changing conditions in the field," Director Prewitt said.

In its budget presentation, the Census Bureau designed eight frameworks for major decennial activities, such as management, field data collection, address listing, automation, Puerto Rico and Island areas. The frameworks have been used as strong guidelines rather than strict appropriation limits because funds may need to be shifted quickly between frameworks to cover unexpected contingencies. Historically, the Census Bureau has been able to move funds among its frameworks—it is inappropriate and damaging for Congress to mandate reprogramming at this time.

Any delay in census operations in order to accommodate having to wait for affirmation of a reprogramming request will seriously degrade the quality and completeness of the resulting population count that must be delivered by December 31, 2000. The President vetoed the conference report yesterday, and it is my hope this provision, retained from the House version of the bill, will be deleted. Mr. President, I ask unanimous consent to print Director Prewitt's letter in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, DC, October 15, 1999.

Hon. DAN MILLER,
Chairman, Subcommittee on the Census, Committee on Government Reform, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN MILLER: On Tuesday, October 12, 1999, you requested a summary of the Census Bureau's views on the comparative versions of the Commerce, State, Justice and the Judiciary Appropriations bills for FY 2000. There is language in the version of the bill passed by the House that is of significant concern to the Census Bureau.

In the House version of the FY 2000 appropriations bill, funding is provided by specific program components (known as frameworks). Consequently, Congressional approval in the form of a reprogramming would be required for any movement of funds between decennial program components. This is a dramatic departure from past practices and takes place at precisely the time when Census 2000 activities peak, when the need for program flexibility is most crucial. If the need to obtain Congressional approval significantly delays the transfer of funds, Census 2000 operations could be compromised. The companion legislation passed by the Senate does not contain this restrictive provision and would permit the timely transfer of funds, if necessary, to attain the results we are all working so hard to achieve.

In the past, formal reprogramming has only been required to shift funds between different programs, accounts, and bureaus within the Department of Commerce. This has allowed Congress to exercise its oversight responsibility without constricting the operational management of Bureau activities. The proposed House provision would trigger a time-consuming reprogramming process, in addition to the bill's provision that mandates a delay of at least 15 days for Congressional review.

As you know, the Census Bureau has spent literally thousands of hours developing a carefully analyzed Operational Plan, which we believe can achieve the most accurate and complete census possible within the parameters required by the recent Supreme Court decision requiring a complete enumeration of all census non-respondents.

A decennial census is, by its nature, an unpredictable exercise. Decisions must be made quickly and frequently adjusted to adapt to ever-changing conditions in the field. One obvious example of the need for this type of flexibility is in dealing with our new construction program. The Census 2000 New Construction procedures perform a vital role in address list development after all other addressing processes have concluded. If the volume of new construction listing work is significantly higher than anticipated, funds must be rapidly shifted from other frameworks to cover the costs of investigating areas, listing households, and preparing maps and other materials for enumeration. Reprogramming could inhibit the timely completion of listing operations and jeopardize the quality and completeness of the population count in states with high rates of new construction.

The census has the potential to be a civic ceremony that celebrates participation and responsibility. It is up to all of us to ensure that it is. Congress has consistently expressed and demonstrated a commitment to ensure the most complete and accurate census possible.

I appreciate your support and commitment in making Census 2000 a success.

Sincerely,

KENNETH PREWITT,
Director.

THE AFRICA TRADE BILL

Ms. SNOWE. Mr. President, I rise today to voice my objections to the Africa trade bill. I have listened to how this bill will help those countries on the African Subcontinent, and I support that goal. However, Mr. President, what I don't support is watching mills close in my State, and around the country, and having to tell these people that they no longer have jobs because cheap labor overseas has either caused their company to go out of business or move overseas.

At the same time, I don't believe that this legislation will serve the intended purpose of helping to raise the living standards of Africans through increased trade and economic cooperation between the United States and African countries. In order for this to occur, workers need to be paid well, treated well and have a suitable workplace. Workers in many countries in both Africa and the Caribbean Basin are subjected to abusive conditions at work while their governments remain uninvolved, or, with government complicity. This legislation does not have the provisions necessary to guarantee that the workers in these countries receive the benefits of U.S.-Africa trade.

In addition, being from Maine, I understand the importance of balancing the needs of loggers with the desires of environmentalists. This legislation would result in increased rates of logging, which has been cited as the greatest threat to Africa's remaining native forests. As only eight percent of Africa's forests still exist in large undisturbed tracts, forcing African nations to give even more access to foreign logging companies could be fatal to these vital tropical forests.

In the last 57 months, from December 1994 to September 1999, the U.S. apparel industry has lost 309,000 jobs. The textile industry has lost 128,000 jobs, for a total of 437,000 American jobs lost.

My home state of Maine has seen its fair share of lost jobs as well. Since 1994, 26,500 Mainers have been told that they no longer have a job to provide for them and their families. I have heard some of my colleagues state that this legislation is about jobs. Well, I am unwilling to trade well-paying jobs with benefits for lower paying ones—but that's precisely what's happened under our ill-conceived trade agreements. As the trade deficit and globalization of U.S. industries have grown, more quality jobs have been lost to imports than have been gained in the lower-paying sectors that are experiencing rapid export growth. Increased import shares have displaced almost twice as many high-paying, high-skill jobs than increased exports have created.

It was my concern about the impact of foreign labor on the American job market, Mr. President, that led me to oppose passage of the North American Free Trade Agreement (NAFTA) in 1993. Unfortunately, NAFTA has become a trade agreement whose provisions are not adequately enforced—to the detriment of the United States, our industries, and our workers.

I am in agreement with my distinguished colleague from South Carolina, Senator HOLLINGS, in his assessment of NAFTA last week. We were told that NAFTA would create jobs in America. I have seen in my state that they were wrong.

The U.S. textile and apparel industry has been decimated by imports from the Far East as a result of the Asian "flu" and also illegal transshipments that our government does not catch and which find their way into this country in what is estimated to be an annual volume of somewhere between $4 and $10 billion.

For 23 years, U.S. imports have exceeded U.S. exports. Consequently, in the last quarter of the 20th century, the United States has amassed a total trade deficit of more than $2 trillion. As a result, the United States, which entered the decade of the 1980s as the world's largest creditor nation, leaves the 1990s as the world's largest debtor country.

This is no time to further liberalize trade policy that is hurting not only the textile and apparel industry but also steel, computers, and auto parts where net imports have climbed enormously. Last year, all of manufacturing lost over 340,000 jobs.

Mr. President, when I became a United States Senator, one of my pledges to the people of Maine was that, and continues to be, that I will work to the best of my ability to ensure that their jobs are not lost because of actions taken by their government.

The administration and proponents of NAFTA told us over and over again how good the Agreement would be for creating American jobs. I now hear the same argument with this legislation and I want to say that if what has happened is considered good, then I could not imagine what poor trade legislation would do to the textile and apparel industry.

THE CLIMATE CHANGE ENERGY POLICY RESPONSE ACT AND THE CLIMATE CHANGE TAX AMENDMENTS OF 1999

Mr. ENZI. Mr. President, the Climate Change Energy Policy Response Act would bring the debate on global warming and climate change out of the arena of mass speculation and back to the refuge of sound, practical science. This legislation I am cosponsoring with my colleague from Idaho, Senator LARRY CRAIG, would not only move our Nation toward a healthier environment by requiring Federal agencies to establish clear goals for addressing climate change concerns, but it also seeks to protect rural economies that are currently threatened by policies based on scare tactics developed by professional global warming special interest activists and the politicians that cater to their agenda.

One thing that should be pointed out is that for many of the people who attend global warming conferences and who circulate global warming propaganda, global warming is an occupation. This is how they make their living. I make my living by ensuring the people of Wyoming and the United States get a fair deal. Committing our Nation's valuable resources and our children's futures to policies that unduly burden our communities is, to me, not only unfair, it's unconscionable.

This bill would direct the Secretary of Energy to coordinate and establish Federal policy for activities involving climate change. It would require increased peer review of the science used to create that policy and it establishes important objectives for the science such as understanding the Earth's capacity to assimilate natural and manmade greenhouse gas emissions and to evaluate natural phenomena such as El Niño.

I also am cosponsoring companion legislation that would put the power of addressing global warming issues into the hands of those most affected by climate change initiatives. It does this by amending the Internal Revenue Service Code to provide incentives for voluntary reduction of greenhouse gas emissions and for the development of global climate science and technology. This would permanently extend a tax credit for research and development involving climate change. It also would apply tax credits for greenhouse gas emission reduction facilities. This rewards industry for investing in cleaner technology without punishing it for thinking beyond short-term profits.

Our entrepreneurs, small businesses and the employers and employees of large companies have the ability to protect and preserve the environment without sacrificing the global economy. The goals of environmental health and economic stability are not mutually exclusive. For example, voluntary, incentive-based programs, in combination with private efforts, have been largely responsible for the success of wetlands restoration. We made developing and preserving wetlands an asset instead of a burden and as a result we have more wetlands now than before we enacted the incentive-based programs. Resorting to Federal regulations, on the other hand, has produced hostility and confusion on the part of private citizens. Why? Federal regulations are typically cost prohibitive and are promulgated with a single-minded purpose that sacrifices America's ability to respond to future challenges via proactive incentives.

It is my hope that proponents of government-knows-best policy and special interest mandates will set aside their rhetoric and walk with us on the practical path of real, reasonable environmental progress.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, October 25, 1999, the federal debt stood at $5,676,428,132,415.49 (Five trillion, six hundred seventy-six billion, four hundred twenty-eight million, one hundred thirty-two thousand, four hundred fifteen dollars and forty-nine cents).

Five years ago, October 25, 1994, the federal debt stood at $4,711,435,000,000 (Four trillion, seven hundred eleven billion, four hundred thirty-five million).

Ten years ago, October 25, 1989, the federal debt stood at $2,876,559,000,000 (Two trillion, eight hundred seventy-six billion, five hundred fifty-nine million).

Fifteen years ago, October 25, 1984, the federal debt stood at $1,599,358,000,000 (One trillion, five hundred ninety-nine billion, three hundred fifty-eight million).

Twenty-five years ago, October 25, 1974, the federal debt stood at $480,139,000,000 (Four hundred eighty billion, one hundred thirty-nine million) which reflects a debt increase of more than $5 trillion—$5,196,289,132,415.49 (Five trillion, one hundred ninety-six billion, two hundred eighty-nine million, one hundred thirty-two thousands, four hundred fifteen dollars and forty-nine cents) during the past 25 years.

FULL DISCLOSURE ON CHILE

Mr. KENNEDY. Mr. President, the National Security Archives recently released an additional selection of declassified documents from the State Department, Defense Department, and the CIA on U.S. relations with Chile between 1970 and 1973, when the democratically-elected government of President Allende was overthrown by General Pinochet. The release of these documents is part of the Administration's ongoing "Chile Declassification Project," an effort begun following the arrest of General Pinochet last year. According to the President's directive, U.S. national security agencies are directed to "review for release * * * all documents that shed light on human rights abuses, terrorism, and other acts of political violence during and prior to the Pinochet era in Chile."

On October 24, the Washington Post carried two articles which emphasized the need for full disclosure by the CIA of its documents related to its covert operations in Chile during this period. The release of these documents will facilitate a full understanding of this period in U.S.-Chile relations. I believe that these articles will be of interest to all of us in Congress concerned about this issue, and I ask unanimous consent that they may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 24, 1999]

STILL HIDDEN: A FULL RECORD OF WHAT THE U.S. DID IN CHILE

(By Peter Kornbluh)

As Augusto Pinochet continues to fight extradition from England to face charges of crimes against humanity, the historical record of U.S. support for the former Chilean dictator remains desaparecido—disappeared—like so many victims of his violent regime. Unless President Clinton ensures that the record is brought to light, a singular opportunity to find answers to unresolved cases of atrocities against Chileans and Americans, and to fully understand the role U.S. Government played in this Cold War tragedy, will be lost.

In the wake of Gen. Pinochet's stunning arrest in London one year ago, the Clinton administration has been conducting a special "Chile Declassification Project." On Feb. 1, U.S. national security agencies were directed "on behalf of the president" to begin searching their archives "and review for release . . . all documents that shed light on human rights abuses, terrorism, and other acts of political violence during and prior to the Pinochet era in Chile."

What began as a precedent-setting exercise in official openness, however, has devolved into an example of government censors holding history hostage. The "securocrats" of the national security bureaucracy are blocking the release of virtually all documents that chronicle the full extent of the U.S. role in Chile. The result, so far, is a public record skewed by omission, open to charges of fraud and a coverup.

Chile holds a special place in the annals of American foreign policy. During the mid-1970s, the country that poet Pablo Neruda described as "a long petal of sea, wine, and snow" became the subject of international scandal. News reports revealed that the CIA had conducted massive clandestine operations to undermine the democratically elected socialist government of Salvador Allende and help bring the military to power in 1973. Secretary of State Henry Kissinger's embrace of the Pinochet regime, despite its ongoing atrocities, prompted Congress to pass the very first laws establishing human rights as a criterion for U.S. policy abroad.

The CIA's covert operations and the debate over U.S. policy toward Pinochet generated a slew of secret documents. So, too, did the 1973 murder in Chile of two U.S. citizens, freelance writers Charles Horman and Frank Teruggi, as well as the brazen 1976 car bombing in Washington that killed former Chilean ambassador Orlando Letelier and his American associate, Ronni Karpen Moffitt. The Clinton administration's special review carried the promise of finally declassifying these records and answering the outstanding questions that haunt this shameful era.

Such questions include:

What role did the United States play in the violent coup that brought Pinochet to power?

Why was Horman, whose case was made famous in the Hollywood movie "Missing," detained and executed? Did U.S. intelligence somehow finger him, as recently declassified documents suggest, for the Chilean military?

What support did the CIA provide to Pinochet's notorious secret police, the DINA?

Could the United States have prevented the assassination of Letelier and Moffitt on American soil?

Since the White House ordered declassification, the agencies' review has yielded almost 7,000 documents—a major feat given the usual snail's pace of the national security bureaucracy. On June 30, the administration released same 5,800 records, covering the most repressive years of Pinochet's bloody rule, 1973 to 1978. Significantly, however, 5,000 of those were from the State Department; the CIA released only 500 documents—a fraction of its secret holdings on that period.

On Oct. 8, approximately 1,100 documents were declassified in a second phase that was supposed to cover the years of Allende's presidency, 1970 to 1973. Based on the accumulated evidence of U.S. involvement in Chile during that period, that figure is a meager percentage of the true record.

To be sure, some of the documents that were declassified contain extremely detailed information on the Pinochet regime, and they undoubtedly will prove useful to future efforts within Chile to hold Pinochet's military officers accountable for human rights violations.

But while Chileans are learning about their dark history from the U.S. documents, American citizens are learning almost nothing about their own government's actions. Among more than 25,000 pages released to date, there is not a single page of the thousands of CIA, National Security Council (NSC) or National Security Agency (NSA) records on U.S. policy and operations to bring down Allende and help Pinochet consolidate his rule. This documentation includes the files of the CIA's covert "Task Force on Chile," planning papers from the Nixon White House, records of U.S. material support for the DINA, and intelligence documents on the Horman and Letelier-Moffitt cases.

That such records exists is beyond dispute. As the subject of repeated controversy over the years, the U.S. role in Chile has generated congressional inquiries, murder investigations, criminal prosecutions and civil lawsuits—not to mention hundreds of requests under the Freedom of Information Act. These have yielded extensive information (which I have spent almost 20 years compiling and analyzing) about what still is hidden.

A close reading of two detailed Senate reports published in 1975, for example, shows that the CIA station in Santiago sent a number of cables about its "liaison relations" with the Chilean DINA after the coup. Justice Department files on the prosecution of former CIA head Richard Helms for lying to Congress about covert operations in Chile reveal that the agency filed daily progress reports on "Track II"—the code name for U.S. efforts to foment a coup against Allende. An aborted lawsuit filed by the Horman family against Kissinger produced references to classified records containing information about Charles Horman's death. But while President Clinton clearly intended these cables, files and records to be released, none of them have been.

The Horman case is a classic example of the cult of secrecy. As the movie "Missing" suggests, his family has long suspected that the U.S. intelligence community knew far more than it admitted about how and why he was singled out by the Chilean military after the coup. But it took 26 years for the U.S. government to acknowledge that State Department officials shared the family's suspicion. "U.S. intelligence may have played a part in Horman's death. At best, it was limited to providing or confirming information that helped motivate his murder. . ." according to a passage in an Aug. 25, 1976, State Department memorandum released this month—a document that Horman's widow, Joyce calls "close to a smoking pistol." (When the same document was released to the family in 1980, this critical paragraph was blacked out.) And although Clinton's order explicitly directed agencies to declassify documents on Horman, neither the CIA nor the NSA has released a single record relating to his case.

Hundreds of documents have also been withheld on the Letelier and Moffitt assassinations—albeit with the explanation, wholly unsatisfactory to their families, that these records are material to an "ongoing" investigation into Pinochet's possible role.

As coordinator of the Chile Declassification Project, the NSC bears responsibility for failure to comply with the president's directive. Under its watch, countless documents have been blocked from release.

The CIA, which has the most to offer history but also the most to hide, has refused to conduct a full file search of its covert action branch, the Directorate of Operations. After I sent a comprehensive list of documents missing from the first release to the CIA's declassification center—the address of which is classified—an official informed me that the agency was "not legally obliged" to search such file because it had never "officially acknowledged" covert operations in Chile. (President Gerald Ford's public admission in 1974 that the CIA had covertly intervened in Chile apparently doesn't count.)

Moreover, with the acquiescence of the NSC, the intelligence community has taken the position that policy and planning documents are "not responsive" to the president's directive. Under this narrow interpretation, the deliberations of Nixon, Kissinger, Helms and others in plotting and financing political violence in Chile will not be considered for declassification—severely distorting the historical record.

Consider one example: The CIA has released one heavily blacked-out cable reporting on the October 1970 kidnapping and murder of Chilean Gen. Gene Schneider, who opposed a military move against Allende. But the agency did not even submit for review the dozens of secret "memcons" (memorandums of conversations), meeting minutes and briefing papers showing that the White House and the CIA covertly orchestrated this operation in an aborted attempt to instigate a coup in Chile.

To the surprise of the intelligence community, the National Archives Records Administration (NARA) found such documents among Nixon's papers. In compliance with Clinton's order, these records were submitted to the Chile Declassification Project, but CIA and NSA officials objected to their release. Since the documents deal with the Allende era, they should have been made public on Oct. 8. They weren't.

It is unclear how many, if any, will be included in the third and final declassification, now scheduled for April. Under the media spotlight, the CIA recently said it will review some records related to covert action. But it is unlikely that the credibility of this important project can be salvaged unless the president explicitly orders full cooperation and maximum disclosure.

There are compelling reasons to do so:

Abroad, Washington's reputation as a standard-bearer on human rights is at stake. It will prove far more difficult to encourage Chileans to undergo a process of truth and reconciliation if Washington is unwilling to admit its own involvement in their history. Indeed, the credibility of U.S. diplomatic efforts to press other nations, from Germany to Guatemala, to acknowledge and redress their mistakes of the past will be undermined by this flagrant attempt to hide our own.

At home, the American public has the right to know the full story of U.S. policy toward Chile and Pinochet's brutal regime. And his victims' families deserve to be able to lay this painful history to rest. Clinton's directive said the declassification project responded, in part, "to the expressed wishes of the families of American victims." But an incomplete review, as Joyce Horman wrote recently, would be "little more than an exercise in hypocrisy."

At least rhetorically, Clinton appears to agree: "I think you're entitled to know what happened back then and how it happened," he recently told reporters. We are indeed. But only if he takes concrete action to support his words will Americans finally learn what was done in Chile—in our name, but without our knowledge.

[From the Washington Post, Oct. 24, 1999]

THE 'JEWELS' THAT SPOOKED THE CIA

(By Vernon Loeb)

President Clinton's order to declassify all U.S. government documents on human rights abuses and political violence in Chile has forcefully recalled the most painful period in agency history.

It is a cautionary tale of secrets and lies, burned deep into the CIA psyche. It begins on Feb. 7, 1973, with the question that Sen. Stuart Symington put to former CIA director Richard Helms before the Senate Foreign Relations Committee:

"Did you try in the Central Intelligence Agency to overthrow the government of Chile?"

"No, sir," Helms replied.

The facts told a different story, and three months later, after an order came down asking all CIA employees to report any evidence they had of any unlawful acts, someone at Langley questioned the truthfulness of Helm's response.

His prevarication found its way into a 693-page compendium of CIA misdeeds that was being compiled by the new director of central intelligence, William Colby—a document that came to be known as "the Family Jewels."

The Family Jewels told all: of plots to assassinate foreign leaders, overthrow government, bug journalists, test psychedelic drugs on unwary subjects. And, of course, of the agency's efforts to destabilize the socialist regime of Chilean President Salvador Allende.

Colby shared the Family Jewels with Congress, the White House and, to a lesser extent, the news media. He hand-delivered a chapter to the Justice Department that directly led to Helms facing criminal charges over his Chile testimony. And Colby's revelations prompted the creation of the Senate Select Committee to Study Government Operations with Respect to Intelligence Activities, known as the Church Committee after its chairman, Sen. Frank Church.

Once the committee issued its final report, the CIA's ability to do pretty much as it pleased without telling anyone was over: Both houses of Congress created standing select committees to oversee the CIA as a full-time pursuit.

To this day, Helms—who pleaded no contest in 1977 for failing to testify fully to Congress, was ordered to pay a $2,000 fine and was given a two-year suspended sentence—remains one of the most revered figures in the secrecy-based CIA culture. (At 86, he is currently working on his memoirs.) But Colby, who died in 1996, is deeply resented by many for what is seen as betrayal.

"The first principle of a secret intelligence service is secrecy," Thomas Powers wrote in his 1979 biography of Helms, "The Man Who Kept the Secrets."

"It was bad enough this ancient history was being raked up at all, but to have it raked up in public, with all the attendant hypocrisy of a political investigation conducted by political men . . . This, truly, in Richard Helms' view, threatened to destroy the agency he and a lot of men had spent their lives trying to build."

Whether a new spirit of openness prevails at the CIA remains to be seen, at least when it comes to Clinton's declassification order on Chile. No covert action documents relating to CIA operations in Chile have yet been made public. But CIA spokesman Mark Mansfield said their release is only a matter of time.

"We're still very much in the middle of this, and we are going to be as forthcoming as possible," Mansfield said, "consistent with protecting legitimate sources and methods."

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

A DRAFT OF PROPOSED LEGISLATION RELATIVE TO THE SOCIAL SECURITY SYSTEM—MESSAGE FROM THE PRESIDENT—PM 68

The PRESIDING OFFICER laid before the Senate the following messages from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

I transmit herewith for your immediate consideration a legislative proposal entitled the "Strengthen Social Security and Medicare Act of 1999."

The Social Security system is one of the cornerstones of American national policy and together with the additional protections afforded by the Medicare system, has helped provide retirement security for millions of Americans over the last 60 years. However, the long-term solvency of the Social Security and Medicare trust funds is not guaranteed. The Social Security trust fund is currently expected to become insolvent starting in 2034 as the number of retired workers doubles. The Medicare system also faces significant financial shortfalls, with the Hospital Insurance Trust Fund projected to become exhausted in 2015. We need to take additional steps to strengthen Social Security and Medicare for future generations of Americans.

In addition to preserving Social Security and Medicare, the Congress and the President have a responsibility to future generations to reduce the debt held by the public. Paying down the debt will produce substantial interest savings, and this legislation proposes to devote these entirely to Social Security after 2010. At the same time, by contributing to the growth of the overall economy debt reduction will improve the Government's ability to fulfill its responsibilities and to face future challenges, including preserving and strengthening Social Security and Medicare.

The enclosed bill would help achieve these goals by devoting the entire Social Security surpluses to debt reduction, extending the solvency of Social Security to 2050, protecting Social Security and Medicare funds in the budget process, reserving one-third of the non-Social Security surplus to strengthen and modernize Medicare, and paying down the debt by 2015. It is clear and straightforward legislation that would strengthen and preserve Social Security and Medicare for our children and grandchildren. The bill would:

—Extend the life of Social Security from 2034 to 2050 by reinvesting the interest savings from the debt reduction resulting from Social Security surpluses.

—Establish a Medicare surplus reserve equal to one-third of any on-budget surplus for the total of the period of fiscal years 2000 through 2009 to strengthen and modernize Medicare.

—Add a further protection for Social Security and Medicare by extending the budget enforcement rules that have provided the foundation of our fiscal discipline, including the discretionary caps and pay-as-you-go budget rules.

I urge the prompt and favorable consideration of this proposal.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 26, 1999.*

MESSAGES FROM THE HOUSE

At 11:20 a.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 754. An act to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made.

H.R. 915. An act to authorize a cost of living adjustment in the pay of administrative law judges.

H.R. 2303. An act to direct the Librarian of Congress to prepare the history of the House of Representatives, and for other purposes.

H.R. 3111. An act to exempt certain reports from automatic elimination and sunset pursuant to the Federal Reports Elimination and Sunset Act of 1995.

H.R. 3122. An act to permit the enrollment in the House of Representatives Child Care Center of children of Federal employees who are not employees of the legislative branch.

The message also announced that the House has agreed to the following resolution:

H. Res. 341. Resolution expressing the condolences of the House of Representatives on the death of Senator John H. Chafee.

The message further announced the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 194. Concurrent resolution recognizing the contributions of 4-H Clubs and their members to voluntary community service.

ENROLLED BILL SIGNED

At 2.36 p.m., a message from the House of Representatives, delivered by one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2367. An act to reauthorize a comprehensive program of support for victims of torture.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 754. An act to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made; to the Committee on Commerce, Science, and Transportation.

H.R. 915. An act to authorize a cost of living adjustment in the pay of administrative law judges; to the Committee on Governmental Affairs.

H.R. 2303. An act to direct the Librarian of Congress to prepare the history of the House of Representatives, and for other purposes; to the Committee on Rules and Administration.

H.R. 3111. An act to exempt certain reports from automatic elimination and sunset pursuant to the Federal Reports Elimination and Sunset Act of 1995; to the Committee on Governmental Affairs.

H.R. 3122. An act to permit the enrollment in the House of Representatives Child Care Center of children of Federal employees who are not employees of the legislative branch; to the Committee on Rules and Administration.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 194. Concurrent resolution recognizing the contributions of 4-H Clubs and their members to voluntary community service; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5791. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "November 1999 Applicable Federal Rates" (Revenue Ruling 99-45), received October 21, 1999; to the Committee on Finance.

EC-5792. A communication from the Chief, Regulations Branch, Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Customs Bonded Warehouses" (RIN1515-AC41), received October 21, 1999; to the Committee on Finance.

EC-5793. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to a new Unified Command Plan; to the Committee on Armed Services.

EC-5794. A communication from the Independent Counsel, transmitting, pursuant to law, the annual report for the period ending September 30, 1999; to the Committee on Governmental Affairs.

EC-5795. A communication from the Deputy Archivist, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "Nixon Presidential Materials" (RIN3095-AA91), received October 22, 1999; to the Committee on Governmental Affairs.

EC-5796. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Public Housing Assessment System (PHAS); Transition to the PHAS" (RIN2577-AC08) (FR-4497-N-02), received October 22, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5797. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Section 8 Tenant-Based Assistance; Statutory Merger of Section 8 Certificate and Voucher Programs; Housing Choice Voucher Program" (RIN2577-AB91) (FR-4428-F-04), received October 22, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5798. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Renewal of Expiring Annual Contributions Contracts in the Tenant-Based Section 8 Program; Formula for Allocation of Housing Assistance" (RIN2577-AB96) (FR-4459-F-03), received October 22, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5799. A communication from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Public Housing Agency Plans" (RIN2577-AB89) (FR-4420-F-05), received October 22, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5800. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report relative to projects, or separable elements of projects, which have been authorized, but for which no funds have been obligated for planning, design or construction during the preceding seven full fiscal years; to the Committee on Environment and Public Works.

EC-5801. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plan; Indiana" (FRL #6446-5), received October 22, 1999; to the Committee on Environment and Public Works.

EC-5802. A communication from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Determining the Extent of Corrosion on Gas Pipelines" (RIN2137-AB50), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5803. A communication from the Secretary of the Commission, Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled "Guides for the Dog and Cat Food Industry", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5804. A communication from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Qualification and Certification of Locomotive Engineers" (RIN2130-AA74), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5805. A communication from the Attorney, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Relocation of Standard Time Zone in the State of Nevada" (RIN2105-AC80), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5806. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Inseason Adjustment—Opens D Fishing for Pollock in Statistical Area 620 of the Gulf of Alaska for 36 Hours", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5807. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species Fisheries; Large Coastal (LCS) Shark Species; Postponement of Closure; Fishing Season Notification" (I.D. 092299D), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5808. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closure of the Central Regulatory Area of the Gulf of Alaska for Other Rockfish", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5809. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closure of the Gulf of Alaska for Vessels Using Trawl Gear", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5810. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closure for Yellowfin Sole with Trawl Gear in the Bering Sea and Aleutian Islands Management Area", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5811. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closes the Pacific Cod Fishery by Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands Management Area", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5812. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closes Directed Fishing for Pacific Cod With Hook-and-Line and Pot Gear in the Bering Sea and Aleutian Islands Management Area", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5813. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Relocation of Pollock", received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5814. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Norfolk, NE; Direct Final Rule; Request for Comment; Docket No. 99-AE-45 (10-19/10-21)"

(RIN2120–AA66) (1999–0343), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5815. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Nevada, MO; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–40 (10–12/10–21)" (RIN2120–AA66) (1999–0346), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5816. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Wayne, NE; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–29 (10–6/10–21)" (RIN2120–AA66) (1999–0345), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5817. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Ava, MO; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–37 (10–20/10–21)" (RIN2120–AA66) (1999–0354), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5818. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Smith Center, KS; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–32 (10–6/10–14)" (RIN2120–AA66) (1999–0340), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5819. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Hebron, NE; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–27 (10–7/10–14)" (RIN2120–AA66) (1999–0339), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5820. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Jefferson, IA; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–31 (10–7/10–14)" (RIN2120–AA66) (1999–0338), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5821. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class D Airspace and Establishment of Class E2 Airspace; Fort Rucker, AL; Docket No. 99–ASO–14 (10–15/10–21)" (RIN2120–AA66) (1999–0353), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5822. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Lyons, KS; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ACE–3 (10–20/10–21)" (RIN2120–AA66) (1999–0355), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5823. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Altus, OK; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ASW–6 (10–6/10–21)" (RIN2120–AA66) (1999–0344), received October 21, 1999; to the Committee on Commerce; Science, and Transportation.

EC–5824. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Antlers, OK; Direct Final Rule; Confirmation of Effective Date; Docket No. 99–ASW–17 (10–6/10–14)" (RIN2120–AA66) (1999–0336), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5825. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Georgetown, TX; Direct Final Rule; Request for Comments; Docket No. 99–ASW–18 (10–5/10–21)" (RIN2120–AA66) (1999–0342), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5826. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Madison, WI; Docket No. 99–AGL–43 (10–6/10–6)" (RIN2120–AA66) (1999–033542), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5827. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; St. Helena, CA; Docket No. 99–AWP–14 (10–15/10–21)" (RIN2120–AA66) (1999–0347), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5828. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Napa, CA; Docket No. 99–AWP–17 (10–15/10–21)" (RIN2120–AA66) (1999–0348), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5829. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Clearlake, CA; Docket No. 99–AWP–15 (10–15/10–21)" (RIN2120–AA66) (1999–0349), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5830. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Lakeport, CA; Docket No. 99–AWP–16 (10–15/10–21)" (RIN2120–AA66) (1999–0350), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5831. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Gualala, CA; Docket No. 99–AWP–13 (10–15/10–21)" (RIN2120–AA66) (1999–0351), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5832. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Fort Bragg, CA; Docket No. 99–AWP–12 (10–15/10–21)" (RIN2120–AA66) (1999–0352), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5833. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Platinum, AK; Docket No. 99–AAL–11 (10–5/10–14)" (RIN2120–AA66) (1999–0341), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5834. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Rockport, TX; Docket No. 99–ASW–12 (10–7/10–14)" (RIN2120–AA66) (1999–0337), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5835. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (96); Amdt. No. 1955 (10–12/10–21)" (RIN2120–AA65) (1999–0048), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5836. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (15); Amdt. No. 1954 (10–12/10–21)" (RIN2120–AA65) (1999–0049), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5837. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (48); Amdt. No. 1953 (10–12/10–21)" (RIN2120–AA65) (1999–0050), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5838. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Noise Certification Standards for Propeller-Driven Small Airplanes" (RIN2120–AG65), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Finance, without amendment:

S. 1788: An original bill to amend titles XVIII, XIX, and XXI of the Social Security Act to make corrections and refinements in the medicare, medicaid, and SCHIP programs, as revised and added by the Balanced Budget Act of 1997 (Rept. No. 106–199).

By Mr. CAMPBELL, from the Committee on Indian Affairs:

Report to accompany the bill (S. 438) to provide for the settlement of the water rights claims of the Chippewa Cree Tribe of the Rocky Boy's Reservation, and for other purposes (Rept. No. 106–200).

By Mr. ROTH, from the Committee on Finance, without amendment:

S. 1792: An original bill to amend the Internal Revenue code of 1986 to extend expiring provisions, to fully allow the nonrefundable personal credits against regular tax liability, and for other purposes (Rept. No. 106–201).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WELLSTONE (for himself and Mr. KERRY):

S. 1785. A bill to provide for local family information centers, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LAUTENBERG:

S. 1786. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to establish a grant program for assisting small business and agricultural enterprises in meeting disaster-related expenses; to the Committee on Environment and Public Works.

By Mr. BAUCUS (for himself, Mr. CAMPBELL, and Mr. DASCHLE):

S. 1787. A bill to amend the Federal Water Pollution Control Act to improve water quality on abandoned or inactive mined land; to the Committee on Environment and Public Works.

By Mr. ROTH:

S. 1788. An original bill to amend titles XVIII, XIX, and XXI of the Social Security Act to make corrections and refinements in the medicare, medicaid, and SCHIP programs, as revised and added by the Balanced Budget Act of 1997; from the Committee on Finance; placed on the calendar.

By Mr. GORTON (for himself and Mr. LIEBERMAN):

S. 1789. A bill to provide a rotating schedule for regional selection of delegates to a national Presidential nominating convention, and for other purposes; to the Committee on Rules and Administration.

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):

S. 1790. A bill to provide for the issuance of a promotion, research, and information order applicable to certain handlers of Hass avocados; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CAMPBELL (for himself and Mr. LIEBERMAN):

S. 1791. A bill to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate; to the Committee on Rules and Administration.

By Mr. ROTH:

S. 1792. An original bill to amend the Internal Revenue Code of 1986 to extend expiring provisions, to fully allow the nonrefundable personal credits against regular tax liability, and for other purposes; from the Committee on Finance; placed on the calendar.

By Mr. DOMENICI:

S. 1793. A bill to ensure that there will be adequate funding for the decommissioning of nuclear power facilities; to the Committee on Environment and Public Works.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 1794. A bill to designate the Federal courthouse at 145 East Simpson Avenue in Jackson, Wyoming, as the "Clifford P. Hansen Federal Courthouse"; to the Committee on Environment and Public Works.

By Mr. CRAPO:

S. 1795. A bill to require that before issuing an order, the President shall cite the authority for the order, conduct a cost benefit analysis, provide for public comment, and for other purposes; to the Committee on Governmental Affairs.

By Mr. LAUTENBERG (for himself, Mr. MACK, Mr. KYL, Mr. GRAHAM, Mr. ROBB, Mr. LOTT, Mr. LIEBERMAN, Mr. HATCH, Mr. CONRAD, Mr. HELMS, Mr. TORRICELLI, Mr. SPECTER, Mr. MOYNIHAN, Mr. HOLLINGS, Mr. SCHUMER, Mr. COVERDELL, Mr. EDWARDS, Mr. CLELAND, and Mr. SANTORUM):

S. 1796. A bill to modify the enforcement of certain anti-terrorism judgements, and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 1797. A bill to amend the Alaska Native Claims Settlement Act, to provide for a land conveyance to the City of Craig, Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WELLSTONE (for himself and Mr. KERRY):

S. 1785. A bill to provide for local family information centers, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

LOCAL FAMILY EDUCATION INFORMATION CENTERS

Mr. WELLSTONE. Mr. President, I speak on behalf of myself and Senator KERRY from Massachusetts, today for myself and Senator KERRY of Massachusetts today to introduce legislation that will go a long way to help parents become more involved in their children's education. We all know that families are crucial to the improvement of our nation's schools. To ensure that schools and students meet challenging educational goals, families must be involved. Parents must insist that their children get the best education. They must understand, shape and support the reforms in their schools; and, they must work with schools to help all children meet their goals.

We know that when families are fully engaged in the educational process, students have: higher grades and test scores; better attendance and more homework done; fewer placements in special education; more positive attitudes and behavior; higher graduation rates; and, greater enrollment in post-secondary education.

For school reforms to help all children, we must move to ensure that all parents are involved in their children's education. For many parents, this is not an easy task. Parents, particularly those who have limited English proficiency, or those who have a troubled history with the school system, often need outside help to get the information, support, and training they need to help their children navigate the school system.

Current provisions in Title I of the Elementary and Secondary Education Act provide for excellent and important ways for parents to get involved in their children's education. However, in some cases, parent involvement of the type envisioned by Title I remains a distant goal. Many Title I schools (though not all) have failed to fully bring parents into the development of parent involvement policies, school-parent compacts, and into planning and improvement for the school as provided for in Title I. It is thus essential for families to have an independent source of information and support that they understand and trust so that they can participate in an informed and effective manner and help move the schools toward the goal of full parental participation.

To achieve this critical end, this legislation would provide competitive grants to community based organizations to establish Local Family Information Centers. These centers, made up of community members as well as professionals from the Title I schools in the area, should have a track record of effective outreach and work with low income communities. They, in consultation with the school district, would develop a plan to provide parents with the full support that they need to be partners in their children's education. For example, they would help parents understand standards, assessments, and accountability systems; support activities that are likely to improve student achievement in Title I schools; understand and analyze data that schools, districts, and states must provide under reporting requirements of ESEA and other laws; understand and participate in the implementation of parent involvement requirements of ESEA, including; and, communicate effectively with school personnel.

This legislation is essential because it would reach and assist parents most isolated from participation by poverty, race, limited English proficiency and other factors. It is essential because of what we know about how children learn—that children that are the farthest behind make the greatest gains when their parents are part of their school life.

Many schools do a very good job of involving parents in education reform. This bill does nothing but ensure that parents have the option of an independent voice in districts where schools do not do such a good job. If we are to educate our children, we must also educate their parents. This legislation provides one necessary means to do so.

By Mr. LAUTENBERG:

S. 1786. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to establish a grant program for assisting small business and agricultural enterprises in meeting disaster-related expenses; to the Committee on Environment and Public Works.

SMALL BUSINESS AND AGRICULTURAL ENTERPRISE GRANT PROGRAM

• Mr. LAUTENBERG. Mr. President, I ask that a copy of the bill be printed in the RECORD.

The bill follows:

S. 1786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SMALL BUSINESS AND AGRICULTURAL ENTERPRISE GRANT PROGRAM.

Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170a et seq.) is amended by adding at the end the following:

“SEC. 425. SMALL BUSINESS AND AGRICULTURAL ENTERPRISE GRANT PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) AGRICULTURAL ENTERPRISE.—The term ‘agricultural enterprise’ includes—

“(A) a farm not larger than a family farm (within the meaning of section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a))); and

“(B) an enterprise engaged in the business of production of food or fiber, ranching or raising of livestock, aquaculture, or any other farming or agricultural related industry (within the meaning of section 3(a) of the Small Business Act (15 U.S.C. 632(a))).

“(2) SMALL BUSINESS.—The term ‘small business’ has the meaning given the term ‘small business concern’ under section 3 of the Small Business Act (15 U.S.C. 632).

“(b) GRANT PROGRAM.—The President may make grants to assist small businesses and agricultural enterprises adversely affected by a major disaster in meeting disaster-related expenses, including the costs of nonstructural repairs and replacement of noninsured contents and inventory.

“(c) CONDITIONS.—

“(1) NO RELOCATION ASSISTANCE.—A small business or agricultural enterprise receiving a grant under this section—

“(A) shall not use the proceeds of the grant for relocation; but

“(B) may use the proceeds of the grant for appropriate purposes in a new location, at the discretion of the President, for a safety, health, or mitigation purpose.

“(2) DUPLICATIVE ASSISTANCE.—

“(A) IN GENERAL.—A small business or agricultural enterprise receiving assistance in the form of a grant under this section shall be liable to the United States to the extent that the assistance duplicates benefits provided to the small business or agricultural enterprise for the same purpose by another Federal agency.

“(B) DEBT COLLECTION.—A Federal agency that provides any duplicative assistance described in subparagraph (A) shall collect an amount equal to the value of the duplicative assistance from the recipient in accordance with chapter 37 of title 31, United States Code, in any case in which the head of the agency considers such collection to be in the best interest of the Federal Government.

“(C) INAPPLICABILITY OF DUPLICATION OF BENEFITS PROVISION.—Section 312 shall not apply to assistance provided under this section.

“(d) FUNDING LIMITATIONS.—

“(1) ONE MAJOR DISASTER ONLY.—A small business or agricultural enterprise shall be eligible for a grant under this section in relation to not more than 1 major disaster.

“(2) MAXIMUM AMOUNT OF GRANT.—The maximum amount that a small business or agricultural enterprise may receive under this section shall be $20,000.

“(e) TIME PERIOD FOR MAKING GRANTS.—The President may make a grant under this section only during the 90-day period beginning on the date of declaration of a major disaster under this title.

“(f) REGULATIONS.—The President shall promulgate regulations to carry out this section, including criteria, standards, and procedures for the determination of eligibility for grants and the administration of grants under this section.

“(g) APPLICABILITY.—

“(1) DATE OF DISASTER.—This section shall apply to any major disaster declared after September 1, 1999, and before the date of enactment of this section.

“(2) LIMITATION ON TIME PERIOD FOR MAKING GRANTS.—For the purpose of subsection (e), with respect to a major disaster described in paragraph (1), the 90-day period shall begin on the date of enactment of this section.”.•

By Mr. BAUCUS (for himself, Mr. CAMPBELL, and Mr. DASCHILE):

S. 1787. A bill to amend the Federal Water Pollution Control Act to improve water quality on abandoned or inactive mined land; to the Committee on Environment and Public Works.

GOOD SAMARITAN ABANDONED OR INACTIVE MINE WASTE REMEDIATION ACT

Mr. BAUCUS. Mr. President, I rise to introduce a bill, for myself, Senator CAMPBELL, and Senator DASCHLE. This bill will address one of our nation's most overlooked environmental problems: the thousands of abandoned mines that pour pollution into rivers and streams throughout the west.

Since 1972, when we enacted the Clean Water Act, our nation has made a lot of progress improving water quality. Generally speaking, our water is cleaner. The Potomac doesn't stink. The Cuyuhoga doesn't burst into flame. EPA estimates that about 1/3 more of our rivers are fishable and swimmable than 20 years ago.

But we still face serious water pollution problems.

One of the most serious, in the west, is pollution from abandoned mines.

Let me provide some background.

The settlement of the mountain west was driven, in large part, by mining. Take my home state of Montana. At the center of Helena is Last Chance Gulch, where gold was discovered in 1864. Butte was called the “Richest Hill on Earth, “because of it's huge veins of copper. Our state's motto is “Oro y Plata”—gold and silver. The ASARCO smelter in East Helena is one of the largest and most efficient in the world.

Mining has long been critical to our development. It's created jobs. It's part of our culture. Of our community.

But mining, like many other economic activities, can have severe environmental consequences. Especially the way it was conducted years ago, before the development of sophisticated environmental laws and regulations.

I am reminded of the words of the Montana writer, A.B. Guthrie.

> Much of the exploitation, much of unthinking damage, was done in . . . a spirit characteristic of pioneer America. Growth was the way of life. It was the nature of things. . . . The end was not yet. The end never would be. That's what we thought. We know better now.

One reason that we know better now is that we've seen the effect of the abandoned hardrock mines that dot the landscape of the mountain west. They once were active mines, in many cases, long ago. Now they're an abandoned collection of tailings, shafts, and adits.

Even in generally arid areas, these mines release acid wastes. They leach mercury, arsenic, copper, and other heavy metals. They load sediments into nearby waters. They poison drinking water. They contaminate fish, making them unfit to eat. They threaten public health and destroy rivers and streams.

According to the Western Governors Association:

> Abandoned and inactive mines are responsible for many of the greatest threats and impairments to water quality throughout the United States. Thousands of stream miles are severely impacted by drainage and runoff from these mines, often for which a responsible party is unidentifiable or not economically viable. At least 400,000 abandoned or inactive mine sites occur in the west.

This map shows the scope of the problem.

The small dots indicate individual sites. Light shading indicates that there are more than 100 sites. Orange, between 200 and 300. Red, more than 300 sites.

As you can see, There are hundreds of sites in many western states—Montana, Idaho, California, Utah. New Mexico, Arizona, Colorado, and South Dakota.

And that's not all. Michigan. The Ohio Valley. The Appalachains. All across the country.

In Montana, there are approximately 6,000 abandoned hardrock mines. State officials already have identified 245 that are within 100 feet of a stream. In many cases, these mines are known to be polluting downstream waters.

Most of the sites are concentrated around Helena. But there are sites throughout western Montana, in 24 of our 56 counties. All the way from Lincoln County, in Northwest Montana, to Park County, in South Central Montana.

Let me show you an example.

This is an abandoned hardrock mine site near Rimini, about 15 miles west of Helena. It's in the Ten Mile Creek watershed, which serves as the Helena drinking supply. As you can see, the water is actually orange.

Clearly, abandoned hardrock mines pose a big problem.

So why isn't somebody doing something about it?

As is often the case, this simple question requires a pretty complicated answer.

In the first place, it may be impossible to track down the person who created the problem. The original mine operator may long gone.

In other cases, the ownership patterns are a complex mix of federal, state, and private land; and of surface, mineral, and water rights. It is not uncommon for dozens of parties to have had some connection to a mining site over the years. So it's difficult to establish legal responsibility for a private party to clean up the site.

There's another alternative. A state, tribe, or local government agency may want to step in and clean the site up themselves. As the Western Governors Association has put it:

> The western states have found that there would be a high degree of interest and willingness on the part of federal, state and local agencies . . . to work together toward solutions to the multi-faceted problems commonly found on inactive mined lands.

But there's a hitch. A few years ago, a federal court of appeals held that, under the Clean Water Act, one of these "good samaritans" is treated exactly the same as the operator of an working mine. That is, someone who has no responsibility for a site, but nevertheless wants to step in and make progress in cleaning up the site, must get a permit that complies with all of the effluent guidelines and other requirements of the Clean Water Act.

Many states, tribes, and local government good samaritans simply can't afford to clean up a site to full Clean Water Act standards.

So, facing the legal consequences if they fall short, potential good samaritans refrain from attempting to address water pollution problems at all.

Let me tell you about the Alta mine, outside Corbin, Montana. That's about 15 miles South of Helena.

The mine is an important part of Montana's heritage. Ore was discovered in there 1869.

During the late 1800s, 450 miners were extracting more than 150 tons of ore each day, generating a total of $32 million worth of gold, silver, lead, and zinc. That's the equivalent of about $1 billion in today's dollars.

The main portion of the mine closed in 1896. This century, mining and remining continued sporadically, under a variety of different operators. The mine was completely abandoned in the late 1950s.

I visited the site a few weeks ago, with my friend Vick Anderson, who runs the Montana mine cleanup program.

This is a photograph of the mine shaft. It cuts down to the old underground workings, 650 feet below. The shaft serves as a collection point for groundwater.

In the picture, you can see the toxic, acid water that seeps from the shaft and eventually drains into Corbin Creek.

Up until this point, Corbin Creek runs clear and clean. It's a high-quality trout stream. But, after the runoff from the Alta mine, the water is contaminated with arsenic, antimony, cadmium, copper, iron, lead, mercury, and zinc.

There's a distinct sulphuric odor. In some places, the water looks orange, like the picture I showed of the mine near Rimini.

This contamination affects not only Corbin Creek, but also Spring Creek and Prickly Pear Creek. That's about 7 miles of contamination. In the town of Corbin itself, the pollution is so bad that the State of Montana was forced to close groundwater wells and contstruct a $300,000 water supply project to serve 11 homes.

Now let me tell you what you can't see in the picture of the Alta mine.

All around the mine shaft, the State of Montana is conducting reclamation work. Removing structures. Closing adits. Removing or covering contaminated soil.

The state would also like to do something about the water pollution.

For example, they could divert runoff through a channel, and then construct wetlands to filter the arsenic, iron, lead, mercury, and other pollutants. This would clean the water up, significantly.

The engineers say that it will work.

But the lawyers say it won't.

They say that, by diverting the water, the state would become liable under the Clean Water Act. It would have to get a permit. And the permit would require permanent treatment that is prohibitively expensive.

Faced with that possibility, there is only one practical thing for the state to do. Nothing. Leave the water pollution alone.

And that's exactly what is happening. As we speak, the toxic water continues to flow directly into Corbin Creek.

This is not an isolated example. According to the Western Governors Association and others, the same thing is happening all across the west.

As you can see, the current system creates a disincentive. It prevents well-intentioned state and local governments from stepping in and conducting voluntary cleanups.

As a result, the cleanups don't occur and the pollution keeps flowing.

That's the problem that our bill will fix.

The title of this bill, the "Good Samaritan Mine Remediation Waste bill" says it all.

The state, tribal, and local government agencies that we refer to as "good samaritans" are not trying to make money. They're not trying to skirt the law. They're trying to do good—in this case, to improve water quality.

The basic objective of this bill is to allow that. To allow states, tribes and local governments to be good samaritans.

In a nutshell, the bill will allow state, local, and tribal governments to clean up an abandoned mines under a special permit, tailored to the conditions of the site.

They apply for a good samaritan permit from EPA. The application must include a detailed plan describing the cleanup actions that will be taken to improve water quality.

EPA reviews the plan and takes comments from the local community. EPA can approve the application if it determines that the plan will result in an improvement in water quality to the greatest extent practical, given the resources and cleanup technologies available to the Good Samaritan.

Once a permit is approved, the good samaritan can proceed with the cleanup. EPA will monitor progress and conduct periodic reviews. When the cleanup is finished, the permit is terminated and the Good Samaritan is not held responsible for any future discharges from the site.

That's the basic framework.

Let me also mention several additional safeguards, that are described in detail in a summary that I ask be included in the RECORD after this statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

First, before applying for a permit, the good samaritan must conduct a search, to try to find parties who are responsible for the pollution problem at the mine site and have the resources to clean it up themselves. If so, those parties should be held to the ordinary standards of the Clean Water Act. And they will be.

Second, a good samaritan permit can only be used for cleanup. It can't be used for remining. In fact, if the cleanup generates materials that can be sold commercially, the proceeds have to be used to help further clean up the river or stream. As a result, good samaritan permits cannot become a loophole for someone to get around the application of the Clean Water Act to active mining operations.

This bill is not a remining bill, and will not become one.

Third, a good samaritan permit is fully enforceable, by either EPA or a citizen suit. As I've explained, there are very good arguments for applying different standards to good samaritan cleanups.

But, once those standards are written into a permit, they must be complied with to the same extent as the standards of an ordinary permit. The law is the law.

Mr. President, this bill reflects years of hard work, by the Western Governors Association, environmentalists, industry representatives, and others.

It's not perfect. It does not reflect a complete consensus. There are further issues to work through.

But my hope is that we can proceed quickly, through a hearing and markup, so that, before long, this important bill can be enacted into law.

If so, we soon will see success stories, all across the west. At places like the Alta Mine, we'll be taking sensible steps to make our rivers a lot cleaner and our lives a little bit better.

Let me return to the words of A.B. Guthrie. He described the exploitation of natural resources in the past. Then he said that "we know better now."

We do. We know better. And that knowledge gives us a responsibility. We must put our knowledge to constructive use. In this case, by cleaning up abandoned mine sites and other sources of pollution.

If we solve the problem, our grandchildren won't have to.

EXHIBIT 1

SUMMARY

The legislation is designed to eliminate the disincentives that currently exist in the Clean Water Act to the restoration of water quality through Good Samaritan cleanups of abandoned or inactive hardrock mines. To accomplish this, the legislation allows the federal government, states, tribes, and local governments that want to clean up an abandoned or inactive mining site to apply for a "mine waste remediation" permit instead of the typical Clean Water Act permit. The key to the mine waste remediation permit is that it allows Good Samaritans to improve water quality to the best of their ability rather than necessarily to achieve full compliance with water quality standards.

An application for a permit must be submitted to the Environmental Protection Agency and include a detailed plan describing the cleanup actions that the Good Samaritan will take to improve water quality. Applicants for a permit must make a reasonable search for parties who are responsible for the mine waste and therefore, are subject to full compliance with the Clean Water Act. Based on a review of the plan and obtaining public input, EPA can approve an application if no companies responsible for the mine waste are found and if the application "demonstrates with reasonable certainty that the implementation of the plan will result in an improvement in water quality to the degree practicable, taking into consideration the resources available to the remediating party for the proposed remediation activity." EPA will develop and issue regulations that detail the specific contents of applications for mine waste remediation permits and may, on a case-by-case basis, issue regulations that impose "more specific requirements that the Administrator determines" are appropriate for individual mine sites.

Upon approval of a permit, the Good Samaritan proceeds with the planned cleanup. EPA plays a continuing role in monitoring the cleanup's progress, conducting periodic reviews to assure permit compliance. As with an ordinary Clean Water Act permit, both EPA and citizens can take legal action if a Good Samaritan fails to comply with the terms of a mine waste remediation permit. When the cleanup is completed, the permit is terminated and the Good Samaritan is not held responsible for any future discharges from the site.

The legislation is based on a proposal by the Western Governors Association (WGA), which worked extensively with the environmental community, mining industry, and the Administration in developing it. The staff of Senator Max Baucus has also worked with these groups and WGA in crafting the legislation. The Western Governors support this legislation and urge that it be enacted in this Congress.

Mr. BAUCUS. Mr. President, I ask unanimous consent that a letter of support from the Western Governors Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WESTERN GOVERNORS' ASSOCIATION,
Denver, CO, October 19, 1999.

Hon. MAX BAUCUS,
Senator of Montana, Hart Senate Office Building, Washington, DC.

DEAR SENATOR BAUCUS: The Western Governors commend you for introducing the "Good Samaritan Abandoned or Inactive Mine Waste Remediation Act." As stated in WGA Resolution 98–004 (attached), the Western Governors believe that there is a need to eliminate current disincentives in the Clean Water Act for voluntary, cooperative efforts aimed at improving and protecting water quality impacted by abandoned or inactive mines. We believe your bill could effectively and fairly eliminate such disincentives, and we therefore urge its passage this Congress.

Inactive or abandoned mines are responsible for threats and impairments to water quality throughout the western United States. Many also pose safety hazards from open adits and shafts. These historic mines pre-date modern federal and state environmental regulations which were enacted in the 1970s. Often a responsible party for these mines is not identifiable or not economically viable enough to be compelled to clean up the site. Many stream miles are impacted by drainage and runoff from such mines, creating significant adverse water quality impacts in several western states.

Recognizing the potential for economic, environmental and social benefits to downstream users of impaired streams, western states, municipalities, federal agencies, volunteer citizen groups and private parties have come together across the West to try to clean up some of these sites. However, due to questions of liability; many of these Good Samaritan efforts have been stymied.

To date, EPA policy and some case law have viewed inactive or abandoned mine drainage and runoff as problems that must be addressed under Section 402 of the CWA—the National Pollutant Discharge Elimination System (NPDES) permit program. This, however, has become an overwhelming disincentive for any voluntary cleanup efforts because of the liability that can be inherited for any discharges from an abandoned mine site remaining after cleanup, even though the volunteering remediating party had no previous responsibility or liability for the site, and has reduced the water quality impacts from the site by completing a cleanup project.

The "Good Samaritan Abandoned or Inactive Mine Waste Remediation Act" would amend the Clean Water Act to protect a remediating agency from becoming legally responsible for any continuing discharges from the abandoned mine site after completion of a cleanup project, provided that the remediating agency—or "Good Samaritan"—does not otherwise have liability for that abandoned or inactive mine site and implements a cleanup project approved by EPA. The Western Governors support this bill, and urge that it be enacted this Congress.

Sincerely,

MARC RACICOT,
Governor of Montana, WGA Lead Governor.
BILL OWENS,
Governor of Colorado, WGA Lead Governor.
MICHAEL O. LEAVITT,
Governor of Utah.

POLICY RESOLUTION 98–004, CLEANING UP ABANDONED MINES

[Adopted June 29, 1998, Girdwood, Alaska]

A. BACKGROUND

1. Inactive or abandoned mines are responsible for threats and impairments to water quality throughout the western United States. Many also pose safety hazards from open adits and shafts. These historic mines pre-date modern federal and state environmental regulations which were enacted in the 1970s. Often a responsible party for these mines is not identifiable or not economically viable enough to be compelled to clean up the site. Thousands of stream miles are impacted by drainage and runoff from such mines, one of the largest sources of adverse water quality impacts in several western states.

2. Mine drainage and runoff problems are extremely complex and solutions are often highly site-specific. Although cost-effective management practices likely to reduce water quality impacts from such sites can be formulated, the specific improvement attainable through implementation of these practices cannot be predicted in advance. Moreover, such practices generally cannot eliminate all impacts and may not result in the attainment of water quality standards.

3. Cleanup of these abandoned mines and securing of open adits and shafts has not been a high funding priority for most state and federal agencies. Most of these sites are located in remote and rugged terrain and the risks they pose to human health and safety have been relatively small. That is changing, however, as the West has gained in population and increased tourism. Both of these factors are bringing people into closer contact with abandoned mines and their impacts.

4. Cleanup of abandoned mines is hampered by two issues—lack of funding and concerns about liability. Both of these issues are compounded by the land and mineral ownership patterns in mining districts. It is not uncommon to have private, federal, and state owned land side by side or intermingled. Sometimes the minerals under the ground are not owned by the same person or agency who owns the property. As a result, it is not

uncommon for there to be dozens of parties with partial ownership or operational histories associated with a given site.

5. Recognizing the potential for economic, environmental and social benefits to downstream users of impaired streams, western states, municipalities, federal agencies, volunteer citizen groups and private parties have come together across the West to try to clean up some of these sites. However, due to questions of liability, many of these Good Samaritan efforts have been stymied.

a. To date, EPA policy and some case law have viewed inactive or abandoned mine drainage and runoff as problems that must be addressed under the Clean Water Act's (CWA) Section 402 National Pollutant Discharge Elimination System (NPDES) permit program. This, however, has become an overwhelming disincentive for any voluntary cleanup efforts because of the liability that can be inherited for any discharges from an abandoned mine site remaining after cleanup, even though the volunteering remediating party had no previous responsibility or liability for the site, and has reduced the water quality impacts from the site by completing a cleanup project.

b. The western states have developed a package of legislative language in the form of a proposed amendment to the Clean Water Act. The effect of the proposed amendment would be to eliminate the current disincentives in the Act for Good Samaritan cleanups of abandoned mines. Over the three years that the proposal was drafted, the states received extensive input from EPA, environmental groups, and the mining industry.

6. Liability concerns also prevent mining companies from going back into historic mining districts and remining old abandoned mine sites or doing volunteer cleanup work. While this could result in an improved environment, companies which are interested are justifiably hesitant to incur liability for cleaning up the entire abandoned mine site.

B. GOVERNORS' POLICY STATEMENT

Good Samaritan

1. The Western Governors believe that there is a need to eliminate disincentives to voluntary, cooperative efforts aimed at improving and protecting water quality impacted by abandoned or inactive mines.

2. The Western Governors believe the Clean Water Act should be anended to protect a remediating agency from becoming legally responsible under section 301(a) and section 402 of the CWA for any continuing discharges from the abandoned mine site after completion of a cleanup project, provided that their mediating agency—or "Good Samaritan"—does not otherwise have liability for that abandoned or inactive mine site and attempts to improve the conditions at the site.

3. The Western Governors believe that Congress, as a priority, should amend the Clean Water Act in a manner that accomplishes the goals embodied in the WGA legislative package on Good Samaritan cleanups.

Cleanup and Funding

4. The governors support efforts to accelerate responsible and effective abandoned mine waste cleanup including the siting of joint waste repositories for cleanup wastes from abandoned mines on private, federal, and state lands. Liability concerns have hampered the siting of joint waste repositories leading to the more expensive and less environmentally responsible siting of multiple repositories. The governors urge the Bureau of Land Management and the U.S. Forest Service to develop policy encouraging the siting of joint waste repositories whenever they make economic and environmental sense.

5. The governors encourage federal land management agencies such as the Bureau of Land Management, Forest Service, and Park Service, as well as support agencies like the U.S. Environmental Protection Agency and the U.S. Geological Survey to coordinate their abandoned mine efforts with state efforts to avoid redundancy and unnecessary duplication. Federal and State tax dollars should be focused on working cooperatively to secure and clean up abandoned mine sites, not working separately to conduct expensive and time consuming inventories, research, and mapping efforts.

6. Other responsible approaches to accelerate abandoned mine cleanup should be investigated, including remining.

7. Reliable sources of funds should be made available for the cleanup of abandoned mines in the West.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. WGA staff shall transmit a copy of this resolution and the proposed WGA legislative package on Good Samaritan cleanups to the President, the Secretary of the Interior, Secretary of Agriculture, Administrator of the Environmental Protection Agency, and Chairmen of the appropriate House and Senate Committees.

2. WGA staff shall work with the mining industry, environmental interests, and federal agency representatives to explore options to accelerate abandoned mine cleanup through remining and report back to the Governors at the 1999 WGA Annual Meeting.

3. WGA shall continue to work cooperatively with the National Mining Association, federal agencies, and other interested stakeholders to examine other mechanisms to accelerate responsible cleanup and securing of abandoned mines.

Approval of a WGA resolution requires an affirmative vote of two-thirds of the Board of the Directors present at the meeting. Dissenting votes, if any, are indicated in the resolution. The Board of Directors is comprised of the governors of Alaska, American Samoa, Arizona, California, Colorado, Guam, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Northern Mariana Islands, Oregon, South Dakota, Texas, Utah, Washington and Wyoming.

By Mr. GORTON (for himself and Mr. LIEBERMAN):

S. 1789. A bill to provide a rotating schedule for regional selection of delegates to a national Presidential nominating convention, and for other purposes; to the Committee on Rules and Administration.

THE REGIONAL PRESIDENTIAL SELECTION ACT OF 1999

Mr. GORTON. Mr. President, the 2000 presidential election has already captured the interest of the national media, and once again the media struggles to make sense of one of this nation's most complex and confusing practices—the presidential nomination system. It is a tenet in this country, the greatest democracy in the world, that all citizens have an equal voice in choosing who will be the nominees for the final race for President of the United States. If there is one thing that has remained constant in the American system, it is democratic participation in our electoral process—a basic creed that has guided us toward wider participation and more direct election of our leaders. Ironically, however, every four years we are witnesses to the fact that the current system by which this country chooses its presidential nominees is not only arbitrary, but in many ways incompatible with the notion of equal participation in the nominating process.

One of the most memorable political cartoons I have had the pleasure of reading was drawn during the 1996 election by the cartoonist for a local paper in my home state of Washington. This cartoon illustrates just how bizarre the current presidential primary process really is. The cartoon features Benjamin Franklin, Thomas Jefferson, and Alexander Hamilton brainstorming at the Constitutional Convention. Ben Franklin turns to his colleagues in jest and rattles off an idea for the presidential election system. He reads from his sheet of paper,

> The President shall be chosen from among those persons who can hone complex ideas into simplistic sound bites, defame the character of their opponents, hide their own blemishes from an intrusive swarming press corps and—get this—win the most votes from a tiny number of citizens in a remote corner of New England!

To which Alexander Hamilton replies,

> Very droll Franklin, you're quite the comedian.

Mr. President, I agree with the cartoonist that what our Founding Fathers would have regarded as a ridiculous way to choose a president is now reality. It is no joke—this IS how our Presidential nominating system works.

For some time Members of Congress, party activists, the states, and academics have all advocated reform of the Presidential nominating system in this country. The flaws in our current system are obvious. The system is unstructured, confusing, and it gives small states that hold early primaries or caucuses a disproportionate amount of influence on the final outcome. The lack of uniformity and clear guidelines in the system creates a system whereby states compete for an early position in the nominating process in order to attract candidates and to have some kind of influence in the nominating process. Small to middle-sized states that select delegates later in the game risk being shut out of the process all together and face having a limited role in choosing the Presidential nominee. While the 2000 primary schedule has not yet been solidified, the first primary will be held at the earliest date in history, and an alarming number of states have moved or are considering moving their primary earlier in the year with the hope of influencing the nomination process.

Clearly, the system does not allow for equal participation by all the states. It undermines the ideal of equal participation in the electoral process by giving certain states, year after year, far more leverage than others. This unequal balance of power, if you will, compromises the integrity of the nominating process.

At this time, while this country's Presidential nominating system again begins to receive national attention, I believe it is fundamental that the American people and this Congress begin discussing methods to improve the current system and introduce reforms to encourage wider participation and more direct nomination of Presidential candidates.

I am introducing, today, a bill to provide for a rotating regional selection system for the nomination of candidates for Presidential elections. This bill will establish four regions comprised of 12–13 states from the same geographic area in the country. All states in a region will hold primaries or caucuses on the same date either the first Tuesday in March, April, May, or June and no region will vote in the same month. The order in which each region votes will rotate with each presidential election cycle, allowing each region to have the opportunity to be the first, second, third, and last region in the country to vote.

This bill introduces much needed uniformity and structure to a system that lacks real composition. It will eliminate the drive by the States to gain "first-in-the-nation" status and the ability for one or two small states to influence the entire nomination process. Under this plan each state will have equal opportunity to participate and influence the nomination process. This bill will also establish greater uniformity and structure by instituting much needed guidelines for states, delegate selection, and the role of Federal Election Commission.

Obviously, since we are well into the presidential nomination process for the 2000 Presidential race this bill, if enacted, will apply to 2004 and election years thereafter.

In summary, Mr. President, I look forward to discussing this proposal with my colleagues in the coming weeks and months. I believe it is imperative that we do everything we can to improve the practice by which we nominate our country's leader.

Mr. LIEBERMAN. Mr. President. I am happy to join Senator GORTON in introducing a bill that we hope will restore some common sense to the way the country chooses party nominees for president. As Senator GORTON already has explained well, anyone taking a objective look at the current primary and caucus system could reach only one conclusion: it makes very little sense.

Our primary system was meant to serve a very important purpose: to determine the two—or perhaps three—individuals who will have the opportunity to compete for the most powerful office in our nation, and perhaps in the world. Given the importance of the process, it is critical that it be a fair one, one that tests the mettle and the ideas of all of the candidates, one that allows the voters to hear and weigh the views of those seeking their parties' nominations, and one that gives the primary electorate—the whole, national primary electorate—a chance to choose the person they think will best represent them and their views in the ultimate contest to determine who will become President of the United States.

But that just isn't happening now. Instead of a system that tests a candidate's character and his ability to offer reasoned opinions over the long haul, we have an increasingly compressed schedule, one in which States whose primaries once were spread out over months now compete to see who can hold their contests the earliest, and candidates compete to see who can raise more money than everyone else before the first primary voters ever step foot into the election booth. That "money primary" has already eliminated four of the Republican candidates for President.

This is no way for the world's greatest democracy to choose its leader. As Senator GORTON already has explained, the bill we are proposing today offers an alternative system, one that can restore the primary season to what it should be: a contest of candidates discussing their ideas for America's future. By creating a series of regional primaries, we will make it more likely that all areas of the country have input into the nominee selection process, and that the candidates and their treasuries will not be stretched so thin by primaries all over the country on the same day. By spreading out the primaries over a four-month period, we have a chance to return to the days when the electorate had an opportunity to evaluate the candidates over time, and where voters—not just financial contributors—had decided who the parties' nominees will be.

Anyone looking at the current system knows it has to change. I hope that we can make that happen before the 2004 campaign begins.

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):

S. 1790. A bill to provide for the issuance of a promotion, research, and information order applicable to certain handlers of Hass avocados; to the Committee on Agriculture, Nutrition, and Forestry.

THE HASS AVOCADO PROMOTION, RESEARCH AND INFORMATION ACT OF 1999

Mrs. FEINSTEIN. Mr. President, I rise today to introduce legislation that will create a national promotion, research and information program for Hass avocados. This industry-financed promotion program will help farmers without costing taxpayers any money.

This legislation provides California's 6,000 Hass avocado growers with the ability to achieve together that which would not be possible alone—the establishment of a national program to enhance avocado marketing and consumption. Pooled industry resources create the potential for an impact much greater than what would be possible through a solely state-funded program.

Like producers who have successful national promotion programs, including those for beef, cotton, dairy, eggs, pork and soybeans, producers of Hass avocados are seeking a new vehicle for expanding the consumer market for avocados. A nationwide promotion program would provide the avocado industry with the means to market avocados to a much wider consumer audience, and build demand at a time when the aggregate supply of avocados is rapidly increasing.

California has a long history of state marketing programs for its many diverse agricultural commodities. In fact, the avocado industry has long benefitted from an innovative state grower-funded program administered by the California Avocado Commission.

In recent years, however, increasing imports are supplying a larger share of the U.S. consumer market. In 1998, for example, import levels reached 100 million pounds, or nearly one-third the size of U.S. avocado production. If not offset by increased demand, this rapid escalation of supply will lead to market instability. Given this dynamic, it is only fair that the cost of a national promotion program be shared fairly among importers and domestic producers.

The "Hass Avocado Promotion, Research and Information Act of 1999" is a self-help national checkoff program that will allow avocado growers to fund and operate a coordinated marketing effort to expand domestic and foreign markets. The avocado promotion program will be operated at no cost to the federal government and will be funded by U.S. Hass avocado growers and Hass avocado importers.

The key elements of this avocado promotion legislation include: (1) an 11-member Hass Avocado Board comprised of both domestic producers and importers; (2) new programs for the advertising and promotion of avocados to develop new markets; (3) research on the sale, distribution, use, quality or nutritional value of avocados; (4) an up-front referendum of qualified producers and importers during a 60-day period preceding the effective date of the Secretary of Agriculture's implementing order; and (5) an initial assessment rate on Hass avocados on 2.5 cent per pound.

Hass avocados are an integral food source in the United States and are a valuable and healthy part of the human diet. Avocados are enjoyed by millions of persons every year for a multitude of every day and special occasions. The maintenance and expansion of existing markets and the development of new markets and uses for Hass avocados is needed to preserve and strengthen the economic viability of the domestic Hass avocado industry for the benefit of producers and the benefit of other persons marketing, processing and consuming Hass avocados.

Agricultural commodity promotion programs are a proven means of increasing market share for commodities. The Hass avocado growers in my state want to have a program that will help increase their market share of the consumer food dollar. California's Hass avocado growers have made extensive efforts over the last two years to unify the industry, which has resulted in the development of this highly supported national promotion program. The 1996–1997 value of domestic Hass avocado production was $259 million—a substantial market that could be even greater if properly promoted.

This national avocado promotion program is an opportunity for Congress to help an agricultural industry create increased economic activity and job opportunities, with no expenditure of tax collars. I urge you to support this important legislation.

By Mr. CAMPBELL (for himself and Mr. LIEBERMAN):

S. 1791. A bill to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate; to the Committee on Rules and Administration.

THE MARTIN LUTHER KING, JUNIOR PAPERS PRESERVATION ACT

Mr. CAMPBELL. Mr. President, today I am introducing legislation that would authorize the Librarian of Congress to acquire Dr. Martin Luther King, Junior's personal papers from his estate. I am pleased to be joined in this important initiative by my friend and colleague from Connecticut, Senator JOE LIEBERMAN. This bill is a companion to H.R. 2963, which was introduced by our colleagues in the House of Representatives, Congressman JAMES CLYBURN and Congressman J.C. WATTS.

Dr. King, as a minister, civil rights leader, prolific writer and Nobel Prize winner, was deeply committed to nonviolence in the struggle for civil rights. He is quite possibly the most important and influential black leader in American history.

When Dr. King was tragically assassinated on April 4, 1968, he was in his prime, after having emerged as a true national hero and a chief advocate of peacefully uniting a racially divided nation. He strove to build communities of hope and opportunity for all. He recognized that all Americans must be free if we are to live in a truly great nation.

The acquisition of Dr. King's papers would permanently place them in the public domain. People from all over the United States, and the entire world, would have direct access to these important historic documents. Those people studying his life's work would have access to his messages of justice and peace, and also to reflect on the civil rights struggle. The Library of Congress would be the perfect place for these papers which already houses other great works of original American freedom fighters such as Frederick Douglass and Thurgood Marshall. It is altogether fitting that these documents be together under one roof.

Dr. King was a person who wanted all people to get along regardless of their race, color or creed. His call to all of us, that we should judge by the content of one's character rather than by the color of one's skin, sums up the very core of how we can all peacefully live together as well as any other words ever spoken.

The establishment of Martin Luther King, Jr. Day as a national holiday was the result of the work of many determined people who wanted to ensure that we and future generations duly honor and remember his legacy. In fact, our tradition of honoring Dr. King took another step forward when just yesterday the President signed into law S. 322, a bill I introduced earlier this year that authorizes the flying of the American flag on Martin Luther King Day, in addition to all of our nation's national holidays. The bill I introduce today builds on this work and will ensure that Dr. King's legacy is preserved for generations to come.

I urge my colleagues to join me in supporting this important bill. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as "The Dr. Martin Luther King, Junior Papers Preservation Act".

SEC. 2. PURCHASE OF MARTIN LUTHER KING PAPERS BY LIBRARIAN OF CONGRESS.

(a) IN GENERAL.—The Librarian of Congress is authorized to acquire or purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Librarian of Congress such sums as may be necessary to carry out this Act.

By Mr. ROTH:

S. 1792. An original bill to amend the Internal Revenue Code of 1986 to extend expiring provisions, to fully allow the nonrefundable personal credits against regular tax liability, and for other purposes; from the Committee on Finance; placed on the calendar.

TAX RELIEF EXTENSION ACT OF 1999

Mr. ROTH. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Tax Relief Extension Act of 1999".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—EXTENSION OF EXPIRED AND EXPIRING PROVISIONS

Sec. 101. Extension of minimum tax relief for individuals.
Sec. 102. Extension of exclusion for employer-provided educational assistance.
Sec. 103. Extension of research and experimentation credit and increase in rates for alternative incremental research credit.
Sec. 104. Extension of exceptions under subpart F for active financing income.
Sec. 105. Extension of suspension of net income limitation on percentage depletion from marginal oil and gas wells.
Sec. 106. Extension of work opportunity tax credit and welfare-to-work tax credit.
Sec. 107. Extension and modification of tax credit for electricity produced from certain renewable resources.
Sec. 108. Expansion of brownfields environmental remediation.
Sec. 109. Temporary increase in amount of rum excise tax covered over to Puerto Rico and Virgin Islands.
Sec. 110. Delay requirement that registered motor fuels terminals offer dyed fuel as a condition of registration.
Sec. 111. Extension of production credit for fuel produced by certain gasification facilities.

TITLE II—REVENUE OFFSET PROVISIONS

Subtitle A—General Provisions

Sec. 201. Modification of individual estimated tax safe harbor.
Sec. 202. Modification of foreign tax credit carryover rules.
Sec. 203. Clarification of tax treatment of income and losses on derivatives.
Sec. 204. Inclusion of certain vaccines against streptococcus pneumoniae to list of taxable vaccines.
Sec. 205. Expansion of reporting of cancellation of indebtedness income.
Sec. 206. Imposition of limitation on prefunding of certain employee benefits.
Sec. 207. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.

Sec. 208. Limitation on conversion of character of income from constructive ownership transactions.
Sec. 209. Treatment of excess pension assets used for retiree health benefits.
Sec. 210. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 211. Limitation on use of nonaccrual experience method of accounting.
Sec. 212. Denial of charitable contribution deduction for transfers associated with split-dollar insurance arrangements.
Sec. 213. Prevention of duplication of loss through assumption of liabilities giving rise to a deduction.
Sec. 214. Consistent treatment and basis allocation rules for transfers of intangibles in certain nonrecognition transactions.
Sec. 215. Distributions by a partnership to a corporate partner of stock in another corporation.
Sec. 216. Prohibited allocations of stock in S corporation ESOP.

Subtitle B—Provisions Relating to Real Estate Investment Trusts

PART I—TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES

Sec. 221. Modifications to asset diversification test.
Sec. 222. Treatment of income and services provided by taxable REIT subsidiaries.
Sec. 223. Taxable REIT subsidiary.
Sec. 224. Limitation on earnings stripping.
Sec. 225. 100 percent tax on improperly allocated amounts.
Sec. 226. Effective date.

PART II—HEALTH CARE REITS

Sec. 231. Health care REITs.

PART III—CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

Sec. 241. Conformity with regulated investment company rules.

PART IV—CLARIFICATION OF EXCEPTION FROM IMPERMISSIBLE TENANT SERVICE INCOME

Sec. 251. Clarification of exception for independent operators.

PART V—MODIFICATION OF EARNINGS AND PROFITS RULES

Sec. 261. Modification of earnings and profits rules.

PART VI—MODIFICATION OF ESTIMATED TAX RULES

Sec. 271. Modification of estimated tax rules for closely held real estate investment trusts.

PART VIII—MODIFICATION OF TREATMENT OF CLOSELY-HELD REITS

Sec. 281. Controlled entities ineligible for REIT status.

TITLE III—BUDGET PROVISION

Sec. 301. Exclusion from paygo scorecard.

TITLE I—EXTENSION OF EXPIRED AND EXPIRING PROVISIONS

SEC. 101. EXTENSION OF MINIMUM TAX RELIEF FOR INDIVIDUALS.

(a) IN GENERAL.—The second sentence of section 26(a) (relating to limitations based on amount of tax) is amended by striking “1998” and inserting “calendar year 1998, 1999, or 2000”.

(b) CHILD CREDIT.—Section 24(d)(2) (relating to reduction of credit to taxpayer subject to alternative minimum tax) is amended by striking “December 31, 1998” and inserting “December 31, 2000”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 102. EXTENSION OF EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Section 127(d) (relating to termination) is amended by striking “May 31, 2000” and inserting “December 31, 2000”.

(b) REPEAL OF LIMITATION ON GRADUATE EDUCATION.—

(1) IN GENERAL.—The last sentence of section 127(c)(1) (defining educational assistance) is amended by striking “, and such term also does not include any payment for, or the provision of any benefits with respect to, any graduate level course of a kind normally taken by an individual pursuing a program leading to a law, business, medical, or other advanced academic or professional degree”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to expenses relating to courses beginning after December 31, 1999.

SEC. 103. EXTENSION OF RESEARCH AND EXPERIMENTATION CREDIT AND INCREASE IN RATES FOR ALTERNATIVE INCREMENTAL RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h) (relating to termination) is amended—

(A) by striking “June 30, 1999” and inserting “December 31, 2000”,

(B) by striking “36-month” and inserting “54-month”, and

(C) by striking “36 months” and inserting “54 months”.

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) is amended by striking “June 30, 1999” and inserting “December 31, 2000”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) is amended—

(A) by striking “1.65 percent” and inserting “2.65 percent”,

(B) by striking “2.2 percent” and inserting “3.2 percent”, and

(C) by striking “2.75 percent” and inserting “3.75 percent”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1999.

(c) EXTENSION OF RESEARCH CREDIT TO RESEARCH IN PUERTO RICO AND THE POSSESSIONS OF THE UNITED STATES.—

(1) IN GENERAL.—Section 41(d)(4)(F) (relating to foreign research) is amended by inserting “, the Commonwealth of Puerto Rico, or any possession of the United States” after “United States”.

(2) DENIAL OF DOUBLE BENEFIT.—Section 280C(c)(1) is amended by inserting “or credit” after “deduction” each place it appears.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

SEC. 104. EXTENSION OF EXCEPTIONS UNDER SUBPART F FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) (relating to application) are each amended—

(1) by striking “the first taxable year” and inserting “taxable years”,

(2) by striking “January 1, 2000” and inserting “January 1, 2001”, and

(3) by striking “within which such” and inserting “within which any such”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 105. EXTENSION OF SUSPENSION OF NET INCOME LIMITATION ON PERCENTAGE DEPLETION FROM MARGINAL OIL AND GAS WELLS.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) (relating to temporary suspension of taxable limit with respect to marginal production) is amended by striking “January 1, 2000” and inserting “January 1, 2001”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 106. EXTENSION OF WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK TAX CREDIT.

(a) TEMPORARY EXTENSION.—Sections 51(c)(4)(B) and 51A(f) (relating to termination) are each amended by striking “June 30, 1999” and inserting “December 31, 2000”.

(b) CLARIFICATION OF FIRST YEAR OF EMPLOYMENT.—Paragraph (2) of section 51(i) is amended by striking “during which he was not a member of a targeted group”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after June 30, 1999.

SEC. 107. EXTENSION AND MODIFICATION OF TAX CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—Paragraph (3) of section 45(c) is amended to read as follows:

“(3) QUALIFIED FACILITY.—

“(A) WIND FACILITY.—In the case of a facility using wind to produce electricity, the term ‘qualified facility’ means any facility owned by the taxpayer which is originally placed in service after December 31, 1993, and before January 1, 2001.

“(B) CLOSED-LOOP BIOMASS FACILITY.—In the case of a facility using closed-loop biomass to produce electricity, the term ‘qualified facility’ means any facility owned by the taxpayer which is—

“(i) originally placed in service after December 31, 1992, and before January 1, 2001, or

“(ii) originally placed in service before December 31, 1992, and modified to use closed-loop biomass to co-fire with coal after such date and before January 1, 2001.

“(C) BIOMASS FACILITY.—In the case of a facility using biomass (other than closed-loop biomass) to produce electricity, the term ‘qualified facility’ means any facility owned by the taxpayer which is originally placed in service before January 1, 2001.

“(D) LANDFILL GAS OR POULTRY WASTE FACILITY.—

“(i) IN GENERAL.—In the case of a facility using landfill gas or poultry waste to produce electricity, the term ‘qualified facility’ means any facility of the taxpayer which is originally placed in service after December 31, 1999, and before January 1, 2001.

“(ii) LANDFILL GAS.—In the case of a facility using landfill gas, such term shall include equipment and housing (not including wells and related systems required to collect and transmit gas to the production facility) required to generate electricity which are owned by the taxpayer and so placed in service.

“(E) SPECIAL RULE.—In the case of a qualified facility described in subparagraph (B) or (C) using coal to co-fire with biomass, the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than January 1, 2000.”

(b) EXPANSION OF QUALIFIED ENERGY RESOURCES.—

(1) IN GENERAL.—Section 45(c)(1) (defining qualified energy resources) is amended by

striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

"(C) biomass (other than closed-loop biomass),

"(D) landfill gas, and

"(E) poultry waste."

(2) DEFINITIONS.—Section 45(c), as amended by subsection (a), is amended by redesignating paragraph (3) as paragraph (6) and inserting after paragraph (2) the following new paragraphs:

"(3) BIOMASS.—The term 'biomass' means any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which is derived from—

"(A) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

"(B) urban sources, including waste pallets, crates, and dunnage, manufacturing and construction wood wastes, and landscape or right-of-way tree trimmings, but not including unsegregated municipal solid waste (garbage) or paper that is commonly recycled, or

"(C) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues.

"(4) LANDFILL GAS.—The term 'landfill gas' means gas from the decomposition of any household solid waste, commercial solid waste, and industrial solid waste disposed of in a municipal solid waste landfill unit (as such terms are defined in regulations promulgated under subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).

"(5) POULTRY WASTE.—The term 'poultry waste' means poultry manure and litter, including wood shavings, straw, rice hulls, and other bedding material for the disposition of manure."

(c) SPECIAL RULES.—Section 45(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraphs:

"(6) CREDIT ELIGIBILITY IN THE CASE OF GOVERNMENT-OWNED FACILITIES USING POULTRY WASTE.—In the case of a facility using poultry waste to produce electricity and owned by a governmental unit, the person eligible for the credit under subsection (a) is the lessor or the operator of such facility.

"(7) PROPORTIONAL CREDIT FOR FACILITY USING COAL TO CO-FIRE WITH BIOMASS.—In the case of a qualified facility described in subparagraph (B) or (C) of subsection (c)(6) using coal to co-fire with biomass, the amount of the credit determined under subsection (a) for the taxable year shall be reduced by the percentage coal comprises (on a Btu basis) of the average fuel input of the facility for the taxable year.

"(8) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section with respect to a facility for any taxable year if the credit under section 29 is allowed in such year or has been allowed in any preceding taxable year with respect to any fuel produced from such facility."

(d) CONFORMING AMENDMENT.—Section 29(d) (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(9) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section with respect to any fuel produced from a facility for any taxable year if the credit under section 45 is allowed in such year or has been allowed in any preceding taxable year with respect to such facility."

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 108. EXPANSION OF BROWNFIELDS ENVIRONMENTAL REMEDIATION.

(a) IN GENERAL.—Section 198(c) is amended to read as follows:

"(c) QUALIFIED CONTAMINATED SITE.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified contaminated site' means any area—

"(A) which is held by the taxpayer for use in a trade or business or for the production of income, or which is property described in section 1221(1) in the hands of the taxpayer, and

"(B) at or on which there has been a release (or threat of release) or disposal of any hazardous substance.

"(2) NATIONAL PRIORITIES LISTED SITES NOT INCLUDED.—Such term shall not include any site which is on, or proposed for, the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as in effect on the date of the enactment of this section).

"(3) TAXPAYER MUST RECEIVE STATEMENT FROM STATE ENVIRONMENTAL AGENCY.—An area shall be treated as a qualified contaminated site with respect to expenditures paid or incurred during any taxable year only if the taxpayer receives a statement from the appropriate environmental agency of the State in which such area is located that such area meets the requirement of paragraph (1)(B).

"(4) APPROPRIATE STATE AGENCY.—For purposes of paragraph (3), the chief executive officer of each State may, in consultation with the Administrator of the Environmental Protection Agency, designate the appropriate State environmental agency within 60 days of the date of the enactment of this section. If the chief executive officer of a State has not designated an appropriate State environmental agency within such 60-day period, the appropriate environmental agency for such State shall be designated by the Administrator of the Environmental Protection Agency."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 1999.

SEC. 109. TEMPORARY INCREASE IN AMOUNT OF RUM EXCISE TAX COVERED OVER TO PUERTO RICO AND VIRGIN ISLANDS.

(a) IN GENERAL.—Section 7652(f)(1) (relating to limitation on cover over of tax on distilled spirits) is amended to read as follows:

"(1) $10.50 ($13.50 in the case of distilled spirits brought into the United States after June 30, 1999, and before January 1, 2001), or".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall take effect on July 1, 1999.

(2) SPECIAL RULE.—

(A) IN GENERAL.—For the period beginning after June 30, 1999, and before January 1, 2001, the treasury of Puerto Rico shall make a Conservation Trust Fund transfer within 30 days from the date of each cover over payment made during such period to such treasury under section 7652(e) of the Internal Revenue Code of 1986.

(B) CONSERVATION TRUST FUND TRANSFER.—

(i) IN GENERAL.—For purposes of this paragraph, the term "Conservation Trust Fund transfer" means a transfer to the Puerto Rico Conservation Trust Fund of an amount equal to 50 cents per proof gallon of the taxes imposed under section 5001 or section 7652 of such Code on distilled spirits that are covered over to the treasury of Puerto Rico under section 7652(e) of such Code.

(ii) TREATMENT OF TRANSFER.—Each Conservation Trust Fund transfer shall be treated as principal for an endowment, the income from which to be available for use by the Puerto Rico Conservation Trust Fund for the purposes for which the Trust Fund was established.

(iii) RESULT OF NONTRANSFER.—

(I) IN GENERAL.—Upon notification by the Secretary of the Interior that a Conservation Trust Fund transfer has not been made by the treasury of Puerto Rico during the period described in subparagraph (A), the Secretary of the Treasury shall, except as provided in subclause (II), deduct and withhold from the next cover over payment to be made to the treasury of Puerto Rico under section 7652(e) of such Code an amount equal to the appropriate Conservation Trust Fund transfer and interest thereon at the underpayment rate established under section 6621 of such Code as of the due date of such transfer. The Secretary of the Treasury shall transfer such amount deducted and withheld, and the interest thereon, directly to the Puerto Rico Conservation Trust Fund.

(II) GOOD CAUSE EXCEPTION.—If the Secretary of the Interior finds, after consultation with the Governor of Puerto Rico, that the failure by the treasury of Puerto Rico to make a required transfer was for good cause, and notifies the Secretary of the Treasury of the finding of such good cause before the due date of the next cover over payment following the notification of nontransfer, then the Secretary of the Treasury shall not deduct the amount of such nontransfer from any cover over payment.

(C) PUERTO RICO CONSERVATION TRUST FUND.—For purposes of this paragraph, the term "Puerto Rico Conservation Trust Fund" means the fund established pursuant to a Memorandum of Understanding between the United States Department of the Interior and the Commonwealth of Puerto Rico, dated December 24, 1968.

SEC. 110. DELAY REQUIREMENT THAT REGISTERED MOTOR FUELS TERMINALS OFFER DYED FUEL AS A CONDITION OF REGISTRATION.

Subsection (f)(2) of section 1032 of the Taxpayer Relief Act of 1997, as amended by section 9008 of the Transportation Equity Act for the 21st Century, is amended by striking "July 1, 2000" and inserting "January 1, 2001".

SEC. 111. EXTENSION OF PRODUCTION CREDIT FOR FUEL PRODUCED BY CERTAIN GASIFICATION FACILITIES.

(a) IN GENERAL.—Section 29(g)(1)(A) (relating to extension for certain facilities) is amended by striking "July 1, 1998" and inserting "July 1, 2000".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuels produced on and after July 1, 1998.

(c) SPECIAL RULE.—

(1) IN GENERAL.—For purposes of the Internal Revenue Code of 1986, the credit determined under section 29 of such Code which is otherwise allowable under such Code by reason of the amendment made by subsection (a) and which is attributable to the suspension period shall not be taken into account prior to October 1, 2004. On or after such date, such credit may be taken into account through the filing of an amended return, an application for expedited refund, an adjustment of estimated taxes, or other means allowed by such Code. Interest shall not be allowed under section 6511(a) of such Code on any overpayment attributable to such credit

for any period before the 45th day after the credit is taken into account under the preceding sentence.

(2) SUSPENSION PERIOD.—For purposes of this subsection, the suspension period is the period beginning on July 1, 1998, and ending on September 30, 2004.

(3) EXPEDITED REFUNDS.—

(A) IN GENERAL.—If there is an overpayment of tax with respect to a taxable year by reason of paragraph (1), the taxpayer may file an application for a tentative refund of such overpayment. Such application shall be in such manner and form, and contain such information, as the Secretary may prescribe.

(B) DEADLINE FOR APPLICATIONS.—Subparagraph (A) shall apply only to applications filed before October 1, 2005.

(C) ALLOWANCE OF ADJUSTMENTS.—Not later than 90 days after the date on which an application is filed under this paragraph, the Secretary shall—

(i) review the application,

(ii) determine the amount of the overpayment, and

(iii) apply, credit, or refund such overpayment,

in a manner similar to the manner provided in section 6411(b) of such Code.

(D) CONSOLIDATED RETURNS.—The provisions of section 6411(c) of such Code shall apply to an adjustment under this paragraph in such manner as the Secretary may provide.

(4) CREDIT ATTRIBUTABLE TO SUSPENSION PERIOD.—For purposes of this subsection, in the case of a taxable year which includes a portion of the suspension period, the amount of credit determined under section 29 of such Code for such taxable year which is attributable to such period is the amount which bears the same ratio to the amount of credit determined under such section 29 for such taxable year as the number of months in the suspension period which are during such taxable year bears to the number of months in such taxable year.

(5) WAIVER OF STATUTE OF LIMITATIONS.—If, on October 1, 2004 (or at any time within the 1-year period beginning on such date) credit or refund of any overpayment of tax resulting from the provisions of this subsection is barred by any law or rule of law, credit or refund of such overpayment shall, nevertheless, be allowed or made if claim therefore is filed before the date 1 year after October 1, 2004.

(6) SECRETARY.—For purposes of this subsection, the term "Secretary" means the Secretary of the Treasury (or such Secretary's delegate).

TITLE II—REVENUE OFFSET PROVISIONS

Subtitle A—General Provisions

SEC. 201. MODIFICATION OF INDIVIDUAL ESTIMATED TAX SAFE HARBOR.

(a) IN GENERAL.—The table contained in clause (i) of section 6654(d)(1)(C) (relating to limitation on use of preceding year's tax) is amended by striking all matter beginning with the item relating to 1999 or 2000 and inserting the following new items:

"1999	110.5
2000	106
2001	112
2002	110
2003	112
2004 or thereafter	110".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any installment payment for taxable years beginning after December 31, 1999.

SEC. 202. MODIFICATION OF FOREIGN TAX CREDIT CARRYOVER RULES.

(a) IN GENERAL.—Section 904(c) (relating to limitation on credit) is amended—

(1) by striking "in the second preceding taxable year,", and

(2) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 1999.

SEC. 203. CLARIFICATION OF TAX TREATMENT OF INCOME AND LOSS ON DERIVATIVES.

(a) IN GENERAL.—Section 1221 (defining capital assets) is amended—

(1) by striking "For purposes" and inserting the following:

"(a) IN GENERAL.—For purposes",

(2) by striking the period at the end of paragraph (5) and inserting a semicolon, and

(3) by adding at the end the following:

"(6) any commodities derivative financial instrument held by a commodities derivatives dealer, unless—

"(A) it is established to the satisfaction of the Secretary that such instrument has no connection to the activities of such dealer as a dealer, and

"(B) such instrument is clearly identified in such dealer's records as being described in subparagraph (A) before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may by regulations prescribe);

"(7) any hedging transaction which is clearly identified as such before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may by regulations prescribe); or

"(8) supplies of a type regularly used or consumed by the taxpayer in the ordinary course of a trade or business of the taxpayer.

"(b) DEFINITIONS AND SPECIAL RULES.—

"(1) COMMODITIES DERIVATIVE FINANCIAL INSTRUMENTS.—For purposes of subsection (a)(6)—

"(A) COMMODITIES DERIVATIVES DEALER.—The term 'commodities derivatives dealer' means a person which regularly offers to enter into, assume, offset, assign, or terminate positions in commodities derivative financial instruments with customers in the ordinary course of a trade or business.

"(B) COMMODITIES DERIVATIVE FINANCIAL INSTRUMENT.—

"(i) IN GENERAL.—The term 'commodities derivative financial instrument' means any contract or financial instrument with respect to commodities (other than a share of stock in a corporation, a beneficial interest in a partnership or trust, a note, bond, debenture, or other evidence of indebtedness, or a section 1256 contract (as defined in section 1256(b)), the value or settlement price of which is calculated by or determined by reference to a specified index.

"(ii) SPECIFIED INDEX.—The term 'specified index' means any one or more or any combination of—

"(I) a fixed rate, price, or amount, or

"(II) a variable rate, price, or amount,

which is based on any current, objectively determinable financial or economic information with respect to commodities which is not within the control of any of the parties to the contract or instrument and is not unique to any of the parties' circumstances.

"(2) HEDGING TRANSACTION.—

"(A) IN GENERAL.—For purposes of this section, the term 'hedging transaction' means any transaction entered into by the taxpayer in the normal course of the taxpayer's trade or business primarily—

"(i) to manage risk of price changes or currency fluctuations with respect to ordinary property which is held or to be held by the taxpayer,

"(ii) to manage risk of interest rate or price changes or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, by the taxpayer, or

"(iii) to manage such other risks as the Secretary may prescribe in regulations.

"(B) TREATMENT OF NONIDENTIFICATION OR IMPROPER IDENTIFICATION OF HEDGING TRANSACTIONS.—Notwithstanding subsection (a)(7), the Secretary shall prescribe regulations to properly characterize any income, gain, expense, or loss arising from a transaction—

"(i) which is a hedging transaction but which was not identified as such in accordance with subsection (a)(7), or

"(ii) which was so identified but is not a hedging transaction.

"(3) REGULATIONS.—The Secretary shall prescribe such regulations as are appropriate to carry out the purposes of paragraph (6) and (7) of subsection (a) in the case of transactions involving related parties.".

(b) MANAGEMENT OF RISK.—

(1) Section 475(c)(3) is amended by striking "reduces" and inserting "manages".

(2) Section 871(h)(4)(C)(iv) is amended by striking "to reduce" and inserting "to manage".

(3) Clauses (i) and (ii) of section 988(d)(2)(A) are each amended by striking "to reduce" and inserting "to manage".

(4) Paragraph (2) of section 1256(e) is amended to read as follows:

"(2) DEFINITION OF HEDGING TRANSACTION.—For purposes of this subsection, the term 'hedging transaction' means any hedging transaction (as defined in section 1221(b)(2)(A)) if, before the close of the day on which such transaction was entered into (or such earlier time as the Secretary may prescribe by regulations), the taxpayer clearly identifies such transaction as being a hedging transaction.".

(c) CONFORMING AMENDMENTS.—

(1) Each of the following sections are amended by striking "section 1221" and inserting "section 1221(a)":

(A) Section 170(e)(3)(A).

(B) Section 170(e)(4)(B).

(C) Section 367(a)(3)(B)(i).

(D) Section 818(c)(3).

(E) Section 865(i)(1).

(F) Section 1092(a)(3)(B)(ii)(II).

(G) Subparagraphs (C) and (D) of section 1231(b)(1).

(H) Section 1234(a)(3)(A).

(2) Each of the following sections are amended by striking "section 1221(1)" and inserting "section 1221(a)(1)":

(A) Section 198(c)(1)(A)(i).

(B) Section 263A(b)(2)(A).

(C) Clauses (i) and (iii) of section 267(f)(3)(B).

(D) Section 341(d)(3).

(E) Section 543(a)(1)(D)(i).

(F) Section 751(d)(1).

(G) Section 775(c).

(H) Section 856(c)(2)(D).

(I) Section 856(c)(3)(C).

(J) Section 856(e)(1).

(K) Section 856(j)(2)(B).

(L) Section 857(b)(4)(B)(i).

(M) Section 857(b)(6)(B)(iii).

(N) Section 864(c)(4)(B)(iii).

(O) Section 864(d)(3)(A).

(P) Section 864(d)(6)(A).

(Q) Section 954(c)(1)(B)(iii).

(R) Section 995(b)(1)(C).

(S) Section 1017(b)(3)(E)(i).

(T) Section 1362(d)(3)(C)(ii).

(U) Section 4662(c)(2)(C).

(V) Section 7704(c)(3).

(W) Section 7704(d)(1)(D).

(X) Section 7704(d)(1)(G).

(Y) Section 7704(d)(5).

(3) Section 818(b)(2) is amended by striking "section 1221(2)" and inserting "section 1221(a)(2)".

(4) Section 1397B(e)(2) is amended by striking "section 1221(4)" and inserting "section 1221(a)(4)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any instrument held, acquired, or entered into, any transaction entered into, and supplies held or acquired on or after the date of the enactment of this Act.

SEC. 204. INCLUSION OF CERTAIN VACCINES AGAINST STREPTOCOCCUS PNEUMONIAE TO LIST OF TAXABLE VACCINES.

(a) INCLUSION OF VACCINES.—

(1) IN GENERAL.—Section 4132(a)(1) (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

"(L) Any conjugate vaccine against streptococcus pneumoniae."

(2) EFFECTIVE DATE.—

(A) SALES.—The amendment made by this subsection shall apply to vaccine sales beginning on the day after the date on which the Centers for Disease Control makes a final recommendation for routine administration to children of any conjugate vaccine against streptococcus pneumoniae, but shall not take effect if subsection (b) does not take effect.

(B) DELIVERIES.—For purposes of subparagraph (A), in the case of sales on or before the date described in such subparagraph for which delivery is made after such date, the delivery date shall be considered the sale date.

(b) VACCINE TAX AND TRUST FUND AMENDMENTS.—

(1) Sections 1503 and 1504 of the Vaccine Injury Compensation Program Modification Act (and the amendments made by such sections) are hereby repealed.

(2) Subparagraph (A) of section 9510(c)(1) is amended by striking "August 5, 1997" and inserting "October 21, 1998".

(3) The amendments made by this subsection shall take effect as if included in the provisions of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 to which they relate.

(c) REPORT.—Not later than January 31, 2000, the Comptroller General of the United States shall prepare and submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the operation of the Vaccine Injury Compensation Trust Fund and on the adequacy of such Fund to meet future claims made under the Vaccine Injury Compensation Program.

SEC. 205. EXPANSION OF REPORTING OF CANCELLATION OF INDEBTEDNESS INCOME.

(a) IN GENERAL.—Paragraph (2) of section 6050P(c) (relating to definitions and special rules) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by inserting after subparagraph (C) the following new subparagraph:

"(D) any organization a significant trade or business of which is the lending of money."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to discharges of indebtedness after December 31, 1999.

SEC. 206. IMPOSITION OF LIMITATION ON PREFUNDING OF CERTAIN EMPLOYEE BENEFITS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide directly or indirectly for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 207. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) IN GENERAL.—Section 3405(b)(1) (relating to withholding) is amended by striking "10 percent" and inserting "15 percent".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions after December 31, 2000.

SEC. 208. LIMITATION ON CONVERSION OF CHARACTER OF INCOME FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

"SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

"(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

"(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

"(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

"(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

"(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

"(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

"(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

"(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

"(c) FINANCIAL ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'financial asset' means—

"(A) any equity interest in any pass-thru entity, and

"(B) to the extent provided in regulations—

"(i) any debt instrument, and

"(ii) any stock in a corporation which is not a pass-thru entity.

"(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) a trust,

"(F) a common trust fund,

"(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

"(H) a foreign personal holding company,

"(I) a foreign investment company (as defined in section 1246(b)), and

"(J) a REMIC.

"(d) CONSTRUCTIVE OWNERSHIP TRANSACTION.—For purposes of this section—

"(1) IN GENERAL.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

"(A) holds a long position under a notional principal contract with respect to the financial asset,

"(B) enters into a forward or futures contract to acquire the financial asset,

"(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

"(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

"(2) Exception for positions which are marked to market.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

"(3) Long position under notional principal contract.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

"(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

"(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

"(4) Forward contract.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

"(e) Net Underlying Long-Term Capital Gain.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

"(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

"(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

"(f) Special Rule Where Taxpayer Takes Delivery.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

"(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

"(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset."

(b) Clerical Amendment.—The table of sections for part IV of subchapter P of chapter 1 is amended by adding at the end the following new item:

"Sec. 1260. Gains from constructive ownership transactions."

(c) Effective Date.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 209. TREATMENT OF EXCESS PENSION ASSETS USED FOR RETIREE HEALTH BENEFITS.

(a) Extension.—

(1) In general.—Paragraph (5) of section 420(b) (relating to expiration) is amended by striking "in any taxable year beginning after December 31, 2000" and inserting "made after September 30, 2009".

(2) Conforming amendments.—

(A) Section 101(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)(3)) is amended by striking "January 1, 1995" and inserting "the date of the enactment of the Tax Relief Extension Act of 1999".

(B) Section 403(c)(1) of such Act (29 U.S.C. 1103(c)(1)) is amended by striking "January 1, 1995" and inserting "the date of the enactment of the Tax Relief Extension Act of 1999".

(C) Paragraph (13) of section 408(b) of such Act (29 U.S.C. 1108(b)(13)) is amended—

(i) by striking "in a taxable year beginning before January 1, 2001" and inserting "made before October 1, 2009", and

(ii) by striking "January 1, 1995" and inserting "the date of the enactment of the Tax Relief Extension Act of 1999".

(b) Application of Minimum Cost Requirements.—

(1) In general.—Paragraph (3) of section 420(c) is amended to read as follows:

"(3) Minimum cost requirements.—

"(A) In general.—The requirements of this paragraph are met if each group health plan or arrangement under which applicable health benefits are provided provides that the applicable employer cost for each taxable year during the cost maintenance period shall not be less than the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the qualified transfer.

"(B) Applicable employer cost.—For purposes of this paragraph, the term 'applicable employer cost' means, with respect to any taxable year, the amount determined by dividing—

"(i) the qualified current retiree health liabilities of the employer for such taxable year determined—

"(I) without regard to any reduction under subsection (e)(1)(B), and

"(II) in the case of a taxable year in which there was no qualified transfer, in the same manner as if there had been such a transfer at the end of the taxable year, by

"(ii) the number of individuals to whom coverage for applicable health benefits was provided during such taxable year.

"(C) Election to compute cost separately.—An employer may elect to have this paragraph applied separately with respect to individuals eligible for benefits under title XVIII of the Social Security Act at any time during the taxable year and with respect to individuals not so eligible.

"(D) Cost maintenance period.—For purposes of this paragraph, the term 'cost maintenance period' means the period of 5 taxable years beginning with the taxable year in which the qualified transfer occurs. If a taxable year is in two or more overlapping cost maintenance periods, this paragraph shall be applied by taking into account the highest applicable employer cost required to be provided under subparagraph (A) for such taxable year.".

(2) Conforming amendments.—

(A) Clause (iii) of section 420(b)(1)(C) is amended by striking "benefits" and inserting "cost".

(B) Subparagraph (D) of section 420(e)(1) is amended by striking "and shall not be subject to the minimum benefit requirements of subsection (c)(3)" and inserting "or in calculating applicable employer cost under subsection (c)(3)(B)".

(c) Effective Dates.—

(1) In general.—The amendments made by this section shall apply to qualified transfers occurring after the date of the enactment of this Act.

(2) Transition rule.—If the cost maintenance period for any qualified transfer after the date of the enactment of this Act includes any portion of a benefit maintenance period for any qualified transfer on or before such date, the amendments made by subsection (b) shall not apply to such portion of the cost maintenance period (and such portion shall be treated as a benefit maintenance period).

SEC. 210. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) Repeal of Installment Method for Accrual Basis Taxpayers.—

(1) In general.—Subsection (a) of section 453 (relating to installment method) is amended to read as follows:

"(a) Use of Installment Method.—

"(1) In general.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) Accrual method taxpayer.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2)."

(2) Conforming amendments.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) Modification of Pledge Rules.—Paragraph (4) of section 453A(d) (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation."

(c) Effective Date.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 211. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) In General.—Section 448(d)(5) (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) Effective Date.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 212. DENIAL OF CHARITABLE CONTRIBUTION DEDUCTION FOR TRANSFERS ASSOCIATED WITH SPLIT-DOLLAR INSURANCE ARRANGEMENTS.

(a) IN GENERAL.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding at the end the following new paragraph:

"(10) SPLIT-DOLLAR LIFE INSURANCE, ANNUITY, AND ENDOWMENT CONTRACTS.—

"(A) IN GENERAL.—Nothing in this section or in section 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 shall be construed to allow a deduction, and no deduction shall be allowed, for any transfer to or for the use of an organization described in subsection (c) if in connection with such transfer—

"(i) the organization directly or indirectly pays, or has previously paid, any premium on any personal benefit contract with respect to the transferor, or

"(ii) there is an understanding or expectation that any person will directly or indirectly pay any premium on any personal benefit contract with respect to the transferor.

"(B) PERSONAL BENEFIT CONTRACT.—For purposes of subparagraph (A), the term 'personal benefit contract' means, with respect to the transferor, any life insurance, annuity, or endowment contract if any direct or indirect beneficiary under such contract is the transferor, any member of the transferor's family, or any other person (other than an organization described in subsection (c)) designated by the transferor.

"(C) APPLICATION TO CHARITABLE REMAINDER TRUSTS.—In the case of a transfer to a trust referred to in subparagraph (E), references in subparagraphs (A) and (F) to an organization described in subsection (c) shall be treated as a reference to such trust.

"(D) EXCEPTION FOR CERTAIN ANNUITY CONTRACTS.—If, in connection with a transfer to or for the use of an organization described in subsection (c), such organization incurs an obligation to pay a charitable gift annuity (as defined in section 501(m)) and such organization purchases any annuity contract to fund such obligation, persons receiving payments under the charitable gift annuity shall not be treated for purposes of subparagraph (B) as indirect beneficiaries under such contract if—

"(i) such organization possesses all of the incidents of ownership under such contract,

"(ii) such organization is entitled to all the payments under such contract, and

"(iii) the timing and amount of payments under such contract are substantially the same as the timing and amount of payments to each such person under such obligation (as such obligation is in effect at the time of such transfer).

"(E) EXCEPTION FOR CERTAIN CONTRACTS HELD BY CHARITABLE REMAINDER TRUSTS.—A person shall not be treated for purposes of subparagraph (B) as an indirect beneficiary under any life insurance, annuity, or endowment contract held by a charitable remainder annuity trust or a charitable remainder unitrust (as defined in section 664(d)) solely by reason of being entitled to any payment referred to in paragraph (1)(A) or (2)(A) of section 664(d) if—

"(i) such trust possesses all of the incidents of ownership under such contract, and

"(ii) such trust is entitled to all the payments under such contract.

"(F) EXCISE TAX ON PREMIUMS PAID.—

"(i) IN GENERAL.—There is hereby imposed on any organization described in subsection (c) an excise tax equal to the premiums paid by such organization on any life insurance, annuity, or endowment contract if the payment of premiums on such contract is in connection with a transfer for which a deduction is not allowable under subparagraph (A), determined without regard to when such transfer is made.

"(ii) PAYMENTS BY OTHER PERSONS.—For purposes of clause (i), payments made by any other person pursuant to an understanding or expectation referred to in subparagraph (A) shall be treated as made by the organization.

"(iii) REPORTING.—Any organization on which tax is imposed by clause (i) with respect to any premium shall file an annual return which includes—

"(I) the amount of such premiums paid during the year and the name and TIN of each beneficiary under the contract to which the premium relates, and

"(II) such other information as the Secretary may require.

The penalties applicable to returns required under section 6033 shall apply to returns required under this clause. Returns required under this clause shall be furnished at such time and in such manner as the Secretary shall by forms or regulations require.

"(iv) CERTAIN RULES TO APPLY.—The tax imposed by this subparagraph shall be treated as imposed by chapter 42 for purposes of this title other than subchapter B of chapter 42.

"(G) SPECIAL RULE WHERE STATE REQUIRES SPECIFICATION OF CHARITABLE GIFT ANNUITANT IN CONTRACT.—In the case of an obligation to pay a charitable gift annuity referred to in subparagraph (D) which is entered into under the laws of a State which requires, in order for the charitable gift annuity to be exempt from insurance regulation by such State, that each beneficiary under the charitable gift annuity be named as a beneficiary under an annuity contract issued by an insurance company authorized to transact business in such State, the requirements of clauses (i) and (ii) of subparagraph (D) shall be treated as met if—

"(i) such State law requirement was in effect on February 8, 1999,

"(ii) each such beneficiary under the charitable gift annuity is a bona fide resident of such State at the time the obligation to pay a charitable gift annuity is entered into, and

"(iii) the only persons entitled to payments under such contract are persons entitled to payments as beneficiaries under such obligation on the date such obligation is entered into.

"(H) MEMBER OF FAMILY.—For purposes of this paragraph, an individual's family consists of the individual's grandparents, the grandparents of such individual's spouse, the lineal descendants of such grandparents, and any spouse of such a lineal descendant.

"(I) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations to prevent the avoidance of such purposes."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this section, the amendment made by this section shall apply to transfers made after February 8, 1999.

(2) EXCISE TAX.—Except as provided in paragraph (3) of this subsection, section 170(f)(10)(F) of the Internal Revenue Code of 1986 (as added by this section) shall apply to premiums paid after the date of the enactment of this Act.

(3) REPORTING.—Clause (iii) of such section 170(f)(10)(F) shall apply to premiums paid after February 8, 1999 (determined as if the tax imposed by such section applies to premiums paid after such date).

SEC. 213. PREVENTION OF DUPLICATION OF LOSS THROUGH ASSUMPTION OF LIABILITIES GIVING RISE TO A DEDUCTION.

(a) IN GENERAL.—Section 358 (relating to basis to distributees) is amended by adding at the end the following new subsection:

"(h) SPECIAL RULES FOR ASSUMPTION OF LIABILITIES TO WHICH SUBSECTION (d) DOES NOT APPLY.—

"(1) IN GENERAL.—If, after application of the other provisions of this section to an exchange or series of exchanges, the basis of property to which subsection (a)(1) applies exceeds the fair market value of such property, then such basis shall be reduced (but not below such fair market value) by the amount (determined as of the date of the exchange) of any liability—

"(A) which is assumed in exchange for such property, and

"(B) with respect to which subsection (d)(1) does not apply to the assumption.

"(2) EXCEPTION.—Paragraph (1) shall not apply to any liability if the trade or business giving rise to the liability is transferred to the person assuming the liability as part of the exchange.

"(3) LIABILITY.—For purposes of this subsection, the term 'liability' shall include any obligation to make payment, without regard to whether the obligation is fixed or contingent or otherwise taken into account for purposes of this title.

"(4) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this subsection."

(b) APPLICATION OF COMPARABLE RULES TO PARTNERSHIPS.—The Secretary of the Treasury or his delegate shall prescribe rules which provide appropriate adjustments under subchapter K of chapter 1 of the Internal Revenue Code of 1986 to prevent the acceleration or duplication of losses through the assumption of (or transfer of assets subject to) liabilities described in section 358(h)(3) of such Code (as added by subsection (a)) in transactions involving partnerships.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to assumptions of liability after October 18, 1999.

(2) RULES.—The rules prescribed under subsection (b) shall apply to assumptions of liability after October 18, 1999, or such later date as may be prescribed in such rules.

SEC. 214. CONSISTENT TREATMENT AND BASIS ALLOCATION RULES FOR TRANSFERS OF INTANGIBLES IN CERTAIN NONRECOGNITION TRANSACTIONS.

(a) TRANSFERS TO CORPORATIONS.—Section 351 (relating to transfer to corporation controlled by transferor) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) TREATMENT OF TRANSFERS OF INTANGIBLE PROPERTY.—

"(1) TRANSFERS OF LESS THAN ALL SUBSTANTIAL RIGHTS.

"(A) IN GENERAL.—A transfer of an interest in intangible property (as defined in section 936(h)(3)(B)) shall be treated under this section as a transfer of property even if the transfer is of less than all of the substantial rights of the transferor in the property.

"(B) ALLOCATION OF BASIS.—In the case of a transfer of less than all of the substantial rights of the transferor in the intangible property, the transferor's basis immediately before the transfer shall be allocated among the rights retained by the transferor and the rights transferred on the basis of their respective fair market values.

"(2) NONRECOGNITION NOT TO APPLY TO INTANGIBLE PROPERTY DEVELOPED FOR TRANSFEREE.—This section shall not apply to a transfer of intangible property developed by the transferor or any related person if such development was pursuant to an arrangement with the transferee."

(b) TRANSFERS TO PARTNERSHIPS.—Subsection (d) of section 721 is amended to read as follows:

"(d) TRANSFERS OF INTANGIBLE PROPERTY.—

"(1) IN GENERAL.—Rules similar to the rules of section 351(h) shall apply for purposes of this section.

"(2) TRANSFERS TO FOREIGN PARTNERSHIPS.—For regulatory authority to treat intangibles transferred to a partnership as sold, see section 367(d)(3)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers on or after the date of the enactment of this Act.

SEC. 215. DISTRIBUTIONS BY A PARTNERSHIP TO A CORPORATE PARTNER OF STOCK IN ANOTHER CORPORATION.

(a) IN GENERAL.—Section 732 (relating to basis of distributed property other than money) is amended by adding at the end the following new subsection:

"(f) CORRESPONDING ADJUSTMENT TO BASIS OF ASSETS OF A DISTRIBUTED CORPORATION CONTROLLED BY A CORPORATE PARTNER.—

"(1) IN GENERAL.—If—

"(A) a corporation (hereafter in this subsection referred to as the 'corporate partner') receives a distribution from a partnership of stock in another corporation (hereafter in this subsection referred to as the 'distributed corporation'),

"(B) the corporate partner has control of the distributed corporation immediately after the distribution or at any time thereafter, and

"(C) the partnership's adjusted basis in such stock immediately before the distribution exceeded the corporate partner's adjusted basis in such stock immediately after the distribution,

then an amount equal to such excess shall be applied to reduce (in accordance with subsection (c)) the basis of property held by the distributed corporation at such time (or, if the corporate partner does not control the distributed corporation at such time, at the time the corporate partner first has such control).

"(2) EXCEPTION FOR CERTAIN DISTRIBUTIONS BEFORE CONTROL ACQUIRED.—Paragraph (1) shall not apply to any distribution of stock in the distributed corporation if—

"(A) the corporate partner does not have control of such corporation immediately after such distribution, and

"(B) the corporate partner establishes to the satisfaction of the Secretary that such distribution was not part of a plan or arrangement to acquire control of the distributed corporation.

"(3) LIMITATIONS ON BASIS REDUCTION.—

"(A) IN GENERAL.—The amount of the reduction under paragraph (1) shall not exceed the amount by which the sum of the aggregate adjusted bases of the property and the amount of money of the distributed corporation exceeds the corporate partner's adjusted basis in the stock of the distributed corporation.

"(B) REDUCTION NOT TO EXCEED ADJUSTED BASIS OF PROPERTY.—No reduction under paragraph (1) in the basis of any property shall exceed the adjusted basis of such property (determined without regard to such reduction).

"(4) GAIN RECOGNITION WHERE REDUCTION LIMITED.—If the amount of any reduction under paragraph (1) (determined after the application of paragraph (3)(A)) exceeds the aggregate adjusted bases of the property of the distributed corporation—

"(A) such excess shall be recognized by the corporate partner as long-term capital gain, and

"(B) the corporate partner's adjusted basis in the stock of the distributed corporation shall be increased by such excess.

"(5) CONTROL.—For purposes of this subsection, the term 'control' means ownership of stock meeting the requirements of section 1504(a)(2).

"(6) INDIRECT DISTRIBUTIONS.—For purposes of paragraph (1), if a corporation acquires (other than in a distribution from a partnership) stock the basis of which is determined in whole or in part by reference to subsection (a)(2) or (b), the corporation shall be treated as receiving a distribution of such stock from a partnership.

"(7) SPECIAL RULE FOR STOCK IN CONTROLLED CORPORATION.—If the property held by a distributed corporation is stock in a corporation which the distributed corporation controls, this subsection shall be applied to reduce the basis of the property of such controlled corporation. This subsection shall be reapplied to any property of any controlled corporation which is stock in a corporation which it controls.

"(8) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including regulations to avoid double counting and to prevent the abuse of such purposes."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to distributions made after July 14, 1999.

(2) PARTNERSHIPS IN EXISTENCE ON JULY 14, 1999.—In the case of a corporation which is a partner in a partnership as of July 14, 1999, the amendment made by this section shall apply to distributions made to such partner from such partnership after the date of the enactment of this Act.

SEC. 216. PROHIBITED ALLOCATIONS OF STOCK IN S CORPORATION ESOP.

(a) IN GENERAL.—Section 409 (relating to qualifications for tax credit employee stock ownership plans) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

"(p) PROHIBITED ALLOCATIONS OF SECURITIES IN AN S CORPORATION.—

"(1) IN GENERAL.—An employee stock ownership plan holding employer securities consisting of stock in an S corporation shall provide that no portion of the assets of the plan attributable to (or allocable in lieu of) such employer securities may, during a nonallocation year, accrue (or be allocated directly or indirectly under any plan of the employer meeting the requirements of section 401(a)) for the benefit of any disqualified person.

"(2) FAILURE TO MEET REQUIREMENTS.—

"(A) IN GENERAL.—If a plan fails to meet the requirements of paragraph (1), the plan shall be treated as having distributed to any disqualified person the amount allocated to the account of such person in violation of paragraph (1) at the time of such allocation.

"(B) CROSS REFERENCE.—

"For excise tax relating to violations of paragraph (1) and ownership of synthetic equity, see section 4979A.

"(3) NONALLOCATION YEAR.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'nonallocation year' means any plan year of an employee stock ownership plan if, at any time during such plan year—

"(i) such plan holds employer securities consisting of stock in an S corporation, and

"(ii) disqualified persons own at least 50 percent of the number of shares of stock in the S corporation.

"(B) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The rules of section 318(a) shall apply for purposes of determining ownership, except that—

"(I) in applying paragraph (1) thereof, the members of an individual's family shall include members of the family described in paragraph (4)(D), and

"(II) paragraph (4) thereof shall not apply.

"(ii) DEEMED-OWNED SHARES.—Notwithstanding the employee trust exception in section 318(a)(2)(B)(i), individual shall be treated as owning deemed-owned shares of the individual.

Solely for purposes of applying paragraph (5), this subparagraph shall be applied after the attribution rules of paragraph (5) have been applied.

"(4) DISQUALIFIED PERSON.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'disqualified person' means any person if—

"(i) the aggregate number of deemed-owned shares of such person and the members of such person's family is at least 20 percent of the number of deemed-owned shares of stock in the S corporation, or

"(ii) in the case of a person not described in clause (i), the number of deemed-owned shares of such person is at least 10 percent of the number of deemed-owned shares of stock in such corporation.

"(B) TREATMENT OF FAMILY MEMBERS.—In the case of a disqualified person described in subparagraph (A)(i), any member of such person's family with deemed-owned shares shall be treated as a disqualified person if not otherwise treated as a disqualified person under subparagraph (A).

"(C) DEEMED-OWNED SHARES.—

"(i) IN GENERAL.—The term 'deemed-owned shares' means, with respect to any person—

"(I) the stock in the S corporation constituting employer securities of an employee stock ownership plan which is allocated to such person under the plan, and

"(II) such person's share of the stock in such corporation which is held by such plan but which is not allocated under the plan to participants.

"(ii) Person's share of unallocated stock.—For purposes of clause (i)(II), a person's share of unallocated S corporation stock held by such plan is the amount of the unallocated stock which would be allocated to such person if the unallocated stock were allocated to all participants in the same proportions as the most recent stock allocation under the plan.

"(D) Member of family.—For purposes of this paragraph, the term 'member of the family' means, with respect to any individual—

"(i) the spouse of the individual,

"(ii) an ancestor or lineal descendant of the individual or the individual's spouse,

"(iii) a brother or sister of the individual or the individual's spouse and any lineal descendant of the brother or sister, and

"(iv) the spouse of any individual described in clause (ii) or (iii).

A spouse of an individual who is legally separated from such individual under a decree of divorce or separate maintenance shall not be treated as such individual's spouse for purposes of this subparagraph.

"(5) Treatment of synthetic equity.—For purposes of paragraphs (3) and (4), in the case of a person who owns synthetic equity in the S corporation, except to the extent provided in regulations, the shares of stock in such corporation on which such synthetic equity is based shall be treated as outstanding stock in such corporation and deemed-owned shares of such person if such treatment of synthetic equity of 1 or more such persons results in—

"(A) the treatment of any person as a disqualified person, or

"(B) the treatment of any year as a nonallocation year.

For purposes of this paragraph, synthetic equity shall be treated as owned by a person in the same manner as stock is treated as owned by a person under the rules of paragraphs (2) and (3) of section 318(a). If, without regard to this paragraph, a person is treated as a disqualified person or a year is treated as a nonallocation year, this paragraph shall not be construed to result in the person or year not being so treated.

"(6) Definitions.—For purposes of this subsection—

"(A) Employee stock ownership plan.—The term 'employee stock ownership plan' has the meaning given such term by section 4975(e)(7).

"(B) Employer securities.—The term 'employer security' has the meaning given such term by section 409(l).

"(C) Synthetic equity.—The term 'synthetic equity' means any stock option, warrant, restricted stock, deferred issuance stock right, or similar interest or right that gives the holder the right to acquire or receive stock of the S corporation in the future. Except to the extent provided in regulations, synthetic equity also includes a stock appreciation right, phantom stock unit, or similar right to a future cash payment based on the value of such stock or appreciation in such value.

"(7) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(b) Coordination With Section 4975(e)(7).—The last sentence of section 4975(e)(7) (defining employee stock ownership plan) is amended by inserting ", section 409(p)," after "409(n)".

(c) Excise Tax.—

(1) Application of tax.—Subsection (a) of section 4979A (relating to tax on certain prohibited allocations of employer securities) is amended—

(A) by striking "or" at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting a comma, and

(C) by striking all that follows paragraph (2) and inserting the following:

"(3) there is any allocation of employer securities which violates the provisions of section 409(p), or a nonallocation year described in subsection (c)(2)(C) with respect to an employee stock ownership plan, or

"(4) any synthetic equity is owned by a disqualified person in any nonallocation year,

there is hereby imposed a tax on such allocation or ownership equal to 50 percent of the amount involved."

(2) Liability.—Section 4979A(c) (defining liability for tax) is amended to read as follows:

"(c) Liability for Tax.—The tax imposed by this section shall be paid—

"(1) in the case of an allocation referred to in paragraph (1) or (2) of subsection (a), by—

"(A) the employer sponsoring such plan, or

"(B) the eligible worker-owned cooperative,

which made the written statement described in section 664(g)(1)(E) or in section 1042(b)(3)(B) (as the case may be), and

"(2) in the case of an allocation or ownership referred to in paragraph (3) or (4) of subsection (a), by the S corporation the stock in which was so allocated or owned."

(3) Definitions.—Section 4979A(e) (relating to definitions) is amended to read as follows:

"(e) Definitions and Special Rules.—For purposes of this section—

"(1) Definitions.—Except as provided in paragraph (2), terms used in this section have the same respective meanings as when used in sections 409 and 4978.

"(2) Special rules relating to tax imposed by reason of paragraph (3) or (4) of subsection (a).—

"(A) Prohibited allocations.—The amount involved with respect to any tax imposed by reason of subsection (a)(3) is the amount allocated to the account of any person in violation of section 409(p)(1).

"(B) Synthetic equity.—The amount involved with respect to any tax imposed by reason of subsection (a)(4) is the value of the shares on which the synthetic equity is based.

"(C) Special rule during first nonallocation year.—For purposes of subparagraph (A), the amount involved for the first nonallocation year of any employee stock ownership plan shall be determined by taking into account the total value of all the deemed-owned shares of all disqualified persons with respect to such plan.

"(D) Statute of limitations.—The statutory period for the assessment of any tax imposed by this section by reason of paragraph (3) or (4) of subsection (a) shall not expire before the date which is 3 years from the later of—

"(i) the allocation or ownership referred to in such paragraph giving rise to such tax, or

"(ii) the date on which the Secretary is notified of such allocation or ownership."

(d) Effective Dates.—

(1) In general.—The amendments made by this section shall apply to plan years beginning after December 31, 2000.

(2) Exception for certain plans.—In the case of any—

(A) employee stock ownership plan established after July 14, 1999, or

(B) employee stock ownership plan established on or before such date if employer securities held by the plan consist of stock in a corporation with respect to which an election under section 1362(a) of the Internal Revenue Code of 1986 is not in effect on such date,

the amendments made by this section shall apply to plan years ending after July 14, 1999.

Subtitle B—Provisions Relating to Real Estate Investment Trusts

PART I—TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES

SEC. 221. MODIFICATIONS TO ASSET DIVERSIFICATION TEST.

(a) In General.—Subparagraph (B) of section 856(c)(4) is amended to read as follows:

"(B)(i) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)),

"(ii) not more than 20 percent of the value of its total assets is represented by securities of 1 or more taxable REIT subsidiaries, and

"(iii) except with respect to a taxable REIT subsidiary and securities includible under subparagraph (A)—

"(I) not more than 5 percent of the value of its total assets is represented by securities of any one issuer,

"(II) the trust does not hold securities possessing more than 10 percent of the total voting power of the outstanding securities of any one issuer, and

"(III) the trust does not hold securities having a value of more than 10 percent of the total value of the outstanding securities of any one issuer.".

(b) Exception for Straight Debt Securities.—Subsection (c) of section 856 is amended by adding at the end the following new paragraph:

"(7) Straight debt safe harbor in applying paragraph (4).—Securities of an issuer which are straight debt (as defined in section 1361(c)(5) without regard to subparagraph (B)(iii) thereof) shall not be taken into account in applying paragraph (4)(B)(ii)(III) if—

"(A) the issuer is an individual, or

"(B) the only securities of such issuer which are held by the trust or a taxable REIT subsidiary of the trust are straight debt (as so defined), or

"(C) the issuer is a partnership and the trust holds at least a 20 percent profits interest in the partnership.".

SEC. 222. TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES.

(a) Income From Taxable REIT Subsidiaries Not Treated as Impermissible Tenant Service Income.—Clause (i) of section 856(d)(7)(C) (relating to exceptions to impermissible tenant service income) is amended by inserting "or through a taxable REIT subsidiary of such trust" after "income".

(b) Certain Income From Taxable REIT Subsidiaries Not Excluded From Rents From Real Property.—

(1) In general.—Subsection (d) of section 856 (relating to rents from real property defined) is amended by adding at the end the following new paragraphs:

"(8) Special rule for taxable REIT subsidiaries.—For purposes of this subsection, amounts paid to a real estate investment trust by a taxable REIT subsidiary of such trust shall not be excluded from rents from real property by reason of paragraph (2)(B) if the requirements of either of the following subparagraphs are met:

"(A) LIMITED RENTAL EXCEPTION.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in section 856(d)(2)(B). The preceding sentence shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents made by the other tenants of the trust's property for comparable space.

"(B) EXCEPTION FOR CERTAIN LODGING FACILITIES.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor.

"(9) ELIGIBLE INDEPENDENT CONTRACTOR.—For purposes of paragraph (8)(B)—

"(A) IN GENERAL.—The term 'eligible independent contractor' means, with respect to any qualified lodging facility, any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate the facility, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

"(B) SPECIAL RULES.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility by reason of any of the following:

"(i) The taxable REIT subsidiary bears the expenses for the operation of the facility pursuant to the management agreement or other similar service contract.

"(ii) The taxable REIT subsidiary receives the revenues from the operation of such facility, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

"(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

"(I) January 1, 1999, or

"(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility.

"(C) RENEWALS, ETC., OF EXISTING LEASES.—For purposes of subparagraph (B)(iii)—

"(i) a lease shall be treated as in effect on January 1, 1999, without regard to its renewal after such date, so long as such renewal is pursuant to the terms of such lease as in effect on whichever of the dates under subparagraph (B)(iii) is the latest, and

"(ii) a lease of a property entered into after whichever of the dates under subparagraph (B)(iii) is the latest shall be treated as in effect on such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) QUALIFIED LODGING FACILITY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified lodging facility' means any lodging facility unless wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility.

"(ii) LODGING FACILITY.—The term 'lodging facility' means a hotel, motel, or other establishment more than one-half of the dwelling units in which are used on a transient basis.

"(iii) CUSTOMARY AMENITIES AND FACILITIES.—The term 'lodging facility' includes customary amenities and facilities operated as part of, or associated with, the lodging facility so long as such amenities and facilities are customary for other properties of a comparable size and class owned by other owners unrelated to such real estate investment trust.

"(E) OPERATE INCLUDES MANAGE.—References in this paragraph to operating a property shall be treated as including a reference to managing the property.

"(F) RELATED PERSON.—Persons shall be treated as related to each other if such persons are treated as a single employer under subsection (a) or (b) of section 52.".

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 856(d)(2) is amended by inserting "except as provided in paragraph (8)," after "(B)".

(3) DETERMINING RENTS FROM REAL PROPERTY.—

(A)(i) Paragraph (1) of section 856(d) is amended by striking "adjusted bases" each place it occurs and inserting "fair market values".

(ii) The amendment made by this subparagraph shall apply to taxable years beginning after December 31, 2000.

(B)(i) Clause (i) of section 856(d)(2)(B) is amended by striking "number" and inserting "value".

(ii) The amendment made by this subparagraph shall apply to amounts received or accrued in taxable years beginning after December 31, 2000, except for amounts paid pursuant to leases in effect on July 12, 1999, or pursuant to a binding contract in effect on such date and at all times thereafter.

SEC. 223. TAXABLE REIT SUBSIDIARY.

(a) IN GENERAL.—Section 856 is amended by adding at the end the following new subsection:

"(l) TAXABLE REIT SUBSIDIARY.—For purposes of this part—

"(1) IN GENERAL.—The term 'taxable REIT subsidiary' means, with respect to a real estate investment trust, a corporation (other than a real estate investment trust) if—

"(A) such trust directly or indirectly owns stock in such corporation, and

"(B) such trust and such corporation jointly elect that such corporation shall be treated as a taxable REIT subsidiary of such trust for purposes of this part.

Such an election, once made, shall be irrevocable unless both such trust and corporation consent to its revocation. Such election, and any revocation thereof, may be made without the consent of the Secretary.

"(2) 35 PERCENT OWNERSHIP IN ANOTHER TAXABLE REIT SUBSIDIARY.—The term 'taxable REIT subsidiary' includes, with respect to any real estate investment trust, any corporation (other than a real estate investment trust) with respect to which a taxable REIT subsidiary of such trust owns directly or indirectly—

"(A) securities possessing more than 35 percent of the total voting power of the outstanding securities of such corporation, or

"(B) securities having a value of more than 35 percent of the total value of the outstanding securities of such corporation.

The preceding sentence shall not apply to a qualified REIT subsidiary (as defined in subsection (i)(2)). The rule of section 856(c)(7) shall apply for purposes of subparagraph (B).

"(3) EXCEPTIONS.—The term 'taxable REIT subsidiary' shall not include—

"(A) any corporation which directly or indirectly operates or manages a lodging facility or a health care facility, and

"(B) any corporation which directly or indirectly provides to any other person (under a franchise, license, or otherwise) rights to any brand name under which any lodging facility or health care facility is operated.

Subparagraph (B) shall not apply to rights provided to an eligible independent contractor to operate or manage a lodging facility if such rights are held by such corporation as a franchisee, licensee, or in a similar capacity and such lodging facility is either owned by such corporation or is leased to such corporation from the real estate investment trust.

"(4) DEFINITIONS.—For purposes of paragraph (3)—

"(A) LODGING FACILITY.—The term 'lodging facility' has the meaning given to such term by paragraph (9)(D)(ii).

"(B) HEALTH CARE FACILITY.—The term 'health care facility' has the meaning given to such term by subsection (e)(6)(D)(ii).".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 856(i) is amended by adding at the end the following new sentence: "Such term shall not include a taxable REIT subsidiary.".

SEC. 224. LIMITATION ON EARNINGS STRIPPING.

Paragraph (3) of section 163(j) (relating to limitation on deduction for interest on certain indebtedness) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) any interest paid or accrued (directly or indirectly) by a taxable REIT subsidiary (as defined in section 856(l)) of a real estate investment trust to such trust.".

SEC. 225. 100 PERCENT TAX ON IMPROPERLY ALLOCATED AMOUNTS.

(a) IN GENERAL.—Subsection (b) of section 857 (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following new paragraph:

"(7) INCOME FROM REDETERMINED RENTS, REDETERMINED DEDUCTIONS, AND EXCESS INTEREST.—

"(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year of the real estate investment trust a tax equal to 100 percent of redetermined rents, redetermined deductions, and excess interest.

"(B) REDETERMINED RENTS.—

"(i) IN GENERAL.—The term 'redetermined rents' means rents from real property (as defined in subsection 856(d)) the amount of which would (but for subparagraph (E)) be reduced on distribution, apportionment, or allocation under section 482 to clearly reflect income as a result of services furnished or rendered by a taxable REIT subsidiary of the real estate investment trust to a tenant of such trust.

"(ii) Exception for certain services.—Clause (i) shall not apply to amounts received directly or indirectly by a real estate investment trust for services described in paragraph (1)(B) or (7)(C)(i) of section 856(d).

"(iii) Exception for de minimis amounts.—Clause (i) shall not apply to amounts described in section 856(d)(7)(A) with respect to a property to the extent such amounts do not exceed the one percent threshold described in section 856(d)(7)(B) with respect to such property.

"(iv) Exception for comparably priced services.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) such subsidiary renders a significant amount of similar services to persons other than such trust and tenants of such trust who are unrelated (within the meaning of section 856(d)(8)(F)) to such subsidiary, trust, and tenants, but

"(II) only to the extent the charge for such service so rendered is substantially comparable to the charge for the similar services rendered to persons referred to in subclause (I).

"(v) Exception for certain separately charged services.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) the rents paid to the trust by tenants (leasing at least 25 percent of the net leasable space in the trust's property) who are not receiving such service from such subsidiary are substantially comparable to the rents paid by tenants leasing comparable space who are receiving such service from such subsidiary, and

"(II) the charge for such service from such subsidiary is separately stated.

"(vi) Exception for certain services based on subsidiary's income from the services.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if the gross income of such subsidiary from such service is not less than 150 percent of such subsidiary's direct cost in furnishing or rendering the service.

"(vii) Exceptions granted by Secretary.—The Secretary may waive the tax otherwise imposed by subparagraph (A) if the trust establishes to the satisfaction of the Secretary that rents charged to tenants were established on an arms' length basis even though a taxable REIT subsidiary of the trust provided services to such tenants.

"(C) Redetermined deductions.—The term 'redetermined deductions' means deductions (other than redetermined rents) of a taxable REIT subsidiary of a real estate investment trust if the amount of such deductions would (but for subparagraph (E)) be decreased on distribution, apportionment, or allocation under section 482 to clearly reflect income as between such subsidiary and such trust.

"(D) Excess interest.—The term 'excess interest' means any deductions for interest payments by a taxable REIT subsidiary of a real estate investment trust to such trust to the extent that the interest payments are in excess of a rate that is commercially reasonable.

"(E) Coordination with section 482.—The imposition of tax under subparagraph (A) shall be in lieu of any distribution, apportionment, or allocation under section 482.

"(F) Regulatory authority.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph. Until the Secretary prescribes such regulations, real estate investment trusts and their taxable REIT subsidiaries may base their allocations on any reasonable method.".

(b) Amount Subject to Tax Not Required To Be Distributed.—Subparagraph (E) of section 857(b)(2) (relating to real estate investment trust taxable income) is amended by striking "paragraph (5)" and inserting "paragraphs (5) and (7)".

SEC. 226. EFFECTIVE DATE.

(a) In General.—The amendments made by this part shall apply to taxable years beginning after December 31, 2000.

(b) Transitional Rules Related to Section 221.—

(1) Existing arrangements.—

(A) In general.—Except as otherwise provided in this paragraph, the amendment made by section 221 shall not apply to a real estate investment trust with respect to—

(i) securities of a corporation held directly or indirectly by such trust on July 12, 1999,

(ii) securities of a corporation held by an entity on July 12, 1999, if such trust acquires control of such entity pursuant to a written binding contract in effect on such date and at all times thereafter before such acquisition,

(iii) securities received by such trust (or a successor) in exchange for, or with respect to, securities described in clause (i) or (ii) in a transaction in which gain or loss is not recognized, and

(iv) securities acquired directly or indirectly by such trust as part of a reorganization (as defined in section 368(a)(1) of the Internal Revenue Code of 1986) with respect to such trust if such securities are described in clause (i), (ii), or (iii) with respect to any other real estate investment trust.

(B) New trade or business or substantial new assets.—Subparagraph (A) shall cease to apply to securities of a corporation as of the first day after July 12, 1999, on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than—

(i) pursuant to a binding contract in effect on such date and at all times thereafter before the acquisition of such asset,

(ii) in a transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Internal Revenue Code of 1986, or

(iii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(C) Limitation on transition rules.—Subparagraph (A) shall cease to apply to securities of a corporation held, acquired, or received, directly or indirectly, by a real estate investment trust as of the first day after July 12, 1999, on which such trust acquires any additional securities of such corporation other than—

(i) pursuant to a binding contract in effect on July 12, 1999, and at all times thereafter, or

(ii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(2) Tax-free conversion.—If—

(A) at the time of an election for a corporation to become a taxable REIT subsidiary, the amendment made by section 221 does not apply to such corporation by reason of paragraph (1), and

(B) such election first takes effect before January 1, 2004,

such election shall be treated as a reorganization qualifying under section 368(a)(1)(A) of such Code.

PART II—HEALTH CARE REITS

SEC. 231. HEALTH CARE REITS.

(a) Special Foreclosure Rule for Health Care Properties.—Subsection (e) of section 856 (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

"(6) Special rule for qualified health care properties.—For purposes of this subsection—

"(A) Acquisition at expiration of lease.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease).

"(B) Grace period.—In the case of a qualified health care property which is foreclosure property solely by reason of subparagraph (A), in lieu of applying paragraphs (2) and (3)—

"(i) the qualified health care property shall cease to be foreclosure property as of the close of the second taxable year after the taxable year in which such trust acquired such property, and

"(ii) if the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in clause (i) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property.

Any such extension shall not extend the grace period beyond the close of the 6th year after the taxable year in which such trust acquired such qualified health care property.

"(C) Income from independent contractors.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property by reason of subparagraph (A) or paragraph (1), income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

"(i) any lease of property in effect on the date the real estate investment trust acquired the qualified health care property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date), or

"(ii) any lease of property entered into after such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) Qualified health care property.—

"(i) In general.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

"(I) is a health care facility, or

"(II) is necessary or incidental to the use of a health care facility.

"(ii) Health care facility.—For purposes of clause (i), the term 'health care facility' means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility (as defined in section 7872(g)(4)), or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

PART III—CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

SEC. 241. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.

(a) Distribution Requirement.—Clauses (i) and (ii) of section 857(a)(1)(A) (relating to requirements applicable to real estate investment trusts) are each amended by striking "95 percent (90 percent for taxable years beginning before January 1, 1980)" and inserting "90 percent".

(b) Imposition of Tax.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking "95 percent (90 percent in the case of taxable years beginning before January 1, 1980)" and inserting "90 percent".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

PART IV—CLARIFICATION OF EXCEPTION FROM IMPERMISSIBLE TENANT SERVICE INCOME

SEC. 251. CLARIFICATION OF EXCEPTION FOR INDEPENDENT OPERATORS.

(a) In General.—Paragraph (3) of section 856(d) (relating to independent contractor defined) is amended by adding at the end the following flush sentence:

"In the event that any class of stock of either the real estate investment trust or such person is regularly traded on an established securities market, only persons who own, directly or indirectly, more than 5 percent of such class of stock shall be taken into account as owning any of the stock of such class for purposes of applying the 35 percent limitation set forth in subparagraph (B) (but all of the outstanding stock of such class shall be considered outstanding in order to compute the denominator for purpose of determining the applicable percentage of ownership).".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

PART V—MODIFICATION OF EARNINGS AND PROFITS RULES

SEC. 261. MODIFICATION OF EARNINGS AND PROFITS RULES.

(a) Rules for Determining Whether Regulated Investment Company Has Earnings and Profits From Non-RIC Year.—Subsection (c) of section 852 is amended by adding at the end the following new paragraph:

"(3) Distributions to meet requirements of subsection (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

"(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from the earliest earnings and profits accumulated in any taxable year to which the provisions of this part did not apply rather than the most recently accumulated earnings and profits, and

"(B) to the extent treated under subparagraph (A) as made from accumulated earnings and profits, shall not be treated as a distribution for purposes of subsection (b)(2)(D) and section 855.".

(b) Clarification of Application of REIT Spillover Dividend Rules to Distributions To Meet Qualification Requirement.—Subparagraph (B) of section 857(d)(3) is amended by inserting before the period "and section 858".

(c) Application of Deficiency Dividend Procedures.—Paragraph (1) of section 852(e) is amended by adding at the end the following new sentence: "If the determination under subparagraph (A) is solely as a result of the failure to meet the requirements of subsection (a)(2), the preceding sentence shall also apply for purposes of applying subsection (a)(2) to the non-RIC year.".

(d) Effective Date.—The amendments made by this section shall apply to distributions after December 31, 2000.

PART VI—MODIFICATION OF ESTIMATED TAX RULES

SEC. 271. MODIFICATION OF ESTIMATED TAX RULES FOR CLOSELY HELD REAL ESTATE INVESTMENT TRUSTS.

(a) In General.—Subsection (e) of section 6655 (relating to estimated tax by corporations) is amended by adding at the end the following new paragraph:

"(5) Treatment of certain REIT dividends.—

"(A) In general.—Any dividend received from a closely held real estate investment trust by any person which owns (after application of subsections (d)(5) and (l)(3)(B) of section 856) 10 percent or more (by vote or value) of the stock or beneficial interests in the trust shall be taken into account in computing annualized income installments under paragraph (2) in a manner similar to the manner under which partnership income inclusions are taken into account.

"(B) Closely held REIT.—For purposes of subparagraph (A), the term 'closely held real estate investment trust' means a real estate investment trust with respect to which 5 or fewer persons own (after application of subsections (d)(5) and (l)(3)(B) of section 856) 50 percent or more (by vote or value) of the stock or beneficial interests in the trust."

(b) Effective Date.—The amendment made by subsection (a) shall apply to estimated tax payments due on or after November 15, 1999.

PART VII—MODIFICATION OF TREATMENT OF CLOSELY-HELD REITS

SEC. 281. CONTROLLED ENTITIES INELIGIBLE FOR REIT STATUS.

(a) In General.—Subsection (a) of section 856 (relating to definition of real estate investment trust) is amended by striking "and" at the end of paragraph (6), by redesignating paragraph (7) as paragraph (8), and by inserting after paragraph (6) the following new paragraph:

"(7) which is not a controlled entity (as defined in subsection (l)); and".

(b) Controlled Entity.—Section 856 is amended by adding at the end the following new subsection:

"(l) Controlled Entity.—

"(1) In general.—For purposes of subsection (a)(7), an entity is a controlled entity if, at any time during the taxable year, one person (other than a qualified entity)—

"(A) in the case of a corporation, owns stock—

"(i) possessing at least 50 percent of the total voting power of the stock of such corporation, or

"(ii) having a value equal to at least 50 percent of the total value of the stock of such corporation, or

"(B) in the case of a trust, owns beneficial interests in the trust which would meet the requirements of subparagraph (A) if such interests were stock.

"(2) Qualified entity.—For purposes of paragraph (1), the term 'qualified entity' means—

"(A) any real estate investment trust, and

"(B) any partnership in which one real estate investment trust owns at least 50 percent of the capital and profits interests in the partnership.

"(3) Attribution rules.—For purposes of this paragraphs (1) and (2)—

"(A) In general.—Rules similar to the rules of subsections (d)(5) and (h)(3) shall apply; except that section 318(a)(3)(C) shall not be applied under such rules to treat stock owned by a qualified entity as being owned by a person which is not a qualified entity.

"(B) Stapled entities.—A group of entities which are stapled entities (as defined in section 269B(c)(2)) shall be treated as one person.

"(4) Exception for certain new REITs.—

"(A) In general.—The term 'controlled entity' shall not include an incubator REIT.

"(B) Incubator REIT.—A corporation shall be treated as an incubator REIT for any taxable year during the eligibility period if it meets all the following requirements for such year:

"(i) The corporation elects to be treated as an incubator REIT.

"(ii) The corporation has only voting common stock outstanding.

"(iii) Not more than 50 percent of the corporation's real estate assets consist of mortgages.

"(iv) From not later than the beginning of the last half of the second taxable year, at least 10 percent of the corporation's capital is provided by lenders or equity investors who are unrelated to the corporation's largest shareholder.

"(v) The corporation annually increases the value of its real estate assets by at least 10 percent.

"(vi) The directors of the corporation adopt a resolution setting forth an intent to engage in a going public transaction.

No election may be made with respect to any REIT if an election under this subsection was in effect for any predecessor of such REIT. The requirement of clause (ii) shall not fail to be met merely because a going public transaction is accomplished through a transaction described in section 368(a)(1) with another corporation which had another class of stock outstanding prior to the transaction.

"(C) Eligibility period.—

"(i) In general.—The eligibility period (for which an incubator REIT election can be made) begins with the REIT's second taxable year and ends at the close of the REIT's third taxable year, except that the REIT may, subject to clauses (ii), (iii), and (iv), elect to extend such period for an additional 2 taxable years.

"(ii) Going public transaction.—A REIT may not elect to extend the eligibility period under clause (i) unless it enters into an agreement with the Secretary that if it does not engage in a going public transaction by the end of the extended eligibility period, it shall pay Federal income taxes for the 2 years of the extended eligibility period as if it had not made an incubator REIT election and had ceased to qualify as a REIT for those 2 taxable years.

"(iii) Returns, interest, and notice.—

"(I) Returns.—In the event the corporation ceases to be treated as a REIT by operation of clause (ii), the corporation shall file any appropriate amended returns reflecting the change in status within 3 months of the close of the extended eligibility period.

"(II) Interest.—Interest shall be payable on any tax imposed by reason of clause (ii) for any taxable year but, unless there was a finding under subparagraph (D), no substantial underpayment penalties shall be imposed.

"(III) Notice.—The corporation shall, at the same time it files its returns under subclause (I), notify its shareholders and any other persons whose tax position is, or may reasonably be expected to be, affected by the change in status so they also may file any appropriate amended returns to conform their tax treatment consistent with the corporation's loss of REIT status.

"(IV) Regulations.—The Secretary shall provide appropriate regulations setting forth transferee liability and other provisions to ensure collection of tax and the proper administration of this provision.

"(iv) Clauses (ii) and (iii) shall not apply if the corporation allows its incubator REIT status to lapse at the end of the initial 2-year eligibility period without engaging in a going public transaction if the corporation is not a controlled entity as of the beginning of its fourth taxable year. In such a case, the corporation's directors may still be liable for the penalties described in subparagraph (D) during the eligibility period.

"(D) Special penalties.—If the Secretary determines that an incubator REIT election was filed for a principal purpose other than as part of a reasonable plan to undertake a going public transaction, an excise tax of $20,000 shall be imposed on each of the corporation's directors for each taxable year for which an election was in effect.

"(E) Going public transaction.—For purposes of this paragraph, a going public transaction means—

"(i) a public offering of shares of the stock of the incubator REIT;

"(ii) a transaction, or series of transactions, that results in the stock of the incubator REIT being regularly traded on an established securities market and that results in at least 50 percent of such stock being held by shareholders who are unrelated to persons who held such stock before it began to be so regularly traded; or

"(iii) any transaction resulting in ownership of the REIT by 200 or more persons (excluding the largest single shareholder) who in the aggregate own at least 50 percent of the stock of the REIT.

For the purposes of this subparagraph, the rules of paragraph (3) shall apply in determining the ownership of stock.

"(F) Definitions.—The term 'established securities market' shall have the meaning set forth in the regulations under section 897."

(c) Conforming Amendment.—Paragraph (2) of section 856(h) is amended by striking "and (6)" each place it appears and inserting ", (6), and (7)".

(d) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after July 14, 1999.

(2) Exception for existing controlled entities.—The amendments made by this section shall not apply to any entity which is a controlled entity (as defined in section 856(l) of the Internal Revenue Code of 1986, as added by this section) as of July 14, 1999, which is a real estate investment trust for the taxable year which includes such date, and which has significant business assets or activities as of such date. For purposes of the preceding sentence, an entity shall be treated as such a controlled entity on July 14, 1999, if it becomes such an entity after such date in a transaction—

(A) made pursuant to a written agreement which was binding on such date and at all times thereafter, or

(B) described on or before such date in a filing with the Securities and Exchange Commission required solely by reason of the transaction.

TITLE III—BUDGET PROVISION

SEC. 301. EXCLUSION FROM PAYGO SCORECARD.

Any net deficit increase or net surplus increase resulting from the enactment of this Act shall not be counted for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902).

By Mr. DOMENICI:

S. 1793. A bill to ensure that there will be adequate funding for the decommissioning of nuclear power facilities; to the Committee on Environment and Public Works.

NUCLEAR DECOMMISSIONING ASSURANCE ACT

• Mr. DOMENICI. Mr. President, in an era of deregulation, it is imperative that we focus on the public health and safety concerns that may surface in the rush to eliminate excess costs in energy production.

One such concern involves the decommissioning and decontamination (D&D) of retired nuclear power plants. The nuclear industry confronts not only the difficulty of providing a competitive energy source in a changing regulatory environment, the funds accumulated to date to cover D&D costs are not sufficient to ensure proper cleanup unless measures are put into place that continue fee collection for the duration of each plant's service life.

This bill establishes a framework to ensure adequate fee collection to cover nuclear decommissioning and decontamination costs in a changing regulatory environment.

Today, nuclear generating units provide almost a quarter of the country's annual electricity generation. Over the next twenty years, a substantial number of these nuclear power plants reach the end of their 40-year licenses. Some will apply for a license renewal, which should be a straightforward and expeditious process.

All plants, at some point, however, will face retirement. Whenever retirement occurs, decommissioning follows—this requires safe dismantling and disposal of all irradiated components.

Upon acquiring a license to operate a nuclear power plant, licensees also commit to decommission the plant upon closure. Utilities are required to set aside funds for decommissioning.

In the past, State regulators generally allowed fee collection for decommissioning obligations through rates over the entire service lives of the nuclear power plants. This method spread the costs of decommissioning the plant to all the customers served by the plant over the entire course of the plant's service life.

As the electricity market moves toward deregulation, the nuclear industry confronts a profound problem. First, fee collection was structured such that accrual of sufficient funds required the full life of the plant, and regulators often undercut the amount of fees collected in order to keep energy prices down.

Second, under funding also results from escalating decommmissioning costs due to expanded regulatory requirements, lower than expected growth due to loss of load and customer exodus, rate settlements, and the lag in collecting funds due to ratemaking delays.

Lastly, decommissioning cost recovery for most utilities, including nuclear, is "back-end loaded." Meaning, cost recovery is designed to generate much larger contributions to the fund in latter years.

In short, the funding of decommissioning has not kept pace with the aging of the units.

For example, today, a nuclear plant licensee of a 15-year-old plant would have collected only approximately 5 percent of the funds necessary to meet decommissioning obligations. In addition, these nuclear plant licensees currently have no means of ensuring that they can continue to collect fees from consumers to ensure decommissioning obligations are met.

The magnitude of the potential shortfall in cost recovery for decommissioning obligations is staggering. On an aggregate basis, utilities' decommissioning trust funds currently are funded at approximately 25 percent of the estimated costs—about $9 billion. Nuclear plants, however, are approximately 43 percent through their expected service lives. Total projected D&D costs will exceed $35 billion, leaving a current shortfall of about $26 billion.

The monumental size of this problem is underscored by the following comparison: FERC allowed recovery of $10 billion of total stranded costs during the restructuring of the natural gas industry. the nuclear industry's current dilemma is two and a half times greater.

Two recent publications underscore the critical need to provide assurance that decommissioning funds can be collected and are adequate to cover costs. A study which I chaired by the Center for Strategic and International Studies (CSIS) entitled The Regulatory Process for Nuclear Power Reactors addressed this issue.

The CSIS report stated, "Restructuring of the electric utility industry could exacerbate the problem of adequate decommissioning funding and could threaten the ability of nuclear power plant owners to recover funds for decommissioning and for nuclear waste disposal in electric rates." The June 1999 report Nuclear Power Plant Decommissioning Under Utility Restructuring by the National Conference of State Legislatures strongly urged a "review of current decommissioning legislation, especially if considering or passing deregulation.

The legislation I am introducing today creates a backstop to ensure that decommissioning fees can continue to be collected regardless of forthcoming changes in the regulatory environment. Because full, safe decommissioning is vital to public health and safety, this legislation is required to ensure that adequate funds for decommissioning are available to power plant licensees upon closure of their nuclear plants.

Let me briefly describe the mechanism established in this bill to ensure that adequate funds are collected.

First, nuclear power plant licensees are allowed to petition the NRC for determination of adequacy of their nuclear decommissioning trust funds. This petition process allows a full review of licensees' decommissioning costs and available funding. The petition process allows full public notice and comment.

In other words, the NRC will determine each licensee's current and ongoing revenue requirement necessary to ensure adequate funds are accumulated in the trust fund at the appropriate time.

Second, the Act amends the Federal Power Act to enable licensees to apply to the FERC, in the case of wholesale rates, or state commissions, for retail rates, for an order establishing rates or charges for collection of revenues necessary to meet NRC determined requirements.

Depending on the consumer base served by the nuclear licensee, either the FERC or the state PUCs will be required to incorporate the NRC determined decommissioning cost and revenue requirements in their rate structure.

This translates into a negligible fee added to consumers' monthly bills that will guarantee adequate cleanup upon closure of the nuclear plants that met their energy needs. This measure is simple, pragmatic, and safeguards our safety and health needs.

We must act now to ensure adequate funding for the safe decommissioning of nuclear units. The awkward jurisdictional position of this issue—caught in a gap between federal agencies and state regulatory authorities—creates a situation in which inconsistent regimes interfere with federally mandated safety measures.

This situation presents an unacceptable uncertainty and risk for the health and safety of the citizens and for the economy. As a matter of public policy, to protect public health and safety, as well as to preserve sound energy and economic policy, adequate funding of decommissioning obligations must be assured.

This act addresses this concerns and creates a practical mechanism to ensure the decommissioning funds will be adequate to safe closure of nuclear plants in the future.

Mr. President, I ask that the bill be printed in the RECORD.

The bill follows:

S. 1793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nuclear Decommissioning Assurance Act of 1999".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) full, safe decommissioning of nuclear power plants is a compelling Federal interest, in that—

(A) the public health and safety and the protection of the environment can be guaranteed only if nuclear power plants are adequately decommissioned at the end of their useful lives; and

(B) decommissioning obligations cannot be avoided, abandoned, or mitigated, as a matter of public health and safety;

(2) electric utilities that own nuclear power plants must be able to collect adequate revenues to ensure that the utilities can satisfy the obligation to fully decommission nuclear power plants in accordance with standards established by the Nuclear Regulatory Commission;

(3) the authority of the Nuclear Regulatory Commission to ensure that utilities are able to collect adequate funds so that they can satisfy the decommissioning obligation is limited by the fact that the Commission does not directly establish rates for electric services;

(4) many nuclear decommissioning trust funds are not adequate to meet decommissioning obligations, and the current electric rates of collection are not adequate to ensure that there will be adequate funds at the time of decommissioning.

(5) potential restructuring of the electric utility industry will exacerbate the problem, because competitive pressure is expected to be placed on current rates, thereby threatening the ability of utility entities to recover funds for decommissioning in electric rates; and

(6) there is a Federal interest in establishing a national policy to ensure that electric utilities that own nuclear power plants can recover funds sufficient to satisfy the decommissioning obligation.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure that electric utilities that own commercial nuclear electric generating plants will be able to satisfy the obligation to decommission the plants, as established by the Nuclear Regulatory Commission; and

(2) to provide rate making bodies, including the Federal Energy Regulatory Commission, with sufficient authority to provide for recovery of funds for decommissioning.

SEC. 3. DEFINITIONS.

In this Act:

(1) DECOMMISSION.—The term "decommission" has the meaning given the term in section 50.2 of title 10, Code of Federal Regulations (or any successor regulation).

(2) DECOMMISSIONING OBLIGATION.—The term "decommissioning obligation" means the obligation to pay costs associated with the measures necessary to ensure the continued protection of the public from the dangers of any residual radioactivity or other hazards present at a facility when a nuclear unit is decommissioned.

(3) NUCLEAR DECOMMISSIONING TRUST FUND.—The term "nuclear decommissioning trust fund" has the meaning given the term "external sinking fund" in section 50.75(e)(1)(ii) of title 10, Code of Federal Regulations (or any successor regulation).

(4) STATE COMMISSION.—The term "State commission" has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

SEC. 4. NUCLEAR DECOMMISSIONING ASSURANCE DETERMINATION BY THE NUCLEAR REGULATORY COMMISSION.

(a) PETITION.—

(1) IN GENERAL.—A licensee under part 50 of title 10, Code of Federal Regulations may petition the Nuclear Regulatory Commission for a determination of whether—

(A) adequate amounts have been deposited or are being deposited in the nuclear decommissioning trust fund of the licensee; and

(B) the future funding for any nuclear power plant owned in whole or in part by the licensee is assured.

(2) CONTENTS.—A petition under paragraph (1) shall disclose—

(A) the licensee's current minimum amount established by the Nuclear Regulatory Commission under section 50.75 of title 10, Code of Federal Regulations for each facility for which the licensee holds a license;

(B) the currently effective rates to recover costs for decommissioning obligations as established by the Commission or State commissions, as appropriate;

(C) the amount that has been deposited in the nuclear decommissioning trust fund;

(D) the planned rate and timing of collection of the costs of the decommissioning obligation through the projected useful life of the facility; and

(E) any other information pertinent to the continuing assurance of funding of the nuclear decommissioning trust fund.

(b) DETERMINATION.—Not later than 180 days of receipt of a petition under paragraph (1), the Nuclear Regulatory Commission shall issue a determination regarding whether the nuclear decommissioning trust fund and the currently approved level of rates to recover the costs of the decommissioning obligation are adequate to ensure full and safe decommissioning of the facility.

(c) CONSIDERATIONS.—In making a determination under subsection (b), the Nuclear Regulatory Commission shall consider.—

(1) the current level of funds in the nuclear decommissioning trust fund;

(2) the adequacy of the currently approved rates to recover the costs of the decommissioning obligation;

(3) the assurance of continuing recovery of such costs through rates;

(4) the timing of the recovery of such costs relative to the projected useful life of the plant; and

(5) any other information that the Nuclear Regulatory Commission considers pertinent to a determination of the necessary assurance of adequate funding.

(d) ADEQUACY OF MINIMUM AMOUNTS.—Nothing in this Act precludes the Nuclear Regulatory Commission from revising or reconsidering the adequacy of the minimum amounts established under section 50.75(c) of title 10, Code of Federal Regulations.

(e) NOTICE.—The Nuclear Regulatory Commission shall issue notice of its finding to the licensee, the Federal Energy Regulatory Commission, and any other party of record.

SEC. 5. AMENDMENT OF THE FEDERAL POWER ACT.

(a) DECLARATION.—Section 201 of the Federal Power Act is amended by adding at the end the following:

"(h) DECLARATION REGARDING DECOMMISSIONING.—The decommissioning of nuclear power plants licensed by the Commission is affected with a public interest, and the Federal regulation of matters relating to decommissioning of nuclear power plants, to the extent provided in this part, is necessary in the pubic interest.".

(b) NUCLEAR DECOMMISSIONING ASSURANCE.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

"SEC. 215. NUCLEAR DECOMMISSIONING ASSURANCE.

"(a) COST RECOVERY IN WHOLESALE RATES.—

"(1) IN GENERAL.—To the extent that the costs of a decommissioning obligation are recovered in wholesale rates, an electric utility that owns a nuclear power facility in whole or in part may apply to the Commission for an order approving rates and charges in connection with the wholesale transmission or sale of electricity to ensure collection of revenues necessary to ensure that there will be adequate funding to satisfy the decommissioning obligation of the electric utility in establishing rates and charges.

"(2) NUCLEAR DECOMMISSIONING ASSURANCE DETERMINATION.—In a proceeding under this section, any nuclear decommissioning assurance determination made in a proceeding under section 4 of the Nuclear Decommissioning Assurance Act of 1999 shall be conclusive.

"(3) DENIAL OF REQUEST.—If the Commission, by order or by failure to act with 180 days of the filing of a petition, denies in whole or in part an application under paragraph (1) or otherwise fails to allow collection of costs in rates necessary to ensure adequate funding under section 4 of the Nuclear Decommissioning Assurance Act of 1999, the electric utility may seek review of the action under section 313(b).

"(b) COST RECOVERY IN RETAIL RATES.—To the extent that the costs of the decommissioning obligation are recovered in retail rates, in a proceeding before a State commission initiated by an electric utility that owns a nuclear power plant in whole or in part for an order approving rates and charges in connection with the distribution of electricity, any nuclear decommissioning assurance determination made by the Commission under section 4 of the Nuclear Decommissioning Assurance Act of 1999 shall be given due consideration, so as to ensure collection of revenues necessary to ensure adequate funding of the nuclear-owning utility's nuclear decommissioning obligations.

"(c) RATES, TERMS, AND CONDITIONS.—

"(1) IN GENERAL.—The Commission and the State commissions shall establish rates, terms, and conditions in response to an application under subsection (a) or (b) not later than 180 days after the date of submission of the application.

"(2) FAILURE TO ACT.—For purposes of section 313(b), failure of the Commission to comply with paragraph (1) shall be considered a denial and shall be appealable as a final agency action.

"(d) DENIAL OF REQUEST BY STATE COMMISSION.—Notwithstanding any other provision of law, if a State commission, by order or by failure to act within 180 days of the filing of a petition, denies in whole or in part the request under subsection (b) or otherwise fails to allow collection of costs in the rates necessary to ensure adequate funding under section 4(b) of the Nuclear Decommissioning Assurance Act of 1999, the electric utility may apply to the United States district court for an order requiring the State commission to establish rates, terms, and conditions necessary to ensure adequate funding under section 4(b) of the Nuclear Decommissioning Assurance Act of 1999.".●

By Mr. THOMAS (for himself and Mr. ENZI):

S. 1794. A bill to designate the Federal courthouse at 145 East Simpson Avenue in Jackson, Wyoming, as the "Clifford P. Hansen Federal Courthouse"; to the Committee on Environment and Public Works.

CLIFFORD P. HANSEN FEDERAL COURTHOUSE

● Mr. THOMAS. Mr. President, I rise today to honor one of Wyoming's native sons, former Wyoming Governor and United States Senator Cliff Hansen. I am pleased that my colleague, Senator ENZI is joining me in sponsoring legislation to name the federal courthouse in Jackson, Wyoming, as the "Clifford P. Hansen Federal Courthouse."

Wyoming has enjoyed a long history of outstanding leaders and strong individuals. These men and women have sought the best for our small towns with big expectations and in turn have exemplified what it really means to be a leader in their communities.

Senator Cliff Hansen stands with the other Wyoming statesmen that have helped make our state so special and her citizens proud. Today I join my colleagues and Wyoming people to honor him by designating the Jackson, Wyoming, federal courthouse in his name.

Cliff Hansen's career is well known and he has been a fixture of public service in Wyoming and the United States for more than 40 years. Beginning with the local school board, to Teton County Commissioner, the statehouse in Cheyenne as Wyoming's 26th Governor, and finally here as a distinguished member of the U.S. Senate.

Senator Cliff Hansen was so well regarded, his leadership so clear, that President Reagan asked him to be Secretary of the Interior not once, but twice. With his experience and expertise gained from working on issues involving public lands and the environment there is no doubt he would have done an excellent job had he chosen to accept.

His has been a remarkable career with a distinguished record.

Cliff Hansen and his wife Martha recently celebrated their 65th wedding anniversary. What an incredible accomplishment—one of many for this singular Wyoming family that continues to play a significant role in the Jackson Hole community in which they live.

With their children, grandchildren, and even great-grandchildren—the Hansen family is a colorful part of the fabric that makes Jackson and the surrounding areas unique. Cliff Hansen resides and enjoys life in Jackson, Wyoming under the immense shadow of the famed Grand Tetons. Like the Grand, he stands tall in that close community—dignified, multifaceted and solid in his grounding. Our goal as fellow public servants should be to aspire to climb to the same personal heights.

Senator Hansen is a man who embodies a mix of justice and compassion. That's a combination we need always to strive for. He is a leader, quick to care, astutely understanding and finding the best solutions to fit the need. Gracing the Federal Courthouse in his hometown with his name—considering that great legacy—is an appropriate symbol for what he has always worked for and achieved.

I join other Wyoming people who consider Governor, Senator, Cliff Hansen a worthy citizen. An honorable gentleman who continues to live up to the special significance I hope this act will bestow.●

● Mr. ENZI. Mr. President, I rise today to pay tribute to one of Wyoming's greatest public servants of this century and to support legislation introduced today by my colleague, Senator CRAIG THOMAS, to designate the federal courthouse in Jackson, Wyoming as the Clifford P. Hansen Federal Courthouse.

When he was elected to the United States Senate in 1966, Clifford Peter Hansen had already distinguished himself as a dedicated advocate for the State of Wyoming. Born in Zenith, Teton (then Lincoln) County, Wyoming, on October 16, 1912, Cliff Hansen attended public schools in Jackson, Wyoming and graduated from the University of Wyoming in 1934. In that same year, Cliff married his sweetheart, Martha Elizabeth Close. For the past 65 years the couple has worked side by side to Wyoming's great benefit.

As a successful cattle rancher and industry representative, Cliff has served as an officer of the Wyoming Stock Growers Association, the American National Cattlemen's Association, and the Livestock Research and Marketing Advisory Committee. He also served as both the Columbia Interstate Compact commissioner and the Snake River Compact commissioner.

In 1943 Cliff began his first term as a public official where he served for eight years in the capacity of county commissioner for the people of Teton County. During those same years Cliff became a member of the Board of Trustees for the University of Wyoming where from 1955 to 1962 he served as board president. Then, from 1963 to 1967 Cliff and Martha served as Governor and First Lady of the State of Wyoming.

In 1966 Cliff was elected to the United States Senate where he served from

January 3, 1967 until December 31, 1978 when he resigned and was replaced by my immediate predecessor, Former Senator Alan K. Simpson. He passed legislation that still provides for and protects Wyoming. One of those, federal mineral royalty sharing, is a major source of revenue for the state.

In April 1979 Cliff was awarded the William A. Steiger Award for public service in commemoration of his service to the people of Wyoming and the nation.

This, however, was not the end of Cliff's dedication to public service. In 1996, the University of Wyoming celebrated the dedication of the Cliff and Martha Hansen agricultural teaching center that was made possible by the couple's generous donations to the school.

One of the best testimonials about Cliff, however, can be found in the statement by one of his former employees. For the past three decades, the State of Wyoming has benefited by the fine service of Correspondence Coordinator Carroll Wood. Carroll was first hired by Cliff and has since worked for a total of three Wyoming senators including myself. On the subject of Cliff Hansen, Carroll writes: "Thank God for Cliff Hansen. He gave me the opportunity to work for him and I have survived three different senators from Wyoming. I am indeed in his debt for his confidence in me and I will never forget the love he has shown me and my family."

Mr. President, I too thank God for Cliff Hansen. He has dedicated his life to the people of Wyoming and is truly one of the giants of the State. Cliff and Martha Hansen are role models for my wife, Diana and I. Their continuing concern and consideration for other is unmatched. Naming this courthouse after Cliff would provide a small tribute to one who has done so much.●

By Mr. CRAPO:

S. 1795. A bill to require that before issuing an order, the President shall cite the authority for the order, conduct a cost benefit analysis, provide for public comment, and for other purposes; to the Committee on Governmental Affairs.

EXECUTIVE ORDERS LIMITATION ACT

Mr. CRAPO. Mr. President, I rise to introduce the Executive Orders Limitation Act of 1999.

A growing number of Americans have expressed concern that President Clinton has sought to bypass the constitutional role of Congress by issuing Executive orders or proclamations that have the force of law and the practical impact of law. Indeed, the use of Executive orders has increased dramatically. For example, the first 24 Presidents issued 1,262 Executive orders, whereas the last 17 Presidents have issued 11,798 orders.

The bill I introduce today seeks to strengthen article I of the Constitution which grants all legislative powers to the Congress. The bill seeks to strengthen our system of checks and balances by ensuring that all Executive orders are based on the President's expressed constitutional or statutory authority. The bill would require the President to cite the exact constitutional or statutory authority he is exercising when he issues an Executive order. It would require the publication of a cost-benefit analysis and a public comment period before an Executive order can take effect.

The act would also provide for expedited judicial review of questionable Executive orders. The Congress has previously set limits on the President's ability to issue Executive orders when it required that all orders be printed in the Federal Register. My bill would not in any way limit the President's ability to issue an Executive order which he has the constitutional right to issue. The Executive Orders Limitation Act of 1999 seeks to preserve the constitutional separation of powers by safeguarding Congress' legislative power, while at the same time protecting the President's constitutional and statutory authorities.

The question of how a law is enacted in America was one of the most important and significant debates in our constitutional convention. That is why we have a system of government established under our Constitution by which it is the Congress that makes the law that governs this Nation. The President then decides, as he has the right to do, whether to sign that law or not. We do not have a system where one man or even one branch of our Government has the ability to unilaterally create law. Yet that is what the practical effect of the use of Executive orders has become in today's timeframe in the way that President Clinton has begun using these Executive order powers.

This legislation will bring appropriate controls to the issue. If the President has constitutional or statutorily delegated authority to issue Executive orders in a given area, those authorities and those rights are preserved. But in those areas where Congress or the Constitution have not given the President the authority to enact and act as though he were imposing new legal requirements, then that is prohibited.

This legislation is critical. It should not be deemed a threat to anyone from any particular perspective on any issue. It should be deemed what it is, an effort to restore the balance of power and the system of government, in particular the system of making laws our constitutional founders intended when they created the Constitution of this country.

By Mr. LAUTENBERG (for himself, Mr. MACK, Mr. KYL, Mr. GRAHAM, Mr. ROBB, Mr. LOTT, Mr. LIEBERMAN, Mr. HATCH, Mr. CONRAD, Mr. HELMS, Mr. TORRICELLI, Mr. SPECTER, Mr. MOYNIHAN, Mr. HOLLINGS, Mr. SCHUMER, Mr. COVERDELL, Mr. EDWARDS, Mr. CLELAND, and Mr. SANTORUM):

S. 1796. A bill to modify the enforcement of certain anti-terrorism judgements, and for other purposes; to the Committee on the Judiciary.

THE JUSTICE FOR VICTIMS OF TERRORISM ACT

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the text of S. 1796 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1796

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ENFORCEMENT OF CERTAIN ANTI-TERRORISM JUDGMENTS.

(a) SHORT TITLE.—This Act may be cited as the "Justice for Victims of Terrorism Act".

(b) DEFINITION.—

(1) IN GENERAL.—Section 1603(b) of title 28, United States Code, is amended—

(A) in paragraph (3) by striking the period and inserting a semicolon and "and";

(B) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(C) by striking "(b)" through "entity—" and inserting the following:

"(b) An 'agency or instrumentality of a foreign state' means—

"(1) any entity—"; and

(D) by adding at the end the following:

"(2) for purposes of sections 1605(a)(7) and 1610 (a)(7) and (f), any entity as defined under subparagraphs (A) and (B) of paragraph (1), and subparagraph (C) of paragraph (1) shall not apply.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 1391(f)(3) of title 28, United States Code, is amended by striking "1603(b)" and inserting "1603(b)(1)".

(c) ENFORCEMENT OF JUDGMENTS.—Section 1610(f) of title 28, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A) by striking "(including any agency or instrumentality or such state)" and inserting "(including any agency or instrumentality of such state)"; and

(B) by adding at the end the following:

"(C) Notwithstanding any other provision of law, moneys due from or payable by the United States (including any agency, subdivision or instrumentality thereof) to any state against which a judgment is pending under section 1605(a)(7) shall be subject to attachment and execution, in like manner and to the same extent as if the United States were a private person."; and

(2) by adding at the end the following:

"(3)(A) Subject to subparagraph (B), upon determining on an asset-by-asset basis that a waiver is necessary in the national security interest, the President may waive this subsection in connection with (and prior to the enforcement of) any judicial order directing attachment in aid of execution or execution against the premises of a foreign diplomatic mission to the United States, or any funds held by or in the name of such foreign diplomatic mission determined by the President to be necessary to satisfy actual operating expenses of such foreign diplomatic mission.

"(B) A waiver under this paragraph shall not apply to—

"(i) if the premises of a foreign diplomatic mission has been used for any nondiplomatic purpose (including use as rental property), the proceeds of such use; or

"(ii) if any asset of a foreign diplomatic mission is sold or otherwise transferred for value to a third party, the proceeds of such sale or transfer.

"(4) For purposes of this subsection, all assets of any agency or instrumentality of a foreign state shall be treated as assets of that foreign state.".

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 117(d) of the Treasury Department Appropriations Act, 1999 (Public Law 105-277; 112 Stat. 2681-492) is repealed.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

By Mr. MURKOWSKI:

S. 1797. A bill to amend the Alaska Native Claims Settlement Act, to provide for a land conveyance to the City of Craig, Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS LEGISLATION

Mr. MURKOWSKI. Mr. President, today I introduce a bill to solve a problem unique to Alaska. The city of Craig is located in the far southeastern part of Alaska on Price of Wales Island, the third largest island in the country. Craig is unlike any other small town or village in Alaska. It has no land base upon which to maintain its local services, and no ability to utilize many federal programs which are dependent upon a large Alaska Native population for eligibility.

Nevertheless, the community has grown from a mostly Native population of 250 in 1971 to over 2,500 residents, most of whom are not Alaska Natives. Despite this, the town is surrounded by land selections from two different Alaska village corporations. In fact, 93 percent of the land within the Craig city limits is owned by these village corporations. Under federal law passed in 1987, none of the village land is subject to taxation so long as the land is not developed. The city of Craig has only 300 acres of land owned privately by individuals within its city limits to serve as it municipal tax base. It can annex no other land because the entire land base outside its municipal boundaries is owned by the federal government as part of the Tongass National Forest or other Alaska Native corporation.

Craig's demands for municipal services increase every year as costs go up and population increases. According to the State of Alaska, Craig is the fastest growing first class city in the state. Since its large non-Native majority population make the town and its residents largely ineligible for federal programs which service virtually all other ANSCA villages, it has requested a small conveyance of 4,532 acres of federal land located not far from the town. That land entitlement would permit the city to develop a land base upon which it could support its increasing demand for municipal services.

The land base which is included in this bill has been carefully chosen. It is less than 20 miles from the city and abuts the existing road system. It is the first available land from the city limits not owned by an Alaska native corporation. The land will complete a sound management system by providing municipal ownership of land adjacent to both existing private and state owned land. It will be a good use of this land which is nowhere near any environmentally sensitive lands such as wilderness areas. This part of Prince of Wales Island has roads, communities and other developed sites near it. There will be no land use conflicts created by this conveyance.

Mr. President, my bill provides a direct grant of 4,532 acres to the city. While I looked at a land exchange, the city has no land to trade. The city received no municipal entitlement because the Forest Service never agreed to any land selection by the State of Alaska in this part of Prince of Wales Island. The only substantial land near Craig besides the actual 300 acres on which Craig sits is owned by the federal government in the national forest or by Alaska Native corporations.

I intend to hold a hearing on this bill early in the next session, and begin the process to move the bill through the Senate to final passage in the Congress.

ADDITIONAL COSPONSORS

S. 341

At the request of Mr. CRAIG, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 341, a bill to amend the Internal Revenue Code of 1986 to increase the amount allowable for qualified adoption expenses, to permanently extend the credit for adoption expenses, and to adjust the limitations on such credit for inflation, and for other purposes.

S. 909

At the request of Mr. CONRAD, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 909, a bill to provide for the review and classification of physician assistant positions in the Federal Government, and for other purposes.

S. 1133

At the request of Mr. GRAMS, the name of the Senator from Tennessee (Mr. THOMPSON) was added as a cosponsor of S. 1133, a bill to amend the Poultry Products Inspection Act to cover birds of the order Ratitae that are raised for use as human food.

S. 1266

At the request of Mr. GORTON, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1266, a bill to allow a State to combine certain funds to improve the academic achievement of all its students.

S. 1303

At the request of Mr. MURKOWSKI, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1303, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 1322

At the request of Mr. DASCHLE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1322, a bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services.

S. 1419

At the request of Mr. MCCAIN, the names of the Senator from Wyoming (Mr. ENZI), the Senator from Texas (Mrs. HUTCHISON), the Senator from Georgia (Mr. CLELAND), the Senator from Michigan (Mr. LEVIN), the Senator from Nebraska (Mr. KERREY), the Senator from Michigan (Mr. ABRAHAM), and the Senator from Missouri (Mr. BOND) were added as cosponsors of S. 1419, a bill to amend title 36, United States Code, to designate May as "National Military Appreciation Month."

S. 1446

At the request of Mr. LOTT, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1446, a bill to amend the Internal Revenue Code of 1986 to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for essential governmental functions.

S. 1494

At the request of Mr. BINGAMAN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1494, a bill to ensure that small businesses throughout the United States participate fully in the unfolding electronic commerce revolution through the establishment of an electronic commerce extension program at the National Institutes of Standards and technology.

S. 1528

At the request of Mr. LOTT, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Nebraska (Mr. KERREY), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1547

At the request of Mr. BURNS, the names of the Senator from South Dakota (Mr. DASCHLE) and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 1547, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

S. 1619

At the request of Mr. DEWINE, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. 1619, a bill to amend the Trade Act of 1974 to provide for periodic revision of retaliation lists or other remedial action implemented under section 306 of such Act.

S. 1680

At the request of Mr. ASHCROFT, the names of the Senator from Utah (Mr. HATCH) and the Senator from Georgia (Mr. COVERDELL) were added as cosponsors of S. 1680, a bill to provide for the improvement of the processing of claims for veterans compensation and pensions, and for other purposes.

S. 1708

At the request of Mr. MOYNIHAN, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 1708, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to require plans which adopt amendments that significantly reduce future benefit accruals to provide participants with adequate notice of the changes made by such amendments.

S. 1770

At the request of Mr. LOTT, the names of the Senator from South Carolina (Mr. THURMOND) and the Senator from Michigan (Mr. ABRAHAM) were added as cosponsors of S. 1770, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research and development credit and to extend certain other expiring provisions for 30 months, and for other purposes.

S. 1771

At the request of Mr. ASHCROFT, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1771, a bill to provide stability in the United States agriculture sector and to promote adequate availability of food and medicine for humanitarian assistance abroad by requiring congressional approval before the imposition of any unilateral agricultural medical sanction against a foreign country or foreign entity.

S. 1776

At the request of Mr. CRAIG, the names of the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 1776, a bill to amend the Energy Policy Act of 1992 to revise the energy policies of the United States in order to reduce greenhouse gas emissions, advance global climate science, promote technology development, and increase citizen awareness, and for other purposes.

S. 1777

At the request of Mr. CRAIG, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1777, a bill to amend the Internal Revenue Code of 1986 to provide incentives for the voluntary reduction of greenhouse gas emissions and to advance global climate science and technology development.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. CONRAD, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution expressing the sense of Congress regarding the guaranteed coverage of chiropractic services under the Medicare+Choice program.

SENATE CONCURRENT RESOLUTION 60

At the request of Mr. FEINGOLD, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of Senate Concurrent Resolution 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

AMENDMENTS SUBMITTED

AFRICAN GROWTH AND OPPORTUNITY ACT

DEWINE (AND OTHERS) AMENDMENT NO. 2330

(Ordered to lie on the table.)

Mr. DEWINE (for himself, Mr. INOUYE, Mr. LOTT, Mr. CONRAD, and Mr. MCCONNELL) submitted an amendment intended to be proposed by them to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

At the appropriate place, insert the following new section:

SEC. . REVISION OF RETALIATION LIST OR OTHER REMEDIAL ACTION.

Section 306(b)(2) of the Trade Act of 1974 (19 U.S.C. 2416(b)(2)) is amended—

(1) by striking "If the" and inserting the following:

"(A) FAILURE TO IMPLEMENT RECOMMENDATION.—If the"; and

(2) by adding at the end the following:

"(B) REVISION OF RETALIATION LIST AND ACTION.—

"(i) IN GENERAL.—Except as provided in clause (ii), in the event that the United States initiates a retaliation list or takes any other action described in section 301(c)(1) (A) or (B) against the goods of a foreign country or countries because of the failure of such country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trade Organization, the Trade Representative shall periodically revise the list or action to affect other goods of the country or countries that have failed to implement the recommendation.

"(ii) EXCEPTION.—The Trade Representative is not required to revise the retaliation list or the action described in clause (i) with respect to a country, if—

"(I) the Trade Representative determines that implementation of a recommendation made pursuant to a dispute settlement proceeding described in clause (i) by the country is imminent; or

"(II) the Trade Representative together with the petitioner involved in the initial investigation under this chapter (or if no petition was filed, the affected United States industry) agree that it is unnecessary to revise the retaliation list.

"(C) SCHEDULE FOR REVISING LIST OR ACTION.—The Trade Representative shall, 120 days after the date the retaliation list or other section 301(a) action is first taken, and every 180 days thereafter, review the list or action taken and revise, in whole or in part, the list or action to affect other goods of the subject country or countries.

"(D) STANDARDS FOR REVISING LIST OR ACTION.—In revising any list or action against a country or countries under this subsection, the Trade Representative shall act in a manner that is most likely to result in the country or countries implementing the recommendations adopted in the dispute settlement proceeding or in achieving a mutually satisfactory solution to the issue that gave rise to the dispute settlement proceeding. The Trade Representative shall consult with the petitioner, if any, involved in the initial investigation under this chapter.

"(E) RETALIATION LIST.—The term 'retaliation list' means the list of products of a foreign country or countries that have failed to comply with the report of the panel or Appellate Body of the WTO and with respect to which the Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, October 26, 1999, at 9:30 a.m. in open session, to receive testimony on the status of U.S. military forces.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, October 26, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the interpretation and implementation plans of "Subsistence Management Regulations for Public Lands in Alaska, Subparts A, B, C, and C, Redefinition to Include Water Subject to Subsistence Priority: Final Rule."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet on Tuesday, October 26, 1999 at 10:00 a.m., to hear testimony on the Use of Seclusion and Restraints in Mental Hospitals and the Nomination hearing for William Halter, to be Deputy Commissioner, Social Security Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, the Committee on the Judiciary Subcommittee on Administrative Oversight and the Courts requests unanimous consent to conduct a hearing on Tuesday, October 26, 1999 beginning at 2:00 p.m. in S-407, The Capitol.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, the Committee on the Judiciary requests unanimous consent to conduct a hearing on Tuesday, October 26, 1999 beginning at 3:00 p.m. in Dirksen Room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet at 2:30 p.m. on Tuesday, October 26, 1999, in open session, to receive testimony on the Real Property Maintenance program and the Maintenance of Historic Homes and Senior Officers' Quarters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO DR. JOHN FRYMOYER

• Mr. JEFFORDS. Mr. President, I rise today to pay tribute to an outstanding Vermonter, Dr. John Frymoyer. John's unwavering commitment toward improving the health of all Vermonters serves as a testament to us all. His long and distinguished career began at the University of Vermont in 1964. Now, as he prepares for his retirement, he is a stunning example of how much one person can accomplish in a lifetime—how one person can positively affect so many.

John began his career specializing in orthopaedics and quickly became one of the world's leading authorities on lower back pain—something many of us can relate to. He served as Chairman of the Department of Orthopaedic Surgery from 1979–1987, and Chief Executive Officer of the University Health Center from 1987–1991. His leadership posts include the Director of the McClure Musculoskeletal Research Center and one of the founders of the Vermont Back Research Center. He also helped launch the acclaimed International Society for the Study of the Lumbar Spine.

John was one of the key architects of Fletcher Allen Health Care, which in 1995 combined the Medical Center Hospital of Vermont, Fanny Allen Hospital and the University Health Center. In doing so, Fletcher Allen emerged as one of northern New England's preeminent health care providers. It was a very bold move, but a necessary one considering the dynamics of our health care system. John rose to the challenge, and it was no surprise that he served as Fletcher Allen's first chief executive officer, simultaneously while he was at the helm of the College of Medicine.

Since 1991, John has served as Dean of the University of Vermont College of Medicine. Simply put, his accomplishments as Dean are far too many to list, but certainly, strengthening UVM's research programs, building a curriculum for the 21st century, and addressing the unique health care needs of our rural communities are among them. On a more personal note, whether as Dean, doctor or professor, John was always approachable, something I know his students, faculty and staff admired and appreciated.

I should also acknowledge John's willingness to personally advise me over the years on critical health care and education matters. As a longtime member, and now Chairman, of the committee which oversees health care and education policy, it was comforting to know that I could always rely on John's competence and expertise in such areas as medical research, telemedicine, home health care, graduate medical education and Medicare reform. In this, as in every other capacity, his mark has been left far beyond that of the UVM campus. It is this deep commitment to his patients, students and the greater community that has endeared him to us.

One might imagine that amidst all his responsibilities, John would find little time for extracurricular activities—not so. John is also an accomplished organist, a published author and a skilled woodworker. In fact, he designed much of the furniture adorning the Dean's office. He also helped design an extensive playground for Burlington's King Street Area Youth Program, and he served as a captain in the Vermont National Guard for eight years.

Vermont has much to be grateful for when it comes to John's steadfast commitment to improving the quality of life in our small state. Although he is retiring on the last day of this century, it is reassuring to know that his legacy will lead the College of Medicine, Fletcher Allen and the greater community we call Vermont, into the next millennium. For that, Vermont owes a great deal of gratitude to John Frymoyer. We wish him well •

THE PASSING OF MR. HARRY VANDEMORE

• Mr. JOHNSON. Mr. President, today I rise to honor the memory of a departed friend and trusted advisor, Harry VandeMore of Canton, South Dakota; a lifelong advocate for veterans and the citizens of Lincoln County, South Dakota.

Harry's dedication to community began with his own service in the Seventh Infantry Division of the United States Army. He served meritoriously on the frontlines of the Korean War, earning the Combat Infantryman Badge for Excellent Performance. Unfortunately, on October 14, 1952, he received serious combat injuries to the face, left arm, and left leg. For two years, he underwent thirty surgeries at Denver's Fitzsimmons Army Hospital to mend his injuries. As a result of his injuries, he was awarded the Purple Heart.

After being discharged, he returned to Hudson, South Dakota, where he married Rose Ann McNamara, his wife of forty-four years, and farmed the lands of Hudson with his parents and brothers. Community was second only to his family. Harry always brought his family to events he attended. Many people who worked with Harry knew his children just as well.

Harry dedicated his life to veterans "because he went through it," according to Rose, his wife. His first service was to help the returning Vietnam War veterans who were facing mass rejection. Harry was honored by his peers when he was elected to the Disabled American Veterans National Executive Committee for the Fourteenth District, gaining wide respect serving a four-state region. His dedication was also present with his eighteen years on the state D.A.V. Executive Committee where he served as state commander; with his years as American Legion Post Commander in Hudson; and as president of the South Dakota Veteran's Council.

Many have dedicated their life only to this very important cause, but Harry also served the whole community with seven years as chairman of the Hudson School Board and his years on the Lincoln County Planning and Zoning Commission. It was on the commission where he helped make roads safer for fellow farmers because they were farm-to-market roads.

Harry was always a valuable citizen-counsel to me. He always helped to keep me abreast of veterans' hardships during my days as a state legislator, then as a member of the House, and now, during my service in the U.S. Senate. I will forever miss his perspective on the uniquely tragic situation many of America's servicemen and women are in today. His life is a model to all South Dakotans and all Americans.

Harry VandeMore will be missed. He served by dedicating his life to his community and comrades, leading by example. As a soldier, a farmer, a husband and father, and as a public servant, he served not only the veterans, who are too often passed over, but the entire community, so others would not have to go through hardship.●

GRIZ ACES PROGRAM

● Mr. BURNS. Mr. President, I rise today to recognize the Griz ACES (Athletes Committed to Excellence in School, Sport, Services, and Social responsibility) Program at The University of Montana-Missoula. This Veterans Day, November 11, 1999, over 200 student athletes will forgo a holiday to serve the Missoula community by participating in "Smart Choice Day." Grizzly athletes will visit local schools and promote the concept of service above self. They will speak to students about the virtues of being a positive role model. Griz ACES is a comprehensive year-round program of personnel development that is based on our Nation's founding principle, which is service to country. I commend these student athletes and the service men and women who have provided the guiding light for this excellent program.●

TRIBUTE TO LT. COL. ALKIE CARL KAUFMAN

● Mr. REED. Mr. President, I rise today to recognize Lt. Col. Alkie Carl Kaufman (RET) on the occasion of his ninetieth birthday.

Lt. Col. Kaufman enlisted in the United States Army, Company E, 121st Infantry, Georgia National Guard in January 1927. In September 1940, he was called to active duty with the 121st Infantry, Fort Jackson, South Carolina. Lt. Col. Kaufman bravely served as a company commander in the 30th Infantry Division, 8th Infantry Division and 77th Infantry Division during World War II. Later, Lt. Col. Kaufman served as company commander, battalion executive officer, battalion commander, and Regimental S-2 (Intelligence Officer) with the 94th Infantry Division in the European Theater of Operations during World War II.

Following World War II and the Korean Conflict, Lt. Col. Kaufman proudly served his country across the country and around the globe. His assignments included Fort Lewis, Washington, Fort Bragg, North Carolina, Tokyo, Japan, and Giessen, Germany. Lt. Col. Kaufman retired from the Army in 1960 with more than 33 years of service to the nation.

After retiring from military service, Lt. Col. Kaufman joined the staff of the First National Bank of Brunswick and retired as Vice President for Loans in 1977.

Lt. Col. Kaufman and his wife Frances had two children who chose to follow in their father's footsteps and join the armed-services. Carl Kaufman retired from the U.S. Air Force with twenty-two years of service, and Col. Daniel Kaufman has served the United States Army for thirty-one years and is currently professor and Head of the Department of Social Sciences at the United States Military Academy.

I am proud to salute Lt. Col. Kaufman for his great service to his nation and his family and I wish him well as he celebrates his ninetieth birthday.●

TRIBUTE TO THE CHITTENDEN COUNTY METROPOLITAN PLANNING ORGANIZATION

● Mr. JEFFORDS. Mr. President, I rise today to recognize the Chittenden County Metropolitan Planning Organization (CCMPO) for having won the 1999 Overall Achievement Award from the Association of Metropolitan Planning Organizations.

In receiving this award, the CCMPO is being recognized by its peers for excellence in coalition building, innovative planning and programming, integration of transportation planning with land use and community development, and for implementation of the Surface Transportation Equity Act.

Citizen participation, consensus building and pragmatic implementation have long been hallmarks of Vermont civic life. I am proud that the CCMPO has received such a prestigious award for bringing these qualities to their work.

The Chittenden County Metropolitan Organization is an effective administrator of federal and state transportation funds, but has gone well beyond this basic role to also develop alternative transportation plans and support public transportation systems. The CCMPO has also taken an active role in exploring the relationship between transportation planning and smart growth strategies, helping to make Vermont a nationally recognized leader in this subject area.

Mr. President, it is with great pleasure that I join the Association of Metropolitan Planning Organizations in honoring the members and staff of the Chittenden County Metropolitan Planning Organization for their significant achievements.●

RETIREMENT OF JUDGE JOHN L. PETERSON

● Mr. BAUCUS. Mr. President, I rise today to pay tribute to the long and distinguished career of Judge John L. Peterson. After serving in the District Bankruptcy Court for 35 years, Jack is retiring. As a native of Butte, MT, Jack has become a fixture in the Montana court system.

His tenure on the bench has earned him the distinction as "Dean" of bankruptcy judges in this century. Jack is a no-nonsense type of judge, just ask any lawyer that has ever come before Judge Peterson, they had to learn that quickly. He has saved bankruptcy clients and lawyers thousands of dollars by pioneering video trials. He has proved over and over that he is innovative and effective. As the longest serving bankruptcy judge in the United States his experience and wisdom will be sorely missed..

Although his absence will leave a void in the courts, the handball courts and golf courses in Butte will get to see a lot more of him. Jack's retirement will also allow him to spend some welcome time with his wife, Jean, his three children and four grandchildren.

On behalf of myself and the people of Montana who have benefited from Judge Peterson's wisdom and service over the last 35 years, I extend my thanks and warmest wishes for a long and happy retirement.●

HONORING RAMON DE LA CRUZ

● Mr. TORRICELLI. Mr. President, I rise today to recognize the efforts of my constituent, Mr. Ramon de la Cruz, who serves as President of the Hispanic Bar Association, HBA, of New Jersey. Mr. de la Cruz is being honored on November 6, 1999 at the Annual Scholarship Gala of the Hispanic Bar Association of New Jersey, and I am proud to congratulate him on a job well done.

Recently, we celebrated National Hispanic Heritage Month. I am proud today to recognize the efforts of a man and organization who illustrate so well the strong work ethic, deep affinity to service and commitment to our nation of the Hispanic American community. For countless years, Hispanic Americans have played an integral role in our legal system, and I am proud to represent a state with a large concentration of Hispanic Americans. Their commitment to this country has not gone unnoticed.

Ramon de la Cruz has been active with the HBA for the past ten years and has served with distinction. He has lent his support to countless causes, including the promotion of qualified Hispanic lawyers for state and federal judgeships, creating scholarship opportunities for law students, and initiating professional exchange opportunities in conjunction with other bar associations. Additionally, Ramon has served as editor of ABOGADO, the official publication of the HBA, for four years. Furthermore, when it came time to consider candidates for the federal bench, Ramon was one of the people I turned to for assistance. I was proud to submit to the White House the nomination of Judge Julio Fuentes to the U.S. Court of Appeals for the Third Circuit, and Ramon worked extensively with my staff to bring this to fruition. Ramon has been vital to the success of the Hispanic Bar Association of New Jersey. Through his efforts, membership has grown to approximately three times that of previous years.

Mr. de la Cruz is a resident of Guttenberg in the diverse County of Hudson, which is home to countless Hispanic Americans that I have the privilege of representing. Since its inception and through Ramon's leadership, the HBA has been dedicated to making a real difference in our state, and indeed the nation. Ramon has brought vision and new energy to this organization.

The judicial branch plays such a critical role in the life of our democratic institutions, and the industry is well served by true professionals like Ramon de la Cruz. His credentials and background are indeed impressive.

The HBA's positive impact on the Hispanic community has spread to other communities in a manner that transcends racial and ethnic differences. Mr. President, activism is important to creating a sense of personal responsibility for one's community. The HBA embodies this concept, and should be celebrated for successfully instilling it in others. I take pride in recognizing distinguished individuals in the great State of New Jersey like Ramon de la Cruz.●

TRIBUTE TO CITY YEAR'S OUTSTANDING ACHIEVEMENT

● Mr. KENNEDY. Mr. President, I welcome this opportunity to commend City Year, a community service program which began eleven years ago in Boston. This landmark program became the prototype for AmeriCorps, which celebrates its own 5th anniversary this week.

City Year has an impressive history of working closely with Boston's Mayor Menino to support his work in developing youth leadership, protecting public health, and building stronger local communities. City Year also works closely with the Boston Superintendent of Schools, Tom Payzant, and other educational leaders to develop innovative curriculum-based service learning projects. City Year has also engaged area business in supporting its efforts, so that each year they have been able to increase its membership and its effectiveness.

Today, City Year organizations are found in eleven cities across the country. Each local corps is dedicated to offering 17–24 year olds a challenging year of full-time service, leadership development and community involvement. The founders of City Year—Michael Brown and Alan Khazei—has a vision that individuals working together could solve almost any problem. My brothers, President Kennedy and Senator Robert Kennedy, shared that vision. Today, that spirit of idealism is transforming communities across the country and inspiring thousands of young men and women to become involved in helping others.

A recent article in the Philadelphia Inquirer Magazine eloquently describes the extraordinary achievements of City Year, and I ask that it be printed in the RECORD.

The article follows.

CORPS VALUES

(By Melissa Dribben)

"Have you heard Robert F. Kennedy's theory about ripples?" asks Kelly Dura.

She tries to summon up the quote. "It's something like 'If you strike out against oppression with ripples of hope . . .' "

She frowns. "Wait," she says, "it's much better than that. I don't want to guess. I'll get it for you in a minute."

Dura, with a shag of red hair, looks at you straight on, through eyes big and clear as cat's-eye marbles. She wants to get this right. She wants to get everything right.

She's 24. A fervent idealist and veteran volunteer with City Year, an urban community service program, which is a division of the national Americorps.

If she can't rattle off the quotation verbatim, Dura clearly gets the gist.

The words were spoken by Kennedy in a speech about the effect a single person can have on the monumental problems of society. For Dura, as well as the 130 other young men and women who will serve this year in Philadelphia, inspirational quotations are sustenance. They help feed the corps' enthusiasm through what is a frequently difficult, but rewarding, time.

The work is hard, and the relationships intense.

"A lot of optimists come in, wanting to change everything right away," says Dura. "You just can't. Change takes time."

City Year volunteers, who receive a small stipend for their work, spend the year in teams of 10, mentoring elementary school students, distributing books to literacy centers and teaching children how to resolve conflicts without the use of knuckles or steel-toe boots. They spend time listening, really listening, to senior citizens in nursing homes, ladling out chicken and noodles in soup kitchens, rebuilding homes with Habitat for Humanity, painting murals on tenement walls and cleaning up weeds and old tires along SEPTA's train tracks.

While they are in the program, volunteers must promise not to spew any profanity in public, jaywalk, pierce any part of their face or wear Walkmen while out on the street (in case someone wants to ask them a question about the program).

"It's a sacrifice for a good cause," says Nikki Owens, 20, a senior corps member, who has had to postpone putting a stud below her lower lip.

The volunteers wear uniforms—white polo shirts, khaki pants, work boots and scarlet jackets—provided by Timberland, the program's national sponsor. Locally, their work is supported by corporations, who donate $70,000 or more each year for the City Year projects, a sum matched by federal grants.

The program, which is in its 10th year, was started in Boston by two Harvard Law School grads. There are now City Year teams in nine cities, plus Rhode Island. Three years ago, it landed in Philadelphia, where it has been one of the most successful—with the fastest growing membership in the country.

Some of the volunteers, like Dura, come from comfortable homes in the suburbs. Some are college graduates trying to find themselves before moving on with their lives and careers. Some are the daughters of drug addicts who grew up in the city's worst neighborhoods, or teenage fathers, or high school dropouts who were floundering until they bumped into a City Year recruitment officer.

Dion Jones, 22, had been "sitting around for a couple of years" after finishing high school in North Philadelphia. Last year, he was in the Gallery with his 2-year-old son, Saadiq, when the boy saw some balloons at a table and asked his father to get him one. At the table was a representative from City Year, doling out information and application forms. Jones filled one out. "I didn't know what kind of job it was," he says. "But I needed a paycheck."

A few weeks later, he got a call to come in for an interview. He missed the appointment. And the next. But after the City Year staff called a third time, he showed up.

"I did service in my own neighborhood," he says, rubbing the heavy ankh ring on his pinkie. "The one thing that gives me hope is the kids. They're happy to see you.

"Seeing them smile—it changed me. I've had to be more empathetic. I can't holler or curse. I'm being a role model for my son, 24 hours a day."

At the annual convention, held in Washington, D.C., at the end of May, each city competes for an award—the Cup of Idealism. This year, Philadelphia won. The huge silver cup sits gleaming on a table covered by a red plastic tablecloth in the City Year offices at 23d and Chestnut.

A tour takes less than five minutes. There are a few offices and a lot of snapshots of volunteers. I step into the elevator. "Hold it!" It is Dura, sprinting down the hall. "I found the quote."

"Let no one be discouraged by the belief there is nothing one man or one woman can do against the enormous array of the world's ills. * * * Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends a tiny ripple of hope, and, crossing each other from a million different centers of energy and daring, those ripples build a current which can sweep down the mightiest walls of oppression and resistance."●

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the Democratic Leader, pursuant to Public Law 100–696, announces the appointment of the Senator from California (Mrs. FEINSTEIN) as a member of the United States Capitol Preservation Commission, vice the Senator from North Dakota (Mr. DORGAN).

ORDER FOR TAKING OF PHOTOGRAPH

Mr. BROWNBACK. Mr. President, I ask unanimous consent that at the conclusion of today's session, it be in order for the Senate photographer to take photographs of the desk of our late colleague, John Chafee, and the flowers that sit there.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

EXECUTIVE SESSION

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider Executive Calendar No. 197 on today's Executive Calendar. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements related to the nomination be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was considered and confirmed as follows:

DEPARTMENT OF STATE

J. Richard Fredericks, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Principality of Liechtenstein.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

BOUNDARY CHANGE BETWEEN GEORGIA AND SOUTH CAROLINA

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 339, H.J. Res. 62.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The legislative assistant clerk read as follows:

A joint resolution (H.J. Res. 62) to grant the consent of Congress to the boundary change between Georgia and South Carolina.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. BROWNBACK. Mr. President, I ask unanimous consent the joint resolution be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 62) was read the third time and passed.

PROSTATE CANCER RESEARCH COMMITMENT RESOLUTION OF 1999

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the committee on HELP be discharged from further consideration of S. Res. 92, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative assistant read as follows:

A resolution (S. Res. 92) expressing the sense of the Senate that funding for prostate cancer research should be increased substantially.

There being no objection, the Senate proceeded to consider the resolution.

Mr. BROWNBACK. I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD, with the above occurring with no intervening action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 92) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 92

Whereas in 1999, prostate cancer is expected to kill more than 37,000 men in the United States and be diagnosed in over 180,000 new cases;

Whereas prostate cancer is the most diagnosed nonskin cancer in the United States;

Whereas African Americans have the highest incidence of prostate cancer in the world;

Whereas considering the devastating impact of the disease among men and their families, prostate cancer research remains underfunded;

Whereas more resources devoted to clinical and translational research at the National Institutes of Health will be highly determinative of whether rapid advances can be attained in treatment and ultimately a cure for prostate cancer;

Whereas the Congressionally Directed Department of Defense Prostate Cancer Research Program is making important strides in innovative prostate cancer research, and this Program presented to Congress in April of 1998 a full investment strategy for prostate cancer research at the Department of Defense; and

Whereas the Senate expressed itself unanimously in 1998 that the Federal commitment to biomedical research should be doubled over the next 5 years: Now, therefore, be it

Resolved,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "Prostate Cancer Research Commitment Resolution of 1999".

SEC. 2. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) finding treatment breakthroughs and a cure for prostate cancer should be made a national health priority;

(2) significant increases in prostate cancer research funding, commensurate with the impact of the disease, should be made available at the National Institutes of Health and to the Department of Defense Prostate Cancer Research Program; and

(3) these agencies should prioritize prostate cancer research that is directed toward innovative clinical and translational research projects in order that treatment breakthroughs can be more rapidly offered to patients.

ADOPTED ORPHANS CITIZENSHIP ACT

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 337, S. 1485.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative assistant read as follows:

A bill (S. 1485) to amend the Immigration and Nationality Act to confer United States citizenship automatically and retroactively on certain foreign-born children adopted by citizens of the United States.

There being no objection, the Senate proceeded to consider the bill.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1485) was read the third time and passed, as follows:

S. 1485

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Adopted Orphans Citizenship Act".

SEC. 2. ACQUISITION OF UNITED STATES CITIZENSHIP BY CERTAIN ADOPTED CHILDREN.

(a) AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT.—Section 301 of the Immigration and Nationality Act (8 U.S.C. 1401) is amended—

(1) by striking "and" at the end of subsection (g);

(2) by striking the period at the end of subsection (h) and inserting "; and"; and

(3) by adding at the end the following:

"(i) an unmarried person, under the age of 18 years, born outside the United States and its outlying possessions and thereafter adopted by at least one parent who is a citizen of the United States and who has been physically present in the United States or one of its outlying possessions for a period or periods totaling not less than 5 years prior to the adoption of the person, at least 2 of which were after attaining the age of 14 years, if—

"(1) the person is physically present in the United States with the citizen parent, having attained the status of an alien lawfully admitted for permanent residence;

"(2) the person satisfied the requirements in subparagraph (E) or (F) of section 101(b)(1); and

"(3) the person seeks documentation as a United States citizen while under the age of 18 years.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to persons adopted before, on, or after the date of enactment of this Act.

INCLUSION OF RAILROAD POLICE OFFICERS IN FBI LAW ENFORCEMENT TRAINING

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 336, S. 1235.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative assistant read as follows:

A bill (S. 1235) to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training.

There being on objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I am pleased that the Senate will approve S. 1235, legislation which I introduced to provide railroad police officers the opportunity to attend the Federal Bureau of Investigation's National Academy for law enforcement training in Quantico, Virginia. I thank Senators HATCH, BIDEN, DEWINE, SCHUMER, HELMS, and GRAMS for their co-sponsorship of our bipartisan bill.

The FBI is currently authorized to offer the superior training available at the FBI's National Academy only to law enforcement personnel employed by state or local units of government. Police officers employed by railroads are not allowed to attend this Academy despite the fact that they work closely in numerous cases with Federal law enforcement agencies as well as State and local law enforcement. Providing railroad police with the opportunity to obtain the training offered at Quantico would improve inter-agency cooperation and prepare them to deal with the ever increasing sophistication of criminals who conduct their illegal acts either using the railroad or directed at the railroad or its passengers.

Railroad police officers, unlike any other private police department, are commissioned under State law to enforce the laws of that State and any other State in which the railroad owns property. As a result of this broad law enforcement authority, railroad police officers are actively involved in numerous investigations and cases with the FBI and other law enforcement agencies.

For example, Amtrak has a police officer assigned to the New York City Joint Task Force on Terrorism, which is made up of 140 members from such disparate agencies as the FBI, the U.S. Marshals Service, the U.S. Secret Service, and the Bureau of Alcohol, Tobacco and Firearms. This task force investigates domestic and foreign terrorist groups and responds to actual terrorist incidents in the Metropolitan New York area.

Whenever a railroad derailment or accident occurs, often railroad police are among the first on the scene. For example, when a 12-car Amtrak train derailed in Arizona in October 1995, railroad police joined the FBI at the site of the incident to determine whether the incident was the result of an intentional criminal act of sabotage.

Amtrak police officers have also assisted FBI agents in the investigation and interdiction of illegal drugs and weapons trafficking on transportation systems in the District of Columbia and elsewhere. In addition, using the railways is a popular means for illegal immigrants to gain entry to the United States. According to recent congressional testimony, in 1998 alone, 33,715 illegal aliens were found hiding on board Union Pacific railroad trains and subject to arrest by railroad police.

With thousands of passengers traveling on our railways each year, making sure that railroad police officers have available to them the highest level of training is in the national interest. The officers that protect railroad passengers deserve the same opportunity to receive training at Quantico that their counterparts employed by State and local governments enjoy. Railroad police officers who attend the FBI National Academy in Quantico for training would be required to pay their own room, board and transportation.

This legislation is supported by the FBI, the International Association of Chiefs of Police, the Union Pacific Railroad Company, and the National Railroad Passenger Corporation.

I urge prompt consideration by the House of Representatives of this legislation to provide railroad police officers with the opportunity to receive training from the FBI that would increase the safety of the American people.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1235) was read the third time and passed, as follows:

S. 1235

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF RAILROAD POLICE OFFICERS IN FBI LAW ENFORCEMENT TRAINING.

(a) IN GENERAL.—Section 701(a) of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771(a)) is amended—

(1) in paragraph (1)—

(A) by striking "State or unit of local government" and inserting "State, unit of local government, or rail carrier"; and

(B) by inserting ", including railroad police officers" before the semicolon; and

(2) in paragraph (3)—

(A) by striking "State or unit of local government" and inserting "State, unit of local government, or rail carrier";

(B) by inserting "railroad police officer," after "deputies,";

(C) by striking "State or such unit" and inserting "State, unit of local government, or rail carrier"; and

(D) by striking "State or unit." and inserting "State, unit of local government, or rail carrier.".

(b) RAIL CARRIER COSTS.—Section 701 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771) is amended by adding at the end the following:

"(d) RAIL CARRIER COSTS.—No Federal funds may be used for any travel, transportation, or subsistence expenses incurred in connection with the participation of a railroad police officer in a training program conducted under subsection (a).".

(c) DEFINITIONS.—Section 701 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771) is amended by adding at the end the following:

"(e) DEFINITIONS.—In this section—

"(1) the terms 'rail carrier' and 'railroad' have the meanings given such terms in section 20102 of title 49, United States Code; and

"(2) the term 'railroad police officer' means a peace officer who is commissioned in his or her State of legal residence or State of primary employment and employed by a rail carrier to enforce State laws for the protection of railroad property, personnel, passengers, or cargo.".

AUTHORIZING THE USE OF THE CAPITOL ROTUNDA FOR THE PRESENTATION OF THE CONGRESSIONAL GOLD MEDAL TO PRESIDENT AND MRS. GERALD R. FORD

Mr. BROWNBACK. Mr. President, I ask unanimous consent that H. Con Res. 196 be discharged from the Rules Committee and, further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The legislative assistant read as follows:

A concurrent resolution (H. Con. Res 196) permitting the use of the rotunda of the Capitol for the presentation of the Congressional Gold Medal to President and Mrs. Gerald R. Ford.

There being no objection, the Senate proceeded to consider the resolution.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 196) was agreed to.

ORDERS FOR WEDNESDAY, OCTOBER 27, 1999

Mr. BROWNBACK. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Wednesday, October 27. I further ask consent that on Wednesday, immediately following the prayer, the Journal of the proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then proceed to a period of morning business, with Senators permitted to speak therein for up to 5 minutes each, with the following exceptions: Senator DURBIN or designee, from 9:30 to 10 a.m.; Senator THOMAS or designee, from 10 to 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BROWNBACK. Mr. President, for the information of all Senators, the Senate will be in a period of morning business from 9:30 to 10:30 a.m. By a previous consent agreement, debate on the African trade bill will begin at 10:30 a.m. Amendments to the bill are expected, and it is hoped that time agreements can be reached on those amendments so that the Senate can complete action on the bill in a timely manner. The Senate may also consider legislative or executive calendar items cleared for action during tomorrow's session of the Senate.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. BROWNBACK. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:26 p.m., adjourned until Wednesday, October 27, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 26, 1999:

THE JUDICIARY

ANNA BLACKBURNE-RIGSBY, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS, VICE ERIC T. WASHINGTON.

THOMAS J. MOTLEY, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS, VICE ROBERT SAMUEL TIGNOR, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. BRUCE A. CARLSON, 4082

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. STEPHEN B. PLUMMER, 9541

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general, Medical Corps

COL. LESTER MARTINEZ-LOPEZ, 1323

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. BRUCE B. BINGHAM, 6793

CONFIRMATION

Executive nomination confirmed by the Senate October 26, 1999:

DEPARTMENT OF STATE

J. RICHARD FREDERICKS, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PRINCIPALITY OF LIECHTENSTEIN.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Tuesday, October 26, 1999*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. OSE).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 26, 1999.

I hereby appoint the Honorable DOUG OSE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from North Carolina (Mr. BALLENGER) for 5 minutes.

EL SALVADOR'S DRIVE TO PRIVATIZE SHOULD BE RECOGNIZED AS A JOB WELL DONE

Mr. BALLENGER. Mr. Speaker, I have a longstanding interest in the growth and prosperity of one of our most important Central American neighbors, the Republic of El Salvador. Today, I would like to recognize the impressive privatization process that is going on in El Salvador, with a particular emphasis on the country's successful privatization program.

El Salvador embarked on a major program to privatize the key national industries nearly a decade ago. Since that time, the state electric company known as CEL, for Comision Hidrolectrica del Rio Lempa, has been a consistent leader in the country's privatization process.

In 1998, CEL auctioned off 75 percent of the shares of four state-owned electrical distribution companies for more than $586 million, representing the most money earned to date in any privatization in the region.

One of the three winning bidders in this sale was a well-known Arlington, Virginia, based energy firm called AES Corporation.

Last June, this successful privatization program continued with CEL auctioning off the majority shares in three state-owned thermal generation facilities, Acajutla, Soyapango, and San Miguel, to private investors. The winning bid in this sale, $125 million, came from another well-known company in the U.S., Duke Energy, which is based in my home State of North Carolina. As I speak, Duke is already making plans to invest more than $75 million in upgrades to these facilities.

The most recent sale represents a win/win situation for both El Salvador and the U.S. This investment will not only mean more jobs and more income for people in North Carolina, but will also mean more consistent, cost effective energy for people of El Salvador.

El Salvador's privatization process, which also includes the state telephone company and pension plan, has been successful because political parties and labor unions put aside their differences and decided to work together to lead the country into a bright and secure economic future.

This unity and sense of purpose is proof positive that El Salvador has indeed come a long way since the war-torn 1980s. Other countries in the region, and beyond, should be encouraged to follow in the footsteps of El Salvador.

In closing, I would like to extend our best wishes to El Salvador for a job well done, as well as wish the country, and particularly President Francisco Flores, continued success in the drive to privatize and bring increased prosperity to the people of El Salvador.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 4 minutes a.m.), the House stood in recess until 10 a.m.

☐ 1000

AFTER RECESS

The recess having expired, the House was called to order at 10 a.m.

PRAYER

The Reverend Stuart York, Rosemead Christian Church, West Covina, California, offered the following prayer:

Father, we praise and thank You for Your patience, grace and mercy that allow us one more day to serve You and the Nation.

Today we celebrate the life of John Chafee. May Your divine comfort and the legacy of the man as a husband, father, grandfather and statesman give strength and solace to Virginia and to the family.

Please bless and protect President Clinton, his family, Cabinet, staff and our Armed Forces serving around the world.

Today we feel heavy burdens. Earthquakes, hurricanes and floods have brought death and devastation to thousands at home and abroad. The innocent victims of violence, crime, injustice, hate and prejudice cry out for help.

But this we know, the faintest cry from the loneliest heart in the remotest part of the planet will not go unheard. Even now You are marshaling the forces of nations and peoples to rescue the perishing and care for the dying.

You brought every Member of this House here for a time such as this, 435 good, dedicated, caring people who really want to make the right decisions for the people who sent them here. However, tremendous pressures are bombarding them. Some pressures are of the purest motives. Others are of greed, selfishness and partisanship. Give each Member the wisdom to know what is right, the strength to do what is right and the courage to reject those who would compromise the integrity of this high office. Remind us that it is not always easy to do the right thing but it is always the right thing to do.

And, Father, let the family members and loved ones, especially Mrs. Chafee today, know that they too are true American heroes. They pay a high price keeping the home fires burning while giving strength and support for these representatives to carry on the responsibility of government.

God, use us to bless America. To You be honor and glory in all things. In Christ's name, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Kansas (Mr. TIAHRT) come forward and lead the House in the Pledge of Allegiance.

Mr. TIAHRT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 206

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable John H. Chafee, a Senator from the State of Rhode Island.

Resolved, That Senator Chafee's record of public service embodied the best traditions of the Senate: Statesmanship, Comity, Tolerance, and Decency.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

WELCOME TO THE REVEREND STUART YORK

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, it is a special honor for the gentleman from California (Mr. GARY MILLER) and me to welcome Pastor Stuart York and his wife Alicia into the Chamber. We want to express our appreciation to him for the very inspiring words of prayer that he offered us.

Pastor York has dedicated his life to spiritual guidance and to public service. He served as pastor in churches in Missouri, Oklahoma and California, and in California he has been pastor, as the Speaker said, of the Rosemead Christian church for the past 11 years. He also was President of the Missouri Christian Convention and is chairman of the board of trustees at St. Louis Christian College where he graduated.

Pastor York and his wife Alicia have five children, Anna, Tammy, Wendy, Joshua and Rebekah. As a resident of West Covina, he has been active as a leader in local government and various charitable organizations. In fact, I on more than a few occasions have seen him play the role of Santa Claus. I am very proud to have him here in Washington, D.C. I join my colleagues in the House in thanking our distinguished guest chaplain for bringing us this very inspirational message today.

IRS OUT OF CONTROL

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. America's income tax is not only un-American, it is socialism at its best. It promotes dependency, penalizes achievement, kills jobs, kills investment, and subsidizes illegitimacy. It is out of control, Members of Congress. If that is not enough to tax your Social Security from cradle to the grave they keep busting our balsam and taxing us even when we die.

Beam me up here, Mr. Speaker. I say it is time to literally abolish both the IRS and the progressive un-American socialistic income tax.

Audit this. I yield back the socialism of our income tax program.

CALL FOR OVERSIGHT HEARINGS INTO GROWING BODY PARTS INDUSTRY

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I read an article in World Magazine this week entitled "Harvest of Shame" about a new and growing industry in America. This industry trafficks in body parts, parts of babies' bodies, organs and tissues of aborted babies. This business provides fee for services schedules listing the prices they charge for almost any body part you can think of, eyes, livers, brains, thymuses, blood, among other things.

Mr. Speaker, we are not talking about the People's Republic of China. We are talking about the United States of America. Now we know why the partial birth abortion procedure was developed, to give this industry whole body parts. The direction our country is going, the exploitation of innocent and voiceless people, children, babies, for the supposed benefit of the rest of us is shocking. We should be outraged not only because it is a violation of Federal law but because this callous disregard of human life is very real, very grotesque, it is growing steadily and it is done in the name of research. Apparently money talks and many are listening.

Mr. Speaker, oversight hearings should be held immediately on this issue.

INTRODUCTION OF RESOLUTION CALLING FOR RATIFICATION OF CEDAW

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, I am here today because of an alarming pattern of inaction on the part of the Senate. After voting down the comprehensive nuclear test ban and trying to kill the nomination of Senator Carol Moseley-Braun to be ambassador of New Zealand, one Member in particular is continuing to hold the United Nations convention on eliminating all forms of discrimination against women, or CEDAW, hostage. CEDAW formalizes women's equality and promotes women's inclusion in business, government and other economic and social sectors. CEDAW has absolutely nothing to do with family planning or abortion, and more than 160 countries have already ratified this important treaty supporting basic human rights for women. The United States in fact is the only industrialized democracy that has not ratified CEDAW. This is a disgrace.

Mr. Speaker, I urge my colleagues in the House to cosponsor my resolution calling on the Senate to ratify CEDAW in this Congress.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KOLBE). The Chair will remind all Members they should avoid admonishing the other body to take action or not to take action.

REPUBLICANS COMMITTED TO PROTECTING SOCIAL SECURITY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, for the first time in 30 years, we have an historic opportunity to do what is right for America. We have an opportunity to pass a budget that does not dip into the Social Security trust fund.

Republicans are committed to protecting Social Security for future generations of Americans. However, the Democratic leadership seems to have other priorities. They seem to believe that spending the Social Security surplus would be a political victory for them. They would rather score political points than secure America's future.

Today I rise to urge my friends on the other side of the aisle to put their partisan agenda aside and join with the Republicans in saving and preserving 100 percent of the Social Security trust fund. Help us pass a budget that would put an end to the 30-year raid on Social Security. Work with us to put partisanship aside and do the right thing for all Americans and their future.

I yield back the balance of my time and 100 percent of the Social Security trust fund.

CALLING FOR INCREASED ACCESS TO HEALTH CARE FOR PEOPLE OF COLOR

(Mrs. CHRISTENSEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, this body will soon be voting on the conference report to the Labor-HHS appropriations bill. This gives us the opportunity to greatly improve the health of people of color.

As we prepare to enter the 21st century, the poor, African-Americans and other ethnic minorities are essentially no healthier than they were at the opening of this one. There remains a gaping divide between whites and people of color in heart disease, cancer, diabetes, infant mortality and HIV/AIDS.

The Congressional Black Caucus was able to mount an unprecedented initiative to target $156 million to communities of color across this country to address the state of emergency that exists with respect to HIV/AIDS and access to care. Although we made an impact, we need to do much more to increase access to the resources needed to raise the health status of minorities in this country.

I appeal to this Congress to respond by fully funding the President's requests for health, by increasing the funding for the CBC initiative to $349 million, health disparities to $150 million and including the $35 million for AIDS in Africa.

My colleagues, health care delayed is health care denied. Let us not deny hundreds of millions of Americans their right to good health.

ANNOUNCING FORMATION OF THE BUILDING A BETTER AMERICA CAUCUS

(Mr. GARY MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY MILLER of California. Mr. Speaker, just by looking around at our homes, our offices, our roads and our local infrastructure, we can see that construction has an important impact on our lives. The U.S. construction market totaled $652 billion in 1998 which was 8.13 percent of our gross domestic product, which is GDP. Construction employed 5,970,000 workers with a payroll of $160 billion in 1998 which is about 6 percent of the Nation's nonfarm, private sector employment. The construction industry is comprised of nearly 2 million small and large firms. Construction is larger than the automotive and steel industries combined.

Because construction is such an important part of our everyday lives, I have started the Building a Better America Caucus. The purpose of the caucus is to educate Members of the Congress on building-related issues that impact our districts and our constituents, from affordable housing to airport construction.

I urge all my colleagues to support our Nation's builders by joining the Building a Better America Caucus and supporting commonsense legislation to build a better America.

REPUBLICAN CONGRESS WILL STOP THE RAID ON SOCIAL SECURITY

(Mr. STEARNS asked and was given permission to address the House for 1 minute.)

Mr. STEARNS. Mr. Speaker, it is no secret that the Federal Government wastes billions of dollars every year through bureaucratic mismanagement. Add waste, fraud and abuse to the equation and we are talking about some pretty big dollars. That is money that could be used in a much more worthwhile way for strengthening the Social Security trust fund.

We have a choice here in Congress. Do we want to continue the old Democrat practice of raiding the Social Security trust fund to pay for big government programs while overlooking waste, fraud and abuse just as they did the last time they had control of this body? The answer is "no."

For too many years, Democrats in Washington raided Social Security while making no effort to hold government agencies accountable for how they spent the taxpayers' money. I am proud to say that the Republican Congress will hold the bureaucracy accountable. We will make them find ways to eliminate waste, fraud and abuse. And better yet, we will stop the raid on the Social Security trust fund.

□ 1015

PASS THE LABOR-HHS BILL

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, time is fast approaching for this Congress to do its business. There are at least five appropriations bills that we have not yet addressed. We call it deadlock; but in my town of Houston, we cannot afford any more deadlock as it relates to our children. Violence continues. Just this past week we lost a young middle schooler through a violent act in his school, struck down by a screwdriver to his head.

There is a great need for attention to our children, for stopping the violence, for intervention; and we need to pass a Labor-HHS bill that will provide more funding for mental health.

I will be offering before the session ends the Give-a-Kid-a-Chance Omnibus Mental Health Bill, which provides access to mental health services for all of our children, to make sure that our community health clinics provide a holistic approach to the treating of the parent, the child, the support system around that child, the community, in order to understand that ending violence with our children is a community effort, a community affair, and mental health is not bad, it is good.

Pass the Labor-HHH bill and provide more funding for mental health services in America.

DAY 152 IN THE LOCKBOX BILL HOSTAGE SITUATION

(Mr. VITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VITTER. Mr. Speaker, on Sunday we reached a milestone in the wait for the other body to consider the lockbox bill this House passed on May 26. Sunday was day 150 since the Lockbox bill of the gentleman from California (Mr. HERGER) to protect Social Security from the Congressional big spenders passed this House by the overwhelming vote of 416 to 12.

That is right. On Sunday, when President Clinton's supporters were on TV talk shows accusing the Republican Congress of threatening Social Security, it was exactly 150 days since those very Clinton supporters took the Lockbox bill hostage. They refused to allow a vote to stop the raid on Social Security forever. Now it has been 152 days since this body passed the Lockbox bill, and the other body has not acted.

Mr. Speaker, House Republicans are committed to stopping the raid on Social Security, now and in the years to come. We hope the President will join us by offering real leadership to pass a real Lockbox bill.

REPUBLICAN BUDGET PLAN MAKING WRONG-DECISIONS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the Republican leadership's budget plan does not make the tough decisions that we were sent here to make. Instead, it makes wrong decisions. According to their own, their own accounting office, the Republican leadership has already spent $13 billion from Social Security. In fact, they have picked the lockbox.

This money should not be spent. It should be kept in the Social Security Trust Fund so that we are prepared when the baby-boomers retire. No amount of rhetoric can change the facts. The Republican leadership is spending Social Security, despite the priorities of the American people.

This budget is a windfall for special interests, billions of dollars for military equipment that the Pentagon does not even want. Billions more will go for corporate welfare that opens public lands to oil and timber interests. Yet the budget cuts funding for smaller classes, which would improve discipline and give children more individual attention. It also cuts funding for police officers that have reduced crime in our neighborhoods. It ignores the fact that our seniors need a moderate Medicare program with a prescription drug benefit. It is irresponsible and poorly planned.

PROTECTING THE SOCIAL SECURITY TRUST FUND

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, it is crunch time. After today, eight of the 13 spending bills will be signed into law. Seventy percent of our budget will be law. The remaining five spending bills will complete the financial responsibility for the U.S. Government. When we are done, we will have balanced the Federal budget without spending one cent of the Social Security surplus.

Using bogus ground rules, some liberals are saying that we have already spent the Social Security surplus. It is not true. But, Mr. Speaker, if they are so concerned, they should vote for our across-the-board 1.29 percent savings. That will protect the Social Security Trust Fund. All you have to do is crunch about 1 cent out of every dollar of Federal spending, discretionary spending, and we will save it.

It is crunch time, Mr. Speaker, time to crunch Government waste and save the Social Security Trust Fund.

CONGRATULATING THE MEN AND WOMEN OF THE SPANISH AMERICAN LEAGUE AGAINST DISCRIMINATION

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to congratulate the men and women of the Spanish-American League Against Discrimination, SALAD, who are dedicated to promoting the intellectual, educational, economic and social progress of Hispanics, as well as other ethnic groups.

As many of us enjoy the peace and prosperity of our Nation's economic growth, some have blinded ourselves to the persisting culture of bigotry which can be aimed at Hispanics and other minority groups.

For 25 years the hard working group at SALAD has sought to defend Hispanics and others from this mistrust. With the assistance of SALAD, communities are learning that given a level playing field, Hispanic Americans, and, indeed, all Americans, can achieve their goals, if they educate themselves, work hard, and never give up on their dreams.

I congratulate the Spanish American League Against Discrimination, and especially its president and founder, Dr. Osvaldo Soto, on SALAD's 25th Silver Anniversary.

COMMITTING ENOUGH MONEY TO THE EDUCATION OF OUR CHILDREN

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, the entire appropriations process has been short circuited because of the Labor-HHS-Education appropriations bill. This is wrong. It is the very last appropriations bill that we are going to be considering. In fact, it should have been marked up and dealt with the first, instead of last. And here it is, being brought to the floor without going through the Committee on Rules. It was crafted in some back room, and it is squeezed into a conference committee report that was already vetoed by the President, the District of Columbia Appropriations Act. Now, is that not the tail wagging the dog?

Education appropriations is so important to the whole country, and yet we are going to piggyback the District of Columbia appropriations bill out of the conference committee. The bill has a 1.4 percent cut in education spending, which works out to be $400 million. The funding for education is $100 million below what the President asked for and $700 million below what our colleagues in the Senate passed.

This bill would eliminate one of our most important initiatives, class size reduction, by making it into a $1.2 billion block grant.

I had the opportunity yesterday to be in Houston before I came back to Washington, and saw the success of Title I funding and bilingual funding in our Houston schools.

HANDS OFF THE SOCIAL SECURITY SURPLUS

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I listened with great interest to my colleague from Texas, because he proves a seminal point in this budget debate: there is no program under the aegis of the left that is worthy of realizing any savings.

That is the bottom line. This entire debate is about our friends of the liberal persuasion wanting to spend more and more and more and more of the American people's money.

Now, what we are talking about is a fairly generous sum, over $1.7 trillion, in this year's budget. We simply say hands off the Social Security surplus. Do not spend it on non-Americans, as the President wants to do in vetoing our foreign aid bill. Let us put our Nation's interests first. Let us be good stewards of the American people's tax dollar.

For every $10 spent, we can realize a savings certainly of 13 cents. But, then again, Mr. Speaker, I understand this is Washington; and, then again, there are those who will defend waste.

NO MEANS NO WHEN IT COMES TO PROTECTING SOCIAL SECURITY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, as the White House said it best, John Podesta, the Chief of Staff, said, "The Republicans' key goal is not to spend the Social Security surplus." That comes from the leading liberal Democrat over there.

Indeed, that is what we have done. This chart right here shows, particularly on the bottom part, that we have in fact not spent any of the Social Security surplus. It is very important.

But now where are the Democrats on this process? Well, here is the minority leader. "The Democrats will spend a little bit of the money." He is saying that we should not try to do it, but we are going to have to do it.

That is the difference right now between the Democrats and the Republicans. Republicans are saying, "No means no. We don't want to spend any Social Security money for balancing the budget." The Democrats are saying, "Let's spend a little bit of it."

Now, what is our way of getting around it? We say that out of every $10 in spending, ten bucks, we are asking the Federal Government agencies to save 13 cents. That is all it is, save 13 cents. To give an example, the President went to Africa last year and took 1,700 people. Two would have had to stay at home under our plan.

JOINING TOGETHER TO SAVE SOCIAL SECURITY

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I am going to try to give a quick 1-minute summary. For the 40 years before the Republicans took the majority in this House, spending of the United States Government increased faster than inflation every year. Now we are starting to bring that spending increase down, and we have balanced the budget without using Social Security money for the first time in 40 years this year.

Despite the fact that we have reduced discretionary spending as a percent of GDP for the past five years we are still using 20.8 percent of the gross domestic product of this country in spending and running this Federal Government, the highest spending in history, the highest rate of taxation in history. Now we are asking departments just to try to hold the line, to increase efficiency, to get rid of some waste and some fraud and some abuse in their spending.

You have heard the figure one percent. That is how much we need to reduce what is authorized. It is 0.8 percent of outlays, 0.8 percent reduction in what is now expected to be spent. We are saying to those administrators, directors, department heads, try to look at efficiencies to save 8 cents out of every $10. Correct and stop some of the fraud and abuse. Mr. Speaker, they can do it. Let us do it. Let us join together. Let us save Social Security.

A PENNY SAVED IS RETIREMENT SECURED

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, I would like to take a moment to set the record straight. Despite the accusations being lodged by the Democrat tax-and-spend caucus, the Republican plan to save Social Security for millions of Americans does not mandate cutting any government programs. It does not touch Medicare, Medicaid, veterans' pensions, food stamps, or any other important benefits program.

Instead, it makes the heads of Federal agencies more accountable for how they spend the taxpayers' hard-earned money. We are telling them we think they can do better and we are telling them they must work to eliminate waste, fraud, and abuse in their agencies, because if they don't, they will jeopardize the retirement security for three generations of Americans.

No longer will Congress stand idly by as the Washington big spenders live like parasites off the retirement dollars of working Americans. The Republican Congress will set aside 1 penny of every Federal dollar to meet our commitment to the American people. A penny saved is retirement secured.

SECURING SOCIAL SECURITY FOR THE AMERICAN PEOPLE

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, Sunday the Democratic leader of the Congress, RICHARD GEPHARDT, showed his party's true colors. While the Republican majority has made a commitment to the American people to spend not a penny of the Social Security surplus, the Democratic leader feels differently. He said yesterday, "We really ought to spend as little of it as possible."

Is that not grand? "As little as possible." We all know what that means. It means that the Democrats here in Congress want to spend more money on government and use what is left for Social Security.

That is just not good enough. We can meet our commitment to our Nation's retirees by setting aside barely a penny, a penny, of every dollar that government spends. It is that simple.

While the bureaucrats in Washington might be upset that they will have to eliminate some waste, fraud, and abuse in their agencies, the American people will be happy to know that their retirements are secure. Let us just do it.

NATION AWAITS ADMINISTRATION'S PLAN FOR SAVING SOCIAL SECURITY

(Mr. OSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OSE. Mr. Speaker, I rise today, as I did last week and previous days, to again request that the administration deliver to the House its plan for Social Security.

Now, I saw the report in the newspaper this weekend about the President's pending delivery; but, in fact, there is nothing here yet. We are now on day 299 from when I first got here, still looking for that plan.

Mr. Speaker, we have reserved H.R. 1 for this purpose. We are still waiting. Talk is talk, and action is action. Now is the time for action.

I ask that the administration finally deliver its plan for Social Security. The Nation awaits.

□ 1030

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KOLBE). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Rollcall votes on postponed questions may be taken in two groups, the first occurring before debate has concluded on all motions to suspend the rules, and the second after debate has concluded on remaining motions.

TWO YEAR EXTENSION OF PERIOD FOR ADMISSION OF AN ALIEN AS A NONIMMIGRANT

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3061) to amend the Immigration and Nationality Act to extend for an additional 2 years the period for admission of an alien as a nonimmigrant under section 101(a)(15)(S) of such Act, and to authorize appropriations for the refugee assistance program under chapter 2 of title IV of the Immigration and Nationality Act.

The Clerk read as follows:

H.R. 3061

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SENSE OF CONGRESS.

In light of the increasing problem of alien smuggling into the United States, it is the sense of the Congress that the Attorney General should use the provision of nonimmigrant status under section 101(a)(15)(S) of the Immigration and Nationality Act in a greater number of alien smuggling investigations per year than has been done in the past.

SEC. 2. EXTENSION OF AUTHORIZATION FOR ADMISSION OF "S" VISA NONIMMIGRANTS.

Section 214(k)(2) of the Immigration and Nationality Act (8 U.S.C. 1184(k)(2)) is amended by striking "5" and inserting "7".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR REFUGEE ASSISTANCE.

Section 414(a) of the Immigration and Nationality Act (8 U.S.C. 1524(a)) is amended by striking "1998 and 1999" and inserting "2000 through 2002".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3061 reauthorizes two longstanding important immigration programs, both of which ran out in September and may not properly continue until they are reauthorized.

Authorization for 250 "S" visas per year, which are used by the Justice Department to obtain the testimony of informants in international organized crime cases, ran out on September 13, 1999, and no visas may be issued until it is reauthorized.

Since its initiation in 1994, the "S" visa has proved to be a valuable tool for law enforcement. According to the Justice Department, the agency is currently involved in a number of ongoing criminal investigations where the "S" visa would be useful, and time is of the essence. H.R. 3061 reauthorizes the program, and also expresses the sense of Congress that "S" visas should be used in more investigations of alien smuggling, which is a growing and serious problem.

H.R. 3061 also reauthorizes the refugee resettlement program that assists refugees to the United States by providing job training, language training, and other services. The bill creates no new funding or regulatory requirements. It simply reauthorizes two important existing programs.

I urge my colleagues to support H.R. 3061.

Mr. Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Violent Crime Control Act of 1994 created a new "S" nonimmigrant visa classification. It permits up to 300 foreign nationals a year to enter the United States to provide information that is needed for the investigation and prosecution of criminal and terrorist organizations.

The Violent Crime Control Act also permits the Attorney General to grant lawful permanent resident status to the foreign nationals who provide this assistance. This is available in cases where the information supplied substantially contributes to the prevention of an act of terrorism or to the success of an important criminal investigation or prosecution. This is necessary because many of these people are in danger in their home countries after they have cooperated with an investigation or testified in a criminal proceeding.

This is also helpful because of the use of our particular law enforcement and justice system that requires the information these individuals may provide us in order to safeguard the lives of the American people.

One of the people who provided information under this program was a flight attendant who was in a plane on which a bomb had been placed. Her testimony led to the conviction of a major terrorist and other members of his terrorist organization. Another person in this program was an individual in a central European capital who provided critical information about Russian organized crime syndicates. Another example is a group of hearing-impaired Mexicans who provided information about being smuggled into the United States by a family-based crime organization. When they arrived, they were forced to work without pay selling trinkets on the street.

The bill also expresses the sense of Congress that the visas should be used in a greater number of alien smuggling investigations than has been done in the past. The "S" visa program ended on September 13, 1991. H.R. 3061 would extend the availability of this program for another 2 years, through September 13, 2001.

This bill also reauthorizes the Refugee Resettlement Assistance Program, which is administered by the Department of Health and Human Services Office of Refugee Resettlement. Loss of these funds would be a disaster to the refugees who have come to our country seeking a safe haven from persecution.

Appropriations to fund this program are currently authorized through FY 1991. H.R. 3061 would continue the authorization to FY 2002.

Mr. Speaker, I believe that these are worthy requests being made by H.R. 3061, and it will assist those in our government to protect refugees, but as well, to avoid the devastation of terrorism.

With that, I would urge my colleagues to vote to support this important bill.

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I urge you to vote for this important bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 3061.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

URGING UNITED STATES TO SEEK GLOBAL CONSENSUS SUPPORTING MORATORIUM ON TARIFFS AND SPECIAL, MULTIPLE, AND DISCRIMINATORY TAXATION OF ELECTRONIC COMMERCE

Mr. CRANE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 190) urging the United States to seek a global consensus supporting a moratorium on tariffs and on special, multiple, and discriminatory taxation of electronic commerce, as amended.

The Clerk read as follows:

H. CON. RES. 190

Whereas electronic commerce is not bound by geography and its borders are not easily discernible;

Whereas transmissions over the Internet are made through packet-switching, making it impossible to determine with any degree of certainty the precise geographic route or endpoints of specific Internet transmissions and infeasible to separate domestic from foreign Internet transmissions;

Whereas inconsistent and inadministrable taxes imposed on Internet activity by subnational and national governments threaten not only to subject consumers, businesses, and other users engaged in interstate and foreign commerce to multiple, confusing, and burdensome taxation, but also to restrict the growth and continued technological maturation of the Internet itself;

Whereas the complexity of the issue of domestic taxation of electronic commerce is compounded when considered at the global level with almost 200 separate national governments;

Whereas the First Annual Report of the United States Government Working Group on Electronic Commerce found that fewer than 10,000,000 people worldwide were using the Internet in 1995, that more than 140,000,000 people worldwide were using the Internet in 1998, and that more than 1,000,000,000 people worldwide will be using the Internet in the first decade of the next century;

Whereas information technology industries have accounted for more than one-third of real growth in the United States' Gross Domestic Product over the past three years;

Whereas information technology industries employ more than 7,000,000 people in the United States, and by 2006 more than half of the United States workforce is expected to be employed in industries that are either major producers or intensive users of information technology products and services;

Whereas electronic commerce among businesses worldwide is expected to grow from $43,000,000,000 in 1998 to more than $1,300,000,000,000 by 2003, and electronic retail sales to consumers worldwide are expected to grow from $8,000,000,000 in 1998 to more than $108,000,000,000 by 2003;

Whereas the Internet Tax Freedom Act of 1998 enacted a policy against special, multiple, and discriminatory taxation of the Internet and electronic commerce, and stated that United States policy should be to seek bilateral, regional, and multilateral agreements to remove barriers to global electronic commerce;

Whereas the World Trade Organization, at its May 1998 ministerial conference, adopted a declaration that all 132 member countries "will continue their current practice of not imposing customs duties on electronic transmissions;"

Whereas the Organization for Economic Cooperation and Development and industry groups issued a joint declaration at an October 1998 ministerial meeting on global electronic commerce opposing special, multiple, and discriminatory taxation of the electronic commerce and the Internet;

Whereas the Committee on Fiscal Affairs of the Organization for Economic Cooperation and Development has stated that neutrality, efficiency, certainty, simplicity, effectiveness, fairness, and flexibility are the broad principles that should govern the taxation of electronic commerce;

Whereas the United States has issued joint statements on electronic commerce with Australia, the European Union, France, Ireland, Japan, and the Republic of Korea opposing special, multiple, and discriminatory taxation of electronic commerce; and

Whereas a July 1999 United Nations Report on Human Development urged world governments to impose "bit taxes" on electronic transmissions, raising concerns that U.S. policy against special, multiple, and discriminatory taxation of the Internet may be undermined: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) urges the President to seek a global consensus supporting—

(A) a permanent international ban on tariffs on electronic commerce; and

(B) an international ban on bit, multiple, and discriminatory taxation of electronic commerce and the Internet;

(2) urges the President to instruct the United States delegation to the November 1999 World Trade Organization ministerial meeting in Seattle, Washington to seek to make permanent and binding the moratorium on tariffs on electronic transmissions adopted by the World Trade Organization in May 1998;

(3) urges the President to seek adoption by the Organization for Economic Cooperation and Development, and implementation by the group's 29 member countries, of an international ban on bit, multiple, and discriminatory taxation of electronic commerce and the Internet; and

(4) urges the President to oppose any proposal by any country, the United Nations, or any other multilateral organization to establish a "bit tax" on electronic transmissions.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. CRANE) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. CRANE).

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 190.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I join my colleagues in their support of House Concurrent Resolution 190. This resolution urges the President to seek a global consensus in support of a permanent international ban on tariffs on electronic commerce and an international ban on certain e-commerce taxes.

The Internet and electronic commerce are vital to continued global economic growth and prosperity. Information technology is driving the U.S. economic growth, increasing profit, creating higher-paying jobs, and expanding opportunities for all Americans.

As we prepare for the upcoming round of global trade negotiations to be launched next month in Seattle, we face an era of rapid change in global commerce. Increasingly, electronic commerce has supplanted the old transAtlantic cable and telephone lines, and now serves as the preferred method of communication, which in turn facilitates trade.

The number of people in the world using the Internet has grown from 3 million in 1995 to 200 million users today, and may reach 1 billion by 2005.

In the United States, electronic commerce totalled in excess of $50 billion in 1998, and is projected to reach $1.4 trillion by 2003. By 2006, almost half of our work force either will be employed by information technology services and products businesses, or will be intensive users of these businesses. We should refrain from taking measures that could inhibit the growth of e-commerce and access to information technology.

These lines of communication should remain barrier-free, not subject to tariffs or taxes or burdensome regulations. We must seek consensus with our trading partners on this issue.

I understand that some countries who are in earlier stages of economic development have concerns about establishing a permanent moratorium on such tariffs and taxation. I hope that the United States will continue to advocate a permanent ban, instead of a mere extension of the current temporary one. Our response should be to convince these countries that information technology has important applications for speeding growth in developing regions, as Internet access reduces the obstructions entrepreneurs, artisans and small businesses face in finding customers and managing paper flow.

Electronic commerce puts developing countries on an equal footing with developed countries, and it leapfrogs many of the infrastructure barriers that these countries face in traditional commerce.

I further note that it does not help to build this consensus when the United States seeks to put controversial nontrade issues on the Seattle agenda about which devoping countries are justifiably wary. Raising such issues means that the trade aspects of our agenda become more problematic to achieve.

We must seek to develop a lasting consensus among developed and devoping countries alike for the promotion of global trade. The administration must find common ground and forge ahead to increase global trading opportunities, which in turn pave the way to greater prosperity for all.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the concurrent resolution before us today. The ability to engage in commerce over the Internet has revolutionized the way we and the world conduct business. It has integrated and opened markets and spread consumer products, technological and medical advances to the farthest reaches of the Earth.

Books and magazines are now a touch away for many of us, no matter where we live. Clearly, it has transformed our economy, and is in the process of transforming the economies of the rest of the world. We need to continue this process and this progress and ensure that e-commerce is allowed to grow and develop.

Currently, WTO members have agreed to a moratorium on the imposition of duties on electronic transmissions. That moratorium may be made permanent, as this resolution urges.

I would also urge my colleagues in voting for this resolution to consider how we can ensure that more Americans, including our schoolchildren, are positioned to capitalize on the benefits of this new technology-driven global economy.

According to this resolution, more than 1 billion people will be using the Internet in the next decade. That 1 billion needs to include the entire United States working and school-age population. In fact, that is an issue I think that we should have addressed in this legislation, had this legislation been brought to the floor in the normal House procedure.

In any event, Mr. Speaker, I support the legislation before us today. I do hope that the House leadership would find some way of bringing issues that are in the jurisdiction of the Committee on Ways and Means to the committees of jurisdiction so that we can have hearings, we can invite those people that have the responsibility, and handle these in the way that we should.

I am afraid that the suspension calendar more and more is being used as a press organ of the majority, rather than the committees that have been structured for this purpose.

Mr. Speaker, I yield the balance of my time to the gentleman from Michigan (Mr. LEVIN), the ranking Democrat on the Subcommittee on Telecommunications, Trade, and Consumer Protection, and I ask unanimous consent that he be allowed to allocate the remainder of the time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) will control the remainder of the time.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to our distinguished friend and colleague, the gentleman from California (Mr. COX), the author of this very important piece of legislation, House Concurrent Resolution 190.

Mr. COX. Mr. Speaker I thank the gentleman for yielding time to me. I also thank the chairman of the Committee on Ways and Means, the gentleman from Texas, for permitting this resolution to come to the floor under expedited circumstances. It is, of course, because of the impending meeting of the World Trade Organization in Seattle on November 30 of this year that we wish Congress to be on record now, in advance, on this very important topic.

□ 1045

I would also like to recognize the important contribution to this legislation by a gentleman from the other body, our former colleague, the Senior Senator from the State of Oregon, Mr. WYDEN, who has in fact introduced a resolution identical to this in the other body, Senate Concurrent Resolution 58.

It was just 1 year ago, October of 1998, that he and I worked on the Cox-Wyden Internet Tax Freedom Act, which is now the law of the land.

The initiative we are considering in the House today, House Concurrent Resolution 190, takes the principle of the Internet Tax Freedom Act; that is, that information should not be taxed and we should keep special exactions that discriminate against electronic commerce off of the Internet, and applies to it to the international arena.

This resolution before us has three main elements. First, no tariffs on the Internet. Our legislation calls on the World Trade Organization, which will be meeting, as I said, in late November, 1999 in Seattle, to enact a permanent moratorium on E-commerce tariffs. This will preserve the taxation status quo. It will not take bread off the plate of any nation. Because, at present, none of the WTOs, more than 130 member nations, currently has such a tariff. This is the time to act before bad things happen.

The second important piece of this resolution is that it establishes the principle of no multiple or discriminatory foreign taxes on electronic commerce. Our legislation calls on the OECD, the Organization for Economic Cooperation and Development and its 29 member countries to subscribe to the principle of no multiple discriminatory or special Internet taxes.

Third, our legislation condemns the bit tax proposal of the United Nations and calls for a permanent ban on such Internet specific taxes. A bit tax, for those who have not been following this closely, is literally a tax on every bit of information, all the digital 0s and 1s. The more 0s and 1s, the greater the file size, the greater the tax. It is an obviously discriminatory levy aimed at electronic commerce.

Let me explain why this legislation is so important. Centuries ago, when the Moors still ruled Spain, there was a small seaport about 20 miles from Gibraltar. The Mediterranean seas off of this port were ruled by a ruthless band of pirates. Their success in raiding trading ships was such that merchants who traveled the area began to think of paying tribute to these pirates as just a cost of doing business. So the merchants began to refer to these payments by the name of a nearby seaport, Tarifa. It is from that that we get the name tariff in today's vocabulary.

In the years since then, the practice of imposing tariffs has, of course, become far more commonplace and has been taken over by governments. But a tariff, nonetheless, retains an element of piracy, the unwelcome exaction of unnecessary fees.

Today, the Internet is the vehicle for over $50 billion annually in trade and goods and services. This trade today is conducted free of piracy. The purpose of this resolution is to keep it that way. It is especially important to preserve this no taxes policy since the Internet's commercial potential is greater than that of any previously existing medium of trade.

A global free trade zone on the Internet will have immediate advantages for Americans, for workers who manufacture and for workers who provide services and for consumers, because U.S. firms excel in the information and media services that flourish on the Internet.

Last year, U.S. exports associated with licensing fees and royalties earned $37 billion. U.S. imports in this category were $11 billion. That is the biggest trade surplus we enjoy in any category of our trade.

Americans use the Internet more than citizens of other countries. We in our Nation account for roughly half of the world's usage of the Internet; that is, as of September of this year.

But making the Internet a tariff-free zone will also help our trading partners. As we all know, free trade benefits both buyer and seller. Keeping tariffs off the net, moreover, will accelerate its development in foreign countries and permit the citizens of foreign nations to share in the Internet's benefits and the access to global markets that it provides.

As I said, there is an urgency to the passage of this legislation. This year, the ministerial meeting of the WTO will occur on November 30. At least year's meeting in May 1998, the United States successfully negotiated and achieved a 1-year standstill of the application of tariffs to E-commerce. This was a disappointment to those of us who were urging a permanent ban.

We now have the opportunity to take that 1-year moratorium and extend it and make it permanent; and that is the purpose of Congress going on record today to urge the administration to take this action, and, moreover, to let the ministers of all of the member nations of the World Trade Organization understand that this is the policy, not just of the Executive Branch, but of the United States Congress as well.

This resolution calls on the President to work with all nations to enact a permanent moratorium on electronic commerce tariffs at that upcoming WTO ministerial meeting.

Lastly, on this subject of bit taxes, tax collectors around the globe are still talking openly about this special new Internet tax called a bit tax. This is the most discriminatory kind of tax that could be levied against the Internet. It will establish for us in this area what we already know to be true generally that the power to tax is the power to destroy. Outlawing bit taxes worldwide, as we have already done in the Internet Tax Freedom Act for our Nation, is vitally important.

I wish once again to thank my colleagues for attaching the same urgency to this as do I, and my colleague in the Senate, Mr. WYDEN, for acting on this in such an expedited fashion.

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this resolution. One of the most important, prominent features of the globalizing economy at the dawn of this new century is the rapid rise of the Internet as a mode of commerce.

The Internet is not only a meeting place for buyers and sellers, it is an important channel of distribution. Thus, for instance, computer software can be sent from a supplier to a customer at the speed of light. Providers of services such as information technology can assist customers thousands of miles away.

So far, the Internet has remained free of tariffs and nontariff barriers to trade. Those latter nontariff barriers are important issues to consider in this instance, and in others. Some may be tempted to attach new trade-impeding regulations to this new technology. We should resist that temptation at this relatively early stage in the development of the Internet as a mode of commerce.

This resolution urges the administration to seek a global consensus on making the existing moratorium on special E-commerce tariffs and taxes permanent. I support that endeavor.

While I vote for this resolution, I want to join the gentleman from New York (Mr. RANGEL) in expressing disappointment in the manner by which it is being brought before this body. This House has a constitutional responsibility in the regulation of U.S. trade with foreign nations. That means providing comprehensive guidance to the administration as it embarks on a new round of world trade negotiations.

Fulfilling our constitutional responsibility requires more than considering a single negotiating objective as we are doing today. Rather, we should be considering a broader range of negotiating objectives. There is, for example, a resolution, I believe with over 200 signatures, relating to the vital importance of maintaining U.S. anti-dumping laws. Also, there is the important issue of the role of core labor standards in trade negotiations.

Here I want to express, because it has been mentioned by the chairman of the subcommittee, the need for us to face this issue of core labor standards in trade negotiations. I think they are vitally relevant to them.

At the end of the Seattle Round of world trade negotiations, this House will most likely be called upon to enact implementing legislation. We must not wait until the last minute to provide our input. Instead, we should be working with the administration now to develop and refine our agenda going into the new round. We must not defer this responsibility.

So I urge my colleagues, remembering, though, the need for a broader ring of consideration, to vote for H. Con. Res. 190. I urge all of us to participate in developing a set of objectives for the new round of world trade negotiations that covers the gamut of issues confronting American workers, farmers, and businesses in the global economy.

Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN of Oregon. Mr. Speaker, as my colleagues know, the Internet has brought countless improvements to the lives of many Americans in the past several years. One of the most promising uses of the Internet is its ability to connect countless people and businesses at little cost through E-commerce.

Doing business over the Internet allows people all over the world to search for the best deal on a wide range of goods and services, destroying the traditional barriers to free and open competition and comparison shopping. It empowers consumers, especially in rural and remote small communities, to easily reach the marketplaces of the world. These factors have contributed to making E-commerce increasingly popular. It is expected to account for $1.3 trillion in sales by 2003.

So far E-commerce has been allowed to flourish largely without the interference of unfair government regulation. Unfortunately, it is the way of governments the world over to tax and impede the growth of such a new source of prosperity.

Mr. Speaker, I want to strongly support the House Concurrent Resolution 190, which would urge the President to work to prevent discriminatory and harmful taxes on E-commerce in the United States and abroad. This resolution would show the world that the U.S. House of Representatives supports the continued growth of E-commerce free from destructive taxation.

Mr. Speaker, let us make another point very clearly. Let us never allow a tax or tariff on e-mail.

Mr. Speaker, I would like to thank the gentleman from California (Mr. COX), the Committee on Ways and Means, and my colleague from the Senate, Senator WYDEN, for helping bring this important measure to our attention and for their bringing this to the floor.

Mr. LEVIN. Mr. Speaker, it is now my privilege to yield 1½ minutes to the gentlewoman from California (Ms. LOFGREN), who is highly versed in these matters.

Ms. LOFGREN. Mr. Speaker, I support this concurrent resolution. As my colleagues all may know, not one of the 130 members of the World Trade Organization presently imposes a tariff on the Internet. That is a good thing and may account for the Internet's success. I would like this "no tariff" policy to become the official policy of the WTO. I know there are some nations thinking of applying various taxes. I encourage the Members of this Congress to go on record against such taxes.

Electronic commerce is made possible by the bits and bytes of information that travel in packets within this country and around the world, across State and national boundaries. There are some who want to tax each bit of information that is transmitted.

Earlier this year, the UN suggested taxing the bits that make up the E-mails we have grown accustomed to sending each other. This may suggest to my colleagues the mischief that could be caused by doing such a thing.

Let us nip this bit tax idea in the bud and support this concurrent resolution that urges a worldwide ban on any bit tax.

Mr. Speaker, I urge all of my colleagues to support the concurrent resolution.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. DOGGETT), who also has been immersed in issues relating to E-commerce.

Mr. DOGGETT. Mr. Speaker, I am pleased to rise in support of this resolution on keeping the Internet a global tax-free zone. We must achieve a global consensus on banning tariffs and discriminatory taxation on electronic commerce.

The gentleman from California (Mr. COX) has provided leadership last year in gaining approval of the Internet Tax Freedom Act. I joined with him then and I believe that all the reasons that we advanced for supporting that moratorium on taxes by 30,000 potential taxing jurisdictions here in America, all of those reasons apply around the globe to the need for a global free trade zone and limitation on taxation.

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While currently none of the members of the World Trade Organization are imposing tariffs, it is very crucial that we prevent new barriers from arising.

Clearly, the imagination for new forms of taxation and new restrictions on trade seems unlimited. A bit tax, for example, which could be levied on every bit of digital data that is transmitted over the Internet, would significantly impair the expansion of electronic commerce.

The high-technology community that I represent in Austin, Texas, has been a driving force for growth throughout our State. Fortune Magazine calls Austin the best place in the country to do business. And in large measure this is the product of the environment we have created with high technology.

Meanwhile, the United States is the world leader in high-technology research and development. The actions that have already been taken by this Administration and the actions that this resolution urges will solidify our Nation's competitive edge in the world economy.

In 1995, I believe there were about 3 million people who were Internet users. Today, we are at about 200 million. And within 5 years we are expected to have a billion Internet users around the globe.

Clearly, an Internet Global Free Trade Zone will foster continued growth, and not only benefit one of the most important engines driving our strong economy, but it will also benefit consumers at home and abroad, who will be encouraged to get connected. And this also means more good high-paying jobs here in the United States, and it means more opportunity for the citizens of the world to share in this important new revolution in technology.

We need no tax on e-mail and no tariffs or other trade restrictions on the Net.

I applaud the Administration for what it has already done in placing this important agenda item on the list of top priorities when the World Trade Organization convenes in Seattle, I thank the gentleman from California (Mr. COX) for his continued leadership to ensure that government does not impede continued expansion of electronic commerce.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of this resolution and to congratulate my colleague, the gentleman from California (Mr. COX), for introducing it.

This important resolution would direct the U.S. representatives to the upcoming World Trade Organization summit in Seattle, Washington, to advocate making the moratorium on Internet taxation that was adopted at the 1998 WTO conference a permanent Internet tax moratorium.

Mr. Speaker, I worked closely with the gentleman from California to move legislation through the House in 1998 that placed a moratorium on new taxes on the Internet. This important legislation set the standard for other nations around the world to follow. As a result, the Internet remains relatively free from the burdens of special and new taxes, and we must continue to put pressure on our fellow nations that would seek to tap this booming economic resource and destroy much of its momentum.

Mr. Speaker, we cannot stand by and assume that the rest of the world holds the same distaste for taxing the Internet. That is why we must continue to work actively through measures such as this one to keep the Internet free from new taxes. This includes monitoring the ongoing deliberations of the commission set up by the Internet Tax Freedom Act passed by Congress in 1998. This commission, chaired by the governor of my home State of Virginia, Jim Gilmore, will hopefully return to Congress next year with recommendations to retain the no-new-tax policy that has made this medium so successful.

In the meantime, Mr. Speaker, we must send a message to our fellow nations gathering in Seattle next month that to permit taxation of the Internet is to infect it with a virus that will slowly sap its strength, weakening and ultimately destroying the extraordinary growth that has revolutionized the way we live, work, and learn.

I urge my colleagues to support this important resolution.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentleman for yielding me this time. I obviously have a bias on this issue. I represent a district that is the most wired in the country, which probably means it is the most wired in the world, with 59.9 percent of all the households in the northern Virginia area wired with the Internet. So, obviously, I do not want any taxation on Internet transactions.

We know that "wired communities" are going to be at the cutting edge of the enormous growth of this industry. The resolution itself says that electronic commerce between businesses is going to grow to $1.3 trillion in another 3 years and that, in fact, the electronic retail sales are going to amount to about $108 billion. With 200 different nationalities with their own different sovereign forms of government, I cannot imagine how we could implement a bit tax. We do not want it. It is going to impede the progress of spreading information technology throughout the world.

We do need to keep in mind, however, that this is still an open issue. Legislatively, it is still an open issue before us. There is only a moratorium on Internet taxation. There is a commission that we put together to address the long term issues surrounding internet taxation composed of businesses, States, localities and Federal officials, determining what we do about a couple of major problems. One of them is what do States and localities do when Internet, e-commerce, takes over from traditional retail commerce? What do they do with the loss of revenue? How do we make it up to our schools, our roads, our public safety, et cetera? They are currently dealing with that issue.

The other issue is what do we do with the retail centers of activities in our cities and towns? If e-commerce is going to be the way that we normally purchase a product, it has profound implications for the physical centers of our communities across the country. We have to deal with those issues.

Now, I am admitting a bias. I do not want taxation on any e-commerce, because that would be in the interest of my constituency. But we have also got to listen to the State and local officials who can see what is coming from places that, while they may be wired, are desperately in need of the tax revenue from retail transactions that will be made uncompetitive if our economy goes the way of e-commerce. It is far more convenient and it is less expensive. E-commerce, in fact, is always going to be less expensive compared to traditional sales if it is not taxed. It is not fair to have retail establishments taxed, yet people who are selling the same product on the internet are not taxed because we prohibit taxation of those products. That has got to be resolved.

If we go in this direction, which I think ultimately we will, how do we make up for the loss of revenue to our States and localities? We have to deal with this. We are the Nation's leaders, and it is incumbent on us to resolve these issues now before we make permanent such a profound change in our private retail and public revenue structures.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as we send Ambassador Barshefsky to the WTO Ministerial in Seattle next month, the world is on the verge of a crucial decision for electronic commerce. Will it remain duty and tariff free?

We are here today to say, yes, it should. That is the consensus here in the United States about what is best for the growth and development of e-commerce. But other countries in the world are not so sure, and that is why we are backing Ambassador Barshefsky in her efforts that will be undertaken at the WTO Ministerial meeting in Seattle 5 weeks from now at a session that many of us will be attending.

This week, I am circulating a letter to Ambassador Barshefsky for Members' signatures that share the same spirit as the Cox resolution. We need strong congressional support to show the world that the United States stands firmly opposed to any taxation of e-commerce.

The imposition of tariffs and duties on electronic services or information will only mean that they will become less available to the world. Unless cyberspace is tax free, how will people in developing nations have consumer choice? In my view, the tariff moratorium should be made permanent. It should be as broad as possible to cover the wide array of what is available electronically.

This decision in Seattle is no doubt going to be a difficult choice for developing nations strapped for revenue while watching the Internet grow exponentially. It is the principled choice, however, and I believe the right conclusion will be reached in Seattle with the leadership of our delegation and others who agree with this policy.

The U.S. leads the world in the software industry. The fact is that we live in an age where the downloading of software is an export directly to a consumer. It has never touched the hands of a government agent at a post office, a shipping port, or an airport. That freedom of government intrusion is what we hope to protect.

Mr. Speaker, if the world fails here, we will see an immediate rash of tariffs, customs duties, and other trade barriers. The only possible result is the limitation of available information and services, and that cuts to the very heart of what the Internet does so well.

I ask strong support for the Cox resolution.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman from Illinois for yielding me this time, and I compliment the gentleman from California (Mr. COX) for his steadfast efforts to keep everybody's paws off economic commerce, or e-commerce.

I think this is an essential resolution, and it is a signal to other folks around the world just to say no to imposing taxes on Internet sales. We have seen the development and unprecedented growth of the Internet and e-commerce and what it means to the American taxpayer, what it means to the person sitting at home who now has the luxury that several years ago was only a dream. And what we are saying is we want to continue that growth; we want to continue the opportunities that occur daily. People sitting across this country and, indeed, across the world recognize the endless possibilities of what the Internet means to e-commerce.

So many governors across this country, so many people recognize when we tax something unnecessarily, we are hurting commerce, we hurt growth, and we destroy opportunity. What we want the WTO to do, and what we want our ambassador to do is to send a signal to everyone around the world to keep their paws off consumers' wallets.

There are those who say, well, if we do not tax e-commerce then we will affect sales tax revenues and miss out on the windfall. I have got some words for those folks. We are taxed too much. I see it every day in New York. People go across the bridge to New Jersey because there is no sales tax on clothing. That is the way people think. They go to where they can find the cheapest price. That is human nature.

So, if anything, we should build a wall here not to impose taxes on e-commerce and hope that other folks around this country will start lowering the tax burden on hard-working folks with families. But in spite of that, the last several years what we have seen and witnessed in this country, as e-commerce has grown, so too have sales tax revenues.

So I think those concerns are misplaced. And, if anything, we should be dedicating our efforts to reducing the tax burden on hard-working Americans while at the same time prohibiting new taxes on e-commerce.

Mr. LEVIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CRANE. Mr. Speaker, I yield myself the balance of my time to conclude with one final observation, and that is, in response to the concerns expressed by our ranking minority member on the full Committee on Ways and Means, the gentleman from New York (Mr. RANGEL), and the ranking member on the Subcommittee on Trade, the gentleman from Michigan (Mr. LEVIN), about the failure to have held hearings on this issue.

We have been under tight constraints, but let me just remind everyone that this is not mandating anything. It is simply urging the U.S. to seek a global consensus on this issue. I am sorry that we did not have the hearings that the gentleman said he would have liked to have seen; but hopefully, as we go down the line, we will have increased opportunities for that. But right now I would urge all my colleagues to support this measure.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from New York.

Mr. RANGEL. I say this with all deference and respect to my dear friend from Illinois, Mr. Speaker. It is not just this one bill that we are talking about. We expect that another tax issue will be coming up on the suspension calendar. If I thought it was just a question of time, I would not resent it.

Mr. WU. Mr. Speaker, I rise today in strong support of H. Con. Res. 190, a bill to place a moratorium on electronic commerce taxation. It is crucial that Congress works to provide a tax-free environment for the Internet to grow.

Mr. Speaker, during this past decade, the United States has witnessed the longest peacetime economic expansion in recent memory. Indeed, e-commerce has contributed to much of this decade's economic growth. It is estimated that over 140 million people worldwide are now online. In the United States alone, the information technology industry accounted for more than one-third of the real growth in the gross domestic product over the past 3 years, employing more than 7 million workers.

In my home State of Oregon, "the Silicon Forest," in communities like Portland, Beaverton, and Hillsboro—e-commerce has been responsible for a remarkable economic recovery, and boom, over the past decade. We in Oregon have benefited from the strong growth of the information technology industry. Oregon companies, large and small, have benefited from the growth of the Internet.

Although electronic commerce still constitutes a relatively minor part of global trade, technological advances and key trade policy decisions will surely facilitate the further growth of this important industry. In the upcoming years, electronic commerce is expected to grow by leaps and bounds. Congress must commit itself to work with the international community to pave the way for this important industry to grow.

Furthermore, like all other business transactions, it is crucial to achieve uniformity within the information technology industry, such as a universally accepted form of electronic signature. By encouraging and developing a system of standards, Congress can further assist the growth of e-commerce.

Mr. Speaker, I strongly support this important legislation. Let's continue to encourage the growth of the information technology industry and America's economy. I urge my colleagues to support H. Con. Res. 190.

Mr. DAVIS of Virginia. Mr. Speaker, I rise today in favor of H. Con. Res. 190, a resolution which extends the work initiated by my colleague, Mr. COX, last year, on extending the moratorium on Internet taxation to the international arena. This important piece of legislation urges the United States to seek a global consensus now that supports a moratorium on tariffs and on special, multiple, and discriminatory taxation of electronic commerce. It does so by calling on the World Trade Organization to enact a permanent moratorium on e-commerce tariffs at its Seattle ministerial meeting next month. With none of the WTO's 130 members currently taxing Internet commerce, it is imperative that we implement a global strategy that ensures that the Internet remains tax free before such barriers are erected.

With Internet use and global electronic commerce growing at an astronomical pace, it is inarguable that the Internet is emerging as the most unique and the fastest-growing tool of communication known to mankind. The Internet facilitates not only economic growth but the easy dissemination of ideas and information from almost any spot in the world. We are at the tip of the iceberg in terms of the potential that the Internet can offer both cheaply and quickly. Yet an ever-present concern plagues many of us who—like my colleagues standing with me here today—understand the need to foster its continued growth by minimizing the amount of government regulation and taxes that will interfere with the transformation of the Internet into the repository of global communications for the 21st century. H. Con. Res. 190 is a critical component of ensuring that government does not inhibit the growth of the Internet, whether intentionally or unintentionally. Various schemes of taxation introduced by governments across the world will make the internet an unpredictable environment for even simple communications; much more so for conducting online business. Such a development would most certainly discourage the easy and efficient use that the Internet now provides for users worldwide.

Last year, we enacted the Internet Tax Freedom Act which codified a policy against special, multiple, discriminatory Internet taxation and urged the United States to seek international agreements that would concertize those same principles globally. With the July 1999 United Nations Report urging sovereign states to impose "bit taxes" on electronic transmissions, it is incumbent now more than ever for Congress and the United States to take the lead in opposing any taxation of electronic commerce globally that would inhibit the continued economic and social growth of the

Internet. The resolution specifically urges the President to oppose a United Nations or any other international organization's proposal to establish a "bit tax."

It is also important that we utilize every available opportunity to press for an Internet tax moratorium and for this reason, H. Con. Res. 190 also calls on the Organization for Economic Cooperation and Development to adopt the principle of "no multiple, discriminatory, or special taxes" on the Internet or on electronic commerce.

Each of the principles expressed in this crucial measure are equally important to the future of the Internet. I want to thank my colleagues, Mr. COX and Mr. SESSIONS, for introducing this resolution and for moving it forward quickly. I urge all Members to vote in favor of H. Con. Res. 190.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the motion offered by the gentleman from Illinois (Mr. CRANE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 190, as amended.

The question was taken.

Mr. CRANE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

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SENSE OF CONGRESS THERE BE NO INCREASE IN FEDERAL TAXES TO FUND ADDITIONAL GOVERNMENT SPENDING

Mr. HAYWORTH. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 208) expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending.

The Clerk read as follows:

H. CON. RES. 208

Whereas Federal taxes are at their highest peacetime level in history, taking 20.6 percent of the gross domestic product;

Whereas the typical American family pays 36 percent of its income in Federal, State, and local taxes—more than it spends on food, housing, and clothing combined;

Whereas in 1999 governments at all levels will collect $10,298 for every man, woman, and child in the United States;

Whereas since 1989 the Federal per capita tax burden has increased 27 percent;

Whereas the Congressional Budget Office forecasts that the productivity of American workers—and controlled Federal spending—will create a non-Social Security surplus of $996,000,000,000 over the next 10 years;

Whereas the House of Representatives voted on May 26, 1999, to protect Social Security and Medicare by passing the Social Security lock box by a vote of 416 to 12; and

Whereas Congress must protect Social Security and Medicare by controlling Federal spending, rather than by increasing taxes on any Americans: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending.

The SPEAKER pro tempore (Mr. KOLBE). Pursuant to the rule, the gentleman from Arizona (Mr. HAYWORTH) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. HAYWORTH).

GENERAL LEAVE

Mr. HAYWORTH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 208.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. HAYWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to be here today to speak in favor of House Concurrent Resolution 208.

I would like to commend my good friend and colleague, the gentleman from Pennsylvania (Mr. TOOMEY) for introducing this important legislation that forces us to focus on the choices we need to make in order to maintain fiscal discipline.

As my colleagues know, House Concurrent Resolution 208 expresses the sense of this Congress that we should not raise taxes in order to fund additional Federal spending.

Indeed, as I understand it, Mr. Speaker, it is the sentiment of this commonsense, conservative majority in this House through another legislative vehicle later on our Calendar to propose that we work to realize a savings of 13 cents for every $10 of Federal spending, because we need to keep in mind the bigger picture here. Taxes are at their highest peacetime level in the history of our country. The average American family pays more in taxes than in food, shelter, and clothing combined.

Mr. Speaker, we cannot continue to burden working Americans with higher and higher and higher taxes. We must be willing to find savings by reducing wasteful Washington spending so that we can maintain fiscal discipline without asking the American people to hand over more of their hard-earned money to the Federal Government.

Mr. Speaker, I ask unanimous consent to yield the balance of my time to my friend, the gentleman from Pennsylvania (Mr. TOOMEY) and that he be permitted to yield further blocks of time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is stupid. An issue like this should either be brought to the floor by leadership for discussion, or someone ought to take a course in Economics 101.

Now, I know the difficulty it is to count when they are trying to put together a budget. It is something like what is, is; and how many months in a year; and what is an emergency. I know the difficulty they are having. But it cannot be so bad that they are going to make a mockery out of the entire legislative process by asking this floor to feel good by saying that we are not going to raise Federal taxes in order to fund additional Government spending.

There are only three things to do if they are going to spend. If they are going to have additional spending, for whatever purpose, they have to go to the majority. Now, I know it does not feel comfortable being in the majority, but they are the majority. They are the leadership. And so, they have to find out what they want to spend. And I guess they would go to the Committee on Appropriations. But we do not spend here in the minority. Majority spends.

So what is the solution? The solution is that they either increase taxes, which the resolution they are dictating to the Speaker and to the Republican leadership that they cannot do that, they go into the Social Security Trust Fund. And then they put on commercials on TV that they are not doing that, even though the Congressional Budget Office says that they are.

Or the third thing that they do is come to the floor and say, I never put my hand in the cookie jar in the first place.

This is no way to deal with the problems that we face as a Nation. We do not come on the House of Representatives floor with a sense of Congress. We legislate in this House. We send these issues to the respective committees. We have hearings. And we do something about it.

If, on the other hand, they are in a continuous resolution mode and they are not involved anymore in legislation and they just want the President to be their partner so that the Government does not close down, then go to the White House and tell him what to put in the bill. Because clearly, the President is going to have issues in the omnibus bill that has never come out of the committees that have been set up in this Congress.

So I know maybe they want to have something to vote on. And who knows, maybe the public really thinks this is on the level. Maybe they really think that we are coming down here voting against Federal taxes. Normally they wait until April 15 to do something this stupid. But, no, now they are saying here on the brink of the Government about to close down because of the inability to pass the appropriations bills that they are going to take the Suspension Calendar, which says that it is noncontroversial, and then we are going to mandate and see who has the nerve to vote against something which says that we are not going to have an increase in Federal taxes.

Do my colleagues not know that, if we could do this, nobody in the United States would ever have to pay taxes? We should have 435 Members on the floor every day passing resolutions that we do not need any taxes. We can pull up the Code by its roots, just pass the resolution. We can stop spending tomorrow. Pass a resolution.

But one thing they will not do, they will not come up with any concrete ideas to cut back spending or any ideas how we can avoid having Social Security be a problem in the future.

So, Mr. Speaker, there are so many things that we should be doing, individual minimum tax, increases in minimum wage, even the extensions which are so important to the American people, questions of education, patients' bill of rights, a variety of things. But in lieu of a press release, we are now going to use the Suspension Calendar to say we do not want any further increases in Federal taxes to fund additional Government spending.

Mr. Speaker, I want other people to make some type of observations on this historic piece of legislation that has now come before the House of Representatives, even though I wish the chairman of the Committee on Ways and Means was here so that we could have an exchange as to how we could deal with these tax issues. But I will deal with the Committee on Rules until we can find out how we are going to do this.

Mr. Speaker, I reserve the balance of my time.

Mr. TOOMEY. Mr. Speaker, I yield myself 4½ minutes.

Mr. Speaker, I would like to thank the gentleman from New York (Mr. RANGEL) for adding to the civility of the discourse in the House.

But, Mr. Speaker, later this week, in all probability, we will pass the 13th and final appropriations bill for this year. And when we do so, we will have spent in those bills all the non-Social Security funds that the Federal Government will take in next year but not one dime of the Social Security funds themselves. We will have a balanced budget, and we will not have raised taxes.

Unfortunately, the President has already vetoed three of those bills and he may veto more because he thinks we are not spending enough money in them.

Mr. Speaker, if the President wants to spend more money, as he does, for instance, in the foreign aid bill, he has to show us where he is going to cut spending somewhere else. Because the only alternatives are to spend part of the Social Security fund or to raise taxes, and neither of those alternatives is acceptable. We have made it clear in this body that we will not tolerate spending Social Security money.

Today I believe we must send the President a clear message that we will not raise taxes to pay for his new additional spending, either.

Now, when we talk about Federal taxes, it is useful to consider the overall context of the Federal budget, the national economy, and just a little bit of history.

This first chart illustrates that Federal discretionary spending is higher than it has ever been; and, thus, the Federal Government is bigger than it has ever been.

The second chart shows that Federal taxes are higher than they have ever been in our Nation's peacetime history, consuming almost 21 percent of our Nation's entire economic output.

Now, even after we set aside all of the Social Security funds for Social Security and debt retirement, as this third chart will show, we still have unprecedented surpluses projected as far as the eye can see. The administration's budget forecasts that. The congressional budget forecasts that. Private budget forecasters show that.

Now, when taxpayers are paying more than it takes to fund the biggest Federal Government in history and, in addition to that, taxpayers are paying more than it takes to pay Social Security benefits over the next 10 years and another $2 trillion more and all of that surplus is going to reform Social Security or to pay down the national debt, when taxpayers in fact are paying an additional trillion dollars before and beyond that, it is obvious to me that taxes are too high.

For the President to propose adding to this record Federal tax burden is outrageous. We need to lower taxes and restore to working Americans their freedom to decide how they want to spend their money. And make no mistake about it, when the Federal Government takes money away from the people who earn it, it is taking part of that freedom away as well.

The money this Government takes from hard-working Americans is money those hard-working folks will never be free to spend for themselves as they see fit. The money this Government takes from working Americans takes time for these folks to earn that money. That is time people cannot devote to things they would rather be doing than working for the Federal Government, such as spending time with their children, caring for an elderly family member, volunteering in their community, or just enjoying some leisure time.

At a time of already record-high Government spending, record-high Federal taxes, unprecedented surpluses, it is just unconscionable to consider taking even more money away from the people who earn it. And that is all this resolution says, that there should be no increase in Federal taxes in order to fund additional Government spending.

Mr. Speaker, America's taxpayers are counting on this Congress to protect them from the President's very large appetite for their money. I urge my colleagues to send a clear message to the President: No tax increases, restrain Federal spending. Vote "yes" on House Concurrent Resolution 208.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. MCDERMOTT), a member of the Committee on Ways and Means, the tax writing committee.

Mr. MCDERMOTT. Mr. Speaker, I come out here today, I have never seen such a weighty piece of legislation in my entire 29 years in Government. In the State legislature, they do not even come up with things as stupid as this. But here we are. And there is a pattern. There is a pattern.

One week ago, the leadership sent a bunch of freshmen out here with a silly bill with the President's tax increases in it and nothing that it was going to be spent on; and, lo and behold, we slapped it down. And then they went down that afternoon to the White House, having insulted the President with that, and said, see, the House does not want to raise taxes. So today they are going down again to balance the budget this afternoon, and we come out and we find this kind of nonsense in front of us.

Now, I do not know who the brain trust is over there, but I know that the one that was put in House Concurrent Resolution 197 had a provision in it that had to do with the tobacco tax. And they were against that tobacco tax, by God. Boy, they were really against it.

Now in the one that is before us now, House Resolution 208, they have taken it out. And I think, I say to the gentleman from New York (Mr. RANGEL), what they are doing is setting the stage to raise the tobacco tax. Because if they were against it yesterday when they filed it, what has changed? Why have they come up here without it?

I think they are going to use it. Yes, sir, they are getting ready to fix this budget. Does that make sense to my colleagues?

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One of the fascinating things about this, you have always got to be careful when you put numbers in here. In paragraph 2, it says, "Whereas Federal taxes are at their highest peacetime level in history, taking 20.5 percent of the gross domestic product."

Do my colleagues know what the percentage was when the Republicans took over the House of Representatives? 18.6. Under their tutelage, under their great management, under all this great stuff they have done, including that tax break last year, people are now paying almost 2 percent more taxes than they paid when they started. Now, what they have done, of course, is they have shifted all the income to the people on the top and they are paying more taxes. So their proposals actually worked. They have shifted all the money in the country up, under their tax bills, and we are paying more taxes in this country because of Republican policies.

It is a wonderful thing to sit here and contemplate what the thinking must have been in the room. They said, well, we do not want to raise taxes to pay for programs. What other reason would there be to raise taxes? I mean, why else would a Congress come out here and raise taxes? Because they did not have anything else to do? No, that would not be it. Well, maybe, I know what it was. The only other reason would be to punish the rich, right, people who have got money. That is the only reason they would raise taxes, to take it away from them.

Now, this is the kind of thinking that has led us to this impasse. They came out here earlier in the session and had a $792 billion tax break. Thank God that died, because they cannot balance the budget. They were going to give away $729 billion, and they cannot balance the budget. They cannot get us out of here. We are here on our second continuing resolution, and by God I will bet my colleagues we will have a third continuing resolution because they cannot figure out how to bring this thing to a close. Yet 3 or 4 months ago, they were willing to give away $800 billion. It makes no sense. It makes about as much sense, I guess, as this one.

Mr. TOOMEY. Mr. Speaker, I yield 4 minutes to the gentleman from New Hampshire (Mr. SUNUNU).

Mr. SUNUNU. Mr. Speaker, let me begin by making clear that no matter how strongly we feel about issues of substantive disagreement whether it is tax increases or tax relief or spending or cutting spending, I do not think that the rhetoric, the language using the words like "stupid" or "silly" to characterize the behavior of other Members is ever appropriate to use on this House floor, whether you are a senior ranking member of a committee or whether you are a new Member of Congress like the principal sponsor of this legislation. I do not think I have heard so much hot air released at once since the Hindenburg went down.

I would like to get back to the substance, to the process that brought us here in the first place. At the beginning of this year, President Clinton in good faith brought forth a budget proposal. He said we are going to set aside 60 percent of the Social Security surplus and we are going to spend 40 percent. And he laid out his priorities in that budget and he said, "We're going to increase taxes." His tax increase was approximately $240 billion over 10 years. It was a detailed budget, as the President submits every year to Congress.

The Republican Congress said, "That's not right." And we put together a budget proposal that members of the minority did not support and that is their prerogative, but it was a budget proposal that said for the first time in 40 years we are going to set aside every penny of the Social Security surplus and we are going to do it while cutting taxes. And again the minority disagreed with that proposal, and the gentleman from Washington tried to describe some of the reasons they were against tax relief. Well, that is fine, too. But we advanced that tax relief proposal, to eliminate the marriage penalty, eliminate death taxes, give full health insurance deductibility for those that are buying health insurance and are self-employed, increase access to health insurance and the President vetoed that bill, as is his prerogative. But now we are at the end of the budget process and Republicans are holding firm to their commitment not to spend Social Security. We did it last year. We balanced the budget for the first time in 40 years without using Social Security. We can and we must do it again this year. That causes heartburn for a lot of members of the minority, feeling the pressure of having to control spending. We have talked about reducing spending across the board by 1 percent, allowing agency heads and department heads to root out waste and abuse, just 1 percent, one penny on every dollar, in order to balance the budget in 2000 without using Social Security. I believe we can do that. And the administration has indicated that they want to balance the budget without using Social Security, too. So we might have some common ground here. We will work with the administration to fund priorities if they can reduce spending elsewhere in the budget.

But what about taxes? The administration has waffled on tax increases. The President seems to have backed off his proposal to raise taxes by $240 billion over 10 years. We had a vote, a legislative vote in this House last week where his tax proposals received zero votes. I think that was an important statement for the House to make. But today we can go on record as saying no tax increases for new government spending, no spending the Social Security trust fund, no tax increases. It is a simple, clear message to the American people. We have been firm in our commitment as the majority party to protect Social Security since the very beginning of this budget process. With the passage of this resolution and the continued statement on a bipartisan basis from all Members of the House that we should not be increasing taxes, I think the fiscal responsibility this year and next year will continue to result in a growing economy and a better quality of life for hard-working Americans.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume. If I have offended anybody, then I apologize. I just would want to say that it is extremely frustrating for a legislator to come to this floor and to believe that we can decrease, or not increase, Federal taxes or not have additional spending by putting a bill on the suspension calendar. It is frustrating to see that the tax writing committee is not dealing with taxes, the appropriating committee is not dealing with bills, but that the Committee on Rules is still pushing out bills under suspension.

Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. DOGGETT), a member of the tax writing committee.

Mr. DOGGETT. I thank the gentleman for yielding me this time.

Mr. Speaker, I believe one thing that is very obvious to anyone who has been observing this Congress is that we would not be here today debating this resolution or debating anything else if our Republican colleagues had done their job. They have not done their job. They are desperate for distraction. So I expect we will have more resolutions. This is not the last one. There will be more of these kind of resolutions to distract from the simple fact that they have failed utterly and completely to do their work during this past fiscal year. They are a competitive group. They are competing with themselves. We thought last year's Congress set the standard for doing little. It certainly was the least productive Congress since the days of Harry Truman. But they are competing with that record and I think they are winning. I believe they will have an even less productive and even more do-nothing Congress than they did during 1998.

That incredible record reminds us that today we are entering week four of the new fiscal year, and they still have not done last year's work. It is incredible that almost a month after the end of the Federal fiscal year, the bill that funds all of the Federal assistance to education, the bill that funds all of our health research in this country to try to cure dreadful diseases like Parkinson's, cancer, diabetes, that bill has never been presented on the floor of this House. That is what I mean by do-nothingism. It is the failure to do your work and to present for debate on the floor of the House that very fundamental bill. I know the Republicans, some of them still want to abolish the Department of Education, but at least they could bring that bill to the floor and let the House debate it.

Let me give my colleagues a second example since we are talking about taxes. On September 24, all the members of the Committee on Ways and Means were called into an emergency meeting directly across the hall from this Chamber in which we gather today. We were told that unless we rushed through a bill, the tax forms could not be prepared by the Internal Revenue Service. It had to be done by October 7 or the forms would not be ready. That bill was a very important one to people in central Texas, because it continued the research and development tax credit. That is a tax credit established by a Democratic Congress. It is true that under Speaker Gingrich it was allowed to expire and our technology companies were denied the benefit of that tax credit in 1995, but we saw an opportunity to extend it and continue it. Well, where is that bill? It has never been brought to the floor of the House. October 7 is past; we are approaching November 7, and they have never brought the research and development tax credit, the §127 and other so called "extenders," employer provided education assistance, they have never brought these to the floor of the House to be considered. That is why a number of people are concerned that the Republican do-nothingism may jeopardize this tax credit and cause its loss for research and development. This credit expired on June 30, and we must not lose it again as happened under this Republican leadership with Newt Gingrich in 1995.

I do think it is important to note one important improvement in this resolution, and that is the deletion of the attack on a tax on tobacco. The only thing this Republican Congress ever did about tobacco usage and the fact that 3,000 of our young people get addicted each day to nicotine, the only thing they ever did was to provide a $50 billion tax credit to the tobacco lobby. When the public found out about it, Republicans got so scared about it that they withdrew that credit after it had been approved by the House. But it is at least worthy to note that while the sponsors of the pending resolution initially attacked the tobacco tax, they have removed that language from this resolution. And that happens to be the only significant tax increase the President has proposed. It is certainly better to tax tobacco than to take money from Social Security.

Mr. TOOMEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. I thank the gentleman from Pennsylvania for yielding me this time.

Mr. Speaker, let us bring it back into focus again. There are only three things you can really do with taxes. You can cut them and bring relief to hardworking taxpayers. That is what this Congress did, and the White House vetoed, so we deprived the opportunity of American hardworking taxpayers to keep a little more money in their paychecks or at the end of the year so they can put more food on the table or they can buy some clothes for the kids when they go to school or they could put a little money away for their child's college fund. That was deprived because of a veto from the White House and for those who chose to vote against that bill.

We can keep taxes exactly where they are, which hopefully is the worst we can do this year. Or we can do what the gentleman from Pennsylvania (Mr. TOOMEY) says, is not increase taxes, that is all, to pay for additional spending. What is so wrong about that? If you feel committed, if you do, fine. But if you feel committed that we need to raise taxes to pay for additional spending, then you should not have the problem, Mr. Speaker, of coming down here and voting for it.

I happen to believe that the people that I represent in Staten Island and Brooklyn are working too hard right now, sometimes two and three jobs, trying to put their kids through college, trying to just get enough money the buy that second car. They are working too hard for us to come down here and say, "You know what, we don't think you're being taxed enough. We think we should be taking a little more out of your pocket." No, I would rather go home, Mr. Speaker, and look those folks in the eyes and tell them, you know what, we are doing all we can to provide more freedom and opportunity to you and your families and we are doing all we can in Washington to ensure that we are not going to take more money out of your pocket, we are not going to take more money out of your home because that is where we believe that money belongs.

If you feel so strongly that this government should be getting bigger and larger because the Federal Government should be taking more of the taxes, then come right down here and say it. But in the meantime, people like the gentleman from Pennsylvania, and I believe he speaks for the vast majority of Americans, are saying, you know what, we are taxed too much, do not do it. Spend the money appropriately and responsibly.

Mr. TOOMEY. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. GARY MILLER).

Mr. GARY MILLER of California. Mr. Speaker, I rise in strong support of this resolution. We are talking about the people of the United States. It is their money. It is not our money. I congratulate my freshman colleague the gentleman from Pennsylvania (Mr. TOOMEY) for bringing this forward today.

The rhetoric today is incredible. One of my colleagues said we have not done our job, the Republicans have not done our job. It reminds me of the story of the farmer who hooked a horse up to one side of a wagon and a mule up to the back pulling in the opposite direction.

□ 1145

The reason we do not have a budget is because our colleagues will not do their job and vote for it.

We believe we can live within our means. Our colleagues are doing nothing to help us on this. They are laughing. That is the attitude we have from that side of the House. When we deal with a serious issue, we get laughter. As my colleagues know, actions speak louder than words.

We bring forward appropriations bills that spend within our means, and the Democrats vote no. Why? Because they say it does nothing for Social Security. Well, it has nothing to do with Social Security. They vote no because we will not spend more money, which means spending Social Security money.

With the President actions speak louder than words. All we heard last year is: We need to save Social Security. What did he do in his budget proposal? He spent $58 billion of Social Security, this money, this year on new programs, and he said we need to save Medicare and Medicaid in 5 years. He was proposing to cut $11.9 billion out of the programs. That does not save anything.

The President said: We need to save Social Security. We saved the first bill this year for the President to come forward with his reform for Social Security, and guess what that bill is doing? Doing nothing. He has not made a proposal to save Social Security.

I know when I was a young man I was raised with my grandparents. We were poor, and I started a business off in the construction industry, and I had an old van that used more oil than it did gas, and I was willing to sacrifice, and I built a company. I want my kids to have that opportunity, and I even want my colleagues' kids to have that opportunity. But they want to tax them to death. 20.5 percent of GDP is in taxes; they ought to be ashamed of themselves.

What we are trying to do here is make a statement: "Put your actions where your words are." We have heard enough rhetoric. We have watched them vote no. We have watched the laughter and the childishness on the floor, and that is fine, Mr. Speaker. I respect these individuals. Some are trying to do what is right, some are trying to be political.

Let us protect the American people. Let us let people keep more of their hard-earned money, we do not need it. Government has grown to be a fatted calf and a fat hog. We do not need to spend our constituents' money. They earned it, they should keep it; we are trying to make that statement. If we are going to save Social Security, let us stop spending money. If we are going to help the American people better their lives, let us stop taxing them and spending their money.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it would be very sad if the majority did not understand their responsibility. I am going to try to run this by just one time because the gentleman who just got finished speaking said the mule and the horse are working against each other.

The majority sets the agenda. The majority sets the budget. The majority sets the spending level. The majority sets the amount of taxes that are going to be made there. So I do not know why we need to have a resolution because would they be changing anything in their resolution that if they were going to say that expressing the sense of Congress that the Republican majority should not increase federal taxes? The Republican majority should not fund additional government spending. The congressional Republican majority for some reason omits now cigarette taxes or whatever they are going to do. Just put in there "majority," and then we would know what we are voting for because everyone agrees with them. It is just that this is not the process that we control taxes and spending, by using the suspension calendar.

If they want to say, let the committees do it, then do it. My God, they did not ask for help on the Patients' Bill of Rights. We had to pull teeth to get some votes out of them where the minority provided the leadership. They did not ask for help in cutting back the number of teachers the President requested and the number of policemen. They sure did not ask for help when they decided they wanted to cut taxes by $792 billion, and they are asking for help by having a continuing resolution, and I assume they will be running down to the White House trying to get some help from the President of the United States.

All I am suggesting is: If they got the majority, they do not come to the floor and say it is a sense of Congress, they do it. They set the authorization, they set the spending and they set the taxes.

So, if it makes them feel better in coming here with sense of Congresses, we are going to help them. We are going to support it, and we are going to say we all do not want Federal increases in spending, and we do not want increases in taxes and we will have prescription drugs even if we, as the minority, have to provide the leadership for our aged and for our sick people, and we will pay for it, Mr. Speaker, but we believe in legislating and not just bringing something up on the suspension calendar.

Mr. Speaker, I reserve the balance of my time.

Mr. TOOMEY. Mr. Speaker, I yield myself such time as I may consume.

First of all, Mr. Speaker, I would just like to say that I welcome the support of our colleagues on the other side of the aisle in resisting any increase at all in Federal taxes whatsoever, and I hope that they will pass that message on to the President, who has not apparently come to the same conclusion. He obviously does have a considerable say in this budget process as well as the Republican majority does, and I would simply remind my colleagues that at a time when there is already record high level of government spending, record high level of Federal taxes and unprecedented surpluses it would be unconscionable to consider taking even more income away from the American people who earn it, and that is what this resolution is all about. It is very simple. It simply says:

There should be no increase in Federal taxes in order to fund additional government spending.

I urge my colleagues to send this clear message to the President: No tax increases, restrain spending.

Mr. STARK. Mr. Speaker, this Congressional Resolution is stupid. It is a truly a type of "con"—designed to make a political statement without any real thought for the future.

Between now and 2030, the number of Americans on Medicare will double, from 39 million to about 80 million. How will we pay for the retirement and health of the Baby Boomers.

We can cut benefits in half as the number of enrollees doubles, thus holding spending fairly steady. But that would mean just transferring costs to people in their old age and when they are sick.

We can cut what we pay doctors and hospitals in half, but who would then provide quality care to seniors?

Or we could consider some tax increases.

Actually, to save Medicare will take a combination of the three options I have just listed.

To pass a Resolution like this to take one of those options off the table. Do we really want to do that? Instead of having an intelligent debate on how to provide for our citizens in the future, this Congress is just passing solgans—solgans which if taken literally would destroy our ability to meet the future needs of the Nation.

That's why I'm voting "no" today.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the motion offered by the gentleman from Arizona (Mr. HAYWORTH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 208.

The question was taken.

Mr. TOOMEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

REAUTHORIZATION OF JUNIOR DUCK STAMP CONSERVATION AND DESIGN PROGRAM ACT OF 1994

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2496) to reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994, as amended.

The Clerk read as follows:

H.R. 2496

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REAUTHORIZATION OF JUNIOR DUCK STAMP CONSERVATION AND DESIGN PROGRAM ACT OF 1994.

Section 5 of the Junior Duck Stamp Conservation and Design Program Act of 1994 (16 U.S.C. 719c) is amended by striking "for each of the fiscal years 1995 through 2000" and inserting "for each of the fiscal years 2001 through 2005".

SEC. 2. EXPANSION OF PROGRAM TO INSULAR AREAS.

The Junior Duck Stamp Conservation and Design Program Act of 1994 is amended—

(1) in section 2(c) (16 U.S.C. 719(c)) by striking "50 States" each place it appears and inserting "States";

(2) by redesignating section 5 (16 U.S.C. 719c), as amended by section 1 of this Act, as section 6; and

(3) by inserting after section 4 the following:

"SEC. 5. DEFINITION OF STATE.

"For the purposes of this Act, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands, and any other territory or possession of the United States.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SAXTON) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SAXTON).

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2496.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

I am pleased that we are considering H.R. 2496, a bill introduced by our friend and colleague from Texas (Mr. ORTIZ). This measure will reauthorize the very popular Junior Duck Stamp Conservation and Design Program Act. This innovative program allows thousands of children from kindergarten to high school to participate in a nationwide wildlife art contest. It also provides students with a broad exposure to migratory water fowl and encourages activities to motivate students to take an active role in conserving these species.

In 1998, 42,337 students participated in this nationwide art contest. The first place national winner received a $2,500 scholarship, and his winning design appeared in the Federal Junior Duck Stamp for that year. This legislation does not make any major changes to the underlying law. It simply extends the authorization of appropriations, which is $250,000 for an additional 5 years. By doing so the U.S. Fish and Wildlife Service will continue to license and market junior duck stamps and use stamp proceeds to support conservation, education and hopefully to expand the junior duck stamp design competition to hundreds of additional students.

At our full committee markup the gentleman from American Samoa (Mr. FALEOMAVAEGA) offered an amendment to expand the coverage of this program to include American Samoa, the District of Columbia, Guam and the Northern Mariana Islands, Puerto Rico and the Virgin Islands. I strongly support his amendment and hope that thousands of additional students from places like Tom's River to Pago Pago will have an opportunity to win this art contest in the future.

I urge an aye vote.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am extremely pleased that this legislation has now been brought before the floor for consideration, and I certainly want to commend my good friend, the gentleman from New Jersey (Mr. SAXTON), the chairman of our Subcommittee on Fisheries and Oceans, for his leadership and for bringing this legislation for the Members' consideration.

Mr. Speaker, the Junior Duck Stamp Program has matured over a relatively short period of time into a valued conservation and education program that is enjoyed by thousands of schoolchildren nationwide. Merging conservation education with the arts has proven to be an effective strategy to increase knowledge and appreciation of migratory bird and their habitat within our schools. The Junior Duck Stamp Program has enhanced public awareness of the critical need to protect and preserve our Nation's diverse waterfowl and their essential wetland habitats. Moreover, this innovative program has helped promote a conservation ethic among America's young people which will be absolutely critical to ensure healthy wildlife and a healthy environment in the future.

Mr. Speaker, an added benefit to the Junior Duck Stamp Program has been that it has also extended appreciation for wildlife and wetlands far beyond the classroom to the public at large through literally hundreds of annual art contests and exhibitions of art work at State fairs, wildlife refuges, museums and educational conferences. From the southern bayous of Louisiana to the prairie potholes of North Dakota to the tidal marshes along the Pacific Coast such public exposure has attracted and informed thousands of people annually who might otherwise remain unenlightened about the need to protect and conserve the wildlife and wetlands we enjoy today.

Mr. Speaker, I do commend the gentleman from Texas (Mr. ORTIZ) for his introduction of this legislation. I especially appreciate his support and again the support of our chairman the gentleman from New Jersey (Mr. SAXTON) in working with us to expand the eligibility of this program to now include the insular areas as well as the District of Columbia.

This is a noncontroversial bill that deserves the support of this House, and I do strongly urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Before I yield back the balance of my time I would like to just make note that our good friend is back in the reader's chair. Mr. Paul Hayes is back with us today for the first time, and I know that all of my colleagues will want to join with me saying how pleased we are to have him back and that he has recovered from a little bump that he had awhile back, and we are delighted that he is with us today.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Texas (Mr. ORTIZ), the sponsor and the author of this legislation.

Mr. ORTIZ. Mr. Speaker, I would like to thank the gentleman from New Jersey (Mr. SAXTON), my good friend the chairman of the subcommittee, and the ranking member of the committee for their leadership, for being able to pass this in the subcommittee, bringing it to the full committee and onto the floor, and today I rise in support of H.R. 2496, the Junior Duck Stamp Conservation and Design Program Act. This is a noncontroversial program that increases the capacity for schools, States and other institutions to conduct wildlife conservation and education programs.

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I had the honor of sponsoring the Junior Duck Stamp Conservation and Design Program Act back in the 103rd Congress when I was a subcommittee chairman of the Committee on Merchant Marine and Fisheries. The purpose of the program, then and now, is to provide elementary and secondary school students with educational opportunities in the conservation and management of migratory birds. The program supplements our schools by offering an educational component to conduct conservation programs.

As economic and population growth continues and increasingly affects our environment and natural resources, we have to work harder to find ways to preserve both our world and our standard of living.

Solutions to this challenge, like any challenge, begin with knowledge and understanding, and that begins with education. This is why so many people have embraced educational methods, such as the Junior Duck Stamp Program. This program teaches grade school students appreciation for environmental science and habitat conservation, while rewarding their hard work and effort with support for continuing education.

This is a great tool to help educate students who have not had the opportunity many of us have had to spend time with nature and to develop appreciation of our resources and their management.

Mr. Speaker, at this time I would like to tell my friends that over 400,000 students are involved in this program; and, again, I would like to thank the chairman and the ranking member, and I ask my friends to support this bill.

Mr. FALEOMAVAEGA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to take one moment to congratulate the gentleman from Texas (Mr. ORTIZ) for his great effort in bringing this bill to the floor and for making it possible for us to reauthorize this program. It is certainly, as I said before, a very worthwhile program, and I congratulate the gentleman from Texas for his forethought in bringing it to us.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the motion offered by the gentleman from New Jersey (Mr. SAXTON) that the House suspend the rules and pass the bill, H.R. 2496, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

RONGELAP RESETTLEMENT ACT OF 1999

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 2970) to prescribe certain terms for the resettlement of the people of Rongelap Atoll due to conditions created at Rongelap during United States administration of the Trust Territory of the Pacific Islands, and for other purposes.

The Clerk read as follows:

H.R. 2970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rongelap Resettlement Act of 1999".

SEC. 2. RONGELAP RESETTLEMENT AGREEMENT.

The "Agreement Regarding United States Assistance in the Resettlement of Rongelap Concluded Between the United States Department of the Interior and Rongelap Atoll Local Government", accepted by the Secretary of the Interior on behalf of the President on September 19, 1996, as amended, shall continue in effect: *Provided*, That the authority to make disbursements pursuant to section 3 of such Agreement is extended for a period of 10 years after the existing authority terminates and that all such disbursements are—

(1) subject to the percentum limitation set forth in the Agreement;

(2) used by the Rongelap Atoll local government to manage and support community reunification, recovery, and mobilization for resettlement, and other activities associated with and in support of resettlement for the dislocated populations at Majuro, Ebeye, Mejatto, and elsewhere in the Marshall Islands; and

(3) subject to the disapproval of the Secretary based upon a determination that a particular use of funds does not effectively contribute to resettlement or address conditions of dislocation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SAXTON) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SAXTON).

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2970.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Rongelap Atoll is one of four atolls which were contaminated by high-level radiation from nuclear testing during the time the islands were administered as a trust territory by the United States. The people of Rongelap were first forced to leave their home in 1954. Since that time, they have returned to reside in Rongelap based on incorrect assurances that the islands were safe.

Now, after independent, scientific studies confirmed by the Department of Energy and the National Academy of Science, a federally funded resettlement plan is being implemented with the full involvement and consent of the Rongelap community. In 1996, Congress provided trust funds for the implementation of this plan for the resettlement of the 2,900 Rongelapese living in various parts of the Marshall Islands. Congress also required the administration to enter into an agreement with the Rongelap community to manage the resettlement process.

H.R. 2970, Mr. Speaker, approves this resettlement agreement, allows the distribution of funds already provided by Congress for this purpose and provides that the Secretary of Interior may disapprove expenditures that do not effectively advance resettlement.

This legislation, introduced by the gentleman from Alaska (Chairman YOUNG) and the ranking Democrat of the Committee on Resources, the gentleman from California (Mr. MILLER), creates no cost to the Federal Government and is supported by the Rongelap community and the Marshall Islands. I urge all Members to support the measure.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise to support the passage of H.R. 2970, which provides for the continuance of the 1996 Rongelap Resettlement Agreement between the Department of Interior, the Rongelap Atoll local government and the Republic of the Marshall Islands. Without this legislation, the resettlement activities being carried out by Rongelap's local government would be jeopardized and the eventual return of the Rongelap people back to their Atoll could be delayed well into the next millennium.

As you may know, Rongelap, as has been pointed out by the gentleman from New Jersey (Mr. SAXTON), is one of four atolls of the Marshall Islands which were contaminated due to nuclear testing during the time the islands were administered as part of the Trust Territory of the Pacific islands and as a U.N. trusteeship under the control of the United States.

In the post-World War II era, islands that were identified as nuclear test sites by the U.S. were evacuated and their people displaced from their homelands which they had known for centuries. The resulting contamination of their land and surrounding coral reef ecosystems have made it very difficult for their safe return to their islands.

In 1996 Congress authorized the implementation of a plan for the resettlement of the people of Rongelap, which now comprises a population of some 2,900 persons. Congress expressly required the President to establish an agreement to govern the resettlement process as intended by Public Law 104–134. In fulfilling that requirement, the Secretary of the Department of Interior entered into an agreement with the Rongelap Atoll local government for a resettlement program that includes radiological rehabilitation and reconstruction of the islands, as well as a community recovery and reunification program.

A trust fund established by Public Law 102–154 ensures that the local government is able to carry out the resettlement program. The principle of the trust fund requires that 50 percent of the annual income be dedicated to island rehabilitation. An amount not to exceed 50 percent of the income is made available to Rongelap's local government to manage and administer the resettlement program through their local government. This enables the government to carry out community recovery programs and address the needs of the Rongelap people through government services and support efforts.

This arrangement is set to expire next year unless Congress acts now to extend that authority. If the current arrangement is permitted to terminate, a resettlement administering authority that would essentially duplicate the local government would have to be established and funded in order to organize and mobilize the community for resettlement. This process could take many years to complete and would only serve to delay the return of the Rongelap people, which is our objective and which is their objective, and a legitimate one at that.

The success of the Rongelap local government, however, to carry out resettlement activities, has far exceeded the agreement and expectations of both the Congress and the Department of Interior. In recognition of their success and progress, it would be imprudent to abort the current approach.

This legislation is clearly bipartisan, supported by the Rongelap Atoll local government, cosponsored by the Committee on Resources chairman, the gentleman from Alaska (Mr. YOUNG), and the committee's ranking member, the gentleman from California (Mr. MILLER). I congratulate both of them for acting swiftly to ensure that the forward progress of the Rongelap government is continued.

I also recognize and congratulate my fellow island brothers. I represent an area that is closest to the Marshall Islands of all the districts represented in the House. I congratulate my fellow islands brothers and sisters for their effective management of the resettlement trust fund and their success in planning and discharging sound public policies to resettle their homelands.

I encourage my colleagues to support the passage of this legislation.

Mr. Speaker, I include for the RECORD a statement from His Excellency, Banny deBrum, the ambassador of the Marshall Islands to the United States.

EMBASSY OF THE REPUBLIC OF THE MARSHALL ISLANDS

To: Hon. Robert Underwood.
From: RMI Embassy.
Subject: House Committee Report.
Date: October 26, 1999.

DEAR CONGRESSMAN UNDERWOOD: The RMI agrees with the findings and recommendation set forth in House Report 106-404, adopted unanimously by the Resources Committee on October 20, 1999. As documented in Appendix B of the Committee's report, the Republic of the Marshall Islands (RMI) strongly supports the request of the Rongelap Atoll Local Government (RALGOV) for ratification by Congress of the resettlement program established by agreement between the Department of the Interior (DOI, RMI and Rongelap. The resettlement program fulfills the policy goals set forth by Congress in Section 118(d) of P.L. 104-134, and since all parties view the policy and the programs a success, Rongelap and the RMI do not want to leave continuation of the program to chance as the years pass, and as priorities at DOI change for reasons that have nothing to do with Rongelap or the resettlement program.

H.R. 2970 carries out the express intention of Congress as stated in P.L. 102-154 (105 Stat. 1009) that the Rongelap Resettlement Trust Fund be used by the local government to carry out a resettlement program based on a self-determination process for the community. Congress required Rongelap to enter into an agreement with the Executive Branch, and a 1996 agreement between DOI and Rongelap, with approval of the RMI, satisfies that requirement.

Under the 1996 DOI agreement, the Rongelapese are empowered to be in control of their own resettlement. This means that the scientist can investigate and recommend ways to mitigate radiological contamination, engineers and construction contractors can carry out radiological rehabilitation projects, and government officials can exercise oversight, but the decisions about resettlement are made by the people.

This is a significant improvement over past resettlement program in which the islanders were relocated again and again without meaningful participation in planning or decision-making. DOI is to be commended for agreeing to a program that gives the Rongelapese the final word on what measures to advance resettlement will be taken. This makes the people who must decide whether to go back to Rongelap or resettle elsewhere the ability to take control of their own destiny after decades of being controlled by federal officials with an agenda having little to do with the future well-being of the community.

H.R. 2970 preserves the authority of the Secretary of the Interior to disapprove of any expenditure which is determined not to be an effective use of funds to address the conditions of dislocation or to advance resettlement. This bill also preserves limits on the use of annual earnings of the resettlement trust fund by the local government, while recognizing the importance of local government operations and resettlement programs to the success of the overall effort. Thus, this bill confirms the policy DOI has adopted under Section 118(d) of P.L. 104-134, and extends the current program for 10 years instead of allowing it to expire in 2000.

If the resettlement program were not ahead of schedule, if the local government were not operating efficiently and effectively to achieve resettlement within the framework of law and policy DOI required under the resettlement agreement it approved in 1996, then we might want to modify or change the ground rules for the program. However, since the Rongelapese have met every requirement imposed by DOI and exceeded DOI's expectations for implementation of the resettlement program, it would be unwise and unfair to change the policy, the program or the ground rules now.

Given the unpredictability of U.S. actions and policies that resulted in exposure of the Rongelapese to near lethal high level radiation during the U.S. nuclear testing program, given the fact that some of their people were used for epidemiological research and testing not related to medical treatment and without the knowledge or consent of the test subjects, given the fact that they were returned to their island in 1957 and told by the AEC that it was safe, and given the determination by the National Academy of Sciences in 1993 that they should not inhabit that island until it has been made safe through a scientifically monitored program of radiological rehabilitation, I think 10 years of predictability in U.S. policy regarding their radiological clean up of their islands and resettlement of the community if and when their homeland is safe is not too much to ask. DOI has a successful program, and this bill will make sure it continues.

Thank you for your continued support and allow this important opportunity to share the RMI Government's position on H.R. 2970.

Sincerely,

BANNY DEBRUM,
Ambassador.

Mr. Speaker, I yield 5 minutes to the gentleman from America Samoa (Mr. FALEOMAVAEGA).

Mr. FALEOMAVAEGA. Mr. Speaker, I want to thank the gentleman from Guam for yielding me such time to express my support for this legislation. I also want to express my appreciation to the gentleman from New Jersey (Chairman SAXTON) for his leadership in managing this bill before the Members of the chamber.

Mr. Speaker, the people of Rongelap Atoll, like those from Bikini Atoll in the Marshall Islands, have been suffering for decades because of the nuclear testing activities of the United States Government earlier.

Through the efforts of this committee, Congress passed legislation in 1996 which is assisting the people of Rongelap in establishing a resettlement plan. From the trust fund established in 1992, 50 percent of the annual income is dedicated to island rehabilitation, reconstruction and resettlement programs. The other half of the trust income is available to continue the resettlement program through the local government. This is working well, and I certainly hope that my colleagues will support the bill.

Mr. Speaker, the people of Rongelap Atoll were victims of the most powerful nuclear explosion ever known to man at that time, the first hydrogen bomb explosion in the Marshall Islands in the Pacific in 1954, a 15 megaton explosion that was approximately 1,000 times more powerful, 1,000 times more power than the atom bombs we dropped on Hiroshima and Nagasaki during World War II.

The people of Rongelap did not even know what had happened, other than the fact that they first observed a terrifying brilliant flash of light over 100 miles away, then the shifting winds that brought them a powder-like substance that they innocently washed themselves with, only to result in severe burns and rashes. The color of the ocean turned yellow. Severe vomiting and illnesses of all sorts soon followed; and as a result of this wrong our government had committed against the people of Rongelap, the health of these people has never been the same.

Mr. Speaker, the records indicate our government did commit a grave wrong against the people of Rongelap. The U.S. officials responsible for this hydrogen bomb explosion knew, knew, that the winds had shifted at least 3 to 4 hours before the nuclear hydrogen explosion would take place.

Mr. Speaker, our military officials knew that with the shifting winds, the nuclear fallout would be going directly towards the island of Rongelap and all the men, women, and children living in Rongelap were subjected to radioactive contamination. So now our government is making an effort to at least compensate in some fashion the residents of Rongelap Atoll.

Mr. Speaker, no amount of money will ever restore these people back to normal health, but I do submit that I want to thank sincerely the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Resources, and the gentleman from California (Mr. MILLER), the ranking member, and thank again the gentleman from New Jersey (Chairman SAXTON) for their leadership and efforts which are bringing this legislation forward to, at least with some sense of conscience, make available some kind of assistance to these people that were subjected to this serious nuclear explosion that our government made in 1954.

I urge my colleagues to support this bill.

Mr. UNDERWOOD. Mr. Speaker, I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SAXTON) that the House suspend the rules and pass the bill, H.R. 2970.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PERKINS COUNTY RURAL WATER SYSTEM ACT OF 1999

Mr. DOOLITTLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 970) to authorize the Secretary of the Interior to provide assistance to the Perkins County Rural Water System, Inc., for the construction of water supply facilities in Perkins County, South Dakota, as amended.

The Clerk read as follows:

H.R. 970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Perkins County Rural Water System Act of 1999".

SEC. 2. FINDINGS.

The Congress finds that—

(1) in 1977, the North Dakota State Legislature authorized and directed the State Water Commission to conduct the Southwest Area Water Supply Study, which included water service to a portion of Perkins County, South Dakota;

(2) amendments made by the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 101–294) authorized the Southwest Pipeline project as an eligible project for Federal cost share participation; and

(3) the Perkins County Rural Water System has continued to be recognized by the State of North Dakota, the Southwest Water Authority, the North Dakota Water Commission, the Department of the Interior, and Congress as a component of the Southwest Pipeline Project.

SEC. 3. DEFINITIONS.

In this Act:

(1) CORPORATION.—The term "Corporation" means the Perkins County Rural Water System, Inc., a nonprofit corporation established and operated under the laws of the State of South Dakota substantially in accordance with the feasibility study.

(2) FEASIBILITY STUDY.—The term "feasibility study" means the study entitled "Feasibility Study for Rural Water System for Perkins County Rural Water System, Inc.", as amended in March 1995.

(3) PROJECT CONSTRUCTION BUDGET.—The term "project construction budget" means the description of the total amount of funds that are needed for the construction of the water supply system, as described in the feasibility study.

(4) PUMPING AND INCIDENTAL OPERATIONAL REQUIREMENTS.—The term "pumping and incidental operational requirements" means all power requirements that are incidental to the operation of the water supply system by the Corporation.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation.

(6) WATER SUPPLY SYSTEM.—The term "water supply system" means intake facilities, pumping stations, water treatment facilities, cooling facilities, reservoirs, and pipelines operated by the Perkins County Rural Water System, Inc., to the point of delivery of water to each entity that distributes water at retail to individual users.

SEC. 4. FEDERAL ASSISTANCE FOR WATER SUPPLY SYSTEM.

(a) IN GENERAL.—The Secretary shall make grants to the Corporation for the Federal share of the costs of—

(1) the planning and construction of the water supply system; and

(2) repairs to existing public water distribution systems to ensure conservation of the resources and to make the systems functional under the new water supply system.

(b) LIMITATION ON AVAILABILITY OF CONSTRUCTION FUNDS.—The Secretary shall not obligate funds for the construction of the water supply system until—

(1) the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are met with respect to the water supply system; and

(2) a final engineering report and a plan for a water conservation program have been prepared and submitted to Congress for a period of not less than 90 days before the commencement of construction of the system.

SEC. 5. MITIGATION OF FISH AND WILDLIFE LOSSES.

Mitigation of fish and wildlife losses incurred as a result of the construction and operation of the water supply system shall be on an acre-for-acre basis, based on ecological equivalency, concurrent with project construction, as provided in the feasibility study.

SEC. 6. USE OF PICK-SLOAN POWER.

For operation during the period beginning May 1 and ending October 31 of each year, portions of the water supply system constructed with assistance under this Act shall be eligible to utilize power from the Pick-Sloan Missouri Basin Program established by section 9 of the Act of December 22, 1944 (Chapter 665; 58 Stat. 887), popularly known as the Flood Control Act of 1944.

SEC. 7. FEDERAL SHARE.

The Federal share under section 4 shall be 75 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

SEC. 8. NON-FEDERAL SHARE.

The non-Federal share under section 4 shall be 25 percent of—

(1) the amount allocated in the total project construction budget for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

SEC. 9. CONSTRUCTION OVERSIGHT.

(a) AUTHORIZATION.—At the request of the Corporation, the Secretary may provide to the Corporation assistance in overseeing matters relating to construction of the water supply system.

(b) PROJECT OVERSIGHT ADMINISTRATION.—The amount of funds used by the Secretary for planning and construction of the water supply system may not exceed an amount equal to 3 percent of the amount provided in the total project construction budget for the portion of the project to be constructed in Perkins County, South Dakota.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary—

(1) $15,000,000 for the planning and construction of the water supply system under section 4; and

(2) such sums as are necessary to defray increases in development costs reflected in appropriate engineering cost indices after March 1, 1995.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. DOOLITTLE) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. DOOLITTLE).

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Mr. DOOLITTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Perkins County is located in northwest South Dakota on the border with North Dakota. Like many areas in the high plains, there are insufficient water supplies, and much of what is available does not meet minimum health and safety standards.

In the early 1930s, South Dakota and Perkins County funded a water supply feasibility study which was completed in 1994. The study concluded that obtaining water from the Southwest Water Authority, a nearby water system located in North Dakota, was the most feasible option, and that the necessary water supply system would cost approximately $20 million. This bill provides for a 75/25 Federal-local cost share, with a total authorization of $15 million for the water supply project costs.

A similar bill passed the House and Senate last year, but due to time constraints was never sent to the President for signature. This bill simplifies the Pick-Sloan power provision of the previous bill, and makes power available to the project at the firm power rate schedule of the Pick-Sloan Eastern Division, within the Western Power Administration, rather than at pumping power rates. This is more equitable to other power users, and consistent with other municipal and industrial water projects.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 970. Similar legislation was passed by both the House and Senate in the 105th Congress.

The committee has received extensive testimony regarding the poor quality of domestic water supplies in this area. Farmsteads in this part of South Dakota are often miles apart, and residents must depend on wells that produce water with high levels of sodium.

Engineering studies have shown that centralized treatment facilities using groundwater would not be cost-effective. It makes much more sense to assist Perkins County residents by allowing them to hook up to the Southwest Pipeline project, a rural water supply now under construction just over the border in North Dakota.

I congratulate the Chair and the ranking member, and I urge my colleagues to support H.R. 970.

Mr. Speaker, I yield back the balance of my time.

Mr. DOOLITTLE. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota (Mr. THUNE), the author of this legislation.

Mr. THUNE. Mr. Speaker, I want to thank the gentleman for yielding time to me.

Mr. Speaker, I stand to speak in favor of H.R. 970, the Perkins County Rural Water System Act of 1999.

Mr. Speaker, it has been a long and winding road that this important project has taken to get to this point today. I am extremely pleased that we are nearing the point of enactment.

I would like to thank the gentleman from California, the chairman of the Subcommittee on Water and Power, and the gentleman from Alaska (Mr. YOUNG), the chairman of the full Committee on Resources, as well as the ranking members, the gentlemen from California, Mr. MILLER and Mr. DOOLEY, for their assistance and cooperation in helping advance this bill. Their leadership and cooperation throughout this process have been very instrumental and will continue to be instrumental as we work with the other body to see that this bill becomes law.

The reason I say H.R. 970 has been on a legislative journey of sorts is because this body in the last session of Congress passed a measure similar to H.R. 970, and in the waning days of the 105th Congress, a bill very similar to the one before us today met the approval of the full House.

However, when considered by the other body, the bill was amended and differences between the two bodies could not be settled. As a result, I reintroduced this legislation, and I hope the House will see fit to approve it today.

Mr. Speaker, this bill would provide the authorization that is necessary for the Perkins County rural water system to qualify for Federal assistance for construction. When completed, the system will provide water to over 3,500 people in an area covering 2,866 square miles.

In order to give my colleagues in the House some perspective of that area, that area is larger than either the State of Delaware or Rhode Island. But unlike either of these two States, this area of South Dakota lacks this very important lifeline resource of water.

Not unlike some other areas of South Dakota, Perkins County frequently experiences problems in terms of quality and quantity of water. The present water supply all too frequently fails to meet Environmental Protection Agency standards for total dissolved solids and sulfates. In addition, the sodium and fluoride levels have surpassed acceptable limits. While water clearly is a factor in the quality of life, it is also a factor of good health.

The people of Perkins County have waited for some time to address these concerns. In fact, the project's origins date back to 1982, when sponsors of the Southwest Pipeline project in North Dakota contacted a group of farmers and ranchers in Perkins County to gauge their interest in receiving water from a better, healthier source. While interest was there, the Southwest Pipeline project did not develop to the point that it could have been included in engineering design until 1992.

However, the Southwest Pipeline authorization does not explicitly authorize construction of the Perkins County rural water system. Despite this strong historical connection, there still was not the legal authority necessary for the system, which is why I am on the floor of the House today.

The legislation before us now would help address a vital need to any and every community: that is, water suitable for human consumption. Many areas of this Nation are blessed with vast quantities of quality drinking water. It is a resource that helps ensure growth and prosperity. Other areas, like Perkins County, South Dakota, however, suffer from lack of access to a dependable water supply.

Though this may be a sparsely populated area of this Nation, the communities in Perkins County such as Bison, Lemmon, and Prairie City, all are important to supporting the social fabric of the magnificent rangeland that surrounds. Likewise, there is potential for growth, but only if the basic resources are in place.

H.R. 970 would help this region continue to thrive into the next century. The bill also will allow us to move past simply examining the symptoms of poor drinking water and move forward with the cure to the deficiencies in the current water supply.

On behalf of the residents of Perkins County, South Dakota, I ask all the Members on both sides of the aisle to support this legislation today. Again, I thank the leadership of this committee for moving this bill forward.

Mr. DOOLITTLE. Mr. Speaker, I have no further requests for time. I urge an aye vote, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BONILLA). The question is on the motion offered by the gentleman from California (Mr. DOOLITTLE) that the House suspend the rules and pass the bill, H.R. 970, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL GEOLOGIC MAPPING REAUTHORIZATION ACT OF 1999

Mrs. CUBIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1528) to reauthorize and amend the National Geologic Mapping Act of 1992.

The Clerk read as follows:

H.R. 1528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Geologic Mapping Reauthorization Act of 1999".

SEC. 2. FINDINGS.

Section 2(a) of the National Geologic Mapping Act of 1992 (43 U.S.C. 31a(a)) is amended—

(1) in paragraph (7), by striking "and" at the end;

(2) by redesignating paragraph (8) as paragraph (10);

(3) by inserting after paragraph (7) the following:

"(8) geologic map information is required for the sustainable and balanced development of natural resources of all types, including energy, minerals, land, water, and biological resources;

"(9) advances in digital technology and geographical information system science have made geologic map databases increasingly important as decision support tools for land and resource management; and"; and

(4) in paragraph (10) (as redesignated by paragraph (2)), by inserting "of surficial and bedrock deposits" after "geologic mapping".

SEC. 3. DEFINITIONS.

Section 3 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31b) is amended—

(1) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (6), (7), (8), and (10), respectively;

(2) by inserting after paragraph (3) the following:

"(4) EDUCATION COMPONENT.—The term 'education component' means the education component of the geologic mapping program described in section 6(d)(3).

"(5) FEDERAL COMPONENT.—The term 'Federal component' means the Federal component of the geologic mapping program described in section 6(d)(1)."; and

(3) by inserting after paragraph (8) (as redesignated by paragraph (1)) the following:

"(9) STATE COMPONENT.—The term 'State component' means the State component of the geologic mapping program described in section 6(d)(2).".

SEC. 4. GEOLOGIC MAPPING PROGRAM.

Section 4 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31c) is amended—

(1) in subsection (b)(1)—

(A) in the first sentence, by striking "priorities" and inserting "national priorities and standards for";

(B) in subparagraph (A)—

(i) by striking "develop a geologic mapping program implementation plan" and inserting "develop a 5-year strategic plan for the geologic mapping program"; and

(ii) by striking "within 300 days after the date of enactment of the National Geologic Mapping Reauthorization Act of 1997" and inserting "not later than 1 year after the date of enactment of the National Geologic Mapping Reauthorization Act of 1999";

(C) in subparagraph (B), by striking "within 90 days after the date of enactment of the National Geologic Mapping Reauthorization Act of 1997" and inserting "not later than 1 year after the date of enactment of the National Geologic Mapping Reauthorization Act of 1999"; and

(D) in subparagraph (C)—

(i) in the matter preceding clause (i), by striking "within 210 days after the date of enactment of the National Geologic Mapping Reauthorization Act of 1997" and inserting "not later than 3 years after the date of enactment of the National Geologic Mapping Reauthorization Act of 1999, and biennially thereafter";

(ii) in clause (i), by striking "will coordinate" and inserting "are coordinating";

(iii) in clause (ii), by striking "will establish" and inserting "establish"; and

(iv) in clause (iii), by striking "will lead to" and inserting "affect"; and

(2) by striking subsection (d) and inserting the following:

"(d) PROGRAM COMPONENTS.—

"(1) FEDERAL COMPONENT.—

"(A) IN GENERAL.—The geologic mapping program shall include a Federal geologic mapping component, the objective of which shall be to determine the geologic framework of areas determined to be vital to the economic, social, environmental, or scientific welfare of the United States.

"(B) MAPPING PRIORITIES.—For the Federal component, mapping priorities—

"(i) shall be described in the 5-year plan under section 6; and

"(ii) shall be based on—

"(I) national requirements for geologic map information in areas of multiple-issue need or areas of compelling single-issue need; and

"(II) national requirements for geologic map information in areas where mapping is required to solve critical earth science problems.

"(C) INTERDISCIPLINARY STUDIES.—

"(i) IN GENERAL.—The Federal component shall include interdisciplinary studies that add value to geologic mapping.

"(ii) REPRESENTATIVE CATEGORIES.—Interdisciplinary studies under clause (i) may include—

"(I) establishment of a national geologic map database under section 7;

"(II) studies that lead to the implementation of cost-effective digital methods for the acquisition, compilation, analysis, cartographic production, and dissemination of geologic map information;

"(III) paleontologic, geocnrono-logic, and isotopic investigations that provide information critical to understanding the age and history of geologic map units;

"(IV) geophysical investigations that assist in delineating and mapping the physical characteristics and 3-dimensional distribution of geologic materials and geologic structures; and

"(V) geochemical investigations and analytical operations that characterize the composition of geologic map units.

"(iii) USE OF RESULTS.—The results of investigations under clause (ii) shall be contributed to national databases.

"(2) STATE COMPONENT.—

"(A) IN GENERAL.—The geologic mapping program shall include a State geologic mapping component, the objective of which shall be to establish the geologic framework of areas determined to be vital to the economic, social, environmental, or scientific welfare of individual States.

"(B) MAPPING PRIORITIES.—For the State component, mapping priorities—

"(i) shall be determined by State panels representing a broad range of users of geologic maps; and

"(ii) shall be based on—

"(I) State requirements for geologic map information in areas of multiple-issue need or areas of compelling single-issue need; and

"(II) State requirements for geologic map information in areas where mapping is required to solve critical earth science problems.

"(C) INTEGRATION OF FEDERAL AND STATE PRIORITIES.—A national panel including representatives of the Survey shall integrate the State mapping priorities under this paragraph with the Federal mapping priorities under paragraph (1).

"(D) USE OF FUNDS.—The Survey and recipients of grants under the State component shall not use more than 15.25 percent of the Federal funds made available under the State component for any fiscal year to pay indirect, servicing, or program management charges.

"(E) FEDERAL SHARE.—The Federal share of the cost of activities under the State component for any fiscal year shall not exceed 50 percent.

"(3) EDUCATION COMPONENT.—

"(A) IN GENERAL.—The geologic mapping program shall include a geologic mapping education component for the training of geologic mappers, the objectives of which shall be—

"(i) to provide for broad education in geologic mapping and field analysis through support of field studies; and

"(ii) to develop academic programs that teach students of earth science the fundamental principles of geologic mapping and field analysis.

"(B) INVESTIGATIONS.—The education component may include the conduct of investigations, which—

"(i) shall be integrated with the Federal component and the State component; and

"(ii) shall respond to mapping priorities identified for the Federal component and the State component.

"(C) USE OF FUNDS.—The Survey and recipients of grants under the education component shall not use more than 15.25 percent of the Federal funds made available under the education component for any fiscal year to pay indirect, servicing, or program management charges.

"(D) FEDERAL SHARE.—The Federal share of the cost of activities under the education component for any fiscal year shall not exceed 50 percent.".

SEC. 5. ADVISORY COMMITTEE.

Section 5 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31d) is amended—

(1) in subsection (a)(3), by striking "90 days after the date of enactment of the National Geologic Mapping Reauthorization Act of 1997" and inserting "1 year after the date of enactment of the National Geologic Mapping Reauthorization Act of 1999"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "critique the draft implementation plan" and inserting "update the 5-year plan"; and

(B) in paragraph (3), by striking "this Act" and inserting "sections 4 through 7".

SEC. 6. GEOLOGIC MAPPING PROGRAM 5-YEAR PLAN.

The National Geologic Mapping Act of 1992 is amended by striking section 6 (43 U.S.C. 31e) and inserting the following:

"SEC. 6. GEOLOGIC MAPPING PROGRAM 5-YEAR PLAN.

"(a) IN GENERAL.—The Secretary, acting through the Director, shall, with the advice and review of the advisory committee, prepare a 5-year plan for the geologic mapping program.

"(b) REQUIREMENTS.—The 5-year plan shall identify—

"(1) overall priorities for the geologic mapping program; and

"(2) implementation of the overall management structure and operation of the geologic mapping program, including—

"(A) the role of the Survey in the capacity of overall management lead, including the responsibility for developing the national geologic mapping program that meets Federal needs while fostering State needs;

"(B) the responsibilities of the State geological surveys, with emphasis on mechanisms that incorporate the needs, missions, capabilities, and requirements of the State geological surveys, into the nationwide geologic mapping program;

"(C) mechanisms for identifying short- and long-term priorities for each component of the geologic mapping program, including—

"(i) for the Federal component, a priority-setting mechanism that responds to—

"(I) Federal mission requirements for geologic map information;

"(II) critical scientific problems that require geologic maps for their resolution; and

"(III) shared Federal and State needs for geologic maps, in which joint Federal-State geologic mapping projects are in the national interest;

"(ii) for the State component, a priority-setting mechanism that responds to—

"(I) specific intrastate needs for geologic map information; and

"(II) interstate needs shared by adjacent States that have common requirements; and

"(iii) for the education component, a priority-setting mechanism that responds to requirements for geologic map information that are dictated by Federal and State mission requirements;

"(D) a mechanism for adopting scientific and technical mapping standards for preparing and publishing general- and special-purpose geologic maps to—

"(i) ensure uniformity of cartographic and scientific conventions; and

"(ii) provide a basis for assessing the comparability and quality of map products; and

"(E) a mechanism for monitoring the inventory of published and current mapping investigations nationwide to facilitate planning and information exchange and to avoid redundancy.".

SEC. 7. NATIONAL GEOLOGIC MAP DATABASE.

Section 7 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31f) is amended by striking the section heading and all that follows through subsection (a) and inserting the following:

"SEC. 7. NATIONAL GEOLOGIC MAP DATABASE.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Survey shall establish a national geologic map database.

"(2) FUNCTION.—The database shall serve as a national catalog and archive, distributed through links to Federal and State geologic map holdings, that includes—

"(A) all maps developed under the Federal component and the education component;

"(B) the databases developed in connection with investigations under subclauses (III), (IV), and (V) of section 4(d)(1)(C)(ii); and

"(C) other maps and data that the Survey and the Association consider appropriate.".

SEC. 8. BIENNIAL REPORT.

The National Geologic Mapping Act of 1992 is amended by striking section 8 (43 U.S.C. 31g) and inserting the following:

"SEC. 8. BIENNIAL REPORT.

"Not later 3 years after the date of enactment of the National Geologic Mapping Reauthorization Act of 1999 and biennially thereafter, the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report that—

"(1) describes the status of the national geologic mapping program;

"(2) describes and evaluates the progress achieved during the preceding 2 years in developing the national geologic map database; and

"(3) includes any recommendations that the Secretary may have for legislative or other action to achieve the purposes of sections 4 through 7.".

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

The National Geologic Mapping Act of 1992 is amended by striking section 9 (43 U.S.C. 31h) and inserting the following:

"SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act—

"(1) $28,000,000 for fiscal year 1999;

"(2) $30,000,000 for fiscal year 2000;

"(3) $37,000,000 for fiscal year 2001;

"(4) $43,000,000 for fiscal year 2002;

"(5) $50,000,000 for fiscal year 2003;

"(6) $57,000,000 for fiscal year 2004; and

"(7) $64,000,000 for fiscal year 2005.

"(b) ALLOCATION OF APPROPRIATIONS.—Of any amounts appropriated for any fiscal year in excess of the amount appropriated for fiscal year 2000—

"(1) 48 percent shall be available for the State component; and

"(2) 2 percent shall be available for the education component.".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Wyoming (Mrs. CUBIN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentlewoman from Wyoming (Mrs. CUBIN).

GENERAL LEAVE

Mrs. CUBIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1528.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Wyoming?

There was no objection.

Mrs. CUBIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1528, a bill to reauthorize and amend the National Geologic Mapping Act of 1992. That law established a cooperative program between the United States Geologic Survey, the various State geologic surveys, and academia to prioritize geologic mapping needs for the Nation, and to ensure that a small cadre of trained mappers continues to flow from our universities.

This bill represents the second authorization, the second reauthorization of the initial program, which was enacted by the 102nd Congress.

Mr. Speaker, just in the last few months we have witnessed earthquakes in Turkey, Greece, and Taiwan, with devastating loss of life and quality of life. The planet we live on is a dynamic one. Having modern geologic maps of our country is a foundation of good Earth science application to natural hazards identification and abatement, as well as for broad planning efforts for resources utilization. Such mapping is also key to delineation and protection of sources of safe drinking water and sound land use planning.

The National Geologic Mapping Act has fostered a spirit of cooperation between the Federal Government's Earth scientists and those employed by the 50 States, as well as academia. No one agency or group has all the answers. Through the workings of the Cooperative Geologic Mapping Program, priorities based on real needs are advanced, and funding is made available to the States on a 50/50 matching basis from a small portion of the annual USGS appropriation.

Since the program was initiated, the States have demonstrated a greater ability to come up with the matching funds in their own State legislatures, a sign that the program is indeed successful.

Of course, we realize that geologic mapping will not stop earthquakes, landslides, and volcanic eruptions from happening, but it does provide new insights into the likelihood of their occurrence, so that the impacts to society may be ameliorated.

I would like to thank our colleague, the gentleman from West Virginia (Mr. RAHALL), a cosponsor of this bill and a sponsor of the original act in 1992, for joining with me in support of this new and improved act, and likewise for our colleague, the gentleman from the Second District of Nevada (Mr. GIBBONS), who is a geologist himself and a cosponsor of H.R. 1528.

Lastly, I would like to acknowledge the efforts of Dr. David Wunsch, who is a congressional science fellow who worked with the Subcommittee on Energy and Mineral Resources during the last year. David has returned to the Kentucky Geologic Survey to do important research in the hydrogeology of coal-bearing terrains, but he was instrumental in seeing this bill come this far.

H.R. 1528 has the full support of the administration, and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, the National Geologic Mapping Reauthorization Act of 1991, has the full support of the Committee on Resources. Democrats and Republicans alike have voted to favorably report this bill to the House, and the Clinton administration has also endorsed the bill.

We need geologic mapping in our society for many worthwhile purposes, including emergency preparedness, environmental protection, land use planning, and resource extraction.

Over the years, the need for geologic maps has grown steadily, but map production has not kept up. The Earth provides the physical foundation for our society. We live upon it and we use its resources. Therefore, we need to work toward a better understanding of the Earth's resources and potential dangers.

Geologic maps are one effective way to convey the Earth science foundation needed for better understanding and decision-making by all of us. Federal agencies, State, territorial, and local governments, private industry, and the general public alike.

The National Geologic Mapping Act of 1992, which this bill would extend, which was first authored by our colleague, the gentleman from West Virginia (Mr. RAHALL) authorized a national program of geologic mapping to be accomplished through partnership with State geological surveys, academia, the private sector, and the USGS.

This partnership is essential if we are to developing the extensive amount of material needed for informed decision-making. Accordingly, it is my pleasure to support adoption of the bill. I urge all of my colleagues on both sides of the aisle to join me in voting on H.R. 1528.

I would like to acknowledge the leadership of the subcommittee chairwoman, the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Speaker, I yield 5 minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, first of all, I would like to begin by thanking the gentlewoman from Wyoming (Mrs. CUBIN) for her gracious yielding of time for me to speak, and her diligent work and commitment on this bill, as well as that of the gentleman from Guam (Mr. UNDERWOOD), and for seeing to it that this bill reaches the House floor.

Mr. Speaker, this legislation becomes very important when we consider and address issues of safety in the environment. H.R. 1528 reauthorizes the geologic mapping Act of 1992, which was a legislative response to identified deficiencies in the National Academy of Sciences with their lack of basic geologic knowledge and structures in this country.

Being a geologist myself, I can personally attest to the great importance of geologic mapping and its resultant impact on many aspects of our society. Geologic maps benefit safety and planning regulations, telling us where natural disasters may occur. For example, they identify and map earthquake fault lines and water flow patterns which are important to identifying disaster potentials when building infrastructure for our communities and transportation routes.

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Without a detailed geologic map of the United States, we will be forced to address issues such as safe drinking water and environmental systems, understanding in the same dangerous fashion that someone might drive a car at night without headlights.

It is imperative for us to explore and understand what resources we have in this country and how best to use them before we carelessly make unscientific decisions without the full knowledge of our underlying environment.

I also believe that detailed geologic maps provide the basic information for solving a broad range of regional and State problems. These include the protection of drinking water, the identification and mitigation of natural hazards such as earthquakes and volcanic eruptions, as well as many other land-use planning requirements.

This legislation will assist State and local communities with land and water decisions, aid farmers and ranchers with crop decisions, advance habitat protection for endangered species, and aid the mining industry with site determination for mineral resources.

Currently, Mr. Speaker, only about 20 percent or one-fifth of the Nation is adequately mapped. Congress, however, has finally begun to understand the importance and need of geologic mapping, and it is time that we use our dollars wisely to bring about the best science for this country.

Geologic maps are the primary database for virtually all applied and basic earth science investigations. It is because of this continued need for core science that I urge all Members to support H.R. 1528. I believe that passage of this bill is in the best interest of science and the Nation as well.

Once again, Mr. Speaker, I would like to thank the gentlewoman from Wyoming (Mrs. CUBIN) for her leadership in bringing this important legislation before us today. I urge all my colleagues to vote in favor of this bill.

Mr. UNDERWOOD. Mr. Speaker, I yield back the balance of my time.

Mrs. CUBIN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BONILLA). The question is on the motion offered by the gentlewoman from Wyoming (Mrs. CUBIN) that the House suspend the rules and pass the bill, H.R. 1528.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GAS HYDRATE RESEARCH AND DEVELOPMENT ACT OF 1999

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1753) to promote the research, identification, assessment, exploration, and development of methane hydrate resources and for other purposes, as amended.

The Clerk read as follows:

H.R. 1753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gas Hydrate Research and Development Act of 1999".

SEC. 2. DEFINITIONS.

In this Act:

(1) CONTRACT.—The term "contract" means a procurement contract within the meaning of section 6303 of title 31, United States Code.

(2) COOPERATIVE AGREEMENT.—The term "cooperative agreement" means a cooperative agreement within the meaning of section 6305 of title 31, United States Code.

(3) DIRECTOR.—The term "Director" means the Director of the National Science Foundation.

(4) GRANT.—The term "grant" means a grant awarded under a grant agreement, within the meaning of section 6304 of title 31, United States Code.

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" means an institution of higher education, within the meaning of section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(6) SECRETARY.—The term "Secretary" means the Secretary of Energy, acting through the Assistant Secretary for Fossil Energy.

(7) SECRETARY OF COMMERCE.—The term "Secretary of Commerce" means the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration.

(8) SECRETARY OF DEFENSE.—The term "Secretary of Defense" means the Secretary of Defense, acting through the Secretary of the Navy.

(9) SECRETARY OF THE INTERIOR.—The term "Secretary of the Interior" means the Secretary of the Interior, acting through the Director of the United States Geological Survey and the Director of the Minerals Management Service.

SEC. 3. GAS HYDRATE RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—

(1) COMMENCEMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Commerce, the Secretary of Defense, the Secretary of the Interior, and the Director, shall commence a program of gas hydrate research and development.

(2) DESIGNATIONS.—The Secretary, the Secretary of Commerce, the Secretary of Defense, the Secretary of the Interior, and the Director shall designate individuals to carry out this section.

(3) MEETINGS.—The individuals designated under paragraph (2) shall meet not later than 120 days after the date on which all such individuals are designated and not less frequently than every 120 days thereafter to—

(A) review the progress of the program under paragraph (1); and

(B) make recommendations on future activities to occur subsequent to the meeting.

(b) GRANTS, CONTRACTS, COOPERATIVE AGREEMENTS, INTERAGENCY FUNDS TRANSFER AGREEMENTS, AND FIELD WORK PROPOSALS.—

(1) ASSISTANCE AND COORDINATION.—The Secretary may award grants or contracts to, or enter into cooperative agreements with, institutions of higher education and industrial enterprises to—

(A) conduct basic and applied research to identify, explore, assess, and develop gas hydrate as a source of energy;

(B) assist in developing technologies required for efficient and environmentally sound development of gas hydrate resources;

(C) undertake research programs to provide safe means of transport and storage of gas produced from gas hydrates;

(D) promote education and training in gas hydrate resource research and resource development;

(E) conduct basic and applied research to assess and mitigate the environmental impacts of hydrate degassing (including both natural degassing and degassing associated with commercial development); and

(F) develop technologies to reduce the risks of drilling through gas hydrates.

(2) COMPETITIVE MERIT-BASED REVIEW.—Funds made available under paragraph (1) shall be made available based on a competitive merit-based process.

(c) CONSULTATION.—The Secretary shall establish an advisory panel consisting of experts from industry, institutions of higher education, and Federal agencies to—

(1) advise the Secretary on potential applications of gas hydrate;

(2) assist in developing recommendations and priorities for the gas hydrate research and development program carried out under subsection (a)(1); and

(3) report to the Congress within 2 years after the date of the enactment of this Act, or at such later date as the Secretary considers advisable, on the impact on global climate change from gas hydrate extraction and consumption.

(d) LIMITATIONS.—

(1) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount made available to carry out this section for a fiscal year may be used by the Secretary for expenses associated with the administration of the program carried out under subsection (a)(1).

(2) CONSTRUCTION COSTS.—None of the funds made available to carry out this section may be used for the construction of a new building or the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees).

(e) RESPONSIBILITIES OF THE SECRETARY.—In carrying out subsection (b)(1), the Secretary shall—

(1) facilitate and develop partnerships among government, industry, and institutions of higher education to research, identify, assess, and explore gas hydrate resources;

(2) undertake programs to develop basic information necessary for promoting long-term interest in gas hydrate resources as an energy source;

(3) ensure that the data and information developed through the program are accessible and widely disseminated as needed and appropriate;

(4) promote cooperation among agencies that are developing technologies that may hold promise for gas hydrate resource development; and

(5) report annually to Congress on accomplishments under this section.

SEC. 4. AMENDMENTS TO THE MINING AND MINERALS POLICY ACT OF 1970.

Section 201 of the Mining and Minerals Policy Act of 1970 (30 U.S.C. 1901) is amended—

(1) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively;

(2) by inserting after paragraph (3) the following:

"(4) The term 'gas hydrate' means a gas clathrate that—

"(A) is in the form of a gas-water ice-like crystalline material; and

"(B) is stable and occurs naturally in deep-ocean and permafrost areas."; and

(3) in paragraph (7), as so redesignated by paragraph (1) of this section—

(A) in subparagraph (F), by striking "and" at the end;

(B) by redesignating subparagraph (G) as subparagraph (H); and

(C) by inserting after subparagraph (F) the following:

"(G) for purposes of this section and sections 202 through 205 only, gas hydrate; and".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Energy to carry out this Act—

(1) $5,000,000 for fiscal year 2000;
(2) $7,500,000 for fiscal year 2001;
(3) $11,000,000 for fiscal year 2002;
(4) $12,000,000 for fiscal year 2003; and
(5) $12,000,000 for fiscal year 2004.

Amounts authorized under this section shall remain available until expended.

SEC. 6. SUNSET.

Section 3 of this Act shall cease to be effective after the end of fiscal year 2004.

SEC. 7. REPORTS AND STUDIES.

The Secretary shall simultaneously provide to the Committee on Science of the House of Representatives and the Committee on Energy and Natural Resources of the Senate copies of any report or study that the Department of Energy prepares at the direction of any committee of the Congress.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Illinois (Mr. COSTELLO) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1753.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, gas hydrates, which consist of a mixture of gas and water frozen into a solid crystalline state, have great energy potential. The most abundant form of gas hydrates, methane hydrates, are found in many areas throughout the world.

The U.S. Geological Survey's 1995 National Assessment of United States Oil and Gas Resources estimated the value of the U.S. in-place methane hydrate resource to be an astounding 320,000 trillion cubic feet of gas or 320 quadrillion cubic feet of gas.

By comparison, the United States annually consumes about 22 trillion cubic feet of methane as natural gas, and the world's current known gas reserves are about 5,000 trillion cubic feet of gas.

In addition, the occurrence and stability of gas hydrates at oceanic depths offers the possibility that excess greenhouse gases, especially carbon dioxide, may be disposed in the deep ocean as synthetic hydrates.

H.R. 1753 directs the Secretary of Energy, in consultation with the Secretaries of Commerce, Defense, and the Interior, and the Director of the National Science Foundation, to commence a program of gas hydrate R&D. It authorizes the Secretary of Energy $5 million for fiscal year 2000, $7.5 million for fiscal year 2001, $11 million for fiscal year 2002, and $12 million for each of fiscal years 2003 and 2004 to carry out the program.

The bill also authorizes the Secretary of Energy to award grants or contracts to, or enter into cooperative agreements with institutions of higher education and industrial enterprises to conduct gas hydrate R&D; requires that all such awards be made available based on a competitive merit review process.

It limits administrative expenses to not more than 5 percent and prohibits any funds from being used for either the construction of a new building or alteration of an existing building, including site grading and improvement and architect fees.

It allows the Secretary of Interior to award gas hydrate R&D contracts in grants to, and to enter into cooperative agreements with, qualified entities under the Marine Mineral Resources Research Act of 1996.

It sunsets the gas hydrate R&D program after the end of fiscal year 2004.

Mr. Speaker, I commend the bill to the House for its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. COSTELLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to be here today to move one step closer to enactment of the Gas Hydrates Research and Development Act. I would like to thank the gentleman from Wisconsin (Mr. SENSENBRENNER), chairman of the full Committee on Science, as well as the gentleman from Texas (Mr. HALL), the ranking member of the full committee, the gentleman from California (Mr. CALVERT), the chairman of the Subcommittee on Energy and Environment, for all of their hard work on this bill.

In particular, I would like to commend the gentleman from Pennsylvania (Mr. DOYLE), our colleague on the subcommittee and full committee, for all of his hard work on this legislation. He of course is the author of this bill.

Gas hydrates have the potential to provide a significant natural gas resource to this country if they are safely and economically extracted from the ocean floor where they are found.

This legislation establishes an interagency research and development program to examine many issues associated with the extraction of gas hydrates, including the possible economic, environmental, and energy benefits.

I strongly support this legislation.

Mr. Speaker, I yield the balance of my time to the gentleman from Pennsylvania (Mr. DOYLE), and I ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DOYLE. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I appreciate the gentleman from Illinois (Mr. COSTELLO) for yielding me the time.

Mr. Speaker, I am pleased to be here this afternoon to speak in support of the Gas Hydrate Research and Development Act. As has been noted, this bill is a 5-year authorization measure that will promote the research, identification, assessment, exploration, and development of gas hydrate resources.

I want to thank the gentleman from Wisconsin (Chairman SENSENBRENNER) for his interest in moving forward with this bill. I want to recognize his efforts in drawing greater attention to a diverse range of important and timely matters, including the need for heightened gas hydrate research, that have come before the Committee on Science during this session.

I also want to acknowledge the support that the gentleman from California (Mr. CALVERT), the chairman of the Subcommittee on Energy and Environment, and the gentleman from Illinois (Mr. COSTELLO), the ranking member, has given to the initiatives that are outlined in the legislation currently before us.

Mr. Speaker, the Gas Hydrate Research and Development Act provides the necessary framework, guidance, and authority to enable further examination in what could conceivably save consumers billions of dollars, make difficult national and environmental decisions easier, and strengthen our Nation's energy security.

I am proud of the fact that this effort has attracted bipartisan support in the House as well as in the Senate. Senator AKAKA's companion legislation S. 330, which is cosponsored by Senators LOTT, GRAHAM, CRAIG, and LANDRIEU, was passed by the Senate earlier this year. Here in the House, I am pleased to report that both the Committee on Science and the Committee on Resources reported the measure out by voice vote.

I am also particularly proud of the inclusive approach that this initiative embodies. It instructs the Secretary of Energy to work with other agencies, institutions of higher education, and the private sector in conducting future gas hydrate research and development. I have always favored a consortium approach to such efforts as they not only prove to be cost effective, but in many cases help to accelerate the rate of discovery.

There are many questions surrounding gas hydrates that must be answered, and to accomplish the necessary R&D activities will require a diverse set of engineering and scientific disciplines. I am confident that DOE's outreach efforts and the specific expertise in this area can be found at our Federal energy technology centers, in concert with the input from the other entities I have previously mentioned, that we can achieve our goal of producing the technology necessary for the commercial production of methane from oceanic and permafrost hydrate systems while at the same time meeting requirements for cleaner fuels and reduced emissions.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Speaker, I rise in strong support of H.R. 1753, a bill to authorize a program of the Department of Energy fostering research and development of a peculiar form of energy minerals, natural gas hydrates.

This bill is a blended version of the legislation reported by the Committee on Science and the Committee on Resources. It reflects a role for the Department of Interior's Mineral Management Service, the agency which is charged with resources disposition from our continental shelves. That is where the lion's share of methane hydrate minerals occur, there and in the permafrost regions of the Earth.

This bill integrates the role which the scientists of the Marine Minerals Research Institute, an adjunct of the Minerals Management Service, may play in gas hydrates research. The Institute, which has three branches, one for continental shelf research, one for deep ocean basins and near island environments, and one for arctic and cold water regions, is well positioned to provide expertise in the quest to make what is now a drilling hazard for some OCS operations and turn it into an energy resource.

Mr. Speaker, without a doubt, if this Nation is to reach a sustained use of 30 trillion cubic feet of natural gas by the end of the next decade, which is a Clinton administration projection, then we will need to develop unconventional sources of natural gas as well as the traditional accumulations. Coalbed methane being developed in my home State of Wyoming is one of those unconventional sources. But methane hydrates in our Alaskan permafrost regions and our OCS also hold great promise to help our country meet this demand with domestic gas.

I would like to thank the gentleman from Wisconsin (Chairman SENSENBRENNER) for his willingness to incorporate several Committee on Resources' adopted provisions to strengthen this bill. I would also like to thank the committee staffs for their work to iron out the differences.

Lastly, I would like to acknowledge the efforts of our former congressional science fellow, Dr. David Wunsch. He was critical to the formulation of my subcommittee's hearings and amendments to this bill.

Mr. Speaker, I urge my colleagues to support this bill and to help us move toward the goal of energy self-sufficiency.

Mr. DOYLE. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia (Mr. MOLLOHAN), who has always been and continues to be a leading advocate for critical R&D efforts. I know I am not alone in counting the gentleman from West Virginia among the most distinguished Members of Congress who can always be counted on for his strong support and sound advice.

Mr. MOLLOHAN. Mr. Speaker, I rise in support of H.R. 1753, the Gas Hydrate Research and Development Act of 1999. I want to commend the gentleman from Pennsylvania (Mr. DOYLE) for his introduction of this legislation and for his leadership in the area of this Nation's research into the use of energy and the more efficient use of energy, creating an energy independence for this country.

The Department of Energy estimates that up to 200,000 trillion cubic feet of methane may exist in crystalline or hydrate form and in U.S. permafrost regions and surrounding waters. This potentially enormous resource is 100 times greater than the entire conventional natural gas supply in the United States.

However, we are still unsure how much methane we really have in hydrate form as well as how exactly to convert methane hydrates into a commercially feasible product.

In 1997, the President's Committee of Advisors on Science and Technology, P–CAST, identified the need for a comprehensive methane hydrates research and development program, recommending an initial investment of $44 million over 5 years.

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H.R. 1753 will go a long way toward implementing the P–CAST recommendations and will continue the work already started by the Federal Energy Technology Center, FETC, which has sites in Morgantown, West Virginia, and in Pittsburgh, Pennsylvania.

FETC has a long history in the methane hydrates field. In 1981, when the first hydrate ice core was retrieved, FETC was one of the six organizations chosen to analyze it. Continuing its leadership in this area, FETC has developed a strong methane hydrate strategy designed to implement the P-CAST recommendations.

H.R. 1753 would allow DOE to move forward with the FETC hydrates program. Other nations, most notably Japan, already have begun intensive hydrate research efforts. The longer we wait to move ahead, the harder it will be to catch up.

I call on my colleagues to join me in voting for this important legislation, and I call on DOE to implement the FETC plan.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. CALVERT), the distinguished subcommittee chair.

Mr. CALVERT. Mr. Speaker, I thank the gentleman from Wisconsin, the chairman of the Committee on Science, for yielding me this time.

As chairman of the Subcommittee on Energy and Environment of the Committee on Science, I am pleased we are considering H.R. 1753, the Gas Hydrates Research and Development Act of 1999. My friend and colleague on the subcommittee, the gentleman from Pennsylvania (Mr. DOYLE), introduced H.R. 1753, which we marked up and passed by a voice vote on May 12. I am happy to report the final version was approved overwhelmingly by the full committee on September 9.

Mr. Speaker, I have the distinct pleasure of serving on both the House Committee on Science and the Committee on Resources, which shared jurisdiction on this bill, and I would like to thank my friends on the Committee on Resources for all their hard work in getting H.R. 1753 to the floor.

I especially would like to thank the chairman, the gentleman from Alaska (Mr. YOUNG), and the gentlewoman from Wyoming (Mrs. CUBIN), who now ably chairs the subcommittee which I once chaired and whose willingness to work with me and the chairman of the Committee on Science on this important piece of legislation is much appreciated. I also again would like to thank the gentleman from Illinois (Mr. COSTELLO), who worked hard to make sure that this bill moved forward.

Gas hydrates, as has been described here earlier, are an ice-like substance found in the undersea sediment in the Arctic permafrost and other locations throughout the world. These hydrates one day will provide an abundant supply of clean natural gas if we can only figure out a way to get it out. So that is what this is all about. Much more research is needed before we can attain that goal, and 1753 brings us closer to the day when we can safely and effectively begin to use this abundant new source of energy.

This legislation will make funds available to continue the research into extracting this clean and bountiful source of potential energy gas hydrates. It also seeks to better coordinate research between the Department of Energy, the U.S. Geological Survey, and the United States Navy.

I urge my colleagues to support this legislation which will help secure our energy future.

Mr. DOYLE. Mr. Speaker, I yield 2½ minutes to the gentleman from Guam (Mr. UNDERWOOD), who played an instrumental role in shepherding this legislation through the House Committee on Resources.

Mr. UNDERWOOD. Mr. Speaker, I rise in support of H.R. 1753, the Methane Hydrate Research and Development Act of 1999, a piece of legislation which was introduced on May 11 by our friend and colleague, the gentleman from Pennsylvania (Mr. DOYLE), who has taken the lead on this. I also want to thank the chairman of the Committee on Science, the gentleman from Wisconsin (Mr. SENSENBRENNER), the gentleman from California (Mr. CALVERT), the gentleman from Illinois (Mr. COSTELLO), and the gentlewoman from Wyoming (Mrs. CUBIN) for their efforts in support of this.

The primary purpose of this bill is to promote the research, identification, assessment, exploration, and development of methane hydrate resources. This is important because one of our most important sources of clean, efficient energy is natural gas. Today, natural gas comes primarily from geological formations in which methane molecules exist in the form of gas.

They also exist in ice-like formations called hydrates. Hydrates trap methane molecules inside a cage of frozen water and hydrates are generally found on or under seabeds and under permafrost. While we do not know the extent or amount of methane trapped in hydrate, scientists believe today we are talking about an enormous resource.

According to the U.S. Geological Survey, worldwide estimates of the natural gas potential of methane hydrates approach 400 million trillion cubic feet, as compared to the mere 5,000 trillion cubic feet that make up the world's known gas reserves. This huge potential illustrates the interest in advanced technologies that may reliably and cost effectively detect and produce natural gas from methane hydrates.

I would like to add that the technology that is needed for this will involve some form of deep seabed mining, which is an area and a concern of interest to those of us in the Pacific.

On a cautionary note, we should be mindful that although methane is relatively clean burning, it is a fossil fuel. So removing it from its safe haven on the ocean floor and burning it will release carbon in the form of carbon dioxide into the atmosphere. Methane hydrates near offshore drilling rigs also may pose a threat through substances on the ocean floor. For instance, if a drilling rig were hit by shifting or deep pressurization of the methane hydrates underneath it, the impact on the rig and the workers aboard could be disastrous.

This is worthwhile legislation. It is something we need as a country to get going on, because I believe other countries are developing the technology to deal with this.

Mr. DOYLE. Mr. Speaker, I yield myself the balance of my time.

I too want to thank the gentleman from California (Mr. CALVERT) for his words of support and express my appreciation for his good work not only on science issues but on veterans issues as well.

As I mentioned in my opening remarks, the potential for significant benefit to consumers, the environment, and business exist in methane hydrate research. I want my colleagues to listen to and consider the following: it has been projected that the U.S. gas consumption is expected to increase by 40 percent by the year 2020. Couple this with the fact that currently more than half of the present U.S. oil supply is imported and without natural gas production our oil import volume would be much larger. But if only 1 percent of the methane hydrate resource could be made removable, the United States could more than double its domestic natural gas resource base.

As numerous scientists, as well as the President's Committee of Advisors on Science and Technology have noted, natural gas will remain a principal energy source well into the next century. This is partly attributable to the increasing pressure for clean fuels. As methane from hydrates is essentially a pure methane, which is free of sulfur, nitrogen, and other contaminants, it is the cleanest burning of all fossil fuel resources. Subsequently, its utilization could be a key factor in mitigating global warming concerns.

Needless to say, when a new abundant resource is found that meets a growing demand with a greater level of efficiency, consumers will not only have a greater selection of options but more affordable costs as well. It is time we begin to avail ourselves of the potential resources brought to bear through intensive methane hydrate research, just as Japan, India, the United Kingdom, Germany, Brazil, and Norway are currently active in doing through their individual methane hydrate programs.

Mr. Speaker, as much as methane hydrate research is a matter of global proportions, it is of equal importance to almost every region of our country. While large deposits have been identified and studied in Alaska, the West Coast from California to Washington, the Blake Ridge offshore of the Carolinas, and in the Gulf of Mexico, activity and interest has been demonstrated in numerous other locations.

In the area of western Pennsylvania that I represent, Gerald Holder at the University of Pittsburgh, and the Pittsburgh Energy Technology Center, have a long history in hydrate research. Efforts are also underway at Penn State University, the Colorado School of Mines, the Georgia Institute of Technology, the Massachusetts Institute of Technology, Brookhaven National Lab, Texas A&M University, the Monterey Bay Aquarium Research Institute, and the South Dakota School of Mines and Technology are just a few of the various other organizations that have a vested interest in methane hydrate research.

I also want to make particular mention of the work that is being done at the University of Hawaii and again recognize Senator AKAKA for his efforts in advancing similar legislation in the Senate.

Mr. Speaker, H.R. 1753 presents a thoughtful and common sense approach to expanding future energy choices. Through continued pursuit of progress in science and technology, we can assist in providing future generations with an abundant supply of a clean and reasonably priced energy source.

I urge my colleagues to support the Gas Hydrate Research and Development Act, and I thank my chairman, the gentleman from Wisconsin (Mr. SENSENBRENNER), for his support and his help.

Mr. Speaker, I submit the statement of Senator AKAKA in support of H.R. 1753 for the RECORD.

REMARKS OF SENATOR DANIEL K. AKAKA REGARDING METHANE HYDRATE LEGISLATION

I believe that H.R. 1753, and the Senate counterpart bill, S. 330, are important energy research bills that Congress should enact this session. Methane hydrate research has strong, bipartisan support. Senators Lott, Graham, Craig and Landrieu have cosponsored S. 330.

The discovery of methane hydrates presents a research and development opportunity with major energy security implications. The bill will serve the long-term goal of developing new energy supplies as well as the near-term goal of increased safety and recovery of conventional oil and gas.

Significant, widespread deposits of gas hydrates have been detected, but have not been characterized, all over the globe. The data on this resource may surprise you.

Worldwide, the amount of methane trapped in gas hydrate form is estimated to be 10,000 gigatons—twice the carbon found in all other fossil fuels and 3,000 times the amount of methane present in the atmosphere. Scientists at the U.S. Geological Survey estimate that 320,000 trillion cubic feet of natural gas exists in methane hydrate form in the U.S.—a staggering resource.

In the United States, on-shore deposits are found in the arctic regions of Alaska. However, deep sea methane hydrate deposits are the most abundant source of methane, occurring at depths greater than 300 meters. Marine geologists have identified large deposits off the coasts of Alaska, Louisiana, Texas, New Jersey, Oregon and North and South Carolina.

Research is needed to determine whether we can produce natural gas from these vast reserves. Natural gas from methane hydrates will never be realized unless we undertake a serious research and development program outlined in these bills.

The U.S. currently lags other countries in exploring this exciting new energy source. Japan and India have launched aggressive R&D programs to explore methane hydrates. Some believe that Japanese commercial production is only a decade away. Clearly we are falling behind in our efforts to understand this energy source. In the face of dwindling energy resources and increased reliance on energy imports, we can hardly afford to miss this important opportunity.

In addition to potential use as an energy source, methane hydrate deposits also represent a challenge to conventional oil and gas extraction. Hydrates influence physical properties of ocean sediments, particularly strength and stability. Characterizing hydrate formation and breakdown is important for the safety of deep offshore drilling and other deep sea operations.

Given these research, technology, and energy security considerations, it would be shortsighted not to invest in our future by assessing and developing gas hydrates. I urge you to pass H.R. 1753.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I support H.R. 1753, the Methane Hydrate Research and Development Act of 1999. This measure will promote the research, identification, assessment, exploration, and development of methane hydrate resources.

As a Member of the House Science Committee, I recognize the importance of our natural resources. And as a Houstonian and Texan, I have a vested interest in natural and fossil fuels.

Natural gas is an important source of clean efficient energy. Today, natural gas comes primarily from geological formations in which methane molecules—the primary component of natural gas—exist in the form of gas.

Methane also exists in ice-like formations called hydrates. Hydrates. Hydrates trap methane molecules inside a cage of frozen water. Hydrates are found on or under seabeds and under permafrost.

The amount of methane trapped in hydrates is largely unknown, but it is very large. A number of scientists believe that hydrates contain more than twice as much energy as all the world's coal, oil, and natural gas combined.

Currently, we do not know how to produce a meaningful amount of energy from hydrates. Scientists around the world are trying to discover cost effective production methods. They are also trying to assess the size of the resource base, to explore problems hydrates cause during the production of offshore natural gas, and to explore additional uses for hydrates.

If scientists can find a way to safely extract the gas, they will have tapped an enormous new clean-burning energy supply. This act direct the Secretary of Energy to commence a gas hydrate research and development program. In conjunction with the Secretaries of Defense and the Interior, along with the Director of the NSF, the Secretary of Energy is to commence this research. This measure will allow the Secretary to award grants or contracts or even enter into cooperative agreements with institutions of higher education and industrial enterprises to conduct basic and applied research, to identify, explore, assess, and develop gas hydrate as a source of energy.

Mr. Speaker, it is vital that we continue to search for new sources of energy that will reduce our dependence on foreign sources, further protecting our energy security, and that will protect the environment from further harm.

Mr. MASCARA. Mr. Speaker, in an era of increasingly volatile energy prices and dwindling energy resources, it is imperative that the U.S. fund research for alternative energy sources now so that we are not left out in the cold when the cost of or inaccessibility to traditional fossil fuels makes heating our homes and fueling our factories impossible. H.R. 1753, the Methane Hydrate Research and Development Act of 1999, attempts to stave off that threat by directing the Secretary of Energy to coordinate a research and development program with the Secretaries of Defense, Interior and the Director of the National Science Foundation to develop methane hydrate resources.

Methane hydrate, a frozen mixture of methane and water, is found in sea sediments of the outer continental regions under unstable, high pressure conditions and in arctic regions where permafrost conditions exist. Methane hydrate, once safely extracted from these regions promises to become a viable source of alternative energy. The most promising area of research seems to be in harvesting methane hydrates from the outer continental regions. A 1997 U.S. Geological Survey appraisal of natural gas hydrate resources in the U.S. estimated that about 200,000 trillion cubic feet exist. It has been estimated that one 50 by 150 kilometer area off the coast of North and South Carolina could supply the energy needs of the United States for over 70 years.

Unfortunately these estimates do us no good without investments to develop the technology to safely and economically harvest methane hydrates. Passage of H.R. 1753 is a crucial first step to developing economical and ecologically sensitive technology that allows the United States to meet our energy needs in the 21st century. I support passage of H.R. 1753 and urge my colleagues to support passage of this important legislation.

Mr. DOYLE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BONILLA). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 1753, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to promote the research, identification, assessment, exploration, and development of gas hydrate resources, and for other purposes.".

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that pursuant to Public Law 100–696, the Chair, on behalf of the Democratic Leader, announces the appointment of the Senator from California (Mrs. FEINSTEIN) as a member of the United States Capitol Preservation Commission, vice the Senator from North Dakota (Mr. DORGAN).

CONCERNING ECONOMIC, HUMANITARIAN, AND OTHER ASSISTANCE TO NORTHERN SOMALIA

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 20) concerning economic, humanitarian, and other assistance to the northern part of Somalia.

The Clerk read as follows:

H. CON. RES. 20

Whereas in the area in the northern part of Somalia, referred to as Somaliland by the elected representatives of the people living there, a significant level of economic and social stability has been achieved, promising likely success for international and United States sponsored economic development and humanitarian programs;

Whereas economic development, humanitarian, and other forms of assistance to the people of such area from international organizations, the United States, and other foreign nations, has been diminished, delayed, or canceled due to questions about the assertion of sovereignty by those people as a nation separate from Somalia;

Whereas provision of economic development and humanitarian assistance to the people of such area does not constitute recognition of any particular claim to sovereignty by any de facto government of the region; and

Whereas the fundamental purpose of economic development, humanitarian, and other aid is to relieve human suffering: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) urges all international organizations, foreign countries, and agencies of the United States Government engaged in economic development, humanitarian, and other forms of bilateral or multilateral assistance to evaluate the ability of such assistance to achieve the amelioration of human suffering in each region of Somalia, including the northern part of Somalia referred to as Somaliland;

(2) urges the President not to delay, diminish, or cancel the amounts and kinds of assistance otherwise appropriate to the people of certain regions in Somalia because conditions may not be propitious for such assistance in other regions of Somalia;

(3) urges the President not to delay, diminish, or cancel the amounts and kinds of such assistance directed toward any region in Somalia waiting for a permanent resolution of the efforts now underway to forge a new government for Somalia;

(4) calls upon all Somali parties to continue to work toward a permanent end to the civil strife there and the adoption of a permanent governmental structure most conducive to the well-being and basic human rights of all Somali people; and

(5) calls on the President to—

(A) work with the international community to help bring an end to the suffering of the Somali people and work toward a negotiated settlement of the Somali conflict;

(B) increase the levels of humanitarian assistance provided to Somalia through local and international groups;

(C) provide funding for demobilization and demining efforts in Somalia;

(D) provide assistance in the health and education sectors of Somalia; and

(E) work with other donor groups to assist the people of Somalia in reconstruction and development.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from New Jersey (Mr. PAYNE) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 20, the concurrent resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Horn of Africa is no longer as strategically important to our Nation as it once was. However, we cannot ignore it as an area of a region with past and continuing instability.

The hostility of the Islamic fundamentalist regime of Sudan toward our Nation, the regrettable ongoing war between Eritrea and Ethiopia, and the violent clashes between warlords in southern Somalia all bear watching. Because of these problems, it is in our national interest to identify those portions of the Horn which have demonstrated a degree of stability and governance and to encourage them. Northern Somalia, and particularly the area once defined as the British protectorate of Somaliland, is one such area.

Our distinguished colleagues, the gentleman from California (Mr. CAMPBELL) and the gentleman from New Jersey (Mr. PAYNE), traveled to that remote region last year. We are grateful to them for their energetic diligent service on the Subcommittee on Africa. This resolution is a direct result of their eyewitness accounts of a people rebuilding their lives and economies after a long troubled period.

Accordingly, I urge my colleagues to fully support this measure, H. Con. Res. 20.

Mr. Speaker, I reserve the balance of my time.

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this resolution, H. Con. Res. 20.

□ 1300

Let me once again thank the gentleman from New York (Mr. GILMAN); the gentleman from California (Mr. ROYCE), chairman of the subcommittee; and the gentleman from Connecticut (Mr. GEJDENSON) for bringing this resolution to the floor.

I would also like to thank the primary sponsor, the gentleman from California (Mr. CAMPBELL), who traveled on CODEL Campbell to Somaliland last year, where we had the opportunity to meet with President Egal.

This resolution expresses several points: Support for humanitarian and targeted development assistance for Somaliland. It encourages efforts at democratization and transparency. It recognizes the level of stability in the region. It encourages freedom of the press. It encourages dialogue with other regions in Somalia, and it also calls on the U.S. to provide funding for health and education.

When Somalia gained independence from Britain and Italy, Somalia was left with two distinct systems of governing by virtue of the fact that they were controlled by different colonial powers.

The governing body of Northern Somalia was colonized by the British. In the south it was colonized by the Italians. As we know, Djibouti, an independent country before their independence, was colonized by the French.

The various systems have something to do we believe with the relative stability and instability of these regions. Northern Somalia, which was colonized by the British, was sort of left intact by the colonial hierarchy. They continued to allow traditional leaders to function. They allowed local leaders to be able to project themselves, therefore creating a more stable environment when independence came.

Whereas, their Italian counterparts replaced the indigenous structures and they had their own Italian model for Southern Somalia around Mogadishu. And so, the lack of local leaders being recognized in the south by the form of colonization that the Italians had as contrasted with that of the north is one of the reasons to explain the differences in those two regions.

"The Great Conference of the Northern Peoples" convened a meeting in May of 1991 and established the part of Somalia which the people in the north call Somaliland. It also promulgated a new Constitution for that region. President Egal was reelected to office in 1997 for another 5-year term by winning 223 votes in their 315-member national communities conference.

Egal's relationship with other clans in Somalia has improved over the past years due to his efforts of reaching out to other clan leaders and once again having had visibility before independence.

Somalia is one example of a collapsed system of government by the north, as we can see in the past. And so, the opportunity for us to visit there with CODEL Campbell to see the schools, the hospitals, the civil servants functioning and our recent visit by President Egal encourages us to continue to support the efforts that are happening there.

Also, as the war continues between Ethiopia and Eritrea, we see that sides in Somalia are being taken by leaders between Isaias and Meles. And so, to have the stability in the north is very important.

Mr. Speaker, we urge support of this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from California (Mr. Royce), the distinguished chairman of our Subcommittee on Africa.

Mr. ROYCE. Mr. Speaker, I would like to share with the Members here that this resolution draws a much needed sense of attention by this Congress to Somalia, which has ceased to exist as a nation. And so, the nation's state, basically, has ended in a situation of near anarchy as a result of fighting between factions led by self-serving warlords there.

But this resolution authored by the gentleman from California (Mr. CAMPBELL) and the gentleman from New Jersey (Mr. PAYNE) recognizes that the northernmost part of Somalia has achieved a significant level of economic and social stability.

I would just like to share with the Members that November 1 in Newsweek Magazine they report: "The people here in the north call their territory Somaliland and they want no part of the thuggery to the south. In the north, children in crisp, white shirts attend school and play cheerful games of soccer. Their parents busily rebuild broken homes, hammering new roofs or white-washing walls. And, astonishingly, not a gun is in sight."

The article in Newsweek goes on to quote the Deputy Parliament Speaker, who says, "We want a nod from Uncle Sam that we're going in the right direction. We've established a healthy haven in a very rough neighborhood."

Well, this should be a given and this resolution does that. However, the resolution should not be construed as a call for diplomatic recognition of Somaliland per se. In fact, the resolution calls for all Somalia parties to work with the international community to achieve a permanent end to the civil strife there and the adoption of a permanent government structure most conducive to the well-being and basic human rights of all Somalia people.

I would like to commend again the gentleman from California (Mr. CAMPBELL) for offering this resolution and the gentleman from New Jersey (Mr. PAYNE), the ranking member of the Subcommittee on Africa. I would also like to recognize the gentleman from New York (Mr. GILMAN), our full committee chairman, for his work on this resolution.

Mr. GILMAN. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California (Mr. CAMPBELL), who is one of the original sponsors of this measure.

Mr. CAMPBELL. Mr. Speaker, I wish to thank the chairman of our full committee, but for whom we would not have this resolution on the floor today, for his generous support for this resolution and, more generally, for his support for matters of great importance to all of us in regard to Africa.

I wish to thank the gentleman from California (Mr. ROYCE), the subcommittee chairman, who has taken the time to learn the subject matter, to become an expert, and to lead our Congress on matters of importance to all of us regarding Africa.

I thank the gentleman from New Jersey (Mr. PAYNE), my cosponsor and the ranking Democrat on the subcommittee, with whom I have traveled to Africa, who has constantly shared with me his extensive knowledge about Africa, gleaned not only from his years in Congress but also from his remarkable public service prior thereto in connection with his work with the YMCA and humanitarian and refugee assistance. From all these sources I have learned a great deal.

The resolution has a very simple purpose. The United States and international assistance agencies ought to help where we can do the most good, and we should not hold back that help pending a final and perfect resolution of the difficulties in Mogadishu. That is the heart of this resolution.

We do not have to get into the issue of recognition of any country, or subcategories or any countries, contrary to the accepted standards of our State Department. All we have to do is recognize that if there is in place an instrument that can accept assistance from the World Bank, from the Africa Development Bank, from AID, that we then ought to go ahead and offer that assistance if we can help needy people.

What is happening today instead, Mr. Speaker, is that such assistance by the World Bank, by the Africa Development Bank, by United States AID, is held up because there is no recognized government in Mogadishu. That should not be a reason to hold back useful assistance to some remarkable people in the northern part of the former country of Somalia, who have achieved so much.

Secondly, the legal status is exactly as my good friend and colleague, the subcommittee chairman, has stated. However, bear in mind that Somaliland was an independent sovereign state, admittedly for a short period, for 6 days; but as they came out of colonial status from Britain, they were an independent country. They voluntarily gave up that independence to join with formerly Italian colony of Somalia to form the State of Somalia.

Now, under the tremendous strain of a civil war, that union broke apart. I emphasize this because the people of the land that was Somaliland have aspirations. I do not speak against those aspirations. I note, as the subcommittee chair did, that today we do not speak on the subject of those aspirations for statehood. We leave that neutral and unsaid in this resolution.

However, so many of our colleagues remember the horror that befell American troops trying to do good in Mogadishu, and specifically, the American Rangers. That was not the fault of the good people of Somaliland. They had nothing to do with it. They had no control over Mogadishu. They were not part of the government, such as it was there. They were not part of the warring factions in Mogadishu.

Instead, what we see is a stable area capable of accepting aid and using it for needy people. And today, by this resolution, we put on record the House of Representatives and, hopefully, the other body as well in support of assisting people in ways that can be accepted and utilized.

In conclusion, I want to return to the note of thanks with which I began. We would not be here but for the chairman and the subcommittee chairman who have given priority to this resolution. It speaks volumes for their compassion and concern that they wanted to put this forward today. I thank them for doing so.

I conclude with a final word of thanks again to my good friend, the gentleman from New Jersey (Mr. PAYNE), whose leadership in this area has been exemplary to us all.

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me conclude by saying I agree with the chairman of the subcommittee that this should not be construed as recognition. But I must certainly associate myself with the remarks of the gentleman from California (Mr. CAMPBELL) that this is a unique situation and, in the future, perhaps it is something that we need to look at. But I agree that this does not connote any type of recognition.

I do, though, in conclusion urge all independent national organizations, foreign countries, and agencies of the United States Government to engage in economic development and humanitarian and other forms of foreign assistance to evaluate the ability of such assistance to achieve the amelioration of human suffering in each region of Somalia, including the northern part of Somalia known as Somaliland.

We urge our President not to delay, diminish, or cancel the amount of assistance otherwise necessary to the people of certain regions of Somalia because the conditions in the other parts, as has been mentioned, are not stable and peaceful; and we encourage the President not to delay or diminish aid to certain areas of Somalia that are awaiting a peaceful resolution of the conflict.

We also call on all Somalia parties to continue to work towards a permanent end to the civil strife there and to adopt the permanent government structure conducive to the well-being and the basic human rights of all Somalis.

This resolution is just presented as a catalyst to deliver humanitarian assistance to Somalia and to create a dialogue that will end the suffering and confusion within Somalia.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H. Con. Res. 20, the resolution "Concerning Economic, Humanitarian And Other Assistance To Northern Somalia." To understand the importance of this resolution, we must look to the recent history of politically, economically and war torn Somalia.

Cities in Somalia have traditionally been centers of trade, administration and education. Now they lie shattered. In Hargeisa, for example, 80 percent of the buildings have been destroyed, supply infrastructures like electricity and water have been smashed, the schools left roofless and ruined, the hospitals devastated and the citizens have suffered without the most basic facilities. Anti-personnel mines and unexploded shells lie buried in the rubble of the city, still deadly, forbidding the clearance of much of the debris. Such terrifying conditions in what had been stable and well-established cities symbolize the legacy of Siad Barre's disastrous years of power.

As the Africa Watch Committee set down in its 1990 report on the region, "It is difficult to overstate the Somali government's brutality towards its own people, or to measure the impact of its murderous policies." Two decades of the presidency of President Siad Barre have resulted in human rights violations on an unprecedented scale, which have devastated the country. Even before the current wars, the human rights of Somali citizens were violated systematically, violently and with absolute impunity. The most bloody conflict, and the longest lasting, has been the war in the North against the Isaak clan, the largest in the region." Recounts given by the people who have and continue to be exposed to physical violence and verbal abuse in Somalia paints a picture of dead, wounded, displaced people and impoverished and demolished cities.

Mrs. Fozia Mohamed Awad, speaking of the problems in Northern Somalia recants "I personally lived through the 1985 massacre, when fifty to sixty men were driven out of prison and shot by government soldiers. This happened in the city of Burao, and there were no trials or court appearances, they were just shot down. After these killings, the government confiscated our property, established control posts at the entrances of our towns and along the highways and nothing could happen without them being bribed."

One morning the government army arrived at, Fozia Awad's village, approaching from a dried-up riverbed. They opened fire, killing all they could see—people and animals. They killed her mother and two other women relatives. In all, sixty people were killed on that occasion at the water point. Then they went to the nearby village and killed everybody there, except a few who fled into the bush.

Mr. Speaker, dear colleagues, H. Con. Res. 46 is extremely important in that it expresses the sense of Congress deploring the escalation of the conflict between Ethiopia and Eritrea which has resulted in the massive and senseless loss of life, as well as substantial economic hardship to the peoples of both nations. This measure strongly urges both Eritrea and Ethiopia to bring an immediate end to the violence between the two countries and strongly affirms U.S. support for the Organization of African Unity (OAU) Framework Agreement. In addition, H. Con. Res. 20 calls on the United Nations Human Rights Commission and all human rights organizations to investigate human rights abuses in connection with the forced detentions, deportations, and displacements of populations caused by this conflict.

I would like to thank my colleagues, Congressman CAMPBELL and Congressman PAYNE for introducing this important resolution. This resolution presents a commitment by the United States to the people of Somalia. It is for the spirits of the thousands of people who have died in Somalia and 60,000 more who have been detained or forced from their homes who are crying out for world intervention. This resolution is a first step.

Mr. PAYNE. Mr. Speaker, I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I urge my colleagues to support the resolution, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 20.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.J. RES. 2

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Joint Resolution 2, of which I am not particularly fond, and to which my name was added without my knowledge in error.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CELEBRATING 50TH ANNIVERSARY OF GENEVA CONVENTIONS

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 102) celebrating the 50th anniversary of the Geneva Conventions of 1949 and recognizing the humanitarian safeguards these treaties provide in times of armed conflict.

The Clerk read as follows:

H. CON. RES. 102

Whereas the Geneva Conventions of 1949 set basic humane standards of behavior during armed conflict, and are the major written source of international humanitarian law;

Whereas these Conventions prescribe humane treatment for civilian populations, wounded, sick and shipwrecked military personnel, and prisoners of war during armed conflict;

Whereas these Conventions recognize the International Committee of the Red Cross as an independent and neutral organization whose humanitarian mission is to protect and assist civilians, prisoners of war, and other victims of armed conflict;

Whereas "the red cross in a field of white" is not an ordinary organizational symbol, but one to which the international community has granted the ability to impose restraint during war and to protect human life;

Whereas the American Red Cross and its sister national societies are members of a world-wide organization rooted in the provisions of international humanitarian law and dedicated to the promulgation of its principles, among which are the Geneva Conventions of 1949;

Whereas the international programs of the American Red Cross bring relief from natural and manmade disasters abroad, contribute to the development of nonprofit relief organizations abroad, and include the teaching of international humanitarian law throughout the United States;

Whereas many domestic programs of the Red Cross in health and safety, disaster, blood, youth, and service to the members of the Armed Forces of the United States grew out of a response to armed conflict;

Whereas, thanks to the efforts of Clara Barton and Frederick Douglass, the United States ratified in 1882 the first convention for the amelioration of the condition of wounded and sick members of the armed forces in the field;

Whereas in 1955 the United States ratified the Geneva Conventions of 1949; and

Whereas the Geneva Conventions of 1949 are among the most universally ratified treaties in the world: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. SENSE OF CONGRESS.

The Congress—

(1) recognizes the historic and humanitarian significance of the Geneva Conventions of 1949, and celebrates the 50th anniversary of the signing of these treaties;

(2) exhorts combatants everywhere to respect the red cross emblem in order to protect innocent and vulnerable populations on every side of conflicts;

(3) commends the International Committee of the Red Cross and the more than 175 national Red Cross and Red Crescent societies, including the American Red Cross, on their continuing work in providing relief and assistance to the victims of war as prescribed by these Conventions;

(4) applauds the Promise of Humanity gathering organized by the American Red Cross in 1999 in Washington, D.C., as an important reminder of our responsibilities to educate future generations about the principles of international humanitarian law;

(5) commends the efforts of the International Committee of the Red Cross and the more than 175 national Red Cross and Red Crescent societies, including the American Red Cross, for their work in educating the world's citizens about the humanitarian principles of international humanitarian law as embodied in the Geneva Conventions of 1949;

(6) invites the American Red Cross during this anniversary year to assist Congress in educating its Members and staff about the Geneva Conventions of 1949;

(7) supports the anniversary theme of the International Committee of the Red Cross that "Even War Has Limits"; and

(8) calls upon the President to issue a proclamation recognizing the anniversary of the Geneva Conventions of 1949 and recognizing the Conventions themselves as critically important instruments for protecting human dignity in times of armed conflict and limiting the savagery of war.

SEC. 2. GENEVA CONVENTIONS OF 1949 DEFINED.

In this concurrent resolution, the term "Geneva Conventions of 1949" means the following conventions, done at Geneva in 1949:

(1) Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field (6 UST 3114).

(2) Convention for the Amelioration of the Condition of Wounded, Sick and Shipwrecked Members of the Armed Forces at Sea (6 UST 3217).

(3) Convention Relative to the Treatment of Prisoners of War (6 UST 3316).

(4) Convention Relative to the Protection of Civilian Persons in Time of War (6 UST 3516).

☐ 1315

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. SAM JOHNSON), the sponsor of this resolution.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise today to recognize the 50th anniversary of the Geneva Conventions. In 1949, the Geneva Conventions were formally adopted which set the rules for safeguarding members of the armed forces who are wounded, sick, shipwrecked, prisoners of war and civilian workers of the military. At the same time, the dream of Henry Dunant was realized. Henry was the founder of the Red Cross movement, and in 1859 he originally proposed the establishment of a civilian volunteer relief corps to care for the wounded.

It was in 1949, nearly 100 years later, that the Geneva Conventions were formally ratified. In the old days, they did not take prisoners. They killed them. As it evolved through the years, beginning in 1859 when Henry Dunant started the program, we began to be more humane in our treatment of war. So in 1949, nearly 100 years later, the Geneva Conventions were formally ratified, and the Red Cross was recognized as the world's humanitarian organization.

Through his vision and determination, an organization was built that has educated, protected, given hope, provided comfort and relief to millions of people all over the world. Today virtually every country in the world is part of the Geneva Conventions. It was because of Mr. Dunant and these conventions that I and my family had hope during my 7 years of captivity as a prisoner of war in Vietnam. After I was shot down over Vietnam, a Vietnamese officer came up to me with a Red Cross on his lapel and said I could write a letter. Seeing the cross, I assumed he was working for the Red Cross and was visiting me to ensure that I would be treated humanely as the Geneva Conventions dictated. As Members know, our wars with both Korea and Vietnam, those two countries did not formally adopt the Geneva Conventions. They signed them but they did not adhere to them.

After we spoke, he asked me if I wanted to write a letter. I wrote the letter and later learned it was never sent. I found out later that in Communist countries, there are not many left nowadays, the military runs the Red Cross and they do it the way they want to and not the way a humanitarian Red Cross that we know our Red Cross in America by and in other nations, the international one, does. They are not volunteers with humanitarian goals in mind.

Later on during my captivity, a real Red Cross representative finally visited me and some of my letters made it home, through the Red Cross, and my family was able to send some that way as well. Those letters were some of the only comfort my family and friends here in America received during my nearly 7 years in captivity, and they were possible because the American Red Cross was there to make sure that the Geneva Conventions were followed.

I tell that story simply to illustrate the power and respect that the symbol of the Red Cross holds throughout the world. The Red Cross and its affiliates are the organizations that are there in time of need, whether it be to ensure the human rights of political prisoners or to help reconstruct the homes and lives of victims of national disasters. The Red Cross is always there.

In my case they were there to uphold the most powerful of human rights treaties, the Geneva Conventions. That is why today I congratulate and say "thank you" to the Red Cross, the American Red Cross and the International Red Cross on the 50th anniversary of the Geneva Conventions. I know that my family and I are very grateful to the Red Cross, to the volunteers who selflessly continue to serve so that human dignity is not compromised and human suffering is eliminated. I congratulate the Red Cross and the international movement, and again commemorate the anniversary of these important international treaties.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Texas (Mr. SAM JOHNSON) for bringing this important measure before this body at this time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Let me first pay public tribute to my good friend and distinguished colleague the gentleman from Texas (Mr. SAM JOHNSON) for bringing this matter to the body and for his heroic service to our Nation. We are deeply in his debt. I also want to commend the distinguished gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations, for sponsoring this legislation.

I am, of course, delighted to ask all of my colleagues to support H. Con. Res. 102. The Geneva Conventions, Mr. Speaker, were concluded in 1949, 50 years ago, to address the terrible practices that occurred during the Second World War. They established a comprehensive framework for dealing with treatment of combatants and civilians alike. The conventions include a wide range of protections. Persons who are not or are no longer taking part in hostilities according to the conventions need to be respected, protected and treated humanely. They must be given appropriate care, without discrimination of any kind. Captured combatants and other persons whose freedom has been restricted must be treated humanely. They need to be protected against all acts of violence, particularly against torture. If they are put on trial, they must enjoy the fundamental guarantees of proper judicial procedures. The right of parties to an armed conflict to choose methods of warfare are not unlimited. There must be no unnecessary or superfluous injury or suffering inflicted. In order to spare the civilian population, armed forces at all times must distinguish between civilian populations and civilian objectives on the one hand and military objectives on the other hand.

I think it is extremely important for us to state with pride that the American armed forces have gone out of their way to minimize or to eliminate what is typically called collateral damage, damage to civilian populations.

Since 1949, these and other protections have been critical in stopping at least some of the violence and abuse of both combatants and civilians. Through the good offices of the International Committee of the Red Cross, large numbers of American soldiers and citizens have been assisted in the invocation of these conventions.

In this connection, I want to pay tribute to Elizabeth Dole, who led the American Red Cross with such distinction over a long period of time. I urge all of my colleagues to vote for this 50th commemorative celebration of the Geneva Conventions.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution celebrating the 50th anniversary of the Geneva Conventions of 1949 recognizes the important contributions the Geneva Conventions of 1949 made to international humanitarian law. Last August we observed the 50th anniversary of these treaties. During this century, we have seen the scope and devastation of conflict and warfare reach hitherto unimaginable bounds. In order to ameliorate the far reaching, devastating consequences of battle and conflict, the states parties to the Geneva Conventions have undertaken to recognize certain limitations and to humanize the laws of war. I commend the author of the measure the gentleman from Texas (Mr. SAM JOHNSON) who through his own heroic experience as a POW during the Vietnam War has firsthand knowledge of the significance of these conventions. His North Vietnamese captors attempted to derogate from their obligations under the Geneva Conventions by injecting political issues into whether or not they had to be applied to U.S. airmen and other servicemen taken prisoner. Condemnation in the U.N. and elsewhere of its position forced Hanoi to apply these nonpolitical and humanitarian instruments regardless of any other political considerations.

Other provisions of the Geneva Conventions concerning the treatment of civilians during war or internal conflict have been shown by the events we have witnessed in this decade in the former Yugoslavia, in Central Africa and now in East Timor to be highly relevant. It is the Geneva Conventions that have by and large provided the basis for the indictment of numerous suspected war criminals by the Hague Tribunal. When these vital pieces of international humanitarian law are respected, the Geneva Conventions can and do temper the devastation of modern conflict. And when they are not, those violators who breach their provisions risk being considered as beyond the bounds of humanity, and the civilized world.

Accordingly, Mr. Speaker, I urge my colleagues in the House to approve H. Con. Res. 102, calling for appropriate recognition of the 50th anniversary of the Geneva Conventions of 1949.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 2 minutes to the distinguished gentleman from Illinois (Mr. EVANS).

Mr. EVANS. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the resolution offered by the gentleman from Texas (Mr. SAM JOHNSON). As the ranking member of the Committee on Veterans' Affairs and a member of the Committee on Armed Services, the issues I deal with on a daily basis address the human costs exacted by war. Whether it be the millions of disabled veterans who still seek care from the VA or the innocent men, women and children who have been maimed by land mines, the scope of the carnage caused by war is breathtaking. We have come to take for granted that it is a barbaric enterprise, a part of the human condition that will always remain with us. However, the Geneva Conventions have helped bring some measure of sanity to the insanity we call war. It has helped to act as a safety net for the innocents of the world as well as foster respect for the basic human rights of combatants. While it has never by any stretch of the imagination been a perfect instrument, it is hard to imagine the pain and suffering that would have happened in our world without its existence.

If the Geneva Convention is to remain a living and important document, we must do all we can to ensure its relevance to the nations of the world and to all combatants. Today's resolution honoring the 50th anniversary of their creation will send an important message to the world that the United States believes in and embodies the humanitarian principles inherent in these accords.

I urge my colleagues to support this important resolution.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. EVANS. I yield to the gentleman from Missouri.

Mr. SKELTON. I think the gentleman hit it right on the head when he used the phrase "some measure of sanity." This, of course, is the very best in a very difficult world. But I wholeheartedly support this resolution and I compliment the gentleman on his comments. I thank the ranking member and the chairman for bringing this resolution to the floor. I certainly hope that it will pass, not only pass but do so unanimously.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 5 minutes to the distinguished gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I thank the gentleman from California for yielding me this time and want to say what a privilege it is to be in this Congress with him, he being one of the foremost champions of human rights not only in this Congress but throughout the world. I am very grateful for the commitment that he has made because if there are Members who exemplify what the Geneva Convention stands for in its unfolding of principles of humanity, it is the gentleman from California. I think we could also say that the esteemed chairman of the Committee on International Relations also is someone who celebrates these high principles.

I am certainly here in support of this resolution which celebrates the 50th anniversary of the Geneva Conventions.

□ 1330

It is important that we understand that the Geneva Conventions embody an agreement to try to bring principles of humanity into one of the most inhumane of circumstances in human conduct, the conduct of war, and Geneva Conventions brought together leaders from around the world 50 years ago with the express purpose of trying to find a way where, as we see a world slip into war, we could still say that there are some things that even in war are not going to be tolerated.

I have to say that in reflecting back in the last year in events which have been well publicized around the world I think it is important, when we speak of the Geneva Conventions, to also review the military objectives of NATO and Kosovo just 5 months ago which would seem to violate the very prohibition which the Geneva Convention has for deliberate attacks on civilians, and I cite from the Geneva Conventions here, Schedule 5, Article 52.1, which states that civilians shall not be the subject of an attack, while Schedule 6, Article 13.3, states, and I quote, civilians shall enjoy protection unless they take direct part in hostilities, end of quote.

Now the Conventions, in order for them to be effective must be applied to everyone whether we happen to like a given nation or not, and they would seem, if my colleagues read them, to apply to everyone in the world, including those Serbian civilians in Yugoslavia. For instance, Convention 4, Part 2, Article 13, states the provision of Part 2 covers the whole population of the countries in conflict without any adverse distinction based in particular on race, nationality, religion or political opinion and are intended to alleviate the sufferings caused by war, end of quote.

Well, we know for a fact that NATO targeted Serb civilians and civilian infrastructures. There is no one who would contest this now. For instance, the attack on the Serbian TV station caused the death of 20 civilians. NATO planes and missiles deliberately targeted the electric power infrastructure of Serbia. One State Department official has been quoted as saying that the attack on a TV station was intended to send a message to the Serbian populace, and this is a quote, to put pressure on the leadership to end this, unquote.

Now did NATO's aerial bombardment violate international humanitarian law as set forth in the Geneva Conventions of 1949? Did the bombing also violate the first additional protocol of 1977, which many of the NATO countries have ratified? The basic rule in Article 48 of Protocol 1 is that civilian populations and objects are to be distinguished from military objectives and that only military objectives are to be bombed. In addition, bombings which are intended to spread terror, and I will read that again, bombings which are intended to spread terror or attack civilian morale are expressly prohibited by Article 51. When NATO admittedly targeted the infrastructure of Yugoslavia, including water works, electricity plants, bridges, factories, television and radio locations in efforts to harm the morale of the people and to get them to overthrow their leadership, I wonder if NATO considered Article 51 which prohibited such actions.

NATO also targeted civilians when it attacked the Serbian TV station killing 20 civilians. Rules 51 and 57 also prohibit attacks on military targets that will cause excessive civilian deaths and prohibit disproportionate indiscriminate attacks. NATO bombing caused excessive loss of life and injury to civilians and possibly killed thousands.

Now we should celebrate the 50th anniversary of the Geneva Conventions and pass this legislation, but our words will ring hollow when our actions contradict them. Let us follow up this resolution with a study that honestly and independently determines how, if at all, recent military action in Kosovo contravened the Geneva Conventions.

I urge passage of the resolution.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

I would like to make a comment concerning my good friend's observations concerning NATO's participation in the recent hostilities in the former Yugoslavia.

Mr. Speaker, probably at no time in military history has there been such a deliberate attempt to minimize civilian casualties as was the case on the part of NATO. As a matter of fact, the NATO command went out of its way, even jeopardizing its own pilots, to minimize to the maximum possible extent civilian casualties. But I think it is self-evident that in a society where civilian and military facilities and infrastructure are intertwined and adjacent and contiguous the notion that warfare can be conducted without any civilian casualties is simply not realistic. The Geneva Convention makes a very clear distinction between tragic civilian casualties, unintended, inadvertent, and the deliberate punishment, maiming, killing of civilians. Let the record show that at no time did NATO do anything to deliberately injure civilians.

Now I think a special comment needs to be made with respect to Milosevic's television facilities. As any dictator, Milosevic has used the propaganda apparatus of the Serbian television network to spread falsehood, rumors, disinformation, thereby prolonging this tragic war. It would have been unthinkable for NATO not to take out Serbian television, and the post mortems following the conclusion of military activities has concluded as one of the main criticisms of NATO's action that the television facilities were not taken out earlier. I think we need to draw a very sharp line of demarcation between the deliberate injuring of civilians and the inevitable civilian losses which are entailed in military activities.

NATO must indeed be proud of its extraordinary efforts to protect all civilians and all civilian facilities. Railroad stations, bridges, radio stations, television stations are part and parcel of today's war, and to attempt to conduct a war where military and civilian facilities are so inextricably intertwined, as they are in all modern industrialized societies, is simply absurd. I think it is incumbent upon all of us not to misread or misinterpret the Geneva Conventions. The Geneva Conventions deal with deliberate injury, maiming and killing of civilians. The Geneva Conventions realistically understand that in the tragic event of war there will be civilian casualties, and that is what happened in the case of the Kosovo encounter.

Mr. KUCINICH. Mr. Speaker, will the gentleman yield?

Mr. LANTOS. I yield to my good friend from Ohio.

Mr. KUCINICH. Mr. Speaker, I would like to point out that one of the great celebrations that NATO had in this conflict was its ability to precisely target certain facilities, notwithstanding the unfortunate episode at the Chinese embassy, and that being the case, NATO together with the intelligence it was receiving absolutely understood that there were civilians in that TV station.

Now I respectfully submit that Rules 51 and 57 in this Convention, which the gentleman and I both agree ought to be honored, prohibits attacks on military targets which would cause excessive civilian deaths, and while we could engage in a debate on, I suppose, what would constitute excessive civilian deaths, I humbly submit the possibility that NATO may have gone along the line of challenging this very provision which is in the Geneva Convention, and I think that the gentleman and I both agree in our service in this Congress that we want to see the highest principles of humanity upheld, and we both understand how terribly difficult it is for all of us to have to grapple with the decisions that are made during a war because I think we would both agree that war is something that needs to be avoided at all cost, and when it is finally something that is enacted, that we observe the Geneva Conventions.

My statement here on this floor is to point out that while we can all admire the ideals that are expressed in the Geneva Conventions that it is important, I think, to review a recent history which may suggest that the Geneva Conventions could be fully exemplified in the conduct of combatants.

I would agree with the gentleman from California that Mr. Milosevic is not someone who at any point ought to be regarded for his role in this. He has certainly done everything he can to undermine democracy and freedom and Serbia, and I think we would all agree that he ought to be ousted. But the people who are Serbian civilians who had no role in supporting the Milosevic regime and in some cases tried to overturn him ought to be accorded the full privileges of that same Convention which we would accord to all other nations in the world, and I want to thank the gentleman from California (Mr. LANTOS) for his indulgence and his kindness.

Mr. LANTOS. Mr. Speaker, I want to thank my colleague and friend for his comments, and let me just conclude by saying that the Chairman of our Joint Chiefs, General Shelton, General Wesley Clark, the head of NATO, are no less committed to fully observing the Geneva Conventions than are all the Members of this body, and with that, Mr. Speaker, I urge all of my colleagues to support this resolution.

Mr. CUNNINGHAM. Mr. Speaker, I am honored to stand in support of H. Con. Res. 102, introduced by my friend, the Vietnam War hero from Texas (Mr. SAM JOHNSON), celebrating the 50th anniversary of the Geneva Conventions.

This is not a theoretical matter for me. I know this is not a theoretical or abstract matter for the sponsor of this resolution. This resolution is about saving and honoring the lives of men and women who risk their lives in service to their country, and their families, and the innocent civilian victims of warfare.

I came precariously close to needing the protections of the Geneva Conventions myself.

On May 10, 1972, I flew my 300th air mission over Vietnam. I downed three North Vietnamese MiGs that day; together with the two I had previously shot down, I had just become the first U.S. Navy Ace of the Vietnam War. I was making the turn back home when forty miles inland, my F–4 Phantom was severely damaged by an enemy surface-to-air missile. I barrel-rolled that airplane until we reached the mouth of the Red River. My RIO, Willie Driscoll, and I ejected just as the Phantom exploded.

As we floated down to the water, there was no bravado, no silk scarf, no Benson and Hedges. I was scared to death. I saw the Viet Cong approaching my landing place from the beach. But I was blessed to be rescued by Americans. The Viet Cong did not capture me. I was spared the fate of my colleague, the gentleman from Texas (Mr. SAM JOHNSON), of being a prisoner of war. We are all in his debt.

These individual stories, of people whose lives were risked in war, and of people who were taken prisoner in war, point to the justification for the Geneva Conventions. It is that war is between nations, not between individual men and women; and that the men and women who risk their lives in war should be honored and treated with respect and dignity by the combatant nations involved.

Two miles west of the floor of this House lies "the wall," the Vietnam Veterans Memorial. On its surface are the names of the men and women who gave their last full measure of devotion to their country during the war in Indochina. Each of them had parents and loved ones. Many had siblings and families of their own. The names of these family members and loved ones are not inscribed on the Wall, but in their grief, they are also casualties of the Vietnam War.

For them, and for the men and women serving America's armed forces today, the Geneva Conventions are very real. They mean the difference between life and death. They define the difference between a civilized world, and barbarism.

The Geneva Conventions, and the international organization that helps implement them, the Red Cross, deserve the honor of Congress today.

I am grateful to my friend, the gentleman from Texas (Mr. SAM JOHNSON) for sponsoring this resolution, and I urge all Members to support it.

Mr. LANTOS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 102.

The question was taken.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

COMMENDING GREECE AND TURKEY FOR PROVIDING EACH OTHER HUMANITARIAN ASSISTANCE AND RESCUE RELIEF AFTER RECENT EARTHQUAKES

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 188) commending Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing to each other humanitarian assistance and rescue relief.

The Clerk read as follows:

H. CON. RES. 188

Whereas Greece and Turkey, two longstanding allies of the United States and

North Atlantic Treaty Organization (NATO) partners, have each recently suffered devastating earthquakes;

Whereas Greece and Turkey have unresolved issues that have led to tensions in the past;

Whereas Greece and Turkey, in an unprecedented fashion, were the first to respond to these tragedies by providing their neighboring country with humanitarian assistance and rescue relief that ultimately reduced the number of casualties;

Whereas Greece and Turkey were successful in putting aside their differences in order to respond swiftly to these crises; and

Whereas Greece and Turkey have held successful talks to begin to resolve their issues of disagreement: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) commends Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing to each other humanitarian assistance and rescue relief;

(2) encourages the United States to continue its efforts in aiding both countries as they seek to rebuild after these tragedies;

(3) recognizes the renewed spirit of cooperation and the importance of the talks between Greece and Turkey; and

(4) encourages Greece and Turkey to persevere in resolving outstanding issues between the two countries.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. I yield myself such time as I may consume.

The earthquake which devastated Turkey last August, Mr. Speaker, produced a swift reaction in neighboring Greece. Putting aside their bitter and longstanding political differences, the people and government of Greece responded to their neighbor's plight with generous humanitarian assistance and support.

□ 1345

The significance of this response by Greece did not go unnoticed or unwelcomed in Turkey, as the Turkish government as well as media commented very positively about Greece's quick response to this tragedy. In September, a strong but fortunately less destructive earthquake struck Athens, and Turkey was the first nation to respond in assistance in the form of search and rescue teams to locate survivors.

In the aftermath of those two natural disasters, the Greek and Turkish foreign ministers have been meeting and agreed to continue discussions building on the new-found good will between the Greek and Turkish people aimed at resolving the issues that have produced tensions between these two NATO allies of our Nation.

I commend the cochairs of our Hellenic Issues Caucus, the gentleman from Florida (Mr. BILIRAKIS), and the gentlewoman from New York (Mrs. MALONEY), for recognizing the significance of this thaw in relations between our two important allies in the Eastern Mediterranean and for their initiative which puts the Congress on record in support of continuing the dialogue between Greece and Turkey so that all outstanding differences can be resolved. I also thank the distinguished gentleman from Indiana (Mr. BURTON), a senior member of our committee and chairman of the Committee on Government Reform, also an original cosponsor of this resolution.

Mr. Speaker, we are now entering a critical stage for ensuring a peaceful future in that region of the Eastern Mediterranean. Next month, President Clinton will be visiting this region, and we hope he is going to use that occasion to make very clear to the government of Turkey our desire to see a settlement of a dispute in Cyprus on which Turkey needs to demonstrate a greater degree of flexibility.

We also hope that the President will make clear our interests in seeing that Turkey becomes accepted fully into the European Union when it meets the requirements of membership. There should be no discrimination against Turkey in that regard. In the interim, Mr. Speaker, our government should do everything we can to assist and encourage the process of reconciliation between Greece and Turkey.

Accordingly, I urge my colleagues to support the new spirit of reconciliation between Greece and Turkey and to unanimously adopt H. Con. Res. 188.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge all of my colleagues to give their strong support H. Con. Res. 188. It rarely happens in the course of human events that two historic enemies, through misfortune and tragedy such as an earthquake, suddenly find themselves looking at each other with a different set of eyes. This is what is happening with respect to Greece and Turkey.

We have grown accustomed over decades and generations to view Greece and Turkey as irreconcilable opponents and even enemies, this despite the fact that they both are members of NATO; this despite the fact that both have excellent relations with the United States. The tragic earthquake has brought together these two historic opponents.

I want to pay strong tribute to the leadership in both countries and express the hope on behalf of all of my colleagues that the beginnings of a more benign dialogue between Greece and Turkey might just be a harbinger of a new era to come. This will require a great deal of understanding, a great deal of acceptance on both sides: but for the first time in modern history, we see responsible Greek officials like the foreign minister making kind statements about Turkey and vice-versa.

Such a development, Mr. Speaker, would not only be in the interests of these two countries and the stability of Europe and the cohesion of NATO, but it would be of tremendous value to United States national interests. It is our earnest hope that this tragic set of events, acts of nature, might have brought together these two formerly opposed countries, and I strongly urge my colleagues to support the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. CAMPBELL. Mr. Speaker, in the place of the chairman of the committee, I yield such time as he may consume to the gentleman from Florida (Mr. BILIRAKIS), the cosponsor of the bill.

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman for yielding me time and for the cooperation of the gentleman and his committee and his staff on this piece of legislation. As a sponsor of the bill, I rise to urge my colleagues, as others have done, to support H. Con. Res. 188.

Mr. Speaker, this bill commends Greece and Turkey for their mutual and swift humanitarian assistance to one another following two devastating earthquakes which rattled these two neighbors. Tensions between these two countries have always been high, and they have come to the brink of war on more than a few occasions. Although they share a history strong with conflicts, devastation and war, they revealed to the world that, in time of need, all human lives carry the same weight.

In this devastating time, Greece and Turkey were successful in putting aside their differences in order to provide assistance for all those people who were injured, buried under the rubble, or left homeless by the earthquakes. Each country sent rescue workers, doctors, life saving equipment, blankets, and other forms of humanitarian aid to their neighbor. Greeks donated blood and provided schooling to Turkish students, all in the name of saving lives and building bonds of friendship, squashing previous animosity.

The acts of humanity that these countries have shown towards one another have generated a new favorable world sentiment. They prove once again that we can achieve a more peaceful future for our people, our world, and our planet, through good will, communications, and cooperation.

In recent months, government leaders and private businessmen from both countries have been meeting in the hopes of focusing on the similarities, rather than their differences, in order to forge a new positive relationship. They are presently holding their third round of talks on issues that affect both countries. These negotiations have created a feeling of optimism that these two nations will finally be able to resolve their differences.

Mr. Speaker, we need to send a message to Greece and Turkey that we recognize this renewed spirit of cooperation and the importance of the talks between them. We should encourage Greece and Turkey to persevere in resolving their outstanding issues.

Mr. Speaker, I applaud the actions of these two governments and these two peoples. I ask my colleagues to join me in commending Greece and Turkey for their heroic and achievements by supporting H. Con. Res. 188. Let this be a lesson to us all.

Mr. LANTOS. Mr. Speaker, before yielding to my good friend from New Jersey (Mr. PAYNE), I would like to pay tribute to the gentleman from Florida (Mr. BILIRAKIS), the gentlewoman from New York (Mrs. MALONEY), and my good friend, the gentleman from Indiana (Mr. BURTON), for their leadership on this issue.

Mr. Speaker, it gives me a great deal of pleasure to yield such time as he may consume to the gentleman from New Jersey (Mr. PAYNE), one of the most distinguished Members of this body and a strong leader on the Committee on International Relations.

Mr. PAYNE. Mr. Speaker, let me also commend the gentleman from California for the outstanding work he has done in being the conscience and the historian to this body. On many questions that come up, the gentleman from California (Mr. LANTOS) is always there with a historical and accurate display of what happened; and as long as we remember the past, then we can perhaps avoid problems in the future.

I stand to add my support to H. Con. Res. 188, commending Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing each other with humanitarian assistance and relief. I think that it shows that there are more similarities in people than differences, and sometimes leaders create differences that should not be there.

For Greece to respond immediately to the terrible earthquake in Turkey, to go there to help people in need and then having a similar situation, not quite the magnitude, but Turkey responding very quickly to Greece, I think hopefully could set the framework. Sometimes out of tragedy comes positive things, and perhaps this may well may be a welcoming situation so that leaders of both countries can see they have so much in common.

They are both supporters of NATO; they both are against extremist elements in the region. They both are supportive of a strong European Union, so people not only in Western Europe but Eastern Europe and throughout that region will be able to prosper.

I think both countries have a lot in common because they both have been so prominent in the growth and development of the world. The great Greek Empire that gave us philosophers like Aristide and Socrates, and the whole foundation of democracy which was started by the Greek society, and then another great empire, taken, of course, by force, but also showed great leadership with the Ottoman Empire that lasted for many, many years. So two great nations, two nations that have had so much to do with the growth and development of the world as we know it today should not be at each other's throats.

We know of the unfortunate situation, and there was enough blame to go around in the 1970s when the problem in Cyprus occurred, and neither side's hands were totally clean. But 25 years later we should come to some resolution to that problem. We should admit that perhaps there were problems created by both sides; but we should no longer, as we move into a new millennium, talk about an issue that happened 25 years ago.

Cypriots, whether they are Greek or Turkish, are basically the same. They really do not even see differences in one another. So if we could get the original Cyprus people together and they talk together as Cypriots, not as Greeks or Turkish, I think we would see perhaps a resolution of this problem.

So I am in strong support and commend those who are active in the Helenic Caucus, the gentleman from Florida (Mr. BILIRAKIS), the gentlewoman from New York (Mrs. MALONEY), and my good friend, the gentleman from Indiana (Mr. BURTON), and also once again say that I think that it is possible for us to come up with a resolution.

Mr. CAMPBELL. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I want to thank my good friend, the gentleman from Florida (Mr. BILIRAKIS), with whom I have had some differences on the Turkish-Greek issue over the years, for being a primary sponsor on this bill, along with the gentlewoman from New York (Mrs. MALONEY), who came to me and we sat down and talked about it, and the gentlewoman from Illinois (Ms. SCHAKOWSKY) for her contribution. I also want to thank the gentleman from California (Mr. LANTOS), with whom I have become quite a good friend over the last couple weeks and months.

So maybe the millennium is coming, and even my good friend, the gentleman from New Jersey (Mr. PAYNE), we are all becoming closer. I guess the millennium is getting closer by the day. I do not think they are quite as bad as I thought they once were, and hopefully they do not think I am quite as bad as they once thought I was.

But this resolution I think is extremely important because it sends a signal from the Congress of the United States to both Greek and Turkish governmental leaders about how we feel about their spirit of cooperation.

Sometimes out of bad comes good, and the terrible tragedy that occurred in Turkey showed that Greek citizens and Greek governmental leaders were concerned about their fellow human beings in Turkey who were suffering. Two or three weeks later there was a terrible earthquake in Greece, and the Turkish government and the Turkish people reciprocated in kind. So an era of good feeling has evolved out of this.

It is the kind of thing that sparks warmth in the human heart, when you see enemies who have come close to being at war with one another three times in the last 25 years working together because people are hurting.

□ 1400

Since that time, there have been three steps, four steps that have been taken by the two governments which are very positive. The two countries decided to form a joint emergency response team to deal with natural disasters. The Greek and Turkish diplomats have held a series of meetings over the past 2 months on issues such as cooperation in culture, tourism, environment, and combatting crime.

During a meeting of the EU foreign ministers that was held in September, Greece expressed its support for Turkey's membership in the European Union. These are great steps in the right direction.

This resolution will not gloss over the fact that there are still strong differences on the issue of Cyprus, and those issues long-term are going to have to be resolved. Both sides are going to have to sit down and work out their differences.

But make no mistake about it, steps in the right direction have been taken by both Greece and Turkey. We applaud that in the Congress. We would like to see it continue. We want to work with both countries to make sure it continues. We want to congratulate them today for their efforts on behalf of each other in times of great crisis for their two countries.

Mr. LANTOS. Mr. Speaker, it rarely happens that a freshman Member of this body makes as powerful an impact on our work as my good friend, the gentlewoman from Illinois (Ms. SCHAKOWSKY).

I yield such time as she may consume to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentleman from California (Mr. LANTOS) for not only his leadership but his humanity, and for being a mentor to me on international and human rights issues in the short time that I have been a Member of Congress.

I am honored and pleased to join my colleagues today in commending in this resolution Greece and Turkey in their mutual and prompt responses to earthquakes in both countries.

On August 17, in the middle of the night, Turkey experienced an earthquake that claimed thousands of lives and destroyed thousands of buildings. For a country of any size, a tragic event like this one requires the help of the international community. Rescue workers from Greece were the first to respond to Turkey's urgent situation.

On September 7, an earthquake occurred in Greece. The earthquake in Greece also caused numerous deaths and damage to property, and despite the strains of rebuilding after its own catastrophe, Turkey was the first country to react by sending rescue personnel and other resources.

Both of these countries showed a real commitment to humanitarian values and to each other. When individuals were in need and the lives of millions of human beings were at stake, these two countries put aside their differences and without hesitation did their best to help each other through a difficult time. The prompt and generous support exchanged between these two longtime allies of the United States and NATO members led to a welcomed warming of relations that serves as a valuable lesson to the global community.

It is important for the United States and the world to remain committed to helping Greece and Turkey through this difficult time of rebuilding. I look forward to doing so, and to witnessing continuing discussions between the Turkish and Greek governments to work out their remaining differences on other issues.

Again, I commend our allies, Greece and Turkey, and I look forward to working with them in the years to come. I would also like to commend and offer thanks to my colleague, the gentleman from Florida (Mr. BILIRAKIS), the sponsor of this legislation, and the chairman and ranking Democratic Member of the Committee on International Relations for helping to bring this bill to the floor, and the other cosponsors of this legislation, the gentlewoman from New York (Mrs. MALONEY) and the gentleman from Indiana (Mr. BURTON).

Finally, I wish to extend my sincere condolences to the families of the victims of these two tragic events. I urge all Members to support this measure.

Mr. CAMPBELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. BEREUTER), the distinguished chairman of the Subcommittee on Asia and the Pacific of the Committee on International Relations.

Mr. BEREUTER. Mr. Speaker, I rise in strong support of this resolution, and thank the distinguished gentleman from California (Mr. CAMPBELL) for yielding time to me.

Mr. Speaker, I had an opportunity to speak on this resolution when it was before the Committee on International Relations, and I also would like to convey the fact that I speak as the chairman of the House delegation to the NATO Parliamentary Assembly.

Greece and Turkey are two valuable and highly valued members of the NATO alliance as far as the United States is concerned. We have been concerned for some time about the obvious friction that has existed between these two NATO allies. We also have been very concerned about the fact that the European Union slammed the door in the face of Turkey when they provided their initial interest, expression of interest, in becoming a member, eventually, of the European Union, in part, allegedly because of Greek opposition to such membership.

Out of the adversity, out of the tragedy of the earthquake that occurred in Turkey, Greece responded in a wonderful neighborly fashion. It was well received by the Turkish people and the Turkish government. It has provided an opportunity for improved relationships between these two valuable countries, and I want to commend both the government of Greece and the government of Turkey for the way in which they have reacted to the adversity.

As mentioned perhaps a few minutes ago, when later a less severe earthquake took place in Greece, Turkey was quick to respond. Indeed, Turkey sent earthquake teams to Taiwan when they had their recent earthquake.

I do hope, as the gentleman from New York (Chairman GILMAN) said, that this will lead us to an opportunity for further cooperation and for reaching a peaceful settlement of the long-standing dispute related to Cyprus between Greece and Turkey, and that it in general will provide an opportunity for increased cooperation and friendships between those two countries.

So at a time when we often come to the House floor to lament things that are happening, it is good to commend our friends in Greece and Turkey for the extraordinary conduct that they have displayed in the wake of the recent tragedy.

I urge my colleagues to support the resolution.

Mr. LANTOS. Mr. Speaker, I am delighted to yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY), who has brought to this body potent powers of persuasion and the commitment to decency and human rights across the globe.

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman from California for yielding time to me, and for his leadership in this body on so many important issues, both humanitarian, international, and just plain good policies for the United States of America.

As co-chair of the Congressional Caucus for Hellenic Issues and as an original sponsor of this legislation, I rise in strong support of resolution 188.

I would first like to thank the other co-chair of the Hellenic Caucus, the gentleman from Florida (Mr. BILIRAKIS), for his support on this legislation and his continued good work on behalf of the people in Greece and Cyprus.

I would also like to thank the gentleman from Indiana (Mr. BURTON) for his leadership on this issue and many others, and my colleague, the gentlewoman from Illinois (Ms. SCHAKOWSKY), for working with us to develop this legislation; and of course my colleague, the gentleman from New York (Mr. GILMAN), for bringing this bill quickly to the floor, along with the assistance and support of the ranking member, the gentleman from Connecticut (Mr. GEJDENSON).

This resolution commends Greece and Turkey for their quick and measured response to each other in their time of great need. When the terrible earthquake struck Turkey in August, Greece was the first country, the absolute first country to send in planes and their very best military unit to provide aid. Just weeks later, Turkey returned the gesture of caring, humanitarian feelings, and friendship by immediately responding to the earthquake in Greece with aid in tow.

I have also heard accounts and read in the papers that during this terrible aftermath of the earthquake, that Turkish papers printed for the first time Greek headlines thanking their friends in Greece for coming to help them in their great time of need. This was especially important because there has been great animosity between the two countries, great conflicts. Yet, in the hands of tragedy, these two countries reached across their often turbulent past with humanitarian aid and as helping friends.

While this is a great step forward, we must continue to reach out to our allies, Greece and Turkey, to help them to build their relationship together. The recently witnessed good will between the two countries will not continue if they do not continue to build a dialogue and foundation between the two countries.

After the earthquakes, there were meetings that took place between the foreign ministers, foreign minister George Papandreou and the Greek foreign minister, Mr. Cem, on the disputes in the Aegean, in the disputes over Cyprus. They have been trying to work together for some just resolution. We really want to applaud their work, and hope that they will build a better foundation for future relations.

The international community has seen the signs of these two countries working together, and we need to encourage them to continue this good will in resolving their ongoing differences in the ongoing talks they are having. We urge them to continue to resolve the conflicts between them. Once the dust settles from the earthquake, the problems of yesterday will still be there unless they build a lasting relationship.

I really feel very strongly about the possibility of reaching a solution based on the foundation that they are building. Both Greece and Turkey are important U.S. allies. It is important also because the President hopes to visit these two countries, and hopefully he can be part of an ongoing effort to resolve some of the disputes between them.

At this point I rise to applaud the two countries, and really to applaud my colleagues for bringing this issue to the floor.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CAMPBELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from California (Mr. CAMPBELL) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 188.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CAMPBELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

URGING AN END OF THE WAR BETWEEN ERITREA AND ETHIOPIA

Mr. ROYCE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 46) urging an end of the war between Eritrea and Ethiopia and calling on the United Nations Human Rights Commission and other human rights organizations to investigate human rights abuses in connection with the Eritrean and Ethiopian conflict.

The Clerk read as follows:

H. CON. RES. 46

Whereas peace and stability existed between Eritrea and Ethiopia following the 1991 ouster of the Mengistu dictatorship and the independence of Eritrea in 1993;

Whereas on May 6, 1998, a military confrontation erupted between Eritrea and Ethiopia, resulting in the deaths of thousands of civilians and the reported forced detention or deportation of over 60,000 people;

Whereas hundreds of thousands of Eritreans and Ethiopians have been displaced from their homes as a result of this conflict;

Whereas the governments of the United States and Rwanda, the Organization of African Unity (OAU), as well as countries in the region, immediately put forth proposals for resolving the conflict;

Whereas on September 9, 1998, Congress passed H. Con. Res. 292 commending efforts by the United States facilitation team to resolve the crisis, including its success in brokering a moratorium on air raids, and calling on Eritrea and Ethiopia to end the conflict peacefully before it escalated into a full-scale war;

Whereas on December 17, 1998, the Central Organ Summit of the OAU approved a Framework Agreement in furtherance of its efforts to mediate the dispute between the 2 parties and provide an avenue for peace;

Whereas on January 29, 1999, the United Nations Security Council adopted Resolution 1226 expressing its strong support for the OAU Framework Agreement, and calling on both parties to work for a reduction in tensions by adopting policies leading to the restoration of confidence between the governments and peoples of Eritrea and Ethiopia, including urgent measures to improve the humanitarian situation and respect for human rights;

Whereas the Government of the United States, the OAU, and countries in the region have been engaged in an intensive effort to identify a peaceful solution to the conflict;

Whereas on February 6, 1999, while sustained diplomatic efforts by the international community were ongoing, the moratorium on air strikes was violated and war once again erupted between Eritrea and Ethiopia;

Whereas on February 10, 1999, the United Nations Security Council passed Resolution 1227 condemning the use of force by Eritrea and Ethiopia, stressing that the OAU Framework Agreement remains a viable and sound basis for peaceful resolution of the conflict, and calling once again on both countries to ensure the safety of the civilian population and respect for human rights and international humanitarian law;

Whereas the governments of Eritrea and Ethiopia have enjoyed warm relations with the United States and have stated their commitment to a peaceful resolution of the conflict based on the OAU Framework Agreement; and

Whereas the peoples of Eritrea and Ethiopia have suffered for decades due to war and manmade famines and do not deserve once again to suffer due to armed conflict, which could destabilize the entire subregion of Africa: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) deplores the escalation of the conflict between Eritrea and Ethiopia which has resulted in the massive and senseless loss of life, as well as substantial economic hardship to the peoples of Eritrea and Ethiopia;

(2) strongly urges both Eritrea and Ethiopia immediately to bring an end to the violence between the 2 countries;

(3) commends the efforts of the Organization of African Unity (OAU) and former United States National Security Adviser Anthony Lake to mediate peace between Eritrea and Ethiopia;

(4) strongly affirms United States support for the OAU Framework Agreement; and

(5) calls on the United Nations Human Rights Commission and all human rights organizations to investigate human rights abuses in connection with the forced detentions, deportations, and displacements of populations caused by this conflict.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROYCE) and the gentleman from New Jersey (Mr. PAYNE) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROYCE. Mr. Speaker, this resolution was authored by my colleague, the gentleman from California (Mr. CAMPBELL). It urges an end to the 17-month-long war between Eritrea and Ethiopia. That war has resulted in the loss of more than 70,000 lives. This resolution calls for an investigation of human rights abuses in connection with that conflict.

I want to share with the Members here today that both Ethiopia and Eritrea continue to obtain arms. They continue to train troops, they continue to mobilize, and they continue to engage in a furious propaganda war. Frankly, the conflict is spreading. It is spreading into Somalia. The international community, including those calling for debt relief, have to say at this point, enough. That is what the gentleman from California (Mr. CAMPBELL) attempts to do with this resolution.

□ 1415

Hopefully, this resolution will help to bring home to both sides in that conflict that Congress has lost patience with Eritrea and Congress has lost patience with Ethiopia. We have lost patience with the intransigence that keeps a war going that neither side can afford.

This resolution recognizes the OAU framework. It provides an equitable basis to end the devastating conflict.

I would like to commend not only the author, the gentleman from California (Mr. CAMPBELL), but the other members of the Subcommittee on Africa as well that worked on this resolution, and specifically the gentleman from New Jersey (Mr. PAYNE), the ranking member.

Mr. Speaker, I reserve the balance of my time.

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 46 and would like to commend the gentleman from New York (Mr. GILMAN), the chairman of the committee, and the gentleman from Connecticut (Mr. GEJDENSON), the ranking member on the Committee on International Relations, for bringing this resolution swiftly to the floor of the House.

Let me also thank the gentleman from California (Mr. ROYCE), chairman of the committee, and the gentleman from California (Mr. CAMPBELL), the prime sponsor of this resolution, for their tireless work on behalf of the continent of Africa.

H. Con. Res. 46 says briefly that the Nations of Eritrea and Ethiopia should end their border war and that the United Nations Human Rights Commission and other human rights groups should investigate human rights abuses that have been perpetrated on the people of those two countries.

It also deplores the escalation of conflict between Ethiopia and Eritrea, which has resulted in massive loss of lives and substantial economic hardship. The resolution urges both countries immediately to bring an end to violence.

The resolution goes on to commend the Organization for African Unity and former U.S. National Security Advisor, Mr. Anthony Lake, and our Assistant Secretary for African affairs, Dr. Susan Rice, for their efforts to mediate this conflict along with the OAU and other world leaders.

This resolution strongly affirms the United States support of the OAU framework for peace and calls upon the UN Human Rights Commission and all human rights organizations to investigate human rights abuses in connection with the tensions, deportations, and displacement of the population.

This war has been going on for 1½ years and has gone on too long. I have known and do know both President Isaias of Eritrea and Prime Minister Meles of Ethiopia for some time. I have visited both of them in their countries on several occasions. They both are outstanding, bright leaders. So it makes no sense that two persons who have known each other, distantly related, can continue on with a war of this nature.

I had the privilege first to visit Ethiopia back under the rule of the former emperor of Ethiopia, His Excellency, Mr. Haile Selassie. It was the people like the Mengistu who took Ethiopia down the wrong path, but people like Meles and Isaias fought against the brutal dictator and dispelled him from the country. After successfully ousting Mengistu, Ethiopia gave Eritrea an opportunity to vote for its independence in 1993, following an internationally monitored referendum.

As my colleagues may know, the original vote was supposed to occur in 1962, but was never called. But we give credit to Prime Minister Meles for allowing the vote to go forward, and Eritrea voted to separate itself.

So I would just hope that this war would end. I would like to encourage the Algerian government to continue its efforts as a mediator in the conflict. The former Prime Minister of Algeria is convening a meeting this week to once again attempt to bring both sides together.

Last week, I had an opportunity to speak with the Honorable Dawit Yohannes, Speaker of the House of the People's Republic of Ethiopia, and I encouraged his government to review again the OAU document, outlining a ceasefire and urged them to accept it.

Both Ethiopia and Eritrea have undermined their respective economic development gains by engaging in a war that has cost both sides over $100 million, and some estimates claim that as many as 70,000 lives have been lost in this World War I type trench warfare. Civilian casualties are also very high, but the numbers are unknown.

The Ethiopian and Eritrean conflict has hindered the United States' effort and curtailed our efforts to try to work against the Islamic fundamentalist government in Sudan that have been dealing with terrorists from Yemen and has been destabilizing northern Kenya.

The IGAD peace process, chaired by Mr. Moi, has, as its members, both Ethiopia and Eritrea and Uganda, all embroiled in wars. So therefore peace cannot be negotiated in Sudan when these are conflicted themselves.

So this war must end. It has put an end to our ACRI, the African Crisis Response Initiative, which was being trained in Ethiopia, which will once again set back peacekeeping on the continent.

This war has taken a heavy toll on both sides of the conflict. It threatens to induce famine in Ethiopia and Eritrea and Sudan. Last year, the lack of adequate food put 2.6 million people in harm's way because of that.

In conclusion, let me say that I am pleased by the swift, quick, and decisive action taken, once again, by Tony Lake and Dr. Rice, and I encourage them to continue to promote a political settlement.

Mr. Speaker, I reserve the balance of my time.

Mr. ROYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. CAMPBELL), who has invested so much personal time and energy in attempting to resolve this conflict.

Mr. CAMPBELL. Mr. Speaker, I thank the gentleman from California (Mr. ROYCE), chairman of the Subcommittee on Africa, for yielding me this time and for his complimentary words.

Mr. Speaker, I also recognize that, but for the subcommittee chair, we would not have this on the floor today. I once again recognize his depth of compassion and commitment to Africa as he has shown throughout this Congress.

I also begin with my recognition of the gentleman from New Jersey (Mr. PAYNE) in all that he has done to educate me and our other colleagues in the Congress on this very important issue.

Two years ago, my wife and I, with the gentleman from New Jersey (Mr. PAYNE) spent Thanksgiving in Asmara, Eritrea. We traveled to Keren, to Masawa. We traveled as widely as we could in Eritrea.

We stayed, then, for an additional week in Ethiopia. We visited, of course, the capital of Addis Ababa, but also Lalibela, Axum, Mekele, and went to the banks of Lake Tana.

We learned of a people that are remarkable, who have achieved so much, the people in Ethiopia who were never colonized, a people who were Christian from the time of the apostles, who have a patriarch, whose Orthodox Church is a powerful force within a country for compassion and respect for human rights.

Yet, these two countries have chosen to go to war, to spend what precious little treasure and human resources they have to kill each other. That is what war is, and that is what they have chosen to do.

I cannot fully express the sadness that comes to my heart and that of my wife as we reflect on the people that we met throughout Eritrea and Ethiopia. We were met at the remote airports by little children bringing flowers because a visit by a Member of the United States Congress is a rare occasion there. I wonder, were any of them killed? Did the bomb that fell on Mekele kill any of those little school children?

Then I think of the people in Ethiopia of Eritrean extraction who were herded together and put forcibly on buses and transported up to the border with Eritrea, where they had no means to take care of themselves. I wonder about the human rights conditions of those forcibly deported.

Then I hear of expressions on the radio that will sow the seeds of resentment for years to come, that will inflict wounds, that will prevent rapprochement following the end of this war.

To my colleagues in Congress, I can only offer my own sadness, my own words of severe disappointment. The gentleman from New Jersey (Mr. PAYNE) and I know how hard it is to draw the attention of our colleagues in Congress to the sufferings of the people in Africa.

When something like this happens, it only plays into the hands of those who would look away, those who would say, well, that is just one African group going after another African group.

Would we ever say that about Europe, by the way? Would we ever describe World War I or World War II as just one European tribe going after another European tribe? Of course we would not. Yet there are those who might say so about Africa and turn their back. We do not turn our back, the gentleman from New Jersey (Mr. PAYNE) and I and the other members of the Committee on International Relations who bring this to the floor. I know that our colleagues taking part in this debate do not turn their back.

So that is the most important purpose of this resolution, to say that we do not turn our back. We are deeply troubled at the continuation of the war. We tell both countries, Mr. Speaker, that, as this war continues, the ability of those of goodwill who wish to see American help go to those most in need in Africa is compromised, is severely compromised by reason of this war.

I warn those whose interests are with those two countries that we will not be successful in the near term in augmenting interest and assistance because of the recollection of the war.

Second, this resolution calls for international human rights organizations to investigate the human rights abuses. By this, let me be specific. I was not heretofore, but today on the floor I wish to be specific. It is a human rights abuse for Ethiopia to round up Eritreans on the grossest use of stereotype that, because they are of Eritrean birth, they cannot be trusted, even though the two countries were one at the time of the birth of almost all of those individuals. These human rights abuses must be inspected.

This resolution calls upon the United Nations Human Rights Commission and all human rights organizations to investigate these human rights abuses. That is what Ethiopia has to account for because they have continued this war. My condemnation for that is serious.

I, of course, also mention Eritrea for having its role in the start of this war. I do not try to decide in these few moments who is most at fault. I simply observe with great sadness the difficulty that we have because of this war.

I conclude, Mr. Speaker, with a word of thanks again to the gentleman from New York (Chairman GILMAN), to the gentleman from California (Chairman ROYCE), to the gentleman from New Jersey (Mr. PAYNE), and to the administration.

There have been occasions when I have had to express my opposition to the administration. This is not one. I have nothing but admiration for their work, particularly of Assistant Secretary of State Susan Rice.

I urge an end to this war so that, when my wife and I return to Asmara and Addis Ababa, we might see those children grown up, knowing something other than war.

Mr. PAYNE. Mr. Speaker, I yield as much time as he may consume to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, I thank the gentleman from New Jersey for yielding me this time.

Mr. Speaker, I will just take a minute of the body's time to express my strong support for the resolution as the Democratic cochair of the Congressional Human Rights Caucus. I want to associate myself with the remarks of the gentleman from New Jersey (Mr. PAYNE) and the gentleman from California (Mr. CAMPBELL).

I also want to take this occasion to pay tribute to both of these gentlemen for having devoted such an extraordinary portion of their personal and congressional time and energy to improving conditions in Africa. Both of them have been leaders in this field, and they deserve our highest commendation.

I know that the gentleman from California (Mr. CAMPBELL) and his wife have devoted untold numbers of days to dealing with problems of Africa, and they fully deserve our thanks and our commendation, as does the gentleman from New Jersey (Mr. PAYNE).

Mr. ROYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an important resolution. My colleagues have spoken eloquently about this tragic conflict. I can ensure them that what the U.S. Congress says about this conflict matters.

□ 1430

Eritrea and Ethiopia are listening to our expression of enough is enough. Compromise is needed. And as my colleague, the gentleman from California (Mr. CAMPBELL), stated this conflict severely undermines U.S. support for these countries. With that in mind, I urge support of the resolution.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PAYNE. Mr. Speaker, I yield 4 minutes to the gentleman from Arkansas (Mr. SNYDER).

Mr. SNYDER. Mr. Speaker, it was my privilege back in July to visit Africa, to visit both Eritrea and Ethiopia. This is an interest of mine that began back in 1985 when I worked as a doctor in a refugee camp on the Ethiopian, Eritrean, Sudanese border during the great drought and war that was going on at that time.

I am very much aware, Mr. Speaker, that there is nothing more dangerous than a Member of Congress who has read a book or made a trip; but if I might, let me make a few comments following that visit. First of all, this is a country of 65 million people. It is not a tiny nation. It is a very significant portion of the continent of Africa.

These two nations are in one of the poorest areas of the world, in the Horn of Africa, but there has been remarkable efforts made since 1991, the end of the civil war against the Marxist military dictatorship that ruled both Eritrea and Ethiopia, and I saw evidence of this development. New schools, new industry, new colleges, community organizations working very hard on both sides on what they know to be their number one enemy, which is poverty. This has continued through 1993, and after 1993, when the peaceful separation of Eritrea from Ethiopia occurred and Eritrea achieved independence.

But then May of 1998 came along, and we had this horrific war. And let me repeat it is a horrific war that involves over 65 million people. It is entrenched warfare that has involved infantry assaults against fixed positions at a level not seen on this Earth in decades. There has been very, very high death rates among the wounded and there has been a high rate of wounded.

I visited the front one time, on one day for about an hour, on the Badime Plain. It was quiet then, as it has been now for several months. We could see remnants of burned-out tanks and were told that there were still corpses down below. But the problem will be what happens now that the rains are ending and the terrain is drying out. And that is the fear in those countries, but also the fear in Africa that this war will again renew itself.

I have visited with both Prime Minister Meles of Ethiopia and President Isaias in Eritrea. Both are patriots who care deeply about their countries, but so far they have been unsuccessful in their abilities to end this war together.

But it is interesting the amount of agreement on both sides. Both sides agree that this has been a horrific war with heavy losses on both sides. Both sides agree that this war has delayed development and delayed the fight against the ultimate enemy of the Horn of Africa, which is poverty. Both sides agree that eventually there will be an agreement, and both sides will work together once again on development together. Both sides agree that they want the world community to assist them in ending this war.

Now, that seems to me to be a lot of agreement and a lot of fertile ground for ending a war. But, unfortunately, to this date, it has not occurred.

This Congress does not have the specific answer on how to end this war. We are not diplomats. But this Congress and the American people do have great interest in seeing this terrible war end. I was optimistic at the end of July and August, and even into September, that progress was being made. Now I am not so optimistic, and I fear, as the rains have ended, that we may be seeing the signs of war renewing itself once again.

I hope the peacemakers will keep making peace. I hope the war fighters will hold off, even as the terrain dries. I support this resolution. One part of it I do disagree with, and perhaps it is an editing error, the resolution refers to thousands of civilian deaths. Personally, myself, I did not see evidence of thousands of civilian deaths. I saw evidence of thousands of internally displaced persons. But perhaps the resolution meant to say the deaths of thousands of soldiers.

But I support the underlying intent of this resolution, which is to encourage an end to this terrible war between Eritrea and Ethiopia and appreciate the interest of my colleagues in bringing the resolution here today.

Mr. PAYNE. Mr. Speaker, I yield 3½ minutes to the gentleman from New York (Mr. MEEKS), who has lent his voice in a very short and rapid time.

And let me once again thank the gentleman from Arkansas (Mr. SNYDER) for the outstanding work he has done, being there on the line.

Mr. MEEKS of New York. Mr. Speaker, let me first thank the gentleman from California (Mr. CAMPBELL). In the short period of time that I have been privileged to be a Member of this House, I have seen his sincere commitment on the Committee on International Relations and particularly in reference to Africa. He has always been outspoken and always has had some concerns with reference to rectifying some of the human tragedies that have taken place, and I want to thank the gentleman for bringing this bill forward.

Let me also thank the Chair of the Subcommittee on Africa, the gentleman from California (Mr. ROYCE), for his diligence in bringing forth these issues of concern to the African continent.

And, finally, let me thank the gentleman from New Jersey (Mr. PAYNE), who is one whom I admired long before I entered the halls of Congress. I admired him and his wisdom and his knowledge of not only Africa but the entire globe, but in particular Africa. He is one that I have learned to respect and hold on to the hem of his garments with reference to the knowledge that he has, and I value him as a Member and as a friend.

Mr. Speaker, this war that is now raging on, I do not understand. For the life of me, I scratch my head perplexed. Generally, when there are sides that want to separate from each other or something of that nature, war takes place at that point. Here, we have two nations who separated peacefully, and yet once the separation took place, without any real articulated reasons, they are at war.

I have had the opportunity to speak with both the ambassadors from Eritrea and Ethiopia and, as said by my colleague, the gentleman from Arkansas (Mr. SNYDER) before, it seemed to me they both wanted the same thing, yet war and tragedy continues. I ask, why do brothers and sisters fight one another? And for the life of me, I do not know.

But I say this, H. Con. Res. 46 gives us an opportunity to say to both nations, who want a decent relationship with this great Nation, that if they want to do so, we must have peace. And simply what it does is it reaffirms the OAU and the framework for peace which the OAU has set up. And it calls upon all of the human rights commissions and all human rights organizations to investigate human rights abuses in connection with the detentions, deportations, and displacements of their citizens.

If we do not urge these countries to end this war, it will continue to set both back to 10, 15 years ago, and affect their financial standing within the international community. This resolution sends a strong message that they can work cooperatively with the United States of America if they talk peace, and I urge my Members to support the passing of H. Con. Resolution 46.

Mr. PAYNE. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman from New Jersey for yielding me this time.

Like the gentleman from New York (Mr. MEEKS), it is hard for me to understand why this war continues. I have both Ethiopian and Eritrean residents who live in my congressional district; and when I talk to them, it is uncle against uncle, brother against brother, sister against sister, and yet the fighting continues. And superficially it seems like just a family feud, but the devastation and the deaths and the tragedy goes on and on.

So I want to rise in support of this resolution and applaud the gentleman from New Jersey (Mr. PAYNE) and the gentleman from California (Mr. CAMPBELL) for bringing the resolution to the floor in hopes that this could be some added incentive for these two nations to resolve their differences.

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume, and I urge support of H. Con. Res. 46.

I would also like to say that this conflict is starting to be felt here even in our Nation's capital between Ethiopians and Eritreans. I ask the Ethiopians and Eritreans here in our country to urge their governments to put down the weapons of war.

Ethiopia and Eritrea do not have the oil of Angola or Nigeria, nor the diamonds of the Congo or Sierra Leone, or the gold of South Africa or Botswana, and so the fight is really, unfortunately, a dispute that we believe can come to a solution.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H. Con. Res. 46, the resolution that urges Eritrea and Ethiopia to end the war between the both countries. H. Con. Res. 46 expresses the sense of Congress deploring the escalation of the conflict between Ethiopia and Eritrea which has resulted in the massive and senseless loss of life, as well as substantial economic hardship to the peoples of both nations. In addition, this resolution strongly urges both Eritrea and Ethiopia to immediately bring an end to the violence between the two countries and strongly affirms U.S. support for the Organization of African Unity (OAU) Framework Agreement. The resolution also calls on the UN Human Rights Commission and all human rights organizations to investigate human rights abuses in connection with the forced detentions, deportations, and displacements of populations caused by this conflict.

In 1952, former Italian colony Eritrea federated into Ethiopia and became one of its provinces. Forty years later, in 1993, Eritrea gained independence from Ethiopia peacefully, but no borders were clearly defined. Relations between the two countries remained peaceful and Ethiopian Prime Minister Meles Zenawi and Eritrean President Isaias Afwerki were deemed leaders who would help bring an African renaissance. However, the introduction of a new currency in Eritrea in 1997 spurred tension between the two nations as Eritrea started to distance itself from Ethiopia.

In May 1998 an area known as the Badme Triangle, administered by Ethiopia, became the first region to break out in fighting when Eritrean troops invaded the area, claiming it as their own. Fighting continued in the area, with both sides participating in bombings and forced detention of prisoners. The provocative act of aggression by Eritrea has attracted wide public attention since the Council of Ministers of the FDRE issued a statement on May 13 urging the Eritrean government to pull out its invading forces from the occupied territories of Ethiopia. It thus, seems, pertinent to give an overall view of the crises. The areas that have been occupied by the invading Eritrean force are the whole of Badme Woreda and part of Shiraro Woreda which are both located in Tigrai State. These areas have never been part of Eritrea when Eritrea was under the occupation of Italian colonialists, the British protectorate and later under the Haile-Sellassie imperial administration. During the Derg regime, the residents of the two Woredas fought the military junta gallantly under the vanguard of the Tigrai People's Liberation Front (TPLF).

Despite the indisputable historical records on the disputed areas, the Eritrean government has for long raised territorial claims. It should also be clear that the Ethiopian government has territorial claims on some areas which have been unfairly incorporated into today's Eritrea. As a matter of fact, there may be nothing wrong in raising territorial claims. Taking that fact into account, the two countries had established a joint committee to resolve territorial disputes peacefully. Both governments had reached a common understanding:

(1) to resolve territorial claims through peaceful negotiations; and

(2) to respect their respective boundaries which both occupied at the time of the fall of the Derg. It was on this bases that the joint committee was active until recently.

While this was the case, however, an unexpected thing took place. The issue was that while the joint committee set up by the two governments had been working to peacefully settle the dispute based on the aforementioned understanding and while they had agreed to hold a meeting on Friday, 8, May 1998, the Eritrean forces touched off a clash in the north-western part of Ethiopia on Wednesday, 6 May 1998. In this regard, it seems that action was initially taken by the Ethiopian side; but this claim would not be sustainable for the simple fact that the locality where the clash broke out belonged to Ethiopia.

In November 1998, the OAU Central Organ for Conflict Resolution presented a peace proposal to the countries and although both countries verbally accepted the proposal, fighting continued throughout the Horn of Africa.

Mr. Speaker, we must speak out against this war and the human rights abuses associated with it. This is a war that has taken the lives of thousands of civilians and destroyed the economy of two growing countries. On Monday, October 11, of this year Eritrea accused Ethiopia of destroying six Eritrean villages in a border area which Ethiopia occupied during fighting between the two countries in February.

Administrators in the zone now report that forces from both countries have destroyed houses and villages and, in some cases, burned entire villages to the ground. Tens of thousands of soldiers have died during a vicious border war between the two Horn of Africa states in the last 17 months, and efforts by the Organization of African Unity (OAU) to resolve the dispute have so far failed.

In February the Ethiopian army forced Eritrea out of the disputed Badme area along the western end of their border after heavy fighting, and pushed into land which Eritrea says is unquestionably part of its country. Eritrea says around 4,000 Eritrean residents of the Gash Barka zone have since fled to displacement camps in the area.

Mr. Speaker, dear colleagues, I offer my full support for this resolution and urge that Eritria and Ethiopia end the war between them.

Mr. PAYNE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 46.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING INVESTIGATION INTO DISAPPEARANCE OF ZACHARY BAUMEL

Mr. CAMPBELL. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 1175) to locate and secure the return of Zachary Baumel, a United States citizen, and other Israeli soldiers missing in action.

The Clerk read as follows:

Senate amendments:

Page 3, strike out all after line 12, down to and including line 22 and insert:

(b) PROVISION OF ASSISTANCE TO CERTAIN GOVERNMENTS.—In deciding whether or not to provide United States assistance to any government or authority which the Secretary of State believes has information concerning the whereabouts of the soldiers described in subsection (a), and in formulating United States Policy towards such government or authority, the President should take into consideration the willingness of the government or authority to assist in locating and securing the return of such soldiers.

Page 4, line 8, after "additional" insert: "credible".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. CAMPBELL) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. CAMPBELL).

GENERAL LEAVE

Mr. CAMPBELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 1175, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CAMPBELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the chairman of the full committee, the gentleman from New York (Mr. GILMAN), has taken a personal interest in this resolution. He cannot be here at this moment due to a prior commitment. I would, accordingly, read his remarks. They are more eloquent than my own, and I would say that his words fully reflect my own views on the subject as well.

"The measure before us today, H.R. 1175, is one which the House adopted overwhelmingly earlier this year but which was slightly amended by the other body last summer. Hence our renewed consideration.

"I remind my colleagues this important humanitarian measure is on behalf of three Israeli MIAs, one of whom, Zachary Baumel, is a dual American-Israeli national.

"It has been 17 long years since these Israeli soldiers faced Syrian forces in Lebanon's Bekaa Valley on June 11, 1982. The men have been missing since that day, and all efforts since then, which have spanned the globe, have not brought them back to their families. These families deserve answers.

"H.R. 1175 will require the Department of State to raise the matter of Zachary Baumel, Yehuda Katz, and Avi Feldman with appropriate government officials of Syria, Lebanon, and the Palestinian authority.

"This measure also requires the United States to raise the issue with other governments which may be helpful in locating and securing the return of these soldiers and to report to Congress on all efforts.

"The other body made two minor technical changes after consulting with us, the sponsors, the State Department, and the Baumel family, and everyone concerned has agreed to these changes.

"Accordingly, I wish to thank again our committee colleague, the gentleman from California (Mr. LANTOS), for his continuing interest and commitment to this issue, and also urge our colleagues once again to express their strong support for H.R. 1175, as amended."

Mr. Speaker, that ends the prepared remarks of our chairman, the gentleman from New York (Mr. GILMAN), and I would add only my very own few words.

This has been of great importance to our committee and to me, as well as to the chairman. I observe what this resolution does. It not only calls on the State Department to continue raising this issue persistently, particularly with Syria, because it was in territory under Syria's actual control that these three individuals were taken prisoner—one of whom I emphasize is an American citizen as well as an Israeli citizen—but it also requests the State Department, in deciding which entities receive our aid, our taxpayers' money, that we take into account whether that entity or sovereign in question has assisted, has done all that it can, if it has basis for helping, to help with the resolution of these MIAs.

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I think that is exactly the right message to send. I applaud the gentleman from New York (Mr. GILMAN), our chairman, for his leadership in this. And I note the extraordinary work of my good friend and my colleague from California (Mr. LANTOS), the co-chair of the Human Rights Caucus, a champion for individuals against the abuse of their human rights wherever they may be and of what nationality they may be.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as my very good friend and colleague has pointed out, we approved this resolution in a slightly different form sometime back and we are now adopting it again because the Senate made some very useful, minor modifications.

My good friend, the gentleman from California (Mr. CAMPBELL), outlined the issue. I can only add one footnote.

At a time when the peace process is moving in the area, it is incumbent upon Yassir Arafat and the Syrian leadership and all those who have any influence over the government that holds these unfortunate prisoners of war for the last 17 years to exert every effort to have them finally released. This action is long overdue.

I urge all of my colleagues to join me in supporting this resolution.

Ms. SCHAKOWSKY. Mr. Speaker, today, for the second time this year, the House is considering H.R. 1175. This legislation, introduced by my distinguished colleague from California, Mr. LANTOS, would help to locate Zachary Baumel, an American citizen and other Israeli soldiers missing in action since 1982.

On June 22, 1999 the House sent a strong message by passing H.R. 1175 with 415 votes in support of the bill. Today, the House has a chance to pass this legislation—as amended by the Senate—and send it to the President for his signature.

I believe that the Administration is concerned about the fate of these brave soldiers. However, it has been five years since the Gaza-Jericho agreement, and Zachary Baumel, Zvi Feldman, Yehuda Katz and others are still missing. Passage of this legislation will ensure that the Department of State raises this case on an urgent basis with all appropriate governments and authorities.

Whenever American citizens or allies of the United States are taken during conflict, we must do everything possible to obtain their release or information as to their fate. My constituents agree. Over the past several months, I have received many letters and phone calls from individuals who are concerned about this issue, requesting that I do everything possible to ensure passage of this legislation. I urge all members to vote in support of this important measure.

Mr. PITTS. Mr. Speaker, I would like to take this time to voice my support for H.R. 1175, which would authorize an investigation into the disappearance of an American citizen, Zachary Baumel. It has been seventeen years since this young man, serving in the Israeli army, was captured along with the four other members of his tank battalion, in a battle with Palestinian and Syrian forces near the Lebanese town of Sultan Yaqub.

H.R. 1175 directs the Department of State to investigate the cases of Mr. Baumel, and two other soldiers, Yehuda Katz, and Zvi Feldman. The last known whereabouts of these soldiers was in Syrian-controlled territory, under the care of a Palestinian faction splintered from the PLO. As diplomatic efforts to secure the release of these men have been periodically unsuccessful to date, this legislation directs the State Department to discuss this matter on an urgent basis with officials of Syria, Lebanon, the Palestinian Authority, and other appropriate governments.

The bill makes a simple request of the President, that when he is considering whether or not to provide economic assistance to these countries, that he weigh and measure the willingness of these governments and authorities to assist in locating and securing the release of these men.

Mr. Speaker, the family of Zachary Baumel has been through incredible pain and uncertainty for these last seventeen years. Their hopes have been lifted in key times of negotiation, such as the Oslo Accords—yet to no avail.

It is time that our country take another real and substantive step in requesting action on behalf of these middle eastern governments. These young men and their families deserve no less.

Mr. LANTOS. Mr. Speaker, I yield back the balance of my time.

Mr. CAMPBELL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from California (Mr. CAMPBELL) that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 1175.

The question was taken.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

STATISTICAL EFFICIENCY ACT OF 1999

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2885) to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency and quality of the Federal statistics and Federal statistical programs by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards, as amended.

The Clerk read as follows:

H.R. 2885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Statistical Efficiency Act of 1999".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) The term "agency" means any entity that falls within the definition of the term "executive agency" as defined in section 102 of title 31, United States Code, or "agency", as defined in section 3502 of title 44, United States Code.

(2) The term "agent" means a person who—

(A) is designated by a Statistical Data Center (as designated in section 3) to perform exclusively statistical activities authorized by law under the supervision or control of an officer or employee of that Statistical Data Center; and

(B) has agreed in writing to comply with all provisions of law that affect information acquired by that Statistical Data Center.

(3) The term "identifiable form" means any representation of information that permits information concerning individual subjects to be reasonably inferred by either direct or indirect means.

(4) The term "nonstatistical purpose" means any purpose that is not a statistical purpose, and includes any administrative, regulatory, law enforcement, adjudicatory, or other purpose that affects the rights, privileges, or benefits of a particular identifiable respondent.

(5) The term "respondent" means a person who, or organization that, is requested or required to supply information to an agency, is the subject of information requested or required to be supplied to an agency, or who provides that information to an agency.

(6) The term "statistical activities"—

(A) means the collection, compilation, processing, or analysis of data for the purpose of describing or making estimates concerning the whole, or relevant groups or components within, the economy, society, or natural environment; and

(B) includes the development of methods or resources that support those activities, such as measurement methods, models, statistical classifications, or sampling frames.

(7) The term "statistical purpose"—

(A) means the description, estimation, or analysis of the characteristics of groups without regard to the identities of individuals or organizations that comprise such groups; and

(B) includes the development, implementation, or maintenance of methods, technical or administrative procedures, or information resources that support such purposes.

SEC. 3. DESIGNATION OF STATISTICAL DATA CENTERS.

(a) IN GENERAL.—Each of the following is hereby designated as a Statistical Data Center:

(1) The Bureau of Economic Analysis in the Department of Commerce.

(2) The Bureau of the Census in the Department of Commerce.

(3) The Bureau of Labor Statistics in the Department of Labor.

(4) The National Agricultural Statistics Service in the Department of Agriculture.

(5) The National Center for Education Statistics in the Department of Education.

(6) The National Center for Health Statistics in the Department of Health and Human Services.

(7) The Energy Consumption Division of the Energy Information Administration in the Department of Energy.

(8) The Division of Science Resources Studies in the National Science Foundation.

(b) DESIGNATION.—In the case of a reorganization that eliminates, or substantially alters the mission or functions of, an agency or agency component listed in subsection (a), the Director of the Office of Management and Budget, after consultation with the head of the agency proposing the reorganization, may designate an agency or agency component that shall serve as a successor Statistical Data Center under the terms of this Act, if the Director determines that—

(1) the primary activities of the proposed Statistical Data Center are statistical activities specifically authorized by law;

(2) the proposed Statistical Data Center would participate in data sharing activities that significantly improve Federal statistical programs or products;

(3) the proposed Statistical Data Center has demonstrated its capability to protect the individual confidentiality of any shared data; and

(4) the laws that apply to the proposed Statistical Data Center are not inconsistent with this Act.

(c) NOTICE AND COMMENT.—The head of an agency seeking designation as a successor Statistical Data Center under this section shall, after consultation with the Director of the Office of Management and Budget, provide public notice and an opportunity to comment on the consequences of such designation and on those determinations upon which the designation is proposed to be based.

(d) PROHIBITION AGAINST INCREASE IN NUMBER OF CENTERS.—No action taken under this section shall increase the number of Statistical Data Centers authorized by this Act.

SEC. 4. STATISTICAL DATA CENTER RESPONSIBILITIES.

The Statistical Data Centers designated in section 3 shall—

(1) identify opportunities to eliminate duplication and otherwise reduce reporting burden and cost imposed on the public by sharing information for exclusively statistical purposes;

(2) enter into joint statistical projects to improve the quality and reduce the cost of statistical programs;

(3) safeguard the confidentiality of individually identifiable information acquired for statistical purposes by assuring its physical security and by controlling access to, and uses made of, such information; and

(4) respect the rights and privileges of the public by observing and promoting fair information practices.

SEC. 5. LIMITATIONS ON USE AND DISCLOSURE OF DATA AND INFORMATION BY STATISTICAL DATA CENTERS.

(a) USE OF STATISTICAL DATA OR INFORMATION.—Data or information acquired by a Statistical Data Center for exclusively statistical purposes shall be used by the Center only for statistical purposes.

(b) DISCLOSURE OF STATISTICAL DATA OR INFORMATION.—Data or information acquired for exclusively statistical purposes shall not be disclosed in identifiable form, for any purpose other than a statistical purpose, without the informed consent of the respondent.

(c) RULE FOR USE OF DATA OR INFORMATION FOR NONSTATISTICAL PURPOSES.—A Statistical Data Center shall clearly distinguish any data or information collected for nonstatistical purposes (as authorized by law) by the Statistical Data Center by a rule that provides that the respondent supplying the data or information is fully informed, before the data or information is collected, that the data or information will be used for nonstatistical purposes.

SEC. 6. DISCLOSURE OF DATA OR INFORMATION BY AGENCIES TO STATISTICAL DATA CENTERS.

(a) AGENCIES THAT MAY DISCLOSE DATA OR INFORMATION TO A STATISTICAL DATA CENTER.—Subject to subsection (b), any Federal agency may disclose data or information to one or more Statistical Data Centers for exclusively statistical purposes.

(b) LIMITATIONS ON DISCLOSURE.—Data or information may be disclosed by an agency to one or more Statistical Data Centers under subsection (a) only if—

(1) the data or information are to be used exclusively for statistical purposes by the Statistical Data Center or Centers;

(2) the disclosure of, and proposed use of, the data or information by the Statistical Data Center is not inconsistent with any provisions of law or Executive order that explicitly limit the statistical purposes for which such data or information may be used;

(3) the disclosure is not prohibited by law or Executive order in the interest of national security;

(4) the disclosure is made under the terms of a written agreement between the Statistical Data Center or Centers and the agency supplying the data or information that specifies—

(A) the data or information to be disclosed;

(B) the purposes for which the data or information are to be used; and

(C) appropriate security procedures to safeguard the confidentiality of the data or information; and

(5) the data or information is not disclosed by that Center in identifiable form (except in a case in which the data or information was collected directly by a party to the agreement referred to in subsection (b)(4), and the agreement specifies that the data or information may be so disclosed to another party to the agreement for exclusively statistical purposes).

(c) NOTICE.—Whenever a written agreement authorized under subsection (b)(4) concerns data that respondents were required by law to report and the agreement contains terms that could not reasonably have been anticipated by respondents who provided the data that will be disclosed, or upon the initiative of any party to such an agreement, or whenever ordered by the Director of the Office of Management and Budget, the terms of such agreement shall be described in a public notice issued by the agency that intends to disclose the data. Such notice shall allow a minimum of 60 days for public comment before such agreement shall take effect. The Director shall be fully apprised of any issues raised by the public and may suspend the effect of such an agreement to permit modifications responsive to public comments.

(d) APPLICABILITY OF OTHER LAWS.—(1) The disclosure of data or information by an agency to a Statistical Data Center under this section shall in no way alter the responsibility of that agency under other statutes (including the Freedom of Information Act and the Privacy Act) with respect to the disclosure or withholding of such information by that agency.

(2) If data or information obtained by an agency is disclosed to another agency pursuant to this section, all provisions of law (including penalties) that relate to the unlawful disclosure of the data or information apply to the officers, employees, or agents of the agency to which the data or information is disclosed to the same extent and in the same manner as the provisions apply to the officers and employees of the agency which originally obtained the information.

(3) The officers, employees, and agents of the agency to which the data or information is disclosed, in addition, shall be subject to the same provisions of law, including penalties, relating to the unlawful disclosure of information that would apply to officers and employees of that agency, if the information had been collected directly by that agency.

SEC. 7. COORDINATION AND OVERSIGHT BY OFFICE OF MANAGEMENT AND BUDGET.

(a) IN GENERAL.—The Director of the Office of Management and Budget shall coordinate and oversee the confidentiality and disclosure policies established by this Act.

(b) REPORT OF DISCLOSURE AGREEMENTS.—(1) The head of a Statistical Data Center shall report to the Office of Management and Budget—

(A) each disclosure agreement entered into pursuant to section 6(b)(4);

(B) the results of any review of information security undertaken at the request of the Office of Management and Budget; and

(C) the results of any similar review undertaken on the initiative of the Statistical Data Center or an agency disclosing data or information to a Statistical Data Center.

(2) The Director of the Office of Management and Budget shall include a summary of all reports submitted to the Director under this subsection and any actions taken by the Director to advance the purposes of this Act in the annual report to the Congress on statistical programs submitted in accordance with section 3504(e)(2) of title 44, United States Code.

(c) REVIEW AND APPROVAL OF RULES.—The Director of the Office of Management and Budget shall review and approve any rules proposed pursuant to this Act for consistency with this Act and chapter 35 of title 44, United States Code.

SEC. 8. IMPLEMENTING REGULATIONS.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Director of the Office of Management and Budget, or the head of a Statistical Data Center or of an agency providing information to a Center, may promulgate such rules as may be necessary to implement this Act.

(b) CONSISTENCY.—The Director of the Office of Management and Budget shall promulgate rules or provide such other guidance as may be needed to ensure consistent interpretation of this Act by the affected agencies.

(c) AGENCY RULES.—Rules governing disclosures of information authorized by this Act shall be promulgated by the agency that originally collected the information, subject to the review and approval required under this Act.

SEC. 9. EFFECT ON OTHER LAWS.

(a) TITLE 44 U.S.C.—This Act, including the amendments made by this Act, does not diminish the authority under section 3510 of title 44, United States Code, of the Director of the Office of Management and Budget to direct, and of an agency to make, disclosures that are not inconsistent with any applicable law.

(b) EXEMPTION FROM FREEDOM OF INFORMATION ACT.—Data or information acquired for exclusively statistical purposes as provided in section 5 is exempt from mandatory disclosure under section 552 of title 5, United States Code, pursuant to section 552(b)(3) of such title.

(c) PREEMPTION OF STATE LAW.—Nothing in this Act shall preempt applicable State law regarding the confidentiality of data collected by the States.

SEC. 10. CONFORMING AND PROPOSED CHANGES IN LAW.

(a) DEPARTMENT OF COMMERCE.—(1) Section 1 of the Act of January 27, 1938 (15 U.S.C 176a) is amended by striking "The" and inserting "Except as provided in the Statistical Efficiency Act of 1999, the".

(2)(A) Chapter 10 of title 13, United States Code, is amended by adding after section 401 the following:

"§402. Exchange of census information with Statistical Data Centers

"The Bureau of the Census is authorized to provide data collected under this title to Statistical Data Centers named in the Statistical Efficiency Act of 1999, or their successors designated under the terms of that Act.".

(B) The table of sections for chapter 10 of title 13, United States Code, is amended by adding after the item relating to section 401 the following:

"402. Exchange of census information with Statistical Data Centers.".

(b) DEPARTMENT OF ENERGY.—(1) Section 205 of the Department of Energy Organization Act (Public Law 95–91; 42 U.S.C. 7135) is amended by adding after subsection (l) the following new subsection:

"(m)(1)(A) The Administrator shall designate an organizational unit to conduct statistical activities pertaining to energy end use consumption information. Using procedures authorized by the Statistical Efficiency Act of 1999, the Administrator shall ensure the security, integrity, and confidentiality of the information that has been submitted in identifiable form and supplied exclusively for statistical purposes either directly to the Energy Information Administration or by other Government agencies.

"(B) To carry out this section, the Administrator shall establish procedures for the disclosure of these data to Statistical Data Centers for statistical purposes only consistent with chapter 35 of title 44, United States Code (commonly referred to as the 'Paperwork Reduction Act'), and the Statistical Efficiency Act of 1999.

"(2)(A) A person may not publish, cause to be published, or otherwise communicate, statistical information designated in paragraph (1) in a manner that identifies any respondent.

"(B) A person may not use statistical information designated in paragraph (1) for a nonstatistical purpose.

"(C) The identity of a respondent who supplies, or is the subject of, information collected for statistical purposes—

"(i) may not be disclosed through any process, including disclosure through legal process, unless the respondent consents in writing;

"(ii) may not be disclosed to the public, unless information has been transformed into a statistical or aggregate form that does not allow the identification of the respondent who supplied the information or who is the subject of that information; and

"(iii) may not, without the written consent of the respondent, be admitted as evidence or used for any purpose in an action, suit, or other judicial or administrative proceeding.

"(D) Any person who violates subparagraphs (A), (B), or (C), upon conviction, shall be fined under title 18, United States Code, imprisoned not more than 1 year, or both.

"(E) For purposes of this subsection:

"(i) The term 'person' has the meaning given the term in section 1 of title 1, United States Code, but also includes a local, State, or Federal entity or officer or employee of a local, State, or Federal entity.

"(ii) The terms 'statistical activities', 'identifiable form', 'statistical purpose', 'nonstatistical purpose', and 'respondent' have the meaning given those terms in section 2 of the Statistical Efficiency Act of 1999.

"(3) Statistical information designated in paragraph (1) is exempt from disclosure under sections 205(f) and 407 of this Act and sections 12, 20, and 59 of the Federal Energy Administration Act of 1974, or any other law which requires disclosure of that information.".

(2) Section 205(f) of the Department of Energy Organization Act (42 U.S.C. 7135) is amended by inserting ", excluding information designated solely for statistical purposes under subsection (m)(1)," after "analysis".

(3) Section 407(a) of the Department of Energy Organization Act (42 U.S.C. 7177(a)) is amended by inserting ", excluding information designated solely for statistical purposes under section 205(m)(1)," after "information".

(4) The Federal Energy Administration Act of 1974 (Public Law 93–275) is amended—

(A) in section 12 (15 U.S.C. 771), by adding after subsection (f) the following new subsection:

"(g) This section does not apply to information designated solely for statistical purposes under section 205(m)(1) of the Department of Energy Organization Act (Public Law 95–91).";

(B) in section 20(a)(3) (15 U.S.C. 779(a)(3)), by inserting ", excluding information designated solely for statistical purposes under section 205(m)(1) of the Department of Energy Organization Act (42 U.S.C. 7135)" after "information"; and

(C) in the first sentence of section 59 (15 U.S.C. 790h), by inserting ", excluding information designated solely for statistical purposes under section 205(m)(1) of the Department of Energy Organization Act (42 U.S.C 7135)" after "information".

(c) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Section 306 of the Public Health Service Act (42 U.S.C. 242k) is amended by adding at the end the following new subsection:

"(o) SHARING OF IDENTIFYING INFORMATION FOR STATISTICAL PURPOSES.—

"(1) IN GENERAL.—The Director may, subject to the provisions of paragraph (2), designate as an agent of the Center (within the meaning of section 2 of the Statistical Efficiency Act of 1999) an individual—

"(A) who is not otherwise an employee, official, or agent of the Center; and

"(B) who enters into a written agreement with the Director specifying terms and conditions for sharing of statistical information.

"(2) EFFECT OF DESIGNATION.—An individual designated as an agent of the Center pursuant to paragraph (1) shall be subject to all restrictions on the use and disclosure of statistical information obtained by the individual under the agreement specified in paragraph (1)(B), and to all civil and criminal penalties applicable to violations of such restrictions, including penalties under section 1905 of title 18, United States Code, that would apply to the individual if an employee of the Center.".

(d) DEPARTMENT OF LABOR.—The Commissioner of Labor Statistics is authorized to designate agents, as defined in section 2.

(e) NATIONAL SCIENCE FOUNDATION.—Section 14 of the National Science Foundation Act of 1950 (42 U.S.C. 1873) is amended—

(1) by amending subsection (i) to read as follows:

"(i) Information supplied to the Foundation or its contractor in survey forms, questionnaires, or similar instruments for purposes of section 3(a)(5) or (6) by an individual, by an industrial or commercial organization, or by an educational or academic institution that has received a pledge of confidentiality from the Foundation, may not be disclosed to the public unless the information has been transformed into statistical or abstract formats that do not allow the identification of the supplier. Such information shall be used in identifiable form only for statistical purposes as defined in the Statistical Efficiency Act of 1999. The names of individuals and organizations supplying such information may not be disclosed to the public.";

(2) by adding the following new subsection after subsection (i):

"(j) In support of functions authorized by section 3(a)(5) or (6), the Foundation may designate, at its discretion, authorized persons, including employees of Federal, State, or local agencies (including local educational agencies) and employees of private organizations who may have access, for exclusively statistical purposes as defined in the Statistical Efficiency Act of 1999, to identifiable information collected pursuant to section 3(a)(5) or (6). No such person may—

"(1) publish information collected under section 3(a)(5) or (6) in such a manner that either an individual, an industrial or commercial organization, or an educational or academic institution that has received a pledge of confidentiality from the Foundation, can be specifically identified;

"(2) permit anyone other than individuals authorized by the Foundation to examine in identifiable form data relating to an individual, to an industrial or commercial organization, or to an educational or academic institution that has received a pledge of confidentiality from the Foundation; or

"(3) knowingly and willfully request or obtain any confidential information described in subsection (i) from the Foundation under false pretenses.

Any person who violates these restrictions shall be fined not more than $10,000, or imprisoned not more than five years, or both.".

(f) DISCLOSURE PENALTIES.—Section 1905 of title 18, United States Code, is amended by inserting ", or agent of a Statistical Data Center as defined in the Statistical Efficiency Act of 1999" after "thereof" in the first two places such term appears.

(g) PROPOSED CHANGES IN LAW.—Not later than the date that is 90 days after the date of the enactment of this Act, the President shall submit to Congress a description of any additional conforming changes in law necessary to carry out the provisions of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2885.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal statistical structure is currently an assortment of 70 different entities located within 12 cabinet departments within the executive branch of the Federal Government. This fragmented structure compromises the quality of statistical data and wastes limited government resources. It also imposes undue burdens on those who supply information to the Federal Government for statistical purposes.

Federal statistical agencies currently operate under a patchwork of laws and regulations that prevent them from sharing the statistical information they collect. The Bureau of the Census, for example, compiles a list of business establishments. The Bureau of Labor Statistics must compile a similar list because the two agencies cannot share this information.

Similarly, the Department of Agriculture must compile its own list of farms because it does not have access to the list of farms compiled by the Bureau of the Census.

H.R. 2885, the "Statistical Efficiency Act of 1999," would permit these agencies to share statistical data and, at the same time, would establish a uniform standard to protect the confidentiality of information acquired for statistical purposes.

The bill designates eight Federal agencies as statistical data centers. These agencies were selected because their primary mission is to collect, produce, and disseminate statistical information. Federal agencies would be allowed to disclose data or information to these centers exclusively for statistical purposes.

The bill contains a number of provisions designed to protect the confidentiality of the information collected. Currently, Federal statistical agencies operate under a variety of confidentiality laws ranging from highly restrictive to virtually nonexistent. This bill would create a uniform set of confidentiality protections designed to safeguard statistical information from unauthorized disclosure. Under the bill, data or information acquired for statistical purposes could only be used for statistical purposes.

The disclosure of information to a statistical data center must be consistent with existing laws and must be made under the terms of a written agreement between the agencies supplying the information and the statistical data center. The agreement must

(1) identify opportunities to eliminate duplication and otherwise reduce reporting burden and cost imposed on the public by sharing information for exclusively statistical purposes;

(2) enter into joint statistical projects to improve the quality and reduce the cost of statistical programs;

(3) safeguard the confidentiality of individually identifiable information acquired for statistical purposes by assuring its physical security and by controlling access to, and uses made of, such information; and

(4) respect the rights and privileges of the public by observing and promoting fair information practices.

SEC. 5. LIMITATIONS ON USE AND DISCLOSURE OF DATA AND INFORMATION BY STATISTICAL DATA CENTERS.

(a) Use of Statistical Data or Information.—Data or information acquired by a Statistical Data Center for exclusively statistical purposes shall be used by the Center only for statistical purposes.

(b) Disclosure of Statistical Data or Information.—Data or information acquired for exclusively statistical purposes shall not be disclosed in identifiable form, for any purpose other than a statistical purpose, without the informed consent of the respondent.

(c) Rule for Use of Data or Information for Nonstatistical Purposes.—A Statistical Data Center shall clearly distinguish any data or information collected for nonstatistical purposes (as authorized by law) by the Statistical Data Center by a rule that provides that the respondent supplying the data or information is fully informed, before the data or information is collected, that the data or information will be used for nonstatistical purposes.

SEC. 6. DISCLOSURE OF DATA OR INFORMATION BY AGENCIES TO STATISTICAL DATA CENTERS.

(a) Agencies That May Disclose Data or Information to a Statistical Data Center.—Subject to subsection (b), any Federal agency may disclose data or information to one or more Statistical Data Centers for exclusively statistical purposes.

(b) Limitations on Disclosure.—Data or information may be disclosed by an agency to one or more Statistical Data Centers under subsection (a) only if—

(1) the data or information are to be used exclusively for statistical purposes by the Statistical Data Center or Centers;

(2) the disclosure of, and proposed use of, the data or information by the Statistical Data Center is not inconsistent with any provisions of law or Executive order that explicitly limit the statistical purposes for which such data or information may be used;

(3) the disclosure is not prohibited by law or Executive order in the interest of national security;

(4) the disclosure is made under the terms of a written agreement between the Statistical Data Center or Centers and the agency supplying the data or information that specifies—

(A) the data or information to be disclosed;

(B) the purposes for which the data or information are to be used; and

(C) appropriate security procedures to safeguard the confidentiality of the data or information; and

(5) the data or information is not disclosed by that Center in identifiable form (except in a case in which the data or information was collected directly by a party to the agreement referred to in subsection (b)(4), and the agreement specifies that the data or information may be so disclosed to another party to the agreement for exclusively statistical purposes).

(c) Notice.—Whenever a written agreement authorized under subsection (b)(4) concerns data that respondents were required by law to report and the agreement contains terms that could not reasonably have been anticipated by respondents who provided the data that will be disclosed, or upon the initiative of any party to such an agreement, or whenever ordered by the Director of the Office of Management and Budget, the terms of such agreement shall be described in a public notice issued by the agency that intends to disclose the data. Such notice shall allow a minimum of 60 days for public comment before such agreement shall take effect. The Director shall be fully apprised of any issues raised by the public and may suspend the effect of such an agreement to permit modifications responsive to public comments.

(d) Applicability of Other Laws.—(1) The disclosure of data or information by an agency to a Statistical Data Center under this section shall in no way alter the responsibility of that agency under other statutes (including the Freedom of Information Act and the Privacy Act) with respect to the disclosure or withholding of such information by that agency.

(2) If data or information obtained by an agency is disclosed to another agency pursuant to this section, all provisions of law (including penalties) that relate to the unlawful disclosure of the data or information apply to the officers, employees, or agents of the agency to which the data or information is disclosed to the same extent and in the same manner as the provisions apply to the officers and employees of the agency which originally obtained the information.

(3) The officers, employees, and agents of the agency to which the data or information is disclosed, in addition, shall be subject to the same provisions of law, including penalties, relating to the unlawful disclosure of information that would apply to officers and employees of that agency, if the information had been collected directly by that agency.

SEC. 7. COORDINATION AND OVERSIGHT BY OFFICE OF MANAGEMENT AND BUDGET.

(a) In General.—The Director of the Office of Management and Budget shall coordinate and oversee the confidentiality and disclosure policies established by this Act.

(b) Report of Disclosure Agreements.—(1) The head of a Statistical Data Center shall report to the Office of Management and Budget—

(A) each disclosure agreement entered into pursuant to section 6(b)(4);

(B) the results of any review of information security undertaken at the request of the Office of Management and Budget; and

(C) the results of any similar review undertaken on the initiative of the Statistical Data Center or an agency disclosing data or information to a Statistical Data Center.

(2) The Director of the Office of Management and Budget shall include a summary of all reports submitted to the Director under this subsection and any actions taken by the Director to advance the purposes of this Act in the annual report to the Congress on statistical programs submitted in accordance with section 3504(e)(2) of title 44, United States Code.

(c) Review and Approval of Rules.—The Director of the Office of Management and Budget shall review and approve any rules proposed pursuant to this Act for consistency with this Act and chapter 35 of title 44, United States Code.

SEC. 8. IMPLEMENTING REGULATIONS.

(a) In General.—Subject to subsections (b) and (c), the Director of the Office of Management and Budget, or the head of a Statistical Data Center or of an agency providing information to a Center, may promulgate such rules as may be necessary to implement this Act.

(b) Consistency.—The Director of the Office of Management and Budget shall promulgate rules or provide such other guidance as may be needed to ensure consistent interpretation of this Act by the affected agencies.

(c) Agency Rules.—Rules governing disclosures of information authorized by this Act shall be promulgated by the agency that originally collected the information, subject to the review and approval required under this Act.

SEC. 9. EFFECT ON OTHER LAWS.

(a) Title 44 U.S.C.—This Act, including the amendments made by this Act, does not diminish the authority under section 3510 of title 44, United States Code, of the Director of the Office of Management and Budget to direct, and of an agency to make, disclosures that are not inconsistent with any applicable law.

(b) Exemption From Freedom of Information Act.—Data or information acquired for exclusively statistical purposes as provided in section 5 is exempt from mandatory disclosure under section 552 of title 5, United States Code, pursuant to section 552(b)(3) of such title.

(c) Preemption of State Law.—Nothing in this Act shall preempt applicable State law regarding the confidentiality of data collected by the States.

SEC. 10. CONFORMING AND PROPOSED CHANGES IN LAW.

(a) Department of Commerce.—(1) Section 1 of the Act of January 27, 1938 (15 U.S.C 176a) is amended by striking "The" and inserting "Except as provided in the Statistical Efficiency Act of 1999, the".

(2)(A) Chapter 10 of title 13, United States Code, is amended by adding after section 401 the following:

"§402. Exchange of census information with Statistical Data Centers

"The Bureau of the Census is authorized to provide data collected under this title to Statistical Data Centers named in the Statistical Efficiency Act of 1999, or their successors designated under the terms of that Act.".

(B) The table of sections for chapter 10 of title 13, United States Code, is amended by adding after the item relating to section 401 the following:

"402. Exchange of census information with Statistical Data Centers.".

(b) Department of Energy.—(1) Section 205 of the Department of Energy Organization Act (Public Law 95–91; 42 U.S.C. 7135) is amended by adding after subsection (l) the following new subsection:

"(m)(1)(A) The Administrator shall designate an organizational unit to conduct statistical activities pertaining to energy end use consumption information. Using procedures authorized by the Statistical Efficiency Act of 1999, the Administrator shall ensure the security, integrity, and confidentiality of the information that has been submitted in identifiable form and supplied exclusively for statistical purposes either directly to the Energy Information Administration or by other Government agencies.

"(B) To carry out this section, the Administrator shall establish procedures for the disclosure of these data to Statistical Data Centers for statistical purposes only consistent with chapter 35 of title 44, United States Code (commonly referred to as the 'Paperwork Reduction Act'), and the Statistical Efficiency Act of 1999.

"(2)(A) A person may not publish, cause to be published, or otherwise communicate, statistical information designated in paragraph (1) in a manner that identifies any respondent.

"(B) A person may not use statistical information designated in paragraph (1) for a nonstatistical purpose.

"(C) The identity of a respondent who supplies, or is the subject of, information collected for statistical purposes—

"(i) may not be disclosed through any process, including disclosure through legal process, unless the respondent consents in writing;

"(ii) may not be disclosed to the public, unless information has been transformed into a statistical or aggregate form that does not allow the identification of the respondent who supplied the information or who is the subject of that information; and

"(iii) may not, without the written consent of the respondent, be admitted as evidence or used for any purpose in an action, suit, or other judicial or administrative proceeding.

"(D) Any person who violates subparagraphs (A), (B), or (C), upon conviction, shall be fined under title 18, United States Code, imprisoned not more than 1 year, or both.

"(E) For purposes of this subsection:

"(i) The term 'person' has the meaning given the term in section 1 of title 1, United States Code, but also includes a local, State, or Federal entity or officer or employee of a local, State, or Federal entity.

"(ii) The terms 'statistical activities', 'identifiable form', 'statistical purpose', 'nonstatistical purpose', and 'respondent' have the meaning given those terms in section 2 of the Statistical Efficiency Act of 1999.

"(3) Statistical information designated in paragraph (1) is exempt from disclosure under sections 205(f) and 407 of this Act and sections 12, 20, and 59 of the Federal Energy Administration Act of 1974, or any other law which requires disclosure of that information.".

(2) Section 205(f) of the Department of Energy Organization Act (42 U.S.C. 7135) is amended by inserting ", excluding information designated solely for statistical purposes under subsection (m)(1)," after "analysis".

(3) Section 407(a) of the Department of Energy Organization Act (42 U.S.C. 7177(a)) is amended by inserting ", excluding information designated solely for statistical purposes under section 205(m)(1)," after "information".

(4) The Federal Energy Administration Act of 1974 (Public Law 93–275) is amended—

(A) in section 12 (15 U.S.C. 771), by adding after subsection (f) the following new subsection:

"(g) This section does not apply to information designated solely for statistical purposes under section 205(m)(1) of the Department of Energy Organization Act (Public Law 95–91).";

(B) in section 20(a)(3) (15 U.S.C. 779(a)(3)), by inserting ", excluding information designated solely for statistical purposes under section 205(m)(1) of the Department of Energy Organization Act (42 U.S.C. 7135)" after "information"; and

(C) in the first sentence of section 59 (15 U.S.C. 790h), by inserting ", excluding information designated solely for statistical purposes under section 205(m)(1) of the Department of Energy Organization Act (42 U.S.C 7135)" after "information".

(c) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Section 306 of the Public Health Service Act (42 U.S.C. 242k) is amended by adding at the end the following new subsection:

"(o) SHARING OF IDENTIFYING INFORMATION FOR STATISTICAL PURPOSES.—

"(1) IN GENERAL.—The Director may, subject to the provisions of paragraph (2), designate as an agent of the Center (within the meaning of section 2 of the Statistical Efficiency Act of 1999) an individual—

"(A) who is not otherwise an employee, official, or agent of the Center; and

"(B) who enters into a written agreement with the Director specifying terms and conditions for sharing of statistical information.

"(2) EFFECT OF DESIGNATION.—An individual designated as an agent of the Center pursuant to paragraph (1) shall be subject to all restrictions on the use and disclosure of statistical information obtained by the individual under the agreement specified in paragraph (1)(B), and to all civil and criminal penalties applicable to violations of such restrictions, including penalties under section 1905 of title 18, United States Code, that would apply to the individual if an employee of the Center.".

(d) DEPARTMENT OF LABOR.—The Commissioner of Labor Statistics is authorized to designate agents, as defined in section 2.

(e) NATIONAL SCIENCE FOUNDATION.—Section 14 of the National Science Foundation Act of 1950 (42 U.S.C. 1873) is amended—

(1) by amending subsection (i) to read as follows:

"(i) Information supplied to the Foundation or its contractor in survey forms, questionnaires, or similar instruments for purposes of section 3(a)(5) or (6) by an individual, by an industrial or commercial organization, or by an educational or academic institution that has received a pledge of confidentiality from the Foundation, may not be disclosed to the public unless the information has been transformed into statistical or abstract formats that do not allow the identification of the supplier. Such information shall be used in identifiable form only for statistical purposes as defined in the Statistical Efficiency Act of 1999. The names of individuals and organizations supplying such information may not be disclosed to the public.";

(2) by adding the following new subsection after subsection (i):

"(j) In support of functions authorized by section 3(a)(5) or (6), the Foundation may designate, at its discretion, authorized persons, including employees of Federal, State, or local agencies (including local educational agencies) and employees of private organizations who may have access, for exclusively statistical purposes as defined in the Statistical Efficiency Act of 1999, to identifiable information collected pursuant to section 3(a)(5) or (6). No such person may—

"(1) publish information collected under section 3(a)(5) or (6) in such a manner that either an individual, an industrial or commercial organization, or an educational or academic institution that has received a pledge of confidentiality from the Foundation, can be specifically identified;

"(2) permit anyone other than individuals authorized by the Foundation to examine in identifiable form data relating to an individual, to an industrial or commercial organization, or to an educational or academic institution that has received a pledge of confidentiality from the Foundation; or

"(3) knowingly and willfully request or obtain any confidential information described in subsection (i) from the Foundation under false pretenses.

Any person who violates these restrictions shall be fined not more than $10,000, or imprisoned not more than five years, or both.".

(f) DISCLOSURE PENALTIES.—Section 1905 of title 18, United States Code, is amended by inserting ", or agent of a Statistical Data Center as defined in the Statistical Efficiency Act of 1999" after "thereof" in the first two places such term appears.

(g) PROPOSED CHANGES IN LAW.—Not later than the date that is 90 days after the date of the enactment of this Act, the President shall submit to Congress a description of any additional conforming changes in law necessary to carry out the provisions of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2885.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal statistical structure is currently an assortment of 70 different entities located within 12 cabinet departments within the executive branch of the Federal Government. This fragmented structure compromises the quality of statistical data and wastes limited government resources. It also imposes undue burdens on those who supply information to the Federal Government for statistical purposes.

Federal statistical agencies currently operate under a patchwork of laws and regulations that prevent them from sharing the statistical information they collect. The Bureau of the Census, for example, compiles a list of business establishments. The Bureau of Labor Statistics must compile a similar list because the two agencies cannot share this information.

Similarly, the Department of Agriculture must compile its own list of farms because it does not have access to the list of farms compiled by the Bureau of the Census.

H.R. 2885, the "Statistical Efficiency Act of 1999," would permit these agencies to share statistical data and, at the same time, would establish a uniform standard to protect the confidentiality of information acquired for statistical purposes.

The bill designates eight Federal agencies as statistical data centers. These agencies were selected because their primary mission is to collect, produce, and disseminate statistical information. Federal agencies would be allowed to disclose data or information to these centers exclusively for statistical purposes.

The bill contains a number of provisions designed to protect the confidentiality of the information collected. Currently, Federal statistical agencies operate under a variety of confidentiality laws ranging from highly restrictive to virtually nonexistent. This bill would create a uniform set of confidentiality protections designed to safeguard statistical information from unauthorized disclosure. Under the bill, data or information acquired for statistical purposes could only be used for statistical purposes.

The disclosure of information to a statistical data center must be consistent with existing laws and must be made under the terms of a written agreement between the agencies supplying the information and the statistical data center. The agreement must identify the data to be disclosed, the purpose for disclosure, and the procedures to be taken to safeguard the confidentiality of the information.

The bill prohibits the disclosure of data in identifiable form for nonstatistical purposes without the informed consent of the entity or individual who supplied the information. The bill also establishes criminal penalties for unlawful disclosure of this information.

Over the past two Congresses, the Subcommittee on Government Management, Information, and Technology has held three hearings focusing on proposals to improve the efficiency of the Federal statistical system, including the proposal before the House today.

Witnesses at these hearings included representatives from the administration, current and former heads of Federal statistical agencies, representatives of the General Accounting Office, and members from the academic and research communities. All of these witnesses agreed that both the quality and efficiency of the Federal statistical system would be improved by authorizing designated agencies to share statistical information under uniform confidentiality protections.

This legislation, which is similar to legislation proposed by the administration, has broad bipartisan support. Its benefits are equally broad.

Mr. Speaker, I urge my colleagues to support this important bipartisan measure, and I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation and I urge its adoption.

First I want to commend the gentleman from California (Chairman HORN) and the gentleman from California (Mr. WAXMAN), the ranking member, whose joint work has allowed us to bring this bill to the floor.

We all understand that our Government collects all kind of information. Some would say our government collects too much information. But the truth is much of this information that is collected is used to make very important policy decisions both in the agencies and on the floor of this House. It is important that this information be accurate and that it be readily available.

Yet, today we have no uniform system for the collection of Federal statistics. Eleven major agencies and between 50 and 60 minor agencies spend over $2 billion every year collecting data with no uniform standards to assure either the accuracy or to protect the privacy and confidentiality of that information.

Some agencies, like the Bureau of the Census, collect information and they hold that information in confidence and that is mandated by current legislative authority. But other agencies, like the Bureau of Labor Statistics, have a strong tradition of protecting the confidentiality of data but they have no legislative authority to support that practice.

The "Statistical Efficiency Act of 1999" accomplishes two objectives. First of all, it establishes a uniform legislative authority for the protection of information collected for statistical purposes. Second, the legislation establishes a procedure to allow agencies to share information one with the other.

This legislation will improve the efficiency of data collection and it will reduce the burden on individuals and businesses of responding to the mandates of various agencies for essentially the same information.

The first step this bill takes in facilitating data sharing among agencies is to assure the privacy and confidentiality of the information collected. This is accomplished by establishing the basic principle that all data collected for statistical purposes cannot be used for any other purpose.

For example, information collected for statistical purposes cannot be used for the enforcement of regulations or laws. This firewall between statistical purposes and regulatory enforcement is essential in obtaining the cooperation of businesses in reporting financial information.

The second step in the process laid out in this bill is to designate eight agencies involved in the collection of statistics as statistical data centers to facilitate data sharing. Under the terms of the bills, these agencies can establish written agreements for passing individually identifiable information between one another to improve the efficiency of the statistical activities. In addition, these eight agencies can facilitate data sharing among other agencies, again through written agreement.

I would like to note at this point that it is the intent of Congress in defining the term "agent" in this bill to give agencies the authority to swear in individuals who are not employees of the Federal Government as agents to facilitate data sharing. This will allow agencies like the Bureau of Labor Statistics to continue their long-standing relationship with State government for the collection of labor market statistics.

In addition, it will allow agencies to draw on expertise in the private sector for specific projects. These agents will, of course, be subject to the same requirements to protect the confidentiality of data as Federal employees of the agencies involved.

This bill also requires statistical data centers to identify ways to reduce costs and improve efficiency and quality in the Federal statistical system. The bill charges the Director of the Office of Management and Budget with the responsibility for overseeing the confidentiality and data sharing policies of the act.

□ 1500

Finally, the bill establishes penalties for improper disclosure of information collected for statistical purposes.

H.R. 2885 is strongly supported, as the gentleman from California (Mr. HORN) stated, by the administration, and this legislation represents an important step forward in improving the efficiency and quality of data collection. I urge its adoption by this House.

Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Since my colleague who has been so helpful on this legislation mentioned the administration's statement of policy, I would like to file that Statement of Administration Policy at this point in the RECORD.

Briefly it says, "The Administration strongly supports House passage of H.R. 2885. The bill will enhance the confidential treatment of information provided to Federal statistical agencies and facilitate the sharing of information among those agencies for statistical purposes."

I would also like to submit for the RECORD the estimate of the Congressional Budget Office on H.R. 2885 that, in essence, sums up: it is not a problem. CBO "estimates that neither the receipts nor the spending would exceed $500,000 in any one year."

STATEMENT OF ADMINISTRATION POLICY

H.R. 2885—STATISTICAL EFFICIENCY ACT—(HORN (R) CALIFORNIA AND 6 COSPONSORS)

The Administration strongly supports House passage of H.R. 2885. The bill will enhance the confidential treatment of information provided to Federal statistical agencies and facilitate the sharing of information among those agencies for statistical purposes.

* * * * *

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 22, 1999.

Hon. DAN BURTON,
Chairman, Committee on Government Reform, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimates for H.R. 2885, the Statistical Efficiency Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen).

H.R. 2885—Statistical Efficiency Act of 1999

H.R. 2885 would designate eight bureaus and offices as statistical data centers: the Bureau of Economic Analysis, the Bureau of the Census, the Bureau of Labor Statistics (BLS), the National Agricultural Statistics Service, the National Center for Education Statistics, the National Health Center for Health Statistics, the Energy Consumption Division in the Department of Energy, and the Division of Science Resources Studies in the National Science Foundation. Together, these agencies received appropriations of about $2.1 billion in 1999. Subject to certain confidentiality procedures, the bill would allow the centers to share statistical data, eliminate duplicate reporting requirements, and enter into joint projects to improve the quality and lower the cost of statistical programs. In addition, the bill would allow other federal agencies to share data with the eight centers for purely statistical purposes. In general, under current law, an agency that collects data is not allowed to share the information with another agency.

H.R. 2885 could lower the government's costs to collect statistical data if its results in the eight centers pooling resources and eliminating duplicate efforts. Although it is uncertain how much agencies would share resources and data under H.R. 2885, based on information from the Office of Information and Regulatory Affairs in the Office of Management and Budget (OMB), CBO estimates that implementing the bill would reduce information collection costs by about $2 million a year. Any such savings would depend on the amounts provided to these agencies in appropriations acts. In addition, by allowing agencies to share and compare data, the bill also could improve the quality of federal statistics, but CBO has no basis for estimating the budgetary impact of such improvements. Finally, subject to the availability of appropriated funds, CBO estimates that the bill would cost CBO less than $500,000 annually to write regulations and oversee the bill's implementation.

Enacting H.R. 2885 would result in the collection of additional criminal fines, which affect both governmental receipts and direct spending, pay-as-you-go procedures would apply. CBO estimates that neither the receipts nor the spending would exceed $500,000 in any one year. H.R. 2885 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact is John R. Righter. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. HORN. I urge the adoption, Mr. Speaker, of this measure and hope everybody will support it.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GIBBONS). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 2885, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DWIGHT D. EISENHOWER EXECUTIVE OFFICE BUILDING

Mr. FRANKS of New Jersey. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1652) to designate the Old Executive Office Building located at 17th Street and Pennsylvania Avenue, NW, in Washington, District of Columbia, as the Dwight D. Eisenhower Executive Office Building.

The Clerk read as follows:

S. 1652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF DWIGHT D. EISENHOWER EXECUTIVE OFFICE BUILDING.

The Old Executive Office Building located at 17th Street and Pennsylvania Avenue, NW, in Washington, District of Columbia, shall be known and designated as the "Dwight D. Eisenhower Executive Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in section 1 shall be deemed to be a reference to the Dwight D. Eisenhower Executive Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. FRANKS) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. FRANKS).

Mr. FRANKS of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

The bill before us today was introduced by the distinguished Senator from Rhode Island, John Chafee, who passed away on Sunday. I first would like to express my deepest sympathies and send condolences both to the Senator's family as well as to the people of Rhode Island. John Chafee will be sorely missed.

We are here today to complete one of the legislative initiatives begun by Senator Chafee, something that he felt in fact very strongly about. Senate bill 1652 designates the Old Executive Office Building in Washington as the Dwight D. Eisenhower Executive Office Building. President Eisenhower distinguished himself in the military before being elected the 34th President of the United States. After graduating from the United States Military Academy at West Point, Dwight Eisenhower was promoted to captain and assigned to command tank training at Camp Colt in Gettysburg, Pennsylvania. For his efforts during World War I, he was awarded the Distinguished Service Medal.

In 1919, President Eisenhower continued his tank training command, this time in Camp Meade, Maryland, where he met Colonel George Patton, who would become a lifelong friend. Before World War II, President Eisenhower spent time in the Panama Canal Zone, France and in the Philippines as chief of staff to General Douglas MacArthur. Eisenhower graduated at the top of his class from the military's command and general staff school at Fort Leavenworth, Kansas. Before going to the Philippines, Eisenhower's office was located in the Old Executive Office Building.

In 1939, President Eisenhower was 49 years old and held the rank of lieutenant colonel. By 1941, Eisenhower was promoted to brigadier general and after the bombing at Pearl Harbor, General George C. Marshall placed Eisenhower in charge of the war plans division. As chief American war planner, Eisenhower strongly supported the "Europe first" strategy. Eisenhower's second major campaign during World War II occurred in North Africa where he headed the operations division before General Marshall placed him in command of the U.S. Army's European theater of operations.

In 1944, Eisenhower was named Supreme Commander of the Allied expeditionary forces. The successful Normandy invasion launched on D-Day was the ultimate thrust which led to the German defeat. On December 15, 1944. Eisenhower was promoted to the Army's highest rank, General of the Army.

In 1952, after serving as president of Columbia University and commander of NATO forces, Eisenhower sought and won the Republican nomination for President. President Eisenhower was overwhelmingly elected to serve two terms as our Nation's President. His accomplishments as President span from the peaceful resolution of the Korean War to the implementation of desegregation, to fighting communism, to implementation of the interstate highway system. He presided over a remarkable time of peace and prosperity in this country. President Eisenhower became an elder statesman following his two terms as President. His worldly accomplishments and direct involvement with the Old Executive Office Building make this a most deserving honor.

I have given only the briefest sketch of Eisenhower's accomplishments, but when we think about it, when we speak of Eisenhower, we use the term Supreme Commander, General of the Army, and we associate with him men like Patton, MacArthur and Marshall. These men changed the world and for the better. We too often lose sight of the accomplishments of men like Dwight Eisenhower due to the press of our day-to-day responsibilities.

I support this bill and encourage my colleagues to support it as well.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume. I rise in support of S. 1652, a bill to designate the Executive Office Building at 17th and Pennsylvania Avenue here in Washington, D.C. as the Dwight D. Eisenhower Executive Office Building.

President Eisenhower was born October 14, 1890 in Denison, Texas. He graduated from West Point in June 1915 and shortly after graduation married Marie Doud in Denver, Colorado, a marriage that lasted 52 years. After a series of assignments, including service in the Panama Canal Zone, Washington, D.C., and the Philippine Islands, in 1942 he was promoted to first chief of operations division, War Department general staff. On December 24, 1943, President Roosevelt designated him as Supreme Commander, Allied expeditionary forces, from which he led the D-Day invasion of Europe.

In 1950, President Truman appointed him as Supreme Commander of the NATO forces, thus making him the first man to command a large peacetime multinational force.

Eisenhower was elected President in November 1952 with the support of the moderate, eastern wing of the Republican Party and again in 1956. Eisenhower had a sharp, orderly mind, could analyze problems, develop alternatives, and choose from among them. He reflected mainstream beliefs and his personality was that of an outgoing, affable American. The American people loved him.

President Eisenhower served his country with great distinction, diligence, and devotion for over 60 years. Mr. Speaker, I support S. 1652 and posthumously may I extend my gratitude to Senator Chafee for introducing this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. MORAN).

Mr. MORAN of Kansas. Mr. Speaker, I rise today to encourage my colleagues to support S. 1652. This legislation, as we have heard, will designate the current facility at 17th Street and Pennsylvania Avenue, NW, in Washington, D.C., now known as the Old Executive Office Building, to be known as the Dwight D. Eisenhower Executive Office Building. The House version of this legislation was introduced earlier this year by me and the gentleman from Texas (Mr. HALL). In the Senate, S. 1652 was introduced by Senator Chafee and because of his untimely death became one of his last legislative accomplishments. I thank the Senator for his leadership on this matter and express my condolences to his family and to the citizens of Rhode Island. Kansans wish to claim Dwight D. Eisenhower as our own, but Senator Chafee has reminded us that no State has ownership of this great American.

It is my honor to recognize a fellow Kansan and this great American, Dwight David Eisenhower. The life of President Eisenhower serves as an inspiration to all Americans to work to make this country and this world a better place. Born in Denison, Texas, and raised in Abilene, Kansas, Ike came from humble beginnings and grew to be one of the most influential figures in our Nation's history. Ike is an American hero and few would disagree that his accomplishments warrant the numerous monuments that pay tribute to him across our great land. This is an appropriate time to bring the life of Dwight D. Eisenhower to the attention of Members of Congress and the American people. Last week we celebrated the anniversary of the President's birth. This week C-SPAN is highlighting the life that we honor here today.

Abilene, Kansas, which I have the privilege of representing in Congress, is the home of the Eisenhower Center, featuring the Dwight D. Eisenhower Museum, the presidential library, the Eisenhower family home and the Place of Meditation where the President and his wife Mamie Doud are buried. In the gentleman from Texas' district, visitors can view the Eisenhower Birthplace Historical State Park.

We all represent districts that contain schools or streets named for President Eisenhower. While many tributes have been paid to this great man, nothing of significance exists here in our Nation's capital to honor and remember President Eisenhower.

It is a fitting tribute to name a great building, the Old Executive Office Building, for this great American. The Old Executive Office Building is symbolic of Ike's career. Constructed in 1871, 19 years before Ike's birth, the Executive Building was first the home of the State, War and Navy Departments. Ike had a personal connection to the Old Executive Office Building. He was first assigned there in 1927 as aide to General John J. Pershing. Following his victories in Europe, Ike returned to the building as the Army Chief of Staff. General Eisenhower served in the State, War and Navy Building a total of 7 years and 2 months. On January 19, 1955, Ike made history by holding the first televised presidential press conference on the building's fourth floor.

Knowing of this connection, it is not surprising that as President, Eisenhower was fundamental to the building's survival. In 1957, according to the White House historian and scholar William Seale, the advisory committee on presidential office space recommended that the building be demolished and replaced with an expensive modern structure. Mr. Seale reports that the architect in charge of the project tried to persuade President Eisenhower, who recently had suffered a heart attack, that a new building would not have as many stairs to climb. "Nonsense," said Ike. "My doctors require I climb so many steps a day for the good of my heart." Following that conversation, efforts to replace the building lost steam and the building and history were saved.

Both as a soldier and a statesman, Ike's more than 50 years of service to his country have had a profound effect upon the course of mankind. Considering his work as soldier, staff member, chief executive, the dedication of the Old Executive Office Building is an especially fitting tribute to the memory of this great man. The naming of this building is supported by many, including those who know his historic life the best. The great historian of Eisenhower's life and the chronicler of World War II has indicated his support. Stephen Ambrose has written:

"Renaming the Old Executive Office Building for him would be appropriate as well as much deserved. He served in the building in the early 1930s as an aide to General Douglas MacArthur, then Chief of Staff, U.S. Army. In the late 1950s as President, Eisenhower saved the building from demolition. Eisenhower was a leader in war and in peace of the men and women who saved our country and democracy. Surely something can be done in Washington to pay at least a bit of our eternal respect and gratitude for this great man."

Stewart R. Etherington, President of the Eisenhower Foundation, has lent support of the foundation to this effort of national significance. Dwight David Eisenhower's life achievements should encourage all of us as Americans to aspire to greatness, to respect those around us, and to take great pride in our country. His character teaches parents the importance of instilling values, such as hard work, determination and honesty in our children.

I still like Ike, and I urge my colleagues to join me in supporting this fitting tribute.

Mr. Speaker, I include the following for the RECORD:

THE EISENHOWER FOUNDATION,
Abliene, KS, October 22, 1999.

Re Executive Office Building, Washington, DC.

Congressman JERRY MORAN,
Longworth House Office Building,
Washington, DC.

DEAR CONGRESSMAN MORAN: The Eisenhower Foundation has been watching the progress in the legislation to name the Executive Office Building for President Eisenhower. We fully support this effort as a way of honoring a man that worked in the building and helped save the building from destruction, but more importantly, a General and President that can still be looked at as a role model.

I thank you for the endeavors in this matter.

Sincerely,
STEWART R. ETHERINGTON,
President Eisenhower Foundation.

DWIGHT D. EISENHOWER LIBRARY,
Abilene, KS, October 26, 1999.

Hon. JERRY MORAN,
Longworth House Office Building,
Washington, DC.

DEAR CONGRESSMAN MORAN: Our staff notice several instances of historical errors in news accounts concerning the renaming of the Old Executive Office Building for General and President Eisenhower. As we are sure you would want accuracy in any wording prepared for any memorial inscriptions or official publicity about the renaming of the building, we offer the following chronology of Eisenhower's service in the Old Executive Office Building (previously the State, War & Navy Building), prepared from records in our archives;

January 21—August 15, 1927: Assigned to Headquarters, American Battle Monuments Commission (worked in the Office of the Chairman, General John J. Pershing), State, War & Navy Building.

July 1—July 30, 1928: Headquarters, American Battle Monuments Commission—after completing the course at the Army War College, Fort McNair (August 16, 1927—June 30, 1928)

September 24—November 8, 1929: Headquarters, American Battle Monuments Commission—after serving an assignment with the Paris, France, office of the ABMC (August 9, 1929—September 17, 1929)

November 8, 1929—February 20, 1933: Assistant Executive (General George Van Horn Mosley served as Executive), Office of the Assistant Secretary of War

February 20, 1933—September 24, 1935: Special Assistant to the Chief of Staff, War Department General Staff (General Douglas MacArthur)

December 14, 1941—February 15, 1942: Deputy Assistant Chief of Staff, (Pacific and Far East Section), War Plans Division, War Department

February 16—April 1, 1942: Assistant Chief of Staff, War Plans Division, War Department

April 2—June 22, 1942, Assistant Chief of Staff, Operations Division, War Department

By our calculations, General Eisenhower served in the State, War & Navy Building a total of seven years, two months.

President Eisenhower, of course, also used the E.O.B. In fact, all of his Washington press conferences were held in its press room. He did not, however have an office, per se, there.

If you have any questions about the above, or if we can be of assistance in other matters, please let us know.

Sincerely,

DANIEL D. HOLT,
Director.

THE EISENHOWER WORLD
AFFAIRS INSTITUTE,
Washington, DC, October 26, 1999.

Hon. JERRY MORAN,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN MORAN: I understand that final action is about to be taken on the proposal to name the Old Executive Office Building for President Dwight D. Eisenhower, and I write to express my very strong support for this initiative. I have two outstanding reasons.

First, I think it is especially appropriate that his name be given to this building in view of the fact that he served for many years in the building as the Principal Staff Assistant to General Douglas MacArthur when General MacArthur was the Chief of Staff of the Army and the building was known as the State-War-Navy Building. Also during his time as President, many of the key staff and supporting agencies on which he strongly relied and which made major contributions to his governance—including the Bureau of the Budget, as it was then named, and the National Security Council supporting staff and organization as well as the Council of Economic Advisers which played a major role during his Administration—were located there.

A second reason of key importance is that when a governmental commission studied the problem of an acute need for additional executive office space, and recommended demolition of this fine historic building in favor of a building of more modern design, he took steps to see that this recommendation was not carried into effect. In actuality, he saved the building.

For these reasons and many others—especially to memorialize his contribution to our country in a particular fitting way—I strongly endorse the proposal that you have under consideration.

Sincerely,

ANDREW J. GOODPASTER,
General, U.S. Army (Ret).

Ms. NORTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR), the distinguished ranking member of the full committee, a gentleman of many talents, so those of us who saw him in full bike regalia this morning found.

☐ 1515

Mr. OBERSTAR. Mr. Speaker, I thank the gentlewoman for those kind remarks and compliment her on her leadership on the Metropolitan Branch Trail that was dedicated this morning.

I, too, rise in support of the bill to designate the Executive Office Building as the Dwight D. Eisenhower Executive Office Building. Others have already detailed the long and illustrious career of President/General Eisenhower who was a towering figure. There are many other qualities and aspects of this great leader's career that I would like to underscore.

It was during President Eisenhower's tenure that the charter for the Federal Aviation Administration was crafted and that the first program of Federal grants to airports was initiated. It was on the result of a commission which he crafted, headed by General Lucius Clay to evaluate the status of airports in America and the future of aviation, and the Clay Commission reported in 1957 that within 10 years there would be a need to double, Mr. Speaker, double airport capacity in America and urged the establishment of a Federal grant and aid program to support and establish a national system of airports, and that resulted in the old Civil Aviation Administration being recrafted and created as we know it today as the Federal Aviation Administration, the first Federal grant program, a wise move and for once a prediction that fell far short of what really happened because airport capacity more than doubled in less than 10 years, but it was President Eisenhower's understanding of the power and the importance of aviation that moved him to support this initiative by the Federal Government.

It was also Captain Eisenhower taking a convoy across America in the 1920s who, seeing the condition of the roads, wondered to himself and to others what would happen in time of national emergency if we needed to move men and materiel rapidly in defense of the Nation. The road system would not support it. As President, he acted upon a recommendation of the Congress in 1944 to establish a national system of highways and refined the proposal to submit to the Congress the national system of interstate and defense highways and establishment of the highway trust fund, a dedicated revenue stream for the financing of the Nation's interstate highway program, the largest infrastructure program in the history of the world. $135 billion later this system represents 1 percent of the total highway mileage supported by Federal funds but carries 26 percent of all the traffic, which is well over a trillion miles traveled nationwide.

President Eisenhower clearly was a visionary and set the stage for our action in 1998 to restore the highway trust fund to its dedicated status as a guaranteed revenue stream protected by firewalls within the Federal budget under the leadership of our great chairman, the gentleman from Pennsylvania (Mr. SHUSTER).

It was also President Eisenhower who saw the need to serve the great heartland, the industrial and agricultural heartland, of America and supported the legislation introduced by my predecessor in Congress, John Blatnik and supported by George Don Darrow, then the chairman of the Public Works Committee from Michigan. In the 2 years at that point that the Republicans had the majority in the House to establish the St. Lawrence Seaway, which was opened by President Eisenhower and Queen Victoria in 1959 and has now carried well over 2½ billion tons of cargo, and of course, as with the interstate highway system, it is now known as the Dwight D. Eisenhower National System of Interstate and Defense Highways, and there is at the St. Lawrence Seaway on the U.S. side, the Eisenhower lock, which appropriately gives credit to the man who had the vision to support this great inland waterway system.

It was also President Eisenhower who gave the initial support for a national center for the performing arts that we today know as the John F. Kennedy Center for the Performing Arts and within which is the Eisenhower Theatre, appropriately named again for this President who had the sensitivity to understand that the arts are for all Americans.

There is more to a man of this stature than a legislative legacy or military leadership or accomplishments on the field of battle. There is a human dimension.

Last night, as I was driving home, I heard a segment of the LBJ tapes in which there was a conversation, a phone call placed by then retired President Eisenhower to then President LBJ to disavow a story that he thought was going to appear from a report of a closed session in which, as President Eisenhower said, of course I was talking to Republicans, and we were advocating a strong campaign, but I did not say things that I understand may make their way into print and told President Johnson that he had called the publisher of the news organization to disavow the statement and to urge that it not be published, and it was a very touching and a very warm and a very personal conversation between two truly great leaders, and it took, I think, extraordinary character to make the phone call and to talk in such a warm and touching way as President Eisenhower did to President Johnson.

That is a dimension that we cannot write in stone, that we cannot affix on buildings, but when that touches us very deeply as a great humane and humanitarian leader of this country, this building is appropriately named for Dwight D. Eisenhower.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. Mr. Speaker, I thank the gentleman from New Jersey for yielding the time to me and congratulate him and the gentlewoman from the District of Columbia (Ms. NORTON) for leadership on this measure as well as to the gentleman from Kansas (Mr. MORAN), who spoke so well a moment ago about Dwight D. Eisenhower. I am delighted to support this bill and I urge my colleagues to support it overwhelmingly to rename the Old Executive Office Building after President Eisenhower.

As was stated, General Eisenhower served in the building at the time the building housed the War Department for our country under General George C. Marshall, and then certainly General Eisenhower went on to lead the forces of Americans to freedom in World War II, and it is remarkable that there are no memorials or buildings or monuments in Washington, D.C. remembering the life and the service of President Eisenhower. This is a great time to make sure that that condition no longer exists, that we do remember President Eisenhower with a fitting building as a memorial to his life and his service to our country.

Certainly this bill ensures that visitors to our Nation's capital will have a place to pay respects to our 34th President and our supreme commander in World War II which invaded France on D-Day and went on to wage a successful war effort so that those of us who succeeded that generation can now live in freedom.

It is fitting that this building be named for President Eisenhower because like the Old Executive Office Building, President Eisenhower was towering and unique in appearance. He was unmistakable in his style and his dignity and his military demeanor, and he also had a tough and lasting personality throughout the war, one that I think those of us who came later in the generations that followed his do not fully appreciate sometimes.

The gentleman from Kansas (Mr. MORAN) mentioned the author, Mr. Ambrose, Stephen Ambrose, who has written a number of books on World War II that are certainly worthy of our consideration because they chronicle the courage and the dignity and the bravery and the sacrifice and the hardship and the duty and the honor that so many of the World War II generation, men and women, provided so that we could be free, and these books by Mr. Ambrose chronicle those efforts so well and so beautifully, and we owe so much to the generation of President Eisenhower, the generation that produced him and the other heroes of the war who served in the infantry in the nursing core and the airmen and all those who served in the Armed Forces to preserve liberty and protect freedom.

So I am delighted certainly to join my colleagues in supporting this measure. It is about time that President Eisenhower is properly recognized in this city, and I am delighted that we can come together to do so today.

Ms. NORTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas (Mr. HALL).

Mr. HALL of Texas. Mr. Speaker, I am honored to be a cosponsor. Certainly Dwight David Eisenhower is a great man. I support Senate bill 1652.

As my colleagues know, one way to remember the legends of our country is to from time to time do like we are doing right here today, have a time to discuss their past and their service and to have a living or an existing memorial, as this bill will spawn, as an archive that will link us to some great days in this country, the time when we had the strongest financial position and the strongest geopolitical position of any country in the world that Dwight David Eisenhower was in leadership. I think this gives us a good feeling today, and it gives us confidence in tomorrow because of all the good things this great man did for us yesterday.

I recognize that he made a meteoric rise as a man in the military. I think in 1935 he was in the Philippines with General Eisenhower. In the early 1930s he attended college, of course, at the U.S. Military Academy, drenched in military tradition, and this may be my week to honor Texans because just earlier this week one of our United States Senators and the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the gentleman from Texas (Mr. SAM JOHNSON) and others of us spoke in Dallas about Audie Murphy, Audie Murphy who was honored by having a stamp stamped with his name and his picture on it, his portrait there. It is a 33-cent stamp, and Audie Murphy was given 33 medals. I think that is coincidental, but many of those medals were given and presented to Audie Murphy by Dwight D. Eisenhower, and it is also kind of a Texas day because Dwight David Eisenhower was born in Texas, and we have a library, we have a boulevard named after him in Denison, Texas in Grayson County.

I also see a Texas connection to Dwight David Eisenhower, not that he was born there, but he gave his greatest service amid Texans. Sam Rayburn was Speaker of this House, Lyndon Johnson was majority leader, and they worked with this Republican, two staunch Democrats, to have good government and to render him a great and an acceptable President.

So I think as we today, as we rise in honor of Eisenhower, a man who received the greatest popular vote, over 62 million cast their votes in the polls in November of 1956, we honor a man not just for his victories in war, but for standing tall in peace at a time when we needed it.

□ 1530

It is an honor to cosponsor this resolution and to recognize one who answered the call, stood tall, gave to all of us, and I think will go down as one of the great generals in history, and certainly one of the fine Presidents. It is good that we recognize him by passing this act today.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Speaker, I thank the gentleman from New Jersey for yielding me time.

Mr. Speaker, some wonder why we remember and why we honor men and women who have passed on before us, why we name buildings after them. We remember because in their lives, we see our better angels. We are reminded that we, too, can rise above the problems we face.

Dwight D. Eisenhower was a fellow Kansan, and I am proud of that. I am pleased to tell others that he represented Kansas values. He was a hero who lived the values we all strive to reflect.

Let me just focus on one of those values, courage. In the face of adversity, he made a conscious decision to do the right thing. His family tells me that of all his accomplishments, he was the most proud of being the Supreme Allied Commander of the European Forces during World War II. There is good reason for that.

In Stephen Ambrose's book, "D-Day," there is an excellent description of the anguish that he went through to make that decision to send our young men to the shores of France. He struggled with the decision. He paced back and forth, he inquired with his peers, he watched the weather reports, and then he came to the decision. I remember in the movie, "The Longest Day," as the decision became so evident, he finally says, "There it is." And it fell on his shoulders, and he accepted that, and he made the decision, because in the face of all that adversity, he knew in his heart it was the right thing to do.

So, Mr. Speaker, it is very appropriate that we recognize the Supreme Allied Commander, because in honoring his greatness, his courage, we tell ourselves and our children that character matters, that within all of us are better angels that can change our world for the better.

So, Mr. Speaker, there it is. I urge all my colleagues to support the designating of the Executive Office Building as the Dwight D. Eisenhower Executive Office Building.

Ms. NORTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I will include in the RECORD the list of the more than 127 items in this country, places, objects, monuments, that are named for President Eisenhower.

Lest there be any question whether former President Dwight D. Eisenhower has been appropriately recognized, I submit the following astonishing list on highways, Acts of Congress, buildings, golf courses, scholarships, and even an aircraft carrier named for this great American:

Dwight D. Eisenhower System of Interstate and Defense Highways Congressional Acts;

Dwight D. Eisenhower Mathematics and Science Education Act;

Eisenhower Exchange and Fellowship Act of 1990;

Dwight D. Eisenhower Memorial Bicentennial Civic Center Act; and the

Dwight David Eisenhower Commemorative Coin Act of 1988.

NAMED FOR DWIGHT D. EISENHOWER—INDEX

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10. Philatelic and Numismatic

1. Schools

Dwight D. Eisenhower Elementary School, 848 N. Mesa Drive, Mesa, Arizona.

Dwight D. Eisenhower School (elementary), Garden Grove, California.

Dwight D. Eisenhower Elementary School, Indio, California.

Dwight D. Eisenhower School (elementary), Cupertino, California.

Dwight D. Eisenhower High School, Rialto, California.

Eisenhower Elementary School, Santa Clara, California.

Eisenhower Elementary, Eisenhower Drive, Boulder, Colorado.

Colegio Eisenhower, Guayaquil, Ecuador.

Dwight D. Eisenhower Elementary School, Clearwater, Florida.

Dwight D. Eisenhower Elementary School, 3600 Southwest College Avenue, Fort Lauderdale, Florida 33314.

Dwight D. Eisenhower Elementary School, Jacksonville, Illinois 62650.

Dwight D. Eisenhower School, 206 S. School Lane, Prospect Heights, Illinois 60070.

Eisenhower Junior High School, Darien, Illinois.

Eisenhower School (elementary), Lansing, Illinois.

Eisenhower Schools (elementary), South Holland, Illinois.

Dwight D. Eisenhower High School, Decatur, Illinois.

Dwight D. Eisenhower High School, Blue Island, Illinois.

Dwight D. Eisenhower School, 153 South Ottawa Street, Joliet, Illinois.

Dwight D. Eisenhower Junior High School, DuPage County, Illinois.

Dwight D. Eisenhower Elementary School, 1450 South Main Street, Crown Point, Indiana.

Dwight D. Eisenhower Elementary School, Ottunwa, Iowa.

Dwight D. Eisenhower Elementary School, Cedar Rapids, Iowa.

Eisenhower Elementary School, Dubuque, Iowa.

Dwight D. Eisenhower Elementary School, Community School District, Davenport, Iowa.

General Dwight D. Eisenhower School, (elementary), Ft. Leavenworth, Kansas.

Eisenhower Elementary School, Wellington, Kansas.

Dwight D. Eisenhower Middle School, Topeka, Kansas.

Eisenhower School (elementary), Hoisington, Kansas.

Eisenhower School, (elementary), Junction City, Kansas.

Dwight D. Eisenhower Middle School, Kansas City, Kansas.

Eisenhower School, (elementary), Ottawa, Kansas.

Eisenhower School, (elementary), Great Bend, Kansas.

Eisenhower School, (elementary), Norton, Kansas.

Dwight D. Eisenhower Elementary School, Louisville, Kentucky.

Dwight D. Eisenhower School, Laurel, Maryland.

Dwight D. Eisenhower Middle School, Prince George's County, Maryland.

Eisenhower Elementary School, 8985 Newburgh Road, Livonia, Michigan 48150.

Dwight D. Eisenhower Elementary School, Fraser, Michigan.

Dwight D. Eisenhower Elementary School, Flint, Michigan.

Dwight D. Eisenhower High School, Saginaw, Michigan.

Dwight D. Eisenhower High School, Utica, Michigan.

Eisenhower Elementary School, Fergus Falls, Minnesota.

Dwight D. Eisenhower Junior High School, Township of Wyckoff, Wyckoff, New Jersey.

Dwight D. Eisenhower Elementary School, Piscataway Township, New Jersey.

The Dwight D. Eisenhower Memorial School, West Berlin, New Jersey.

Dwight D. Eisenhower Elementary School, Sayreville, New Jersey.

Eisenhower Junior High School, Carlsbad, New Mexico.

John Rosenkrans, President, Eisenhower College, Seneca Falls, New York 13148.

Dwight D. Eisenhower Junior High School, Oregon, Ohio.

Dwight D. Eisenhower School (elementary), Enid, Oklahoma.

Dwight D. Eisenhower Elementary School, Tulsa, Oklahoma.

Eisenhower Junior and Senior High Schools, Lawton, Oklahoma.

Eisenhower Junior High School, Oklahoma City, Oklahoma.

Dwight D. Eisenhower Elementary School, Indiana, Pennsylvania.

General Dwight D. Eisenhower High School, Akeley, Pennsylvania.

Eisenhower Elementary School, Gettysburg, Pennsylvania.

Dwight D. Eisenhower School (elementary), Pittsburgh, Pennsylvania.

Dwight D. Eisenhower Elementary School, Camp Hill, Pennsylvania.

Dwight D. Eisenhower High School, Warren, Pennsylvania.

Dwight D. Eisenhower Elementary School, Levittown, Pennsylvania.

Dwight D. Eisenhower Elementary School, Middletown Township, Bucks County, Pennsylvania.

Dwight D. Eisenhower Junior High School, San Antonio, Texas.

Dwight D. Eisenhower Elementary School, Grand Prairie, Texas.

Dwight D. Eisenhower Senior High School, Yakima, Washington.

Dwight D. Eisenhower School (elementary), Green Bay, Wisconsin.

Eisenhower High School, New Berlin, Wisconsin.

Eisenhower Elementary School, Wauwatosa, Wisconsin.

2. BUILDINGS, ROOMS, HALLS AUDITORIUMS, ETC.

Edifico "Ike" (Apartment Building), Rio de Janeiro, Brazil.

General Dwight D. Eisenhower Library, Sir Winston Churchill Cultural Institution, Guaxupe, Brazil.

The General Eisenhower Hall (dormitory), Brown Military Academy, Glendora, California.

Dwight D. Eisenhower Tower, California State College at Los Angeles, Los Angeles, California.

Eisenhower Chapel, Denver, Colorado.

The General Dwight D. Eisenhower Auditorium, The National War College, District of Columbia.

Eisenhower Room for Heads of State, Blair House, District of Columbia.

Eisenhower Corridor, The Pentagon, District of Columbia.

Eisenhower Theater, John F. Kennedy Center for the Performing Arts, District of Columbia.

Dwight D. Eisenhower Library, Workers' Liberal-Radical Society of Guayas, Ecuador.

Eisenhower Pavilion (New part of American hospital) Paris, France.

Eisenhower Hall (school hall), Glenbrook South High School, Glenview, Illinois.

Dwight D. Eisenhower Library District, Norridge-Harwood Heights, Illinois.

Eisenhower Hall, Command and General Staff College, Ft. Leavenworth, Kansas.

Dwight D. Eisenhower Gymnasium, Hyde School, Bath, Maine.

The Eisenhower Library, Yeshivath Shearith Hapletah (Rabbinical School), Brooklyn, New York.

Dwight D. Eisenhower Memorial Hall, Delmar, New York.

Eisenhower Hall, U.S. Military Academy, West Point, New York.

Dwight D. Eisenhower Memorial Center, Ohio State University, Columbus, Ohio 43210.

Dwight D. Eisenhower Hall (Officers Mess), Valley Forge Military Academy, Wayne, Pennsylvania.

Eisenhower Ballroom, Officers Open Mess, Carlisle Barracks, Pennsylvania.

Eisenhower House (a "game house"), Que Que High School, Que Que Southern Rhodesia.

Eisenhower Auditorium, Dension, Texas.

Eisenhower National Bank, Stanley Road at Henry T. Allen, Fort Sam Houston, Texas 78286.

Eisenhower Church of Christ, Odessa, Texas.

Dwight D. Eisenhower Building, Spokane, Washington 99202.

3. AWARDS, FUNDS, FOUNDATIONS, ETC.

Eisenhower Scholarship Fund, Johns Hopkins University, (Established by The Capitol Hill Club), District of Columbia.

Dwight D. Eisenhower World Affairs Institute, 918 16th Street, NW., Suite 501, Washington, District of Columbia 20006.

E.M. Sears, Executive Director, Eisenhower Memorial Scholarship Foundation, P.O. Box 1324, Bloomington, Indiana 47401.

Col. Howard Pars, General Dwight D. Eisenhower Award, U.S. Army Command & General Staff College, Office of the Commandant, Fort Leavenworth, Kansas 66027.

Bill Reese, Eisenhower Golf Fellowship, Burning Tree Club, Burdette and River Roads, Bethesda, Maryland 20817.

Dwight D. Eisenhower Scholarship Fund, Harvard University Cambridge, Massachusetts.

William G. Bowen, President, Dwight D. Eisenhower Fund, (Foreign and International Affairs), Princeton University, Princeton, New Jersey 08544.

Debra Doame, Director, Dwight D. Eisenhower Scholarships and Fellowships Columbia College, New York City, New York 10028.

General Eisenhower Scholarship Fund, LaSalle Military Academy, Oakdale, Long Island, New York.

Rita Treacy, Awards Clerk. Eisenhower Award, United States Military Academy, West Point, New York, 10996.

Eisenhower Youth of the Year Award, (Given by the Youth Hall of Fame), Allentown, Pennsylvania 18105.

Col. Duey, Dwight D. Eisenhower Chair of Strategic Appraisal, US Army War College, Strategic Studies Institute, Carlisle Barracks, Pennsylvania 17013.

Eisenhower Exchange Fellowships Inc., Philadelphia, Pennsylvania.

Eisenhower Scholarship Fund, 120 S. Payne Street, Alexandria, Virginia 22314.

4. MEDICAL

Richard R. Augustine, Eisenhower Medical Center, 39000 Bob Hope Drive, Palm Desert, California 92260.

Eisenhower Hospital Osteopathic, Colorado Springs, Colorado.

Eisenhower Cardiac Unit, Spalding Rehabilitation Center, 1919 Ogden Street, Denver, Colorado.

Dwight D. Eisenhower Electronic Exercise Room, The Cardiac United of Spalding Rehabilitation Center, Denver, Colorado.

Major Foster, Dwight D. Eisenhower U.S. Army Hospital, Fort Gordon, Georgia 30905.

Dwight D. Eisenhower Department of Veterans, Affairs Medical Center, Leavenworth, Kansas.

The Dwight D. Eisenhower Institute for Stroke Research, 420 East 72nd Street, Suite 1–A, New York, New York.

The Eisenhower Cerebral Palsy Training Center, Cerebral Palsy of Greater Milwaukee, Inc., Milwaukee, Wisconsin.

Dwight D. Eisenhower Research Fund, (For United Cerebral Palsy Research and Education, Inc.)

Dwight D. Eisenhower Research Fund, (For American Heart Association).

5. STATUES

American Embassy, London, England.

City of Bayeux, Bayeux, France.

Eisenhower Center, Abilene, Kansas.

US Military Academy, West Point, New York.

Gettysburg College, Gettysburg, Pennsylvania.

Eisenhower Birthplace, Denison Texas.

6. VETERANS' AND POLITICAL ORGANIZATIONS

General Dwight D. Eisenhower Award, Arizona Young Republican League, Arizona.

The Dwight D. Eisenhower Memorial Post, Orange County, California.

Dwight D. Eisenhower Unit, Women's Political Study Club of California, Inc. California.

The Dwight D. Eisenhower Barracks, Veterans Home of California, California.

The Eisenhower Republican Center, District of Columbia.

Eisenhower Platz, (Plaza and adjacent Street, Holocaust Museum), Washington, District of Columbia.

Dwight D. Eisenhower Amvets Memorial Post No. 44, New Orleans, Louisiana.

Veterans Post Camp Ike, Albuquerque, New Mexico.

The Dwight D. Eisenhower Foundation for G.I. Joe, Inc., 82 Beaver Street, New York, New York.

The General Dwight D. Eisenhower Amvets Post No. 102, Spring Valley, New York.

The General Dwight D. Eisenhower Senior Village, (Disabled American Veterans), Farmingdale, New York.

The Eisenhower Federation of Republican Women, Gauley Bridge, West Virginia.

7. GEOGRAPHIC FEATURES

The Dwight D. Eisenhower System of Interstate and Defense Highways, [Entire 43,000-mile network of Interstate highways in the U.S.A].

Eisenhower Street, Los Angeles, California.

Eisenhower Street, San Mateo, California.

Mount Eisenhower, Canada.

Eisenhower Memorial Tree Forest, Lowry Air Force Base, Colorado.

Eisenhower Tunnel, Interstate Highway 70, Colorado.

Esplanade Eisenhower, Caen, France.

Eisenhower Parkway, Macon, Georgia.

Dwight D. Eisenhower Expressway,Chicago, Illinois.

Eisenhower Memorial Highway (K–15), Central Kansas.

Eisenhower Street, Wichita, Kansas.

Mount Eisenhower, New Hampshire.

Dwight D. Eisenhower Mall, (in Battery Park).

Castle Clinton—National Monument New York, New York.

Eisenhower Street, Dallas, Texas.

Eisenhower Avenue, Alexandria, Virginia.

Dwight D. Eisenhower Freeway, Washington, District of Columbia.

8. RECREATION

Dwight D. Eisenhower Park, Skagway, Alaska.

General Dwight D. Eisenhower Park, Orange County, California.

Eisenhower-Sunburst Tournament, Eldorado Country Club, Palm Desert, California.

Eisenhower Golf Course, Los Angeles County, Los Angeles, California.

Eisenhower Heart Fund Golf Tournament, Riverside County Heart Association, Inc., Riverside, California.

Eisenhower Golf Course, United States Air Force Academy, Colorado Springs, Colorado.

One hole on golf Course, Cherry Hills Country Club, Englewood Colorado.

Eisenhower National Memorial, District of Columbia.

1st Hole, Omaha Beach Golf Course. Colluvial sur Mar., France.

Eisenhower Pool, Springfield Park District, Springfield, Illinois.

Eisenhower Park. Abilene, Kansas.

Eisenhower League, (High school sports conference in north central Kansas), Kansas.

Dwight D. Eisenhower Park, Evesham Township, Burlington Co., New Jersey.

Dwight D. Eisenhower Park, Nassau County New York, Elmont, New York.

Eisenhower Braves, (Children's baseball team), Seminole, 1, Oklahoma.

General Dwight D. Eisenhower Trophy, Pennsylvania Horse Show, Harrisburg, Pennsylvania.

Dwight D. Eisenhower Campership, Penn Laurel Girl Scout Council, Inc., 1245 West Princess Street, York, Pennsylvania.

Eisenhower Park, Newport, Rhode Island.

Dwight D. Eisenhower Park, Houston, Texas.

Eisenhower State Park, Denison, Texas.

Eisenhower International Golf Classic, Eisenhower Tournament Office, P.O. Box 7363, Tyler, Texas 75711.

Eisenhower Trophy, (World Amateur Golf Championship).

Eisenhower Ski Trophy (Annual trophy awarded by United States Ski Educational Foundation, Inc.).

29th Annual "Pike's Peak or Bust" Rodeo Program (Dedicated to General Dwight D. Eisenhower).

9. MISCELLANEOUS

Dwight D. Eisenhower Room, Palm Desert Community Church, Palm Desert, California.

Larry Adams, Curator, Mamie Doud Eisenhower Birthplace Foundation, P.O. Box 55, Boone, Iowa 50036.

Ernest A. Morse, The Eisenhower Foundation, 1302 North Buckey, Abilene, Kansas 67410.

Eisenhower Chapter People-to-People, Abilene, Kansas.

Eisenhower Athletic Association, Inc., Until 7806, Saginaw, Michigan.

Eisenhower Patrol, Boy Scout Troop 56, Niagara Falls, New York

Ike Patrol, Girl Scout Troop, New Cumberland, Pennsylvania.

Eisenhower Class, Order of De Malay, San Antonio, Texas.

USS Dwight D. Eisenhower, Newport News, Virginia.

Dwight D. Eisenhower Engine, National Railroad Museum, Green Bay, Wisconsin.

IKE Livestock Brand, Wyoming.

Dwight D. Eisenhower Lock, St. Lawrence Seaway.

Eisenhower Alumnae Reunion, (Members of Eisenhower Administrations).

Dwight D. Eisenhower Memorial Bible Fund, American Bible Society.

Dwight D. Eisenhower Pledge Class, Kappa Omicron Chapter, Alpha Pi Omega (National organizations composed of former members of Boy Scouts of America).

Eisenhower Toile (drapery fabric).

Harry S. Truman, Dr. Howard A. Rusk, Irvin Geist Fund for the People-to-People Committee for the Handicapped RENAMED The Harry S. Truman, Dr. Howard A., Rusk, Dwight D. Eisenhower Fund for the People-to-People Committee for the Handicapped.

Towncouncil Rijswijk, Dep. Voorlichtung en p.r., Mr. J.C. deBeer Gen. Spoorlaan 2 2283 GM Rijswijk, Holland.

Dwight D. Eisenhower Nuclear Training Center, Wolf Creek Nuclear Operating Corporation, Burlington, Kansas.

10. PHILATELIC AND NUMISMATIC

Dwight D. Eisenhower Society, Gettysburg, Pennsylvania #17325.

Eisenhower Postal Society, Box 1176, Waco, Texas.

Eisenhower Dollar Coin, (U.S. Treasury Department 5-5-70).

Postmaster General—Commemorative stamp and a regular 6-cent stamp in General Eisenhower's honor.

Eisenhower Centennial Coin, U.S. Mint 2/90, Proof Silver Dollar; Uncirculated Silver Dollar.

Postmaster General—Eisenhower Centennial 29-cent stamp. Stamp issued in Abilene, Kansas only on 10/13/90, FDI stamped in Abilene, Kansas on 10/13/90. Pictorial cancellation in Abilene, Kansas only on 10/14/90.

Mrs. NORTHUP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FRANKS of New Jersey. Mr. Speaker, it is a pleasure to yield 2 minutes to the distinguished gentleman from Kansas (Mr. RYUN).

Mr. RYUN of Kansas. Mr. Speaker, I rise today in support of S. 1652, a bill to designate the Old Executive Office Building the Dwight D. Eisenhower Executive Office Building.

Dwight D. Eisenhower was a man that garnered respect and admiration from all those he came in contact with. Eisenhower excelled in everything, from high school sports in Abilene, Kansas, to the Supreme Commander of the Normandy invasion in 1944, and as two-term President of the United States.

General Eisenhower's 4-decade, five-star military career included distinguished assignments as the chief military aid to the Chief of Staff of the Army, Commander-in-Chief of the Allied Forces in North Africa, Supreme Commander of the 1944 invasion of Normandy, Chief of Staff of the Army and Supreme Allied Commander of NATO forces.

Mr. Speaker, in his 8 years as President, Eisenhower's major achievements included sponsoring and signing the Federal Aid Highway Act of 1956 that established the current interstate highway system, ending the Korean War by persuading the Chinese to accept a mutual peace agreement, promoting peace during Cold War crises that may have broken the rational will of other Presidents, and something that this Congress is currently negotiating, he balanced the Federal budget three different times.

Dwight D. Eisenhower served this country with sacrifices in war and his triumphs as President. I urge my colleagues on both sides of the aisle to pass S. 1652 and name the Old Executive Office Building after a man that deserves to be honored and remembered for his bravery and commitment to the freedoms of the United States.

Mr. FRANKS of New Jersey. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GIBBONS). The question is on the motion offered by the gentleman from New Jersey (Mr. FRANKS) that the House suspend the rules and pass the Senate bill, S. 1652.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

LLOYD D. GEORGE UNITED STATES COURTHOUSE

Mr. FRANKS of New Jersey. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 437) to designate the United States courthouse under construction at 333 Las Vegas Boulevard South in Las Vegas, Nevada, as the "Lloyd D. George United States Courthouse."

The Clerk read as follows:

S. 437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF LLOYD D. GEORGE UNITED STATES COURTHOUSE.

The United States courthouse under construction at 333 Las Vegas Boulevard South in Las Vegas, Nevada, shall be known and designated as the "Lloyd D. George United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the "Lloyd D. George United States Courthouse".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. FRANKS) and the gentlewoman from Nevada (Ms. BERKLEY) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. FRANKS).

Mr. FRANKS of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate 437 designates the United States courthouse to be built in Las Vegas, Nevada, as the Lloyd D. George United States Courthouse.

Judge Lloyd D. George was born in Montpelier, Idaho, and later moved and attended schools in Las Vegas, Nevada. He earned his B.S. from Brigham Young University in 1955, and that same year entered the United States Air Force. He participated as a fighter pilot in the Strategic Air Command, concluding his military service in 1958, holding the rank of captain. He then returned to school where he earned his J.D. in 1961 from the University of California at Berkeley.

Judge George was admitted to the Nevada Bar in 1961 and began practice in Las Vegas. In 1974 he was appointed by the Ninth Circuit to preside over the United States Bankruptcy Court for the District of Nevada for a term of 14 years. In 1980 he became a member of the Ninth Circuit Bankruptcy Appellate Panels.

In 1984, President Ronald Reagan appointed Judge George to the United States District Court for the District of Nevada, where he was elevated in 1992 to Chief Judge of the Nevada District.

During his tenure on the bench, Chief Judge George held a variety of distinguished memberships. He was a board member on the Federal Judicial Center, a member of the National Bankruptcy Conference, the Chair of the Judicial Advisory for Bankruptcy Rules, the Chair of the Judicial Committee on Administration of Bankruptcy System, a Fellow at the American College of Bankruptcy, and a member of the Judicial Conference on International Judicial Relations.

I fully support the bill and urge my colleagues to support it as well.

Mr. Speaker, I reserve the balance of my time.

Ms. BERKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of designating the United States courthouse in Las Vegas, Nevada, as the Lloyd D. George United States Courthouse. It is my sincere pleasure to introduce this measure, and I have worked very hard to bring it to the House floor. I would like to thank all of those that helped in this endeavor, particularly the ranking member, the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Pennsylvania (Chairman SHUSTER), and my colleague in the United States Senate, Senator HARRY REID.

I cannot think of a more suitable honor to bestow on this beloved Las Vegan, who has served the citizens of his home State of Nevada with humility, humanity, compassion, and dignity. In fact, the new Federal courthouse which this bill names is located right across the street from where Judge George attended grade school and within one block of his high school alma mater.

I would like to highlight some of Judge George's tremendous accomplishments. From his early days, as both high school and college student body president, Judge George demonstrated outstanding leadership abilities. Judge George served our country as an Air Force pilot before receiving his juris doctorate in 1961 from the University of California at Berkeley.

Among his numerous achievements, Judge George has been the recipient of the Jurist of the Year Award, the Liberty Bell Award for public service, and the Brigham Young University Alumni Distinguished Service Award.

He has served as former chairman of the State Apprentice Council, former president of the Clark County Association for Retarded Children, and a member of the National Advisory Council for the J. Willard and Alice S. Marriott School of Management.

From 1974 until 1984 Judge George served as the United States Bankruptcy judge. He also served as a National Bankruptcy Conference member and an American College of Bankruptcy fellow and a Judicial Conference member.

In May of 1984, Judge George was appointed U.S. District judge for the District of Nevada. He served as Chief District judge from 1992 to 1997 and assumed senior status in December of 1997.

Not only has Judge George served our Nation, he has also participated in numerous global committees, such as the International Judicial Relations Committee of the Judicial Conference, and has led seminars on legal topics in central and eastern Europe. What an extraordinary example he is for all of us.

When I think of Judge George, I see him administering the oath of allegiance to new citizens that are receiving their citizenship in the State of Nevada. I can tell you, when he administers this oath, there is not a dry eye in the house. This very sensitive, very compassionate man welcomes these people as new citizens to our country, and he does it with such charm and dignity that it makes us all very proud to be Americans. That is why it is most fitting and proper to honor the long, distinguished career of Judge George with this designation. I urge all of us to support this.

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I want to especially express my appreciation to the gentleman from Pennsylvania (Chairman SHUSTER) for bringing this bill forward, and to the chairman of the subcommittee, the gentleman from New Jersey (Mr. FRANKS) for acting on the bill so quickly.

After a long gestation period, this bill has been awaiting action; but it is, as both the chairman of the full committee and chairman of the subcommittee have noted, a deserving recognition for a noted jurist.

I want to also commend my colleague, the gentlewoman from Nevada (Ms. BERKELEY), on her persistence in advocating for this legislation and to the Senator from Nevada, Mr. REID, for being such a strong champion of naming the building for Judge Lloyd D. George.

I did not have the pleasure, as the gentlewoman from Nevada has had, of knowing Judge George, but on a recent visit last month to Nevada, where I met with many of the gentlewoman's constituents, spontaneously and without prompting, each came forward to extol the virtues of this great jurist. He certainly is a living legend, loved and respected, admired and appreciated by all who know of him, and maybe have been adjudicated by him.

But certainly this naming by popular appeal is exceptional. He is a man of great judicial capacity, but also great compassion, as the gentlewoman has so appropriately noted; and I am delighted we at last have this opportunity to bring to conclusion the appropriate naming of the U.S. courthouse and Federal building in Las Vegas for Judge Lloyd D. George. I compliment the gentlewoman on her success in achieving this breakthrough.

□ 1545

Ms. BERKLEY. Mr. Speaker, I yield back the balance of my time.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GIBBONS). The question is on the motion offered by the gentleman from New Jersey (Mr. FRANKS) that the House suspend the rules and pass the Senate bill, S. 437.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRANKS of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1652 and S. 437.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

TRADEMARK CYBERPIRACY PREVENTION ACT

Mr. COBLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3028) to amend certain trademark laws to prevent the misappropriation of marks, as amended.

The Clerk read as follows:

H.R. 3028

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the "Trademark Cyberpiracy Prevention Act".

(b) REFERENCES TO THE TRADEMARK ACT OF 1946.—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled "An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946 (15 U.S.C. 1051 et seq.).

SEC. 2. CYBERPIRACY PREVENTION.

(a) IN GENERAL.—Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended by inserting at the end the following:

"(d)(1)(A) A person shall be liable in a civil action by the owner of a mark, including a famous personal name which is protected under this section, if, without regard to the goods or services of the parties, that person—

"(i) has a bad faith intent to profit from that mark, including a famous personal name which is protected under this section; and

"(ii) registers, traffics in, or uses a domain name that—

"(I) in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark;

"(II) in the case of a famous mark that is famous at the time of registration of the domain name, is dilutive of that mark; or

"(III) is a trademark, word, or name protected by reason of section 706 of title 18, United States Code, or section 220506 of title 36, United States Code.

"(B) In determining whether there is a bad-faith intent described under subparagraph (A), a court may consider factors such as, but not limited to—

"(i) the trademark or other intellectual property rights of the person, if any, in the domain name;

"(ii) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;

"(iii) the person's prior lawful use, if any, of the domain name in connection with the bona fide offering of any goods or services;

"(iv) the person's lawful noncommercial or fair use of the mark in a site accessible under the domain name;

"(v) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;

"(vi) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services;

"(vii) the person's provision of material and misleading false contact information when applying for the registration of the domain name or the person's intentional failure to maintain accurate contact information;

"(viii) the person's registration or acquisition of multiple domain names which the person knows are identical or confusingly similar to marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of such persons;

"(ix) the person's history of offering to transfer, sell, or otherwise assign domain names incorporating marks of others to the mark owners or any third party for consideration without having used, or having an intent to use, the domain names in the bona fide offering of any goods and services;

"(x) the person's history of providing material and misleading false contact information when applying for the registration of other domain names which incorporate marks, or the person's history of using aliases in the registration of domain names which incorporate marks of others; and “(xi) the extent to which the mark incorporated in the person's domain name registration is distinctive and famous within the meaning of subsection (c)(1) of section 43 of the Trademark Act of 1946 (15 U.S.C. 1125).

“(C) In any civil action involving the registration, trafficking, or use of a domain name under this paragraph, a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.

“(D) A person shall be liable for using a domain name under subparagraph (A)(ii) only if that person is the domain name registrant or that registrant's authorized licensee.

“(E) As used in this paragraph, the term ‘traffics in’ refers to transactions that include, but are not limited to, sales, purchases, loans, pledges, licenses, exchanges of currency, and any other transfer for consideration or receipt in exchange for consideration.

“(2)(A) In addition to any other jurisdiction that otherwise exists, whether in rem or in personam, the owner of a mark may file an in rem civil action against a domain name in the judicial district in which the domain name registrar, domain name registry, or other domain name authority that registered or assigned the domain name is located, if—

“(i) the domain name violates any right of the owner of the mark; and

“(ii) the owner—

“(I) has sent a copy of the summons and complaint to the registrant of the domain name at the postal and e-mail address provided by the registrant to the registrar; and

“(II) has published notice of the action as the court may direct promptly after filing the action.

The actions under clause (ii) shall constitute service of process.

“(B) In an in rem action under this paragraph, a domain name shall be deemed to have its situs in the judicial district in which—

“(i) the domain name registrar, registry, or other domain name authority that registered or assigned the domain name is located; or

“(ii) documents sufficient to establish control and authority regarding the disposition of the registration and use of the domain name are deposited with the court.

“(C) The remedies of an in rem action under this paragraph shall be limited to a court order for the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark. Upon receipt of written notification of a filed, stamped copy of a complaint filed by the owner of a mark in a United States district court under this paragraph, the domain name registrar, domain name registry, or other domain name authority shall—

“(i) expeditiously deposit with the court documents sufficient to establish the court's control and authority regarding the disposition of the registration and use of the domain name to the court; and

“(ii) not transfer or otherwise modify the domain name during the pendency of the action, except upon order of the court.

The domain name registrar or registry or other domain name authority shall not be liable for injunctive or monetary relief under this paragraph except in the case of bad faith or reckless disregard, which includes a willful failure to comply with any such court order.

“(3) The civil action established under paragraph (1) and the in rem action established under paragraph (2), and any remedy available under either such action, shall be in addition to any other civil action or remedy otherwise applicable.”.

SEC. 3. DAMAGES AND REMEDIES.

(a) Remedies in Cases of Domain Name Piracy.—

(1) Injunctions.—Section 34(a) of the Trademark Act of 1946 (15 U.S.C. 1116(a)) is amended in the first sentence by striking “(a) or (c)” and inserting “(a), (c), or (d)”.

(2) Damages.—Section 35(a) of the Trademark Act of 1946 (15 U.S.C. 1117(a)) is amended in the first sentence by inserting “, (c), or (d)” after “section 43(a)”.

(b) Statutory Damages.—Section 35 of the Trademark Act of 1946 (15 U.S.C. 1117) is amended by adding at the end the following:

“(d) In a case involving a violation of section 43(d)(1), the plaintiff may elect, at any time before final judgment is rendered by the trial court, to recover, instead of actual damages and profits, an award of statutory damages in the amount of not less than $1,000 and not more than $100,000 per domain name, as the court considers just. The court may remit statutory damages in any case in which the court finds that an infringer believed and had reasonable grounds to believe that use of the domain name by the infringer was a fair or otherwise lawful use.”.

SEC. 4. LIMITATION ON LIABILITY.

Section 32(2) of the Trademark Act of 1946 (15 U.S.C. 1114) is amended—

(1) in the matter preceding subparagraph (A) by striking “under section 43(a)” and inserting “under section 43(a) or (d)”; and

(2) by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

“(D)(i) A domain name registrar, a domain name registry, or other domain name registration authority that takes any action described under clause (ii) affecting a domain name shall not be liable for monetary or injunctive relief to any person for such action, regardless of whether the domain name is finally determined to infringe or dilute the mark.

“(ii) An action referred to under clause (i) is any action of refusing to register, removing from registration, transferring, temporarily disabling, or permanently canceling a domain name—

“(I) in compliance with a court order under section 43(d); or

“(II) in the implementation of a reasonable policy by such registrar, registry, or authority prohibiting the registration of a domain name that is identical to, confusingly similar to, or dilutive of another's mark.

“(iii) A domain name registrar, a domain name registry, or other domain name registration authority shall not be liable for damages under this section for the registration or maintenance of a domain name for another absent a showing of bad faith intent to profit from such registration or maintenance of the domain name.

“(iv) If a registrar, registry, or other registration authority takes an action described under clause (ii) based on a knowing and material misrepresentation by any other person that a domain name is identical to, confusingly similar to, or dilutive of a mark, the person making the knowing and material misrepresentation shall be liable for any damages, including costs and attorney's fees, incurred by the domain name registrant as a result of such action. The court may also grant injunctive relief to the domain name registrant, including the reactivation of the domain name or the transfer of the domain name to the domain name registrant.”.

SEC. 5. DEFINITIONS.

Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by inserting after the undesignated paragraph defining the term “counterfeit” the following:

“The term ‘domain name’ means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

“The term ‘Internet’ has the meaning given that term in section 230(f)(1) of the Communications Act of 1934 (47 U.S.C. 230(f)(1)).”.

SEC. 6. SAVINGS CLAUSE.

Nothing in this Act shall affect any defense available to a defendant under the Trademark Act of 1946 (including any defense under section 43(c)(4) of such Act or relating to fair use) or a person's right of free speech or expression under the first amendment of the United States Constitution.

SEC. 7. EFFECTIVE DATE.

Sections 2 through 6 of this Act shall apply to all domain names registered before, on, or after the date of enactment of this Act, except that damages under subsection (a) or (d) of section 35 of the Trademark Act of 1946 (15 U.S.C. 1117), as amended by section 3 of this Act, shall not be available with respect to the registration, trafficking, or use of a domain name that occurs before the date of enactment of this Act.

SEC. 8. ADJUSTMENT OF CERTAIN TRADEMARK AND PATENT FEES.

(a) Trademark Fees.—Notwithstanding the second sentence of section 31(a) of the Trademark Act of 1946 (15 U.S.C. 1113(a)), the Commissioner of Patents and Trademarks is authorized in fiscal year 2000 to adjust trademark fees without regard to fluctuations in the Consumer Price Index during the preceding 12 months.

(b) Patent Fees.—

(1) Original filing fee.—Section 41(a)(1)(A) of title 35, United States Code, relating to the fee for filing an original patent application, is amended by striking “$760” and inserting “$690”.

(2) Reissue fee.—Section 41(a)(4)(A) of title 35, United States Code, relating to the fee for filing for a reissue of a patent, is amended by striking “$760” and inserting “$690”.

(3) National fee for certain international applications.—Section 41(a)(10) of title 35, United States Code, relating to the national fee for certain international applications, is amended by striking “$760” and inserting “$690”.

(4) Maintenance fees.—Section 41(b)(1) of title 35, United States Code, relating to certain maintenance fees, is amended by striking “$940” and inserting “$830”.

(c) Effective Date.—Subsection (a) shall take effect on the date of the enactment of this Act. The amendments made by subsection (b) shall take effect 30 days after the date of the enactment of this Act.

SEC. 9. DOMAIN NAME FOR PRESIDENT, MEMBERS OF CONGRESS, SNF POLITICAL OFFICE HOLDERS AND CANDIDATES.

(a) In General.—The Secretary of Commerce shall require the registry administrator for the .us top level domain to establish a 2nd level domain name for the purpose of registering only domain names of the President, Members of Congress, United States Senators, and other current holders of, and official candidates and potential official candidates for, Federal, State, or local political office in the United States.

(b) Guidelines.—The Secretary of Commerce, in consultation with the Federal

Election Commission, shall establish guidelines and procedures under which individuals may register a domain name in the 2nd level domain name established pursuant to subsection (a).

(c) ELIGIBLE REGISTRANTS.—The Federal Election Commission shall establish and maintain a list of individuals eligible, under the guidelines established pursuant to subsection (b), to register a domain name in the 2nd level domain name established pursuant to subsection (a).

(d) FEES.—The registry administrator and registrars for the .us top level domain may charge individuals reasonable fees for registering domain names pursuant to subsection (a).

(e) DEFINITION.—As used in this section, the term "Member of Congress" means a Representative in, or a delegate or Resident Commissioner to, the Congress.

(f) EFFECTIVE DATE.—Registration of domain names in accordance with this section shall begin no later than December 31, 2000.

SEC. 10. HISTORIC PRESERVATION.

Section 101(a)(1)(A) of the National Historic Preservation Act (16 U.S.C. 470a(a)(1)(A)) is amended by adding at the end the following: "Notwithstanding section 43(c) of the Act commonly known as the 'Trademark Act of 1946' (15 U.S.C. 1125(c)), buildings and structures meeting the criteria for the National Register of Historic Places under paragraph (2) may retain the name by which they are listed on the Register, if that name is the historical name associated with the building or structure.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. COBLE) and the gentleman from California (Mr. BERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. COBLE).

GENERAL LEAVE

Mr. COBLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3028, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3028, the Trademark Cyberpiracy Prevention Act, is a very important and significant piece of legislation, and I rise in support of it as a cosponsor.

Over the past 2 years, the Subcommittee on Courts and Intellectual Property, through a series of oversight hearings, has become very aware of the problems faced by owners of famous marks when dealing with the issue of domain names.

Time and time again we heard stories of cyberpirates who registered numerous domain names containing the markings or trade names of American companies, only to hold them ransom in exchange for money. Sometimes these pirates will even put pornographic materials on these sites in an effort to increase the incentive for the trademark owner to protect the integrity of its mark.

The time has come, Mr. Speaker, for this practice to stop. Imagine, if you will, that you own a small company and have spent years investing and delivering the good will of your business, only to find out when you go to register for a domain name that someone else has misappropriated your trademark name.

To make matters worse, you are informed that your legal options are limited, even if the offending party has placed pornographic or hateful materials on the site with your name on it.

This is an unacceptable situation, and should not be allowed to continue. This is a measured and balanced response to a growing problem, and I would like to commend the gentleman from California (Mr. ROGAN) and the gentleman from Virginia (Mr. BOUCHER) for their leadership in this area, as well as the gentleman from California (Mr. BERMAN), the ranking member of the Subcommittee on Courts and Intellectual Property.

The legal recourse provided for in this legislation, combined with the alternative dispute resolution procedures being adopted by the domain name registrars, will give trademark owners important tools to protect their intellectual property.

I am unaware of any opposition to the manager's amendment, and I urge a favorable vote on H.R. 3028.

Mr. Speaker, H.R. 3028, the "Trademark Cyberpiracy Prevention Act," is a very important piece of legislation. Over the past two years, the Subcommittee on Courts and Intellectual Property, through a series of oversight hearings, has investigated the problems faced by owners of famous marks when dealing with the issue of domain names. There have been many evidenced accounts of cyberpirates who register numerous domain names containing the marks of tradenames of American owners only to hold those names ransom in exchange for money. In some accounts, these pirates have placed pornographic materials on these sites in an effort to increase the incentive for the trademark owner to protect the integrity of its mark. This legislation is intended to stop this practice.

H.R. 3028 is a measured and balanced response to a growing problem, and I would like to commend Mr. Rogan and Mr. Boucher for their leadership in drafting this bill. The legal recourse provided for in this legislation, combined with the alternative dispute resolution procedures being adopted by the domain name registers, in conjunction with recommendations by the World Intellectual Property Organization, will give trademark owners important tools to protect their intellectual property.

The following is a section-by-section analysis of H.R. 3028 which will serve as legislative history for the amendments adopted today.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title; references.

This section provides that the act may be cited as the "Trademark Cyberpiracy Prevention Act" and that any references within the bill to the Trademark Act of 1946 shall be a reference to the act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes," approved July 5, 1946 (15 U.S.C. 1051 et seq.), also commonly referred to as the Lanham Act.

Section 2. Cyberpiracy prevention

Subsection (a). In General. This subsection amends the Trademark Act to provide an explicit trademark remedy for cyberpiracy under a new section 43(d). Under paragraph (1)(A) of the new section 43(d), actionable conduct would include the registration, trafficking in, or use of a domain name that is identical to, confusingly similar to, or dilutive of the trademark or service mark of another, provided that the mark was distinctive (i.e., enjoyed trademark status) at the time the domain name was registered. The bill is carefully and narrowly tailored, however, to extend only to cases where the plaintiff can demonstrate that the defendant registered, trafficked in, or used the offending domain name with bad-faith intent to profit from the goodwill of a mark belonging to someone else. Thus, the bill does not extend to innocent domain name registrations by those who are unaware of another's use of the name, or even to someone who is aware of the trademark status of the name but registers a domain name containing the mark for any reason other than with bad faith intent to profit from the goodwill associated with that mark.

The phrase "including a famous personal name which is protected under this section" addresses situations in which a famous personal is protected under Section 43 and is used as a domain name. The Lanham Act prohibits the use of false designations of origin and false or misleading representations. Protection under section 43 of the Lanham Act has been applied by the courts to famous personal names which function as marks, such as service marks, when such marks are infringed. Infringement may occur when the endorsement of products or services in interstate commerce is falsely implied through the use of a famous personal name, or otherwise. This protection also applies to domain names on the Internet, where falsely implied endorsements and other types of infringement can cause greater harm to the owner and confusion to a consumer in a shorter amount of time than is the case with traditional media. The protection offered by section 43 of a famous personal name which functions as a mark, as applied to domain names, is subject to the same fair use and first amendment protections as have been applied traditionally under trademark law, and is not intended to expand or limit any rights to publicity recognized by States under State law.

Paragraph (1)(B) of the new section 43(d) sets forth a number of nonexclusive, nonexhaustive factors to assist a court in determining whether the required bad-faith element exists in any given case. These factors are designed to balance the property interests of trademark owners with the legitimate interests of Internet users and others who seek to make lawful uses of others' marks, including for purposes such as comparative advertising, comment, criticism, parody, news reporting, fair use, etc. The bill suggests a total of eleven factors a court may wish to consider. The first four suggest circumstances that may tend to indicate an absence of bad-faith intent to profit from the goodwill of a mark, and the others suggest circumstances that may tend to indicate that such bad-faith intent exists.

First, under paragraph (1)(B)(i), a court may consider whether the domain name registrant has trademark or any other intellectual property rights in the name. This factor recognizes, as does trademark law in general, that there may be concurring uses of the same name that are noninfringing, such as the use of the "Delta" mark for both air travel and sink faucets. Similarly, the registration of the domain name "deltaforce.com" by a movie studio would not tend to indicate a bad faith intent on the part of the registrant to trade on Delta Airlines or Delta Faucets' trademarks.

Second, under paragraph (1)(B)(ii), a court may consider the extent to which the domain name is the same as the registrant's own legal name or a nickname by which that person is commonly identified. This factor recognizes, again as does the concept of fair use in trademark law, that a person should be able to be identified by their own name, whether in their business or on a web site. Similarly, a person may bear a legitimate nickname that is identical or similar to a well-known trademark and registration of a domain name using that nickname would not tend to indicate bad faith. This factor is not intended to suggest that domain name registrants may evade the application of this act by merely adopting Exxon, Ford, Bugs Bunny or other well-known marks as their nicknames. It merely provides a court with the appropriate discretion to determine whether or not the fact that a person bears a nickname similar to a mark at issue is an indication of an absence of bad-faith on the part of the registrant.

Third, under paragraph (1)(B)(iii), a court may consider the domain name registrant's prior lawful use, if any, of the domain name in correction with the bona fide offering of goods or services. Again, this factor recognizes that the legitimate use of the domain name in online commerce may be a good indicator of the intent of the person registering that name. Where the person has used the domain name in commerce without creating a likelihood of confusion as to the source or origin of the goods or services and has not otherwise attempted to use the name in order to profit from the goodwill of the trademark owner's name, a court may look to this as an indication of the absence of bad faith on the part of the registrant. A defendant should have the burden of introducing evidence of lawful use to assist the court in evaluating this factor.

Fourth, under paragraph (1)(B)(iv), a court may consider the person's legitimate noncommercial or fair use of the mark in a web site that is accessible under the domain name at issue. This factor is intended to balance the interests of trademark owners with the interests of those who would make lawful noncommercial or fair use of others' marks online, such as in comparative advertising, comment, criticism, parody, news reporting, etc. Under the bill, the use of a domain name for purposes of comparative advertising, comment, criticism, parody, news reporting, etc., even where done for profit, would not alone satisfy the bad-faith intent requirement. The fact that a person may use a mark in a site in such a lawful manner may be an appropriate indication that the person's registration or use of the domain name lacked the required element of bad-faith. This factor is not intended to create a loophole that otherwise might swallow the bill, however, by allowing a domain name registrant to evade application of the Act by merely putting up a noninfringing site under an infringing domain name. For example in the well known case of Panavision Int'l v. Toeppen, 141 F.3d 1316 (9th Cir. 1998), a well-known cyberpirate had registered a host of domain names mirroring famous trademarks, including names for Panavision, Delta Airlines, Neiman Marcus, Eddie Bauer, Lufthansa, and more than 100 other marks, and had attempted to sell them to the mark owners for amounts in the range of $10,000 to $15,000 each. His use of the "panavision.com" and "panaflex.com" domain names was seemingly more innocuous, however, as they served as addresses for sites that merely displayed pictures of Pana Illinois and the word "Hello" respectively. This act would not allow a person to evade the holding of that case—which found that Mr. Toeppen had made a commercial use of the Panavision marks and that such uses were, in fact, diluting under the Federal Trademark Dilution Act—merely by posting noninfringing uses of the trademark on a site accessible under the offending domain name, a Mr. Toeppen did. Similarly, the bill does not affect existing trademark law to the extent it has addressed the interplay between first amendment protections and the rights of trademark owners. Rather, the act gives courts the flexibility to weigh appropriate factors in determining whether the name was registered or used in bad faith, and it recognizes that one such factor may be the use the domain name registrant makes of the mark.

Fifth, under paragraph (1)(B)(v), a court may consider whether, in registering or using the domain name, the registrant intended to divert consumers away from the trademark owner's website to a website that could harm the goodwill of the mark, either for purposes of commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site. The factor recognizes that one of the main reasons cyberpirates use other people's trademarks is to divert Internet users to their own sites by creating confusion as to the source, sponsorship, affiliation, or endorsement of the site. This factor recognizes that one of the main reasons cyberpirates use other people's trademarks is to divert Internet users to their own sites by creating confusion as to the source, sponsorship, affiliation, or enforcement of the site. This is done for a number of reasons, including to pass off inferior goods under the name of a well-known mark holder, to defraud consumers into providing personally identifiable information, such as credit card numbers, to attract eyeballs to sites that price online advertising according to the number of "hits" the site receives, or even just to harm the value of the mark. Under this provision, a court may give appropriate weight to evidence that a domain name registrant intended to confuse or deceive the public in this manner when making a determination of bad-faith intent.

Sixth, under paragraph (1)(B)(vi), a court may consider a domain name registrant's offer to transfer sell, or otherwise assign the domain name to the mark owner or any third party for financial gain, where the registrant has not used, and did not have any intent to use, the domain name in the bona fide offering of any goods or services. This factor is consistent with the court cases, like the Panavision case mentioned above, where courts have found a defendant's offer to sell the domain name to the legitimate mark owner as being indicative of the defendant's intent to trade on the value of a trademark owner's marks by engaging in the business of registering those marks and selling them to the rightful trademark owners. It does not suggest that a court should consider the mere offer to sell a domain name to a mark owner or the failure to use a name in the bona fide offering of goods or services is sufficient to indicate bad faith. Indeed, there are cases in which a person registers a name in anticipation of a business venture that simply never pans out. And someone who has a legitimate registration of a domain name that mirrors someone else's domain name, such as a trademark owner that is a lawful concurrent user of that name with another trademark owner, may, in fact, wish to sell that name to the other trademark owner. This bill does not imply that these facts are an indication of bad-faith. It merely provides a court with the necessary discretion to recognize the evidence of bad-faith when it is present. In practice, the offer to sell domain names for exorbitant amounts to the rightful mark owner has been one of the most common threads in abusive domain name registrations. Finally, by using the financial gain standard, this allows a court to examine the motives of the seller.

Seventh, under paragraph (1)(B)(vii), a court may consider the registrant's provision of material and misleading false contact information in an application for the domain name registration. Falsification of contact information with the intent to evade identification and service of process by trademark owners is also a common thread in cases of cyberpiracy. This factor recognizes that fact, while still recognizing that there may be circumstances in which the provision of false information may be due to other factors, such as mistake or, as some have suggested in the case of political dissidents, for purposes of anonymity. This bill balances those factors by limiting consideration to the person's contact information, and even then requiring that the provision of false information be material and misleading. As with the other factors, this factor is nonexclusive and a court is called upon to make a determination based on the facts presented whether or not the provision of false information does, in fact, indicate bad-faith.

Eighth, under paragraph (1)(B)(viii), a court may consider the domain name registrant's acquisition of multiple domain names that are identical to, confusingly similar to, or dilutive of others' marks. This factor recognizes the increasingly common cyberpiracy practice known as "warehousing," in which a cyberpirate registers multiple domain names—sometimes hundreds, even thousands—that mirror the trademarks of others. By sitting on these marks and not making the first move to offer to sell them to the mark owner, these cyberpirates have been largely successful in evading the case law developed under the Federal Trademark Dilution Act. This act does not suggest that the mere registration of multiple domain names is an indication of bad faith, but allows a court to weigh the fact that a person has registered multiple domain names that infringe or dilute the trademarks of others as part of its consideration of whether the requisite bad-faith intent exists.

Ninth, under paragraph (1)(B)(ix), a court may consider the person's history of offering to transfer, sell, or otherwise assign domain name incorporating marks of others to the mark owners or other third party for consideration without having used, or having intent to use, the domain name. This factor should assist a court in distinguishing those circumstance more akin to warehousing versus those circumstances where the registrant has made a change is a business plan or course of action.

Tenth, under paragraph (1)(B)(x), a court may consider the person's history of providing material and misleading false contact information when applying for the registration of other domain names, or the person's history of using aliases in the registration of domain names which incorporate the marks of others. This factor recognizes that more often an applicant uses false or misleading contact information, the more likely it is that the applicant is engaging in speculative activity.

Lastly, under paragraph (1)(B)(xi), a court may consider the extent to which the mark incorporated in the person's domain name registration is distinctive and famous within the meaning of subsection (c)(1) of section 43 of the Trademark Act of 1946. The more distinctive or famous a mark has become, the more likely the owner of that mark is deserving of the relief available under this Act.

Paragraph (1)(C) makes clear that in any civil action brought under the new section 43(d), a court may order the forfeiture, cancellation, or transfer of a domain name to the owner of the mark. Paragraph (1)(D) further clarifies that a use of a domain name shall be limited to a use of the domain name by the registrant or his or her authorized licensee. This provision limits the right to use the domain name as a means to infringe on another's other bona fide trademark rights. Paragraph (1)(E) adopts a definition of "traffics in" which refers to a nonexhaustive list of activities, including sales, purchases, loans, pledges, licenses, exchanges of currency, and other transfer for consideration or receipt in exchange for consideration.'

Paragraph (2)(A) provides for in rem jurisdiction, which allows a mark owner to seek the forfeiture, cancellation, or transfer of an infringing domain name by filing an in rem action against the name itself, if the domain name violates any right of the mark owner and where the mark owner has sent a copy of the summons and complaint to the registrant at the postal and e-mail address provided by the registrant to the registrar and has published notice of the action as the court may direct. As indicated above, a significant problem faced by trademark owners in the fight against cybersquatting is the fact that many cybersquatters register domain names under aliases or otherwise provide false information in their registration applications in order to avoid identification and service of process by the mark owner. The act alleviates this difficulty, while protecting the notions of fair play and substantial justice, by enabling a mark owner to seek an injunction against the infringing property in those cases where a mark owner is unable to proceed against the domain name registrant because the registrant has provided false contact information or is otherwise not to be found, provided that mark owner can show that the domain name itself violates substantive Federal trademark law (i.e., that the domain name violates the rights of the registrant of a mark registered in the Patent and Trademark Office, or section 43 (a) or (c) of the Trademark Act). Second, such in rem jurisdiction is also appropriate in instances where personal jurisdiction cannot be established over the domain name registrant. This situation occurs when a non-U.S. resident cybersquats on a domain name that infringes upon a U.S. trademark. This type of in rem jurisdiction still requires a nexus based upon a U.S. registry or registrar would not offend international comity. This jurisdiction would not extend to any domain name registries existing outside the United States. Nor would this jurisdiction preclude the movement of any registries to outside the United States. Instead, providing in rem jurisdiction based upon the lack of personal jurisdiction over the cybersquatter would provide protection both for the trademark owners and perhaps, more importantly, consumers. Finally, this jurisdiction does not offend due process, since the property and only the property is the subject of the jurisdiction, not other substantive personal rights of any individual defendant.

Paragraph (2)(B) states that in an in rem action, the domain name shall be deemed to have its situs in the judicial district in which the domain name registrar, or registry, or other domain name authority is located, or where documents sufficient to establish control and authority regarding the disposition of the registration and use of the domain name are deposited with the court.

Paragraph (2)(C) limits the relief available in such an in rem action to an injunction ordering the forfeiture, cancellation, or transfer of the domain name. When a court of appropriate jurisdiction receives a complaint filed pursuant to this section, the court will notify the registrar, registry, or other authority who shall expeditiously deposit with the court documents to establish control and authority regarding the disposition of the registration and use of the domain name. the registrar, registry, or other authority also may not transfer or otherwise modify the domain name in dispute during the pendency of the action except upon order of the court. The registrar, registry, or other authority shall not be liable for injunctive or monetary relief except in the case of bad faith or reckless disregard, which includes a willful failure to comply with a court order.

Paragraph (3) makes clear that the creation of a new section 43(d) in the Trademark Act does not in any way limit the application of current provisions of trademark, unfair competition and false advertising, or dilution law, or other remedies under counterfeiting or other statutes, to cyberpiracy cases.

Section 3. Damages and remedies

Section 3 applies traditional trademark remedies, including injunctive relief, recovery of defendant's profits, actual damages, and costs, to cyberpiracy cases under the new section 43(d) of the Trademark Act. The bill also amends section 35 of the Trademark Act to provide for statutory damages in cyberpiracy cases, in an amount of not less than $1,000 and not more than $100,000 per domain name, as the court considers just. The act permits the court to remit statutory damages in any case where the infringer believed and had reasonable grounds to believe that the use of the domain name was a fair or otherwise lawful use.

Section 4. Limitation on liability

This section amends section 32(2) of the Trademark Act to extend the Trademark Act's existing limitations on liability to the cyberpiracy context. This section also creates a new subparagraph (D) in section 32(2) to encourage domain name registrars and registries to work with trademark owners to prevent cyberpiracy through a limited exemption from liability for domain name registrars and registries that suspend, cancel, or transfer domain names pursuant to a court order or in the implementation of a reasonable policy prohibiting cyberpiracy. The act anticipates a reasonable policy against cyberpiracy will apply only to marks registered on the Principal Register of the Patent and Trademark Office in order to promote objective criteria and predictability in the dispute resolution process.

This section also protects the rights of domain name registrants against overreaching trademark owners. Under a new section subparagraph (D)(iv) in section 32(2), a trademark owner who knowingly and materially misrepresents to the domain name registrar or registry that a domain name is infringing shall be liable to the domain name registrant for damages resulting from the suspension, cancellation, or transfer of the domain name. In addition, the court may grant injunctive relief to the domain name registrant by ordering the reactivation of the domain name or the transfer of the domain name back to the domain name registrant. Finally, in creating a new subparagraph (D)(iii) of section 32(2), this section codifies current case law limiting the secondary liability of domain name registrars and registries for the act of registration of a domain name, absent bad-faith on the part of the registrar and registry.

Section 5. Definitions

This section amends the Trademark Act's definitions section (section 45) to add definitions for key terms used in this act. First, the term "Internet" is defined consistent with the meaning given that term in the Communications Act (47 U.S.C. 230(f)(1)). Second, this section creates a narrow definition of "domain name" to target the specific bad-faith conduct sought to be addressed while excluding such things as screen names, file names, and other identifiers not assigned by a domain name registrar or registry.

Section 6. Savings clause

This section provides an explicit savings clause making clear that the bill does not affect traditional trademark defenses, such as fair use, or a person's first amendment rights.

Section 7. Effective date

This section provides that Sections 2 through 6 of this Act shall apply to all domain names, whether registered before, on, or after the date of enactment. However, damages as amended by section 3 of this act shall not be available to the registration, trafficking, or use of a domain name that occurs before the date of enactment.

Section 8. Adjustment of Certain Trademark and Patent Fees

The provisions of this section recalibrate the fee ratio between patents and trademarks to assure the independence for each respective operation within the United States Patent and Trademark Office (PTO). Historically, patent applicants pay a disproportionate ratio in application fees than trademark applicants, and this disparity leads to an inequity in the administration of the separate patent and trademark divisions of the PTO. These provisions will alter the fees paid by both applicants leading to an equaling of the administrative control within the PTO. The increased trademark fees will allow for greater autonomy of the Trademark Office which will promote better service to trademark applicants. The reduction in patent fees will directly correspond to the increase in trademark application fee, nullifying any detrimental affect on the overall budget of the PTO. The amendments made by this section take effect 30 days after the enactment of this legislation.

Section 9. Domain Name for President, Members of Congress, and Political Office Holders and Candidates

Section 9 directs the Secretary of Commerce to establish a second level domain under the ".us" top level domain for the purposes of registering only the domain names of the President, Members of Congress, United States Senators, and other current holders and official candidates and potential official candidates for federal, state and local political office in the United States. This section responds to a number of concerns raised by the Members of the Committee who have heard from citizens complaining of entering a web site thought to be that of a representative office holder or candidate, only to find the site has no connection to the office holder or candidate. Members are particularly concerned with the great potential for misinformation to the public who may believe the web site to be managed by an official source. As one of the underlying goals of this legislation is to combat public confusion and misinformation, it is entirely appropriate to establish a second level domain which allows every citizen to receive and direct information to an office holder or candidate, regardless of position or party affiliation, and be assured of the authenticity of the site. This provision will not inhibit free speech nor prevent someone from using an office holder or candidate's name on any top-level domain. It merely establishes a second-level domain where citizens can be assured of the integrity of election information. The registration of domain names shall begin no later than December 31, 2000.

Section 10. Historic Preservation

Secton 10 amends section 101(a)(1)(A) of the National Historic Preservation Act to state that the Federal Trademark Dilution Statute does not affect the ability of a building or structure meeting the criteria for the National Register of Historic Places to retain the name by which they are listed on the Register, if such name is the historical name associated with the building or structure.

Mr. Speaker, I reserve the balance of my time.

Mr. BERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3028, the Trademark Cyberpiracy Prevention Act.

First, let me just congratulate the gentleman from California (Mr. ROGAN) and the gentleman from Virginia (Mr. BOUCHER) for introducing what I think is a very important and necessary piece of legislation, and also compliment my chairman, the gentleman from North Carolina (Mr. COBLE) for organizing the hearing, the markup, moving the bill through subcommittee and full committee, and now to the point where we, with some amendments that are being made, I think have made it an even better product.

Trade-, service-, and other marks that have come to represent the good will and identity of a business have an intrinsic value to a business. It is appropriate to protect that value from what amounts to embezzlement. This bill provides that protection in regard to the registration of domain names.

Domain names have become a key asset in the Internet environment. Most people looking around the Internet for a company will first type in the address, www.company.name.com. If we are looking for AT&T, all we have to do is enter the address, www.ATT.com, and we will get the official AT&T web site. Thus, use of a domain name, these plain English addresses, is very important to mark holders, similar to a shop owner being able to put a sign in front of their store letting people know where to find the store.

The problem is that under the current domain name registration process, anyone can register any name that has not yet been taken, so a single individual can register hundreds or thousands or domain names with no intent of using them on the Internet. Their only intent is to turn around and try to sell the domain name for thousands or tens of thousands of dollars to the rightful mark owner. Very simply put, under current law, someone can gather up thousands of domain names that represent marks and extort vast sums of money from the rightful owner.

This is even true as to famous personalities whose personal names qualify as a service mark. On the one hand ICANN, the private sector organization tasked by the Department of Commerce to manage domain names, is establishing a uniform dispute resolution mechanism for domain name registrars. That work is very important, and I hope the outcome of that process yields a mechanism that will be truly effective in protecting marks.

However, even with a private party dispute resolution process, there needs to be appropriate legal remedies where individuals seek to exploit through what amounts to extortion the registration of domain names. I think that this legislation sets out the appropriate legal framework and will certainly enhance the effectiveness of the protection of marks in this global electronic environment.

I have heard concerns expressed by celebrities about the misuse of their name in the same manner I have described. If we are going to do a bill on cyberpiracy, it makes perfect sense to me that we would want to address this finite problem.

So when the specific problem of cyberpirates exploiting personal names was brought to me, I asked, as did others here, the gentleman from California (Mr. ROGAN), the gentleman from North Carolina (Mr. COBLE), that the interested parties on this issue come together and work through a solution. This bill reflects the very specific language that addresses this problem.

A personal name that constitutes a mark under the Lanham Act is treated the same way as any other mark protected by the Lanham Act under this bill. This bill does not create or insinuate a Federal right of publicity.

Finally, this bill establishes a very important avenue for candidates for public office to communicate their message through the Internet. Candidates for State or local office will now have a specific domain under the control of the U.S. Government where they can post their official web site. This will give voters the assurance that when they go to a site in this domain, they will be getting the official web site of the candidate, and not a site authored by an opponent, critic, or even faithful supporter. This is a major step towards enhancing the value of the Internet to our democracy.

Mr. Speaker, I reserve the balance of my time.

Mr. COBLE. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from California (Mr. ROGAN), the author of the bill.

Mr. ROGAN. Mr. Speaker, I thank the distinguished chairman of the Subcommittee on Courts and Intellectual Property for yielding time to me, and also for his incredible leadership on this particular measure.

Mr. Speaker, I am pleased to join with my distinguished colleague, the gentleman from Virginia (Mr. BOUCHER) and coauthor of the bill in bringing forward the Cyberpiracy Prevention Act.

America's trademark owners are facing a new form of piracy on the Internet today caused by acts of cybersquatting. Cybersquatting is the deceptive practice of registering a domain name or establishing a web site containing a trademark name or title registered and owned by another entity with the intent to gain commercial advantage.

Cybersquatting takes place for a number of reasons: first, to extract payment from the rightful owners of the trademark. These are among the most prevalent cases, since it only costs $70 to register a domain name, and the potential for financial gain is far greater.

For example, after a cybersquatter preregistered four domain names for $280, he tried to sell to Warner Brothers the domain names Warner_Records.com, Warner_Bro_records.com, and Warnerpictures.Com for $350.000.

Second, cybersquatters will publicly offer a domain name for sale or lease to third parties. Right now we can log on and find marypoppins.com and the godfather.com for sale from an individual that does not have the trademark rights to those two popular names.

Third, cybersquatters use famous names and well known trademarks for pornographic sites that attempt to capitalize on customer confusion. Children doing homework assignments on the presidency have logged onto whitehouse.com, to find that this is a pornographic site.

Fourth, it is done to engage in consumer fraud, including counterfeiting activities. AT&T reports that a cybersquatter registered the domain names AT&T phonecard.com and at&tcalling card.com, and then established a web site soliciting credit card information from consumers.

AT&T is concerned that its brand name was being used to lure consumers to a web site that might be used to fraudulently to obtain financial information.

Despite the many problems that cybersquatting presents, there are no laws in any jurisdiction, national or otherwise, that explicitly prohibit this practice. H.R. 3208 provides a legal remedy for American businesses and individuals where traditional trademark law has failed. It protects trademarks and service mark owners while promoting the growth of electronic commerce by punishing individuals who register domain names in an attempt to profit at the expense of businesses and individuals.

This legislation specifically prohibits registration, trafficking in, or use of a domain name that is identical to, confusingly similar to, or that dilutes a mark that is distinctive at the time the domain name is registered.

This bill presents a real opportunity to strengthen the Internet's ability to serve as a viable marketplace in the 21st century. It does so by shoring up consumer confidence in legitimate brand names, discouraging fraudulent electronic commerce, and protecting the rights of legitimate trademark and service mark holders. It is time for Congress to pass this necessary legislation.

Once again, Mr. Speaker, I want to thank my dear friend and colleague, the gentleman from Virginia (Mr. BOUCHER) for all his work and effort on this. I am especially grateful to my cosponsor, the chairman of the Subcommittee on Courts and Intellectual Property, for moving this bill so rapidly through the process, and to my distinguished friend, the gentleman from California (Mr. BERMAN), for all his help on this.

Mr. BERMAN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Virginia (Mr. BOUCHER), the cosponsor of the legislation.

Mr. BOUCHER. Mr. Speaker, I thank the gentleman from California for yielding this time to me.

Mr. Speaker, it is a pleasure for me to join with my friend and colleague, the gentleman from California (Mr. ROGAN) in offering this legislation. I want to join with him in expressing our mutual appreciation to the gentleman from North Carolina (Mr. COBLE), the subcommittee chairman, and the gentleman from California (Mr. BERMAN), the ranking member of the subcommittee, for their excellent assistance in processing the bill and bringing it to the floor today.

Under current law, it is hard for a trademark owner to obtain relief from someone who has obtained a domain registry of his trademarked name. The legal remedies are expensive and, at the end of the day, uncertain. Many trademark owners conclude that it is easier simply to pay the cybersquatter his ransom and in effect buy back his own trademark name than it is to enforce his legal rights in a court of law.

The gentleman from California (Mr. ROGAN) and I want to put cybersquatters out of business by providing a more certain and less expensive and more timely legal remedy to those who have trademarks and seek to enforce those trademarks. Our legislation sets forth a list of factors that can be applied in determining if a domain name registration is made in bad faith with the intent to profit from the good will that is associated with the trademark. These factors can be applied by a court. They can also be applied by the domain name registrar, who then would be given exemption from liability if, upon application of that list of factors, the determination was made that the registration was in bad faith, that the registration in fact was made by a cybersquatter, and that the registration should therefore be suspended or canceled.

Cancellation or suspension in that instance would be accompanied by the award of an exemption from liability, should the cybersquatter pursue the domain name registrar.

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That, in my opinion, is the best change this legislation makes. It provides a remedy that is accessible, one that is timely, one that is far less expensive and uncertain than the remedies provided today.

I am pleased, Mr. Speaker, to encourage the passage of this measure, and I again want to commend the gentleman from California (Mr. ROGAN), the chief sponsor of the bill, for his excellent work.

Mr. COBLE. Mr. Speaker, may I inquire of the remaining amount of time.

The SPEAKER pro tempore (Mr. GIBBONS). The gentleman from North Carolina (Mr. COBLE) and the gentleman from California (Mr. BERMAN) each have 13 minutes remaining.

Mr. COBLE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman from North Carolina (Mr. COBLE) for yielding me the time.

The gentleman from North Carolina (Mr. COBLE) has worked with the gentleman from Florida (Mr. SHAW) and I on this very important provision for a district that the gentleman from Florida (Mr. SHAW) and I share.

As the chairman of the House Subcommittee on Courts and Intellectual Property, the gentleman from North Carolina (Mr. COBLE) understands why we need this language in H.R. 3028, the Trademark Cyberpiracy Prevention Act. The gentleman from Florida (Mr. SHAW) and I have worked to include a change which will protect historic landmarks in our area in South Miami Beach and around the country from unnecessary litigation due to a provision in the Federal Anti-Dilution Act.

It will preserve the historic names of hotels in our district known as the Tiffany, the Fairmont, the Essex House, and the Carlyle. These landmarks will now be able to continue with their traditional names which they have been known for for over two generations.

By supporting this bill, our colleagues will be ensuring that historic places around our Nation will be able to keep their names without fear of unnecessary legal action. Remember that to lose one's name is to lose one's identity and, even more importantly, to lose one's history.

I would also like to thank Miami Beach City Commissioner Nancy Liebman who brought this issue to our attention. With the help of our colleagues here today, Mr. Speaker, in support of this legislation, we will be able to preserve the rich history of our Nation's historic preservation districts.

It was a pleasure for me to have worked with the gentleman from Florida (Mr. SHAW) and the gentleman from North Carolina (Mr. COBLE) on this needed part of this bill.

Mr. COBLE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I thank the gentleman from North Carolina (Chairman COBLE) for yielding me this time.

I want to compliment the gentleman from North Carolina (Chairman COBLE) and the gentleman from California (Mr. BERMAN), the ranking Democrat member, for the swift action that they have taken in bringing this matter and attaching it to this bill and bringing it to the floor.

For those of my colleagues who have not been to Miami Beach lately, there is a tremendous renaissance going on. The history of that area dates back to the early days of the 1920s when art deco was just getting started. The architecture that has evolved over the years in the 1920s, 1930s, and even into the 1940s is something really to behold and is unique in this country.

Part of that architecture is the wonderful names and the magical names that are attached to so many of the hotels in that area. Now we are seeing that the great renaissance is going on, that Miami Beach is turning back to its past and bringing out the best of the past and bringing it forward, which has become a tremendous tourist attraction.

The gentlewoman from Florida (Ms. ROS-LEHTINEN) represents the beautiful part of South Beach, which has become so famous. I wish my district went down quite that far, but I stop right at Lincoln Road.

I was born and raised right there on Miami Beach. I can remember as a child the wonderful buildings that were down there, the lights that one would go see. When someone would come to town, one would drive them down into that area and show off Miami Beach.

All of this is back. The magic of that great city is back. Nancy Liebman, who the gentlewoman from Florida (Ms. ROS-LEHTINEN) mentioned in her statement, has been very active in bringing this matter back to our attention. She personally showed me and my wife Emily around Miami Beach. We were looking for the old theaters where we used to go on dates when we were both in high school together. It has really been quite good to see a city come back and bring back such a wonderful part of its past.

Due to an unexpected circumstance, unintended circumstance in the 1996 law, many of these hotels were robbed of their identity and were forced and were being made to change their name. This reverses an error that was made, and I want to compliment all of the members of the Committee on the Judiciary, and particularly the chairman and the ranking member, for bringing this back to our attention so we can correct this situation.

Mr. COBLE. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Utah (Mr. CANNON), a member of the Committee on the Judiciary.

Mr. CANNON. Mr. Speaker, I rise today in support of H.R. 3028, the Trademark Cyberpiracy Prevention Act. I commend the gentleman from North Carolina (Chairman COBLE) and the gentleman from California (Mr. ROGAN) for their work on this legislation, and also the gentleman from California (Mr. BERMAN).

The explosive trends of E-commerce, which some experts predict will reach $1.3 trillion in total sales by the year 2003, combined with the exponential growth of the Internet, has led to a problem: The increasing epidemic known as cybersquatting.

Recently, within my State of Utah, a local paper reported that the Salt Lake City Olympic Organizing Committee has had to file a cybersquatting lawsuit against a shadowy group of defendants which infringed on its trademark rights by registering Internet domain names that mimicked names owned by the SLOC.

A small group located in Delaware registered the names

saltlakecitygames.com,
saltlakecity2002.com, and
saltlake2002.com.

These names infringe on the trademark rights of the Salt Lake Olympic Organizing Committee's authorized website: www.slc2002.org and 12 other protected phrases.

This bill is part of an overall effort to preserve legally protected names and trademarks. These are valuable corporate assets. This is how people learn to identify and contact these organizations.

The SLOC and other companies and organizations like this spend money, time, and effort in advertising these phrases. Unscrupulous cybersquatters are trying to cash in on their hard work.

In the Salt Lake example, the Olympic Committee received a phone call from a person, known only as "John L." who offered to sell three sites for $25,000.

Investigators went to the address listed on the company's registration and found an empty office with no signs on the door. The registered telephone number did not work. The company was suspended for failure to pay taxes.

Another company within my district, Novell, shared with me a current problem. Apparently someone from Brazil has registered the names of each of Novell's product lines and names; but because the person is located outside the United States, there is currently no way for the company to gain judicial relief. This bill resolves that problem by allowing in rem jurisdiction.

The Rogan bill will prohibit registration, trafficking in, or the use of a domain name that is identical to, confusingly similar, or dilutive of a trademark that is distinctive at the time the domain name is registered.

Mr. Speaker, this bill will allow the trademark owners to seek the forfeiture, cancellation, or transfer of an infringing domain name if the trademark owner can prove it has attempted to locate the owner but has been unable to do so. This will discourage cybersquatters who frequently use aliases or otherwise provide false registration on their registration.

Industry and academics agree that legislative action is necessary. The uninhibited access to the Internet and E-commerce markets is vital, and First Amendment rights must also be preserved, but we must also respect the integrity of existing trademark and patent law.

I urge my colleagues to support this legislation.

Mr. BERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just rise in conclusion to again tell the gentleman from North Carolina (Chairman COBLE) how much I appreciate the speedy movement of this bill, the process which I think made it better. I want to particularly thank the staff that worked on this bill, Mitch Glazier and Vince Garlock, and Bari Schwartz and Stacy Baird from my staff. I think we are all indebted to their work and their thoughts about this.

Mr. Speaker, I yield back the balance of my time.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as usual, the gentleman from California (Mr. BERMAN) is a jump ahead of me. I was going to also acknowledge the good work done by the respective staffs. It has been a good effort by all concerned.

Mrs. BONO. Mr. Speaker, I rise in support of the worthy bill of my good friend and colleague, the gentleman from California (Mr. ROGAN), H.R. 3028—Trademark Cyberpiracy Prevention Act. This long overdue legislation is needed to address a novel practice which is essentially one of the most base forms of extortion, the cyberpiracy of famous marks for both wares and services. As the world of commerce evolves as with the growth of the Internet, we in Congress have the obligation to revisit the laws to preserve fairness for the regular order of business. The Lanham Act is an appropriate vehicle to address the concerns raised by consumers and small businesses alike regarding the cyberpiracy of famous marks in interstate, and often global, commerce. However, I am disappointed that this legislation could not go even further and my support is qualified on the ground that I intend to pursue the remaining relating issues in the future.

Unfortunately, in our effort to expedite this bill to the floor, we have failed to address another distressing form of cheap extortion, namely the registration of personal names as domain names. My support for today's bill rests on the fact that while we address this worthy commercial problem through trademark law, we are not foreclosing the future opportunity to address this other domain name problem concerning personal privacy and autonomy in one's personae in cyberspace. This protection in my opinion must not be limited to the famous or just celebrities, it must be universal.

Certainly, many of my colleagues are aware of this issue. The main sponsor of H.R. 3028 has explained that his good name was spoofed by a political website recently. Several prominent national candidates have fallen prey to this extortion. It is a welcome improvement that the manager's amendment partially addresses the political candidate website issue. Likewise, in all candor, I too was a target of cyberpiracay last year. This is an increasing and serious problem for the parties and the public. In fact, today, I received an e-mail from one of Mr. Rogan's consititutents about this need for Congress to address this visceral problem of innocent people being victimized. Our efforts today may in fact exacerbate this problem. Since these people, whether you call them cyber-prospectors, cyber-pirates or just Joe. Q. Hacker, no longer can register the domain names that correspond to marks used in commerce, they may find profit and create mischief by registering the names of ordinary people. We need to act to remedy this outrageous problem.

Unfortunately, the necessary final solution cannot be offered today. The mechanism to remedy the concerns raised by Mr. ROGAN's constituent and so many others is difficult to identify and design in a narrowly-tailored way. Members of certain industries have voiced strong opposition to any possible establishment of a federal right of publicity with this bill. The creation of that form of intellectual protection is something that Congress must carefully and fully explore before enactment.

Frist, I call upon the companies that provide the registration of domain names to act. They must institute responsible and effective polices to prevent the registrations of personal names in bad faith, as well as provide accessible procedures for dispute resolution.

However, I wish to inform my colleagues that it is my intent to revisit this subject in the new year by introducing my own legislation on this topic. This legislation will not create a national right of publicity, but specifically address the problem at hand. It is my hope that my colleagues will join me in the important task of resolving the second and final part of the cyberpiracy problem. I am confident that we can enact such legislation that balances the interests of all concerned, including those of civil libertarians who raise legitimate First Amendment issues, the copyright bar, the e-commerce community, as well as the average citizens whose names are now literally on the line.

Mr. COBLE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. Coble) that the House suspend the rules and pass the bill, H.R. 3028, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. COBLE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the Senate bill (S. 1255) to protect consumers and promote electronic commerce by amending certain trademark infringement, dilution, and counterfeiting laws, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES.

(a) Short Title.—This Act may be cited as the "Anticybersquatting Consumer Protection Act.".

(b) References to the Trademark Act of 1946.—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled "An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946 (15 U.S.C. 1051 et seq.).

SEC. 2. FINDINGS.

Congress finds the following:

(1) The registration, trafficking in, or use of a domain name that is identical or confusingly similar to a trademark or service mark of another that is distinctive at the time of the registration of the domain name, or dilutive of a famous trademark or service mark of another that is famous at the time of the registration of the domain name, without regard to the goods or services of the parties, with the bad-faith intent to profit from the goodwill of another's mark (commonly referred to as "cyberpiracy" and "cybersquatting")—

(A) results in consumer fraud and public confusion as to the true source or sponsorship of goods and services;

(B) impairs electronic commerce, which is important to interstate commerce and the United States economy;

(C) deprives legitimate trademark owners of substantial revenues and consumer goodwill; and

(D) places unreasonable, intolerable, and overwhelming burdens on trademark owners in protecting their valuable trademarks.

(2) Amendments to the Trademark Act of 1946 would clarify the rights of a trademark owner to provide for adequate remedies and to deter cyberpiracy and cybersquatting.

SEC. 3. CYBERPIRACY PREVENTION.

(a) In General.—Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended by inserting at the end the following:

"(d)(1)(A) A person shall be liable in a civil action by the owner of a trademark or service mark if, without regard to the goods or services of the parties, that person—

"(i) has a bad faith intent to profit from that trademark or service mark; and

"(ii) registers, traffics in, or uses a domain name that—

"(I) in the case of a trademark or service mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to such mark; or

"(II) in the case of a famous trademark or service mark that is famous at the time of registration of the domain name, is dilutive of such mark.

"(B) In determining whether there is a bad-faith intent described under subparagraph (A), a court may consider factors such as, but not limited to—

"(i) the trademark or other intellectual property rights of the person, if any, in the domain name;

"(ii) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;

"(iii) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;

"(iv) the person's legitimate noncommercial or fair use of the mark in a site accessible under the domain name;

"(v) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;

"(vi) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for substantial consideration without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services;

"(vii) the person's intentional provision of material and misleading false contact information when applying for the registration of the domain name; and

"(viii) the person's registration or acquisition of multiple domain names which are identical or confusingly similar to trademarks or service marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous trademarks or service marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of such persons.

"(C) In any civil action involving the registration, trafficking, or use of a domain name under this paragraph, a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.

"(D) A use of a domain name described under subparagraph (A) shall be limited to a use of the domain name by the domain name registrant or the domain name registrant's authorized licensee.

"(2)(A) The owner of a mark may file an in rem civil action against a domain name if—

"(i) the domain name violates any right of the registrant of a mark registered in the Patent and Trademark Office, or section 43 (a) or (c); and

"(ii) the court finds that the owner has demonstrated due diligence and was not able to find a person who would have been a defendant in a civil action under paragraph (1).

"(B) The remedies of an in rem action under this paragraph shall be limited to a court order for the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.".

(b) Additional Civil Action and Remedy.—The civil action established under section 43(d)(1) of the Trademark Act of 1946 (as added by this section) and any remedy available under such action shall be in addition to any other civil action or remedy otherwise applicable.

SEC. 4. DAMAGES AND REMEDIES.

(a) Remedies In Cases of Domain Name Piracy.—

(1) Injunctions.—Section 34(a) of the Trademark Act of 1946 (15 U.S.C. 1116(a)) is amended in the first sentence by striking "section 43(a)" and inserting "section 43 (a), (c), or (d)".

(2) Damages.—Section 35(a) of the Trademark Act of 1946 (15 U.S.C. 1117(a)) is amended in the first sentence by inserting ", (c), or (d)" after "section 43 (a)".

(b) Statutory Damages.—Section 35 of the Trademark Act of 1946 (15 U.S.C. 1117) is amended by adding at the end the following:

"(d) In a case involving a violation of section 43(d)(1), the plaintiff may elect, at any time before final judgment is rendered by the trial court, to recover, instead of actual damages and profits, an award of statutory damages in the amount of not less than $1,000 and not more than $100,000 per domain name, as the court considers just. The court shall remit statutory damages in any case in which an infringer believed and had reasonable grounds to believe that use of the domain name by the infringer was a fair or otherwise lawful use.".

SEC. 5. LIMITATION ON LIABILITY.

Section 32(2) of the Trademark Act of 1946 (15 U.S.C. 1114) is amended—

(1) in the matter preceding subparagraph (A) by striking "under section 43(a)" and inserting "under section 43 (a) or (d)"; and

(2) by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

"(D)(i) A domain name registrar, a domain name registry, or other domain name registration authority that takes any action described under clause (ii) affecting a domain name shall not be liable for monetary relief to any person for such action, regardless of whether the domain name is finally determined to infringe or dilute the mark.

"(ii) An action referred to under clause (i) is any action of refusing to register, removing from registration, transferring, temporarily disabling, or permanently canceling a domain name—

"(I) in compliance with a court order under section 43(d); or

"(II) in the implementation of a reasonable policy by such registrar, registry, or authority prohibiting the registration of a domain name that is identical to, confusingly similar to, or dilutive of another's mark registered on the Principal Register of the United States Patent and Trademark Office.

"(iii) A domain name registrar, a domain name registry, or other domain name registration authority shall not be liable for damages under this section for the registration or maintenance of a domain name for another absent a showing of bad faith intent to profit from such registration or maintenance of the domain name.

"(iv) If a registrar, registry, or other registration authority takes an action described under clause (ii) based on a knowing and material misrepresentation by any person that a domain name is identical to, confusingly similar to, or dilutive of a mark registered on the Principal Register of the United States Patent and Trademark Office, such person shall be liable for any damages, including costs and attorney's fees, incurred by the domain name registrant as a result of such action. The court may also grant injunctive relief to the domain name registrant, including the reactivation of the domain name or the transfer of the domain name to the domain name registrant.

"(v) A domain name registrant whose domain name has been suspended, disabled, or transferred under a policy described under clause (ii)(II) may, upon notice to the mark owner, file a civil action to establish that the registration or use of the domain name by such registrant is not unlawful under this Act. The court may grant injunctive relief to the domain name registrant, including the reactivation of the domain name or transfer of the domain name to the domain name registrant.".

SEC. 6. DEFINITIONS.

Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by inserting after the undesignated paragraph defining the term "counterfeit" the following:

"The term 'Internet' has the meaning given that term in section 230(f)(1) of the Communications Act of 1934 (47 U.S.C. 230(f)(1)).

"The term 'domain name' means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.".

SEC. 7. SAVINGS CLAUSE.

Nothing in this Act shall affect any defense available to a defendant under the Trademark Act of 1946 (including any defense under section 43(c)(4) of such Act or relating to fair use) or a person's right of free speech or expression under the first amendment of the United States Constitution.

SEC. 8. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstances is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 9. EFFECTIVE DATE.

This Act shall apply to all domain names registered before, on, or after the date of enactment of this Act, except that statutory damages under section 35(d) of the Trademark Act of 1946 (15 U.S.C. 1117), as added by section 4 of this Act, shall not be available with respect to the registration, trafficking, or use of a domain name that occurs before the date of enactment of this Act.

MOTION OFFERED BY MR. COBLE

Mr. COBLE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. COBLE moves to strike all after the enacting clause of the Senate bill, S. 1255, and to insert in lieu thereof the text of H.R. 3028 as it passed the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. 3028) was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

H. Con. Res. 190, by the yeas and nays;

H. Con. Res. 208, by the yeas and nays;

H. Con. Res. 102, by the yeas and nays;

H. Con. Res. 188, by the yeas and nays; and

Concurring in Senate amendments to H.R. 1175, by yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

URGING UNITED STATES TO SEEK GLOBAL CONSENSUS SUPPORTING MORATORIUM ON TARIFFS AND SPECIAL, MULTIPLE, AND DISCRIMINATORY TAXATION OF ELECTRONIC COMMERCE

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 190, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. CRANE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 190, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 423, nays 1, not voting 9, as follows:

[Roll No. 537]

YEAS—423

Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle

Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Abercrombie

NOT VOTING—9

Granger
Hinojosa
Jackson-Lee (TX)
Latham
Mascara
McNulty
Menendez
Rush
Scarborough

☐ 1636

Mr. DICKEY changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GIBBONS). Pursuant to the provisions of clause 8 of rule XX, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motions to suspend the rules on which the Chair has postponed further proceedings.

SENSE OF CONGRESS THERE BE NO INCREASE IN FEDERAL TAXES TO FUND ADDITIONAL GOVERNMENT SPENDING

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 208.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. HAYWORTH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 208, on which the yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 371, nays 48, answered "present" 3, not voting 11, as follows:

[Roll No. 538]

YEAS—371

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hobson
Hoeffel
Hoekstra
Holden
Holt
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Jones (OH)
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moore
Moran (KS)
Morella
Myrick
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NAYS—48

Berman
Borski
Brady (PA)
Coyne
Davis (IL)
DeFazio
Delahunt
Dicks
Dixon
Fattah
Frank (MA)
Hastings (FL)
Hinchey
Hooley
Jackson (IL)
Kanjorski
Klink
Lee
Lofgren
Markey
McDermott
McGovern
Meehan
Meek (FL)
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Olver
Payne
Pelosi
Rahall
Sabo
Sanders
Schakowsky
Scott
Serrano
Stark
Tierney
Vento
Waters
Watt (NC)
Waxman
Weiner
Wynn

ANSWERED "PRESENT"—3

Capuano
Johnson, E.B.
Owens

NOT VOTING—11

Ganske
Granger
Hinojosa
Jackson-Lee (TX)
Latham
Mascara
McNulty
Menendez
Obey
Rush
Scarborough

☐ 1647

Messrs. BERMAN, DELAHUNT, DEFAZIO, Ms. PELOSI, Mr. MARKEY and Mr. SERRANO changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HOEFFEL. Mr. Speaker, on rollcall No. 538, had I been present, I would have voted "yes."

CELEBRATING 50TH ANNIVERSARY OF GENEVA CONVENTIONS

The SPEAKER pro tempore (Mr. GIBBONS). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 102.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 102, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 423, nays 0, not voting 10, as follows:

[Roll No. 539]

YEAS—423

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Granger
Hinojosa
Jackson-Lee (TX)
Latham
Mascara
McNulty
Menendez
Obey
Rush
Scarborough

□ 1656

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMENDING GREECE AND TURKEY FOR PROVIDING EACH OTHER HUMANITARIAN ASSISTANCE AND RESCUE RELIEF AFTER RECENT EARTHQUAKES

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 188.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 188, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 424, nays 0, not voting 9, as follows:

[Roll No. 540]

YEAS—424

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich

Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—9

Granger
Hinojosa
Jackson-Lee (TX)
Latham
Mascara
McNulty
Menendez
Rush
Scarborough

☐ 1705

So (two-thirds having voted in favor thereof) the rules were suspended, and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING AN INVESTIGATION INTO THE DISAPPEARANCE OF ZACHARY BAUMEL

The SPEAKER pro tempore (Mr. GIBBONS). The pending business is on the question of suspending the rules and concurring in the Senate amendments to H.R. 1175.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CAMPBELL) that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 1175, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 421, nays 0, not voting 12, as follows:

[Roll No. 541]

YEAS—421

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden

Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—12

Granger
Hinojosa
Houghton
Jackson-Lee (TX)
Latham
Mascara
McNulty
Menendez
Pickett
Rush
Scarborough
Spence

☐ 1716

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106–148)

The SPEAKER pro tempore (Mr. TANCREDO) laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 2670, the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000."

This legislation should embody the continuing commitment of this Administration on a broad range of fundamental principles. First and foremost amongst these tenets is the notion that the United States of America should be the safest country in the world. Our families must feel secure in their neighborhoods. Since 1993, the progress realized toward that end has been impressive and must not be impeded.

Moreover, America must continue to lead the community of nations toward a safer, more prosperous and democratic world. This guidepost has for generations advanced the cause of peace and freedom internationally, and an erosion of this policy is untenable and unacceptable at this critical moment in history.

This great Nation serves as example to the world of a just and humane society. We must continue to lead by our example and maintain a system that vigorously protects and rigorously respects the civil rights of individuals, the dignity of every citizen, and the basic justice and fairness afforded to every American.

Unfortunately, this bill fails to uphold these principles.

Specifically, and most notably, the bill fails to adequately fund the proposed 21st Century Policing Initiative, which builds on the success of the Community Oriented Policing Services (COPS) program. I requested $1.275 billion in new appropriations, and this bill provides only $325 million. To date, the COPS program has funded more than 100,000 additional police officers for our streets. The 21st Century Policing initiative would place an additional 30,000 to 50,000 police officers on the street over the next 5 years and would expand the concept of community policing to include community prosecution, law enforcement technology assistance, and crime prevention. Funding the COPS program required a bipartisan commitment, and it paid off; recently released statistics show that we have the lowest murder rate in 31 years and the longest continuous decline in crime on record. I strongly believe we must forge a similar commitment to support the COPS program's logical successor.

The bill would also threaten America's ability to lead in the world by failing to meet our obligation to pay our dues and our debts to the United Nations. This is a problem I have been working with the Congress to resolve for several years, but this bill fails to provide a solution.

Though the bill does include adequate funds to support our annual contribution to the United Nations regular budget, it conditions the funding on separate authorizing legislation, continuing an unacceptable linkage to an unrelated issue. For this reason, because of additional provisions, and because the bill is inconsistent with provisions agreed to by the authorizing committees, the bill would still cause the United States to lose its vote in the United Nations. It would undercut efforts that matter to America in which the U.N. plays an important role, from our fight against terrorism and proliferation, to our efforts to promote human rights, the well-being of children, and the health of our environment. It would undermine our ability to shape the U.N.'s agenda in all these areas and to press for reforms that will make its work more effective. All this is unacceptable. Great nations meet their responsibilities, and I am determined that we will meet ours.

In addition, the bill includes only $200 million for International Peacekeeping Activities, a reduction of almost 60 percent from my request. The requested level of $485 million is necessary to meet anticipated peacekeeping requirements in East Timor, Sierra Leone, the Democratic Republic of the Congo, Ethiopia, and Eritrea. In each of these places, the United States has worked with allies and friends to end conflicts that have claimed countless innocent lives and thrown whole regions into turmoil. In each case, the U.N. either has been or may be asked to help implement fragile peace agreements, by performing essential tasks such as separating adversaries, maintaining cease-fires, enabling refugees to go home, training police forces, and overseeing civilian institutions. In each case, as in all U.N. peacekeeping missions, other countries will pay 75 percent of the cost and provide virtually all the military personnel.

It is clearly in America's national interest to support an institution through which other countries share the burden of making peace. Refusing to do our part would be dangerous and self-defeating. It could undermine fragile peace agreements that America helped forge, and spark new emergencies to which we could only respond later at far greater cost. It would leave America with an unacceptable choice in times of conflict and crisis abroad: a choice between acting alone and doing nothing.

The bill includes a number of provisions regarding the conduct of foreign affairs that raise serious constitutional concerns. Provisions concerning Jerusalem are objectionable on constitutional, foreign policy, and operational grounds. The actions called for by these provisions would prejudice the outcome of the Israeli-Palestinian permanent status negotiations, which have recently begun and which the parties are committed to concluding within a year. The bill also includes a provision that could be read to prevent the United States from engaging in diplomatic efforts regarding the Kyoto protocol. Applying restrictions to the President's authority to engage in international negotiations and activities raises serious constitutional concerns. Other provisions that should be deleted from the bill because they would unconstitutionally constrain the President's authority include provisions on Haiti, Vietnam, and command and control of United Nations Peacekeeping efforts. My Administration's objections to these and other language provisions have been made clear in previous statements of Administration policy regarding this bill.

This bill does not contain a needed hate crimes provision that was included in the Senate version of the bill. I urge the Congress to pass legislation in a timely manner that would strengthen the Federal Government's ability to combat hate crimes by relaxing jurisdictional obstacles and by giving Federal prosecutors the ability to prosecute hate crimes that are based on sexual orientation, gender, or disability, along with those based on race, color, religion, and national origin.

The bill freezes the funding level for the Legal Services Corporation. Adequate funding for legal services is essential to ensuring that all citizens have access to the Nation's justice system. I urge the Congress to fully fund my request, which provides an increase of $40 million over the FY 1999 enacted level. Also, funding for the Equal Employment Opportunity Commission

(EEOC) is frozen at the enacted level. This level would undermine EEOC's progress in reducing the backlog of employment discrimination cases.

Similarly, inadequate funding is provided for the United States Commission on Civil Rights and the Civil Rights Division of the Department of Justice. The bill does not fund my requested $13 million increase for the Civil Rights Division, including increases for law enforcement actions related to hate crimes, the Americans with Disabilities Act, and fair housing and lending. I ask the Congress to restore requested funds for these law enforcement enhancements.

The bill contains adequate funding for the decennial census, but I oppose language that could inhibit the Census Bureau's ability to actually conduct the census. The bill would require the Census Bureau to obtain approval from certain committees if it chooses to shift funds among eight functions or frameworks. This approval process would impose an unnecessary and potentially time-consuming constraint on the management of the decennial census. It is imperative that we move forward on the census; this legislation could impede it.

The United States has recently entered into the U.S.-Canada Pacific Salmon Agreement. The agreement ends years of contention between the U.S. and Canada regarding expired fishing harvest restrictions and provides for improved fisheries management. This bill includes extraneous legislative riders that would hinder the implementation of that important Agreement. These riders would prohibit the application of the Endangered Species Act to Alaskan salmon fisheries and would change the voting structure of the Pacific Salmon Commission, the decision-making body established by the Agreement. In essence, the voting structure rider would prevent the Federal Government from negotiating agreements that balance the interests of all States. In addition to the riders, the bill provides only $10 million of the $60 million requested to implement the Salmon Agreement. Similarly, funding for the Salmon Recovery Fund falls far short of that needed to work cooperatively with the States of Washington, Oregon, California, and Alaska and with Treaty Tribes to help them mount effective State-based plans to restore Pacific coastal salmon runs. These shortfalls together would severely inhibit our ability to recover this important species.

In addition, the enrolled bill does not provide my request for a number of other environmental programs, including my Lands Legacy Initiative, Endangered Species Act activities, the Clean Water action Plan, and the Global Learning and Observations to Benefit the Environment program. The additional funds required to bring these programs to my requested levels are small compared to the benefits they provide to our natural resources.

The bill does not include $100 million in new funding for the Drug Intervention Program, which would have provided critical assistance to State and local governments developing and implementing comprehensive systems for drug testing, drug treatment, and graduated sanctions for drug offenders. These resources are critical to reducing drug use in America.

The bill does not provide additional requested funding to the Justice Department for tobacco litigation. Smoking-related health expenses cost taxpayers billions of dollars each year through Medicare, veterans' and military health, and other Federal health programs. The Department of Justice needs the $20 million I requested to represent the interests of the taxpayers, who should not have to bear the responsibility for these staggering costs.

This bill would also hurt our Nation's small businesses. The level provided for the Small Business Administration's (SBA's) operating expenses would inhibit my Administration's ability to provide service to the Nation's 24 million small businesses. The bill also fails to provide sufficient funds for the Disaster Loan program within the SBA. Without additional funding, the SBA will not be able to respond adequately to the needs arising from Hurricane Floyd and other natural disasters. In addition, the bill does not include funds for my New Markets Initiative to invest in targeted rural and urban areas.

The bill fails to include a proposed provision to clarify current law and protect taxpayer interests in the telecommunications spectrum auction process. Currently, $5.6 billion of bid-for-spectrum is tied up in bankruptcy court, with a very real risk that spectrum licensees will be able to retain spectrum at a fraction of its real market value. The requested provision would maintain the integrity of the Federal Communications Commission (FCC) auction process while also ensuring speedy deployment of new telecommunications services. The bill would also deny funds needed by the FCC for investments in technology to better serve the communications industry. Also, the bill does not provide sufficient funds for the continued operations of the FCC. The Commission requires additional funds to invest in technology to serve the communications industry more effectively.

In conference action, the rider was added that would amend the recently-enacted Treasury and General Government Appropriations Act to expand the prohibition of discrimination against individuals who refuse to "prescribe" contraceptives to individuals who "otherwise provide for" contraceptives (all nonphysician providers) in the Federal Employees Health Benefits Program. As an example, this language could allow pharmacists to refuse to dispense contraceptive prescriptions. This action violated jurisdictional concerns and is also unacceptable policy.

The bill underfunds a number of high-priority programs within the Department of Commerce. My Administration sought an additional $9 million to help public broadcasters meet the Federal deadline to establish digital broadcasting capability by May 1, 2003. The bill would provide less than half of last year's funding level for the Critical Infrastructure Assurance Office. The bill also fails to fund the Department's other programs to protect critical information and communications infrastructures. The Congress must restore these funds if the Department is to continue performing its important and emerging role in coordinating activities that support our economic and national security.

The bill does not include any funds to reimburse Guam and other territories for the costs of detaining and repatriating smuggled Chinese aliens. These entities deserve our support for assisting in this interdiction effort.

I look forward to working with the Congress to craft an appropriations bill that I can support, and to passage of one that will facilitate our shared objectives.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 25, 1999*.

□ 1730

The SPEAKER pro tempore (Mr. TANCREDO). The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that the message, together with the accompanying bill, be referred to the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1475

Mr. TOWNS. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor from H.R. 1475.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMUNICATION FROM THE HONORABLE RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from the Honorable RICHARD A. GEPHARDT, Democratic Leader:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, October 26, 1999.
Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 1404 of Public Law 99-661 (20 U.S.C. 4703), I hereby appoint the following individual to the Barry Goldwater Scholarship and Excellence in Education Foundation: Mr. Owen B. Pickett, Virginia.

Yours Very Truly,
RICHARD A. GEPHARDT.

STRENGTHEN SOCIAL SECURITY AND MEDICARE ACT OF 1999—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106–149)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means, the Committee on Rules, and the Committee on the Budget, and ordered to be printed:

To the Congress of the United States:

I transmit herewith for your immediate consideration a legislative proposal entitled the "Strengthen Social Security and Medicare Act of 1999."

The Social Security system is one of the cornerstones of American national policy and together with the additional protections afforded by the Medicare system, has helped provide retirement security for millions of Americans over the last 60 years. However, the long-term solvency of the Social Security and Medicare trust funds is not guaranteed. The Social Security trust fund is currently expected to become insolvent starting in 2034 as the number of retired workers doubles. The Medicare system also faces significant financial shortfalls, with the Hospital Insurance Trust Fund projected to become exhausted in 2015. We need to take additional steps to strengthen Social Security and Medicare for future generations of Americans.

In addition to preserving Social Security and Medicare, the Congress and the President have a responsibility to future generations to reduce the debt held by the public. Paying down the debt will produce substantial interest savings, and this legislation proposes to devote these entirely to Social Security after 2010. At the same time, by contributing to the growth of the overall economy debt reduction will improve the Government's ability to fulfill its responsibilities and to face future challenges, including preserving and strengthening Social Security and Medicare.

The enclosed bill would help achieve these goals by devoting the entire Social Security surpluses to debt reduction, extending the solvency of Social Security to 2050, protecting Social Security and Medicare funds in the budget process, reserving one-third of the non-Social Security surplus to strengthen and modernize Medicare, and paying down the debt by 2015. It is clear and straightforward legislation that would strengthen and preserve Social Security and Medicare for our children and grandchildren. The bill would:

—Extend the life of Social Security from 2034 to 2050 by reinvesting the interest savings from the debt reduction resulting from Social Security surpluses.

—Establish a Medicare surplus reserve equal to one-third of any on-budget surplus for the total of the period of fiscal years 2000 through 2009 to strengthen and modernize Medicare.

—Add a further protection for Social Security and Medicare by extending the budget enforcement rules that have provided the foundation for our fiscal discipline, including the discretionary caps and pay-as-you-go budget rules.

I urge the prompt and favorable consideration of this proposal.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 26, 1999.*

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CONGRESS IS TRYING TO STOP THE RAID ON SOCIAL SECURITY FOR THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kentucky (Mrs. NORTHUP) is recognized for 5 minutes.

Mrs. NORTHUP. Mr. Speaker, this Congress is committed to restoring the faith and opportunity into our government system.

For years, Congress after Congress has dipped into the social security trust fund to pay for new programs with little accountability of how funds were to be used and an empty promise to pay it back. The Congresses of yesteryear broke trust with the American people, and now all generations are suffering.

Mr. Speaker, it is enshrined forever in the three opening words of the living document that we swear our allegiance to, our Constitution. Our Founders had the great and good sense to use the words "We, the people." The people is why Congress is fighting so hard to stop the raid on social security.

It is not about which party is in control, who kept their promises, and who broke theirs. It is about having a social security system for the people when they need it, our parents and grandparents who need it now and in the future. It is about maintaining the system so that our children may be protected, and it is about the price our children must pay to get the same benefits as their descendents did. It is about drawing the line on new Federal spending now, so that our children do not have to continue to fund this never-ending stream of new programs being requested by this administration.

Mr. Speaker, this Congress is very much about the people. We are listening to the conversations around dinner tables, in bingo halls, and in the grocery store parking lots. This is why this House has restored the faith by having every penny in the social security surplus to provide the retirement system for working Americans. It is the common sense of the American people which tells us to stop the raid on social security.

This Congress is using common sense, and will continue the commitment to social security and the people of this Nation. Our only hope is that this administration will stop calling for more spending and make this commitment, as well. We, the people, will prevail again.

ON THE PASSING OF JAMES ALEXANDER FORBES, SENIOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. TOWNS) is recognized for 5 minutes.

Mr. TOWNS. Mr. Speaker, I rise today to talk about a man that really has made a difference in this Nation, James Alexander Forbes, Senior, a minister who passed away just recently. The funeral was yesterday.

He had eight children. Of course, he educated all of his eight children. They received at least a masters's degree, and four of the eight children have doctor's degrees. He did this at the same time he was in school himself. He went to school with his three children that were in college, and he was in college right along with them. Of course, it shows us his commitment to education. He was not able to start out early in life, so therefore he felt it was important to get an education and to encourage his children, as well. He was a man who truly pulled himself up by his bootstraps.

When we look at his family in terms of what the children were able to accomplish, we look at the pastor of Riverside Church, Dr. James Alexander Forbes, Junior, one of the children, of course, and then we have David Forbes, who is one of the outstanding ministers in the State of North Carolina, and then, of course, we have another daughter that is a lawyer here and working in HUD, and then we have several that are in education, and another son that is a psychiatrist practicing in Richmond, Virginia, it goes to show us in terms of the fact that if we are committed, the kind of things we can do.

The Forbes family has demonstrated that in a very eloquent fashion.

I also think about how he touched lives. When we talk to people who walk the street, they will tell us how Dr. James Alexander Forbes, Senior, was able to motivate people. Young people would just sort of come and spend time with him, because he had so much to offer.

I am certain that in his homegoing, that many people wanted to say things and wanted to be part of the ceremony, but were not able to be part of that ceremony because of the fact that he was such a special person.

I remember from my early years, in terms of dealing with him, how he always wanted you to have all the facts, wanted you to have all the information. If you decided to talk to him, if you were not prepared, he would tell you to go away and come back after you have collected all the data.

So I would say to the family and to all the friends of Dr. James Alexander Forbes, Senior, here is a man who has really made a difference in the lives of people. As much as he is gone now, think of the fact that he has touched so many lives, and the people that he has touched. I am certain that he will continue to live through those people that he trained, through those people that he was able to help, through those people that he counseled. I think that will make a difference in terms of their lives as well.

In closing, let me just say to the family that, sure, they are going to miss their dad, their granddad, their uncle, and of course, brother, all of that, and friend. But I think we need to just, at this moment in time, think about the contributions that he has made. I am certain that the angels in heaven are probably being told by God today, step aside, angels, let me handle Reverend Forbes myself, because that is the kind of life that he lived. I think that he would say to the angels, you are not prepared to handle this right now.

TRIBUTE TO DAN GABLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. LEACH) is recognized for 5 minutes.

Mr. LEACH. Mr. Speaker, I rise today to invite my colleagues' attention to the career of Dan Gable, an Iowan who has made a unique contribution to amateur wrestling, and in the process, become a hero and role model for athletes in the United States and around the world.

Based on his personal record and that of his team's, Dan Gable may well be the greatest competitor and greatest coach in the history of sports. After winning a series of State championships for Waterloo West High School in Waterloo, Iowa, Dan attended Iowa State University, where he won two national collegiate championships.

Subsequently he won the prestigious Tblisi Tournament in Russia, captured championships in the Pan American games, and the world wrestling tournament. In the 1972 Olympic games, Dan not only won a Gold Medal, but in the six matches he had to win to do so, he did not give up a single point. It was the first time an American had ever gone through an entire Olympics unscored upon.

Dan concluded his career as a wrestler with an overall record of 307 wins and 7 losses, with no new worlds to conquer. He turned to coaching, beginning at the University of Iowa as an assistant, and soon taking over as head coach.

As head coach of the Iowa Hawkeyes, his teams won 15 NCAA team championships in 21 years, including nine straight between 1978 to 1986, and three in a row on two subsequent sessions.

In listing Iowa University wrestling alongside the New York Yankees and the Green Bay Packers as one of the greatest sports dynasties in the 20th century, Sports Illustrated said, in part:

> As terrifying as Dan Gable was to opposing wrestlers when he won the Olympic Gold Medal in 1972, he was just as discomfiting matside as he seemed to will his Hawkeyes to total dominance.

In the final analysis, Dan Gable's influence cannot be measured simply in wins and losses. By precept and example, he has both taught and embodied the values wrestling preeminently imparts: equality of opportunity, discipline, and respect for self and opponent.

There is no more egalitarian circle than a wrestling mat. While all sports involve God-given athleticism, wrestling eliminates the advantages of size and rewards hard work and conditioning. The talented, unschooled athlete simply cannot prevail over the dedicated plugger.

Wrestling teaches a healthy respect for the role of limits in life. All experienced wrestlers know the structure of all the moves. Unlike the professional entertainment that is its namesake, amateur wrestling is devoid of tricks. Yet, within the context of a limited number of moves, each wrestler develops his own style which best reflects his nature, physique, and ability.

Just as the successful wrestler must know his limits, he must understand his opponent, modifying his moves to adjust to his opponent's strengths and weaknesses. Wrestlers learn to live within limits imposed by the exacting discipline of the sport, a sport that is uniquely individualist, yet fosters team comraderie.

Wrestling teaches that, as in life, nothing serious can be accomplished without a work ethic. Above anything else, Dan Gable exemplifies the work ethic. In his career as a wrestler and coach, he stands as the apotheosis of American competitive values.

On Sunday, November 14, the cable television channel HBO Signature will air a documentary on the career of Dan Gable entitled "Freestyle: The victories of Dan Gable."

□ 1745

It will introduce millions to this exemplary American athlete. I highly recommend young people in particular to watch this program with the understanding that excellence is a worthy goal, but it does not come easily.

A.C. GREEN IS A TRUE ROLE MODEL FOR OUR CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, one night last week, I watched Hannity & Colmes on the Fox News Channel. The show featured two professional athletes and a discussion on whether sports figures should be role models.

The men and women our children look to for guidance is an issue I have taken a great deal of interest in, especially in the last few years. In fact, I have come to the House floor a number of times to discuss the lack of morality within our society and its potential impact on our Nation's future.

Too many times the leaders and public figures our children look to for guidance fall short in their responsibility. Thank goodness for men and women at the local level who work to teach our youth the value that they need to succeed in life. They are the parents, the little league coaches, Boy Scout and Girl Scout leaders, and volunteers across this country. These individuals work directly with our children to encourage character and integrity in their lives and the lives of our children.

As Oliver Wendell Holmes once said, "The noblest services come from the nameless hands, and the best servant does his work unseen."

Mr. Speaker, I agree with this statement. In fact, I wish that more of our children could see their parents and community leaders as the heroes they truly are. Too often the athletes and actors our children look up to fail our children. They may have money or fame, but their own behavior often lacks the sense of responsibility our children must see in order to succeed in life.

Thank goodness there are exceptions. As I watch Hannity & Colmes, I was most impressed to see one fine athlete who takes his position as a role model very seriously. In fact, he uses his success and popularity to help children gain the skills they need to succeed.

A.C. Green is a forward with the Los Angeles Lakers. He began his professional basketball career in 1985 after graduating from college. He has a record-setting career, playing for such teams as the Phoenix Suns, the Dallas Mavericks, and the L.A. Lakers, that has earned him recognition among sports fans and respect among his colleagues.

While A.C. Green is best known for his talents on the court, it is his dedication to our Nation's children that makes him a role model we can all respect.

In 1989, A.C. Green created a youth foundation in his name to help our children realize their potential and work to achieve their goals. In fact, the foundation's mission statement reads, "Our goal is to serve both the youth and the communities in which they live by providing information about sexual abstinence and social issues that concern our young people and educating them to make responsible choices to prepare them for their future."

The A.C. Green Youth Foundation believes that young people must develop morally, ethically, educationally, physically, and mentally to fulfill their dreams and goals in life.

Mr. Speaker, as part of his program for youth, A.C. Green created a leadership camp that over 100 boys and girls take part in each year. The summer basketball camp focuses on academics, career discovery, and offers self-esteem counseling. It reaches out to those children who have been abused or maybe economically disadvantaged and encourages leadership and teamwork. Perhaps most important, A.C. Green takes the time to personally supervise the camp and interact with the children.

In addition, his foundation has also created abstinence curriculum for today's youth called "I've Got the Power." The program teaches students to recognize their self worth, realize boundaries, and learn to make responsible decisions. These are the values we must work to encourage in the lives of our children.

Mr. Speaker, A.C. Green's commitment to his community is deserving of our recognition. As a basketball player and as a community servant, A.C. Green is a true role model.

Having found success at a young age, he is now working to help those less fortunate realize their own dreams and work to their fullest potential. His efforts and those like his should be honored and encouraged.

Mr. Speaker, I want to thank A.C. Green and every one of our Nation's role models who make a difference in the lives of our Nation's children, for the children are America's future.

I thank A.C. Green for helping to ensure a strong America tomorrow and in the future.

BAN TOY GUNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. NADLER) is recognized for 5 minutes.

Mr. NADLER. Mr. Speaker, as I think a majority of the members of this House know, it is imperative for the safety of the citizens of this country and for the security of our children that we do something to crack down on the trafficking of guns.

To discuss this further, I yield to the gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Mr. Speaker, I thank the gentleman from New York for yielding to me.

Mr. Speaker, let me point out that the gun that I have in my hand is a toy gun. It looks like a real gun, but it is a toy gun. This is the thing that I am hoping we will be able to come to grips with, that we need to ban toy guns. Too many of these guns look like real guns. Not only that, we have young people in this country who are being killed because of toy guns.

In my own district, I have had youngsters killed because they had a toy gun in their hand, and the police officer did not know it was a toy and ended up shooting the person, and the person ended up dying.

Not only that, we have people that are wounded and end up in the hospital and have hospital costs as a result of toy guns.

Then someone said, well, put a red sticker on them, and then that way the person will know that it is a toy. Well, two things are happening with that. The criminals are now putting red around the front of their guns, and then the other thing is that one can take and pull this right off in no time flat. Then it looks like a real gun again. So we need to sort of make a decision to do something about toy guns.

I have a display here. All these guns here look like real guns. We brought it into the airport, and all the people in the airport started ducking because they thought they were real. So if we have young people getting killed with these toys as a result of having these toy guns, it seems to me we should do something.

Let me just give my colleagues some statistics that might be alarming to them, that every day in the United States of America, we lose a classroom full of children from guns. A classroom full of children die every day in the United States of America because of guns.

Then we have toy guns, which I think that only wets a child's appetite to go get a real gun, and so, therefore, why should we not ban them? Because if it wets their appetite to go get a real gun, then I think that we need to do something.

But the other part, which I do find this extremely alarming, that we have the criminals now robbing with toy guns. In New York, we have the Sullivan law. Of course, if they rob with a toy gun, then they are not violating the Sullivan law, so, therefore, the charges are less. But the point is that the crime still took place.

Nobody is going to interview one to find out whether the gun is real or not. When one sticks it into a teller's face, the teller is going to give up the money. That is the problem, because they look like they are real.

So I think the time has come when we must do something about it. I have been working on this in my own district. I had what we call a toy gun turn-in, that one turns in one's toy gun, and I would give one an educational toy. Let me tell my colleagues that children were coming and bringing these toy guns and getting these educational toys, which points out that once we begin to remind them, remind the parents and the grandparents about the danger of these toy guns, then people will get the message.

So I am hoping that the Congress will go along with the bill that I have put forth and hope that I will be able to get the kind of support, to be able to get a hearing, and to be able to do the kind of things that need to be done to be able to protect our children.

I think that, in a civilized country, to allow this kind of thing to happen and not to address the issue, to me, just is very alarming. So I am hoping that we will be able to save the lives of our children by making certain that these kind of guns are banned.

I think that anybody could understand, in terms of police officers, a police officer is not going to interview a child. If a child is standing there with a gun like this in his hand or her hand, the police officer is not going to ask, is that gun real or is that gun a toy? The police officer is not going to do any interviewing. The police officer is going to shoot; and then after that, then we have got a problem.

So I think that the time has come when we, as a Nation, should begin to address this issue and address it in a very serious fashion. I think that the best way to address it is to say that toy guns have no place in our society. We should move to eliminate them and to eliminate them now.

So I ask my colleagues to join me in the gun turn-in, the toy gun turn-in, so that our children will be much safer in this Nation.

TRIBUTE TO PAYNE STEWART

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MCCOLLUM) is recognized for 5 minutes.

Mr. MCCOLLUM. Mr. Speaker, yesterday our Nation and world lost a great golfer in Payne Stewart. He died in a very tragic accident that most of the Nation followed in a plane crash that occurred many miles away from his home in Florida.

He was a great golfer for many reasons, obviously 20 years in the professionals, 3 majors wins, 8 PGA tours, and 7 victories worldwide. Who could forget that famous 15-foot birdie putt in the U.S. Open this year and give him the great victory that he had just a few months ago at Pinehurst, a victory that came as the longest putt in the tournament in the history of the country in the U.S. Open.

But Payne Stewart was much more than a great golfer. He was a very, very deeply religious man. He held great convictions. He was a humanitarian. He was a father and a husband, a dedicated father and husband.

Orlando became his home in 1983 in my congressional district. I can tell my colleagues that the people of central Florida benefited greatly from Payne Stewart's generosity and his warmth and compassion for other people.

Perhaps his most well-known charitable contribution came back in 1987 when he donated $108,000, his winnings from the Bay Hill Classic tournament to Florida Hospital. Those funds went to the Florida Hospital Circle of Care home in Altamonte Springs for the out-of-town parents of cancer patients.

But he sponsored many other charitable events and, as recently as this year, just a few days ago, gave a $500,000 bequest to the First Baptist Church in Orlando, to their foundation.

I know that many Floridians will miss him deeply. Many in central Florida will miss him, not alone because of his golf career and because of his wit, but because of these charitable contributions. But a lot will miss him personally.

I know that Jack Nicklaus was quoted in the paper this morning, in my hometown paper of the Orlando Sentinel, saying, "Payne always had a sharp wit, a tongue-in-cheek that came with a little bit of a needle, which is something everyone always enjoyed."

But I think the people who are obviously going to miss him most will be his wife Tracy and his two wonderful children. Our heart tonight goes out to them, to Payne's family. He is a great man, a great golfer. His life ended in tragedy, but he gave so much to so many. He will be long remembered and long cherished.

SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, it is going to be sort of like a lesson plan. It is about Social Security. Next Wednesday at 11 a.m., a week from tomorrow, I will have a press conference on a Social Security bill that I am introducing that will keep Social Security solvent forever. I have been working on Social Security for the last 5 years, developing what I think is a reasonable proposal to keep Social Security solvent and protected. We are going to hear later tonight about the importance of not spending the Social Security surplus.

A year ago last April, I was asked to chair a bipartisan task force on Social Security. At that time, most everybody thought that the Democrats and Republicans would not come to any agreement on what we should do about Social Security. But after 15 hearings with two or three or four witnesses per hearing, we became so convinced and, therefore, unified about how serious the problem of keeping Social Security solvent was and how important Social Security was to so many Americans that Republicans and Democrats came together and agreed on 18 findings.

I just want to quickly go through these finding. I know it is sort of like a lesson plan, but if my colleagues have a mental attitude that this is going to tremendously affect their future retirement, the retirement of their kids, and the retirement of their parents, then bear with me on these 18 findings, because this is what I have patterned my new Social Security program after.

□ 1800

I am going to start. "Background Social Security is a universal program that has provided a safety net for Americans." One-third of seniors today depend on Social Security for 90 percent or more of their total retirement income.

"Time is the enemy of Social Security reform and we should move without delay." Time is the minimum because we are running out of money. It is expected that by 2012 to 2014 there is going to be less FICA tax coming in than is able to accommodate existing benefits at that time. The longer we put off not utilizing the surplus that is coming in for the next several years, the more drastic that solution is going to have to be.

"Change should be gradual to allow workers to adjust their retirement plans, and any change for current or near-term retirees should be minimal." And that is what we have been working on the last several weeks in my bill, and it will be a bipartisan bill with Democrats and Republicans sponsoring that bill. It will keep Social Security solvent not just for 75 years but forever.

The next item we agreed on is, "Social Security under the current structure is projected to become insolvent during the next 75 years." And that is the problem. That is why it is important not spending the surplus now, because it is going to be that much more difficult to pay that back to Social Security when the time comes.

"Any reform must consider the effects on all generations, genders and those currently receiving Social Security benefits."

"Solvency and reform are not necessarily tied together."

"No payroll tax increase." And again I remind my colleagues that this is Democrats and Republicans on this task force agreeing.

"Social Security surpluses should only be spent on Social Security." That is what we are fighting about here in Congress now.

"Social Security reform should encourage savings and overall economic growth." And that is why investing some of that money in the capital markets and how that might be best utilized is so important in how we develop a final plan.

"The Social Security Trust Fund is a secure, legal entity comprised of U.S. Treasury bonds backed by the full faith and credit of the U.S. Government." Listen to this, though. "While the U.S. has never defaulted on any of its obligations, these bonds represent a claim on future Federal revenue. Such securities will have to be redeemed from funds outside of the Trust Fund." That means we either cut other spending, we increase taxes, or we reduce benefits.

"The current demographic projections may very well underestimate the future of life expectancy." We had testimony that within 25 years anybody that wanted to live to be 100 years old would have that option; within 40 years anybody that wanted to live to be 120 years old would have that option. Tremendous implications not only on Social Security but on everybody's retirement plans. And that is why we, in the bill we will be introducing, encourage additional savings.

I am going through the rest of these very quickly. "Guaranteed return securities and annuities can be used with personal accounts as part of an investment safety net." We have financial managers now that will guarantee investments in the stock market and guarantee that investors will not have a loss.

"A universal Social Security survivor and disability benefit program needs to be maintained." No changes in that part.

"Congress should consider paying for a portion of the disability benefits for certain workers that have only been working a short time."

Again, our press conference will be next Wednesday at 11 a.m., a week from tomorrow. We hope all our colleagues will attend, Mr. Speaker. I think it is important that we look at the long-range solutions for Social Security.

COMPUTERS ARE NOT NECESSARILY THE ANSWER TO EDUCATION CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Madam Speaker, usually when I rise to speak in the period of special orders it is to talk about some specific bill or specific legislation. Tonight I am doing something a little different and discussing something that I think has the potential of becoming a problem in some ways, and I would just like to call some attention to it and get some people, hopefully, to start thinking about it.

In doing so, I will start by reading a quote that I read, I think sometime last year in, I believe, an Associated Press story, and it was a quote from David Geleanter, who is a professor of computer science at Yale University. He said this. "Computers themselves are fine. But we are in the middle of an education catastrophe. Children are not being taught to read, write, know arithmetic or history. In those circumstances, to bring a glitzy toy into the classroom seems to me to be a disaster. It reinforces our worst tendencies. The idea that children are in educational trouble because they do not have access to enough glitz and what they really need is a bigger database is staggeringly ludicrous. They need practice in the basics." That is a quote by a professor of computer science at Yale.

What I am saying tonight is let us do not forget the basics in education. Sure, it is important to learn about computers, but we seem to be worse off with the computer today in thinking that it is the end-all of education and we are neglecting the basics in many, many ways. Children still need to learn to read and write and know arithmetic and know history and the basics.

Secondly, along this same line, I heard Tony Kornheiser, one of the sports columnists for the Washington Post and on ESPN and so forth, and he mentioned in a column, and also I heard him on the radio talking about this one time, about three young men who had called him at different times during the time of the last World Series, and he said they each asked for Tony Kornheiser's e-mail address. He said when he told them that this was Tony Kornheiser to whom they were speaking, he said they got so flustered that a couple of them hung up, and one got so nervous that he could hardly speak. He asked the question, are we raising a generation of young people who are spending so much time in front of the television set and so much time in front of the computer screens that they are not developing the social skills that they really need or that people have developed in past years.

We became concerned as a society because children were spending so many thousands and thousands of hours in front of the television set. So we took them from in one of one screen and placed them in front of another screen called a computer, and I am just wondering if they are not isolating themselves. It is getting where people can shop at home, work at home, and we can all become Unibomber hermits if we want to, I suppose, but I do not think it will be good for society.

I tell young people at home to watch a little television. I have no objection to that. Learn the computer. We all have to do that today. It is an important and valuable thing. But every once in a while get out and get involved with a real life human being. Life will mean more if you do. Unfortunately, we are having fewer and fewer people who are joining the American Legion and the Kiwanis and the Shrine and all the various civic and charitable organizations that have been so very important to this country for so many years.

Thirdly, Madam Speaker, I heard, a few months ago Barbara Walters on 20/20 one night saying she was going to present the most important hour she had ever presented on television. That got my curiosity up because she has been on television for so long. And what it was, it was a program devoted to warning parents about the sick, evil things that are on the Internet. There again, that is another facet of this same problem.

I am not against computers. I am all in favor of computers. But what I am saying is we still need to make sure our young people learn the basics in school, like reading, writing, and history. We still need to make sure that our young people develop the social skills that they need to survive.

My father told me many years ago, half jokingly and half seriously, that the problems of this country grew worse when they stopped putting front porches on the houses. People stopped visiting with each other. They tell us many people do not know their next door neighbors. All I am saying is we need to make sure we do not get isolated unto ourselves to where we do not really know people and get involved helping other people in their lives.

During this program by Barbara Walters, she told the story of a little boy who had actually become involved with such terrible things over the Internet that he ended up with such rage built up in him that he killed another child. Barbara Walters thought it was so very important to warn parents about some of these horrible things that are on the Internet and that children are exposed to that they were not exposed to so many years ago.

So all I am saying tonight is we need to be aware of those three things, those three concerns, because it is very, very important to this country and to its future that we make sure that young people get the benefits of all this new technology but are not harmed by it.

TRIBUTE TO THE LATE SENATOR CHAFEE

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Madam Speaker, I rise in great sadness to offer my sincere thanks to a man known as an outstanding example of a true leader among his colleagues in the Senate and indeed in life.

Senator Chafee was known as an old-fashioned legislator. He took his job very seriously but he eschewed politics. He cared about public policy and doing his best for the people of this Nation, never cowing to the partisanship in which we so often becoming entangled.

I knew him best as a modern man in the Senate, as the co-chair of the Congressional Prevention Coalition. As its co-chair, Senator Chafee worked to spread crucial health information to Members of the House and Senate so that they could spread the word to their constituents throughout the United States.

That was just one of the many ways Senator Chafee reached across the aisle to make America a better place to live. We are all better people for his efforts. As the Washington Post said this morning, the Senate will be a lesser place without him. He will be sorely missed by us all.

THE BUDGET PROCESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 60 minutes as the designee of the majority leader.

Mr. PETERSON of Pennsylvania. Madam Speaker, I and a group of colleagues come here tonight to discuss the approaching conclusion of the budget process. A lot of people do not get too excited about budgets, but that is really what it is all about. Whether it is our family, our business, or the government, the budget is the working document of how we are going to spend our money, how we are going to use our resources, and what our priorities are.

I find it pretty exciting this year, as we come down to this budget conclusion, that we really have the mechanism in place to balance the budget and not use any Social Security. That is going to be historic, because for decades the Social Security fund has been used routinely to fund general government.

Now, this process has been going on for a while. It started back in February when the President came and addressed us and he gave us his State of the Union message and presented us with his budget proposal. That proposal is a lot different than I think what we are going to end up with, I hope, because he had $42 billion of new spending. He had $19 billion of tax increases. Not tax cuts, increases. And those were soundly rejected here a short time ago by this body, and should have been.

The budget framework was created by the Committee on the Budget, and this process started right after the President's message. And, actually, they held hearings and worked on it for many weeks. On March 25, both the House and Senate Committees on the Budget presented their budgets to this House, and the House and Senate both approved a budget proposal on March 25. Now, there were differences between the House and the Senate, which there always is, but they brought their programs together and, on April 15, we passed a conference report that was sent to the President that was our budget outline for this year.

The Committee on Appropriations then started their work. And as a member of the Committee on Appropriations, I can tell my colleagues that hearings are held. I do not think a lot of people realize the work that goes into it, to outline where the cuts should be, where the increases should be, what the changes are, what are the changes in priorities. There are 13 working subcommittees in the Committee on Appropriations that work on each of their part of this process.

So we are close to completing that process today without spending Social Security. Unfortunately, most Congresses have not completed this process of sending 13 bills to the President for him to veto or sign. They usually do four, five, or six, and then when it gets tough and short on time, they go to the proposal of having an omnibus bill. This is where the majority leader and minority leader of the Senate, and the Speaker and the minority leader of the House would go up to the White House and sit down with the President and negotiate this omnibus spending plan.

□ 1815

Now, I guess the problem that I have had with that since have I been here is that that throws away all the work that the appropriators did, that throws away all the information that came in the hearing process.

Four or five people write our spending plan. And, of course, using Social Security to balance the budget, it was easy to do. But it has been tougher this year because the Social Security lockbox that we passed earlier took a hundred-some billion dollars away from this process.

So it is, again, why I am excited about this year's process that we are not allowing the President and four or five leaders of Congress to just sit down and decide how we are going to spend the people's money.

This year, I believe, and this week we will complete our work of having all 13 bills in front of the President. He has had 12, he signed 8, and he has vetoed four, if my information is correct. And, hopefully, tomorrow or Thursday he will get that 13th bill up to him.

Now, that is pretty good. We have had two signed for every one he has vetoed. So the President has agreed with Congress on two-thirds of what work we have sent him. And from what I read, the differences are not real big. I think they are not insurmountable. So I think we are chugging down that rail to again having this budget process completed without spending Social Security. Bill by bill, we will negotiate and finalize this process.

Now, to make this work there has not been a lot of cash sticking around, there has not been a lot of money to spend. In fact, we have had to say, how can we look for 1.4 percent savings?

Now, my colleagues, is there any House budget, is there any business budget, or is there any government budget that cannot find 1.4 percent that is in fraud, abuse, or just plain waste or just plain lack of management? I believe there is the ability to save 1.4 percent without cutting programs that affect people out in the hinterland.

Because we all know here in Washington, and I am a product of State government and local government and business, I want to tell my colleagues, I have been surprised at the growth and the size of the Federal bureaucracy. There are a lot of good people there, and I am not here to bad-mouth them. But there are huge bureaucracies. There are huge costs. The Federal Government spends a whole lot more money in managing Government percentage-wise than State and local governments do, in my opinion. Because, historically, Congress has never had any limits on what they spend.

So I think it is exciting when the gentleman from Ohio (Mr. KASICH), the chairman of the Committee on the Budget, came up with a concept of a 1.4 percent savings for each department to look within themselves, within their own operating budgets, and look for ways to save 1.4.

I think that is pretty doable. I think the American public would find that pretty doable in their own household budgets, in their own community budgets, in their State budgets. There just has to be waste, fraud, and abuse of 1.4 percent in every budget.

I am pleased to be joined tonight, and I will call on one of them now, from people from Texas and California and South Dakota and my colleague from Pennsylvania. So we are from all over the country agreeing on what we must accomplish in this budget conclusion process.

Madam Speaker, I yield to the gentleman from Texas (Mr. SESSIONS) who is from the Fifth District of Texas. He is in the Results Caucus, and he is also a member of the powerful Committee on Rules. So I thank him for joining us.

Mr. SESSIONS. Madam Speaker, I thank my colleague very much for bringing this information to the American public tonight.

Obviously, what we are talking about here is the budget process where we are attempting to make tough decisions in Washington, D.C., to ensure that we balance the budget, that we do not spend Social Security, and that we ensure that the Government is fully funded, as we say in the Results Caucus, every single dollar that the Government needs but not a penny more.

Tonight what I would like to do is run through with the American public what we are trying to do now that we have gotten to the very end of this process. And we recognize that we are probably going to perhaps end up being slightly over when we aggregate all the bills together what we would spend. So we are trying to make sure that there will be provisions by which the President and the Congress will act.

What we are talking about here is, if we exceed with all of our 13 budgets, if we go over that amount of money, which we really do not want to do, but if we end up at that, that we will have a provision that says any amount that is over this budget amount, so that we do not spend Social Security, will then come as an across-the-board budget cut. We are estimating tonight that it will be anywhere from 1 to 1.4 percent.

Where does this come from and how much money does that equal? Well, it is about $3.5 billion in outlays. All the money will come directly from discretionary funds, with the knowledge that here in Washington we work off a mandatory budget.

A mandatory budget is those things that are Social Security, Medicare, and Medicaid. They will be exempted from this 1- to 1.4-percent budget cut, which means we will not deal with any mandatory spending on that side that we will cut but, rather, it will be in discretionary. It will equal about one penny of a dollar that the Government gets. One penny we are asking the Government to give back across-the-board.

Now, what is interesting about this is that when we look at this we are saying that this budget savings will be done to ensure that Social Security is taken care of.

What I would like to now get into a debate and a discussion about with the American public is to talk about those things that today and have been happening in Government that we think fall under the auspices of waste, fraud, abuse, or waste fraud and error; and that is the large Government programs that we know could be run better, that we know that if we will say to the bureaucrats, that if we will say to the people in the agencies, we want you and expect you to prioritize in a better sense the opportunity to manage your budget, that you would then have a 1-percent savings across the board.

That is what we want to spend the remaining part of this hour to talk about, those opportunities that the Government Accounting Office, GAO, has documented for year after year, good ideas for people to know why this can be done without harming anyone or the essential services of Government.

Mr. PETERSON of Pennsylvania. Madam Speaker, I thank the gentleman from Texas for his comments.

Madam Speaker, I yield to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Madam Speaker, I thank the gentleman from Pennsylvania for yielding and my friends from Texas and California and the gentleman from Pennsylvania (Mr. SHERWOOD) also for joining us here this evening and for the leadership that each has taken the respective ways to address this issue and to help us drive home the message about what we are attempting to accomplish here in this Congress.

I would like to share, if I might, just a statement that the gentleman from Illinois (Mr. HASTERT), Speaker of the House, made today regarding this whole issue of the Social Security Trust Fund and what we are talking about doing in terms of reducing Federal Government spending, doing away with waste, fraud, and abuse, but also as this applies to individual Members of Congress.

Because there have been some questions: If you guys are so serious about taking care of waste, fraud, and abuse of the Federal Government, how about yourselves, how about your own salaries? This is what the gentleman from Illinois (Speaker HASTERT) had to say:

> Protecting the Social Security Trust Fund has been the number-one priority of the Republican Congress. In order to further that goal, the Congress will consider legislation that will shave back Government spending in all discretionary budget programs. It will also shave back the pay of Members of Congress by one percent. The pay of all other Government employees in all other branches of Government should not be affected by this legislation.
>
> Republican Members of Congress believe that the Government can find a penny on the dollar in waste, fraud, and abuse in order to protect the Social Security Trust Fund. We also believe that they can set an example by shaving back their own pay by that same percentage.
>
> I hope the President and the Democrats in Congress will drop their opposition to our common-sense plan to protect Social Security.

I would say, Madam Speaker, that this whole debate over the budget reminds me a little bit of when I was growing up a conversation I had with my father. My dad told me once, because I had a dog that would not obey, I could not get this dog to do what I wanted it to do, and he said, well, it is the nature of the beast and that in order to tame the beast you have to apply discipline.

Well, it is the nature of the Federal beast to spend money, not because it needs to but because it is there. And it is our job to help tame the Federal beast and to apply the discipline that is necessary to see that we find the waste, fraud, and abuse that exists in Government programs and to root it out so that we can spend our tax dollars on those most important Federal programs and priorities, like Social Security.

It is pretty simple. It is Social Security or it is defense contractors charging the Government $714 for an electronic bell that you can get at your local hardware store for $46.

Responsible Government bodies live within their means. Responsible Government bodies know where tax dollars should be spent and where they should not be spent. Tax dollars should be spent on Social Security.

Now let me tell my colleagues a little bit about where their tax dollars should not be spent. They should not be spent on $850,000 to Ben and Jerry's Ice Cream to help them develop and distribute ice cream in Russia. This comes from an Agency for International Development Inspector General record that $850,000, Federal dollars, went to Ben and Jerry's Ice Cream to help them develop and distribute ice cream in Russia.

Tax dollars should not be spent on deceased people receiving food stamps. Again, according to the Committee on the Budget report, approximately 26,000 deceased people, people no longer living in this country, received $8½ million in food stamps. That comes from the Committee on the Budget report.

Tax dollars should not be spent on convicted murderers receiving SSI Disability payments. Again, according to an AP Wire Service story, there is a convicted murderer who received more than $75,000 in SSI Disability payments during his 14 years on Death Row.

Furthermore, the SSI fraud exceeds $1 billion annually.

Those are things that we should not be spending taxpayer dollars on. The taxpayer dollars should not be spent on $1 million outhouses at Glacier National Park.

Now, this may come as a surprise to some people around this country, but there actually was an outhouse built in Glacier National Park at a cost of $1 million to the taxpayers. I have to tell my colleagues something, that to get there you have to climb 7,000 feet and walk 6½ miles. In fact, the reason this thing cost so much money is because it took 800 helicopter trips to get up there to build the outhouse.

Now, I dare say that if anyone in this country, with the exception of those who might be an Olympic class athlete, who has walked 6½ miles and climbed 7,000 feet, the last thing they are probably going to need is an outhouse. But, nevertheless, an outhouse was built at a million dollars in taxpayer expense.

Now, I would have to tell my colleagues that some people probably think that a million dollars is chump change in a big Federal budget, but where I come from, in the State of South Dakota, a million dollars is real money, folks. It is real money.

I cannot help but think how one retired person could use a million dollars or, furthermore, how far $1 million would go if it was left where it belongs, in the Social Security Trust Fund, helping secure retirement for our retirees and for those who are paying into that system.

What we are talking about here, very simply, is million-dollar outhouses or a secure retirement for every person in America who is retiring now or hopes to retire in the future.

I think the choice is very, very clear. Saving one percent in waste, fraud, and abuse allows us to save Social Security. It is that simple. I would also add again in response to some of the suggestions that have been made that the Speaker has announced earlier today that, as an expression of the good faith of this Congress, that that one percent that will be applied to the agencies of the Government will also apply to the salaries of Members of Congress. We believe that we need to lead by example.

Now just let me say, in closing, that I had the opportunity a week ago Saturday to hunt out on a farm near Kimball, South Dakota, hunt pheasants, which is one of my favorite pastimes; and I was hunting with a gentleman who has been farming for 37 years and who is 60 years old and hopes in the very near future to retire. And as I was discussing that with him, I said, what will you do when you retire? He said, well, you know, I hope to take my farm and cash rent it out and use the income off the cash rent for my retirement along with Social Security and that will provide the basis for my retirement.

If he knew that his tax dollars were being used for $714 electronic bells and $1-million outhouses at the expense of his retirement by taking away Social Security, I think he would be outraged, like most Americans would.

☐ 1830

Are we or are we not going to protect this man's retirement? That is the question before this House and that is the question before this Nation. We here today say yes. We will protect America's retirement security. Today we are waiting for the President's answer to that very same question. And so are the rest of American taxpayers. Can we find one penny, one copper penny out of every dollar in government spending to figure out a way to root out waste, fraud and abuse out of the Federal Government? One penny out of every dollar of Federal spending is all it takes to allow us to keep our promise and our pledge to the retirees in this country and to everybody who faithfully year in and year out pays into the Social Security trust fund. That is what this debate is about. I hope the American people will tune in because it is your future that we are talking about.

I thank the gentleman from Pennsylvania for the opportunity to speak to this issue this evening.

Mr. PETERSON of Pennsylvania. I thank the gentleman from South Dakota for his comments.

Madam Speaker, now we go to the West Coast to hear the West Coast message. Out there it is a little early in the evening but we are glad the gentleman from California (Mr. HERGER) representative from the Second District of California, a member of the powerful Committee on Ways and Means and the Committee on the Budget, is here to share with us his thoughts on balancing the budget.

Mr. HERGER. I thank my good friend from Pennsylvania for taking this time on this incredibly important issue. I would like just to say what an exciting time this is for me. I am now in my seventh term, my 13th year in the House of Representatives, representing the Second District of northern California. I am also in my seventh year on the Committee on the Budget and also seventh year on the Committee on Ways and Means which is over Social Security.

A number of years ago in the Committee on the Budget I became aware that not only prior to 1995 when the new Republican Congress came in, in 1994 and prior to that time that we were running 200 to $300 billion a year budget deficits, spending more than what we were bringing in. But really it was worse than that, because for some 30 years we had actually been spending Social Security and we had been borrowing that and spending it on the budget, on government spending on Federal programs. I began back then to fight, at least on the Committee on the Budget to at least, at minimum, at the first step be honest with the American public. If we are spending this Social Security money dedicated for Social Security out of the trust fund for ongoing Federal programs, then at least let us let the American public be aware of it and let us show them really what our budget deficit really would be.

I am so very pleased that at the beginning of this year, 1999, that the Republican Conference, members of the Republican Party within the House of Representatives and the Committee on the Budget made a commitment that beginning this year we were not going to spend Social Security money as we had been for about 30 years. I authored legislation, the Social Security lockbox legislation, that came before this House back in May, and that legislation passed overwhelmingly, 417–12, putting this Congress on record that for the first time in more than 30 years we were not going to spend Social Security. We had another bill that came up.

Well, with that let me mention now that in order to have a balanced budget, in order not to spend Social Security, we basically have two choices: Those choices, number one, is that we raise taxes which comes from hard-working Americans, to raise the extra money so as not to spend Social Security. That is choice number one. But there is also another choice. That choice is a tough one. That choice is what Americans do every day in their families, what small businesses do, what every company that stays in the black does, and, that is, there are times when you make difficult decisions, you tighten your belt, you set your spending priorities. If you do not have enough money coming in and you set those priorities and you determine what are some dollars we are not going to spend. Well, that is what this Congress has decided that we are going to do, this Republican Congress that was voted in, took office in 1995.

We had a vote here just about a week ago which put out the tax increases that President Clinton had proposed in his budget. Those tax increases were defeated virtually unanimously in this House. I believe there was only one vote in favor of those tax increases. So, therefore, we know what we have to do. We have to tighten our belts. What does that mean? As the gentleman from South Dakota mentioned, we are talking about one penny basically, one penny out of a dollar that we are somehow going to find in fraud or abuse or in priorities that can be set somewhere else in our government programs, that do not include, by the way, Social Security or Medicare but other spending programs that we are going to trim back. One penny out of a dollar. We are not talking about 10 cents out of a dollar or 20 cents out of a dollar. We are talking about basically somewhere between one penny and 1.4 cents out of every dollar. Can we do that? Of course we can do it.

I would like to continue, as my good friend from South Dakota was mentioning, some examples. These are some examples that have been pointed out to us in our budget this year. Here is the first one. "That's a Big Lost and Found." The most recent government audit found that Federal agencies were unable to account for over $800 billion in government assets. That is a GAO, General Accounting Office, audit.

Another one, erroneous Medicare payments waste over $20 billion annually. $20 billion. We are talking about trimming back about $3.5 billion. There is 20 right there.

Another one. One out of every $18 spent in the section 8 housing program is wasted, according to HUD's own Inspector General. Another GAO audit.

Another area we can save, delays in disposing of more than 41,000 HUD properties cost taxpayers more than $1 million per day. Let us just get on the ball and do what we are supposed to be doing. $1 million a day.

Another one, FAA employees are using a program designed to familiarize air traffic controllers with cockpit operations for personal travel, including extended vacations. One employee took 12 weekend trips in a 15-month period to visit his family in Tampa, Florida. Another DOT IG report.

Another one, "Palaces for Park Rangers?" The Park Service spent an average of $584,000 per home at Yosemite when comparable houses near the park were being built for between $102,000 and $250,000. A report from the Department of the Interior IG report.

And then last but not least, "Degrees for Deadbeats?" The government lost over $3.3 billion on students who never paid back their student loans.

Madam Speaker, in closing, we are all in this together. If every government agency can find just one penny out of a dollar in waste, fraud or abuse, seniors and future beneficiaries can be assured that the raid will end and their Social Security will be protected. We can do it. And despite the moaning and groaning of some who are supporters of big government, we will do it.

Mr. PETERSON of Pennsylvania. I thank the gentleman from California. Recently the General Accounting Office talked about Medicare. It is administered by HCFA, one of the largest agencies in this country and a very important one. But the GAO report estimates that $20 billion is paid out annually for inappropriate claims. If they could just cut that by 10 percent, they could save $2 billion.

Madam Speaker, I am pleased to yield to the gentleman from Texas (Mr. SESSIONS).

Mr. SESSIONS. I thank the gentleman from Pennsylvania for yielding. I would like to follow up on what the gentleman from California has talked about, when he talked about one penny savings out of every dollar that is being spent, which I think is very reasonable. What I would like to do is to take just a few minutes to give some real live examples of how the government has not figured out what the right hand is doing and the left hand is doing.

The Results Caucus has spent a great deal of time working with the Committee on Government Reform and Oversight on a lot of legislation which is critical to the success of this government. I would like to go back and point out some of the areas and the statutes, the laws that we operate under and the reason why we have these. One is called results orientation. It is the Government Performance and Results Act of 1993, known as the Results Act. It was implemented so that we would have agencies' missions and strategic priorities that would be established, where we would require government agencies to be able to implement within their core mission statement. We would have results-oriented goals, we would talk with them about goals that they were expected to achieve; and they would produce performance data, once again so that the right hand would know what the left hand is doing.

We have been engaged in financial management, the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994, the Federal Financial Management Improvement Act of 1996. These were done so that we would have annual financial statements. They were done so we would have timely and reliable information and data that would help the managers of the government to manage those assets that they have. And it would help us to look at the cost achievement results.

Lastly, we have information technology as a priority area. There was the Paperwork Reduction Act of 1995 and the Clinger-Cohen Act of 1996. This was done to help provide more information for the relationship of investments to the achievement of performance.

What has happened since we have had these laws in place? A lot. The government has improved upon its performance. But even today, we as Members of Congress believe that there is so much more to be done. The GAO in a report that was released on March 31, 1998, cited some examples of those things where the government cannot find from its right hand to its left hand those assets and resources and cited as "missing and unaccounted for" include the following: I will show you a great picture because we have got a reward that we will offer when you can find these. It is the return of two tugboats valued at $850,000 each to the Federal Government. These cannot be found. The Federal Government cannot tell us where this is.

The next one, once again, we will offer a reward. Have you seen me? This is one missile launcher. This missile launcher comes at a cost of over $1 million. Once again, we do not know where it is.

The next item. Lost jet engines, two $4 million aircraft engines. If you happen to find these, the government cannot find it. We need it back. You paid for it. The taxpayer paid for it and we want it back.

We also have a floating crane worth $500,000. Nobody knows where it is.

Ladies and gentlemen, what I am suggesting to you is that this government as broad and big as it is, it should be better at accounting for those assets and resources that it has been given. We are as Members of Congress trying to provide the correct legislation, the right oversight and enough information to where the government can work properly. But I believe that when we insist upon a 1 percent across-the-board savings that must be given to the taxpayers so that we do not get into Social Security, now what we have done is we have required government to do the same things that is done not only in our own homes, around our own tables but in small businesses and boardrooms all across this country. It is called prioritize. I am hoping that we will have a government that in the future will look at their assets and resources in a better way that will help us all.

Mr. PETERSON of Pennsylvania. It is a pleasure to welcome my colleague, my neighbor in the northern tier of Pennsylvania. We collectively guard against New York coming down. We cover the northern tier of Pennsylvania. The gentleman from Pennsylvania (Mr. SHERWOOD) of the 10th District has been a great new Member of Congress. He brings strong community leadership credentials with him, a strong businessman, good sense. I have found him a person who is not afraid to speak up. He is very effective. It is just great to have the gentleman from Pennsylvania (Mr. SHERWOOD) here with us tonight.

Mr. SHERWOOD. Madam Speaker, my colleague from Pennsylvania, let us summarize.

□ 1845

This is a very simple solution to a problem that only government could make so complex. We have had 435 people working for 10 months in a bipartisan manner to get 13 spending bills, 13 appropriations bills, put together and live within a budget. We are down to the end of the time, and we have a hole. It is not a very big hole. It is 3, 4, $5 billion. In the general scheme of things around here that is not a lot of money. In other years we just spend it and take it out of the Social Security money. But we have pledged to the American people that we will not raise taxes and that we will not spend their Social Security money.

Madam Speaker, we all know that Americans pay too many taxes, and we all know that that Social Security fund should be sacrosanct. It is a contract with the American people, and we, as their representatives, must protect it.

So those are our criteria. We will not raise taxes, we will not spend the Social Security money.

How do we come up with this $4 billion?

Madam Speaker, business solves this problem every day. Family budgets solve it every day.

Several years ago, when one of our great American corporations, Chrysler Corporation, was about to go bankrupt, Lee Iacocca said, "We will share the pain equally." Everybody took a cut or a saving, everybody. It worked. Today Chrysler has repaid their government loans, and they are a very successful, sound American company.

So let us do the same. Let us apply common sense, take an across-the-board budget cut. Only in politics would people argue against an across-the-board budget cut because it is the right thing to do. It is so simple that in the world of politics where everybody is fighting for their region or their issue we have people that are fighting this very simple proposition.

So we only have to find 1.3 or 1.4 percent savings. What budget could not find a 1.3 percent saving?

You have been given examples tonight that HUD properties, because we are not managing quite well enough, costs us a million dollars a day. That is $365 million. There is a good one. Does that mean HUD is poorly run? No. It means that there is one thing in HUD that we need to pay better attention to. We need harder work and better management, and in my 30 years in business and two-thirds of that on the school board we always needed to work harder and manage better, and the Federal Government is no exception.

As my colleagues know, 26,000 diseased persons received 8.5 million in food stamps. Does that mean the food stamp program is bad? It is a wonderful program, but we need that $8.5 million to go to the right people. We do not need it to go to people that are dead, that somebody is cashing their check. Hard work and better management.

Madam Speaker, I could go down through this and talk about $714 bells that should be $46. There are many, many examples in this huge Federal Government where we can save money.

Now this is a very, very simple solution. You ask every department to save 1.3 percent, and I agree that we should start with our own salary. Only when the impetus comes from the top can you expect every soldier and every worker to do the same, and we are asking our defense people to do more with less. We need to set the example here in our own salary.

So, Madam Speaker, I think that while we have worked very hard, the appropriators on defense and interior and education, health and human services, agriculture, that work has been done. We just need to get together and take our savings and make this budget come together.

It will be a historic thing. It has not happened in almost 30 years that we have paid down the national debt, lived within the budget and not spent the Social Security money. I think we should come together in a bipartisan manner, find these savings and pass a budget. It is for the American people, and they deserve it.

Mr. PETERSON of Pennsylvania. Madam Speaker, I thank my friend from Pennsylvania, my neighbor who helps me guard the New York State border.

It is interesting this morning when we started the day with our conference many Members said, "Well, does this cut include our salaries?" Well, the announcement was made this afternoon that decision was made, and I agree with it. Decided that across-the-board cut in discretionary spending will also apply to salaries for Members of Congress. Now I think that proves we are serious, we are serious that we are going to live within our means.

He went on, the Majority Leader went on to say:

"Since January House Republicans have stated our commitment to stopping the 30-year raid on Social Security. No one said this would be easy. We've done the heavy lifting. This week we will complete our spending bills and prove that we can fund the government without dipping into the Social Security fund."

"The President said he shares our commitment to stopping the raid on Social Security, and he has vetoed four spending bills, and of course we're going to send him probably another one tomorrow. But we intend to work with him to get the job done, make our commitment real. As the sign of how serious we are we will ask more of ourselves than we are asking of any government employees. While we ask every government agency to root out waste from its budget. Members of Congress will not only root out an equal percentage of waste from Congress' budget, but will also cut their on pay."

Now I think we are sending the President a message also: Mr. President, manage a little better.

As my colleagues know, I have always been frustrated both at the State level with Governors and at this level of Washington with the President. We do not talk much in campaigns about how they are going to manage government. That is not as exciting. It is about what new programs we are going to fund and how these new initiatives are going to make the world better and safer and how everything, all the problems that we know of, will go away if there is one more government program, if the Federal government will build one more bureaucracy and funnel money out to our communities, it will solve all.

Now, we know that does not work. There are thousands of federal programs that funnel money out.

Now one of the differences I noticed, a whole lot more of it gets chewed up in bureaucracy in Washington than it does in most States and local governments because we never challenge our Presidents to manage government. As my colleagues know, we really should be rating the President on how well he has managed each and every bureaucracy.

I have heard Presidents talk recently and in the past as if some agency was something they were concerned about. That agency just must do better, but whoever is President, Mr. President, that is your agency, that is your management that is needed. It is your direction that is needed to say, "Stop the waste, stop the fraud, stop the abuse of taxpayers' money."

We all know that one of our disagreements currently is foreign aid. Now, as my colleagues know, foreign aid is always a controversy. We have Americans who do not think we should have any foreign aid, we should keep all our resources. But we always come to a compromise. But I think the President who wants 4 billion more in foreign aid is not supported by the majority of taxpayers. I have not had a clamoring to increase the foreign aid budget since I have been here. In fact, I have a lot of opposition to much that we do in the foreign aid budget from my rural conservative district.

But, Mr. President, do we really need 4 more billion in foreign aid? Can we not make do with what is there?

Now the education department. I had the privilege last session of serving on the Committee on Education and the Workforce and found it an exciting challenge. But if you talk about a department that chews up a lot of money that never gets out to our school districts, look at the Department of Education. I mean I believe the figure is maybe 30 percent that is chewed up in bureaucracy. There is a state bureaucracy in every state government that is strictly paid for by the Federal government to manage the Federal programs, 50 of them. Then you have the Washington bureaucracy who we all know that I have found them to be one of the lease sensitive departments about what Congress thinks, and when they are insensitive to Congress, I think they are insensitive to the American taxpayers because that is who sent us here, a department that could very easily find more than 1.4 percent in savings in my view.

EPA, 15 or 16,000 employees in a centralized bureaucracy in Washington. Could they squeeze 1½, 1.4 percent? No problem. Now we would have a few less bureaucrats, but we still have all the programs that they run, should have little or no impact out in the districts.

And also I guess the administration. Maybe we are asking. Recently there was a foreign trip, and 1700 people went on that trip. Now I am sure it is necessary to take guests on trips, but could 1,200 have got the job done? Could 1500 have got the job done and saved a few taxpayer dollars? I think so.

So all we are saying is to this part of government that is important to us, that is vital to us, pull in the belt a little bit, cut a few of the excesses, cut a little of the waste like the American taxpayers historically do. They trim their budgets all the time, that is how they balance them. Local governments do. States who are allowed to build deficits have to pay as you go. But here in Washington we have gotten so used to not really worrying about how much money we spend because we just raise taxes enough to pay whatever the bill was when the end of the year comes.

Well, Madam Speaker, that day is over. The day of using Social Security is over, it is done, and it is time for Congress, this administration to sit down and have a good healthy discussion about our spending priorities and balance this budget, conclude it in the next few days with not one penny of Social Security. It is doable, it is workable, and it is just time to bite the bullet.

At this time I again welcome my friend from Texas (Mr. SESSIONS).

Mr. SESSIONS. Madam Speaker, as my colleagues know, what is interesting is that I have heard speakers, four or five of us tonight who have gotten up to talk about why this is important that we do not spend Social Security, why this is important that we find the savings from a trillion $700 billion plus budget and we are not yelling and screaming. We are here speaking to the American public in a regular voice, a regular tone because I believe we are optimistic. We are optimistic about the positive things that are occurring in Washington, D.C. that we, as a Republican-led Congress, are finding ways to get our work done. We need to give credit to our colleagues on the other side of the aisle because they, too, have done some responsible things. The White House, the President signing these bills as he should. What we are trying to do is to make sure that the American public understands that we will not and must not spend Social Security. This year for the first time in 39 years Social Security was not used to fund the government operations. What we want to make sure is that we make that streak continue so that we do not do it next year, and that is why this 1 percent across-the-board savings to protect Social Security that will save $3.5 billion must come internally as a result of a challenge, a challenge to the entire government, a challenge that the House of Representatives and the Senate are engaged in, and that is why I welcome the news that we have from the Majority Leader, the gentleman from Texas (Mr. ARMEY) and our Speaker, the gentleman from Illinois (Mr. HASTERT), to say that the Congress should be included in that 1 percent budget.

What it will do is I believe it will mean to a manager of the government that they will now focus more clearly and carefully on their own mission statement, their core and basic functions that they must provide. It will require them with the impetus, the knowledge, the direction, the authority and the responsibility to make sure that they look across their areas and cut 1 percent of their budget.

Why do we need to do this? We need to do it because there is lots of money that can be cut.

□ 1900

Another example that I had not heard one of my colleagues state earlier, but that I found very interesting, it is that the government spends $1 billion on the Job Corps program, but a survey of the initial employers of former Job Corps students show that 76 percent of students had been laid off, quit or been fired from their first employers after 100 days of starting their new jobs.

Well, you see, if I were in the Department of Labor I would have known about this because it came from my own inspector general. I would be willing to look at my $1 billion program and ascertain what is indigenous to our program that is not working? And, if the program does not work properly, if the return to the taxpayer is not there, if the benefit to the beneficiaries, the people who were expected to gain something from this $1 billion, if it is not working, then they need to do something different. They need to look at the money and the resources and the way they are spent.

So I think that this is going to be yet another opportunity for government bureaucrats, for agency heads, to look inward within themselves, to have the optimism that they can be in control of their own future, to provide services, which is what this government is all about, to people who do need those outreaches of government, and to do the right thing.

So I am very excited about the opportunity to challenge government. Instead of just throwing more money at them every year and more and more and more, we are now going to challenge them in a way and say we know you can find the 1 percent. We have talked about these savings all across government tonight. They exist in every single agency, and I think it is going to be a wonderful day for every single government administrator and the heads of these agencies to know that with the challenge, that they can accept it and excel, because of the mission that we have of not spending the future retirement of each and every American today, but rather to keep it into a fund that is ready for them in the future, is what will help and benefit all Americans.

I thank you for allowing me the opportunity to be with you tonight. I know the people of Pennsylvania are well served. You have enthusiasm and integrity, coupled with the background and experience, and I want to thank you for allowing me to be here.

Mr. PETERSON of Pennsylvania. We thank the gentleman from Texas.

Tonight we have heard about tugboats that cost $875,000 apiece that were lost; a surface-to-air missile launcher that cost $1 million that was lost; 5 aircraft engines, including two that cost $4 million that were lost; a floating crane worth $500,000 that was lost. We heard about Medicare spending $20 billion annually, or paying $20 billion annually for fraudulent payments, or what they believe to be fraudulent payments.

You know, it is kind of hard to think that you could not save a penny when you look at all those examples. We have one here of a nice courthouse in Brooklyn, New York, that cost $152 million. The New York Attorney General's office has arrested 16 individuals suspected of kickback and bribery schemes in the construction of this courthouse, that is from the Citizens Against Government Waste, and $4.3 million used to tear down 19 naval radio towers. Again, that is another one pointed out by Citizens Against Government Waste. It seems pretty incredible to think that you just cannot save a penny, a little more than a penny, out of every dollar.

Now, my experience in state government, this was sort of a routine thing. We often passed budgets that cut general government 2 to 3 percent, and what that was is we said department managers, you have to cut the fat out of your general government line item. You cannot go out there and cut the hand that serves the people, because the same 2 percent, to save 2 percent or 3 percent, you do not need to do that.

If state governments can cut 2 to 3 percent of savings out of general government, Mr. President, you can too. Instead of talking about new programs, let us talk about managing the ones you have.

I vividly remember the gentleman who served us so well as Attorney General, Richard Thornburg, who was Governor of Pennsylvania and who was a real good fiscal manager. I served the whole time he was Governor of Pennsylvania in the state legislature.

He was a tough fiscal manager. Every department was asked to become more efficient. Every bureau was asked to reorganize and provide their services, do away with unneeded paperwork and become more efficient.

The state historically had, I am going on memory here, but think I am accurate, about 103,000 employees historically. When he left office after 8 years of governing I believe they had 88,000 or 89,000 employees.

I had a district office in my district, and I want to tell you, the service improved, because not only did we have less employees, paperwork and waste and redundant things were done away with, departments were asked and forced to manage themselves, bureaus were asked to provide the services more cost effectively, and they did.

Government can become more efficient if it has leadership to take it there. Now, I think we have just begun maybe a new cycle. I think this is something we ought to be looking at with some routine. Mr. President, this year trim another percentage out of general government. That is not where people are served; that is where bureaucrats are served.

In my view, this is a very appropriate way to look for savings that could, as happened in Pennsylvania, improve the quality of government, improve the services, because they are managed better.

Mr. President, it is time to manage each and every department a little bit better. It is time to look for waste and incompetency and root it out. It is time to reorganize the structure of government so it can be more efficient and better serve the needs of the people.

Let us save a penny out of every dollar by finding the waste, the fraud and the abuse, and make sure that we never again balance the budget by using Social Security; that we look to live within our needs; that we save a penny or two pennies, whatever it takes, whenever it is, and pay down the debt.

It is time for the American taxpayers to be assured that their Federal Government is going to live within its means, it is never going to look to the Social Security trust fund again to be used for general government purposes, and we are going to concentrate on making the programs we have work better, or do away with them.

We have had a hard time doing that. But the President should be leading us. His administrators know as well as anyone that there are programs that have lost their usefulness, and it seems ironic that Congress and the President in the past have had a hard time, because times change, priorities change, needs change, and the needs of 1984 may not have a whole lot to do with it. But the programs that were started in 1984 are still running. It is time to squeeze that penny until we have our fingerprint in it, that we save that penny and a little bit more out of every dollar of the taxpayers' money, and that we, once and for all, balance the budget, make Social Security safe and just make government more efficient.

POLITICAL HYPOCRISY ON THE SOCIAL SECURITY TRUST FUND ISSUE

The SPEAKER pro tempore (Mrs. BIGGERT). Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Madam Speaker, I am pleased to know that my Republican colleagues who spoke before me this evening basically showed, if you will, their hypocrisy on the Social Security issue.

The bottom line is we all know that Republicans have always disliked Social Security, and now they are trying to have the American people believe they are suddenly the steadfast defenders of the Social Security program by essentially distorting their record on the issue of Social Security.

Let there be no question about it: The Republicans have already spent at least $13 billion of the Social Security surplus. They are trying to give you the impression that somehow that is not the case, that they are going to balance the budget without using the Social Security surplus. The reality is they have already spent at least $13 billion of it with the appropriations bills that have already passed the House of Representatives.

TOM DELAY, the Republican Whip, said at one time, this was October 1st in the Washington Times, "I will not vote for any bill that spends any of the Social Security surplus." But his own Congressional Budget Office has repeatedly said, and we have said it over and over again, we need to say it as Democrats because of what the Republicans are trying to do to distort the record, TOM DELAY's own Congressional Budget Office has repeatedly said that Republicans have already spent $13 billion of the Social Security surplus on the Republican spending bills, on the appropriations bills.

According to the CBO, their own Congressional Budget Office, Republicans are on their way to spending $24 billion of the Social Security surplus with the bills that they keep cranking out and sending to the President. I think the ultimate irony of it all is when the President vetoes these bills and basically sends them back, which means the money is not spent, they criticize the President and say he wants to spend the Social Security surplus.

Well, how can he do that if he vetoes the bill? The bills that they send to him are the spending bills. When he takes his pen and crosses it out and says I will not spend that money and he sends it back, the money is not spent. So it is the President in vetoing these bills and saying look, I want to look at this entire budget. You show me how you are going to put together these 13 appropriation bills and what that is going to add up to in the end, because he is concerned that he does not want to spend any of the Social Security surplus, and in fact it is the Republicans by passing these spending bills and sending them to him that are in fact doing just that.

Let me go beyond the immediate question of the issue of spending Social Security surplus, because I do not think there is any doubt that the Republican leadership has already done that. But they have always opposed the concept of Social Security. The members of this Republican leadership have repeatedly been on record as saying that they are opposed to or wanted to phase out or somehow suggest they do not like Social Security as a concept, as a system.

The fact is that DICK ARMEY, TOM DELAY and the rest of the Republican leadership have a long track record, from either indifference to outright hostility, toward Social Security.

Republicans wanted to eliminate guaranteed benefits for Social Security through various privatization schemes. We have not heard about that, but many, many in the Republican leadership have talked about the need to privatize Social Security, which, in my opinion, is the same thing as not having the system as a guaranteed government system. They have no plan to extend the life of the Social Security trust fund. They basically want to let it wither on the vine.

We all know that if something is not done soon, at some point into the next 10 or 20 years the Social Security trust fund is going to start to run out of money. And where is their plan? Where is the Republican plan to extend the life of that program? The only person who has put forward a plan, or I should say the only prominent person who has put forward a plan to try to shore up Social Security over the long term, is the President of the United States, Bill Clinton, who they basically distort what he says every night here.

Once again, over the weekend he put forward and said that he wanted his long-term plan to shore up Social Security to be part of this budget agreement that he wants to work on with the Republicans, with the Congress, over the next few weeks. They just ignore that. They ignore the fact that Social Security needs to be fixed on a long term basis.

You know, the amazing thing is the President's plan, if it were adopted, would basically extend the life of the Social Security trust fund by 15 years. The Republicans do not extend the life of that fund a single day.

The other thing that I wanted to point out is very conveniently my colleagues on the other side forgot what they did for the last 6 months when they put together this $1 trillion tax cut bill that primarily benefited the wealthy Americans and the corporations and would have just obliterated any effort to try to provide the surplus for Social Security. In fact, the Republican tax plan, which the President wisely vetoed, would have sucked the surplus dry, leaving nothing for strengthening the Social Security trust fund or extending the life of the Medicare Trust Fund or modernizing Medicare with prescription drug coverage.

When I go out and talk to my seniors, they are worried about the long-term impact, whether or not Social Security is going to be there. They are worried about whether Medicare is going to be there. They want to make sure that Medicare includes the prescription drug fund.

If this Republican tax plan, passed by the Republicans in both houses with few if any Democratic votes, had not been vetoed by President Clinton, there would not be anything to discuss here, because any effort to modernize Medicare, provide for prescription drugs, to make sure that we could shore up and save Social Security over the next 30 years, all that would have been out the window. They spent 6 months on that, and finally the President vetoed it. But they have forgotten. We do not hear about that anymore, because obviously it did not work and they are not getting any mileage out of it, so they do not talk about it anymore. Republicans voted for $1 trillion for tax cuts for the wealthy and the corporate special interests. Not one penny of that for Social Security.

Let me just talk a little bit, because over the weekend the president reiterated once again the need to look at Social Security over the long term, to shore it up for the future.

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He is the one that is out there talking about this. Basically what the President is saying is that any surplus that is generated, I am not talking about the Social Security Trust Fund and the surplus that is in there, but I am talking about the general revenue, the money that comes from one's income taxes and other fees that one pays the Federal Government, the general revenue surplus, which, because of the Balanced Budget Act, is going to continue to grow over the next 10 years, he is saying that that surplus, if any, because we are not sure if there is going to be any, but if there is some, he wants to take that general revenue money, that income tax money, and he wants to apply that or a good percentage of that to Social Security so that we have enough money over the long-term.

Because my colleagues have to understand that, under the current system, if we continue the way we do, there will not be enough money for Social Security in another 20 or 30 years.

Well, the President basically said in his weekly radio address over the weekend that he would send Congress legislation next week based on a proposal he first floated earlier this year, this is almost a year ago in the State of the Union address, to shore up Social Security with projected Federal budget surpluses.

I quote, "The American people deserve more than confusion, double-talk, and delay on this issue", Mr. Clinton said. "It is time to have a clear straightforward bill on the table; and next week, I plan to present one, legislation that ensures that all Social Security payroll tax will go to savings and debt reduction for Social Security."

Now, what could be more clear. Here is the Democratic President who, in a long series of Democratic Presidents going back now to Franklin Roosevelt, is saying it is very important for us to look at Social Security over the long-term. My Republican colleagues do not even deal with the issue at all. It is not on the radar screen.

The White House said over the weekend that its plan would extend Social Security solvency from 2034 when, under current projections, it would be able to pay only 75 percent of promised benefits, to the year 2050, beyond the life-span of most of the 76 million Americans born in the 18 years after World War II.

So what the President is saying is that, at some point, I guess it is about 30 years from now, we will not have enough money in this trust fund to pay but 75 percent of the Social Security benefits. So we have to do something. He is putting forth the plan that says what we can do to extend the trust fund to at least the year 2050.

That may seem like a long time away, but for young people who are born now or who are in their twenties, that is when they will be reaching retirement age.

Here, again, is a quote from Gene Sperling, who is the director of the White House's National Economic Council. He says, "What we have tried to do is present what we feel is the most solid bipartisan, hopefully noncontroversial proposal to lock away the Social Security surplus for debt reduction and use those interest savings to extend the solvency of Social Security."

Now, let me explain that a little more. What the President's proposal basically does is to pay down the debt so that the money is available for Social Security. The President has been talking for some time about the need to reduce the national debt and basically saying that, if we save money, and we do not spend money, we will be able to apply that to the national debt.

The Clinton plan, again I am reading from the New York Times, this is Sunday, October 24, "Mr. Clinton's plan is based on the idea that, by using the Social Security surplus to pay down the national debt, the government's interest bill will decline substantially. By the White House estimate, the government's interest expense will be $107 billion lower in 2011 than it would be if the Social Security surplus were not used starting this year to reduce the debt.

"Mr. Clinton's proposal would take the money saved, because of the lower amount of debt starting in 2011, and earmark it to shore up Social Security. From the years 2011 through 2015, the total savings and interest dedicated to Social Security would be $544 billion," Mr. Sperling said.

"And savings would continue accruing beyond 2015 at around $189 billion a year. The savings would at first go to further reductions in the national debt.

"After the debt was paid off, around 2015, under the White House's scenario, this savings would continue to be transferred to the Social Security in the form of a government IOU that would later be redeemed to pay benefits."

The point of the matter is the beauty part of the President's proposal is that we are actually paying down the national debt, something that the Republicans claim they care about, but I do not see any action on it here. I do not see any efforts here to talk about the national debt. That is what the President is proposing to do. That is what his Social Security proposal would do, deal with this problem on a long-term basis.

Instead, the Republicans, what do they do, they do not talk about the long-term needs of the Social Security program. They just keep spending and spending so that, now the appropriations bills actually dip into the trust fund and use the Social Security Trust Fund again to finance regular operating funds for the next fiscal year.

Now, I want to talk a little bit about this tax cut again that the Republican leadership and my colleagues on the other side sort of conveniently ignored in the last few days, in the last few weeks as we are talking about this budget. President Clinton vetoed this trillion dollar tax cut, which primarily benefited the wealthy corporations, for one simple reason; and that is, it wastes the surplus on special interest tax cuts instead of investing in the future of all Americans.

What the President is trying to say is that, if we give back this huge tax cut primarily to the wealthy and to the corporations, what are we doing for the future of the country? Nothing.

On the other hand, if we take his Social Security proposal and basically pay down the national debt, we are investing in the future. That is the point. What do we want to do? Do we want to give a quick giveaway to a few people, a few corporations, a few special interests, or do we want to invest money in the future so the money is there for Social Security in the future and so that, basically, the economy prospers.

The Republican tax plan basically meant $46,000 per year for the wealthiest taxpayers, but only $160 per year for the average middle class people. Republicans lavish nearly $21 billion on special interest tax breaks for big business. Let us not forget how much of that was just tax breaks for big corporations.

The Republican tax plan eats the surplus hold, preventing us from paying down a significant chunk of the $5.6 trillion national debt. Debt reduction, of course, is the best way to ensure that we continue our record economic expansion by keeping interest rates low. This was the President's economic plan, something that the GOP has basically rejected.

The Republican plan also siphoned money away from other critical areas, especially for strengthening Medicare and for providing prescription drug plans to help seniors pay for the costs of life-saving medication.

Let me talk about that briefly again, because then we do not hear anything about the long-term plans that the Republicans have for Medicare, unless they want that to also wither on the vine like Social Security.

Again, this week, I think it was Monday, the President at the White House had a press conference, talked about the need to push for a prescription drug benefit in the context of Medicare. His long-term proposal which was going to shore up Social Security also provided for revamping Medicare to provide for a prescription drug plan.

This is very important to senior citizens. When I talked to the seniors in my district and even the people who are younger who know that eventually they are going to be senior citizens, they worry about how they are going to pay for prescription drugs. Most seniors do not have a prescription drug plan, or, if they do have a plan, they have huge co-payments. It does not pay for a lot of their expenses. We find a lot of seniors that just go without prescription drugs or take half of a prescription when it is prescribed by the doctor.

What the President has basically said is that he wants to establish a new Part D benefit, very similar to Medicare Part B, where one pays a certain amount per month, and one gets half of all the costs of all of one's prescription drugs paid for.

There may be a lot of different ways to pay for prescription drugs and provide a benefit under Medicare for it, but at least he is trying. He is talking about this. He has folded this into his long-term economic plan that includes shoring up Social Security.

I do not hear anybody on the other side talking about it. I do not hear anybody on the other side suggesting that somehow they are going to deal with this problem on a long-term basis.

So, again, it is the Democratic President, it is the Democratic Party that are talking about these issues that will in the long term benefit the average senior citizen. All we see on the other side is a Republican effort to spend money and take it out of Social Security.

There is no question that there is a GOP strategy here that is a subterfuge and that is an effort to try to mask what is really going on.

In an enlightened moment back in August, this is on Friday, August 6, in the New York Times, the Republican

Whip, the gentleman from Texas (Mr. DELAY), who is basically running the show around here from what I can see, basically exposed what his real strategy was with spending the Social Security surplus. Basically what it is is to force the President to his knees, that is actually a quote, and spend the Social Security surplus. That is what the gentleman from Texas (Mr. DELAY) is all about.

He admitted publicly that he is misleading the public with his spend-and-deceive budget strategy. That is what we are hearing is this deceitful strategy that is being played up here on the House floor day after day the last few days, the last week.

What the gentleman from Texas (Mr. DELAY) basically confessed was that the Republican promise to join the Democrats in saving the budget surplus for Social Security was a blatant lie. He recounted in detail the Republican strategy.

If I could, I will just go through this from the New York Times. " 'The plan', Mr. DELAY said, 'was for Republicans to drain the surplus out of next year's budget and force the President to pay for my additional spending requests out of the Social Security surplus,' which both parties have pledged to protect.

"'We are going to spend it and then some. From the get-go, the strategy has always been we are going to spend what is left', admitted Republican Whip TOM DELAY.

" 'The Republican strategy', Mr. DELAY said, 'will also force the President to sign the Republican parties spending bills for next year.' "

He has not agreed to do so. He has been vetoing them. But they want him to sign because they want to spend the money and spend the Social Security surplus.

Again, I go back to the New York Times from August 6: "He", the gentleman from Texas (Mr. DELAY) "said that even if the spending swallowed up the budget surplus, the Republicans had a plan to use various budgetary mechanisms that would allow them to say they had stuck to the strict spending caps they imposed in 1997, the Balanced Budget Act. We will negotiate with the President after he vetoes the bills on his 'knees', Mr. DELAY said."

Well, I am going to go into some of those gimmicks that the Republicans are using, the gentleman from Texas (Mr. DELAY) is using to try to mask what they are really doing here by spending the Social Security surplus. But before I get into that, I wanted to give my colleagues some quotes from these Republican leaders where they talked about their long-term plans to get rid of Social Security.

This is in 1984 when the gentleman from Texas (Mr. ARMEY), the Majority Leader, in the Fort Worth Star-Telegram, October 21, 1984, said that "Social Security was a bad retirement and a rotten trick on the American people." He continues, "I think we are going to have to bite the bullet on Social Security and phase it out over a period of time." That was the gentleman from Texas (Mr. ARMEY), the Majority Leader, in 1984.

This is from CNN's Crossfire on September 27 of 1994, Michael Kinsley asked the gentleman from Texas, (Mr. ARMEY) the question: "Are you going to take the pledge? Are you going to promise not to cut people's Social Security to meet these promises?" The gentleman from Texas (Mr. ARMEY) said, "No, I am not going to make such a promise."

Lastly, this was in the same year, September 28 of 1994, the gentleman from Texas (Mr. ARMEY) said on a C-SPAN call show, "I would never have created Social Security."

So do not believe these guys when they say that they are trying to make sure they do not spend the Social Security surplus. The gentleman from Texas (Mr. ARMEY) and the gentleman from Texas (Mr. DELAY) have a long history of not being in favor of Social Security. That is what we are seeing. That is what ultimately will manifest itself here, because they do not have a long-term plan to deal with it other than to get rid of it.

I talked a little bit before about these creative gimmicks that are being used by the Republican leadership to try to mask that they are really spending the Social Security surplus. I do not want to spend a lot of time on them, but I do want to talk a little bit about them this evening if I could.

It is difficult when I talk to my constituents about these creative accounting gimmicks, because it sounds like a lot of bureaucracy and is very hard to explain the technicalities of what they are trying to do. But there are many ways creatively in this Congress that one can really mask what one is doing with the budget and how one is spending money and where it is coming from. We would have to probably spend hours to explain all the details about how they do it.

But there was a very good article, if I could mention it this evening, Madam Speaker, on Saturday, October 16 in the Washington Post by Eric Pianan and George Hager where they talked about Congress making greater use of creative accounting. I think they kind of distilled some of these gimmicks and put them in some common-sense terms. So I just wanted to take a few minutes if I could to highlight some of those gimmicks in this article by these two gentlemen that was in the Washington Post again on Saturday, October 16.

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They say the Nation's defense contractors will have to wait an extra week to get paid this year. Routine maintenance of Pentagon facilities will be considered emergency spending. To keep from cutting education and health programs, lawmakers plan to borrow $15 billion from next year's budget.

So one of the ways that we can mask what we are doing with the budget is by declaring items emergency spending. We can say, oh, it is emergency spending so it does not count. That may sound crazy to my constituents and to the American public, but it is a fact. And what the Republicans have done is to declare a lot of things emergencies that really are not.

The best example probably, as has been mentioned several times on the floor of the House of Representatives, is when they decided to declare the funding for the census that occurs every 10 years as an emergency. Well, how can something that is required by the Constitution, the Constitution says every 10 years we have to do a census, how can that be an emergency when we know 10 years in advance that we have to do it? Well, that is an example.

I will go back to this article from the Washington Post. It says, "As a Republican controlled Congress struggles to complete work on the budget, it is relying to an unprecedented degree on creative accounting to boost spending beyond what its rules allow. All told, congressional budgeteers have manufactured an additional $46 billion to spend this year on defense, farms, education and other programs. The situation underscores the immense difficulty of writing budget discipline into law and how easy it is for Congress and the President to circumvent what are supposed to be ironclad limits designed to keep spending in check. Under the 1997 balanced budget agreement, the Federal Government was supposed to spend only $592 billion in the 13 bills funding government's daily operations this year. But Congress is on target to spend roughly $640 billion."

So the problem that the Republican leadership faces is that under the Balanced Budget Act, which we all adopted a couple of years ago, the spending for this year is supposed to be only $592 billion. In reality, they are spending about $640 billion, if we look at their budget. Well, we can see the discrepancies there and why it is necessary to come up with these accounting gimmicks.

Again, I am reading from this Washington Post article. "Independent budget experts on the right and the left say Congress is masking the true size of its spending binge and could create serious budget problems when the obligations for the delayed spending come due. The actions also call into question whether the government will realize soaring surplus projections, which depend heavily on Congress ratcheting down on spending."

So if we delay the spending and essentially go into next year's budget, ultimately this will come home to roost and we will have a bigger problem next year. What of course we do is, we do not have the surplus and we will not be able to generate the surplus that supposedly is going to be generated by this Balanced Budget Act we passed 2 years ago if we keep spending into it. That is exactly what they are doing, spending into the Social Security surplus to pay for these ongoing programs that they claim are not really being spent as part of the surplus. In reality, that is what they are doing.

Going back to The Washington Post article again. "To the extent this approach is effective, it creates a bigger hole that has to be filled the following year, said The Brookings Institution's Robert Reischauer, a former director of the Congressional Budget Office." And it is very shortsighted, is what he says. Obviously, it is shortsighted to keep delaying spending into next year.

Just an idea of how they go about these sort of advanced appropriations. In recent years, and this is back to The Washington Post, for instance, "Congress and the administration has balanced out their numbers by borrowing funds from future appropriations. Last year, Congress agreed to $11.6 billion of such advanced appropriations. This year congressional Republicans plan to borrow twice that amount, including funds for education, job training programs, and rental housing subsidies. That will make it even more difficult to keep spending down when they consider the same programs a year from now.

"With the approval of an $8.7 billion farm bill out this week," which was the week of October 16, "Congress has declared a total of $22 billion in spending emergencies that also do not count against the budget limitations. Other such emergencies include spending for the 2000 census, fuel assistance for the poor, and maintenance of Pentagon barracks and facilities." Again, these are these declared emergencies which basically make it so that we do not have to count it but the money is really spent.

Finally, the article concludes that, "Even with this more aggressive use of budget tactics, the Congressional Budget Office has estimated that lawmakers would still tap the Social Security surplus by anywhere from $13 billion to $20 billion. Republicans may have to resort to an across-the-board spending cut of 1 to 2 percent to keep from doing that."

Now, let me get into that, if I could a little bit, Madam Speaker, because that is basically what we were hearing from the other side of the aisle tonight. They know they have spent this $13 to $20 billion of the Social Security surplus. They will not admit it, but it is a fact. It is in the Congressional Budget Office analysis. Everyone knows it. So now they are talking about this 1 percent. I think it was 1.4 percent, but now they are talking 1 percent, so I guess they revised it, that they are trying to say they are going to implement as a way of getting around spending the Social Security surplus.

Well, this is really just an admission of the fact that they have been caught red-handed dipping into the Social Security surplus. They are looking scrambling around to make up the difference with gimmicks and these across-the-board spending cuts. This plan to require a 1 percent automatic budget cut, if the Office of Management and Budget certifies that spending would dip into Social Security, is really an admission by the chairman of the House Committee on the Budget, the gentleman from Ohio (Mr. KASICH), that Republicans have stuck their hands deep into the Social Security cookie jar. It is basically asking the Administration to save House Republicans from themselves.

One of the other things that they did, which I thought was particularly interesting, was this idea to raid the tax refunds of the working poor. Every day we get a different gimmick. It is either emergencies, delayed spending, 1 percent across-the-board, and the one a couple of weeks ago was this idea of taking the earned income tax from the working poor and using that. Actually, their proposal would have delayed $7 billion worth of earned income tax payments to the working poor in order to fill the gaps in the budget.

I do not know what they were thinking with that. Maybe that somehow the working poor, because they figured they do not have time to vote or do not have time to read the newspaper or something, that they were not going to notice that they did not receive their tax refund up front. I do not even know if they have dropped that. That may still be out there as another way or another gimmick of trying to somehow hoodwink the American people as to what they are really up to.

Let me just say, though, because I have heard this 1 percent plan mentioned several times this evening by my Republican colleagues who spoke before me, that even that does not add up. They are pretending a 1 percent across-the-board cut will do the trick and erase their $12 or $13 billion spending where they have dipped into the Social Security surplus. But even with that, they are still nearly $4 billion in the hole based on their own phony accounting. In reality, I say they are way on their way of dipping into even more and more of the Social Security surplus.

As we see what develops over the next few days or the next few weeks here, I am sure we will all find that, in fact, they are spending even more, and they are going to go way beyond that $12 or $13 billion that has already been spent from the Social Security surplus and even spend more before they finally wrap up this budget process.

Madam Speaker, I do not intend to spend a lot more time this evening, but I feel it is my obligation and that of my colleagues on the Democratic side to come here every night and basically present the truth and expose this GOP hypocrisy on Social Security. I have never seen an effort by my Republican colleagues to basically come to the floor every night and somehow think that if they are going to keep saying this over and over again, that the President is dipping into Social Security or the Democrats want to dip into Social Security, that somehow it is going to be believed.

They are even running these ads, very expensive ads, I should say, in a lot of the districts of my Democratic colleagues, accusing my Democratic colleagues of dipping into Social Security. I think the theory is if they tell the lie often enough that people will believe it; or if they spend enough money getting the message out, even though it is not true, people will believe it. I hope the people do not believe it. And certainly we will continue on this side of the aisle to expose the truth about what is really going on here and how much money is already being spent by the Republicans with their spending bills.

The ultimate irony is that they keep coming and talking about how the President wants to keep spending money. Well, the President does not appropriate the funds. They are in the majority. The Republicans are in the majority in both the House of Representatives and in the Senate. They are in the majority. They send him the bills. If he vetoes the bills, the money is not spent. That is the constitutional process.

So for the life of me I do not understand how any of them can suggest that by the President vetoing a bill that somehow he is spending the Social Security surplus, when all he is saying is that the money cannot be spent. If he vetoes the bill, the money is not spent. The only way the money is spent is if they appropriate the money and he signs the bill.

So the whole process, the whole way they go about describing the process, is basically not true. And I think it is incumbent upon myself and others to come here every night and to explain what is really going on here in this Republican effort and their inability to adopt a budget that does anything but spend the Social Security surplus.

ILLEGAL NARCOTICS AND ITS EFFECTS ON THE YOUTH OF OUR NATION

The SPEAKER pro tempore (Mrs. NORTHUP). Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes.

Mr. MICA. Madam Speaker, I am pleased to come to the floor of the House again on a Tuesday night to talk about an issue that I talk about as often as possible, and that is the problem that we have in our country and also in dealing in Congress with the issue of illegal narcotics and the tremendous impact that illegal narcotics are having on our young people.

Tonight I am going to focus a little bit on some of the issues that relate to the question of the District of Columbia's appropriation and some specific measures that are in the appropriations bill that deal with the District of Columbia.

I also intend to talk a bit about the general war on drugs and review a little bit how we got ourselves into that situation.

Time permitting, Madam Speaker, I also hope to talk some about Colombia and the administration's potential request, which certainly will dramatically affect our spending as soon as we finish with the problems we have now in funding the fiscal year 1999–2000 requirements. We are expecting a rather substantial request to come in by the administration, and we will talk about that and Colombia and how we got ourselves into that particular dilemma.

And I will also talk a bit about the situation in Panama, that whole region that has been such an active area as far as illegal narcotics trafficking and disruption in general for the entire hemisphere.

So those are a few subjects, and then, time permitting, I will get into some of the updates that I usually try to do on problems relating to illegal narcotics and how they affect all our communities across the land.

The first thing that I want to talk about tonight is something that I hear repeatedly over and over; that the war on drugs has failed; that, indeed, we have lost the war on drugs. I have some very good friends, even on the conservative side, and I noticed one of the columnists, who is very conservative in his opinion, this past week came out and said why not legalize narcotics; that the war on drugs is a failure. I always try to relate my topic of discussion to the facts and deal with the facts and statistics, information that we have had presented to us in the subcommittee which I chair, which is the Subcommittee on Criminal Justice, Drug Policy and Human Resources of the Committee on Government Reform.

We have had many, many hearings since I have taken that subcommittee over the beginning of the year dealing with illegal narcotics, and we have looked at the question of whether or not the war on drugs is indeed a failure. We have looked at the question of legalization. In fact, we probably conducted the first hearing, the only hearing to date, on the question of legalization and decriminalization of drug penalties. We have talked in our subcommittee and held hearings on the problems with Mexico, with Colombia, with some of our treatment programs and, most recently, the education program that this Congress has funded to the tune of a billion dollars over the next 5 years getting an update on that first year's progress in that program.

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Additionally, the southwest border and the billions of dollars we spent in Federal resources at that border in trying to contain not only illegal narcotics but illegal immigration and trafficking, illegal commerce across our borders.

So we have covered the gamut of this topic. We have heard from GAO, DEA, Department of Justice, Department of Defense, Department of State, many, many agencies of Federal Government and rely on their facts and support and statistics in our reports.

Basically, I came to the conclusion, and I think my colleagues would too if they spent time in those hearings as we have done, we came to the conclusion that, in fact, the war on drugs did not fail.

What happened was we had an end of the war on drugs in 1993 with the Clinton administration, which took over not only the executive branch of Government, which executes the law, but also had very substantial majorities in both the House of Representatives and also the other body, the United States Senate. They controlled and dominated the agenda, the legislative agenda, and the executive and administrative operations of this Government for over 2 years, from 1993 through 1995.

I have had these charts out before, and I will refer to them once again. Foremost in our responsibility as a Federal Government are our programs to stop illegal narcotics at their source, outside the country. Now, State and local governments law enforcement folks cannot do that, but it certainly must be done. And whether we legalize what are now illegal narcotics or not, we would still have a fundamental responsibility in keeping what would be an illegal commodity coming into the United States. In this case, it happens to be primarily heroin, cocaine, and methamphetamines.

The first thing that the Clinton administration did after completely decimating the drug czar's office, and that was the beginning of the ending of the war on drugs, they took the drug czar's office down from a staffing level of over 120 to some less than 2 dozen personnel. That was the first cut, slash, burn that ended the war on drugs.

The next thing they did, and again Federal responsibility is to stop drugs at their source, that is, outside the boundaries of the country, clearly a Federal responsibility, if you look at the chart, Federal spending and international programs, these are source country programs we see this dramatic decline in 1993 right in this period here through 1995, up to 1996 it bottomed out. This is where the Republicans took control of the House and the other body.

Then you see a dramatic reversal in that spending. And these are really not very big dollars, this is $633 million, in the scheme of our entire war on drugs. And you have to understand that illegal narcotics and drug abuse and crime and operating our justice system and everything, all the costs run us about a quarter of a trillion dollars a year.

So this is $633 million back in 1991. And in 1999 we are up to about that level. If you look at 1990 dollars, you see that we have gotten us back into the war on drugs in the source country programs. And that has been particularly effective in cocaine, where we have had two programs that the gentleman from Illinois (Mr. HASTERT) help start them, Mr. Zeliff, formerly a member, the gentleman from Illinois (Mr. HASTERT) now the Speaker, when they took over this responsibility which I now chair, they began very effective international programs in both Peru and Bolivia.

I am pleased to say that, in Peru, almost 60 percent of the cocaine production has been eliminated and in Bolivia over 50 percent. President Fujimori of Peru has done an outstanding job. And the President of Bolivia has done an excellent job, too. Mr. Banzer, the President there, has, as I said, eliminated over almost half the production and has a program that in the next 2 years, 24 months, to eliminate the balance.

So we have seen cocaine production figures drop most cost effectively, small amounts of money, in those countries.

The one disaster in all of this is Colombia, and I will talk about that later, where specific administration policy closed down not only the war on drugs internationally but, more specifically, in Colombia. And that has done the most damage and where we are getting now most the cocaine and heroin entering the United States is now produced there.

But we see, in fact, our primary responsibility as a Federal Government would be in the international arena spending cost effectively these dollars, and in 2 to 3 years they did an incredible amount of damage.

The next responsibility as far as the Federal Government and working with our agencies to stop illegal narcotics would be to stop them from the source to the border coming into the United States. Again, the war on drugs basically closed down.

If we took these figures back to when Ronald Reagan was President and

George Bush, we would see a dramatic drop and they made tremendous progress in stopping illegal narcotics coming in, stopping the production and also interdicting and using the resources of our various agencies.

Basically, again, the Clinton administration and the Democrat controlled Congress stopped the military from being involved in the war on drugs. And some way, well, the military should be involved in this effort. But, in fact, they do patrol outside our borders. In fact, their planes do go up every day. In fact, we have servicemen and women serving around the world.

If we looked at the impact of any type of damage to our country, I said a quarter of a trillion dollars in expenditures and lost lives and production in this effort, our military are there, they are on duty. And they were brought into this war by President Reagan and also there with the blessing of President Bush, and they did a tremendous job and we saw a decline in illegal narcotics coming into the country. And it was most cost effective since we are paying the tab for the military in these arenas anyway.

Additionally, if you took at the casualties, and I have cited the most casualties we had released just a few months ago, it was over 15,200 Americans died from drug-induced deaths, if you take from the time President Clinton was elected to today, we are probably looking at close to 80,000 Americans have died as a result of drug induced deaths. And that is as many as any of the conflicts, the Vietnam conflict, the Korean conflict. And that does not address the other social problems, the human tragedy cost to so many who are not mentioned in just the death figures but the destruction again of families.

Again, the second most important responsibility, stopping drugs before they come into our country, very cost effective again. We were up to $2 billion totally. And again this is money that would have been spent by the military in any event, almost all of this money. Because we have the planes, we have the ships, we have the personnel which are the bulk of the costs. But, again, their disdain for the military, their disdain for a real war on drugs, they took them out of this effort.

We also used the Coast Guard to protect our borders, particularly around the coastal areas. Puerto Rico is a great example. And my area has been very hard hit. I represent central Florida, Orlando, where our heroin overdoses and drug overdoses now exceed homicide as a cause of death, more deadly than any gun or knife or weapon that is used in the destruction of human life.

Drugs have decimated my area. Most of those drugs came in from a very simple action of the Clinton administration in cutting the Coast Guard budget. This House of Representatives and the Senate, dominated by the Democrats in 1993, 1994 up to 1995, slashed those budgets. Talk to anyone who is in the Coast Guard. They cut the shield that protected Puerto Rico. And drugs float in there. Once they are in Puerto Rico, they are in the United States. And the next thing we knew, they were flooding our area and Central Florida, and other areas have been hit by the same type of heroin epidemic.

But there are consequences to our policy. The policy adopted by this Congress is very clear. They killed the war on drugs, dead as a doornail. So we had again no leadership as far as the national level. In fact, we had contra-leadership with the appointment of Joslyn Elders, who was our Nation's number one health advocate, and she said "just say maybe."

They slashed the drug czar's office from 120 positions down to some 20 positions. They cut the spending in the Federal areas of most critical importance. Again, source country, very cost effectively. Just a few dollars took the military of the Coast Guard and others out of this war.

So, my colleagues, that is how we got ourselves into this situation, with incredible quantities of heroin coming into the United States, incredible quantities of cocaine, methamphetamines, and other drugs coming into the United States, cheap and on our streets in large quantities.

Now, those policies had some very direct results. I wish I could take a transparency and put what they did as far as their policy over these next charts. These charts, and I showed them, one other time we have used them, but they show the long-term trend and lifetime prevalence of drug use.

If we look again, this puts it in perspective. I hope we can focus on this. If we look at the Reagan years and we see the prevalence of drug use in the Reagan years starting to decline, the Bush years declining dramatically, the Clinton years almost like a rocket it is launched from the time that Bill Clinton, with the help, assistance and aided and abetted by the House of Representatives, did what I cited in these two charts and gave us this result.

And it is dramatic, if you look at just in the short time the Republicans took control of the House and the Senate, how we have already begun to turn that tide. And that is through restoring interdiction, through bringing the military back into this effort. By a full court press, so to speak, we have restored the drug czar's office.

In fact, I checked today and we funded over 150 positions. If you are going to fight a war on drugs, you have to have the ammunition, you have to have the equipment. You cannot cut the staff out of the leadership from 120 to 20.

Barry McCaffrey, our drug czar, I will say has done an admirable job in taking up this responsibility. And he not only has to have the responsibility, but he has to have the support of the Congress; and the support was not there. We see the results again in the lifetime drug use. And it is just not coincidence. These are facts.

If we look at the long-term trend in lifetime of prevalence of cocaine, we see the same thing. We see during the Reagan administration, and I was a staffer in the United States Senate in those early days, I remember helping work with Senator Hawkins and others of the Reagan administration, the Republicans at that period of time controlled the administration and also the U.S. Senate, and we were able and we had support, I remember even the gentleman from New York (Mr. RANGEL) and some of the Democrats on the other side help, and we turned around this situation with cocaine.

If you look, it goes back down to President Bush. Incredible declines in the prevalence of cocaine use through the Bush administration. And then, with "just say maybe," with lack of Federal leadership, with lack of executive direction, the cocaine use takes off again under President Clinton.

These are very dramatic charts showing exactly what happened. The information is not something the Republicans have just developed or our staff just put together. These are all from solid reports. This chart should be quite startling to everyone because it shows the latest drug of choice, and it is doing so much destruction not only in my community but also the land.

□ 2000

This shows again during the Reagan administration it sort of leveled out and the Bush administration, the prevalence of heroin use. We do see some decline in the Bush years, and then we see in the Clinton years it taking off like a rocket. And then when the Republicans took over again and we reinstituted a multifaceted, as I said, a full-court press against illegal narcotics, we have seen the beginning of a turnaround.

You cannot take the critical elements out of a war on drugs, just like any war that you fight. You cannot just be treating those wounded in battle. Interestingly enough, and we have the statistics on this, but from 1993 when the other side took control of the Congress and they controlled the White House, since then we have about doubled the amount of money on treatment. There is nothing wrong with spending money on treatment so long as those treatment programs are effective. But they must be effective and they must work. They must not be a revolving door. But we have doubled the money. In fact, with the Republican leadership just since we have taken over, there has been a 26 percent increase in funding from this Congress, Republican-controlled Congress, in treatment funding.

Tonight, I want to talk again about the budget battle. We are engaged in the House and the Senate with the administration in a very serious and difficult budget battle. We must pass 13 appropriations measures to fund all the operations of government. We have passed some seven or eight of those and some of those have been vetoed by the President. The President I believe yesterday signed into law the Defense bill. That is sort of a no-brainer. It had pay raises for our military that is long overdue. Depletion of the military, we have restored funds. It has really one of the few increases, but again we have to remember that this administration that detests the military has used the military in more deployments than ever in the history of any administration that has existed. There is great cost and to that cost we must have responsibility. It is also a big agency and there is an opportunity for improving payment patterns and expenditures and cutting waste and inefficiency out of it. We are trying to do that. In fact, we are trying to do that in all of these bills. But again Defense is sort of a no-brainer.

One of the other bills that the President has vetoed is the District of Columbia appropriations bill. One of the 13 bills that we pass to fund our Federal Government, we also pass to support the District of Columbia, and that is a constitutional responsibility set out from the very beginning when we created the District in 1790, we have had that responsibility, but I think that bill is sort of a microcosm of what we are facing in the larger picture, how the Republicans inherited sort of a mess, an incredible mess, trust funds that were robbed, Social Security funds that were depleted, unfunded pensions, pension accounts; just numerous inefficiencies, programs that had been expanded. We had 760 Federal education programs, 200 job training programs, hundreds and hundreds of programs and built incredible bureaucracies in Washington. In fact, as chairman of the Subcommittee on Civil Service, I think there are somewhere in the neighborhood of a quarter of a million Federal civil servants just within 50 miles of where I am speaking around Washington. They had built this huge bureaucracy that had sort of spun out of control and in the process to fund this and also to keep power, in order to keep power you have to keep getting more people hooked on the Federal take, so to speak, and I am not speaking about just Federal employees. There are thousands of them that do a great job. I was chairman of Civil Service for 4 years. There are some great Federal employees out there. Many of them are hampered by the laws and regulations which the majority put into place and they could do a better job if we let them more effectively operate.

The District of Columbia is a great example of government gone wrong. What the folks on the other side who had 40 years to straighten out the District of Columbia, 40 years to make changes in programs, 40 years to bring the government of the District under control and the government of the United States, what they did and now what the President is threatening to do, the President is threatening to veto again, and we have already had one veto on the District appropriations bill, but part of the discussion is, one, we are not spending enough money, the other is that we have not adopted liberal enough policies.

How do I get into this mix? I am chairman of the drug policy subcommittee but also an observer of the District and of what has gone on here, both before we came into power and after we came into power. But the same liberal policies that they are trying to adopt now, spend more and then adopt a more liberal drug policy, are exactly what got the District into difficulty. We have been able to bring the District out of some of that difficulty.

We have done the same thing with the District we have done for the country at large. Now, stop and think about this. Think about the District of Columbia in 1995 when we inherited the District of Columbia. The other side ruled it for 40 years, again very tight rule, specific rule, giving them everything they want. There was a $722 million deficit just in 1995 in running the District of Columbia. It was just like the Federal Government. We were running 200 and $300 billion deficits annually in addition to taking all the money out of the Social Security trust fund. They were taking all that money, then spending beyond that a couple of hundred billion more. They had run the District into indebtedness and reliance on the Federal taxpayers' largesse to the tune of three-quarters of a billion dollars a year. They had 40 years. In just over 4 years we have gotten their finances straightened out.

The first thing we had to do was basically take over the District, put in a control board and get some personnel who could do something. I want to cite again what we inherited here and talk about the policy that they are trying now to foster and the President is trying to impose with these vetoes.

The District of Columbia had, in 1995, 48,000 people employed in the District. It was the third in size as far as municipal employees, exceeded only by New York and Los Angeles. The revenue from all sources in 1995 was over $7,200 per capita. They had plenty of money coming in. In fact, it was the highest in the United States. When we took over, they were charging more. The expenditures per capita, $7,150, you guessed it, was the highest rate of expenditures in the country. So they had more employees than anyplace except for the two largest cities and on a per capita basis probably exceeded only by the former Soviet Union. The debt was the third highest in the United States at $6,354 per person. That is what we inherited. Again, three-quarters of a billion dollars running annual deficit.

Let me tell you what else we inherited, and this is from the folks who are now saying they are going to straighten out Social Security and the District of Columbia. Let me talk about a few of the programs that are important to people, and they always give you this baloney that the Democrats or the liberals are more interested in people than the Republicans or the conservative side of the aisle. This is what they did to the people that they are supposed to care about.

According to, and these are all articles except for one of these, it is from the Washington Post, not exactly a conservative publication but we will use the Post as a source. According to the Post in 1995, the Department of Housing and Urban Development rating system, the District's subsidized housing program achieved the lowest ranking of any urban public housing agency in the Nation. Now, that is an accomplishment. They had control of this place, control of the District and the housing program basically failed.

The prison. This is from 1995, again, the same story. "Authorities have uncovered a multimillion-dollar heroin ring that was run out of the Lorton correctional complex. That is the D.C. prison. Prosecutors have obtained convictions on more than 30 corrections employees in the past 3 years for smuggling drugs, accepting bribes and corruption. A jail suicide expert recently described the D.C. jail situation as catastrophic." This is what we inherited in 1995, the new majority. We have had to basically take the Federal prison, take the housing authority and revamp all of these programs, practically eliminate the prison here because the prisoners had basically taken over control.

Now, again these are supposed to be the most compassionate people, they tell you how they are saving Social Security and children and they always line up the children in the photo ops and all of that. This is what they were doing with the children, again their liberal, failed policies. This is from the Washington Post. The article is right here. I will read right from it:

"Some mentally ill children at the District's St. Elizabeth Hospital have been fed little more than rice, jello and chicken for the last month after some suppliers refused to make deliveries because they hadn't been paid."

Here those that are probably the least well off, least able to help themselves, the mentally ill children in the

District, they were the recipients of their policy, and again this is something that we have had to straighten out in the last little more than 4 years. They had 40 years to create this mess. And now they want to go back to that.

This is a great story from the Washington Post, October 7, 1994:

A city funded program aimed at spurring economic development has made few loans, created few jobs and after 6 years is still sitting on millions of dollars, according to the D.C. auditor Russell Smith. Smith said the Economic Development Finance Corporation, which began operating in 1988, again under these folks, has failed in its mission. He contended that it has improperly invested $6 million in a private for-profit group and furthermore that again their programs were a failure. Finally, the report criticized this group, the economic development group, for improper expenses, including food, flowers and political contributions made. This is what the other side did when they controlled the District of Columbia.

One of the other areas I spoke a little bit about and I think is important to all of those who do not have housing, is public housing. The other side claims to be able to do more for folks. But again in February 1993, the Washington Post reported about the housing project, again under their watch:

"Fraught with contracting delays, staffing problems and an endless crush of maintenance requests, the city's housing department still has 1,895 units boarded up and unfit for anyone, not the record number of families in shelters for the homeless, not the 11,000 people waiting on average of 5 years for public housing."

And then in their drug and alcohol treatment programs, trying to help those who we want to help and who we are now trying to help with our programs and policies that are incorporated in the legislation that the President has vetoed for the District.

This is 1993 again. "Its drug and alcohol treatment programs, however, were denounced as inadequate last month by Federal officials. However, the city has also gone without a permanent mental health commissioner for the past year. Its public housing department is being sued for failing to fix apartments and its Department of Human Services, responsible for tackling most of the social problems affecting the city, is still bound by 16 court orders to improve its work."

Now, this is what they did in 40 years and we inherited, and in a little over 4 years we have begun to straighten out this mess, but the President does not want to see that continued. He wants more spending, more liberal programs.

□ 2015

Public housing, the situation was horrible. I remember seeing a television report with rats and infestations you would not put, as I said on the floor of the House in a previous speech, your dog in one of these units, public housing units, that were under the control and supervision of these folks here.

Again, a question of a liberal policy, a conservative policy.

Then the question of pensions, and the previous speaker to me was talking about the Republicans and how they are not good custodians of Social Security.

Now my colleagues have to remember that in 1993, 1994, 1995 and before that, they were spending 200 to $300 billion a year in excess of the revenues coming in and then all the money in the Social Security Trust Fund.

This particular chart tells it all. It shows Democrat control, spending from the Social Security Trust Fund. Democrat control, 1984, 1985, right in this period when they took over the House and the Senate, and the Congress controls the spending, folks. The President can recommend it or veto some, but basically the authority under the Constitution is with the House of Representatives and the Senate.

This is the most graphic and telling chart that I have ever seen. Every American should look at this.

And how they can come to the floor with a face and tell us that we are not doing a good job, we are not good stewards of this, or we are proposing plans to spend from the trust fund. When you see what they did when they controlled this, they spent all the money that came in, all of that into indebtedness, and then all of the trust fund money. It is absolutely astounding that they could come with straight faces, come to the floor and accuse us of this.

They also distorted, and I heard, again, previous speakers talking about this, about Republicans wanted to do away with Social Security. Well, I do not know of any Republican who has advocated doing away with Social Security. Most of us are concerned because of their years and years of spending out of the trust fund. It is very difficult to put it back put the money back in there, and we are doing that for the first time. Without a doubt we are doing it.

But it is beyond belief that, again, they could come to the floor with a straight face and say that we have a plan to do this.

Now I cite this because they did the same thing with the District of Columbia when Marion Berry in 1994 was here, and this is from the Washington Times, the only one I have from the Washington Times. But I think the facts are correct in it. It says Marion Berry has proposed little beyond the $140 million mandate to shore up the city's sagging finances. With a $40 million deficit remaining from fiscal 1994, an $18 million shortage in payments to Metro, 5 billion in unfunded police and firefighters' pension liability; not only did they do it to the Social Security Trust Fund, they did it to the District's pension funds.

And again I just do not know how you can dispute the facts. This chart has not been doctored in any way. This tells it like it is. In fact, the other side had their chance some 40 years and a little more than 4 years. It is absolutely incredible what we have been able to do in fighting and kicking and screaming with the President vetoing our legislation, even the District bill.

Again, if you take what the Democrats did with education, and you hear them talk about how they have done so much with education. In fact, my wife was a former educator. Myself, I graduated from the University of Florida with a degree from the College of Education. Though I never professionally taught, Mr. Speaker, I am an observer of what has taken place in education, both again living with a teacher and closely monitoring what has happened.

What they have adopted as their policy for public education is what I call RAD. It is called regulate, administer and dictate, RAD; R-A-D, regulate, administer and dictate. And that is what they have done over 40 years, bringing more control and power.

Now what is interesting, only between 4 and 5 cents of every dollar that goes into education in fact comes from the Federal level; 95–96 cents comes from State and local sources. But year after year they have created more federal programs; I told you some 760; I think we have it down to a little below 700 now kicking and screaming, but consolidating some of the administration, the A in that, the regulations. They want to regulate and control. As long as they regulate and control, administer programs, decide who gets the grant, who gets this, we have said that we want 90 percent of the money in the classroom and for basic education. They, in fact, have had 90 percent of the money not going into the classroom and for education. They want to determine whether we use the money for school construction, or they want to determine the hiring and firing of teachers. We think that should be left to the local school boards and local officials.

It is a liberal philosophy, a liberal philosophy of RAD. Regulate from Washington, administer from Washington, and dictate from Washington.

Now they did the same thing with the District of Columbia, and what did we inherit in the District? We basically inherited a school system where they are spending more per student than almost any place in the United States and getting less, some of the worst performance records.

In an article in 1996, again of what we inherited, the D.C. public school system had 91 leaky roofs, currently they had 20 condemned boilers and a hundred of 230 buses are nonoperational.

This is what we inherited, and, again, straightening this out has been very difficult, and again the President wants to veto our approach to education in the District, our approach to drug policy in the District, our approach to fiscal responsibility in the District and go back to the reckless ways of spending.

I love these articles because they cite again what we inherited, what this new Republican majority inherited, and I think every Republican should be proud whether it is the American who is out there and registered as a Republican, whether it is a Republican in this Congress, whether it is some of my colleagues who were beaten up and defeated for the fiscal responsibility that they brought about, but I think they should be very proud of what they have done not only in the Congress for the country, but I think what we have done for our Nation's capital.

A nation's capital should be a shining example. Instead it was a disgraceful situation here that we inherited.

This 1996 Washington Post article talks about what we inherited with some of the medical facilities; in this case, the morgue, and I have cited this one before. This is just unbelievable:

> Cockroaches crawling across stainless steel autopsy tables, clogged drains that often send blood and body fluid spilling on to the faded tile floor, flies droning in the hot stench, so thick it sticks to your skin and leaves fowl taste in your mouth. And here is a quote from one of the workers there:
>
> We try to do the autopsies early in the morning, it is cooler then.
>
> This was the scene yesterday at the District's dilapidated morgue near the D.C. General Hospital in southeast Washington where 74 corpses, more than three times the morgue's intended capacity, are being stored in a facility where refrigeration sometimes cuts off when it rains.

This is the mess that we inherited with the District of Columbia. This is the way they operated it and administered it, a very important fiduciary responsibility in the Constitution. The Congress is responsible for the District.

It gets even worse. It says one body, and this is the report from this reporter, Washington Post, who looked at it then. One body was on the floor, and some were in body bags that had split open exposing the faces of the corpses. The backlog has occurred in parts because the crematorium the morgue uses to dispose of unclaimed bodies broke down a month ago, and the cash-strapped city had no other way to dispose of the corpses.

This is a part of this argument, and, as my colleagues know, I have said before it was easy for us to balance the budget because what we did is we limited the increases. They have you think that we took food out of the mouths of babies, we closed down social programs. The argument we got into was limiting the increases in spending. They had huge 10, 12, 14 percent, not mentioning the giveaway programs of the District. Seven hundred and twenty-two million, three-quarters of a billion in 1 year, to pay for this mess.

This is what we inherited; it is a disgrace. Can people not deal with these facts? I know this has to be embarrassing for the other side, but this, in fact, is what our majority inherited, what we have been able in a little more than 4 years to straighten out situations like this.

Then, again, we talk about caring for those who are in most need. I talked about the mentally ill children feeding them Jello and rice for months. That is the compassionate liberal solution.

Here, and I used this one last week, I will cite it again: neglected and abused children. Now what can be more responsible than taking care of neglected and abused children?

Here is a worker, a welfare specialist who came in from Guam, and said she saw some very difficult situations in Guam. This is in 1995. But after 6 months in the District's bureaucratic trenches she knows she made a terrible mistake. This is quoting from the article. She quit Friday saddened and shocked, she says, by a foster care system so bad that it actually compounds the problems of the neglected children and their families, and she said and then to come here and see one of the worst situations, it is depressing. She quit in 1995.

This is what we inherited. This is how the so-called compassionate liberals are taking care, custodians of the Nation's capital, spending huge amounts. We have gotten that into balance. We have to take it over, and we are getting these programs into order. The difficult part is getting these programs into order. But this is the disgusting and irresponsible mess that we inherited.

The trauma center, the hospitals. Basically the hospitals were defunct in the District. March 1995, another Washington Post article: Impending cutbacks at D.C. General Hospital make it apparently inevitable that Washington's only public hospital will close its trauma center. This is the busiest center in the city, and the D.C. General Hospital is the only hospital equipped to treat gun shot, stabbing and other major injuries on the city's eastern side which has the most violence and the greatest number of uninsured patients.

1995, March; this is the story. This is what we inherited.

Now, again remember $722 million supplement; in other words, they are running that debt, the taxpayers of the whole country were funding this mess. This is part of what the argument about is with the President of the United States. He vetoed our legislation which is responsible legislation. We brought the District into an administrative order. The 48,000 employees, down to some 33,000, and it should be cut even more; kicking and screaming, they came, and they picketed us, and they boycotted our offices. They kicked and screamed and yelled, but that had to be done to bring the administration, to bring the finances of the District into order.

Again, we face a veto by the president of the United States over what has been proposed as far as getting the District's house in order and as far as liberal versus conservative policies.

□ 2030

I could go on. We have even more stories about what we inherited in the District of Columbia and the battle, the budget battle that is now being fought. I guess the latest strategy from our side is to incorporate in the Health and Human Services appropriations measure the District bill and the President will veto that again.

But do we want to go back to where they had the District of Columbia? Do we want to go to where they had the people of the United States facing incredible deficits and the robbing of trust funds and taking the money from Social Security funds? I say no.

But the proposal before the Congress and the President also deals, and I want to talk specifically about that here, with whether or not to adopt liberal drug policies for the District in addition to liberal spending policies. Liberal drug policies in the bill are manifested in a prohibition of using Federal money on needle exchanges, for one matter, and the other side says give them free needles and they will not get HIV.

In fact, our subcommittee, I chair this Subcommittee on Criminal Justice, Drug Policy and Human Resources and our staff looked into some of the needle exchange programs, not only in the United States but around the world.

One of the first needle exchange programs was in Australia, and we have a report here, a 1997 report, that said free distribution of needles for injections of illicit drugs was introduced in Australia in the late 80's on the hypothesis it would play an important role in prevention of HIV transmission. Free needle distribution and exchange began officially in Sydney, where both HIV infection and IV drug use are concentrated, with a trial program in 1987.

Then a report was done in 1997 in Australia, and it said it specifically provides no evidence, let me read from it, "it provides no evidence to support the importance of free needle or needle exchange programs and much is to indicate irrelevance to HIV infection in Australia." This study also goes on to cite several other areas, and I have also cited the Vancouver study, which also showed that this needle exchange program actually can have an opposite effect.

But that is what the President of the United States, that is what the liberal side of the aisle would like to impose, is a needle exchange program, federally funded by all the taxpayers, on the premise that, again, it cuts down on HIV transmission. The facts are to the contrary, the studies are to the contrary, a liberal policy versus a conservative policy.

Now, Baltimore really is the premier city that has had a liberal policy. Baltimore is a liberal jurisdiction policy and has had needle exchange. I like to use Baltimore as an example because Baltimore, which adopted a legal needle exchange program, has actually dramatically increased its heroin addicts. In 1996 they went to almost 39,000, according to this chart provided by DEA. In 1998, they were over 56,000, according to DEA. The gentleman from Maryland (Mr. CUMMINGS) has told me he estimates it to be 60,000 drug addicts.

In fact, from Time Magazine, this liberal policy, again which the President would like to have us adopt and the other side would like to have us adopt, this is from Time Magazine just a few weeks ago, not my quote, it is a quote of one of their officials, "One of every 10 citizens is a drug addict. Government officials dispute the last claim. It is more like 1 in 8, says veteran City Councilwoman Rikki Spector. We probably lost count." Again, not my words, a Time Magazine report. A liberal policy.

If you look at what we have done, again, one of the things I am most proud of is we have taken a tougher stance in Washington the last four years, and the murder rate in Washington has decreased 14 percent from 1997 to 1998. We are down to 260 murders. It was in the 400-plus range when I came here. Every night young African Americans were being slaughtered on the streets. This is still not acceptable, but there has been a decrease through a more conservative oversight by, again, I think this Republican Policy Committee and the types of policy we want in the bill that we presented to the President, which he has vetoed.

The same thing has happened with New York. The murder rate decreased there 17 percent in 1997 to 1998. In fact, in Baltimore, the deaths in 1997–1998, this liberal drug policy, it is actually one of the few jurisdictions where they have stayed the same. In fact, they are exactly the same, 312 in 1997 and 312 in 1998.

This is the liberal policy that the President wants to adopt relating to drug programs and to approaches as far as legislative oversight and as far as spending. So we can see factually what happens. You get a dramatic increase in the number of addicts.

The contrary is true, and I have held this job up in New York City under the leadership and conservative zero tolerance approach of Mayor Giuliani, went from over 2,000 murders down to 629 murders. New York, I am not sure what the population of New York is, but it has to be 9 or 10 million people, at least. Baltimore has about 500,000, 600,000 population now, and it has 312 murders, about half the number. That must be 10 or 15 times the murder rate. A conservative approach of Mayor Rudy Giuliani, who has dramatically cut 70 percent of the deaths in New York City.

So we have a choice. We have a choice between a liberal policy and we have a choice between a conservative approach.

Mr. Speaker, with only 3 minutes remaining, I have spoken mostly tonight again on the situation we find ourselves in, but, you know, it is sad, because the District of Columbia has some wonderful people. They go to work and they try to make a living. There are families here, there are single parents here, there are so many good Americans in the District of Columbia, and we do have an important responsibility over the District of Columbia.

But we tried their way. The jails failed, the prisons were destroyed. The public housing was a disgrace. The programs for the mentally ill, the children in most need, the neglected, the education programs, they all failed. Fortunately, that entire model was not transposed on the country.

The pension fund, just as I pointed out, the pension fund of the District was even taken from, just as Social Security.

I will hold this up as I close, because it is important, not only this one bill for the District of Columbia. Many people in America, many Members of Congress, may or may not care about the District specifically. We are very much, particularly in the House, oriented towards the problems of our own District. But it is a Federal responsibility. These are decent human beings.

But should we return to the chaos that they created in 40 years? After some four years-plus of hard work and effort to put money back in the trust fund, to make the District of Columbia something you can be proud of, that people can live and work here, and it is our Nation's Capital, it should be a shining example, and those trust funds should be really part of our trust. That is why the people of America sent us here, for trust, to make sure these programs operate.

So I hope that the American people will read between the lines. I hope that the President will not continue to insist on these vetoes, to bring more liberal policies on needle exchange and other drug legalization schemes, and then have the fiscal responsibility that is so important. It is tough. It is tough being a Member of Congress today because we do want to do the right thing, particularly on our side.

TRIBUTE TO THE LATE HONORABLE JULIUS NYERERE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PAYNE) is recognized for 60 minutes.

Mr. PAYNE. Mr. Speaker, it is indeed a sad night tonight, because we will be talking about the loss of a great leader from the country of Tanzania, the former President, Julius Nyerere, who passed away last week in London at the age of 77 years of age.

One of the reasons that we mourn this loss and that we rise today to pay tribute to this great man, a great statesman, a great man of compassion, a great educator, a person with tremendous vision, is because he was a person who believed strongly in Africa's ability to forge a prosperous future through unity and peace.

At the time that Julius Nyerere moved towards his tenure as president, he was a person who had a tremendous belief in education. He was known affectionately throughout Africa as Mwalimu, which means "teacher" in Swahili.

My first trip to Tanzania was back in 1973 when I had the opportunity to travel to that country with a YMCA statesmanship group that was a program run by the International Division of the YMCA, at that time Mr. Frank Keeny and persons like Dr. Nicholas Ganteroff and many of the leaders, the late Bob Harlan, who was the CEO of the YMCAs of the USA, a great man of vision. We had the opportunity to travel to Tanzania, and at that time President Nyerere was the leader of that country.

The thing that struck me was that they had what they called education for self-reliance. Education for self-reliance was an educational system that brought the youngsters in about 8 in the morning, and then at noon they broke for 2 hours of work in the fields and they were learning how to be farmers, how to be self-reliant. Following that they would have a late lunch and then go back to class until close to 6 o'clock.

I had the opportunity to visit some of the classrooms, dirt floors, thatched roofs, walls made out of mud, and youngsters in the third and fourth grade were studying algebra, looking at basic trigonometry, speaking at least three to four languages, always Swahili. Everyone spoke English. They learned their local dialect. And I was very, very impressed and started to just study this whole education for self-reliance.

We had the opportunity to visit even in the more rural areas, and President

Nyerere insisted that everyone must participate. He believed in the "Ujama" concept. That is the concept of collectivism, that everyone had to produce, everyone had to be a part of the growth and the development of their country.

Tanzania is one of the poorest countries in the world. The beautiful mountain Kilimanjaro is in Tanzania. But the educational system was almost second-to-none in that region of the world. He was a person that brought Tanzania out of the shadows of colonial rule and into independence.

□ 2045

Many of the leaders in Africa used to visit and stay in Tanzania in Dar es Salaam where they used to talk about the Pan-Africanism and the question of independence in their countries, the leaders from Namibia to SWAPO organization, the ANC, the South African organization led by Mr. Nelson Mandela, of course, in prison at that time with Mr. Mbeki and other leaders that we grew to know, Mr. Sisulu. These were ANC leaders who were also in prison, but their colleagues found themselves in Dar es Salaam.

We had leaders from Zambia, at that time Rhodesia. It was northern Rhodesia and Southern Rhodesia, which is now Zimbabwe. But people like Mr. Mugabe, Joshua Nkomo, these great leaders used to migrate down to Dar es Salaam and talk about revolution, talk about independence, talk about freedom, talk about self-reliance.

So we saw the whole area of independence led by our fallen leader who, at the age of 77, died after losing a 2-year battle with leukemia. He was a person who was the first leader to voluntarily step down. Elected in 1962, he decided that he would step down after serving 23 years as president. His people wanted him to continue on. But he said, no, he would not continue on as president, and he stepped down. Elections were held. President Benjamin Mkapa was the one who then became head of Tanzania recently.

It was interesting that, in his drive for independence, the East African countries were under the British rule. They had Uganda, Kenya, and Tanzania. An organization called the East African Federation was created by the British. They integrated the air links, the rail links, the road links.

The break-up of the East African Confederation happened when the countries became independent. It was Jomo Kenyatta who led the Maumaus who really started the whole move to independence, and Kenya was in the lead, although they were not the first. Gada received their independence in 1958, Kenya not until the early 1960s, although Sudan received their independence in 1957, 1956. So we saw, though, President Nyerere taking this country forward.

There was a mean brutal dictator from the bordering country of Uganda. During my travels in Uganda in 1973 and 1974, I was in the presence of the then dictator Idi Amin. Idi Amin was a person who turned on his people.

Idi Amin came to power by defeating President Milton Obote who served as the first president of Uganda but was not serving the people well. Idi Amin, at that time a popular figure with the people of Abu Gandon, took over, by military coups, and ousted Milton Obote. But then Idi Amin tended to turn on his people. Actually, then, with the incident in Entebbe where Israel came in to take out its citizens, that is when Idi Amin totally turned very barbaric on his people, murdering them and killing them and maiming them.

The Organization of African Unity at that time had a protocol that one nation did not interfere with another nation's problems, that although they despise Idi Amin, they said that they would not become involved in another country's problem. That was one of their founding protocols.

But this was wrong, said President Nyerere. In 1979, in defiance to the Organization of African Unity, President Nyerere sent troops to Uganda in response to this intense suffering of Ugandan people under the brutal dictatorship of Idi Amin.

That operation, one of the first humanitarian missions of its kind in Africa, would help set up a legal precedent for peacekeeping missions all over the world as we see today as a common thing, as we see in East Timor, as we see being created for Kosovo, as we hear about the discussion in Sierra Leone, as we have seen in Cambodia in the past.

So it was President Nyerere who said that the suffering has gone on too long, that the people have taken enough, that we must intervene, and, as I indicated, in defiance to the Organization of African Unity, send his troops in and ousted Idi Amin. This was a new wave, a new move, a new era for people of Africa.

Dr. Nyerere I know became concerned about the educational system in Tanzania. I had the opportunity just 2 years ago to visit him at his home outside of Dar es Salaam. He talked about the fact that the educational system was not as good as it was before. He was very, very disturbed about that. He felt that the only way out for developing countries was to have a strong educational system, the type of a system that he produced when he was in charge, even though, as I have indicated, it was a very, very poor country. They put an emphasis on education. He was dismayed about the fact that the country was not progressing as much as he felt it should.

But it was so, so peaceful to sit on his front porch of his home, very modest home, sitting on some chairs on the front porch and talking to this giant of a person. I feel so privileged to have the opportunity to know him and to have been in his company to discuss the problems of Africa to talk about the future of the continent.

As I indicated, it was in 1985 when President Nyerere stepped down and he simply devoted his time to forming and also becoming involved in diplomatic solutions in countries. He worked tirelessly to negotiate an end to violence that plagued central and southern Africa during the past decade.

Most recently, President Nyerere's efforts were directed towards mediating an end to the bloody civil war in a neighboring country of Burundi, where more than 200,000 people, mostly citizens, had been killed since 1993.

As my colleagues know, in Central Africa, the Great Lake Region, we have two countries that have been very troubled, the country of Burundi, as I indicated that President Nyerere decided to have economic boycotts so that military government would see that they had to have democracy, that they had to let all people free and to be treated equally.

Of course the other very troubled country was a country of Rwanda where, as we know, several years ago, we saw genocide when moderate Hutus and Tutsi ethnic people were killed. Numbers estimating between 500,000 and 1 million people were killed during the genocide. Once again, a country that has seen trouble and problems through the years.

Of course, the genocide in Rwanda occurred when the world sat by and said that we would not intervene, we will not send in peace keepers, we will not use Chapter 7 of the United Nations.

It was really one of the most shameful periods in the recent history of the world because the West and everyone around the world sat idly by as people were massacred by the tens of thousands.

The UN that had a small contingent there, rather than ask for reinforcements, decided to leave. As a matter of fact, they left some of their employees who were of Rwandan birth there, many of them whom, of course, were massacred along with the other people who were left in that country. So it was President Nyerere, once again, who said that this sort of thing must end.

Of course we saw Mr. Kagami come out of Uganda with the Rwanda patriotic front that routed the Hutu militia and drove them out of the country into the bordering then Zaire, which of course Zaire was a country that had been led for 30 years by the dictator of that country who robbed and raped the country of all of its resources.

We saw the fact that Mr. Mobutu, the self-declared president, stole the diamonds and the riches and allowed his people to suffer. The Hutu X-FAR and the Interahamwe, the Interahamwe were the people who planned the genocide, decided that they would go into Zaire, now the Congo, the Democrat Republic of Congo.

It was not until the Organization of African Unity and others said that enough is enough. The fact that the forces of Laurent Kabila that led a revolution to oppose President Mobutu then opened up the refugee camps to allow the people to return back from Goma, the then Zaire, back to Rwanda.

So we have seen the fact that President Nyerere has had a very, very important role in the development, because, even during that time, he counseled leaders and he convened meetings to see if there could be some negotiated settlement.

He also was a person who liked to read. What he did was to take eight books, books that should, he felt, be translated. He personally translated William Shakespeare's plays of Julias Caesar and the Merchant of Venice into Swahili. He would like to teach this.

He was a Roman Catholic. Mr. Nyerere had eight children, was married. He just did so much to make that nation, although one of the poorest in the world, a very proud country, a very popular place to visit. It is a wonderful place. The beaches down in Dar es Salaam are among the most beautiful in the world.

The United Republic of Tanzania, though, under his leadership and his consultation, amended its constitution in 1992 to become a multiparty State. In 1995, the nation conducted its first multiparty elections. At that time, it was just one political party when Mr. Nyerere was there. It was the Tanu party. In Kenya, there was only one party, the Kanu party. So we saw that Mr. Nyerere, as he left office, encouraged the country to go to multiparty elections and to become a multiparty State.

Many people wonder why many of the African countries were only one party, but those who were involved in revolution, the freedom fighters, they were the leaders who said we will fight against the colonial powers, and they did, and others who accepted the colonial powers.

□ 2100

So there was just one political party. There was just one group of people who fought to relieve the countries of the colonial powers, and that is why they justified a one-party system.

In 1992, they had these multiparty elections, and at that time we saw the President, the election of Mr. Benjamin Mkapa, who won a four-way race with 61 percent of the vote. The island of Zanzibar and Tanzania are related and together they are the United Republic of Tanzania, although the government in Zanzibar has its own parliament, it has its own president or prime minister.

And, actually, in Zanzibar, there has been questions about the elections. I visited Zanzibar several years ago and met with the prime minister there who indicated that the country is equally divided between Indian and African descent. It is about 50-50. And their dilemma is attempting to try to come up with a solution so that both parties, both groups of people, can feel that they are being represented in the government; that there needs to be a sharing of the responsibility of governing the country. We worked on some ideas about how that could happen. They need to have everyone feeling that they are included and are a part of the government.

But as Tanzania now moves with the multiparty, we had the opportunity to have Mr. Mkapa here just several months ago where he addressed the Members of Congress in the Congressional Black Caucus's legislative conference. And there was a lot of pressure for Mr. Mkapa to become involved in the conflict in the Congo. As my colleagues may or may not be aware, there was a recent conflict where seven countries became participants in sort of a mini world war in Africa. Lawrence Kabila's government was under attack from Uganda and Rwanda because the leaders of Uganda and Rwanda felt that the leaders of the genocide, the X-FAR and the Interahamwe were still in Zaire, still in the Congo, and that Mr. Kabila was not doing enough to get them disarmed and returned back to face trials in Rwanda. And so there was a conflict with Uganda and Rwanda on one side, Namibia and Zimbabwe and Angola and Sudan on the other side.

Just recently, we have seen the fact that finally there has been a negotiated settlement, a plan of the Lusaka Accords that have been led by President Chiluba of Zambia, where they have signed the accord. And we hope now that the Congo will end this fighting for good so that the people who have been under the brutal dictatorship of Mr. Mobutu for 30 years can finally start to have self-determination, start to have educational programs, start to be relieved of the dictators and the repressive government that they have had to endure for so long. So there is hope.

We are looking towards the leaders in central Africa to come up with solutions. We can look to a place, a country like Mozambique, also one of the poorest countries in the world, where we have seen a growth in the GDP in Mozambique of about 8 or 10 percent annually. We have seen the fact that the people there are working together. The former Renamo forces now have become a political party with the MPLA and they are working together in unity to make conditions better for the people of that country. We have seen Namibia go through some problems as well as problems up close to Angola, but we now are seeing President Josh Nkomo moving to new elections so that the people once again will be able to move forward and progress as we move towards the new millennium.

We look at Nigeria with its new president, President Obasanjo, who I will have the pleasure to meet with tomorrow, that has ended the military rule of its 38 years since independence, 28 years of military rule. And we now see President Obasanjo retiring the military. As my colleagues know, the brutal dictator Abacho had imprisoned President Obasanjo and imprisoned Chief MKO Abiola, who won the June 12 elections but was imprisoned because he said he was president and they said the elections were annulled.

So now, the new Nigeria, with its elected parliament, with its new leaders, with its tremendous resources of oil and diamonds and timber and agricultural promise, we believe will once again move towards a direction of increase in its GDP and once again provide the outstanding education that it did for its people at its independence. Nigeria, with South Africa, with its new leader Thabo Mbeki can really be the engines of South Africa. A healthy South Africa and a strong Nigeria can pull the rest of the countries in Africa along into progress.

So we are encouraged by the fact that these two giants have had positive elections, have had a transition, have had a turnover from military rule. As we saw in the apartheid South Africa to a new multiracial Democratic society, we are seeing the same situation happening in Nigeria. So there is a tremendous amount of hope and there is a tremendous amount of opportunity.

We also would like to see increased trade and development between the United States and Africa. We have the technical resources to be able to assist them in this growth and development. They have the natural resources. Together we can harness tremendous energy so that both the Africans and Nigerians, South Africa, and Namibia, and all of the countries, the 50 sub-Saharan countries, 700 million people, will be able to start to benefit and enjoy the fruits of a true democracy and education and health care. The fact that everyone will be judged by their worth is something that these countries look forward to.

So as I conclude, I once again would like to say that the world is better off because of Dr. Julius Nyerere; that many of us have looked to him as a leader, a person of inspiration, a person who during my young years I looked to him as someone that I would like to emulate. And so it is with a great deal of sorrow that we have seen this fallen leader come to the end of his great career, but all of us in the world are better off for what he has done.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McNULTY (at the request of Mr. GEPHARDT) for today on account of personal business.

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today after 2:15 p.m. on account of official business.

Mr. MASCARA (at the request of Mr. GEPHARDT) for today and October 27 on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TOWNS) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. MEEKS of New York, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. HASTINGS of Florida, for 5 minutes, today.

Mr. GEJDENSON, for 5 minutes, today.

Mr. RANGEL, for 5 minutes, today.

Ms. KILPATRICK, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of North Carolina) to revise and extend their remarks and include extraneous material:)

Mrs. NORTHUP, for 5 minutes, today.

Mr. LEACH, for 5 minutes, today.

Mr. TANCREDO, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. McCOLLUM, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, today and October 27.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that the committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2367. An act to reauthorize a comprehensive program of support for victims of torture.

ADJOURNMENT

Mr. PAYNE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 8 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 27, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4921. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Oriental Fruit Fly; Removal of Quarantined Area [Docket No. 99–044–2] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4922. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Amendments to the Regulations for Cotton Warehouses—Electronic Warehouse Receipts and Other Provisions (RIN: 0560–AE60) received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4923. A letter from the Secretary of Defense, transmitting the approved retirement and advancement to the grade of lieutenant general on the retired list of Lieutenant General John B. Sams, Jr.; to the Committee on Armed Services.

4924. A letter from the Legislative and Regulatory Activities Division, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Extended Examination Cycle For U.S. Branches and Agencies of Foreign Banks (RIN: 3064–AC15) received October 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4925. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Final Regulations—Federal Perkins Loan Program and Federal Family Education Loan Program—received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4926. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Norway for defense articles and services (Transmittal No. 00–01), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4927. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services (Transmittal No. 00–10), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4928. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services (Transmittal No. 00–09), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4929. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 00–08), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4930. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to the Republic of Korea for defense articles and services (Transmittal No. 00–07), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4931. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List—received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4932. A letter from the Assistant Secretary for Fish and Wildlife and Parks, National Park Service, Department of the Interior, transmitting the Department's final rule—Glacier Bay National Park, Alaska; Commercial Fishing Regulations (RIN: 1024–AB99) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4933. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sharpchin and Northern Rockfish in the Aleutian Islands Subarea of the Bering Sea and Aleutian Islands Management Area [Docket No. 990304063–9063–01; I.D. 101399C] received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4934. A letter from the Director, Administrative Office of the United States Courts, transmitting a report on compliance within the time limitations established for deciding habeas corpus death penalty petitions under Title I of the Antiterrorism and Effective Death Penalty Act of 1996; to the Committee on the Judiciary.

4935. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA–360C, SA–365C, C1, C2, SA–365N, N1, AS–365N2, and SA–366G1 Helicopters [Docket No. 98–SW–26–AD; Amendment 39–11359; AD 99–21–14] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4936. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter Deutschland GMBH Model BO–105A, BO–105C, BO–105 C–2, BO–105 CB–2, BO–105 CB–4, BO–105S, BO–105 CS–2, BO–105 CBS–2, BO–105 CBS–4, and BO–105LS A–1 Helicopters [Docket No. 99–SW–52–AD; Amendment 39–11357; AD 99–19–22] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4937. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL–600–2B19 (Regional Jet Series 100) Series Airplanes [Docket No. 98–NM–385–AD; Amendment 39–11355; AD 99–21–11] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4938. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace BAe Model ATP Airplanes [Docket No. 98–NM–345–AD; Amendment 39–11361; AD 99–21–16] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4939. A letter from the Trial Attorney, Federal Railroad Administration, Department of

Transportation, transmitting the Department's final rule—Qualification and Certification of Locomotive Engineers; [FRA Docket No. RSOR-9, Notice 12] (RIN: 2130–AA74) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4940. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29786; Amendment No. 1954] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4941. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29787; Amendment No. 1955] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4942. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Lyons, KS [Airspace Docket No. 99–ACE–38] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4943. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Ava, MO [Airspace Docket No. 99–ACE–37] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4944. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Amendment to Class D and establishment of Class E2 Airspace; Fort Rucker, AL [Airspace Docket No. 99–ASO–14] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4945. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Fort Bragg, CA [Airspace Docket No. 99–AWP–12] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4946. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Gualala, CA [Airspace Docket No. 99–AWP–13] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4947. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Lakeport, CA [Airspace Docket No. 99–AWP–16] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4948. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A321 Series Airplanes [Docket No. 99–NM–193–AD; Amendment 39–11362; AD 99–21–17] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4949. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Clearlake, CA [Airspace Docket No. 99–AWP–15] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4950. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Napa, CA [Airspace Docket No. 99–AWP–17] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4951. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; St. Helena, CA [Airspace Docket No. 99–AWP–14] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4952. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Nevada, MO [Airspace Docket No. 99–ACE–40] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4953. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Wayne, NE [Airspace Docket No. 99–ACE–29] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4954. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Altus, OK [Airspace Docket No. 99–ASW–16] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4955. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Norfolk, NE [Airspace Docket No. 99–ACE–45] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4956. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Georgetown, TX [Airspace Docket No. 99–ASW–18] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4957. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 757–200PF Series Airplanes [Docket No. 98–NM–338–AD; Amendment 39–11380; AD 99–22–02] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4958. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.27 Mark 050 Series Airplanes [Docket No. 99–NM–225–AD; Amendment 39–11379; AD 99–21–33] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4959. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airwothiness Directives; McDonnell Douglas Model MD–90–30 Series Airplanes [Docket No. 98–NM–340–AD; Amendment 39–11378; AD 99–21–32] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4960. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—November 1999 Applicable Federal Rates [Revenue Ruling 99–45] received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 2531. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal year 2000, and for other purposes; with an amendment (Rept. 106–415). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. RUSH:

H.R. 3145. A bill to modify the provisions of the Balanced Budget Act of 1997 relating to the Medicare Program under title XVIII of the Social Security Act; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLILEY (for himself, Mr. Bilirakis, Mr. Tauzin, Mr. Pickering, Mr. Blunt, Mr. Burr of North Carolina, Mr. Greenwood, Mr. Upton, Mr. Shadegg, Mr. Oxley, Mr. Rogan, Mr. Whitfield, Mr. Deal of Georgia, Mr. Lazio, and Mr. Bryant):

H.R. 3146. A bill to amend titles XVIII, XIX, and XXI of the Social Security Act to adjust the Medicare, Medicaid, and children's health insurance programs, as revised by the Balanced Budget Act of 1997; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DAVIS of Virginia (for himself, Mr. Moran of Virginia, Mrs. Morella, Mr. Wynn, and Mr. Wolf):

H.R. 3147. A bill to amend title 5, United States Code, to alleviate the pay-compression problem affecting members of the Senior Executive Service and other senior-level Federal employees, and for other purposes; to the Committee on Government Reform.

By Ms. ESHOO (for herself and Mr. Upton):

H.R. 3148. A bill to amend the Federal Food, Drug, and Cosmetic Act to require any person who reprocesses a medical device to comply with certain safety requirements, and for other purposes; to the Committee on Commerce.

By Ms. JACKSON-LEE of Texas (for herself, Mr. BECERRA, Mr. BERMAN, Mr. RODRIGUEZ, Mr. RANGEL, Mrs. MEEK of Florida, Mr. MEEKS of New York, Ms. SCHAKOWSKY, Mr. FRANK of Massachusetts, Mr. REYES, Mr. ENGEL, Mr. JACKSON of Illinois, Mr. GREEN of Texas, Ms. ROYBAL-ALLARD, Mr. OWENS, Mr. WYNN, Mr. DIAZ-BALART, Mr. WEXLER, Mr. MCGOVERN, Mr. ORTIZ, Ms. LEE, Ms. BERKLEY, Mr. GUTIERREZ, Mr. MENENDEZ, Ms. KILPATRICK, Mr. SERRANO, Mrs. NAPOLITANO, Mr. HILLIARD, Mr. PASTOR, Mr. BLAGOJEVICH, Ms. ROS-LEHTINEN, Mrs. MALONEY of New York, Mr. MATSUI, and Mrs. CHRISTENSEN):

H.R. 3149. A bill to repeal the limitation on judicial jurisdiction imposed by section 377 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, and for other purposes; to the Committee on the Judiciary.

By Mrs. MALONEY of New York (for herself, Mr. STARK, Mr. HALL of Ohio, Mr. BARRETT of Wisconsin, Ms. BALDWIN, Mr. LEVIN, Mr. LEWIS of Georgia, Mr. JEFFERSON, Mr. MENENDEZ, Mr. RANGEL, Mr. MATSUI, Mr. KENNEDY of Rhode Island, Mr. MEEHAN, Mr. JACKSON of Illinois, Mr. HINCHEY, Ms. KAPTUR, Mr. GEORGE MILLER of California, Mr. LAFALCE, Mr. WAXMAN, Mr. DAVIS of Illinois, Ms. STABENOW, Mr. EVANS, Mr. CONYERS, Mrs. LOWEY, Mr. WATT of North Carolina, Mr. BROWN of Ohio, Mr. CAPUANO, Mr. OBERSTAR, Mrs. CHRISTENSEN, Mr. PAYNE, Mr. CLAY, Mr. BERMAN,, and Mr. GREEN of Texas):

H.R. 3150. A bill to require the Secretary of Health and Human Services to provide bonus grants to high performance States based on certain criteria and to collect data to evaluate the outcome of welfare reform, and for other purposes; to the Committee on Ways and Means.

By Mr. STRICKLAND (for himself and Mr. WHITFIELD):

H.R. 3151. A bill to provide funding for the Portsmouth and Paducah, Tennessee, gaseous diffusion plants; to the Committee on Commerce.

By Mr. TOOMEY:

H. Con. Res. 208. Concurrent resolution expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending; to the Committee on Ways and Means.

By Mr. LANTOS (for himself, Mr. PORTER, Mr. GILMAN, Mr. PAYNE, Mr. SMITH of New Jersey, Ms. MCKINNEY, Mr. HASTINGS of Florida, Mrs. MORELLA, Mr. ABERCROMBIE, Mr. ALLEN, Mr. BOEHLERT, Mr. CLAY, Mr. CROWLEY, Mr. CUMMINGS, Mr. FARR of California, Mr. HALL of Ohio, Mr. HILLIARD, Ms. JACKSON-LEE of Texas, Mr. KILDEE, Mr. KUCINICH, Mrs. LOWEY, Mr. LUTHER, Mr. MCGOVERN, Mr. GEORGE MILLER of California, Mr. OWENS, Mr. ROMERO-BARCELÓ, Mr. SABO, Mr. SANDERS, Mr. SERRANO, Mr. STARK, Mr. TIERNEY, Mr. VISCLOSKY, and Mr. WAXMAN):

H. Con. Res. 209. Concurrent resolution expressing condemnation of the use of children as soldiers and the belief that the United States should support and, where possible, lead efforts to establish and enforce international standards designed to end this abuse of human rights; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 49: Mrs. LOWEY.

H.R. 73: Mr. BILIRAKIS.

H.R. 325: Mr. PETERSON of Minnesota.

H.R. 383: Ms. LEE.

H.R. 405: Mr. LARSON.

H.R. 420: Mr. SANFORD.

H.R. 505: Ms. ROYBAL-ALLARD.

H.R. 721: Mr. THORNBERRY.

H.R. 809: Mr. STRICKLAND.

H.R. 860: Mr. PAYNE.

H.R. 997: Mr. LEACH, Mr. BURTON of Indiana, and Mr. MASCARA.

H.R. 1006: Ms. LEE.

H.R. 1046: Mrs. EMERSON.

H.R. 1052: Ms. WOOLSEY, Ms. ESHOO, Mr. BAIRD, and Mr. LANTOS.

H.R. 1070: Mr. CONYERS.

H.R. 1090: Mrs. LOWEY and Mr. TRAFICANT.

H.R. 1111: Mr. PAYNE.

H.R. 1115: Mr. GOODLATTE and Ms. JACKSON-LEE of Texas.

H.R. 1123: Mr. CROWLEY.

H.R. 1155: Ms. SCHAKOWSKY.

H.R. 1288: Ms. BERKLEY.

H.R. 1322: Mr. UNDERWOOD.

H.R. 1323: Mr. MCCRERY and Ms. DANNER.

H.R. 1344: Mr. GREEN of Wisconsin.

H.R. 1355: Mr. ABERCROMBIE.

H.R. 1387: Mr. DEAL of Georgia and Mr. MASCARA.

H.R. 1388: Ms. LEE.

H.R. 1459: Mr. GREENWOOD and Mr. PHELPS.

H.R. 1485: Mr. DIXON.

H.R. 1579: Mr. PETERSON of Pennsylvania and Ms. BERKLEY.

H.R. 1592: Mr. MICA and Mr. DICKS.

H.R. 1598: Mr. HAYES, Mr. MALONEY of Connecticut, Mr. STUMP, and Mr. SUNUNU.

H.R. 1606: Mr. LARSON.

H.R. 1611: Mr. SUNUNU.

H.R. 1648: Ms. NORTON.

H.R. 1760: Mr. CAMPBELL and Mrs. KELLY.

H.R. 1776: Mrs. FOWLER, Mr. CROWLEY, Mr. HILL of Indiana, Mr. QUINN, Mr. MCKEON, Mrs. EMERSON, and Mr. BORSKI.

H.R. 1798: Mr. BARRETT of Wisconsin and Mr. EHRLICH.

H.R. 1839: Mr. BONIOR and Mr. PAYNE.

H.R. 1869: Mrs. THURMAN.

H.R. 1890: Mr. COX.

H.R. 1977: Mrs. FOWLER.

H.R. 2121: Mr. LEVIN and Mr. FARR of California.

H.R. 2125: Mr. BERMAN.

H.R. 2200: Mr. WALSH.

H.R. 2262: Mr. CUMMINGS.

H.R. 2263: Mr. CUMMINGS.

H.R. 2264: Mr. CUMMINGS and Mr. COYNE.

H.R. 2267: Mr. DOOLITTLE, Mr. EHLERS, Mr. KNOLLENBERG, Mr. BROWN of Ohio, and Mrs. WILSON.

H.R. 2362: Mr. SENSENBRENNER and Mr. BURTON of Indiana.

H.R. 2366: Mr. STUMP.

H.R. 2376: Mr. SENSENBRENNER.

H.R. 2420: Mr. BUYER and Ms. MCKINNEY.

H.R. 2486: Mr. WU and Mr. LIPINSKI.

H.R. 2551: Mr. BURR of North Carolina, Mr. SANDLIN, Mr. LAHOOD, Mr. JONES of North Carolina, and Mr. NADLER.

H.R. 2638: Mr. OXLEY.

H.R. 2655: Mr. TIAHRT and Mr. CRANE.

H.R. 2680: Mr. STUPAK.

H.R. 2710: Mr. GILMAN.

H.R. 2720: Mr. LUCAS of Oklahoma.

H.R. 2722: Mr. GEORGE MILLER of California.

H.R. 2726: Mr. COBLE and Mr. NEY.

H.R. 2733: Mr. MORAN of Virginia and Mr. SMITH of New Jersey.

H.R. 2749: Mr. RADANOVICH.

H.R. 2776: Mr. DEFAZIO and Ms. SCHAKOWSKY.

H.R. 2788: Mr. GANSKE.

H.R. 2800: Mrs. CUBIN.

H.R. 2817: Mr. MATSUI, Mr. OXLEY, and Mr. KUCINICH.

H.R. 2840: Mr. COSTELLO.

H.R. 2859: Ms. PELOSI, Mr. MEEHAN, Mr. GEJDENSON, and Mr. MCDERMOTT.

H.R. 2870: Mr. PASTOR, Mr. STARK, and Ms. DELAURO.

H.R. 2901: Mr. NEY.

H.R. 2963: Mr. BISHOP.

H.R. 2971: Mr. BAKER, Mr. BLILEY, Mr. BRADY of Texas, Mr. BURTON of Indiana, Mr. HASTINGS of Washington, Mr. ISTOOK, Mrs. MYRICK, Mr. POMBO, Mr. ROGAN, Mr. SENSENBRENNER, and Mr. WOLF.

H.R. 3034: Mr. HILL of Montana and Mr. ENGLISH.

H.R. 3053: Mr. HUNTER, Mr. VITTER, Mr. FOSSELLA, Mr. SAXTON, Mr. ENGLISH, Mr. HEFLEY, and Mrs. MYRICK.

H.R. 3059: Mr. GUTIERREZ and Mr. COOK.

H.R. 3073: Ms. CARSON and Mr. SHAW.

H.R. 3087: Mr. OWENS and Mr. RANGEL.

H.R. 3108: Mr. TIAHRT and Mr. RYUN of Kansas.

H.R. 3115: Mr. GRAHAM.

H.R. 3123: Mr. PICKERING.

H.R. 3132: Mr. PAYNE, Mr. DIXON, and Mrs. CHRISTENSEN.

H.R. 3144: Mr. MALONEY of Connecticut, Mr. STUPAK, Mr. GEJDENSON, Mr. LATOURETTE, Ms. DELAURO, Mr. KENNEDY of Rhode Island, Mr. ANDREWS, Mr. HILLIARD, Mr. WAXMAN, Ms. WOOLSEY, Mr. UDALL of Colorado, Ms. SCHAKOWSKY, Ms. CARSON, Mr. CARDIN, Mr. WYNN, Mr. CAPUANO, Mr. FRANK of Massachusetts, Mr. MCGOVERN, Mr. LEVIN, Mr. VENTO, Mr. CROWLEY, Mr. HINCHEY, Mrs. MALONEY of New York, Mr. OWENS, Mr. SERRANO, Mr. TOWNS, Mr. PRICE of North Carolina, Mr. POMEROY, Mr. KUCINICH, Mr. WU, Mr. WEYGAND, Mr. WISE, Mr. CLEMENT, Mr. FORD, Mr. GORDON, Mr. EDWARDS, Mr. GONZALEZ, Mr. LAMPSON, Mr. MCDERMOTT, and Mr. KLECZKA.

H.J. Res. 53: Mr. SHAYS.

H.J. Res. 56: Mrs. MALONEY of New York.

H.J. Res. 70: Mr. ENGLISH, Mr. GUTIERREZ, and Mr. NETHERCUTT.

H. Con. Res. 62: Mr. KILDEE, Mr. PICKETT, Mr. MANZULLO, and Mrs. EMERSON.

H. Con. Res. 177: Mr. HINCHEY, Mr. GUTIERREZ, and Mr. KENNEDY of Rhode Island.

H. Con. Res. 182: Mr. HORN, Mr. SESSIONS, Mr. ETHERIDGE, Ms. STABENOW, and Ms. SANCHEZ.

H. Con. Res. 189: Mr. INSLEE and Mr. LOBIONDO.

H. Con. Res. 190: Mr. KUYKENDALL and Mr. JOHN.

H. Res. 107: Mr. DELAHUNT, Ms. SANCHEZ, and Mrs. TAUSCHER.

H. Res. 169: Mr. WEXLER.

H. Res. 238: Mr. THOMPSON of Mississippi, Mr. BARTLETT of Maryland, and Mrs. KELLY.

H. Res. 239: Mr. SOUDER.

H. Res. 340: Mr. LANTOS, Mr. WEXLER, Ms. BROWN of Florida, Mr. TIERNEY, and Mr. HOYER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1475: Mr. TOWNS.

H.J. Res. 2: Mr. FRANK of Massachusetts.

EXTENSIONS OF REMARKS

IN RECOGNITION OF THE JUVENILE DIABETES FOUNDATION DURING NATIONAL DIABETES AWARENESS MONTH

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. KLECZKA. Mr. Speaker, I rise today to bring to the attention of this body an organization that is leading the fight against a disease that debilitates and claims the lives of millions of Americans each year.

The statistics regarding diabetes are appalling. On average, the disease kills one American every three minutes. Sixteen million Americans suffer from the disease; of those, 5.4 million are undiagnosed. And, it should be known that taking insulin does not cure the disease or prevent the development of complications.

Tragically, diabetes strikes people of all ages. And it is a costly medical and financial burden. The average lifetime cost of diabetes care for a person diagnosed at age 3 is calculated at $600,000.

In this regard, we look to groups such as the Juvenile Diabetes Foundation International (JDF), a non-profit, non-governmental organization founded in 1970 by parents of children with diabetes. JDF's mission is to find a cure for diabetes and its complications through the support of research.

Since its founding, JDF has spent more resources on diabetes research than any other non-profit, non-governmental agency in the world. Volunteers help define research priorities, select grant recipients, lead advocacy efforts, and provide guidance to overall operations.

At least 80 cents of every dollar goes directly to research and education. The Wall Street Journal's Smart Money Magazine name JDF one of the Nation's top 10 charities "you can trust" and one of only two charities in the health field.

This year alone, more than 200 research grants and over 110 fellowship and career development awards were granted to scientists in 17 countries throughout the world. In 28 years, JDF has been instrumental in encouraging the National Institutes of Health (NIH) to increase diabetes research funding from $18 million to $415 million annually.

Mr. Speaker, as we recognize November as National Diabetes Awareness Month, I would like to commemorate the outstanding and selfless work of the Juvenile Diabetes Foundation International.

RECOGNIZING THE FIFTY YEAR MEMBERS OF THE SERB NATIONAL FEDERATION LODGE NO. 64

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. KLINK. Mr. Speaker, I rise today to recognize Serb National Federation Lodge No. 64 "Napredak" in Biddle, Pennsylvania which will be honoring its fifty year members on Sunday, October 31st, 1999.

Founded in 1907 by Yugoslav immigrants who came to Biddle to work in the coal mines, the lodge became an important way for these new Americans to support and help one another to overcome social obstacles and improve their quality of life. Named "Napredak", meaning "progressive", the members of the lodge strived not only to establish themselves and their families in the community while maintaining their heritage but to create fair and safe working conditions in the mines that employed them. In Biddle, this tie between culture and coal is still represented by the Biddle Serbian Club. Originally a Westmoreland Coal 'company store', lodge members have been meeting and holding picnics there for decades. They eventually purchased the building and turned it into the Biddle Serbian Club, preserving not only their history but that of the coal company.

Like many ethnic groups, American Serbs found security in maintaining their culture by building Serbian Orthodox Churches, establishing dance groups and choirs, and hosting picnics that featured traditional foods. The SNF also gave them the opportunity to purchase insurance policies to protect their families long before employers offered this benefit.

The SNF and the Biddle Serbian Club remain strong foundations for preserving the unique and wonderful culture and history of the Serbian people generations later.

Today, we honor the founders who built and maintain SNF Lodge No. 64. They are the very essence of the story of America. They came to the United States looking for opportunity, freedom, and prosperity. They often struggled to realize these dreams, but they never wavered from the belief that by working hard and living right that they would succeed. American Serbs proudly joined the millions of other immigrants from around the world that make the United States the amazingly diverse and culturally rich nation that it has become.

I salute the fifty year members of the SNF Lodge No. 64 "Napredak" in Biddle, Pennsylvania and congratulate them for their half century commitment to family, community, and tradition.

TRIBUTE TO CARL WILLIAMS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. McINNIS. Mr. Speaker, every so often I hear a wonderful story of someone giving of their time and money to contribute to their community. I rise here today to tell you of a man who has done just that. Carl Williams has donated the eighth largest carillon and its shining gold tower to the new Daniel Ritchie Center for Sports and Wellness at the University of Denver.

To reach the new bell tower you have to climb up a twisting 100-step staircase. Once in the tower you realize just how magnificent this feat really is. There is a long keyboard with two rows of levers that operate the sixty-five bell carillon. Crafted in the Netherlands, the bells of the Williams Carillon can be heard up to a mile away. They fill the air with beautiful melodies and classic music.

Mr. Speaker, it is with this that I say thank you to Carl Williams for his donation that has added so much to the atmosphere and tradition of the University of Denver. His legacy of giving is apppreciated and deserving of recognition.

PERSONAL EXPLANATION

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. BALLENGER. Mr. Speaker, had I been present for rollcall votes 533, 534, 535, and 536 last night, I would have voted "yea."

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. BECERRA. Mr. Speaker, due to a commitment in my district on Monday, October 25, 1999, I was unable to cast my floor vote on rollcall numbers 533–536.

The votes I missed include rollcall vote 533 on approving the Journal; rollcall vote 534 on the motion to suspend the rules and pass, as amended H.R. 754, Made in America Information Act; rollcall vote 535 on the motion to suspend the rules and pass, as amended H.R. 2303, History of the House Awareness and Preservation Act; and rollcall vote 536 on the motion to suspend the rules and agree to House Concurrent Resolution 194, recognizing the contributions of 4–H Clubs and their members to voluntary community service.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Had I been present for the votes, I would have voted "aye" on rollcall votes 533, 534, 535, and 536.

REPROCESSED SINGLE USE MEDICAL DEVICE PATIENT SAFETY AMENDMENTS OF 1999

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Ms. ESHOO. Mr. Speaker, I rise to express my grave concerns about the practice of reprocessing and reusing single-use medical devices. There have been several recent media reports of medical devices intended for one use only being cleaned and used again on a different patient. Delicate devices, such as balloon catheters and biopsy forceps, are being reused on patients and causing infection and injuries.

It's estimated that as many as one in every three hospitals are reprocessing and reusing medical devices intended for single-use only. They are doing it without the consent of the patient and they are charging Medicare and the Federal Government the full price of a new device.

This practice is both deceptive and dangerous. Unsterile, brittle devices are injuring patients. A recent article in U.S. News & World Report told of a 50-year old woman who needed surgery when two reprocessed catheters broke during a brain scan. Premature babies have suffered infections from unsterile sutures. A biopsy patient was contaminated with hepatitis B from reused biopsy forceps.

Mr. Speaker, FDA clearly has the authority to regulate the practice of reusing medical devices yet it has failed to do so. Representative UPTON and I are introducing legislation today to ensure FDA regulation so that patients are protected. Our bill, the Reprocessed Single Use Medical Device Patient Safety Act of 1999, will require reprocessed medical devices to undergo pre-market approval for safety and effectiveness. The bill will also require hospitals to get a patient's informed consent before reusing a single-use medical device on them. Finally, the bill will require hospitals to monitor and report any injuries or infections that occur as a result of using a reprocessed medical device.

I understand the fiscal constraints hospitals are under. Managed health care has cut their payments so drastically that they feel pressured to cut costs wherever possible. However, we can't continue putting patients at risk in order to save a few dollars. We must put patients before profits. I urge my colleagues' support for the Reprocessed Single Use Medical Device Patient Safety Act of 1999.

TRIBUTE TO SETH RITCHIE, A "NATIONAL CHAMP"

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this time to tell you of a truly remarkable young man. He has seen hardships in his life that no one should ever have to endure. In 1994, he was in a terrible automobile accident that left him paralyzed and took the life of his dear friend Delano Garcia. Despite all this, Seth Ritchey has risen above his grave personal adversity to win his division at the U.S. Wheelchair Open Tennis Championships.

Although Seth picked up wheelchair tennis just a year and a half ago, already he has excelled beyond anyone's expectations. Three months after his first tennis clinic in Grand Junction, Colorado, he was playing in his first tournament. Although he met some adversity in that tournament, he came right back, showing his true spirit in the next tournament held in Florida. There he was matched up against the best competition on the Eastern Seaboard, but still managed to win his division. Last summer at the Doris Denker Wheelchair Tournament he again ran into some tough competition. This did not slow him down. He traveled to San Diego, California to compete against players from all over the world in the U.S. Wheelchair Open Tennis Championships earlier this month. There he played in two matches a day that each lasted for up to three hours against players that had twenty years of experience on him. He won his division and became national champion.

Rarely do I hear a story like Seth Ritchie's. He is a truly remarkable young man who gives me inspiration to achieve more. I hope that more people can hear his story and gain from it what I have. So, it is with this, Mr. Speaker, that I say congratulations to Seth Ritchie for all of his accomplishments. He is a true hero and an inspiration to us all.

HONORING ANGUS C. BULLIS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Angus C. Bullis, a resident of Mariposa for many years. Angus died on September 19, 1999, he was 74.

Mr. Bullis entered the service in 1941 where he served in the Navy Air Corps as a navigator until 1945. He started his painting contracting business in Fresno in 1956, and continued it for 43 years. Angus moved with his wife Helen and their family to Mariposa in 1968.

Angus Bullis served on the Mariposa County School Board for 12 years. He was also active in many organizations: Oddfellows Lodge #39, Rebekah Lodge #326, Life Member-Mariposa Golden Agers, Veterans of Foreign Wars, Mariposa County Republican Central Committee, Mariposa County Farm Bureau as 4–H Council President, Mariposa Contractors Association, Mariposa Wine and Grape Growers Association and he received the Honorary PTA Service Award.

Angus' hobby for the past seven years had been developing a seven-acre Zinfandel grape vineyard that produced gold medal award wines.

Mr. Bullis is survived by his devoted wife of 48 years, Helen, his children and many family members and friends.

Mr. Speaker, I extend my condolences to the Bullis family. I urge my colleagues to join me in honoring Angus Bullis for his devotion to his family, the community and the United States Navy Air Corps.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Ms. CARSON. Mr. Speaker, I was unavoidably absent Monday, October 25, 1999, and as a result, missed rollcall votes 533 through 536. Had I been present, I would have voted "yes" on rollcall vote 533, "yes" on rollcall vote 534, "yes" on rollcall vote 535, and "yes" on rollcall vote 536.

COMMEMORATING JUDGE DANIEL LEE KONKOL AS THE SOUTHSIDE BUSINESS CLUB MAN OF THE YEAR

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. KLECZKA. Mr. Speaker, I rise today to honor Milwaukee Circuit Court Judge Daniel Konkol, named Man of the Year by the Southside Business Club. We celebrate his recognition because it is an affirmation of the American Dream, the story of a hardworking, first generation Polish-American who, by dint of hard work and perseverance, became one of the most respected jurists and community leaders in the Milwaukee area.

Daniel Lee Konkol attended DeSales Prep Seminary High School and graduated in 1969. Later he attended Marquette University where he received his B.A. degree in 1973 and his J.D. degree in 1976. Dan worked his way through high school and college holding many jobs, from a maintenance worker at various schools—and even a convent—to a short order cook at a drive-in run by his neighbor.

It didn't take long for Dan's talent and commitment to catch the eye of those in the legal community. Following graduation from law school, Dan was hired as an assistant district attorney for Racine County. He worked there for eight years under three district attorneys, gaining experience in prosecuting all types of criminal matters including homicides, armed robberies, burglaries, domestic violence, and welfare fraud.

In 1985, Dan was appointed an assistant Milwaukee County court commissioner by Circuit Court Chief Judge Victor Manian. While a commissioner in 1988, Dan published in the Milwaukee Lawyer an article titled "The New Paternity Law: Law and Procedures." In 1990, he received a Wisconsin State Bar Commendation for an article he published in the Wisconsin Lawyer titled "Civil Restraining Orders, Distinguishing Domestic Abuse and Harassment."

In 1992, with extensive help from many friends and relatives, Dan ran a low-budget election campaign and was selected by voters as judge of the newly created Milwaukee County Circuit Court Branch 44. In 1998 he was re-elected without opposition.

He is known for his signature sky blue judicial robes, his excellent judicial record and his involvement in numerous fraternal, business, and civic organizations.

Mr. Speaker, I proudly commend Judge Daniel Konkol, named Man of the Year by the Southside Business Club.

CIVITAS PROGRAM RESTORING HOPE IN BOSNIA AND HERZEGOVINA

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. SHERMAN. Mr. Speaker, in recent weeks a delegation of educators and education officials from Bosnia and Herzegovina traveled to my district to continue their work with the Center for Civic Education in implementing a successful civic education initiative called Civitas @ Bosnia and Herzegovina which is restoring hope to that divided nation.

The Civitas initiative consists of an education for democracy program for elementary and secondary students in Bosnia and Herzegovina with the goal of promoting the development of a political culture supportive of democratic values, principles, and institutions.

The distinguished members of the delegation include: Rahela Dzidic, Executive Director, Civitas @ Bosnia and Herzegovina, Sarajevo, Mile Ilic, Professor of Pedagogy and Psychology, University of Banja Luke, Banja Luka, Sanja Kantar, Philosophy Professor, Prijedor, Dejan Krunic, Counselor for Physics and Astronomy, Pedagogical Institute of the Republika Srpska, Civitas Regional Coordinator, Banja Luka, Anton Milos, Elementary School Principal, Civitas Municipal Coordinator for Kiseljak, Brestovsko, Ismet Salihbegovic, Deputy Minister of Education, Sarajevo Canton, Sarajevo, Halil Spago, Counselor for Education, Mostar Canton, Ministry of Education, Mostar, Esad Toromanovic, Sociology Professor, Civitas Cantonal Coordinator, Una Sana Canton, Bihac, Karlo Zelenika, Psychology and Pedagogy Professor, Civitas Cantonal Coordinator, Sikoki Brijeg, Masa Miskin, Translator, student, University of Sarajevo, Philosophy Faculty, Sarajevo, Aida Skaljic, Civitas Translator/Assistant, Sarajevo.

The Civitas initiative in Bosnia has produced impressive results. More than 2,500 teachers in all parts of Bosnia and Herzegovina have been using Project Citizen, a program translated and adapted from a successful civic education middle school program used in the United States. The teachers also are using translated and adapted versions of selected lessons on basic concepts of democracy. In all of Bosnia and Herzegovina, the program has reached more than 100,000 elementary and secondary students since its inception in 1996.

The initiative in Bosnia and Herzegovina is part of the broader Civitas: An International Civic Education Exchange program administered by the Center for Civic Education. The program provides for a series of exchanges among leaders and educators in civic education in the United States and emerging and established democracies worldwide.

I applaud the promising results the Civitas initiative has already achieved and look forward to the continued success of the program.

IN MEMORY OF PRESIDENT JULIUS NYERERE

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Ms. LEE. Mr. Speaker, as a student, active in the African liberation movement, President Julius Nyerere was a source of inspiration to me. As a supporter, educator and celebrator of indigenous African cultures, Nyerere was a President who left an indelible mark not only on Africans of all countries, but of people of all nations.

It is fitting at this time to pay the utmost respect to his insight, which recognized the beauty and value of cultures that have so traditionally been devalued or exploited. President Nyerere, for example, promoted the use of Swahili, making this native African language the official language of Tanzania.

Those of us who were active in the movement against apartheid in South Africa, looked to Nyerere for this leadership, and emphasis on a collective system of government in which all people in the community are valued and provided for, ujamaa, or "familyhood".

Fittingly, President Nyerere was and is addressed throughout the world as "teacher". and his legacy of supporting and upholding the beauty of Africa for the world will live on in the people of Tanzania and everywhere.

MAKE THE RIGHT CHOICES SPENDING

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. SANDLIN. Mr. Speaker, I am a longtime opponent of congressional pay raises and pork barrel spending. The time for us to make tough choices is most certainly here. I am encouraging the leadership of the House to reject attempts to cut spending on vital government programs across the board. Instead, let's eliminate the proposed congressional pay hike and the countless budget earmarks.

I staked out this proposal in a letter today to Speaker of the House DENNIS HASTERT requesting that he reject the proposed across-the-board spending cuts at a time when Congress is scheduled to receive a pay raise. I am also suggesting that Speaker HASTERT should turn back the spending programs we call "earmarks."

In light of budget realities and constraints on spending, we must define and protect our priorities as we are forced to make other spending sacrifices. The proposed 1.4 percent across-the-board spending cut would have disastrous effects on critical programs such as defense and education, as well as vital programs for senior citizens.

This reckless round of cuts would threaten our military's readiness and reduce the number of men and women in uniform. Cutting across the board could deprive almost 7,000 children and their families of the proven value of the Head Start program. Furthermore, the cuts would reduce aid to our nation's farmers. Disaster assistance and income assistance would both be reduced at a time when they are so badly needed.

My proposal could save the government billions of dollars. Giving up the 3.4 percent pay raise and cutting away earmarked proposals would eliminate the need for indiscriminate spending cuts which would devastate already under-funded programs.

Mr. Speaker, the time to act is now. We have to make the tough choices that the American people sent us here to make. For us to meet our obligations and protect Social Security, we will have to make sacrifices. We will have to do the right thing.

I am hopeful that the House leadership will make the right choice at this critical moment in the budget debate. It will take courage. It will require us to make tough choices. And that's our job.

TRIBUTE TO THE LATE MARY FARLEY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. McINNIS. Mr. Speaker. It is with great honor and profound sadness that I now rise to pay tribute to the life of Pueblo, Colorado's great civic matriarch, Mary Farley. After living a remarkably accomplished life that spanned 94 years, sadly, Mrs. Farley passed away earlier this month. But even as we mourn her passing, everyone who knew Mary should take comfort in the truly incredible life she led.

Since the 1930's, few can claim a place in the Pueblo community as lofty as Mary. Her accomplishments and contributions, Mr. Speaker, were many. During WWII, she cochaired Pueblo's war bond drive and also served as secretary for the Community welfare council. In the 1960's, she and her husband—the equally distinguished late Dr. John Farley—founded the Farley Foundation which quickly became a leading philanthropic force in the community, state, and nation.

In recognition of her tireless civic endeavors touting noble causes like historical, environmental, and cultural preservation, Mary was inducted into the Pueblo Hall of Fame in 1994.

While her personal accomplishments are many, none are more weighty than the remarkable legacy she has left in her family.

Mary's son, Tom Farley, now a leading attorney in the Pueblo area, has been a powerful voice in Colorado's political circles, serving as a state legislator and political activist. Kathy Farley, Mary's daughter, has followed her mother's lead as a community activist, serving as the Director of the Southern Colorado Community Foundation after a two term stint as a powerful advocate on the Pueblo County Commission. Ultimately, while John and Mary can be proud of all the many things they accomplished together, none could surpass what they have left in their children.

It has been said, Mr. Speaker, that the ultimate measure of a person's life is the extent to which they made the world a better place. If, indeed, this is the measure of worth in life, Mary's friends, family, and the Pueblo community can all attest to the success of the life she led. Indeed, both the Pueblo community and the great State of Colorado will benefit for many generations from Mary Farley's tireless drive to make her world a better place for us all.

It is with this, Mr. Speaker, that I say thank you and good-bye to this great American who will long serve as an inspiration to us all. We will all miss her greatly.

CONGRATULATING SAINT AGNES MEDICAL CENTER FOR 70 YEARS OF CARE

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today, to recognize Saint Agnes Medical Center for 70 years of compassionate care to central California. Saint Agnes has grown from a 75-bed hospital, to a 326-bed regional healthcare delivery system, providing state-of-the-art, comprehensive health care to people of the central valley.

On August 4, 1929, Saint Agnes Medical Center opened its doors in Fresno a day earlier than planned to care for a little boy in need of emergency surgery. It is this commitment to compassionate care that central California residents have come to trust and rely upon over the past seven decades.

As part of its ongoing effort to meet the healthcare needs of central California's growing population, Saint Agnes Medical Center is embarking on a major facilities expansion, which will include expansion of its cardiac services. Construction will begin in the year 2000.

The mission statement reads as follows:

"We at Saint Agnes Medical Center, faithful to the spirit of the Sisters of the Holy Cross, strive to witness God's love through excellence in the delivery of health services. Motivated by compassion and respect, we respond to the health needs of the people of central California. We empower those who serve with us while stewarding human financial resources."

Mr. Speaker, I want to recognize Saint Agnes Medical Center for their continued compassion and service to the central valley. I urge my colleagues to join me in wishing Saint Agnes Medical Center many more years of continued growth and success.

MEMORIAL DAY SPEECH BY JOHN R. TAPIA, PH.D.

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. STUMP. Mr. Speaker, as we approach Veterans' Day and Members reflect on the importance of honoring those who served in the Armed Forces, I submit to Members the Memorial Day statement of my good friend, Dr. John R. Tapia, which follows:

DR. JOHN R. TAPIA—MEMORIAL DAY

Very few in the military ever receive formal decorations. Considering the military establishment as a whole, only a small fraction ever know the hell of actual combat. And of that fraction, only a minute percentage are ever decorated. The great percentage of this combat fraction either get wounded or killed!

So it was very appropriate that at one time this venerable event initially was designated as Decoration Day, to be observed by placing flowers and flags—in essence, decorating—the graves of our war dead.

Today, we define this day as Memorial Day, meaning, essentially, "anything, such as a monument, intended to preserve the memory of a person or event."

Memorial Day, then, is a day appointed to commemorate and decorate the dead of our Armed Services, for memory glorifies the brave. And, to glorify the brave with this memory, cemeteries have been dedicated as monuments, to honor them. To honor those who fell in battles, and those who survived the holocausts which wars create.

These are monuments of concrete and stone to serve as permanent remembrance of our gallant dead. And we must never forget who reposes in these hallowed grounds! To do so would be an act of the greatest treachery!

As commendable as this intention was, we, however, celebrate this venerable occasion only once a year! Yes, once a year, we officially remember and honor our nation's heroes. And, yes, it is most fitting that we have these cemetery monuments to remind us of their sacrifices and grievous loss, one of them my brother.

However, grievous as it is, we should also recognize another monument. A monument also dedicated to preserve this remembrance. Not only of the honored dead, but also of the honored living! A monument, not of concrete and stone, but one of compassion and selfless devotion to the care of our honored living!

It is a living monument of dedicated people concerned with the healing and well-being of those who survived the unspeakable horrors wrought by man's inhumanity to man in the course of wars! This celebration occurs, not once a year, but every living day of the year!

This living monument of which I speak, is a veterans medical center. It is a living monument dedicated to the preservation of this memory which celebrates the meaning of, not Memorial Day, but rather, Memorial Days!

As State and National Cemeteries are monuments of remembrance of our honored dead, these Medical edifices are monuments of remembrance, not only of our honored dead, but also of our honored living!

These selfless acts of mercy, which begin in the battlefields, with the life-saving efforts of those intrepid aidmen known as "corpsmen" or "medic", and progress through MASH units and General Hospitals, continue in the halls of these esteemed institutions.

It is also appropriate and proper, then, that, on this august occasion, we, the living legacy of the honored dead, recognize and pay tribute to those magnificent and benevolent volunteers, of all ages, who contribute their time to tend to the care and decoration of the graves of our honored dead, and who so unstintingly and compassionately provide care and comfort to those who courageously and honorably served our country during times of its greatest needs, at home, on foreign lands, on the seas, and in the air!

In the words of Daniel Webster:

"Let our object be our country,
"our whole country,
"and nothing but our country.
"And, by the blessing of God,
"may country itself become
"a vast and splendid monument—
"not of oppression and terror,
"but of wisdom, of peace, and of liberty—
"upon which the world may gaze with admiration
"forever!"

And, so—

To those who faithfully pay homage at these revered ceremonies;

To those who provide care and comfort for our veterans; and,

To those veterans organizations who render our final salute—

We, who will join the honored dead in these hallowed grounds—

Thank you and salute you!

COMMENTING ON THE DEPARTMENTS OF INTERIOR AND RELATED AGENCIES FISCAL YEAR 2000 CONFERENCE REPORT

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. CAPUANO. Mr. Speaker, today I rise in opposition to the FY 2000 Interior and Related Agencies Conference Report. This report represents poor environmental policy as it significantly weakens existing regulations and undermines current progress in environmental protection.

Most notably, the conference report fails to fully fund the administration's request for the Land and Water Conservation Fund (LWCF). The fund is one of the most important environmental sources of revenue made available to States and is the primary tool that allows for the purchase of threatened land. As a strong proponent of this program, I am pleased with the fact that H.R. 2466 includes $30 million in funding for the stateside LWCF grant program, however, the report provides only $266 million of the $800 million requested by the White House. Since 1995, the stateside LWCF grant program, the principal source of funds that allows States to acquire recreation lands, has received no funding. This has led to all statewide efforts to promote conservation projects to be halted. As we enter the 21st century, I hope Congress can continue to increase the level of funding for the LWCF.

On another note, this conference report provides only one-third of the funds requested by the administration for the President's Lands Legacy Initiative. This initiative is used to purchase lands that protect national parks, forests, and wildlife refuges which add significantly to the beauty and capacity of our national parks and forests. I believe that the Lands Legacy Initiative is a good program and that this conference report threatens to derail the administration's efforts to promote environmental preservation.

Additionally, the conference report contains several anti-environmental riders. Among these riders is a provision that rewrites the 1872 mining law to allow mill operators to dump toxic mining wastes on sites larger than 5 acres without being subject to environmental restrictions. Moreover, this report precludes the Interior Department's regulation that imposes more stringent cleanup responsibilities on mine operations being conducted on public lands and weakens current laws for forest management by instituting a 1-year moratorium on regulations intended to improve environmental compliance in the operation of hardrock mines.

The conferees also added an anti-environmental rider in the conference report that involves rural agricultural lands. This provision would allow for grazing permits to be automatically granted 10-year renewals regardless of whether or not environmental impact studies have been completed. The effect of this provision would prove extremely harmful to grazing land and its surrounding environment.

Furthermore, the report blocks the Interior Department's regulation that requires major oil companies to pay closer to the fair value of oil pumped on public lands and waters. This practice ends up costing the taxpayers millions of dollars each year.

Finally, this report fails to adequately provide funding for culturally important organizations to encourage development in the field of arts. Both the National Endowment for Arts (NEA) and the National Endowment for Humanities (NEH) are funded at much less than the President's request of $150 million each. Conferees provided $115.7 million for NEH and only $98 million for NEA. Without adequate funding, projects that focus on public education, understanding and appreciation of arts, including drama, music, art, and literature will face serious cutbacks.

Mr. Speaker, I am frustrated and disappointed that this conference report contains numerous provisions that undermine environmental protections and funding for cultural programs and I urge my colleagues to oppose final passage. If this report passes, I urge the President to veto this legislation so that we may have another opportunity to correct this seriously flawed bill.

IN HONOR OF SERGEANT RICHARD "DICK" BRICKMAN

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. DEUTSCH. Mr. Speaker, I rise today to honor the tremendous career of Sergeant Richard "Dick" Brickman. On January 3rd, 2000, Sergeant Brickman will retire from the Hollywood, Florida, Police Department after 30 remarkable years of service. Sergeant Brickman will be sorely missed by the State of Florida's law enforcement community.

Originally beginning his career in 1969 as a Road Patrol Officer, Dick Brickman has held countless positions in the Hollywood Police Department. Detective Sergeant, Patrol Sergeant, Operations Sergeant—these are some of the positions which Dick has held since being promoted in 1975. Throughout his tenure with the Hollywood Police Department, Dick has been at the forefront of innovative approaches to law enforcement. Sergeant Brickman was instrumental in implementing the "Operation Reindeer" program, a program that assigned officers to the roof tops of businesses and malls during the holiday season. Aimed at preventing seasonal crimes and apprehending criminals, this valuable and effective program has lasted 10 years and will stand as a testament to Sergeant Brickman's hard work and dedication to the Hollywood Police Department.

In addition to his outstanding work with the Hollywood Police Department, Sergeant Dick Brickman has demonstrated tremendous leadership in both local and State-wide law enforcement associations. In December 1979, Sergeant Brickman was elected President of the Broward County Police Benevolent Association (PBA), an organization which represents over 2,300 law enforcement officers in Broward County, Florida. He has been subsequently re-elected as President for seven 3-year terms. In addition, Dick also continues to serve on the Executive Board of the State of Florida PBA, an organization that represents more than 31,000 members of the law enforcement community statewide.

Dick is an atypical individual in the sense that he is a native Floridian who exhibits strong ties to the South Florida community. Born in Miami, he has spent his entire life in South Florida. Throughout the past six years, he has remained active in the community volunteering his time as the girls softball coach for the City of Hollywood. Sergeant Brickman has also volunteered his time as coach of the girls softball team at South Broward High School. Indeed, Sergeant Brickman's devotion to the South Florida community is nothing short of outstanding.

Mr. Speaker, I wish to thank Sergeant Brickman for his tremendous work on behalf of the State of Florida and the entire South Florida Community. As Sergeant Richard "Dick" Brickman retires from the Hollywood Police Department to close this important chapter of his life, I would also like to extend my best wishes for the future.

TRIBUTE TO THE 1999 NATIONAL MERIT SCHOLARS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this moment to honor a group of committed and accomplished students who were recently honored for their achievements in the 1999 National Merit Scholarship Competition. These students embody everything that is good with our youth today and are exceedingly worthy of our highest regards and praise.

From a field of over 1 million students that entered the Merit Program last year, Meg Patton, Matthew Thomas, Megan McGill, and Jeff Ward finished in the top 1% of entrants. For their remarkable scholastic achievement, each were recently recognized as National Merit Program semi-finalists. These incredibly talented students are now competing for one of 7,400 National Merit Scholarships awarded to the finest students in the country. Whether or not these students ultimately win the Merit Scholarship, each are among the finest in the nation and should take great pride in receiving this weighty accolade.

In addition, Juli Carillo, Erin Lindsey, Anthony Arcieri, Ksenya Gurshtein, Naomi Habbegger, Rachel Wilkenson, and Jerimiah Goodson were awarded letters of commendation for finishing in the top 5% of students who entered the competition. Like the semi-finalists, these students are to be commended for the lofty level of academic success they have achieved.

It is with this, Mr. Speaker, that I say congratulations to these outstanding students on receiving an honor that they clearly deserve. Because of committed and talented young men and women like these, I know that America's future will be as bright as its remarkable past.

HONORING THE CONTRIBUTIONS OF CHINESE AMERICAN VETERANS DURING WORLD WAR II

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. EVANS. Mr. Speaker, I rise today to honor the sacrifices and contributions made by Chinese Americans during World War II.

Today, many of these brave men and women who served with pride during that time are gathering in Washington to remember their war years and the experiences that changed their lives forever. And tonight, the Organization of Chinese Americans, together with the Asian Pacific American Studies Program of the Smithsonian Institution, is sponsoring the world premiere of the documentary "We Served with Pride: The Chinese American Experience in World War II". The documentary is a first hand look at the personal experiences of Chinese Americans during the war.

I hope these efforts will help reverse an unfortunate situation. Despite their sacrifices, the service of Chinese American veterans during World War II is not well known to most Americans. More than 20,000 Chinese Americans served in the U.S. Armed Forces during the war, in almost every imaginable capacity. Without question, their sacrifices and distinguished efforts helped push our nation on to victory over the Axis powers.

Their pride is justified. The contributions they made in every theater of the war should be remembered. As Americans learn more about its nation's participation in the war through films such as "Saving Private Ryan", we should also use this opportunity to educate them about all facets of the war effort. The costs that Chinese American war veterans paid to defend our nation deserves this acknowledgment.

I urge the entire House of Representatives to join me in asking that our nation reflect upon these contributions and again thank our Chinese American veterans for their sacrifices and service.

COMMENDING THE ART II CLASS OF STAUNTON HIGH SCHOOL

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. SHIMKUS. Mr. Speaker, I rise before you today to commend the students of Staunton High School who helped the city of Staunton, Illinois earn a Governor's Hometown Award. Collaborating with the Staunton Chamber of Commerce, the class created and maintained a web site for the community.

The Art II class led by teacher, Gayle Scheller, contributed an amazing amount of time and energy into creating this outstanding web site. Thanks to their efforts, Staunton has the use of a powerful technological tool. In addition, the city has benefited from statewide recognition through the award bestowed by the Governor.

This contribution by the Art II Class of Staunton High School has enhanced communication throughout the community, in addition to increasing the town's image. I would like to thank them for their contribution.

STUDENT RESULTS ACT OF 1999

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 20, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2) to send more dollars to the classroom and for certain other purposes:

Mrs. MINK of Hawaii. Madam Chairman, today, I join my colleagues, Representatives WOOLSEY, SANCHEZ and MORELLA, in offering this amendment to restore the gender equity provisions in the Elementary and Secondary Education Act.

The Majority has argued that these equity provisions are no longer needed. However, girls continue to face barriers in the classroom. The Women's Educational Equity Act (WEEA) and other gender equity provisions are still needed to help overcome these barriers. For instance:

While girls have improved in some areas, girls are still not learning the technology skills they need to compete in the 21st century. In fact, only a very small percentage of girls take computer science courses, even though 65% of jobs in the year 2000 will require these skills. The girls that do take computer classes tend to take data entry, while boys take advanced programming. For instance, only 17% of students who take the computer science Advanced Placement test are girls.

Furthermore, compared with boys, girls receive fewer scores of 3 or higher on Advanced Placement tests, the score needed to receive college credit. And on high-stakes tests that determine college admissions, scholarships, and course credit—including the SAT and ACT—boys continue to score higher than girls.

Although standardized tests, such as NAEP and TIMSS, illustrate that girls do score higher in reading and writing, boys still earn the highest scores in history, geography, math and science.

In 1974, I authored the Women's Educational Equity Act (WEEA) to help the federal government assist schools in eradicating sex discrimination from their programs and practices and in ensuring that a girl's future is determined not by her gender, but by her own interests, aspirations, and abilities. I consider this Act one of my finest achievements.

Since its inception, WEEA has been critical in assisting schools to achieve educational equity for women and girls. It has funded research; it has organized training programs and provided guidance and testing activities to combat inequitable educational practices; and it has established an 800 number, e-mail, and web site, in order to make these materials and models widely available at low cost to teachers, administrators, and parents.

WEEA provides a resource for teachers, administrators and parents seeking proven methods to ensure equity in their school systems and communities;

WEEA provides the materials and tools to help schools comply with Title IX, the federal law prohibiting sex discrimination in federally funded education institutions;

WEEA provides the research and model programs to back up Title IX's promise to American students of a non-discriminatory education;

WEEA projects help girls to become confident, educated, and self-sufficient women; and

WEEA helps to prevent teen pregnancy; keep girls in schools through graduation; provide mentors, and steer them toward careers using math, science and technology.

And that is only a glimpse of what WEEA has done for our girls. Since its inception, WEEA has funded over 700 programs, including:

Programs making math and science opportunities more accessible to girls and young women.

Expanding Your Horizons, which exposes girls to women in non-traditional careers, have been replicated in communities throughout the country, often by AAUW branches.

Projects developing teaching strategies to enhance girls' and ethnically diverse students' learning in math and science.

The development of "Engaging Middle School Girls in Math and Science", a nine-week course for teachers and administrators which explores ways of creating classroom environments that are supportive of girls' successes in these subjects.

A CD-ROM, called "A Lifetime of Science, Engineering and Mathematics", that showcases over 100 curricular innovations, professional development efforts and informal learning opportunities to promote gender equity in science, engineering, and mathematics.

And the observance of Women's History Month, which has exposed students across the country to the important contributions women have made to the nation.

Women have made great strides over the last few decades. However, much more needs to be done before there is true gender equity. The Women's Educational Equity Act and the gender equity provisions are essential in bringing about this change.

I strongly urge my colleagues to support this amendment.

THE END OF AN ERA

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. BLUNT. Mr. Speaker, I rise today to honor the ending of a tradition of dedication of serving the public by the Gray family of Carthage, Missouri. On August 27, 1924 Howard H. Gray opened the College Pharmacy on the square in Carthage. On October 31, 1999, Howard Gray's son, Bill Gray will close the doors of the College Pharmacy for the last time.

Bill Gray has spend the last 60 years in his "first home". First as an eleven year old youngster working for his father as a curb hop, picking up order from customers at the curb and running them in to his father to be filled. Later, Bill worked the soda fountain which in those days was filled with teenagers...quite a lively place. Upon obtaining his pharmacist degree from the University of Missouri, Kansas City, in 1950, Bill became an owner in the family business.

Over the last forty-nine years, Bill Gray has served the citizens of Carthage as a pharmacist and friend. Filling prescriptions, answering the questions of a nervous mother whose child is ill and even making house calls to deliver medicine to the elderly all have endeared College Pharmacy and Bill Gray in the hearts of the people of Carthage.

Life has not been all work for Bill. For over thirty-one consecutive years, Bill led a group of Carthage residents, known as Clyde's Bluff Dwellers, down the Buffalo River for a late spring float trip to enjoy the beauty of the Ozarks. Bill's knowledge of the Buffalo River is legendary.

For over 75 years, three-quarters of a century, Howard and Bill Gray helped the sick in Carthage get better and they did it with hometown service. On October 31, Bill Gray will hang up his blue pharmacist's coat, turn off the lights and lock the door to the College pharmacy for the last time. With the turn of a key, an historic landmark in Carthage, Missouri will become a memory.

I congratulate the Gray family for their years of faithful service to the public and, specifically, wish Bill Gray the best in the years ahead as he enjoys his retirement.

TRIBUTE TO CAPTAIN RICHARD L. RODGERS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. LEWIS of California. Mr. Speaker, I rise today to recognize an outstanding Naval Officer, Captain Richard L. Rodgers, who has served with distinction for the past two years for the Secretary of the Navy as the Head of Appropriations Matters Office under the Assistant Secretary of the Navy (Financial Management and Comptroller.) It is a privilege for me to recognize his many outstanding achievements in this capacity and commend him for a career of superb service that he has provided to the Department of the Navy, the Congress, and our great Nation as a whole.

During his tenure as Head, Appropriations Matters Office, which began in April of 1997, Captain Rodgers has provided members of the House Appropriations Committee, as well as our professional and personal staffs with timely and accurate support regarding Department of Navy plans, programs and budget decisions. His valuable contributions have enabled the Committee and the Department of the Navy to strengthen their close working relationship and to ensure the most modern, well-trained and well-equipped naval forces are attained for the defense of our great nation.

Mr. Chairman, Richard Rodgers and his wife, Jackie, have made many sacrifices during his career, and as they embark on the next great adventure beyond their beloved Navy, I call upon my colleagues to wish him every success and to thank him for his long, distinguished and ever-faithful service to God, country and the Navy.

TRIBUTE TO THE LATE CARL DINCLER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. McINNIS. Mr. Speaker, it is with great pride and honor that I rise today to tell you of a man who's life was filled with family values, civic duty, kindness and love. He lived every moment of his life as though it were his last.

Carl Dincler loved to have the spotlight. He also loved sharing that light with everyone so that they might feel the inspiration and zest for life that he had so much of. Throughout the 86 accomplished years of his life, he touched so many people, whether it was in one of his business ventures or in one of his many community activities. Ultimately, these people knew they were in the presence of a great human being when in Carl's company.

With his equally accomplished wife Jeanette, Carl started a fabric store which became known for the stage curtains they made. If the curtains were not hung perfectly each time, Carl would get out the ladder and start over. He took pride in everything that he did, including his long time commitment to the community. Carl served as president of the Pueblo Board of Water Works and also former president of the Downtown Association and Lion's Club.

Aside from his many achievements in the business world, he has left a proud legacy in his family. He is survived by his wife Jeanette who is also known for her active role in the community. Together they had a daughter, Sharon, who has a Ph.D. in continuing education from the University of Denver and today edits doctoral theses. One granddaughter and a great-great-granddaughter also survive. These wonderful people will undoubtedly carry on the legacy of Carl's accomplished life.

Mr. Speaker, for the people of western Colorado and from the bottom of my heart, I say thank you to this man for realizing that one man can make a difference. His dedication to his family, his faith and his community will long be remembered and admired. He was an outstanding American and will be missed greatly.

TRIBUTE TO THE REEBOK SHOE COMPANY

HON. JOHN JOSEPH MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. MOAKLEY. Mr. Speaker, the role this nation plays in international conflicts, in providing humanitarian aid abroad, and in working to better the lives of all humanity is a constant matter of debate throughout the United States. I believe we do have an obligation to use our tremendous resources, know-how and prosperity to help uplift the difficult conditions many find themselves in throughout the world. And, I believe everyone in this nation can play a major part in that effort. Our influential corporations, while doing business abroad, can and should play a major role by acting responsibly and showing nations what it means to protect human rights, respect the rights of labor and respect the environment. Today, I'd like to highlight how one corporation—the Reebok shoe company—is working to make a positive difference in the lives of their workers. By allowing an objective third party labor rights organization to freely monitor the conditions of two of its factories in Indonesia, and make those findings public, Reebok has shown its desire for openness and cooperation, as well as a strong respect for the rights of the hard working people that make the company successful. I hope other major U.S. corporations will join in this effort.

I am very proud that the Reebok Corporation is located in my congressional district in Massachusetts. I commend the enclosed piece describing the latest initiative by Reebok's Chairman and CEO Paul Fireman, which recently appeared in the Washington Post, and ask that it be included in the CONGRESSIONAL RECORD.

[From the Washington Post, Oct. 17, 1999]

STEPS WE MUST TAKE ON THIRD-WORLD LABOR

(By Paul Fireman, Chairman and CEO of Reebok International Ltd)

Working conditions in overseas factories that produce apparel for the U.S. market have become controversial, putting companies on the spot for their decision to transfer jobs to faraway countries. Here's how one company is responding.

Tomorrow, Reebok International Ltd. will become the first company in the footwear industry to release an in-depth, third-party examination of labor conditions in the factories that make its products. We are not making the report public because it shows our company in an unequivocally favorable light—far from it. We are releasing it because we think it is time to confront and accept responsibility for correcting the sometimes-abusive conditions in factories overseas. We'd like to encourage other multinational corporations to follow suit.

The report, titled Peduli Hak—Indonesian for "Caring for Rights"—assesses conditions in two factories, PT Dong Joe Indonesia and PT Tong Yang Indonesia, which employ approximately 10,000 workers to make our footwear. Reebok doesn't own these factories; we selected them because they account for more than 75 percent of our footwear production in Indonesia, and have many similarities with other athletic footwear factories in Asia.

We chose the independent research and consulting firm Insan Hitawasana Sejahtera (IHS) to perform the assessment, based on the recommendation of leading human rights professionals who credit it wtih impartiality and objectivity. To ensure the team's independence, we guaranteed IHS full access to factory records and workers, without intervention from Reebok or the factory management. We also promised in advance to make the IHS report public.

The report, based on 1,400 hours spent inspecting the plants, observing working procedures and interviewing workers over a 14-month period, highlights some disturbing facts about the working conditions there. For example, it criticizes the way the factories' managers communicate with workers, noting that most workers are functionally illiterate and could not understand their rights under their collective bargaining agreement or the details of their wage statements. The report also found that it was more difficult for women than men to obtain promotions or supervisory positions. It faulted the factories' health and safety procedures—in particular the procedures governing the use and handling of chemicals. The report also describes steps the factories' owners have been taking to rectify these problems.

Some of the flaws the IHS inspectors uncovered presented more of a challenge to correct than others. It is fairly simple to improve inadequate lighting, or ventilation where workers were being exposed to chemicals. And factories raised pay to bring it in line with the government's determination of a minimum living wage, since wages had not kept in line with the rapid fluctuations in prices following Indonesia's economic crisis. But it was altogether different when inspectors reported that drums containing the remains of hazardous substances were routinely left in areas accessible to the public, in violation of local hazardous waste laws. When the factory management changed its procedures to comply with the law, members of the local community protested; they had been collecting the drums and reselling them. In response, the factories adopted policies to allow for local collection of scrap metal and other non-hazardous waste materials.

Why did we undertake this potentially damaging workplace assessment, and why was it important to make the results public?

The simple answer is because of the commitment we at Reebok have made to respect the fundamental human rights of the nearly 25,000 workers in Asia who produce our footwear. That's why we placed a heavy emphasis on worker interviews (950 workers answered surveys; 500 took part in confidential interviews). It is also why we made Indonesian-language copies of the report available to the workers, and why we presented the report at a meeting with our footwear contractors.

But there is another reason, which is just as important. We want to encourage other multinational corporations that may be reluctant to open the doors of the factories manufacturing their products to in-depth inspections. Quite simply, we want to show that a detailed, critical report about factory conditions can be disclosed without the sky falling. And we'd like to change the attitude that has prevailed among many companies for many years—that they do not have any real responsibility for conditions in factories they do not own, or for the treatment of workers who are not their employees.

In 1992, Reebok adopted a code of conduct requiring that the factories of our global suppliers comply with internationally recognized human rights standards. Ever since, we have incorporated that code of conduct into our contractual agreements with factory owners and have monitored their compliance.

Despite these efforts—and those of some other companies—critics remained skeptical. They rightly point out that codes of conduct are little more than window dressing unless there is an effective process to monitor workplace conditions and determine whether standards are being met.

The Peduli Hak assessment was an attempt to address these concerns. But many multinational corporations that produce footwear, apparel and toys in the global marketplace remain fearful; although many now have codes of conduct, they are unwilling to undergo independent external monitoring, or suffer the embarrassment and expense that exposing workplace conditions might produce.

This fear of monitoring is seen in the reluctance of many companies to join the Fair Labor Association (FLA), which is chaired by former White House counsel Charles Ruff. The FLA has adopted procedures to accredit independent monitors who will be qualified to inspect factories for compliance with a Workplace Code of Conduct covering nine key areas: child labor, forced labor, discrimination, harassment, freedom of association, wages, health and safety, hours of work and overtime compensation.

Reebok and nine other companies (Adidas-Salamon AG, Kathie Lee Gifford, Levi Strauss & Co., Liz Claiborne, L.L. Bean, Nicole Miller, Nike, Patagonia, Phillips Van Heusen) have agreed to participate in the FLA's monitoring program. While this is a good beginning, it does not amount to the broadly representative segment of the business community that any monitoring program will require to be effective. Of course, we hope the Peduli Hak assessment will benefit thousands of workers in Asia—but we also hope that its publication will encourage other companies to join us in seeking solutions to substandard workplace conditions in the global economy.

TRIBUTE TO THE REV. DR. GEORGE EDWARD McRAE

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mrs. MEEK of Florida. Mr. Speaker, it is indeed a distinct honor and privilege to pay tribute to one of Miami-Dade County's great leaders, the Rev. Dr. George Edward McRae, pastor of Mt. Tabor Missionary Baptist Church in Liberty City. On Thursday, October 28, 1999, the Miami Herald will honor him as a recipient of the 15th Annual Charles Whited Spirit of Excellence Award, along with five other distinguished South Floridians.

Admired by his friends and colleagues as a "multi-talented man of God dedicated to service," Rev. McRae truly represents one of the noblest public servants of our community. As pastor and teacher at Mt. Tabor Baptist Church for the last ten years, he has been relentless in leading the members of his congregation in the ways of God, focusing his efforts on the agenda of spiritual wisdom and compassionate service to our community's less fortunate—the sick and the elderly, the hungry and the homeless, the poor and the disenfranchised, and the imprisoned and the dying.

Indeed, he genuinely exemplifies a true Spirit of Excellence for being a "leader in outreach," defining his life's consecration to the disenfranchised and the forgotten. As my pastor and confidante, I want to acknowledge Rev. McRae's tremendous work for constantly reminding us of the love and understanding for our fellow human beings. He truly evokes the example of Christ, the Good Shepherd, and is constantly enlightening his flock of believers, sharing with us the fact that our lives are inextricably interwoven with one another—regardless of our creed, color, gender, or philosophical persuasion.

The outreach programs Rev. McRae founded include Christian Education, HIV/AIDS awareness and education, a prison ministry, substance abuse forums, homeless shelters and feeding programs for the children, the elderly and the homeless. He is a down-to-earth minister of the Gospel who pragmatically aligns himself to the adage that ". . . people would rather see a sermon than hear it." All through these years I have learned from him the very centrality of God's role in our daily lives, conscious of the fact that ultimately the mandate of our faith to help the less fortunate among us does not contradict, but rather complement, our public stewardship on behalf of our constituents.

In its laudatory recognition The Maimi Herald aptly described him as "the catalyst for monumental strides in the church's outreach programs," succinctly recognizing that our churches, along with our synagogues and temples, form a substantial part of a larger network of institutions that fittingly serve as the pillars of our community. Accordingly, his standards for learning, caring and achieving for the underserved has won for him countless accolades from South Florida's ecumenical community and beyond. Likewise, public and private agencies have deservedly cited him for his untiring commitment to service and his uncompromising stance on simple justice and equal opportunity for all.

Long before Florida's Black churches and community organizations came to the understanding of HIV/AIDS, Rev. McRae has single-handedly trailblazed our consciousness into the scourge that this virus has inflicted on our community. He pioneered the establishment of MOVERS (Minorities Overcoming the Virus Through Education, Responsibility and Spirituality), a program geared toward helping people survive the effects of HIV/AIDS. Today MOVERS is being replicated all over the country as it addresses the dilemma of the African-American community currently plagued by what he calls "the triangle of death"—i.e., drugs, incarceration and AIDS.

Our community is comforted by his undaunted leadership and compassionate caring. Accordingly, The Miami Herald has articulated our deepest respect and admiration for him with its prestigious Spirit of Excellence Award. Most of all, I am grateful that he continues to teach us that the ethic of our stewardship from God is genuinely manifested by our service to our fellow men. This is the legacy the Rev. George Edward McRae shares with us, and I am indeed privileged to have his friendship and confidence.

ROCKVILLE COLOR GUARD MARCHES TOWARD GLORY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mrs. MORELLA. Mr. Speaker, it is my great pleasure to congratulate the American Legion Post 86 Color Guard for their victory at the National Senior Color Guard Competition (Closed Military Class) at the American Legion National Convention in Anaheim, California.

The Post 86 Color Guard was formed in 1981 to promote Americanism and patriotism. Augmented by members of the Auxiliary and Sons of the Legion, the Post 86 Color Guard quickly proved itself within the state of Maryland. For the past seven years, they have been the Department of Maryland (American Legion) state champion. The Post 86 Color Guard will now proudly serve as the National American Legion Color Guard for 1999–2000.

For their service to the American Legion, the community, our veterans, and our country, I ask my colleague to join me in congratulating the Henderson-Smith-Edmonds Post 86 Color Guard of Rockville, Maryland.

STUDENT RESULTS ACT OF 1999

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 20, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2) to send more dollars to the classroom and for certain other purposes:

Mrs. MINK. Madam Chairman, I believe strongly that all children deserve the opportunity to receive the best education possible. Title I was enacted with this credo in mind.

Our federal education dollars have always focused on specific areas of need within our education system. Since we provide roughly only 7% of the total elementary and secondary education funding spent in this country, we have always sought to concentrate these limited federal dollars in areas where they can make a real difference.

Title I is arguably the most important program of our federal education funds; it certainly is the largest. It provides nearly $8 billion annually to address inequities in education for our poorest students. This program is critical to helping communities provide high quality instruction and educational services to disadvantaged children.

And Title I is working. Earlier this year, the U.S. Department of Education issued "Promising Results, Continuing Challenges: The Final Report of the National Assessment of Title I." This in-depth analysis of Title I concluded that the initial results of Title I's systemic accountability system have proven successful. Out of the six States reporting data, five showed improvement in math achievement and four in reading. Out of the 13 urban school districts reporting, 9 showed substantial increases in either math or reading achievement. Most importantly, the National Assessment told us that, when fully implemented, systemic reform will very likely close the achievement gap between disadvantaged students and their non-disadvantaged peers.

I do have serious concerns about certain provisions, or lack thereof, in H.R. 2.

In particular, I am concerned about the changes in the schoolwide poverty requirements, the exclusion of the Women's Educational Equity Act, and the repeal of the Native Hawaiian Education Programs from the Elementary and Secondary Education Act.

H.R. 2, as reported, lowers the poverty eligibility threshold for schoolwide programs from 50% to 40%. Presently, schools with over 50% of their student population from low-income families can operate a schoolwide program. When this provision was first passed, schools had to have 75% poverty to be eligible.

Although schoolwide programs have been shown to be very effective for disadvantaged students, they are only considered advantageous if there are a significant number of children in poverty. By lowering the poverty threshold to 40, the Majority is diluting the program's focus on poor children. 40% poverty means that 60%—the majority of the school—is not poverty-stricken. It is imperative that these Title I funds remain with the kids who need it the most.

During Committee consideration of H.R. 2, the Committee, passed an amendment by Representative Payne, by a vote of 24–21, to retain the schoolwide threshold at 50%. Later in the markup, the Majority inexplicably reversed itself and passed an amendment to move the threshold back to 40%. For the life of me I cannot understand why after approving an amendment to raise the schoolwide threshold, the Committee took a step backwards and reversed itself.

I also strongly oppose the elimination of the gender equity provisions in current law and the Women's Educational Equity Act (WEEA). By eliminating a current, long-standing program that ensures fairness and equal opportunities in schools, the Majority is ignoring the different educational needs of girls and boys. WEEA represents the federal commitment to ensure that all students' futures are determined not by their gender, but by their own interests, aspirations, and abilities.

Since 1974, WEEA has funded the development and dissemination of curricular materials; training programs; guidance activities; and other projects to combat inequitable educational practices. WEEA provides a resource for teachers, administrators, and parents and provides the materials and tools to help schools comply with Title IX, the federal law prohibiting sex discrimination in federally funded education institutions. Through an 800 number, e-mail, and a web site, the WEEP Publishing Center makes these materials and models widely available to teachers, administrators, and parents.

WEEA has funded over 700 programs since its inception, and the requests for assistance and information are growing. From February to August of this year, the WEEA Resource Center received over 750 requests for technical assistance. Past and current WEEA-funded projects include making math and science opportunities more accessible to girls, and programs such as "Expanding Your Horizons" expose girls to women to non-traditional careers.

The Majority cited the results of a 1994 GAO study as its reason for eliminating this very important program. It argued that the Womens' Educational Equity Center lacked the staff to implement this program. The majority also argued that a small percentage of the grants made its way to the state and local levels.

It is no wonder. During the 1980s, WEEA fought a constant battle with funding and authorization. It has only been since the GAO report was printed and a Democratic president was elected, that the Womens' Educational Equity Center has been able to grow and improve. The Majority must not rely on a dated report that is no longer relevant to justify the elimination of this program.

The Majority also argues this program is not needed. Girls are doing better than boys in school in reading and writing. Although there has been much improvement in girls accomplishments, this does not justify the elimination of the program that added to these gains. Girls are achieving now because of the federal government's focus and attention on these inequities.

Moreover, although there has been gains, girls are still lagging behind boys in many important subjects, such as math, science, and technology.

WEEA helps girls acquire the skills and self-confidence they will need to support themselves and help support their families. Efforts to improve education will fail unless we address the different needs of different students. Excellence and equity go hand in hand. The repeal of this critical program undermines this country's commitment to equity in the classroom.

And last, I am appalled that this bill repeals the Native Hawaiian Education Programs from the Elementary and Secondary Education Act (ESEA).

The Native Hawaiian Education Program has been in effect since 1988, when it was first included in Title IX of ESEA together with funding for Native American and Native Alaskan education programs. Native Hawaiians are Native Americans, and like Native American Indians, they have suffered greatly at the hand of the U.S. Government, most significantly due to the illegal overthrow of the Hawaiian Monarchy by military force in 1893. As a result, Native Hawaiians were disenfranchised from their land, their culture, and their ability to self govern. Eliminating this program negates the steady progress that has been made in recent years to make amends for the terrible travesty of the overthrow.

From 1826 until 1893, the United States recognized the Kingdom of Hawaii as a sovereign, independent nation and accorded her full and complete diplomatic recognition. During this time, treaties and trade agreements were entered into between these two nations. However, in 1893, a powerful group of American businessmen engineered the overthrow with the use of U.S. Naval forces. Queen Liliuokalani was imprisoned and over 1.8 million acres of land belonging to the Crown, referred to as Crown lands or ceded lands, were confiscated without compensation or due process.

This takeover was illegal. There was no treaty of annexation. There was no referendum of consent by the Native Hawaiian people. Recently, the National Archives disclosed amongst its treasures a 556 page petition dated 1897–1898 protesting the annexation of Hawaii by the U.S. It was signed by 21,259 Native Hawaiian people. A second petition had more than 17,000 signatures. Historians advise that this number of signatories constitutes nearly 100% of the adult Native Hawaiian population at that time.

Today, out of a total of 211,033 acres of land occupied by the military, the ownership of 112,137 acres can be traced to the royal family. No compensation was ever paid for these lands.

In 1920, Congress answered the cries of injustice by decreeing that 200,000 acres of land confiscated by the federal government be returned to the Native Hawaiians as an act of contrition. Unfortunately, these lands were in places where no one lived or wanted to live. They were in the most remote places—isolated without any infrastructure or access to jobs. Today, Native Hawaiians live in segregated reservations much like the Indian tribes. Their current despair is due to this forced isolation.

The Native Hawaiian Education Act was established out of our moral and legal responsibility for the destruction that occurred to this community. The $20 million that funds this program to help educate Native Hawaiian children can't begin to make up for the loss of a nation, of an identity, a culture, and a heritage, but it can help fulfill our moral and legal obligations.

Justice requires that we fulfill our trust obligations to the Native Hawaiian community. This modest program has helped these children, who suffer the lowest reading and math scores, whose families suffer the highest percentage of poverty, and whose health statistics and mortality rates are alarming by all measures. We do this for the Native American and Native Alaskan communities. The Majority would never dream of eliminating the funding for these equally important programs. We must not repeal this important program for the Native Hawaiian population.

I want to support this bill. Some good reforms and improvements were incorporated in this legislation. But unless the three areas that I have addressed are fixed, H.R. 2 will be a travesty on girls and women, on Native Hawaiians and on the poor children who need all the help this nation can muster.

STUDENT RESULTS ACT OF 1999

SPEECH OF

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 20, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2) to send more dollars to the classroom and for certain other purposes:

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Chairman, I rise today to show my support for the Mink/Woolsey/Sanchez/Morella amendment to H.R. 2, the Student Results Act. This amendment would place much needed gender equity language into this bipartisan legislation.

Madam Chairman, I know firsthand how difficult it is for women to compete in today's world. As a woman of many firsts, I know that it is not always assumed that anything boys can do, girls can do, especially in the sciences. Let me give you some statistics to illustrate my point. Only 25 percent of female students have taken computer science courses in high school. Only 20 percent of female students take the three core science courses in high school. Also, only 19 percent of girls earn a math SAT score of 600 or above vs. 30% of males. These statistics are alarming.

We need to create a strong workforce for technology jobs in our country so that we can continue to compete with other countries. Therefore, it is important for us to not only include, but to also encourage every student to excel in the maths and sciences. That means encouraging girls as well as boys to take courses in math and science. We cannot afford to limit our technology workforce and training based on gender.

Studies have proven that teachers and other influences in children's lives still do not equally encourage girls as well as boys to study math and science. Until we see more improvements in these statistics, gender equity language will be necessary.

This amendment will train teachers in gender equitable methods and techniques and require the identification and elimination of gender and racial bias in instructional materials. It will continue the progress that was started with the passage of Title IX in 1974 to close the gender gap which still exists in today's schools.

I wish that I did not have to speak about this gender gap and hope that a day will come when we will no longer need this type of legislation. Until that day, let us do the right thing and prove to everyone that this Congress cares about girls as much as we do boys by adopting this amendment.

PRESIDENTIAL SPOKESMAN'S COMMENTS ON THE BUDGET

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. CRANE. Mr. Speaker, last week, Joe Lockhart, the Presidential spokesman, made a number of erroneous statements regarding the budget. Mr. Lockhart called "absurd" the notion that President Clinton has finally come around to the Republican way of thinking by not wanting to touch the Social Security surplus—yet—the facts state differently.

The President's original fiscal year-2000 budget asked to spend some 41 percent of the Social Security surplus.

The President's State of the Union address specifically stated that the President would only commit 60 percent of the surplus for Social Security.

And now, the President tells the bipartisan delegation meeting over the budget that he wants to save 100 percent of the surplus. If that isn't a turnaround to support the Republican position of "lock-box," protecting Social Security, I don't know what is.

Mr. Speaker, I submit for the RECORD this information and other erroneous statements made by Mr. Lockhart last week in his presidential press conference, showing how these inaccuracies have attempted to bias public information against the real facts.

RAPID RESPONSE FROM THE SPEAKER'S PRESS OFFICE—WEDNESDAY, OCTOBER 20, 1999

"JUST THE FACTS, MR. LOCKHART"

Joe Lockhart says that the idea that President Clinton finally came around to the Congressional Republican's plan of protecting 100 percent of the Social Security surplus is an "absurd notion."

Fact: The President's original budget for FY 2000 spends 41 percent of the Social Security surplus. Also, the President specifically proposed in this year's State of the Union to only commit 60 percent of the budget surplus for Social Security. He told the bi-partisan delegation yesterday that he now wants to save 100 percent of the Social Security surplus.

Joe Lockhart says that CBO says that the Republicans have already spent the Social Security surplus.

Fact: In a September 30 letter to Speaker Hastert, CBO Director Dan Crippen clearly states that the final GOP budget plan "will not use any of the projected Social Security surplus."

Joe Lockhart says our budget is full of "gimmicks" such as using advanced appropriations.

Fact: The President's own budget used $18.8 billion in advanced appropriations. Furthermore, advanced appropriations simply means that money not spent next year will not be counted towards next year's budget. If the money is not being spent until 2002, it should be counted against the 2002 budget, not the 2000 budget. That's just common sense.

Joe Lockhart says that the Republican budget doesn't make the investments in education that the American people expect.

Fact: The Republican budget has $300 million more for education than the President's budget. In addition, the Republican budget would let local communities spend this money how they best see fit—including hiring more teachers, if that's what the community needs.

COMMITMENT TO MILITARY RETIREES

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. REYES. Mr. Speaker, I enter into the CONGRESSIONAL RECORD a request made by the Texas State Legislature asking that Members of Congress maintain its commitment to America's military retirees over the age of 65; to enact legislation that affords military retirees the ability to access health care either through military treatment facilities or through the military's network of health care providers, as well as legislation to require opening the Federal Employees Health Benefits Program to those uniformed services beneficiaries who are eligible for Medicare on the same basis and conditions that apply to retired federal civilian employees; and to enact any other appropriate legislation that would address these concerns.

Military retirees who have served honorably for 20 or more years constitute a significant part of the aging population in the United States. These retirees were encouraged to make the United States Armed Forces a career, in part by the promise of lifetime health care for themselves and their families.

Prior to age 65, these retirees are provided health services by the United States Department of Defense's TRICARE Prime program, but those retirees who reach the age of 65 lose a significant portion of the promised health care due to Medicare eligibility. Many of these retirees are also unable to access military treatment facilities for health care and life maintenance medications because they live in areas where there are no military treatment facilities or where these facilities have downsized so significantly that available space for care has become non-existent.

The loss of access to health care services by the military has resulted in the government breaking its promise of lifetime health care. Without continued affordable health care, including pharmaceuticals, these retirees have limited access to quality health care and significantly less care than other retired federal civilians have under the Federal Employees Health Benefits Program.

It is necessary to enact legislation that would restore health care benefits equitable with those of other retired federal workers. Several proposals to meet this requirement are currently under consideration before the United States Congress and the federal Department of Defense and Department of Health and Human Services; of these proposals, the federal government has already begun to establish demonstration projects around the country to be conducted over the next three years, which would allow Medicare to reimburse the Department of Defense for the costs of providing military retirees and their dependent health care; this project would allow a limited number of Medicare eligible beneficiaries to enroll in the Department of Defense's TRICARE Prime Program and receive all of their health care under that program.

Mr. Speaker, I would like to reaffirm the necessity in enacting legislation for military retirees health coverage over the age of 65. These individuals are entitled to fair and equitable access of health care. The principle resources for this to be done would be through proper military treatment facilities supplemented with a choice in a network of health care providers. Opening the Federal Employees Health Benefits Program, which already applies to retired federal civilian employees, should be offered to uniformed services beneficiaries in order to ensure equitable benefits for all federal employees.

A CONSUMER PROTECTION PROPOSAL

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. UPTON. Mr. Speaker, I rise today to join my colleague and friend, Rep. ANNA ESHOO, in introducing important consumer protection legislation. This legislation addresses the safety of medical devices which are designed to be used once but which are reprocessed for further use.

In correspondence to Rep. ESHOO, the Food and Drug Administration (FDA) "agrees that the reuse of disposable medical devices and devices labeled for a single use is a very important public health issue." The agency further indicates that cleaning and sterilizing these devices can be very difficult and that material properties and device performance can be affected by resterilization. Yet single use device reprocessors, which may be companies specializing in this practice or hospitals or other health care facilities, are unregulated. They are not required to register with the FDA or to provide convincing evidence that the processes they use are appropriate and that the reprocessed devices are safe and effective.

Our legislation would correct this loophole in the Federal Food, Drug, and Cosmetic Act by requiring single use device reprocessors to register with the FDA and to demonstrate the safety and effectiveness of reprocessed devices. The bill will also require device users to obtain informed patient consent for the use of the device and establish a system whereby the safety and effectiveness of the devices when actually used in patient care may be tracked.

I urge my colleagues to join me supporting this important consumer protection measure.

THE LIFE AND CONTRIBUTIONS OF DR. CHARLES STANISLAW

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. PRICE of North Carolina. Mr. Speaker, a tragic accident in Macedonia October 16 took the life of Dr. Charles Stanislaw, a North Carolina State University agriculture professor and cherished volunteer with the Volunteers in Overseas Cooperative Assistance, an international agriculture extension service organization. His passing has been met with an outpouring of love and admiration for his life's contributions.

Charles Stanislaw, 65, grew up on a cattle farm in Pennsylvania, and managed a purebred beef cattle farm for three years before entering graduate school at Penn State University (M.S., 1962) and Oklahoma State University (Ph.D., 1966). Following graduate school, Dr. Stanislaw worked as a state Extension Swine Specialist with North Carolina State University. He developed and delivered educational programs in swine production for county agents in the areas of genetics and breeding, nutrition and feeding, building design, health management, and general production. He also managed the North Carolina Swine Demonstration Farm, supervised swine research units, and served in the National Swine Improvement Federation. Over 40 years of agriculture experience prepared him for his remarkable service in the Volunteers in Overseas Cooperative Assistance (VOCA).

His work for VOCA in Macedonia and other countries reflected his commitment to service and to improving the lives of farmers around the world. The expertise and care he provided were extremely valuable to the people and places that needed them most. It was clear, as his wife Edythe has expressed, that Charles was doing something very important to him in a country he loved. An extremely popular volunteer, Charles was working on his tenth assignment for VOCA.

His colleagues have described him as a teacher, diplomat, and beloved friend. Upon learning of Dr. Stanislaw's death, those he served in Macedonia came to the VOCA office to express their sympathy and grief. One Macedonian said that her entire farm was based on Charles's work, and in a way was a monument to him.

Dr. Stanislaw had great interest in his Carpatho-Rusyn ancestry, helped establish a website for Porac, Slovakia, the birthplace of his parents, and was presented with the city's flag by the Mayor of Porac. In collaboration with Dr. Jan Babik of Kosice, Slovakia, he was writing a history of Porac. At home in North Carolina, Dr. Stanislaw was presented a Hall of Fame Award by the N.C. Pork Council "in appreciation of outstanding contributions and leadership to the pork industry and the North Carolina Pork Council."

Mr. Speaker, we mourn the passing of Dr. Charles Stanislaw with prayers for his wife, Edythe, two daughters, Christine Lynn and Leigh, their family and his many friends and admirers from Pennsylvania and North Carolina to Slovakia and Macedonia.

SALUTING THE PUBLIC SERVICE OF CONGRESSIONAL STAFFER JOHN McGUIRE

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. WALSH. Mr. Speaker, I want to ask my Colleagues today to join me in recognizing the public service record of one of our own—a recently-retired employee of the House of Representatives, a member of my staff, John McGuire.

Although John has left public service and gone on to another stage of life in which he now focuses his energy entirely on family and friendly pursuits, he has left behind a record of admirable service.

Over the course of his professional career, and in addition to his time on my staff, he has brought great credit to the federal government. He has helped me understand the importance of our debt to veterans and he has excelled at constituent service in general.

A combat U.S. Marine veteran, John was indeed a very special liaison for me with the community of veterans who live in Central New York. But his camaraderie with those who have served our nation never limited his reach. For many in Central New York, John has been the federal government's helping hand.

We who count ourselves among his many friends are proud of his natural tendency to open his door to others in hours of need. His empathy has been matched only by his skills, his concern matched only by his optimism, and his values as an employee matched only by the good he does for others who are his friends.

The United States of America, the greatest country on earth, is strengthened by patriots and civil servants like John McGuire. Thank God for that. I join others of his admirers in recognizing his contributions and thanking him for his selfless dedication to principle and public service.

SUPPORT FOR CUSTOMS OPERATIONS

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. REYES. Mr. Speaker, I enter into the CONGRESSIONAL RECORD a request made by the Texas State Legislature asking that Members of Congress provide funding for infrastructure improvements, more customs inspection lanes and customs officials, and a 24 hour customs operation at border crossing between Texas and Mexico.

Bottlenecks at customs inspection lanes have contributed to traffic congestion at Texas-Mexico border crossing areas slowing the flow of commerce and detracting from the economic potential of the North American Free Trade Agreement (NAFTA).

Smuggling of drugs inside truck parts and cargo containers compounds the problem, necessitating lengthy vehicle searches that put federal customs officials in a crossfire between their mandate to speed the movement of goods and their mandate to reduce the flow of illegal substances.

At the state level, the Texas Comptroller of Public Accounts has released a report titled Bordering the Future, recommending among other items that U.S. customs inspection facilities at major international border crossings stay open around the clock. At the federal level, the U.S. General Accounting Office is conducting a similar study of border commerce and NAFTA issues, and the U.S. Customs Service is working with a private trade entity to review and analyze the relationship between its inspector numbers and its inspection workload.

Efficiency in the flow of NAFTA commerce requires two federal customs-related funding commitments: (1) improved infrastructure, including additional customs inspection lanes; and (2) a concurrent expansion in customs personnel and customs operating hours.

Section 119 of the Federal Transportation Act for the 21st Century (TEA–21), creating the Coordinated Border infrastructure program, serves as a funding source for border area infrastructure improvements and regulatory enhancements.

Domestic profits and income increases in tandem with the exports and imports, generating federal revenue, some portion of which deserves channeling into the customs activity that supports increased international trade.

Texas legislators and businesses, being close to the situation geographically, are acutely aware of the fixes and upgrades that require attention if NAFTA prosperity is truly to live up to the expectations of this state and nation.

NATIONAL LAW ENFORCEMENT WREATHLAYING CEREMONY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. HOYER. Mr. Speaker, last Friday, I attended the Eighth Annual Wreathlaying Ceremony commemorating the Anniversary of the National Law Enforcement Officers Memorial's Dedication. Although I have attended these commemorations in the past, this year's ceremony was particularly touching.

Over the course of this decade, our federal, state and local law enforcement officers increasingly have faced dangerous conditions in communities around the Nation. During the 1990s, an average of more than 62,000 officers were assaulted, more than 21,000 were injured and 160 were killed in the line of duty each year. The walls of the Law Enforcement Officer's Memorial are lined with more than 14,000 names, including three of our very own Capitol Police Officers—Officer Jacob J. Chesnut, Detective John Gibson and Officer Christopher Eney.

Every single day, the men and women of law enforcement put their lives on the line to protect and serve large and small communities across this Nation. They risk their lives to make ours safe and secure. Whether as a border patrol agent, state trooper, or community-oriented police officer, all face the ultimate sacrifice in upholding the laws that serve as the foundation to our democratic form of government.

Below you will find that text of remarks made by Mrs. Shirley Gibson. Mrs. Gibson is the mother of Officer Brian Gibson, one of 160 police officers killed in the line of duty in 1997 and one of three officers from the District of Columbia's Metropolitan Police Department to be killed during a three-month period in that year. Officer Gibson was brutally gunned down outside of a District night club not far from this Chamber.

Since Brian's death almost two years ago, Mrs. Gibson has formed a local chapter of the Concerns of Police Survivors. I salute her efforts to remember Brian and the thousands of other officers that have left behind family and friends while making the ultimate sacrifice in the line of duty.

Mrs. Gibson: I feel qualified to stand here today and represent the survivors of each name inscribed on the walls of this beautiful Memorial. I see so much more than names on these walls. I see husbands and wives, fathers and mothers, brothers and sisters, sons and daughters. I see my son's face. His name was added to these walls two short years ago, along with the names of two fellow Metropolitan Police Department officers, Oliver Smith, Jr. and Robert Johnson, all killed in a span of three months.

640 law enforcement officers' names from the District of Columbia and the Metropolitan area are included in the more than 14,0000 names that line these walls.

This Memorial recognizes all law enforcement, whether federal, state or local, and pays tribute to those officers killed in the line of duty. There are no boundaries in the family of law enforcement. The grief, shock, and anger felt that the deaths of U.S. Capitol Police Officer J.J. Chestnut and Detective John Gibson, and the support from MPD and other departments here and around the country, is an example of how law enforcement is truly a family.

To survivors, this is a place that evokes a flood of emotions. I remember seeing my son Brian's name being inscribed on the wall, and the pride I felt mixed with the pain. Pride, knowing that my son was an outstanding officer who was killed during what he loved most, and that his name was being memorialized for all who love him to see and remember. Pain, because I realized that Brian's name would not be the last name inscribed here. Since Brian's death, there have been many more names added, and as much as we pray that there will be no more, we realize that it is inevitable. To those law enforcement officers who diligently continue the job that Brian and the thousands of others here died for, the message this Memorial sends is that you are appreciated, you are needed and you make the world a safer place for law-abiding citizens.

On this, the eighth anniversary of the dedication this Memorial, another message is clearly sent. That message is that the role of Law Enforcement Officers will never be diminished, that the names inscribed here and the names attached to every law enforcement badge, convey the strength, courage, and valor symbolized by the imposing lions with guard the entrance to this Memorial.

The survivors who visit this Memorial find a quiet place of remembrance, dignity and pride. A mother from New York called me a few weeks after Police Week this year. Her only son had been honored. When she returned home, the desire to come back to the Memorial was so strong, that a few days later she boarded a train to Union Station, got a taxi and came here to simply spend the day looking at her son's name and remembered faces of those who advocated peace. A place where the wind whispers "Always remembered. Never forgotten." A place worthy of the name of those who sacrificed their lives in the line of duty.

God Bless the Gibson Family and God Bless the thousands of families whose loved ones are remembered on the walls of the National Law Enforcement Officers Memorial. Their tremendous sacrifice will never be forgotten. We will forever be in their debt.

RECOGNITION OF THE NEW LEADERS

HON. HAROLD E. FORD, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. FORD. Mr. Speaker, I rise today in recognition of an organization that is vitally important to our society as a whole. The New Leaders is an organization committed to empowering the African American community. Many challenges lie ahead in addressing the concerns of people of color. This organization brings young professionals together to tackle the social, economic, and political problems facing people of color. For five years, this organization used the collective resources of these young professionals to shape public policy.

Using fresh and innovative perspectives that we as policy makers desperately need, this organization has become a part of several youth education and training partnerships. The New Leaders has worked continually to increase African American leadership opportunities and to foster an environment of youth empowerment. As a member of their generation, I realize the importance of looking at our young people as assets and resources.

The New Leaders have made significant strides in this area by designing a leadership development program for middle school students, providing scholarship money to students, and sponsoring the highly successful and effective Take A Youth To Work Day.

Not only are The New Leaders ahead of the curve in advocating youth empowerment, they also support a fair and accurate census. Historically, minorities have been under-counted and The New Leaders are committed to Census 2000 in order to ensure equal representation and ample funding to combat some of the growing concerns in the African American community.

Mr. Speaker, I ask you and our House colleagues to join me in recognizing the efforts and the achievements of The New Leaders. I also submit a position paper presented to The White House by The New Leaders for the RECORD.

THE NEW LEADERS—1999 POSITION PAPER ON YOUTH, LEADERSHIP AND THE CENSUS IN THE AFRICAN AMERICAN COMMUNITY

(Presented to The White House, September 18, 1999)

The New Leaders (TNL) is a non-profit, non-partisan organization committed to empowering the African American community. For the last five years, TNL has been comprised primarily of Black professionals dedicated to addressing the social, economic and political issues facing people of color. We believe by leveraging our combined resources with a fresh, innovative perspective, our goal of shaping public policy will result in the organization attaining a value-added level of influence in this country.

Building upon the success the Clinton Administration has had in fostering mentoring, expanding investments in youth education and training, and creating the GEAR-UP initiative, TNL recognizes that several partnership opportunities lie ahead. Therefore, TNL recommends that the Administration put forth initiatives that further promote our young people to become actively involved in leadership and government. Additionally, these initiatives will help remedy the misrepresentation of Blacks that resulted from previous under-counts of minorities in past national census counts.

OBJECTIVE FOR INCREASING AFRICAN AMERICAN LEADERSHIP REPRESENTATION

TNL encourages the Clinton Administration to expand existing initiatives and/or create a new initiative design to invest in the development of governmental leadership within African American communities across this nation. To formulate a model that could be duplicated, TNL proposes the development of a demonstration project that creates a leadership institute to train and prepare African Americans to take an active role in government.

CURRENT CIRCUMSTANCES OF BLACKS IN THE POLITICAL PROCESS

Extreme apathy exists among a massive pool of untapped voters across this country. This apathy is prevalent in the Black community, especially among our youth. While reasons vary as to why eligible young voters are so far removed from the political process, we must find a way to reengage these individuals. Our failure to successfully address this issue will result in continued inadequate resources for underserved minority communities.

TNL'S COMMITMENT TO YOUTH EMPOWERMENT

Over the past few years, TNL has touched the lives of thousands by addressing the social, political and economic state of the African American community. One of TNL's primary interests has been and continues to be our youth—equipping and instructing them to assume responsibility for their own lives and the future of their communities.

TNL has made significant strides in this area by designing a leadership development program for middle school students, providing $88,000 in scholarship moneys through Texas Southern University (TSU), and most importantly, sponsoring our annual Take a Youth to Work Day. Every year this milestone even pairs African American males between the ages of 13 and 18 with professional Black men for a day of mentoring. By partnering with the current administration, TNL seeks to expand our outreach efforts. We will achieve this through continued advancements in technology, creation of charter organizations, and drawing upon the expertise of African American leaders both past and present.

THE HISTORICAL UNDER-COUNT IN THE PAST CENSUS & THE IMPACT ON AFRICAN AMERICANS

Since the inception of the census count, Blacks have been consistently under-counted. As a result, the Black community has been grossly misrepresented and ample funding has not been secured. One area of vital importance is health care. In this area, a new generation of African Americans continue to lead in the disparity of diseases such as: infant mortality, diabetes, cancer screening and management, heart disease, AIDS and immunization (diseases identified by the Administration's initiative to end racial and ethnic health disparities). As we move towards a new millennium, an under-count in Census 2000 will have an enormous impact on the reapportionment efforts in this country. These efforts in turn could jeopardize minority political representation on the local, state and federal levels.

REMEDYING PAST UNDER-REPRESENTATION OF AFRICAN AMERICANS

It is the contention of TNL that one glaring example of the apathy and distrust of government deals with the under-count of Blacks in the census. While it is understood that federal moneys have been set aside to actively outreach underserved communities, TNL believes that additional steps are needed to address this long standing problem.

TNL recommends that the White House introduce an initiative similar to the one introduced by the Kennedy Administration that encouraged Americans to join the Peace Corps. This initiative would focus on training and empowering young people to become active in government. TNL believes that such an initiative will not only address the issues of inadequate reapportionment, but also concerns regarding reparations as well as the equitable treatment of Black Americans caught up in this nation's burgeoning criminal justice system.

CONCLUSION

In their purest form, true leaders empower the constituency they represent, they take control of adverse circumstances, and they assume the responsibility for a better way of life. The best way to instill this ideology is to train and equip individuals that have been consistently and systematically denied the liberties this country has afforded other citizens.

Therefore, TNL believes that the most effective way to tackle these issues begins with empowering every African-American to become motivated and actively engage in the principals of democracy. If we can accomplish this, we will balance the scales of justice, ensuring fairness and equitable treatment for all, irrespective of race, creed, or color.

A new era. A new American. The possibilities are endless.

RECOGNIZING THE CONTRIBUTIONS OF 4–H CLUBS

SPEECH OF

HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, October 25, 1999

Mr. BALDACCI. Mr. Speaker, I want to speak today in strong support of H. Con. Res. 194, introduced by my colleague Mr. DEAL. I am pleased to talk about this concurrent resolution that recognizes the contributions of 4–H Clubs and their members to voluntary community service.

I visit 4–H exhibits whenever I have the chance to stop by the booths at county fairs. I eagerly address 4–H meetings, particularly the annual teen conference.

This is a great organization. It is a group of young people who take the time and make the effort to learn about the environment, to help others, and to take care of their own animals.

The meetings and workshops conducted by the organization consistently reflect the interests of young people of Maine and of the nation, and those interests are varied. Times change and these days they are changing rapidly. It is great that they have the desire to learn more about their world.

4–H teaches young people how to work together, to compromise to reach the solution that's best for the most people. It allows them to take advantage of their time in school. But agriculture continues to serve as the roots of 4–H.

As a member of the Agriculture Committee, I have done what I could to help the youth of 4–H learn more about the role the agriculture industry plans in our state, our country, and indeed, the world. At the same time I have always admired the volunteerism of the organization and the quality of their contributions to their communities.

I am pleased to support this resolution recognizing the efforts of 4–H youth throughout this country.

PUBLIC USE OF THE McGREGOR RANGE

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. REYES. Mr. Speaker, I enter into the CONGRESSIONAL RECORD a request made by the Texas State Legislature asking that Members of Congress ensure that the critical infrastructure for the U.S. military defense strategy be maintained through the renewal of the withdrawal from public use of the McGregor Range land beyond 2001.

Future military threats to the United States and its allies may come from technologically advanced rogue states that for the first time are armed with long-range missiles capable of delivering nuclear, chemical, or biological weapons to an increasingly wider range of countries.

The U.S. military strategy requires flexible and strong armed forces that are well-trained, well-equipped, and ready to defend our nation's interests against these devastating weapons of mass destruction. Previous rounds of military base closures combined with the realignment of the Department of the Army force structure have established Fort Bliss as the Army's Air Defense Artillery Center of Excellence, thus making McGregor Range, which is a part of Fort Bliss, the nation's principal training facility for air defense systems.

McGregor Range is inextricably linked to the advanced missile defense testing network that includes Fort Bliss and the White Sands Missile range, providing, verifying, and maintaining the highest level of missile defense testing for the Patriot, Avenger, Stinger, and other advanced missile defense systems.

The McGregor Range comprises more than half of the Fort Bliss installation land area, and the range and its restricted airspace in conjunction with the White Sands Missile Range, is crucial to the development and testing of the Army Tactical Missile System and the Theater High Altitude Area Defense System.

The high quality and unique training capabilities of the McGregor Range allow the verification of our military readiness in air-to-ground combat, including the Army's only opportunity to test the Patriot missile in live fire, tactical scenarios, as well as execute the "Roving Sands" joint training exercises held annually at Fort Bliss.

The Military Lands Withdrawal Act of 1986 requires that the withdrawal from public use of all military land governed by the Army, including McGregor Range, must be terminated on November 6, 2001, unless such withdrawal is renewed by an Act of Congress.

Mr. Speaker, in closing I would like to reiterate the importance of the McGregor Range land for the testing and training for Fort Bliss and the White Sands Missile Range. By being designated as the Army's Air Defense Artillery Center of Excellence, Fort Bliss has already received the status as an intricate part of the nations military defense systems. Tactical scenarios would not be possible without McGregor Range to conduct the projects. The Military Lands Withdrawal Act is necessary in order to continue these projects that ensure the prosperity of the nation's defense systems.

TRIBUTE TO SALVE REGINA UNIVERSITY

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. KENNEDY of Rhode Island. Mr. Speaker, it is with great pride that I rise today to congratulate Salve Regina University for being selected to receive the 1999 National Preservation Award from the National Trust for Historic Preservation. Indeed, I cannot think of many college campuses that would qualify for such a distinctive and prestigious Award.

It is no secret, Mr. Speaker, that Newport is home to many of the 19th century "summer cottages" which personified the Gilded Age. Indeed, the city by the Sea enjoys a rich history of the splendid architecture of that Age. What is not widely known, however, is that Salve Regina's unique campus is comprised of 18 of these restored summer estates on some 60 manicured acres along the Atlantic coast. Salve Regina was recognized by the National Trust for its ongoing restoration of its campus and its accredited historic preservation educational program. The award was presented on October 22nd in Washington, D.C. at the National Trust's annual preservation conference.

Beginning in 1947 with the gift of an estate designed by noted architect Richard Morris Hunt, the University has added the former summer homes of Vice President Levi Morton, international sportsman James Van Alen, and New York financier William Watts Sherman to its collection. Some of the homes were designed by H.H. Richardson or McKim, Mead and White, and feature details by Louis Comfort Tiffany, John LaFarge, or Karl Bitter. This architectural treasure trove, which also includes landscapes designed by Frederick Law Olmstead, has been preserved in its entirety by Salve Regina.

The Salve Regina campus with its Gilded Age mansions, shingled Victorian cottages, and classically-designed landscapes is a working laboratory of American history and architecture. One such unique home is Ochré Court. It was the first of a group of spectacular Newport houses in the Grand Manner designed by Richard Morris Hunt, America's foremost architect of the late 19th century. Commissioned by the Goelet family in 1888, the stately 50 room mansion was given as a gift by the family in 1947 to the Sisters of Mercy to begin Salve Regina. Ochre Court now serves as the University's administration building and is a treasure trove of mythology, literature, and the arts and sciences.

Mr. Speaker, Salve Regina is also the home of the Pell Center for International Relations and Public Policy, named in honor of our former colleague Senator Claiborne Pell of Newport. In 1997 Salve Regina acquired Fairlawn to be the home of the Penn Center. Built in 1852, Fairlawn became the home of Vice President Levi Morton in 1860. Morton added a ballroom to this mansion in 1870 to accommodate a visit by President Ulysses S. Grant.

Aside from its many architectural treasures, Salve Regina is also recognized for its wonderful educational system. Having recently celebrated its 50th anniversary, the University is emerging into national recognition as a coeducational institution where academic excellence is fostered in a context of ethical living. In the tradition of its founders, the Religious Sisters of Mercy, Salve Regina embraces a mission of commitment to learning and community enrichment for students of all backgrounds and faiths. Over two thousand undergraduate and graduate students from 43 states and 26 foreign countries are enrolled in 32 undergraduate concentrations and 11 graduate programs, including a doctoral program in Humanities.

It gives me great pleasure, Mr. Speaker, to congratulate Salve Regina University for receiving this national award. It is a testament to the leadership of the University under the incomparable Sister Therese Antone, the faculty, and the student body that their campus has been selected as one of our nation's top historic treasures. It is also symbolic of the ability of the University to not only adapt to this rich environment, but to continually feel the responsibility to preserve it for future generations of students, members of the community and visitors to Newport.

IN HONOR OF MARVIN D. GENZER, ESQ.

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay special tribute to Marvin D. Genzer, Esq. Recently, Mr. Genzer was honored by the Pace University School of Law for his outstanding contributions to the Bar, Pace University School of Law, and his community.

Mr. Genzer is the Vice President, General Counsel, and Secretary responsible for all legal affairs of the EDO Corporation in New York. He is a past president of the Corporate Bar Association of Westchester and Fairfield.

Mr. Genzer teaches the Daniel A. Austin Memorial Lecture Series on In-House Corporate Practice as an Adjunct Professor of Law at Pace University School of Law and is a 1981 graduate of the law school.

While Mr. Genzer has been with the EDO Corporation since 1966, his first profession was in Electrical Engineering. In this endeavor, Mr. Genzer contributed greatly to our national safety and planning. He was Program Manager of the Lunar Landing Probe and a designer of the logistics program for the U.S. Magnetic-Minesweeping of Haiphong Harbor.

He is active in his Community, was President of the Fox Lane Ski Club, and has been involved in Little League and Youth Soccer. Mr. Speaker, I am pleased to bring to your attention the outstanding life and work of Mr. Marvin D. Genzer. I ask that my Colleagues join me in congratulating Mr. Genzer on his well deserved honor.

TRIBUTE TO JOHN JALILI

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. WAXMAN. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the distinguished career of Santa Monica City Manager John Jalili, who is retiring after many years of dedicated public service.

John Jalili has served as a truly exemplary City Manager singe 1984, leading the city to national recognition in environmental management, transit services, telecommunications, downtown revitalization, the arts, housing, human services and financial management. During his tenure, Santa Monica's financial rating has been upgraded three times and was recently given three triple A financial ratings—one of only four cities nationwide with this extraordinary financial standing. In addition, under Mr. Jalili's leadership. the Third Street Promenade stands as one of Southern California's most exciting community treasures.

John Jalili has served the remarkable beach-side City of Santa Monica for a total of twenty-five years. Prior to his appointment as City Manager, he served five years as Assistant City Manager and five years as Director of Community Development.

John Jalili has been honored by numerous professional organizations throughout his career. Last June, he was honored by the American Society for Public Administration, Los Angels Metropolitan Chapter with the Dykstra Award for Excellence in Government. He has been recognized for his many years of public service by the International City/County Management Association. He has also been named one of the most influential people in Santa Monica by The Los Angeles Times' "Our Times" newspaper and was recently honored by the Pier Restoration Corporation for his contributions to the revitalization of the Santa Monica Pier.

John Jalili is known throughout City Hall as a manager who cares deeply about the quality of life of the residents of Santa Monica. He has been a creative, persistent and enthusiastic champion for the city and will be dearly missed by his colleagues and the community he has served.

I ask my colleagues to join me in congratulating John Jalili for his long, distinguished career in public service and in wishing him and his family all the best in the future.

INTRODUCTION OF THE HEALTH CARE PRESERVATION AND ACCESSIBILITY ACT OF 1999

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. RUSH. Mr. Speaker, State hospitals all over the country are experiencing severe financial crisis due to the Balanced Budget Act of 1997 (BBA 97, P.L. 105–33), which reduced Medicare reimbursements to hospitals and health service providers over a 5-year period. The BBA cuts ordered in 1999 were supposed to slow the growth of Medicare and save $112 billion over 5 years, including $4 billion from Medicare payments to hospitals. However, the BBA, which I opposed, has imposed severe financial burdens on teaching hospitals, rural hospitals, skilled nursing facilities, and home health providers. In my State alone, hospitals are estimated to lose $2.8 billion in Medicare payments over a 5-year period.

The financial burden of the BBA cuts is causing severe pain for the teaching hospitals in my State. Because Illinois ranks fifth in the Nation in the number of teaching hospitals, and these facilities are expected to lose more than $1.6 billion over the 5-year period, of the BBA's life. These cuts have a devastating effect on the communities that they serve.

In order to provide relief for these hospitals, I am introducing the Health Care Preservation and Accessibility Act of 1999, which will restore one-third of the difference between the projected and actual savings from hospitals. The legislation will accomplish this by freezing the cuts on teaching hospitals, rural hospitals, children's hospitals that operate graduate medical education programs, skilled nursing facilities and home health care. Specifically, my legislation will restore cuts in the following manner:

Teaching Hospitals: Freezes the cuts in indirect medical payments (IME) to 1999 levels. It also freezes cuts in the disproportionate share payments (DSH payments) at 2% and provides payments directly to those serving a large share of low-income patients.

Children's Hospitals—GME: Directs the Secretary of Health and Human Services to make payments as specified to each children's hospital for the cost reporting period under Medicare for FY 2000 and 2001 for the direct and indirect expenses associated with operating approved medical residency training programs.

Rural Hospitals: Sets a floor on outpatient hospital payments so that rural hospitals do not fall below 1999 levels and establishes a new payment system for rural health centers.

Safety Net Providers: Revises the payment system for community health centers so that it more adequately covers the costs and allows those providers that furnish service to low-income Americans to be directly compensated for their services.

Rehabilitation Therapy Caps: Eliminates the $1,500 per beneficiary cap imposed by the BBA and replaces it with a payment system that is based on the severity of illness.

Skilled Nursing Facilities: Revises the BBA's new prospective payment system for skilled nursing facilities. My bill will increase reimbursements for patients needing a high level of service to more accurately reflect the cost of their care. It will establish a demonstration program where the rule requiring a 3-day hospital stay for skilled nursing services can be waived for certain illnesses.

Home Health Providers: Delays a 15% reduction in the interim payment system if the Secretary of Health and Human services misses the deadline for instituting the new prospective system. It also allows for interest free recoupment of overpayments due to HCFA's underestimation of the interim payment rates for certain agencies.

My legislation also provides additional protections for senior citizens and persons with disabilities and strengthens protections and sanctions for Medicare fraud and abuse.

I hope that my legislation, the Health Care Preservation and Accessibility Act of 1999 will provide the much-needed relief to the Illinois Hospitals that have been harmed by the 1997 BBA-imposed reductions.

HISTORY OF THE HOUSE AWARENESS AND PRESERVATION ACT

SPEECH OF

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 25, 1999

Mr. LIPINSKI. Mr. Speaker, I rise today in strong support of H.R. 2303, the History of the House Awareness and Preservation Act. As an original co-sponsor of H.R. 2303, I believe the private and public sectors of this country would benefit substantially from the commission proposed by my colleagues from Connecticut and Missouri. This comprehensive history of the House of Representatives would provide an accurate, non-partisan picture for all those who are interested in American history and public policy.

In addition, this tax-free effort would be beneficial for current and future Members of Congress. H.R. 2303 includes a provision to authorize the Library of Congress to improve its collection of oral histories from former Members. Also, I am in support of the sense of the Congress provisions that create a historical orientation program for new Members, as well as a Speaker's lecture series. The Majority Leader's lecture series has been a success in the other body, and I expect this forum would be the same.

Furthermore, I believe this commission would be successful because a select board will choose prominent historians who will focus primarily on procedures and policy, as well as personalities. In conclusion, I am reminded by an aphorism that states "Anybody can make history—only a great man can write it." Mr. Speaker, I hope we will find great individuals to write this important book of history.

SENATE—*Wednesday, October 27, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, it is through an experience of Your grace that joy surges in us this morning. For life and strength, for work and friends, for every gift Your goodness sends, we praise You, loving God. May this be a day dedicated to gladness. Chase from our hearts all gloomy thoughts. Make us glad with the sheer delight of being alive. We are uplifted by Zephaniah's assurance that in spite of everything that we do or fail to do, You sing over us with gladness—Zephaniah 3:17. And that motivates us to accept the Psalmist's admonition as our motto today: "Serve the Lord with gladness."—Psalm 100:2.

May the Senators and all of us who work with them grasp the opportunities and meet the challenges this day holds with divinely inspired gladness. You are our God, the Sovereign of this Nation, our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. ALLARD. Mr. President, this morning the Senate will be in a period of morning business until 10:30 a.m. By previous consent, the Senate will then begin consideration of H.R. 434, the African trade bill. It is the hope of the majority leader that the Senate can complete action on the bill prior to the close of business on Friday. Therefore, Senators are encouraged to work with the bill managers if they intend to offer amendments. The Senate may also consider any legislative or executive items cleared for action during today's session of the Senate.

I thank my colleagues for their attention.

I note the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

REPUBLICAN CONGRESSIONAL CAMPAIGN COMMITTEE ADS

Mr. CONRAD. Mr. President, I rise this morning to respond to a series of ads that are being run in my State by the National Republican Congressional Campaign Committee. These ads are false. They are what can only be charitably termed misleading, and they diminish the credibility of the National Republican Congressional Campaign Committee.

That is not just my conclusion, Mr. President. That is the conclusion of the major newspaper of my State, the Fargo Forum, which has written an editorial in which it says:

> Politics is often a down and dirty business, but the National Republican Congressional Campaign Committee's early TV ads 13 months before the election, and even before State Republicans have an endorsed congressional candidate, are a new low in the campaign gutter. They're false on every level. Decent North Dakota Republicans should tell the national group to clean up its act.

Well, amen to that because the National Republican Congressional Campaign Committee ought to be ashamed of the ads they are running in North Dakota. They are claiming that Democrats are raiding the Social Security trust fund here in Washington. They must have forgotten they are in control in the House of Representatives and they are in control in the Senate. It is not Democrats who are determining the spending priorities in the House of Representatives. The Republicans are in control. They are deciding the budget outcome in the House of Representatives. If ever there was a case of the pot calling the kettle black, this is it because we know that the majority party themselves are, in fact, raiding Social Security.

That is not just the conclusion of the senior Senator from North Dakota. That is the conclusion of the Washington Post which had a major news story with the headline "GOP Spending Bills Tap Social Security Surplus." It is the Republican Party's plan that is tapping the Social Security surplus.

For them to then run ads claiming the Democrats are doing it is just a giant diversionary tactic. They are trying to avoid responsibility for what they are doing. It is not only the Washington Post that has made this point. We also have the Congressional Budget Office. The Congressional Budget Office, which they control, has sent a letter which says very clearly that the Republican spending plans have tapped Social Security for $18 billion. In other words, they are raiding the Social Security accounts for $18 billion. That is their plan, that is their responsibility, and to avoid accountability apparently they have decided, or their campaign consultants have decided, that the best defense is an offensive attack.

So in my State of North Dakota, 13 months before the election, they are running ads that the major newspaper in my State says are "a new low in the campaign gutter. They are false on every level." And, indeed, they are. They are false on every level. The people of America who are being subjected to these ads ought to know exactly what is going on and who is doing what with respect to the budget of the United States.

One of the things I find most ironic is that the National Republican Congressional Campaign Committee which is sponsoring these ads are the very same folks who sponsored a constitutional amendment a number of years ago that had as its base that they would raid the Social Security trust fund in order to balance the budget. These folks who trumpeted this constitutional amendment to balance the budget had as a definition of a balanced budget the raiding of the Social Security trust fund.

Now they have the chutzpah to come before the American people and run ads saying the Democrats are raiding the Social Security trust fund surplus. And the Democrats are not in control. We don't control the U.S. House of Representatives. We don't control the Senate.

Again, the major newspaper in my State has called these ads false on every level.

Maybe it is helpful to review the record of who has done what with respect to budget policy.

I am on the Budget Committee. I am on the Finance Committee. I am known in the Budget Committee as the "deficit hawk."

I have been involved in every effort to get our fiscal house in order. I believe deeply in the need for fiscal discipline. That is primarily why I ran for the Senate. I saw back when I ran in 1986 that things were running amuck; that the deficits were growing; that we were getting deeper in debt, and this country was in real trouble. I believed then and I believe now that it is

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

threatening the national security of the United States.

If we go back and review the record of the Reagan years, he inherited a deficit of about $80 billion. Very quickly, under Reaganomics the deficit exploded up to over $200 billion a year. In fact, during this time we tripled the national debt. This trickle-down economics was a disaster.

Then we saw in the Bush years, again, the deficit took off like a scalded cat. It went from $150 billion a year up to $290 billion a year.

That is the record of our friends on the other side of the aisle. They were in charge. They were in control. Reaganomics was carrying the day.

We saw headline after headline about how the Republicans in the House and the Senate in conjunction with boll weevil Democrats were passing Reaganomics and Reaganomics exploded the deficit and exploded the debt. That is the record.

When the Clinton administration came in in 1992, we passed a plan in 1993 that reduced the deficit—a 5-year budget plan. We can go back and check the record. It is not a matter of running television ads. It is a matter of fact. Facts are very clear.

The deficit under that 5-year plan declined each and every year. The deficit went down from $290 billion in the last year of the Bush administration to $255 billion. And each year that deficit was reduced in the 5 years of that budget plan.

By the way, we passed that budget plan without a single Republican vote—not one, not one. In 1997, we agreed on a bipartisan plan to finish the job.

There I commend our colleagues on the other side of the aisle because we did join together in 1997 for a balanced budget plan to finish the job. But the truth is most of the heavy lifting had been done by the 1993 plan. But we didn't have a single Republican vote—not one.

I heard another ad this morning, this time attacking Bill Bradley and AL GORE. This was run by some committee called the National Republican Council. I never heard of it. But they were running ads attacking Bill Bradley and AL GORE saying they had voted for increased spending and increased taxes.

Do you know they were here and they were fighting for the 1993 plan that eliminated this deficit? That is the fact. The fact is Federal spending in real terms, as measured as a percentage of our national income, is at its lowest level since 1974. Back in 1993 when we passed that plan, Federal spending was 22 percent of our national income. It is now down to 19 percent of our national income.

So the truth about Mr. Bradley, who voted for that 1993 plan, and the truth about Mr. GORE, who was Vice President and argued for that 1993 plan, is that in real terms they supported a reduction in Federal spending. That is the truth. That is the truth of the matter.

But I guess political consultants don't have to worry about the truth. They are more interested in scoring rhetorical points. They don't have to worry apparently about the factual record.

Let's look at the factual record. Here is the history going back 20 years in Federal receipts and Federal outlays.

The blue line shows expenditures of the Federal Government. The red line is the income of the Federal Government, the receipts. You can see during the Reagan years there was an enormous gap between the two. That is why we had these budget deficits because we were spending more than we were taking in.

In 1993, right here when we passed the plan, again, without a single Republican vote, that cut spending. You can see the blue line—the spending line—is coming down, and it raised revenue. Yes, it did. We raised taxes on the wealthiest 1 percent in this country; raised income taxes on the wealthiest 1 percent. And it was that combination of cutting spending and raising revenue that eliminated the deficit.

That is how we balanced the budget. Thank God we did. Thank God there was a Bill Bradley who was courageous enough to stand on this floor and cast a tough vote to get our fiscal house in order. Thank God there was an AL GORE as Vice President of the United States who had the courage to stand up and support a plan to get our fiscal house in order after the disasters of the Reagan and Bush administrations when it was all talk about fiscal responsibility and it was all deficits and debt. That is their legacy.

If we want to debate, I am ready to debate this anytime anywhere with anyone about what happened and when and what the results have been. But they have these smear ads running in my State and smear ads running nationally that distort the truth.

That is going to get a response because we are not going to allow people to tell falsehoods about what occurred. Too many people took real risks in order to get the fiscal house of our country back in order, and the record is abundantly clear about who did what.

This is the reality. In 1993, a 5-year budget plan was passed that worked, that cut spending in real terms, that raised revenue, and that balanced the budget. The result is a dramatically strengthened economy—the longest record of economic expansion in our history, and an economic performance that is the envy of the world.

The inflation rate is the lowest in 33 years. Here we went. In 1993, the plan was passed. Inflation came down. The unemployment rate is the lowest in 41 years. The central reason was the budget plan that was passed in 1993 that moved us toward a balanced budget and towards fiscal discipline to getting our fiscal house in order.

Debt held by the public is coming down dramatically. In 1993, the first year of the plan, publicly held debt in comparison with our gross domestic product was 50 percent. If we stay on the course that we have set now, we will have this debt down to 9 percent of our gross domestic product in 2009. We can eliminate publicly held debt in 15 years.

That is the course we are on. That is the course the Democrats established. That is the course which is the result of the 1993 plan that brought fiscal discipline back to this government and led to an incredible economic expansion.

Welfare caseloads: Another benefit of getting our fiscal house in order.

This is also not only a result of a good economy, but it is also a result of welfare reform, which in fairness I should say was done on a bipartisan basis. We had help from our Republican friends, and many of us felt strongly that welfare reform was required, and, indeed, it has produced incredibly positive results. Welfare caseloads are the lowest they have been in 29 years.

Republicans, this year, have engaged the Congress in a series of what I can only call sort of baffling gimmicks, in order to try to make it look to the American people that they are not raiding Social Security.

They are running ads that the major newspaper in my State has described as "a new low in the campaign gutter. They are false on every level." That is what the Republican Congressional Campaign Committee is instituting in my State. The facts show something quite different.

The Congressional Budget Office says the non-Social Security surplus for the year we are working on, fiscal year 2000, is $14 billion. What does that mean? That means if we take out the Social Security surplus, we have $14 billion of what I call a true surplus in fiscal year 2000. If we take the House and Senate committee actions to date, the Budget Committee directives to CBO spent $18 billion of that.

Emergency spending: The Republicans have labeled a whole series of spending initiatives "emergencies" to avoid the requirements of fiscal discipline—$13 billion is declared emergencies, including the census. The census is provided for in the U.S. Constitution. We have been instituting the census for 200 years in this country, and they declare it an emergency. They declared the low-income heating program in this country an emergency—a program we have had for 24 years. That is absolutely nonsense.

Social Security administrative costs: They have taken those and don't want to count them, debt service costs and others. Add this up, and they are into Social Security by $21 billion. They are raiding Social Security by $21 billion and are trying to hide the raid by running television ads that some clever campaign consultant told them is their best strategy for avoiding their own responsibility. To try to avoid their own accountability, they are claiming the Democrats are instituting it. The problem with that: Democrats are not in control. Republicans are in control, and this is what they are instituting. They are raiding Social Security. The record is abundantly clear.

One of the last times I came to the floor was when the Republicans came up with the gimmick—and they have come up with a whole series of them to try to avoid the charge that they are instituting precisely what they claim Democrats are instituting—of having a 13th month. They came up with kind of a clever idea to get around the problem by declaring a 13th month in this country. The last time I checked the calendar, there were only 12 months. But the Republicans decided they would come up with a 13th month to make it look as though they were not raiding the Social Security trust fund surplus. That is a novel idea. I came to the floor and wondered, what would they call it? "Spend-tember"? Would they call it "Fictionary"? What would we call a 13th month?

Why stop there? Why not have 14 or 15 months? What would be the additional month that would be added? Would we have two Augusts or two Decembers? I favored two Octobers because I enjoy baseball; we could have two World Series. Maybe we could have two Decembers so we could celebrate Christmas twice.

I know it sounds far fetched, but this is the headline in the Washington Post: "GOP Seeks to Ease Crunch with 13-Month Fiscal Year." That is the length to which they go to avoid accountability and responsibility. That is what happened.

That is not the only gimmick they came up with. They got the 13th month. They have the census emergency—the census we have been instituting for 200 years they claim is an emergency. They declared LIHEAP an emergency, the low-income heating program. We have had that program for 24 years. They proposed delaying earned-income tax credit payments to people. They were even chastised by their own leading Presidential candidate. He made it very clear they were way out of tune with the American people when they proposed that gimmick.

That is what is going on to cover this mismanagement and to cover this fiscal irresponsibility. The National Republican Congressional Campaign Committee is running television ads in my State claiming Democrats are raiding Social Security. That dog doesn't hunt. That is not going to fly. We are going to respond very forcefully when people try to misrepresent the record.

As I began, I conclude: The major newspaper in my State called these ads "a new low in the campaign gutter. They are false on every level."

That is the truth. I hope the National Republican Congressional Campaign Committee will stop running these ads because they are false. They are irresponsible. They are misleading. They ought to be stopped. That is the record. That is the fact. I hope people, as they evaluate candidates in this next election, will inquire: What is the record of candidates on the question of spending Social Security surpluses, on raiding Social Security trust funds?

I am prepared to answer that question. Every budget plan I have offered, every budget plan Senate Democrats have offered, has maintained the Social Security surplus. We haven't touched the Social Security surplus. We wouldn't engage in a raid of the Social Security surplus. That is true of the plan Senate Democrats offered in the Finance Committee. That is true of the plan Senate Democrats offered in the Budget Committee. For anyone to say anything else is an absolute falsehood.

I yield the floor.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from New Hampshire.

Mr. GREGG. Mr. President, I understand under a previous order the Senator from Wyoming controls 30 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. GREGG. I ask the Senator from Wyoming to yield me 10 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 10 minutes.

THE BUDGET

Mr. GREGG. Mr. President, I want to respond to some of the comments made on the floor relative to where we are going with the budget. I specifically want to talk about the issue as it relates to a committee of which I am chairman. The committee I chair is the Commerce, Justice, State, and the Judiciary Subcommittee. The President of the United States opted to veto our bill. In his veto message, his representation was that we simply had not spent enough money. That was essentially what it came down to.

His representation on the other bills he has vetoed is also that we have not spent enough money as a Congress. In fact, in listening to the President and the proposals he puts forward, we find he is talking about spending billions and billions more than what the Congress suggested we spend.

The Senator from North Dakota has come to the floor and said that the Republicans have used gimmicks, that we have forward-funded, which we have, which is not a gimmick; it has been done in the Congress before on many occasions; that we have declared items emergencies, which we have. In fact, the Senator from North Dakota supported, I suspect rather strongly and with enthusiasm, the declaring of the agricultural situation as an emergency. It has been declared an emergency every year since I have been here, so I don't know why it is an emergency. But it has been declared an emergency. It is a way of funding agricultural issues, and there are severe strictures in the agricultural community today.

The Senator from North Dakota didn't mention where we are going to get the extra money the President asked for. Where are we going to get it? The Republicans have allegedly used gimmicks so we could not take it from Social Security—which we have not, by the way; we have managed not to take any money from Social Security. Where is the President going to get it from? The President is going to get it from Social Security because the only other option is to raise taxes and we have already seen a vote in the House of Representatives—415-0 I think was the vote—saying they were not going to raise taxes. So that is not an option. It is not even on the table.

The President makes these proposals: We are going to raise spending here; we want more money here; we want more money here. The Democratic Members, on the other side of the aisle, say: Hooray, hooray, more money for this, more money for that. When Republicans say, Isn't that coming out of Social Security? there is just this silence from the other side of the aisle.

Of course, it is coming out of Social Security because we have no other resource from which to draw those funds than Social Security. So there is a lot of gamesmanship coming from the other side of the aisle on this issue. There always has been, on Social Security, of course. There are literally generations, now, of Members of the other side of the aisle who have demagogged the issue of Social Security. As many of us have tried to put forward substantive Social Security responses, we have found this President, who allegedly wants to address Social Security, has failed to do so in a substantive way. But we hear now he wants to raid Social Security to pay for his new spending and they will not even admit to that. The statements from the other side of the aisle are hollow on that issue, to say the least. But let me go back to the specifics of this proposal.

The President has vetoed the Commerce-State-Justice bill, which has under it the Justice Department, the Commerce Department, and the State Department. It also has a lot of agencies such as the Small Business Administration, FCC, FTC, SEC, elements of

Government which are critical to the day-to-day operation of the Government and to our maintaining a sound economy and safe society. But the President has vetoed this bill. Why has he vetoed it? Basically, he has vetoed it because we did not spend enough money in some of the programs he wanted and because we did not include language he wanted in a couple of areas. He has vetoed it specifically on the allegations we do not spend enough money on the COPS Program.

Let's look at that for a second. This Congress authorized 100,000 cops to be put on the street under the President's request, in a bipartisan way. We have paid for every one of those police officers in this appropriations bill. Not only have we paid for every one of those police officers, we paid for an additional 10,000 or 15,000 police officers in this bill. So we can go up to 110,000 or 115,000 police officers under this bill.

What does the President say? He says that is not enough. He says he wants 130,000 to 150,000 police officers, even though there are only 100,000 authorized. That in itself is a bit of a reach, to ask for an extra 30,000 to 50,000 officers when they are not even authorized. But what is really inconsistent about this, and what really shows what a sham statement this is, the administration, although they have the money for 100,000 officers since we paid for 100,000 officers in our bill, has only been able to get out of the door enough money to fund 60,000 officers. In other words, down there in the White House they are now asking for another 30,000 to 50,000 officers when they cannot even undertake the day-to-day administrative event of paying for the full 100,000 we gave them in the first place. They are still 40,000 officers short from the original authorized number.

It takes 18 months to get this through the system, to get an officer on the street after they have agreed to pay for that officer. So they are literally a year and a half away at the minimum from even reaching the 100,000 level. So we said, OK, we agree more officers on the street makes sense so we will go over the 100,000 number; we will give you another 10,000 officers. Then the President vetoes it, saying he hasn't enough, when his administration has not even put out on the street the first 100,000. How blatantly political can this administration be? How hypocritical can this administration be? They did not veto this bill over police officers who were not there. They vetoed this bill because they want to put out a press release that they are vetoing bills. It had nothing to do with the actual substance of how many police officers we have on the street or how many police officers we paid for because we paid for every police officer they put out there, and we are willing to pay for another 40,000, another 55,000 if they could put them out. But they cannot because they are not able to do it. It is pure hocum, this language that they want more police officers, and they vetoed it over the lack of funding in this account. It is just a pure political thing.

Then they said they vetoed it because they did not get enough money—no, not because they didn't get enough, because we did not give them the money for the U.N. We did not give them the money for the U.N.

Every dollar they asked for, for the U.N., is in this bill, every dollar for U.N. fees is in this bill. Every dollar for arrearages is in this bill. Yes, there is not the full money they asked for for peacekeeping, but every other account in the U.N. is fully paid for in this bill. Why can't they get it out? Why can't they send it up to the U.N.? Why can't they pay England the arrearages we owe them? Why can't they pay France the arrearages we owe them? That is where this money goes. It doesn't stay in the U.N. Most of it flows to other countries that have picked up our obligations. Because they have a bunch of activists down at the White House who are focused on a very narrow issue of international Planned Parenthood and are unwilling to release the money to fund the world organization known as the U.N., which is a major international organization, because they are willing to hold up funding over an extraordinarily narrow issue dealing with Planned Parenthood lobbying internationally. It does not have anything to do with the United States.

Not only that, but the language which they are holding up the funding over is language which was in existence, which this Government operated under during the Reagan administration and during the Bush administration. It is, to say the least, genuinely innocuous language. But they have activists down there at the White House, activists who are willing to take down the U.N. and our relationship with the U.N. over this narrow piece of language.

It is unbelievable they would blame the Congress, which has fully funded the arrearage issue, when it is just a small group of extreme activists serving at the White House who are tying up the release of this money. The money is there. The money is physically there. Every dollar, every cent, is on the table and ready to be sent to the U.N. to pay the arrearages. The only thing that stops us is, I suspect, one or two internationalists, activists at the White House who have decided to make a cause celebre for themselves over this really obscure piece of language which, by the way, as I mentioned, was the law of the land in the United States for the Reagan and the Bush administrations.

So the idea the Congress has in any way interfered with the ability to pay the arrearages is, again, pure hocum. This is a classic example of the situation where the individual shoots his parents and throws himself before the court and asks for mercy because he is an orphan. The White House has decided to shoot its parents—in this case the U.N.—and then claim it has no role in the event and is pure when, in fact, it is the reason we cannot pay the arrearages. That is just pure hocum.

We now know the two major reasons they vetoed this bill: the COPS reason has no substance to it, and the U.N. language is their problem, not our problem. We put the money in. They are the ones who are holding this up.

Then they listed a whole series of little different items, one of which I found most interesting. In the Senate we took up two different hate crime proposals to move this bill through so we could actually get it to conference. Then in conference it became absolutely clear there was no way an issue such as hate crimes, as massive as it is, could be handled in our conference. We had two competing ideas. So we put them aside and sent them back to the authorizing committee. Ironically, the amendments were offered by the chairman and ranking member of the authorizing committee, so one would hope the authorizing committee could straighten this issue out and we, as appropriators, would not have to straighten it out.

What does the White House say? It says it wants the hate crimes legislation on this bill. This is an appropriations bill. This is a bill that funds the FBI, DEA, and the INS. Those are real law enforcement issues. They are going to undermine the ability of the FBI to do its job, the ability of the INS to do its job, the ability of the DEA to do its job, so they can get hate crimes legislation? They are going to undermine the ability of U.S. attorneys to do their jobs, the ability of U.S. marshals to do their jobs, the ability of the U.S. court system to do its job, so they can get hate crimes legislation? They are going to undermine the FEC, FTC, and the FCC so they can get their hate crimes legislation?

How outrageous. What sort of priority is this from this White House? What sort of priority puts language on hate crimes ahead of the FBI, DEA, INS, ahead of the U.S. attorneys, ahead of the U.S. marshals, the FCC, FEC, FTC—what type of priority is it when they know in order to get that language they have to go through an authorizing committee anyway? It is beyond belief they would put at risk the law enforcement agencies of this country in order to get hate crimes language, which in the first place is a State issue.

I note the State of Wyoming—the Senator from Wyoming is on the floor—is doing one heck of a job in pursuing that issue at the State level.

It is first a State issue. The irony of it is, he is undermining the entire law enforcement community of the United States because he wants a new criminal act on the Federal books.

Is there a total disconnect at the White House? There appears to be. The veto of this bill—and there are a lot of other miscellaneous points—but the veto of this bill has nothing to do with the substance of this bill. It was done purely for political reasons so the President could look as if he was in charge or he could look as if he was standing up to the Congress.

The practical effect of vetoing this bill, however, is to undermine law enforcement across this country, to make it impossible for us to pay our U.N. arrearages, and to make it extremely hard for these agencies, which are so critical to the functioning of our country, to continue to function in an effective way.

Mr. President, I yield the floor and thank the Senator from Wyoming for the time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I yield 10 minutes to the Senator from Idaho, the chairman of the majority policy committee.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I especially thank the Senator from Wyoming for coming to the floor this morning to discuss with all of us some very important issues and building a perspective that I do not think the American people hear or have an opportunity to read or understand as it relates to the politics inside the beltway and what is good or not so good for the American people.

We just heard the chairman of a key appropriations subcommittee who spent the last 6 months crafting an appropriations bill to run a major portion of our Government while the President was out traveling around the world and traveling around this country not engaged and not focused on the budget. When the appropriations bill to fund these key areas of Government finally arrived at his desk, the President vetoed it and said: I didn't get my way.

I am always frustrated by an executive branch of Government that does not come to the Hill and sit down with us and work out our differences in the proper forum but chooses to set the stage of politics over the key issues that are substantive when it comes to law enforcement and safe streets and safe communities for our families and our country.

I have struggled with this President over the last several months, especially when he decided to allow terrorists out of prison. That is exactly what happened. I do not know of any other way to say it. This President personally decided that he was going to offer clemency to convicted terrorists. What were they convicted of? Violation of Federal firearms laws. That is law enforcement. Those are Federal laws violated by people who killed others and violated Federal explosive and firearms laws. And this President says he is for law enforcement by putting more cops on the street, then he totally demoralizes or destroys the very foundation of law enforcement by saying: Arrest them and put them in prison and I will let them out because it is "politically correct" to do so.

Shame on you, Mr. President; shame on you and your politics at this moment because somehow you cannot have it both ways, at least I hope you cannot, but you are trying. You are also trying to make the use of a firearm a major political issue. Yet you offer clemency to those who violate the very laws you ought to be enforcing. Shame on you, again, Mr. President.

The Senate worked its will and did an excellent job with those appropriations bills. I do not deny the executive branch the right to participate. They have a legitimate role to play in the shaping of the budget. But in the final analysis, it is the Constitution that says it is the right and the appropriate role of the Congress to appropriate moneys, and it is the responsibility of the Executive to administer those moneys within the policy and the framework established for the Congress of the United States.

Mr. President, I am pleased you are finally going to lay off Social Security. Remember what our President said 2 years ago? Save Social Security; don't spend a dime of the surplus. Then this year in his state of the budget message he says: Well, gee, there is so much money there, why don't we spend a little of it. We will save 60 percent and we will spend the rest over the next 15 years and, oh, by the way, I also want to raise taxes during a time of unprecedented surpluses in our country because I have so many great ideas that I want for people, and I want to spend all this money and I want to raise your taxes to do it and I also want to spend some of the Social Security money to do so.

Thank goodness the Congress, the Republican Congress, stood up and said: No, Mr. President. The House passed a provision to provide a lockbox so that Social Security surpluses would be dedicated to Social Security and would pay down the liabilities of Social Security and strengthen the ability of that great system to support its obligations in the outyears.

We tried to pass it in the Senate, and guess who opposed it. The Democrats. They filibustered it and would not allow a vote and constantly said: We are all for Social Security. Why would they not guarantee that its moneys would be assured a lockbox provision? The American people said they wanted it. The seniors of America, recognizing the importance of Social Security to their very existence, said that is the right thing to do, but the President said: No, I want to spend about 30 percent or 40 percent of the Social Security surplus over the next 15 years.

Just in the last month, it is fair and important to say the President has finally agreed that he will leave Social Security surpluses alone and, thank goodness, Mr. President, you have agreed with us because that would have been a phenomenal fight because we were committed and dedicated, even though it was filibustered in the Senate by my colleagues on the other side of the aisle, we are going to protect the Social Security surplus. Period. End of statement.

Let's talk about the rest of the budget we are battling. A couple of weeks ago, I was amazed to see the President kind of quietly come out and then not so quietly say: We need more money to spend besides the record surpluses we have.

I have served Congress and the people of Idaho longer than I want to admit—19 years. I am amazed that only last year did I begin to see a slight surplus and this year a substantial surplus. Never at a time of surplus have I ever heard of a President asking for a tax increase. But this President did because of all these great new social ideas, that somehow is going to help people by taking more money away from them and then giving it back to them in politically correct ways.

I am not sure that ever helps the American family to take money away from them and then try in some form to decide what is the right way to give it back. We said: No, Mr. President.

Finally, just this last week, after having tried for well over 6 months, the President is slowly backing away from the tax idea, although yesterday he came through the backdoor again and said: Well, let's adjust some fees and let's see if we can come up with a little more revenue. Shame on you, Mr. President. America's taxpayers are being taxed at an all-time rate—high rate. While you are saying it is only a tobacco tax, a tax is a tax is a tax.

And, of course, while I do not smoke, and I wish that others would not—there are many who do who should not—yet we are going to tax them. Well, we are not going to tax them because I don't think this Congress will stand for it.

I have always understood the politics of surplus is more difficult than the politics of deficit spending. When I first came to Congress in 1980, we had deficits, and they grew very rapidly over fights on budget priorities. But it was not until 1994, when the American people said: Enough of deficits. I'm sorry; a Democrat-controlled Congress is out of control, with a President who wants to spend more money, and we're going to change those dynamics, and they elected a more conservative Congress, a Republican Congress.

We said we were going to balance the budget by the year 2002 and we would shape a process that would take us there. Thank goodness for a strong economy and for a fiscally responsible Congress and a monetary supply that stayed in sync. We are now at a balanced budget. We had it last year. We now have a balanced budget and surpluses this year. And I see more wrangling over budgets and spending priorities than I have ever seen in all my years here.

I understand the politics of surplus are difficult. But why shouldn't we be giving back to the American people some of their hard-earned money? It is their money. But, no, we have had a President who has insisted on constantly spending it. We put a marvelous tax package together this year, going right at middle America, to enhance the lives of our citizens, to improve the condition of America's families and communities, and this President vetoed it because he wants to prescribe how the money gets spent because somehow we have a White House that says: I know better. I know I can outthink the American family. I can shape a school system better than the American family and the American community because somehow I abide by this unique knowledge of knowing how to do it better.

I disagree with you, Mr. President. Thank goodness, we have a Congress that does. That does not mean we are not going to work out our differences. The President has a right to participate. But I do not think he has a right to do one thing and say another, and do another thing and say something else. And that is what he has done with law enforcement. That is what he is doing in education. That is clearly what he has done on Social Security. That is what he is now trying to do with the budget.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CRAIG. I thank my colleague from Wyoming for acquiring this time to speak on these key issues. It is very important the American people see the difference. Politics should not be the business of hypocrisy. It ought to be the business of fact. Saying one thing and doing another should not stand. Yet we have had about 7 long years of it with this President.

Mr. President, I say no to those kinds of attitudes and reactions, and I think it is important that some of us speak out on it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. How much time remains?

The PRESIDING OFFICER. Seven minutes 10 seconds.

Mr. THOMAS. I thank the Chair.

Mr. President, it has been an interesting morning to listen to the Senator from North Dakota talk a little bit about the economy and about spending. There are interesting figures in terms of growth. I do not happen to have one of the charts. I guess it is getting to be where you have to have a chart to speak, but I hope not.

Let's go back to the second half of the 1970s, when we had a Democrat-controlled Government. All spending grew 12.2 percent annually; nondefense discretionary spending grew 15 percent.

In the first half of the 1980s, all spending grew 10 percent, but nondefense discretionary spending was only 2.8 percent. Defense was where the money went—10 percent.

Then we scoot on down to currently. All spending grew in the second half of the 1990s, with this Republican-controlled Congress, 2.8 percent totally; nondefense discretionary spending was 1.4 percent.

If our goal over time is to control the size of Federal Government, if our goal is to be efficient, if our goal is to control spending, then these are the numbers; these are the figures. Really, spending is the key.

Of course, our friend on the other side of the aisle talked about having the largest tax increase in the history of the United States—which was true in 1993 with the Clinton tax increase. But what we really ought to talk about is the size of Government.

There is a great deal of talk about going into Social Security. Let me read this short letter dated September 30 from the Congressional Budget Office.

> Dear Mr. Speaker: You requested that we estimate the impact of the fiscal 2000 Social Security surplus using CBO's economic and technical assumptions, based on a plan whereby net discretionary outlays for the year will be $592 billion.

That is the cap we put there.

> CBO estimates this spending plan will not use any of the projected Social Security surplus for the year 2000.

We keep talking about that differently. That is the way that is. So one of the things that is interesting—I will not take long today, but we have differences of view here. We have differences of view in the country. There is nothing wrong with that. That is what the political system is about: To bring together people who have different views about attaining goals, even, indeed, different views about goals. So we ought to have legitimate arguments. That is what this system is about.

But we ought not to spin it off into things that we are not really able to document. We ought not to spin it off into motives and different kinds of political things. We ought to talk about the basic differences we have, and then decide whether we want more Federal Government or less; decide whether we want to spend more, send more of the decisions back to the State and local governments as opposed to one size fits all on the national level.

These are the real issues.

Mr. President, we ought to be talking about some of the positive things we have done this year.

Surplus: 2 years in a row with no deficit, for the first time in 42 years. Pretty good stuff. We even have a non-Social Security surplus this year. We reduced Federal spending as a percentage of growth.

Unfortunately, we still have taxes as the highest percentage of gross national product we have had since World War II. Those things are hard to reconcile. Growth now is a little over 2 percent, compared to 10 percent in the early 1980s.

So these are the kinds of things we have done. We passed tax relief here. Unfortunately, the President chose to veto it.

Our budget goals, of course, for the rest of the year are: No Government shutdown; no new taxes; pay down the debt; protect Social Security. We are going to do those things. We are going to do it in the next 10 days.

Social Security: We talked a lot over the last few years about "save Social Security first," but we have a plan to do that with individual accounts, taking the money off the table and letting it belong to the people who have paid it in, to earn additional money by having it invested in equities.

Those are the things we are prepared to do and have done.

Education: We have done a lot this year for education. We have increased spending for education, more than the President asked for. We have more flexibility in educational decisions so that parents and school boards and States can make those decisions.

I can tell you what is needed in Greybull, WY, is quite different than what is needed in Pittsburgh. And that is the way it ought to be. We have done that. We have done a number of things.

National security: For the first time, more money is going to defense than we have had before. We have had more deployments over the last few years in foreign countries than ever, and yet this administration has reduced the dollars that go there. We have changed that.

Health care, the Patients' Bill of Rights: We passed it here. Hopefully, we will get it passed.

A balanced budget on Medicare changes: We are working on that.

Rural provisions in Medicare: We will get that done.

Financial modernization is ready to come to the floor for the first time since the 1930s.

We have a lot of things to talk about and be proud of in this session. I am very pleased we have done it. Despite the partisan rhetoric and the tactics, we have had achievements in the budget, in Social Security, in education, in defense, in tax relief, health care, and in finance and banking. I think we ought to move forward and make the most of those advantages that we have had.

Mr. President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

EXTENSION OF MORNING BUSINESS

Mr. BAUCUS. Mr. President, I ask unanimous consent that morning business be extended for another 10 minutes.

Mrs. BOXER. Reserving the right to object, and I shall not object. I had a discussion with Senator ROTH. I ask unanimous consent that I be recognized following Senator BAUCUS. And if the majority leader comes to the floor, I will suspend. But I would take a maximum of maybe 7 minutes.

The PRESIDING OFFICER. The Chair would inquire, is the Senator asking that she be allowed to speak in morning business?

Mrs. BOXER. Correct; for 7 minutes. Then if the majority leader does come to the floor and needs it, I will suspend in the midst of that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Thank you very much.

The PRESIDING OFFICER. The Senator from Montana.

(The remarks of Mr. BAUCUS pertaining to the submission of S. Res. 207 are printed in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. Under the previous order, the Senator from California is recognized.

Mrs. BOXER. I thank the Chair. I also thank Senator ROTH for giving me this opportunity to speak about a number of subjects as in morning business.

IN HONOR OF SENATOR JOHN CHAFEE

Mrs. BOXER. As I look over at the flowers at Senator Chafee's desk, I feel a tremendous sense of loss. Senator Chafee's accomplishments are going to go down in history. They have been recounted on this floor, so I do not feel the need to go through all of his incredible accomplishments, particularly around environmental issues. I do hope we will not undo Senator Chafee's hard work on the Clean Air Act, the Clean Water Act, Superfund, and so many of the landmark environmental bills on which he led us.

I wish to comment about Senator Chafee's kindness and his goodness as a human being and what a joy it was for me to work with him on the Environment and Public Works Committee, to attend the dinners he hosted, always in a bipartisan spirit, and how much we are going to need that kind of spirit right now. Senator Chafee was a champion of the environment. He was a champion of a woman's right to choose, and he was a champion of sensible gun laws. On those matters, it was my great privilege to work with him, and I will miss him deeply.

THE BUDGET

Mrs. BOXER. Speaking about a bipartisan spirit, it was unnerving this morning to come to the floor and hear some of the partisan attacks I heard, mostly aimed at President Bill Clinton, in particular at his budget priorities, which Democrats share. At some point in the discussion this morning, it approached a near-hysterical level.

I will talk about what the differences are. I think we can breach those differences and resolve our problems.

Putting 100,000 teachers in the classrooms to reduce class size, everyone in America wants us to do that, I believe. We have already put 30,000 of those teachers in the classrooms, and we are simply asking to continue the program. This Republican budget would mean sending pink slips to those teachers. That is wrong. We ought to sit down and resolve it.

Secondly, in continuing our efforts to put more police on the streets, we have seen a tremendous reduction in the crime rate. We know one of the reasons is putting more community police on the streets. Surely we can find a compromise with the Republicans on this point.

Then, paying our U.N. dues. How can we lead the world if we don't at least do that, while encouraging and demanding reforms at the United Nations? I thought it was resolved. It has not been resolved. Funding peace agreements, that has not been resolved. We can't be the world leader if we don't do that.

I think these differences are important.

There are also environmental riders, giveaways to big special interests. They are wrong. We should sit down and resolve them.

The one that really is extraordinary, with the partisanship that surrounds it, is the Social Security issue. Republicans say they have a lockbox and the Democrats want to go into Social Security and destroy it. In some ways, it is rather laughable. Going back to 1994, House majority leader DICK ARMEY said: I would never have created Social Security.

If we look back at the record, we will find the Republicans voted against a retirement benefit for the people of this country when Social Security was voted on. They voted against Medicare. Now they are going forward with TV commercials telling people they are the party that is going to protect a program they didn't even like and didn't even want. It doesn't even pass the laugh test.

Here is the deal. They have a lockbox. They say: We are never going to touch it. That is good. However, they forgot to tell you something—they have the key. They have opened it up, and they have taken $18 billion out of it already, according to their own Congressional Budget Office. That is not BARBARA BOXER saying it. It is their own Congressional Budget Office that stated they have gone into Social Security for $18 billion.

So why don't we just sit down and talk—talk about the legislative graveyard that has been created in the Senate. What is in there? HMO reform. People can't get the health care they need and deserve. That is in the garbage heap. Sensible gun laws, the juvenile justice bill, that is in the graveyard. They put the Comprehensive Test Ban Treaty in there; campaign finance reform; judicial appointments; long-term protection of Medicare and Social Security; minimum wage is in the legislative graveyard. As Senator MIKULSKI said, these were lost opportunities to us. So I feel very strongly that we have more work to do. We should sit down with the President and resolve these differences.

Lastly, I hope we can move forward on some of these judgeships. Judge Richard Paez and Marsha Berzon were nominated years ago, voted out of the committee on a bipartisan vote. Judge Paez has been waiting almost 4 years to get a vote. Marsha Berzon has been waiting almost 2 years. Later, when I get to talk about these nominees in detail, I will tell you the strong Republican support they have—Republican Congress people, Republican sheriffs, and Republican law enforcement officials in the State of California. These are good nominees.

I have put a hold on a particular nominee the majority leader wants for the TVA. I have no problem with that nominee. I voted him out of committee. He has been waiting 27 days for a vote, Marsha Berzon has been waiting 2 years, and Richard Paez has been waiting almost 4 years.

I see the majority leader on the floor, and I promised that when he arrived I would stop this talking in morning business. So I will do that. I urge everyone to come to the table in a bipartisan spirit, do the unfinished business, resolve the budget differences, and get moving with some of these appointments that have been waiting for years, simply for an up-or-down vote.

I yield the floor.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ROTH. I object.

The PRESIDING OFFICER. The objection is heard. The clerk will continue to call the roll.

The legislative clerk continued to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR JOHN H. CHAFEE

Mr. SARBANES. Mr. President, I rise today to join my colleagues in honoring a distinguished public servant and a revered Member of the United States Senate, Senator John Chafee, who died Sunday evening at Bethesda Naval Hospital.

While John Chafee was elected to the Senate in 1976, his public service began years before when he interrupted his education at Yale University to enlist in the Marine Corps during World War II, serving in the original invasion forces at Guadalcanal. He later returned to complete his education, receiving a bachelors degree from Yale in 1947 and, in 1950, a law degree from Harvard.

In 1951, John Chafee was called again to serve his country, returning to active duty to command a rifle company in Korea. Later, John Chafee served six years in the Rhode Island House of Representatives, where he was elected Minority Leader. He served as Governor of Rhode Island for three terms and in 1969 was appointed Secretary of the Navy.

As a Senator, John Chafee continued his proud legacy of leadership and accomplishment. I worked with Senator Chafee perhaps most closely in the U.S. Senate in his capacity as Chairman of the Environment and Public Works Committee where he labored tirelessly on behalf of many critical environmental initiatives, including efforts to strengthen the Clean Air Act and the Safe Drinking Water Act.

Senator Chafee has been recognized for his important contributions in the area of environmental protection throughout his service in the U.S. Senate and has received nearly every major environmental award. He was also a senior member of the Senate Finance Committee where he worked hard to expand health care coverage for women and children and to improve community services for persons with disabilities.

John Chafee was a well-respected member of this body who engendered the affection of every member with whom he served. He had a unique ability to achieve consensus under very difficult circumstances. His unfailing courtesy and civility provided a positive and unifying force in the Congress which will be sorely missed by his colleagues on both sides of the aisle.

The Senate was a better place because of John Chafee and his devoted public service. I would like to take this opportunity to pay tribute to him and to extend my deepest and heartfelt sympathies to his family.

Mr. SHELBY. Mr. President, I join my colleagues today in mourning the loss of our colleague, John Chafee. John was a good and honorable man who served his state and his country with distinction. A devoted public servant and member of this body for 23 years, Senator Chafee's influence extended beyond the aisles and transcended partisan rhetoric. His accomplishments as a lawmaker and his unquestionable influence among his peers stand as a testament to his ability.

Senator Chafee will long be admired and remembered for his devotion to this country both as a soldier and public servant. His distinguished service in the military, including serving in the Marines at Guadalcanal and commanding a rifle company in Korea, were indicative of the man who would never shy away from duty or responsibility.

His record as a legislator, governor, and senator in Rhode Island indicate the amount of trust the people of Rhode Island put in John.

Although political views may vary from person to person, it is easy to put these differences aside and to recognize men of strong character and integrity. These are qualities which were abundant in John, and his steadying influence in the United States Senate will be truly missed.

My thoughts and prayers extend to his family and all those whose lives Senator Chafee touched.

Mr. MACK. Mr. President, I join my colleagues in paying tribute to the memory of our friend and colleague, Senator John Chafee.

Senator Chafee was the living embodiment of Senate decorum. He always honored this body through his thoughts, deeds and actions. His ideas and messages were delivered thoughtfully and respectfully. He truly followed his heart and soul while representing the people of Rhode Island and this great nation.

His honorable service in both World War II and the Korean Conflict, as well as his distinguished tenure as Secretary of the Navy, reflect his profound respect for America's armed forces and his deep love of country.

I am especially appreciative for all he did to advance causes near and dear to the state of Florida. He took time to visit the Florida Everglades, and his work on this important issue will ensure the preservation of this unique natural system, and will always be a part of his lasting legacy.

Senator Chafee devoted his life to public service. He will be remembered as a thoughtful and patriotic American who cared passionately about those he served, the issues he fought for, and the institution of the United States Senate. He was not only a fellow Republican, but a colleague who was respected on both sides of the aisle. He will be sorely missed in the U.S. Senate.

My heartfelt sympathies go to his wife Ginny, to their five children and 12 grandchildren, and to his staff here in Washington and throughout Rhode Island.

Mr. SMITH of Oregon. Mr. President, I extend my sympathies to the family of John Chafee.

It has been my privilege to serve with John Chafee for but 3 of the years of his long and distinguished career in the Senate. But I will miss him. I do miss him.

I want to say publicly how much I appreciate the many times he came up to me and told me how much he appreciated me and how glad he was that I was here.

I thank him publicly for the many times he came to me and talked about environmental issues and told me he had a good environmental bill that he wanted me to be on. Many times, I was on them with him.

I appreciated his looking out for me in that regard, and in so many other ways. It was a great pleasure and a high privilege to serve with him in the Senate.

I wish his wife and his family my very best and pray God's comfort be with them in this time of their bereavement.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AFRICAN GROWTH AND OPPORTUNITY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 434, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa.

Mr. LOTT. Mr. President, I ask unanimous consent that during the Senate's consideration of the trade bill, all first-degree amendments must be relevant to the trade bill or the filed amendment No. 2325, and any second-degree amendment be relevant to the first-degree it proposes to amend.

Mr. HOLLINGS. I object.

Mr. WELLSTONE. I object.

Mr. LOTT. I truly regret the objection to a reasonable consideration of this very important pending trade bill. This is obviously a vital piece of trade legislation. As I indicated last week on the floor, this is something in which the President has been very interested.

He discussed it with me personally last week on, I think, Tuesday and twice since we have discussed it in telephone conversations. I am not doing it just because the President asked for it. I am doing it because I think it is the right thing to do.

I think it would be good for our country, help to create jobs. This is very carefully crafted legislation that the chairman of the committee and ranking member have worked on. I think it would be just vitally important to our friends in Central America and the Caribbean, as well as a major step symbolically and other ways to have African free trade.

I want to get this bill done. There are legitimate objections to it. The Senator from South Carolina is going to use every rule in the book that he has access to, and there are lots of them. He has staff members who will make sure he knows them all. I understand that. But I am sure everybody can understand I have to take advantage of the rules available to me also because I do not want this to become a debate about farm policy, sanctions policy—one Senator just suggested we should offer fast track on this bill. I agree; I think fast track should be done. That is another very important trade policy. But it will completely bog down this bill.

I think we need to be serious about this bill. I plan now to fill up the tree and file cloture. The cloture vote will be Friday. We will see if the Senate wants this trade bill or not. If we do not get cloture, then it is clear what is going on and we will just have to move on to something else.

My consent would simply keep the Senate on the subject of the African trade and trade benefits for the Caribbean Basin countries. Obviously, with objection from the Democrats, they do not want this subject matter to be the pending issue. I think it is unfortunate, but I understand.

AMENDMENT NO. 2325

(Purpose: To provide a substitute amendment)

Mr. LOTT. Mr. President, on behalf of Senator ROTH and others, I call up amendment No. 2325 and ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment and begin reading the text.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. ROTH, for himself, and Mr. MOYNIHAN, proposes an amendment numbered 2325.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2332 TO AMENDMENT NO. 2325

(Purpose: To provide a substitute amendment.)

Mr. LOTT. I send a first-degree amendment to the substitute to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment and begin reading the text.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 2332 to amendment No. 2325.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2333 TO AMENDMENT NO. 2332

(Purpose: To provide a substitute amendment.)

Mr. LOTT. I send a second-degree amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment and begin reading the text.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 2333 to amendment No. 2332

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

MOTION TO COMMIT WITH INSTRUCTIONS

Mr. LOTT. I now move to commit the bill with instructions and send the motion to the desk.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2334

(Purpose: To provide a substitute amendment)

Mr. LOTT. I send an amendment to the desk to the motion to commit with instructions.

The PRESIDING OFFICER. The clerk will report and begin reading the amendment.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 2334 to the motion to commit with instructions.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2335 TO AMENDMENT NO. 2334

(Purpose: To provide a substitute amendment)

Mr. LOTT. I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 2335 to amendment No. 2334.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

CLOTURE MOTION

Mr. LOTT. I now send a cloture motion to the desk to the pending amendment No. 2325.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa.

Trent Lott, Bill Roth, Mike DeWine, Rod Grams, Mitch McConnell, Judd Gregg, Larry E. Craig, Chuck Hagel, Chuck Grassley, Pete Domenici, Don Nickles, Connie Mack, Paul Coverdell, Phil Gramm, R.F. Bennett, and Richard G. Lugar.

Mr. LOTT. Mr. President, I think it is unfortunate we have to take this step. I have discussed it with the Democratic leader. Let me emphasize he did not agree with this at all, but we did discuss our situation and our mutual concerns and our mutual desires to try to find a way to move this trade legislation forward. Filling up the tree is not a new practice. It is one I haven't used, I don't think, this year—maybe once. It is a practice that has been used in the past by majority leaders when it is necessary to try to get to a conclusion.

I do not know exactly when our adjournment for the year will come, but it is obvious we do not have a lot of time left. We do have some other issues we would like to have a chance to consider. Again, that is on both sides of the aisle.

The cloture motion vote will occur on Friday, October 29. I will notify all Members of the exact time, after consultation with the Democratic leader.

In the meantime, I ask consent the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I say to the Senate, I would be willing to withdraw the last amendment pending. I will be glad to come back in an hour and withdraw that, allowing Members' amendments to be offered if they were relevant to the trade bill, and this would allow us to make some progress on the bill. I would offer that idea to the minority leader when he returns, and I am glad to yield to the Senator from Minnesota if he would like to ask any questions or make a comment.

Mr. WELLSTONE. I heard the majority leader mention he did not want to see amendments that he did not think were directly related, such as agriculture. As the majority leader knows, for the last 5 weeks I have asked him when I would have the opportunity. The majority leader said he thinks this is the first time he has filled up the tree, or second time. I think there may be other times, but I would have to check. I do not remember an opportunity in the last 4 or 5 weeks, or longer than that, to have an amendment out here that I think will speak to the pain of farmers.

When might I have an opportunity to introduce this amendment that I think would make a difference for family farmers in Minnesota who are being driven off the land? If the majority leader is filling up the tree and therefore I cannot do this, can he tell me when I might have an opportunity? Will he make a commitment there will be a piece of legislation out here that I can amend?

Mr. LOTT. I am not sure when that might occur. I told the Democratic leader just a few minutes ago, if it were just an amendment by Senator WELLSTONE on agriculture, I would be prepared to have that discussion, that debate, and a vote. But that is not the end of the string. We have a lot of innovative thinkers here on both sides of the aisle who are now working feverishly with their very competent staffs to develop other amendments.

If it were just an amendment by the Senator from Minnesota, I think probably that could be done. I think if we would open the door, there would be no end to it.

Mr. WELLSTONE. Will the majority leader be willing to entertain a freestanding bill I might introduce and have debate on? We have to do something, I say to the majority leader, about what is going on in farm country.

Mr. LOTT. First of all, I will be willing to discuss that with the Senator. I would have to also discuss it with the chairman of the Agriculture Committee and its members. I could not just unilaterally reach an agreement. But, again, I personally would not have a problem with that.

I do not know what his amendment would be, but I am sure I would vote against it. But we could have a discussion. I would need to check with both sides and I will talk with the Senator to see if it is possible, to see if we can do that in some freestanding way.

Having said that, I want to be sure the record has been made at this point. Last Friday, the President of the United States signed the Agriculture appropriations bill—I believe last Friday. It provides funds for agricultural needs all across this great land, in my State and that of the Senators from Minnesota and New York. We have lots of agriculture in New York. I don't know if you are aware of that, but I have been very impressed when I have been up there, some of the areas outside of Long Island. I found there is a lot of agriculture up there and all across this country.

We did get the Agriculture bill. In that bill was a very significant amount of funds for disaster-related problems. Some of them have been caused because of the depressed prices, some because of drought, some because of floods—all the different problems we have. Others say it was not enough; it should have been more. Some others would say it was not targeted in the right way. We can debate that endlessly, I believe.

But the President, upon review—and I believe he took the full 10 days—decided the right thing to do was go ahead and get this bill signed and get that disaster money to the farmers, the men and women who live on the farms in this country, as quickly as possible. It is not as if this is an issue we have not addressed and we will not address next year.

Mr. WELLSTONE. Will the majority leader yield?

Mr. LOTT. I am glad to yield.

Mr. WELLSTONE. I appreciate the leader's graciousness. I will not take up any more time with questions to him.

Having just heard the majority leader's report about disaster relief, he may want to reconsider his view about whether or not he would vote for or against an amendment or piece of legislation I would introduce because I say to the majority leader in the form of a question: I am quite sure that, as the majority leader travels around the country in rural America, he understands that the financial assistance package did not deal with the price crisis. People are going to be driven off the land and we have to change the policy.

I appreciate what he said. I guess it is less a form of a question, but perhaps I will get his support because I am sure the majority leader wants to see the Senate take some action that will make a positive difference for family farmers.

Mr. LOTT. Let me say in answer to the Senator's comments, I have learned from past experience that you should never say exactly what you are going to do until you have seen the details of an amendment or a bill because it could be different or it could be something that, in the end, you find would be acceptable. I have a suspicion I might not use that approach, but I had to reserve final judgment until I saw its content. I yield the floor.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in support of the managers' amendment to H.R. 434. That substitute includes the Senate Finance Committee-reported bills on Africa, an expansion of the Caribbean Basin Initiative, an extension of the Generalized System of Preferences, and the reauthorization of our trade adjustment assistance programs.

It is critically important that we move this legislation. Let me say a few words, in particular, about the Africa trade portion of the bill.

The last decade has been a period of great change in Africa. Some of these changes have been quite heartening to those of us who have been watching the countries in that continent for many years. The failed economic policies of socialism and central planning have begun to give way to market reforms, bringing economic growth and an improvement of living standards with it. There have been positive changes on the political front as well. The tragedy of apartheid has, thankfully, come to an end in South Africa. At the same time, democracy has begun to flower in South Africa and in a number of other sub-Saharan countries.

The picture, however, is not all positive. As we know all too well, the countries in Africa continue to suffer through more than their share of difficulties. War, disease and hunger are still very significant parts of the story of that region. Africa is a continent that is on the brink of a new and more positive future, but still has a number of significant hurdles that it must overcome.

For the Senate, the question is what we can do—what this great country can do—to help the African nations obtain the peace and prosperity that they have been working so hard to achieve. In other words, what can we do to help them complete the work that they have already begun.

The manager's amendment is clearly not a panacea; the challenges that the Africans face are too great for any single piece of legislation or any single act to cure. This legislation is, however, an important start towards building an economic partnership between the United States and the countries of sub-Saharan Africa. This partnership, in my view, is a significant first step towards giving the African nations the opportunities they need to continue the progress that many of them have made over the past decade.

I am proud of the support that this legislation has received among the African-American community and among the Africans themselves. I say this because a few of my colleagues have suggested that the African-American community and the African nations themselves are divided in their support for the African Growth and Opportunity Act. I am standing here to say that nothing could be further from the truth. If there was any doubt, it should have been put to rest with the Roll Call ad which ran last week. The ad, appropriately, stated the following:

> To the United States Senate, Setting the Record Straight. We endorse legislation that provides social and economic opportunity in Africa and we, the undersigned, are working together to achieve this goal. Can we count on you?

The signatories to this Roll Call ad are a very distinguished collection of religious, civic, political and business organizations and individual leaders. I will name just a few: the NAACP, the Southern Christian Leadership Conference, the African Methodist Episcopal Church, the National Council of Churches, AfriCare, the Council of National Black Churches, which represents 65,000 churches and 20,000,000 members, and the U.S. Conference of Mayors.

The list of individuals signing this ad includes such notables as Bishops Donald Ming and Garnett Henning of the African Methodist Episcopal Church, Mrs. Coretta Scott King, Mr. Martin Luther King III, Ambassador Andrew Young, former mayor David Dinkins, the Honorable Kweisi Mfume, and Mr. Robert Johnson, the head of Black Entertainment Television. I want to note that Mr. Johnson testified eloquently about the need to create new economic opportunities in Africa when he appeared before the Finance Committee last year. He, like the others listed in this ad, have spoken powerfully on the pressing importance of this legislation.

Let me read a quote in the ad from just one of these individuals. That individual is the very distinguished Rev. Leon Sullivan of the nearby city of Philadelphia. Rev. Sullivan is quoted in the ad as saying that:

> The African Growth and Opportunity Act will open new markets for American products and will create additional jobs for Americans and Africans. For every $1 billion in exports to Africa, 14,000 jobs are created or sustained in the United States. Those are powerful and important words.

Let us not forget that this legislation is also good for Africa. That is why every single one of the 47 African nations covered under this the legislation have publicly stated their support. Let me repeat that, because it is important. Every single one of the countries covered under this legislation supports this legislation. I think it is fair to say that these countries have the judgment to decide what is in their interest. In this instance, they have spoken loudly and clearly. The African Growth and Opportunity Act is good for Africa.

I am proud to say that President Clinton is also a strong supporter of this legislation. He recently said, and it is quoted in the Roll Call ad, that:

> Our administration strongly supports the African Growth and Opportunity Act which I said in my State of the Union Address we will work to pass in this session of Congress.

That, Mr. President, is exactly why we are here. We are here to work on a bipartisan basis to work for passage of an important piece of legislation that is good for the American people and good for Africa.

I was honored to have representatives of many of the groups and individuals I mentioned join me in a press conference this past week to express their support for this legislation. What these individuals and groups understand—and stated at the press conference—is that Africa has for too long been neglected in our trade policy. They also understand that the African Growth and Opportunity Act is the right legislation to begin the strengthening of our economic relationship with that continent.

Let me emphasize that these individuals and groups support the African Growth and Opportunity Act and not the HOPE bill. They support this bill because it is good legislation. It is the right thing to do. It is good for the American people, and it is good for the people of Africa.

There is, of course, much more that is part of the manager's amendment. The enhancement of the CBI program is long overdue. It is also a vital step to strengthening the economic compact begun with that region by President Reagan with the original CBI initiative. The reauthorizations of the Generalized System of Preferences and Trade Adjustment Assistance programs are also of critical importance. These measures are essential for ensuring that the benefits of the global economy are felt as broadly as possible and to ensure that workers and firms displaced by trade receive the assistance and training that they need.

The effort to move the bill enjoys broad bipartisan support. But, it is long overdue. The House of Representatives passed the Africa legislation by an overwhelming vote of 234-163 in July of this year. It is now time for the Senate to Act.

Mr. President, I urge my colleagues to support the passage of H.R. 434, as amended. The time to act is now.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise to congratulate our revered chairman for his achievement in a partisan setting. I think it is generally agreed that this Congress has not been one governed from the center. Here we have major legislation brought to the floor by near unanimous vote of the Committee on Finance and with extraordinary support across the country.

I wish to make two points, the first to the question of Trade Adjustment Assistance. It goes back 37 years as an integral measure in our trade policy. As Dean Acheson might say, I was present at the creation. I was an Assistant Secretary of Labor, one of three delegates who negotiated the Long-Term Cotton Textile Agreement which was necessary to win the votes in the Senate for authorizing what became the Kennedy Round. When we came back with that agreement, the issue arose, if we were to open up trade, there would inevitably be persons displaced—just as jobs were created, jobs would be lost. There is nothing complex in the calculation nor very complex in identifying just whom you are talking about.

We started Trade Adjustment Assistance. It has worked. We included a comparable provision in the NAFTA implementing legislation. In Fiscal Year 1998, we had 150,000 workers eligible to receive Trade Adjustment Assistance; last year, we had 200,000 eligible workers. Those are rounded numbers.

This is an active program. There are families who are displaced in the world economy, and they are living off this transitional benefit—200,000 eligible workers. That is not a small number. The authorization for this program, that has been integral to our trade policy for 37 years, expired on June 30. The appropriation expires on Friday; on Saturday, it is no more. And when it can come back, how it comes back—have we seen many things started of late in this Congress or the previous ones? No.

Now, those are lives of American workers we are talking about, just as President Kennedy talked about them. John Pastore of Rhode Island was very vigorous on this matter, and many Members of the Senate who are marked in history by their capacity to see the large national interest.

One other matter: The chairman noted the meeting which the Committee on Finance had with the group of presidents, vice presidents, and foreign ministers from Central America, ranging from Trinidad and Tobago all the way up to Honduras. It took place just off the Senate floor in the LBJ Room. It was a special occasion.

They came here as representatives of elected governments asking to trade. They weren't asking for foreign aid. They weren't asking for military assistance. They were simply asking to become part of the trading system of the western hemisphere in that Monroe Doctrine context about which the chairman spoke.

It already seems to have happened long ago. In the 1980s, we spent $8 billion sending arms to Central America, with precious little to show for it. A good enough outcome in the end, but the weaponry was everywhere, on all sides—a fantastic miscalculation, in my view, in my view at the time.

I will give my colleagues a moment's recollection. It was 1983. I was in El Salvador in the capital of San Salvador having breakfast with the president and provost of the University of Central America, a Jesuit institution. At that time, the United States was going through enormous efforts to prevent the Sandinistas in Nicaragua from smuggling arms to their rebel counterparts in El Salvador.

I asked the President and the provost, with whom I had a relationship through a professor at the University of Chicago, "Father, are the Sandinistas sending weapons to El Salvador?" He said, "No." I said, "No? Well, surely they had been." He said, "Yes." I asked, "And they don't any longer?" He said, "No. You do."

Every day, the skies over Salvador were filled with American planes bringing in weaponry, which was promptly divided—half for the government, a quarter for the rebels, and a quarter for the international arms market. And what a better thing now to be talking about trade. And we have stability. If we want to ensure it, there has to be an economic basis. This legislation does so and, again, and finally, there are 200,000 American families entitled to trade adjustment assistance, which expires on Friday after a 37-year run as part of the American safety net as a condition of expanding trade. Let's not let them down. We can do this if only we will do it together, as we did in the Finance Committee. I only hope the same can be repeated on the Senate floor.

Mr. President, I yield the floor. I see my friend from South Carolina who is seeking recognition.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from New York. I have been trying to get the floor. I tried earlier today to be recognized to speak on this bill. It was the objection I had made, of course, to the motion to proceed, due to the strong feelings I had with respect to trade. Incidentally, on yesterday, I could not be present. Amongst others, the distinguished Senator from Minnesota more or less carried the day. I am obligated to him. Senator WELLSTONE did an outstanding job. He asked that, if I could ever get the floor—and I tried twice this morning and could not get the floor—to please ask unanimous consent that he be recognized when I had completed my remarks. I have talked to fellow Senators and there is objection to that. I wanted to let him know that I remembered the promise made. I am not making the request because I know it will be objected to.

That brings us right to the unsenatorial, more or less, procedures into which we have bogged down by. In a line, the distinguished majority leader says what we ought to have had was fast track and, within a breath, he gives us fast track. We have fast track on this bill. You cannot put up an amendment. He "filled up the tree," and he says, "oh, but I am so considerate that I will be glad to help you out if I can give you permission to give you relevant amendments." Of course, he decides what is relevant.

What about relevance with respect to the Finance Committee? What they are calling a trade bill is actually a foreign aid bill, because you have the Secretary of State calling around on the bill, not the Secretary of Labor for jobs—I don't think she had the gall to do it. But the Secretary of State, with pride, is calling the various Senators because this is a foreign aid bill. It is a one-way street. It is unilateral. It does not have the labor side agreements. It does not have the environmental side agreements that were included in NAFTA. It does not include the reciprocity that we got from the Mexicans when we passed NAFTA. I have prepared amendments that would be relevant, but you can't tell around here. I don't think that I should have to stand as a Senator and beg another Senator permission to put up an amendment. That is the most arrogance I have ever seen since I have been here, some 33 years. It has gotten really raw in this particular body, when you try to debate the most important subject that you can possibly imagine, which is hollowing out not only our industrial strength, but the middle class of our society and the strength of our democracy, and you have to beg to put up an amendment in order to satisfy what the majority leader says what is relevant.

Could it be the minimum wage amendment that the Senator from Massachusetts has been trying to get up since the beginning of the year? Well, it is not for Africa, not for the Caribbean Basin Initiative, but more for the workers of America. I say why not? Don't we have trade adjustment assistance in the bill? If that is relevant so is minimum wage. Doesn't minimum wage have relevance to the welfare, the pay, the being of American workers?

The question in my mind is what rules are we under? I presided for 6 years under Heinz's precedent. I presided for 4 years under Jefferson's rule. When I got to the Senate, we threw away the rule book because it is whatever the majority leader says. That is the rule. That is what happens up here—we all understand that—in order to facilitate legislation. But when it gets to this point of arrogance it is totally counterproductive. Here you have been trying to get up the bill all year long, and then you put it up in the last few days and say we are all trying to get out of town, let's not have any debate, let's take it or leave it as the Finance Committee has it, and thereupon, let's have cloture, let's have fast track.

Well, with respect to the minimum wage amendment, I would gladly put it up. I understood today—and the distinguished Senator from Massachusetts can speak for himself—but I talked to him the day before yesterday and advised him that if he didn't, I would, because I think it is just as important as trade adjustment assistance.

I see that the distinguished Senator from Texas is on the floor. I understood he said this would create 400,000 jobs. That's very peculiar because I understood the distinguished Senator from New York indicating that we are going to have to put 200,000 on trade adjustment assistance—in other words, we are going to put them out of a job, we are going to give them welfare. What a wonderful thing it is: we started it some 37 years ago. Has this body got any idea what is going on? Are we really creating jobs, or are we decimating the jobs? One brags that we put them on; the other brags that we put them out. And there we are, with respect to relevant amendments.

Mr. President, there is another relevant amendment. This is the Time magazine for this week. It is an article called, "The Fruit of Its Labor." I ask unanimous consent that this be printed in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Time Magazine, October 1999]

THE FRUIT OF ITS LABOR

(By Adam Zagorin)

WASHINGTON.—If you are an underwear mogul, you surely cannot lack confidence. So it is with Bill Farley. The handsome physical-fitness buff has under his belt brands like BVD, Munsingwear and his flagship, Fruit of the Loom. He rubs shoulders with the rich and powerful, and recently co-chaired a lunch that raised more than $500,000 for George W. Bush. Muscles rippling, Farley, 57, has also shown up wearing a tank top in Fruit of the Loom advertising. He once even put himself forward as a candidate for President of the United States.

> These days, however, Farley's political focus is squarely on Congress, where Fruit's adventures in lobbying offer a choice example of how the game is played. Fruit of the Loom is a tattered company, suffering from bad performance and poor management and lobbying heavily for a bill that would ripen its bottom line.
>
> How likely is it that the company's case will be heard on the Hill? Well, last year alone Fruit handed out more than $435,000 in soft-money donations, a figure that puts contributions by the firm (1998 sales: $2.2 billion) ahead of those of such giants as Coca-Cola, Exxon and Bank of America. Most of Fruit's plums go to Republicans, including $265,000 to the National Republican Senatorial Committee, run by Kentucky Senator Mitch McConnell, the principal opponent of campaign finance reform.
>
> This week, with Congress having for now killed campaign finance reform, McConnell and other Republicans will get on with other business, such as an amendment to an African trade bill that would allow apparel produced in the Caribbean Basin to enter the U.S. duty free, provided it is assembled from U.S. fabric.
>
> Fruit's lobbyists—along with those from competitors like the Sara Lee Corp., which makes Hanes underwear, and retailers like the Limited and the Gap—are pushing hard for passage. Fruit officials claim the measure, which Bill Clinton supports, will create jobs, and deny that the company's donations can buy influence. Says Ron Sorini, a Fruit lobbyist: "There's absolutely no correlation between our soft-money donations and those who decide to vote in favor of this bill."
>
> Whether there is or not, Farley's much coveted tariff break comes at a cost. Eliminating duties on apparel from the Caribbean will run U.S. taxpayers at least $1 billion in lost revenue over five years—a figure that, by congressional rules, must be made up with cuts in other programs.
>
> Fruit confirms that the bill is expected to deliver a quick $25 million to $50 million to the bottom line, adding to savings achieved after moving some 17,000 of its U.S.-based jobs, mostly to the low-wage Caribbean Basin, and reincorporating in the tax haven Cayman Islands. The jobs cuts were spread across the South, especially Kentucky, where earlier in this decade Fruit was one of the largest employers. "They are trying to win in Washington what they've been unable to achieve in the marketplace," says Charles Lewis, executive director of the Center for Public Integrity, a watchdog group. "They're now trying to secure advantages from Congress at a time when they're in dire financial straits."
>
> Dire is right. After a major inventory snafu, Fruit's financial elastic stretched again last month, when it had to make a $45 million interest payment on accumulated debt of $1.3 billion. Its stock, traded at $48 a few years ago, now sells for less than $4. The board, its confidence in Farley shaken, managed to shunt him into the role of nonexecutive chairman in August, and the company is searching for a new CEO. Farley retains a role in large measure because he still controls 28.5% of Fruit's voting shares. He has also arranged for the company to guarantee loans to himself worth $65 million.
>
> Fruit of the Loom's favorite trade bill has led to a rare split between Kentucky's two conservative Republican Senators. While McConnell is expected to support the tariff cut, his colleague Jim Bunning has no intention of backing the measure. Asks Bunning: "How many more jobs do we have to lose until we wake up and smell the Caribbean coffee?"
>
> Yet for Bill Farley, the aroma is nothing if not enticing. By one count, he's tried to get versions of the bill through Congress six times in recent years. Perhaps seven's the charm.

Mr. HOLLINGS. Mr. President, I don't know whether the distinguished majority leader would agree that this is a special interest bill, but the public domain thinks it is a special interest bill. The leading news magazine in the world thinks it is a special interest bill. Therefore, campaign finance reform would be relevant.

Why do I say that?

"The Fruit of Its Labor."

It is on page 50.

"How a company that exports jobs pushes for a Capitol Hill handout."

"The politics of underwear."

I quote:

> If you are an underwear mogul, you surely cannot lack confidence. So it is with Bill Farley. The handsome physical-fitness buff has under his belt brands like BVD, Munsingwear and his flagship, Fruit of the Loom. He rubs shoulders with the rich and powerful, and recently co-chaired a lunch that raised more than $500,000 for George W. Bush. Muscles rippling, Farley, 57, has also shown up wearing a tank top in Fruit of the Loom advertising. He once even put himself forward as a candidate for President of the United States.

Maybe that is where Trump got the idea. I always wondered where that rascal could think he could be President.

But, in any event, reading on:

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> Yet for Bill Farley, the aroma is nothing if not enticing. By one count, he's tried to get versions of the bill through Congress six times in recent years. Perhaps seven's the charm.

Mr. President, I ask the same question as the distinguished Senator from Kentucky, Mr. BUNNING. How many more jobs do we have to lose until we wake up and smell the Caribbean coffee? Is there any question in anybody's mind? As we used to say in the law, any reasonable and prudent man—and now woman—can see that this is not a special interest bill. And with campaign finance reform, which is mentioned in this article and which is mentioned in this particular bill, it would be relevant—not under the majority leader's rule of relevancy.

Ask the majority leader when he comes to the floor. I can offer the campaign finance reform, or I can offer the minimum wage. Then we will all agree to move right along and vote on the amendment. I will agree to a time agreement. We are not holding anybody up. We can vote both of those amendments this afternoon. We don't have to worry about cloture on Friday. We are ready to roll. We, like the majority leader, want to get out of town. We have a lot of work to do. Don't put on this act about how reasonable and thoughtful and so pressured we are in trying to reconcile all of the particular problems there are in the closing days. Don't give me any of that. Let's get to the reality.

We have a special interest bill; we have a bill affecting workers. I want to put up another bill affecting the workers that have been up all year long and all last year—minimum wage. The majority leader won't come out and say it is relevant. When he comes out and says it is relevant, I will put up the amendment; we can vote in 10 minutes' time. When he says a special interest bill, Shays-Meehan is relevant; we can vote in 10 minutes. The House has voted on it overwhelmingly.

We couldn't get a vote on account of the so-called rules of the majority leader with respect to when we can call something and when we can't call anything around here. They won't give us a freestanding Shays-Meehan without the cloture and everything else.

I have been interested in campaign finance reform since I voted for the Federal Election Campaign Act of 1974. We had that bill up, and we had a good bipartisan cross-section vote for the measure saying one cannot buy the office. We have come full circle. What we are saying in Washington today is, the trouble is, there isn't enough money to buy the office. Do you know what? We have amendments. Mr. President, $1,000 isn't enough; we ought to be able to buy it quicker with $3,000 and $5,000, $10,000. We have moved in the opposite direction from the original intent of cleaning up politics in this land of ours by stating categorically one could not buy the office.

I can still see the Senator from Louisiana, Russell Long. He said, every man a king—everybody, regardless of economic circumstance or background, could aspire for the Presidency of this land of ours. Listen to Elizabeth Dole. One can be a former Secretary of Commerce, one can be a Secretary of Transportation and Secretary of Labor, one can have been head of the American Red Cross, every kind of track record, but unless the candidate has the money, the candidate doesn't stand a chance—money is what talks.

We are saying it is a real problem. On the one hand, we have too many limits, we ought to have more money in this; or, on the other hand, let taxpayers, let the public, pay for our politics; let's have public campaign finance. We have had about three votes on it.

I remember when I first introduced it, it was a joint resolution. There was one line, and it is in now, but I can't get it up. I have been waiting for a good joint resolution to come over, Senator. If it comes over, I will offer it. They told me I couldn't offer it to campaign finance reform because mine was a joint resolution and it was a simple bill, with three readings to be signed. A joint resolution, of course, and amending the Constitution, is not to be signed by the President.

That being the case, I put in this particular one-line amendment that the Congress of the United States is hereby empowered to regulate or control spending in Federal elections. I had a dozen good Republican colleagues—my senior colleague and others—joined as cosponsors way back; this has to be almost 20 years ago. We can't get that, except for the distinguished Senator from Pennsylvania, Senator SPECTER. So the Hollings-Specter amendment was so salutary that the States said, wait a minute, add that the States are hereby empowered to control or regulate spending in Federal elections.

So we added that. We have gotten a majority vote, but we never have gotten the two-thirds necessary. It would pass. I am not worried about it at any next election. It would easily come about.

We relied upon looking at the last five of the six amendments. They passed in an average of 17 months.

Does the distinguished Senator have a question? I am just feeling good about this particular measure.

Mr. REID. If the Senator will yield, I do have a question. I personally am in agreement with the different issues the Senator has raised—campaign finance reform, minimum wage, being able to amend bills. I agree with the Senator in that regard.

However, the Senator from Texas and I have a matter on the floor. I ask the Senator about how much longer he will speak. I know the Senator has a lot of capacity, but if he could give an idea so we could either interrupt at this time or come back at whatever time the Senator indicates.

Mr. HOLLINGS. I suggest the Senator come back because I am just beginning to cover the subjects. We have a luncheon in the next 15 minutes, and I will complete my thoughts.

Mr. REID. The Senator will finish in the next half hour?

Mr. HOLLINGS. Yes.

Mr. REID. I thank the Senator.

Mr. HOLLINGS. I thank the distinguished Senator from Nevada.

What happens if we can get up campaign finance and get an up-or-down vote on Shays-Meehan? I have my doubts about its constitutionality. I have voted several times for McCain-Feingold. I voted against the most revised or limited McCain-Feingold for the simple reason it was similar to half a haircut; it was worse than none at all. It said the parties couldn't take soft money but everyone else could take soft money.

Immediately, my adversary, Tom Donohue at the Chamber of Commerce, said we had not participated financially sufficiently in campaigns. So I am getting up a kitty of $5 million. The Chamber of Commerce will get up a kitty of $5 million and pick some 8 or 10 senatorial races and give them at least $100,000.

Mind you me, the Chamber of Commerce no longer represents Main Street America, no longer represents the middle-size or small business; rather the international, the transnational, the gone overseas crowd, such as the Farley group that has already transferred 17,000 jobs offshore. It is headquarters to the Cayman Islands. I don't know whether those are foreign contributions. I had better look into that. It strikes me they are talking about the Chinese. I am wondering whether the Chinese have any worse position that the Cayman Islanders to make contributions. I think we ought to call Janet Reno and say here is an example of foreign contributions by the Cayman Island Farley to the campaigns—$500,000 for George. Poor George W. will never get through the year. They will find these things I am talking about. Poor fellow, he hasn't gotten into the Washington go-round. This crowd will chew anyone up.

See how the logic applies. We are all talking about the Attorney General not doing enough on some antiquated contribution; that happened way back. I am talking about what is being made now in this week's Time magazine, the Cayman Island contributions to poor George W. in Texas, and he probably doesn't even know it—when one runs a mammoth national campaign. We will have to look into that.

We have a special interest bill. We need a vote on Shays-Meehan to find out whether it is constitutional or to make sure, along with it, to constitutionalize Shays-Meehan by coming right along and taking the Hollings-Specter amendment to constitutionalize it.

As I was about to say before examined by my distinguished friend from Nevada, we have found that of the last eight amendments to the Constitution, seven have passed in 17 months' time.

There is no debate, and they all relate to elections. There is no greater cancer on the body politic than the campaign finance practices in this land.

Everybody talks about the amount of money. I would say a word about the amount of time. As a full-time Senator, I am supposed to be giving full time to the problems of the people of South Carolina. But I found myself last year giving full time to my particular problem of staying in office, by going all over the country, trying to collect funds from anybody and everybody who thought I could be a pretty good Senator.

This was the seventh time I have been elected to the Senate. I am still the junior Senator. I am working hard on my way up.

Be that as it may, when I first got elected back 33 years ago, it was a little budget, somewhere, I think, around $400,000 or $500,000. I had to collect $5.5 million last year.

In a small State where they are all Republicans, such as Delaware and South Carolina, we have that Dupont crowd. We have them. They are the best of the best. But all my State has gone Republican as did the South: two Republican Senators in Texas, two in Alabama, two in Mississippi, and two in Tennessee. October of last year I was the last remaining statewide Democrat in office except for my friend the comptroller, Earl Morris. He and I were the last two: city councils, mayor, the Governor, the legislature—all Republican. With this recording of every contribution in and every contribution out, there were a lot of Republican friends who wanted to participate. But we put that burden on them. They would have to, literally, explain why they gave that fellow HOLLINGS $100 or $1,000, whatever the contribution was.

Rather than become involved—if we want to know what cuts off people have from involvement in the process in America today, it is just this particular requirement. I voted for that requirement. I think it ought to be made public. But it can get bad, and it does, and has gotten bad in my State.

We can correct this. We can constitutionalize whatever is the intent of Congress. You do not have to get that distorted opinion of Buckley v. Valeo for the simple reason that they said money amounted to speech. Those with money had all the speech they wanted, but those who did not have money could get lockjaw. They could just shut up and sit down. "You are not in the swim, Liddy Dole; you are not in the race at all. You can forget about it." The party has already arranged and crowned George W. in Texas, and he has $50 million to $60 million. He doesn't need the public money, and everybody thinks that is great.

I think that is not great at all. I think when it has gotten to be that bad, when you have enough money, like Perot, to start a party, and you have enough money to control the party as is being done now on the Republican side, we have to clean this thing up and get back to not being able to buy the office. So I would have campaign finance reform as a very strong amendment and make sure there is no question.

Time magazine thinks it is relevant, but the Senator from Mississippi does not think it is relevant. If he can come out and if he will make the proposal that he does think it is relevant, we can agree on a time agreement on Shays-Meehan, 5 minutes to a side, and vote. Do not come weeping and wailing that, Oh, we have so many things to get done, we have the appropriations' bills, we have this bill, we have that bill, and everything like that. This is not a time-consumption strategy on the part of the Senator from South Carolina. This is to bring to the fore that which has been prevented from even being debated in this body. The most deliberative body in the history of the world can no longer, under the process, deliberate. You have to walk up to the table and find out how to vote.

I was here with Senator Mansfield. Senator Mansfield would think that demeaning, to put there how a Senator is supposed to vote. Senator Dirksen would absolutely oppose nonsense of that kind. But that is how we all are going. You have to do it this way and get on message. You cannot debate what the public wants debated. You can only debate what the polls show to be debated.

Everybody is running all over the world talking about education because it shows up in the polls. But we only control 7 cents of every education dollar; the 93 cents, that is the State and local responsibility. Bless them, I am a leader on that subject. You name another Senator in this body who has put up a 3 percent sales tax and passed it for public education. You name another one who has come in with a system of technical training that would even equal—much less be better than—ours.

I have worked in the vineyards over the years for education so I do not demean the need for improving the quality of education, namely, doubling the pay of teachers. So you get what you pay for. If we start attracting the best and the brightest, they do not need retraining; they need money. They need to be paid. The average pay, I think, in South Carolina, is around $27,000 or $28,000. Maybe it has gone up to $31,000. Don't hold me to the exact figure. But I know that is relevant. That doesn't pay for the children to go to college. I go to the graduations and they come across the stage. "Senator, I would like to have taught, but I am not able to get into teaching because I cannot save enough money to get my children through school and college. So what do I do? I get into international studies, business course and otherwise."

Mr. President, we have the Kathie Lee sweatshop bill here before us, where 17,000, according to Time Magazine, have gone from Kentucky in the last few years. I have the exact figures. I had a talk the weekend before last to the northern textile industry. The Senator from Delaware had all of his textile people there, Drew Potter and otherwise. I was glad to talk to the northern textile industry people.

I want to make a record of this particular situation because this is how bad it can get, how politics can really take over. I have been the principal sponsor of five textile bills that have passed this Senate, four of them have passed the Senate and the House of Representatives and gone to the President of the United States. One was vetoed by President Carter, two by President Reagan, and one by President Bush. I remember when President Bush implied, in his commitment to the talk in Greenville, that he was for textiles. When asked how come he vetoed it, he said, "C'est la vie." He not only wants to import the textiles, he wants to import the language. That is how far off we have gotten.

I could not get invited. I tried last year. Here is a fellow who has grown up and held just about every office at the local level: Lieutenant Governor and Governor and Senator elected seven times. But I tried. They have a little lunch or evening meal, I think it is, at the Piedmont Club, these new young executives. I said: You know, I ought to make an appearance there because they have a new group and everything else. I could not get invited. They never could find a time.

I had some old-time leaders say: We will arrange it for you. I could get invited, thanks to Karl Spilhaus and the leadership of the northern textile industry. At least I can get invited now to the northern textile industry, but I could not get invited to my own backyard.

Here, as the cosponsor and voter for the right to work bill, I am out here trying to protect organized labor because—where are they? I heard that Ms. Evelyn Dubrow is finally back in town. She is the best of the best. She just won the Presidential Medal last month. I congratulate her. She has been outstanding over the years. Maybe if I explain this bill long enough, we might be able to pick up some votes.

I see others waiting. I said I would take at least 15 minutes. My good friend from Minnesota, who really held the fort down yesterday, has been trying to get recognized to say a few words. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I see the Senator from Ohio is here. I ask unanimous consent that I follow the Senator from Ohio.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I thank my colleague from Minnesota for his courtesy. I say to him and the Senator from California, I plan on speaking probably 12 minutes.

Yesterday, I filed an amendment to H.R. 434, the African Growth and Opportunity Act, which amendment would improve our Nation's ability to retaliate against illegal trade practices by foreign governments. Despite efforts to reduce European trade barriers against American agriculture, despite repeated rulings by international trade bodies that European trade barriers are illegal, there still remains a "fortress Europe" mentality against free and fair trade.

The amendment I have filed is designed to strengthen the one and only allowable weapon in our arsenal against WTO noncompliance, the only weapon we have when a country is found to be in violation of the WTO and repeatedly refuses to comply. The only weapon we have, the only method of forcing compliance, is tariff retaliation.

The amendment I filed enjoys widespread bipartisan support. In fact, the bill I filed is similar to the amendment and now has 24 sponsors. It is bipartisan.

This amendment has strong backing by our very diverse agricultural community, and this is certainly no surprise. Ask any corn grower or cattle producer or pork producer. They know and understand their well-being depends on expanding our export markets. We have the greatest agriculture in the world. We do it more efficiently and cheaper and better than anyone in the world today. All our farmers say is: Give us a chance to sell; give us a chance to compete. That is what this amendment is about.

It is my hope the Senate, by adopting this amendment, will take a stand for our farmers and ranchers and send a strong signal to the European Union that their gross violations of international trade law simply must stop.

Specifically, the European Union, despite years of efforts to find a fair solution, continues to defy the World Trade Organization's rulings against its ban on U.S. beef imports and its banana import rules. Both cases are important not just for the specific producers and the distributors impacted by these two cases, but it is important for every American business, particularly small businesses, seeking a fair shot at the European market.

To appreciate the magnitude of Europe's current actions against American agriculture, it is important to put it in the context of recent history. Both these specific trade cases took several years to work through the WTO and were undertaken at great expense to the U.S. Government, and the producers in the businesses are at the heart of this dispute.

Here are the essential facts. This is the story.

The E.U. first imposed their ban on U.S. beef with growth hormones in 1985 and officially banned all U.S. beef in 1989. When the United States sought rulings on this ban, either through the WTO or the General Agreement on Tariffs and Trade process, the result was the same: The E.U.'s ban was found to be without merit and in violation of international trade rules. That was the ruling repeatedly, time after time. First through the GATT process and then through the WTO, the results were the same.

In other words, the WTO, and before that the GATT, found against the European Union for violating trade laws. However, in spite of these repeated rulings, the E.U. has refused to comply, and to this very day, to this hour, to this minute, they continue to refuse to comply. In spite of these rulings, the E.U. has refused to change its practices. In spite of these rulings, they continue to thumb their nose at the WTO decision.

The real question is whether or not the WTO rulings are enforceable, do they mean anything, and every nation that is a member of the WTO has a vested interest in making sure the rulings are enforceable, they do mean something, and they do matter. That is what this amendment is about.

In the face of noncompliance by the E.U., the United States only has one remedy, and that remedy is tariff retaliation. We have no other way to go. This is prescribed, it is allowed, and it is provided for in the WTO rules. This is the only recourse a country has when another country refuses to comply.

Under current WTO rules, the United States can retaliate against a beef ban by imposing tariffs on European imports at a total amount equal to the amount of financial pain being inflicted on our U.S. beef industry. The WTO determined in this particular case that the E.U. beef ban was inflicting $116.8 million per year in economic damages to U.S. farmers.

Although the WTO's $116 million figure is significant, our cattle industry strongly believes this is a very conservative estimate. They believe the actual impact is closer to $1 billion annually.

Let me talk for a few moments about the other case, the banana case. With bananas, the E.U. imposed import quotas and licenses in the early 1990s. While the United States produces bananas in Hawaii, we also have a significant stake in the distribution and sale of bananas domestically and internationally.

Seven times, the WTO ruled that the European Union's attempts to obstruct U.S. banana distribution violated WTO rules—seven different rulings. The WTO determined that the banana policy of the E.U. is resulting in $191.4 million worth of economic damage annually to U.S. interests. Again, the impacted U.S. companies believe the actual damage is more than $1 billion annually. Again, the United States, with regard to bananas, as was the case with beef, has the authority to impose retaliatory tariffs against E.U. products.

Let me recap where we are in the story. With both bananas and beef, the European Union repeatedly has been in violation of the WTO rulings. The European Union has refused, in spite of these rulings, to change its policies.

The WTO procedures provide a waiting period of 15 months for a nation that is found to be in violation of rules to comply. In other words, nothing happens—even as the ruling comes out, nothing happens for 15 months. What happened here in 15 months was nothing, absolutely nothing. The European Union, again, continued for that 15-month period of time not to comply. On the beef and banana cases, we waited these 15 months, and the European Union still didn't comply. So at that point, the United States simply had no choice but to impose tariffs in retaliation—tariffs that are fully allowed under the WTO.

The purpose for allowing the United States to impose tariffs is, of course, to compel compliance with the WTO rulings. It has been 6 months since tariffs on European imports were imposed in response to the banana case, and it has been 3 months since tariffs were imposed in response to the beef ban. So we had the 15-month waiting period. We had some other time that elapsed, and then we had the 6 months and the 3 months in the banana and beef cases. After all this, are the Europeans making any effort to comply with either ruling? We know the answer. The answer is, no, on both counts. They still are not in compliance, and they still give absolutely no indication that they are going to come into compliance.

This is not just about beef. It is very important. It is not just about bananas. It is about whether the WTO is going to mean anything. And it is whether or not the rulings of the WTO are going to mean anything. I think we have to look at the big picture and put this in perspective.

While the European Union, the E.U., continues its fortress mentality and thumbs its nose at the WTO rulings, other WTO member nations finding themselves on the wrong side of a WTO ruling have acted responsibly.

Members of the Senate may ask: Well, what has happened in other cases when other countries have been found to be in noncompliance, to have violated the WTO, and the ruling has come down, and they lost their case and they have lost their appeal? What have they done? The answer is, they have done what you would expect them to do. They have complied.

The United States has lost four separate WTO cases. In each case, after losing, we complied. Canada has lost and they complied. Korea lost and Korea complied. Japan lost and Japan complied. Everybody but the E.U.—all of these countries that lost their cases came into compliance. In fact, every nation found in violation of a WTO ruling has come into compliance—every nation—except for the nations of the European Union.

Retaliation is the only authorized tool to bring a country into compliance with WTO rulings. That is the point of this amendment, to make this authorized retaliation more effective and to get the job done.

What is a nation to do if its current list of imports subject to retaliatory tariffs is not working to move the offender such as the E.U. into compliance? The solution, I believe, is to seek other products to target and at tariff levels that will impose the kind of pain that will cause the European Union to see compliance as the remedy. This is a process known as "carouseling." That is what this amendment is about.

In both the case with bananas and the case with beef, we came forward with a list of products that we were retaliating against and the duties were imposed. Nothing has happened. What our amendment provides—and I will discuss this in greater detail later when I formally offer this amendment—is that if the first list of items on which we are imposing tariffs to retaliate against the E.U., quite candidly, does not inflict enough pain to get their attention, then we need to carousel or change the list.

The amendment provides that at least one of the items must be changed. It provides that many can be changed, but at least one has to be changed. The whole idea is, if this is the only way we can get their attention, the only remedy we have, the only tool we have, the only stick we have is this type of retaliation, we must make sure it is effective and we must make sure the correct products are being chosen on which to inflict the pain to get the attention of the E.U. That is what this amendment is all about. It is a rather modest amendment, but it is an amendment that we believe will significantly make a difference.

To date, the administration has refused to carousel products in either case. They do have, currently, the authority to do it, although they are not compelled to do it. As long as the E.U. remains unwilling to comply with WTO rulings, it becomes more imperative that the tool of retaliation be used effectively. Our amendment would do that by requiring the United States to change retaliation lists periodically to inflict pressure, pain, on the noncomplying party to comply—in this case, the E.U.

The ramifications of the E.U.'s noncompliance with the entire WTO dispute settlement process is staggering. If the E.U. is successful, if they get away with this, then we can expect them to continue this tactic on other products and other commodities, and the entire WTO process will mean nothing, at least as far as the E.U. is concerned.

The issue today is beef and bananas, but tomorrow it could be grains, apples, peaches, potatoes, perhaps even computers. Who knows? A lot is at stake. We must ensure our retaliation does, in fact, result in compliance. We must ensure that it works.

This amendment would require the carouseling—or the rotating—of products on a list of goods subject to retaliation when a foreign country or countries have failed to comply with a previous WTO ruling. This amendment would help ensure the integrity of the WTO dispute settlement process because it would provide the U.S. Trade Representative with a powerful mechanism to place considerable pressure on noncomplying countries to actually comply.

In conclusion, it is my hope that in the near future, my fellow cosponsors and I will have an opportunity to have a more detailed discussion of this amendment and the issues involved and that the Senate will overwhelmingly approve our amendment.

It is time, frankly, to break down the barriers of fortress Europe in the name of fairness for American farmers.

I thank the Chair and yield the floor. And I do thank my colleague from Minnesota for his courtesy.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, first of all, let me repeat, in about 2 minutes, what I suggested today about the legislation before us, the several trade bills.

I think while those who argue, with the WTO meeting that is coming up in Seattle, that we might be able to have some enforceable labor provisions and environmental provisions, and, for that matter, think about a fair shake for farmers in this trade regime, now bring to the floor of the Senate some trade agreements where there is no enforceable labor standards whatsoever, no enforceable environmental standards—zero—the message of this legislation to working people in this country is: If you should want to organize and bargain collectively to make a decent wage, those companies are gone. And the message to people in other countries, the Caribbean and African countries, is: The only way you get investors to your country is if you are willing to work for less than 30 cents an hour, or whatever.

This is hardly legislation that leads to the uplifting of living standards of working families in our country, much less poor and working people in other countries.

I am opposed to these trade bills and have had a chance yesterday to lay out my case. And Senator HOLLINGS has spoken today. Others may have spoken, as well.

But what I want to do right now is speak to another issue which I think is almost more important than the legislation before us.

We now have legislation out here, and the "tree" has been filled with amendments, so there is no opportunity whatsoever for those of us who have been saying for a while that we wanted to have an opportunity to offer some amendments, some legislation that we think will make a difference for the people we represent, there is no opportunity for us to be able to do so. That is what is at issue.

If the majority leader, to whom I spoke about this earlier, was serious about trying to get this legislation passed, getting the necessary votes for cloture, then certainly we wouldn't have a piece of legislation on the floor with the tree filled with no opportunity for Senators to offer amendments. The majority leader wants to argue they have to be relevant amendments. Who gets to define relevant? One wonders whether or not, if we had amendments to have enforceable labor standards, that would be viewed as relevant.

For me, it has been, now, about 6 weeks. This is why I deferred to the Senator from Ohio. First of all, he was on the floor first and I didn't want to precede his speaking. Secondly, I want to take a little bit of time. I think probably I will wait for a more timely time to take more time because one way or the other I am going to force a vote on some agricultural initiatives. The Chair and others can vote for or against it, but I have, for the last 6, 7 weeks, asked the majority leader, when will I have an opportunity to offer legislation I think will fix not all that is wrong but at least could make a positive difference? Other Senators can disagree. But we take responsibility for what we do, and we vote one way or the other. We debate one way or the other, and then we are held accountable.

The exchange I had with the majority leader today about this has been going on for quite some time. The majority leader said he was pretty sure if I introduced an amendment, he probably would be opposed to it. That is fine. It think the more important point, which is what I tried to explain—I don't choose to debate the majority leader; he is not here—is that nobody in the Senate, Democrat or Republican, should be under the illusion, because we passed a financial assistance package, emergency package, that we have, in fact, dealt with the price crisis. I don't know of any producers who feel good about this bailout legislation every year. People are sick of it. They want us to get to the root of the problem.

They don't think the farm policy is working. I don't think it is working. I don't even choose to point the finger. I thought Freedom to Farm was "freedom to fail." I never liked it. I thought it was a big mistake. I thought it was great for the packers and the grain companies. I didn't think it was good for family farmers. Others take a different position.

It seems to me the point is, looking forward not backward, whether or not we are willing to talk about some modification, some adjustment, some changes. If Senators don't think taking the cap off the loan rate makes sense, then what else? If Senators don't think a moratorium on these mergers and acquisitions, which is what I will talk about today—that is the amendment I wanted to introduce to this legislation, which the majority leader shut me out from doing right now—makes sense, then perhaps Senators will have other proposals.

In farm country in Minnesota—maybe it isn't that way in Montana—almost everybody I know thinks there is a correlation between monopoly power, the power of a few companies that muscled their way to the dinner table and have control, and their low prices. The farm retail spread grows wider and wider, a lot of our producers face extinction, and the packers are in hog heaven. IBP makes record profits, and pork producers are going under.

I thought I could introduce this amendment today, which I will explain.

Mr. President, I came to the floor probably for the sixth or seventh time today to ask the majority leader when I would have an opportunity to submit an amendment to introduce legislation that I believe will speak at least in part to the economic convulsion that is taking place in agriculture. We have too many family farms that are going under the auctioneer's hammer. There are too many of our producers who are being driven off the land.

If I had to pick one "issue" that means the most to me right now just in terms of the emotion of it, it would be what is happening to our producers. What is happening to our producers is they are being driven off the land. This is not only where they work. It is where they live. I think it is all quite unnecessary. I think if we were willing to change some of the policies, this wouldn't be happening.

I am determined one way or another to force the Senate to vote up or down on several initiatives that I believe would make a difference. If there are other Senators who have a better idea than having a moratorium on these mergers and acquisitions that are leading to more monopoly power by these conglomerates and driving farmers off the land, or have a better idea of taking the cap off the loan rate, or creating a farmer loan reserve, or extending the payment period on the loan rate so that farmers have some leverage vis-a-vis these huge conglomerates, then come out on the floor of the Senate with your ideas. If there are Senators who believe we should leave in the next week or two without taking any action whatsoever to deal with the price crisis, to deal with what is really going on in agriculture, then come on out and make the argument.

I appreciate the exchange with the majority leader. But, to tell you the truth, I think what is going on in the countryside doesn't have much to do with whether or not the majority leader says something that is fairly clever, or I say something that is fairly clever, or we have a kind of back and forth discussion. That is fine. Each of us is saying what we believe. Each of us is representing what we think is right.

The only thing I know is that October 25, 1999, at the Bird Island Elevator in Renville County, wheat was $2.89 a bushel; corn was $1.43 a bushel; soybeans were $4.04 a bushel; and this is way below the cost of production. These farmers can work 19 hours a day, be the best managers in the world, and they are still going to go under.

If U.S. Senators want to come out on the floor and amend the "freedom to fail" bill, feel free to do so. But let's have the debate. More importantly, let's all come out here with some legislation, some change in policy, that will make a difference so we don't lose a whole generation of family farmers.

In Minnesota, farm income has decreased 43 percent since 1966, and more than 25 percent of the remaining farmers may not be able to cover expenses, or won't be able to cover expenses in 1999.

That is why I take it so personally when I am essentially told again: We are going to shut you out. We are going to bring this legislation to the floor. We are going to fill up the tree, and we are going to make sure, Senator WELLSTONE, that you can't come out here with an amendment, or with legislation that you think would help farmers in your State.

I hope my colleagues will vote against cloture, whether or not they are for this trade legislation, just because of the way business is being conducted in the Senate. The way business should be conducted in the Senate is that when we have a piece of legislation, Senators must be able to come out with amendments they believe are an important part of their work to represent people in their State. If other Senators don't agree, they can come out and disagree. If other Senators want to come out and say you have no business bringing legislation to the floor of the Senate that deals with agriculture because we are on a trade bill, then I would ask you: When have I had the opportunity over the last several months or for the last year? The majority leader alluded to some of my colleagues who think that because we passed the financial assistance package we have dealt with the problem. Spend one second in Minnesota, come on out to northwest Minnesota, or west central Minnesota, or southwest Minnesota, or southeast Minnesota, and meet with some of our producers. Look in their faces and see grown men and women break down and cry. Why don't you come out to do that? Since, again, we are not going to take any action—this legislation is now filled up with amendments—people in greater Minnesota don't know and have any idea what "fill up a tree" means. It means, once again, we can't come out here and fight for the people in our State.

DEAR FARM AID: My husband and two of our sons live on the farm in Missouri. My husband has loved the farm ever since he was a little boy. It would just kill him if he loses it. And in fact it might just kill him. I am so very concerned. We have been farming several years, and we have gone in and out of bankruptcy. That is why we cannot get financing to save our farm.

I will make a long story short. I am not used to this. We have no place to go. Our farm may be sold at the end of September on the courthouse steps. Many lives will be affected. I am really worried about what will happen if we can't hold onto our farm. We have worked our entire lives and made many improvements to the farm. I do not know how you can help. You cannot give farmers a price for what they sell, but anything you can do would be appreciated. The banks are demanding $200,000 from us. Time is very critical. If you can save our family farm, we will be forever grateful. You may even save one's life.

Actually, we can do something about the price. When we talk about taking the cap off the loan rate, we are saying to farmers, get more leverage in the marketplace to get a better price. When we talk about farmer on reserve, we are talking about farmers being able to withhold their grain until they get a decent price. When we are talking about the need to take antitrust action and a moratorium on the acquisitions and mergers, we are simply saying to our livestock producers when there is less concentration of power, there is a much better chance of getting a decent price.

When a farmer is at an auction and there are three buyers for what is being sold, one does not get a very good price.

DEAR FARM AID: We are at our wit's end. This farm has been in our family since 1908. We are one of the only original homestead families still surviving. We fought off foreclosure three times since the 1980s. We have four children and we don't live a fancy lifestyle. We built a new home 6 years ago. Or rather we tried to build a home 6 years ago. We still hope to have siding on the house one day. We got running water 3 years ago, and fortunately we have electricity. We were able to purchase a window for the house in 1997, and some day the house will have flooring and sheet rock. This is our only luxury. We don't have any retirement, life insurance or health insurance.

I repeat: We don't have any retirement, life insurance or health insurance.

Our farm has been listed for sale 5 times but so have all our neighbors' farms. There is not employment in this area and the nearest city is 78 miles from us [Montana farm.] Yet we do not want to leave. We owe the bank $39,000 currently and we know they will not release any income for our land payment that is due this January. Therefore, we face foreclosure in 2000. We don't know which way to jump. Should we declare bankruptcy? We cannot afford a lawyer. We don't even have money for groceries. We are not ignorant and we are not bad farmers. We cannot compete against the large companies. Last year we couldn't even sell our grain and it had to go under the CCC loan. We delivered the grain for loan repayment but it didn't bring enough to cover the CCC loan and we owe an additional $1,765 on that, as well. What can we do? Should we concede defeat and lose our legacy? Our son would have been the 6th generation to work this land. Where will he go? We can no longer qualify for conventional loans. What's next? What do we do? We are so scared. In 1 year we can lose what has taken 92 years to build. We have tightened our belts as far as we can. We live on less than $3,000 a year.

Senators, are you listening to that?

Please tell us what we should do. We live on less than $3,000 a year. Please tell us what we should do.

What we should do, come early February when we come back in session, before spring planting season, is have 10,000 farmers and rural people coming to the Capitol and rocking the Capitol. That is what we need to do. We need to have farmers, rural people, the religious community, labor and supporters coming right here—people are not going to come by jet because they don't have the money—buses of people coming from the Midwest, the South, and other agricultural States, joined by allies, have face-to-face meetings in every Senator's office, every Representative's office, be he or she a Democrat or a Republican. That is what we are going to need to do.

It is clear to me with a week to go we are not going to take this action. I can't even get an up-or-down vote on one amendment. I can't even get an up-or-down vote. I can't even get a debate. On this piece of legislation, the tree is filled. No amendments can be introduced.

But today won't be the day because the Senate right now is waiting until the cloture vote on Friday. The first opportunity I get to get the floor when we do need to do a lot of business, I will be out here talking for hours about agriculture—for hours.

A Kansas farmer's daughter:

My father is a farmer and the bank is foreclosing on his farm. Due to circumstances beyond his control he has been unable to make his mortgage payments. He was able to forestall the sale scheduled for June 9, 1999. I don't know how much longer he can put them off. He has been farming since he got out of the army in 1945. He is 77 years old and he is still trying to make a living. He has no life insurance and I am fearful that his health will not hold out. Is there any help for him? What can be done to help him maintain his farm?

All appeals have fallen on deaf ears.

Including the deaf ears of the Senate.

At this moment, I hold the majority party accountable for not enabling us to come to the floor with amendments to try to change the situation for the better.

All appeals have fallen on deaf ears. This farm has been in our family since the 1800s. We don't want to lose it. But it seems one way or the other my father's life will be taken. Either the stress and his health will kill him, or losing the farm will kill him. Please help.

I am going to repeat that so often on the floor of the Senate. We debate statistics. It is all abstractions. It is all party strategy. Several hours ago when I came out ready to go with this good bill to impose a moratorium on large agribusiness mergers and establish a commission to review large agricultural mergers and the concentration of market power with Senator DORGAN, the majority leader came out and through several motions filled up the tree.

That is what we are talking about—filling up the tree. Don't let Senators have any amendments. Then I heard the majority leader say: We certainly don't want to have something dealing with agriculture.

It seems one way or the other my father's life will be taken. Either the stress and his health will kill him or losing the farm will kill him. Please help.

I guess this woman in Kansas isn't going to get any help today from the Senate. Won't get any help tomorrow. Since the majority leader has filled up the tree, there is not opportunity for any amendments at all, no opportunity to bring legislation to the floor to try to make a difference. No opportunity.

Please help.

I am going to read this again quickly because several other colleagues have come to the floor. This woman is talking about her dad. He is a World War II vet. He is 77 years old. He is trying to make it on the farm. She says:

What can be done to help him maintain his farm?

With these record low prices and record low income.

All appeals have fallen on deaf ears. This farm has been in our family since the 1800s. We don't want to lose it but it seems one way or the other my father's life will be taken. Either the stress and his health will kill him or losing the farm will kill him. Please help.

There is no help from the Senate today because the majority leader has filled up the tree and I don't have the right to come to the floor with an amendment to try to help this woman, this farmer or other farmers in our country. When are we going to do something about agriculture? Are we sleepwalking through history? I see my colleague, Senator GRASSLEY from Iowa. He knows what is going on in the countryside. I know he knows. But I just believe the Senate does not. We are going to go with the current policy? Do Senators not believe that we need to make perhaps some modification, maybe some adjustments when farmers are getting prices way below the cost of production? When the men and women who produce the food and fiber for our country cannot even make a decent living, do we think we should not be doing anything about this?

Iowa farmer:

I am a hog farmer and as you know times are tough. I want to make some changes in my farm business that would necessitate an off farm job. I do not have much choice. I have to get an off farm job, or I will have no farm. I'm 54 years old, I'm healthy, and I have a BA in history. When I go to the employment agencies, I feel like the counselors do not know how to help me. The only jobs out in my area are low paying factory or sales jobs. Do you have any suggestions? I feel that time is running out.

I hear that so often. I hear that so often from farmers. They say, "I feel like time is running out."

That is the way I feel, as a Senator from the State of Minnesota. I feel that time is running out. I feel that time is not neutral. I feel if we stand still and we do not pass any legislation that will make a difference and we do not change this failed farm policy, a whole generation of producers are going to be wiped out in my State of Minnesota. The majority leader fills up the tree, denying me and denying other Senators an opportunity to come out here with legislation we think would help people in our States.

By the way, I am pleased to debate this with any Senator, the majority leader and others.

An Illinois farmer wife:

DEAR FARM AID: My mother and father-in-law saved and borrowed enough money in 1945 to buy an 80-acre farm in Illinois. They farmed with horses, milked cows, raised hogs in the Timber Creek Bed and raised 12 children. My husband now has had the farm turned over to him since his parents have passed away and his sister was killed in a car accident 2 years ago. My husband is, has always been, a very hard worker.

Boy, I tell you, this sounds like my mother, Mensha Daneshevsky. If she really liked somebody, this was her ultimate compliment. She would say, "He's a hard worker" or "She's a hard worker." My mother is no longer alive. I tell you, family farmers in Minnesota and around the country are hard workers.

We both work at jobs full-time, our other jobs outside the farm. We were both raised on a farm and we both love to farm. We cash rent three other farms close by to get along, but we are still having an awful time. The prices are so low that we just cannot seem to make ends meet.

That is the point. I cannot believe it when Senators come out here on the floor, or at least one Senator today, and talk about this emergency financial crisis bill we passed, this disaster relief bill we passed, as if this is a response. It does not have anything to do with low prices.

All that money we have been spending, more than we ever spent before in the "freedom to fail" bill, is only enabling people to live to farm another day. There will be no "other day" for these farmers until we deal with the price crisis. I am told by this majority party that I cannot bring an amendment to the floor to try to enable this family to make a living?

Prices are so low that we cannot seem to make ends meet. If it wasn't for our jobs in town we would have lost everything my husband's parents worked so hard for. We are doing all we can, but we just cannot get out of debt. In fact, we are going deeper and deeper into debt every year. My husband and I have shed many tears and had many sleepless nights trying to figure out just what to do to save our family farm. We do not want to lose it. Do you have any help for us or anything else that we can do? We lost over $20,000 this year. It breaks my heart to see my husband work so hard and get so tired of working two jobs and still not making it. Please help us. If we could just get a break, even on this year, things would be easier. Thank you for listening and I hope you will be able to help my husband save his deeply loved family farm.

I have hours of stories, especially from Minnesota farmers. I am going to pick the right time on the floor of the Senate to go through all of that, especially when the Senate most needs to do business.

But this is what I hear over and over and over again. "Thank you for listening and I hope you will be able to help my husband and save our farm."

The answer is: I can't. I can't. I can't help save family farmers in my State or in other States because the Senate, and in particular—I don't usually come out on the floor and do this, but I am doing it today—the majority party which filled up this legislation with amendments has turned its back on agriculture. I heard today we do not want to deal with agriculture.

When are we going to deal with agriculture? Exactly how much longer do you think these people have? How many farmers do we want to see driven off the land? How much more pain do we want to see? How many more families do we want to see shattered before we do something?

This is about the angriest I have ever been since I have been on the floor of the Senate because I was ready to do this amendment. I say this to my colleague from Iowa, who is a good friend, he has nothing to do with anything I am talking about. But I was ready to have a debate. I was ready to bring out this amendment. I was going to say I think we ought to have a moratorium on these acquisitions and mergers because they are taking place at such a breathtaking pace, and I think what is happening is we are moving to monopoly and our family farmers cannot get a break. Let's have a study of this and let's put a moratorium on it for 18 months.

I tried. I have an amendment that is I don't know how many pages. It is well thought out. My colleague from Iowa could agree or disagree. We even had some discussion. He raised some questions I thought were important questions. But as long as we have legislation out here with the tree filled and no opportunity to do the amendment, there is just no opportunity to do it.

I would not be out here today saying this, but this is the sixth or seventh time. For the last several months, I have been saying: When do we have the opportunity to have this debate? It is hard to go home and meet with people and know people are hoping for some change and know this disaster package we passed does not do anything but enable people to survive. But then what about next year and next year? People want to know: Do I have a future? Do my children have a future? What is going to be done?

Basically, what we get out here today on the floor of the Senate is a parliamentary maneuver which basically denies any Senator from coming out here with amendments.

Therefore, I do not know what is going to happen, but I certainly hope my colleagues will vote against cloture. Then, of course, it becomes a game again. Then the President, who wants this legislation, will not get the legislation. Then some people can say that is good; we don't care one way or the other anyway. Or people can point the finger and some people can say: Those who voted against cloture, they are the ones who killed it, and many of them were Democrats.

It goes on and on and on, this grand political strategy.

Look, I don't support this legislation. I was out on the floor the other day stating my reasons why. But, frankly, I think there is a larger question. That has to do with whether or not we are going to have debate on issues that are important to the lives of people in our country and whether we are going to have the opportunity to represent and fight for people in our States. Today certainly is not such a day.

I have at least a 2-hour historical analysis, but not today—I got the attention of my friend from Iowa—at least a 2-hour historical analysis of concentration in the food industry. I will go back to the Sherman Act, the Clayton Act, and some of the work of Estes Kefauver. I will talk about the Farmers Alliance, the populist movement, the gilded age, Teddy Roosevelt, and what we should be doing. As a matter of fact, tomorrow I have the opportunity to testify about Viacom buying up CBS. It is pretty incredible. There we have concentration in the media, telecommunications, which deals with the flow of information in a representative democracy. I think food is a pretty precious commodity.

I will summarize what this amendment would have done, if adopted.

This amendment represents comprehensive legislation. I would have offered this with Senator DORGAN—he would be out here, Senator HARKIN would be out here, and other Senators would be out here—to deal with the problem of market concentration in agriculture. Anybody who does not think we do not have a problem of market concentration in agriculture just does not know what is going on in the countryside. If anything, we are looking to put free enterprise back into the food industry.

Given this concentration, given the mergers, given the anticompetitive practices, and given the failure of our antitrust authorities to remedy the situation, we need to do something.

A moratorium on these large agribusiness mergers is something the Congress can do right now. This would apply to mergers and acquisitions among firms that do at least $10 million of business annually. It would apply to mergers and acquisitions that, under current law, must already be filed with the Justice Department and FTC; namely, the mergers and acquisitions in which one party has net revenue or assets over $100 million and the second party more than $10 million. The moratorium would last 18 months or until the Congress enacted comprehensive legislation to address the problem of concentration in agriculture, whichever occurred first. We also would set up an agriculture antitrust review commission to study the nature and consequences of concentration in the agricultural sector.

We have a long history in our country, a glorious history, of ordinary people who have been willing to take on concentrations of wealth, of economic power, and of political power that are unhealthy for democracy. They were some of our greatest leaders: Thomas Jefferson, Andrew Jackson; think about the New Deal, the Progressive era, Teddy Roosevelt, and the People's Party of the late 1800s.

The populist platform of 1892 at the nominating convention in Omaha declared:

> The fruits of the toil of millions are boldly stolen to build up colossal fortunes for a few unprecedented in the history of mankind.

The People's Party founder, Tom Watson, thundered:

> The People's Party is the protest of the plundered against the plunderers.

The late 1800s and the early 1900s is the way it seems to me in this country now. I keep referring to my colleague from Iowa because he is a friend. I do not know what his experience is, but when I speak, for example, to pork producers—there may be several hundred there—it seems as if I am in the late 1800s when the deck was stacked against producers. It really does. They work hard. There are just a few packers who pretty much control everything. The producers do not understand why they cannot even make a living and IBP is making millions.

Come on, what is going on? Where is the competition? Let's give our producers a fair shot, a fair shake. That is all they are asking. I have not met anyone in the countryside—and this transcends all party differences—who does not believe there is some correlation between the concentration of power and the low prices they receive.

Everybody thinks this is a problem, and we are sitting on our thumbs. I am told today by the majority leader, in filling up the tree: We don't want these amendments such as agriculture; that is unrelated; that is not relevant.

An amendment on agriculture is relevant to me. It is relevant to Minnesota. It is relevant to family farmers in the Midwest. It is relevant to rural America. If I cannot meet the majority leader's definition of relevant, then I will just have to come to the floor whenever I can and take as many hours as I can to talk about what is relevant.

There is nothing more relevant to me right now than the pain and agony of family farmers in my State of Minnesota, and there is nothing more urgent, from my point of view, than for me to try, even if I lose—I may very well. Cargill, IBP, ConAgra, and Monsanto have a fair amount of clout, but I think it is worth trying to take them on. I really do. At least I am going to try to fight for it, and at least I am going to try to continue to force this question in the Senate. If I cannot get an up-or-down vote and keep getting blocked, then I will just have to figure out ways to block the Senate as we try to do our business because to me this is the relevant question.

What is relevant to me is that on the present course, we lose a generation of producers. We can change the course. We can change some of our policy. We can make some modifications. We can make some adjustments. We can get the price up. We can give our producers some protection against these monopolies. We can do something that will make much more sense on trade policy, and we can make a difference.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, on the Africa trade bill, which is now before the Senate, we are in a parliamentary position in which all the amendments offered have been offered by the Republican side. Such a position had to be taken by the majority leader because of failures to get time agreements and commitments from the other side, meaning the Democrat side, on a limitation on amendments and time agreements on those amendments so we could bring this bill to a vote.

I hope our Democrat friends will heed the necessity of this legislation from President Clinton's State of the Union Address that this was one of the most important goals of his administration. Since the Republican majority in the Congress is often criticized by the President for not working closely with the President—and I think those charges by the President of the United States are overblown most times, but those charges are still made. So in the present environment in which one of the President's prime pieces of legislation is before the Senate, with a determination by our majority leader to help get this part of the President's program into law, I would think the Democrat minority would be embarrassed that they are taking actions that make it difficult to get one of the President's programs through this Congress for the President's signature.

I hope, as one Senator—not speaking for the majority leader, just speaking for myself—they will reach agreement on these very important amendments so we can bring this bill to finality and get it sent to the President, not because it is one of the President's major goals, not that it shows the President's charges against the Republican majority are many times unfounded, not for any of those reasons, as legitimate as that might be, but because the substance of this legislation is very important for the economy of the United States and the economy of the countries that it applies to—because free trade strengthens economies, free and fair trade creates jobs, not only in the United States, but also economies that practice free trade anywhere around the world are stronger economies because of it. That is the goal we seek in this legislation.

We have heard we have a lot to fear from free trade. In the last few months, we have heard from many quarters that free trade is harmful because it destroys jobs. We have heard free trade is not fair trade because it causes investments to shift overseas. We have heard that the Africa trade bill will do both of these things, as well as cause illegal transshipment that we cannot do anything about.

When you look at the facts, none of these three arguments that are used against this piece of legislation has any merit. First, let's look at the claim that free trade destroys jobs. The 50-year history of the multilateral trade negotiations, first under the General Agreement of Tariffs and Trade, and now under the World Trade Organization, called WTO for short, shows the enormous positive effect on the world economy of liberalizing trade by reducing tariffs and getting rid of nontariff trade barriers.

We have had eight series, or rounds as they are called, of multilateral trade negotiations since GATT first started in 1947. We are about to launch a new round, the ninth one, at the WTO Ministerial Conference in Seattle in about 5 weeks.

During the first round, the Geneva Round it was called, in 1947, we negotiated 45,000 tariff concessions affecting one-fifth of world trade.

In the sixth round, which was called the Kennedy Round, we slashed custom duties on average of 35 percent.

During the last round, the Uruguay Round, starting in the middle 1980s, ending in 1993, we reduced or eliminated many nontariff trade barriers.

The results of this trade liberalization have been nothing short of astounding—creating jobs, expanding the world economic pie, creating better economies in various countries around the world, enhancing political opportunities and, most importantly, political stability. The expansion of free trade that has followed this 50-year period of trade liberalization has spurred one of the greatest bursts of wealth creation the world has ever seen.

In 1947, when we started postwar trade liberalization, the total value of world exports was about $50 billion. Today, the total value of world exports is $7 trillion, more than 3½ times the total budget of the United States.

Free trade has enriched every American family. According to the President's own 1998 economic report, the added economic benefit to each American through expanded trade is $1,000 per year or $4,000 per year for a family of four, as we measure families in America. This is equivalent to an annual $4,000 per family tax cut. Where can one get a $4,000 tax cut these days? Even the tax cuts now being debated in the Congress do not come anywhere close to this amount of money to enhance family income and disposable income.

The facts that show the benefits of free trade seem to be so compelling that in explaining them, I don't know where to begin.

Let me mention a recent example that comes from NAFTA. According to a September 1998 report published by the nonpartisan Congressional Research Service, approximately 191,000 jobs were certified, between January 1, 1949, and August 12, 1998, as potentially suffering NAFTA-related loss—affecting 191,000 workers. That is on the negative side. We have always said that free trade will cause some job dislocation. That is why we have programs such as trade adjustment assistance—to ease the transition that is sometimes necessary when we have open markets.

On the positive side, there has been much more gain. Let's go back to that Congressional Research Service study I cited. The number, 191,000 workers affected negatively by NAFTA over 4 years, represents less than the number of jobs created in any single month in 1997. In contrast, then, on the positive side, more than 1 million new jobs were created from new exports to Mexico and Canada after NAFTA was enacted into law—more than 1 million new jobs.

Next let's look at the claim that is made by opponents of this legislation or free trade generally that it causes investment to shift overseas. That claim, too, has little or no merit. Section 512 of the NAFTA Implementation Act required the President to provide a comprehensive assessment of the operation and effects of NAFTA to Congress. The President's report shows that the amount of new United States investment in Mexico is very low.

Again, the specific facts are compelling. In 1997, direct United States investment in Mexico was $5.9 billion compared to United States domestic investment in plant and equipment of $864.9 billion. In other words, United States investment in Mexico was less than 1 percent of all United States domestic investment in plant and equipment in 1997. So much for that giant sucking sound we were supposed to have heard continuously from south of our border.

Free trade has been so good for our economy. If all these predictions about economic disaster haven't come true when we have liberalized trade in the past, it is clear we shouldn't fear tearing down barriers around the world, as we have for the last 50 years with the good results we have for the 50 years, without the expectation that those beneficial impacts would continue. We should, then, embrace such an opportunity.

Let me get specifically to the Africa trade bill. The fear that the Africa trade bill will cause a huge influx of illegal textile transshipments from Asia, as has been stated on the floor of the Senate, just is not true. I cite the International Trade Commission study, our own Government. It looked at the transshipment issue. Here is what our International Trade Commission found:

Assuming we will get illegal transshipments in a worst case scenario, the ITC study shows that U.S. apparel shipments would drop by one-tenth of 1 percent and result in the loss of less than 700 jobs. Again, to put this number in perspective, the U.S. economy has created about 200,000 jobs each month this year.

Remember, the ITC study guesstimate of 700 jobs is based on a worst case scenario. It is highly unlikely, then, that sub-Saharan Africa will see this level of export growth in the near term. They don't have the infrastructure. They don't have the trained workforce. They don't have good transportation. And the Africa bill has strong anti-transshipment provisions.

One might say, then, why the big deal about the Africa trade bill? Because trade is better than foreign aid and because, when you want to build up the economies of the developing nations, you start someplace. This is how we can best help them to help themselves.

Participating countries will have to commit to full cooperation with the United States to address and take any necessary action to prevent transshipment. The spirit of this legislation is that there not be transshipment. In addition, the U.S. Customs Service has effective procedures to thwart illegal transshipments, as Customs jump teams have proven to be successful in doing in both Hong Kong and Macao. And there are many other provisions aimed at preventing transshipments. So free trade works. Free trade creates jobs and prosperity in the United States, adding $4,000 every year in economic benefits to each American family at home. Free trade keeps the peace by building interdependence among nations, and by bringing political stability to nations that heretofore have relied upon dictators and relied upon a government-controlled economy. Finally, free trade will help Africa break the shackles of poverty by bringing economic freedom to the most economically unfree and also the poorest regions in the world. So I urge my colleagues to join me in supporting this important piece of legislation.

Mr. President, I ask unanimous consent that the pending amendment, No. 2335, be temporarily laid aside in order for Senator REID of Nevada to offer an amendment. I further ask unanimous consent that at the conclusion of that amendment, amendment No. 2335 become the pending business.

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

AMENDMENT NO. 2336

(Purpose: To amend the National Defense Authorization Act for Fiscal Year 1998 with respect to export controls on high performance computers)

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2336.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS OF HIGH PERFORMANCE COMPUTERS.

Section 1211(d) of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—

(1) in the second sentence, by striking "180" and inserting "30"; and

(2) by adding at the end, the following new sentence: "The 30-day reporting requirement shall apply to any changes to the composite theoretical performance level for purposes of subsection (a) proposed by the President on or after June 1, 1999.".

Mr. REID. Mr. President, I was born and raised on the southern tip of the State of Nevada, in a little mining town called Searchlight. When I grew up, there wasn't a single telephone anyplace in the town. No one had a telephone. In the home I was raised in, there was no hot water. We had no indoor toilets; they were outdoor toilets. It was primitive—well, I would not say primitive, but we weren't very modern there. That is the way it was with a lot of people in rural Nevada at that time.

Today, it is hard for me to comprehend what has taken place in the advancement of science. I can go home at night and see if I have received any e-mail on my computer. It is easy to do. I open my computer and it says, "You've got mail." I open that up and find out who has contacted me by e-mail, and it is like magic. I press a button and I can reply to that person as quickly as I can type that message out. That message is sent quicker, of course, than the speed of light. It is gone. It is amazing. I can check to find out the weather on my computer. I can communicate and buy a CD, or anything else I want, on my computer. I can't imagine how that can happen, but it happens.

I rise today in total awe of what is happening in science and technology in America. The amendment I have offered is an amendment that is critical to maintaining our Nation's lead in the high-tech sector. Specifically, this amendment is crucial to the computer industry, the industry that allows me to communicate, for example, with all five of my children. It is easy to do. It is easier to do than seeing if they are home by virtue of a telephone. It is easier to do because it is very convenient. They can send me a message when I want a message sent. I can send them a message when I have the time. I can have a good time with my children over the Internet. I sent one of my boys, who is the athlete of the family, an e-mail last weekend saying that I think the Redskins are going to do well if they get a new coach. He was an athlete at the University of Virginia. It is the first time I can remember that the University of Virginia soccer team has not been ranked in the top 10; they are in the top 20. I suggested to my son that it might not be a bad idea to get a new coach for the soccer team at Virginia.

This is done so quickly. He will communicate back to me when he has the time. I am in total awe of what is going on in the high-tech sector.

This amendment relates to an issue I have been interested in for quite a long time and, in particular, have done a lot of work on this session with some of my colleagues. What I am concerned about is bipartisanship. For once in this legislative session, we are doing something that is bipartisan. I have to say it appears the underlying bill is generally bipartisan, even though some disagree with it.

I want to talk about the U.S. computer industry. According to an article in Computers Today, one of the many computer trade journals, dated July of last year, American computer technology has led the world since the first commercial electronic computer was employed at the University of Pennsylvania in 1946. The advancements that have been made are unbelievable. I can remember, before I came back to Washington, going to the Clark County

Courthouse and being shown around by the person who was in charge of the computers for the county. It was a whole floor of that large building. Of course, it had to be really cold because computers needed constant cool temperatures. Well, today, what was done on the whole floor of that Clark County Courthouse can be done on a computer the size of a briefcase.

The industry is constantly changing with new companies and new products emerging every day. A statistic I find fascinating is that more than 75 percent of the revenues of computer companies comes from products that didn't exist 2 years ago. That statistic shows they will continue to grow and change rapidly.

Through research and development that is largely due to another issue I have strongly favored, the research and development tax credit—and I think it should be permanent—the computer industry has been able to remain competitive for these many years. The challenge we now face is a challenge that, frankly, we haven't lived up to in the past as a Congress, and that is to allow our export control policies to change with the times and not to overly restrict our Nation's computer companies.

In the free enterprise system, entrepreneurs have never been so in charge of what is going on than in the computer industry. They have led this Nation forward economically. We have to give them the freedom that they can continue, in this free enterprise system, to sell the product. We need to stop trying to control technology by politics. We have to start controlling technology by allowing the businesses to go forward. The technology we are regulating, computers with performance levels of 2,000 to 7,000 millions of theoretical operations per second, or MTOPS, is readily available from many foreign companies. Companies from countries such as China and other tier III countries are moving into this field rapidly.

Not too long ago, I secured funding through Congress for a supercomputer at the University of Nevada at Las Vegas. We were so proud of that computer. It required its own room. It is now about as powerful as my laptop computer. The supercomputer is no longer the same supercomputer it was then, in 1988 or 1989, when it came to UNLV. That is exactly, though, the kind of computers we are still regulating politically.

Computers that are now considered supercomputers operate more than 1 million MTOPS, or about 500 times the current level of regulation. Last month, Apple began producing a computer that exceeds the current threshold and, as a result, Apple is unable to sell its new G4 computer systems in over 50 countries.

The bottom line is that by placing artificially low limits on the level of technology that can be exported, we may be denying market realities and could very quickly cripple America's global competitiveness for this vital industry. If Congress doesn't act quickly, we will substantially disadvantage American companies in an extremely competitive global market.

On July 23, 1999, at my urging, and the urging of some of my colleagues, the President proposed changes to the U.S. export controls on high-performance computers. Since that announcement, the President's proposal has been floating around Congress for a mandated review period of 180 days, or 6 months. When the President made his proposal, the new levels would have been sufficient; however, we are still regulating under the old levels, and therefore hindering companies such as Apple from competing in tier III countries with other foreign companies.

The amendment I am offering simply reduces the congressional review period from 180 days to 30 days to complement the administration's easing export restrictions by amending the National Defense Authorization Act of 1998.

I would like to share an example of how outdated today's restrictions are. I was at a meeting recently where Michael Dell, President of Dell Computers, stood up and pulled from his hip holster a little pager. Under current export controls, this little pager, normally smaller than a computer mouse, can't be exported to tier III countries because it is considered a supercomputer. That is wrong.

I am going to withdraw my amendment. I am going to do it because I have had conversations with the chairman of the Banking Committee. I fortuitously was able to have lunch with the ranking member of the Banking Committee, and I met also with Senator ENZI, who has worked very hard on this issue, and also Senator JOHNSON, who has worked very hard on this issue. They indicated they are very impressed with the need to change this time period. They want to do it under the Export Administration Act. I, frankly, have been convinced by them that their intentions are well considered. They have thought this out over a long period of time. I want to work with them and the majority leader and the minority leader to do whatever we can to, this year, move the Export Administration Act. It is vitally important that we do that.

We need to allow the entrepreneurs in America who have made this economy the vibrant, untiring economy that it is the freedom to sell their products because if we don't allow them to have that freedom to sell their products, other foreign companies, some of which will be actually Americans moving over and setting up foreign companies, will be selling products that we should be selling with American-manufactured goods.

I am going to withdraw my amendment with the notice that I am going to work very hard with my friend, the chairman of the Banking Committee and the members of the Banking Committee to do whatever we can to move this very important piece of legislation. It is more than just my amendment. What the Banking Committee wants to move is more important than my amendment. I am concerned about the material that I have in this amendment. I think this is very important.

I look forward to working with the chairman of the Banking Committee and the other members of the Banking Committee to see what we can do to move the Export Administration Act in this Congress. With all the turmoil we have had in recent months with the partisanship, I believe we need to move this legislation in a bipartisan fashion. It can be done. We need to show the business community of America that we can move forward.

It is vitally important to everyone. The people who buy these products don't look to see who manufactures them, whether they are Democrats or Republicans. The people who work putting these computers together, no one knows whether they are Democrats or Republicans. But everyone knows when we have a good economy that we, the Congress, should get some consideration in a positive fashion for that. If something goes wrong, we deserve the blame. I think with things going so well we have to do everything we can to make sure the economy continues to move forward.

I am going to do what I can to help this piece of legislation that we hope will come up as early as this week or next week and have it passed in this Congress and not next Congress. I mean this year of this Congress and not some subsequent year.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank our colleague from Nevada for his amendment and for withdrawing it, and for joining our effort to try to pass the Export Administration Act.

As some of our colleagues will be aware, there have been 11 failed attempts to pass a new Export Administration Act since the last one expired.

We now find ourselves in a position where despite the Cox report, despite concerns that have been raised about lost American technology, and despite the growing obsolescence of the residual permanent law the administration is forced to operate under, we have not reauthorized the Export Administration Act. I think it is a terrible indictment of the Congress that we have not done that.

That is the bad news.

The good news is that under Chairman ENZI we have put together an excellent bill. Chairman ENZI has done something I am not aware of any Member of the Senate ever doing. He has gone over and sat through meetings of the current bodies of the executive branch that make decisions related to export licensing. So he has, through practical experience, come to understand the process. He has provided leadership whereby we have put together a bill. He has provided leadership where we literally sat down with everybody who has any interest in this bill. We have had numerous meetings. We have let people submit concerns in writing. I believe we are on the verge of having a bill that is uniformly supported.

What our bill tries to do is simple to say and very difficult to achieve. We have a conflicting interest. We want to sell things on the world market which embody new technology because those are items that we have a comparative advantage in producing, and they are items that are high-wage items in the production process.

Finally, they represent commodities that will dominate the future of the world economy. So we want to be the leader in selling these types of goods.

On the other hand, we have legitimate concerns about technologies. If they are in the hands of people who may be potential terrorist nations or potential enemies of the United States, they could end up hurting our national security.

We have taken those two conflicting concerns, and we have put together a bill. The two major features of it are the following:

One, we define a brand new concept called mass marketing. It is a very simple and powerful concept. It says if an item is for sale at Radio Shack, if you can buy it over the web site of Dell Computers, if it is generally being marketed in the United States and around the world—though you might wish that it is possible that all of this could happen without it falling into the hands of a potential adversary—the bottom line is there is no practical way at that point that you can keep anybody from getting the technology.

So we take mass marketed items out of the process and, hopefully, reduce the number of different items that are under licensing in any given year from about 10,000 to 1,000 so that we could put the focus of attention where it belongs.

Second, under current law, if companies are accused and found guilty of wrongdoing in China, despite numerous accusations, all of which carry some penalties, the maximum fine under current law would be $132,000, which for corporate America is a relatively insignificant amount of money. Under our bill, we have a $10 million fine per violation. We also have for a conscious, knowing violation where individuals are involved, prison sentences of up to 10 years, and in aggravated cases, life in prison.

So there is a dramatic strengthening of current law.

I agree with our colleague from Nevada. This needs to be adopted this year. I believe we have eliminated opposition to it.

It simply is now our task to provide leadership where we can bring the bill to the floor later this week, or early next week, and get an agreement that this is not going to become a vehicle for a bunch of unrelated amendments.

Having said that, let me stop before I sit down. I want to say a couple of words about the African trade bill.

First of all, I congratulate the chairman of the Finance Committee for his leadership on this bill. I endorse the African trade bill. Our President went to Africa, did an extensive tour, and talked about what we could do to try to break the bonds of poverty—this crushing, grinding poverty—that people in sub-Saharan Africa face. I think the President rightly understood, if we take all the important aid provided by all the countries in the world and combine them, we have about $40 billion a year. There are 700 million people in sub-Saharan Africa, so if they get all the foreign aid provided by all the countries in the world, we will have relatively little impact on them, and there is relatively little evidence that foreign aid has produced economic development in areas where no economic development ever existed before.

As a result, the President proposed bringing in the most powerful tool for economic development ever to evolve in the history of mankind; that tool is trade. The President proposed we open up a fiber trade agreement in textiles with sub-Saharan Africa. I remind my colleagues, under existing agreements internationally, by the year 2005, under the Multifiber Agreement, we will no longer have quotas on tariffs anywhere in the world. We are not talking about a permanent advantage for sub-Saharan Africa; we are talking about giving them a little bit of a head start.

Let me briefly define the problem. The average per capita GDP of countries in sub-Saharan Africa is $490 a year; 40 percent of the people in sub-Saharan Africa earn less than $1 a day. The current estimates are, we import about .86 percent of textiles and apparel imported into America from sub-Saharan Africa. The International Trade Commission has estimated that if they devoted their productive capacity to textiles, under this agreement, still within 10 years we couldn't expect more than 2 percent of our textile imports to come from sub-Saharan Africa. We are talking about expanded trade, and we are talking about trade with countries that have no significant capacity to impact American imports of textiles.

I believe this bill is needed. I think it is a step in the right direction. I remind my colleagues, for any country in sub-Saharan Africa to take part in this program, they have to do the following three things: they have to make progress toward a market-based economy, they have to institute a democratic society, and they have to open their trading system. These are all actions that will mean stronger economic growth in Africa, that will mean greater human happiness in Africa, and that will ultimately mean a greater demand for American goods and services.

I believe this is an important bill. I believe it should be adopted. I am hopeful we will adopt it today. I intend to vote for cloture and for final passage.

There is one provision in this bill in the Senate that is not in the House bill. That is a provision that requires, for textiles and apparel to be imported from Africa, they have to be made out of American fabric and yarn. That same agreement is in the Caribbean Basin Initiative, which I support. But the problem with Africa is that given the transportation costs, and given that their ability to market products is basically based on using longer strand cotton and basically producing different types of textiles that would be relatively new to the American market, I believe the provision in the Senate bill for all practical purposes kills the African trade bill.

I am not going to offer an amendment to strike this provision because it is not in the House bill. I hope it will be dropped in conference. We are talking about a relatively small effort to benefit 700 million human beings. The worst thing that could come out of it is that we would have greater diversity in the textile goods that would be for sale in American stores and they would be at lower prices. I can't see anything but good that can come out of this. Anywhere in the world, when we can encourage people to move toward a market-based economy, toward a democratic society, and toward open trade, we are doing things that benefit them and benefit the world.

These are important bills before the Senate. I am for them. Trade is vitally important. It is an amazing thing to me that, due to ignorance and prejudice, we continue to restrict the importation of goods and services into America. Why we should give government the ability to impose a tax on working Americans and deny them the ability to purchase, with the fruit of their own labor, better and cheaper goods if they are produced abroad, I don't know. That the greatest trading nation in the world would continue textile laws that cost every working American family of four $700 a year is an absolute outrage. Something needs to be done about it. This is not going to solve that problem, but it is the right thing to do. I hope it will become the law of the land this year. I am hopeful it will.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I, too, thank the Senator from Nevada, Mr.

REID, for helping to raise the consciousness of the Senate and the consciousness of the Nation to the increases in productivity that we have gotten through technology and the rate at which it is moving. I thank him for his recognition that we have a bill that will not only solve some of the problems of technology but go hand in hand with our need for national security.

This is a bill that has been before the Banking Committee and, before that, before the International Trade and Finance Committee, of which Senator JOHNSON is the ranking member on that subcommittee. He and I had an opportunity this year to spend a lot of time pursuing a bill to increase our world trade while preserving national security, making sure they run down parallel tracks instead of crossing tracks where the locomotive might wind up in a train wreck.

I thank the chairman of the Banking Committee, the senior Senator from Texas, for working with me to focus the committee on the need to reauthorize the Export Administration Act. I appreciate the assistance that has given in helping to put together a balanced product that we reported out of the Banking Committee.

I am remiss if I do not mention Senators SARBANES and JOHNSON again. They deserve our thanks for the constructive and thoughtful input they put into the bill to make it truly bipartisan.

I thank every single member of the Banking Committee. We worked together for a period of 9 months to be sure all of the concerns of national security and commerce were covered in this bill on which we are working. The members not only devoted a lot of time to it; they assigned staff to it. We had one of my offices—I don't have very many offices—dedicated to this bill. At any hour of day, and often night, one could walk into that office and there would be a group of people meeting to make sure their concerns and their solutions were being represented. We had some great discourse that led to a solution that I think can pass both the House and the Senate. We worked with the members of the Defense Committee, Intelligence Committee, Commerce Committee, and the Governmental Affairs Committee, and I think the bill is better because of everyone's involvement in it.

The first 9 months I was on the job as chairman of the subcommittee I spent dedicated to this bill. At first, I did not envision I would have to put in quite as much work on the issue as I did. I now realize there was a lot to learn about export controls.

It has been mentioned there were attempts to reauthorize the Act, which expired in 1994. Since 1994, this country has been operating under Executive orders on something so entirely crucial to the United States. But during that period of time, we have tried to reauthorize it. During that time, 11 separate measures have failed; in fact, they failed to even make it out of committee.

But one of the nice things about the Senate is that there is a lot of documentation, even on things that fail. We have gone back and looked at that documentation. We have talked to the people who were involved in the issues each of those 11 times. We were able to find out what the pitfalls were before and have worked to come up with a solution.

As mentioned, I visited the Bureau of Export Administration and I observed some of their activities and processes. I sat in on committee meetings.

During the time we were working on this, the Cox and Dicks report also came out, and so did the Deutch Commission report that talked about problems that have been identified with foreign countries getting secrets from this country. These commissions and committees looked into ways to solve that.

As soon as their reports were filed with the Intelligence Committee, before any public documentation came out on it, I went over to the Intelligence Committee and I read those reports to see if the efforts we were making had any parallel with the suggestions that were coming out from these people who were looking at some very detailed and often secret situations. I am pleased to say, out of the recommendations of Congressman Cox and Congressman Dicks there were 17 different areas of legislative possibility. We covered 15 of those in the act and part of the other two.

The subcommittee and full committee held a total of 6 hearings that consisted of 25 witnesses who helped us identify critical areas relating to export controls as well. We also met with various high-tech and industry groups. We met with several Members of Congress. I have mentioned the Departments we met with, and a lot of the other executive agencies it seems have some involvement in exports and securities or both, and we met with them as well.

We also had an opportunity to meet with many people in the business community. It has been my goal to have an open-door policy for everyone, and we will continue that policy through the time the bill finally gets passage. Throughout the hearings held this year on the Export Administration Act, there were many calls to reauthorize the expired act. Only a few people have questioned the need for us to reauthorize that act. They asked what problems have been identified with the current system.

There are several reasons for reauthorizing the Export Administration Act. The first is the U.S. Government's inability to convince other countries, even our strongest allies, to improve their export control regimes. Only if the EAA is reauthorized can the United States exercise a legitimate leadership role to strengthen the multilateral export controls that seek to curb dangerous dual-use items. We cannot do it by ourselves; we have to have help from other countries. Our ability to convince other countries to impose similar controls on their exports is compromised by the fact that Congress has allowed the EAA to expire.

In our June 24 hearing, Richard Cupitt, who is the associate director of the Center for International Trade and Security, agreed with this assessment by saying:

> The inability of the U.S. Government to craft a firm legislative foundation for its own controls on the export of dual-use goods, technologies, and services over the last decade. . .has compromised U.S. leadership initiatives.

Another reason for the reauthorization is the lack of penalties for violations of export controls under the implementing Executive order—very strict. If the outdated EAA of 1979 had stiffer penalties than the Executive order's maximum penalty of $10,000, we would be in better shape. A reauthorization will also give enforcement officers the authority to use the tools they need to be effective.

I now have a person on my staff, who has been loaned to us, who has been working on the export enforcement, so we can make sure enforcement will be adequate. She has run some numbers for us on some of the indictments that have been handed down on things that happened during this period between 1994 and now. You have heard some of those numbers—16 indictments, potential fine of $132,000 on a contract that was $5.4 million. A microdot in the budget—less than the advertising budget spent. Fines need to be increased.

Additionally, it is important we deal with the issue of export controls in a comprehensive reauthorization instead of allowing some issues to be addressed by a patchwork of inadequate measures. I suspect over the next few days and over the next few months, if we do not get this passed, you will see parts of the bill that solve a particular problem put on as an amendment to something else to take care of an immediate critical need. There are a lot of them involved in the bill.

There is a very delicate balance that is maintained through this bill. All of it needs to go through together. If one person gets everything he or she wants, there is no reason to participate in the rest of the bill. All of them have worked together to make sure their interests were covered as well as being able to live with the other interests involved here.

We have received great cooperation from the administration because they understand the need to reauthorize the

Act. Under Secretary Reinsch has even said:

> The EAA is held together right now by duct tape and bailing wire.

It is also questionable whether export controls are permitted under the International Economic Emergency Powers Act.

The bill before us today represents a compilation of thoughtful comments gathered from industry, the administration, Members of Congress, on and off of the committee. However, it is not a hodgepodge of conflicting ideas and competing interests. The bill is interwoven with several basic themes throughout: Transparency, accountability, deterrence, multilateral cooperation, and enforcement. It strikes a balance by recognizing the need for export controls on very sensitive items for national security purposes while relaxing those controls on items that have foreign availability or mass market status and thus are difficult to control effectively. It allows enforcement to concentrate on what can be effectively enforced. It gives each of the departments and agencies an equal stake and a fair shake. The compromise for the interagency dispute resolution process represents a fair procedure that defaults to decision. Yet it provides any department's representative the opportunity to appeal a decision without going through the bureaucratic hassle of convincing his or her boss of the need to appeal a decision in a relatively limited amount of time.

Transparency, accountability: The reporting requirements in the EAA of 1999 instill accountability and transparency in the export control process and multilateral negotiations. The criteria for foreign policy control provisions foster an accountable system, very similar to that in the EAA of 1979.

The bill encourages the administration to strengthen multilateral export control regimes since multilateral controls are more effective. It also maintains the sanctions provisions for those who violate multilateral export control regimes and contribute to the proliferation of missile, chemical, or biological weapons.

The bill remains tough on terrorism, requiring licenses for the export of certain items to countries designated as supporting international terrorism. Additionally, it includes penalties that deter violations of export control law and the authorities to effectively enforce the provisions set forth in the bill.

It has been mentioned this is supported in a bipartisan way. This bill came out of the full Banking Committee unanimously. Our country needs this bill, and the people on that committee recognize the need. The more they were involved in it, the more they recognized the need.

I want to mention the patience the House folks have had during this process. The problem has been more deeply studied in the House, perhaps, than on the Senate side. The suggestions for what needed to be done came from the House side, but they have been waiting, watching, discussing, following, and commenting on the process we have had on this side. They have spent a lot of time with Senator JOHNSON and me, to see if the solutions we came up with met the suggestions they have given. They have waited, but they are ready to go.

This bill cannot be done piecemeal. It needs to be done immediately for the security of our country and for the furtherance of our commerce. I ask for your support.

Again, I thank the Senator from Nevada for raising the consciousness on this level and giving us an opportunity to comment.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. I thank the Chair for recognizing me.

Mr. President, I want to comment on the legislation pending before the Senate which is the Caribbean Basin Initiative trade bill along with the African trade bill.

I remind my colleagues, it came out of the Senate Finance Committee with a unanimous vote. In essence, we did it on a voice vote. At a time when this Congress and perhaps this Senate is becoming better known for what we have not done, we are presented with an opportunity to do something extremely significant in the area of trade for a large part of the world with which the United States deals.

When we write about what we did or did not do in this first session of this Congress, it will be clearly pointed out that we did not do Social Security reform, as the Presiding Officer well knows, because of his involvement in an effort to reform that system.

We did not do Medicare reform, as the speaker certainly knows, following the efforts of the National Commission on Medicare.

We did not do campaign finance reform, and we all remember those arguments.

We have not done Patients' Bill of Rights legislation because of the differences of opinion and the politics involved in that legislation.

I do not know of any environmental legislation that has worked its way through this body with a resounding vote of support, nor do I remember particularly any major education efforts that have been successfully navigated through this body this year.

I have a great fear this body is becoming more known for what we have not done rather than what we have done. I wonder what the American people think of the distinguished Members of this body with whom I have the privilege of serving and why we cannot get together and work out our differences in the interest of the American public. Why do we spend so much of our time debating whose fault it is that nothing is getting done as opposed to working together? We can always have the debate over who did it. At least under those circumstances we would be arguing about success: Look what we did; no, look what we did, rather than arguing about failure and whose fault it is that nothing was done.

We have one last opportunity of great significance in this Congress to pass legislation that is bipartisan in its origination, that is strongly supported by the administration, which, when it came before the Senate Finance Committee after the hearings and after the debate, we reported out by a voice vote.

The question then becomes: What is the problem now? Some will argue it is the Republicans' fault because they have filled up the tree. That ought to go over well in my State of Louisiana when I tell people we did not pass this bill because the Republicans filled up the tree. They are going to say: What in the world are you talking about?

I daresay some are going to say: We did not complete action on this bill because we were not able to offer amendments to it in the nature of other important efforts, such as minimum wage or agricultural provisions, or other trade legislation that some want to offer. Because they cannot offer it now, we are not going to continue our progress on this legislation.

I daresay, the American people would say: What in the world are you talking about?

Here is a trade bill that affects U.S. jobs, U.S. industry; it helps people who have been loyal to the United States in other parts of the world. It clearly helps Central American nations which not too many years ago were Marxist countries, Communist dictatorships that have gradually been brought into the family of nations with the assistance of the United States, and we want to continue having their support on things that are important for the people of this country.

This legislation is a way of doing that—by working out bilateral trade agreements with these countries to the south of us that will help them economically. When we help them economically, they help us. When countries in Central America can do a little bit better economically, they buy more of what we produce.

From my own State of Louisiana, they could buy more rice, more soybeans, more manufactured goods. They would ship it through the Port of New Orleans, the Port of Baton Rouge, and the Port of Lake Charles because they have more money and better jobs. They are helped and we are helped. It is a win-win situation.

The question is: Why don't we do it? What is the problem? The problem is politics. The problem is political posturing about whose fault it is that it is not getting done. Most of the debate is going to be why we did not do it and blame each other for failure. Then, again, the American people are going to say: What in the world are they talking about?

My State is particularly affected by this. I have heard arguments that it is bad for American jobs. My State has lost thousands of jobs in the stitch-and-sew industry. It used to be in Louisiana that thousands of minimum wage employees, many of them minorities, were working in the stitch-and-sew industry for many of these large companies that manufacture items we are talking about today. Many of them were arbitrarily dismissed, arbitrarily fired. Many of them lost their jobs right before Christmas a couple of years ago when most of the companies moved out of my State and went to Central American and Latin American countries and located down there. That has already happened. It did not happen because of this bill. This bill was not being considered then. It happened because of the existing state of the world.

I have worked with our people. We have helped them find other jobs. Fortunately, because of the economic conditions of our State and the economic conditions of the United States, the vast majority of these people who lost jobs in the so-called stitch-and-sew industry have found jobs in more sophisticated, if I can use that term, industries in the United States that represent the future of the United States in terms of jobs in the high-tech industries as opposed to something like stitch and sew.

What we have been able to do is use some of the training programs and retrain these people to get them into other manufacturing segments, to get them into high technology, to get them into computers, to get them jobs where they now find they are much better off than they were sitting behind a sewing machine stitching and sewing underwear.

I argue the future of U.S. employees is not in the stitch-and-sew industry. If we have to somehow preserve jobs in the stitch-and-sew business, we are not being very bullish on America. I argue that is not the future of this country. The future of this country is highly trained men and women who can do the jobs for the 21st century, and that is not in the stitch-and-sew industry.

It is interesting. I love my dear friend and colleague from South Carolina who was reading this article in Time about how these companies have, in fact, moved out of the United States. He is absolutely right. One of the things I noticed when I was looking at the article the distinguished junior Senator from South Carolina was pointing out is the article had a picture of the State of Kentucky, and the caption under the article is: "Fruit of the Loom eliminated more than 7,000 jobs in the past 6 years. Here would-be workers attend a job fair held by new arrival Amazon.com."

That is particularly important because it says that while stitch-and-sew jobs are moving out of this country, high-tech jobs, better jobs, better paying jobs, more sophisticated jobs, jobs that require more training and a better educated workforce are moving in.

The people who were leaving the Fruit of the Loom jobs were moving, on the other hand, into jobs that Amazon.com was providing in that area using those workers and retraining them for the 21st century.

That, I argue, is the future of the United States. The future workers of this country are not going to sit behind a sewing machine. If that is the future of this country, I daresay it is not a very bright future. The future is highly trained jobs in highly technical industries which pay well and have a future.

We are not going to be able to compete with the poorest of the poor in terms of who can pay the lowest wages. We should be concentrating on educating our workers for the 21st century and then, at the same time, trying to do what we can in the textile industry.

The reason I believe it is so very important and necessary to pass this bill is because we say in this trade bill, particularly in the textile industry: Look, we are not going to have the stitch-and-sew jobs, but, by God, we are the best manufacturer of textiles and cloth and fabric.

We have the best technical ability to weave and dye the fabric. And this bill, for the first time, says: Look, if we are going to give these countries some advantages, at least we want it to be a two-way street, to at least say, if you are going to be able to do these products in your country, with lower paying jobs, at least use fabric that is manufactured and woven and dyed and assembled in this country. We will send it to you. We will manufacture the fabric, you will use those fabrics to manufacture garments, and then you have the ability to export those products back to this country.

Mexico can do it now. China will be able to do it. Unless we have something like this, we are not going to get any part of the business.

This legislation, when it talks about the products that are covered, clearly says: Apparel articles assembled in the Caribbean basin and sub-Sahara Africa from fabrics wholly formed and cut in the United States from yarns wholly formed in the United States.

What that says to the cotton farmers in my State of Louisiana and throughout the South is that we are going to use their cotton. Without this legislation, we are not going to be using their cotton. The fabric will come from overseas, as well as the finished product. At least this legislation says we will use their cotton.

This legislation also says it has to be assembled in this country. It has to be woven in this country. If it is going to have a color to it, it is going to have to be dyed in this country. So we are getting something out of this that we do not have now, that in the absence of this legislation we will not have. Therefore, I think it is very clear this is something that is important to do. The House thought it was.

You talk about how bad the House is divided. The House passed this 234–163. Now it is before this body. For those who argue they don't like the process, I don't like the process, either. I would probably like to offer a Medicare reform bill to this legislation. People are looking for a wagon to jump on to get something passed they would like to have passed. I understand that. The problem is that you are affecting the merits of good legislation that was bipartisan when it left the Senate Finance Committee, that passed by voice vote in the Senate Finance Committee, and that merits our support.

So my point is that other countries are going to benefit, but we are going to benefit. If we do not have this legislation, other countries will be able to have access to our market with no requirements on using U.S. fabric at all. I think we owe it to the workers of this country who are still engaged in some aspect of this industry to come up with a fair product and fair package like this is.

I intend to support this legislation. I think it is the right thing to do. I hope my colleagues will join me in that effort.

I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPACT AID PAYMENTS FOR SCHOOL CONSTRUCTION

Mr. BAUCUS. Mr. President, I am going to speak a few minutes about an issue that is very important to me; that is, the condition of school buildings with the federal impact aid, particularly on the school buildings on Indian reservations which are in very dire condition. I hope there is something we can do about it.

As you know, there have been many bills introduced in this Congress to try to help school districts and make sure school districts have enough funds for school construction and renovation, modernization, and so forth. But as you also know, when schools try to raise money, basically they do so by bonding, which is paid for by local property taxes. That is essentially the way schools in our country are financed; it is a time-honored approach to school construction.

The problem is, in this heated debate, one group of children is continually left out in the cold; that is, students who live on federally owned land, usually on an Indian reservation or a military installation.

In my State of Montana, there are about 12,000 children who fall into this category; that is, children who live on a military installation or on an Indian reservation, where there is either none or there is very little private property to support school funding, particularly school construction. These schools are located in areas where much of the local property just cannot be taxed. Why is that? Because it is Federal property.

In many cases, the local schools have to educate the children of the families who live on the property, and these are so-called Federal students who could come from military families, from civilian families, or could come from Native American families. Some schools are off reservations, but a lot of the kids live on reservations, and vice versa. This causes a tremendous problem in financing school construction.

I believe we have a responsibility. After all, the Federal Government has a trustee responsibility with respect to Indian reservations. More than that, more fundamentally, we have a moral obligation to be sure all children in our country have not only equal access to education but generally have the same accessibility to good schools and relatively up-to-date schools. We are not asking for the Taj Mahal but just basic solid construction.

Congress has recognized its responsibility in many respects for these schools through payments authorized under title VIII of the Elementary and Secondary Education Act. That is the impact aid provision. These districts are supposed to receive impact aid to compensate school districts for the burden of educating children whose parents do not have to pay local property taxes due to Federal activities; namely, because they live on an installation or an Indian reservation.

The bulk of the impact aid payments do help with salaries and utilities and other day-to-day costs of running the schools, but this is the catch: When it comes to replacement or renovation of buildings, these schools still have an additional problem; that is, impact aid cannot begin to pay both the salaries and utility bills and the day-to-day costs, and also pay for the modernization of schools because they just cannot issue the construction bonds to pay for them.

There have been several bills introduced in this body dealing with school construction, but none of them deal with this problem; that is, the problem of impact aid on reservations and installations.

I am asking for something that is pretty simple. I am asking for a slight increase, from the present $7 million that goes to impact aid school construction to $50 million. That is all. That is not very much money. Mr. President, $7 million is currently spent on impact aid school construction, and I am asking that it be raised to $50 million. Very simple.

I can give lots of stories, lots of examples, of just the dire conditions these school districts face. For example, I talked to the superintendent of the Harlem school district. Harlem is in north central Montana. He says his district is so crowded that his students are now using a closet. Guess what was in that closet. In that closet was a snowblower that they hauled out whenever there was a bad snowstorm.

So that closet is now a classroom. The snowblower is out in the hall. The students are in the closet. I think this is not right. It is no place to put kids. There is no place to put kids in the closet of a school and put the equipment out in the hallway. In addition, if they try to bring in a portable classroom, then there would be no playground. That is just not right.

A few days ago, I received a letter from the principal of the elementary school in Box Elder, MT. His student population is growing very rapidly because there is new housing on the nearby Rocky Boy Indian Reservation. In fact, virtually all of the 300 or so students in his school are Federal students.

He has classrooms in portable buildings and in basement rooms with no windows and only one exit door. He tells me he would be afraid to send his own small children to that school, but he has to. This is a disgrace.

Last year, the Box Elder school received—get this—$13,000 in Federal impact aid construction funding; $13,000, that is all.

That is about the average for schools in this situation. I might say, $13,000 is a pittance. That is not even enough for half of a paint job in the school, let alone for reasonable reconstruction or renovation.

I have some photos I would like to display. These photos are representative of not only my State but could represent almost any State in the Nation that has Federal impact aid. This is a picture of an out-of-code electric installation at Babb Elementary School in Browning. There are no fire sprinklers in the basement where the insulation is located. Over in the left corner, we see a socket and wiring dangling. It is uncovered. It is obviously a fire hazard. This is all they can do.

Now I have another photograph of a doorway at Babb. This is a doorway in the school. This photo doesn't begin to represent how bad the situation is. Sometimes pictures overstate something. In this case, the photograph understates.

The next photo is that of a lunchroom. This is down in the basement of the school. Again, it doesn't look all that bad; but I have been there; it is worse. Then there is a photo taken in the local high school in the same community. There is a leaky ceiling. Things are starting to fall apart. Again, this school can't find the money to pay for it.

Imagine for a moment that we in the Senate met in a facility that looked like this or our offices were in rooms such as this or we had electrical equipment so obviously out of code. We would change it. We would do something very quickly because we wouldn't stand for it.

What kind of message does this send to children throughout our country—the message that we don't have enough respect for them, enough respect for their parents, enough respect for education to do something about this. We have a huge Federal surplus and the biggest, most wealthy country in the world. Yet we turn our back on a lot of kids in our country. Obviously, it is to their peril but even more to the peril of our country.

The bill I will introduce will raise the authorization from $7 million to $50 million—not very much but a first step that is needed. We also make a change in the eligibility rules. Right now schools with populations made up of 70, 80, or even 100 percent Federal students cannot ask for impact aid construction funds if the percentage of the federally impacted population for the whole district is less than 50 percent. That is, obviously, a standard that is much too high.

The bill introduced by me and Senator HAGEL will decrease the district minimum to 25 percent. That will affect a lot of schools in this district.

I have a chart that shows how many States would be affected by changing the eligibility standard from 50 percent to 25 percent. You can see that virtually every State in the Nation would be affected, which means every State gets a little bit, if it is enacted at the $43 million increase from the current $7 to $50 million.

This is obviously a problem in our State. It is obviously a problem in other heavy Federal impact aid States, such as Nebraska, Senator HAGEL's State. But this isn't a parochial problem. This isn't a partisan problem. This is a national problem.

I ask that we step up to the plate, exercise our responsibility and, when we take up the Elementary and Secondary Education Act, make this change so that a needy portion of our school population gets a modicum of assistance. Then after that, I hope we can go further.

The PRESIDING OFFICER. The Senator from Ohio.

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

Mr. VOINOVICH. Mr. President, I rise in strong support of the trade legislation package which constitutes the manager's amendment to H.R. 434, the African Growth and Opportunity Act. This trade legislation will provide economic opportunity to millions of people in the United States and throughout the world.

Under this package, African and Caribbean nations will be able to use trade as a tool to spur economic development where foreign aid and other means clearly have not worked. Stronger economies in these two regions of the world will, in turn, lead to bigger markets for U.S. exports, and consequently more and better paying jobs for American workers.

On the issue of open foreign markets for U.S. products, I would like to express my support for an amendment on carousel retaliation being offered by my colleague from Ohio, Senator DEWINE. If the newly formed World Trade Organization and the promise of a rules-based system of international trade is to survive, then we cannot—and should not—tolerate flagrant disregard for internationally agreed trading rules by other WTO members such as the European Union. We need to use the tools that are now available to us to ensure that our trading partners comply with WTO decisions. And its important to those of us who believe in free trade that the U.S. Trade Representative and the Department of Commerce use all the tools available to them to guarantee that we have fair trade. Too often we have amendments like Senator DEWINE's amendment—which I have co-sponsored—because the U.S. trade representative has not been as aggressive as they should be and they do not use the tools they have been given by Congress.

This is very important, because trade is the economic lifeblood of the United States. Twelve million American jobs depend directly on exports. And exports are a major reason why our economy continues to do so well. In fact, one-third of our economic growth since 1992 can be attributed directly to exports.

Ohio is a textbook example of why international trade is good for America. When I was Governor, I had four goals in the area of economic development—agribusiness, science and technology, tourism and international trade. We pursued each of these aggressively in order to maximize Ohio's business potential, especially in the trade arena.

For example, Ohio has outperformed the nation in terms of the growth of exports to our NAFTA trading partners. Since 1993, U.S. exports to Canada have grown 54 percent and U.S. exports to Mexico have grown 90 percent, while Ohio exports to Canada have grown 64 percent and Ohio exports to Mexico have grown 101 percent.

Thanks in part to such trade-liberalizing agreements as NAFTA and the Uruguay Round of GATT, overall Ohio exports have risen 103 percent in just the last decade.

And because export-related jobs tend to require higher-skilled workers and provide higher-paying salaries, when America's exports of goods and services increase, so do the number and quality of American jobs. Just in Ohio, the increase in exports has created 182,000 jobs over the past ten years. And these export-related jobs tend to pay, on average, 15% more than a typical private sector job.

Eliminating trade barriers has not only helped Ohio companies sell more overseas, but it has also allowed more foreign companies to invest in Ohio, creating more, good paying jobs for Ohioans. According to Site Selection magazine, from 1991–1997, Ohio had more growth in non-U.S. owned firms than any other state—some 300 new manufacturing facilities and plant expansions took place during that time.

In addition to creating more, better-paying jobs, trade openness has an enormous impact on the earnings for average Americans who invest in companies that increase their international trade presence. These earnings help increase the amount of money people have to reinvest in the growth of our economy or to invest in their savings, retirement and education funds.

This chart lists 35 of the biggest U.S. corporations as measured in market value. None of these companies is majority-owned by a family or individual. In other words, they are all in the stock market. For 25 of these 35 companies, trade makes up more than one-third of their global operations, and for 12 of these companies, international trade accounts for more than half of global sales or revenues—including Cincinnati-based Procter and Gamble, which can attribute about 51 percent of its global sales to international operations. Thus, in the case of Procter and Gamble, there is a genuine interest on the part of thousands of employees, and even more thousands of individual shareholders, in the ability to expand internationally.

In my State of Ohio, there are many more companies that understand that robust two-way trade is the key to creating more jobs and increased investment. These are companies like—Cincinnati Milacron, Federated, American Electric Power, The Limited, Inc. and Intimate Brands, TRW Inc., Chiquita Brands, The Andersons, Battelle, ElectraForm, General Electric Jet Engines, Lincoln Electric, NCR, R.G. Barry Corporation and hundreds of other small businesses, many of which traveled with me when I was governor, on nine trade missions around the world.

In Ohio and across America, the future of companies like these is a crucial link to the vitality of our communities because of the jobs they support and their contribution to the local tax base. In addition, these companies provide philanthropic support to local hospitals, schools and colleges and universities as well as countless charities and institutions.

The support these companies provide is linked directly to the overall quality of life in many of our communities. For example, Atlanta would be a much different city without the civic and charitable contributions of a company like Coca-Cola. Companies like Coca Cola—their workers, their stockholders—know that 95% of their potential customers for their products live outside the United States, and that's why trade expansion is so fundamental to the economic future of all Americans.

Many of my colleagues may ask why the average American should care about the importance of trade and the expansion of markets overseas. The reason they should care is because it's average Americans who are the stakeholders—the millions upon millions of individual investors.

Indeed, according to a survey in this past Sunday's Washington Post, nearly half of all Americans are invested in the stock market. Twenty-two million American households, or roughly 22%, are invested in corporate America through employer-sponsored retirement plans. And those Americans referred to as "Generation X"—individuals in their 20s—reportedly hold 80 percent of their assets in stocks. Baby boomers, who own about half of all outstanding stock, have about 57 percent of their assets in equities.

As these figures show, international trade does matter to the average American. The economic stimulus sparked through increased international trade and investment allows millions of Americans to plan for their children's college education, for retirement nest eggs and for long-term financial security.

While the passage of this legislation is important to the economic future of America's workers and citizen stockholders, it will also provide a lasting impact on the economic and political development of our African and Central American trading partners—an impact that is sure to fulfill our hopes for world peace and prosperity.

With respect to increased U.S. trade and investment in the nations of Africa and the Caribbean, it is far better to stimulate the economies of the nations of these two regions than to simply offer these nations foreign aid year after year. Increasing investment and trade opportunities in these regions means that more people can work and raise their own standard of living.

It's like the old adage "give a man a fish, and he eats for a day. Teach a man to fish, and he will eat for a lifetime."

International trade not only allows nations to become productive members of the world community, but it is probably the best way to ensure international stability.

In fact, back in 1994, U.N. Secretary General Boutrous Boutrous-Ghali visited Columbus, Ohio and I said to him that "nations that trade together, stay together and help sustain world peace."

Promoting peace and prosperity through trade was one of the aspects I pursued on each of my nine foreign trade missions when I was Governor of Ohio, including trips to India, Thailand, Chile, Hungary and China.

Unfortunately, that particular aspect of international trade is too often ignored. We ignore the impact of international trade on stability and peace in the world.

What amazes me, Mr. President, is that so many so called protectionists lament about deplorable conditions in the world's poor nations, and this Nation, the United States of America, doesn't respond to the needs of people in Africa and other parts of the world. Yet it is these protectionists who are content to criticize free trade proponents for wanting to take down trade barriers, invest in poorer nations, and provide the tools for economic growth, jobs, and self-reliance in those countries. There is no way the U.S. Government can provide the billions of dollars needed for these countries to develop and raise the standard of living for their people. It can only be done through private investment. The leaders of 47 African nations know this fact, and that is why they want us to support this trade measure.

As Senator BREAUX pointed out earlier today, international trade also contributes to the political stability of the countries in the world. Think about what has happened in South America since we opened up our economic relationships with them over the last number of years.

This trade legislation will help drive an economic expansion in Africa, as well as for our neighbors in the Caribbean and Central America. In addition, it will provide for the future of an energetic, export-driven American economy. It will sustain and create good-paying, high-quality jobs in Ohio and across America and allow millions of Americans to save and invest for their children's education and their retirement security. This legislative package stands on its own merits. It was unanimously reported out of the committee, and I really believe it deserves the support of our colleagues.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I came momentarily to the floor to hear my distinguished colleague from Louisiana try to justify that Bill Farley article in Time magazine, which I referred to earlier. His justification, of course, was not the matter of campaign finance reform, which is the major thrust of the article; interestingly, the thrust that, look, we ought to be getting rid of these jobs, says that these textile workers now can go to the high-skilled, better-paying jobs, and that is the future of America.

Let me go right to the other comment made by my distinguished colleague from New York, who joined with it, about trade adjustment assistance, and what a wonderful program it is. Thirty-seven years ago, as he said, as Dean Acheson would say, he was at the table. He is right. He had a distinguished career of service there as the Assistant Secretary of Labor negotiating the trade adjustment assistance agreement. Everybody will agree with that.

But 38 years ago, I was at the table, and I was at the table for the seven-point textile program of President Kennedy. It was a very interesting exercise because what we had found out was that they were really about to do away with the industry, we thought, when it included some 10-percent import penetration. I had come up to testify before the old International Trade Commission, and testifying before that International Trade Commission, we thought we had made a good impression.

At that particular time, 38 years ago, we were confronted with Tom Dewey, who was then representing the Japanese. He chased me all around the hearing room, and my friend, Charlie Daniel, at that time an outstanding contractor/builder/civic leader, says: Now, Governor, let's go by and see the chief. That was President Eisenhower. We called on Wilton B. Parsons, and Jerry Parsons ushered us in and President Eisenhower said: Don't worry, you will win that case.

In June, the International Trade Commission ruled against us. At that particular time, we realized we were totally lost unless we could get involved in the campaign, which wasn't too difficult because then-Senator John F. Kennedy from Massachusetts understood very clearly the importance of the textile jobs.

I am going right back to the Senator from Louisiana saying the future of the country is to get rid of these jobs. I am laying the groundwork of the historical record about the importance and the significance of these jobs.

The case was in talking to then-Senator Kennedy. We met with him. And my friend, Mr. Feldman, was his legislative assistant. We obtained a letter on August 30, 1960. You can imagine, this was in the heat of the 1960 campaign between Kennedy and Nixon.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, August 30, 1960.

Hon. ERNEST HOLLINGS,
Governor of the State of South Carolina, State Capitol Building, Columbia, SC.

DEAR GOVERNOR HOLLINGS: I would, of course, be delighted to discuss with you and with textile industry leaders the problems of the textile industry and the development of constructive methods for showing the growth and prosperity of the industry in the future. The critical import situation that confronts the textile industry which you so eloquently describe in your letter is one with which I am familiar. My own State of Massachusetts has suffered and is suffering from the same conditions. The past few years have been particularly difficult for this industry. There seems to have been a basic unwillingness to meet the problem and deal constructively with it. During the first six months of this year imports of cotton cloth are twice what they were during the same period in 1959, the highest year on record. Similarly alarming increases are occurring on other textile and apparel products. Since 1958 imports have exceeded exports by constantly increasing margins. There are now 400,000 less jobs in the industry than there were 10 years ago. It is no longer possible to depend upon makeshift policies and piecemeal remedies to solve the problems which the industry faces.

As you know, I supported the establishment of the Special Senate Sub-committee for the Textile Industry, under the chairmanship of Senator Pastore, of which Senator Strom Thurmond is a member. In an effort to help develop suggestions to improve the competitive position of the industry in the United States and world markets, this Subcommittee for the first time undertook a broad investigation of the problems of the United States textile industry and offered a number of constructive recommendations. With only minor exceptions, the Eisenhower Administration has failed to implement these recommendations.

I agree with the conclusions of the Pastore Committee that sweeping changes in our foreign trade policies are not necessary. Nevertheless, we must recognize that the textile and apparel industries are of international scope and are peculiarly susceptible to competitive pressure from imports. Clearly the problems of the industry will not disappear by neglect nor can we wait for large scale unemployment and shutdown of the industry to inspire us to action. A comprehensive industry-wide remedy is necessary.

The outline of such a remedy can be found in the Report of the Pastore Committee. Imports of textile products, including apparel, should be within limits which will not endanger our own existing textile capacity and employment, and which will permit growth of the industry in reasonable relationship to the expansion of our over-all economy.

We are pledged in the Democratic Platform to combat sub-standard wages abroad through the development of international fair labor standards. Effort along this line is of special importance to the United States textile industry.

The office of the Presidency carries with it the authority and influence to explore and work out solutions within the framework of our foreign trade policies for the problems peculiar to our textile and apparel industry. Because of the broad ramifications of any action and because of the necessity of approaching a solution in terms of total needs of the textile industry, this is a responsibility which only the President can adequately discharge. I can assure you that the next Democratic Administration will regard this as a high priority objective.

Additionally, we shall make vigorous use of the procedures provided by Congress such as Section 22 of the Agricultural Adjustment Act and the Escape Clause in accordance with the intention of Congress in enacting these laws.

Lastly, I assure you that should further authority be necessary to enable the President to carry out these objectives, I shall request such authorization from the Congress.

I hope that these thoughts are helpful to you in your own deliberations and I reaffirm my interest in discussing problems of mutual concern with you.

With all good wishes, I am

Sincerely yours,

JOHN F. KENNEDY.

Mr. HOLLINGS. Mr. President, in the letter he said he supported the special Senate subcommittee of the textile industry under the chairmanship of Senator Pastore. He said he agreed with the conclusions of the Pastore committee that sweeping changes in our Federal trade policy were not necessary:

> Nevertheless, we must recognize that the textile and apparel industries are international in scope and peculiarly susceptible to competitive pressure from imports. The problems of the industry will not disappear by neglect, nor can we wait for a large-scale unemployment and shutdown to inspire us to action. So a comprehensive industrywide remedy is necessary.

They had a national security provision in the law at that particular time. Before then-Senator Kennedy and later-President Kennedy could actually implement any kind of comprehensive industrywide remedy, he had to have a finding that the industry was important to our national security.

We brought the witnesses. It was a Cabinet committee that was formed for the witnesses to attest to. It was Secretary Dean Rusk of the Department of State, Secretary McNamara with the Department of Defense, Secretary of Commerce Hodges, Secretary of Labor Goldberg, Secretary of the Treasury Dillon, and Secretary of Agriculture Freeman, with whom I served as Governor.

They had the hearings, and they concluded at the close of those hearings that next to steel, textiles was the second most important to our national security. In a line, you needed steel in order to make the weapons of war and the tools of agriculture. Therein lies the steel problem, because that is the World Bank singsong. They run the world around telling these emerging Third World countries that they cannot become a nation state until at first they obtain a strong manufacturing sector, particularly in steel.

That is why, incidentally, you have the dumping. We have an overproduction in the world of steel. They are dumping here in the United States at less than cost. We have had the hearings, and they voted on the House side. We tried to get a vote on this side and get the bill passed for action by the White House itself.

But back to the second most important industry that I would like the Senator from Louisiana to remember, because I remember when he had a substantial investment by Fruit of the Loom down there in Louisiana before it left, and now it looks as if it has all gone to the Cayman Islands. But you couldn't send them to war in a Japanese uniform. This is back in 1960. Today, you might say a Chinese uniform, because the Chinese have gone just 8 years ago from a $5 billion deficit in the balance of trade to a $55 billion deficit in the balance of trade, mostly in textiles and clothing.

So we have to go to conflict with our friends in the People's Republic. We have to call up Beijing and say: Wait a minute. Before we have this standoff, please send us some uniforms because we have to be prepared in order to go to battle. We can't go in Chinese uniforms. We have to be able to distinguish the troops.

As a result of that finding, then-President Kennedy, on April 24, 1961, promulgated his seven-point program.

He did all of the things that dealt with that and followed on into the Kennedy Round, as the distinguished Senator from New York has pointed out, the Trade Adjustment Assistance Act, one-price cotton, and reciprocity, which stabilized the industry for several years ongoing until really the 1970s, and then, of course, the 1980s and early 1990s with all the vetoes by President Reagan and President Bush. There has just been a deluge. With President Clinton, the deluge turned into a waterfall more or less with NAFTA.

For those who say that these things, as the distinguished Senator from Ohio said, are going to create millions of jobs in the United States and the world around, let us be accurate. It will create millions of jobs in the world around. It is going to create millions of "jobless." We have lost over 1 million manufacturing jobs since NAFTA here in the United States. There are 420,000 textile jobs lost all over the country, 31,700 in the State of South Carolina alone.

There is no education in the second kick of a mule.

What we have on foot is another NAFTA without the advantages. At least in NAFTA, we had the side agreements on labor rights. At least in NAFTA, we had the side agreements on the environment. At least in NAFTA, we had reciprocity.

Now this one-way street down to the Caribbean and over to the Sahara is totally out of the whole cloth. It will start a deluge. We know about the Chinese and their influence in the sub-Sahara.

I will never forget, 5 years ago we had a resolution brought up about human rights. They had voted in the assembly to have hearings on human rights in the People's Republic of China. The Chinese representatives went down into Africa where they have some influence. I was there 25 years ago. They were building the railroad from inner Zaire, the old-time Belgian Congo, out to the coast. They had their work crews all over, their minions all over. They have influence, and it was proved at that time because they changed the vote. They never had that hearing that the United Nations wanted to have on human rights in the People's Republic.

We know, looking at Matsui, the shirts coming through at this moment from Matsui. There is not a shirt factory there. They have been inundating the American market.

We go to Customs. They say: Senator, they have been inundating the market, but we restrict it. Customs agents ask if we want to stop drugs or stop textiles. Of course, the obvious answer is, heavens, stop the drugs. They say: Until you get the other agents, that is about all we can try to keep up with.

The Customs Department has estimated $5 billion already in transshipments, illegal entry of textile goods in the United States, as we speak. We know the sub-Sahara is not going to benefit by it at all with respect to the jobs. It is going to be similar to our minority business enterprise section in the Department of Commerce. They immediately got minority, a black front; then they got the white money and the folks behind it. And with the front, they make a lot of money and get the set-aside contracts through hard experience in Mexico.

I refer particularly to the fabric manufacturers down there. The Senator from Louisiana says we ought to be getting rid of the industry. We ought to remember we are going to get something we didn't have before; namely, with all the cotton goods and everything else we are sending, our fabric and the apparel, shirts for example, will come back with American-made fabric. That is what can come back free of duty, free of restriction. But so can the Chinese-made fabrics. So can the Taiwanese. So can the Korean.

All one needs to do is cross the border at Tijuana in lower California into Mexico and one will think they are in Seoul, Korea. They are not at all bashful about investing there.

The Fabric Resource List of Mexico, appearing in Davison's blue book, I refer to pages 345 to 358 under Fabric Resource List.

Mr. President, we can see the opportunity and to whom it is being given.

Very interestingly, the commitment when we passed NAFTA, from the individuals at the time that the ATMI came in, they say they are not going to take their plants down there.

I refer to an article in the Capital City's Media, back in 1993. The lead article and lead sentence of the article entitled "Hell No, We Won't Go":

> That was the battle cry Monday by the directors of the American Textile Manufacturers Institute, who in a last-ditch effort to solidify congressional support for NAFTA, pledged not to move any jobs to Mexico if the act was passed. The ATMI board, made up of firms representing every facet of the textile industry, voted 37-6 in favor of the resolution which said companies would not move jobs, plants or facilities from the United States to Mexico as a result of the North American Free Trade Agreement.

Just in the past year Dan River built an integrated apparel manufacturing plant in Mexico. Another U.S. corporation, Tarrant Apparel purchased a denim mill in Pueblo, Mexico; DuPont and Alpek built a plant in Altimira, Mexico, and formed a joint venture with Teijin; Guilford and Cone Mills created a Mexican industrial park known as Textile City; and Burlington Industries is to build a new Mexican plan to produce wool products.

It reminds me of John Mitchell, the former Attorney General. He said: Watch what we do, not what we say.

Now we know what they do. They go down into Mexico and they invest very heavily. Our friend from Louisiana says the jobs are not important and they moved to higher skilled jobs. I know we have restrictions on the importation of cotton because he says: Look at the cotton. They have quota programs and they have payments they receive for the use of U.S. cotton. That goes back to the One Price Cotton Program we got way back under President Kennedy.

The statement made by the Senator from Louisiana is that we are going to get something that we didn't have. The Caribbean and sub-Sahara are going to get something they didn't have. We are going to lose. Yes, we have protection for American cotton producers and they are buying from American cotton producers. But if you go down into Mexico and the plants all go down there, they don't have to worry about coming back in with respect to American-made fabric because they can go ahead and produce it and bring it back in any way. We are going to be losing that business. Last fall, they had section 807 and 809 and everything else the companies themselves approved. That is not productive at all because they are moving down there. That is why they are moving the fabric plants. And there are no restrictions on those under the NAFTA agreement.

With respect to the export nature of the job, there is a book written by our friend, Eamonn Fingleton. He wrote the book some 10 years ago entitled "Blind Side." He pointed out at that particular time that the little country of 125 million Japanese was outproducing the 260 million productive Americans. In manufacturing today, Japan still outproduces us. They were talking about the growth of the economy because they know how to build up an economy.

Who predicted by the year 2000 the GNP, or gross domestic product, of Japan would exceed that of the richest United States of America? They still could reach it in spite of the turndown of the banking industry and otherwise. They haven't yielded one bit on market share this past year in spite of the turndown in the Japanese economy, the automobile industry. The Japanese automobile industry has taken over again a larger share of the American market. They continue to do so and they continue to invest here, as we know, because we have the Japanese plants in my State of South Carolina.

We continue to weaken what President Kennedy and others knew was necessary to build a strong economy, as if resting on a three-legged stool. One leg is our values; that is unquestioned. The second leg is the military strength, which is unquestioned—the remaining superpower. The third leg, economics, having been fractured in the last 10 years. We have gone from 26 percent of our workforce and manufacturing is down to 13 percent. We are losing and hollowing out the industrial center, the middle class of America. I do not have the ratings of the particular jobs they have at Amazon, but I have a good idea of it. I do not believe they are paying as much at Amazon and these other industries as they are in textiles. The average textile wage in the United States is around $8.37 an hour. The needle trades, Senator BREAUX pointed out, in Kentucky, Fruit of the Loom eliminated more than 7,000 jobs in the past 6 years. Here, "Would-be workers attend a job fair held by the new arrival, Amazon."

You do not stand in line to get a job at Microsoft. They have 22,000. You stand at the bank or you stand at the country club. You have to not only have the high intellect, but you have to have the connections. Anybody who is lucky enough to get a job at Microsoft, they ought to go say their prayers at night and thank heavens because it is wonderful. Every one of those 22,000 are millionaires.

That is not the jobs we are talking about, those superduper jobs. We are talking about the 250,000 working at General Motors. We are talking about the 1.6 million still left, maybe 2 million—I can't get the exact figure—of textile jobs left in America. These jobs are important to our national economy. They not only have a national security portion of being able to produce the garments and the uniforms but more particularly to maintain middle America. That is where it is so important. I am going to get the exact pay scale there. I know PSC Corporation, in my own capital city of Columbia, SC, has already shipped out some 500 jobs to India. I forget the exact name of the town. But they can start up the computers in India and get the information back there, and they tell me my light bill is being processed over in India for me right now. That is the trend, the global competition. That is the global development. That is the reality. How do we confront it? Do we maintain a strong manufacturing sector and strengthen that economic leg to our national security?

Go right back to Alexander Hamilton in the earliest days. In the earliest days, you had that doctrine of market forces, comparative advantage, and David Ricardo. That is what they said, Adam Smith—you go ahead, the little fledgling colony that now had won its independence, you produce best what you can and ship it back to the mother country and the mother country in turn will produce and ship back what we can produce best—the doctrine of comparative advantage.

Alexander Hamilton said, "No way." He wrote the book, "Reports On Manufactures." In that particular book he told the Brits to bug off. He said: We are not going to remain your colony.

As a result, the second bill that ever passed this national Congress, in which we stand this afternoon—the first being the U.S. seal—the second bill on July 4, 1789, was a tariff bill, protectionism of a 50-percent tariff on 60 different articles, including our iron and textiles and other things we were beginning to build up—our manufacturing capacity.

Now we hear, to my amazement, the cry on the floor of the Senate: Get rid of it. We are going to become a service economy. We are going to have nothing but software. We are going to have millionaires and country clubs and bread lines and that is going to be America. They had that right after World War II. They told the Brits: Don't worry. Instead of a nation of brawn, we are going to be a nation of brains. Instead of producing products, we will provide services. Instead of creating wealth, we are going to handle it, become a financial center.

The mother country has gone to hell in an economic handbasket. London is nothing more than an amusement park. They do have the two levels of society and they put it on every night on educational TV, public television: "Upstairs Downstairs." Everybody grins and smiles and says: Oh, those were wonderful days. We can all be maids and servants in the kitchen or we can be plantation owners. That is where we are headed. That is where we are headed with this cry of "free trade, free trade," that is enunciated by everybody who does not have an interest in the future of the United States.

That "everybody" includes the banks. They first financed these companies, these multinationals, under the Marshall Plan that we sent overseas. Then the think tanks and consultants, then the lawyers, then the retailers. "You can get a cheaper product," and everything else of that kind. Then the consumer groups and what have you. So they all come in and say "free trade, free trade," until you get to intellectual property and "Oh, no, wait a minute. We have to have trademarks; we have to have copyright; we have to have protectionism."

They are for protectionism. Jack Valenti in the movies, he will run over here and knock down the desks and everything else. Wait a minute, Hollywood is the biggest protectionist center in the world; protectionism, as they spew out their violence. They killed our TV violence bill momentarily. We keep coming back and we will bring it back again. But I can tell you here and now they want protectionism for the banks, for the insurance companies, for the rich, for the software people but nothing for the sweat of the brow. That is what gets me, when the Senator from Louisiana says now what we need to do is go get a high-skilled, better paying job. That is the future of America.

There is a different future. I hate to disabuse his mind on that particular score. There is a book written about this. As Fingleton points out now in his more recent book, "In Praise of Hard Industries," he takes down, chapter and verse: With respect to exports, there is no contribution whatsoever. It is almost negligible. The idea of the software and the high-tech industry—in fact, it was going broke itself in semiconductors until, what did we do? We gave them aid. We put in Sematech and we put in voluntary restraint agreements—give President Reagan credit for that—to save that particular industry, or you would not be seeing any Intel on that stock market, going up yesterday. The Government gave it a chance to survive. That is all the textile industry is asking this afternoon is for a chance to survive.

Two-thirds of the clothing I am looking at is imported. Do we want to send the rest of it down there? We have shown all the fabric plants they can manufacture if they go down there, and they will go. Do they want to do that for the sub-Sahara, not having any side agreements or understanding about labor rules, not having an understanding about the environment, not having any reciprocity?

Let me get to the restrictions. This industry is terribly restricted. They should understand it right now. That is, I hold in my hand "Foreign Regulations Affecting U.S. Textile and Apparel Exports." That was, a few years ago, in one book. Now they put it out in different, separate items with respect just to the United States, and they do not put it in a book because they think we were the only ones who had any restrictions whatsoever. But can't we do away with the restrictions, not only on the textile industry but the restrictions that they have with respect to the Caribbean Basin Initiative? I have the various products.

Mr. President, knit fabrics, Rwanda. Of course, 100 percent on knit fabrics, 100 percent on apparel. Mali, we have restrictions there. You can turn to the restrictions with the other countries: Gabon, 30 percent on apparel compared to our 10 percent in the United States; Ethiopia, 80 percent compared to our 10 percent. We have already given them the advantage by far.

My hangup is, we have given the advantage to the Koreans, the People's Republic of China, the Taiwanese, the Japanese, the Malaysians. They have the investments in these countries, and they will have a few jobs to give out, but they will literally take the remaining one-third of the American market and put out of business a wonderful basic industry important to our national security.

I say "a wonderful" because I watched in the early days when they got the dust and lint in their faces and hair. That is why they called them lint heads. That is not the case anymore. There is no one in the card room. It is mechanically, electronically controlled. In the weave room, where they had 125 people, there are fewer than 15 now. They have modern machinery.

The main point is it has afforded jobs for minorities and for women. You hardly found women in the fabric or textile plants; you found them in sewing. Now they represent over 50 percent of employees. It is a good paying job. If the husband has a job and if a woman can make $8.30 an hour, that can help put the boys through Clemson University. That is what they are doing in my backyard in South Carolina.

They have invested, on average, $2 billion a year for some 15 years. But now they look at this measure—which is really foreign aid, a giveaway to make a record to build a library for the President and for the idle rich over on the other side of the aisle who believe in money and market and not the country itself. They will give anything away. All they want now, like their software crowd after we started the Internet, after we gave them the education at Stanford, after all the other protections, now they want to do away with the estate tax, do away with the capital gains tax, do away with the immigration laws; let them all come in so we can get them even cheaper labor; let's do away with State tort laws, Y2K; let's just do away with the Government. That is the crowd over on the other side of the aisle. I take the floor because that is where we are headed. This industry is watching closely because they do not want to be in a position of not getting their money back.

We have these wonderful textile shows—the machinery boys come from all over the world—in Greenville, SC, at the center. They want to stay ahead of the curve, and they want to be productive, and they are productive, and they do compete. I categorically claim the U.S. textile industry is the most productive in the entire world, bar none. But they cannot afford to remain productive with this initiative because they will not get their money back.

They know the transshipments. They know how the Chinese built these parks in Vietnam. That is why you find the Burlingtons and the Cone Mills and the Guilfords all going down there because they want to stay in business and they have to make money. So they have to break their pledge not to move plants, not to move jobs, and they all are headed down there.

I do not know who is going to be able to hold on in the United States if this measure passes. The ATMI—that crowd is defunct, I can tell you that. I can say that advisedly because I have gotten every award they give. Otherwise, the AAMA, the American Apparel Manufacturers Association—and a man by the name of Larry Martin, a wonderful individual, with whom I have worked for the enactment of textile bills over the last 30 years —ought to be renamed the Central American Apparel Manufacturers. They do not have U.S. apparel manufacturers.

It is just like our friend from the Cayman Islands. It is gone. Fruit of the Loom, Sara Lee, Limited—"The fruit of its labor, the politics of underwear." That is the particular article that came out. They are ready to go. They are now in the Cayman Islands. And I will ask Janet Reno to look into this: I say to the Senator from North Dakota—they are talking about Chinese contributions. I am wondering about these Cayman Islands contributions. I don't think George W. knows, but he already has $400,000 from Bill Farley and Fruit of the Loom, according to this article. They are down in the Caymans.

Don't give me this cheese board they have up here, how wonderful this is and everybody but HOLLINGS is for the measure. Why do you think they could not get the black caucus over there or why couldn't they get JESSE JACKSON, Jr., for this bill? Why not go for the Jackson bill? That is what he was for, not for this particular measure. Why did the black ministers in Boston march on the industries? Because they are not taken over with the bum's rush of that corporate business banking crowd that wants to make an even bigger profit.

Former Secretary of Labor, little Bobby Reich, put out a book. I wish you all would read that book. On page 179, you will find out the Fortune 500 has not created a new job in the United States of America in the last 10 years. That book is about 6 or 7 years old, but is still on point, and will be for sometime to come. They are not creating the jobs. They are firing everybody. The companies I am referring to are all listed on the charts. They are getting rid of the jobs and getting rid of the industry. That is what we have in the balance this afternoon.

I emphasize that it is one way, and it is not NAFTA and the nice plea that it has worked so well down in Mexico so let's extend it to sub-Sahara, let's extend it to Central America. We are not, if I have anything to do with it, going to pass this Kathie Lee sweatshop measure. It has not worked in El Salvador.

The Senator from Iowa, Mr. HARKIN, wanted to put a child labor amendment on this measure. Of course, now that they have filled up the tree and have given fast track to this measure, we cannot offer an amendment for labor rights, for the environment, for reciprocity. We are going the way of Mexico.

Let me momentarily hold up with one observation about NAFTA because the claim was made at that time in the debate that they would create 200,000 jobs. It has not created new jobs. We have lost 420,000 textile jobs. They said we are going to have better wage rates. Actually, the take-home wage of the country we were trying to help, Mexico, is less in 1999 than in 1994 and 1995 when we passed NAFTA.

Then they said it was going to help the immigration problem because they are going to have so many jobs. The immigration problem has worsened.

I know better than any. I handle the immigration appropriation. We have a school for the Border Patrol agents. We have literally graduated thousands of Border Patrol Spanish-speaking agents for the Border Patrol down in my hometown. And the immigration problem is, again, even worse. Ask the Senators from California, Mrs. FEINSTEIN and Mrs. BOXER.

And then drugs. Oh, yeah, we were going to solve the drug problem. That has gotten worse.

So NAFTA is not a good example of a positive experience with a trade agreement. It is like they keep talking about deregulation of the airlines. I could go on for 2 or 3 hours about that one. We are in an FAA authorization bill now.

We used to come specifically with the town, the mayor, the tax base, build the airport, get the facilities, go out and get Captain Rickenbacker and Eastern Airlines, and come to the CAB and get the rights; and it was a working deal. You got good service. The community controlled the so-called slots, and everything else of that kind. It worked.

But they got this urge to deregulate, deregulate, and we have now come full swing, full circle. The regulated are buying up the deregulated. You don't get the service. You have all kinds of costs.

I bought a ticket a few weeks ago for my wife. The day before we did not think the plane was going to fly on account of Hurricane Floyd. We found out it was, so we bought the ticket. It was $748, round trip, from Washington, DC, to Charleston, SC, and back—$748 dollars. I will show you the ticket.

So don't talk about the improvements, and everything else like that, with either deregulation or this singsong the money crowd puts on with respect to NAFTA and how well it has worked and how everybody is for it.

Everybody is not for this. Those who are looking and have studied and worked in the trade field realize we are going the way of England and that we just can't afford it any longer. I almost say we, more or less, have given away the store, as they say, in the community chest. As they said to me back in those Governor days: Governor, what do you expect them to make? The airplanes and the computers? Let them make the shoes. Let them make the clothing. And we will make the airplanes and the computers.

My problem is they are making the shoes, they are making the clothing, they are making the airplanes, they are making the computers. That Boeing crowd from Washington is beginning to sober up because their bus is being dumped. Ask these airlines whether they are buying Boeing or Lockheed. No, no, no. They are being dumped on account of the price and financing, and everything else of that kind. And the competition is government; and the policy is set by that government.

Senators say look before you open up Conrad Manufacturing. You have to have a minimum wage, clean air, clean water, Social Security, Medicare, Medicaid, safe working place, safe machinery, plant closing notice, parental leave—I could keep going on and on. They can go down to Mexico now for 58 cents an hour, and there is none of that.

So what is happening in the job policy where you can save as much as 20 percent on your manufacturing cost, which is 30 percent of volume? If you move your manufacturing to a low-wage country, and just keep your executive office and your sales force, and you have $500 million in sales, saving 20 percent moving to that low-wage country, before taxes you can make $100 million. Or you know what, you can continue to work your own people and go bankrupt.

That is the job policy of the national Congress. That is the job policy we are discussing this afternoon on the floor of the Senate. That is what we are talking about: How can we say this is for the people, how we say this is going to create jobs, knowing full well it is going to result in a loss of jobs.

That is why the labor people, and that is why so many African Americans, that is why all are beginning to get stirred. That is what makes Pat Buchanan make sense until lately when he began to talk that nonsense about Hitler. That is the worse thing that ever happened to this particular debate because he was talking sense at the time before he wrote his silly book about Hitler and all these other things. But he is talking about the passing army. That is labor in America. They realize they are hearing all this pretty talk from Washington and how we are going to do this and how we got to go do that—global economy, global competition, and everything else of that kind—and they keep losing out.

They are wondering what is happening when the Republicans and Democrats say the same thing. And so Buchanan comes out, and was the best voice we had in a national sense. I have been talking trade while that boy was in Gonzaga. Is that the name of the high school around here, Gonzaga High School? Gonzaga High School—I was working on this when he was at Gonzaga High School beating up everybody. I know him and like him. I get along with him very well. But he has poisoned the well on this particular score because he loses credibility on the most important issue next to the budget. The second most important is the economy and trying to maintain middle America.

And they tell me—the Senator from Louisiana—all they have to do is get in line and go to Amazon. The fact is that those jobs are not paying as much. These retail jobs just do not provide the same pay. In fact, they make them independent contractors to avoid paying their health costs and everything else.

In fact, take the example—and I will sit down and yield to my colleagues because I have plenty more to cover—with respect to Oneida knitting mills down in Andrews, SC, they had to close the first of the year. We bought them less than 35 years ago, a fine little plant. They had 487 employees, with the average age of 47 years old.

Tell them to get retrained and get skilled tomorrow morning—Washington's approach and the approach of the Senator from Louisiana—get that skill as a computer operator and go apply to Amazon as a 47-year-old. Do you think Amazon is going to employ the 47-year-old or the 21-year-old computer operator? They are sidelined, deadlined. They are out.

This is the issue they ought to be debating in this Presidential race. But since the pollsters are all on education, education, education, and the Governors, education, education, the size of the class, more this, more that, reeducate, reteach, everything else like that, they are not talking about the real problem that we at the Washington level are talking about.

On education, the federal government only spends 7 cents on the dollar; the other 93 cents comes from the local level. So we are not going to do much on that. But here, when we can do something, we are doing the wrong thing and going in the wrong direction.

They put up these cheese boards around how the Citicorp and that rich crowd is all for it. All they are doing is trying to make money. They are not trying to create jobs.

Read Bobby Reich's book. He's right, the Fortune 500 are not creating jobs at all. We supposedly are trying to, but at the same time we are canceling out these efforts with this job policy.

We have to phase out right now the Multifiber Arrangement. We are going into the fifth year of it. The real hard part is going to be hitting. I can tell you right now, after this election in November 2000, the next President who is going to come on is going to have some real problems. And, Senator, you and I, hopefully, if the Lord is willing, will be here. And we ought to be doing something about it now.

We certainly ought not to be taking this bum's rush that comes out of the Finance Committee. Because that is what they do to me every time. That is what they did on NAFTA. That is what they did on GATT. They wait until the last 10 days of a particular session. Then they come out and they grease it and they give it fast track. They file it. They put in two amendments. They fill up the tree. They file cloture. And say: Ha, ha, ha, we are going off to the party. Struggle as you will. But we have it fast tracked. And this is going to pass whether you like it or not.

We have to get out here and get at least some amendments with respect to the labor and environmental rights, with respect to the reciprocity. I hope we will look closely at what has happened here.

Mr. President, I ask unanimous consent to have printed in the RECORD the 1998 Ratios of Imports to Consumption from the International Trade Commission, this two-sheet listing.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1998 ratios of imports to consumption

[In percent]

Certain industrial thermal-processing equipment and certain furnaces	48.9
Textile machinery and parts	67.0
Metal rolling mills and parts thereof	46.6
Machine tools for cutting metal and parts	48.1
Machine tools for metal forming and parts thereof	55.3
Semiconductor manufacturing equipment and robotics	51.9
Boilers, turbines, and related machinery	44.4
Electrical transformers, static converters, and inductors	43.2
Molds and molding machinery	44.8
Aircraft engines and gas turbines	70.3
Automobiles, trucks, buses, and bodies and chassis of the foregoing	40.6
Motorcycles, mopeds, and parts	48.5
Aircraft, spacecraft, and related equipment	45.7
Office machines	47.2
Microphones, loudspeakers, audio amplifiers, and combinations thereof	77.9
Tape recorders, tape players, video cassette recorders, turntables, and compact disc players	100.0
Radio transmission and reception apparatus, and combinations thereof	57.9
Television apparatus, including cameras, camcorders, and cable apparatus	68.5
Electric sound and visual signaling apparatus	49.9
Electrical capacitors and resistors	69.5
Diodes, transistors, integrated circuits, and similar semiconductor solid-state devices	45.2
Electrical and electronic articles, apparatus, and parts not elsewhere provided for	49.1
Automatic data processing machines	51.6
Optical goods, including ophthalmic goods	51.5
Photographic cameras and equipment	63.8
Watches	100.0
Clocks and timing devices	62.2
Drawing and mathematical calculating and measuring instruments	71.4
Luggage, handbags, and flat goods	79.7
Musical instruments and accessories	57.2
Umbrellas, whips, riding crops, and canes	81.1
Silverware and certain other articles of precious metal	59.9
Precious jewelry and related articles	55.8
Men's and boys' suits and sportcoats	47.5
Men's and boys' coats and jackets	62.5
Men's and boys' trousers	50.4
Women's and girls' trousers	56.4
Shirts and blouses	62.9
Sweaters	76.4
Women's and girls' suits, skirts, and coats	59.0
Robes, nightwear, and underwear	68.8
Body-supporting garments	42.8
Neckwear, handkerchiefs, and scarves	46.7
Gloves, including gloves for sports	76.1
Headwear	54.1
Leather apparel and accessories	67.2
Fur apparel and other fur articles	81.7
Footwear and footwear parts	84.2

Mr. HOLLINGS. Mr. President, you can go down this list: textile machinery and parts, 67 percent; certain industrial thermal processing equipment, 48, 49, 50 percent; machine tools, 55.3 percent; semiconductor manufacturing, 51 percent; aircraft engines, gas turbines, 70 percent; microphones, loud speakers, audio amplifiers, 77.9 percent; tape recorders, tape players, video cassette recorders, turntables, compact disk players, 100 percent; radio transmission and reception apparatus and combinations, 57.9 percent; television apparatus, including cameras, camcorders, cable apparatus, 68.5 percent; electric sound and visual signaling apparatus, 49.9 percent; electrical capacitors and resisters, 69.5 percent; diodes, transistors, integrated circuits, 45.2 percent; electrical and electronic articles, apparatus and parts not elsewhere provided, 49.1 percent; automatic data processing machines, 51.6 percent; optical goods, including opthalmic goods, 51.5 percent; photographic cameras and equipment, 63.8 percent; watches, 100 percent—I don't know about Timex; I guess they just repair them—100 percent for watches—they have gone to Korea—clocks and timing devices, 62.2 percent; drawing and mathematical calculating and measuring instruments, 71.4 percent; luggage and handbags, flat goods, 79.7 percent; musical instruments and accessories, 57.2 percent; umbrellas, whips, riding crops, canes, 81.1 percent; silverware, certain other articles of precious metals, 59.9 percent; precious jewelry, related articles, 55.8 percent; men's and boys' suits and sport coats, 47.5 percent; men's and boys' coats and jackets, 62.5 percent; men's and boys' trousers, 50.4 percent; women's and girls' trousers, 62,9 percent; shirts and blouses, 76.4 percent; sweaters, another 76 percent; women's and girls' suits, skirts, coats, 59 percent; robes, nightwear, underwear, 68.8 percent; body supporting garments, 42.8 percent; neckwear, handkerchiefs, scarves, 46.7 percent; gloves, including gloves for sports, 76.1 percent; headwear, 54.1 percent; leather apparel and accessories, 67.2 percent; fur apparel and other fur articles, 81.7 percent; footwear and footwear parts, 84.2 percent, on down the list.

I was listening to my distinguished friend from Ohio, Senator VOINOVICH. He was talking about exports and how he got Ohio, as Governor, prepared for exports. As a Governor, I have done the same thing. For both Ohio and South Carolina, there isn't going to be anything left to export. This was last year's statistics. I can tell you the trend is overwhelming in the wrong direction.

Look at the deficit in the balance of trade. It is going to approximate this year $300 billion. We are not talking about exports as a wonderful thing. Let's look, as they used to say when my children were growing up, Big John and Sparky, all the way through life, make this your goal; keep your eye on the doughnut and not the hole. We have the eye on the hole.

Export, export, that is the singsong. Citibank, Citicorp, and all those other financial institutions listed up there, that banker board and what have you; export, export. What we have to watch is the imports. That is the doughnut. That is the problem we have.

When you are spending over $100 billion more than you are taking in, you're going to create a huge economic problem. We should know: the fiscal year just ended, September 30, less than 30 days ago, and we have spent $103 billion more than we took in, we are still running over $100 billion deficits, deficits, deficits. All right. We finally got on to that at least to save Social Security. Now they are talking exports, when they ought to be talking imports because with this particular trend, we don't have anything to export.

Exporting movies, exporting software, exporting insurance policies, exporting bank accounts—come on—where is the work there? All you have is this computerization and everything else. You will have your country terribly enfeebled. It is all a bum's rush to let us help the sub-Sahara foreign aid, let us help the Caribbean Basin nations. But they won't have reciprocity down there. They will all move in on those poor little islands, like we called up that little Felicia in Antigua after the poor airmen got killed in the barracks. Don't you remember, at Lebanon? The marines, I should say, got killed in the barracks at Lebanon. After we lost some 278 marines, they ran down and got suits off the Gulf coast and said: We are invading Granada because Antigua asked us to.

We know what is going to happen. Look at the sheet: Kathie Lee sweatshop in El Salvador. If you try to get a union there, they will kill you. They will kill you. I can tell you right now. Workers fired and blacklisted if they tried to defend their rights. Workers paid 15 cents for every $16.96 pair of Kathie Lee pants they sold; starvation wages, locked bathrooms, forced overtime; pregnancy tests; workers illegally fired and intimidated; death threats. To have the audacity to stand on the floor of the Senate and call this a win-win bill.

I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I've already stated my opposition to this Africa trade bill. At best, it does virtually nothing for Africa, and at worst it actually harms African economies while doing little for the United States.

Instead, the Senate should support legislation that works with the countries of Sub-Saharan Africa to diversify and strengthen African economies and fight the real enemies of economic progress on the continent: the overwhelming debt burden and the devastating AIDS epidemic.

There are many sound policy reasons for opposing this bill, which carries the slightly Orwellian title, the Africa Growth and Opportunity Act or AGOA. These reasons have been well articulated during this debate.

But today I come to the floor to talk about who supports AGOA—a long list of wealthy corporations who will reap huge benefits if AGOA becomes law.

I don't think my colleagues will be surprised to learn that many of these corporate interests are also powerful political donors who know how to use the current campaign finance system to lobby Congress when their interests are at stake.

Many supporters of AGOA can be found among the members of Africa Growth and Opportunity Act Coalition, Inc. I'm not making this up Mr. President. This corporation was established, according to its website, to "demonstrate to the United States Senate that there is significant public support behind enacting the Africa Growth and Opportunity Act (H.R. 434)."

I argue that the support this coalition really demonstrates is not broad-based support from the American public, but the very narrow support of the few but powerful members of the coalition themselves—Amoco, Chevron, Mobil, The Gap, Limited Inc., Enron, General Electric, SBC Communications, Bristol-Myers Squibb, Caterpillar and Motorola, to name just a few.

Our campaign finance system allows these companies to be heard on the issue of Africa trade not only because of their business concerns, but because of the legal loophole they have at their disposal to influence this policy debate—unregulated, unlimited soft money contributions.

This coalition has the weight of millions of dollars of soft money behind it, Mr. President.

We know these corporations have the wealth and clout to be heard in Congress on this bill, so the only question is—what does AGOA offer them?

AGOA provides millions in benefits to help corporations invest in Africa—corporations that are often already investing there in the first place, and many corporations that, not coincidentally, comprise the AGOA coalition.

AGOA is a huge windfall for many American corporations, but it does little or nothing for African nations or African people or working Americans.

It doesn't make an effort to stimulate African economies by helping small businesses in Africa, or adequately guard against transhipment of goods through Africa, which will rob Africans of the benefits AGOA is supposed to intend.

Essentially it offers the status quo, plus a multi-million dollar bonus in tariff reductions for American corporations that already do business on the continent.

Mr. President, just to give an idea of the soft money donations that give the Africa Growth and Opportunity Act Coalition, Inc., so much clout, I'd like to Call the Bankroll on this industry coalition, as I do from time to time on this floor, for the benefit of the public and my colleagues.

First the total numbers. The companies that are members of this coalition gave a total of $5,108,735 in soft money to the political parties in the '98 election cycle. Over $5 million in one cycle, Mr. President. That is an extraordinary figure. Our parties have received over $5 million in financial support from this industry coalition that was organized to lobby for this bill. Are we really comfortable with that? Does that not give us just a little pause?

Two major U.S. retailers and coalition members, Gap Inc. and The Limited Inc., have a particularly strong interest in passing AGOA, since they can benefit from importing cheap textiles. Let's look at their soft money contributions specifically.

During the 1997–1998 election cycle, Limited, Inc. gave the political parties $553,000 in soft money donations, and in just the first six months of 1999, Limited Inc. gave the parties more than $160,000 via the soft money loophole.

The Gap also played the soft money game during this period, with more than $185,000 in the 1998 election cycle and nearly $54,000 already during the current election cycle.

And that's not all, Mr. President, not by a long shot.

I'd also like to turn my colleagues attention to the wealthy donors who would like to secure enactment of the Caribbean Basin Initiative or "CBI", which was combined with the AGOA in the managers' amendment.

The soft money donations from one donor with a huge stake in seeing CBI passed are particularly interesting, and bear mention during this debate.

Fruit of the Loom stands to gain $25 to $50 million from so-called CBI-NAFTA parity, which essentially removes tariffs on the goods Fruit of the Loom imports from its places of production in the Caribbean basin.

Fruit of the Loom stands to gain at least $25 million, Mr. President, and the loss from eliminating duties on apparel from the Caribbean will run U.S. taxpayers at least $1 billion in lost revenue over five years, according to an article from this week's Time Magazine.

Mr. President, this article, entitled "The Fruit of Its Labor," has already been printed in the RECORD. I ask my colleagues to read it.

What might a corporation do to lobby for this kind of major change in our trade laws, Mr. President?

Under today's campaign finance rules, they might consider making some hefty soft money contributions, and in fact that's just what Fruit of the Loom did.

Fruit of the Loom gave nearly $440,000 in soft money during the last election cycle.

The company has been an active donor in the current election cycle as well, especially surrounding key moments in the life of CBI legislation.

On June 14 of this year, just over a month before CBI/NAFTA parity legislation was introduced in the Senate on July 16, Fruit of the Loom gave $20,000 to the Republican Senate-House Dinner Committee.

On July 30, 1999, two weeks after the bill was introduced, the company gave the National Republican Senatorial Committee $50,000.

I state these facts for those who might wonder whether political contributions are ever intended to effect what we do here on this floor, and for those who question whether there is an appearance of corruption caused by the soft money system.

I offer up the facts, and I ask my colleagues and the public to be the judge of a system that allows these unlimited soft money contributions to occur—contributions that would appear to any logical observer to have a potentially corrupting effect on this vitally important trade debate.

Now, one might think, Mr. President, that the business community would be solidly behind this soft money system that allows it so much access and opportunity to influence the legislation that comes out of this body. The amount of money that businesses spend on political donations is a small investment indeed for the kind of return that legislation like the AGOA and the CBI offers.

But recently we have seen some very significant cracks in business community support for this system. Perhaps most notable, was the emergence this year of the prestigious business and academic think tank, the Committee for Economic Development, as a supporter of reform.

The CED came out in March with a strongly worded report that denounced our current system and proposed a series of reforms. Its comprehensive report and recommendations reached the following conclusion: "No reform is more urgently needed than a ban on national party 'soft money' financing."

When we debated the McCain-Feingold soft money ban recently, the Senator from Kentucky dismissed the CED report. He called CED and I'm quoting here, a "little known business group" and "a business group which until a few months ago no one had ever heard of."

Let me tell the Chair and my colleagues a little about the CED, this "little-known" group.

CED was founded in 1942. It's trustees are chairmen, presidents, and senior executives of major American corporations, along with University Presidents. CED's early work was influential in shaping the Bretton Woods Agreement, which established the World Bank and the International Monetary Fund. CED Trustees were prime movers behind establishing the Marshall Plan, the President's Council of Economic Advisors, and the Joint Economic Committee.

With respect to the Marshall Plan, the Senator from Kentucky might be interested in knowing that the President's Committee on Foreign Aid, established by President Harry Truman and led by Averell Harriman, included five CED Trustees. Among these was Paul G. Hoffman, chairman and President of The Studebaker Company who happened to be the founder of CED. Hoffman was ultimately selected by President Truman as the first administrator of the Marshall Plan.

Interestingly, Senator Arthur H. Vandenberg, a prime mover of the Marshall Plan in Congress, rejected President Truman's first choice of Undersecretary of State Dean Acheson as the plan's first administrator. He argued that the person in that post needed "particularly persuasive economic credentials" and that Congress wanted an administrator from "the outside business world . . . and not via the State Department." In the end, Senator Vandenberg himself selected Paul Hoffman to run the Marshall Plan, noting that he was to be the "business head of a business operation."

According to SEC Chairman Arthur Levitt, "CED has played a leading role in fostering public sector policies and private sector policies that have helped make America's economy the strongest in the world and its companies the most competitive."

Mr. President, at this point, I ask unanimous consent to have printed in the RECORD letters praising CED's work from Presidents Eisenhower, Johnson, Carter, Reagan, and Bush.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GETTYSBURG, PA,
October 1, 1963.

Hon. SIGURD S. LARMON,
Chairman, Information Committee, Committee for Economic Development, New York, NY.

DEAR SIG: I am delighted to respond to your query. The Committee for Economic Development provides a means by which many able and public spirited men in American business can join their talent and experience to advance the economic welfare of the country. For 20 years the business leadership represented by C.E.D. has sought out the best experts it can find on each given problem to help them develop the best ways to promote a growing and stable economy and rising living standards. I thought its contributions to the nation invaluable when I was in the White House, today I believe they are equally so.

With warm regard,
As ever,

DWIGHT D. EISENHOWER.

THE WHITE HOUSE,
Washington, December 10, 1964.

Mr. ALFRED C. NEAL,
President, Committee for Economic Development, New York, NY.

DEAR MR. NEAL: Thank you for your kind letter of November 25. I have enjoyed and profited from my contacts with the Committee for Economic Development, and I am pleased to know that this feeling is shared by you.

Whenever the CED feels that it can be helpful to the country and the Administration, I hope that you will not hesitate to communicate your views.

Sincerely,

LYNDON B. JOHNSON.

THE WHITE HOUSE,
Washington, November 8, 1978.

Mr. ROBERT C. HOLLAND,
President, Committee for Economic Development, Washington, DC.

TO ROBERT C. HOLLAND: The Civil Service Reform Act of 1978, which I signed into law earlier this month, will make possible the first overhaul of the Federal personnel system in 95 years.

This historic step would not have been possible without broad public support. The statement by the Committee for Economic Development on "Revitalizing the Federal Personnel System" was an especially timely and thoughtful contribution to the national debate on civil service reform. The trustees of CED can be justly proud of their accomplishment.

I wish you and your fine organization continued success in bringing a responsible perspective to the public dialogue.

JIMMY CARTER.

THE WHITE HOUSE,
Washington, May 14, 1982.

I welcome the opportunity to extend my congratulations to members of the Committee for Economic Development as you commemorate your fortieth anniversary.

These four decades since your organization's founding encompass a period of economic growth unequalled in our country or anywhere else in the world, and the value of the free enterprise system as a system which can spread its benefits across our entire society has been demonstrated.

One of the reasons for our achievements is the opportunity we have in this nation to examine and discuss economic issues freely. In the public forum, we accept ideas from all sides, and we share, sift, propose, and criticize, thereby unlocking the ingenuity and initiative of our best minds.

I applaud the timely focus of the Committee for Economic Development on the issue of productivity as the key to the economic future of the United States. My Administration's economic recovery program includes strong incentives for business investment to modernize plant and equipment. Our aim is higher productivity, more jobs, and increased competitiveness for American industry in markets at home and abroad.

One of the great glories of America is the willingness of busy citizens to take time from their important personal interests to devote their energies and abilities to the public welfare.

The CED is a prime embodiment of this spirit of voluntarism. Your members bring priceless knowledge and experience from corporate and academic life to our public policy forums.

I share your pride in forty years of valuable service to the nation and know that you will use this celebration to renew your dedication to the progress of our country.

RONALD REAGAN.

THE WHITE HOUSE,
Washington, May 21, 1992.

Greetings to all those who are gathered in New York to celebrate the 50th Anniversary of the Committee for Economic Development. I am pleased to join with America's former Secretary of State, George Shultz, in welcoming our visitors from abroad.

From its inception in 1942 through the recent end of the Cold War, the CED and its trustees have made significant contributions toward the social and economic development of the United States and other nations around the globe. After World War II, your recommendation proved valuable in assessing the needs of postwar Europe and in formulating the Marshall Plan. Today, your support of both current and prospective international agreements on trade is helping to promote greater economic opportunities for peoples in both hemispheres. Because America's productivity, prosperity, and strength depend on a well-educated and highly skilled work force—one that will be able to compete in the expanding global marketplace—I especially applaud your support of education programs such as Head Start and America 2000.

As with the end of other epic struggles, new opportunities and challenges lie ahead now that America and its allies have won the Cold War. Indeed, your work remains very important as we chart a new course for ourselves in an increasingly interdependent world.

Barbara joins me in congratulating the Committee on its anniversary and in sending best wishes for the future.

GEORGE BUSH.

Mr. FEINGOLD. Mr. President, let me quote from President Bush's letter, sent on the occasion of CED's 50th anniversary in 1992. He said: "From its inception in 1942 through the recent end of the Cold War, the CED and its trustees have made significant contributions toward the social and economic development of the United States around the globe."

So, far from being little known and obscure, CED has been a leading voice of the business community in its interaction with government for over 50 years. It is a nonpartisan group that has had a significant role in government policy in education, job training and employment, international economics, and budget and fiscal issues. CED Trustees have held numerous high level government posts, and come from both political parties. The current Chairman of CED, Frank Doyle, is the retired Executive Vice President of General Electric, who has served as a U.S. Representative to the OECD and the European Community.

It's also fascinating, Mr. President, that the Senator from Kentucky implied during our campaign finance debate that CED's endorsement of campaign finance reform was insignificant because he has gone to great lengths to try to dissuade it from its view. Indeed, this summer, the Senator from Kentucky wrote to up to 20 business executives to urge them to resign from CED because of its position on campaign finance reform. The Senator from Kentucky charged that CED's position was part of a campaign to "eviscerate private sector participation in politics," and "ban corporate political activism." He criticized CED for aligning itself with groups like the Sierra Club on this issue.

The chairs of the subcommittee that developed the CED report, which by the way was adopted without dissent either from the subcommittee or from the 56 member Research and Policy Committee that gave it CED's official imprimatur, replied to the Senator from Kentucky that they thought it "entirely appropriate for groups with diverse interests to speak out jointly on an issue that they believe threatens the vitality of our participatory democracy." And they flatly rejected the charge that they want to silence the private sector.

Mr. President, I ask unanimous consent that the text of Senator MCCONNELL's letter, along with the response from the CED's leaders, as printed in the New York Times, be reprinted in the RECORD along with a New York Times news story and editorial about this exchange. I also ask unanimous consent that a New York Times story concerning the president of CED, Charles Kolb, who was a lawyer in the Office of Management and Budget and in the Department of Education under President Bush, also be printed in the RECORD.

[From the New York Times, Sept. 1, 1999]

A LETTER AND ITS RESPONSE

Senator Mitch McConnell of Kentucky, chairman of the National Republican Senatorial Committee, wrote to 10 business executives on July 28 suggesting that they resign from a group promoting overhaul of campaign finance laws, which prompted a reply on Aug. 23 by three leaders of that group. Following is a letter sent to an executive, with the recipient's name deleted by the advocacy group, the Committee for Economic Development, and the group's reply:

MR. MCCONNELL'S LETTER

I was astonished to learn that . . . has lent its name, prestige and presumably financial backing to the Committee for Economic Development in its all-out campaign to eviscerate private sector participation in politics, through so-called "campaign reform."

This week, the Committee for Economic Development joined hands with Ralph Nader and the Sierra Club in taking out a full-page ad in The Hill, demanding new campaign finance laws that would ban corporate political activism and render the Republican Party powerless to defend probusiness candidates from negative TV attacks by labor unions, trial lawyers and radical environmentalists.

To legitimize its claim to represent the corporate community in advocating anti-business speech controls, the Web site of the Committee for Economic Development prominently lists . . . as one of the trustees that is "engaged in implement[ing] their policy recommendations."

If you disagree with the radical campaign finance agenda of the Committee for Economic Development and resent its abuse of your company's reputation, I would think that public withdrawal from this organization would be a reasonable response.

Thank you for considering my great concern over these developments.

THE COMMITTEE'S LETTER

We are responding to your letter of July 28 to several trustees of the Committee for Economic Development (C.E.D.) urging them "to resign from C.E.D." because of our recent policy statement on campaign finance reform.

Your letter refers to a full-page ad that C.E.D. and other organizations sponsored urging the Senate to work toward meaningful campaign finance reform. We make no apologies for expressing our views and associating with groups such as AARP, the League of Women Voters, and the Sierra Club. In our view, it is entirely appropriate for groups with diverse interests to speak out jointly on an issue that they believe threatens the vitality of our participatory democracy. In fact, we find it ironic that you are such a fervent defender of First Amendment freedoms but seem intent to stifle our efforts to express publicly our concerns about a campaign finance system that many feel is out of control. Efforts to secure funding for the Republican Party should not be based on silencing other organizations.

You also accuse C.E.D. of an "all-out campaign to eviscerate private sector participation in politics." We respectfully submit that you have misread our report. First, it is disingenuous to imply that a business organization such as C.E.D. wants to silence the private sector or is anti-business. Second, if C.E.D.'s recommendations were enacted tomorrow, there would be more, not less, money available to finance elections. These funds would come primarily from individual contributions—either directly or through political action commitees—not through loopholes in existing laws that have created today's unregulated, apparently limitless, flood of soft money. Our proposal would restore the principle that campaign contributions should be made by individuals not corporations or unions.

We know that a majority of the House and the Senate supports campaign finance reform. That sentiment is also shared by a growing number of business community leaders. We hope that you will reconsider your opposition and enable the issue to be discussed and voted on this fall in the Senate.

Those of us at C.E.D. applaud your many years of public service. We respect and share your commitment to the First Amendment. However, many of our trustees happen to disagree with you on this issue.

[From the New York Times, Sept. 1, 1999]

DEFYING SENATOR, EXECUTIVES PRESS DONATION RULES CHANGE

(By Don Van Natta, Jr.)

WASHINGTON, Aug. 31.—Leaders of a committee of business executives who have endorsed a ban on unlimited campaign contributions said today that their members would not be intimidated by an aggressive letter-writing campaign led by Senator Mitch McConnell, one of the Senate's most ardent opponents of a bill that would overhaul the campaign finance system.

In the letters, Mr. McConnell, a Kentucky Republican, accused the group of trying to "eviscerate private sector participation in politics" by imposing "anti-business speech controls."

"I hope you will resign from C.E.D.," Mr. McConnell scribbled near the bottom of one letter sent to an unidentified senior executive of a telecommunications corporation.

Leaders of the organization attacked by Mr. McConnell, the Committee for Economic Development, which includes executives of General Motors, Xerox, Merck and the Sara Lee Corporation, refused to identify the executive or the corporation in the letter. But they did say that Mr. McConnell wrote letters to executives who work for companies that have significant issues pending before Congress.

None of nearly 20 members of the Committee for Economic Development planned to resign from the committee, as Mr. McConnell urged in the letters sent late last month, committee leaders said.

Edward A. Kangas, a co-chairman of the C.E.D. committee that studied the campaign finance system, said today that Mr. McConnell's letter confirmed for him that the organization, which has enlisted more than 100 current and retired executives to endorse new campaign finance rules, was beginning to shape the contentious debate on the subject on Capitol Hill. The letter was first reported on Sunday on the editorial page of The New York Times.

"What we've been doing as a group of business leaders is obviously beginning to have an impact," said Mr. Kangas, the chairman and chief executive of Deloitte Touche Tohmatsu, the accounting and consulting firm. "If we weren't having an impact, he would not be communicating with us."

In his public statements, Mr. McConnell argues that current campaign-finance legislation would infringe on free speech protections of the First Amendment. Critics of the Republican Party's position on the issue, however, say that Republicans are motivated by the knowledge that they hold a commanding advantage in raising campaign money from the private sector.

In the letter, Mr. McConnell also wrote that he was "astonished" that the corporation of the recipient had "lent its name, prestige and presumably financial backing" to the Committee for Economic Development, which he said was lobbying on behalf of a "radical campaign-finance agenda." Mr. McConnell argued that the executive's alliance with such a group had consequently damaged the reputation of the executive's employer.

Mr. McConnell wrote the letters in his role as chairman of the National Republican Senatorial Committee, the party's major fund-raising group for Senate candidates. His spokesman, Robert Steurer, said that Mr. McConnell was unavailable for comment, and referred questions to the National Republican Senatorial Committee.

Steven Law, executive director of the National Republican Senatorial Committee, issued a brief statement tonight, in which he said: "Nearly all the companies we contacted had no idea that C.E.D. was throwing their name around in connection with campaign-finance reform and they were outraged that C.E.D. had hijacked their corporate identity to sell a position with which they sharply disagreed."

The executives on the C.E.D. committee are speaking for themselves, and not necessarily on behalf of their companies. Most of their corporations still continue to give large sums to political parties and candidates.

Mr. Kangas and other committee leaders said they had recruited more executives in the past several days. They said their goal was to have 300 executives endorse their campaign finance proposals by late autumn.

"I think most of the people at C.E.D. have figured out just how corrupt the campaign finance system is, and this letter is just an example of what they already knew," Mr. Kangas said, "Actually, we are broadening the constituency of business leaders who recognize that the campaign finance system is a real problem. Senator McConnell's letter has not had much impact."

The letter was seen by some as an attempt to intimidate the members with the implied message: Resign and keep quiet or don't count on doing business with Congress. "The reaction was interesting," Mr. Kangas said. "These guys are running big enterprises of their own. They are not easily intimidated. They looked at the letter and most of them just chuckled and filed it away."

The committee is a 60-year-old business-led public policy and research association based in Manhattan. Its leaders pride themselves that it is fiercely non-partisan.

The executives on the committee are urging Congress to prohibit soft money, the unlimited donations that corporations give to political parties. The committee also advocates increasing the limit on individual contributions to $3,000 from the current limit of $1,000.

"The business community, by an large, has been the provider of soft money, said Charles Kolb, the committee's president. "These people are saying: We're tired of being hit up and shaken down. Politics ought to be about something besides hitting up companies for more and more money."

The committee's members studied the campaign finance system for two years. Committee members said they were horrified at the public perception that big donors receive special favors in Washington. In a report released in March, the committee wrote: "The suspicion of corruption deepens public cynicism and diminishes public confidence in Government. More important, these activities raise the likelihood of actual corruption."

In a response sent to Mr. McConnell last week, leaders of the committee wrote: "We know that a majority of the House and the Senate supports campaign finance reform. That sentiment is also shared by a growing number of business community leaders."

Both Warren E. Buffett, the acclaimed value investor and chief executive of Berkshire Hathaway, and Jerome Kohlberg, a founder of the leveraged buyout firm Kohlberg Kravis Roberts & Company, have tried on their own to persuade chief executives of businesses to embrace campaign finance reform measures. But many, though sympathetic, refused to speak out because they do not want to rankle the legislators on whom they depend.

Mr. Kangas said he disagreed with Mr. McConnell's position that campaign contributions were protected by the First Amendment. "I was a little disappointed that he would suggest that freedom of speech does not apply to us, but it applies to the people who agree with him," Mr. Kangas said.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 17, 1999]

SOFT MONEY'S MULTIFACETED FOE

(By Don Van Natta, Jr.)

WASHINGTON.—Charles Kolb may be this city's most unlikely champion of campaign finance reform. A conservative lawyer who worked on domestic policy in the Bush White House, Kolb acknowledges that he never expected to be doing what he is doing now.

As president of the Committee for Economic Development, a group of chief executives and academic leaders committed to public policy changes, Kolb leads its fight against soft money, those unlimited contributions to political parties that have come to exemplify the capital's cash-flush influence industry.

"I personally came at this with a deregulatory viewpoint," explained Kolb, who is 48, "But the more I studied it, the more concerned I became about the appearance of influence-peddling, the quid pro quos. There should be access to politicians, but I don't think you need to pay a toll to get it."

He paused to catch his breath. "I have become something of a radical on this subject," he said.

Trim and energetic, Kolb may look like just one more sharp-dressed politician or lobbyist—until he opens his mouth. He speaks in eloquent, perfectly formed paragraphs about the need to change a federal election system that some analysts say may cost $3 billion in 2000.

As the leader of a fiercely nonpartisan group, Kolb says the organization does not reflect his biases. "If it did, I wouldn't be doing my job," he said. Still, his friends are not surprised that, as a champion of noble causes, he has embraced its position on campaign finance reform.

Upon leaving the Bush administration, where he was deputy assistant to the president for domestic policy, Kolb wrote a book whose title communicated its author's intense disappointment: "The White House Daze: The Unmaking of Domestic Policy in the Bush Years" (Free Press, 1993). The path that led Kolb to his current post also wound through law and charity.

"I've never worried about answering the question, 'What do you want to do with your life?'" Kolb said. He has a one-word explanation for his good fortune: serendipity.

Business executives consider it serendipitous that Kolb took the post at the Committee for Economic Development in September 1997. He is its fourth president in 57 years, and his predecessor held the job for 31 years. Several trustees credited Kolb with invigorating the organization.

The committee is an independent research organization that recommends economic and social policies. Its board includes executives of General Motors, Xerox, Merck and Sara Lee.

Despite the organization's growing momentum, Kolb has occasionally found it difficult to persuade executives to publicly endorse a soft-money ban. They worry that their endorsement will hurt their corporations on Capitol Hill.

"When Charlie talks with most CEOs, they are very sympathetic, very supportive," said Michael J. Petro, the committee's director of business and government policy. "But then they say, 'Let me put you in touch with our Washington guys,'" who often try to kill the idea.

Kolb blamed what he calls the capital's cottage industry of money and influence. "The people who favor the status quo are the people who hand out the checks and the people who cash the checks," he said.

Kolb always wanted to practice law. It was what other men in his family had done. He went to Princeton, then to Balliol College at Oxford University, where he received a master's degree in philosophy, politics and economics.

At Oxford, he met the academic who had the most influence on his life, Sir Isaiah Berlin, the renowned historian who died in 1997 at 88. "What he taught me is there is no excuse for arrogance," Kolb said. He once invited Berlin to tea in Kolb's dormitory room. "And for four hours, the leading philosopher of this century sat on my bed and sipped his tea and talked with me."

Kolb earned a law degree at the University of Virginia, and after practicing at two Washington law firms, joined the Office of Management and Budget. He then moved to the Education Department, where he met his wife, Ingrid. (They now have a 2-year-old daughter, Charlotte.) In 1990, he joined the White House, working on domestic economic, education, legal and regulatory issues. After that, he spent five years as general counsel of the United Way.

On his desk, Kolb displays evidence of his freedom from partisanship: a canceled check for $250 that Kolb wrote on Nov. 1, 1996, to the re-election campaign of Sen. Mitch McConnell, R-Ky., an ardent opponent of changes in the campaign finance laws.

Last summer, McConnell took on Kolb's organization, writing a blistering letter to as many as 20 executives who had endorsed a soft-money ban. McConnell accused the group of trying to "eviscerate private sector participation in politics" by imposing "anti-business speech controls."

At the bottom of most letters, McConnell scribbled a message that some executives regarded as a threat: "I hope you will resign from CED."

Kolb responded sharply. "I think it was an abuse of senatorial authority," he said. "It did a lot to convey to the public what this fight is all about."

In the end, McConnell's smash-mouth tactics backfired. Publicity about the letter helped the organization recruit more executives, doubling its ranks. Now, 212 executives have endorsed the soft-money ban. And not one executive resigned.

With a smile, Kolb said, "It is far better to be attacked than to be ignored."

Mr. FEINGOLD. Mr. President, far from having its intended effect, the Senator from Kentucky's letter, which many believe smacks of intimidation, seems to have emboldened CED and its membership. At last count, 212 business and civic leaders have endorsed the CED report, and not a single member of CED has resigned in response to the Senator from Kentucky's tactics. Not a single one.

It was amazing to me, Mr. President, that we heard Senators on the floor during the campaign finance debate questioning whether our current system is corrupting. But the Senate has heard me talk about the corruption of the system a lot. It's no surprise that I think this system has a corrupting influence on the Congress. But for those who are skeptical of this view, perhaps the words of the CED trustee who chaired the subcommittee that developed CED's recommendations on campaign finance, will carry more weight. Listen to the words of Mr. Edward Kangas, who is the Chairman of Global Board of Directors of Deloitte Touche Tohmatsu, in an opinion piece in the New York Times that appeared after the first days of our campaign finance debate here in the Senate.

"You could almost hear the laughter coming from board rooms and executive suites all over the country when Senate opponents of campaign-finance reform expressed dismay that anyone could think big political contributions are corrupting elections and government." Mr. Kangas continues: "For a growing number of executives, there's no question that the unrelenting pressure for five- and six-figure political contributions amounts to influence peddling and a corrupting influence. What has been called legalized bribery looks like extortion to us."

Mr. Kangas doesn't mince words on how the system appears to someone who has been part of it. He says:

> I know from personal experience and from other executives that it's not easy saying no to appeals for cash from powerful members of Congress or their operatives. Congress can have a major impact on businesses. The solicitors know it, and we know it. The threat may be veiled, but the message is clear: failing to donate could hurt your company. You must weigh whether you meet your responsibility to your shareholders better by investing the money in the company or by sending it to Washington.

This is an incredible indictment of the system that a minority of this Senate is preserving through a filibuster. These words from a business leader plainly and powerfully answer the arguments from the Senator from Kentucky and others that there is nothing corrupt or corrupting about soft money. This is not some liberal "do-gooder" speaking here. This is a respected business person, chairman of the Board of Directors of an international accounting firm, a participant in this system.

He says, "The threat may be veiled but the message is clear. Failing to donate could hurt your company."

I ask unanimous consent that the full op-ed by Mr. Kangas appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> You could almost hear the laughter coming from board rooms and executive suites all over the country when Senate opponents of campaign-finance reform expressed dismay that anyone could think big political contributions are corrupting elections and government. On Tuesday, those opponents prevailed, blocking a final vote this year on banning soft-money contributions. But the innocent and benign system described by the Senators arguing against reform hardly passed the laugh test for those of us on the receiving end of the soft-money shakedown.
>
> For a growing number of executives, there's no question that the unrelenting pressure for five- and six-figure political contributions amounts to influence peddling and a corrupting influence. What has been called legalized bribery looks like extortion to us. The Senators who oppose reform would be far more credible and receive a sympathetic ear if, they admitted the high cost of campaign force them to focus on large contributors, rather than defending the system.
>
> Congress passed laws that would put corporate executives in jail for offering money to a foreign official in the course of commerce. Now some of its members express bewilderment when people note that there is something unseemly about making large payments to the campaign committees of American elected officials.
>
> I know from personal experience and from other executives that it's not easy saying no to appeals for cash from powerful members of Congress or their operatives. Congress can have a major impact on businesses. The solicitors know it, and we know it. The threat may be veiled, but the message is clear: failing to donate could hurt your company. You must weigh whether you meet your responsibility to your shareholders better by investing the money in the company or by sending it to Washington.
>
> Increasingly, fund-raisers also make sure you know that your competitors have contributed, implying that you should pay a toll in Washington to stay competitive.
>
> Unlike individual donations, most large corporate contributions aren't made as gestures of good will or for ideological reasons. Corporations are thinking of the bottom line. Will the contribution help or hurt the company? Despite the protestations of some Senators, everyone knows big checks get noticed.
>
> Like most Americans, corporate executives also now know the issue isn't really free speech. (You'll notice that the First Amendment argument is more often made by the listeners, the politicians, then by the speakers.) Companies don't question their ability to speak forcefully. We have lobbyists and trade associations, and we provide many jobs—all of which help us to be heard. And, as salesmen, we resent the ideas that the only way we can get a chance to make an effective pitch about legislation is to pay a large fee.
>
> One clear sign of the growing dissatisfaction of corporate leaders with this pressure is the endorsement by more than 200 business and civic leaders of a campaign finance reform plan made by the Committee for Economic Development, a group of chief executives and academic leaders. This group, of which I am a member, is not saying that all political contributions are bad or corrupting. We know campaigns cost money.
>
> But we see what should be obvious to everyone. There's a big difference between a $1,000 contribution—the current limit on individuals' donations to a campaign—and a $50,000 or $1 million check filtered through a party as "soft money." The potential for corruption is minimal at $1,000, or even at the $3,000 level to which our reform plan would raise individual contribution limits. But the unlimited amounts that pour through the soft-money loophole are dangerous.
>
> Americans understand the influence of money. It's time to give elections back to democracy's shareholders—the voters.

Mr. FEINGOLD. Mr. President, CED is not the only business organization that supports campaign finance reform. The Campaign for America is an organization founded by Jerome Kohlberg, former founding partner of the firm of Kohlberg, Kravitz. That organization sent us a letter during the recent campaign finance debate, signed by, among others, Warren Buffet, Arjay Miller, who is the former President of Ford Motor Company and Dean Emeritus of Stanford Business School, and Bob Stuart, former Chair of Quaker Oats. These prestigious business leaders write: "We believe the current soft money system works against the public interest and against the interests of business. . . . [B]usiness and industry must have access and say in policymaking. But soft money distorts the process."

I ask unanimous consent that the letter from Campaign for America and these business leaders appear in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CAMPAIGN FOR AMERICA,
Washington, DC, October 18, 1999.
Hon. RUSS FEINGOLD,
U.S. Senate,
Washington, DC.

DEAR SENATOR FEINGOLD: As the Senate debates reforming the way federal officials finance their campaigns, we hope you will consider what the appropriate relationship between government and business should be. We believe the soft money loophole creates an improper conduit for corporate and union money to flow in unlimited amounts through increasingly murky channels into the political system. Speaking as business people and as citizens, we urge you to support the McCain-Feingold bill.

We believe meaningful reform will require fuller and more timely disclosure of contributions and expenditures. It will require all organizations trying to influence the outcome of elections to play by the same rules as candidates. Above all, meaningful reform will close the soft money loophole. Does McCain-Feingold cure all the ills of our current system? No, but it is a crucial first step.

We believe the current soft money system works against the public interest and against the interests of business. Congress must have input from business or it risks legislating in a vacuum; business and industry must have access and say in policy-making. But soft money distorts the process.

American business traditionally places its faith in the market. And while it is naïve to think that the government won't play a role in shaping the market, the soft money system encourages companies to seek government intervention in the market in an arbitrary and unfair way.

Congress enacted a law in 1907 to prevent corporations from using corporate money to exert an undue influence on the political process. In 1947 the Congress passed a similar restriction on unions. The soft money loophole subverts these laws. If soft money contributions are capped rather than banned, the subversion of the principles behind these laws will continue.

Some opponents of reform would have you believe the parties will wither and die if the flow of soft money contributions is cut off. But the soft money loophole can be closed without starving candidates or parties of needed resources by adjusting the hard money limits.

The Senate has an opportunity to find a consensus on the appropriate process for financing federal campaigns. We urge you to return to our citizens a system that is fair and equitable. We urge you to oppose a filibuster and allow the Senate an opportunity to vote for the McCain-Feingold bill.

Respectfully,

George T. Brophy, Chairman, President & CEO, ABT Building Products Corporation; Warren Buffet, Chairman & CEO, Berkshire Hathaway Inc.; William Coblentz, Attorney at Law, Coblentz, Patch, Duffy, and Bass; William H. Davidow, General Partner, Mohr, Davidow Ventures; E.C. Fiedorek, Managing Director (Retired), Encap Investments L.C.; Alan G. Hassenfeld, Chairman & CEO, Hasbro, Inc.; Ivan J. Houston, CEO (Retired), Golden State Mutual Life Insurance Co.; Robert J. Kiley, President, New York City Partnership; Jerome Kohlberg, Jr., Kohlberg & Company; Robert B. Menschel, Senior Director, Goldman, Sachs Group; Arjay Miller, Former President, Ford Motor Company, Dean Emeritus, Graduate School of Business, Stanford University; Thomas S. Murphy, Chairman & CEO (Retired), Capital Cities/ABC, Inc.

Raymond Plank, Chairman & CEO, Apache Corporation, Sol Price, Price Entities; Arthur Rock, Arthur Rock & Company; David Rockefeller; Ian M. Rolland, Chairman & CEO (Retired), Lincoln National Corporation; Richard Rosenberg, Chairman & CEO (Retired), Bank of America; Jim Sinegal, President & CEO, Costco Companies, Inc.; Bernard Susman, Bernard M. Susman & Co.; Donald Stone, Former Chairman & CEO, MLSI, Former Vice-Chairman, New York Stock Exchange; Robert D. Stuart, Jr., Chairman Emeritus, The Quaker Oats Company; Dr. P. Roy Vagelos, Chairman & CEO (Retired), Merck & Co., Inc.; A.C. Viebranz, Former Senior Vice President for External Affairs, GTE Corporation; Paul Volcker, Former Chairman, Federal Reserve.

Mr. FEINGOLD. Mr. President, business support for campaign finance reform is real and it is growing. Businessmen are tired of being the fall guys of American politics. They are tired of seeing politicians with their hands out for money. They are tired of the ever increasing demand for ever larger checks. They are tired of the feeling like they are being shaken-down for their contributions, like political donations are a form of protection money.

They are tired of the public's perception that when business wins an argument in Congress it wasn't because its position was right but because they gave big soft money donations to the political parties. That is certainly a risk with this particular Africa trade bill, as my Calling of the Bankroll at the beginning of this presentation showed.

I want to commend the leaders of the business community for joining this cause, and standing up to the pressure from those who want to preserve this corrupt system. In the end, they are on the right side of the issue, not only for business, but for the American people.

I have to ask my colleagues, Mr. President, how can this body continue to allow soft money contributions to flow to the political parties' warchests—unregulated, unchecked, and doing untold damage to the public perception of the way we do business in this Chamber?

How long can we expect the public to put up with a U.S. Senate that refuses to shut down such an egregious loophole, and chooses instead to perpetuate a soft money system that taints everything we do on this floor?

That's right. I'll say it again. Everything we do on this floor is called into question by the soft money system. And that includes this Africa and Caribbean trade bill. The $5 million in soft money contributions by the industry coalition created supposedly to show public support for this bill casts a shadow on this debate. It's the 800 pound gorilla, as I've said before, that is sitting over there on the floor and that we all ignore.

Until we close the soft money loophole, the shadow will get darker and darker, and the gorilla bigger and bigger. Until we close that loophole, our constituents have every right to be skeptical of whether we work for them, or for the big contributors. Until we close that loophole, the concept of one person, one vote—a basic and fundamental tenet of our democracy—is in serious jeopardy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I ask unanimous consent that the pending amendment No. 2335 be temporarily laid aside in order for Senator ASHCROFT of Missouri to offer an amendment.

Mr. HOLLINGS. I object.

Mr. ROTH. I would say, if I might, to my distinguished colleague that while it takes unanimous consent for me to ask this, the leader of course could come down and accomplish the same result. So I hope the distinguished Senator will not object.

Mr. HOLLINGS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROTH. Mr. President, I regret that objection because I think it is important that we be able to proceed with this most important legislation.

This is legislation that has the support of both the Republican and Democratic leadership. It has the support of the White House and the President. I am disappointed that we are unable to reach agreement to begin the amendment process so that this most important legislation can be acted upon in the remaining days.

I point out to the distinguished Senator from South Carolina that this legislation was reported out by the Finance Committee in June of this year. We had hoped action could be taken earlier, but the schedule did not permit that.

Does the Senator from Missouri wish to speak?

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. ASHCROFT. I thank the Senator from Delaware for his leadership, and I thank him for making the attempt to increase our capacity to serve America by allowing me to offer an amendment.

The measure that I am offering today is a measure that Democratic minority leader Senator DASCHLE, 31 cosponsors, and I had introduced as free-standing legislation earlier this year. All of the cosponsors of the measure have been strong advocates on behalf of American agriculture. We are addressing the ability of American agriculture to be represented effectively in trade negotiations.

Currently, there is a temporary American Ambassador for agriculture in the Office of the U.S. Trade Representative so that America's farmers and ranchers always have a representative at the table when the United States enters large trade negotiations. If we are worried about the United States' balance of payments, we ought to elevate and try to increase our number of exports.

Our farm community outproduces and outworks any farm producers around the world. When trade agreements are negotiated, we need our farmers to be represented there by a consistent, strong voice for agriculture.

The Senate Democratic minority leader, Senator DASCHLE, and I and 31 cosponsors introduced this free-standing bill, S. 185, because we thought it is essential to U.S. farm and trade policy. It is a bill, which as an amendment to this measure, ensures that our Nation's farmers and ranchers have a permanent trade ambassador in the Office of the U.S. Trade Representative. Let me express that once more to be very clear: We want to have a permanent agricultural trade ambassador in the Office of the U.S. Trade Representative so whenever our Trade Representatives are making considerations about the kinds of agreements that will govern the relationships between the United States and other nations as they relate to trade with agricultural products, an expert, clearly focused on, committed to, trained in, and abreast of the circumstances in the agricultural community, will be right there at the table advancing our interests.

This is very important, especially as we understand that our agricultural productivity far exceeds our ability to consume. In my home State, between a quarter and a third of all the agricultural products produced must go into the international marketplace. I heard the Senator from Illinois the other day talk about how that in his State over half of all the products are grown for shipment overseas. For some commodities, such as soybeans, over half of those commodities must be exported.

This is a simple concept. The placement in the Office of the U.S. Trade Representative of a permanent trade ambassador for agriculture has broad bipartisan support in the Congress. It is supported by more than 80 national farm organizations. And the administration supports it.

I talked recently with U.S. Trade Ambassador Charlene Barshefsky in a meeting with the congressional "WTO Caucus for Farmers and Ranchers." Let me explain. Senators LARRY CRAIG and BYRON DORGAN have assembled people in the Congress who are concerned about agriculture's capacity to trade effectively and to get our products overseas. We have organized with their leadership this caucus, consisting of both Senate and House Members, to address agricultural issues in the upcoming World Trade Organization Seattle Round.

This fall in Seattle we are going to launch a new round of trade negotiations. We have been seeking as a caucus of Members of the Congress to work with our trade ambassador, Ambassador Barshefsky, to say we want to make sure we in the Congress cooperate so that when any trade agreements are finally reached, the Senate is in a better position not only to understand them but also to approve them if at all possible.

I was delighted that when we discussed this need for a permanent agricultural trade ambassador within the Office of the Trade Representative, Ambassador Charlene Barshefsky endorsed the program fully. She said this initiative is very important.

I described the fact we have the WTO round of trade talks starting in late November in Seattle. I want to communicate the urgency to get this provision we are offering today enacted into law before the Seattle Round kicks off. I think Senator DASCHLE understands, the other 31 cosponsors understand, the members of the WTO trade caucus understand, and the White House understands the urgency of having agricultural issues fully represented at the table. That is why the administration supports this. That is why I am pleased to have been an original cosponsor with the minority leader, TOM DASCHLE, on this proposal in February because we all understand the importance of this proposal.

Ambassador Barshefsky went on to say:

> Ensuring that the United States has a permanent trade ambassador will put U.S. farmers in a stronger position in the Seattle round of the WTO negotiations that will begin late this fall.

Ambassador Barshefsky pointed out that when she assumed the position of the U.S. Trade Representative, she appointed Peter Scher as a special trade negotiator for agriculture. He has been the voice for America's farmers and ranchers at the negotiating table, and he has been doing a wonderful job advocating positions that will advance the strength of their interests internationally. However, his position was an administration decision and an appointment as opposed to being a permanent position in the law.

The bill we introduced and the amendment I am offering today makes his position permanent, subject to Senate approval, of course. Our farmers need a representative in the Office of the U.S. Trade Representative who will focus solely on opening foreign markets, ensuring a level playing field for U.S. agricultural products and services, and representing the interests of American farmers, the most productive of all of our sectors of our economy. The opportunity to do that is not only ripe and ready, it is necessary now because we are looking the WTQ round in the face. We need to achieve this objective.

In September 1998, American farmers and ranchers faced the first ever monthly trade deficit for U.S. farm and food products since the United States began tracking trade data in 1941. This sounds an alarm for States such as my home State of Missouri. We receive over one-fourth of our farm income from agricultural exports. Already this year the U.S. Department of Agriculture has reported the value of agricultural exports has dropped by over $5 billion since this time last year. We need to be promoting and developing ways of exporting more of the food and fiber we grow in this country. At best, the total agricultural exports will be $49 billion in 1999. This is a reduction from total agricultural exports of $60 billion 3 years ago. We cannot afford to be in a situation where we are vastly increasing productivity and production and curtailing our farmers' amount of exports opportunities. We desperately need to enhance the level of exports for our farmers. We need to make permanent the position of agricultural trade ambassador within the Office of the U.S. Trade Representative.

Also, our agricultural trade surplus totaled $26.8 billion just 3 years ago. By last year, that amount had dropped by almost 50 percent. This year, our annual agricultural trade surplus will have dwindled to about $12 billion.

The bottom line is we need more attention focused on farmers' competitiveness overseas. We need to make this a policy priority. Our priorities need to be reflected in the level of the resources we deploy to do this job of opening markets for farmers and ranchers.

When I am thinking about the Nation's trade policy, especially about agriculture, I ask myself what is good for the State of Missouri. In some significant measure, Missouri happens to be a leader in farming. We are the State with the second highest number of farms—second only to Texas. We have just about every crop imaginable. Missouri is among the Nation's top producers in almost all crops. We are second in terms of beef cows. We are second in hay production. Missouri is one of the top five pork-producing States. Missouri is also among the top 10 States for the production of cotton, rice, corn, winter wheat, milk, and watermelon. With 26 percent of the income in our State coming from exports, our Missouri farmers, like farmers from sea to shining sea, need to know that their ability to export will expand over time rather than become subject to foreign protectionist policies that choke them out of their market share.

During the 1996 farm bill debate, in exchange for decreased Government payments, our farmers were promised more export opportunities. It is time for us to deliver on that promise.

America's farmers and ranchers need a permanent agriculture ambassador who will represent their interests worldwide, especially as we face more negotiations in the World Trade Organization, and also as we have regional negotiations with both Central and South America progressing. There are a lot of opportunities that could be opened up to our farmers and ranchers in the coming years. We need to have someone at the door, always pressing for those opportunities.

Under the legislation which the minority leader and I and 31 others introduced this year, the agricultural ambassador would be responsible for conducting trade negotiations and enforcing trade agreements relating to U.S. agricultural products and services. Also under the legislation, the ambassador must be a vigorous advocate on behalf of U.S. agricultural interests.

It is imperative, in my judgment, that U.S. interests always have a strong, clear voice at the table in international negotiations. Foreign countries will always have agriculture trade barriers. We need to send the message to foreign governments we are serious about breaking down barriers to their markets, so that our farmers and ranchers will be put on more of a level playing field.

Canada and Mexico have already concluded free trade agreements with Chile, for example. Farmers in Canada can send their agricultural products to Chile, and in most instances Canadian farmers face a zero tariff level. Our farmers, on the other hand, are confronted with an 11-percent tariff. That makes it very difficult for us to be competitive. The E.U. is negotiating a trade deal with Mexico, Chile, Argentina, Brazil, Paraguay, and Uruguay. Thus, these countries will give European farmers more access to their markets at the expense of U.S. farmers and ranchers. We can not afford to wait. America must lead, not follow, especially in our own backyard in the Western Hemisphere, but certainly even around the world.

The agricultural ambassador amendment we are offering today is supported by more than 80 agricultural trade associations. Additionally, State branches of these national associations such as the Missouri Farm Bureau Federation and the Missouri Pork Producers Council are weighing in with their strong support.

We need to utilize every opportunity we have to help our farmers and ranchers in America. Making permanent the position of U.S. Trade Representative for agriculture, we are guaranteed the interests of American farmers and ranchers will always have a prominent status and will ensure that our agreements are more aggressively enforced.

It is with this in mind, and because of what I believe is the overwhelming consensus on this measure, the bipartisan nature of it, and the pressing need for it for this year's WTO round, which will begin in Seattle later this fall, that I wanted to bring this amendment to the floor and offer it. I believe this Senate will overwhelmingly endorse this commonsense proposal which has such strong bipartisan support, which is supported by the Administration, and which would render such great service to the farmers and ranchers of the United States of America who lead America in productivity and who can lead America in terms of our balance of trade and exports.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter detailing the list of the national organizations, American farmers, and ranchers supporting the amendment, and I yield the floor.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 19, 1999.

Hon. JOHN ASHCROFT,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR ASHCROFT: Thank you for introducing S. 185 which establishes a permanent Chief Agricultural Negotiator in the Office of the United States Trade Representative (USTR). Agriculture plays a significant and positive role in the balance of U.S. trade. As we prepare for the next round of negotiations in the World Trade Organization (WTO) it is important that the interests of U.S. agriculture be given special emphasis.

Agricultural trade will be a primary focus in the next WTO round. U.S. farmers and ranchers are dependent upon the continued expansion of agricultural exports and opening of foreign markets. The issue of foreign agricultural trade barriers continues to grow and is often unique and difficult to resolve. The result of the next round of negotiations will have a major effect on the future of U.S. agriculture. The enactment of this legislation will send a message to the member countries of the WTO that the U.S. is serious about agriculture. It will place a permanent advocate and specialist at the negotiating table on behalf of U.S. agricultural interests and establish a position that will be responsible for enforcing trade agreements relating to U.S. agriculture.

We pledge our support for S. 185 and look forward to working with you to ensure its passage.

Sincerely,

American Cotton Shippers Association, American Farm Bureau Federation, American Feed Industry Association, American Meat Institute, American Soybean Association, Animal Health Institute, Cenex Harvest States, CF Industries, Chicago Board of Trade, Corn Refiners Association, Inc., Farmland Industries, Inc., Florida Phosphate Council.

Idaho Barley Commission, International Dairy Foods Association, National Association of Wheat Growers, National Association of Animal Breeders, National Cattlemen's Beef Association, National Chicken Council, National Corn Growers Association, National Cotton Council, National Farmers Union, National Grain Sorghum producers, National Grange, National Milk Producers Federation.

National Pork Producers Council, National Sunflower Association, Nestle USA, Northwest Horticultural Council, Novartis Corporation, The Fertilizer Institute, United Fresh Fruit & Vegetable Association, US Apple Association, US Canola Association, US Dairy Export Council, US Rice Producers Association, US Wheat Associates, US Rice Federation, Wheat Export Trade Education Committee.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Delaware.

Mr. ROTH. Mr. President, first of all, let me commend the distinguished Senator from Missouri for his leadership on agricultural trade issues. I congratulate him for his knowledge, for his leadership on these issues, and the effectiveness with which he deals with them. I want him to know I rise in strong support of his amendment.

The USTR has had an agricultural ambassador at USTR. In my judgment, it has been a most effective tool for furthering our agricultural trade interests. It is my position that making this a permanent position would be good policy, well deserved by the agricultural sector which, of course, has consistently fought for trade liberalization.

Again, I congratulate the distinguished Senator from Missouri and say I look forward to working with him on this critical issue.

Mr. President, I will take this opportunity to address some of the arguments that have been raised during the debate today and earlier. They were worthy arguments that merit our attention. But I do believe the proponents of this legislation have a more than adequate response.

One of the questions that has been raised is, Why take this bill up now? Some of my colleagues have questioned why we are. Let me help them by putting this in context.

Section 134 of the Uruguay Round Agreements Act, which passed the Congress in 1994, just 5 years ago, directed the President to develop a comprehensive trade and development policy for the countries of Africa. That provision originated with Senator DASCHLE, now the distinguished minority leader. In the statement of administrative action that accompanied the act, the President made it very clear the first measures he intended to consider in complying with that congressional mandate were measures to:

> . . . remove impediments to U.S. trade with and investment in Africa, including enhancements in the GSP program, for the least developed countries.

Mr. President, I see the distinguished leader here. I am happy to yield to the distinguished leader.

The PRESIDING OFFICER. The majority leader.

AMENDMENT NO. 2335 WITHDRAWN

Mr. LOTT. Mr. President, I now withdraw the pending amendment, No. 2335.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

AMENDMENT NO. 2340 TO AMENDMENT NO. 2334

(Purpose: To establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative)

Mr. LOTT. Mr. President, I send an amendment to the desk on behalf of Senator ASHCROFT and others and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Mississippi [Mr. LOTT] for Mr. ASHCROFT, for himself, Mr. DASCHLE, Mr. BAUCUS, Mr. BURNS, Mr. BROWNBACK, Mr. GRASSLEY, Mr. INHOFE, Mr. HARKIN, Mr. ROBB, Mr. CRAIG, Mr. DORGAN, Mr. LUGAR, Mr. HELMS, Mr. DURBIN, Mr. INOUYE, Mr. CONRAD, Mr. WYDEN, Mr. GORTON, Mr. THOMAS, Ms. COLLINS, Mr. ROBERTS, Mr. BINGAMAN, Mr. MCCONNELL, Mr. JOHNSON, Mr. FITZGERALD, Mr. GRAMS, Mr. ALLARD, Mr. HUTCHINSON, Mr. BOND, Mr. ENZI, and Mr. CRAPO, proposes an amendment numbered 2340 to amendment No. 2334.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

SEC. . CHIEF AGRICULTURAL NEGOTIATOR.

(a) ESTABLISHMENT OF A POSITION.—There is established the position of Chief Agricultural Negotiator in the Office of the United States Trade Representative. The Chief Agricultural Negotiator shall be appointed by the President, with the rank of Ambassador, by and with the advice and consent of the Senate.

(b) FUNCTIONS.—The primary function of the Chief Agricultural Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to U.S. agricultural products and services. The Chief Agricultural Negotiator shall be a vigorous advocate on behalf of U.S. agricultural interests. The Chief Agricultural Negotiator shall perform such other functions as the United States Trade Representative may direct.

(c) COMPENSATION.—The Chief Agricultural Negotiator shall be paid at the highest rate of basic pay payable to a member of the Senior Executive Service.

Mr. LOTT. Mr. President, before I yield the floor for discussion of this amendment, let me reiterate to my colleagues my hope we can continue to consider trade-related amendments to this important African trade CBI legislation.

I know earlier Senator REID offered and debated a trade-related amendment. I think that was the right approach. I thank him for doing that. I encourage all Members who have amendments relating to the pending subject to work with the managers who are here, ready to work, have their amendments offered and disposed of.

Again, this amendment has, I believe, very broad support across the aisle. I think it is the right thing to do, and I am still anxious for us to find a way to get to cloture so we can have the final amending process and debate on this bill and pass it.

This would be a major step for the Senate. Of course, then we still have to go to conference with the House, which has a very different approach from ours to this legislation. It will be a tough conference. But this legislation is supported by the managers on both sides of the aisle, by myself, by Senator DASCHLE, I believe, and by the President. I hope we can continue to look to find a way to move this legislation to a conclusion.

We can get cloture on Friday, and then I believe by Tuesday or Wednesday of next week, we could be completed with this legislation. We will continue to work to seek a way to achieve that. I yield the floor.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I share the majority leader's desire to finish this legislation. I have indicated publicly I want to work with him to find a way to resolve the matters that are outstanding so we can get to final passage. It is regrettable that the tree was filled before a single amendment could be debated and disposed. The majority leader and I have had conversations in the past, and he is, I am sure, sensitive to the knowledge that this tactic compels Democrats to oppose cloture in order to protect the right of Members to offer an amendment.

Filling the tree actually frustrates the majority leader's stated intention of speedy passage. We could have had a number of amendments today. That has been precluded now because we are in this situation where Senators are prohibited from offering amendments. It is pointless to fill the tree now. We could have allowed amendments for at least 2 days while cloture ripened. If amendments and a good debate and votes were allowed, I think we could have built support for cloture. Under the circumstances, however, there will continue to be a pent-up frustration due to the inability on the part of Senators on both sides of the aisle to offer amendments.

In a sense, filling the tree plays into the hands of the opponents of the legislation. Democrats can never support preemptive filling of the tree or preemptive filing of cloture because I think, in large measure, it is a real affront to the rights of every Senator who wishes to play a part in any debate in this body. While I oppose many of the amendments that could be contemplated and could be offered, I support a Senator's right to offer them.

The majority leader said today he believed he only filled the tree once before in 1999. In fact, this is the seventh time this year he has resorted to this approach. There were six previous occasions: March 8, 1999, S. 280, the Education Flexibility Act; April 22, 1999, Social Security lockbox; April 27, 1999, the Y2K Act; April 30, 1999, S. 557, Social Security lockbox; June 15, 1999, Social Security lockbox; and July 16, 1999, Social Security lockbox.

In addition, of course, the majority leader has twice preemptively filed cloture on measures immediately after calling them up and then moved to other business in order to prevent amendments or debate. That occurred on June 16, 1999, on H.R. 1259, the Social Security and Medicare Safe Deposit Act, and on September 21, 1999, on S. 625, the Bankruptcy Reform Act.

After using these coercive tactics on all of these occasions, I would hope we might learn that they do not work. We do not operate under the rules of the House. We must insist on Senators' rights to offer amendments, even if we ultimately will reject those amendments.

That is not to say that dilatory tactics that go on and on are something that I will support. I will support cloture at some point. But I also support strongly the right of a Senator on the other side of the aisle or a Senator on this side of the aisle to offer an amendment, relevant or not relevant, at least initially.

I respect the Senator's decisions as I always do. I just differ with him in this case. It seems to me if we want to kill this bill, this is the way to do it. If we want to pass the bill, then it seems to me the majority of Democrats will join with the majority of Republicans in finding a way with which to deal with these amendments and ultimately pass this legislation. We can do it, but if we are going to do it, we have to take down this tree. It has to happen sooner rather than later so we do not waste any more time than we have already.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, if I can respond for a moment further, this is a trade bill. This is a bill the Senate would like to pass, I believe. We tried to do fast-track legislation. I believe that was last year or maybe the year before. We did not quite get that done.

This is a major opportunity for us to do something that will be good for America, good for our individual States and constituents, I believe, and good for the Central American countries, the Caribbean area, and Africa.

It is a trade bill. The idea that Senators on both sides of the aisle would bring up issues which would clearly deadlock the Senate and make it highly unlikely that we could get to a reasonable conclusion at a time when we are approaching the end of the session—I have already been told of Senators' desires to offer an amendment dealing with sanctions and their support for a sanctions bill on this side. I understand Senators on the other side said: If you don't offer it, we will offer it.

Clearly, that is an issue we do need to get into. The question of how we deal with sanctions, particularly agricultural sanctions, needs to be thought through carefully. The relevant committees would get into that, have hearings, give thought to it, and have a bill reported out which we could take up, in and of itself, separately in the next session of this Congress next year.

I had a Senator indicate he wants to offer fast track to this bill which, by the way, I support. At least it is a free trade amendment. It clearly is one that will cause a great deal of consternation on the Democratic side of the aisle, perhaps on both sides of the aisle.

Plus, I was told by Senator WELLSTONE he wanted an agricultural amendment. I have been told there is a gun amendment pending, even though we spent 2 weeks debating juvenile justice and gun amendments earlier this year. I was told three Senators might be looking at campaign finance reform again.

Basically to empty our out basket on issues we have already voted on this year causes tremendous problems and delays in completing this very important trade legislation.

I will be glad, once again, to enter a unanimous consent agreement that we go forward and consider first-degree amendments, relevant amendments, on the trade bill. There are a lot of amendments that Senators want to offer that relate to the bill before us.

To the American people, do you understand me? The complaint is: We cannot debate gun amendments, agricultural sanctions, and farm amendments on a trade bill, on a bill that has bipartisan support and Presidential urging. I realize it may be within the rules, but I do not think it is a way to get this bill done.

I hope we can keep looking for a way to move it forward. I do not want to be in a position of trying to give aid and comfort to the opposition to this legislation. Obviously, that is not my preference, but Senator HOLLINGS is going to avail himself of the rules and he will be very willing to help other Senators who want to offer extraneous amendments if that will be helpful to his cause.

He is smiling and I am smiling because I know exactly what he is up to. He is doing an excellent job in trying to stop this legislation he has made clear he is opposed to. That is the way the Senate works. If one feels strongly and one Senator is willing to spend the time and use the rules, he can cause problems and delay a bill.

As far as using the tree, I did not invent the process. I must confess, I was surprised it has been used as much as it has this year. It has been a longer year than I thought, perhaps, or maybe it is a better tool than I had remembered.

Still, I will work with the managers of the bill and Senator DASCHLE, and if there is a key to unlock this bill to get it to its conclusion, I am willing to look for it. I hope we will not, though, as I said, empty out our baskets on both sides of the aisle and come up with everything we have been harboring in our heart of hearts over the past weeks or months.

Let's keep our eye on the bill. This is a big, important bill. There are countries all over the world looking at us saying: Will they keep their word? The President has gone to Central America, I believe, twice—I know for sure once—and said he wants this; we want to help the Caribbean Basin countries and the Central American countries.

I know he wants to do that, and so do I. I have been there. I have met with the Presidents. I have met with the Ambassadors. They are desperate for help. The good thing about it is this is a way we can help them and help ourselves.

In my State, we are going to produce the cotton. We are going to put the fabric together and ship it to Central America through a port. They are going to finish off the product, send it back to the port, and it is going to be available to the American people at a reasonable price.

Everybody wins: American product, American workers, American dock workers, Central American jobs, then back to America where American consumers will get a fair price for this material. That is just one example. And there are many others.

So I certainly understand what Senator DASCHLE is saying. I know there is a pent-up demand to offer these various and sundry amendments. I understand that, but I do not feel I have any particular obligation to go out of my way to accommodate that.

Sooner or later, the time will come when these things are going to come up, one way or the other. I indicated to Senator WELLSTONE, I would like to know the details of what his amendment is to see if maybe it could be brought up freestanding. I am not so sure we would not want to just say, OK, bring it up. Let's have some limited debate and vote on it. But if you open that door, where and when does it end?

To spend a week on this bill, I was prepared to do that. To spend 2 weeks on it, I am not sure we want to do that. We have to be able to bring an end to this by Tuesday or Wednesday of next week.

That enables and strengthens the hand of the Senator from South Carolina. He knows that we are not willing to run this train endlessly. If we had 2 or 3 weeks, we could grind it down. But I hope that we would not have to do that because we do have some other issues that people on both sides of the aisle do want to do. We need to try to see if we can work out a way to do it.

Well, I am repeating myself. I understand what Senator DASCHLE is saying, and I understand the frustration. But the way to get this done is to continue to see if we can work out an agreement, and then get cloture Friday. Sixty votes; we are going to get probably 52, 53 Republicans who will vote for cloture to go on to the substance of the bill. If we can get 6 or 8 or 10 Democrats—just 6 or 8 or 10—that is all it would take, and we would be on this bill, and we would be done with it by next Wednesday. That is a worthy goal. I hope we can achieve it.

I yield the floor.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Let me make the majority leader an offer.

He says, if there is a way to work this out, we can do it. I think he could get 30 Democratic votes, maybe even 40, on cloture on Friday if we tear down the tree and allow amendments to be offered.

We are talking about two things. We are talking about a Member's right to offer amendments, but we are also talking about the worthiness of the amendment on this particular issue, as the majority leader has stated now on several occasions, rightfully so.

I would be willing to join with the majority leader in doing one of two things. Our predecessors came up with some ingenious ways with which leadership can deal with amendments they don't want to see added—tabling motions and second degree amendments.

I would be willing to work with the majority leader on tabling motions and on second degrees in order to deal with amendments that he and I do not believe are meritorious. And I can already see the wheels turning. He is thinking: Well, there's going to be a difference between what he thinks and I think. But I believe we can work that out. I think we could have an understanding, even ahead of time, about what that means. But it would give Senator HOLLINGS, it would give Senator WELLSTONE, it would give Senator ASHCROFT, it would give everyone who has an amendment the opportunity to offer amendments. The relevant ones, the pertinent ones, we ought to support. The ones that are not in keeping with the spirit of this legislation, we might choose to oppose.

I am prepared to work with the majority leader to see if we might find a way to accommodate that. I want to see this bill pass. The President has insisted that we do all that we can to pass it. Our ranking member and the chairman have done all that they can to get us to this point. It passed by voice vote out of the Finance Committee. There ought to be a way we can get this done, if not in the timeframe that the majority leader has suggested, certainly in not too long a period after that.

But I have to oppose cloture under these circumstances. And there will not be, I would hope, a Democratic defection on cloture because we are not talking now about CBI; we are talking about a Member's right to offer an amendment. And I hope there isn't a Democrat who will say that that right isn't worth protecting under any circumstances.

So that is my offer. I am prepared to sit down this afternoon. We can find a way to do this. This isn't it.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

AMENDMENT NO. 2340

Mr. BROWNBACK. Mr. President, I rise to address the pending amendment put forward by Senator ASHCROFT.

Both leaders were previously up and talking on the floor about moving the bill forward. I think the underlying Ashcroft amendment is actually a pretty good way to move things forward.

It is something about which most of the parties agree. It is about an ambassador position at the U.S. Trade Representative's Office. I think that is an important and worthy goal. I do not know of anybody here who actually opposes it. I know the chairman of the Finance Committee has spoken already in favor of it. Here is a way maybe we can start to move this train forward.

I want to address it from a couple of perspectives, if I could, because I think this is an important aspect for my colleagues to listen and learn a little bit about.

This is at the U.S. Trade Representative's Office, which is our lead trade negotiator. We are going into the Seattle Round, which the United States will be hosting, of the World Trade Organization. This is the premier set of trade talks.

Agriculture is the lead issue that is going to be discussed during this round of trade talks. We do not have a permanent ag negotiator at the U.S. Trade Representative's Office. So we are going into trade negotiations, which the United States is hosting, where the lead issue is agriculture and we do not have an ambassador with permanent status.

That amendment is something I think most people in this body would actually support, perhaps unanimously. I hope we can move this bill forward.

I am glad that we are having some discussions about how we might be able to move this bill forward.

Here is a pretty simple, commonsense amendment. Most of our States have some agriculture in them. Here would be a representative who could help us make that trade go forward.

This position within the U.S. Trade Representative's Office has been established on an interim basis. It was not put in on a permanent basis. It was thought: Let's try this for a little period of time. It has proven to be effective.

My State of Kansas is a major agricultural exporting State. I think we are sixth in the country as far as agricultural exports. It is a key part of our economy. Being able to export food products is an important part of what we do, as well. So to be able to have somebody with an ambassador status to be able to address these sorts of trade negotiating issues at the USTR is important to my State. It is very important.

It is particularly important now when we are having so much difficulty with farm prices. Almost all of that is due to our inability to crack into markets around the world. Whether it is dealing with China and some of their trade barriers, whether it is dealing with the Europeans and their trade subsidies, their export subsidies, whether it is dealing with tariffs globally, the United States faces high agricultural tariffs around the world.

The United States has some of the lowest agricultural tariffs. This trade ambassador would make this a central focus. It would be her or his job to make sure we keep focused on that particular issue. That is an important one. It is vitally important in this body. It is important across this country, and it is certainly important to my State.

I think it would be an important signal for us to send to the other countries around the world that will be convening in Seattle the latter part of November, the first part of December; that the United States values agriculture; that the signal we are sending is: We are going to beef up the status of the people who we have negotiating agricultural issues. We are going to do so on a permanent basis.

I think, to date, a lot of times other countries have doubted our resolve on some issues, maybe questioned our willingness to hang in there. And here is the signal to send: No. This is important. We are going to stay in there. We are going to stick with this particular issue.

This is another way we can send that signal. This amendment makes this a clear priority for the United States; that we establish this on a permanent basis.

Agriculture is a lead export industry for the United States. Some have different figures, but either the top or the second leading export of the United States is agriculture and food products. One would think you would have somebody of an ambassadorial status who would be our lead negotiator and could speak with some authority and have not only the title but the status to be able to do so. This amendment is straightforward. This person will exist at the U.S. Trade Representative's Office and have a permanent ambassadorial rank.

It sends an important signal, not only to our trade opponents agriculturally around the world; it sends an important signal to our agricultural producers in this country. My parents, my brother who farms full time, we say to them, it is important we have somebody of status dealing with agricultural trade upon which you are so dependent for your livelihood.

I think many times farmers in this country, particularly after the passage of the Freedom to Farm Act, said Freedom to Farm won't work unless you have freedom to aggressively market. Freedom to market means we have to pound open doors around the world to let our farmers and producers have a fair shot. This helps send a signal to our farmers that we meant it.

We meant it when we said freedom to farm also means we are also going to push freedom to market. Freedom to market means you have to be able to get your foot in the door. Right now they can't get their foot in the door in a lot of places. We have sanctions on a number of countries around the world. We also have high tariffs on a number of places around the world. This sends a signal to our farmers, the agricultural industry, to our agricultural processors, and our agricultural exporters that we deem this to be an important topic as well. I think it is altogether appropriate for us to want that.

We do have people at the U.S. Trade Representative's Office who are very supportive of agriculture, but there are thousands of different issues to deal with of an export nature. They go across many different industries. It is impossible for the U.S. Trade Representative to constantly keep a strong focus on the lead export industry in the country. They have a lot of other matters with which to deal. This will help keep that focus there within the U.S. Trade Representative's Office as well and do so on a permanent basis.

I rise to speak on behalf of this particular industry, on behalf of this particular position. I think it sends the right signal to our opponents who are against us in agricultural trade. I think it sends the right signal to our allies who want to open up agricultural trade opportunities that we think it is important. I think it sends a good signal to our agricultural producers that we deem this as important and that freedom to farm, to work, has to have freedom to market on top of that. I think that works well.

Clearly, a majority of the body wants to pass this bill. A supermajority of this body wants to pass this bill. This is an important trade initiative the chairman and ranking member have put forward. This amendment could help us move forward because it is an amendment which is probably unanimously supported. So as a facilitating effort, to try to move the total package forward, I think this one is a good start. I submit to my colleagues and to the leadership it is a good possibility.

I commend the chairman of the Finance Committee for the excellent work he has done on agricultural trade issues, which is important to his State as well, supporting this particular amendment and putting together a very important trade bill. I hope to be a part of the process to make sure it moves forward. I hope those who seek to stop it can be heard, but let us have a clear vote on this particular issue so we can have the will of the body be done.

I congratulate the chairman and thank him for his efforts and work.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the distinguished leader came to the floor to withdraw his amendment and substitute the amendment of the Senator from Missouri. He remarked, in the first instance, that we have to hasten it along. We would like to have had the bill up. We would like to have had fast track.

Then he insists on fast track on this particular bill. He filled the tree right back up again; namely, we cannot offer amendments. So in one breath he says he would like to have fast track and he is instituting fast track on this particular trade measure. He is an outstandingly talented individual, a fine looking gentleman, and so he stands there with that smile, so reasonable and says: I would like to be sure to check these amendments; we have to make sure they are relevant; I will go along with the Ashcroft agricultural amendment, but I haven't gone along with the Wellstone agricultural amendment.

We heard earlier this morning, of course, that the Wellstone agricultural amendment is not relevant. You can look at this bill. You can go right on down the list. You can find out that it is trade benefits for the Caribbean Basin Initiative. They have cover over of tax on distilled spirits, Generalized System of Preferences, trade adjustment assistance affecting the welfare of America's workforce. Nothing in here on agriculture for the CBI and the sub-Sahara.

Senator WELLSTONE, who has been trying since January to get up an agricultural amendment, has been put down. He tried all day yesterday and was put down this morning.

But if you want to take one of my friend's agricultural amendments—namely, the distinguished Senator from Missouri, who is running for reelection—well, wait a minute now, let's withdraw that last amendment I had and let's put up the irrelevant agricultural amendment of the Senator from Missouri. Irrelevant absolutely.

Anybody knows a measure of this kind would go before government ops about an agriculture negotiator in the trade office.

And then the argument: We have the President and the leaders and otherwise and so many cosponsors. Well, I have the minimum wage amendment the President has been trying to get up all year long. I have the minimum wage amendment the minority leader would like to have a vote upon. I have a minimum wage amendment that doesn't have 31 but has 27 cosponsors.

It sort of fits the pattern, is my point, of the reasoned argument of the distinguished majority leader. But no, not that Wellstone agricultural amendment. That is irrelevant, and we don't want to waste the time because we would be here 2 weeks. We would be here 2 months. We are not going to stand for that, but let us have the agricultural amendment of the Senator from Missouri.

Well, that is why I was smiling at my distinguished leader. I was smiling at his duplicity. There it is. You can see it for yourself. I hate to use the word "arrogant," but there is an element of that in this particular procedure. What it insists upon is: I want my way. I am going to control it. You can't put up your amendment.

And then they act dismayed when we don't vote cloture. Well, we just won't vote on the agricultural amendment now. We can keep on debating, if that is the procedure they want to continue and insist upon.

There isn't any question in my mind about agriculture. I will never forget, some years back we had $21—it got up to $23 billion—the best plus balance we have ever had of any commodity is America's agriculture. We have soybeans. I put in a grain elevator when I was Governor so I know about farmers. I know about soybeans. I know about cotton.

I know about exports, and everyone is for America's agriculture, except we oppose that Freedom to Farm thing that wrecked American agriculture—free market forces, free market forces. So they grabbed it up, and all the farmers took the money and ran 3 years ago. Now, the price has gone down and they are broke and they need assistance. That is why the Senator from Minnesota has been on the floor, to try to get some help for America's agriculture, not that bureaucracy over in the office of the Trade Representative for the purpose of adding another payroll over there. That is the typical Washington political solution: Give another title, add another payroll; just move another little bit on the special trade representative.

And everybody knows that when we come to agriculture, we go to the Secretary of Agriculture, and he is there at every table every time we debate because he is steeped in the agricultural needs of the United States of America, and that is why we made good agricultural agreements. I want them to point out a bad agricultural agreement, other than, of course, NAFTA, the North American Free Trade Agreement, which has the Senators from North Dakota on durum wheat all over the floor here. They are trying to keep them from dumping on the North Dakota wheat farmers. We all know that. It hasn't worked, and everything else like that, but that is exactly what they want—like they are dumping my textiles, killing 420,000 textile jobs since NAFTA. And there it goes.

Then they come around, and let me say that I am glad they removed that sandwich bowl. I will yield in a second. I know there are important statements to be made, and I need help in trying to stop this freight train, stop this steamroller. I have been up here 33 years, and I am still the junior Senator, and I have been trying to get a point of importance with respect to the budget, and nobody listens to me on that. I keep calling it a deficit. The Congressional Budget Office keeps reporting it as a deficit.

The law—section 13.301 of the Budget Act—says that the President and the Congress cannot report a budget with the Social Security moneys in it that would cause it to be a surplus. They violate that, and nobody pays attention to us. Of course, they come up and say the interest payments, which exceed the defense budget and the Social Security budget, and all other budgets—a billion dollars a day. When President Johnson balanced the budget, it was only $16 billion for the entire year. In 200 years of history, the cost of all the wars, from the Revolution right up to World War I, World War II, Korea, Vietnam, we still had less than a trillion-dollar debt, and the interest cost was only $16 billion.

Now, without the cost of a war since that time—the gulf war incidently was taken care of by the Saudis and others—what has it soared to? To almost $5 trillion or $6 trillion, or something—a trillion-dollar debt and an interest cost the CBO reports as $356 billion. But with interest rates and Mr. Greenspan, it is bound to go up. We are seeing all the signs about consumer confidence. We know it is going to be over a billion a day.

So we have fiscal cancer. So we go down this morning at 8 o'clock and borrow a billion and add it to the debt. Tomorrow morning, Friday morning, Saturday morning, Sunday morning, every day for this fiscal year 1999, I will make a bet with anybody, and let them pick out the odds, that they will see a billion dollars a day. Why? Because we are not willing to pay for the Government we are getting. We were willing to, again, add another $100 billion to the deficit just as the year ended, not even a month ago, September 30 of this year—$103 billion more. They won't call that bill the Balanced Budget Act or the Social Security lockbox. I will put it in a lockbox. I got together with the Administrator of Social Security and I said: Write me a bill that will be a true lockbox. I have it. It is hidden in the Budget Committee. They know how to hide it. They don't even want to talk about it. I can't get a hearing on it. I have asked for a hearing. They totally ignore you.

But this one says you take that money and immediately redeem it to the credit of Social Security. And don't put in an IOU the first of the month every month. Put the money back into the Social Security trust fund, just as corporate America is required.

Now I am back to my friend, Denny McLain. We passed the 1994 Pension Reform Act and we said: Look, these fast takeover artists come in and pay off the company debt with the pension fund and then take the rest of the money and run. People who have been working 30, 40, even 50 years, are left high and dry with no pensions. So we put in the Pension Reform Act of 1994 making it a felony to pay off the company debt with the pension moneys.

Unfortunately, one of the all-time great pitchers—which is significant during this World Series fever—Denny McLain of the Detroit Tigers, became head of a corporation and paid off the debt with the company fund. He was sentenced to a prison term for a felony. If you can find little Denny in whatever cell he is in, tell him next time to run for the Senate. You get the good government award when you take the pension money of the people's Social Security fund and pay off your debt, so that you can talk about surplus, surplus, surplus, surplus when you are spending $100 billion more than you are taking in and you have got deficits, deficits, deficits as far as the eye can see.

That is why I told the distinguished chairman of the Budget Committee I would jump off the Capitol dome when he put up that plan called the Balanced Budget Act. They use that jargon and those titles, and the silly press picks up the language and headlines it.

So what do we do? We find out, Heavens above, that we are like Tennessee Ernie Ford, "another day older and deeper in debt." And now, instead of 356, if we only paid out $16 billion on a pay-as-you-go basis, since President Lyndon Johnson's day, we would have $340 billion to spend. For what? For agriculture. For what? For the research at the National Institutes of Health. For what? For Kosovo expenses. For what? For all the housing the Secretary of Housing has promulgated, and everything else like that.

We could go down and provide for all the programs you could possibly think of. You can double WIC, Head Start, any education programs, just double the education budget. And we can still have what? A tax cut. And still have what? Pay down the debt. With $340 billion—we are spending $340 billion. We are forced to spend it. It is a tax—a tax. What you are doing is raising taxes. You don't want to say it, but you have to pay it, you have to borrow it every day, a billion dollars a day. It is a tax on the American people. With a sales tax, I can get a school; with a gas tax, I can get a highway; with this tax, I get nothing. I served on the Grace Commission on waste, fraud, and abuse. This is the biggest waste ever created in the history of any government. They don't want to talk about that. They want to talk about the sub-Sahara.

We are building libraries down in Little Rock now. We are headed for the last roundup. So if we can show that we did something in Africa, and we did something in the CBI, oh isn't it wonderful? The President wants the minimum wage. Leaders want the minimum wage. I have 27 cosponsors who want the minimum wage. It is relevant. Trade adjustment assistance is relevant to the workforce of America and minimum wage is just as relevant to the workforce of America.

If the majority leader would come out here and say, all right, I will let you have the agricultural amendment, or rather we should say we will have this agricultural amendment, and the distinguished Senator from Missouri, if he just calls up our minimum wage, and we will agree to 5 minutes to a side, and 10 minutes, and vote. They don't want to vote. They want the political cover of parliamentary maneuver, acting as if it is serious here, and we could work this out, and this is a big responsibility on my leader, but we have to listen to both sides, and we have to be able to move legislation.

We are not going to move any minimum wage. We are not going to move any campaign finance reform. Even though they are relevant?

Time magazine came out day before yesterday and said it is relevant. They wrote a whole article. I refer again to pages 50 and 51. Everybody can read it.

Campaign finance reform is relevant. There isn't any question on this particular bill. The magazines are writing it, but the Senators can't see it. The Parliamentarians can't understand it. They couldn't call that relevant because why? Because the majority leader says you don't call that relevant. You don't call that agricultural amendment of the Senator from Minnesota relevant, but call mine: Look I have come all the way back to the floor and withdrawn my part of the tree, and put up immediately my friend's amendment on agriculture, and yes, it's relevant. We are going to be represented in agriculture. I can tell you now, but they are going to have some bureaucracy. And that could be a good speaking point when I run for reelection myself. I hate to have to explain why I have to oppose this to my farmer friends because that is going to cause the farm problem in America, as if we didn't have a special Trade Representative with the title of ambassador.

I thank the distinguished chairman of our Finance Committee for finally removing that sandwich bowl. I didn't get over there and see it in the debate. But I see they have, these folks who are interested in textile jobs: the Bank of America, Bechtel, City Group, Daimler-Chrysler, Enro, Exxon, Fleur, and Gap that we have on the list of the Time magazine which is going overseas. They have gone over. Sara Lee and Fruit of the Loom. Actually Fruit of the Loom is already organized in the Cayman Islands as a foreign corporation. McDonalds just sells hamburgers. They wouldn't care if you came naked to buy a hamburger. Modern Africa Fund Managers, Philip Morris, Amoco, Bally's Lakeshore Resort—come on—Mobile, Occidental, Texaco. Where is anybody? The African Growth and Opportunity Act is not clear.

I could keep on talking down and down the list.

I don't know who is going to protect the jobs and the manufacturing capacity of the United States of America. I don't believe in obstructionism. I believe in moving forward. I don't believe there is, other than budget, a more important issue than the matter of manufacturing capacity here in the United States of America, on which I have gone down before and will go again. But there is no doubt we will have the opportunity to point out how we are losing out. We don't have anything to export. We have hollowed out the industrial might of the United States.

The reason they don't listen, I take it now, is they have a candidate for the President who is mixing that in with Hitler and World War II and everything else and all kinds of nonsense. So we lose credibility. Anybody can talk free trade, free trade, dignified, credible, respected, and anybody who talks about protection of the industrial strength of America is some kind of kook. I think they said, "Unite, we nutcakes." Michael Kelly in his column this morning: "Unite, we nutcakes."

So here comes another nutcake who is trying to protect American jobs, and is looked upon now by the leadership as getting in the way. Why don't I be more reasonable, and everything else of that kind? Why don't they be more reasonable?

Why don't they allow me to put up Shays-Meehan, which passed overwhelmingly, and for which we have a tremendous need? Why don't they let me put up the minimum wage, which is relevant to the trade adjustment assistance and welfare of the workers? They need it in America.

Why don't we agree to a time? We are not delaying—5 minutes to a side. We can vote this evening on both of those bills, and they can go to all of their appropriations bills that they want so we can get away from this so-called fill up the tree and fast track on this trade bill. They have fast track. They know it. Don't come out and complain and say: We would like to have gotten fast track. Parliamentarily, they have instituted fast tack. That is the position they put the Senator from South Carolina in, and those in international trade.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent to be allowed to proceed as if in morning business for up to 12 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Tony Martinez, a legislative assistant in my office, be allowed floor privileges during the pendency of this introduction.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 1806 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

(The remarks of Mr. SMITH of Oregon, Mr. GRAHAM, and Mr. CRAIG pertaining to the introduction of S. 1814 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Delaware.

Mr. ROTH. Mr. President, a few minutes ago I was taking the opportunity to address some of the arguments that have been raised during the debate on this bill these past several days. Some of my colleagues have questioned why we are taking this bill up now. Let me help them by putting this in context.

Section 134 of the Uruguay Round Agreements Act, which passed the Congress in 1994, directed the President to develop a comprehensive trade and development policy for the countries of Africa. That provision originated with Senator DASCHLE, now the distinguished minority leader.

In the Statement of Administrative Action that accompanied the Act, the President made clear that the first measures he intended to consider in complying with that congressional mandate, were measures to:

> Remove impediments to U.S. trade with and investment in Africa, including enhancements in the GSP program for least-developed countries.

Section 134 of the URAA recognized that, as a continent, Africa had been left behind in trade terms. New approaches were needed to integrate Africa fully into the world economy, to allow Africa to take full advantage of the world trading system, and to ensure that Africans themselves had the opportunity to guide their own economic destiny.

Now, 5 years after the Congress originally endorsed the idea, this legislation responds directly to that mandate. The legislation offers a down payment on a new and more constructive relationship with the African continent—one as partners with similar interests in expanding economic opportunity and raising living standards in all our countries.

The President has for the past 2 years indicated in his State of the Union Address his intent to press ahead with this legislation. He identified this legislation as one of his top trade and foreign policy initiatives. In his trip to Africa this past year, he committed to move the bill as part of a new initiative for Africa.

That led to the consideration of this legislation in the 105th Congress. The House passed its counterpart legislation in the spring of this past year, the Finance Committee reported out a bill in all respects the same as that we now have before us, but time ran out before the Senate could act on the bill.

This year the House once again acted, this time in June. By that point, the Finance Committee had already reported out the legislation now on the Senate floor. The Africa bill is timely—indeed, it is past time we acted on this important measure.

The same holds true for the CBI. A proposal for establishing parity between the preferences granted Mexico under the NAFTA and those granted the Caribbean and Central America has been before Congress in one form or another almost since the NAFTA was implemented in late 1993.

In the 105th Congress, there was considerable effort invested by both the Ways and Means and Finance Committees in moving counterpart bills. That work was renewed in the 106th Congress with hearings and markups before both committees.

The CBI title enjoys the same bipartisan support as does the Africa title. Indeed, the President's CBI bill, introduced in this session at his request, is virtually identical to the bill reported from the Finance Committee bill in both the 105th and 106th Congresses.

The Finance Committee bill enjoys the backing of the leadership and members on both sides of the aisle. It is, in fact, a testament to the bipartisan support for this legislation and the considerable push by the White House that we have been given time to debate this bill now.

It is time to reject the isolationist label, the instinct to ignore the broader world around us, and the tendency for focus exclusively inward. It is time to affirm the constructive role that the United States can play in the wider world and fulfill the leadership the world expects from the United States. It is time to act.

It is time to act because it is time we made good on the unfulfilled promises made to both Africa and the Caribbean. An October, 1998, report of the International Trade Commission makes clear, Africa faces daunting economic challenges. The ITC report highlights the economic and structural problems Africa faces in attracting productive investment.

For all that, the ITC report also reflects the positive changes under way in Africa. The region's GDP rose by 4.8 percent from 1995 to 1997. Since 1990, the region has reached a number of agreements eliminating trade and investment barriers and harmonizing economic policies.

Most of the governments of the region have "introduced economic reforms to control budget deficits, and inflation, and to stabilize currencies." They have liberalized "regulations on trade and investment," reduced tariffs and other import charges and abolished most price controls.

In addition, many of the governments have begun significant programs of privatization. In fact, the governments of sub-Saharan Africa raised "an estimated $5.8 billion from privatization, primarily through divestitures of utilities and telecommunication firms."

What this legislation tries to do is meet those governments half way. It is an effort to open our markets to their products as a way of reinforcing their own efforts to encourage productive investment and economic growth.

The legislation is designed to reinforce a growing, the growing interest in Africa among U.S. businesses. Direct investment by U.S. firms more than quadrupled in 1997 alone to $3.8 billion, according to the ITC. We want to encourage that positive trend.

Some may argue that, because this is a grant of unilateral preferences, it is one-sided—that there will be no benefits to the United States. What that ignores is the track record of the last several decades.

Where U.S. investment goes, U.S. trade follows. Significantly, while U.S. investment was increasing in 1996 and 1997 in sub-Saharan Africa, our exports to the region experienced a corresponding growth in capital goods, particularly exports of machinery for use in agriculture and infrastructure projects.

Africa represents an important opportunity to our farmers as well. While agricultural exports fell in dollar terms, largely because of the lower prices available on world markets for all commodities, Africa represents an important potential market for U.S. food exports as the continent increasingly looks offshore to meet its needs.

The real issue is whether or not the region will have the wherewithal to buy what it needs to offset the steady decline in per capita caloric intake that has accelerated in the last 2 to 3 years. The legislation before us would help address that problem. By opening our markets to their products, sub-Saharan African countries can earn the foreign exchange needed to purchase food on world markets, including from U.S. exporters.

Will that be enough? Will this legislation alone be the answer to Africa's problems? Plainly not. As Senator GRASSLEY indicated in his eloquent statement opening the debate on this bill last Thursday, this legislation is no panacea. It is instead a small, but significant step toward a new economic relationship between the United States and sub-Saharan Africa.

Should this legislation be supplemented by other initiatives? It should and it must if it is going to work. But, the fact that it is not the whole answer to Africa's problems or does not reflect all that the United States might do to help Africans secure their own economic destiny is no argument against action. It is time to move ahead and engage constructively with our African partners in the transition they themselves have begun.

The same holds true for the Caribbean and Central America. Through the original CBI program, the United States and U.S. private businesses have played a significant role in the economic progress the region has made over the past 15 years.

This past year, however, natural disasters eliminated much of the progress made in the Caribbean and Central America in recent years. The devastation began with the eruption of a long-dormant volcano that nearly depopulated the island of Montserrat and nearly erased its economy in the summer of 1998.

In September of that year, Hurricane Georges severely damaged both the Dominican Republic and Haiti. An even more devastating hurricane—Hurricane Mitch—struck Central America in late October and early November late in the hurricane season.

Honduras and Nicaragua were particularly hard hit, but the hurricane also did considerable damage to El Salvador, Guatemala, and Belize. Hurricane Mitch left 11,000 dead and an even greater number homeless. Much of the resulting damage was long-term—massive property damage and soil erosion, the devastation of crop lands and manufacturing sites, putting thousands out of work. The region will take years to recover.

Those devastating circumstances have given renewed impetus to an idea that surfaced almost immediately after the implementation of the NAFTA—the expansion of tariff preferences under the CBI to match those offered under the NAFTA to Mexico.

Will it work? I am confident it will because the legislation is modeled on existing production-sharing arrangements in textiles and apparel and other industries that already account for nearly half of all imports from the CBI beneficiary countries.

In other words, the program has a proven track record. Indeed, bilateral trade in textiles and apparel under existing production-sharing partnerships between U.S. and Caribbean or Central American firms already accounts for 36 percent of current two-way trade between the United States and the CBI region.

For all those reasons, the legislation merits our support.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I am aware there are other Senators who wish to speak. I will only take a moment to thank our chairman, our revered chairman, for his comments, with which I wholly agree, with which the Finance Committee entirely agrees. This bill comes to you, as he has said, from a near unanimous committee. Ninety Senators voted, just yesterday, to move forward.

I would just say, sir, I wish we could have all been present this afternoon when the Congressional Gold Medal was presented to President Ford and Mrs. Ford in the Rotunda. The President gave a wonderful speech, describing the Congress he came into, just as the Cold War commenced; the extraordinary efforts that the 80th Congress made to pass the Marshall Plan, for which they were not entirely rewarded by President Truman, who kept talking about the "do-nothing" 80th Congress. But there you are. Then came President Eisenhower and the movement to establish NATO and to fund NATO, in which Speaker Rayburn, Majority Leader Johnson, and great Republicans joined in that matter.

Of his life in politics, in government, he said: I came in and I remained a moderate on social issues, a fiscal conservative on fiscal issues, and a convinced internationalist.

That is the America that fought in the dark, that long struggle about which John F. Kennedy talked. And we prevailed.

The totalitarian 20th century is behind us. Freedoms open up. Are we now to close down at just the moment when everything we have stood for as a nation, from the time of Cordell Hull and the Reciprocal Trade Agreements Act of 1934—every measure we are talking about in this bill, no, it is not the final end-all effort; it is a part of a continuing effort that goes back to Trade Adjustment Assistance. It was established in the Trade Expansion Act of 1962. I was involved in writing that legislation. It said, if you have trade, there will be winners, there will be losers. We will look after the people who are temporarily, as it turns out, disrupted, as economic patterns, trade patterns change.

In 48 hours, or 52 hours, the appropriation for the program, supported by every President since President Kennedy, expires. The authorization in fact ended on June 30. Can we let that happen? Can we believe that we would do this? Surely not.

But unless we are urgently attentive to the matters before us, and work out what are technical differences, it will go down; and we will be remembered for ending an era of enormous expansion and example to the rest of the world, which the Western World is just beginning to follow on. It is hard to believe.

But listen to what the chairman said and hope in the next 24 hours we can do this, because we can. And, sir, we must.

Under the rules, President Ford, I believe, has free access to the floor. I wish he would come on here and talk to each of us one on one.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. First of all, let me thank the distinguished ranking member of the Finance Committee, Senator MOYNIHAN, for his eloquent remarks. All I can say is, we must not let that happen. And with the kind of bipartisan spirit we had in the Finance Committee, it will not happen.

MORNING BUSINESS

Mr. ROTH. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I yield the floor.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I would like to be recognized to conduct morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REED. I ask unanimous consent that privileges of the floor be granted to Rebecca Morley of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. I thank the Chair.

NATIONAL CHILDHOOD LEAD POISONING PREVENTION WEEK

Mr. REED. Mr. President, I rise today to speak with respect to National Childhood Lead Poisoning Prevention Week. Because of the efforts of my colleagues, Senator COLLINS, Senator TORRICELLI, and myself, this Senate passed a bipartisan resolution a last week to commemorate, during the week of October 24 to 30, National Childhood Lead Poisoning Prevention Week.

I think it is appropriate to recognize this problem that is taking place throughout this country and also recognize what we are trying to do to alleviate this great problem.

As a preliminary point, let me commend my colleague, Senator COLLINS, for her great efforts in this regard. She has been a true leader in this issue. She has been someone who has fought the good fight with respect to this problem. She has participated legislatively. I was very pleased and honored a few weeks ago to have her join me in Providence, RI, for a hearing on this issue. I look forward to joining her in a few weeks in Maine so we can examine the experience in her home State.

I also want to commend my colleague, Senator TORRICELLI, who also is very active as a leader in this effort. Indeed, Senator TORRICELLI and I have introduced legislation, the Children's Lead SAFE Act of 1999, which is critically important to the future of our children in the United States.

This importance has been underscored and highlighted by two recent reports—one earlier this year in January of 1999 by the General Accounting Office, and another report that has been released recently under the auspices of the Alliance To End Childhood Lead Poisoning and the National Center for Lead-Safe Housing.

Both of these reports underscore the need for additional efforts to eliminate childhood exposure to lead and also to provide additional support for screening and treatment of children who are exposed to environmental lead.

Regrettably, there are too many children in this country who are exposed to lead, typically through old lead paint that may be in their home. It is particularly critical and crucial to children who are at a very young age, under the age of 6, because their body is much more likely to absorb this environmental hazard, and also because those are exactly the times in which brain nervous systems are developing, where cognitive skills are being developed. We know lead is the most pernicious enemy of cognitive development in children.

In the United States, too many children are poisoned through this constant exposure to low-levels of lead in their atmosphere. This exposure leads to reduced IQ, problems with attention span, hyperactivity, impaired growth, reading and learning disabilities, hearing loss, and a range of other effects.

Lead poisoning is entirely avoidable, if we have the knowledge and the resources and the effort to prevent young children from being exposed to lead.

In January of this year, as I indicated, the General Accounting Office highlighted the problems in the Federal health care system with respect to lead screening and followup services for children.

We have policies that require all Medicaid children to be screened for lead. Sadly, we have not achieved that level of 100 percent screening. We want to reach that goal. Then after screening all of the children in the United States who may be vulnerable to lead poisoning, we want to ensure these children have access to followup care. Identifying poisoned children is only the first step and is only effective when coupled with proper follow-up care.

Most recently, we received information about that follow-up care from a report, the title of which is: "Another Link in the Chain: State Policies and Practices for Case Management and Environmental Investigation for Lead-Poisoned Children." As I indicated, this report was sponsored by the Alliance To End Childhood Lead Poisoning and the National Center for Lead-Safe Housing.

This report presents a State-by-State analysis of data which suggests, first, there have been some innovative steps taken by the States, but unfortunately there are disappointing gaps in the screening and treatment of children who are exposed to lead throughout the United States.

There is also a great range among the States in their response to this problem of childhood lead poisoning. In my own State of Rhode Island, we have taken some very aggressive steps. Last week, we dedicated a lead center in Providence, RI, which provides comprehensive services for lead-poisoned children, including parent education, medical followup for children who have been exposed, and transitional housing. Many times the source of the pollution is in the home of these children, and because of their low income, there is no place for them to go unless there is this transitional housing. This is an innovative step forward. I am very pleased and proud to say it has taken place in my home State.

If you look across the Nation, you find much less progress. Nearly half of the States have no standards for case management and, thus, the quality of care lead poisoned children receive is often not consistent with public health recommendations. There is no real way to ensure these children are getting the type of care they need because there are no case management policies. Only 35 States have implemented policies that address when an environmental investigation should be performed to determine the source of a child's lead poisoning. There are many States where there is no way to determine where the source of the pollution is coming from that is harming the child.

In addition, the report points out that despite the availability of Medicaid reimbursement for environmental investigation and case management, more than half the States have not taken advantage of this Medicaid reimbursement. In addition, despite the emphasis we have in Medicaid on screening children, only one-third of the States could report on how many of their lead poisoned children were enrolled in Medicaid, suggesting that screening data are not being coordinated, and there really is not comprehensive, coherent screening policy in all too many States.

Senator TORRICELLI and I have proposed legislation that would address these deficiencies. The legislation will improve the management information systems so States know how many children are screened and how many children have been exposed. We also encourage them to integrate all the different agencies and institutions and programs that serve children so we can have a comprehensive approach. This would include involving the WIC program in the screening, early Head Start, maternal and child health care block grant programs, so we have a comprehensive approach to identifying, treating, following up and educating with respect to lead exposure.

We are committed to doing that. We are committed to ensuring that every child in this country, particularly those children who are beneficiaries of the Medicaid system, have this kind of screening and followup.

Unfortunately, we have found too many States that are not following through on their obligations. Of the 38 States that have enrolled Medicaid children to managed care plans, only 24 reported that their State's contract with the managed care organization contained any language about lead screening or treatment services. So, many States are leaving it up to the managed care company or merely leaving it up to chance whether or not there are good protocols to follow up on lead exposure.

In addition to that, more than 40 percent of States reported that no funding is available to help pay for even a portion of the hazard control necessary to make a home lead safe for a lead-poisoned child. There are not the resources to help these families cope with the reality of homes that are literally poisoning and harming their children. That is one reason why I joined my colleague, Senator TORRICELLI, to address this problem with respect to the Children's Lead SAFE Act of 1999. We would like to see clear and consistent standards for screening and treatment to ensure that no child falls through the cracks. We would to help communities, parents and physicians take advantage of every opportunity they have to detect and treat lead poisoning.

This bill is just one element in a comprehensive, coherent approach to eliminate this preventable disease that afflicts too many children in this country today.

I was pleased that during the appropriations process, the Senate supported the President's request for full funding of the lead hazard control grants program—indeed, particularly pleased when the conferees agreed with the Senate and maintained this funding. It is absolutely critical. We will continue to press forward in terms of screening and treatment, in terms of reducing lead hazards in the homes of children, and in terms of education, so there is no place in this country that fails to recognize the gravity of this situation where children are poisoned by exposure to lead.

Indeed, that is why we are here today. This week is National Childhood Lead Poisoning Prevention Week. We hope by reserving 1 week a year to emphasize the challenges we face, to emphasize the steps which must be taken in the future, we can galvanize additional support so there is no child in this country who is poisoned by lead, whose development—physical, mental, social development—is harmed by such exposure.

At the heart of this effort is the work of many people, but, once again, I thank my colleague and friend, Senator SUSAN COLLINS, who has taken it upon herself to charge forward to make this hope of a lead-safe environment for all our children a reality. I am pleased to be with her sponsoring this resolution, sponsoring this week of commemoration and also, in the days ahead, working to ensure that all the children are as free as we can make them from the harm and the danger of lead exposure.

I ask unanimous consent that the Presidential message recognizing National Childhood Lead Poisoning Prevention Week and the executive summary of "Another Link in the Chain," be printed in the RECORD, following my statement.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, October 20, 1999.

Warm greetings to everyone observing National Childhood Lead Poisoning Prevention Week.

As America's children begin their exciting journey into the 21st century, one of the greatest gifts we can give them is a healthy start. Sadly, however, many children face needless obstacles to healthy development in their own homes. Among the most devastating of these obstacles is lead poisoning. Today nearly 5 percent of children between the ages of 1 and 5 suffer from this condition. While any child can be susceptible to lead poisoning and its effects, low-income children are at a significantly higher risk, since most children are poisoned by lead-based paint and lead-contaminated dust and soil that are found in older, dilapidated housing. For African-American children living in these conditions, the rate of those who suffer from lead poisoning is a staggering 22 percent.

The effects of lead poisoning can be serious and irrevocable. Even low levels of exposure to lead can hinder children's ability to learn and thrive, reducing their IQ and attention span and contributing to learning disabilities, hearing loss, impaired growth, and many other developmental difficulties. My Administration, through the Department of Housing and Urban Development and the Environmental Protection Agency, has taken important steps to eliminate the threat of lead poisoning. We have provided funding for such efforts as removing lead-based paint from housing built prior to 1978, when such paint was outlawed. We have also promoted increased blood testing of young children to determine the levels of lead in their blood.

However, when our children's well-being is at stake, we must do more. I commend the concerned citizens and organizations participating in this year's observance for raising awareness of the dangers of lead poisoning and for teaching families and communities how to prevent it. I urge all Americans to take this occasion to learn more about lead poisoning and to take part in local, state, and national efforts to create a healthier environment for our children.

Best wishes for a successful week.

BILL CLINTON.

CHAPTER 1—EXECUTIVE SUMMARY

The first line of defense in protecting children from lead poisoning is primary prevention, which means controlling lead hazards before children are ever exposed to lead. However, the broad distribution of lead in the U.S. housing stock has made achieving primary prevention for all children an elusive goal. As a result, secondary prevention strategies continue to play a vital role in protecting children from lead poisoning. Secondary prevention entails identifying the lead-poisoned child, providing medical care and case management, identifying the source of the child's lead exposure (environmental investigation), and then ensuring that any lead hazards identified are controlled to prevent the child's further exposure to lead.

Over the past few years, there has been considerable public attention to and controversy surrounding policies for screening young children for lead poisoning. There has also been considerable discussion about primary prevention and housing-based approaches to primary prevention, as a consequence of enactment of Title X and federal funding for the HUD Lead Hazard Control Grants program. In contrast, there has been little discussion of what actually happens once a lead-poisoned child is identified. The Alliance To End Childhood Lead Poisoning and the National Center for Lead-Safe Housing agreed that it was time to reexamine the response to lead-poisoned children nationwide. We decided that characterizing the case management and environmental investigation services now being provided in each state would be a useful first step. We hope this report's documentation of state policies will help sharpen discussion and decision-making at many levels. This report is timely for at least four reasons.

First, this report provides the information needed to ensure that case management and environmental investigation systems are "in good working order" to handle the increased caseloads that can be expected from expanded lead screening of high-risk children. Recent reports from the General Accounting Office (GAO) have focused the spotlight on the failure of federal health programs to screen high-risk children for lead poisoning. GAO documented that just 19% of Medicaid-enrolled children aged 1 through 5 are being screened as required by law, and that the majority of children needing case management and environmental investigation are enrolled in Medicaid. As a consequence, considerable attention is being paid now to improving lead screening rates among Medicaid children. In addition, many states are developing CDC-recommended lead screening plans to identify and target the highest-risk children for lead screening.

Second, this report raises a number of policy and program issues that should be considered as states seek to ensure that lead-poisoned children enrolled in Medicaid managed care plans are provided with appropriate follow-up care. Many states are still developing or fine-tuning their mechanisms for overseeing and coordinating care with Medicaid managed care plans, as well as state Children's Health Insurance Programs.

Third, this report can help to inform a number of pending policy decisions. The Health Care financing Administration has been receiving criticism from many quarters for its policy prohibiting Medicaid reimbursement for analysis of the environmental samples needed for an adequate environmental investigation to identify the lead hazards in a poisoned child's home. In addition, the Centers for Disease Control and Prevention's Advisory Committee on Childhood Lead Poisoning Prevention is currently reviewing the evidence base for case management services. Finally, U.S. Senators Robert Torricelli (D–NJ) and Jack Reed (D–RI) and U.S. Representative Robert Menendez (D–NJ) are introducing federal legislation to address these issues in Congress.

Fourth, the sharp decline in the number of children with elevated blood lead levels documented by NHANES III, Phase 2 offers opportunities never before available for using screening and follow-up measures to advance prevention. For the first time, the caseload of lead-poisoned children in jurisdictions historically overwhelmed by the number lead-poisoned children has become "manageable." We have a responsibility to respond promptly and humanely to children with elevated blood lead levels as well as the opportunity to use these interventions to advance prevention. Childhood lead poisoning is entirely preventable. But achieving this goal requires us to sharpen our tools and redouble prevention efforts, rather than being complacent or uncritically flowing "established procedures" by rote.

SCOPE OF THE SURVEY

The scope of this survey and report is limited to describing and evaluating the quality of self-reported state policies and practices for environmental investigation and case management. This report therefore could not assess state primary prevention initiatives, lead screening policies and performance, or even medical care provided to lead-poisoned children. The most effective state programs are those that succeed at primary prevention. Once a child is exposed to lead, the overall effectiveness of the response must be judged by performance in all three areas of secondary prevention—and a single weak link in the chain of secondary prevention activities can undermine the effectiveness of the entire response. Having exemplary environmental investigation and case management services is useless if the state fails to screen children at risk for lead poisoning to identify those with elevated blood lead levels. Similarly, providing good environmental investigation and case management services is pointless if these activities do not trigger action to control identified lead hazards.

It is also important to be clear about what is meant by each key term. "Environmental investigation" means the examination of a child's living environment, usually the home, to determine the source or sources of lead exposure for a child with an elevated blood lead level. For the purposes of this report, "case management" means coordination, provision, and oversight of the services to the family necessary to ensure that lead-poisoned children achieve reductions in blood lead levels. In addition, case management includes coordination, but not provision and oversight, of the clinical or environmental care.

SURVEY METHODOLOGY AND RESPONSES

To gather the information about current policies and practices for case management and environmental investigation, an initial survey and a supplementary survey were sent to directors of state lead poisoning prevention programs. In states where these programs do not exist, we identified knowledgeable respondents by contacting surveillance grantees of the Centers for Disease Control and Prevention (CDC) or other program staff responsible for lead services (often a division of the state health department). Ultimately, we received responses from all 50 states and the District of Columbia. We also received responses from 15 local lead programs, which allowed us to better characterize several important dimensions of current practice of state programs.

KEY FINDINGS AND RECOMMENDATIONS ON INITIATING SERVICES

State blood lead reporting systems

Central reporting of elevated blood lead levels is critical to ensuring timely follow-up care for lead-poisoned children. Although nearly all (47) states have a reporting system for blood lead levels, the utility of the systems for timely referral of children needing follow-up services varies considerably. In addition, the lack of uniform national recommendations for reporting blood lead levels has created a burden on private laboratories and others that must report this information to many different states in a variety of formats, and has made it difficult to assess and compare blood lead data across states.

CDC should establish national standards for blood lead reporting to ensure standardization of blood lead data and enable timely follow-up for lead-poisoned children.

States with blood lead reporting systems should evaluate the effectiveness of their systems in triggering prompt identification and follow-up of lead-poisoned children and address any identified deficiencies.

States without a central reporting system for blood lead levels should establish one as soon as possible.

Blood lead levels at which services are provided

CDC's 1997 guidance recommends that both case management and environmental investigation be provided at blood lead levels of 20 μg/dL or persistent levels of 15–19 μg/dL. Encouragingly, most states are providing services to children at or even below the blood lead thresholds recommended by CDC. For environmental investigation, 20 states perform environmental investigation only at blood lead levels at or above 20 μg/dL (not persistent levels above 15 μg/dL) and 2 states use a trigger of 25 μg/dL. Since environmental investigation permits the identification and subsequent control of lead hazards, early hazard identification by providing environmental investigation at lower blood lead levels is a positive preventive measure.

Some states are able to vary the scope of case management services provided by blood lead level, providing less intensive services at lower blood lead levels in order to intervene before blood lead levels rise. Thus, it is not surprising that many states report offering case management at lower blood lead levels than recommended by CDC. Six states offer case management at precisely the level recommended by CDC, and 28 states offer the service at lower levels (single levels above 15 μg/dL or 10 μg/dL). Fourteen states provide case management only at blood lead levels of 20 μg/dL, but not persistent levels between 15 and 19 μg/dL as recommended by CDC.

At a minimum, states should provide case management and environmental investigation to children at the levels recommended by CDC, and, resources permitting, preventive services and environmental investigation to as many children as possible with blood lead elevations at or above 10 μg/dL.

KEY FINDINGS AND RECOMMENDATIONS ON SETTING STANDARDS FOR SERVICES

Case management standards

The lack of national standards for case management of lead-poisoned children has created variation in approach across the country, and made achieving reimbursement from Medicaid and other insurers more difficult. At present, only 29 state programs indicated they had written standards for case management. However, a consensus document Case Management for Childhood Lead Poisoning, developed by the National Center for Lead-Safe Housing, describing professional standards for case management for lead-poisoned children already serves as a guide for some state and local programs. Other complementary documents exist or are under development.

Any case management protocol or standard must include certain elements to ensure quality care. Our survey found that states performed well in some areas, but needed improvement in others. For example, although most states (43) provide home visits as part of case management, many programs make only a single home visit, which is unlikely to be sufficient for ensuring that steps are taken to improve the health status of the child. In addition, almost one-third (29%) of programs fail to inquire about a lead-poisoned child's WIC status, an important oversight given the importance of good nutrition for lead-poisoned children. Because they are an essential part of the solution, families should be systematically involved in all aspects of the case management process. Yet, our survey found that more than one-third of state programs (37%) fail to include families in the planning process and only one state program indicated that it routinely refers families to parent support groups in the community. The indefinite continuation of cases is also a sign of a weak case management, yet 14 states reported that they had no criteria for when to close a case.

Case management standards must also describe the specific interventions to improve the health status of the child that should be provided by case managers. Nearly all states provide some type of educational intervention, including education focused on lead and lead exposure risks, lead-specific cleaning practices, and nutritional counseling. Two-thirds of state programs (67%) provide assistance with referrals to other necessary services and 80% provide follow-up of identified problems. Six state programs indicate that they now refer young children routinely to Early Intervention programs for identification and treatment of possible developmental problems. Surprisingly, 10 states provide specialized cleaning services to reduce immediate lead dust hazards in homes as part of their case management interventions. However, due to funding considerations, most of these states are not able to make cleaning available except in homes in designated target areas and under special circumstances.

All states should have in place a protocol that identifies minimum standards for initiation, performance, and tracking of case management services for lead-poisoned children, including standards for data collection and outcome measurements and for professional staffing and oversight.

CDC or its Advisory Committee on Lead Poisoning Prevention should endorse a set of national standards for case management for lead-poisoned children, beginning with a definition of the term case management. The consensus standards developed by the National Center for Lead-Safe Housing (*Case Management for Childhood Lead Poisoning*) offer a thorough, current, and complete set of expert standards for quick review and endorsement.

Once national standards are in place, state protocols should be reviewed for consistency. In the interim, states should utilize written protocols specifying the services to be provided along with performance standards and record-keeping criteria.

Case management standards should include a minimum of two case management visits to the home of a lead-poisoned child.

State case management protocols should include standards for assessment, specifically including assessment of WIC status.

State programs should evaluate the extent to which families are being involved in case management and make necessary program modifications to ensure that families are fully involved in planning, implementation, and evaluation efforts.

States should examine their referral practices to ensure that parents of lead-poisoned children are routinely referred to available resources, including community-based parent support groups, where they exist, in order to connect families with another source of support and assistance.

All states should have case closure criteria that encompass reduction in a child's blood lead level and control of environmental lead hazards and procedures for administrative closure when needed.

States that routinely follow children until 6 years of age should evaluate whether such a lengthy follow-up benefits the child and family.

Case management standards should specify recommended interventions, including: basic educational interventions; referrals to Early Intervention services for developmental assessment, referral services for WIC, housing (emergency and long-term Solutions), health care, and transportation, as needed; follow-up of identified problems as needed; and, follow-up to ensure that families receive needed services.

Environmental investigation standards

State programs vary widely as to what activities constitute an environmental investigation to determine the source of lead exposure. Only 35 states have written protocols for environmental investigation. Where written protocols do exist, the scope of services and the kinds of data collected vary extensively. For example, some programs rely almost exclusively on XRF analysis to test the lead content of paint, and interpret a positive reading for the presence of lead-based paint as source identification. Other programs focus on current pathways of exposure by taking dust wipe and paint chip samples, assessing paint condition, and in some cases evaluating exposures from bare soil and drinking water. And, still other programs operate on a case-by-case basis.

Just 35 states had minimum requirements in place for those who perform environmental investigations for lead-poisoned children; most frequently they required state-certified risk assessors or lead inspectors. Training in the certified disciplines of risk assessor and lead inspector provides a core foundation of knowledge as well as credentials that may be important in any legal proceedings. At the same time, additional training beyond these certified disciplines is needed, because the scope of the environmental investigation of a lead-poisoned child is much more comprehensive than a standard residential lead inspection, and somewhat broader than a risk assessment.

The responses to our survey do not make it possible to determine the extent to which states are performing (or requiring to be performed) clearance testing after work has done to respond to lead hazards identified in the home of a lead-poisoned child. Follow-up visits are essential to ensure that corrective measures were taken and lead safety precautions followed. Because lead-contaminated dust can be invisible to the naked eye, clearance dust tests are critical to ensure the effectiveness and safety of the corrective measures in the vast majority of situations. Post-activity dust tests should be taken after completion of any paint repair or other projects that could generate lead-dust contamination.

Many program staff expressed frustration that environmental investigations frequently do not result in any corrective action. The ultimate measure of the success of an environmental investigation is the action that results to control lead hazards to reduce the child's continued lead exposure. At the extreme, conducting a full environmental investigation is irrelevant if no measures to reduce lead exposure occur as a consequence.

States should have a written protocol identifying the components of an environmental investigation for a lead-poisoned child. Appropriate flexibility and customization based on specific case factors and local sources are legitimate and important elements.

The protocol for environmental investigation should include routine collection of data on important pathways of exposure (particularly interior dust lead) and documentation of poor paint condition. The XRF analyzer should never be relied upon as the only tool for environmental investigation. Chapter 16 of HUD's Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing provides the most comprehensive and current guidance for environmental investigations.

State programs should begin using the more protective dust lead standards being proposed by EPA and HUD: no higher than 50 µg/square foot for floors and 250 µg/square foot for window sills.

Environmental investigations need to generate "actionable" data to ensure that all lead hazards identified are controlled—the ultimate measure of effectiveness. In most states, improved systems are needed to document and track corrective actions to control lead hazards to help ensure that environmental investigations actually result in health benefits to children.

Health department program staff performing an environmental investigation for a lead-poisoned child should be trained and certified as lead professionals. This will serve to increase professionalism in the field as well as give the results of the investigation greater standing if challenged in court.

Individuals conducting environmental investigations need additional training to assess sources of lead exposure beyond the scope of the traditional EPA/HUD risk assessment.

When state or local programs or managed care organizations contract environmental investigations out to certified lead evaluators, it is important that they be charged with conducting a comprehensive evaluation of potential exposure sources as described in Chapter 16 of HUD's Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing.

State programs need to make clearance dust tests a routine check to confirm that lead dust hazards are not left behind after corrective measures are taken in the home of a lead-poisoned child.

Lead hazard control: Legal authority and resources

Although this survey was not able to quantify the extent to which state and local programs succeed in controlling hazards identified in home of a lead-poisoned child, many programs indicated that this is a major problem. Twenty-eight states, more than 54%, do not have legal authority to order remediation of homes with identified lead hazards. More than 40% of all states (22 state programs) indicate that no funding is available in their state to help property owners pay for even a portion of the necessary lead hazard control, No state reported sufficient funds for lead hazard control. The lack of legal authority to order remediation coupled with the lack of resources to fund abatement and lead hazard control is a major stumbling block for lead poisoning prevention and treatment progress nationally.

States should consider the model legislative language reflecting the principles and recommended lead-safety standards of the National Task Force of Lead-Based Paint Hazard Reduction and Financing developed by the National Conference of State Legislatures.

KEY FINDINGS AND RECOMMENDATIONS ON FINANCING SERVICES

For both case management and environmental investigation, adequate funding for services is a central challenge to providing timely and quality services. Most programs have patched together funding from federal, state, and local sources as best they can. For case management, 23 states reported relying primarily on federal funds, 12 states rely primarily on state funds, and 4 states on Medicaid. Six states reported a combination of sources. Even in states with Medicaid reimbursement, Medicaid provides only part of the support for case management. For environmental investigation, CDC grant funds are the most common source of funds for environmental investigation, with 22 states reporting reliance on this funding source; some use CDC funds exclusively. Medicaid reimbursement is the next most common source of funding for environmental investigation, with 20 states receiving at least some reimbursement for services provided for Medicaid-enrolled children. State funds provide support in 17 states and local or county funds in 15 states. Other sources fill in the gaps.

However, it appears that financing is not the strongest area of state case management and environmental investigation programs. Many state program staffs are not aware of how their programs actually receive funds for case management and environmental investigation services, and others seemed to be confused about the concept of "reimbursement" for services. At least 6 states provided different answers to the GAO than they provided to us on the question of state Medicaid policy for reimbursement of environmental investigations. GAO surveyed EPSDT agencies while we surveyed program staff responsible for lead-related services, but both should be expected to be able to answer this question accurately.

Twenty states currently seek and receive Medicaid reimbursement for case management, and 22 states report Medicaid reimbursement for environmental investigation, (although apparently slightly fewer are actually collecting Medicaid dollars at this time). States using state (or local) funds for environmental investigation or case management without receiving Medicaid reimbursement are effectively forgoing the federal Medicaid match for state spending. By all rights, Medicaid should pay the costs of these medically necessary treatment services for enrolled children. In addition, by securing Medicaid reimbursement, states may be able to shift the state's share of costs to the Medicaid budget, rather than using the limited funds designated for lead poisoning prevention or other public health functions. Similarly, states that use CDC lead poisoning prevention grant funds for environmental investigation without securing Medicaid reimbursement should consider the opportunity costs. Since CDC grant funds are finite and scarce, the decision not to seek Medicaid reimbursement means forgoing other possible uses, such as initiatives targeted to primary prevention.

The amounts reimbursed by Medicaid for both services vary dramatically from state to state, ranging from $38 to $490 for environmental investigation and from $25 for one educational visit to a maximum of $1,610 for 8 months of follow-up for case management. Although the set of services provided varies to some extent state-by-state, the actual cost of providing the services is unlikely to vary so widely. Ideally, reimbursement should reflect the actual costs of service delivery. State and local programs cannot successfully bill Medicaid or managed care for services provided unless they can document the actual cost of providing those services.

States following HUD Guidance for investigating the home of a lead-poisoned child are likely to need to conduct a number of specific laboratory tests, possibly including interior dust wipes, paint chips, soil, and drinking water. Yet a vital source of funding for environmental investigation has recently been restricted. In September 1998, HCFA erected a barrier to quality care when it "clarified" its policy on reimbursement for environmental investigation in its update to the State Medicaid Manual. HCFA's written policy now inappropriately prohibits reimbursement for the environmental sampling and analysis (such as measuring lead in dust, soil, and water) that is needed to investigate the source of lead exposure in a poisoned child's home—and makes it impossible to achieve the essential purpose of environmental investigation. In effect, the new language limits coverage only to XRF analysis to determine the lead content of paint, which usually does not confirm the immediate exposure hazard or reveal what control action is needed to reduce exposure.

Several states reported arbitrary limits on State Medicaid reimbursement for environmental investigation services, such as limiting payment to one investigation per child per lifetime. It appears that such limits on environmental investigation are illegal, since the federal EPSDT statute entitles Medicaid children to all services medically necessary to respond to a condition identified during an EPSDT screen.

Only one-third of states could report how many or what percentage of their cases were even enrolled in Medicaid. States must be able to document the number of Medicaid-enrolled children receiving services in order to receive or make informed decisions about reimbursement.

Thirty-eight states reported the enrollment of at least some Medicaid children into managed care plans, but only 24 of these reported that their state's contract(s) with managed care organizations (MCOs) contained any language about lead screening or treatment services. Most reported that the language dealt only with lead screening or generic EPSDT screening requirements, missing an opportunity to describe clear duties for health care providers for lead screening and follow-up care.

State Medicaid agencies that have not yet established mechanisms for Medicaid reimbursement for case management and environmental investigation should do so immediately.

Health departments providing case management and environmental investigation should contact the Medicaid agency to ensure that reimbursement is available to public sector service providers, customized for the specific situation.

CDC should require its CLPP grantees to pursue Medicaid reimbursement of case management and environmental investigation as a condition of funding.

HCFA should revise its guidance to permit Medicaid reimbursement for the costs of the laboratory samples necessary to determine the source of lead exposure in the home of a lead-poisoned child.

Medicaid should fund emergency services to reduce lead hazards for children with EBL, including lead dust removal and interim measures to immediately reduce hazards in the child's home. If the child's home can not be made safe, Medicaid should reimburse the cost of emergency relocation.

State programs should determine and document the actual costs of providing case management and environmental investigation services.

State lead programs should negotiate adequate reimbursement rates with the State Medicaid agency, based on documentation of the costs of providing services.

Based on current costs of service delivery, state and local programs should ensure that their budgets and funding requests seek the resources necessary to adequately manage their caseloads.

States should consider billing private insurance providers for services provided to children enrolled in such plans.

HCFA should disallow, and states should discontinue the use of, arbitrary limits on State Medicaid reimbursement for environmental investigation services unless they are shown to have a medical basis.

State programs should establish the administrative means necessary to track the insurance status (especially Medicaid enrollment) of lead-poisoned children receiving case management and environmental investigation services.

CDC should require its CLPP and Surveillance grantees to pursue collection of data on the insurance status (especially Medicaid enrollment) of the children receiving case management and environmental investigation services.

State Medicaid contracts with MCOs should contain clear language describing the specific duties of the MCOs, making clear whether they are expected to deliver services, make referrals, or provide reimbursement to other agencies for services provided. States should address lead screening, diagnosis, treatment, and follow-up services explicitly, rather than relying on general language referencing EPSDT. States should familiarize themselves with and utilize the lead purchasing specifications for Medicaid management care contracts that have been developed by the Center for Health Policy and Research at the George Washington University (available at "www.gwumc.edu/chpr"). Where such language has already been incorporated into contracts, it should be enforced.

Where case management and environmental investigation are provided by public sector providers and Medicaid children are enrolled in capitated managed care plans, states should consider financing case management and environmental investigation through a "carve-out" to ensure that providers are reimbursed for their costs of providing services.

KEY FINDINGS AND RECOMMENDATIONS ON TRACKING AND EVALUATING SERVICES

Very few programs are tracking outcomes of children identified as lead poisoned. Most states count the number of home visits or completed environmental investigations, but very few monitor the outcomes for children and the corrective measures taken in those properties found to have poisoned a child. For example, eight states did not know how many lead-poisoned children needing follow-up care had been identified in 1997 and 23 states did not know how many of their lead-poisoned children had actually received services.

Only 15 states reported providing oversight to ensure that all children identified as lead-poisoned receive appropriate follow-up care, including case management and environmental investigation services. Such oversight would be particularly useful in the 24 states that rely on providers outside the health department to provide case management services. Only 13 states indicated that they collected and tabulated data on the identified source(s) of lead exposure from environmental investigations.

Tracking case management and environmental investigation activities is not enough in itself. The ultimate measure of effectiveness is reducing the child's lead exposure and blood lead level. Case management and environmental investigation programs should be thoroughly evaluated to identify programs that are effective, as well as to identify problems that require additional staff training, technical assistance, or other attention. In particular, this survey suggests that staff in many states could benefit from training in key areas, such as program evaluation and Medicaid and insurance reimbursement.

States should establish the administrative capacity at either the state or local level to track delivery of case management and environmental investigation services to lead-poisoned children, to track outcomes of interest for individual children, and to ensure that appropriate services are provided to lead-poisoned children.

CDC should require its CLPP grantee to report on case management service delivery outcome measures in their required reports. Such reporting would help build capacity for tracking and begin to document the effectiveness of program follow-up efforts.

States should establish, collect, and report outcome measures for case management.

All states should collect and aggregate data on lead sources, including the proximate cause(s) of lead exposure identified through environmental investigation, and the lead hazard control actions taken, along with relevant information allowing characterization of the lead hazards (e.g., age and condition of housing, renter or owner-occupied, source and pathway of exposure, etc.)

CDC requires its grantees to provide data through its STELLAR database, but its data fields have proven to be limiting, especially for non-paint sources, and many grantees report their dissatisfaction with STELLAR. CDC should consider moving to an alternative software package with greater flexibility and easily available support. Until CDC revises its requirements, states should use standard office database software to keep these records.

CDC should undertake or fund formal evaluations of state case management and environmental investigation programs. Programs should be given the tools and opportunity to meet goals and improve performance. However, if state or local programs are not able to achieve basic standards of performance in follow-up of lead-poisoned children, federal funding should be terminated.

CDC should sponsor a system of peer evaluation for state and local lead programs. A pear evaluation program would allow state program staff to learn from and share with one another, reinforcing the replication of innovative and effective practices.

The PRESIDING OFFICER (Mr. CRAIG). The Senator from Maine.

Ms. COLLINS. Mr. President, I am very pleased to join my friend and colleague, Senator JACK REED of Rhode Island, in discussing the passage of a resolution we introduced designating this week, October 24 through the 30th, as National Childhood Lead Poisoning Prevention Week.

Senator REED has been such a strong advocate and leader on lead poisoning issues. I have enjoyed working with him on this important public health issue.

It is my hope the designation of this week as National Childhood Lead Poisoning Prevention Week will help to increase awareness of the significant dangers and prevalence of childhood lead poisoning across our Nation.

Great strides have been made in the past 20 years to reduce the threat that lead poses to human health. Most notably, lead has been banned from many products, including residential paints, food cans, and gasoline. These commendable steps have significantly reduced the incidence of lead poisoning. But unfortunately, contrary to what many people think, the threat has not been eradicated. In fact, it remains and continues to imperil the health and well-being of our Nation's children. In fact, lead poisoning is the No. 1 environmental health threat to children in the United States.

Even low levels of lead exposure can have serious developmental consequences, including reductions in IQ and attention span, reading and learning disabilities, hyperactivity and behavioral problems. The Centers for Disease Control and Prevention currently estimates that 890,000 children, age 1 through 5, have blood levels of lead that are high enough to affect their ability to learn—nearly a million children.

Today, the major lead poisoning threat to children is posed by paint that has deteriorated. Contrary to popular belief, it is the dust from deteriorating or disturbed paint, rather than paint chips, that is the primary source of lead poisoning. Unfortunately, it is all too common for older homes to contain lead-based paint, particularly if they were built before 1978. More than half of the entire housing stock and three-quarters of homes built before 1978, contain some lead-based paint. Paint manufactured prior to the residential lead paint ban often remains safely contained and unexposed for decades. But over time, often through remodeling or normal wear and tear, the paint can become exposed, contaminating the home with dangerous lead dust.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

PRESIDENTIAL AND SENATORIAL COMMISSION ON NUCLEAR TESTING TREATY

Mr. WARNER. Mr. President, I address the Senate today with regard to a bill that I am introducing which provides for the establishment of a commission to be known as the Presidential and Senatorial Commission on a Nuclear Testing Treaty.

On October 15, shortly after the historic debate in the Senate and the vote taken on the Comprehensive Test Ban Treaty, I addressed the Senate, suggesting that the President and the Senate explore options by which a commission could be appointed for the purpose of assessing issues relating to testing of nuclear weapons, and the possibility of crafting a treaty that would meet the security interests of our Nation, while enabling America to once again resume the lead in arms control.

Following the historic debate and vote, I voted against that treaty, and I would vote again tomorrow against that treaty, and the day after, and the day after that. I say that not in any defiant way, but simply, after three hearings of the Armed Services Committee and one of the Foreign Relations Committee, after very careful analysis, after hours of discussion with my colleagues, after participating in the debate, it was clear to me that the record did not exist to gain my support nor, indeed, the support of two-thirds majority of the Senate.

It is my view that the Senate and the President will join together to provide bipartisan leadership to determine, in a collaborative way, how to dispel much of the confusion in the world about why this Senate failed to ratify the treaty, to explain what the options are now, and to show that we are analyzing all of the other possibilities relating to a nuclear testing treaty. This, hopefully, will dispel such confusion. Much of that confusion is based on misconceptions and wrong information. But we can overcome that.

We must explain that this Government has coequal branches—the executive, headed by the President; and the legislative, represented by the Congress—and how our Constitution entrusts to this body, the Senate, sole authority to give advice and consent. This body exercised that obligation, I think, in a fair and objective manner. But we are where we are.

My bill is somewhat unique, Mr. President. I call for a commission with a total of 12 members—6 to be appointed by the majority leader of the Senate; 6 to be appointed by the distinguished Democratic leader of the Senate, with coequal responsibility between two members to be designated as cochairmen. I did that purposely to emphasize the need for bipartisanship. We, the Senate, will not ratify the treaty unless there are 67 votes in the affirmative. This last vote was 19 votes short—votes cast by individuals of this body of clear conscience. That significant margin of 19 votes, in my judgment, can only be overcome through a bipartisan effort to devise a nuclear testing treaty seen clearly as in our national interests.

The cochairmen will be appointed—first, one by the distinguished majority leader of the Senate, and the second by the President, in consultation, of course, with the distinguished minority leader. That brings the President well into the equation. He will undoubtedly be in consultation with the distinguished minority leader throughout the series of appointments by the minority leader.

This commission can have no more than two Members of the Senate appointed by the majority leader, and no more than two Members of the Senate, if he so desires, appointed by the minority leader. Therefore, up to four Senators could participate. But the balance of the 12—eight members—will be drawn from individuals who have spent perhaps as much as a lifetime examining the complexity of issues surrounding nuclear weapons, the complexity of the issues surrounding all types of treaties, agreements, and understandings relating to nonproliferation.

We saw them come forward in this debate—individuals such as former Secretaries of Defense, former Secretaries of State, men and women of honest, good intention, with honest differences of opinion, and those differences have to be bridged. By including eight individuals not in the Senate along with four Senators—if it is the will of the leaders—we can lift this issue out of the cauldron of politics. We can show the world that we are making a conscientious effort to act in a bipartisan manner. The experts the majority leader and the ones the minority leader, in consultation with the President, would pick will be known to the world—former Secretaries of Defense of this Nation, former Secretaries of State, former National Laboratory Directors, individuals whose collective experience in this would add up to hundreds of years. In that way, I believe we will bring credibility to this process and will result in this commission being able to render valuable advice and recommendations to the Senate and the President at the end of their work.

Several years ago, I was privileged to be the Ranking Member of the Senate Select Committee on Intelligence. There was a great deal of concern in the Senate toward the Central Intelligence Agency and how it was operating at that time. As a matter of fact, some of our most distinguished Members—one indeed I remember clearly—called for the abolishment of the CIA. This individual was extremely disturbed with the manner in which they were conducting business.

I took it upon myself at that time to introduce in the Senate legislation calling for the establishment of a commission to make an overall study of our intelligence and to make recommendations to the President and the Congress. Congress adopted the legislation I introduced and it was enacted into law.

The first chairman of that commission was Les Aspin, former Secretary of Defense, who, unfortunately, had an untimely death. He was succeeded by Harold Brown, former Secretary of Defense and former Secretary of the Air Force, who I knew well. I served with him. Our former colleague, Senator Rudman, was also closely involved. I was privileged to be on that commission. It did its work. It came up with recommendations. The intelligence community accepted those recommendations. The CIA survived and today flourishes.

I have given the outline of the commission I am proposing today. Let me briefly refer to the basic charge given the commission and the work they should perform.

Duties of the commission: It shall be the duty of the commission, (1) to determine under what circumstances the nuclear testing treaty would be in the national security interests of our Nation; (2) to determine how a nuclear testing treaty would relate to the security interests of other nations. I was motivated to do this because of the misunderstanding about the important and decisive action taken by this body.

(3) To determine provisions essential to a nuclear testing treaty such that that treaty would be in the national security interests of the United States; (4) to determine whether a nuclear testing treaty would achieve the nonproliferation and arms control objectives of our Nation.

The bill includes a number of other recitations and other important provisions.

We deal with the question of verification. We deal with the question of the science-based stockpile stewardship program, now being monitored and more fully developed by the Department of Energy.

All of this is carefully covered in this legislation I make to this body tonight.

This is one Senator who believed he had an obligation to confer with his colleagues about this important matter. I believe it is important that this legislation be laid down as a starting point. It may well be that other colleagues have better ideas. I take absolutely no pride of authorship in this effort. Perhaps others can contribute ideas as to how this legislative proposal might be amended.

Eventually, collectively, I hope we can work with our leadership in establishing some type of commission so the consideration of a nuclear testing treaty can go foward and people around the globe will have a better understanding of our efforts to achieve a more secure world.

I went back to do a little research which proved quite interesting. We have heard so many times in this Chamber that politics should stop at the water's edge. I was reminded of this as I was privileged, along with many others in this Chamber, to attend the presentation to the former President of the United States, Gerald R. Ford, and his lovely wife, Mrs. Betty Ford, the Congressional Gold Medal.

I took down some notes from President Ford's wonderful speech. I had the privilege of serving under President Ford as Secretary of the Navy and, indeed, Chairman of the Bicentennial. I have great respect for him.

He talked about Senator Vandenberg and how Senator Vandenberg was an absolute, well-known conservative. Yet it was Senator Vandenberg's leadership that got the Marshall Program through the Senate of the United States. The Marshall Program was a landmark piece of legislation initiated by President Truman. Indeed, in some of the accounts of history, some people said it should be called the Truman Plan. But Truman said "Oh, no, don't name it after me because the Congress won't accept it; name it after George Marshall"—showing the marvelous character of the wonderful President.

President Ford also talked about Everett Dirksen. He said:

> The executive branch and the legislative branch worked with him arm in arm on relationships that were important between this country and the rest of the world.

Those are Ford's words.

Bipartisanship helped get the Marshall Plan through and enabled this country to show strength in the face of the cold war period.

That is history, ladies and gentleman.

I don't suggest in any way that I am making history here tonight. But I think it is very important that other Senators take time to look at this and contribute their own ideas. It will require a significant measure of bipartisanship to achieve the objectives of the commission I am proposing. Let's see what we can do to work with our leadership and go forward.

The events of history are interesting. Senator Vandenberg, chairman of the Foreign Relations Committee, in 1948, thought Tom Dewey was going to win the Presidency. He wrote into the Republican platform the following phrase. I quote him:

> We shall invite the minority party to join us under the next Republican administration in stopping partisan politics at the water's edge.

As it turned out, Truman won that historic election. And what did Vandenberg do but go on and work with President Truman in the spirit of that statement that he put into the Republican platform, and the first landmark that the two achieved was the Marshall Plan.

Mr. President, I yield the floor.

THE LATE CHARLES E. SIMONS, JR., SENIOR UNITED STATES DISTRICT JUDGE

Mr. THURMOND. Mr. President, it gives me no pleasure to rise today and seek recognition, for it is to carry out a very sad task, which is to mark the passing of one of my longest and closest friends, Judge Charles E. Simons, Jr. of Aiken, South Carolina.

Judge Simons has served with distinction as a Federal District Court Judge for the District of South Carolina since his confirmation in 1964. It was my pleasure to recommend this talented and bright man to President Johnson, and everyone who monitors the Federal Bench has been impressed with the skill and insight in which Judge Simons adjudicated cases. His reputation is that of being a tough, but fair, judge whose impartiality is above reproach and whose commitment to the rule of law is well known. The respect and admiration of the legal community for Judge Simons is evidenced by the fact that the Federal Courthouse on Park Avenue in Aiken was dedicated in his honor in 1987. Certainly a fitting tribute to a man who dedicated thirty-five years of his life to the Federal Bench and had served as the Chief Judge of the District Court for six years.

I must confess that Charles Simons was well known to me before I advanced his name to the President, for he and I had been law partners in Aiken, South Carolina for many years. He was such an able and intelligent man, he was a great asset to our practice. In 1954, we had to end our partnership because of my election to the United States Senate, but Charles Simons continued to prosper as an attorney, earning a well deserved reputation as an outstanding general practice lawyer.

While Charles Simons loved his work and the law, it was not an all consuming passion, and he enjoyed many other activities outside the courtroom. South Carolina is a beautiful state, and its citizens eagerly engage in activities that allow them to spend as much time as possible outside enjoying the natural beauty of the Palmetto State. For Charles Simons, these activities included golf, hunting, and fishing, each which he pursued with an unflagging enthusiasm. These pursuits not only allowed him a temporary reprieve from the weighty responsibilities of the duties of a Federal District Court Judge, but they also allowed him to spend time with his friends.

One of the things that bonds friendships is shared interests, and both Charles and I had a shared interest in physical fitness. He remained a fit and active man right up until July of this year when he suffered brain damage as a result of a fall. Sadly, surgery did not return Charles to his previous health and he began a decline that resulted in his death yesterday at the age of eighty-three. Though his passing was not entirely unexpected, it still is a blow to his family and friends and to the South Carolina legal community.

While many mourn the death of Charles Simons, we should take the opportunity to be certain we celebrate his life and accomplishments. He served the nation in a time of war, he was an accomplished attorney, a respected judge, and a devoted family man. He leaves a body of work that stands as case law and he has set a standard for other public servants to follow. All these accomplishments are even more impressive when one considers Charles' humble beginnings and the fact that he accomplished all he did through hard work, determination, and intelligence.

I am deeply saddened to have lost such a good friend and I share the grief of the Simons' family. They have my deepest sympathies and my heartfelt condolences on the death of Charles.

REPORT ON CONFERENCE FOR LABOR-HHS APPROPRIATIONS

Mr. SPECTER. Mr. President, a few moments ago, a conference on the appropriations bill for Labor, Health and Human Services, and Education was completed. It was a rather unusual procedure because the conference report was incorporated into the conference of the District of Columbia appropriations bill. That arose in light of the fact the House of Representatives had not passed a bill on Labor, Health and Human Services, and Education—an appropriations bill for those three departments, but the Senate did.

The procedure was adopted to have an informal conference with Senator HARKIN, ranking member of the subcommittee, and myself representing the Senate, and Congressman JOHN PORTER, chairman of the House subcommittee representing the House. I had talked to the ranking Democrat, Congressman OBEY, and had invited him to participate. He did come to one of the meetings but said he did not intend to participate because of his objection to the nature of the proceedings, in light of the fact that the House had not passed an appropriations bill.

This is not the ideal, proceeding in the manner I have described, but it is the best that could be done under the circumstances. There is a real effort to complete the 13 appropriations bills and submit them to the President before the close of business tomorrow so it all would be on the President's desk before the current continuing resolution expired. It may be that the President will veto the District of Columbia bill and the inclusion of the appropriations bill on Labor, Health and Human Services. If that is to follow, then we will be proceeding to try to reach an accommodation as to what the bill ought to be.

My suggestion is the bill, which has been submitted, is a good bill, not a perfect bill—I haven't seen one of those in the time I have been in the Senate—but, I submit, a good bill.

It contains a program level of $93.7 billion, which is about $2 billion less than the program level passed by the Senate. This bill was crafted by Senator HARKIN and myself on a bipartisan basis, crafted in a way to obtain the signature of the President of the United States. We have directed very substantial funding to the three departments where the total bill is $6 billion over fiscal year 1999 and an increase of some $600 million over what the President requested.

Education is a priority in America of the highest magnitude. This bill contains a program level of $35 billion for the Department of Education, constituting an increase of $2 billion over fiscal year 1999 and some $300 million over the administration's request.

I ask unanimous consent that a brief summary be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks, and for the purposes of this oral statement, I will summarize the highlights.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SPECTER. With respect to the very important issue of Head Start, the bill contains $5.2 billion, which is an increase of $608.5 million over the fiscal year 1999 level, and it matches the very substantial request for an increase requested by the President.

Special education, another very important item, contains $6.035 billion, an increase of some $912.5 million over last year.

On the program GEAR UP, which is to support early college preparation for low-income elementary and secondary schoolchildren, there is an increase of some $60 million, a 50-percent increase over last year's funding level of $120 million. I mention GEAR UP specifically because we have not met the President's request, which was a doubling to $240 million from $120 million, but accommodating as far as we could some 50-percent increase, or some $60 million.

There is a contentious issue on class size, and the President has requested some $1.4 billion with the money to be directed to class size reduction. We have appropriated $1.2 billion, which is the same as last year's appropriation, a very substantial sum of money, and we have done it in a way which is somewhat different from the President's request. This class size reduction is the priority specified in our bill. But we do allow the local school districts, if they decide, in their wisdom, they want to use the money for something else, such as professional development or any other need of the school district, to direct the funds in that manner.

The President would like to have it limited only to classroom size reduction. This is a matter I have personally discussed with President Clinton, and it seems to me that, public policy-wise, the provisions of this bill are the preferable ones. I say that because we give priority to what the President wanted—that is, classroom reduction size—but if the local school district makes a determination that their local needs are different, they ought to have the latitude to make that change. That does not provide a straitjacket coming out of Washington, DC, but states the preference and allows the latitude for the local district to make the change.

This bill contains a program for fighting school violence, with some $733.8 million being reallocated from existing programs to focus on the cause of youth violence. I convened three extensive roundtable discussions, or seminars, in effect, with experts from a variety of agencies within the Department of Education, the Department of Health and Human Services, the Department of Labor, and also the Department of Justice, to analyze the problems of school violence. We came up with a variety of programs from existing funds to be directed in this manner.

The bill also contains very substantial increased funding for the National Institutes of Health. Congressman PORTER, Senator HARKIN, and I think the Congress generally has acknowledged that the National Institutes of Health are the crown jewels of the Federal Government. Sometimes I say they are the only jewels of the Federal Government. But enormous increases have been made in medical research to combat Parkinson's disease, with the experts now telling us we may be within 5 years of conquering Parkinson's. There have been enormous advances on Alzheimer's, breast cancer, lung cancer, prostate cancer, heart ailments, and the whole range of medical problems.

Stem cells have become a focal point of medical research. Almost a year ago, they burst upon the scene and provide a real opportunity—a veritable fountain of youth—with these cells being replaced in the human body to conquer these medical maladies. In essence, the bill is a very comprehensive effort to deal with the funding needs of these three major departments.

Another aspect of the conference today was an effort to have offsets in order to obtain the goal that we not touch Social Security, and we have done that with an across-the-board cut of 0.95 percent in budget authority and 0.57 percent in outlays. That is a little less than a 1-percent cut across the board in budget authority and a little more than a half-percent cut in outlays.

Frankly, I do not like an across-the-board cut. But among all of the alternatives we were considering to avoid touching Social Security, this was the least undesirable of the alternatives. And while there will be cuts below what I would like to see, the increases, by and large, are sufficient so that there will be a net increase nonetheless.

For example, in the Head Start program, we increase funding by some $608 million. The 1-percent cut will reduce that figure by $38.7 million, to about a $569 million increase. On special education, for example, we had a $912 million increase. A 1-percent across-the-board cut will reduce that by $23 million, so there still will be a net increase of some $889 million.

We have structured this bill with some advances, but we have made a determination not to come in with advances higher than what the President had proposed. It is my hope that President Clinton will sign this bill. From all of the collateral considerations, it appears unlikely he will sign the bill.

I have personally contacted Mr. Jack Lew, Director of the Office of Management and Budget, in an effort to negotiate with the White House in advance of this conference report. But there have been objections raised by some on the Democratic side in the House to having those discussions move forward because the House, in fact, did not pass a bill on Labor, Health, and Human Services.

If this is another step in the legislative process, so be it, with the bill heading toward the President's desk. If he signs it, great; if he vetoes it, we are prepared to go to work and try to move through what ought to be done. If someone has a better idea on offsets, we are prepared to listen. The objective of not touching Social Security, I think, is a consensus objective. The objective of not raising taxes, again, is a consensus objective. We have provided, I think appropriately—some would say generously—for important education and health programs, worker safety programs, and we will be prepared to move forward to see to it that these very important functions are carried out and to seek agreement between the legislature—the Congress—and the administration.

One final note: In my discussions with the President when we talked about his interest in having classroom size done to his specifications, I think it is fair to note that the Constitution gives the principal authority on the appropriations process to the Congress. Of course, the President has to sign the bill. But constitutionally, the Congress has the principal line of responsibility. The President would like to have this appropriations bill serve as an authorization vehicle. The authorizers are not happy about that with the process in the Congress for a separate committee to do the authorization and the separate committee to do the appropriations. We have undertaken the authorization but have exercised our congressional preference in setting public policy to establish the President's program for classroom size as the priority, but giving the latitude to the school districts to do it differently. We think that is consistent with the constitutional responsibility we have.

We think some deference ought to be paid to our determination of public policy. But again we are prepared to work with the President to reach a bill which will be acceptable to both the Congress and the President.

I thank the Chair.

EXHIBIT 1

FISCAL YEAR 2000 LABOR-HHS-EDUCATION APPROPRIATIONS CONFERENCE AGREEMENT

Budget Summary and Bill Totals—The bill contains a program level of $93.7 billion, an increase of $6 billion over the FY '99 program level of $87.7 billion, and in increase of $600 million over the President.

BILL HIGHLIGHTS

School Violence Initiative totals $733.8 million. These funds were reallocated from existing programs to focus on the causes of youth violence and to better identify, treat and prevent youth violence.

Department of Health and Human Services—The bill contains a program level of $39.8 billion for the Department of HHS, an increase of $1.6 billion over the FY '99 appropriation and a decrease of $900 million above the budget request.

National Institutes of Health—$17.9 billion, an increase of $2.3 billion over the FY '99 appropriation, and $2 billion over the budget request.

NIH Matching Fund—$20,000,000 is available in the Public Health and Social Services Fund for a matching fund program at NIH that would establish partnerships with the pharmaceutical and biotechnology industry to accelerate new antibiotic development.

Substance Abuse and Mental Health Services—$2.5 billion, up $62 million over FY '99.

Head Start—$5.2 billion, an increase of $608.5 million over FY '99 and the same as the budget request.

Consolidated Health Centers—$1 billion, an increase of $99 million to increase health services for low income individuals.

AIDS—$4.4 billion for prevention and treatment activities, including $2 billion for research at the NIH; $1.6 billion for Ryan White programs and $85 million to address global and minority AIDS.

Ricky Ray—$50 million to compensate hemophilia victims and their families.

Home Delivered Meals—$147 million, an increase of $35 million over FY '99. This increase will provide an additional 27 million meals to elderly individuals in their homes.

Low Income Home Energy Assistance—$1.4 billion for heating and cooling assistance as an advance for FY 2001.

Department of Education—The bill contains a program level of $35.0 billion for the Department of Education, an increase of $2 billion over the FY '99 program level and $300 million over the Administration's request.

Pell Grants—The bill increases the maximum Pell Grant to $3,300, increased $175 over last year.

Campus-based aid—$934 million is included for the Work Study program which provides part-time employment to needy college students, an increase of $64 million over last year. Also increased by $10 million is the Supplemental Educational Opportunity Grant program for a total of $631 million in FY 2000.

Special Education—$6.036 billion is included, an increase of $912.5 million over last year.

Class size/Teacher Assistance Initiative—$1.2 billion, the same as last year for a class size/teacher assistance initiative. Local education agencies would have the choice of using funds first for class size reduction, and if they determine that they do not wish to use funds for reducing class size, funds may be used for professional development or any other need of the school district.

21st Century Learning Centers—$300 million is recommended to help local education agencies with after school programs, an increase of $100 million over last year's initial funding level.

Impact Aid—$910.5 million to assist school districts that are adversely affected by Federal installations. This amount is an increase of $46.5 million over FY '99, and a $174.5 million increase over the Administration's request.

GEAR UP—$180 million to support early college preparation for low-income elementary and secondary children, an increase of $60 million over last year's funding level. The President requested $240 million.

Department of Labor—The bill contains a program level of $11.2 billion for the Department of Labor, an increase of $300 million over the FY'99 program level, and $400 million below the Administration's request.

Dislocated Worker Assistance—$1.6 billion, an increase of $195 million over FY'99.

Job Corps—$1.3 billion, an increase of $49 million.

Related Agencies—The bill contains a program level of $7.7 billion, an increase of $164.2 million over FY'99 and $200 million below the budget request.

Corporation of Public Broadcasting—$350 million, an increase of $10 million over the FY'99 appropriation, and the same amount recommended by the Administration.

National Labor Relations Board—$199.5 million, an increase of $15 million over the FY'99 appropriations, and $11 below the budget request.

With an 1%-across-the-board decrease in spending from the Conference Agreement, many programs will still be increased from last year's level and above the President's request. For example:

Head Start will be increased by $468 million over the FY99 level—to $5.228 billion, allowing over 33,000 additional children to be served.

Home-delivered meals to seniors will be increased $33 million over last year's level, funding 25.5 million more meals than in FY99.

NIH will be increased to $17.7 billion—$2.1 billion over last year's level, and $1.8 billion over the President's budget request.

Ryan White AIDS program will be increased to $1.5 billion—$123.6 million over the FY99 level and $24 million over the President's budget request.

The Community Services Block Grant will be increased to $504.9 million—$4.9 million above the President's request, providing more services to low-income families.

The Maternal and Child Health Block Grant will be increased to $702.9 million—$8.1 million more than the FY99 level and $7.9 million more than the President's budget request.

Job Corps will be funded at $1.35 billion, an increase of $5.1 million over the President's request and $43 million over the FY99 level.

The conference agreement provides $5.735 billion for Special Education State grants, an increase of $679.8 million over the President's request and $628.2 million over the FY 1999 level.

Education technology programs will be funded at $733.2 million, an increase of $35.1 million, or 5%, over the FY 1999 level.

The Impact Act program will be funded at $901.4 million, an increase of $165.4 million over the President's request and $37.4 million over the FY 1999 level.

The maximum award for the Pell Grant program will be increased to a record high of $3,275, an increase of $25 over the President's request and $150 over the FY 1999 appropriation.

HISPANIC HERITAGE MONTH

Mr. BINGAMAN. Mr. President, I want to commemorate the 30-day period from September 15 through October 15 which was designated by the President as Hispanic Heritage Month.

Around the country, and in my home state of New Mexico, Hispanics have been making outstanding contributions to public service, business, education, and to our communities. Hispanic Heritage Month signals a time of recognition and celebration of an enriched legacy, tradition, and culture that has been present in our country for over 400 years.

We in New Mexico are well familiar with the fact that the Hispanic presence in the United States reaches far back to 1528, and in New Mexico to 1539. We also know that Hispanics have influenced greatly our architecture, food, clothing, literature, music, and certainly our family values. Many of our landmark cities have grown from early Spanish settlements; cities such as Los Angeles, San Antonio, San Francisco, and Santa Fe, to name only a few.

Although we know that Hispanics make up the fastest-growing minority group in this country, and by 2025 will be the largest minority group in our national population growth, too many Americans still are not aware of the historic significance and contributions of Hispanics in American life. That is why Hispanic Heritage Month is important as a recognition of the accomplishments and contributions of Hispanics in our country.

There are countless, New Mexicans who have contributed greatly to our Hispanic community through hard work and the belief that one can accomplish what one sets his or her mind to do. Today I'd like to mention two of these individuals from New Mexico, who have contributed to their communities and have made a difference in my home State.

At the age of 5, Mike Lujan was already contributing to his family's household income to help support his parents and 14 siblings. Mike encountered difficulties in high school and graduated with a 1.7 grade-point-average. However, because of his determination Mike enrolled in college, sought tutoring, and this year, he will be celebrating a quarter century of teaching in the Santa Fe Public Schools. During his time as a teacher and head wrestling coach, Mike Lujan has been honored with USA Weekend's "Most Caring Coach" award and the national Jefferson Award given to "a citizen who cares" which is presented by a three-star general at the Pentagon.

This past August, Mike's story was told in "Vista" a magazine which discusses Hispanic Issues and salutes Hispanics in a variety of areas. The article about Mike closes with a quote from him which says, "One of the secrets for success is to remember your roots. Once you forget who you are, you can't help others."

The second individual I would like to recognize is Tony Suazo, a native of Canjilon, located in northern New Mexico. Tony was recognized as 1 of 10 northern New Mexicans, by the Santa Fe New Mexican, for their volunteer and professional achievements in the community. Every Christmas, Tony Suazo walks through the streets of Espanola, NM, in a Santa Suit, with a bag of toys thrown over his shoulder. He plays Santa Claus at the "Put a smile on a Child's Face" annual children's Christmas party. This party draws about 3,000 people, and every child who walks through the door receives a gift. Every year leading up to this event, Tony closes his business 6 weeks before the Christmas party. He then runs around town faxing fliers about the event and collects the toys, to be given as gifts, in front of local shopping centers.

You see, Mr. President, Tony Suazo and his wife close their business down 6 weeks prior to this event and live off their savings during that time. He does not miss his lost income because, as his wife puts it, "His dream is to see every child, whether they are needy or not, have a toy." Tony has been awarded the Espanola Valley Chamber of Commerce's Man of the Year.

These two individuals serve as an example of Hispanics who have been making contributions to our communities—believing in themselves, believing in hard work, and believing that they can achieve their goals.

Mr. President, at this time let me just say a couple of sentences in Spanish because that is a very important part of the Spanish tradition in my State.

Sr. Presidente, conozco sólo una manera de rendir tributo a una cultura cuyo idioma es tradicionalmente sinónimo de identidad. El idioma español imparte un sentido de conciencia, historia y tradición que en inglès, mi lengua materna, es a veces imposible expresar.

Sin idioma no habrían anècdotas, y sin las anècdotas del dirigente Lujàn; Tony Suazo y de un sinnùmero de hispanos-americanos, nuestra nación sin duda alguna experimentaría un vacío en la médula misma de su identidad.

Let me just summarize that or translate it:

Mr. President, there is only one way I know to pay full tribute to a culture for which language is often synonymous with identity. The Spanish language imparts a sense of feeling, history, and tradition, which my own native tongue of English often fails to convey.

Without language, there would be no stories, and without the stories of Coach Lujan, Tony Suazo, and countless other Hispanic-Americans, our nation would surely suffer from the great void at the very heart of its identity.

Mr. President, it is with great pride that I call on all my colleagues and on all Americans to join me even though I am a little late with this, in celebrating Hispanic Heritage Month and to come together as individuals, families, and communities to learn more about this extremely important culture in our country.

CBO COST ESTIMATE

Mr. JEFFORDS. Mr. President, on October 19, 1999, I filed Report No. 106–196 to accompany S. 976, a bill to amend title V of the Public Health Service Act to focus the authority of the Substance Abuse and Mental Health Services Administration on community-based services for children and adolescents, to enhance flexibility and accountability, to establish programs for youth treatment, and to respond to crises, especially those related to children and violence. At the time the report was filed, the estimate by the Congressional Budget Office was not available. I ask unanimous consent that a copy of the CBO estimate be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 26, 1999.

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 976, the Youth Drug and Mental Health Services Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Julia Christensen (for federal costs), who can be reached at 226–9010, and Leo Lex (for the state and local impact), who can be reached at 225-3220.

Sincerely,
BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

S. 976—Youth Drug and Mental Health Services Act

Summary: S. 976 would reauthorize certain programs of the Substance Abuse and Mental Health Services Administration (SAMHSA) through fiscal year 2002. The bill would consolidate programs currently operated under the Knowledge and Development Application (KDA) and Targeted Capacity Expansion (TCE) programs into three programs that target priorities for mental health and prevention and treatment of substance abuse. The bill would explicitly repeal certain programs and would transfer general discretionary grant authority for demonstrations, training, and other purposes to these new programs. In addition, the bill would reauthorize SAMHSA's Mental Health and Substance Abuse Prevention and Treatment Block Grants and would continue the transition of those block grant programs into federal-state performance partnerships. S. 976 also would create several new programs that focus on children and adolescents.

To fund programs administered by SAMHSA, the bill would authorize the appropriation of about $4.1 billion for 2000 and such sums as may be necessary for 2001 and 2002. Assuming the appropriation of the necessary amounts, CBO estimates that implementing S. 976 would cost about $1.5 billion in 2000 and $12.2 billion over the 2000–2004 period. Enacting S. 976 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 976 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). However, the bill would provide significant funding to both public and private entities for programs dealing with substance abuse and mental health.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 976 is shown in the following table. For the purposes of this estimate, CBO assumes that the bill will be enacted this fall and that the necessary appropriations will be provided for each fiscal year. The table summarizes the budgetary impact of the legislation under two different sets of assumptions. The first set of assumptions provides the estimated levels of authorizations with annual adjustments for anticipated inflation, when appropriate, after fiscal year 2000. The second set of assumptions does not include any such inflation adjustments. The costs of this legislation would fall within budget function 550 (health).

	By fiscal years, in millions of dollars—					
	1999	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION						
With Adjustments for Inflation						
SAMHSA Spending Under Current Law:						
Budget Authority [1]	2,488	(2)	0	0	0	0
Estimated Outlays	2,235	1,427	182	75	0	0
Proposed Changes:						
Estimated Authorization Level	0	4,122	4,266	4,358	0	0
Estimated Outlays	0	1,452	3,317	3,976	2,634	787
SAMHSA Spending Under S. 976:						
Estimated Authorization Level [1]	2,488	4,122	4,266	4,358	0	0
Estimated Outlays	2,235	2,879	3,499	4,050	2,634	787
Without Adjustments for Inflation						
SAMHSA Spending Under Current Law:						
Budget Authority [1]	2,488	(2)	0	0	0	0
Estimated Outlays	2,235	1,427	182	75	0	0
Proposed Changes:						
Estimated Authorization Level	0	4,122	4,122	4,122	0	0
Estimated Outlays	0	1,452	3,267	3,828	2,510	750
SAMHSA Spending Under S. 976:						
Estimated Authorization Level [1]	2,488	4,122	4,122	4,122	0	0
Estimated Outlays	2,235	2,879	3,449	3,903	2,510	750

[1] The 1999 level is the amount appropriated for that year.

[2] Amounts appropriated for SAMHSA in Public Laws 106–62 and 106–75, the fiscal year 2000 continuing resolutions that provide funding through October 29, 1999, are not included in this estimate. Thus far, no full-year appropriations for SAMHSA programs have been provided for 2000.

Basis of Estimate

Provisions relating to services for children and adolescents

Projects for Children and Violence. S. 976 would authorize two discretionary grant programs that focus on issues surrounding children and violence. The bill would authorize the appropriation of $100 million in 2000 and such sums as necessary for 2001 and 2002 for making grants to public entities in support of local community programs. The bill also would allow the Secretary of Health and Human Services (HHS) to use those funds to carry out community assistance programs. Projects supported by grants must adopt a comprehensive approach to helping children deal with violence. S. 976 also would authorize $50 million in 2000 and such sums as necessary for 2001 and 2002 for a grant program to sponsor the development of best practices for treating psychiatric disorders associated with violence-related stress. Grant assistance would also be available to establish technical assistance centers that would directly help communities deal with violence. These programs would cost $18 million in 2000 and $422 million during the 2000–2004 period, assuming appropriation of the necessary amounts.

High-Risk Youth. The bill would reauthorize the High-Risk Youth Program at such sums as necessary for 2000 through 2002. Based on the amount spent on this activity in the past, CBO estimates that continuing the program would require appropriations of about $7 million a year for 2000 through 2002. Subject to the appropriation of the estimated amounts, CBO estimates that implementing this provision would cost $2 million in 2000 and $21 million during the 2000–2004 period.

Substance Abuse Treatment Services for Children and Adolescents. Section 104 of S. 976 would authorize three grant programs that would provide assistance to public and private nonprofit entities for substance abuse services for children and adolescents. Those programs would increase access to substance abuse treatment and early intervention services for children and adolescents and target prevention activities against methamphetamine or inhalant abuse and addiction among youths. The bill would require that SAMHSA conduct an evaluation of methamphetamine and inhalant prevention programs and submit to the Congress an annual report on the effectiveness of those programs. The bill also would authorize a grant program that would fund up to four youth interagency research, training, and technical assistance centers. S. 976 would authorize $74 million in 2000 for these programs and such sums as necessary amounts, CBO estimates that these programs would cost $7 million in 2000 and $205 million during the 2000–2004 period.

Comprehensive Community Services for Children with Serious Emotional Disturbances. S. 976 would reauthorize the Comprehensive Community Mental Health Services for Children and Their Families Program through 2002. The bill would allow the Secretary of HHS to waive certain program requirements for territories, Indian tribes, and tribal organizations. The bill also would increase the grant duration from five years to six years. It would permit current grantees to receive a noncompetitive award in the sixth year equal to the amount awarded in the fifth year. The bill would authorize $100 million for the program in 2000 and such sums as necessary for 2001 and 2002. Subject to appropriation of the necessary amounts, CBO estimates that implementing this provision would cost $16 million in 2000 and $290 million over the 2000–2004 period.

Services for Children of Substance Abusers. S. 976 would reauthorize the Services for Children of Substance Abusers Program and transfer its authority within HHS from the Health Resources and Services Administration (HRSA) to SAMHSA. This program was never directly funded under HRSA. The reauthorized program would provide grants to public and private nonprofit entities to support a range of services for children of substance abusers, including primary health care, counseling, and referral services. It also would provide services to affected families and would allow funds to be used for training certain providers of services covered under the program. For this program, S. 976 would authorize appropriations of $50 million in 2000 and such sums as necessary for 2001 and 2002. Implementing this program would cost $5 million in 2000 and $148 million during the 2000–2004 period.

Services for Youth Offenders. Section 107 of the bill would authorize a program to award competitive grants to state and local juvenile justice agencies. Funds would support services for youth offenders following their discharge from juvenile or criminal justice facilities. Individuals qualifying for those services also must have or be at risk of developing a serious and diagnosable mental, behavioral, or emotional disorder. The bill would limit spending on funds used toward planning and transition costs for youths during their incarceration to 20 percent of the amount of each grant. S. 976 would authorize $40 million in 2000 and such sums as necessary for 2001 and 2002. CBO estimates that implementing this program would cost $4 million in 2000 and $111 million during the 2000–2004 period.

Emergency Response. S. 976 would permit the Secretary of HHS to use up to 3 percent of discretionary funds appropriated to SAMHSA under title V of the Public Health Service Act, excluding amounts appropriated to the Project for Assistance in Transition from Homeless (PATH) Program, to make noncompetitive grants to address emergency situations. The bill would require that the Secretary publish objective criteria that would be used to establish the appropriate uses for the emergency funds.

Other Provisions. The bill also would reauthorize the general authorities of SAMHSA under section 501 of the Public Health Service Act. S. 976 would authorize $25 million in 2000 and such sums as necessary for 2001 and 2002 for the purpose of providing grants, cooperative agreements, and contracts under section 501. According to SAMHSA, authorizations for this program are intended as a safety-net mechanism for the agency; therefore, CBO estimates that no additional amounts would be required for 2001 and 2002. However, assuming the appropriation of the authorized amount in 2000, CBO estimates that minimal spending would arise from this authority—about $1 million in 2000 and $8 million over the 2000–2004 period.

Provisions relating to mental health

Priority Mental Health Needs of Regional and National Significance. S. 976 would consolidate SAMHSA's discretionary authorities for certain mental health activities, including those currently funded through its KDA program, under a new program. The bill would repeal certain programs and would transfer general discretionary grant authority for demonstrations, training, and other purposes to the new program. Under the consolidated program, competitive grants would be disbursed to states, political subdivisions of states, Indian tribes and tribal organizations, other public entities, and private nonprofit organizations. Funds could be used to provide training and technical assistance, develop best practices in the mental health field for prevention, treatment and rehabilitation (and evaluations), establish programs to help states and communities target gaps in prevention services, and develop family and consumer networks. S. 976 would authorize $300 million in 2000 and such sums as necessary for 2001 through 2002. Subject to appropriation of the necessary amounts, CBO estimates that this program would cost $30 million in 2000 and $862 million during the 2000–2004 period.

Community Mental Health Services Performance Partnership Block Grant. S. 976 would provide for a full transition of SAMHSA's Block Grants for Community Mental Health Services Program to the Community Mental Health Services Performance Partnership model. The bill would authorize the appropriation of $450 million for the program in 2000 and such sums as necessary for 2001 and 2002. Subject to appropriation of the necessary amounts, CBO estimates that this provision would cost $189 million in 2000 and $1.3 billion during 2000 through 2004.

Under the performance partnership grant program, states enter into agreements, or "performance partnerships," with the Secretary of HHS. The federal-state partnership identifies goals and objectives and develops performance indicators, that will be used to help states and grant recipients ultimately reach their programmatic targets. The program is designed to foster the development of networks that promote a comprehensive approach to community-based mental health care. The bill would replace the current requirements for state plan submissions with five broad criteria. In addition, S. 976 would establish the amount each state received in 1998 as the minimum for 2000 and subsequent years.

Grants for the Benefit of Homeless Individuals. The bill would authorize $50 million for this program in 2000 and such sums as necessary for 2001 and 2002. The program received no appropriation in 1999. This program would cost $8 million in 2000 and $146 million over the 2000–2004 period, assuming appropriation of the necessary amounts.

PATH Program. The Projects for Assistance in Transition from Homelessness Program would be reauthorized through 2002. The bill also would provide the Secretary of HHS with new authority to waive requirements for entities to provide certain services under the program. The bill would authorize the appropriation of $75 million a year from 2000 through 2002. Subject to the appropriation of the authorized amounts, this program would cost $29 million in 2000 and $218 million during 2000 through 2004.

Protection and Advocacy. S. 976 would reauthorize the Protection and Advocacy for Mentally Ill Individuals Act of 1986 at such sums as necessary for 2000 through 2002. The provision also would revise the minimum allotment formula under the formula grant. In addition, the bill would change the name of the act to the "Protection and Advocacy for Individuals with Mental Illnesses Act." CBO estimates that carrying out this provision would require appropriations of $23 million a year, adjusted for inflation. Implementing this program would cost $12 million in 2000 and $70 million during the 2000–2004 period, assuming appropriation of the estimated amounts.

Provisions relating to substance abuse

Priority Substance Abuse Treatment Needs of Regional and National Significance. S. 976 would replace SAMHSA's substance abuse treatment projects as currently funded under the KDA and TCE programs with a new program that targets treatment needs. The bill would repeal certain programs and would consolidate general discretionary grant authority for demonstrations, training, and other purposes under the new program. The bill would authorize $300 million in 2000 and such sums as necessary for 2001 and 2002. Assuming appropriation of the necessary amounts, this program would cost $39 million in 2000 and $870 million during 2000 through 2004.

Priority Substance Abuse Prevention Needs of Regional and National Significance. Similarly, S. 976 would replace SAMHSA's substance abuse prevention activities as currently funded under the KDA and TCE programs with a new program that funds projects targeting prevention needs. The new program would consolidate SAMHSA's discretionary grant authority for certain substance abuse prevention programs within a single program. The bill would authorize $300 million in 2000 and such sums as necessary for 2001 and 2002. Subject to the appropriation of necessary funds, this program would cost $36 million in 2000 and $869 million during the 2000–2004 period.

Substance Abuse Prevention and Treatment Performance Partnership Block Grant. S. 976 would provide for a full transition of the Substance Abuse Prevention and Treatment Block Grant to the Substance Abuse Prevention and Treatment Performance Partnership Block Grant model. The bill would authorize $2 billion for 2000 and such sums as necessary for 2001 and 2002. We estimate that this provision would cost $988 million in 2000 and $6.1 billion over the 2000–2004 period, assuming appropriation of the necessary funds.

Under the performance partnership model, the Secretary works with the states and other interested groups to develop programmatic goals, objectives, and performance measures with the intent of reducing the prevalence of substance abuse and improving access to preventive and treatment services.

S. 976 would repeal or amend some of the requirements under current law, while retaining others. For example, the bill would remove the mandate that states use 35 percent of funds for alcohol abuse prevention and treatment activities and 35 percent of funds for other drug abuse prevention and treatment activities. In addition, the bill would allow states to request waivers of certain other spending allocation requirements. S. 976 would provide states with greater flexibility in allocating grant funds and allows an additional year to obligate and spend them. The bill also would permanently revise the minimum allotment determination.

Alcohol and Drug Prevention or Treatment Services for Indians and Native Alaskans. S. 976 would authorize grants to provide substance abuse prevention and treatment services for Indian tribes, tribal organizations, and Native Alaskans. The bill also would establish a commission to study and report on health care issues in these populations. It would authorize $15 million for the prevention and treatment program and $5 million for the commission in 2000 and such sums as necessary in 2001 and 2002. Subject to appropriation of the necessary amounts, these provisions would cost $2 million in 2000 and $55 million during 2000 through 2004.

Other provisions

Data Infrastructure. S. 976 would authorize such sums as necessary for 2000 through 2002 for a new grant program to support data infrastructure development in the states. To facilitate compliance with performance partnership requirements, the bill would provide financial assistance for states to develop and operate mental health and substance abuse data collection, analysis, and reporting systems. CBO estimates that the necessary authorization would be $100 million in each year, adjusted for inflation. Assuming appropriation of the estimated amounts, implementing this provision would cost $10 million in 2000 and $271 million over the 2000–2004 period.

Miscellaneous Provisions. The bill would provide states with additional flexibility in their use of federal grant funds while enhancing accountability through effective performance measurements. The bill also would reduce some of SAMHSA's administrative costs associated with managing its programs. On balance, CBO estimates that the administrative burden associated with the proposed expansion of programs under SAMHSA's management, including the costs of promulgating new regulations and submitting additional reports to the Congress, would exceed any savings that would be generated by the bill. Although S. 976 does not explicitly authorize funding for program management, CBO estimates authorizations of appropriations for SAMHSA program administration under S. 976 at $58 million in 2000 and subsequent years, adjusted for inflation. Assuming appropriation of the necessary amounts, such administrative expenses would cost $57 million in 2000 and $180 million over the 2000–2004 period.

S. 976 also would require the Secretary of HHS to develop and implement new rules concerning use of seclusion and restraints on residents of certain facilities supported by federal funds. The bill also would apply nondiscrimination and institutional safeguards to religious providers of substance abuse services. In cases where a client objects to the religious nature of the organization, the bill would require that appropriate referral services be provided. CBO assumes that, as a condition of grant assistance, states would bear the cost of enforcing compliance with the referral requirement. Finally, the bill would require that the Secretary of HHS submit a report to the Congress within two years of enactment on the issue of prevention and treatment of individuals with co-occurring mental health and substance abuse disorders.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Enacting S. 976 as amended by the managers' amendment of October 22, 1999, would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

Estimated impact on state, local, and tribal governments: The bill would provide grants to state, local, and tribal governments, as well as other private and nonprofit entities, for substance abuse and mental health programs. The grant programs cover a variety of activities including prevention, intervention, training, counseling, mental health, and community and youth services.

In most cases, the funds authorized by this bill would be available for grants to both public and private (including nonprofit) entities. However, two large block grants would make funds available to states: the Community Mental Health Services Performance Partnership Block Grant ($450 million in fiscal year 2000) and the Substance Abuse Prevention and Treatment Performance Partnership Block Grant ($2 billion in fiscal year 2000). The bill also would authorize $40 million in fiscal year 2000 for grants to state and local juvenile justice agencies that provide services to youth offenders who have or who may be at risk of developing mental, behavioral, or emotional disorders.

In some cases, additional conditions of assistance would be placed on grant programs.

However, these conditions would not be intergovernmental mandates as defined in UMRA, and overall, state, local, and tribal governments would benefit from increased funding, the extension of existing grant programs, and in many cases a greater degree of flexibility in administering substance abuse programs.

Estimated impact on the private sector: The bill contains no private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Costs: Julia Christensen. Impact on State, Local, and Tribal Governments: Leo Lex.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, October 26, 1999, the Federal debt stood at $5,678,650,010,507.85 (Five trillion, six hundred seventy-eight billion, six hundred fifty million, ten thousand, five hundred seven dollars and eighty-five cents).

One year ago, October 26, 1998, the Federal debt stood at $5,555,572,000,000 (Five trillion, five hundred fifty-five billion, five hundred seventy-two million).

Five years ago, October 26, 1994, the Federal debt stood at $4,713,110,000,000 (Four trillion, seven hundred thirteen billion, one hundred ten million).

Ten years ago, October 26, 1989, the Federal debt stood at $2,878,967,000,000 (Two trillion, eight hundred seventy-eight billion, nine hundred sixty-seven million).

Fifteen years ago, October 26, 1984, the Federal debt stood at $1,599,295,000,000 (One trillion, five hundred ninety-nine billion, two hundred ninety-five million) which reflects a debt increase of more than $4 trillion—$4,079,355,010,507.85 (Four trillion, seventy-nine billion, three hundred fifty-five million, ten thousand, five hundred seven dollars and eighty-five cents) during the past 15 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 1:50 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 1652. An act to designate the Old Executive Office Building located at 17th Street and Pennsylvania Avenue, NW, in Washington, District of Columbia, as the Dwight D. Eisenhower Executive Office Building.

S. 437. An act to designate the United States courthouse under construction at 333 Las Vegas Boulevard South in Las Vegas, Nevada, as the "Lloyd D. George United States Courthouse."

The message also announced that the House has agreed to the amendments of the Senate to the bill (H.R. 1175) to locate and secure the return of Zachary Baumel, a United States citizen, and other Israeli soldiers missing in action.

The message further announced that pursuant to section 1404 of Public Law 99–661 (20 U.S.C. 4703), the Minority Leader appoints the following Member to the Barry Goldwater Scholarship and Excellence in Education Foundation: Mr. OWEN B. PICKETT of Virginia.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1255. An act to protect consumers and promote electronic commerce by amending certain trademark infringement, dilution, and counterfeiting laws, and for other purposes.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 970. An act to authorize the Secretary of the Interior to provide assistance to the Perkins County Rural Water System, Inc. for the construction of water supply facilities in Perkins County, South Dakota.

H.R. 1528. An act to reauthorize and amend the National Geologic Mapping Act of 1992.

H.R. 1753. An act to promote the research, identification, assessment, exploration, and development of gas hydrate resources, and other purposes.

H.R. 2496. An act to reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994.

H.R. 2885. An act to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency and quality of Federal statistics and Federal statistical programs by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards.

H.R. 2970. An act to prescribe certain terms for the resettlement of the people of Rongelap Atoll due to conditions created of Rongelap during United States administration of the Trust Territory of the Pacific Islands, and other purposes.

H.R. 3061. An act to amend the Immigration and Nationality Act to extend for an additional 2 years the period for admission of an alien as a nonimmigrant under section 101(a)(15)(S) of such Act, and to authorize appropriations for the refugee assistance program under chapter 2 of title IV of the Immigration and Nationality Act.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 20. Concurrent resolution concerning economic, humanitarian, and other assistance to the northern part of Somalia.

H. Con. Res. 46. Concurrent resolution urging an end of the war between Eritrea and Ethiopia and calling on the United Nations Human Rights Commission and other human rights organizations to investigate human rights abuses in connection with the Eritrean and Ethiopian conflict.

H. Con. Res. 102. Concurrent resolution celebrating the 50th anniversary of the Geneva Conventions of 1949 and recognizing the humanitarian safeguards these treaties provide in times of armed conflict.

H. Con. Res. 188. Concurrent resolution commending Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing to each other humanitarian assistance and rescue relief.

H. Con. Res. 190. Concurrent resolution urging the United States to seek a global consensus supporting a moratorium on tariffs on special, multiple, and discriminatory taxation of electronic commerce.

H. Con. Res. 208. Concurrent resolution expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Governmental spending.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2496. An act to reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994; to the Committee on Environment and Public Works.

H.R. 2885. An act to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency and quality of Federal statistics and Federal statistical programs by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards; to the Committee on Governmental Affairs.

H.R. 2970. An act to prescribe certain terms for the resettlement of the people of Rongelap Atoll due to conditions created of Rongelap during United States administration of the Trust Territory of the Pacific Islands, and other purposes; to the Committee on Energy and Natural Resources.

The following bills were referred to the Committee on Banking, Housing, and Urban Affairs by unanimous consent, sequentially, and if the bills are not reported by that Committee by November 2, 1999, the Committee be discharged from further consideration thereof, and the bills be placed on the calendar:

S. 225. A bill to provide housing assistance to Native Hawaiians.

S. 400. A bill to provide technical corrections to the Native American Housing Assistance and Self-Determination Act of 1996, to improve the delivery of housing assistance to Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res. 20. Concurrent resolution concerning economic, humanitarian, and other assistance to the northern part of Somalia; to the Committee on Foreign Relations.

H. Con. Res. 46. Concurrent resolution urging an end of the war between Eritrea and Ethiopia and calling on the United Nations

Human Rights Commission and other human rights organizations to investigate human rights abuses in connection with the Eritrean and Ethiopian conflict; to the Committee on Foreign Relations.

H. Con. Res. 102. Concurrent resolution celebrating the 50th anniversary of the Geneva Conventions of 1949 and recognizing the humanitarian safeguards these treaties provide in times of armed conflict; to the Committee on the Judiciary.

H. Con. Res. 188. Concurrent resolution commending Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing to each other humanitarian assistance and rescue relief; to the Committee on Foreign Relations.

H. Con. Res. 208. Concurrent resolution expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Governmental spending; to the Committee on Finance.

MEASURES PLACED ON THE CALENDAR

The following bills were read twice and placed on the calendar:

H.R. 970. An act to authorize the Secretary of the Interior to provide assistance to the Perkins County Rural Water System, Inc. for the construction of water supply facilities in Perkins County, South Dakota.

H.R. 1528. An act to reauthorize and amend the National Geologic Mapping Act of 1992.

H.R. 1753. An act to promote the research, identification, assessment, exploration, and development of gas hydrate resources, and other purposes.

H.R. 3061. An act to amend the Immigration and Nationality Act to extend for an additional 2 years the period for admission of an alien as a nonimmigrant under section 101(a)(15)(S) of such Act, and to authorize appropriations for the refugee assistance program under chapter 2 of title IV of the Immigration and Nationality Act.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5839. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update" (Notice 99–52), received October 25, 1999; to the Committee on Finance.

EC–5840. A communication from the Mayor of the District of Columbia, transmitting pursuant to law, the report of a violation of the Antideficiency Act, report number 99–86; to the Committee on Appropriations.

EC–5841. A communication from the Executive Director, Committee for Purchase from People who are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule relative to additions to and deletions from the Procurement List, received October 25, 1999; to the Committee on Governmental Affairs.

EC–5842. A communication from the Chief Financial Officer and Assistant Secretary for Administration, Department of Commerce, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC–5843. A communication from the Commissioner of Social Security, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC–5844. A communication from the Executive Director, Federal Reserve Employee Benefits System, transmitting, pursuant to law, the annual report of the Retirement Plan for Employees of the Federal Reserve System and the Thrift Plan for Employees of the Federal Reserve System for 1998; to the Committee on Governmental Affairs.

EC–5845. A communication from the Office of Independent Counsel, transmitting, pursuant to law, the annual report relative to audit and investigative activities and management control systems for fiscal year 1999; to the Committee on Governmental Affairs.

EC–5846. A communication from the Director Designee, Federal Mediation and Conciliation Service, transmitting, pursuant to law, the annual report relative to audit and investigative activities for fiscal year 1999; to the Committee on Governmental Affairs.

EC–5847. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to notification of a proposed approval for the export of defense articles sold commercially under a contract in the amount of $50,000,000 or more to French Guiana; to the Committee on Foreign Relations.

EC–5848. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the United Kingdom; to the Committee on Foreign Relations.

EC–5849. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the Federation of Bosnia and Herzegovina; to the Committee on Foreign Relations.

EC–5850. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–5851. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–5852. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–5853. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Turkey; to the Committee on Foreign Relations.

EC–5854. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–5855. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Italy; to the Committee on Foreign Relations.

EC–5856. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the Netherlands; to the Committee on Foreign Relations.

EC–5857. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Luxembourg and French Guiana; to the Committee on Foreign Relations.

EC–5858. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–5859. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Luxembourg; to the Committee on Foreign Relations.

EC–5860. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Technical Assistance Agreement with Greece; to the Committee on Foreign Relations.

EC–5861. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Technical Assistance Agreement with Brazil; to the Committee on Foreign Relations.

EC–5862. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with the United Kingdom; to the Committee on Foreign Relations.

EC-5863. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Greece; to the Committee on Foreign Relations.

EC-5864. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report entitled "Initial Report of the United States of America to the UN Committee Against Torture"; to the Committee on Foreign Relations.

EC-5865. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to "countries of particular concern" relating to religious freedom; to the Committee on Foreign Relations.

EC-5866. A communication from the Architect of the Capitol, transmitting, pursuant to law, a report of expenditures for the period October 1, 1998 through March 31, 1999; to the Committee on Appropriations.

EC-5867. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a Memorandum of Justification relative to Ex-Im Bank financing of the sale of defense articles to Colombia; to the Committee on Banking, Housing, and Urban Affairs.

EC-5868. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "National Flood Insurance Program (NFIP); Assistance to Private Sector Property Insurers; 64 FR 56174; 10/18/99", received October 25, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5869. A communication from the Deputy Secretary, Office of Mergers and Acquisitions, Division of Corporation Finance, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Cross-Border Tender and Exchange Offers, Business Combination and Rights Offerings", received October 26, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5870. A communication from the Deputy Secretary, Office of Mergers and Acquistions, Division of Corporation Finance, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Regulation of Takeovers and Security Holder Communications—('Regulation M-A')", received October 26, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5871. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Missouri Regulatory Program", received October 26, 1999; to the Committee on Energy and Natural Resources.

EC-5872. A communication from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, a report relative to the denial of safeguards information; to the Committee on Environment and Public Works.

EC-5873. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans Tennessee; Approval of Source Specific Revisions to the Nonregulatory Portion of the Tennessee SIP Regarding Emission Limits for Particulate Matter and Volatile Organic Compounds" (FRL #6465-1), received October 25, 1999; to the Committee on Environment and Public Works.

EC-5874. A communication from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Determination of Threatened Status for the Bull Trout in the Coterminous United States" (RIN1018-AF01), received October 25, 1999; to the Committee on Environment and Public Works.

EC-5875. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Cooperative Threat Reduction Act, a report relative to the Republic of Moldova, the Russian Federation and Ukraine; to the Committee on Armed Services.

EC-5876. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Student Assistance General Provisions (Cohort Default Rates)" (RIN1845-AA04), received October 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5877. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Federal Family Education Loan (FFEL) Program (Lenders and Guaranty Agencies)" (RIN1845-AA04), received October 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5878. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Final Regulations—Institutional Eligibility under the Higher Education Act of 1965, as Amended and Student Assistance General Provisions" (RIN1845-AA08), received October 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5879. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Final Regulations—Student Assistance General Provisions" (RIN1845-AA03), received October 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5880. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Federal Perkins Loan Program" (RIN1845-AA05), received October 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5881. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Federal Family Education Loan Program and William D. Ford Direct Loan Program" (RIN1845-AA00), received October 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-5882. A communication from the Secretary of Transportation, transmitting, a report entitled "Entry and Competition in the U.S. Airline Industry: Issues and Opportunities"; to the Committee on Commerce, Science, and Transportation.

EC-5883. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Princeton and Elk River, MN" (MM Docket No. 98-208; RM-9396), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5884. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Cal-Nev-Ari, Boulder City and Las Vegas, NV" (MM Docket No. 93-279; DA-99-2115), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5885. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Mount Olive and Staunton, IL," (MM Docket No. 99-167; RM 9391), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5886. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Fremont and Holton, MI," (MM Docket No. 98-180; RM 9365), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5887. A communication from the Acting Assistant Chief Counsel, Office of Motor Carrier Safety, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Motor Carrier Safety Regulations" (RIN2125-AE70), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5888. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Mile 94.0 to Mile 96.0, Lower Mississippi River, Above Head of Passes (COTP New Orleans-99-027)" (RIN2115-AA97) (1999-0067), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH (for himself and Mr. LEAHY):

S. 1798. A bill to amend title 35, United States Code, to provide enhanced protection for investors and innovators, protect patent terms, reduce patent litigation, and for other purposes; to the Committee on the Judiciary.

By Mrs. FEINSTEIN:

S. 1799. A bill for the relief of Sergio Lozano; to the Committee on the Judiciary.

By Mr. GRAHAM:

S. 1800. A bill to amend the Food Stamp Act of 1977 to improve onsite inspections of State food stamp programs, to provide grants to develop community partnerships and innovative outreach strategies for food stamp and related programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MOYNIHAN:

S. 1801. A bill to provide for the identification, collection, and review for declassification of records and materials that are of extraordinary public interest to the people of the United States, and for other purposes; to the Committee on Governmental Affairs.

By Mr. KERRY (for himself and Mr. KENNEDY):

S. 1802. A bill to suspend temporarily the duty on instant print film; to the Committee on Finance.

By Mr. ROBB (for himself, Mr. BAUCUS, Mr. BINGAMAN, Mrs. BOXER, Mrs. FEINSTEIN, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mrs. MURRAY, Mr. REID, Mr. SARBANES, and Mr. LIEBERMAN):

S. 1803. A bill to amend the Internal Revenue Code of 1986 to extend permanently and expand the research tax credit; to the Committee on Finance.

By Mr. McCAIN:

S. 1804. A bill to direct the Secretary of Commerce, in consultation with the Director of the Office of Science Technology and the Director of the National Science Foundation, to establish a program for increasing the United State's scientific, technology, and mathematical resources, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. LEAHY, and Mr. JEFFORDS):

S. 1805. A bill to restore food stamp benefits for aliens, to provide States with flexibility in administering the food stamp vehicle allowance, to index the excess shelter expense deduction to inflation, to authorize additional appropriations to purchase and make available additional commodities under the emergency food assistance program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BINGAMAN (for himself, Mr. COVERDELL, Mr. DOMENICI, Mr. HOLLINGS, and Mr. CLELAND):

S. 1806. A bill to authorize the payment of a gratuity to certain members of the Armed Forces who served at Bataan and Corregidor during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. 1807. A bill to provide for increased access to airports in the United Kingdom by United States air carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER (for himself and Mr. BIDEN):

S. 1808. A bill to reauthorize and improve the drug court grant program; to the Committee on the Judiciary.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, Mr. HARKIN, Mr. FRIST, Ms. COLLINS, Mr. WELLSTONE, Mr. REED, Mr. DODD, and Mrs. MURRAY):

S. 1809. A bill to improve service systems for individuals with developmental disabilities, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. MURRAY (for herself, Mr. JEFFORDS, Mr. CONRAD, Mr. KERREY, Mr. DORGAN, Mr. BINGAMAN, and Mr. SARBANES):

S. 1810. A bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures; to the Committee on Veterans' Affairs.

By Mr. LEVIN:

S. 1811. A bill for the relief of Sophia Shiklivsky and her husband Vasili Chidlivski; to the Committee on the Judiciary.

By Mr. WARNER:

S. 1812. A bill to establish a commission on a nuclear testing treaty, and for other purposes; to the Committee on Foreign Relations.

By Mr. KENNEDY (for himself, Mr. FRIST, Mr. JEFFORDS, Ms. MIKULSKI, Mrs. MURRAY, Mr. DURBIN, and Mr. COCHRAN):

S. 1813. A bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH of Oregon (for himself, Mr. GRAHAM, Mr. CRAIG, Mr. CLELAND, Mr. MCCONNELL, Mr. COVERDELL, Mr. MACK, Mr. COCHRAN, Mr. HELMS, Mr. GRAMS, Mr. CRAPO, Mr. BUNNING, and Mr. VOINOVICH):

S. 1814. A bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself and Mr. SMITH of Oregon):

S. 1815. A bill to provide for the adjustment of status of certain aliens who previously performed agricultural work in the United States to that of aliens who are lawfully admitted to the United States to perform that work; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. Res. 207. A resolution expressing the sense of the Senate regarding fair access to Japanese telecommunications facilities and services; to the Committee on Finance.

By Mr. SCHUMER (for himself and Mr. MOYNIHAN):

S. Con. Res. 62. A concurrent resolution recognizing and honoring the heroic efforts of the Air National Guard's 109th Airlift Wing and its rescue of Dr. Jerri Nielsen from the South Pole; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself and Mr. LEAHY):

S. 1798. A bill to amend title 35, United States Code, to provide enhanced protection for investors and innovators, protect patent terms, reduce patent litigation, and for other purposes; to the Committee on the Judiciary.

THE AMERICAN INVENTORS PROTECTION ACT OF 1999

Mr. HATCH. Mr. President, I am pleased to rise today, along with the Ranking Member on the Judiciary Committee, Senator LEAHY, to introduce the American Inventors Protection Act of 1999. Simply put, this legislation reflects several years of discussions and consensus-building efforts in the Senate and the House, and represents the most important and most comprehensive reforms to our nation's patent system in nearly half a century. As we prepare to enter a new millennium built on high-tech growth, the Internet, and electronic commerce, in which American competitiveness will depend on the strength of the patent system and the protections it affords, this legislation could not be more timely.

The last time the Patent Act underwent a significant update was in 1952. Since then, our Nation has experienced an unprecedented explosion of technology growth and a tremendous expansion of the global market for the fruits of American ingenuity. Yet our patent laws have remained largely unchanged in the face of the new demands engendered by these developments. This legislation—which many of my colleagues will recognize as a compromise version of the Omnibus Patent Act passed by the Judiciary Committee with near unanimity more than 2 years ago—will effect targeted changes to the patent code to equip the patent system to meet the challenges of new technology and new markets as we approach the new millennium, while at the same time promoting American competitiveness and ensuring adequate protection for American innovators, both at home and abroad.

As many of my colleagues know, this legislation is the product of several years of discussion and extensive efforts to reach agreement on a responsible package of patent reforms. The Senate made significant progress toward consensus during the last Congress when several key compromises were reached in the Judiciary Committee to strengthen the bill's protections for small businesses and independent inventors and to preserve America's competitive edge in the face of increasing global competition. I was pleased this year to see those efforts continued in the House, where the supporters and former opponents of the bill agreed to sit down and work through their differences to produce a constructive patent reform bill. The result is H.r. 1907, which has 59 cosponsors in the House—including the most ardent opponents of prior reform measures—and was passed in the House by a 376–43 vote.

In many ways, the House-passed "American Inventors Protection Act" builds upon the compromises reached in the Senate during the last Congress. For example, the widespread agreement on 18-month publication of patent applicants is centered around the

Senate compromise that allowed inventors to avoid disclosure of their applications by not filing their application abroad, where 18-month publication is now the rule. Similarly, estoppel provisions similar to those agreed to in the Senate form a key component on the broad-based agreement on patent reexamination reform. I am pleased to see these compromises preserved and to see that the House has built upon them to reach the sort of broad consensus on patent reform that I have long advocated.

The bill Senator LEAHY and I are introducing today in the Senate preserves these important compromises and adds to them a number of important provisions. For example, our bill includes a title not in the House bill to reduce patent fees for only the second time in history (the first time fees were reduced was last year in a bill Senator LEAHY and I ushered through the Senate), to ensure that trademark fees are spent only for trademark-related operations, and to require a study of alternative fee structures to encourage maximum participation by the American inventor community. Our bill also adds important provisions to enhance protections for our national security by preventing disclosure of sensitive and strategic patent-related information and by helping to identify national security positions at the Patent and Trademark Office (PTO) and obtain appropriate security clearances for PTO employees. The bill also prohibits the Commissioner of Patents and Trademarks from entering into an agreement to exchange U.S. patent data with certain foreign countries without explicit authorization from the Secretary of Commerce. Also in our bill is a requirement that GAO conduct a study on patents issued for methods of doing or conducting business, which have been the subject of a 75 percent increase in applications at the PTO.

Like the House bill, our legislation will achieve a number of important substantive patent reforms, consistent with the principles of protecting American inventors, our national competitiveness, and the integrity of our patent system.

First, the bill provides inventors with enhanced protections against invention promotion scams by creating a private right of action for inventors harmed by deceptive and fraudulent practices and by requiring invention promoters to disclose certain information in writing prior to entering into a contract for invention promotion services. An inventor who is harmed by any material false or fraudulent statement or representation, or any omission of material fact, by an invention promoter, or by the invention promoter's failure to make the required disclosures, may recover actual damages or, at the plaintiff's election, statutory damages in an amount up to $5,000, as the court considers just, plus reasonable costs and attorneys' fees. A court may award increased damages, up to treble damages, where it finds such conduct to have been intentional and done with the intent to deceive the inventor. And, in an effort to provide better access to information for inventors, the Patent and Trademark Office is required to make publicly available all complaints received involving invention promoters, along with any response of the invention promoter.

Second, as noted above, the bill will reduce patent fees, protect trademark fees from being diverted to non-trademark uses, and require the PTO to study alternative fee structures to encourage maximum participation by American inventors.

Third, the bill provides a "first inventor defense" to an action for patent infringement for someone who has reduced an invention to practice at least one year before the effective filing date of the patent and commercially used the subject matter before the effective filing date of such patent. The bill responds to recent changes in PTO practice and the Federal Circuit's 1998 decision in *State Street Bank & Trust Co.* v. *Signature Financial Group*, 149 F.3d 1360 (Fed Cir. 1998), in which it formally did away with the so-called "business methods" exception to statutory patentable subject matter. As a result, patent filings for business methods are up by 75 percent this year, and many who have been using business methods for many years pursuant to trade secret protection—believing such methods were not patentable—are now faced with potential patent infringement suits from others who, while they may have come later to the game, were first to reach the patent office after the bar to patentability for business methods was lifted.

Fourth, the bill will guarantee a minimum 17-year patent term for diligent applicants, addressing concerns that have been expressed since the United States went to a 20-year from filing term of protection with the adoption of the Uruguay Round Agreements Act in 1994.

Fifth, the bill will place American inventors on a level playing field with their foreign competitors by providing for domestic publication in English of those patent applications that are now subject to foreign publication by foreign patent offices, while still retaining the option inventors now enjoy of preserving the secrecy of their application by not filing abroad. It also protects American inventors from broader disclosure of their invention through domestic publication than occurs in foreign publications by allowing the patent applicant to submit a redacted copy of their application for publication. This provision will effectively facilitate access to information that will enable inventors to target their resources more effectively while also providing, for the first time, effective interim protection for inventors during patent pendency.

Sixth, the bill is designed to reduce litigation in district courts and make reexamination a viable, less-costly alternative to patent litigation by giving third-party requesters the option of inter-partes reexamination procedures (in addition to the current ex parte reexamination procedures). Under this optional procedure, the third party is afforded an expanded, although still limited, role in the reexamination process through an opportunity to respond, in writing, to an action by a patent examiner when, but only when, the patent owner does so. These expanded rights for third parties are carefully balanced with incentives to prevent abusive reexamination requests, including broad estoppel provisions and severe restrictions on appeals.

Finally, the bill will make a number of miscellaneous, yet important patent reforms.

In short, the provisions of this bill now enjoy widespread bipartisan and bicameral support. The total package of changes that have been made to this legislation over the past several years are both responsive and comprehensive. The time to act on this package of reforms is now. Intellectual property, and patents in particular, are among our nation's greatest assets in this technology-dominated age. Our patent system must be equipped to handle the challenges of the new millennium and to protect our nation's creators into the next century. The strength of our economy depends upon it. If we do not, we will lose our edge in the ongoing race for technological and economic leadership in the world economy.

In the most simple of terms, we must have a patent system that is state of the art. The bill Senator LEAHY and I are introducing today will help to provide just that. I hope that my colleagues will join with me in giving their overwhelming support for this measure.

Mr. LEAHY. Mr. President, I am very pleased to join with Senator HATCH in introducing the "American Inventors Protection Act of 1999," which I hope can be enacted into law this year.

This patent bill is important to America's future. I have heard from inventors, from businesses large and small, from hi-tech to low-tech firms that this bill will give American inventors and businesses an improved competitive edge now enjoyed by many European countries.

We should be on a level playing field with them.

This bill reduces patent fees for only the second time in history. The first time that was done was also in a Hatch-Leahy bill passed by the Senate in the 105th Congress.

All the concepts in this bill—such as patent term guarantees, domestic publication of patent applications filed abroad, first inventor defense—have been thoroughly examined. Indeed, they have been included in several bills that the Congress has carefully studied.

Chairman HATCH and I have worked closely on this bill. I believe that we can get a good patent bill to the President before we go out of session this year. I look forward to working with the House on these issues and appreciate the hard work and careful crafting that went into their bill—H.R. 1907.

I wish to point out that the Senate Judiciary Committee last year also developed a strong bill—S. 507—which contained many of the same concepts and approaches found in H.R. 1907 and S. 1798.

It is long past time for the Senate to consider and pass this patent reform legislation. Our patent bill will be good for Vermont, good for Utah and every state in the Nation, good for American innovators of all sizes, and good for America.

We will be working with the Administration, the full Senate and with the House to move this bill along quickly. I hope we can keep this bipartisan coalition together because otherwise this bill will die, as past efforts have.

The patent bill will reform the U.S. patent system in important ways.

It will reduce legal fees that are paid by inventors and companies; eliminate duplication of research efforts and accelerate research into new areas; increase the value of patents to inventors and companies; and facilitate U.S. inventors and companies' research, development, and commercialization of inventions.

In Vermont, we have a number of independent inventors and small companies. It is, therefore, especially important to me that this bill will be one that helps them as well as the larger companies in Vermont like IBM.

Over the past several years, Congress has held eight Congressional hearings with more than 80 witnesses testifying about the various proposals incorporated in the bill. Republican and Democratic Administrations alike, reaching back to the Johnson Administration, have supported these similar reforms.

I also thank Secretary Daley and the administration for their unflagging support of effective patent reform. I also know that they worked closely with the House on H.R. 1907. I will submit a more detailed statement on S. 1798 before we proceed to Senate consideration.

By Mrs. FEINSTEIN:

S. 1799. A bill for the relief of Sergio Lozano; to the Committee on the Judiciary.

PRIVATE RELIEF BILL

• Mrs. FEINSTEIN. Mr. President, I rise today to offer legislation that provides permanent resident status to Sergio Lozano who, with his younger sister and brother, were granted immigrant visas to come to the United States with their mother in 1997. Unfortunately, they lost the opportunity to be come immigrants when they tragically lost their mother in that same year.

Sergio Lozano lived with his siblings and their mother, Ana Ruth Lozano, until her death in February of this year due to complications from typhoid fever. Since their mother's death, the three siblings have been living with their closest relative, their U.S. citizen grandmother who lives in Los Angeles and has since adopted the two younger children.

Without his mother, Sergio does not have the legal right to remain in the United States. When he first arrived in the U.S. at 17, he was unable to obtain lawful permanent residence because immigration law prohibits permanent legal residency to minor children without their parents. However, as a child of 17, he was also outside the age limit for adoption by his grandmother. As a result, Sergio, through no fault of his own, has been left in limbo in the United States.

Without legal status, this young man can be deported by the INS despite the fact that he has no immediate family in El Salvador except their estranged father who was alleged to have been abusive to the mother and the children.

Without the legislation, Sergio will most likely be separated from his brother and sister and sent back to El Salvador. Here in the U.S., he can remain with his brother and sister, further his education and continue to thrive in the loving environment provided by his U.S. citizen grandmother and uncles.

I have previously sought administrative relief for all three Lozano children by asking the INS district office in Los Angeles and Commissioner Meissner if any humanitarian exemptions could be made in their case. INS told my staff that there was nothing further they could do administratively and a private relief bill may be then only way to protect the children from deportation. Since then, the two younger Lozano children have been adopted by their grandmother and have received approval of their lawful permanent resident petitions. Like his siblings, Sergio has too suffered a sense of loss and bewilderment after losing a parent. However, unlike his sister and brother, he stands to be deprived of the security of his American family and deported back to a land he no longer knows, if only as a consequence of being born two years too soon.

Last year, the Senate passed by unanimous consent the private bill I introduced on behalf of Sergio Lozano and his siblings. However, the 105th Congress came to a close before the House was able to act.

This year, I hope you will support the bill on behalf of Sergio Lozano so that we can help him begin to rebuild his life with his loving family in the United States.•

By Mr. GRAHAM:

S. 1800. A bill to amend the Food Stamp Act of 1977 to improve onsite inspections of State food stamp programs, to provide grants to develop community partnerships and innovative outreach strategies for food stamp and related programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE FOOD STAMP OUTREACH AND RESEARCH FOR KIDS ACT OF 1999 (THE FORK ACT)

• Mr. GRAHAM. Mr. President, today, I am pleased to introduce The Food Stamp Outreach and Research for Kids Act of 1999.

Along with my House colleagues Representatives WILLIAM COYNE and SANDER LEVIN, I created this common sense piece of legislation with the goal of guarding children and their families against hunger.

In 1998, over 14 million children lived in households that could not afford to buy food.

That was an increase of almost 4 million children from 1997.

At the same time, the number of poor children not getting Food Stamps reached its highest level in a decade.

My bill, the Food Stamp Outreach for Kids Act of 1999 (the FORK Act), would help us to give children who are currently going hungry the Food Stamps that they need.

Some time ago, food banks in Florida started telling me that the number of people coming to them for assistance was increasing, and that if demand continued at the current rate, they might run out of food.

This crisis was not specific to Florida, Congressman COYNE and Congressman LEVIN were hearing the same concerns from food banks in Pennsylvania and Michigan.

When we asked them whom the new people coming to the food banks were, we were told that they were mostly low-income working families.

When the food banks screened these families using eligibility guidelines, it looked as if the majority of the new people coming to the food banks for assistance should have been receiving food stamps but were not.

The General Accounting Office (GAO) researched this issue, and in their July, 1999 report found that while a number of people who have left the Food Stamp program because of the improved economy, economic growth alone does not explain the drop in Food Stamp participation.

The GAO found that demand for emergency and supplemental food was increasing and that some state agencies were not correctly following federal laws regarding Food Stamp benefits.

Perhaps most disturbing of all, the GAO found that almost half of the people who have lost Food Stamps since 1996 are children.

The FORK Act is designed to address GAO's findings and recommendations to make certain that children and families in this country are not going hungry.

The FORK Act would provide grant funding to food banks, schools, health clinics, local governments and other entities that interact with working families. The grants would allow those organizations to develop and expand innovative approaches to Food Stamp outreach, which would help the Food and Nutrition Service enroll many of the eligible families that currently go hungry.

The FORK Act would require the Food and Nutrition Service (FNS) to conduct onsite inspections of state Food Stamp programs to identify barriers to enrollment and work with states to develop corrective action plans.

The FORK Act would authorize FNS to conduct research, which will help it to improve access, formulate nutrition policy and measure program impacts and integrity.

The FORK Act would require the Departments of Agriculture and Health and Human Services to work with state Temporary Assistance for Children and Families (TANF) programs to train caseworkers and make sure that prospective and former TANF recipients are property informed about Food Stamp eligibility.

Finally the FORK Act would authorize private-public partnerships to expand nutrition education programs.

Mr. President, I do not believe that there is a member in this Congress who ever intended for children to go hungry because their parents left welfare to go to work.

Now that we know it is happening, we must act quickly to make certain that the Food Stamp program works for children and families in need.

I hope that my Senate colleagues will join me in supporting this important legislation.

Mr. President, I ask that a list of groups supporting the bill be printed in the RECORD.

The material follows:

ORGANIZATIONS SUPPORTING THE FOOD STAMP OUTREACH AND RESEARCH ACT FOR KIDS 1999 (THE FORK ACT)

NATIONAL ORGANIZATIONS

ACORN
AFSCME
America's Second Harvest
American Federation of Teachers
American Friends Service Committee
Americans for Democratic Action
Brain Injury Association
Bread For The World
Catholic Charities USA
Center for Community Change
Children's Defense Fund
Coalition on Human Needs
Community Nutrition Institute
Food Research and Action Center
Foodchain
Friends Committee on National Legislation
Jewish Council for Public Affairs
Lutheran Office for Governmental Affairs, ELCA
Lutheran Services in America
MAZON: A Jewish Response to Hunger
McAuley Institute
Mennonite Center Committee U.S. Washington Office
Migrant Legal Action Program
National Asian Pacific American Legal Consortium
National Association of Child Advocates
National Association of Social Workers
National Center on Poverty Law
National Commodity Supplemental Food Program Association
National Council of Churches
National Council of La Raza
National Immigration Law Center
National Law Center on Homelessness & Poverty
National Urban League
National Women's Law Center
NETWORK, A National Catholic Social Justice Lobby
Religious Action Center of Reform Judaism
RESULTS
The General Board of Church and Society of the United Methodist Church
Union of Needletrades, Industrial & Textile Employees (UNITE)
Unitarian Universalist Service Committee
United Automobile, Aerospace, and Agricultural Implement Workers of America
United Church of Christ, Office for Church in Society
United Food and Commercial Workers
United States Conference of Mayors
Welfare Law Center
Wider Opportunities for Women
World Hunger Year

ALABAMA

Alabama Coalition Against Hunger

ARIZONA

Chidren's Action Alliance
Lutheran Advocacy Ministry in Arizona
World Hunger Ecumenical Arizona Task-Force (WHEAT)

ARKANSAS

Arkansas Hunger Coalition

CALIFORNIA

Alameda County Community Food Bank
California Food Policy Advocates
California Statewide Lao Hmong Coalition
Chico Hmong Advisory Council
Desert Cities Hunger Action
Food First/The Institute for Food and Development Policy
Food Share, Inc./Ventura County Food Bank
Los Angeles Coalition to End Hunger & Homelessness
Lutheran Office of Public Policy—California
Southland Farmers' Market Association
The San Diego Hunger Coalition

COLORADO

Lutheran Office of Governmental Ministry—Colorado
Weld Food Bank

CONNECTICUT

CY Anti-Hunger Coalition/CT Association for Human Services
End Hunger Connecticut!
Foodshare of Greater Hartford

DELAWARE

Food Bank of Delaware

DISTRICT OF COLUMBIA

Capital Area Community Food Bank

FLORIDA

Daily Bread Food Bank
Florida Association for Community Action
Florida Atlantic University Department of Social Work
Florida Impact
Harry Chapin Food Bank

GEORGIA

Atlanta Community Food Bank
Georgia Citizens Coalition on Hunger

HAWAII

Task Force on Children's Nutrition Rights (of World Alliance on Nutrition and Human Rights)

IDAHO

Idaho Community Action Network
The Idaho Food Bank

ILLINOIS

Chicago Anti-Hunger Federation
Illinois Hunger Coalition

INDIANA

Indiana Food & Nutrition Network
Lafayette Urban Ministries

IOWA

Food Bank of Iowa

KANSAS

Campaign to End Childhood Hunger (Wichita, KS)

KENTUCKY

Kentucky Task Force on Hunger

LOUISIANA

Bread for the World—New Orleans

MAINE

Hospitality House Inc.
Maine Coalition for Food Security

MARYLAND

Community Assistance Network

MASSACHUSETTS

Boston Medical Center Department of Pediatrics
Food Bank of Western Massachusetts
Massachusetts Law Reform
National Priorities Project
Project Bread
Survivors, Inc.

MICHIGAN

Capitol Area Community Services
Center for Civil Justice
Hunger Action Coalition of Michigan

MINNESOTA

Adults & Childrens Alliance
Lutheran Coalition for Public Policy in Minnesota
Minnesota FoodShare
Second Harvest St. Paul Food Bank

MISSISSIPPI

Mississippi Human Services Coalition

MISSOURI

Harvesters—The Community Food Network
Missouri Association for Social Welfare
Reform Organization of Welfare (ROWEL)

MONTANA

Montana Hunger Coalition

NEBRASKA

Nebraska Appleseed Center for Law in the Public Interest

NEVADA

Progressive Leadership Alliance of Nevada

NEW HAMPSHIRE

New Hampshire Food Bank

NEW JERSEY

Community Food Bank of New Jersey
Food Bank of South Jersey
Statewide Emergency Food and Anti-Hunger Network (SEFAN)

NEW MEXICO

New Mexico Advocates for Children and Families

NEW YORK

Community Food Resource Center
Federation of Protestant Welfare Agencies Inc.
Food Bank of Western New York
Health and Welfare Council of Long Island
Make the Road by Walking
NYC Coalition Against Hunger
New York Immigration Coalition
Task Force on Welfare Reform, NYC Chapter of National Association of Social Workers
The Nutrition Consortium of NYS
The Westchester Progressive Forum

NORTH CAROLINA

Food Bank of North Carolina
Manna Food Bank, Inc.
North Carolina Hunger Network

OHIO

Ohio Hunger Task Force

OKLAHOMA

Tulsa Community Food Bank

OREGON

Oregon Center for Public Policy
Oregon Food Bank
Oregon Hunger Relief Task Force

PENNSYLVANIA

Greater Philadelphia Coalition Against Hunger
Greater Pittsburgh Community Food Bank
Just Harvest
PA Hunger Action Center
Women's Association for Women's Alternatives

RHODE ISLAND

George Wiley Center and Campaign to Eliminate Childhood Poverty

SOUTH CAROLINA

SC Appleseed Legal Justice Center

SOUTH DAKOTA

Children's Agenda for South Dakota

TENNESSEE

MANNA
Tennessee Hunger Coalition

TEXAS

Center for Public Policy Priorities
Greater Dallas Community of Churches
North Texas Food Bank
Texas Alliance for Human Needs

UTAH

Crossroads Urban Center
Coalition of Religious Communities
Utahns Against Hunger

VERMONT

Vermont Campaign to End Childhood Hunger

VIRGINIA

Grassroots Innovative Policy Program
Virginia Poverty Law Center

WASHINGTON

Children's Alliance Food Policy Center
Washington State Anti-Hunger and Nutrition Coalition
Welfare Rights Organizing Coalition

WEST VIRGINIA

West Virginia Coalition on Food and Nutrition

WISCONSIN

Hunger Task Force of Milwaukee
Lutheran Coalition for Public Policy in Wisconsin
Women and Poverty Public Education Initiative.●

By Mr. MOYNIHAN:

S. 1801. A bill to provide for the identification, collection, and review for declassification of records and materials that are of extraordinary public interest to the people of the United States, and for other purposes; to the Committee on Governmental Affairs.

PUBLIC INTEREST DECLASSIFICATION ACT OF 1999

● Mr. MOYNIHAN. Mr. President, today I rise to introduce the Public Information Disclosure Act, a bill that seeks to add to our citizens' knowledge of how and why our country made many of its key national security decisions since the end of World War II. This bill creates a mechanism for comprehensively reviewing and declassifying, whenever possible, records of extraordinary public interest that demonstrate and record this country's most significant and important national security policies, actions, and decisions.

As James Madison once wrote, "A people who mean to be their own governors must arm themselves with the power which knowledge gives." Acquiring this knowledge has become increasingly difficult since World War II's end, when we witnessed the rise of a vast national security apparatus that encompasses thousands of employees and over 1.5 billion classified documents that are 25 years or older. Secrecy, in the end, is a form of regulation. And I concede that regulation of state secrets is often necessary to protect national security. But how much needs to be regulated after having aged 25 years or more?

The warehousing and withholding of these documents and materials not only impoverish our country's historical record but retard our collective understanding of how and why the United States acted as it did. This means that we have less chance to learn from what has gone before; both mistakes and triumphs fall through the cracks of our collective history, making it much harder to resolve key questions about our past and to chart our future actions.

On the other hand, greater openness makes it more possible for the government to explain itself and to defend its actions, a not so unimportant thing when one recalls Richard Hofstader's warning in his classic 1964 essay The Paranoid Style in American Politics: "The distinguishing thing about the paranoid style is not that its exponents see conspiracies here and there in history, but they regard a 'vast' or 'gigantic' conspiracy, set in motion by demonic forces of almost transcendent power as the motive force in historical events." A poll taken in 1993 found that three-quarters of those surveyed believed that President Kennedy was assassinated by a conspiracy involving the CIA, renegade elements of our military, and organized crime. The Grassy Knoll continues to cut a wide path across our national consciousness. The classified materials withheld from the Warren Commission, several of our actions in Vietnam, and Watergate have only added to the American people's distrust of the Federal government.

Occasionally, though, the government has drawn back its cloak of secrecy and made substantial contributions to our national understanding. In 1995, the CIA and the NSA agreed to declassify the Venona intercepts, our highly secretive effort that ranged over four decades to decode the Soviet Union's diplomatic traffic. Much of this traffic centered on identifying Soviet spies, one of the cardinal preoccupations of that hateful era we call "McCarthyism." These releases made at least one thing crystal clear: Their timely release decades ago would have dimmed the klieg lights on many who were innocent and shown them more brightly on those who truly were guilty. It would have been an important contribution during a time when the innocent and the guilty were ensnared in the same net.

Today, Congress plays a pivotal role in declassification through so-called "special searches." Generally, these involve a member of Congress or the White House asking the intelligence community to search its records on specific subjects. These have ranged from Pinochet to murdered American church women to President Kennedy's assassination. However, these good intentions often produce neither good results nor good history. Sadly, most of these searches have been done poorly, costing millions of dollars and consuming untold hours of labor. Several have been performed repeatedly. Special searches on murdered American church women, for example, have been done nine separate times. Yet there are still several important questions that have yet to be answered. The CIA alone has been asked to do 33 "special searches" since 1998.

Part of the problem is that Congress lacks a centralized, rational way of addressing these requests. This bill establishes a nine-member board composed of outside experts who can filter and steer these searches, all the while seeking maximum efficiency and disclosure.

The other part of the problem lies in how the intelligence community has conducted these searches. It is imperative that searches are carried out in a comprehensive manner. This is not only cheaper in the long run but produces a much more accurate record of our history. One cannot do Pinochet, for example, and not do Chile under his rule at the same time. To do otherwise skews history too much and creates too many blind spots, all leading to more questions and more searches. This does a disservice not only to those asking for these searches but to the American people who have to pay for ad hoc, poorly done declassification. If we do it right the first time, then we can forgo much inefficiency.

Many of these special searches ask vital questions about this nation's role in many disturbing events. We must see, therefore, that they are done correctly and responsibly. This legislation, if passed, would improve Congress' role in declassification, making it an instrumental arm in the de-cloaking and re-democratization of our national history. Indeed, anything less would cheat our citizens, undermine their trust in our institutions, and erode our democratic values.●

By Mr. ROBB (for himself, Mr. BAUCUS, Mr. BINGAMAN, Mrs. BOXER, Mrs. FEINSTEIN, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mrs. MURRAY, Mr. REID, Mr. SARBANES and Mr. LIEBERMAN.

S. 1803. A bill to amend the Internal Revenue Code of 1986 to extend permanently and expand the research tax credit; to the Committee on Finance.

PERMANENT EXTENSION OF THE R&E TAX CREDIT

Mr. ROBB. Mr. President, I send to the desk legislation that will permanently extend the research credit and increase the alternative incremental credit 1% per step. It will also expand the credit to companies operating in Puerto Rico. Mr. President, research and experimentation are the foundation of a vibrant economy. While there is some initial cost involved, studies have shown that a permanent extension of the R&E tax credit pays for itself over time due to increased federal revenues generated by a rise in productivity and economic growth. Without a permanent extension of the R&E credit, businesses are less likely to make long term investments in research that is necessary for scientific and technological advancements. Instead, decisions must be made on an annual basis which, over time, have the effect of slowing progress. In order to guarantee that our country remains the leader in cutting edge technology we need to permanently extend the R&E credit. The advantages of increased research and experimentation are simply too overwhelming to ignore.

I intended on offering this bill as an amendment in the Finance Committee to the Tax Relief Extension Act of 1999, (S. 1792), but I was persuaded by members on both sides of the aisle that amendments in Committee threatened the whole deal. I decided, instead, to address this issue on the Senate floor. I still strongly support the tax extenders bill that was reported out of Committee, but I believe, as I have for some time, that we need to address this one deficiency. Without certainty, our nation's investments in research will suffer. Permanent extension of the R&E tax credit is the only way to provide that certainty. Despite recent setbacks, I will continue to work with all of my colleagues to extend this credit permanently.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) PERMANENT EXTENSION.—

(1) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) of the Internal Revenue Code of 1986 is amended—

(A) by striking "1.65 percent" and inserting "2.65 percent",

(B) by striking "2.2 percent" and inserting "3.2 percent", and

(C) by striking "2.75 percent" and inserting "3.75 percent".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1999.

(c) EXTENSION OF RESEARCH CREDIT TO RESEARCH IN PUERTO RICO AND THE POSSESSIONS OF THE UNITED STATES.—

(1) IN GENERAL.—Section 41(d)(4)(F) of the Internal Revenue Code of 1986 (relating to foreign research) is amended by inserting ", the Commonwealth of Puerto Rico, or any possession of the United States" after "United States".

(2) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

By Mr. McCAIN:

S. 1804. A bill to direct the Secretary of Commerce, in consultation with the Director of the Office of Science Technology and the Director of the National Science Foundation, to establish a program for increasing the United State's scientific, technology, and mathematical resources, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE 21ST CENTURY TECHNOLOGY RESOURCES AND COMMERCIAL LEADERSHIP ACT

● Mr. McCAIN. Mr. President I am please to introduce a bill intended to preserve the United States' world leadership position in technology into the coming century. This legislation is intended to assure that our scientific, mathematics, engineering and technology resources are surpassed by no one. It is intended to ensure that our most precious national resources, our people, receive the best education and training through our best national product, innovation. We must allow our most creative forces to interact to achieve improved math and science education in our schools. We must assure more highly trained college graduates in science, math, engineering and technology. And we must encourage the retooling of our country's experienced minds to address the problems and the solutions of tomorrow.

Specifically, this legislation uses a portion of each H–1B visa fee to provide grants for innovative programs which will improve the math, science, engineering and technology skills of Americans so that they can fill the estimated average of 137,800 new positions expected to be created in these fields each year from now through 2006. During the interim, while the American pipeline of talent is filling, the bill lifts the caps on H–1B visas to allow our American companies to continue to grow and prosper.

This legislation is necessary and beneficial to our nation. Let me explain in some detail why.

First, although this country can be proud of having some of the most highly regarded colleges and universities in the world, our elementary and secondary education system is not sufficiently emphasizing science and math in the curriculum. Our students are falling behind in these areas. The results of the 1998 Third International Math and Science Study (TIMSS) are instructive. In math, our 4th graders ranked 12th out of 26 countries. Not a stellar performance. But even more discouraging, by 12th grade, the U.S. math rank was 19th out of 21 countries. As a result, not enough American college students are majoring in the sciences, including computer science, mathematics and engineering to fill the escalating need for highly trained professionals.

According to information compiled by the American Electronics Association, at the same time that the number of jobs in these fields has increased by 20%, the number of college graduates with degrees in engineering, engineering technology, computer science, mathematics, business information systems, and physics has declined by 5%.

To fill the jobs available, American companies are finding it increasingly necessary to hire foreign professionals. When they recruit on university campuses in the United States, 32% of the Masters degree and 45% of the doctoral degree candidates are foreign, not American, students. Even though they have been educated here, these foreign students cannot remain here to work without a visa.

Even with these graduates available, there are more jobs to be filled than qualified candidates. When our companies cannot hire qualified people to work for them, they cannot function—they cannot compete. Most of these companies have concluded long ago that they need to retain the qualified people that they do hire. They understand that one way to retain them is to provide training to continually update and upgrade their skills. There are many examples of these kinds of programs.

In addition, there are older American workers with advanced technical skills that are outdated, or whose experience is in industries which are not in a growth mode. Companies are finding ways to assist some of these professional to retool for the current and future needs of business. An example of retraining experienced workers is a program at San Diego State University. That institution's Defense Conversion Center has focused on retraining displaced defense industry professional, including military personnel and aerospace engineers.

Let me read from their project proposal description dated 9/21/99.

> The expansion of the H-1B visa program is a limited and temporary fix to a critical national problem. Unless we find creative ways to meet our workforce needs internally, our ability to produce cutting-edge products will erode. Indeed, some experts predict that our position as the world's leader in innovation will slip from first place to sixth early in the next century. The risk goes beyond losing our competitive edge in the global marketplace; without a strong technology base, our national defense system will be jeopardized.

The proposal goes on to describe the university's program:

> In the early 1990's, the defense industry in San Diego virtually disintegrated, resulting in the loss of over 42,000 jobs. Established with a grant from the Department of Defense, the SDSU Defense Conversion Center developed several certificate programs designed to fast-track displaced defense industry workers back into the marketplace. To date, over 1100 individuals have enrolled in the Center, and 80% of those who participated in the program found or retained employment in such high-tech fields as radiofrequency design, software engineering, concurrent design and manufacturing, and multi-media design.

Many companies are also finding that it is not enough to focus on only their short term hiring needs. There are numerous examples of companies partnering with their local schools to provide innovative changes in curriculum and skill sets.

For example, Hewlett-Packard has joined forces with Colorado State University to assist minority students beginning their studies at CSU. The assistance includes 10-week internships at H-P, during which CSU provides instructors to H-P to teach calculus. The internships provide a bridge from the academic to the real world, demonstrating the application of math and science skills. They also provide the freshmen with valuable experience that can lead to permanent jobs at H-P.

Eastman Chemical Company in Tennessee offers another example. Working with its local school system, the company focused on two objectives: to help prepare and motivate all students to develop competency in math and science, and to create a school system of such excellence that college graduates would be drawn there as a great place to raise children. The result was several programs, including an "Educator on Loan" program where on a rotating basis, teachers could work at the company's manufacturing plant to under the skills required.

These private/public partnerships are an excellent start. But these efforts are not sufficient to solve the problems we have with maintaining our country's ability to compete and lead the world in the 21st century. We must encourage more innovation, more achievement to fill the pipeline so that our children will be able to prosper in the technological revolution underway.

This legislation encourages innovation. It provides financial assistance for ideas which will work. The proposed legislation is broad enough to cover any idea which can be demonstrated to produce results. Some of the programs I think should be considered would be to provide scholarships to students who possess the requisite talent and are willing to become certified as math and science teachers, and who will agree to teach for a number of years. Scholarships for students who will major in math, science, engineering or technology fields makes sense. But we should not limit our selves to these stock type approaches. There will be many other new and creative ideas and we should welcome them and reward them, as long as they produce the outcome we want. We want to improve and increase the American talent pool.

In the meantime, I think it is important not to force our companies to develop off-shore bases in order to hire the foreign professional they need. The history of numeric caps on H-1B visas is one of best guess, rather than of calculated need. It is difficult to anticipate the total need, but simply inserting a number because it is politically agreeable isn't the right answer. During the last session we adopted legislation produced through the fine efforts of Senator ABRAHAM and others who worked tirelessly in addressing a broad array of problems and issues.

The result is that our law now requires those who are dependent on H-1B worker to attest, to give their oath, that they have tried to hire an American to fill the position unsuccessfully before applying for a foreign worker visa. These requirements are stringent. They protect American workers against companies which might otherwise ignore qualified applicants in order to bring in a foreign worker. The law protects against layoffs followed by foreign hiring.

With this law in place and with diligent enforcement of its requirements, there is no reason to also pick an arbitrary number as a cap for H-1B visas. We can let the marketplace prevail. We can focus on improving our own resources and our own children's education so that in the future we will have more highly skilled professionals to fill these positions. When our supply meets the demand we will have achieved the goals of improving our education curriculum and our ability to remain leaders in the 21st century.●

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. LEAHY, and Mr. JEFFORDS):

S. 1805. A bill to restore food stamp benefits for aliens, to provide States with flexibility in administering the food stamp vehicle allowance, to index the excess shelter expense deduction to inflation, to authorize additional appropriations to purchase and make available additional commodities under the emergency food assistance program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE HUNGER RELIEF ACT OF 1999

Mr. KENNEDY. Mr. President, today Senators SPECTER, LEAHY, JEFFORDS, and I are introducing the Hunger Relief Act of 1999. Our goals in this legislation are to promote self-sufficiency and the transition from welfare to work, and to eradicate childhood hunger by increasing the availability of food stamps to low-income working families. Republicans and Democrats share these goals, and it deserves broad bipartisan support.

Improving Food Stamp accessibility is a central part of helping low-income working families feed their children and achieve self-sufficiency. A strong Food Stamp Program, along with a higher minimum wage and an adequate Earned Income Tax Credit, gives low-income families the stability they need to build a brighter future. With the unemployment rate at a 30-year low and record, economic growth, this is a time of broad economic prosperity for most Americans. But that is not true for the poorest Americans. In 1998 the poverty rate declined from 13.3% to 12.7%, but this still surpasses rates in the 11% range recorded throughout the 1970's. The safety net provided by food stamps has weakened since the 1970's, and hunger among working families in America has grown.

In July 1999, the Department of Agriculture reported that 6.6 million adults and 3.4 million children live in households that suffered from hunger in 1998, and that 36 million people comprising 10% of the nation's households lack secure access to enough food for an active healthy life.

In the same month, the Congressional General Accounting Office reported that of the 14 million U.S. children who live in poverty, the proportion who receive food stamps dropped from 94% in 1995 to 84% in 1997. During 1997 alone, the number of children living in poverty decreased by 350,000—but the number receiving food stamps decreased by 1.3 million. GAO's report concludes, "children's participation in the Food Stamp Program has dropped more sharply than the number of children living in poverty, indicating a growing gap between need and assistance."

In January 1999, the Urban Institute released the results of a study of former welfare recipients and reported that 33% have to skip or reduce meals due to lack of food. This result is corroborated by independent studies in Wisconsin and South Carolina, and by NETWORK's National Welfare Reform Project.

In 1998, surveys of emergency food providers conducted by the U.S. Conference of Mayors and America's Second Harvest independently documented that the need for emergency food services increased 15 to 20% over the previous year, and that almost 40% of emergency food clients live in households in which an adult is employed.

The Community Childhood Hunger Identification Project conducted surveys of over 5,000 low-income families between 1992 and 1994—the most comprehensive study of childhood hunger ever undertaken in the U.S.—and found that approximately 4 million children under age 12 were hungry, and 9.6 million were at risk of hunger.

Far too many working parents still struggle to feed their families. If our national values cannot persuade us to fight hunger now, while the economy is strong, when will we ever do so? If we need economic reasons to fight hunger in America, we need only consider the effects of hunger on children.

Hunger and undernutrition are serious problems for people of all ages, but their effects are particularly damaging to children. Over 14 million children live in households that suffer hunger. Hungry and undernourished children are more likely to become anemic, and to suffer from allergies, asthma, diarrhea, and infections. They are also more likely to have behavioral problems and difficulty in learning. When children arrive at school hungry, they cannot learn. If we do not address this problem, our considerable investments in education and early learning activities will not have the full positive impact that they should. Hunger and under-nutrition injure our greatest national resource—our children.

In the past three decades, food stamps have grown into the nation's most comprehensive and trusted way to end hunger. The news that participation in the Food Stamp Program has declined 27% over the past three and a half years would be welcome—if poverty had declined by a comparable amount. But the poverty rate declined by only 7% over this time. Six million more poor people are without food stamps today than in 1995. GAO reported that in 1997 alone, while the number of children living in poverty decreased by just 350,000, the number of children receiving food stamps decreased by 1.3 million. We need to be concerned that the nutritional needs of the other 950,000 children are not being met.

Just as the decline in the welfare rolls does not by itself show that people are no longer poor, the decline in Food Stamp rolls in no way means that children and families are no longer hungry. Increasingly, low-income working families are relying on emergency food services. Across the country, demand for emergency food services has increased by as much as 50% in some places. Many food banks find themselves unable to meet the increased requests for help.

Only two days ago, the Chicago Sun-Times published an article entitled "Hunger—a growing concern in suburbs," describing increasing demand for emergency food in some of Chicago's most affluent neighborhoods.

A November 1998 study by Project Bread and Tufts University found that 49% of emergency food providers in Massachusetts reported increased need among families with children over the previous year. Of those requesting assistance, 33% of food bank clients were children, and 27% of Massachusetts adults requesting emergency food assistance were employed. Although our strong economy and historically low unemployment rate have helped many families get back on their feet, there is no question that many families are working hard and still cannot make ends meet.

By simplifying Food Stamp eligibility rules and improving access to the program, we can reduce hunger and malnutrition, and help working families live healthier, more fulfilling lives. No one in this country should go hungry. This is a problem we can solve. We must not become indifferent to the message that hunger indeed has a cure.

The Hunger Relief Act repeals many of the 1996 welfare reform law's restrictions on access to food stamps for legal immigrants. For 30 years prior to the welfare reform law, Food Stamps were available to legal immigrants. The 1996 welfare reform law made them no longer eligible. That law also created substantial uncertainty among eligible groups as to whether they qualify.

Last year, Congress restored food stamp eligibility to some legal immigrants—children, seniors, and disabled persons—who were in the United States before August 1996. This was an important step, but it helped fewer than a third of those who were adversely affected by the 1996 law. Hunger among legal immigrants predictably increased after 1996, although many legal immigrants held low-income jobs and paid taxes. Children continue to be denied benefits because they arrived in the U.S. after 1996 or because exclusion of their parents directly results in decreased access to food stamps. Our laws recognize that legal immigrants need access to employment, education, and health care programs. Yet all of these efforts are compromised when legal immigrants are denied access to adequate nutrition. The Hunger Relief Act ensures that all those who need food stamps can obtain them.

In addition, the Hunger Relief Act helps low-income families by relaxing federal limits on the value of a vehicle that a family can own and still be eligible for food stamps. The current federal limit is $4,650, which has risen only $150 since 1977.

Because low-income parents commonly need a vehicle to get to work and to safely transport their children, many states have adopted vehicle allowance standards for their state assistance programs that are more generous than the federal standard. The conflicting and complex rules that govern state programs and the Food Stamp Program complicate access to food stamps for working families, as confirmed by GAO's July 1999 report.

By giving states the option of using their state vehicle standards instead of the federal standard, the Hunger Relief Act gives states the flexibility to ensure that their nutritional needs are met. It also promotes work and child safety.

The case of a single parent of three young children in Northeastern Massachusetts illustrates the need for this provision. The mother's income recently dropped to $928 per month, but she is denied food stamps because the value of her car exceeds $4650. Massachusetts would be unlikely to reject her application under state law, but the federal law requires her pleas for help to be rejected. Our Hunger Relief Act will change that.

The Hunger Relief Act also enables families to qualify for food stamps when they have to spend more than 50% of their income on housing costs. Low-income families must often pay high rent for substandard housing in many cities today. According to a recent report by the Department of Housing and Urban Development, demand for public housing is rising, while the supply of affordable apartments and houses is declining. Between 1996 and 1998, the number of affordable apartments fell by more than 1 million. Nearly 1 million low-income families are now waiting for public housing units across the country. They may wait as long as 8 years in New York City to be placed.

HUD compares finding affordable housing to an ominous game of musical chairs in which only the lucky find seats. In Boston, the average rent for a two bedroom apartment rose by 58% between 1990 and 1998 to $1,350 after adjusting for inflation. The Women's Educational and Technical Union has documented that single parents with one infant pay an average rent of $839 in Boston, $709 in Worcester, and $578 in Pittsfield. All of these figures far exceed half of a minimum wage worker's income.

Present law permits some shelter costs to be deducted when determining Food Stamp eligibility, but the deduction is capped too low. In 1996, 950,000 people received reduced food stamp benefits due to the shelter cap. Over 880,000 of those affected were families with children. The Hunger Relief Act raises the cap from $275 to $340, and then indexes it to inflation, increasing access to food stamps for approximately 1.25 million people.

For example, a family from Centerville, Massachusetts consisting of a working mother and three children, survives on $1,433 in income each month. Yet their shelter costs exceed $1,200. This family cannot possibly meet these children's nutritional needs on $233 each month, even if the family spends money on nothing besides shelter and food. The Hunger Relief Act is intended to keep families like this from having to choose between heating and eating.

Finally, the Hunger Relief Act increases federal support for emergency food programs. Sharp increases in requests for help from food pantries and soup kitchens have occurred over the past year, despite steep declines in food stamp participation. The U.S. Conference of Mayors, and America's Second Harvest has independently documented a 15 to 20% increase in need over 1998. A recent survey of 30 cities by the National Governors Association found that a growing number of low-income working parents rely on food banks to feed their children. 79% of Massachusetts food pantries funded through Projected Bread reported serving more working poor in 1998, and 72% reported helping more families with children. To ensure that emergency food needs are met, the Hunger Relief Act increases federal funding for The Emergency Food Assistance Program by 10%.

The Congressional Budget Office estimates that the total cost of the Hunger Relief Act will be $2.5 billion over the first 5 years. This amount will increase our support for the Food Stamp Program by just over 2% each year, a relatively small price to repair the most serious problems in the nation's core nutrition program.

Americans overwhelmingly recognize that hunger is also closely linked to problems in health, education, and the workplace. Adequate nutrition should be available to all. Over three hundred national, regional, and local organizations support the Hunger Relief Act. Even before welfare reform was enacted, a January 1996 poll found that 55% of Americans believe hunger is worsening in our country, and 74% felt that more should be done to combat hunger in America. I request unanimous consent that a letter signed by over 300 organizations in support of the Hunger Relief Act may be printed in the CONGRESSIONAL RECORD following my statement.

Millions of low-income working families, like the Jenkins family of Royalston, Massachusetts will be helped by this bill. Although Terry Jenkins' husband works in two jobs, after their mortgage payments, car payments, utilities and clothing expenses for four children are paid, they often cannot afford enough food for their family. As a result, Terry worries that her children cannot concentrate during their classes.

Her concern is legitimate. Students who are hungry or at-risk of hunger are twice as likely to have academic, social and psychological problems as children from similar low-income families who are not hungry. By improving the Food Stamp Program, the Hunger Relief Act will reduce the suffering for millions of families like the Jenkins.

Now, while the economy is strong, we must actively fight hunger and ensure that the most basic needs of children and families are met. I welcome the support of Senators SPECTER, LEAHY and JEFFORDS in this bipartisan effort and I look forward to early action in the Senate to pass this needed legislation.

Mr. LEAHY. Mr. President, as we approach the beginning of the next century, we have much to be proud of as a nation. The stock market has reached an historic 10,000 mark. We are in the midst of one of the greatest economic expansions in our nation's history. More Americans own their own homes than at any time, and we have the lowest unemployment and welfare caseloads in a generation.

Yet, there are millions of Americans who go hungry every day. Just this past July, the Department of Agriculture published a report entitled "Household Food Security in the United States 1995–1998" which reported that last year, 36 million persons—of which approximately 40% were children—lived in households that experienced hunger.

While it is true that food stamp and welfare program caseloads have dropped over the past few years, hunger has not. As families try to make the transition from welfare to work, too many are falling out and being left behind. And too often, it is our youth who is feeling the brunt of this, as one out of every five people lining up at soup kitchens is a child.

Second Harvest, the nation's largest hunger relief charity, distributed more than one billion pounds of food to an estimated 26 million low-income Americans last year through their network of regional food banks. These food banks provide food and grocery products to nearly fifty thousand local charitable feeding programs—food shelves, pantries, soup kitchens and emergency shelters.

Yet as the demand has risen at local hunger relief agencies, too many pantries and soup kitchens have been forced to turn needy people away because the request for their services exceeds available food.

Last year, the U.S. Conference of Mayors released its Annual Survey of Hunger and Homelessness, which reported that the demand for hunger relief services grew 14 percent last year. Additionally, 21 percent of requests for emergency food were estimated to have gone unmet. This is the highest rate of unmet need by emergency food providers since the recession of the early 1990s. And this is not just a problem of the inner cities. According to the Census Bureau, hunger and poverty are growing faster in the suburbs than anywhere else in America. In my own state of Vermont, one in ten people is "food insecure," according to government statistics. That is, of course, just a clinical way to say they are hunger or at risk of hunger.

Under the leadership of Deborah Flateman, the Vermont Food Bank distributes food to approximately 240 private social service agencies throughout the state to help hungry and needy Vermonters. The local food shelves and emergency kitchens which receive food from the Vermont Food Bank clearly are on the front-line against hunger. And what they are seeing is very disturbing—one in four seeking hunger relief is a child under the age of 17. Elderly people make up more than a third of all emergency food recipients. We cannot continue to allow so many of our youngest and oldest citizens face the prospect of hunger on a daily basis. Another extremely troubling statistic about hunger in Vermont is that in 45 percent of the households that receive charitable food assistance, one or more adults are working. Nationwide, working poor households represent more than one-third of all emergency food recipients. These are people in Vermont and across the U.S. who are working, paying taxes and contributing to the economic growth of our nation, but are reaping few of the rewards.

Our government has taken numerous steps to alleviate hunger in America, but clearly more still needs to be done.

The Emergency Food Assistance Program has been essential in the fight against hunger by providing USDA commodities to the nation's food banks and local emergency feeding charities. As the demands continue to grow, however, TEFAP resources are running on empty. The Hunger Relief Act would increase funding for TEFAP, thus helping community charities cope with increased local demand for hunger relief.

Perhaps more than any other program, the Food Stamp Program has been critical to the prevention and alleviation of hunger and poverty, and is essential to helping families on welfare transition to work. Nationally, one in ten people—half of which are children—participates in the Food Stamp Program.

In this time of economic booms, one in five U.S. children—approximately 15 million children—lives in a household receiving food stamps.

And far too many families with full-time or part-time minimum wage jobs need food stamps just to approach the poverty line.

For many families, the choice between paying the rent and buying food is becoming more and more common. While the Food Stamp Program does adjust benefits for families with high shelter costs, this adjustment has been artificially capped. In 1993, Congress passed a phased-out elimination of the cap on the food stamp shelter deduction. With the passage of the Welfare Reform bill, however, Congress repealed the phase-out and the cap remained in place.

The cap on the shelter deduction has had a significant impact on working families, who tend to have higher shelter costs than families receiving public housing assistance. The Hunger Relief Act raises the shelter cap from $275 to $340, and then indexes it to inflation, increasing access to Food Stamps for approximately 1.25 million people.

Many working poor families, particularly in rural areas, own a modestly valued car, necessary to get to work, but of a value greater than the antiquated food stamp vehicle limit. In the last 22 years, the limit on car values has increased a total of $150, and in many states the Food Stamp vehicle allowance is much lower than the TANF vehicle allowance. The Hunger Relief Act would give states more freedom, allowing states the option of using the same limits for vehicles under both TANF and Food Stamps. The Hunger Relief Act would also complete the restoration of food stamp benefits to thousands of immigrants who were pushed out of the program by the Welfare Reform Act.

Last Congress I worked hard to include $818 million in the Agricultural Research, Extension, and Education Reauthorization Act to restore food stamp benefits for thousands of legal immigrants. This legislation restored food stamps to legal immigrants who are disabled or elderly, or who later become disabled, and who resided in the United States prior to August 22, 1996. That law also increased food stamp eligibility time limits—from five years to seven years—for refugees and asylees who came to this country to avoid persecution. Hmong refugees who aided U.S. military efforts in Southeast Asia were also covered, as were children residing in the United States prior to August 22, 1996.

Though the Agriculture Research Act restored food stamp eligibility to children of legal immigrants, many of these children are not receiving food stamps and are experiencing alarming instances of hunger. In its recent report entitled "Who is Leaving the Food Stamp Program? An Analysis of Caseload Changes from 1994 to 1997," the United States Department of Agriculture reported that participation among children living with parents who are legal immigrants fell significantly faster than children living with native-born parents. It appears that restrictions on adult legal immigrants deterred the participation of their children. That is a disturbing development that must be rectified, and the Hunger Relief Act would go along way toward making the situation right by restoring food stamp eligibility to all legal immigrants.

Of the many problems that we face as a nation, hunger is one that is entirely solvable. Hunger is not a Democrat or Republican issue. Hunger is a problem that all Americans should agree must be ended in our nation. I am proud to join with Senators KENNEDY, SPECTER, and JEFFORDS in introducing the Hunger Relief Act, and I look forward to working with members of the Senate to see the passage of this legislation.

By Mr. BINGAMAN (for himself, Mr. COVERDELL, Mr. DOMENICI, Mr. HOLLINGS, and Mr. CLELAND):

S. 1806. A bill to authorize the payment of a gratuity to certain members of the Armed Forces who served at Bataan and Corregidor during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Veterans Affairs.

BATAAN AND CORREGIDOR VETERANS LEGISLATION

Mr. BINGAMAN. Mr. President, I rise today to introduce important legislation, of which Senator HOLLINGS and Senator CLELAND are also sponsors, recognizing the heroic contributions of American soldiers who served in Bataan and Corregidor during World War II. This legislation will provide a one time honorarium to those veterans who survived the notorious Death March and were made to work as slave labor in support of the Japanese war effort. Compensation awarded these heroes for their imprisonment has never approached the value of their sacrifices on behalf of our nation's liberty. As these legendary heroes approach the final chapters of their lives, it is fitting that the nation pay them special homage for their heroic deeds heretofore unrewarded. That's why I am introducing this legislation today—to salute these Americans in recognition of the great sacrifices they made for this nation.

From December 1941 to April 1942, American military forces stationed in the Philippines fought valiantly against overwhelming Japanese military forces on the Bataan peninsula near Manila. Under severe combined attack of the Japanese forces, General Douglas MacArthur ordered U.S. troops to withdraw to the Bataan peninsula to form a strong defensive perimeter to protect the eventual evacuation of troops from the island. The U.S. forces fought for 3 months, considerably longer than the unfavorable troop balance would have suggested was possible. As a result of extending Japanese military resources during that crucial initial phase of the war in the Pacific, U.S. forces in Bataan and Corregidor prevented Japan from accomplishing critical strategic objectives that would have enabled them to capture Australia. Had the Japanese been able to accomplish their plans, their victory in the Philippines could have doomed Allied efforts in the Pacific from the very outset.

On April 9, 1942, Major General Edward King, Commander of U.S. forces on the Bataan peninsula, ordered the troops to surrender rather than face certain slaughter on the battlefield. What followed was the tragic, infamous "Death March" of American prisoners from the Bataan peninsula to Camp O'Donnell of Manila. Some experts estimate that more than 10,000 Americans died on the 85-mile march to the prison camp. Many died of starvation or lack of water; some were executed on the spot by their Japanese captors.

In June 1942, following the surrender of American troops of the Corregidor garrison, prisoners held at the O'Donnell Prisoner of War (POW) camp were joined with those captured at Corregidor and transferred to the Cabanatuan POW camp. In the fall of 1944, the Japanese transferred more than 1,600 prisoners from the Cabanatuan POW camp to "hell ships" destined for Japan, where prisoners were used as slave laborers working in mines, shipyards, and factories. In some cases, because the "hell ships" weren't marked, they were attacked and sunk by U.S. military aircraft.

Mr. President, the heroic performance of our soldiers at Bataan and during incarceration in POW camps earned them well-deserved citations following the war. The 200th and 515th Coastal Artillery units from New Mexico that served to defend the retreating troops at Bataan received three Presidential Unit Citations and the Philippine Presidential Unit Citation for their heroism. New Mexico is particularly proud of these men whose heroism I seek to salute through this legislation today.

Of the 25,000 American servicemen stationed in the Philippines at the outbreak of World War II, less than 1,000 are living today. These heroes deserve special recognition and gratitude from the American people beyond the symbolic recognition and remuneration they have heretofore received.

In December, 1998, the Canadian Government approved a legislative measure to compensate their military veterans who had been captured by the Japanese during the fall of Hong Kong, and who subsequently provided slave labor in Japanese POW camps. The measure awarded approximately 700 qualified veterans and surviving spouses $15,600 each "as an extraordinary payment to extraordinary individuals who suffered extraordinary treatment in captivity." The payment to Canadian veterans will total $11.7 million from Canadian federal funds, not from the Japanese Government. The Japanese Government considers their liability for treatment of POWs to have been settled by the treaty signed in 1952, compensating each prisoner of war for their time in captivity, but not for any slave labor that was performed. Last fall, Japan's high court rejected a compensation suit seeking redress filed by a coalition of former Allied prisoners on the basis of the 1952 treaty protecting Japan from further liability in post-war settlements.

Mr. President in agreeing to provide their veterans with compensation for slave labor performed while in POW camps, the Canadian Government recognized that lengthy legal proceedings appealing the decision of the Japanese high court would likely be too drawn out to be beneficial to their aging veterans. As a result, the Canadian Government concluded that it was appropriate and honorable to recognize the heroic contributions of veterans who were made to perform slave labor simply out of recognition of the debt of gratitude owed to the veterans by the Canadian people.

Our American veterans who served in Bataan and Corregidor and performed slave labor in Japanese mines, shipyards, and factories are in a similar predicament as their Canadian colleagues. These men have never been fully compensated for their heroism and sacrifices made while serving as slaves to their Japanese captors. The Japanese government has concluded that it is no longer liable for compensating such claims. Appealing the decision of the Japanese high court to further authority would take more time than many of our veterans have. Consequently, Mr. President, I believe that the American Government, just as the Canadian Government has done, should choose to recognize the contributions of the war heroes of Bataan and Corregidor.

The legislation I am introducing today calls on the Congress to authorize payment of $20,000 to each veteran of Bataan or Corregidor who performed slave labor during World War II. The honorarium would also be extended to surviving spouses. This small token of appreciation would mean a great deal to these heroes and their families.

I urge my colleagues to support the bill. I hope we can enact it in the near future.

Mr. HOLLINGS. Mr. President, let me commend our distinguished colleague from New Mexico. I had the privilege of visiting Corregidor about 30 years ago with Senator Montoya. We talked about the New Mexico National Guard. Most were lost who went through that dreadful experience. For those that survived—I lost a good friend, Jack Leonard, and other graduates who served in the New Mexico National Guard—this is a moment of history that should be noted in a more clear and reverent fashion.

I ask, please, to be added as a cosponsor to the Senator's bill.

Mr. BINGAMAN. I thank the Senator from South Carolina very much. This legislation will move more quickly with him as a cosponsor. I also want to indicate that Senator DOMENICI is a cosponsor of this legislation, as well. As I say, I hope we can move ahead with it.

Mr. DOMENICI. Mr. President, I rise today to join my colleague Senator BINGAMAN to introduce legislation that will compensate our veterans who fought at Bataan and Corregidor and were later held prisoner.

I do not think words can fully describe the bravery of these veterans and the horrific conditions they endured, but I think a quote from Lt. Gen. Jonathan M. Wainwright provides an insight into these men:

> They were the first to fire and last to lay down their arms, and only reluctantly doing so after being given a direct order.

The 200th and 515th Coast Artillery better known as the New Mexico Brigade played a prominent and heroic role in the fierce fighting that took place in the Philippines. For four months the men of the 200th and the 515th held off the Japanese only to be finally overwhelmed by disease and starvation.

Today every student in his or her history class learns about the tragic result of the Battle for Bataan. The survivors of the battle were subjected to the horrors and atrocities of the 65 mile "Death March." As if this were not enough, following the infamous march these men were held for over 40 months in Prisoner of War Camps.

Sadly, of the eighteen hundred men in the Regiment, less than nine hundred returned home and a third of those passed away within a year of returning. I simply cannot imagine what it must have been like for these men.

I would now like to briefly discuss the Bill we are introducing. This legislation offers long overdue compensation to a select group of men who served in the Philippines at Bataan and Corregidor during World War II. The bill authorizes the Secretary of Veterans Affairs to pay $20,000 to any veteran, or his surviving spouse, who served at Bataan or Corregidor, was captured and held as a prisoner of war, and was forced to perform slave labor as a prisoner in Japan during World War II.

There is one final point that I want to make as a matter of simple fairness. I believe that in the upcoming months the federal tax implications should be examined. It may be necessary to provide that the $20,000 payment should be excluded from federal income taxes.

Without an exclusion, the interaction between a lump sum payment, the social security income tax earnings limitation could subject some of the survivors of the Bataan death march to one-time exorbitant tax rates in excess of 50 percent. We don't want the federal government to give the compensation with one hand, only to have it taken away by the IRS.

Thank you and I look forward to working with my colleagues on this issue.

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. 1807. A bill to provide for increased access to airports in the United Kingdom by United States air carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

OPEN SKIES BETWEEN THE U.S. AND THE U.K. LEGISLATION

Mr. SANTORUM. Mr. President, today, I am introducing legislation in response to the lack of progress in negotiations between the United States and the United Kingdom to open up competition through an open-skies treaty for air travel between our countries. International aviation travel is central to the continued growth of commerce and tourism, and every effort must be made to increase these opportunities.

This bill mandates that the United States and the United Kingdom come to an agreement that would grant all applications U.S. carriers currently have filed with the U.S. Department of Transportation for route access to the United Kingdom. The bill also mandates more access to London's Heathrow International Airport for U.S. carriers that do not currently have access to this airport. Congressman BUD SHUSTER, Chairman of the House Committee on Transportation and Infrastructure, has already introduced an identical bill, H.R. 3072, with the Ranking Minority Member, Congressman JAMES OBERSTAR, in the House of Representatives.

Under the current 22 year old bilateral agreement, known as Bermuda II, only two U.S. airlines, American and United, and two from Great Britain, British Airways and Virgin Atlantic, can fly between Heathrow and the United States. Under the current agreement, the British hold dominant rights to air travel between our countries in one of the most restrictive existing bilateral agreements for air travel. For example, British Airways is allowed to fly more routes to the U.S. than all U.S. carriers can fly to the United Kingdom combined. This present policy is unfair and is not in the best interests of American or British consumers.

This situation is illustrated by the recent announcement by British Airways that it would be ending its nonstop flights between Pittsburgh and London as of October 31, 1999. This means that a city which has had nonstop for over a decade will no longer have it. Under the current restrictive agreement, only the British can fly to and from Pittsburgh; American carriers willing to pick up this route are unable to do so.

The United States has open-skies agreements with over 36 countries which have been completed or are being phased in. Open-skies agreements allow a free market in air service in which airlines can fly where they want. It is inappropriate for the United States to lack a similar agreement with an historic ally and major trading partner such as the United Kingdom.

If an agreement is not reached within six months of the bill's passage, the Secretary of Transportation is required to revoke all current slots and slot exemptions held by British air carriers at Chicago O'Hare and New York Kennedy airports. In addition, if the United States and the United Kingdom do not reach an open-skies agreement by the end of 2000, the bill mandates renunciation of the current bilateral agreement. My goal is to provide a strong incentive for our two countries to negotiate a fair, long overdue agreement by increasing competition and choices for consumers and all interested carriers in both countries.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1807

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ACCESS TO UNITED KINGDOM AIRPORTS.

(a) IN GENERAL.—If the Governments of the United Kingdom and the United States have not signed an agreement, by the date that is 180 days after the date of enactment of this Act, that—

(1) provides for approval of all applications for air routes from the United States to the United Kingdom that have been submitted to the Secretary of Transportation by United States air carriers and are pending on October 14, 1999; and

(2) provides slots at Heathrow International Airport to United States air carriers that do not have any slots at such airport on such date of enactment, without affecting any slots held by other United States air carriers at such airport on such date of enactment,

the Secretary of Transportation shall immediately revoke all slots and exemptions to the slot rule held by British air carriers at O'Hare International Airport and John F. Kennedy International Airport and, after the date of such revocation, shall not grant any slot or exemption to the slot rule to a British air carrier at either of such airports until such an agreement is signed.

(b) DEFINITIONS.—In this section, the following definitions apply:

(1) BRITISH AIR CARRIER.—The term "British air carrier" means a citizen of Great Britain undertaking by any means, directly or indirectly, to provide foreign air transportation (as defined in section 40102(a) of title 49, United States Code).

(2) SLOT RULE.—The term "slot rule" means the requirements contained in subparts K and S of part 93 of title 14, Code of Federal Regulations.

(3) UNITED STATES AIR CARRIER.—The term "United States air carrier" has the meaning given to the term "air carrier" by section 40102(a) of title 49, United States Code.

SEC. 2. OPEN SKIES AGREEMENT.

If the Governments of the United Kingdom and the United States have not signed an open skies agreement, as defined in Department of Transportation Order 92-8-13, by December 31, 2000, the Secretary of State shall immediately file a notice to terminate the Agreement Between the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Concerning Air Services, in accordance with the provisions of the Agreement.

By Mr. SPECTER (for himself and Mr. BIDEN):

S. 1808. A bill to reauthorize and improve the drug court grant program; to the Committee on the Judiciary.

DRUG COURT REAUTHORIZATION AND IMPROVEMENT ACT OF 1999

Mr. SPECTER. Mr. President, I have sought recognition to introduce a bill to provide federal assistance to States and local governments for drug courts to provide treatment rather than expensive imprisonment for drug addicted nonviolent offenders.

This legislation would reauthorize and improve upon a novel program by which States and localities may obtain Federal funds to assist in the implementation of a "drug court" within the State and local criminal courts. Drug courts are designed to select from the general criminal population nonviolent offenders who test positive for drugs, and put them through a program of court supervised drug treatment and rehabilitation. In this way, we can both aid first-time drug offenders by preventing them from becoming career criminals and provide localities the funds to enable them to control the serious backlogs in their criminal court caused by the drug crime wave. In the long-term, this solution to the drug plague promises to be less expensive than incarcerating these nonviolent offenders.

In 1991, I introduced similar legislation (S. 648), which was proposed by a 1990 study commissioned by the Philadelphia Bar Association entitled, "Clearing the Road to Justice." This study found that state and local courts are overwhelmed by a large number of drug related crimes committed by first time offenders. The study concluded that a separate drug court division could both speed processing of drug related cases and provide mandatory drug screening programs to target first-time nonviolent drug offenders, and at the same time free up the rest of the court system to focus on violent criminals.

Congress enacted legislation to authorize a federal drug court grant program as part of the Violent Crime Control and Law Enforcement Act of 1994. However, in an action without any debate and that I believe reflected poor judgment, Congress repealed such authority in the Omnibus Consolidation Recessional and Appropriations Act of 1996 (PL 104–134). Although Congress rescinded the authority for this program, it has had been good sense to continue to appropriate some funds to the program by increasing funding from $11.5 million in 1995 to $40 million in 1999.

As a result of this federal funding, there has been a considerable increase in the number of drug courts in the United States. Since 1994, the total number of operating drug court program has grown from 42 to approximately 300. However, there is still not enough funding to adequately support the program despite the increased interest. Last year the Department of Justice received 216 grant applications, but was able to award only 88 grants. Justice reports that there were at least 38 additional programs that would have received grants had there been funding available.

During my travels in Pennsylvania, I have confirmed that there is a great deal of interest in implementing this program. Currently, there are six counties (Allegheny, Chester, Lycoming, Philadelphia, York, Erie) that are in various stages of planning and implementing drug court programs. I had the opportunity to speak to a number of prosecutors, judges and participants of these programs. They are very positive about their initial progress and very optimistic about the results that they will achieve in the future.

As a member of the Judiciary and Appropriations Committees, I have been an advocate of increasing funds for this program. I am committed to a balanced federal budget and realize that we must be careful in how we make federal expenditures. With this in mind, I have chosen this program carefully as one in which we should invest federal funds. I believe that Congress must step up to the plate and commit to this program by authorizing it and appropriating sufficient funds to meet the growing demand for drug court alternatives. It is necessary that the criminal justice system and Congress face up to the fact that realistic rehabilitation must be a part of the process of drug treatment and crime reduction.

I believe that the drug courts are extremely effective in breaking the cycle of substance abuse and crime and will save large amounts of money that otherwise would have been spent on incarceration. With this program, first-time drug offenders may be prevented from becoming career criminals, and localities will be provided with funds to minimize the serious backlogs in criminal courts caused largely by drug crimes. The most recent Drug Court Survey Report, published by the Office of Justice Programs' Drug Court Clearinghouse and Technical Assistance Project at American University found that the drug court programs reported low recidivism rates between 2% and 20%. The survey also found significantly reduced drug use even among those who did not graduate from the programs, with as many as 93% of participants testing negative for drugs. Further, this alternative promises to be less expensive than incarcerating nonviolent offenders. Drug courts offer significant cost savings as compared to incarceration. According to the Drug Court Survey Report, the average cost for the treatment component of a drug court program ranges between $900 and $1,200 per participant, and savings in jail bed days have been estimated to be at least $5,000 per defendant. Additional reported savings include reductions in police overtime, witness costs and grand jury expenses.

While these statistics are very promising, they are not necessarily representative of all of the drug court programs. In 1997, GAO issued a report entitled "Drug Courts: Overview of Growth, Characteristics and Results," which found that nearly half of the drug court programs do not maintain follow-up data regarding recidivism or relapse to drug abuse. Accordingly, GAO recommended that the Attorney General require drug court programs to collect and maintain follow-up data on recidivism and drug use relapse. This legislation includes a requirement for such follow-up so Congress can better determine the program's efficacy.

This legislation would authorize up to $200 million per year for this innovative program, the original level from the 1994 law. Additionally, in order to create greater flexibility for states and local governments to fund the drug court programs, this legislation would allow federal funds that are received from sources other than the Drug Courts Program Office to be counted as a part of the 25% grantee matching contribution requirement. The current Justice policy requires the grantee to contribute 25% of the total program costs—none of which can come from a federal source.

Additionally, the 1994 law required the Department of Justice to consult with HHS concerning administration of the drug court program, and although the drug court provision was rescinded, Justice has continued to consult with HHS in an informal manner regarding treatment programs. As Chairman of the Labor, Health and Human Services and Education Appropriations Subcommittee, I recognize the important role that HHS can play in improving the treatment aspect of the drug court program. Accordingly, this bill would reinstate the requirement that Justice consult with HHS regarding administration of the drug court program and would authorize $75 million to be appropriated to HHS to be used for drug treatment services associated with drug court programs.

I urge my colleagues to support this important program which provides an effective alternative to imprisonment for drug addicted nonviolent offenders.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, Mr. HARKIN, Mr. FRIST, Ms. COLLINS, Mr. WELLSTONE, Mr. REED, Mr. DODD and Mrs. MURRAY):

S. 1809. A bill to improve service systems for individuals with developmental disabilities, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE DEVELOPMENT DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT OF 1999

- Mr. JEFFORDS. Mr. President, it is a pleasure to introduce today, for myself, and my colleagues from the Health, Education, Labor, and Pensions Committee, Senators KENNEDY, HARKIN, FRIST, COLLINS, WELLSTONE, REED, DODD, and MURRAY, The Developmental Disabilities Assistance and Bill of Rights Act of 1999. This bill is the reauthorization of a piece of legislation with a rich legacy, and a long history of bipartisan Congressional support. Originally authorized in 1963 and last reauthorized in 1996, it has always focused on the needs of our most vulnerable citizens, an estimated four million individuals with severe disabilities, including individuals with mental retardation and other lifelong, pervasive disabilities.

Initial versions of this legislation focused primarily on the interdisciplinary training of professionals to work with individuals with developmental disabilities. The University Affiliated Facilities (UAFs) were the first federally funded programs charged with expanding the cadre of professionals to address the needs of individuals with developmental disabilities. The name of these programs was changed to University Affiliated Programs (UAPs) in a subsequent reauthorization and their mission was expanded to include community services and information dissemination pertaining to individuals with developmental disabilities. Finally, in 1996, after 33 years of planned expansion by Congress, each State established and received core funding for at least one UAP.

In the 1970 reauthorization of the DD Act, Congress recognized the need for, and value of strengthening State efforts to coordinate and integrate services for individuals with developmental disabilities. As a result, Congress established and authorized funding for State Developmental Disabilities Councils (DD Councils) in each state. The purpose of the Councils was, and continues to be, to advise governors and State agencies on how to use available and potential resources to meet the needs of individuals with developmental disabilities. Every State has a DD Council. The Councils undertake advocacy, capacity building, and systemic change activities directed at improving access to community services and supports for individuals with disabilities and their families.

In 1975, Congress created and authorized funding for Protection and Advocacy Systems (P&As) in each state to ensure the safety and well being of individuals with developmental disabilities. The mission of these systems has evolved over the years, initially addressing the protection of individuals with developmental disabilities who lived in institutions, to the present responsibilities related to the protection of individuals with developmental disabilities from abuse, neglect, and exploitation, and from the violation of their legal and human rights, both in institutions and in the community.

The 1975 reauthorization of the DD Act also established funding for Projects of National Significance. Through this new authority Congress authorized funding for projects that would support national initiatives related to specific areas of need. Over the years, projects related to areas such as people with developmental disabilities and the criminal justice system, home ownership, employment, assistive technology, and self-advocacy for individuals with developmental disabilities have been initiated through these projects.

The 1999 reauthorization of the DD Act builds on the past successes of these programs, reflects today's changing society, and seeks to provide a foundation to provide the services and supports that individuals with developmental disabilities, their families, and communities will need as we enter the next century. Let me take a few moments to highlight the major provisions of this bill.

The Developmental Disabilities Assistance and Bill of Rights Act of 1999 continues a tradition of support for a DD Network in each State that is able to provide advocacy, capacity building, and systemic change activities in quality assurance, education and early intervention, child care, employment, health, housing, transportation, recreation and other services for individuals with developmental disabilities and their families. This approach reflects current trends in society and in the field of developmental disabilities in that it emphasizes the empowerment of individuals with developmental disabilities and their families and joins it with state flexibility and increased accountability.

The bill continues and further develops the important work of the DD Act programs in each State. It seeks to ensure that more individuals with developmental disabilities are able to fully participate in and contribute to their communities through full integration and inclusion in the economic, political, social, cultural, and educational mainstream of our nation. It also assists DD Act programs to improve the quality of supports and services for individuals with developmental disabilities and their families regardless of where they choose to live.

Unfortunately, in keeping with other realities of our time, the bill also recognizes that individuals with developmental disabilities are at greater risk of abuse, neglect, financial and sexual exploitation, and the violation of their legal and human rights, than the general population. Based upon this recognition, the bill supports the extra effort and attention that is needed, in both individual and systemic situations, to ensure that individuals with developmental disabilities are put at no greater risk of harm than others in the general population.

The bill recognizes that individuals with developmental disabilities often have multiple, evolving, life long needs that require interaction with agencies and organizations that offer specialized assistance as well as interaction with generic services in their communities. The nature of the needs of these individuals and the capacity of States and communities to respond to them have changed. In the past 5 years, new strategies for reaching, engaging, and assisting individuals with developmental disabilities have gained visibility and credibility. These new strategies are reinforced by and reflected in this bill.

In the past, the Councils, Centers, and P&A Systems have been authorized to provide advocacy, capacity building, and systemic change activities to make access to and navigation through various service systems easier for individuals with developmental disabilities. Over time there has been pressure for these three programs to provide assistance beyond the limit of their resources and beyond their authorized missions. The bill clearly and concisely specifies the roles and responsibilities of Councils, Centers, and P&A Systems so that there is a common understanding of what the programs are intended to contribute toward a State's efforts to respond to the needs of individuals with developmental disabilities and their families.

The bill gives States' Councils, Centers, and P&A Systems more flexibility. Each program in a State, working with stakeholders, is to develop goals for how to assure that individuals with developmental disabilities and their families participate in the design of and have access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, integration, and inclusion in all facets of community life. Goals may be set in any of the following areas of emphasis: quality assurance, education and early intervention, child care, health, employment, housing, transportation, recreation, or other community services.

Consistent with Congressional emphasis on strengthening accountability for all federal programs, this legislation requires each program to determine, before undertaking a goal, how it will be measured. Measurement of a goal must reflect the impact of the goal on individuals with developmental disabilities. The Secretary of the Department of Health and Human Services (HHS) is to develop indicators of progress to evaluate how the three programs in each State have engaged in activities to promote and achieve the purpose and policy of the Act in terms of choices available to individuals with developmental disabilities and their families, their satisfaction with services, their ability to participate in community life, and their safety. In addition, the Secretary is to monitor how the three programs funded in each State coordinate their efforts, and how that coordination affects the quality of supports and services for individuals with developmental disabilities and their families in that State.

During the past several years, a clearer picture has emerged of what individuals with developmental disabilities are able to accomplish when they have access to the same choices and opportunities available to others and with the appropriate support. There has also been increasing recognition of and support for self-advocacy organizations established by and for individuals with developmental disabilities. This bill reflects and promotes such efforts by authorizing State Councils in each State to support self-advocacy organizations for individuals with developmental disabilities.

The legislation renames the University Affiliated Programs as University Centers for Excellence for Developmental Disabilities Education, Research, and Service, expands their responsibilities to include the conduct of research, and links them together to create a National Network.

By administering the three programs specifically authorized under the DD Act and by funding projects of national significance to accomplish similar or complementary efforts, the Administration on Developmental Disabilities (ADD) in HHS plays a critical role in supporting and fostering new ways to assist individuals with developmental disabilities and in promoting system integration to expand and improve community services for individuals with disabilities. This bill provides ADD with the ability to foster similar efforts across the Executive Branch. The bill authorizes ADD to pursue and join with other Executive Branch entities in activities that will improve choices, opportunities, and services for individuals with developmental disabilities.

The bill recognizes that forty-nine States have begun to develop family support programs for families with children with disabilities. This supports States by providing grants (one, 3-year grant per State, on a competitive basis) to assist States to provide services to families who choose to keep their children with disabilities at home and not be forced to place their children in institutions due to the lack of support. The bill gives States maximum flexibility to use targeted funds to strengthen or expand existing State family support programs.

Finally, in response to a national need to increase the number and improve the training of direct support workers who assist individuals with developmental disabilities where they live, work, go to school, and play, the bill includes provisions proposed by Senators FRIST and WELLSTONE. One provides funding for the development and dissemination of a technology-based training curriculum to provide state of the art staff development for individuals in direct service roles with people with developmental disabilities and their families. The other is a scholarship program to encourage continuing education for individuals entering the field of direct service

Throughout the country, the DD Act programs have a long history of achievement. In Vermont, the DD Act programs make ongoing contributions to major initiatives affecting individuals with developmental disabilities and their families. They play significant roles in many of Vermont's accomplishments, including: the inclusion of children with severe disabilities into local schools and classrooms; early intervention and family leadership initiatives that are national models; and innovative programs in the areas of employment, and community living options for individuals with developmental disabilities. Based upon the letters our office has received from across the country, it is clear that these small programs make substantial, positive differences in their states.

The bill we present today reflects the foundation of what Congress has supported over the past 36 years, combined with our best efforts to support individuals with the most severe disabilities, their families, and their communities into the next century. It represents the best of what we in Congress have the opportunity to do . . . to ensure that those who are among our most vulnerable citizens, are protected, supported, and encouraged to achieve their potential. My colleagues and I are proud to present it to you today and hope to see it enacted as soon as possible.●

Mr. KENNEDY. Mr. President, today I join with my colleagues, Senator FRIST, Senator JEFFORDS, Senator MIKULSKI, Senator MURRAY, Senator DURBIN, and Senator COCHRAN to introduce the "Clinical Research Enhancement Act of 1999".

Our goal is to enhance support for clinical research, which is central to biomedical research. Major advances in basic biological research are opening doors to new insights into all aspects of medicine. As a result, extraordinary opportunities exist for cutting-edge clinical research to bring breakthroughs in the laboratory to the bedside of the patient. Clinical research is essential for the advancement of scientific knowledge and the development of cures and treatments for disease. In addition, the results of clinical research are incorporated by industry and used to develop new drugs, vaccines, and health care products. These advances in turn strengthen the economy and create jobs.

Unfortunately, the number of physicians choosing careers in clinical research is in serious decline. Between 1994 and 1998, the number of physicians applying for first-time NIH grants decreased by 21%. Studies by the Institute of Medicine, the National Research Council, the National Academy of Sciences, and the National Institutes of Health have all highlighted the significant problems faced by clinical researchers, including lack of grant support, lack of training opportunities, and the heavy debt burden from medical school.

The legislation we are introducing today seeks to enhance clinical research by addressing these issues. Our bill will provide research support and training opportunities for clinical researchers at all stages of their careers, as well as the necessary infrastructure to conduct clinical research.

The bill establishes several research grant awards. The Mentored Patient-Oriented Research Career Development Awards will support clinical investigators in the early phases of their independent careers by providing salary and other support for a period of supervised study. The Mid-Career Investigator Awards in Patient-Oriented Research will provide support for mid-career clinicians, to give them time for clinical research and to act as mentors for beginning investigators.

To encourage the training of clinical investigators at various stages in their careers, the bill establishes several programs. The NIH will support intramural and extramural training programs for medical and dental students. For students who want to pursue an advanced degree in clinical research, the bill provides support for both students and institutions to create training programs. For post-graduate education, NIH will support continuing education in such research.

Our legislation also creates a clinical research tuition loan repayment program to encourage recruitment of new investigators. Student debt is a major barrier to clinical research. Young physicians graduate from medical school with an average debt of $86,000. Because of the limited financial opportunities in clinical research to repay their large debts, many young physicians are under great pressure to choose more lucrative fields of medical practice. NIH has acknowledged this problem, and has established an intramural loan repayment program to encourage the recruitment of clinical researchers to NIH. Our legislation expands the current program, so that researchers throughout the country will be eligible.

A solid infrastructure is essential to any research program. In clinical research, that infrastructure is provided, in part, by the general clinical research centers at academic health centers throughout the country. Our bill provides statutory authority for those clinical research centers.

In the past, support for these centers was once provided largely by academic health centers. However, academic health centers today are confronted with heavy competition from non-teaching institutions and are increasingly emphasizing patient care over research to minimize costs. In the face of these changes, clinical researchers have become much more dependent on NIH for infrastructure support.

I look forward to working with my colleagues to move this important legislation through Congress. Our bill is supported by over 70 biomedical associations and organizations. I commend the American Federation for Medical Research for its support of this legislation.

● Mr. FRIST. Mr. President, I rise to offer my support as a cosponsor of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1999, a bill to extend and improve our Nation's developmental disabilities programs which allow individuals with developmental disabilities, such as mental retardation and severe physical disabilities, to live more independent and productive lives.

As the Chairman of the Senate Subcommittee on Disability Policy during the 104th Congress, I introduced the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996 which successfully extended this vital law. Through this experience, I became aware of the importance of the programs under this Act and how they work to improve the lives of individuals with developmental disabilities.

Before the DD Act was first signed in 1963, Americans who happened to be born with developmental disabilities often lived and died in institutions where many were subjected to unspeakable conditions, far worse than conditions found in any American prison. Over the last several decades, thanks in part to the programs included in the DD Act, we have learned how to help families to bring up their children with developmental disabilities in their family homes; we have learned how to teach children with developmental disabilities; we have learned how to make room for these citizens to live and work in the heart of our communities; and we have learned how to ensure safe living environments and dependable care for those individuals with developmental disabilities who remain in residential facilities.

The bill introduced today will ensure that these activities will continue. This bill will update and increase the accountability and flexibility of these programs under the law. These programs include the university affiliated programs which educate students in developmental disabilities related fields and which conduct research and training on how to meet the needs of the disabled. The law also authorizes funding for State Developmental Disabilities Councils which advise governors and State agencies on how to use available and potential resources to meet the needs of individuals with developmental disabilities. To help protect the rights of the developmentally disabled, the law provides grants for Protection and Advocacy Systems to provide information and referral services and to investigate reported incidents of abuse and neglect of individuals with developmental disabilities.

I am pleased that Senator JEFFORDS has agreed to include a provision in this bill which I drafted to address the training of direct service personnel for individuals with developmental disabilities. The training of direct service personnel is a national challenge in both magnitude and complexity. The size of this workforce is over 400,000 persons with an estimated annual turnover rate of 50 percent. In addition, nearly half of these workers are part time, working nontraditional hours. To address this dilemma, I have drafted a provision to develop a training program to create, evaluate, and disseminate a multimedia curriculum for staff development of individuals who are direct support workers or who seek to become direct support workers. This program will help develop a training regime that will be both cost and time effective for providers of services for the developmentally disabled.

Mr. President, I am pleased to offer my support to the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1999, which will improve and strengthen an important law which provides support for individuals with developmental disabilities and their families and which will assist individuals with developmental disabilities to live independently and work in the community, out of institutions, with as little bureaucracy and government intrusion as possible.•

• Mr. HARKIN. Mr. President. The Developmental Disabilities Act has been a cornerstone of federal registration for people with disabilities. I am pleased to be here today with Senator JEFFORDS, Senator KENNEDY, and other colleagues from the Health, Education, Labor, and Pensions Committee to introduce legislation that will reauthorize this important law.

The entities funded under the Act—The Developmental Disabilities Councils, University Affiliated Programs, and the Protection and Advocacy agencies—have enabled us to move away from a service system dominated by large public institutions, and to establish services where families and individuals want them—in their own homes, communities, and neighborhoods. In fact, the Supreme Court cited the Developmental Disabilities Act in the recent Olmstead decision as one of several pieces of federal legislation that secure opportunities for people with disabilities to enjoy the benefits of community living.

This year's reauthorization is important for a number of reasons. First, we must continue our progress toward providing better community services for all people with disabilities. The Development Disabilities Act is instrumental in that work.

Second, we must ensure that people with developmental disabilities are free from abuse and neglect in all aspects of the service delivery system. This bill will help protect people with disabilities from abuse and neglect no matter where they live—inside an institution or in the community.

And, finally, we must do more to strengthen and support families as they provide care and support to family members with a disability. Family Support programs are one of the fastest growing services on the State level. State policy-makers are realizing that family caregivers are the true heroes of our long-term care system and they need help if they are going to keep their children at home. In this year's reauthorization of the Developmental Disabilities Act, we have included a Family Support program to help states strengthen and coordinate their support systems for family caregivers.

I commend the disability groups for all of their work to make this reauthorization possible. I thank my colleagues and their staff for their hard work to reauthorize this law into the next millennium. I applaud their commitment to people with developmental disabilities.•

By Mrs. MURRAY (for herself, Mr. JEFFORDS, Mr. CONRAD, Mr. KERREY, Mr. DORGAN, Mr. BINGAMAN, and Mr. SARBANES):

S. 1810. A bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures; to the Committee on Veterans' Affairs.

DUTY TO ASSIST VETERANS LEGISLATION

• Mrs. MURRAY. Mr. President, I am introducing a bill today to make sure we treat America's veterans with the compassion they deserve. They have sacrificed so much of their personal lives for our country. And with this bill, I want to show them we appreciate their service, and we will be there when they need help.

When veterans need medical care, they file a claim for benefits with the Veterans Administration. It requires researching information over many years and from many different government organizations.

Traditionally, the Veterans Administration has helped veterans research and file their claims. That's the way it should be.

But a series of recent court decisions have changed that—and made it harder for veterans to file their claims. I want to set the record straight. The VA has a duty to assist veterans in filing their claims.

So today, I am introducing legislation to amend Title 38 of the United States Code to clarify and improve veterans claims and procedures.

My legislation clarifies that the Department of Veterans Affairs has a duty to assist veterans in preparing all of the facts pertinent to a claim for benefits. The VA has historically aided veterans in gathering information from the federal bureaucracy so they can file a claim.

Let's not forget—the claims process was set up to aid our veterans. It's important to all veterans, especially those with severe mental and physical disabilities.

Homeless veterans need help. Elderly veterans need help. And family members—who sacrifice to care for veterans—need help from the federal government.

Anyone who has ever dealt with a veterans claim for benefits knows this is a very difficult process. It can be frustrating for veterans who—even in the best of circumstances—may be forced to wait several years for a claim to be approved and granted. Veterans already pay a heavy cost for delayed benefits. They often face financial, family, and health problems, as they try to resolve their claims.

Yet, as we speak, the claims process at the VA is becoming even more difficult for America's veterans and their families.

Through a series of court decisions, the VA's historic duty to assist veterans has been set aside. The courts responsible for veterans claims have determined that it is now the individual veteran's responsibility to file a well-rounded claim before they can get assistance from the VA. The effect has been to place the burden on the individual veteran to gather information—service records, medical records, and other documentation—from the federal government in order to file a claim.

Mr. President, the courts have decided our veterans in need of assistance must go it alone. Homeless veterans suffering from Post Traumatic Stress Disorder must now prepare their claims without assistance from the government they sacrificed for. Veterans who are sick, mentally or physically disabled, indigent, or poorly educated now face new barriers to assistance they may be legally entitled to receive. Veterans without the financial resources, time or familiarity with the claims process system must navigate through the bureaucracy without federal assistance. That's not the way we should treat America's veterans.

Clearly, the courts have misinterpreted Congressional intent. The Veterans Judicial Review Act was signed into law during the 100th Congress with the following language,

> It is the obligation of the Veterans Administration to assist a claimant in developing facts pertinent to his claim and to render a decision which grants him every benefit that can be supported in law while protecting the interests of the Government.

Somehow the courts interpreted that language differently. My objective in introducing legislation today is not to quarrel with the courts. I simply want to reassert congressional intent and reestablish the VA's duty to assist veterans. My legislation simply confirms the Congress believes it is important and appropriate for the federal government to assist veterans in preparing claims for benefits.

Mr. President, this legislation is widely supported among those who work on veterans benefits claims every day. Numerous veterans advocacy groups, including the Disabled American Veterans, strongly support my legislation. This bill has original cosponsors from both sides of the aisle. It is a bipartisan response to a real problem confronting America's veterans.

Let's do the right thing for America's veterans and particularly for those veterans who need the government's assistance the most.

I urge prompt Senate consideration and passage of this legislation.●

By Mr. KENNEDY (for himself, Mr. FRIST, Mr. JEFFORDS, Ms. MIKULSKI, Mrs. MURRAY, Mr. DURBIN, and Mr. COCHRAN):

S. 1813. A bill to expand the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE CLINICAL RESEARCH ENHANCEMENT ACT OF 1999

Mr. KENNEDY. Mr. President, today I join with my colleagues, Senator FRIST, Senator JEFFORDS, Senator MIKULSKI, Senator MURRAY, Senator DURBIN, and Senator COCHRAN to introduce the "Clinical Research Enhancement Act of 1999".

Our goal is to enhance support for clinical research, which is central to biomedical research. Major advances in basic biological research are opening doors to new insights into all aspects of medicine. As a result, extraordinary opportunities exist for cutting-edge clinical research to bring breakthroughs in the laboratory to the bedside of the patient. Clinical research is essential for the advancement of scientific knowledge and the development of cures and treatments for disease. In addition, the results of clinical research are incorporated by industry and used to develop new drugs, vaccines, and health care products. These advances in turn strengthen the economy and create jobs.

Unfortunately, the number of physicians choosing careers in clinical research is in serious decline. Between 1994 and 1998, the number of physicians applying for first-time NIH grants decreased by 21 percent. Studies by the Institute of Medicine, the National Research Council, the National Academy of Sciences, and the National Institutes of Health have all highlighted the significant problems faced by clinical researchers, including lack of grant support, lack of training opportunities, and the heavy debt burden from medical school.

The legislation we are introducing today seeks to enhance clinical research by addressing these issues. Our bill will provide research support and training opportunities for clinical researchers at all stages of their careers, as well as the necessary infrastructure to conduct clinical research.

The bill establishes several research grant awards. The Mentored Patient-Oriented Research Career Development Awards will support clinical investigators in the early phases of their independent careers by providing salary and other support for a period of supervised study. The Mid-Career Investigator Awards in Patient-Oriented Research will provide support for mid-career clinicians, to give them time for clinical research and to act as mentors for beginning investigators.

To encourage the training of clinical investigators at various stages in their careers, the bill establishes several programs. The NIH will support intramural and extramural training programs for medical and dental students. For students who want to pursue an advanced degree in clinical research, the bill provides support for both students and institutions to create training programs. For post-graduate education, NIH will support continuing education in such research.

Our legislation also creates a clinical research tuition loan repayment program to encourage recruitment of new investigators. Student debt is a major barrier to clinical research. Young physicians graduate from medical school with an average debt of $86,000. Because of the limited financial opportunities in clinical research to repay their large debts, many young physicians are under great pressure to choose more lucrative fields of medical practice. NIH has acknowledged this problem, and has established an intramural loan repayment program to encourage the recruitment of clinical researchers to NIH. Our legislation expands the current program, so that researchers throughout the country will be eligible.

A solid infrastructure is essential to any research program. In clinical research, that infrastructure is provided, in part, by the general clinical research centers at academic health centers throughout the country. Our bill provides statutory authority for those clinical research centers.

In the past, support for these centers was once provided largely by academic health centers. However, academic health centers today are confronted with heavy competition from non-teaching institutions and are increasingly emphasizing patient care over research to minimize costs. In the face of these changes, clinical researchers have become much more dependent on NIH for infrastructure support.

I look forward to working with my colleagues to move this important legislation through Congress. Our bill is supported by over 70 biomedical associations and organizations. I commend the American Federation for Medical Research for its support of this legislation. Mr. President, I ask unanimous consent that a copy of the bill, the American Federation for Medical Research's letter of support, and a list of supporters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Clinical Research Enhancement Act of 1999".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Clinical research is critical to the advancement of scientific knowledge and to the development of cures and improved treatment for disease.

(2) Tremendous advances in biology are opening doors to new insights into human physiology, pathophysiology and disease, creating extraordinary opportunities for clinical research.

(3) Clinical research includes translational research which is an integral part of the research process leading to general human applications. It is the bridge between the laboratory and new methods of diagnosis, treatment, and prevention and is thus essential to progress against cancer and other diseases.

(4) The United States will spend more than $1,200,000,000,000 on health care in 1999, but the Federal budget for health research at the National Institutes of Health was $15,600,000,000 only 1 percent of that total.

(5) Studies at the Institute of Medicine, the National Research Council, and the National Academy of Sciences have all addressed the current problems in clinical research.

(6) The Director of the National Institutes of Health has recognized the current problems in clinical research and appointed a special panel, which recommended expanded support for existing National Institutes of Health clinical research programs and the creation of new initiatives to recruit and retain clinical investigators.

(7) The current level of training and support for health professionals in clinical research is fragmented, undervalued, and underfunded.

(8) Young investigators are not only apprentices for future positions but a crucial source of energy, enthusiasm, and ideas in the day-to-day research that constitutes the scientific enterprise. Serious questions about the future of life-science research are raised by the following:

(A) The number of young investigators applying for grants dropped by 54 percent between 1985 and 1993.

(B) The number of physicians applying for first-time National Institutes of Health research project grants fell from 1226 in 1994 to 963 in 1998, a 21 percent reduction.

(C) Newly independent life-scientists are expected to raise funds to support their new research programs and a substantial proportion of their own salaries.

(9) The following have been cited as reasons for the decline in the number of active clinical researchers, and those choosing this career path:

(A) A medical school graduate incurs an average debt of $85,619, as reported in the Medical School Graduation Questionnaire by the Association of American Medical Colleges (AAMC).

(B) The prolonged period of clinical training required increases the accumulated debt burden.

(C) The decreasing number of mentors and role models.

(D) The perceived instability of funding from the National Institutes of Health and other Federal agencies.

(E) The almost complete absence of clinical research training in the curriculum of training grant awardees.

(F) Academic Medical Centers are experiencing difficulties in maintaining a proper environment for research in a highly competitive health care marketplace, which are compounded by the decreased willingness of third party payers to cover health care costs for patients engaged in research studies and research procedures.

(10) In 1960, general clinical research centers were established under the Office of the Director of the National Institutes of Health with an initial appropriation of $3,000,000.

(11) Appropriations for general clinical research centers in fiscal year 1999 equaled $200,500,000.

Since the late 1960s, spending for general clinical research centers has declined from approximately 3 percent to 1 percent of the National Institutes of Health budget.

(12) In fiscal year 1999, there were 77 general clinical research centers in operation, supplying patients in the areas in which such centers operate with access to the most modern clinical research and clinical research facilities and technologies.

(b) PURPOSE.—It is the purpose of this Act to provide additional support for and to expand clinical research programs.

SEC. 3. INCREASING THE INVOLVEMENT OF THE NATIONAL INSTITUTES OF HEALTH IN CLINICAL RESEARCH.

Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following:

“SEC. 409C. CLINICAL RESEARCH.

“(a) IN GENERAL.—The Director of National Institutes of Health shall undertake activities to support and expand the involvement of the National Institutes of Health in clinical research.

“(b) REQUIREMENTS.—In carrying out subsection (a), the Director of National Institutes of Health shall—

“(1) consider the recommendations of the Division of Research Grants Clinical Research Study Group and other recommendations for enhancing clinical research; and

“(2) establish intramural and extramural clinical research fellowship programs directed specifically at medical and dental students and a continuing education clinical research training program at the National Institutes of Health.

“(c) SUPPORT FOR THE DIVERSE NEEDS OF CLINICAL RESEARCH.—The Director of National Institutes of Health, in cooperation with the Directors of the Institutes, Centers, and Divisions of the National Institutes of Health, shall support and expand the resources available for the diverse needs of the clinical research community, including inpatient, outpatient, and critical care clinical research.

“(d) PEER REVIEW.—The Director of National Institutes of Health shall establish peer review mechanisms to evaluate applications for the awards and fellowships provided for in subsection (b)(2) and section 409D. Such review mechanisms shall include individuals who are exceptionally qualified to appraise the merits of potential clinical research training and research grant proposals.”.

SEC. 4. GENERAL CLINICAL RESEARCH CENTERS.

(a) GRANTS.—Subpart 1 of part B of title IV of the Public Health Service Act (42 U.S.C. 287 et seq.) is amended by adding at the end the following:

“SEC. 481C. GENERAL CLINICAL RESEARCH CENTERS.

“(a) GRANTS.—The Director of the National Center for Research Resources shall award grants for the establishment of general clinical research centers to provide the infrastructure for clinical research including clinical research training and career enhancement. Such centers shall support clinical studies and career development in all settings of the hospital or academic medical center involved.

“(b) ACTIVITIES.—In carrying out subsection (a), the Director of National Institutes of Health shall expand the activities of the general clinical research centers through the increased use of telecommunications and telemedicine initiatives.

“(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.”.

(b) ENHANCEMENT AWARDS.—Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.), as amended by section 3, is further amended by adding at the end the following:

“SEC. 409D. ENHANCEMENT AWARDS.

“(a) MENTORED PATIENT-ORIENTED RESEARCH CAREER DEVELOPMENT AWARDS.—

“(1) GRANTS.—

“(A) IN GENERAL.—The Director of the National Institutes of Health shall make grants (to be referred to as ‘Mentored Patient-Oriented Research Career Development Awards’) to support individual careers in clinical research at general clinical research centers or at other institutions that have the infrastructure and resources deemed appropriate for conducting patient-oriented clinical research.

“(B) USE.—Grants under subparagraph (A) shall be used to support clinical investigators in the early phases of their independent careers by providing salary and such other support for a period of supervised study.

“(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director may require.

“(3) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

“(b) MID-CAREER INVESTIGATOR AWARDS IN PATIENT-ORIENTED RESEARCH.—

“(1) GRANTS.—

“(A) IN GENERAL.—The Director of the National Institutes of Health shall make grants (to be referred to as ‘Mid-Career Investigator Awards in Patient-Oriented Research’) to support individual clinical research projects at general clinical research centers or at other institutions that have the infrastructure and resources deemed appropriate for conducting patient-oriented clinical research.

“(B) USE.—Grants under subparagraph (A) shall be used to provide support for mid-career level clinicians to allow such clinicians to devote time to clinical research and to act as mentors for beginning clinical investigators.

“(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director requires.

“(3) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

“(c) GRADUATE TRAINING IN CLINICAL INVESTIGATION AWARD.—

“(1) IN GENERAL.—The Director of the National Institutes of Health shall make grants (to be referred to as ‘Graduate Training in Clinical Investigation Awards’) to support individuals pursuing master's or doctoral degrees in clinical investigation.

“(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director may require.

“(3) LIMITATIONS.—Grants under this subsection shall be for terms of 2 years or more and shall provide stipend, tuition, and institutional support for individual advanced degree programs in clinical investigation.

“(4) DEFINITION.—As used in this subsection, the term ‘advanced degree programs in clinical investigation’ means programs that award a master's or Ph.D. degree in clinical investigation after 2 or more years of training in areas such as the following:

“(A) Analytical methods, biostatistics, and study design.

“(B) Principles of clinical pharmacology and pharmacokinetics.

“(C) Clinical epidemiology.

“(D) Computer data management and medical informatics.

“(E) Ethical and regulatory issues.

“(F) Biomedical writing.

“(5) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

“(d) CLINICAL RESEARCH CURRICULUM AWARDS.—

“(1) IN GENERAL.—The Director of the National Institutes of Health shall make grants (to be referred to as ‘Clinical Research Curriculum Awards’) to institutions for the development and support of programs of core curricula for training clinical investigators, including medical students. Such core curricula may include training in areas such as the following:

“(A) Analytical methods, biostatistics, and study design.

“(B) Principles of clinical pharmacology and pharmacokinetics.

“(C) Clinical epidemiology.

“(D) Computer data management and medical informatics.

“(E) Ethical and regulatory issues.

“(F) Biomedical writing.

“(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual institution or a consortium of institutions at such time as the Director may require. An institution may submit only 1 such application.

“(3) LIMITATIONS.—Grants under this subsection shall be for terms of up to 5 years and may be renewable.

“(4) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each fiscal year.”.

SEC. 5. LOAN REPAYMENT PROGRAM REGARDING CLINICAL RESEARCHERS.

Part G of title IV of the Public Health Service Act is amended by inserting after section 487E (42 U.S.C. 288–5) the following:

“SEC. 487F. LOAN REPAYMENT PROGRAM REGARDING CLINICAL RESEARCHERS.

“(a) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall establish a program to enter into contracts with qualified health professionals under which such health professionals agree to conduct clinical research, in consideration of the Federal Government agreeing to repay, for each year of service conducting such research, not more than $35,000 of the principal and interest of the educational loans of such health professionals.

“(b) APPLICATION OF PROVISIONS.—The provisions of sections 338B, 338C, and 338E shall, except as inconsistent with subsection (a) of this section, apply to the program established under subsection (a) to the same extent and in the same manner as such provisions apply to the National Health Service

Corps Loan Repayment Program established in subpart III of part D of title III.

"(c) Funding.—

"(1) Authorization of appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

"(2) Availability.—Amounts appropriated for carrying out this section shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were made available.".

SEC. 6. DEFINITION.

Section 409 of the Public Health Service Act (42 U.S.C. 284d) is amended—

(1) by striking "For purposes" and inserting "(a) Health Service Research.—For purposes"; and

(2) by adding at the end the following:

"(b) Clinical Research.—As used in this title, the term 'clinical research' means patient oriented clinical research conducted with human subjects, or research on the causes and consequences of disease in human populations involving material of human origin (such as tissue specimens and cognitive phenomena) for which an investigator or colleague directly interacts with human subjects in an outpatient or inpatient setting to clarify a problem in human physiology, pathophysiology or disease, or epidemiologic or behavioral studies, outcomes research or health services research, or developing new technologies, therapeutic interventions, or clinical trials.".

SEC. 7. OVERSIGHT BY GENERAL ACCOUNTING OFFICE.

Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Congress a reporting describing the extent to which the National Institutes of Health has complied with the amendments made by this Act.

American Federation
for Medical Research,
Washington, DC, October 27, 1999
Hon. Edward Kennedy,
U.S. Senate, Washington, DC.

Dear Senator Kennedy: I write to thank you for your continued support of the need to enhance clinical research programs at the National Institutes of Health by reintroducing the Clinical Research Enhancement Act. The American Federation for Medical Research, a national organization of over 5,000 physician-scientists who are involved in basic, translational, clinical and health services research, is committed to the improvement of human health through the translation of basic scientific discoveries to treatments and cures for disease.

For many years, academic medical centers have been able to provide institutional support to young physician-scientists who are interested in pursuing careers in biomedical research. However, as the health care marketplace has become increasingly competitive, academic centers have all but eliminated internal subsidies for clinical research or the training of clinical investigators. In fact, the Association of American Medical Colleges has estimated that these institutions have lost approximately $800 million in annual "purchasing power" for research and research training within their institutions.

Unfortunately, young investigators and medical students have suffered as a result of the loss of these funds from the system. The AMA has reported that the number of medical school graduates indicating an interest in a research career has fallen steadily in the 1990's. In addition, the number of first time physician applicants to the National Institutes of Health for research support has fallen by at least 20 percent between 1994 and 1997. It is important that these downward trends are stopped. These lost physician scientists represent the next generation who will move basic science discoveries to patients. We thank you for introducing the Clinical Research Enhancement Act, an extremely modest investment in a much-needed program to reinvigorate our nation's clinical research capabilities.

There is a strong consensus among the 70 scientific and consumer organizations that have endorsed this legislation that Congress must stop the deterioration of the U.S. clinical research capacity. In addition, we must assure that the American people and the American economy benefit from the translation of basic science breakthroughs to improved clinical care and new medical products. The American Federation for Medical Research is pleased to have the opportunity to express its strong support for this important piece of legislation.

Sincerely,
William Lowe, M.D.,
President.

Supporters of the Senate Clinical Research Enhancement Act

Academy of Radiology Research, Alliance for Aging Research, Alzheimer's Association, Ambulatory Pediatric Association, American Academy of Child and Adolescent Psychiatry, American Academy of Neurology, American Academy of Pediatrics, American Academy of Physical Medicine and Rehabilitation, American Academy of Optometry, American Academy of Orthopedic Surgeons, American Academy of Otolaryngology-Head and Neck Surgery, American Academy of Pediatrics, American Association for Cancer Research, American Association for Dental Research, American Association for the Study of Liver Disease, American Association of Dental Schools, American College of Cardiology, American College of Neuropsychopharmacology, American College of Physicians—American Society of Internal Medicine, American College of Preventive Medicine.

American Federation for Medical Research, American Heart Association, American Kidney Fund, American Pediatric Society, American Podiatric Medical Association, American Professors of Dermatology, American Society for Clinical Pharmacology and Therapeutics, American Society for Clinical Nutrition, American Society for Investigative Pathology, American Society for Reproductive Medicine, American Society for Addiction Medicine, American Society for Hematology, American Urological Association, Arthritis Foundation, Association for Research in Vision and Ophthalmology, Association of Academic Health Centers, Association of American Cancer Institutes, Association of Departments of Family Medicine, Association of Medical Schools Pediatric Department Chairs, Association of Pathology Chairs.

Association of University Professors of Ophthalmology, Citizens for Public Action, Coalition for American Trauma Care, Coalition of Patient Advocates for Skin Disease Research, College on Problems of Drug Dependence, Cooley's Anemia Foundation, Cystic Fibrosis Foundation, East Carolina University School of Medicine, Epilepsy Foundation, Federation of Behavioral, Psychological & Cognitive Sciences, Friends of the National Institute of Dental Research, General Clinical Research Centers Program Directors Association, Jeffrey Modell Foundation, Medical Dermatology Society, National Alopecia Areata Foundation.

National Caucus of Basic Biomedical Science Chairs, National Health Council, National Hemophilia Foundation, National Organization for Rare Disorders, National Osteoporosis Foundation, New York University School of Medicine, Research! America, Research Society on Alcoholism, RESOLVE, The National Infertility Association, St. Jude Children's Research Hospital, Scleroderma Foundation—Central New Jersey Chapter, Sjogren's Syndrome Foundation, Society for Investigative Dermatology, Society for Maternal—Fetal Medicine, Society for Pediatric Research, Society for Women's Health Research, University of Washington—Department of Ophthalmology.

By Mr. SMITH of Oregon (for himself, Mr. Graham, Mr. Craig, Mr. Cleland, Mr. McConnell, Mr. Coverdell, Mr. Mack, Mr. Cochran, Mr. Helms, Mr. Grams, Mr. Crapo, Mr. Bunning, and Mr. Voinovich):

S. 1814. A bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes; to the Committee on the Judiciary.

AGRICULTURAL JOB OPPORTUNITY BENEFITS AND SECURITY ACT OF 1999 (AGJOBS)

Mr. SMITH of Oregon. Mr. President, I rise with Senators Graham, Craig, Cleland, McConnell, Coverdell, Mack, Cochran, Helms, Grams, Crapo, Bunning, and Voinovich to encourage support of S. 1814, the Agricultural Job Opportunity Benefits and Security Act of 1999.

Our bill will reform the agricultural labor market, establish and maintain immigration control, provide a legal workforce for our farmers, and restore the dignity to the lives of thousands of farmworkers who have helped make the U.S. economy the powerhouse that it is today.

I am sure you are aware of the problems that have arisen within American agriculture. For many years, employers in the agricultural industry have struggled to hire enough legal workers to harvest their produce and plants.

As one of the most rapidly growing industries in this country, we can only expect the demand for agricultural labor jobs to continue to rise. When coupled with the lowest unemployment rates in decades, a crackdown on illegal immigration, and increased Social Security audits, the agriculture industry—and ultimately its consumers—face a crisis of devastating proportions.

Contrary to some media accounts, these labor shortages and the need for a revised H–2A temporary foreign worker program exist around the country. Mr. President, my colleagues all agree with the General Accounting Office's (GAO) statement that while the labor shortage is not caused by one single problem, regional shortages stemming from region-specific problems do exist.

We have a shortage of legal workers in this country and the GAO estimates that there are in excess of 600,000 self-identified illegal aliens currently employed in U.S. agriculture. Another survey done by the Department of Labor also revealed that more than 70 percent, or about 1 million, of those hired to work on U.S. farms are here illegally.

Due to the highly sophisticated fraudulent documents in circulation and strict U.S. laws prohibiting employers from scrutinizing these documents too carefully, thousands of illegal workers have been unknowingly hired as a result. This situation leaves many agricultural employers vulnerable to potential labor shortfalls in the event of concentrated or targeted Immigration and Naturalization Service (INS) enforcement efforts or Social Security Administration audits.

Immigrants are also severely impacted when they must work as undocumented workers. These foreign workers risk their lives paying human "coyotes" $1,200 to be smuggled across the desert border in the trunk of a car to work in this country. Because of the risks these foreign workers face in coming here and the difficulty of returning if they leave for a visit home, many go for years without seeing their spouses and children, some never return home. These illegal workers are extremely vulnerable to these "coyotes" and other dark elements of society that prey upon them, prohibiting the basic human rights of life, liberty, and the pursuit of happiness.

A recent survey published by the William C. Velasquez Institute demonstrated that a vast majority of registered Latino voters support a new farmworker program. In addition to supporting higher wages and unionization for farmworkers, the overwhelming majority of registered Latino voters—76% in California and 67% in Texas—supported a program where "illegal immigrant" farmworkers were allowed to become permanent residents in exchange for several years of mandatory agricultural labor.

This poll clearly demonstrates that the current farm labor system serves no one well. Farmworkers support changing an illegal system that victimizes them and their families.

This issue is not new to Congress. Our government's H-2A agricultural guest worker program was designed in part to help solve the labor problems facing our farmers. Instead of helping, the H-2A program—the only legal temporary agricultural worker program in the United States—it merely adds bureaucratic red tape and burdensome regulations to the growing crisis. And it is failing those who use it.

The H-2A program is not practicable for the agriculture and horticulture industry because it is loaded with burdensome regulations, excessive paperwork, a bureaucratic certification process and untimely, inconsistent, and hostile decision-making by the U.S. Department of Labor. This program is over 50 years old.

To illustrate, Mr. President, this is the application I filled out to run for the United States Senate. It is one page, front and back.

This is the Department of Labor's 325-page handbook, from January 1988, which attempts to guide employers through the H-2A program's confusing application process. The GAO itself found that this handbook is outdated, incomplete, and very confusing to the user.

Even the December 1997 GAO report illustrated the burdensome H-2A process with which employers must comply in order to bring in legal, foreign workers. A grower must apply to multiple agencies to obtain just one H-2A worker. This process is further complicated by the multiple levels of government, redundant levels of oversight and conflicting administrative procedures and regulations. Also, as reported by the recent Department of Labor Inspector General, the H-2A program does not meet the interests of domestic workers because it does a poor job of placing domestic workers in agricultural jobs.

We are looking for solutions to not only make it easier for employers to hire legal workers to harvest their crops, but also to ensure that U.S. workers find jobs and are treated fairly in the process.

Our bill is a win-win-win for farmers, farmworkers, and immigration control. It reforms the agricultural labor market and establishes and maintains immigration control. It gives farmers the stability of a legal workforce and the certainty that the crops will be harvested in a timely manner. It gives farmworkers the ability to earn the right to legal status, avoid the risks of undocumented status and receive U.S. labor law protections. It addresses a status quo that persons on both sides of the issue agree is indefensible, but until now, has been too easy to ignore. It is a balanced bill that seeks both short and long-term solutions to the crisis in farm labor.

Our bill will allow farmworkers who have a proven history of agricultural employment to eventually adjust to legal status in this country. Serious agricultural workers who are willing to commit to work several years in agricultural employment will receive nonimmigrant status and the rights that go with it.

If employment requirements are met, workers can eventually adjust to permanent resident status, allowing them to remain in the U.S. year-round. Utilizing the skills of the existing farmworker workforce, a majority of whom are undocumented status in the United States, would reduce the number of temporary H-2A workers needed. It allows hardworking farmworkers seeking to better themselves and their families the opportunity to earn the right to legal status.

At the same time, the current temporary farmworker program—called H-2A—will be reformed to make it more responsive, affordable and usable by the average family farmer who needs temporary help to produce and harvest agricultural crops and commodities. The need and risks of illegal immigration are removed.

Our bill provides a system or registry where our unemployed U.S. workers can go to find out about job openings on our U.S. farms. Any legal U.S. resident who wants to work in agriculture will get the absolute right of first refusal for any and all jobs that become available. After the Department of Labor determines that a shortage of domestic workers exists, farmers would be able to recruit adjusted workers. If a shortage of adjusted workers is found, farmers could then utilize H-2A workers. This ensures that employers hire workers already in the U.S. before recruiting foreign guest workers.

Our bill also improves the conditions of the farm workers' lives and provide them the dignity they deserve. These needed benefits include providing a premium wage, providing housing and transportation benefits, guaranteeing basic workplace protections, and extending the Migrant and Seasonal Workers Protection Act to all workers.

To add more protections for the health, safety, and security of farmworkers, our bill establishes a commission that would study problems with farmworker housing. Our bill also directs the Department of Labor and Department of Agriculture to study field sanitation, childcare and child labor violations, labor standards enforcement and to ultimately make recommendations for long-term changes and improvements.

I am very concerned that workers are protected, but let's not forget that growers have been victimized by this process too. In order to feed their families—and yours—the growers need to harvest their crops on time, meet their payroll, and ultimately maintain their bottom line. Without achieving those things, farms go out of business and the jobs they create are lost along with them. So it is in all of our best interests—workers, growers, and consumers alike—that growers have the means by which to hire needed legal workers.

While I don't have a crystal ball to predict the future of the indefensible status quo, I can tell you that we will have a major economic and social crisis on our U.S. farmlands if there is not an improvement over the current process.

Let's not keep making fugitives out of farmworkers and felons out of farmers.

I urge my fellow colleagues to join Senators GRAHAM, CRAIG, CLELAND, MCCONNELL, COVERDELL, MACK, COCHRAN, HELMS, GRAMS, CRAPO, BUNNING, VOINOVICH, and me in support of this important bipartisan legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Agricultural Job Opportunity Benefits and Security Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—ADJUSTMENT TO LEGAL STATUS

Sec. 101. Agricultural workers.

TITLE II—AGRICULTURAL WORKER REGISTRIES

Sec. 201. Agricultural worker registries.

TITLE III—H-2A REFORM

Sec. 301. Employer applications and assurances.
Sec. 302. Search of registry.
Sec. 303. Issuance of visas and admission of aliens.
Sec. 304. Employment requirements.
Sec. 305. Program for the admission of temporary H-2A workers.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Enhanced worker protections and labor standards enforcement.
Sec. 402. Bilateral commissions.
Sec. 403. Regulations.
Sec. 404. Determination and use of user fees.
Sec. 405. Funding for startup costs.
Sec. 406. Report to Congress.
Sec. 407. Effective date.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADVERSE EFFECT WAGE RATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term "adverse effect wage rate" means the rate of pay for an agricultural occupation that is 5 percent above the prevailing rate of pay for that agricultural occupation in an area of intended employment, if the prevailing rate of pay for the occupation is less than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture, provided no adverse effect wage rate shall be more than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture.

(B) EXCEPTION.—If the prevailing rate of pay for an activity is a piece rate, task rate or group rate, and the average hourly earnings of an employer's workers employed in that activity, taken as a group, are less than the prior year's average hourly earnings of field and livestock workers in the State (or region that includes the State), as determined by the Secretary of Agriculture, the term "adverse effect wage rate" means the prevailing piece rate, task rate or group rate for the activity plus such an amount as is necessary to increase the average hourly earnings of the employer's workers employed in the activity, taken as a group, by 5 percent, or to the prior's years average hourly earnings for field and livestock workers for the State (or region that includes the State) determined by the Secretary of Agriculture, whichever is less.

(2) AGRICULTURAL EMPLOYMENT.—The term "agricultural employment" means any service or activity that is considered to be agriculture under section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or as agricultural labor under section 3121(g) of the Internal Revenue Code of 1986. For purposes of this paragraph, agricultural employment in the United States includes, but is not limited to, employment under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)).

(3) ELIGIBLE.—The term "eligible" as used with respect to workers or individuals, means individuals authorized to be employed in the United States as provided for in section 274A(h)(3) of the Immigration and Nationality Act (8 U.S.C. 1188).

(4) EMPLOYER.—The term "employer" means any person or entity, including any farm labor contractor and any agricultural association, that employs workers.

(5) H-2A EMPLOYER.—The term "H-2A employer" means an employer who seeks to hire one or more nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(6) H-2A WORKER.—The term "H-2A worker" means a nonimmigrant described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(7) JOB OPPORTUNITY.—The term "job opportunity" means a specific period of employment provided by an employer to a worker in one or more agricultural activities.

(8) PREVAILING WAGE.—The term "prevailing wage" means with respect to an agricultural activity in an area of intended employment, the rate of wages that includes the 51st percentile of employees in that agricultural activity in the area of intended employment, expressed in terms of the prevailing method of pay for the agricultural activity in the area of intended employment.

(9) REGISTERED WORKER.—The term "registered worker" means an individual whose name appears in a registry.

(10) REGISTRY.—The term "registry" means an agricultural worker registry established under section 201(a).

(11) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(12) UNITED STATES WORKER.—The term "United States worker" means any worker, whether a United States citizen or national, a lawfully admitted permanent resident alien, or any other alien who is authorized to work in the job opportunity within the United States other than an alien admitted pursuant to section 101(a)(15)(H)(ii)(a) or section 218 of the Immigration and Nationality Act, as in effect on the effective date of this Act, or a nonimmigrant agricultural worker whose status was adjusted under section 101(a).

(13) WORK DAY.—The term "work day" means any day in which the individual is employed one or more hours in agriculture.

TITLE I—ADJUSTMENT TO LEGAL STATUS

SEC. 101. AGRICULTURAL WORKERS.

(a) NONIMMIGRANT STATUS.—

(1) IN GENERAL.—The Attorney General shall adjust the status of an alien agricultural worker who qualifies under this subsection to that of an alien lawfully admitted for nonimmigrant status under section 101(a)(15) of the Immigration and Nationality Act if the Attorney General determines that the following requirements are satisfied with respect to the alien:

(A) PERFORMANCE OF AGRICULTURAL EMPLOYMENT IN THE UNITED STATES.—The alien must establish that the alien has performed agricultural employment in the United States for at least 880 hours or 150 work days, whichever is lesser, during the 12-month period prior to October 27, 1999.

(B) APPLICATION PERIOD.—The alien must apply for such adjustment not later than 12 months after the effective date of this Act.

(C) ADMISSIBILITY.—

(i) IN GENERAL.—The alien must establish that the alien is otherwise admissible to the United States under section 212 of the Immigration and Nationality Act, except as otherwise provided under subsection (d).

(ii) WAIVER OF INELIGIBILITY FOR UNLAWFUL PRESENCE.—An alien who has not previously been admitted to the United States pursuant to this section, and who is otherwise eligible for admission in accordance with clause (i), shall not be deemed inadmissible by virtue of section 212(a)(9)(B) of that Act.

(2) PERIOD OF VALIDITY OF NONIMMIGRANT STATUS.—

(A) IN GENERAL.—The status granted in paragraph (1) shall be valid for a period of not to exceed 7 consecutive calendar years, except that the alien may not be present in the United States for more than an aggregate of 300 days in any calendar year.

(B) EXCEPTION.—The 300-day-per-year limitation in subparagraph (A) shall not apply to any period of validity of the status of any alien who—

(i) has established a permanent residence in the United States and has a minor child who was born in the United States prior to the date of enactment of this Act who resides in the alien's household; and

(ii) performs agricultural employment for not less than 240 days in a calendar year.

(3) AUTHORIZED TRAVEL.—During the period an alien is in lawful nonimmigrant status granted under this subsection, the alien has the right to travel abroad (including commutation from a residence abroad).

(4) AUTHORIZED EMPLOYMENT.—During the period an alien is in lawful nonimmigrant status granted under this subsection, the alien shall be granted authorization to engage in the performance only of agricultural employment in the United States and shall be provided an "employment authorized" endorsement or other appropriate work permit, only for the performance of such employment. A nonimmigrant alien under this subsection may perform agricultural employment anywhere in the United States.

(5) TERMINATION OF NONIMMIGRANT STATUS.—Except as otherwise provided in paragraph (2), the Attorney General shall terminate the status, and bring proceedings under section 240 of the Immigration and Nationality Act to remove, any nonimmigrant alien under this subsection who failed during 3 prior calendar years to perform 1,040 hours or 180 work days, whichever is lesser, of agricultural services in any single calendar year.

(6) RECORD OF EMPLOYMENT.—Each employer of a nonimmigrant agricultural worker whose status is adjusted under this subsection shall—

(A) provide a written record of employment to the alien; and

(B) provide a copy of such record to the Immigration and Naturalization Service.

(b) ADJUSTMENT TO PERMANENT RESIDENCE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Attorney General shall adjust the status of any alien provided lawful nonimmigrant status under subsection (a) to that of an alien lawfully admitted for permanent residence if the Attorney General determines that the following requirements are satisfied:

(A) QUALIFYING YEARS.—The alien has performed a minimum period of agricultural employment in the United States in each of 5 calendar years during the period of validity of the alien's adjustment to nonimmigrant status pursuant to subsection (a). Qualifying years under this subparagraph may include nonconsecutive years.

(B) MINIMUM PERIODS OF AGRICULTURAL EMPLOYMENT.—

(i) IN GENERAL.—Except as provided in clause (ii), the minimum period of agricultural employment in any calendar year is 1,040 hours or 180 work days, whichever is lesser.

(ii) EXCEPTION.—An alien described in subsection (a)(2)(B) who remains in the United States for more than 300 days in a calendar year may only be credited with satisfaction of the minimum period of agricultural employment requirement for that year if the alien performed agricultural employment in the United States for at least 240 work days that year.

(C) APPLICATION PERIOD.—The alien applies for adjustment of status not later than 6 months after completing the fifth year of qualifying employment in the United States.

(2) GROUNDS FOR DENIAL OF ADJUSTMENT OF STATUS.—The Attorney General may deny adjustment to nonimmigrant status and provide for termination of the nonimmigrant status granted such alien under subsection (a) if—

(A) the Attorney General finds by a preponderance of the evidence that the adjustment to nonimmigrant status was the result of fraud or willful misrepresentation as set out in section 212(a)(6)(C)(i), or

(B) the alien commits an act that (i) makes the alien inadmissible to the United States under section 212 of the Immigration and Nationality Act, except as provided under subsection (c)(2), or (ii) is convicted of a felony or 3 or more misdemeanors committed in the United States.

(3) TREATMENT OF ALIENS DEMONSTRATING PRIMA FACIE CASE FOR ADJUSTMENT.—Any alien who demonstrates a prima facie case of eligibility for adjustment under this subsection in accordance with regulations promulgated by the Attorney General, shall be considered a temporary resident alien and, pending adjudication of an application for permanent resident status under this subsection—

(A) may remain in the United States and shall be granted authorization to engage in any employment in the United States; and

(B) shall become eligible for any assistance or benefit to which a person granted lawful permanent resident status would be eligible on the date of enactment of this Act.

(4) GROUNDS FOR REMOVAL.—Any nonimmigrant alien under subsection (a) who does not apply for adjustment of status under this subsection before the expiration of the application period described in paragraph (1)(C) is deportable and may be removed.

(5) NUMERICAL LIMITATION.—In any fiscal year not more than 20 percent of the number of aliens obtaining nonimmigrant status under subsection (a) may be granted adjustment of status under this subsection. In granting such adjustment, aliens having the greater number of work hours shall be accorded priority. Any temporary resident alien under paragraph (3) who does not receive adjustment of status under this subsection in a fiscal year by reason of the limitation in this paragraph may continue to work in any employment, and shall be credited with any additional hours of agricultural employment performed for purposes of being accorded priority for adjustment of status.

(c) APPLICATIONS FOR ADJUSTMENT OF STATUS.—

(1) TO WHOM MAY BE MADE.—

(A) WITHIN THE UNITED STATES.—The Attorney General shall provide that—

(i) applications for adjustment of status under subsection (a) may be filed—

(I) with the Attorney General; or

(II) with a qualified designated entity (designated under paragraph (2)), but only if the applicant consents to the forwarding of the application to the Attorney General; and

(ii) applications for adjustment of status under subsection (b) shall be filed directly with the Attorney General.

(B) OUTSIDE THE UNITED STATES.—The Attorney General, in cooperation with the Secretary of State, shall provide a procedure whereby an alien may apply for adjustment of status under subsection (a) at an appropriate consular office outside the United States. The Attorney General shall prescribe regulations setting forth procedures for notification of immigration officials by the alien before departing the United States.

(C) TRAVEL DOCUMENTATION.—The Attorney General shall provide each alien whose status is adjusted under this section with a counterfeit-resistant document of authorization to enter or reenter the United States.

(2) DESIGNATION OF ENTITIES TO RECEIVE APPLICATIONS.—For purposes of receiving applications under subsection (a), the Attorney General—

(A) shall designate qualified voluntary organizations and other qualified State, local, community, farm labor organizations, and associations of agricultural employers; and

(B) may designate such other persons as the Attorney General determines are qualified and have substantial experience, demonstrated competence, and traditional long-term involvement in the preparation and submittal of applications for adjustment of status under section 209 or 245 of the Immigration and Nationality Act, Public Law 89-732, or Public Law 95-145.

(3) PROOF OF ELIGIBILITY.—

(A) IN GENERAL.—An alien may establish that the alien meets the requirement of subsection (a)(1)(A) through government employment records or records supplied by employers or collective bargaining organizations. The Attorney General shall establish special procedures to properly credit work in cases in which an alien was employed under an assumed name.

(B) DOCUMENTATION OF WORK HISTORY.—(i) An alien applying for adjustment of status under subsection (a)(1) has the burden of proving by a preponderance of the evidence that the alien has worked the requisite number of hours (as required under subsection (a)(1)(A)).

(ii) If an employer or farm labor contractor employing such an alien has kept proper and adequate records respecting such employment, the alien's burden of proof under clause (i) may be met by securing timely production of those records under regulations to be promulgated by the Attorney General.

(4) TREATMENT OF APPLICATIONS BY QUALIFIED DESIGNATED ENTITIES.—Each qualified designated entity must agree to forward to the Attorney General applications filed with it in accordance with paragraph (1)(A)(ii) but not to forward to the Attorney General applications filed with it unless the applicant has consented to such forwarding. No such entity may make a determination required by this section to be made by the Attorney General. Upon the request of the alien, a qualified designated entity shall assist the alien in obtaining documentation of the work history of the alien.

(5) LIMITATION ON ACCESS TO INFORMATION.—Files and records prepared for purposes of this section by qualified designated entities operating under this section are confidential and the Attorney General and the Service shall not have access to such files or records relating to an alien without the consent of the alien, except as allowed by a court order issued pursuant to paragraph (6).

(6) CONFIDENTIALITY OF INFORMATION.—

(A) IN GENERAL.—Except as provided in this paragraph, neither the Attorney General, nor any other official or employee of the Department of Justice, or bureau or agency thereof, may—

(i) use the information furnished by the applicant pursuant to an application filed under this section, or the information provided to the applicant by a person designated under paragraph (2)(B), for any purpose other than to make a determination on the application, including a determination under subsection (b)(3), or for enforcement of paragraph (7);

(ii) make any publication whereby the information furnished by any particular individual can be identified; or

(iii) permit anyone other than the sworn officers and employees of the Department or bureau or agency or, with respect to applications filed with a designated entity, that designated entity, to examine individual applications.

(B) CRIME.—Whoever knowingly uses, publishes, or permits information to be examined in violation of this paragraph shall be fined not more than $10,000.

(7) PENALTIES FOR FALSE STATEMENTS IN APPLICATIONS.—

(A) CRIMINAL PENALTY.—Whoever—

(i) files an application for adjustment of status under this section and knowingly and willfully falsifies, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, or

(ii) creates or supplies a false writing or document for use in making such an application,

shall be fined in accordance with title 18, United States Code, or imprisoned not more than five years, or both.

(B) EXCLUSION.—An alien who is convicted of a crime under subparagraph (A) shall be considered to be inadmissible to the United States on the ground described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act.

(d) WAIVER OF NUMERICAL LIMITATIONS AND CERTAIN GROUNDS FOR INADMISSIBILITY.—

(1) NUMERICAL LIMITATIONS DO NOT APPLY.—The numerical limitations of sections 201 and 202 of the Immigration and Nationality Act shall not apply to the adjustment of aliens to lawful permanent resident status under this section.

(2) WAIVER OF CERTAIN GROUNDS OF INADMISSIBILITY.—In the determination of an alien's admissibility under subsection (a)(1)(D), the following provisions of section 212(a) of the Immigration and Nationality Act shall not apply:

(A) GROUNDS OF EXCLUSION NOT APPLICABLE.—The provisions of paragraphs (5) and (7)(A) of section 212(a) shall not apply.

(B) WAIVER OF OTHER GROUNDS.—

(i) IN GENERAL.—Except as provided in clause (ii), the Attorney General may waive any other provision of section 212(a) in the case of individual aliens for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(ii) GROUNDS THAT MAY NOT BE WAIVED.—The following provisions of section 212(a) may not be waived by the Attorney General under clause (i):

(I) Paragraph (2) (A) and (B) (relating to criminals).

(II) Paragraph (4) (relating to aliens likely to become public charges).

(III) Paragraph (2)(C) (relating to drug offenses), except for so much of such paragraph as relates to a single offense of simple possession of 30 grams or less of marijuana.

(IV) Paragraph (3) (relating to security and related grounds), other than subparagraph (E) thereof.

(C) SPECIAL RULE FOR DETERMINATION OF PUBLIC CHARGE.—An alien is not ineligible for adjustment of status under this section due to being inadmissible under section 212(a)(4) if the alien demonstrates a history of employment in the United States evidencing self-support without reliance on public cash assistance.

(e) TEMPORARY STAY OF REMOVAL AND WORK AUTHORIZATION FOR CERTAIN APPLICANTS.—

(1) BEFORE APPLICATION PERIOD.—The Attorney General shall provide that in the case of an alien who is apprehended before the beginning of the application period described in subsection (a)(1) and who can establish a nonfrivolous case of eligibility to have his status adjusted under subsection (a) (but for the fact that he may not apply for such adjustment until the beginning of such period), until the alien has had the opportunity during the first 30 days of the application period to complete the filing of an application for adjustment, the alien—

(A) may not be removed, and

(B) shall be granted authorization to engage in agricultural employment in the United States and be provided an "employment authorized" endorsement or other appropriate work permit for such purpose.

(2) DURING APPLICATION PERIOD.—The Attorney General shall provide that in the case of an alien who presents a nonfrivolous application for adjustment of status under subsection (a) during the application period, including an alien who files such an application within 30 days of the alien's apprehension, and until a final determination on the application has been made in accordance with this section, the alien—

(A) may not be removed, and

(B) shall be granted authorization to engage in agricultural employment in the United States and be provided an "employment authorized" endorsement or other appropriate work permit for such purpose.

(3) PROHIBITION.—No application fees collected by the Service pursuant to this subsection may be used by the Service to offset the costs of the agricultural worker adjustment program under this title until the Service implements the program consistent with the statutory mandate as follows:

(A) During the application period described in subsection (a)(1)(A) the Service may grant nonimmigrant admission to the United States, work authorization, and provide an "employment authorized" endorsement or other appropriate work permit to any alien who presents a preliminary application for adjustment of status under subsection (a) at a designated port of entry on the southern land border. An alien who does not enter through a port of entry is subject to deportation and removal as otherwise provided in this Act.

(B) During the application period described in subsection (a)(1)(A) any alien who has filed an application for adjustment of status within the United States as provided in subsection (b)(1)(A) is subject to paragraph (2) of this subsection.

(C) A preliminary application is defined as a fully completed and signed application with fee and photographs which contains specific information concerning the performance of qualifying employment in the United States and the documentary evidence which the applicant intends to submit as proof of such employment. The applicant must be otherwise admissible to the United States and must establish to the satisfaction of the examining officer during an interview that his or her claim to eligibility for agriculture worker status is credible.

(f) ADMINISTRATIVE AND JUDICIAL REVIEW.—

(1) ADMINISTRATIVE AND JUDICIAL REVIEW.—There shall be no administrative or judicial review of a determination respecting an application for adjustment of status under this section except in accordance with this subsection.

(2) ADMINISTRATIVE REVIEW.—

(A) SINGLE LEVEL OF ADMINISTRATIVE APPELLATE REVIEW.—The Attorney General shall establish an appellate authority to provide for a single level of administrative appellate review of such a determination.

(B) STANDARD FOR REVIEW.—Such administrative appellate review shall be based solely upon the administrative record established at the time of the determination on the application and upon such additional or newly discovered evidence as may not have been available at the time of the determination.

(3) JUDICIAL REVIEW.—

(A) LIMITATION TO REVIEW OF EXCLUSION OR DEPORTATION.—There shall be judicial review of such a denial only in the judicial review of an order of removal under section 106.

(B) STANDARD FOR JUDICIAL REVIEW.—Such judicial review shall be based solely upon the administrative record established at the time of the review by the appellate authority and the findings of fact and determinations contained in such record shall be conclusive unless the applicant can establish abuse of discretion or that the findings are directly contrary to clear and convincing facts contained in the record considered as a whole.

(g) DISSEMINATION OF INFORMATION ON ADJUSTMENT PROGRAM.—Beginning not later than the date designated by the Attorney General under subsection (a)(1)(A), the Attorney General, in cooperation with qualified designated entities, shall broadly disseminate information respecting the benefits which aliens may receive under this section and the requirements to obtain such benefits.

TITLE II—AGRICULTURAL WORKER REGISTRIES

SEC. 201. AGRICULTURAL WORKER REGISTRIES.

(a) ESTABLISHMENT OF REGISTRIES.—

(1) IN GENERAL.—The Secretary of Labor shall establish and maintain a system of registries containing a current database of workers described in paragraph (2) who seek agricultural employment and the employment status of such workers—

(A) to ensure that eligible United States workers are informed about available agricultural job opportunities and have the right of first refusal for the agricultural jobs available through the registry; and

(B) to provide timely referral of such workers to agricultural job opportunities in the United States.

(2) COVERED WORKERS.—The workers covered by paragraph (1) are—

(A) eligible United States workers; and

(B) eligible nonimmigrant agricultural workers whose status was adjusted under section 101(a).

(3) GEOGRAPHIC COVERAGE.—

(A) SINGLE STATE.—Each registry established under paragraph (1) shall include the job opportunities in a single State, except that, in the case of New England States, two or more such States may be represented by a single registry in lieu of multiple registries.

(B) REQUESTS FOR INCLUSION.—Each State having any group of agricultural producers seeking to utilize the registry shall be represented by a registry, except that, in the case of a New England State, the State shall be represented by the registry covering the group of States of which the State is a part.

(4) COMPUTER DATABASE.—The Secretary of Labor may establish the registries as part of the computer databases known as "America's Job Bank" and "America's Talent Bank".

(5) RELATION TO PROCESS FOR IMPORTING H–2A WORKERS.—Notwithstanding section 218 of the Immigration and Nationality Act (8 U.S.C. 1188), no petition to import an alien as an H–2A worker (as defined in section 218(i)(2) of that Act) may be approved by the Attorney General unless the H–2A employer—

(A) has applied to the Secretary to conduct a search of the registry of the State in which the job opportunities for which H–2A workers are sought are located; and

(B) has received a report described in section 303(a)(1).

(b) REGISTRATION.—

(1) IN GENERAL.—An eligible individual who seeks employment in agricultural work may apply to be included in the registry for the State in which the individual resides. Such application shall include—

(A) the name and address of the individual;

(B) the period or periods of time (including beginning and ending dates) during which the individual will be available for agricultural work;

(C) the registry or registries on which the individual desires to be included;

(D) the specific qualifications and work experience possessed by the applicant;

(E) the type or types of agricultural work the applicant is willing to perform;

(F) such other information as the applicant wishes to be taken into account in referring the applicant to agricultural job opportunities; and

(G) such other information as may be required by the Secretary.

(2) VALIDATION OF EMPLOYMENT AUTHORIZATION.—No person may be included on any registry unless the Secretary of Labor has requested and obtained from the Attorney

General a certification that the person is authorized to be employed in the United States.

(3) United states workers.—United States workers shall have preference in referral by the registry, and may be referred to any job opportunity nationwide for which they are qualified and make a commitment to be available at the time and place needed.

(4) Adjusted nonimmigrants.—Adjusted nonimmigrant aliens who apply to be included in a registry may only be referred to job opportunities for which they are qualified within the State covered by the registry or within States contiguous to that State.

(5) Sanctions for noncompliance.—Adjusted nonimmigrant aliens who elect to be listed on the registry and who fail to report to a registry job opportunity for which they had made an affirmative commitment and been referred will be removed from the registry for a period of 6 months for the first such failure and for a period of 1 year for each succeeding failure.

(6) Use of registry.—Any United States agricultural employer may use the registry.

(7) Discretionary use for new hires.—An agricultural employer may require prospective employees to register with a registry as a means of assuring that its workers are eligible to be employed in the United States.

(8) Workers referred to job opportunities.—The name of each registered worker who is referred and accepts employment with an employer shall be classified as inactive on each registry on which the worker is included during the period of employment involved in the job to which the worker was referred, unless the worker reports to the Secretary that the worker is no longer employed and is available for referral to another job opportunity. A registered worker classified as inactive shall not be referred.

(9) Removal of names from a registry.—The Secretary shall remove from the appropriate registry the name of any registered worker who, on 3 separate occasions within a 3-month period, is referred to a job opportunity pursuant to this section, and who declines such referral or fails to report to work in a timely manner.

(10) Voluntary removal.—A registered worker may request that the worker's name be removed from a registry.

(11) Removal by expiration.—The application of a registered worker shall expire, and the Secretary shall remove the name of such worker from the appropriate registry if the worker has not accepted a job opportunity pursuant to this section within the preceding 12-month period.

(12) Reinstatement.—A worker whose name is removed from a registry pursuant to paragraph (9), (10), or (11) may apply to the Secretary for reinstatement to such registry at any time.

(c) Confidentiality of Registries.—The Secretary shall maintain the confidentiality of the registries established pursuant to this section, and the information in such registries shall not be used for any purposes other than those authorized in this Act.

(d) Advertising of Registries.—The Secretary shall widely disseminate, through advertising and other means, the existence of the registries for the purpose of encouraging eligible United States workers seeking agricultural job opportunities to register. The Secretary of Labor shall ensure that the information about the registry is made available to eligible workers through all appropriate means, including appropriate State agencies, groups representing farm workers, and nongovernmental organizations, and shall ensure that the registry is accessible to growers and farm workers.

TITLE III—H-2A REFORM

SEC. 301. EMPLOYER APPLICATIONS AND ASSURANCES.

(a) Applications to the Secretary.—

(1) In general.—Not later than 28 days prior to the date on which an H-2A employer desires to employ an H-2A worker in a temporary or seasonal agricultural job opportunity, the employer shall, before petitioning for the admission of such a worker, apply to the Secretary for the referral of a United States worker or nonimmigrant agricultural worker whose status was adjusted under section 101(a) through a search of the appropriate registry, in accordance with section 302. Such application shall—

(A) describe the nature and location of the work to be performed;

(B) list the anticipated period (expected beginning and ending dates) for which workers will be needed;

(C) indicate the number of job opportunities in which the employer seeks to employ workers from the registry;

(D) describe the bona fide occupational qualifications that must be possessed by a worker to be employed in the job opportunity in question;

(E) describe the wages and other terms and conditions of employment the employer will offer, which shall not be less (and are not required to be more) than those required by this section;

(F) contain the assurances required by subsection (c);

(G) specify the foreign country or region thereof from which alien workers should be admitted in the case of a failure to refer United States workers under this Act; and

(H) be accompanied by the payment of a registry user fee determined under section 404(b)(1)(A) for each job opportunity indicated under subparagraph (C).

(2) Applications by associations on behalf of employer members.—

(A) In general.—An agricultural association may file an application under paragraph (1) for registered workers on behalf of its employer members.

(B) Employers.—An application under subparagraph (A) shall cover those employer members of the association that the association certifies in its application have agreed in writing to comply with the requirements of this Act.

(b) Amendment of Applications.—Prior to receiving a referral of workers from a registry, an employer may amend an application under this subsection if the employer's need for workers changes. If an employer makes a material amendment to an application on a date which is later than 28 days prior to the date on which the workers on the amended application are sought to be employed, the Secretary may delay issuance of the report described in section 302(b) by the number of days by which the filing of the amended application is later than 28 days before the date on which the employer desires to employ workers.

(c) Assurances.—The assurances referred to in subsection (a)(1)(F) are the following:

(1) Assurance that the job opportunity is not a result of a labor dispute.—The employer shall assure that the job opportunity for which the employer requests a registered worker is not vacant because a worker is involved in a strike, lockout, or work stoppage in the course of a labor dispute involving the job opportunity at the place of employment.

(2) Assurance that the job opportunity is temporary or seasonal.—

(A) Required assurance.—The employer shall assure that the job opportunity for which the employer requests a registered worker is temporary or seasonal.

(B) Seasonal basis.—For purposes of this Act, labor is performed on a seasonal basis where, ordinarily, the employment pertains to or is of the kind exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year.

(C) Temporary basis.—For purposes of this Act, a worker is employed on a temporary basis where the employment is intended not to exceed 10 months.

(3) Assurance of provision of required wages and benefits.—The employer shall assure that the employer will provide the wages and benefits required by subsections (a), (b), and (c) of section 304 to all workers employed in job opportunities for which the employer has applied under subsection (a) and to all other workers in the same occupation at the place of employment, and in no case less than the greater of the hourly wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)), or the applicable State minimum wage.

(4) Assurance of employment.—The employer shall assure that the employer will not refuse to employ qualified individuals referred under section 302, and will terminate qualified individuals employed pursuant to this Act only for lawful job-related reasons, including lack of work.

(5) Assurance of compliance with labor laws.—

(A) In general.—An employer who requests registered workers shall assure that, except as otherwise provided in this Act, the employer will comply with all applicable Federal, State, and local labor laws, including laws affecting migrant and seasonal agricultural workers, with respect to all United States workers and alien workers employed by the employer.

(B) Limitations.—The disclosure required under section 201(a) of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1821(a)) may be made at any time prior to the time the alien is issued a visa permitting entry into the United States.

(6) Assurance of advertising of the registry.—The employer shall assure that the employer will, from the day an application for workers is submitted under subsection (a), and continuing throughout the period of employment of any job opportunity for which the employer has applied for a worker from the registry, post in a conspicuous place a poster to be provided by the Secretary advertising the availability of the registry.

(7) Assurance of advertising of job opportunities.—The employer shall assure that not later than 14 days after submitting an application to a registry for workers under subsection (a) the employer will advertise the availability of the job opportunities for which the employer is seeking workers from the registry in a publication in the local labor market that is likely to be patronized by potential farmworkers, if any, and refer interested workers to register with the registry.

(8) Assurance of contacting former workers.—The employer shall assure that the employer has made reasonable efforts through the sending of a letter by United States Postal Service mail, or otherwise, to contact any eligible worker the employer

employed during the previous season in the occupation at the place of intended employment for which the employer is applying for registered workers, and has made the availability of the employer's job opportunities in the occupation at the place of intended employment known to such previous worker, unless the worker was terminated from employment by the employer for a lawful job-related reason or abandoned the job before the worker completed the period of employment of the job opportunity for which the worker was hired.

(9) ASSURANCE OF PROVISION OF WORKERS COMPENSATION.—The employer shall assure that if the job opportunity is not covered by the State workers' compensation law, that the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

(10) ASSURANCE OF PAYMENT OF ALIEN EMPLOYMENT USER FEE.—The employer shall assure that if the employer receives a notice of insufficient workers under section 302(c), such employer shall promptly pay the alien employment user fee determined under section 404(b)(1)(B) for each job opportunity to be filled by an eligible alien as required under such section.

(d) WITHDRAWAL OF APPLICATIONS.—

(1) IN GENERAL.—An employer may withdraw an application under subsection (a), except that, if the employer is an agricultural association, the association may withdraw an application under subsection (a) with respect to one or more of its members. To withdraw an application, the employer shall notify the Secretary in writing, and the Secretary shall acknowledge in writing the receipt of such withdrawal notice. An employer who withdraws an application under subsection (a), or on whose behalf an application is withdrawn, is relieved of the obligations undertaken in the application.

(2) LIMITATION.—An application may not be withdrawn while any alien provided status under this Act pursuant to such application is employed by the employer.

(3) OBLIGATIONS UNDER OTHER STATUTES.—Any obligation incurred by an employer under any other law or regulation as a result of recruitment of United States workers under an offer of terms and conditions of employment required as a result of making an application under subsection (a) is unaffected by withdrawal of such application.

(e) REVIEW OF APPLICATION.—

(1) IN GENERAL.—Promptly upon receipt of an application by an employer under subsection (a), the Secretary shall review the application for compliance with the requirements of such subsection.

(2) APPROVAL OF APPLICATIONS.—If the Secretary determines that an application meets the requirements of subsection (a), and the employer is not ineligible to apply under paragraph (2), (3), or (4) of section 305(b), the Secretary shall, not later than 7 days after the receipt of such application, approve the application and so notify the employer.

(3) REJECTION OF APPLICATIONS.—If the Secretary determines that an application fails to meet 1 or more of the requirements of subsection (a), the Secretary, as expeditiously as possible, but in no case later than 7 days after the receipt of such application, shall—

(A) notify the employer of the rejection of the application and the reasons for such rejection, and provide the opportunity for the prompt resubmission of an amended application; and

(B) offer the applicant an opportunity to request an expedited administrative review or a de novo administrative hearing before an administrative law judge of the rejection of the application.

(4) REJECTION FOR PROGRAM VIOLATIONS.—The Secretary shall reject the application of an employer under this section if—

(A) the employer has been determined to be ineligible to employ workers under section 401(b); or

(B) the employer during the previous two-year period employed H–2A workers or registered workers and the Secretary of Labor has determined, after notice and opportunity for a hearing, that the employer at any time during that period substantially violated a material term or condition of the assurances made with respect to the employment of United States workers or nonimmigrant workers.

No employer may have applications under this section rejected for more than 3 years for any violation described in this paragraph.

SEC. 302. SEARCH OF REGISTRY.

(a) SEARCH PROCESS AND REFERRAL TO THE EMPLOYER.—Upon the approval of an application under section 301(e), the Secretary shall promptly begin a search of the registry of the State (or States) in which the work is to be performed to identify registered United States workers and adjusted aliens with the qualifications requested by the employer. The Secretary shall contact such qualified registered workers and determine, in each instance, whether the worker is ready, willing, and able to accept the employer's job opportunity and will make the affirmative commitment to work for the employer at the time and place needed. The Secretary shall provide to each worker who commits to work for the employer the employer's name, address, telephone number, the location where the employer has requested that employees report for employment, and a statement disclosing the terms and conditions of employment.

(b) DEADLINE FOR COMPLETING SEARCH PROCESS; REFERRAL OF WORKERS.—As expeditiously as possible, but not later than 7 days before the date on which an employer desires work to begin, the Secretary shall complete the search under subsection (a) and shall transmit to the employer a report containing the name, address, and social security account number of each registered worker who has made the affirmative commitment described in subsection (a) to work for the employer on the date needed, together with sufficient information to enable the employer to establish contact with the worker. The identification of such registered workers in a report shall constitute a referral of workers under this section.

(c) ACCEPTANCE OF REFERRALS.—H–2A employers shall accept all qualified United States worker referrals who make a commitment to report to work at the time and place needed and to complete the full period of employment offered, and those adjusted nonimmigrants on the registry of the State in which the intended employment is located, and the immediately contiguous States. An employer shall not be required to accept more referrals than the number of job opportunities for which the employer applied to the registry.

(d) NOTICE OF INSUFFICIENT WORKERS.—If the report provided to the employer under subsection (b) does not include referral of a sufficient number of registered workers to fill all of the employer's job opportunities in the occupation for which the employer applied under section 301(a), the Secretary shall indicate in the report the number of job opportunities for which registered workers could not be referred, and shall promptly transmit a copy of the report to the Attorney General and the Secretary of State, by electronic or other means ensuring next day delivery.

(e) USER FEE FOR CERTIFICATION TO EMPLOY ALIEN WORKERS.—With respect to each job opportunity for which a notice of insufficient workers is made, the Secretary shall require the payment of an alien employment user fee determined under section 404(b)(1)(B).

SEC. 303. ISSUANCE OF VISAS AND ADMISSION OF ALIENS.

(a) IN GENERAL.—

(1) NUMBER OF ADMISSIONS.—Subject to paragraph (3), the Secretary of State shall promptly issue visas to, and the Attorney General shall admit, as nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act a sufficient number of eligible aliens designated by the employer to fill the job opportunities of the employer—

(A) upon receipt of a copy of the report described in section 302(c);

(B) upon approval of an application (or copy of an application under subsection (b));

(C) upon receipt of the report required by subsection (c)(1)(B); or

(D) upon receipt of a report under subsection (d).

(2) PROCEDURES.—The admission of aliens under paragraph (1) shall be subject to the procedures of section 218 of the Immigration and Nationality Act, as amended by this Act.

(b) DIRECT APPLICATION UPON FAILURE TO ACT.—

(1) APPLICATION TO THE SECRETARY OF STATE.—If the employer has not received a referral of sufficient workers pursuant to section 302(b) or a report of insufficient workers pursuant to section 302(c), by the date that is 7 days before the date on which the work is anticipated to begin, the employer may submit an application for alien workers directly to the Secretary of State, with a copy of the application provided to the Attorney General, seeking the issuance of visas to and the admission of aliens for employment in the job opportunities for which the employer has not received referral of registered workers. Such an application shall include a copy of the employer's application under section 301(a), together with evidence of its timely submission. The Secretary of State may consult with the Secretary of Labor in carrying out this paragraph.

(2) EXPEDITED CONSIDERATION BY SECRETARY OF STATE.—The Secretary of State shall, as expeditiously as possible, but not later than 5 days after the employer files an application under paragraph (1), issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities for which the employer has applied under that paragraph, if the employer has met the requirements of sections 301 and 302. The employer shall be subject to the alien employment user fee determined under section 404(b)(1)(B) with respect to each job opportunity for which the Secretary of State authorizes the issuance of a visa pursuant to paragraph (2).

(c) REDETERMINATION OF NEED.—

(1) REQUESTS FOR REDETERMINATION.—

(A) IN GENERAL.—An employer may file a request for a redetermination by the Secretary of the employer's need for workers if—

(i) a worker referred from the registry is not at the place of employment on the date of need shown on the application, or the date the work for which the worker is needed has begun, whichever is later;

(ii) the worker is not ready, willing, able, or qualified to perform the work required; or

(iii) the worker abandons the employment or is terminated for a lawful job-related reason.

(B) Additional authorization of admissions.—The Secretary shall expeditiously, but in no case later than 72 hours after a redetermination is requested under subparagraph (A), submit a report to the Secretary of State and the Attorney General providing notice of a need for workers under this subsection, if the employer has met the requirements of sections 301 and 302 and the conditions described in subparagraph (A).

(2) Job-related requirements.—An employer shall not be required to initially employ a worker who fails to meet lawful job-related employment criteria, nor to continue the employment of a worker who fails to meet lawful, job-related standards of conduct and performance, including failure to meet minimum production standards after a 3-day break-in period.

(d) Emergency Applications.—Notwithstanding subsections (b) and (c), the Secretary may promptly transmit a report to the Attorney General and Secretary of State providing notice of a need for workers under this subsection for an employer—

(1) who has not employed aliens under this Act in the occupation in question in the prior year's agricultural season;

(2) who faces an unforeseen need for workers (as determined by the Secretary); and

(3) with respect to whom the Secretary cannot refer able, willing, and qualified workers from the registry who will commit to be at the employer's place of employment and ready for work within 72 hours or on the date the work for which the worker is needed has begun, whichever is later.

The employer shall be subject to the alien employment user fee determined under section 404(b)(1)(B) with respect to each job opportunity for which a notice of insufficient workers is made pursuant to this subsection.

(e) Regulations.—The Secretary of State shall prescribe regulations to provide for the designation of aliens under this section.

SEC. 304. EMPLOYMENT REQUIREMENTS.

(a) Required Wages.—

(1) In general.—An employer applying under section 301(a) for workers shall offer to pay, and shall pay, all workers in the occupation or occupations for which the employer has applied for workers from the registry, not less (and is not required to pay more) than the greater of the prevailing wage in the occupation in the area of intended employment or the adverse effect wage rate. No worker shall be paid less than the greater of the hourly wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)), or the applicable State minimum wage.

(2) Payment of prevailing wage determined by a state employment security agency sufficient.—In complying with paragraph (1), an employer may request and obtain a prevailing wage determination from the State employment security agency. If the employer requests such a determination, and pays the wage required by paragraph (1) based upon such a determination, such payment shall be considered sufficient to meet the requirement of paragraph (1).

(3) Reliance on wage survey.—In lieu of the procedure of paragraph (2), an employer may rely on other information, such as an employer-generated prevailing wage survey that the Secretary determines meets criteria specified by the Secretary in regulations.

(4) Alternative methods of payment permitted.—

(A) In general.—A prevailing wage may be expressed as an hourly wage, a piece rate, a task rate, or other incentive payment method, including a group rate. The requirement to pay at least the prevailing wage in the occupation and area of intended employment does not require an employer to pay by the method of pay in which the prevailing rate is expressed, except that, if the employer adopts a method of pay other than the prevailing rate, the burden of proof is on the employer to demonstrate that the employer's method of pay is designed to produce earnings equivalent to the earnings that would result from payment of the prevailing rate.

(B) Compliance when paying an incentive rate.—In the case of an employer that pays a piece rate or task rate or uses any other incentive payment method, including a group rate, the employer shall be considered to be in compliance with any applicable hourly wage requirement if the average of the hourly earnings of the workers, taken as a group, in the activity for which a piece rate, task rate, or other incentive payment, including a group rate, is paid, for the pay period, is at least equal to the required hourly wage, except that no worker shall be paid less than the hourly wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State minimum wage.

(C) Task rate.—For purposes of this paragraph, the term "task rate" means an incentive payment method based on a unit of work performed such that the incentive rate varies with the level of effort required to perform individual units of work.

(D) Group rate.—For purposes of this paragraph, the term "group rate" means an incentive payment method in which the payment is shared among a group of workers working together to perform the task.

(b) Requirement To Provide Housing.—

(1) In general.—

(A) Requirement.—An employer applying under section 301(a) for registered workers shall offer to provide housing at no cost (except for charges permitted by paragraph (5)) to all workers employed in job opportunities to which the employer has applied under that section, and to all other workers in the same occupation at the place of employment, whose place of residence is beyond normal commuting distance.

(B) Liability.—An employer not complying with subparagraph (A) shall be liable to a registered worker for the costs of housing equivalent to the type of housing required to be provided under that subparagraph and shall not be liable for any employment-related obligation solely by reason of such noncompliance.

(2) Type of housing.—In complying with paragraph (1), an employer may, at the employer's election, provide housing that meets applicable Federal standards for temporary labor camps or secure housing that meets applicable local standards for rental or public accommodation housing or other substantially similar class of habitation, or, in the absence of applicable local standards, State standards for rental or public accommodation housing or other substantially similar class of habitation.

(3) Workers engaged in the range production of livestock.—The Secretary shall issue regulations that address the specific requirements for the provision of housing to workers engaged in the range production of livestock.

(4) Limitation.—Nothing in this subsection shall be construed to require an employer to provide or secure housing for persons who were not entitled to such housing under the temporary labor certification regulations in effect on June 1, 1986.

(5) Charges for housing.—

(A) Utilities and maintenance.—An employer who provides housing to a worker pursuant to paragraph (1) may charge an amount equal to the fair market value (but not greater than the employer's actual cost) for maintenance and utilities, or such lesser amount as permitted by law.

(B) Security deposit.—An employer who provides housing to workers pursuant to paragraph (1) may require, as a condition for providing such housing, a deposit not to exceed $50 from workers occupying such housing to protect against gross negligence or willful destruction of property.

(C) Damages.—An employer who provides housing to workers pursuant to paragraph (1) may require a worker found to have been responsible for damage to such housing which is not the result of normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repair of such damage.

(6) Housing allowance as alternative.—

(A) In general.—In lieu of offering housing pursuant to paragraph (1), the employer may provide a reasonable housing allowance during the 3-year period beginning on the date of enactment of this Act. After the expiration of that period such allowance may be provided only if the requirement of subparagraph (B) is satisfied or, in the case of a certification under subparagraph (B) that is expired, the requirement of subparagraph (C) is satisfied. Upon the request of a worker seeking assistance in locating housing, the employer shall make a good faith effort to assist the worker in identifying and locating housing in the area of intended employment. An employer who offers a housing allowance to a worker, or assists a worker in locating housing which the worker occupies, pursuant to this subparagraph shall not be deemed to be a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance.

(B) Certification.—The requirement of this subparagraph is satisfied if the Governor of the State certifies to the Secretary that there is adequate housing available in an area of intended employment for migrant farm workers, aliens provided status pursuant to this Act, or nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act, who are seeking temporary housing while employed at farm work. Such certification shall expire after 3 years unless renewed by the Governor of the State.

(C) Effect of certification.—Notwithstanding the expiration of a certification under subparagraph (B) with respect to an area of intended employment, a housing allowance described in subparagraph (A) may be offered for up to one year after the date of expiration.

(D) Amount of allowance.—The amount of a housing allowance under this paragraph shall be equal to the statewide average fair market rental for existing housing for nonmetropolitan counties for the State in which the employment occurs, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

(c) Reimbursement of Transportation.—

(1) To place of employment.—A worker who is referred to a job opportunity under section 302(a), or an alien employed pursuant to this Act, who completes 50 percent of the period of employment of the job opportunity for which the worker was hired, shall be reimbursed by the employer for the cost of the worker's transportation and subsistence from the worker's permanent place of residence (or place of last employment, if the worker traveled from such place) to the place of employment to which the worker was referred under section 302(a).

(2) From place of employment.—A worker who is referred to a job opportunity under section 302(a), or an alien employed pursuant to this Act, who completes the period of employment for the job opportunity involved, shall be reimbursed by the employer for the cost of the worker's transportation and subsistence from the place of employment to the worker's place of residence, or to the place of next employment, if the worker has contracted with a subsequent employer who has not agreed to provide or pay for the worker's transportation and subsistence to such subsequent employer's place of employment.

(3) Limitation.—

(A) Amount of reimbursement.—Except as provided in subparagraph (B), the amount of reimbursement provided under paragraph (1) or (2) to a worker or alien shall not exceed the lesser of—

(i) the actual cost to the worker or alien of the transportation and subsistence involved; or

(ii) the most economical and reasonable common carrier transportation charges and subsistence costs for the distance involved.

(B) Distance traveled.—No reimbursement under paragraph (1) or (2) shall be required if the distance traveled is 100 miles or less, or the worker is not residing in employer-provided housing or housing secured through a voucher as provided in subsection (b)(6).

(C) Place of recruitment.—For the purpose of the reimbursement required under paragraph (1) or (2) to aliens admitted pursuant to this Act, the alien's place of residence shall be deemed to be the place where the alien was issued the visa authorizing admission to the United States or, if no visa was required, the place from which the alien departed the foreign country to travel to the United States.

(d) Continuing Obligation To Employ United States Workers.—

(1) In general.—An employer that applies for registered workers under section 301(a) shall, as a condition for the approval of such application, continue to offer employment to qualified, eligible United States workers who are referred under section 302(b) after the employer receives the report described in section 302(b).

(2) Limitation.—An employer shall not be obligated to comply with paragraph (1)—

(A) after 50 percent of the anticipated period of employment shown on the employer's application under section 301(a) has elapsed; or

(B) during any period in which the employer is employing no H–2A workers in the occupation for which the United States worker was referred; or

(C) during any period when the Secretary is conducting a search of a registry for workers in the occupation and area of intended employment to which the worker has been referred, or in other occupations in the area of intended employment for which the worker that has been referred is qualified and that offer substantially similar terms and conditions of employment.

(3) Limitation on requirement to provide housing.—Notwithstanding any other provision of this Act, an employer to whom a registered worker is referred pursuant to paragraph (1) may provide a reasonable housing allowance to such referred worker in lieu of providing housing if the employer does not have sufficient housing to accommodate the referred worker and all other workers for whom the employer is providing housing or has committed to provide housing.

(4) Referral of workers during 50-percent period.—The Secretary shall make all reasonable efforts to place a registered worker in an open job acceptable to the worker, including available jobs not listed on the registry, before referring such worker to an employer for a job opportunity already filled by, or committed to, an alien admitted pursuant to this Act.

SEC. 305. PROGRAM FOR THE ADMISSION OF TEMPORARY H–2A WORKERS.

Section 218 of the Immigration and Nationality Act (8 U.S.C. 1188) is amended to read as follows:

"ADMISSION OF TEMPORARY H–2A WORKERS

"Sec. 218. (a) Procedure for Admission or Extension of Aliens.—

"(1) Aliens who are outside the United States.—

"(A) Criteria for admissibility.—

"(i) In general.—An alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act shall be admissible under this section if the alien is designated pursuant to section 302 of the Agricultural Job Opportunity Benefits and Security Act of 1999, otherwise admissible under this Act, and the alien is not ineligible under clause (ii).

"(ii) Disqualification.—An alien shall be ineligible for admission to the United States or being provided status under this section if the alien has, at any time during the past 5 years—

"(I) violated a material provision of this section, including the requirement to promptly depart the United States when the alien's authorized period of admission under this section has expired; or

"(II) otherwise violated a term or condition of admission to the United States as a nonimmigrant, including overstaying the period of authorized admission as such a nonimmigrant.

"(iii) Initial waiver of ineligibility for unlawful presence.—

"(I) In general.—An alien who has not previously been admitted to the United States pursuant to this section, and who is otherwise eligible for admission in accordance with clauses (i) and (ii), shall not be deemed inadmissible by virtue of section 212(a)(9)(B). Such an alien shall depart the United States to be eligible for admission under this section.

"(II) Termination.—Subclause (I) shall terminate on the date that is 4 years after the date of the enactment of the Agricultural Job Opportunity Benefits and Security Act of 1999.

"(B) Period of admission.—The alien shall be admitted for the period requested by the employer not to exceed 10 months, or the ending date of the anticipated period of employment on the employer's application for registered workers, whichever is less, plus an additional period of 14 days, during which the alien shall seek authorized employment in the United States. During the 14-day period following the expiration of the alien's work authorization, the alien is not authorized to be employed unless an employer who is authorized to employ such worker has filed an extension of stay on behalf of the alien pursuant to paragraph (2).

"(C) Abandonment of employment.—

"(i) In general.—An alien admitted or provided status under this section who abandons the employment which was the basis for such admission or status shall be considered to have failed to maintain nonimmigrant status as an alien described in section 101(a)(15)(H)(ii)(a) and shall depart the United States or be subject to removal under section 237(a)(1)(C)(i).

"(ii) Report by employer.—The employer (or association acting as agent for the employer) shall notify the Attorney General within 7 days of an alien admitted or provided status under this Act pursuant to an application to the Secretary of Labor under section 302 of the Agricultural Job Opportunity Benefits and Security Act of 1999 by the employer who prematurely abandons the alien's employment.

"(iii) Removal by the Attorney General.—The Attorney General shall promptly remove from the United States aliens admitted pursuant to section 101(a)(15)(H)(ii)(a) who have failed to maintain nonimmigrant status or who have otherwise violated the terms of a visa issued under this title.

"(iv) Voluntary termination.—Notwithstanding the provisions of clause (i), an alien may voluntarily terminate his or her employment if the alien promptly departs the United States upon termination of such employment.

"(D) Identification document and identification system.—

"(i) In general.—Each alien admitted under this section shall, upon receipt of a visa, be given an identification and employment eligibility document to verify eligibility for employment in the United States and verify such person's proper identity.

"(ii) Requirements.—No identification and employment eligibility document may be issued and no identification system may be implemented which does not meet the following requirements:

"(I) The document and system shall be capable of reliably determining whether—

"(aa) the individual with the identification and employment eligibility document whose eligibility is being verified is in fact eligible for employment,

"(bb) the individual whose eligibility is being verified is claiming the identity of another person, and

"(cc) the individual whose eligibility is being verified has been properly admitted under this section.

"(II) The document shall be in the form that is resistant to counterfeiting and to tampering.

"(III) The document and system shall—

"(aa) be compatible with other Immigration and Naturalization Service databases and other Federal government databases for the purpose of excluding aliens from benefits for which they are not eligible and to determine whether the alien is illegally present in the United States, and

"(bb) be compatible with law enforcement databases to determine if the alien has been convicted of criminal offenses.

"(2) Extension of stay of aliens in the United States.—

"(A) Extension of stay.—If an employer with respect to whom a report or application described in section 302(a)(1) of the Agricultural Job Opportunity Benefits and Security Act of 1999 has been submitted seeks to employ an alien who has acquired status under this section and who is lawfully present in the United States, the employer shall file with the Attorney General an application for an extension of the alien's stay or a change in the alien's authorized employment. The application shall be accompanied by a copy of the appropriate report or application described in section 302 of the Agricultural Job Opportunity Benefits and Security Act of 1999.

"(B) LIMITATION ON FILING AN APPLICATION FOR EXTENSION OF STAY.—An application may not be filed for an extension of an alien's stay for a period of more than 10 months, or later than a date which is 3 years from the date of the alien's last admission to the United States under this section, whichever occurs first.

"(C) WORK AUTHORIZATION UPON FILING AN APPLICATION FOR EXTENSION OF STAY.—An employer may begin employing an alien who is present in the United States who has acquired status under this Act on the day the employer files an application for extension of stay. For the purpose of this requirement, the term 'filing' means sending the application by certified mail via the United States Postal Service, return receipt requested, or delivered by guaranteed commercial delivery which will provide the employer with a documented acknowledgment of the date of sending and receipt of the application. The employer shall provide a copy of the employer's application to the alien, who shall keep the application with the alien's identification and employment eligibility document as evidence that the application has been filed and that the alien is authorized to work in the United States. Upon approval of an application for an extension of stay or change in the alien's authorized employment, the Attorney General shall provide a new or updated employment eligibility document to the alien indicating the new validity date, after which the alien is not required to retain a copy of the application.

"(D) LIMITATION ON EMPLOYMENT AUTHORIZATION OF ALIENS WITHOUT VALID IDENTIFICATION AND EMPLOYMENT ELIGIBILITY CARD.—An expired identification and employment eligibility document, together with a copy of an application for extension of stay or change in the alien's authorized employment that complies with the requirements of subparagraph (A), shall constitute a valid work authorization document for a period of not more than 60 days from the date of application for the extension of stay, after which time only a currently valid identification and employment eligibility document shall be acceptable.

"(E) LIMITATION ON AN INDIVIDUAL'S STAY IN STATUS.—An alien having status under this section may not have the status extended for a continuous period longer than 3 years unless the alien remains outside the United States for an uninterrupted period of 6 months. An absence from the United States may break the continuity of the period for which a nonimmigrant visa issued under section 101(a)(15)(H)(ii)(a) is valid. If the alien has resided in the United States 10 months or less, an absence breaks the continuity of the period if it lasts for at least 2 months. If the alien has resided in the United States 10 months or more, an absence breaks the continuity of the period if it lasts for at least one-fifth the duration of the stay.

"(b) STUDY BY THE ATTORNEY GENERAL.—The Attorney General shall conduct a study to determine whether aliens under this section depart the United States in a timely manner upon the expiration of their period of authorized stay. If the Attorney General finds that a significant number of aliens do not so depart and that withholding a portion of the aliens' wages to be refunded upon timely departure is necessary as an inducement to assure such departure, then the Attorney General shall so report to Congress and make recommendations on appropriate courses of action.".

(b) NO FAMILY MEMBERS PERMITTED.—Section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) is amended by striking "specified in this paragraph" and inserting "specified in this subparagraph (other than in clause (ii)(a))".

(c) RANGE PRODUCTION OF LIVESTOCK.—Nothing in this title shall preclude the Secretary of Labor and the Attorney General from continuing to apply special procedures to the employment, admission, and extension of aliens in the range production of livestock.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. ENHANCED WORKER PROTECTIONS AND LABOR STANDARDS ENFORCEMENT.

(a) ENFORCEMENT AUTHORITY.—

(1) INVESTIGATION OF COMPLAINTS.—

(A) AGGRIEVED PERSON OR THIRD PARTY COMPLAINTS.—The Secretary shall establish a process for the receipt, investigation, and disposition of complaints respecting an employer's failure to meet a condition specified in section 301 or an employer's misrepresentation of material facts in an application under that section, or violation of the provisions described in subparagraph (B). Complaints may be filed by any aggrieved person or any organization (including bargaining representatives). No investigation or hearing shall be conducted on a complaint concerning such a failure or misrepresentation unless the complaint was filed not later than 12 months after the date of the failure or misrepresentation, as the case may be. The Secretary shall conduct an investigation under this paragraph if there is reasonable cause to believe that such a failure or misrepresentation has occurred.

(B) EXPEDITED INVESTIGATION OF SERIOUS CHILD LABOR, WAGE, AND HOUSING VIOLATIONS.—The Secretary shall complete an investigation and issue a written determination as to whether or not a violation has been committed within 10 days of the receipt of a complaint pursuant to subparagraph (A) if there is reasonable cause to believe that any of the following serious violations have occurred:

(i) A violation of section 12(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 212(c)).

(ii) A failure to make a wage payment, except that complaints alleging that an amount less than the wages due has been paid shall be handled pursuant to subparagraph (A).

(iii) A failure to provide the housing allowance required under section 304(b)(6).

(iv) Providing housing pursuant to section 304(b)(1) that fails to comply with standards under section 304(b)(2) and which poses an immediate threat of serious bodily injury or death to workers.

(C) STATUTORY CONSTRUCTION.—Nothing in this Act limits the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers or, in the absence of a complaint under this paragraph, under this Act.

(2) WRITTEN NOTICE OF FINDING AND OPPORTUNITY FOR APPEAL.—After an investigation has been conducted, the Secretary shall issue a written determination as to whether or not any violation described in subsection (b) has been committed. The Secretary's determination shall be served on the complainant and the employer, and shall provide an opportunity for an appeal of the Secretary's decision to an administrative law judge, who may conduct a de novo hearing.

(3) ABILITY OF ALIEN WORKERS TO CHANGE EMPLOYERS.—

(A) IN GENERAL.—Pending the completion of an investigation pursuant to paragraph (1)(A), the Secretary may permit the transfer of an aggrieved person who has filed a complaint under such paragraph to an employer that—

(i) has been approved to employ workers under this Act; and

(ii) agrees to accept the person for employment.

(B) REPLACEMENT WORKER.—An aggrieved person may not be transferred under subparagraph (A) until such time as the employer from whom the person is to be transferred receives a requested replacement worker referred by a registry pursuant to section 302 of this Act or provided status under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(C) LIMITATION.—An employer from whom an aggrieved person has been transferred under this paragraph shall have no obligation to reimburse the person for the cost of transportation prior to the completion of the period of employment referred to in section 304(c).

(D) VOLUNTARY TRANSFER.—Notwithstanding this paragraph, an employer may voluntarily agree to transfer a worker to another employer that—

(i) has been approved to employ workers under this Act; and

(ii) agrees to accept the person for employment.

(b) REMEDIES.—

(1) BACK WAGES.—Upon a final determination that the employer has failed to pay wages as required under this section, the Secretary may assess payment of back wages due to any United States worker or alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act employed by the employer in the specific employment in question. The back wages shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

(2) FAILURE TO PAY WAGES.—Upon a final determination that the employer has failed to pay the wages required under this Act, the Secretary may assess a civil money penalty up to $1,000 for each person for whom the employer failed to pay the required wage, and may recommend to the Attorney General the disqualification of the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year.

(3) OTHER VIOLATIONS.—If the Secretary, as a result of an investigation pursuant to a complaint, determines that an employer covered by an application under section 401(a) has—

(A) filed an application that misrepresents a material fact;

(B) failed to meet a condition specified in section 401; or

(C) committed a serious violation of subsection (a)(1)(B), the Secretary may seek a cease and desist order and assess a civil money penalty not to exceed $1,000 for each violation and may recommend to the Attorney General the disqualification of the employer if the Secretary finds it to be a substantial misrepresentation or violation of the requirements for the employment of any United States workers or aliens described in section 101(a)(15)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year. In determining the amount of civil money penalty to be assessed or whether to recommend disqualification of the employer, the Secretary shall consider the seriousness of the violation, the good faith of the employer, the size of the business of the employer being charged, the history of previous violations by the employer, whether the employer obtained a financial gain from the violation, whether the violation was willful, and other relevant factors.

(4) EXPANDED PROGRAM DISQUALIFICATION.—

(A) 3 YEARS FOR SECOND VIOLATION.—Upon a second final determination that an employer has failed to pay the wages required under this Act, or a second final determination that the employer has committed another substantial violation under paragraph (3) in the same category of violations, with respect to the same alien, the Secretary shall report such determination to the Attorney General and the Attorney General shall disqualify the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of 3 years.

(B) PERMANENT FOR THIRD VIOLATION.—Upon a third final determination that an employer has failed to pay the wages required under this section or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General, and the Attorney General shall disqualify the employer from any subsequent employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(c) ROLE OF ASSOCIATIONS.—

(1) VIOLATION BY A MEMBER OF AN ASSOCIATION.—An employer on whose behalf an application is filed by an association acting as its agent is fully responsible for such application, and for complying with the terms and conditions of this Act, as though the employer had filed the application itself. If such an employer is determined to have violated a requirement of this section, the penalty for such violation shall be assessed against the employer who committed the violation and not against the association or other members of the association.

(2) VIOLATION BY AN ASSOCIATION ACTING AS AN EMPLOYER.—If an association filing an application on its own behalf as an employer is determined to have committed a violation under this subsection which results in disqualification from the program under subsection (b), no individual member of such association may be the beneficiary of the services of an alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act in an occupation in which such alien was employed by the association during the period such disqualification is in effect, unless such member files an application as an individual employer or such application is filed on the employer's behalf by an association with which the employer has an agreement that the employer will comply with the requirements of this Act.

(d) STUDY OF AGRICULTURAL LABOR STANDARDS AND ENFORCEMENT.—

(1) COMMISSION ON HOUSING MIGRANT AGRICULTURAL WORKERS.—

(A) ESTABLISHMENT.—There is established the Commission on Housing Migrant Agricultural Workers (in this paragraph referred to as the "Commission").

(B) COMPOSITION.—The Commission shall consist of 12 members, as follows:

(i) Four representatives of agricultural employers and one representative of the Department of Agriculture, each appointed by the Secretary of Agriculture.

(ii) Four representatives of agricultural workers and one representative of the Department of Labor, each appointed by the Secretary of Labor.

(iii) One State or local official knowledgeable about farmworker housing and one representative of Housing and Urban Development, each appointed by the Secretary of Housing and Urban Development.

(C) FUNCTIONS.—The Commission shall conduct a study of the problem of in-season housing for migrant agricultural workers.

(D) INTERIM REPORTS.—The Commission may at any time submit interim reports to Congress describing the findings made up to that time with respect to the study conducted under subparagraph (C).

(E) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Commission shall submit a report to Congress setting forth the findings of the study conducted under subparagraph (C).

(F) TERMINATION DATE.—The Commission shall terminate upon filing its final report.

(2) STUDY OF RELATIONSHIP BETWEEN CHILD CARE AND CHILD LABOR.—The Secretaries of Labor, Agriculture, and Health and Human Services shall jointly conduct a study of the issues relating to child care of migrant agricultural workers. Such study shall address issues related to the adequacy of educational and day care services for migrant children and the relationship, if any, of child care needs and child labor violations in agriculture. An evaluation of migrant and seasonal Head Start programs (as defined in section 637(12) of the Head Start Act) as they relate to these issues shall be included as a part of the study.

(3) STUDY OF FIELD SANITATION.—The Secretary of Labor and the Secretary of Agriculture shall jointly conduct a study regarding current field sanitation standards in agriculture and evaluate alternative approaches and innovations that may further compliance with such standards.

(4) STUDY OF COORDINATED AND TARGETED LABOR STANDARDS ENFORCEMENT.—The Secretary, in consultation with the Secretary of Agriculture, shall conduct a study of the most persistent and serious labor standards violations in agriculture and evaluate the most effective means of coordinating enforcement efforts between Federal and State officials. The study shall place primary emphasis on the means by which Federal and State authorities, in consultation with representatives of workers and agricultural employers, may develop more effective methods of targeting resources at repeated and egregious violators of labor standards. The study also shall consider ways of facilitating expanded education among agricultural employers and workers regarding compliance with labor standards and evaluate means of broadening such education on a cooperative basis among employers and workers.

(5) REPORT.—Not later than 3 years after the date of enactment of this Act, with respect to each study required to be conducted under paragraphs (2) through (4), the Secretary or group of Secretaries required to conduct the study shall submit to Congress a report setting forth the findings of the study.

SEC. 402. BILATERAL COMMISSIONS.

The Attorney General is authorized and requested to establish a bilateral commission between the United States and each country not less than 10,000 nationals of which are nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)). Such bilateral commissions shall provide a forum to the governments involved to discuss matters of mutual concern regarding the program for the admission of aliens under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

SEC. 403. REGULATIONS.

(a) REGULATIONS OF THE ATTORNEY GENERAL.—The Attorney General shall consult with the Secretary and the Secretary of Agriculture on all regulations to implement the duties of the Attorney General under this Act.

(b) REGULATIONS OF THE SECRETARY OF STATE.—The Secretary of State shall consult with the Attorney General, the Secretary of Labor, and the Secretary of Agriculture on all regulations to implement the duties of the Secretary of State under this Act.

(c) REGULATIONS OF THE SECRETARY OF LABOR.—The Secretary shall consult with the Secretary of Agriculture and shall obtain the approval of the Attorney General on all regulations to implement the duties of the Secretary under this Act.

(d) DEADLINE FOR ISSUANCE OF REGULATIONS.—All regulations to implement the duties of the Attorney General, the Secretary of State, and the Secretary of Labor shall take effect on the effective date of this Act.

SEC. 404. DETERMINATION AND USE OF USER FEES.

(a) SCHEDULE OF FEES.—The Secretary of Labor shall establish and periodically adjust a schedule for the registry user fee and the alien employment user fee imposed under this Act, and a collection process for such fees from employers participating in the programs provided under this Act. Such fees shall be the only fees chargeable to employers for services provided under this Act.

(b) DETERMINATION OF SCHEDULE.—

(1) IN GENERAL.—The schedule under subsection (a) shall reflect a fee rate based on the number of job opportunities indicated in an employer's application under section 301(a)(1)(C) and sufficient to provide for the reimbursement of the direct costs of providing the following services:

(A) REGISTRY USER FEE.—Services provided through the agricultural worker registries established under section 301(a), including registration, referral, and validation, but not including services that would otherwise be provided by the Secretary of Labor under related or similar programs if such registries had not been established.

(B) ALIEN EMPLOYMENT USER FEE.—Services related to an employer's authorization to employ eligible aliens pursuant to this Act, including the establishment and certification of eligible employers, the issuance of documentation, and the admission of eligible aliens.

(2) PROCEDURE.—

(A) IN GENERAL.—In establishing and adjusting such schedule, the Secretary of Labor shall comply with Federal cost accounting and fee setting standards.

(B) PUBLICATION AND COMMENT.—The Secretary of Labor shall publish in the Federal Register an initial fee schedule and associated collection process and the cost data or estimates upon which such fee schedule is based, and any subsequent amendments thereto, pursuant to which public comment will be sought and a final rule issued.

(c) USE OF PROCEEDS.—

(1) IN GENERAL.—All proceeds resulting from the payment of registry user fees and alien employment user fees shall be available without further appropriation and shall remain available without fiscal year limitation to reimburse the Secretaries of Labor, State, and Agriculture, and the Attorney General for the costs of carrying out section 218 of the Immigration and Nationality Act and the provisions of this Act.

(2) LIMITATION ON ENFORCEMENT COSTS.—In making a determination of reimbursable costs under paragraph (1), the Secretary of Labor shall provide that reimbursement of the costs of enforcement under section 401 shall not exceed 10 percent of the direct costs of the Secretary described in subsection (b)(1) (A) and (B).

SEC. 405. FUNDING FOR STARTUP COSTS.

If additional funds are necessary to pay the startup costs of the agricultural worker registries established under section 301(a), such costs may be paid out of amounts available to Federal or State governmental entities under the Wagner—Peyser Act (29 U.S.C. 49 et seq.). Proceeds described in section 404(c) may be used to reimburse the use of such available amounts.

SEC. 406. REPORT TO CONGRESS.

(a) REQUIREMENT.—Not later than 4 years after the effective date under section 408, the Resources, Community and Economic Development Division, and the Health, Education and Human Services Division, of the Office of the Comptroller General of the United States shall jointly prepare and transmit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a report describing the results of a review of the implementation of and compliance with this Act. The report shall address—

(1) whether the program has ensured an adequate and timely supply of qualified, eligible workers at the time and place needed by employers;

(2) whether the program has ensured that aliens admitted under this program are employed only in authorized employment, and that they timely depart the United States when their authorized stay ends;

(3) whether the program has ensured that participating employers comply with the requirements of the program with respect to the employment of United States workers and aliens admitted under this program;

(4) whether the program has ensured that aliens admitted under this program are not displacing eligible, qualified United States workers or diminishing the wages and other terms and conditions of employment of eligible United States workers;

(5) to the extent practicable, compare the wages and other terms of employment of eligible United States workers and aliens employed under this program with the wages and other terms of employment of agricultural workers who are not authorized to work in the United States;

(6) whether the housing provisions of this program ensure that adequate housing is available to workers employed under this program who are required to be provided housing or a housing allowance;

(7) recommendations for improving the operation of the program for the benefit of participating employers, eligible United States workers, participating aliens, and governmental agencies involved in administering the program; and

(8) recommendations for the continuation or termination of the program under this Act.

(b) ADVISORY BOARD.—There shall be established an advisory board to be composed of—

(1) four representatives of agricultural employers to be appointed by the Secretary of Agriculture, including individuals who have experience with the H-2A program; and

(2) four representatives of agricultural workers to be appointed by the Secretary of Labor, including individuals who have experience with the H-2A program,

to provide advice to the Comptroller General in the preparation of the reports required under subsection (a).

SEC. 407. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall become effective on the date that is 1 year after the date of enactment of this Act.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the appropriate committees of Congress a report that described the measures being taken and the progress made in implementing this Act.

Mr. GRAHAM. Mr. President, I wish to recognize our Presiding Officer who is also one of the stalwart advocates of this reform in agricultural farm labor, as well as the Senator from Oregon who has given such leadership on this issue.

In my opinion, those voices who you anticipate will decry the proposals we are making have to carry the burden of defending the status quo. In my opinion, that is an impossible defense. What has the status quo led to in this country? It has led to over 600,000 people who pick the fruits and vegetables upon which American families depend, upon which much of our agricultural economy is relying—600,000-plus of those persons ranging between a third and a half of all of the migrant workers in the country are illegal. They are here without documents. They are here without any legal status. Can we call the current system a humane system when it puts 600,000 people in the shadows of our society because they are without legal status or legal protection? I think not.

It is also a system which denies benefits, ironically, to U.S. citizens and U.S. legal permanent residents who work as migrants in American agriculture, which we make available to non-U.S. citizens who come here under a temporary work visa that we call a H-2A visa. For instance, we provide transportation assistance to foreign visa workers that we do not provide to U.S. citizens. We provide housing benefits to foreign workers that we do not provide to U.S. citizens. We provide even a higher wage rate, a higher base salary to foreign visa workers than we do to U.S. citizens who work as migrant workers in American agriculture.

We also have a system which is—to say antiquated is to give it a status that is beyond justification. We are using a system that is bureaucratic, that does not apply contemporary methods of technology, communication, which, while it approves some 90 percent of the petitions that are filed to make it possible for those non-U.S. visa workers to come into the United States, oftentimes the delay in getting that ultimate approval is so extended that by the time the approval arrives the crops have already rotted in the field.

Anyone who wishes to attack our ideas, I think, has the burden of either attempting to defend a clearly—not broken but smashed status quo, and then to come forward with their own ideas. A few days ago, Senator WYDEN and the Presiding Officer and myself offered an amendment to a Department of Labor appropriations bill in which we directed that the administration should come forward with its ideas as to how to correct the broken status quo of migrant farm labor in America. We look forward to receiving that response. We have been asking for that response for the better part of 2 to 3 years.

I hope now that we are on the verge of introducing legislation, we will see an engagement by all the parties who have professed an interest in this issue so we can get their ideas. We do not believe, as thoughtful as we hope this legislation will be seen, that it came down from the mountain on plates of stone. It is the product of our best human effort and we invite others who have their ideas to participate in this process. But I believe we can all start from the fundamental position that the status quo is inhumane, illegal, and unacceptable to the United States of America as a great nation entering the 21st century.

The legislation we are introducing—and we are actually introducing two pieces of legislation—the first is the Agricultural Job Opportunity Benefits and Security Act of 1999, which we intend to acronym into AG-JOBS, which is the comprehensive bill which includes all the elements the Presiding Officer outlined in his introductory remarks. We will then introduce a second bill which will be called the Farm Worker Adjustment Act of 1999, which will include only those provisions that relate to the adjustment of status by the some 600,000 undocumented aliens who are currently in the United States.

We invite our colleagues to consider both of these pieces of legislation. We hope they would be inclined to cosponsor both of these pieces of legislation.

What would be the consequence of passage of the legislation that we introduce this evening? What would be the consequences, first, for farm workers? Farm workers would receive better wages. Instead of having as the base the minimum wage, the base, as the Presiding Officer indicated, would be the greater of the minimum wage or the adverse wage rate plus 5 percent. In my State of Florida, the current calculation of the adverse wage rate plus

5 percent would be approximately $7.45, as compared to the current minimum wage of $5.15.

Second, domestic farm workers, U.S. citizens, and permanent residents, as well as those who would have the temporary work permits under the adjustment of status legislation, would all be entitled to housing, either housing onsite or, if it were determined by the Governor of the State there was adequate housing in the vicinity of the agricultural work site, it could be a housing allowance, a voucher which would allow the farm worker to select their own places to live.

It would also provide for the first time for domestic workers, citizens, permanent residents, and temporary work permit holders, access to a transportation allowance. If they had to go more than 100 miles to get from one job to the next, they would be entitled to compensation for their transportation. They would also receive the benefits of some modern technology. Just as we currently have a worker registry system for much of nonagricultural employment in America, this would provide a computer registry for agricultural workers where they can indicate: I am prepared to work in the following crops. I am prepared to work in the following locations and during the following time periods of the year. They would be permanently registered, so when a farmer was looking for workers who met those criteria, he would find this employee's name and a means by which to access that potential worker.

We would increase worker protection. Farm workers would now be covered by the Migrant and Seasonal Agricultural Worker Protection Act. We would not have this shadow workforce of 600,000 people without legal protection.

There would be stricter penalties for employers who failed to follow the law. Employers could be barred from the H–2A program, including a permanent bar for violations of the rights of workers.

The legal status would be available to all of the persons. They would either be working as a citizen, a permanent resident, a holder of a temporary work permit, or an H–2A visa. But our goal would be to create a situation, both legally and economically, in which all of the persons picking the fruits and vegetables in America's fields would be legal.

How would the farmers benefit? The farmers would have access to this efficient, modern, streamlined register as a means of determining who is available to do the work that I need.

They would have assurance that all of their workers were legal. We have had situations in the last few months in which there were raids on fields—Vidalia onion fields in Georgia, fruit fields in the Pacific Northwest where persons who could not show they had documents—and many could not—were arrested, where the farmer was put into a situation that his livelihood, his crop for the year was about to be lost because he would not have the people necessary to harvest the food.

We would also provide to the farmer the assurance that there would be a streamlined means by which, if necessary, they could access non-U.S. workers to assure they had a full complement of workers to carry out the task.

Mr. President, you have stated with force and eloquence the rationale for this legislation and what we hope to accomplish. I hope in the vein within which you entered this to ask our colleagues to carefully consider this legislation, particularly in the context of the unacceptable status quo. We look forward to engaging with their ideas and the ideas of others who have an interest in this issue so that this session of Congress will have as one of its achievements the closure of a chapter of inhumane abuse of hundreds of thousands of people and a denial to American agriculture of what it wants—a legal, humanely treated agricultural workforce to pick the fruits and vegetables upon which our Nation depends.

I join with you and our colleagues as we start this effort this evening and will shortly be sending to the desk the legislation on the adjustment of status of agricultural workers.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I'm pleased to have joined Senators GORDON SMITH, BOB GRAHAM, MAX CLELAND, and several other colleagues this week in introducing S. 1814. This bill is a new, improved version of the Agricultural Job Opportunity, Benefits, and Security Act—or, as we call it, the "AgJOBS" bill.

We are facing a growing crisis—for both farm workers and growers.

We want and need a stable, predictable, legal work force in American agriculture.

Willing American workers deserve a system that puts them first in line for available jobs with fair, market wages. We want all workers to receive decent treatment and equal protection under the law.

Consumers deserve a safe, stable, domestic food supply.

American citizens and taxpayers deserve secure borders and a government that works.

Yet Americans are being threatened on all these counts, because of a growing labor shortage in agriculture, while the only program currently in place to respond, the H–2A Guest Worker Program, is profoundly broken.

Last year, the Senate adopted meaningful H–2A reform, on a bipartisan vote of 68–31. Unfortunately, that bipartisan floor amendment did not survive the last round of negotiations over the omnibus appropriations bill last year.

This year, the problem is only growing worse. Therefore, we are introducing a new, improved bill. The name of the bill says it all—"AgJOBS".

Mr. President, our farm workers need this reform bill.

There is no debate about whether many—or most—farm wokers are aliens.

They are. And they will be, for the foreseeable future. The question is whether they will be here legally or illegally.

Immigrants not legally authorized to work in this country know they must work in hiding.

They cannot even claim basic legal rights and protections. They are vulnerable to predation and exploitation. They sometimes have been stuffed inhumanly into dangerously enclosed truck trailers and car trunks, in order to be transported, hidden from the view of the law.

In fact, they have been known to pay "coyotes"—labor smugglers—$1,000 and more to be smuggled into this country.

In contrast, legal workers have legal protections.

They can assert wage, safety, and other legal protections. They can bargain openly and join unions. H–2A workers, in fact, are even guaranteed housing and transportation.

Clearly, the status quo is broken.

Domestic American workers simply are not being found to fill agricultural jobs.

Our own General Accounting Office has estimated that 600,000 farm workers—37 percent of the total 1.6 million agricultural work force—are not legally authorized to work in this country.

That estimate is low; it's based on self-disclosure by illegal workers to government interviewers.

Some actually have suggested that there is no labor shortage, because there are plenty of illegal workers. This is not an acceptable answer.

Congress has shown its commitment over the past few years to improve the security of our borders, both in the 1996 immigration law and in subsequent appropriations.

Between computerized checking by the Social Security Administration and audits and raids by the Immigration and Naturalization Service, more and more employers are discovering they have undocumented employees; and more and more workers here illegally are being discovered and evicted from their jobs.

Outside of H–2A, employers have no reliable assurance that their employees are legal.

It's worse than a Catch-22—the law actually punishes the employer who could be called "too diligent" in inquiring into the identification documents of prospective workers.

The H–2A status quo is slow, bureaucratic, and inflexible. It does nothing to recognize the uncertainties farmers face, from changes in the weather to global market demands.

The H–2A status quo is complicated and legalistic. DOL's compliance manual alone is 325 pages.

The current H–2A process is so hard to use, it will place only 34,000 legal guest workers this year—2 percent of the total agricultural work force.

Finally, the grower can't even count on his or her government to do its job.

The GAO has found that, in more than 40 percent of the cases in which employers filed H–2A applications at least 60 days before the date of need, the DOL missed statutory deadlines in processing them.

The solution we need is the AgJOBS Act of 1999.

Our new, improved AgJOBS bill includes three main parts:

First, it would create a national AgJOBS registry.

This new program would match willing workers anywhere in the U.S. with available farm work. Workers would be free to work where they want and for whom they want.

Domestic American workers would be given first preference in job referrals. Once no domestic worker is available for a job, an "adjusting" worker could receive a referral. If no domestic or adjusting worker is available, an employer could then use the H–2A program.

This is essentially the same job registry as in last year's bill, expanded to accommodate the new category of adjusting workers.

Second, it includes much-needed reforms to the H–2A program.

Currently, red tape, regulation, and bureaucracy has rendered the H–2A program almost completely ineffective.

Our reformed H–2A program would expedite the process and more closely reflect market reality. Current red tape, delays, and paperwork would be reduced or eliminated. Growers would be assured of the timely availability of workers.

Employers still would be required to provide transportation in out of the U.S., as under the current H–2A program. Employers must provide either a housing allowance or actual housing to H–2A workers. After 3 years, actual housing would be required, unless the governor of a state certified a housing shortage. This is a more stringent housing requirement than last year's bill.

The premium wage guaranteed to H–2A workers—called the Adverse Economic Wage Rate or "AEWR"—would be based more accurately on prevailing wage paid to similar workers in that area. This is similar to current law, but other jobs, those not closely related, would be excluded from the calculation of the AEWR. This simply would ensure that the AEWR more closely reflected prevailing wages for that particular type of work. In the case of low-wage jobs, a premium would be added to the wage. This would still mean H–2A wages higher than virtually all non-H–2A farm worker wages. In other words, current H–2A workers would still have significant wage protection, and virtually all new H–2A workers would get a raise.

Third, the bill creates a one-time-only new Category called "Adjusting" Workers.

Experienced farm workers who are already in the U.S. would be allowed to stay if:

—They have worked at least 150 days in agriculture in the 12 months before the October 27 introduction of this bill;

—They agree to work at least 180 days a year, only in agriculture, for at least 5 of the next 7 years; during this 5–7 year adjustment period, they would be in a temproary, non-immigrant status;

—They return to their home country at least 2 months a year (during the 5–7 year adjustment period. Those with U.S.-born children—i.e., children who were already U.S. citizens—could stay year-round, but must agree to work in agriculture 240 days/year.

"Adjusting" workers would be earning the right to keep their jobs or move to other agricultural jobs. Eventually, they could earn the right to a so-called "green card"—in other words, permanent residency.

For one moment, I want to mention, and then dispose of, the "A-Word":

This bill is not about amnesty, for several reasons. I have always been opposed to amnesty for illegal immigrants. If this were an amnesty bill, I'd be against it.

This bill is about workers who are already here, for employers who need them and value their services, earning a right to stay.

Amnesty is a gift; this bill is about earning a right. Amnesty means one is home free; this bill is about stabilizing the agricultural work force and conditions residency on a 5–7 year agreement to continue in farm work.

The level of documentation required to prove a worker already has been working in the U.S. is much stricter than for any past amnesty law.

In closing, Mr. President, this is win-win legislation.

It will elevate and protect the rights, working conditions, and safety of workers. It will help workers—first domestic American workers, then other workers already here, then foreign guest workers—find the jobs they want and need.

It will assure growers of a stable, legal supply of workers, within a program that recognizes market realities. The adjusted-worker provisions also will give growers one-time assistance in adjusting to the new labor market realities of the 21st Century.

It will assure all Americans of a safe, consistent, affordable food supply.

The nation needs the Smith-Graham-Craig-Cleland AgJOBS bill. I invite the rest of my colleagues to join us as cosponsors; and I urge the Senate and the House to act promptly to enact this legislation into law.

ADDITIONAL COSPONSORS

S. 391

At the request of Mr. KERREY, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 391, a bill to provide for payments to children's hospitals that operate graduate medical education programs.

S. 758

At the request of Mr. ASHCROFT, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 758, a bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1029

At the request of Mr. COCHRAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1029, a bill to amend title III of the Elementary and Secondary Education Act of 1965 to provide for digital education partnerships.

S. 1044

At the request of Mr. KENNEDY, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1044, a bill to require coverage for colorectal cancer screenings.

S. 1288

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1288, a bill to provide incentives for collaborative forest restoration projects on National Forest System and other public lands in New Mexico, and for other purposes.

S. 1488

At the request of Mr. GORTON, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1488, a bill to amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices.

S. 1666

At the request of Mr. LUGAR, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1666, a bill to provide risk education assistance to agricultural producers, and for other purposes.

S. 1680

At the request of Mr. ASHCROFT, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1680, a bill to provide for the improvement of the processing of claims for veterans compensation and pensions, and for other purposes.

S. 1690

At the request of Mr. MACK, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 1690, a bill to require the United States to take action to provide bilateral debt relief, and improve the provision of multilateral debt relief, in order to give a fresh start to poor countries.

S. 1733

At the request of Mr. FITZGERALD, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1733, a bill to amend the Food Stamp Act of 1977 to provide for a national standard of interoperability and portability applicable to electronic food stamp benefit transactions.

S. 1750

At the request of Mr. DEWINE, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 1750, a bill to reduce the incidence of child abuse and neglect, and for other purposes.

SENATE CONCURRENT RESOLUTION 58

At the request of Mr. WYDEN, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of Senate Concurrent Resolution 58, a concurrent resolution urging the United States to seek a global consensus supporting a moratorium on tariffs and on special, multiple and discriminatory taxation of electronic commerce.

SENATE RESOLUTION 108

At the request of Mr. ROBB, his name was added as a cosponsor of Senate Resolution 108, a resolution designating the month of March each year as "National Colorectal Cancer Awareness Month."

SENATE CONCURRENT RESOLUTION 62—RECOGNIZING AND HONORING THE HEROIC EFFORTS OF THE AIR NATIONAL GUARD'S 109TH AIRLIFT WING AND ITS RESCUE OF DR. JERRI NIELSEN FROM THE SOUTH POLE

Mr. SCHUMER (for himself and Mr. MOYNIHAN) submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 62

Whereas the 109th Airlift Wing of the Air National Guard is based at Stratton Air National Guard Base in Glenville, New York;

Whereas the 109th was called upon by the United States Antarctic Program to undertake a medical evacuation mission to the South Pole to rescue Dr. Jerri Nielsen, a physician who diagnosed herself with breast cancer;

Whereas the 109th is the only unit in the world trained and equipped to attempt such a mission;

Whereas the 10 crew members were pilot Maj. George R. McAllister Jr., senior mission commander Col. Marion G. Pritchard, copilot Maj. David Koltermann, navigator Lt. Col. Bryan M. Fennessy, engineer Ch. M. Sgt. Michael T. Cristiano, loadmasters Sr. M. Sgt. Kurt A. Garrison and T. Sgt. David M. Vesper, flight nurse Maj. Kimberly Terpening, and medical technicians Ch. M. Sgt. Michael Casatelli and M. Sgt. Kelly McDowell;

Whereas the crew departed Stratton Air Base for McMurdo Station in Antarctica via Christchurch, New Zealand, on October 6, 1999;

Whereas on October 15, 1999, Aircraft No. 096 departed McMurdo for the South Pole, where the temperature was approximately −53 degrees Celsius;

Whereas Major McAllister piloted a 130,000 pound LC–130 Hercules cargo plane equipped with Teflon-coated skis to a safe landing on an icy runway with visibility barely above minimums established for safe operations;

Whereas less than 25 minutes later, following an emotional goodbye and brief medical evaluation, Dr. Nielsen and the crew headed back to McMurdo Station;

Whereas the mission lasted 9 days and covered 11,410 nautical miles; and

Whereas Major McAllister became the first person ever to land on a polar ice cap at this time of year: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress recognizes and honors the crew of the Air National Guard's 109th Airlift Wing for its heroic efforts in rescuing Dr. Jerri Nielsen from the South Pole.

SENATE RESOLUTION 207—EXPRESSING THE SENSE OF THE SENATE REGARDING FAIR ACCESS TO JAPANESE TELECOMMUNICATIONS FACILITIES AND SERVICES

Mr. BAUCUS (for himself and Mr. GRASSLEY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 207

Whereas the United States has a deep and sustained interest in the promotion of deregulation, competition, and regulatory reform in Japan;

Whereas new and bold measures by the Government of Japan regarding regulatory reform will help remove the regulatory and structural impediments to the effective functioning of market forces in the Japanese economy;

Whereas regulatory reform will increase the efficient allocation of resources of Japan, which is critical to returning Japan to a long-term growth path powered by domestic demand;

Whereas regulatory reform will not only improve market access for United States business and other foreign firms, but will also enhance consumer choice and economic prosperity in Japan;

Whereas a sustained recovery of the Japanese economy is vital to a sustained recovery of Asian economies;

Whereas the Japanese economy must serve as one of the main engines of growth for Asia and for the global economy;

Whereas the Governments of the United States and Japan reconfirmed the critical importance of deregulation, competition, and regulatory reform when the two governments established the Enhanced Initiative on Deregulation and Competition Policy in 1997;

Whereas telecommunications is a critical sector requiring reform in Japan, where the market is hampered by a history of laws, regulations, and monopolistic practices that do not meet the needs of a competitive market;

Whereas as the result of Japan's laws, regulations, and monopolistic practices, Japanese consumers and Japanese industry have been denied the broad benefits of innovative telecommunications services, cutting edge technology, and lower prices that competition would bring to the market;

Whereas Japan's significant lag in developing broadband and Internet services, and Japan's lag in the entire area of electronic commerce, is a direct result of a noncompetitive telecommunications regulatory structure;

Whereas Japan's lag in developing broadband and Internet services is evidenced by the following: (1) Japan has only 17,000,000 Internet users, while the United States has 80,000,000 Internet users; (2) Japan hosts fewer than 2,000,000 web sites, while the United States hosts over 30,000,000 web sites; (3) electronic commerce in Japan is valued at less than $1,000,000,000, while in the United States electronic commerce is valued at over $30,000,000,000; and (4) 19 percent Japan's schools are connected to the Internet, while in the United States 89 percent of schools are connected; and

Whereas leading edge foreign telecommunications companies, because of their high level of technology and innovation, are the key to building the necessary telecommunications infrastructure in Japan, which will only be able to serve Japanese consumers and industry if there is a fundamental change in Japan's regulatory approach to telecommunications: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the appropriate officials in the executive branch should implement vigorously the call for Japan to undertake a major regulatory reform in the telecommunications sector, the so called "Telecommunications Big Bang";

(2) a "Telecommunications Big Bang" must address fundamental legislative and regulatory issues within a strictly defined timeframe;

(3) the new telecommunications regulatory framework should put competition first in order to encourage new and innovative businesses to enter the telecommunications market in Japan;

(4) the Government of Japan should ensure that Nippen Telegraph and Telephone Corporation (NTT) and its affiliates (the NTT Group) are prevented from using their dominant position in the wired and wireless market in an anticompetitive manner; and

(5) the Government of Japan should take credible steps to ensure that competitive

carriers have reasonable, cost-based, and nondiscriminatory access to the rights-of-way, facilities, and services controlled by NTT, the NTT Group, other utilities, and the Government of Japan, including—

(A) access to interconnection at market-based rates;

(B) unrestricted access to unbundled elements of the network belonging to NTT and the NTT Group; and

(C) access to public roads for the installation of facilities.

Mr. BAUCUS. Mr. President, the history of our Government's effort to promote deregulation and openness in the Japanese telecommunications sector goes back over 20 years. Back to the days when Bob Strauss was the U.S. Trade Representative.

The first agreement involved significant changes in the procurement policies of Nippon Telegraph and Telephone. Known as NTT, it was then the government owned, monopoly, domestic telecommunications provider. This agreement has been revised and renewed seven times—most recently earlier this year.

There has been a plethora of other bilateral telecommunications agreements with Japan over the years. On interconnection. On cellular phones. And on international value added networks.

We have used Section 301 to pry open the Japanese telecommunications market. We created Section 1377 in the 1988 Omnibus Trade Act to deal with Japanese telecommunications practices. We have had the MOSS talks with Japan in the 1980s. And we have also pursued multilateral efforts through the GATT, the WTO, and the Information Technology Agreement—the ITA.

I don't think the United States has negotiated more in one sector with any nation than we have done with Japan over telecommunications.

And we have made progress, from virtually zero sales by Americans to Japan in this sector twenty years ago to several billion dollars today.

But there is still a long way to go. Japan is the second largest economy in the world. It is at the cutting edge of most high technology. Yet its consumption of telecommunications goods and services fits more closely the model of a second tier economy.

It is true that penetration of cellular phones in Japan is among the highest in the world. But, Japan has only 17 million Internet users, while the United States has almost five times as many—80 million users. Japan hosts fewer than two million web sites, while the United States hosts over 30 million. Electronic commerce in Japan is valued at less than one billion dollars, versus at least thirty times as much in the United States. And only 19 percent of Japan's schools are connected to the Internet, versus in the United States where 89 percent of schools are connected.

Why is this?

The answer is simple. Japan maintains a non-competitive regulatory system that prevents market forces from fully operating in the telecommunications sector. American telecom service and equipment providers are still limited in their ability to do business in Japan.

But the system also hurts the Japanese consumer. They can't obtain the highest quality telecommunications technology at the lowest price. They are not able to choose from the incredible array of services and products available around the world. And they pay higher prices than they should.

Japanese firms also suffer for the same reasons in their telecommunications purchases. They cannot get the best. And they overpay for what they can buy. Many modern services are simply unavailable in Japan.

Earlier this month, the United States Government presented Japan with its annual deregulation requests in a number of sectors. If the Japanese government implemented this whole list, they would be on a path leading to economic growth. To better choice and lower prices for its consumers. And to increased efficiency for its industry.

I an not naive enough to think that will happen. However, I do know that Japan's adoption of the USTR requests, a so-called "Telecommunications Big Bang", would open the telecommunications sector to global competition with all the attendant benefits.

Senator GRASSLEY and I are submitting a sense-of-the-Senate resolution. It simply stresses the need for this significant regulatory reform in Japan. It calls on USTR vigorously to implement their call for this change. And it sends the message to Japan that the Senate is strongly behind this effort.

Such deregulation serves American and International business. It serves the Japanese economy. It serves the Japanese consumer. It serves Japanese industry. And it serves the original and global economy which need so desperately a growing Japan. In the long-run, everyone would win.

I urge my colleagues to support this resolution when it is called up.

Mr. GRASSLEY. Mr. President, this resolution I am offering with Senator BAUCUS calls for fair access to Japan's $35 billion telecommunications equipment market. Telecommunications is one of our most important exports and one of our most significant areas for future export growth.

Recently, the United States and Japan reached a new telecommunications procurement agreement covering procurement by the successor companies of the Nippon Telegraph and Telephone Company. This agreement replaced the 1997 agreement that expired when the Nippon Telegraph and Telephone Company was restructured.

We have had many difficulties gaining access to Japan's telecommunicates market in the past, probably not too different from a lot of sectors as we try to enter our products into Japan. It may be nothing new in that respect, but this is a new agreement that will be in effect for 2 years, and we should give it a chance to work. But history shows we have not made much progress when it comes to implementing fair bilateral market access agreements with Japan.

You know the usual story: We are always overjoyed, after several months or even years of negotiating an agreement with the Japanese, that it has been some major breakthrough; and then down the road a few months or years, when you expect the agreement to be carried out—not only according to its word but also according to its spirit—you find the victory you anticipated and were thankful for at the time it was signed comes out to be a half a loaf or a quarter of a loaf in practice. I think that is what we are finding out here a little bit with this telecommunications agreement.

The Nippon Telegraph and Telephone Company and the government in Japan, which owns 65 percent of the telecommunications group, have traditionally maintained that Nippon Telegraph and Telephone is a private company which should not be subject to government interference but be allowed to make its own procurement decisions.

Our concern is that we need effective bilateral government oversight so Japan's telecommunications industry does not revert to its traditional reliance upon domestic suppliers and consequently circumvent this agreement. That is because Nippon Telegraph and Telephone's procurement history shows that even nearly two decades after the first bilateral agreement on this company's procurement, Japan still tends to make a large portion of its procurement from the "NTT family" of Japanese equipment makers; thus, not opening their markets to products from overseas, including U.S. products. Often, NTT over-engineers specifications, which in the past were very Japan-specific or company-specific—another nontariff trade barrier to keep out products from the United States and other countries.

World telecommunications trade is growing very rapidly, but global market access is not keeping pace with the fast pace of technology development. The Baucus-Grassley resolution expresses the sense of the Senate that the only effective way for the United States to achieve significant market access in Japan is through Japan staying with serious and sustained deregulation and consequently having market opportunities for imports from other countries, including the United States.

This resolution carriers a message that ought to be heard loud and clear in the runup to the World Trade Organization Ministerial Conference that will take place in Seattle at the end of November. So I strongly urge my colleagues to approve this resolution.

AMENDMENTS SUBMITTED

AFRICAN GROWTH AND OPPORTUNITY ACT

LAUTENBERG AMENDMENT NO. 2331

(Ordered to lie on the table.)

Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

At the appropriate place, insert the following new section:

SEC. . NORMAL TRADE RELATIONS FOR ALBANIA.

(a) FINDINGS.—Congress makes the following findings:

(1) Albania has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974.

(2) Since its emergence from communism, Albania has made progress toward democratic rule and the creation of a free-market economy.

(3) Albania has concluded a bilateral investment treaty with the United States.

(4) Albania has demonstrated a strong desire to build a friendly relationship with the United States and has been very cooperative with NATO and the international community during and after the Kosova crisis.

(5) The extension of unconditional normal trade relations treatment to the products of Albania will enable the United States to avail itself of all rights under the World Trade Organization with respect to Albania when that country becomes a member of the World Trade Organization.

(b) TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO ALBANIA.—

(1) PRESIDENTIAL DETERMINATIONS AND EXTENSIONS OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(A) determine that such title should no longer apply to Albania; and

(B) after making a determination under subparagraph (A) with respect to Albania, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(2) TERMINATION OF APPLICATION OF TITLE IV.—On or after the effective date of the extension under paragraph (1)(B) of nondiscriminatory treatment to the products of Albania, title IV of the Trade Act of 1974 shall cease to apply to that country.

LOTT AMENDMENT NO. 2332

Mr. LOTT proposed an amendment to amendment No. 2325 proposed by Mr. ROTH to the bill, H.R. 434, supra; as follows:

Strike all after "Section" and add the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Trade and Development Act of 1999".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Statement of policy.
Sec. 104. Sub-Saharan Africa defined.

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

Sec. 111. Eligibility for certain benefits.
Sec. 112. Treatment of certain textiles and apparel.
Sec. 113. United States-sub-Saharan African trade and economic cooperation forum.
Sec. 114. United States-sub-Saharan Africa free trade area.
Sec. 115. Reporting requirement.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

Sec. 201. Short title.
Sec. 202. Findings and policy.
Sec. 203. Definitions.

Subtitle B—Trade Benefits for Caribbean Basin Countries

Sec. 211. Temporary provisions to provide additional trade benefits to certain beneficiary countries.
Sec. 212. Adequate and effective protection for intellectual property rights.

Subtitle C—Cover Over of Tax on Distilled Spirits

Sec. 221. Suspension of limitation on cover over of tax on distilled spirits.

TITLE III—GENERALIZED SYSTEM OF PREFERENCES

Sec. 301. Extension of duty-free treatment under generalized system of preferences.
Sec. 302. Entry procedures for foreign trade zone operations.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE

Sec. 401. Trade adjustment assistance.

TITLE V—REVENUE PROVISIONS

Sec. 501. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 502. Limitations on welfare benefit funds of 10 or more employer plans.
Sec. 503. Treatment of gain from constructive ownership transactions.
Sec. 504. Limitation on use of nonaccrual experience method of accounting.
Sec. 505. Allocation of basis on transfers of intangibles in certain nonrecognition transactions.
Sec. 506. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

SEC. 101. SHORT TITLE.

This title may be cited as the "African Growth and Opportunity Act".

SEC. 102. FINDINGS.

Congress finds that—

(1) it is in the mutual interest of the United States and the countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa;

(2) the 48 countries of sub-Saharan Africa form a region richly endowed with both natural and human resources;

(3) sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States;

(4) the region has experienced a rise in both economic development and political freedom as countries in sub-Saharan Africa have taken steps toward liberalizing their economies and encouraged broader participation in the political process;

(5) the countries of sub-Saharan Africa have made progress toward regional economic integration that can have positive benefits for the region;

(6) despite those gains, the per capita income in sub-Saharan Africa averages less than $500 annually;

(7) United States foreign direct investment in the region has fallen in recent years and the sub-Saharan African region receives only minor inflows of direct investment from around the world;

(8) trade between the United States and sub-Saharan Africa, apart from the import of oil, remains an insignificant part of total United States trade;

(9) trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for building a stable political environment in which political freedom can flourish;

(10) increased trade and investment flows have the greatest impact in an economic environment in which trading partners eliminate barriers to trade and capital flows and encourage the development of a vibrant private sector that offers individual African citizens the freedom to expand their economic opportunities and provide for their families;

(11) offering the countries of sub-Saharan Africa enhanced trade preferences will encourage both higher levels of trade and direct investment in support of the positive economic and political developments under way throughout the region; and

(12) encouraging the reciprocal reduction of trade and investment barriers in Africa will enhance the benefits of trade and investment for the region as well as enhance commercial and political ties between the United States and sub-Saharan Africa.

SEC. 103. STATEMENT OF POLICY.

Congress supports—

(1) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(2) reducing tariff and nontariff barriers and other obstacles to sub-Saharan African and United States trade;

(3) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(4) negotiating reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and the countries of sub-Saharan Africa;

(5) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(6) strengthening and expanding the private sector in sub-Saharan Africa;

(7) supporting the development of civil societies and political freedom in sub-Saharan Africa; and

(8) establishing a United States-Sub-Saharan African Economic Cooperation Forum.

SEC. 104. SUB-SAHARAN AFRICA DEFINED.

In this title, the terms "sub-Saharan Africa", "sub-Saharan African country", "country in sub-Saharan Africa", and "countries in sub-Saharan Africa" refer to the following:

(1) Republic of Angola (Angola).

(2) Republic of Botswana (Botswana).

(3) Republic of Burundi (Burundi).

(4) Republic of Cape Verde (Cape Verde).

(5) Republic of Chad (Chad).

(6) Democratic Republic of Congo.

(7) Republic of the Congo (Congo).

(8) Republic of Djibouti (Djibouti).

(9) State of Eritrea (Eritrea).

(10) Gabonese Republic (Gabon).

(11) Republic of Ghana (Ghana).

(12) Republic of Guinea-Bissau (Guinea-Bissau).

(13) Kingdom of Lesotho (Lesotho).

(14) Republic of Madagascar (Madagascar).

(15) Republic of Mali (Mali).

(16) Republic of Mauritius (Mauritius).

(17) Republic of Namibia (Namibia).

(18) Federal Republic of Nigeria (Nigeria).

(19) Democratic Republic of Sao Tome and Principe (Sao Tome and Principe).

(20) Republic of Sierra Leone (Sierra Leone).

(21) Somalia.

(22) Kingdom of Swaziland (Swaziland).

(23) Republic of Togo (Togo).

(24) Republic of Zimbabwe (Zimbabwe).

(25) Republic of Benin (Benin).

(26) Burkina Faso (Burkina).

(27) Republic of Cameroon (Cameroon).

(28) Central African Republic.

(29) Federal Islamic Republic of the Comoros (Comoros).

(30) Republic of Cote d'Ivoire (Cote d'Ivoire).

(31) Republic of Equatorial Guinea (Equatorial Guinea).

(32) Ethiopia.

(33) Republic of the Gambia (Gambia).

(34) Republic of Guinea (Guinea).

(35) Republic of Kenya (Kenya).

(36) Republic of Liberia (Liberia).

(37) Republic of Malawi (Malawi).

(38) Islamic Republic of Mauritania (Mauritania).

(39) Republic of Mozambique (Mozambique).

(40) Republic of Niger (Niger).

(41) Republic of Rwanda (Rwanda).

(42) Republic of Senegal (Senegal).

(43) Republic of Seychelles (Seychelles).

(44) Republic of South Africa (South Africa).

(45) Republic of Sudan (Sudan).

(46) United Republic of Tanzania (Tanzania).

(47) Republic of Uganda (Uganda).

(48) Republic of Zambia (Zambia).

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) In General.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) Authority To Designate.—

"(1) In general.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 104 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

"(2) Monitoring and review of certain countries.—The President shall monitor and review the progress of each country listed in section 104 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 115 of the African Growth and Opportunity Act.

"(3) Continuing compliance.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) Preferential Tariff Treatment for Certain Articles.—

"(1) In general.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) Rules of origin.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) Beneficiary Sub-Saharan African Countries, etc.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) Waiver of Competitive Need Limitation.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) Least-developed beneficiary developing countries and beneficiary sub-Saharan African countries.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) Termination.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) Clerical Amendments.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

"506A. Designation of sub-Saharan African countries for certain benefits.

"506B. Termination of benefits for sub-Saharan African countries.".

(e) Effective Date.—The amendments made by this section take effect on October 1, 2000.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) Preferential Treatment.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) the country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(2) the country enacts legislation or promulgates regulations that would permit United States Customs Service verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

(b) Products Covered.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) Apparel articles assembled in beneficiary sub-Saharan African countries.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff

Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) PENALTIES FOR TRANSSHIPMENTS.—

(1) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, then the President shall deny all benefits under this section and section 506A of the Trade Act of 1974 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of 2 years.

(2) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subsection has occurred when preferential treatment for a textile or apparel article under subsection (a) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this paragraph, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subsection (a).

(d) TECHNICAL ASSISTANCE.—The Customs Service shall provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of the requirements set forth in subsection (a) (1) and (2).

(e) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress, not later than March 31 of each year that this section is in effect, a report on the effectiveness of the anti-circumvention systems described in this section and on measures taken by countries in sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in article 5 of the Agreement on Textiles and Clothing.

(f) SAFEGUARD.—The President shall have the authority to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment provided under this section, in the event that textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat thereof, to the domestic industry producing like or directly competitive articles. The President shall exercise his authority under this subsection consistent with the Agreement on Textiles and Clothing.

(g) DEFINITIONS.—In this section:

(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms "beneficiary sub-Saharan African country" and "beneficiary sub-Saharan African countries" have the same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

(3) CUSTOMS SERVICE.—The term "Customs Service" means the United States Customs Service.

(h) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000 and shall remain in effect through September 30, 2006.

SEC. 113. UNITED STATES-SUB-SAHARAN AFRICAN TRADE AND ECONOMIC CO-OPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual meetings between senior officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum (in this section referred to as the "Forum").

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) FIRST MEETING.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa.

(2) NONGOVERNMENTAL ORGANIZATIONS.—

(A) IN GENERAL.—The President, in consultation with Congress, shall invite United States nongovernmental organizations to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) PRIVATE SECTOR.—The President, in consultation with Congress, shall invite United States representatives of the private sector to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) ANNUAL MEETINGS.—As soon as practicable after the date of enactment of this Act, the President shall meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph (1).

SEC. 114. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

(a) IN GENERAL.—The President shall examine the feasibility of negotiating a free trade agreement (or agreements) with interested sub-Saharan African countries.

(b) REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this Act, the President shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding the President's conclusions on the feasibility of negotiating such agreement (or agreements). If the President determines that the negotiation of any such free trade agreement is feasible, the President shall provide a detailed plan for such negotiation that outlines the objectives, timing, any potential benefits to the United States and sub-Saharan Africa, and the likely economic impact of any such agreement.

SEC. 115. REPORTING REQUIREMENT.

Not later than 1 year after the date of enactment of this Act, and annually thereafter for 4 years, the President shall submit a report to Congress on the implementation of this title.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

SEC. 201. SHORT TITLE.

This title may be cited as the "United States-Caribbean Basin Trade Enhancement Act".

SEC. 202. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The Caribbean Basin Economic Recovery Act (referred to in this title as "CBERA") represents a permanent commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

(2) Thirty-four democratically elected leaders agreed at the 1994 Summit of the Americas to conclude negotiation of a Free Trade Area of the Americas (referred to in this title as "FTAA") by the year 2005.

(3) The economic security of the countries in the Caribbean Basin will be enhanced by the completion of the FTAA.

(4) Offering temporary benefits to Caribbean Basin countries will enhance trade between the United States and the Caribbean Basin, encourage development of trade and investment policies that will facilitate participation of Caribbean Basin countries in the FTAA, preserve the United States commitment to Caribbean Basin beneficiary countries, help further economic development in the Caribbean Basin region, and accelerate the trend toward more open economies in the region.

(5) Promotion of the growth of free enterprise and economic opportunity in the Caribbean Basin will enhance the national security interests of the United States.

(6) Increased trade and economic activity between the United States and Caribbean Basin beneficiary countries will create expanding export opportunities for United States businesses and workers.

(b) POLICY.—It is the policy of the United States to—

(1) offer Caribbean Basin beneficiary countries willing to prepare to become a party to the FTAA or a comparable trade agreement, tariff treatment essentially equivalent to that accorded to products of NAFTA countries for certain products not currently eligible for duty-free treatment under the CBERA; and

(2) seek the participation of Caribbean Basin beneficiary countries in the FTAA or a trade agreement comparable to the FTAA at the earliest possible date, with the goal of achieving full participation in such agreement not later than 2005.

SEC. 203. DEFINITIONS.

In this title:

(1) BENEFICIARY COUNTRY.—The term "beneficiary country" has the meaning given the term in section 212(a)(1)(A) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)(A)).

(2) CBTEA.—The term "CBTEA" means the United States-Caribbean Basin Trade Enhancement Act.

(3) NAFTA.—The term "NAFTA" means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(4) NAFTA COUNTRY.—The term "NAFTA country" means any country with respect to which the NAFTA is in force.

(5) WTO AND WTO MEMBER.—The terms "WTO" and "WTO member" have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

Subtitle B—Trade Benefits for Caribbean Basin Countries

SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL TRADE BENEFITS TO CERTAIN BENEFICIARY COUNTRIES.

(a) TEMPORARY PROVISIONS.—Section 213(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)) is amended to read as follows:

"(b) IMPORT-SENSITIVE ARTICLES.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (5), the duty-free treatment provided under this title does not apply to—

"(A) textile and apparel articles which were not eligible articles for purposes of this title on January 1, 1994, as this title was in effect on that date;

"(B) footwear not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(C) tuna, prepared or preserved in any manner, in airtight containers;

"(D) petroleum, or any product derived from petroleum, provided for in headings 2709 and 2710 of the HTS;

"(E) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which HTS column 2 rates of duty apply; or

"(F) articles to which reduced rates of duty apply under subsection (h).

"(2) TRANSITION PERIOD TREATMENT OF CERTAIN TEXTILE AND APPAREL ARTICLES.—

"(A) PRODUCTS COVERED.—During the transition period, the preferential treatment described in subparagraph (B) shall apply to the following products:

"(i) APPAREL ARTICLES ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles assembled in a CBTEA beneficiary country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

"(I) entered under subheading 9802.00.80 of the HTS; or

"(II) entered under chapter 61 or 62 of the HTS, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the HTS but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

"(ii) APPAREL ARTICLES CUT AND ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in such country with thread formed in the United States.

"(iii) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a CBTEA beneficiary country identified under subparagraph (C) that is certified as such by the competent authority of such beneficiary country.

"(iv) TEXTILE LUGGAGE.—Textile luggage—

"(I) assembled in a CBTEA beneficiary country from fabric wholly formed and cut in the United States, from yarns wholly formed in the United States, that is entered under subheading 9802.00.80 of the HTS; or

"(II) assembled from fabric cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such luggage is assembled in such country with thread formed in the United States.

• "(B) PREFERENTIAL TREATMENT.—Except as provided in subparagraph (E), during the transition period, the articles described in subparagraph (A) shall enter the United States free of duty and free of any quantitative limitations.

"(C) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES DEFINED.—For purposes of subparagraph (A)(iii), the President, after consultation with the CBTEA beneficiary country concerned, shall determine which, if any, particular textile and apparel goods of the country shall be treated as being handloomed, handmade, or folklore goods of a kind described in section 2.3 (a), (b), or (c) or Appendix 3.1.B.11 of the Annex.

"(D) PENALTIES FOR TRANSSHIPMENTS.—

"(i) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a CBTEA beneficiary country, then the President shall deny all benefits under this title to such exporter, and any successor of such exporter, for a period of 2 years.

"(ii) PENALTIES FOR COUNTRIES.—Whenever the President finds, based on sufficient evidence, that transshipment has occurred, the President shall request that the CBTEA beneficiary country or countries through whose territory the transshipment has occurred take all necessary and appropriate actions to prevent such transshipment. If the President determines that a country is not taking such actions, the President shall reduce the quantities of textile and apparel articles that may be imported into the United States from such country by the quantity of the transshipped articles multiplied by 3.

"(iii) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment for a textile or apparel article under subparagraph (B) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subparagraph (B).

"(E) BILATERAL EMERGENCY ACTIONS.—

"(i) IN GENERAL.—The President may take bilateral emergency tariff actions of a kind described in section 4 of the Annex with respect to any apparel article imported from a CBTEA beneficiary country if the application of tariff treatment under subparagraph (B) to such article results in conditions that would be cause for the taking of such actions under such section 4 with respect to a like article described in the same 8-digit subheading of the HTS that is imported from Mexico.

"(ii) RULES RELATING TO BILATERAL EMERGENCY ACTION.—For purposes of applying bilateral emergency action under this subparagraph—

"(I) the requirements of paragraph (5) of section 4 of the Annex (relating to providing compensation) shall not apply;

"(II) the term 'transition period' in section 4 of the Annex shall have the meaning given that term in paragraph (5)(D) of this subsection; and

"(III) the requirements to consult specified in section 4 of the Annex shall be treated as satisfied if the President requests consultations with the beneficiary country in question and the country does not agree to consult within the time period specified under section 4.

"(3) TRANSITION PERIOD TREATMENT OF CERTAIN OTHER ARTICLES ORIGINATING IN BENEFICIARY COUNTRIES.—

"(A) EQUIVALENT TARIFF TREATMENT.—

"(i) IN GENERAL.—Subject to clause (ii), the tariff treatment accorded at any time during the transition period to any article referred to in any of subparagraphs (B) through (F) of paragraph (1) that originates in the territory of a CBTEA beneficiary country shall be identical to the tariff treatment that is accorded at such time under Annex 302.2 of the NAFTA to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States.

"(ii) EXCEPTION.—Clause (i) does not apply to any article accorded duty-free treatment under U.S. Note 2(b) to subchapter II of chapter 98 of the HTS.

"(B) RELATIONSHIP TO SUBSECTION (h) DUTY REDUCTIONS.—If at any time during the transition period the rate of duty that would (but for action taken under subparagraph (A)(i) in regard to such period) apply with respect to any article under subsection (h) is a rate of duty that is lower than the rate of duty resulting from such action, then such lower rate of duty shall be applied for the purposes of implementing such action.

"(4) CUSTOMS PROCEDURES.—

"(A) IN GENERAL.—

"(i) REGULATIONS.—Any importer that claims preferential treatment under paragraph (2) or (3) shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

"(ii) DETERMINATION.—

"(I) IN GENERAL.—In order to qualify for the preferential treatment under paragraph (2) or (3) and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that each country described in subclause (II)—

"(aa) has implemented and follows, or

"(bb) is making substantial progress toward implementing and following,

procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

"(II) COUNTRY DESCRIBED.—A country is described in this subclause if it is a CBTEA beneficiary country—

"(aa) from which the article is exported, or "(bb) in which materials used in the production of the article originate or in which the article or such materials undergo production that contributes to a claim that the article is eligible for preferential treatment.

"(B) CERTIFICATE OF ORIGIN.—The Certificate of Origin that otherwise would be required pursuant to the provisions of subparagraph (A) shall not be required in the case of an article imported under paragraph (2) or (3) if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

"(5) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) ANNEX.—The term 'the Annex' means Annex 300–B of the NAFTA.

"(B) CBTEA BENEFICIARY COUNTRY.—

"(i) IN GENERAL.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President determines has demonstrated a commitment to—

"(I) undertake its obligations under the WTO on or ahead of schedule;

"(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

"(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

"(ii) CRITERIA FOR DETERMINATION.—In making the determination under clause (i), the President may consider the criteria in section 212 (b) and (c) and other appropriate criteria, including—

"(I) the extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act;

"(II) the extent to which the country provides protection of intellectual property rights—

"(aa) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

"(bb) in accordance with standards established in chapter 17 of the NAFTA; and

"(cc) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border;

"(III) the extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA;

"(IV) the extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President;

"(V) the extent to which the country provides internationally recognized worker rights, including—

"(aa) the right of association,

"(bb) the right to organize and bargain collectively,

"(cc) prohibition on the use of any form of coerced or compulsory labor,

"(dd) a minimum age for the employment of children, and

"(ee) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(VI) whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance;

"(VII) the extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals;

"(VIII) the extent to which the country—

"(aa) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996, and

"(bb) applies transparent and competitive procedures in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act);

"(IX) the extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act);

"(X) the extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

"(C) CBTEA ORIGINATING GOOD.—

"(i) IN GENERAL.—The term 'CBTEA originating good' means a good that meets the rules of origin for a good set forth in chapter 4 of the NAFTA as implemented pursuant to United States law.

"(ii) APPLICATION OF CHAPTER 4.—In applying chapter 4 with respect to a CBTEA beneficiary country for purposes of this subsection—

"(I) no country other than the United States and a CBTEA beneficiary country may be treated as being a party to the NAFTA;

"(II) any reference to trade between the United States and Mexico shall be deemed to refer to trade between the United States and a CBTEA beneficiary country;

"(III) any reference to a party shall be deemed to refer to a CBTEA beneficiary country or the United States; and

"(IV) any reference to parties shall be deemed to refer to any combination of CBTEA beneficiary countries or to the United States and a CBTEA beneficiary country (or any combination thereof).

"(D) TRANSITION PERIOD.—The term 'transition period' means, with respect to a CBTEA beneficiary country, the period that begins on October 1, 2000, and ends on the earlier of—

"(i) December 31, 2004, or

"(ii) the date on which the FTAA or a comparable trade agreement enters into force with respect to the United States and the CBTEA beneficiary country.

"(E) CBTEA.—The term 'CBTEA' means the United States-Caribbean Basin Trade Enhancement Act.

"(F) FTAA.—The term 'FTAA' means the Free Trade Area of the Americas.".

(b) DETERMINATION REGARDING RETENTION OF DESIGNATION.—Section 212(e) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting "(A)" after "(1)";

(C) by striking "would be barred" and all that follows through the end period and inserting: "no longer satisfies one or more of the conditions for designation as a beneficiary country set forth in subsection (b) or such country fails adequately to meet one or more of the criteria set forth in subsection (c)."; and

(D) by adding at the end the following:

"(B) The President may, after the requirements of subsection (a)(2) and paragraph (2) have been met—

"(i) withdraw or suspend the designation of any country as a CBTEA beneficiary country, or

"(ii) withdraw, suspend, or limit the application of preferential treatment under section 213(b) (2) and (3) to any article of any country, if, after such designation, the President determines that as a result of changed circumstances, the performance of such country is not satisfactory under the criteria set forth in section 213(b)(5)(B)."; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) If preferential treatment under section 213(b) (2) and (3) is withdrawn, suspended, or limited with respect to a CBTEA beneficiary country, such country shall not be deemed to be a 'party' for the purposes of applying section 213(b)(5)(C) to imports of articles for which preferential treatment has been withdrawn, suspended, or limited with respect to such country.".

(c) REPORTING REQUIREMENTS.—

(1) Section 212(f) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(f)) is amended to read as follows:

"(f) REPORTING REQUIREMENTS.—

"(1) IN GENERAL.—Not later than December 31, 2001, and every 2 years thereafter during the period this title is in effect, the United States Trade Representative shall submit to Congress a report regarding the operation of this title, including—

"(A) with respect to subsections (b) and (c), the results of a general review of beneficiary countries based on the considerations described in such subsections; and

"(B) the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, under the criteria set forth in section 213(b)(5)(B)(ii).

"(2) PUBLIC COMMENT.—Before submitting the report described in paragraph (1), the United States Trade Representative shall publish a notice in the Federal Register requesting public comments on whether beneficiary countries are meeting the criteria listed in section 213(b)(5)(B)(i), and on the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, with respect to the criteria listed in section 213(b)(5)(B)(ii).".

(2) Section 203(f) of the Andean Trade Preference Act (19 U.S.C. 3202(f)) is amended—

(A) by striking "TRIENNIAL REPORT" in the heading and inserting "REPORT"; and

(B) by striking "On or before" and all that follows through "enactment of this title" and inserting "Not later than January 31, 2001".

(d) International Trade Commission Reports.—

(1) Section 215(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2704(a)) is amended to read as follows:

"(a) Reporting Requirement.—

"(1) In general.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers and on the economy of the beneficiary countries.

"(2) First report.—The first report shall be submitted not later than September 30, 2001.

"(3) Treatment of puerto rico, etc.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(2) Section 206(a) of the Andean Trade Preference Act (19 U.S.C. 3204(a)) is amended to read as follows:

"(a) Reporting Requirements.—

"(1) In general.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers, and, in conjunction with other agencies, the effectiveness of this title in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries.

"(2) Submission.—During the period that this title is in effect, the report required by paragraph (1) shall be submitted on December 31 of each year that the report required by section 215 of the Caribbean Basin Economic Recovery Act is not submitted.

"(3) Treatment of puerto rico, etc.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(e) Technical and Conforming Amendments.—

(1) In general.—

(A) Section 211 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701) is amended by inserting "(or other preferential treatment)" after "treatment".

(B) Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by inserting "and except as provided in subsection (b) (2) and (3)," after "Tax Reform Act of 1986,".

(2) Definitions.—Section 212(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)) is amended by adding at the end the following new subparagraphs:

"(D) The term 'NAFTA' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

"(E) The terms 'WTO' and 'WTO member' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).".

SEC. 212. ADEQUATE AND EFFECTIVE PROTECTION FOR INTELLECTUAL PROPERTY RIGHTS.

Section 212(c) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(c)) is amended by adding at the end the following flush sentence:

"Notwithstanding any other provision of law, the President may determine that a country is not providing adequate and effective protection of intellectual property rights under paragraph (9), even if the country is in compliance with the country's obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)).".

Subtitle C—Cover Over of Tax on Distilled Spirits

SEC. 221. SUSPENSION OF LIMITATION ON COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Section 7652(f) of the Internal Revenue Code of 1986 (relating to limitation on cover over of tax on distilled spirits) is amended by adding at the end the following new flush sentence:

"The preceding sentence shall not apply to articles that are tax-determined after June 30, 1999, and before October 1, 1999."

(b) Effective Date.—

(1) In general.—The amendment made by this section shall apply to articles that are tax-determined after June 30, 1999.

(2) Special rule.—

(A) In general.—The treasury of Puerto Rico shall make a Conservation Trust Fund transfer within 30 days after the date of each cover over payment (made to such treasury under section 7652(e) of the Internal Revenue Code of 1986) to which section 7652(f) of such Code does not apply by reason of the last sentence thereof.

(B) Conservation trust fund transfer.—

(i) In general.—For purposes of this paragraph, the term "Conservation Trust Fund transfer" means a transfer to the Puerto Rico Conservation Trust Fund of an amount equal to 50 cents per proof gallon of the taxes imposed under section 5001 or section 7652 of such Code on distilled spirits that are covered over to the treasury of Puerto Rico under section 7652(e) of such Code.

(ii) Treatment of transfer.—Each Conservation Trust Fund transfer shall be treated as principal for an endowment, the income from which to be available for use by the Puerto Rico Conservation Trust Fund for the purposes for which the Trust Fund was established.

(iii) Result of nontransfer.—

(I) In general.—Upon notification by the Secretary of the Interior that a Conservation Trust Fund transfer has not been made by the treasury of Puerto Rico as required by subparagraph (A), the Secretary of the Treasury shall, except as provided in subclause (II), deduct and withhold from the next cover over payment to be made to the treasury of Puerto Rico under section 7652(e) of such Code an amount equal to the appropriate Conservation Trust Fund transfer and interest thereon at the underpayment rate established under section 6621 of such Code as of the due date of such transfer. The Secretary of the Treasury shall transfer such amount deducted and withheld, and the interest thereon, directly to the Puerto Rico Conservation Trust Fund.

(II) Good cause exception.—If the Secretary of the Interior finds, after consultation with the Governor of Puerto Rico, that the failure by the treasury of Puerto Rico to make a required transfer was for good cause, and notifies the Secretary of the Treasury of the finding of such good cause before the due date of the next cover over payment following the notification of nontransfer, then the Secretary of the Treasury shall not deduct the amount of such nontransfer from any cover over payment.

(C) Puerto rico conservation trust fund.—For purposes of this paragraph, the term "Puerto Rico Conservation Trust Fund" means the fund established pursuant to a Memorandum of Understanding between the United States Department of the Interior and the Commonwealth of Puerto Rico, dated December 24, 1968.

TITLE III—GENERALIZED SYSTEM OF PREFERENCES

SEC. 301. EXTENSION OF DUTY-FREE TREATMENT UNDER GENERALIZED SYSTEM OF PREFERENCES.

(a) In General.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking "June 30, 1999" and inserting "June 30, 2004".

(b) Effective Date.—

(1) In general.—The amendment made by this section applies to articles entered on or after the date of the enactment of this Act.

(2) Retroactive application for certain liquidations and reliquidations.—

(A) General rule.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (3), any entry—

(i) of an article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if such entry had been made on June 30, 1999, and

(ii) that was made—

(I) after June 30, 1999, and

(II) before the date of enactment of this Act,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry.

(B) Entry.—As used in this paragraph, the term "entry" includes a withdrawal from warehouse for consumption.

(3) Requests.—Liquidation or reliquidation may be made under paragraph (2) with respect to an entry only if a request therefore is filed with the Customs Service, within 180 days after the date of enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry, or

(B) to reconstruct the entry if it cannot be located.

SEC. 302. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE OPERATIONS.

(a) In General.—Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) is amended by adding at the end the following new subsection:

"(i) Special Rule For Foreign Trade Zone Operations.—

"(1) In general.—Notwithstanding any other provision of law and except as provided in paragraph (3), all merchandise (including merchandise of different classes, types, and categories), withdrawn from a foreign trade zone during any 7-day period, shall, at the option of the operator or user of the zone, be the subject of a single estimated entry or release filed on or before the first day of the 7-day period in which the merchandise is to be withdrawn from the zone. The estimated entry or release shall be treated as a single entry and a single release of merchandise for purposes of section 13031(a)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)(A)) and all fee exclusions and limitations of such section 13031 shall apply, including the maximum and minimum fee amounts provided for under subsection (b)(8)(A)(i) of such section. The entry summary for the estimated entry or release shall cover only the merchandise actually withdrawn from the foreign trade zone during the 7-day period.

"(2) Other requirements.— The Secretary of the Treasury may require that the operator or user of the zone—

"(A) use an electronic data interchange approved by the Customs Service—

"(i) to file the entries described in paragraph (1); and

"(ii) to pay the applicable duties, fees, and taxes with respect to the entries; and

"(B) satisfy the Customs Service that accounting, transportation, and other controls over the merchandise are adequate to protect the revenue and meet the requirements of other Federal agencies.

"(3) EXCEPTION.—The provisions of paragraph (1) shall not apply to merchandise the entry of which is prohibited by law or merchandise for which the filing of an entry summary is required before the merchandise is released from customs custody.

"(4) FOREIGN TRADE ZONE; ZONE.—In this subsection, the terms 'foreign trade zone' and 'zone' mean a zone established pursuant to the Act of June 18, 1934, commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.).".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date that is 60 days after the date of enactment of this Act.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE

SEC. 401. TRADE ADJUSTMENT ASSISTANCE.

(a) ASSISTANCE FOR WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(1) in subsection (a), by striking "June 30, 1999" and inserting "September 30, 2001"; and

(2) in subsection (b), by striking "June 30, 1999" and inserting "September 30, 2001".

(b) NAFTA TRANSITIONAL PROGRAM.—Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking "the period beginning October 1, 1998, and ending June 30, 1999, shall not exceed $15,000,000" and inserting "the period beginning October 1, 1998, and ending September 30, 2001, shall not exceed $30,000,000 for any fiscal year".

(c) ADJUSTMENT FOR FIRMS.—Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking "June 30, 1999" and inserting "September 30, 2001".

(d) TERMINATION.—Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note preceding) is amended by striking "June 30, 1999" each place it appears and inserting "September 30, 2001".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1999.

TITLE V—REVENUE PROVISIONS

SEC. 501. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).".

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of the Internal Revenue Code of 1986 (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 502. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are one or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide directly or indirectly for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers.".

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of the Internal Revenue Code of 1986 (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide one or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 503. TREATMENT OF GAIN FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

"SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

"(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

"(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

"(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

"(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

"(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

"(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

"(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

"(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

"(c) FINANCIAL ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'financial asset' means—

"(A) any equity interest in any pass-thru entity, and

"(B) to the extent provided in regulations—

"(i) any debt instrument, and

"(ii) any stock in a corporation which is not a pass-thru entity.

"(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) a trust,

"(F) a common trust fund,

"(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

"(H) a foreign personal holding company,

"(I) a foreign investment company (as defined in section 1246(b)), and

"(J) a REMIC.

"(d) Constructive Ownership Transaction.—For purposes of this section—

"(1) In general.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

"(A) holds a long position under a notional principal contract with respect to the financial asset,

"(B) enters into a forward or futures contract to acquire the financial asset,

"(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

"(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

"(2) Exception for positions which are marked to market.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

"(3) Long position under notional principal contract.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

"(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

"(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

"(4) Forward contract.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

"(e) Net Underlying Long-Term Capital Gain.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

"(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

"(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

"(f) Special Rule Where Taxpayer Takes Delivery.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

"(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

"(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset.".

(b) Clerical Amendment.—The table of sections for part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 1260. Gains from constructive ownership transactions.".

(c) Effective Date.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 504. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) In General.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) Change in method of accounting.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 505. ALLOCATION OF BASIS ON TRANSFERS OF INTANGIBLES IN CERTAIN NONRECOGNITION TRANSACTIONS.

(a) Transfers to Corporations.—Section 351 of the Internal Revenue Code of 1986 (relating to transfer to corporation controlled by transferor) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) Treatment of Transfers of Intangible Property.—

"(1) Transfers of less than all substantial rights.

"(A) In general.—A transfer of an interest in intangible property (as defined in section 936(h)(3)(B)) shall be treated under this section as a transfer of property even if the transfer is of less than all of the substantial rights of the transferor in the property.

"(B) Allocation of basis.—In the case of a transfer of less than all of the substantial rights of the transferor in the intangible property, the transferor's basis immediately before the transfer shall be allocated among the rights retained by the transferor and the rights transferred on the basis of their respective fair market values.

"(2) Nonrecognition not to apply to intangible property developed for transferee.—This section shall not apply to a transfer of intangible property developed by the transferor or any related person if such development was pursuant to an arrangement with the transferee.".

(b) Transfers to Partnerships.—Subsection (d) of section 721 of the Internal Revenue Code of 1986 is amended to read as follows:

"(d) Transfers of Intangible Property.—

"(1) In general.—Rules similar to the rules of section 351(h) shall apply for purposes of this section.

"(2) Transfers to foreign partnerships.—For regulatory authority to treat intangibles transferred to a partnership as sold, see section 367(d)(3).".

(c) Effective Date.—The amendments made by this section shall apply to transfers on or after the date of the enactment of this Act.

SEC. 506. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) In General.—Section 3405(b)(1) of the Internal Revenue Code of 1986 (relating to withholding) is amended by striking "10 percent" and inserting "15 percent".

(b) Effective Date.—The amendment made by subsection (a) shall apply to distributions after December 31, 2000.

Amend the title so as to read: "To authorize a new trade and investment policy for sub-Saharan Africa, expand trade benefits to the countries in the Caribbean Basin, renew the generalized system of preferences, and reauthorize the trade adjustment assistance programs.".

LOTT AMENDMENT NO. 2333

Mr. LOTT proposed an amendment to amendment No. 2332 proposed by him to the bill, H.R. 434, supra; as follows:

Strike all after "1" and add the following

SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Trade and Development Act of 1999".

(b) Table of Contents.—

Sec. 1. Short title; table of contents.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Statement of policy.
Sec. 104. Sub-Saharan Africa defined.

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

Sec. 111. Eligibility for certain benefits.
Sec. 112. Treatment of certain textiles and apparel.
Sec. 113. United States-sub-Saharan African trade and economic cooperation forum.
Sec. 114. United States-sub-Saharan Africa free trade area.
Sec. 115. Reporting requirement.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

Sec. 201. Short title.
Sec. 202. Findings and policy.
Sec. 203. Definitions.

Subtitle B—Trade Benefits for Caribbean Basin Countries

Sec. 211. Temporary provisions to provide additional trade benefits to certain beneficiary countries.

Sec. 212. Adequate and effective protection for intellectual property rights.
Subtitle C—Cover Over of Tax on Distilled Spirits
Sec. 221. Suspension of limitation on cover over of tax on distilled spirits.
TITLE III—GENERALIZED SYSTEM OF PREFERENCES
Sec. 301. Extension of duty-free treatment under generalized system of preferences.
Sec. 302. Entry procedures for foreign trade zone operations.
TITLE IV—TRADE ADJUSTMENT ASSISTANCE
Sec. 401. Trade adjustment assistance.
TITLE V—REVENUE PROVISIONS
Sec. 501. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 502. Limitations on welfare benefit funds of 10 or more employer plans.
Sec. 503. Treatment of gain from constructive ownership transactions.
Sec. 504. Limitation on use of nonaccrual experience method of accounting.
Sec. 505. Allocation of basis on transfers of intangibles in certain nonrecognition transactions.
Sec. 506. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

SEC. 101. SHORT TITLE.

This title may be cited as the “African Growth and Opportunity Act”.

SEC. 102. FINDINGS.

Congress finds that—

(1) it is in the mutual interest of the United States and the countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa;

(2) the 48 countries of sub-Saharan Africa form a region richly endowed with both natural and human resources;

(3) sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States;

(4) the region has experienced a rise in both economic development and political freedom as countries in sub-Saharan Africa have taken steps toward liberalizing their economies and encouraged broader participation in the political process;

(5) the countries of sub-Saharan Africa have made progress toward regional economic integration that can have positive benefits for the region;

(6) despite those gains, the per capita income in sub-Saharan Africa averages less than $500 annually;

(7) United States foreign direct investment in the region has fallen in recent years and the sub-Saharan African region receives only minor inflows of direct investment from around the world;

(8) trade between the United States and sub-Saharan Africa, apart from the import of oil, remains an insignificant part of total United States trade;

(9) trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for building a stable political environment in which political freedom can flourish;

(10) increased trade and investment flows have the greatest impact in an economic environment in which trading partners eliminate barriers to trade and capital flows and encourage the development of a vibrant private sector that offers individual African citizens the freedom to expand their economic opportunities and provide for their families;

(11) offering the countries of sub-Saharan Africa enhanced trade preferences will encourage both higher levels of trade and direct investment in support of the positive economic and political developments under way throughout the region; and

(12) encouraging the reciprocal reduction of trade and investment barriers in Africa will enhance the benefits of trade and investment for the region as well as enhance commercial and political ties between the United States and sub-Saharan Africa.

SEC. 103. STATEMENT OF POLICY.

Congress supports—

(1) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(2) reducing tariff and nontariff barriers and other obstacles to sub-Saharan African and United States trade;

(3) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(4) negotiating reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and the countries of sub-Saharan Africa;

(5) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(6) strengthening and expanding the private sector in sub-Saharan Africa;

(7) supporting the development of civil societies and political freedom in sub-Saharan Africa; and

(8) establishing a United States-Sub-Saharan African Economic Cooperation Forum.

SEC. 104. SUB-SAHARAN AFRICA DEFINED.

In this title, the terms “sub-Saharan Africa”, “sub-Saharan African country”, “country in sub-Saharan Africa”, and “countries in sub-Saharan Africa” refer to the following:

(1) Republic of Angola (Angola).
(2) Republic of Botswana (Botswana).
(3) Republic of Burundi (Burundi).
(4) Republic of Cape Verde (Cape Verde).
(5) Republic of Chad (Chad).
(6) Democratic Republic of Congo.
(7) Republic of the Congo (Congo).
(8) Republic of Djibouti (Djibouti).
(9) State of Eritrea (Eritrea).
(10) Gabonese Republic (Gabon).
(11) Republic of Ghana (Ghana).
(12) Republic of Guinea-Bissau (Guinea-Bissau).
(13) Kingdom of Lesotho (Lesotho).
(14) Republic of Madagascar (Madagascar).
(15) Republic of Mali (Mali).
(16) Republic of Mauritius (Mauritius).
(17) Republic of Namibia (Namibia).
(18) Federal Republic of Nigeria (Nigeria).
(19) Democratic Republic of Sao Tome and Principe (Sao Tome and Principe).
(20) Republic of Sierra Leone (Sierra Leone).
(21) Somalia.
(22) Kingdom of Swaziland (Swaziland).
(23) Republic of Togo (Togo).
(24) Republic of Zimbabwe (Zimbabwe).
(25) Republic of Benin (Benin).
(26) Burkina Faso (Burkina).
(27) Republic of Cameroon (Cameroon).
(28) Central African Republic.
(29) Federal Islamic Republic of the Comoros (Comoros).
(30) Republic of Cote d'Ivoire (Cote d'Ivoire).
(31) Republic of Equatorial Guinea (Equatorial Guinea).
(32) Ethiopia.
(33) Republic of the Gambia (Gambia).
(34) Republic of Guinea (Guinea).
(35) Republic of Kenya (Kenya).
(36) Republic of Liberia (Liberia).
(37) Republic of Malawi (Malawi).
(38) Islamic Republic of Mauritania (Mauritania).
(39) Republic of Mozambique (Mozambique).
(40) Republic of Niger (Niger).
(41) Republic of Rwanda (Rwanda).
(42) Republic of Senegal (Senegal).
(43) Republic of Seychelles (Seychelles).
(44) Republic of South Africa (South Africa).
(45) Republic of Sudan (Sudan).
(46) United Republic of Tanzania (Tanzania).
(47) Republic of Uganda (Uganda).
(48) Republic of Zambia (Zambia).

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) In General.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

“SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

“(a) Authority To Designate.—

“(1) In general.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 104 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

“(A) has established, or is making continual progress toward establishing—

“(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

“(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

“(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

“(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

“(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

“(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

“(2) Monitoring and review of certain countries.—The President shall monitor and review the progress of each country listed in section 104 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 115 of the African Growth and Opportunity Act.

"(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

"506A. Designation of sub-Saharan African countries for certain benefits.

"506B. Termination of benefits for sub-Saharan African countries.".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) the country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(2) the country enacts legislation or promulgates regulations that would permit United States Customs Service verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) PENALTIES FOR TRANSSHIPMENTS.—

(1) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, then the President shall deny all benefits under this section and section 506A of the Trade Act of 1974 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of 2 years.

(2) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subsection has occurred when preferential treatment for a textile or apparel article under subsection (a) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this paragraph, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subsection (a).

(d) TECHNICAL ASSISTANCE.—The Customs Service shall provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of the requirements set forth in subsection (a) (1) and (2).

(e) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress, not later than March 31 of each year that this section is in effect, a report on the effectiveness of the anti-circumvention systems described in this section and on measures taken by countries in sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in article 5 of the Agreement on Textiles and Clothing.

(f) SAFEGUARD.—The President shall have the authority to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment provided under this section, in the event that textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat thereof, to the domestic industry producing like or directly competitive articles. The President shall exercise his authority under this subsection consistent with the Agreement on Textiles and Clothing.

(g) DEFINITIONS.—In this section:

(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms "beneficiary sub-Saharan African country" ,and "beneficiary sub-Saharan African countries" have the same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

(3) CUSTOMS SERVICE.—The term "Customs Service" means the United States Customs Service.

(h) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000 and shall remain in effect through September 30, 2006.

SEC. 113. UNITED STATES-SUB-SAHARAN AFRICAN TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual meetings between senior officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum (in this section referred to as the "Forum").

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) FIRST MEETING.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa.

(2) NONGOVERNMENTAL ORGANIZATIONS.—

(A) IN GENERAL.—The President, in consultation with Congress, shall invite United States nongovernmental organizations to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) PRIVATE SECTOR.—The President, in consultation with Congress, shall invite United States representatives of the private sector to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) ANNUAL MEETINGS.—As soon as practicable after the date of enactment of this Act, the President shall meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph (1).

SEC. 114. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

(a) IN GENERAL.—The President shall examine the feasibility of negotiating a free trade agreement (or agreements) with interested sub-Saharan African countries.

(b) REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this Act, the President shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding the President's conclusions on the feasibility of negotiating such agreement (or agreements). If the President determines that the negotiation of any such free trade agreement is feasible, the President shall provide a detailed plan for such negotiation that outlines the objectives, timing, any potential benefits to the United States and sub-Saharan Africa, and the likely economic impact of any such agreement.

SEC. 115. REPORTING REQUIREMENT.

Not later than 1 year after the date of enactment of this Act, and annually thereafter for 4 years, the President shall submit a report to Congress on the implementation of this title.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

SEC. 201. SHORT TITLE.

This title may be cited as the "United States-Caribbean Basin Trade Enhancement Act".

SEC. 202. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The Caribbean Basin Economic Recovery Act (referred to in this title as "CBERA") represents a permanent commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

(2) Thirty-four democratically elected leaders agreed at the 1994 Summit of the Americas to conclude negotiation of a Free Trade Area of the Americas (referred to in this title as "FTAA") by the year 2005.

(3) The economic security of the countries in the Caribbean Basin will be enhanced by the completion of the FTAA.

(4) Offering temporary benefits to Caribbean Basin countries will enhance trade between the United States and the Caribbean Basin, encourage development of trade and investment policies that will facilitate participation of Caribbean Basin countries in the FTAA, preserve the United States commitment to Caribbean Basin beneficiary countries,, help further economic development in the Caribbean Basin region, and accelerate the trend toward more open economies in the region.

(5) Promotion of the growth of free enterprise and economic opportunity in the Caribbean Basin will enhance the national security interests of the United States.

(6) Increased trade and economic activity between the United States and Caribbean Basin beneficiary countries will create expanding export opportunities for United States businesses and workers.

(b) POLICY.—It is the policy of the United States to—

(1) offer Caribbean Basin beneficiary countries willing to prepare to become a party to the FTAA or a comparable trade agreement, tariff treatment essentially equivalent to that accorded to products of NAFTA countries for certain products not currently eligible for duty-free treatment under the CBERA; and

(2) seek the participation of Caribbean Basin beneficiary countries in the FTAA or a trade agreement comparable to the FTAA at the earliest possible date, with the goal of achieving full participation in such agreement not later than 2005.

SEC. 203. DEFINITIONS.

In this title:

(1) BENEFICIARY COUNTRY.—The term "beneficiary country" has the meaning given the term in section 212(a)(1)(A) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)(A)).

(2) CBTEA.—The term "CBTEA" means the United States-Caribbean Basin Trade Enhancement Act.

(3) NAFTA.—The term "NAFTA" means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(4) NAFTA COUNTRY.—The term "NAFTA country" means any country with respect to which the NAFTA is in force.

(5) WTO AND WTO MEMBER.—The terms "WTO" and "WTO member" have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

Subtitle B—Trade Benefits for Caribbean Basin Countries

SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL TRADE BENEFITS TO CERTAIN BENEFICIARY COUNTRIES.

(a) TEMPORARY PROVISIONS.—Section 213(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)) is amended to read as follows:

"(b) IMPORT-SENSITIVE ARTICLES.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (5), the duty-free treatment provided under this title does not apply to—

"(A) textile and apparel articles which were not eligible articles for purposes of this title on January 1, 1994, as this title was in effect on that date;

"(B) footwear not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(C) tuna, prepared or preserved in any manner, in airtight containers;

"(D) petroleum, or any product derived from petroleum, provided for in headings 2709 and 2710 of the HTS;

"(E) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which HTS column 2 rates of duty apply; or

"(F) articles to which reduced rates of duty apply under subsection (h).

"(2) TRANSITION PERIOD TREATMENT OF CERTAIN TEXTILE AND APPAREL ARTICLES.—

"(A) PRODUCTS COVERED.—During the transition period, the preferential treatment described in subparagraph (B) shall apply to the following products:

"(i) APPAREL ARTICLES ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles assembled in a CBTEA beneficiary country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

"(I) entered under subheading 9802.00.80 of the HTS; or

"(II) entered under chapter 61 or 62 of the HTS, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the HTS but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

"(ii) APPAREL ARTICLES CUT AND ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in such country with thread formed in the United States.

"(iii) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a CBTEA beneficiary country identified under subparagraph (C) that is certified as such by the competent authority of such beneficiary country.

"(iv) TEXTILE LUGGAGE.—Textile luggage—

"(I) assembled in a CBTEA beneficiary country from fabric wholly formed and cut in the United States, from yarns wholly formed in the United States, that is entered under subheading 9802.00.80 of the HTS; or

"(II) assembled from fabric cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such luggage is assembled in such country with thread formed in the United States.

"(B) PREFERENTIAL TREATMENT.—Except as provided in subparagraph (E), during the transition period, the articles described in subparagraph (A) shall enter the United States free of duty and free of any quantitative limitations.

"(C) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES DEFINED.—For purposes of subparagraph (A)(iii), the President, after consultation with the CBTEA beneficiary country concerned, shall determine which, if any, particular textile and apparel goods of the country shall be treated as being handloomed, handmade, or folklore goods of a kind described in section 2.3 (a), (b), or (c) or Appendix 3.1.B.11 of the Annex.

"(D) PENALTIES FOR TRANSSHIPMENTS.—

"(i) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a CBTEA beneficiary country, then the President shall deny all benefits under this title to such exporter, and any successor of such exporter, for a period of 2 years.

"(ii) PENALTIES FOR COUNTRIES.—Whenever the President finds, based on sufficient evidence, that transshipment has occurred, the President shall request that the CBTEA beneficiary country or countries through whose territory the transshipment has occurred take all necessary and appropriate actions to prevent such transshipment. If the President determines that a country is not taking such actions, the President shall reduce the quantities of textile and apparel articles that may be imported into the United States from such country by the quantity of the transshipped articles multiplied by 3.

"(iii) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment for a textile or apparel article under subparagraph (B) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subparagraph (B).

"(E) BILATERAL EMERGENCY ACTIONS.—

"(i) IN GENERAL.—The President may take bilateral emergency tariff actions of a kind described in section 4 of the Annex with respect to any apparel article imported from a CBTEA beneficiary country if the application of tariff treatment under subparagraph (B) to such article results in conditions that would be cause for the taking of such actions under such section 4 with respect to a like article described in the same 8-digit subheading of the HTS that is imported from Mexico.

"(ii) RULES RELATING TO BILATERAL EMERGENCY ACTION.—For purposes of applying bilateral emergency action under this subparagraph—

"(I) the requirements of paragraph (5) of section 4 of the Annex (relating to providing compensation) shall not apply;

"(II) the term 'transition period' in section 4 of the Annex shall have the meaning given that term in paragraph (5)(D) of this subsection; and

"(III) the requirements to consult specified in section 4 of the Annex shall be treated as satisfied if the President requests consultations with the beneficiary country in question and the country does not agree to consult within the time period specified under section 4.

"(3) TRANSITION PERIOD TREATMENT OF CERTAIN OTHER ARTICLES ORIGINATING IN BENEFICIARY COUNTRIES.—

"(A) EQUIVALENT TARIFF TREATMENT.—

"(i) IN GENERAL.—Subject to clause (ii), the tariff treatment accorded at any time during the transition period to any article referred to in any of subparagraphs (B) through (F) of paragraph (1) that originates in the territory of a CBTEA beneficiary country shall be identical to the tariff treatment that is accorded at such time under Annex 302.2 of the NAFTA to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States.

"(ii) EXCEPTION.—Clause (i) does not apply to any article accorded duty-free treatment under U.S. Note 2(b) to subchapter II of chapter 98 of the HTS.

"(B) RELATIONSHIP TO SUBSECTION (h) DUTY REDUCTIONS.—If at any time during the transition period the rate of duty that would (but for action taken under subparagraph (A)(i) in regard to such period) apply with respect to any article under subsection (h) is a rate of duty that is lower than the rate of duty resulting from such action, then such lower rate of duty shall be applied for the purposes of implementing such action.

"(4) CUSTOMS PROCEDURES.—

"(A) IN GENERAL.—

"(i) REGULATIONS.—Any importer that claims preferential treatment under paragraph (2) or (3) shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

"(ii) DETERMINATION.—

"(I) IN GENERAL.—In order to qualify for the preferential treatment under paragraph (2) or (3) and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that each country described in subclause (II)—

"(aa) has implemented and follows, or

"(bb) is making substantial progress toward implementing and following,

procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

"(II) COUNTRY DESCRIBED.—A country is described in this subclause if it is a CBTEA beneficiary country—

"(aa) from which the article is exported, or

"(bb) in which materials used in the production of the article originate or in which the article or such materials undergo production that contributes to a claim that the article is eligible for preferential treatment.

"(B) CERTIFICATE OF ORIGIN.—The Certificate of Origin that otherwise would be required pursuant to the provisions of subparagraph (A) shall not be required in the case of an article imported under paragraph (2) or (3) if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

"(5) DEFINITIONS AND SPECIAL RULES.—for purposes of this subsection—

"(A) ANNEX.—The term 'the Annex' means Annex 300–B of the NAFTA.

"(B) CBTEA BENEFICIARY COUNTRY.—

"(i) IN GENERAL.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President determines has demonstrated a commitment to—

"(I) undertake its obligations under the WTO on or ahead of schedule;

"(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

"(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

"(ii) CRITERIA FOR DETERMINATION.—In making the determination under clause (i), the President may consider the criteria in section 212 (b) and (c) and other appropriate criteria, including—

"(I) the extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act;

"(II) the extent to which the country provides protection of intellectual property rights—

"(aa) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

"(bb) in accordance with standards established in chapter 17 of the NAFTA; and

"(cc) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border;

"(III) the extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA;

"(IV) the extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President;

"(V) the extent to which the country provides internationally recognized worker rights, including—

"(aa) the right of association,

"(bb) the right to organize and bargain collectively,

"(cc) prohibition on the use of any form of coerced or compulsory labor,

"(dd) a minimum age for the employment of children, and

"(ee) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(VI) whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance;

"(VII) the extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals;

"(VIII) the extent to which the country—

"(aa) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996, and

"(bb) applies transparent and competitive procedures in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act);

"(IX) the extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act);

"(X) the extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

"(C) CBTEA ORIGINATING GOOD.—

"(i) IN GENERAL.—The term 'CBTEA originating good' means a good that meets the rules of origin for a good set forth in chapter 4 of the NAFTA as implemented pursuant to United States law.

"(ii) APPLICATION OF CHAPTER 4.—In applying chapter 4 with respect to a CBTEA beneficiary country for purposes of this subsection—

"(I) no country other than the United States and a CBTEA beneficiary country may be treated as being a party to the NAFTA;

"(II) any reference to trade between the United States and Mexico shall be deemed to refer to trade between the United States and a CBTEA beneficiary country;

"(III) any reference to a party shall be deemed to refer to a CBTEA beneficiary country or the United States; and

"(IV) any reference to parties shall be deemed to refer to any combination of CBTEA beneficiary countries or to the United States and a CBTEA beneficiary country (or any combination thereof).

"(D) TRANSITION PERIOD.—The term 'transition period' means, with respect to a CBTEA beneficiary country, the period that begins on October 1, 2000, and ends on the earlier of—

"(i) December 31, 2004, or

"(ii) the date on which the FTAA or a comparable trade agreement enters into force with respect to the United States and the CBTEA beneficiary country.

"(E) CBTEA.—The term 'CBTEA' means the United States-Caribbean Basin Trade Enhancement Act.

"(F) FTAA.—The term 'FTAA' means the Free Trade Area of the Americas.".

(b) DETERMINATION REGARDING RETENTION OF DESIGNATION.—Section 212(e) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting "(A)" after "(1)";

(C) by striking "would be barred" and all that follows through the end period and inserting: "no longer satisfies one or more of the conditions for designation as a beneficiary country set forth in subsection (b) or such country fails adequately to meet one or more of the criteria set forth in subsection (c)."; and

(D) by adding at the end the following:

"(B) The President may, after the requirements of subsection (a)(2) and paragraph (2) have been met—

"(i) withdraw or suspend the designation of any country as a CBTEA beneficiary country, or

"(ii) withdraw, suspend, or limit the application of preferential treatment under section 213(b) (2) and (3) to any article of any country, if, after such designation, the President determines that as a result of changed circumstances, the performance of such country is not satisfactory under the criteria set forth in section 213(b)(5)(B)."; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) If preferential treatment under section 213(b) (2) and (3) is withdrawn, suspended, or limited with respect to a CBTEA beneficiary country, such country shall not be deemed to be a 'party' for the purposes of applying section 213(b)(5)(C) to imports of articles for which preferential treatment has been withdrawn, suspended, or limited with respect to such country.".

(c) REPORTING REQUIREMENTS.—

(1) Section 212(f) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(f)) is amended to read as follows:

"(f) REPORTING REQUIREMENTS.—

"(1) IN GENERAL.—Not later than December 31, 2001, and every 2 years thereafter during the period this title is in effect, the United States Trade Representative shall submit to Congress a report regarding the operation of this title, including—

"(A) with respect to subsections (b) and (c), the results of a general review of beneficiary countries based on the considerations described in such subsections; and

"(B) the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, under the criteria set forth in section 213(b)(5)(B)(ii).

"(2) PUBLIC COMMENT.—Before submitting the report described in paragraph (1), the United States Trade Representative shall publish a notice in the Federal Register requesting public comments on whether beneficiary countries are meeting the criteria listed in section 213(b)(5)(B)(i), and on the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, with respect to the criteria listed in section 213(b)(5)(B)(ii).".

(2) Section 203(f) of the Andean Trade Preference Act (19 U.S.C. 3202(f)) is amended—

(A) by striking "TRIENNIAL REPORT" in the heading and inserting "REPORT"; and

(B) by striking "On or before" and all that follows through "enactment of this title" and inserting "Not later than January 31, 2001".

(d) INTERNATIONAL TRADE COMMISSION REPORTS.—

(1) Section 215(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2704(a)) is amended to read as follows:

"(a) REPORTING REQUIREMENT.—

"(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers and on the economy of the beneficiary countries.

"(2) FIRST REPORT.—The first report shall be submitted not later than September 30, 2001.

"(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(2) Section 206(a) of the Andean Trade Preference Act (19 U.S.C. 3204(a)) is amended to read as follows:

"(a) REPORTING REQUIREMENTS.—

"(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers, and, in conjunction with other agencies, the effectiveness of this title in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries.

"(2) SUBMISSION.—During the period that this title is in effect, the report required by paragraph (1) shall be submitted on December 31 of each year that the report required by section 215 of the Caribbean Basin Economic Recovery Act is not submitted.

"(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—

(A) Section 211 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701) is amended by inserting "(or other preferential treatment)" after "treatment".

(B) Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by inserting "and except as provided in subsection (b) (2) and (3)," after "Tax Reform Act of 1986,".

(2) DEFINITIONS.—Section 212(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)) is amended by adding at the end the following new subparagraphs:

"(D) The term 'NAFTA' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

"(E) The terms 'WTO' and 'WTO member' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).".

SEC. 212. ADEQUATE AND EFFECTIVE PROTECTION FOR INTELLECTUAL PROPERTY RIGHTS.

Section 212(c) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(c)) is amended by adding at the end the following flush sentence:

"Notwithstanding any other provision of law, the President may determine that a country is not providing adequate and effective protection of intellectual property rights under paragraph (9), even if the country is in compliance with the country's obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)).".

Subtitle C—Cover Over of Tax on Distilled Spirits

SEC. 221. SUSPENSION OF LIMITATION ON COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Section 7652(f) of the Internal Revenue Code of 1986 (relating to limitation on cover over of tax on distilled spirits) is amended by adding at the end the following new flush sentence:

"The preceding sentence shall not apply to articles that are tax-determined after June 30, 1999, and before October 1, 1999."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to articles that are tax-determined after June 30, 1999.

(2) SPECIAL RULE.—

(A) IN GENERAL.—The treasury of Puerto Rico shall make a Conservation Trust Fund transfer within 30 days after the date of each cover over payment (made to such treasury under section 7652(e) of the Internal Revenue Code of 1986) to which section 7652(f) of such Code does not apply by reason of the last sentence thereof.

(B) CONSERVATION TRUST FUND TRANSFER.—

(i) IN GENERAL.—For purposes of this paragraph, the term "Conservation Trust Fund transfer" means a transfer to the Puerto Rico Conservation Trust Fund of an amount equal to 50 cents per proof gallon of the taxes imposed under section 5001 or section 7652 of such Code on distilled spirits that are covered over to the treasury of Puerto Rico under section 7652(e) of such Code.

(ii) TREATMENT OF TRANSFER.—Each Conservation Trust Fund transfer shall be treated as principal for an endowment, the income from which to be available for use by the Puerto Rico Conservation Trust Fund for the purposes for which the Trust Fund was established.

(iii) RESULT OF NONTRANSFER.—

(I) IN GENERAL.—Upon notification by the Secretary of the Interior that a Conservation Trust Fund transfer has not been made by the treasury of Puerto Rico as required by subparagraph (A), the Secretary of the Treasury shall, except as provided in subclause (II), deduct and withhold from the next cover over payment to be made to the treasury of Puerto Rico under section 7652(e) of such Code an amount equal to the appropriate Conservation Trust Fund transfer and interest thereon at the underpayment rate established under section 6621 of such Code as of the due date of such transfer. The Secretary of the Treasury shall transfer such amount deducted and withheld, and the interest thereon, directly to the Puerto Rico Conservation Trust Fund.

(II) GOOD CAUSE EXCEPTION.—If the Secretary of the Interior finds, after consultation with the Governor of Puerto Rico, that the failure by the treasury of Puerto Rico to make a required transfer was for good cause, and notifies the Secretary of the Treasury of the finding of such good cause before the due date of the next cover over payment following the notification of nontransfer, then the Secretary of the Treasury shall not deduct the amount of such nontransfer from any cover over payment.

(C) PUERTO RICO CONSERVATION TRUST FUND.—For purposes of this paragraph, the term "Puerto Rico Conservation Trust Fund" means the fund established pursuant to a Memorandum of Understanding between the United States Department of the Interior and the Commonwealth of Puerto Rico, dated December 24, 1968.

TITLE III—GENERALIZED SYSTEM OF PREFERENCES

SEC. 301. EXTENSION OF DUTY-FREE TREATMENT UNDER GENERALIZED SYSTEM OF PREFERENCES.

(a) IN GENERAL.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking "June 30, 1999" and inserting "June 30, 2004".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section applies to articles entered on or after the date of the enactment of this Act.

(2) RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS.—

(A) GENERAL RULE.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (3), any entry—

(i) of an article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if such entry had been made on June 30, 1999, and

(ii) that was made—

(I) after June 30, 1999, and

(II) before the date of enactment of this Act,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry.

(B) ENTRY.—As used in this paragraph, the term "entry" includes a withdrawal from warehouse for consumption.

(3) REQUESTS.—Liquidation or reliquidation may be made under paragraph (2) with respect to an entry only if a request therefore is filed with the Customs Service, within 180 days after the date of enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry, or

(B) to reconstruct the entry if it cannot be located.

SEC. 302. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE OPERATIONS.

(a) IN GENERAL.—Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) is amended by adding at the end the following new subsection:

"(i) SPECIAL RULE FOR FOREIGN TRADE ZONE OPERATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (3), all merchandise (including merchandise of different classes, types, and categories), withdrawn from a foreign trade zone during any 7-day period, shall, at the option of the operator or user of the zone, be the subject of a single estimated entry or release filed on or before the first day of the 7-day period in which the merchandise is to be withdrawn from the zone. The estimated entry or release shall be treated as a single entry and a single release of merchandise for purposes of section 13031(a)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)(A)) and all fee exclusions and limitations of such section 13031 shall apply, including the maximum and minimum fee amounts provided for under subsection (b)(8)(A)(i) of such section. The entry summary for the estimated entry or release shall cover only the merchandise actually withdrawn from the foreign trade zone during the 7-day period.

"(2) OTHER REQUIREMENTS.— The Secretary of the Treasury may require that the operator or user of the zone—

"(A) use an electronic data interchange approved by the Customs Service—

"(i) to file the entries described in paragraph (1); and

"(ii) to pay the applicable duties, fees, and taxes with respect to the entries; and

"(B) satisfy the Customs Service that accounting, transportation, and other controls over the merchandise are adequate to protect the revenue and meet the requirements of other Federal agencies.

"(3) EXCEPTION.—The provisions of paragraph (1) shall not apply to merchandise the entry of which is prohibited by law or merchandise for which the filing of an entry summary is required before the merchandise is released from customs custody.

"(4) FOREIGN TRADE ZONE; ZONE.—In this subsection, the terms 'foreign trade zone' and 'zone' mean a zone established pursuant to the Act of June 18, 1934, commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.).".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date that is 60 days after the date of enactment of this Act.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE

SEC. 401. TRADE ADJUSTMENT ASSISTANCE.

(a) ASSISTANCE FOR WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(1) in subsection (a), by striking "June 30, 1999" and inserting "September 30, 2001"; and

(2) in subsection (b), by striking "June 30, 1999" and inserting "September 30, 2001".

(b) NAFTA TRANSITIONAL PROGRAM.—Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking "the period beginning October 1, 1998, and ending June 30, 1999, shall not exceed $15,000,000" and inserting "the period beginning October 1, 1998, and ending September 30, 2001, shall not exceed $30,000,000 for any fiscal year".

(c) ADJUSTMENT FOR FIRMS.—Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking "June 30, 1999" and inserting "September 30, 2001".

(d) TERMINATION.—Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note preceding) is amended by striking "June 30, 1999" each place it appears and inserting "September 30, 2001".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1999.

TITLE V—REVENUE PROVISIONS

SEC. 501. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).".

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of the Internal Revenue Code of 1986 (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 502. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are one or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide directly or indirectly for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers.".

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of the Internal Revenue Code of 1986 (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide one or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 503. TREATMENT OF GAIN FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

"SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

"(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

"(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

"(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

"(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

"(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

"(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

"(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

"(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

"(c) FINANCIAL ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'financial asset' means—

"(A) any equity interest in any pass-thru entity, and

"(B) to the extent provided in regulations—

"(i) any debt instrument, and

"(ii) any stock in a corporation which is not a pass-thru entity.

"(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) a trust,

"(F) a common trust fund,

"(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

"(H) a foreign personal holding company,

"(I) a foreign investment company (as defined in section 1246(b)), and

"(J) a REMIC.

"(d) CONSTRUCTIVE OWNERSHIP TRANSACTION.—For purposes of this section—

"(1) IN GENERAL.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

"(A) holds a long position under a notional principal contract with respect to the financial asset,

"(B) enters into a forward or futures contract to acquire the financial asset,

"(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

"(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

"(2) EXCEPTION FOR POSITIONS WHICH ARE MARKED TO MARKET.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

"(3) LONG POSITION UNDER NOTIONAL PRINCIPAL CONTRACT.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

"(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

"(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

"(4) FORWARD CONTRACT.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

"(e) NET UNDERLYING LONG-TERM CAPITAL GAIN.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

"(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

"(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

"(f) SPECIAL RULE WHERE TAXPAYER TAKES DELIVERY.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

"(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset.".

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 1260. Gains from constructive ownership transactions.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 504. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) Change in method of accounting.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 505. ALLOCATION OF BASIS ON TRANSFERS OF INTANGIBLES IN CERTAIN NONRECOGNITION TRANSACTIONS.

(a) Transfers to Corporations.—Section 351 of the Internal Revenue Code of 1986 (relating to transfer to corporation controlled by transferor) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) Treatment of Transfers of Intangible Property.—

"(1) Transfers of less than all substantial rights.

"(A) In general.—A transfer of an interest in intangible property (as defined in section 936(h)(3)(B)) shall be treated under this section as a transfer of property even if the transfer is of less than all of the substantial rights of the transferor in the property.

"(B) Allocation of basis.—In the case of a transfer of less than all of the substantial rights of the transferor in the intangible property, the transferor's basis immediately before the transfer shall be allocated among the rights retained by the transferor and the rights transferred on the basis of their respective fair market values.

"(2) Nonrecognition not to apply to intangible property developed for transferee.—This section shall not apply to a transfer of intangible property developed by the transferor or any related person if such development was pursuant to an arrangement with the transferee.".

(b) Transfers to Partnerships.—Subsection (d) of section 721 of the Internal Revenue Code of 1986 is amended to read as follows:

"(d) Transfers of Intangible Property.—

"(1) In general.—Rules similar to the rules of section 351(h) shall apply for purposes of this section.

"(2) Transfers to foreign partnerships.—For regulatory authority to treat intangibles transferred to a partnership as sold, see section 367(d)(3).".

(c) Effective Date.—The amendments made by this section shall apply to transfers on or after the date of the enactment of this Act.

SEC. 506. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) In General.—Section 3405(b)(1) of the Internal Revenue Code of 1986 (relating to withholding) is amended by striking "10 percent" and inserting "15 percent".

(b) Effective Date.—The amendment made by subsection (a) shall apply to distributions after December 30, 2000.

Amend the title so as to read: "To authorize a new trade and investment policy for sub-Saharan Africa, expand trade benefits to the countries in the Caribbean Basin, renew the generalized system of preferences, and reauthorize the trade adjustment assistance programs.".

LOTT AMENDMENT NO. 2334

Mr. LOTT proposed an amendment to the motion to recommit proposed by him to the bill, H.R. 434, supra; as follows:

At the end of the instructions, add the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Trade and Development Act of 1999".

(b) Table of Contents.—

Sec. 1. Short title; table of contents.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Statement of policy.
Sec. 104. Sub-Saharan Africa defined.

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

Sec. 111. Eligibility for certain benefits.
Sec. 112. Treatment of certain textiles and apparel.
Sec. 113. United States-sub-Saharan African trade and economic cooperation forum.
Sec. 114. United States-sub-Saharan Africa free trade area.
Sec. 115. Reporting requirement.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

Sec. 201. Short title.
Sec. 202. Findings and policy.
Sec. 203. Definitions.

Subtitle B—Trade Benefits for Caribbean Basin Countries

Sec. 211. Temporary provisions to provide additional trade benefits to certain beneficiary countries.
Sec. 212. Adequate and effective protection for intellectual property rights.

Subtitle C—Cover Over of Tax on Distilled Spirits

Sec. 221. Suspension of limitation on cover over of tax on distilled spirits.

TITLE III—GENERALIZED SYSTEM OF PREFERENCES

Sec. 301. Extension of duty-free treatment under generalized system of preferences.
Sec. 302. Entry procedures for foreign trade zone operations.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE

Sec. 401. Trade adjustment assistance.

TITLE V—REVENUE PROVISIONS

Sec. 501. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 502. Limitations on welfare benefit funds of 10 or more employer plans.
Sec. 503. Treatment of gain from constructive ownership transactions.
Sec. 504. Limitation on use of nonaccrual experience method of accounting.
Sec. 505. Allocation of basis on transfers of intangibles in certain nonrecognition transactions.
Sec. 506. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

SEC. 101. SHORT TITLE.

This title may be cited as the "African Growth and Opportunity Act".

SEC. 102. FINDINGS.

Congress finds that—

(1) it is in the mutual interest of the United States and the countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa;

(2) the 48 countries of sub-Saharan Africa form a region richly endowed with both natural and human resources;

(3) sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States;

(4) the region has experienced a rise in both economic development and political freedom as countries in sub-Saharan Africa have taken steps toward liberalizing their economies and encouraged broader participation in the political process;

(5) the countries of sub-Saharan Africa have made progress toward regional economic integration that can have positive benefits for the region;

(6) despite those gains, the per capita income in sub-Saharan Africa averages less than $500 annually;

(7) United States foreign direct investment in the region has fallen in recent years and the sub-Saharan African region receives only minor inflows of direct investment from around the world;

(8) trade between the United States and sub-Saharan Africa, apart from the import of oil, remains an insignificant part of total United States trade;

(9) trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for building a stable political environment in which political freedom can flourish;

(10) increased trade and investment flows have the greatest impact in an economic environment in which trading partners eliminate barriers to trade and capital flows and encourage the development of a vibrant private sector that offers individual African citizens the freedom to expand their economic opportunities and provide for their families;

(11) offering the countries of sub-Saharan Africa enhanced trade preferences will encourage both higher levels of trade and direct investment in support of the positive economic and political developments under way throughout the region; and

(12) encouraging the reciprocal reduction of trade and investment barriers in Africa will enhance the benefits of trade and investment for the region as well as enhance commercial and political ties between the United States and sub-Saharan Africa.

SEC. 103. STATEMENT OF POLICY.

Congress supports—

(1) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(2) reducing tariff and nontariff barriers and other obstacles to sub-Saharan African and United States trade;

(3) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(4) negotiating reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and the countries of sub-Saharan Africa;

(5) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(6) strengthening and expanding the private sector in sub-Saharan Africa;

(7) supporting the development of civil societies and political freedom in sub-Saharan Africa; and

(8) establishing a United States-Sub-Saharan African Economic Cooperation Forum.

SEC. 104. SUB-SAHARAN AFRICA DEFINED.

In this title, the terms "sub-Saharan Africa", "sub-Saharan African country", "country in sub-Saharan Africa", and "countries in sub-Saharan Africa" refer to the following:

(1) Republic of Angola (Angola).
(2) Republic of Botswana (Botswana).
(3) Republic of Burundi (Burundi).
(4) Republic of Cape Verde (Cape Verde).
(5) Republic of Chad (Chad).
(6) Democratic Republic of Congo.
(7) Republic of the Congo (Congo).
(8) Republic of Djibouti (Djibouti).
(9) State of Eritrea (Eritrea).
(10) Gabonese Republic (Gabon).
(11) Republic of Ghana (Ghana).
(12) Republic of Guinea-Bissau (Guinea-Bissau).
(13) Kingdom of Lesotho (Lesotho).
(14) Republic of Madagascar (Madagascar).
(15) Republic of Mali (Mali).
(16) Republic of Mauritius (Mauritius).
(17) Republic of Namibia (Namibia).
(18) Federal Republic of Nigeria (Nigeria).
(19) Democratic Republic of Sao Tome and Principe (Sao Tome and Principe).
(20) Republic of Sierra Leone (Sierra Leone).
(21) Somalia.
(22) Kingdom of Swaziland (Swaziland).
(23) Republic of Togo (Togo).
(24) Republic of Zimbabwe (Zimbabwe).
(25) Republic of Benin (Benin).
(26) Burkina Faso (Burkina).
(27) Republic of Cameroon (Cameroon).
(28) Central African Republic.
(29) Federal Islamic Republic of the Comoros (Comoros).
(30) Republic of Cote d'Ivoire (Cote d'Ivoire).
(31) Republic of Equatorial Guinea (Equatorial Guinea).
(32) Ethiopia.
(33) Republic of the Gambia (Gambia).
(34) Republic of Guinea (Guinea).
(35) Republic of Kenya (Kenya).
(36) Republic of Liberia (Liberia).
(37) Republic of Malawi (Malawi).
(38) Islamic Republic of Mauritania (Mauritania).
(39) Republic of Mozambique (Mozambique).
(40) Republic of Niger (Niger).
(41) Republic of Rwanda (Rwanda).
(42) Republic of Senegal (Senegal).
(43) Republic of Seychelles (Seychelles).
(44) Republic of South Africa (South Africa).
(45) Republic of Sudan (Sudan).
(46) United Republic of Tanzania (Tanzania).
(47) Republic of Uganda (Uganda).
(48) Republic of Zambia (Zambia).

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) In General.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) Authority To Designate.—

"(1) In general.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 104 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

"(2) Monitoring and review of certain countries.—The President shall monitor and review the progress of each country listed in section 104 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 115 of the African Growth and Opportunity Act.

"(3) Continuing compliance.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) Preferential Tariff Treatment for Certain Articles.—

"(1) In general.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) Rules of origin.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) Beneficiary Sub-Saharan African Countries, etc.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) Waiver of Competitive Need Limitation.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) Least-developed beneficiary developing countries and beneficiary sub-Saharan African countries.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) Termination.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) Clerical Amendments.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

"506A. Designation of sub-Saharan African countries for certain benefits.
"506B. Termination of benefits for sub-Saharan African countries.".

(e) Effective Date.—The amendments made by this section take effect on October 1, 2000.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) Preferential Treatment.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) the country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(2) the country enacts legislation or promulgates regulations that would permit United States Customs Service verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) PENALTIES FOR TRANSSHIPMENTS.—

(1) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, then the President shall deny all benefits under this section and section 506A of the Trade Act of 1974 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of 2 years.

(2) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subsection has occurred when preferential treatment for a textile or apparel article under subsection (a) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this paragraph, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subsection (a).

(d) TECHNICAL ASSISTANCE.—The Customs Service shall provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of the requirements set forth in subsection (a) (1) and (2).

(e) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress, not later than March 31 of each year that this section is in effect, a report on the effectiveness of the anti-circumvention systems described in this section and on measures taken by countries in sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in article 5 of the Agreement on Textiles and Clothing.

(f) SAFEGUARD.—The President shall have the authority to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment provided under this section, in the event that textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat thereof, to the domestic industry producing like or directly competitive articles. The President shall exercise his authority under this subsection consistent with the Agreement on Textiles and Clothing.

(g) DEFINITIONS.—In this section:

(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms "beneficiary sub-Saharan African country" and "beneficiary sub-Saharan African countries" have the same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

(3) CUSTOMS SERVICE.—The term "Customs Service" means the United States Customs Service.

(h) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000 and shall remain in effect through September 30, 2006.

SEC. 113. UNITED STATES-SUB-SAHARAN AFRICAN TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual meetings between senior officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum (in this section referred to as the "Forum").

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) FIRST MEETING.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa.

(2) NONGOVERNMENTAL ORGANIZATIONS.—

(A) IN GENERAL.—The President, in consultation with Congress, shall invite United States nongovernmental organizations to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) PRIVATE SECTOR.—The President, in consultation with Congress, shall invite United States representatives of the private sector to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) ANNUAL MEETINGS.—As soon as practicable after the date of enactment of this Act, the President shall meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph (1).

SEC. 114. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

(a) IN GENERAL.—The President shall examine the feasibility of negotiating a free trade agreement (or agreements) with interested sub-Saharan African countries.

(b) REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this Act, the President shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding the President's conclusions on the feasibility of negotiating such agreement (or agreements). If the President determines that the negotiation of any such free trade agreement is feasible, the President shall provide a detailed plan for such negotiation that outlines the objectives, timing, any potential benefits to the United States and sub-Saharan Africa, and the likely economic impact of any such agreement.

SEC. 115. REPORTING REQUIREMENT.

Not later than 1 year after the date of enactment of this Act, and annually thereafter for 4 years, the President shall submit a report to Congress on the implementation of this title.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

SEC. 201. SHORT TITLE.

This title may be cited as the "United States-Caribbean Basin Trade Enhancement Act".

SEC. 202. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The Caribbean Basin Economic Recovery Act (referred to in this title as "CBERA") represents a permanent commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

(2) Thirty-four democratically elected leaders agreed at the 1994 Summit of the Americas to conclude negotiation of a Free Trade Area of the Americas (referred to in this title as "FTAA") by the year 2005.

(3) The economic security of the countries in the Caribbean Basin will be enhanced by the completion of the FTAA.

(4) Offering temporary benefits to Caribbean Basin countries will enhance trade between the United States and the Caribbean Basin, encourage development of trade and investment policies that will facilitate participation of Caribbean Basin countries in the FTAA, preserve the United States commitment to Caribbean Basin beneficiary countries, help further economic development in the Caribbean Basin region, and accelerate the trend toward more open economies in the region.

(5) Promotion of the growth of free enterprise and economic opportunity in the Caribbean Basin will enhance the national security interests of the United States.

(6) Increased trade and economic activity between the United States and Caribbean

Basin beneficiary countries will create expanding export opportunities for United States businesses and workers.

(b) POLICY.—It is the policy of the United States to—

(1) offer Caribbean Basin beneficiary countries willing to prepare to become a party to the FTAA or a comparable trade agreement, tariff treatment essentially equivalent to that accorded to products of NAFTA countries for certain products not currently eligible for duty-free treatment under the CBERA; and

(2) seek the participation of Caribbean Basin beneficiary countries in the FTAA or a trade agreement comparable to the FTAA at the earliest possible date, with the goal of achieving full participation in such agreement not later than 2005.

SEC. 203. DEFINITIONS.

In this title:

(1) BENEFICIARY COUNTRY.—The term "beneficiary country" has the meaning given the term in section 212(a)(1)(A) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)(A)).

(2) CBTEA.—The term "CBTEA" means the United States-Caribbean Basin Trade Enhancement Act.

(3) NAFTA.—The term "NAFTA" means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(4) NAFTA COUNTRY.—The term "NAFTA country" means any country with respect to which the NAFTA is in force.

(5) WTO AND WTO MEMBER.—The terms "WTO" and "WTO member" have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

Subtitle B—Trade Benefits for Caribbean Basin Countries

SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL TRADE BENEFITS TO CERTAIN BENEFICIARY COUNTRIES.

(a) TEMPORARY PROVISIONS.—Section 213(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)) is amended to read as follows:

"(b) IMPORT-SENSITIVE ARTICLES.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (5), the duty-free treatment provided under this title does not apply to—

"(A) textile and apparel articles which were not eligible articles for purposes of this title on January 1, 1994, as this title was in effect on that date;

"(B) footwear not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(C) tuna, prepared or preserved in any manner, in airtight containers;

"(D) petroleum, or any product derived from petroleum, provided for in headings 2709 and 2710 of the HTS;

"(E) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which HTS column 2 rates of duty apply; or

"(F) articles to which reduced rates of duty apply under subsection (h).

"(2) TRANSITION PERIOD TREATMENT OF CERTAIN TEXTILE AND APPAREL ARTICLES.—

"(A) PRODUCTS COVERED.—During the transition period, the preferential treatment described in subparagraph (B) shall apply to the following products:

"(i) APPAREL ARTICLES ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles assembled in a CBTEA beneficiary country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

"(I) entered under subheading 9802.00.80 of the HTS; or

"(II) entered under chapter 61 or 62 of the HTS, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the HTS but for the fact that the articles were subjected to stonewashing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

"(ii) APPAREL ARTICLES CUT AND ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in such country with thread formed in the United States.

"(iii) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a CBTEA beneficiary country identified under subparagraph (C) that is certified as such by the competent authority of such beneficiary country.

"(iv) TEXTILE LUGGAGE.—Textile luggage—

"(I) assembled in a CBTEA beneficiary country from fabric wholly formed and cut in the United States, from yarns wholly formed in the United States, that is entered under subheading 9802.00.80 of the HTS; or

"(II) assembled from fabric cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such luggage is assembled in such country with thread formed in the United States.

"(B) PREFERENTIAL TREATMENT.—Except as provided in subparagraph (E), during the transition period, the articles described in subparagraph (A) shall enter the United States free of duty and free of any quantitative limitations.

"(C) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES DEFINED.—For purposes of subparagraph (A)(iii), the President, after consultation with the CBTEA beneficiary country concerned, shall determine which, if any, particular textile and apparel goods of the country shall be treated as being handloomed, handmade, or folklore goods of a kind described in section 2.3 (a), (b), or (c) or Appendix 3.1.B.11 of the Annex.

"(D) PENALTIES FOR TRANSSHIPMENTS.—

"(i) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a CBTEA beneficiary country, then the President shall deny all benefits under this title to such exporter, and any successor of such exporter, for a period of 2 years.

"(ii) PENALTIES FOR COUNTRIES.—Whenever the President finds, based on sufficient evidence, that transshipment has occurred, the President shall request that the CBTEA beneficiary country or countries through whose territory the transshipment has occurred take all necessary and appropriate actions to prevent such transshipment. If the President determines that a country is not taking such actions, the President shall reduce the quantities of textile and apparel articles that may be imported into the United States from such country by the quantity of the transshipped articles multiplied by 3.

"(iii) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment for a textile or apparel article under subparagraph (B) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subparagraph (B).

"(E) BILATERAL EMERGENCY ACTIONS.—

"(i) IN GENERAL.—The President may take bilateral emergency tariff actions of a kind described in section 4 of the Annex with respect to any apparel article imported from a CBTEA beneficiary country if the application of tariff treatment under subparagraph (B) to such article results in conditions that would be cause for the taking of such actions under such section 4 with respect to a like article described in the same 8-digit subheading of the HTS that is imported from Mexico.

"(ii) RULES RELATING TO BILATERAL EMERGENCY ACTION.—For purposes of applying bilateral emergency action under this subparagraph—

"(I) the requirements of paragraph (5) of section 4 of the Annex (relating to providing compensation) shall not apply;

"(II) the term 'transition period' in section 4 of the Annex shall have the meaning given that term in paragraph (5)(D) of this subsection; and

"(III) the requirements to consult specified in section 4 of the Annex shall be treated as satisfied if the President requests consultations with the beneficiary country in question and the country does not agree to consult within the time period specified under section 4.

"(3) TRANSITION PERIOD TREATMENT OF CERTAIN OTHER ARTICLES ORIGINATING IN BENEFICIARY COUNTRIES.—

"(A) EQUIVALENT TARIFF TREATMENT.—

"(i) IN GENERAL.—Subject to clause (ii), the tariff treatment accorded at any time during the transition period to any article referred to in any of subparagraphs (B) through (F) of paragraph (1) that originates in the territory of a CBTEA beneficiary country shall be identical to the tariff treatment that is accorded at such time under Annex 302.2 of the NAFTA to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States.

"(ii) EXCEPTION.—Clause (i) does not apply to any article accorded duty-free treatment under U.S. Note 2(b) to subchapter II of chapter 98 of the HTS.

"(B) RELATIONSHIP TO SUBSECTION (h) DUTY REDUCTIONS.—If at any time during the transition period the rate of duty that would (but for action taken under subparagraph (A)(i) in regard to such period) apply with respect to any article under subsection (h) is a rate of duty that is lower than the rate of duty resulting from such action, then such lower rate of duty shall be applied for the purposes of implementing such action.

"(4) CUSTOMS PROCEDURES.—

"(A) IN GENERAL.—

"(i) REGULATIONS.—Any importer that claims preferential treatment under paragraph (2) or (3) shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

"(ii) Determination.—

"(I) In general.—In order to qualify for the preferential treatment under paragraph (2) or (3) and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that each country described in subclause (II)—

"(aa) has implemented and follows, or

"(bb) is making substantial progress toward implementing and following,

procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

"(II) Country described.—A country is described in this subclause if it is a CBTEA beneficiary country—

"(aa) from which the article is exported, or

"(bb) in which materials used in the production of the article originate or in which the article or such materials undergo production that contributes to a claim that the article is eligible for preferential treatment.

"(B) Certificate of origin.—The Certificate of Origin that otherwise would be required pursuant to the provisions of subparagraph (A) shall not be required in the case of an article imported under paragraph (2) or (3) if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

"(5) Definitions and special rules.—For purposes of this subsection—

"(A) Annex.—The term 'the Annex' means Annex 300–B of the NAFTA.

"(B) CBTEA beneficiary country.—

"(i) In general.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President determines has demonstrated a commitment to—

"(I) undertake its obligations under the WTO on or ahead of schedule;

"(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

"(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

"(ii) Criteria for determination.—In making the determination under clause (i), the President may consider the criteria in section 212 (b) and (c) and other appropriate criteria, including—

"(I) the extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act;

"(II) the extent to which the country provides protection of intellectual property rights—

"(aa) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

"(bb) in accordance with standards established in chapter 17 of the NAFTA; and

"(cc) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border;

"(III) the extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA;

"(IV) the extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President;

"(V) the extent to which the country provides internationally recognized worker rights, including—

"(aa) the right of association,

"(bb) the right to organize and bargain collectively,

"(cc) prohibition on the use of any form of coerced or compulsory labor,

"(dd) a minimum age for the employment of children, and

"(ee) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(VI) whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance;

"(VII) the extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals;

"(VIII) the extent to which the country—

"(aa) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996, and

"(bb) applies transparent and competitive procedures . in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act);

"(IX) the extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act);

"(X) the extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

"(C) CBTEA originating good.—

"(i) In general.—The term 'CBTEA originating good' means a good that meets the rules of origin for a good set forth in chapter 4 of the NAFTA as implemented pursuant to United States law.

"(ii) Application of chapter 4.—In applying chapter 4 with respect to a CBTEA beneficiary country for purposes of this subsection—

"(I) no country other than the United States and a CBTEA beneficiary country may be treated as being a party to the NAFTA;

"(II) any reference to trade between the United States and Mexico shall be deemed to refer to trade between the United States and a CBTEA beneficiary country;

"(III) any reference to a party shall be deemed to refer to a CBTEA beneficiary country or the United States; and

"(IV) any reference to parties shall be deemed to refer to any combination of CBTEA beneficiary countries or to the United States and a CBTEA beneficiary country (or any combination thereof).

"(D) Transition period.—The term 'transition period' means, with respect to a CBTEA beneficiary country, the period that begins on October 1, 2000, and ends on the earlier of—

"(i) December 31, 2004, or

"(ii) the date on which the FTAA or a comparable trade agreement enters into force with respect to the United States and the CBTEA beneficiary country.

"(E) CBTEA.—The term 'CBTEA' means the United States-Caribbean Basin Trade Enhancement Act.

"(F) FTAA.—The term 'FTAA' means the Free Trade Area of the Americas.".

(b) Determination Regarding Retention of Designation.—Section 212(e) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting "(A)" after "(1)";

(C) by striking "would be barred" and all that follows through the end period and inserting: "no longer satisfies one or more of the conditions for designation as a beneficiary country set forth in subsection (b) or such country fails adequately to meet one or more of the criteria set forth in subsection (c)."; and

(D) by adding at the end the following:

"(B) The President may, after the requirements of subsection (a)(2) and paragraph (2) have been met—

"(i) withdraw or suspend the designation of any country as a CBTEA beneficiary country, or

"(ii) withdraw, suspend, or limit the application of preferential treatment under section 213(b) (2) and (3) to any article of any country, if, after such designation, the President determines that as a result of changed circumstances, the performance of such country is not satisfactory under the criteria set forth in section 213(b)(5)(B)."; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) If preferential treatment under section 213(b) (2) and (3) is withdrawn, suspended, or limited with respect to a CBTEA beneficiary country, such country shall not be deemed to be a 'party' for the purposes of applying section 213(b)(5)(C) to imports of articles for which preferential treatment has been withdrawn, suspended, or limited with respect to such country.".

(c) Reporting Requirements.—

(1) Section 212(f) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(f)) is amended to read as follows:

"(f) Reporting Requirements.—

"(1) In general.—Not later than December 31, 2001, and every 2 years thereafter during the period this title is in effect, the United States Trade Representative shall submit to Congress a report regarding the operation of this title, including—

"(A) with respect to subsections (b) and (c), the results of a general review of beneficiary countries based on the considerations described in such subsections; and

"(B) the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, under the criteria set forth in section 213(b)(5)(B)(ii).

"(2) PUBLIC COMMENT.—Before submitting the report described in paragraph (1), the United States Trade Representative shall publish a notice in the Federal Register requesting public comments on whether beneficiary countries are meeting the criteria listed in section 213(b)(5)(B)(i), and on the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, with respect to the criteria listed in section 213(b)(5)(B)(ii).".

(2) Section 203(f) of the Andean Trade Preference Act (19 U.S.C. 3202(f)) is amended—

(A) by striking "TRIENNIAL REPORT" in the heading and inserting "REPORT"; and

(B) by striking "On or before" and all that follows through "enactment of this title" and inserting "Not later than January 31, 2001".

(d) INTERNATIONAL TRADE COMMISSION REPORTS.—

(1) Section 215(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2704(a)) is amended to read as follows:

"(a) REPORTING REQUIREMENT.—

"(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers and on the economy of the beneficiary countries.

"(2) FIRST REPORT.—The first report shall be submitted not later than September 30, 2001.

"(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(2) Section 206(a) of the Andean Trade Preference Act (19 U.S.C. 3204(a)) is amended to read as follows:

"(a) REPORTING REQUIREMENTS.—

"(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers, and, in conjunction with other agencies, the effectiveness of this title in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries.

"(2) SUBMISSION.—During the period that this title is in effect, the report required by paragraph (1) shall be submitted on December 31 of each year that the report required by section 215 of the Caribbean Basin Economic Recovery Act is not submitted.

"(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—

(A) Section 211 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701) is amended by inserting "(or other preferential treatment)" after "treatment".

(B) Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by inserting "and except as provided in subsection (b) (2) and (3)," after "Tax Reform Act of 1986,".

(2) DEFINITIONS.—Section 212(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)) is amended by adding at the end the following new subparagraphs:

"(D) The term 'NAFTA' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

"(E) The terms 'WTO' and 'WTO member' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).".

SEC. 212. ADEQUATE AND EFFECTIVE PROTECTION FOR INTELLECTUAL PROPERTY RIGHTS.

Section 212(c) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(c)) is amended by adding at the end the following flush sentence:

"Notwithstanding any other provision of law, the President may determine that a country is not providing adequate and effective protection of intellectual property rights under paragraph (9), even if the country is in compliance with the country's obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)).".

Subtitle C—Cover Over of Tax on Distilled Spirits

SEC. 221. SUSPENSION OF LIMITATION ON COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Section 7652(f) of the Internal Revenue Code of 1986 (relating to limitation on cover over of tax on distilled spirits) is amended by adding at the end the following new flush sentence:

"The preceding sentence shall not apply to articles that are tax-determined after June 30, 1999, and before October 1, 1999."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to articles that are tax-determined after June 30, 1999.

(2) SPECIAL RULE.—

(A) IN GENERAL.—The treasury of Puerto Rico shall make a Conservation Trust Fund transfer within 30 days after the date of each cover over payment (made to such treasury under section 7652(e) of the Internal Revenue Code of 1986) to which section 7652(f) of such Code does not apply by reason of the last sentence thereof.

(B) CONSERVATION TRUST FUND TRANSFER.—

(i) IN GENERAL.—For purposes of this paragraph, the term "Conservation Trust Fund transfer" means a transfer to the Puerto Rico Conservation Trust Fund of an amount equal to 50 cents per proof gallon of the taxes imposed under section 5001 or section 7652 of such Code on distilled spirits that are covered over to the treasury of Puerto Rico under section 7652(e) of such Code.

(ii) TREATMENT OF TRANSFER.—Each Conservation Trust Fund transfer shall be treated as principal for an endowment, the income from which to be available for use by the Puerto Rico Conservation Trust Fund for the purposes for which the Trust Fund was established.

(iii) RESULT OF NONTRANSFER.—

(I) IN GENERAL.—Upon notification by the Secretary of the Interior that a Conservation Trust Fund transfer has not been made by the treasury of Puerto Rico as required by subparagraph (A), the Secretary of the Treasury shall, except as provided in subclause (II), deduct and withhold from the next cover over payment to be made to the treasury of Puerto Rico under section 7652(e) of such Code an amount equal to the appropriate Conservation Trust Fund transfer and interest thereon at the underpayment rate established under section 6621 of such Code as of the due date of such transfer. The Secretary of the Treasury shall transfer such amount deducted and withheld, and the interest thereon, directly to the Puerto Rico Conservation Trust Fund.

(II) GOOD CAUSE EXCEPTION.—If the Secretary of the Interior finds, after consultation with the Governor of Puerto Rico, that the failure by the treasury of Puerto Rico to make a required transfer was for good cause, and notifies the Secretary of the Treasury of the finding of such good cause before the due date of the next cover over payment following the notification of nontransfer, then the Secretary of the Treasury shall not deduct the amount of such nontransfer from any cover over payment.

(C) PUERTO RICO CONSERVATION TRUST FUND.—For purposes of this paragraph, the term "Puerto Rico Conservation Trust Fund" means the fund established pursuant to a Memorandum of Understanding between the United States Department of the Interior and the Commonwealth of Puerto Rico, dated December 24, 1968.

TITLE III—GENERALIZED SYSTEM OF PREFERENCES

SEC. 301. EXTENSION OF DUTY-FREE TREATMENT UNDER GENERALIZED SYSTEM OF PREFERENCES.

(a) IN GENERAL.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking "June 30, 1999" and inserting "June 30, 2004".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section applies to articles entered on or after the date of the enactment of this Act.

(2) RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS.—

(A) GENERAL RULE.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (3), any entry—

(i) of an article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if such entry had been made on June 30, 1999, and

(ii) that was made—

(I) after June 30, 1999, and

(II) before the date of enactment of this Act,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry.

(B) ENTRY.—As used in this paragraph, the term "entry" includes a withdrawal from warehouse for consumption.

(3) REQUESTS.—Liquidation or reliquidation may be made under paragraph (2) with respect to an entry only if a request therefore is filed with the Customs Service, within 180 days after the date of enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry, or

(B) to reconstruct the entry if it cannot be located.

SEC. 302. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE OPERATIONS.

(a) IN GENERAL.—Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) is amended by adding at the end the following new subsection:

"(i) SPECIAL RULE FOR FOREIGN TRADE ZONE OPERATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (3), all merchandise (including merchandise of different classes, types, and categories), withdrawn from a foreign trade zone during any 7-day period, shall, at the option of the operator or user of the zone, be the subject of a single estimated entry or release filed on or before the first day of the 7-day period in which the merchandise is to be withdrawn from the zone. The estimated entry or release shall be treated as a single entry and a single release of merchandise for purposes of section 13031(a)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)(A)) and all fee exclusions and limitations of such section 13031 shall apply, including the maximum and minimum fee amounts provided for under subsection (b)(8)(A)(i) of such section. The entry summary for the estimated entry or release shall cover only the merchandise actually withdrawn from the foreign trade zone during the 7-day period.

"(2) OTHER REQUIREMENTS.— The Secretary of the Treasury may require that the operator or user of the zone—

"(A) use an electronic data interchange approved by the Customs Service—

"(i) to file the entries described in paragraph (1); and

"(ii) to pay the applicable duties, fees, and taxes with respect to the entries; and

"(B) satisfy the Customs Service that accounting, transportation, and other controls over the merchandise are adequate to protect the revenue and meet the requirements of other Federal agencies.

"(3) EXCEPTION.—The provisions of paragraph (1) shall not apply to merchandise the entry of which is prohibited by law or merchandise for which the filing of an entry summary is required before the merchandise is released from customs custody.

"(4) FOREIGN TRADE ZONE; ZONE.—In this subsection, the terms 'foreign trade zone' and 'zone' mean a zone established pursuant to the Act of June 18, 1934, commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.).".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date that is 60 days after the date of enactment of this Act.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE

SEC. 401. TRADE ADJUSTMENT ASSISTANCE.

(a) ASSISTANCE FOR WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(1) in subsection (a), by striking "June 30, 1999" and inserting "September 30, 2001"; and

(2) in subsection (b), by striking "June 30, 1999" and inserting "September 30, 2001".

(b) NAFTA TRANSITIONAL PROGRAM.—Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking "the period beginning October 1, 1998, and ending June 30, 1999, shall not exceed $15,000,000" and inserting "the period beginning October 1, 1998, and ending September 30, 2001, shall not exceed $30,000,000 for any fiscal year".

(c) ADJUSTMENT FOR FIRMS.—Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking "June 30, 1999" and inserting "September 30, 2001".

(d) TERMINATION.—Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note preceding) is amended by striking "June 30, 1999" each place it appears and inserting "September 30, 2001".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1999.

TITLE V—REVENUE PROVISIONS

SEC. 501. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).".

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of the Internal Revenue Code of 1986 (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 502. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are one or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide directly or indirectly for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers.".

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of the Internal Revenue Code of 1986 (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide one or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 503. TREATMENT OF GAIN FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

"SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

"(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

"(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

"(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

"(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

"(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

"(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

"(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

"(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

"(c) FINANCIAL ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'financial asset' means—

"(A) any equity interest in any pass-thru entity, and

"(B) to the extent provided in regulations—

"(i) any debt instrument, and

"(ii) any stock in a corporation which is not a pass-thru entity.

"(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) a trust,

"(F) a common trust fund,

"(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

"(H) a foreign personal holding company,

"(I) a foreign investment company (as defined in section 1246(b)), and

"(J) a REMIC.

"(d) CONSTRUCTIVE OWNERSHIP TRANSACTION.—For purposes of this section—

"(1) IN GENERAL.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

"(A) holds a long position under a notional principal contract with respect to the financial asset,

"(B) enters into a forward or futures contract to acquire the financial asset,

"(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

"(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

"(2) EXCEPTION FOR POSITIONS WHICH ARE MARKED TO MARKET.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

"(3) LONG POSITION UNDER NOTIONAL PRINCIPAL CONTRACT.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

"(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

"(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

"(4) FORWARD CONTRACT.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

"(e) NET UNDERLYING LONG-TERM CAPITAL GAIN.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

"(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

"(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

"(f) SPECIAL RULE WHERE TAXPAYER TAKES DELIVERY.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

"(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset.".

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 1260. Gains from constructive ownership transactions.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 504. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 505. ALLOCATION OF BASIS ON TRANSFERS OF INTANGIBLES IN CERTAIN NONRECOGNITION TRANSACTIONS.

(a) TRANSFERS TO CORPORATIONS.—Section 351 of the Internal Revenue Code of 1986 (relating to transfer to corporation controlled by transferor) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) TREATMENT OF TRANSFERS OF INTANGIBLE PROPERTY.—

"(1) TRANSFERS OF LESS THAN ALL SUBSTANTIAL RIGHTS.

"(A) IN GENERAL.—A transfer of an interest in intangible property (as defined in section 936(h)(3)(B)) shall be treated under this section as a transfer of property even if the transfer is of less than all of the substantial rights of the transferor in the property.

"(B) ALLOCATION OF BASIS.—In the case of a transfer of less than all of the substantial rights of the transferor in the intangible property, the transferor's basis immediately before the transfer shall be allocated among the rights retained by the transferor and the rights transferred on the basis of their respective fair market values.

"(2) NONRECOGNITION NOT TO APPLY TO INTANGIBLE PROPERTY DEVELOPED FOR TRANSFEREE.—This section shall not apply to a transfer of intangible property developed by the transferor or any related person if such development was pursuant to an arrangement with the transferee.".

(b) TRANSFERS TO PARTNERSHIPS.—Subsection (d) of section 721 of the Internal Revenue Code of 1986 is amended to read as follows:

"(d) TRANSFERS OF INTANGIBLE PROPERTY.—

"(1) IN GENERAL.—Rules similar to the rules of section 351(h) shall apply for purposes of this section.

"(2) TRANSFERS TO FOREIGN PARTNERSHIPS.—For regulatory authority to treat intangibles transferred to a partnership as sold, see section 367(d)(3).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers on or after the date of the enactment of this Act.

SEC. 506. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) IN GENERAL.—Section 3405(b)(1) of the Internal Revenue Code of 1986 (relating to withholding) is amended by striking "10 percent" and inserting "15 percent".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions after December 20, 2000.

Amend the title so as to read: "To authorize a new trade and investment policy for sub-Saharan Africa, expand trade benefits to the countries in the Caribbean Basin, renew the generalized system of preferences, and reauthorize the trade adjustment assistance programs.".

LOTT AMENDMENT NO. 2335

Mr. LOTT proposed an amendment to amendment No. 2334 proposed by him to the bill, H.R. 434, supra; as follows:

Strike all after "section" and add the following:

1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Trade and Development Act of 1999".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title: table of contents.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Statement of policy.
Sec. 104. Sub-Saharan Africa defined.

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

Sec. 111. Eligibility for certain benefits.

Sec. 112. Treatment of certain textiles and apparel.
Sec. 113. United States-sub-Saharan African trade and economic cooperation forum.
Sec. 114. United States-sub-Saharan Africa free trade area.
Sec. 115. Reporting requirement.
TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN
Subtitle A—Trade Policy for Caribbean Basin Countries
Sec. 201. Short title.
Sec. 202. Findings and policy.
Sec. 203. Definitions.
Subtitle B—Trade Benefits for Caribbean Basin Countries
Sec. 211. Temporary provisions to provide additional trade benefits to certain beneficiary countries.
Sec. 212. Adequate and effective protection for intellectual property rights.
Subtitle C—Cover Over of Tax on Distilled Spirits
Sec. 221. Suspension of limitation on cover over of tax on distilled spirits.
TITLE III—GENERALIZED SYSTEM OF PREFERENCES
Sec. 301. Extension of duty-free treatment under generalized system of preferences.
Sec. 302. Entry procedures for foreign trade zone operations.
TITLE IV—TRADE ADJUSTMENT ASSISTANCE
Sec. 401. Trade adjustment assistance.
TITLE V—REVENUE PROVISIONS
Sec. 501. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 502. Limitations on welfare benefit funds of 10 or more employer plans.
Sec. 503. Treatment of gain from constructive ownership transactions.
Sec. 504. Limitation on use of nonaccrual experience method of accounting.
Sec. 505. Allocation of basis on transfers of intangibles in certain nonrecognition transactions.
Sec. 506. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.

TITLE I—EXTENSION OF CERTAIN TRADE BENEFITS TO SUB-SAHARAN AFRICA

Subtitle A—Trade Policy for Sub-Saharan Africa

SEC. 101. SHORT TITLE.

This title may be cited as the "African Growth and Opportunity Act".

SEC. 102. FINDINGS.

Congress finds that—

(1) it is in the mutual interest of the United States and the countries of sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa;

(2) the 48 countries of sub-Saharan Africa form a region richly endowed with both natural and human resources;

(3) sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States;

(4) the region has experienced a rise in both economic development and political freedom as countries in sub-Saharan Africa have taken steps toward liberalizing their economies and encouraged broader participation in the political process;

(5) the countries of sub-Saharan Africa have made progress toward regional economic integration that can have positive benefits for the region;

(6) despite those gains, the per capita income in sub-Saharan Africa averages less than $500 annually;

(7) United States foreign direct investment in the region has fallen in recent years and the sub-Saharan African region receives only minor inflows of direct investment from around the world;

(8) trade between the United States and sub-Saharan Africa, apart from the import of oil, remains an insignificant part of total United States trade;

(9) trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for building a stable political environment in which political freedom can flourish;

(10) increased trade and investment flows have the greatest impact in an economic environment in which trading partners eliminate barriers to trade and capital flows and encourage the development of a vibrant private sector that offers individual African citizens the freedom to expand their economic opportunities and provide for their families;

(11) offering the countries of sub-Saharan Africa enhanced trade preferences will encourage both higher levels of trade and direct investment in support of the positive economic and political developments under way throughout the region; and

(12) encouraging the reciprocal reduction of trade and investment barriers in Africa will enhance the benefits of trade and investment for the region as well as enhance commercial and political ties between the United States and sub-Saharan Africa.

SEC. 103. STATEMENT OF POLICY.

Congress supports—

(1) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(2) reducing tariff and nontariff barriers and other obstacles to sub-Saharan African and United States trade;

(3) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(4) negotiating reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and the countries of sub-Saharan Africa;

(5) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(6) strengthening and expanding the private sector in sub-Saharan Africa;

(7) supporting the development of civil societies and political freedom in sub-Saharan Africa; and

(8) establishing a United States-Sub-Saharan African Economic Cooperation Forum.

SEC. 104. SUB-SAHARAN AFRICA DEFINED.

In this title, the terms "sub-Saharan Africa", "sub-Saharan African country", "country in sub-Saharan Africa", and "countries in sub-Saharan Africa" refer to the following:

(1) Republic of Angola (Angola).
(2) Republic of Botswana (Botswana).
(3) Republic of Burundi (Burundi).
(4) Republic of Cape Verde (Cape Verde).
(5) Republic of Chad (Chad).
(6) Democratic Republic of Congo.
(7) Republic of the Congo (Congo).
(8) Republic of Djibouti (Djibouti).
(9) State of Eritrea (Eritrea).
(10) Gabonese Republic (Gabon).
(11) Republic of Ghana (Ghana).
(12) Republic of Guinea-Bissau (Guinea-Bissau).
(13) Kingdom of Lesotho (Lesotho).
(14) Republic of Madagascar (Madagascar).
(15) Republic of Mali (Mali).
(16) Republic of Mauritius (Mauritius).
(17) Republic of Namibia (Namibia).
(18) Federal Republic of Nigeria (Nigeria).
(19) Democratic Republic of Sao Tome and Principe (Sao Tome and Principe).
(20) Republic of Sierra Leone (Sierra Leone).
(21) Somalia.
(22) Kingdom of Swaziland (Swaziland).
(23) Republic of Togo (Togo).
(24) Republic of Zimbabwe (Zimbabwe).
(25) Republic of Benin (Benin).
(26) Burkina Faso (Burkina).
(27) Republic of Cameroon (Cameroon).
(28) Central African Republic.
(29) Federal Islamic Republic of the Comoros (Comoros).
(30) Republic of Cote d'Ivoire (Cote d'Ivoire).
(31) Republic of Equatorial Guinea (Equatorial Guinea).
(32) Ethiopia.
(33) Republic of the Gambia (Gambia).
(34) Republic of Guinea (Guinea).
(35) Republic of Kenya (Kenya).
(36) Republic of Liberia (Liberia).
(37) Republic of Malawi (Malawi).
(38) Islamic Republic of Mauritania (Mauritania).
(39) Republic of Mozambique (Mozambique).
(40) Republic of Niger (Niger).
(41) Republic of Rwanda (Rwanda).
(42) Republic of Senegal (Senegal).
(43) Republic of Seychelles (Seychelles).
(44) Republic of South Africa (South Africa).
(45) Republic of Sudan (Sudan).
(46) United Republic of Tanzania (Tanzania).
(47) Republic of Uganda (Uganda).
(48) Republic of Zambia (Zambia).

Subtitle B—Extension of Certain Trade Benefits to Sub-Saharan Africa

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) In General.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) Authority To Designate.—

"(1) In general.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 104 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and "(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

"(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 104 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 115 of the African Growth and Opportunity Act.

"(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

"506A. Designation of sub-Saharan African countries for certain benefits.
"506B. Termination of benefits for sub-Saharan African countries.".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) the country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(2) the country enacts legislation or promulgates regulations that would permit United States Customs Service verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) PENALTIES FOR TRANSSHIPMENTS.—

(1) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, then the President shall deny all benefits under this section and section 506A of the Trade Act of 1974 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of 2 years.

(2) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subsection has occurred when preferential treatment for a textile or apparel article under subsection (a) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this paragraph, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subsection (a).

(d) TECHNICAL ASSISTANCE.—The Customs Service shall provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of the requirements set forth in subsection (a) (1) and (2).

(e) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress, not later than March 31 of each year that this section is in effect, a report on the effectiveness of the anti-circumvention systems described in this section and on measures taken by countries in sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in article 5 of the Agreement on Textiles and Clothing.

(f) SAFEGUARD.—The President shall have the authority to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment provided under this section, in the event that textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat thereof, to the domestic industry producing like or directly competitive articles. The President shall exercise his authority under this subsection consistent with the Agreement on Textiles and Clothing.

(g) DEFINITIONS.—In this section:

(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms "beneficiary sub-Saharan African country" and "beneficiary sub-Saharan African countries" have the

same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

(3) CUSTOMS SERVICE.—The term "Customs Service" means the United States Customs Service.

(h) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000 and shall remain in effect through September 30, 2006.

SEC. 113. UNITED STATES-SUB-SAHARAN AFRICAN TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual meetings between senior officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum (in this section referred to as the "Forum").

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) FIRST MEETING.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa.

(2) NONGOVERNMENTAL ORGANIZATIONS.—

(A) IN GENERAL.—The President, in consultation with Congress, shall invite United States nongovernmental organizations to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) PRIVATE SECTOR.—The President, in consultation with Congress, shall invite United States representatives of the private sector to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) ANNUAL MEETINGS.—As soon as practicable after the date of enactment of this Act, the President shall meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph (1).

SEC. 114. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

(a) IN GENERAL.—The President shall examine the feasibility of negotiating a free trade agreement (or agreements) with interested sub-Saharan African countries.

(b) REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this Act, the President shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding the President's conclusions on the feasibility of negotiating such agreement (or agreements). If the President determines that the negotiation of any such free trade agreement is feasible, the President shall provide a detailed plan for such negotiation that outlines the objectives, timing, any potential benefits to the United States and sub-Saharan Africa, and the likely economic impact of any such agreement.

SEC. 115. REPORTING REQUIREMENT.

Not later than 1 year after the date of enactment of this Act, and annually thereafter for 4 years, the President shall submit a report to Congress on the implementation of this title.

TITLE II—TRADE BENEFITS FOR CARIBBEAN BASIN

Subtitle A—Trade Policy for Caribbean Basin Countries

SEC. 201. SHORT TITLE.

This title may be cited as the "United States-Caribbean Basin Trade Enhancement Act".

SEC. 202. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) The Caribbean Basin Economic Recovery Act (referred to in this title as "CBERA") represents a permanent commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

(2) Thirty-four democratically elected leaders agreed at the 1994 Summit of the Americas to conclude negotiation of a Free Trade Area of the Americas (referred to in this title as "FTAA") by the year 2005.

(3) The economic security of the countries in the Caribbean Basin will be enhanced by the completion of the FTAA.

(4) Offering temporary benefits to Caribbean Basin countries will enhance trade between the United States and the Caribbean Basin, encourage development of trade and investment policies that will facilitate participation of Caribbean Basin countries in the FTAA, preserve the United States commitment to Caribbean Basin beneficiary countries, help further economic development in the Caribbean Basin region, and accelerate the trend toward more open economies in the region.

(5) Promotion of the growth of free enterprise and economic opportunity in the Caribbean Basin will enhance the national security interests of the United States.

(6) Increased trade and economic activity between the United States and Caribbean Basin beneficiary countries will create expanding export opportunities for United States businesses and workers.

(b) POLICY.—It is the policy of the United States to—

(1) offer Caribbean Basin beneficiary countries willing to prepare to become a party to the FTAA or a comparable trade agreement, tariff treatment essentially equivalent to that accorded to products of NAFTA countries for certain products not currently eligible for duty-free treatment under the CBERA; and

(2) seek the participation of Caribbean Basin beneficiary countries in the FTAA or a trade agreement comparable to the FTAA at the earliest possible date, with the goal of achieving full participation in such agreement not later than 2005.

SEC. 203. DEFINITIONS.

In this title:

(1) BENEFICIARY COUNTRY.—The term "beneficiary country" has the meaning given the term in section 212(a)(1)(A) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)(A)).

(2) CBTEA.—The term "CBTEA" means the United States-Caribbean Basin Trade Enhancement Act.

(3) NAFTA.—The term "NAFTA" means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(4) NAFTA COUNTRY.—The term "NAFTA country" means any country with respect to which the NAFTA is in force.

(5) WTO AND WTO MEMBER.—The terms "WTO" and "WTO member" have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

Subtitle B—Trade Benefits for Caribbean Basin Countries

SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL TRADE BENEFITS TO CERTAIN BENEFICIARY COUNTRIES.

(a) TEMPORARY PROVISIONS.—Section 213(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)) is amended to read as follows:

"(b) IMPORT-SENSITIVE ARTICLES.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (5), the duty-free treatment provided under this title does not apply to—

"(A) textile and apparel articles which were not eligible articles for purposes of this title on January 1, 1994, as this title was in effect on that date;

"(B) footwear not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(C) tuna, prepared or preserved in any manner, in airtight containers;

"(D) petroleum, or any product derived from petroleum, provided for in headings 2709 and 2710 of the HTS;

"(E) watches and watch parts (including cases, bracelets, and straps), of whatever type including, but not limited to, mechanical, quartz digital or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which HTS column 2 rates of duty apply; or

"(F) articles to which reduced rates of duty apply under subsection (h).

"(2) TRANSITION PERIOD TREATMENT OF CERTAIN TEXTILE AND APPAREL ARTICLES.—

"(A) PRODUCTS COVERED.—During the transition period, the preferential treatment described in subparagraph (B) shall apply to the following products:

"(i) APPAREL ARTICLES ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles assembled in a CBTEA beneficiary country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

"(I) entered under subheading 9802.00.80 of the HTS; or

"(II) entered under chapter 61 or 62 of the HTS, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the HTS but for the fact that the articles were subjected to stonewashing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

"(ii) APPAREL ARTICLES CUT AND ASSEMBLED IN A CBTEA BENEFICIARY COUNTRY.—Apparel articles cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in such country with thread formed in the United States.

"(iii) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a CBTEA beneficiary country identified under subparagraph (C) that is certified as such by the competent authority of such beneficiary country.

"(iv) TEXTILE LUGGAGE.—Textile luggage—

"(I) assembled in a CBTEA beneficiary country from fabric wholly formed and cut in the United States, from yarns wholly formed in the United States, that is entered under subheading 9802.00.80 of the HTS; or

"(II) assembled from fabric cut in a CBTEA beneficiary country from fabric wholly formed in the United States from yarns wholly formed in the United States, if such luggage is assembled in such country with thread formed in the United States.

"(B) PREFERENTIAL TREATMENT.—Except as provided in subparagraph (E), during the transition period, the articles described in subparagraph (A) shall enter the United States free of duty and free of any quantitative limitations.

"(C) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES DEFINED.—For purposes of subparagraph (A)(iii), the President, after consultation with the CBTEA beneficiary country concerned, shall determine which, if any, particular textile and apparel goods of the country shall be treated as being handloomed, handmade, or folklore goods of a kind described in section 2.3 (a), (b), or (c) or Appendix 3.1.B.11 of the Annex.

"(D) PENALTIES FOR TRANSSHIPMENTS.—

"(i) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a CBTEA beneficiary country, then the President shall deny all benefits under this title to such exporter, and any successor of such exporter, for a period of 2 years.

"(ii) PENALTIES FOR COUNTRIES.—Whenever the President finds, based on sufficient evidence, that transshipment has occurred, the President shall request that the CBTEA beneficiary country or countries through whose territory the transshipment has occurred take all necessary and appropriate actions to prevent such transshipment. If the President determines that a country is not taking such actions, the President shall reduce the quantities of textile and apparel articles that may be imported into the United States from such country by the quantity of the transshipped articles multiplied by 3.

"(iii) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment for a textile or apparel article under subparagraph (B) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subparagraph (B).

"(E) BILATERAL EMERGENCY ACTIONS.—

"(i) IN GENERAL.—The President may take bilateral emergency tariff actions of a kind described in section 4 of the Annex with respect to any apparel article imported from a CBTEA beneficiary country if the application of tariff treatment under subparagraph (B) to such article results in conditions that would be cause for the taking of such actions under such section 4 with respect to a like article described in the same 8-digit subheading of the HTS that is imported from Mexico.

"(ii) RULES RELATING TO BILATERAL EMERGENCY ACTION.—For purposes of applying bilateral emergency action under this subparagraph—

"(I) the requirements of paragraph (5) of section 4 of the Annex (relating to providing compensation) shall not apply;

"(II) the term 'transition period' in section 4 of the Annex shall have the meaning given that term in paragraph (5)(D) of this subsection; and

"(III) the requirements to consult specified in section 4 of the Annex shall be treated as satisfied if the President requests consultations with the beneficiary country in question and the country does not agree to consult within the time period specified under section 4.

"(3) TRANSITION PERIOD TREATMENT OF CERTAIN OTHER ARTICLES ORIGINATING IN BENEFICIARY COUNTRIES.—

"(A) EQUIVALENT TARIFF TREATMENT.—

"(i) IN GENERAL.—Subject to clause (ii), the tariff treatment accorded at any time during the transition period to any article referred to in any of subparagraphs (B) through (F) of paragraph (1) that originates in the territory of a CBTEA beneficiary country shall be identical to the tariff treatment that is accorded at such time under Annex 302.2 of the NAFTA to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States.

"(ii) EXCEPTION.—Clause (i) does not apply to any article accorded duty-free treatment under U.S. Note 2(b) to subchapter II of chapter 98 of the HTS.

"(B) RELATIONSHIP TO SUBSECTION (h) DUTY REDUCTIONS.—If at any time during the transition period the rate of duty that would (but for action taken under subparagraph (A)(i) in regard to such period) apply with respect to any article under subsection (h) is a rate of duty that is lower than the rate of duty resulting from such action, then such lower rate of duty shall be applied for the purposes of implementing such action.

"(4) CUSTOMS PROCEDURES.—

"(A) IN GENERAL.—

"(i) REGULATIONS.—Any importer that claims preferential treatment under paragraph (2) or (3) shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

"(ii) DETERMINATION.—

"(I) IN GENERAL.—In order to qualify for the preferential treatment under paragraph (2) or (3) and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that each country described in subclause (II)—

"(aa) has implemented and follows, or

"(bb) is making substantial progress toward implementing and following,

procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

"(II) COUNTRY DESCRIBED.—A country is described in this subclause if it is a CBTEA beneficiary country—

"(aa) from which the article is exported, or

"(bb) in which materials used in the production of the article originate or in which the article or such materials undergo production that contributes to a claim that the article is eligible for preferential treatment.

"(B) CERTIFICATE OF ORIGIN.—The Certificate of Origin that otherwise would be required pursuant to the provisions of subparagraph (A) shall not be required in the case of an article imported under paragraph (2) or (3) if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

"(5) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) ANNEX.—The term 'the Annex' means Annex 300–B of the NAFTA.

"(B) CBTEA BENEFICIARY COUNTRY.—

"(i) IN GENERAL.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President determines has demonstrated a commitment to—

"(I) undertake its obligations under the WTO on or ahead of schedule;

"(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

"(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

"(ii) CRITERIA FOR DETERMINATION.—In making the determination under clause (i), the President may consider the criteria in section 212 (b) and (c) and other appropriate criteria, including—

"(I) the extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act;

"(II) the extent to which the country provides protection of intellectual property rights—

"(aa) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

"(bb) in accordance with standards established in chapter 17 of the NAFTA; and

"(cc) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border;

"(III) the extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA;

"(IV) the extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President;

"(V) the extent to which the country provides internationally recognized worker rights, including—

"(aa) the right of association,

"(bb) the right to organize and bargain collectively,

"(cc) prohibition on the use of any form of coerced or compulsory labor,

"(dd) a minimum age for the employment of children, and

"(ee) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(VI) whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance;

"(VII) the extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals;

"(VIII) the extent to which the country—

"(aa) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996, and

"(bb) applies transparent and competitive procedures in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act);

"(IX) the extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act);

"(X) the extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

"(C) CBTEA ORIGINATING GOOD.—

"(i) IN GENERAL.—The term 'CBTEA originating good' means a good that meets the rules of origin for a good set forth in chapter 4 of the NAFTA as implemented pursuant to United States law.

"(ii) APPLICATION OF CHAPTER 4.—In applying chapter 4 with respect to a CBTEA beneficiary country for purposes of this subsection—

"(I) no country other than the United States and a CBTEA beneficiary country may be treated as being a party to the NAFTA;

"(II) any reference to trade between the United States and Mexico shall be deemed to refer to trade between the United States and a CBTEA beneficiary country;

"(III) any reference to a party shall be deemed to refer to a CBTEA beneficiary country or the United States; and

"(IV) any reference to parties shall be deemed to refer to any combination of CBTEA beneficiary countries or to the United States and a CBTEA beneficiary country (or any combination thereof).

"(D) TRANSITION PERIOD.—The term 'transition period' means, with respect to a CBTEA beneficiary country, the period that begins on October 1, 2000, and ends on the earlier of—

"(i) December 31, 2004, or

"(ii) the date on which the FTAA or a comparable trade agreement enters into force with respect to the United States and the CBTEA beneficiary country.

"(E) CBTEA.—The term 'CBTEA' means the United States-Caribbean Basin Trade Enhancement Act.

"(F) FTAA.—The term 'FTAA' means the Free Trade Area of the Americas.".

(b) DETERMINATION REGARDING RETENTION OF DESIGNATION.—Section 212(e) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting "(A)" after "(1)";

(C) by striking "would be barred" and all that follows through the end period and inserting: "no longer satisfies one or more of the conditions for designation as a beneficiary country set forth in subsection (b) or such country fails adequately to meet one or more of the criteria set forth in subsection (c)."; and

(D) by adding at the end the following:

"(B) The President may, after the requirements of subsection (a)(2) and paragraph (2) have been met—

"(i) withdraw or suspend the designation of any country as a CBTEA beneficiary country, or

"(ii) withdraw, suspend, or limit the application of preferential treatment under section 213(b) (2) and (3) to any article of any country, if, after such designation, the President determines that as a result of changed circumstances, the performance of such country is not satisfactory under the criteria set forth in section 213(b)(5)(B)."; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) If preferential treatment under section 213(b) (2) and (3) is withdrawn, suspended, or limited with respect to a CBTEA beneficiary country, such country shall not be deemed to be a 'party' for the purposes of applying section 213(b)(5)(C) to imports of articles for which preferential treatment has been withdrawn, suspended, or limited with respect to such country.".

(c) REPORTING REQUIREMENTS.—

(1) Section 212(f) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(f)) is amended to read as follows:

"(f) REPORTING REQUIREMENTS.—

"(1) IN GENERAL.—Not later than December 31, 2001, and every 2 years thereafter during the period this title is in effect, the United States Trade Representative shall submit to Congress a report regarding the operation of this title, including—

"(A) with respect to subsections (b) and (c), the results of a general review of beneficiary countries based on the considerations described in such subsections; and

"(B) the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, under the criteria set forth in section 213(b)(5)(B)(ii).

"(2) PUBLIC COMMENT.—Before submitting the report described in paragraph (1), the United States Trade Representative shall publish a notice in the Federal Register requesting public comments on whether beneficiary countries are meeting the criteria listed in section 213(b)(5)(B)(i), and on the performance of each beneficiary country or CBTEA beneficiary country, as the case may be, with respect to the criteria listed in section 213(b)(5)(B)(ii).".

(2) Section 203(f) of the Andean Trade Preference Act (19 U.S.C. 3202(f)) is amended—

(A) by striking "TRIENNIAL REPORT" in the heading and inserting "REPORT"; and

(B) by striking "On or before" and all that follows through "enactment of this title" and inserting "Not later than January 31, 2001".

(d) INTERNATIONAL TRADE COMMISSION REPORTS.—

(1) Section 215(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2704(a)) is amended to read as follows:

"(a) REPORTING REQUIREMENT.—

"(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers and on the economy of the beneficiary countries.

"(2) FIRST REPORT.—The first report shall be submitted not later than September 30, 2001.

"(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(2) Section 206(a) of the Andean Trade Preference Act (19 U.S.C. 3204(a)) is amended to read as follows:

"(a) REPORTING REQUIREMENTS.—

"(1) IN GENERAL.—The United States International Trade Commission (in this section referred to as the 'Commission') shall submit to Congress and the President biennial reports regarding the economic impact of this title on United States industries and consumers, and, in conjunction with other agencies, the effectiveness of this title in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries.

"(2) SUBMISSION.—During the period that this title is in effect, the report required by paragraph (1) shall be submitted on December 31 of each year that the report required by section 215 of the Caribbean Basin Economic Recovery Act is not submitted.

"(3) TREATMENT OF PUERTO RICO, ETC.—For purposes of this section, industries in the Commonwealth of Puerto Rico and the insular possessions of the United States are considered to be United States industries.".

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—

(A) Section 211 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701) is amended by inserting "(or other preferential treatment)" after "treatment".

(B) Section 213(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(1)) is amended by inserting "and except as provided in subsection (b) (2) and (3)," after "Tax Reform Act of 1986,".

(2) DEFINITIONS.—Section 212(a)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)) is amended by adding at the end the following new subparagraphs:

"(D) The term 'NAFTA' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

"(E) The terms 'WTO' and 'WTO member' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).".

SEC. 212. ADEQUATE AND EFFECTIVE PROTECTION FOR INTELLECTUAL PROPERTY RIGHTS.

Section 212(c) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(c)) is amended by adding at the end the following flush sentence:

"Notwithstanding any other provision of law, the President may determine that a country is not providing adequate and effective protection of intellectual property rights under paragraph (9), even if the country is in compliance with the country's obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)).".

Subtitle C—Cover Over of Tax on Distilled Spirits

SEC. 221. SUSPENSION OF LIMITATION ON COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Section 7652(f) of the Internal Revenue Code of 1986 (relating to limitation on cover over of tax on distilled spirits) is amended by adding at the end the following new flush sentence:

"The preceding sentence shall not apply to articles that are tax-determined after June 30, 1999, and before October 1, 1999."

(b) Effective Date.—

(1) In general.—The amendment made by this section shall apply to articles that are tax-determined after June 30, 1999.

(2) Special rule.—

(A) In general.—The treasury of Puerto Rico shall make a Conservation Trust Fund transfer within 30 days after the date of each cover over payment (made to such treasury under section 7652(e) of the Internal Revenue Code of 1986) to which section 7652(f) of such Code does not apply by reason of the last sentence thereof.

(B) Conservation trust fund transfer.—

(i) In general.—For purposes of this paragraph, the term "Conservation Trust Fund transfer" means a transfer to the Puerto Rico Conservation Trust Fund of an amount equal to 50 cents per proof gallon of the taxes imposed under section 5001 or section 7652 of such Code on distilled spirits that are covered over to the treasury of Puerto Rico under section 7652(e) of such Code.

(ii) Treatment of transfer.—Each Conservation Trust Fund transfer shall be treated as principal for an endowment, the income from which to be available for use by the Puerto Rico Conservation Trust Fund for the purposes for which the Trust Fund was established.

(iii) Result of nontransfer.—

(I) In general.—Upon notification by the Secretary of the Interior that a Conservation Trust Fund transfer has not been made by the treasury of Puerto Rico as required by subparagraph (A), the Secretary of the Treasury shall, except as provided in subclause (II), deduct and withhold from the next cover over payment to be made to the treasury of Puerto Rico under section 7652(e) of such Code an amount equal to the appropriate Conservation Trust Fund transfer and interest thereon at the underpayment rate established under section 6621 of such Code as of the due date of such transfer. The Secretary of the Treasury shall transfer such amount deducted and withheld, and the interest thereon, directly to the Puerto Rico Conservation Trust Fund.

(II) Good cause exception.—If the Secretary of the Interior finds, after consultation with the Governor of Puerto Rico, that the failure by the treasury of Puerto Rico to make a required transfer was for good cause, and notifies the Secretary of the Treasury of the finding of such good cause before the due date of the next cover over payment following the notification of nontransfer, then the Secretary of the Treasury shall not deduct the amount of such nontransfer from any cover over payment.

(C) Puerto rico conservation trust fund.—For purposes of this paragraph, the term "Puerto Rico Conservation Trust Fund" means the fund established pursuant to a Memorandum of Understanding between the United States Department of the Interior and the Commonwealth of Puerto Rico, dated December 24, 1968.

TITLE III—GENERALIZED SYSTEM OF PREFERENCES

SEC. 301. EXTENSION OF DUTY-FREE TREATMENT UNDER GENERALIZED SYSTEM OF PREFERENCES.

(a) In General.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking "June 30, 1999" and inserting "June 30, 2004".

(b) Effective Date.—

(1) In general.—The amendment made by this section applies to articles entered on or after the date of the enactment of this Act.

(2) Retroactive application for certain liquidations and reliquidations.—

(A) General rule.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (3), any entry—

(i) of an article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if such entry had been made on June 30, 1999, and

(ii) that was made—

(I) after June 30, 1999, and

(II) before the date of enactment of this Act,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry.

(B) Entry.—As used in this paragraph, the term "entry" includes a withdrawal from warehouse for consumption.

(3) Requests.—Liquidation or reliquidation may be made under paragraph (2) with respect to an entry only if a request therefore is filed with the Customs Service, within 180 days after the date of enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry, or

(B) to reconstruct the entry if it cannot be located.

SEC. 302. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE OPERATIONS.

(a) In General.—Section 484 of the Tariff Act of 1930 (19 U.S.C. 1484) is amended by adding at the end the following new subsection:

"(i) Special Rule For Foreign Trade Zone Operations.—

"(1) In general.—Notwithstanding any other provision of law and except as provided in paragraph (3), all merchandise (including merchandise of different classes, types, and categories), withdrawn from a foreign trade zone during any 7-day period, shall, at the option of the operator or user of the zone, be the subject of a single estimated entry or release filed on or before the first day of the 7-day period in which the merchandise is to be withdrawn from the zone. The estimated entry or release shall be treated as a single entry and a single release of merchandise for purposes of section 13031(a)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)(A)) and all fee exclusions and limitations of such section 13031 shall apply, including the maximum and minimum fee amounts provided for under subsection (b)(8)(A)(i) of such section. The entry summary for the estimated entry or release shall cover only the merchandise actually withdrawn from the foreign trade zone during the 7-day period.

"(2) Other requirements.— The Secretary of the Treasury may require that the operator or user of the zone—

"(A) use an electronic data interchange approved by the Customs Service—

"(i) to file the entries described in paragraph (1); and

"(ii) to pay the applicable duties, fees, and taxes with respect to the entries; and

"(B) satisfy the Customs Service that accounting, transportation, and other controls over the merchandise are adequate to protect the revenue and meet the requirements of other Federal agencies.

"(3) Exception.—The provisions of paragraph (1) shall not apply to merchandise the entry of which is prohibited by law or merchandise for which the filing of an entry summary is required before the merchandise is released from customs custody.

"(4) Foreign trade zone; zone.—In this subsection, the terms 'foreign trade zone' and 'zone' mean a zone established pursuant to the Act of June 18, 1934, commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.).".

(b) Effective Date.—The amendment made by this section shall take effect on the date that is 60 days after the date of enactment of this Act.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE

SEC. 401. TRADE ADJUSTMENT ASSISTANCE.

(a) Assistance for Workers.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(1) in subsection (a), by striking "June 30, 1999" and inserting "September 30, 2001"; and

(2) in subsection (b), by striking "June 30, 1999" and inserting "September 30, 2001".

(b) NAFTA Transitional Program.—Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking "the period beginning October 1, 1998, and ending June 30, 1999, shall not exceed $15,000,000" and inserting "the period beginning October 1, 1998, and ending September 30, 2001, shall not exceed $30,000,000 for any fiscal year".

(c) Adjustment for Firms.—Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking "June 30, 1999" and inserting "September 30, 2001".

(d) Termination.—Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note preceding) is amended by striking "June 30, 1999" each place it appears and inserting "September 30, 2001".

(e) Effective Date.—The amendments made by this section take effect on July 1, 1999.

TITLE V—REVENUE PROVISIONS

SEC. 501. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) Repeal of Installment Method for Accrual Basis Taxpayers.—

(1) In general.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) Use of Installment Method.—

"(1) In general.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) Accrual method taxpayer.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).".

(2) Conforming amendments.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) Modification of Pledge Rules.—Paragraph (4) of section 453A(d) of the Internal Revenue Code of 1986 (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.".

(c) Effective Date.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 502. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) Benefits to Which Exception Applies.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) In general.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are one or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide directly or indirectly for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers.".

(b) Limitation on Use of Amounts for Other Purposes.—Section 4976(b) of the Internal Revenue Code of 1986 (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) Special rule for 10 or more employer plans exempted from prefunding limits.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide one or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.".

(c) Effective Date.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 503. TREATMENT OF GAIN FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) In General.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

"SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

"(a) In General.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

"(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

"(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

"(b) Interest Charge on Deferral of Gain Recognition.—

"(1) In general.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

"(2) Amount of interest.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

"(3) Applicable federal rate.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

"(4) No credits against increase in tax.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

"(c) Financial Asset.—For purposes of this section—

"(1) In general.—The term 'financial asset' means—

"(A) any equity interest in any pass-thru entity, and

"(B) to the extent provided in regulations—

"(i) any debt instrument, and

"(ii) any stock in a corporation which is not a pass-thru entity.

"(2) Pass-thru entity.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) a trust,

"(F) a common trust fund,

"(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

"(H) a foreign personal holding company,

"(I) a foreign investment company (as defined in section 1246(b)), and

"(J) a REMIC.

"(d) Constructive Ownership Transaction.—For purposes of this section—

"(1) In general.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

"(A) holds a long position under a notional principal contract with respect to the financial asset,

"(B) enters into a forward or futures contract to acquire the financial asset,

"(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

"(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

"(2) Exception for positions which are marked to market.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

"(3) Long position under notional principal contract.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

"(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

"(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

"(4) Forward contract.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

"(e) Net Underlying Long-Term Capital Gain.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

"(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

"(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

"(f) Special Rule Where Taxpayer Takes Delivery.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

"(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

"(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset.".

(b) Clerical Amendment.—The table of sections for part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 1260. Gains from constructive ownership transactions.".

(c) Effective Date.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 504. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) In General.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) Change in method of accounting.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 505. ALLOCATION OF BASIS ON TRANSFERS OF INTANGIBLES IN CERTAIN NONRECOGNITION TRANSACTIONS.

(a) Transfers to Corporations.—Section 351 of the Internal Revenue Code of 1986 (relating to transfer to corporation controlled by transferor) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) Treatment of Transfers of Intangible Property.—

"(1) Transfers of less than all substantial rights.

"(A) In general.—A transfer of an interest in intangible property (as defined in section 936(h)(3)(B)) shall be treated under this section as a transfer of property even if the transfer is of less than all of the substantial rights of the transferor in the property.

"(B) Allocation of basis.—In the case of a transfer of less than all of the substantial rights of the transferor in the intangible property, the transferor's basis immediately before the transfer shall be allocated among the rights retained by the transferor and the rights transferred on the basis of their respective fair market values.

"(2) Nonrecognition not to apply to intangible property developed for transferee.—This section shall not apply to a transfer of intangible property developed by the transferor or any related person if such development was pursuant to an arrangement with the transferee.".

(b) Transfers to Partnerships.—Subsection (d) of section 721 of the Internal Revenue Code of 1986 is amended to read as follows:

"(d) Transfers of Intangible Property.—

"(1) In general.—Rules similar to the rules of section 351(h) shall apply for purposes of this section.

"(2) Transfers to foreign partnerships.—For regulatory authority to treat intangibles transferred to a partnership as sold, see section 367(d)(3).".

(c) Effective Date.—The amendments made by this section shall apply to transfers on or after the date of the enactment of this Act.

SEC. 506. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) In General.—Section 3405(b)(1) of the Internal Revenue Code of 1986 (relating to withholding) is amended by striking "10 percent" and inserting "15 percent".

(b) Effective Date.—The amendment made by subsection (a) shall apply to distributions after December 28, 2000.

Amend the title so as to read: "To authorize a new trade and investment policy for sub-Saharan Africa, expand trade benefits to the countries in the Caribbean Basin, renew the generalized system of preferences, and reauthorize the trade adjustment assistance programs.".

REID AMENDMENT NO. 2336

Mr. REID proposed an amendment to amendment No. 2334 proposed by Mr. Lott to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS OF HIGH PERFORMANCE COMPUTERS.

Section 1211(d) of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—

(1) in the second sentence, by striking "180" and inserting "30"; and

(2) by adding at the end, the following new sentence: "The 30-day reporting requirement shall apply to any changes to the composite theoretical performance level for purposes of subsection (a) proposed by the President on or after June 1, 1999.".

HATCH AMENDMENTS NOS. 2337–2338

(Ordered to lie on the table.)

Mr. HATCH submitted two amendments intended to be proposed by him to amendment No. 2325 proposed by Mr. Roth to the bill, H.R. 434, supra; as follows:

Amendment No. 2337

On page 21, between lines 6 and 7, insert the following:

(d) HIV/AIDS Effect on the sub-Saharan African Workforce.—In selecting issues of common interest to the United States-Sub-Saharan African Trade and Economic Cooperation Forum, the President shall instruct the United States delegates to the Forum to promote a review by the Forum of the HIV/AIDS epidemic in each sub-Saharan African country and the effect of the HIV/AIDS epidemic on human and social development in each country.

Amendment No. 2338

On page 21, at the end of line 23, insert the following: "The report shall also include the President's recommendations for bilateral debt relief for sub-Saharan African countries and the President's recommendations for new loan, credit, and guarantee programs and procedures for such countries.".

WELLSTONE AMENDMENT NO. 2339

(Ordered to lie on the table.)

Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. . EVALUATION OF OUTCOME OF WELFARE REFORM AND FORMULA FOR BONUSES TO HIGH PERFORMANCE STATES.

(a) Additional Measures of State Performance.—Section 403(a)(4)(C) of the Social Security Act (42 U.S.C. 603(a)(4)(C)) is amended—

(1) by striking "Not later" and inserting the following:

"(i) In general.—Not later";

(2) by inserting "The formula shall provide for the awarding of grants under this paragraph based on criteria contained in clause (ii) and in accordance with clauses (iii) and (iv)." after the period; and

(3) by adding at the end the following:

"(ii) Formula criteria.—The grants awarded under this paragraph shall be based on the following:

"(I) Employment-related measures.—Employment-related measures, including work force entries, job retention, increases in earnings of recipients of assistance under the State program funded under this title, and measures of utilization of resources available under welfare-to-work grants under paragraph (5) and title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.), including the implementation of programs (as defined in subclause (VII)(bb)) to increase the number of individuals training for, and placed in, nontraditional employment.

"(II) Measures of changes in income or number of children below half of poverty.—For a sample of recipients of assistance under the State program funded under this title, longitudinal measures of annual changes in income (or measures of changes in the proportion of children in families with income below ½ of the poverty line), including earnings and the value of benefits received under that State program and food stamps.

"(III) Food stamps measures.—The change since 1995 in the proportion of children in working poor families that receive food stamps to the total number of children in the State (or, if possible, to the estimated number of children in working families with incomes low enough to be eligible for food stamps).

"(IV) Medicaid and SCHIP measures.—The percentage of members of families who are former recipients of assistance under the State program funded under this title (who have ceased to receive such assistance for approximately 6 months) who currently receive medical assistance under the State plan approved under title XIX or the child health assistance under title XXI.

"(V) Child care measures.—In the case of a State that pays child care rates that are equal to at least the 75th percentile of market rates, based on a market rate survey that is not more than 2 years old, measures of the State's success in providing child care, as measured by the percentage of children in families with incomes below 85 percent of the State's median income who receive subsidized child care in the State, and by the amount of the State's expenditures on child care subsidies divided by the estimated number of children younger than 13 in families with incomes below 85 percent of the State's median income.

"(VI) MEASURES OF ADDRESSING DOMESTIC VIOLENCE.—In the case of a State that has adopted the option under the State plan relating to domestic violence set forth in section 402(a)(7) and that reports the proportion of eligible recipients of assistance under this title who disclose their status as domestic violence victims or survivors, measures of the State's success in addressing domestic violence as a barrier to economic self-sufficiency, as measured by the proportion of such recipients who are referred to and receive services under a service plan developed by an individual trained in domestic violence pursuant to section 260.55(c) of title 45 of the Code of Federal Regulations.

"(VII) DEFINITIONS.—In this clause:

"(aa) DOMESTIC VIOLENCE.—The term 'domestic violence' has the meaning given the term 'battered or subjected to extreme cruelty' in section 408(a)(7)((C)(iii).

"(bb) IMPLEMENTATION OF PROGRAMS.—The term 'implementation of programs' means activities conducted pursuant to section 134(a)(3)(A)(vi)(II) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(a)(3)(A)(vi)(II)), placement of recipients in nontraditional employment, as reported to the Department of Labor pursuant to section 185(d)(1)(C) of such Act (29 U.S.C. 2935(d)(1)(C)), and the performance of the State on other measures such as the provision of education, training, and career development assistance for nontraditional employment developed pursuant to section 136(b)(2) of such Act (29 U.S.C. 2871(b)(2))).

"(cc) NONTRADITIONAL EMPLOYMENT.—The term 'nontraditional employment' means occupations or fields of work, including careers in computer science, technology, and other emerging high skill occupations, for which individuals from 1 gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.

"(dd) WORKING POOR FAMILIES.—The term 'working poor families' means families that receive earnings at least equal to a comparable amount that would be received by an individual working a half-time position for minimum wage.

"(iii) EMPLOYMENT, EARNING, AND INCOME RELATED MEASURES.—$100,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on the measures of employment, earnings, and income described in subclauses (I), (II), and (V) of clause (ii), including scores for the criteria described in those items.

"(iv) MEASURES OF SUPPORT FOR WORKING FAMILIES.—$100,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on measures of support for working families, including scores for the criteria described in subclauses (III), (IV) and (VI) of clause (ii).

"(v) LIMITATION ON APPLYING FOR ONLY 1 BONUS.—To qualify under any one of the employment, earnings, food stamp, or health coverage criteria described in subclauses (I), (III), or (IV) of clause (ii), a State must submit the data required to compete for all of the criteria described in those subclauses.

(b) DATA COLLECTION AND REPORTING.—Section 411(a) of the Social Security Act (42 U.S.C. 611(a)) is amended by adding at the end the following:

"(8) REPORT ON OUTCOME OF WELFARE REFORM FOR STATES NOT PARTICIPATING IN BONUS GRANTS UNDER SECTION 403(a)(4).—

"(A) IN GENERAL.—In the case of a State which does not participate in the procedure for awarding grants under section 403(a)(4) pursuant to regulations prescribed by the Secretary, the report required by paragraph (1) for a fiscal quarter shall include data regarding the characteristics and well-being of former recipients of assistance under the State program funded under this title for an appropriate period of time after such recipient has ceased receiving such assistance.,

"(B) CONTENTS.—The data required under subparagraph (A) shall consist of information regarding former recipients, including—

"(i) employment status;

"(ii) job retention;

"(iii) changes in income or resources;

"(iv) poverty status, including the number of children in families of such former recipients with income below ½ of the poverty line;

"(v) receipt of food stamps, medical assistance under the State plan approved under title XIX or child health assistance under title XXI, or subsidized child care;

"(vi) accessibility of child care and child care cost;

"(vii) the percentage of families in poverty receiving child care subsidies;

"(viii) measures of hardship, including lack of medical insurance and difficulty purchasing food; and

"(ix) the availability of the option under the State plan in section 402(a)(7)(relating to domestic violence) and the difficulty accessing services for victims of domestic violence.

"(C) SAMPLING.—A State may comply with this paragraph by using a scientifically acceptable sampling method approved by the Secretary.

"(D) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to ensure that—

"(i) data reported under this paragraph is in such a form as to promote comparison of data among States;

"(ii) a State reports, for each measure, changes in data over time and comparisons in data between such former recipients and comparable groups of current recipients; and

"(iii) a State that is already conducting a scientifically acceptable study of former recipients that provides sufficient data required under subparagraph (A) may use the results of such study to satisfy the requirements of this paragraph.".

(c) REPORT OF CURRENTLY COLLECTED DATA.—

(1) IN GENERAL.—Not later than July 1, 2000, and annually thereafter, the Secretary of Health and Human Services shall transmit to Congress a report regarding characteristics of former and current recipients of assistance under the State program funded under this part, based on information currently being received from States.

(2) CHARACTERISTICS.—For purposes of paragraph (1), the characteristics shall include earnings, employment, and, to the extent possible, income (including earnings, the value of benefits received under the State program funded under this title, and food stamps), the ratio of income to poverty, receipt of food stamps, and other family resources.

(3) BASIS OF REPORT.—The report under paragraph (1) shall be based on longitudinal data of employer reported earnings for a sample of States, which represents at least 80 percent of the population of the United States, including separate data for each of fiscal years 1997 through 2000 regarding—

(A) a sample of former recipients;

(B) a sample of current recipients; and

(C) a sample of food stamp recipients.

(d) REPORT ON DEVELOPMENT OF MEASURES.—Not later than July 1, 2000, the Secretary of Health and Human Services shall transmit to Congress—

(1) a report regarding the development of measures required under subclauses (II) and (V) of section 403(a)(4)(C)(ii) of the Social Security Act (42 U.S.C. 603(a)(4)(C)(ii)), as added by this Act, regarding subsidized child care and changes in income; and

(2) a report, prepared in consultation with domestic violence organizations, regarding the domestic violence criteria required under subclause (VI) of such section.

(e) EFFECTIVE DATES.—

(1) ADDITIONAL MEASURES OF STATE PERFORMANCE.—The amendments made by subsection (a) apply to each of fiscal years 2001 through 2003, except that the income change (or extreme child poverty) criteria described in section 403(a)(4)(C)(ii)(II) of the Social Security Act (42 U.S.C. 603(a)(4)(C)(ii)(II)) shall not apply to grants awarded under section 403(a)(4) of that Act (42 U.S.C. 603(a)(4)) for fiscal year 2001.

(2) DATA COLLECTION AND REPORTING.—The amendment made by subsection (b) shall apply to reports submitted in fiscal years beginning with fiscal year 2001.

ASHCROFT (AND OTHERS) AMENDMENT NO. 2340

Mr. LOTT (for Mr. ASHCROFT (for himself, Mr. DASCHLE, Mr. BAUCUS, Mr. BURNS, Mr. BROWNBACK, Mr. GRASSLEY, Mr. INHOFE, Mr. HARKIN, Mr. ROBB, Mr. CRAIG, Mr. DORGAN, Mr. LUGAR, Mr. HELMS, Mr. DURBIN, Mr. INOUYE, Mr. CONRAD, Mr. WYDEN, Mr. GORTON, Mr. THOMAS, Ms. COLLINS, Mr. ROBERTS, Mr. BINGAMAN, Mr. MCCONNELL, Mr. JOHNSON, Mr. FITZGERALD, Mr. GRAMS, Mr. ALLARD, Mr. HUTCHINSON, Mr. BOND, Mr. ENZI, and Mr. CRAPO)) proposed an amendment to amendment No. 2334 proposed by Mr. LOTT to the bill, H.R. 434, supra; as follows:

At the appropriate place, add the following:

SEC. . CHIEF AGRICULTURAL NEGOTIATOR.

(a) ESTABLISHMENT OF A POSITION.—There is established the position of Chief Agricultural Negotiator in the Office of the United States Trade Representative. The Chief Agricultural Negotiator shall be appointed by the President, with the rank of Ambassador, by and with the advice and consent of the Senate.

(b) FUNCTIONS.—The primary function of the Chief Agricultural Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to U.S. agricultural products and services. The Chief Agricultural Negotiator shall be a vigorous advocate on behalf of U.S. agricultural interests. The Chief Agricultural Negotiator shall perform such other functions as the United States Trade Representative may direct.

(c) COMPENSATION.—The Chief Agricultural Negotiator shall be paid at the highest rate of basic pay payable to a member of the Senior Executive Service.

HATCH AMENDMENTS NOS. 2341-2342

(Ordered to lie on the table.)

Mr. HATCH submitted two amendments intended to be proposed by him to amendment No. 2325 proposed by Mr. ROTH to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2341

On page 22, line 5, insert the following: "The report shall include the President's recommendations regarding bilateral debt relief for sub-Saharan African countries and the President's recommendations for new loan, credit, and guarantee programs and procedures for such countries.".

AMENDMENT NO. 2342

On page 22, between lines 5 and 6, insert the following new section:

SEC. 116. HIV/AIDS EFFECT ON THE SUB-SAHARAN AFRICAN WORKFORCE.

In selecting issues of common interest to the United States-Sub-Saharan African Trade and Economic Cooperation Forum, the President shall instruct the United States delegates to the Forum to promote a review by the Forum of the HIV/AIDS epidemic in each sub-Saharan African country and the effect of the HIV/AIDS epidemic on human and social development in each country.

REED AMENDMENTS NOS. 2343–2344

(Ordered to lie on the table.)

Mr. REED submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2343

At the appropriate place, insert the following new section:

SEC. . MARKING OF IMPORTED JEWELRY.

(a) MARKING REQUIREMENT.—Not later than the date that is 1 year after the date of enactment of this Act, the Secretary of the Treasury shall prescribe and implement regulations that require that all jewelry described in subsection (b) that enters the customs territory of the United States have the English name of the country of origin indelibly marked in a conspicuous place on such jewelry by cutting, die-sinking, engraving, stamping, or some other permanent method to the same extent as such marking is required for Native American-style jewelry under section 134.43 of title 19, Code of Federal Regulations, as in effect on October 1, 1998.

(b) JEWELRY.—The jewelry described in this subsection means any article described in heading 7117 of the Harmonized Tariff Schedule of the United States.

(c) DEFINITION.—As used in this section, the term "enters the customs territory of the United States" means enters, or is withdrawn from warehouse for consumption, in the customs territory of the United States.

AMENDMENT NO. 2344

At the appropriate place, insert the following new section:

SEC. . MARKING OF IMPORTED JEWELRY BOXES.

(a) MARKING REQUIREMENT.—Not later than the date that is 1 year after the date of enactment of this Act, the Secretary of the Treasury shall prescribe and implement regulations that require that all jewelry boxes described in subsection (b) that enter the customs territory of the United States have the English name of the country of origin indelibly marked in a conspicuous place on such jewelry boxes by cutting, die-sinking, engraving, stamping, or some other permanent method to the same extent as such marking is required for Native American-style jewelry under section 134.43 of title 19, Code of Federal Regulations, as in effect on October 1, 1998.

(b) JEWELRY.—The jewelry boxes referred to in subsection (a) are jewelry boxes provided for in headings 4202.92.60, 4202.92.90, and 4202.99.10 of the Harmonized Tariff Schedule of the United States.

(c) DEFINITION.—As used in this section, the term "enter the customs territory of the United States" means enter, or withdrawn from warehouse for consumption, in the customs territory of the United States.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Wednesday, October 27, 1999, in open session, to consider the nominations of General Joseph W. Ralston, USAF, Vice Chairman of the Joint Chiefs of Staff to be commander-in-chief, U.S. Forces, Europe and Supreme Allied Commander, Europe; General Richard B. Meyers, USAF, commander-in-chief, U.S. Space Command to be Vice Chairman of the Joint Chiefs of Staff; General Thomas A. Schwartz, USA, Commander of U.S. Army Forces to be commander-in-chief, United Nations Command/Combined Forces Command/Commander, U.S. Forces, Korea; and General Ralph E. Eberhart, USAF, commander, Air Combat Command to be commander-in-chief, U.S. Space Command.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, October 27, 1999, to conduct a hearing on "The Changing Face of Capital Markets: What Is the Impact of ECN's"

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, October 27, for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 27, 1999 at 10:30 am and 3:00 pm to hold two hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, October 27, 1999 at 9:00 a.m. to mark up pending legislation to be followed by a hearing on the Elementary and Secondary Education Act Reauthorization (ESEA).

The meeting/hearing will be held in room 485, Russell Senate Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, the Committee on the Judiciary requests unanimous consent to conduct a hearing on Wednesday, October 27, 1999 beginning at 10:00 a.m. in Dirksen Room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CRIMINAL JUSTICE OVERSIGHT

Mr. LOTT. Mr. President, the Committee on the Judiciary Subcommittee on Criminal Justice Oversight requests unanimous consent to conduct a hearing on Wednesday, October 27, 1999 beginning at 2:30 p.m. in Dirksen Room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. LOTT. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet at 2:00 p.m. on Wednesday, October 27, 1999, in open and closed sessions, to receive testimony on the agricultural biological weapons threat to the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HONORING THE LIFE OF JACK LYNCH

• Mr. DODD. Mr. President, earlier today, I learned of the passing of Jack Lynch, the former Prime Minister of Ireland. I was deeply saddened to hear of Prime Minister Lynch's passing and would like to reflect for just a few moments on his life and enormous contributions to peace in Ireland.

While Prime Minister Lynch's achievements were many, he is best remembered for encouraging a more tolerant Irish attitude toward British sovereignty in the Protestant-dominated North; a change in attitude that made the Good Friday peace accords possible. In 1969, during his tenure as Prime Minister, Jack Lynch showed remarkable restraint in his dealings with the North, resisting pressure from his party and many citizens of Ireland to send troops across the border to protect Catholics in Londonderry from attacks by Protestant paramilitaries and local police forces. This desire for peace further manifested itself in the late 1970s, when Prime Minister Lynch began traveling to Belfast to discuss peace with British officials. These efforts cumulated in a historic dialogue about peace and tolerance with then-British Prime Minister Margaret Thatcher, a dialogue which began the gradual process of trust-building necessary for a lasting peace.

Another reminder of the enduring achievements of Prime Minister Lynch is Irish membership in the European Union. In 1973, Ireland was a country with a failing economy, a high unemployment rate, and rampant emigration. In an effort to rekindle the faltering economy and reconnect Ireland with the European continent, Jack Lynch entered Ireland into the European Economic Community. Today, billions of dollars of European aid and investment have helped Ireland become one of the world's 25 wealthiest nations, unemployment has dropped to half the European Union average, and people are returning to their ancestral homes. It is mainly due to Prime Minister Lynch's foresight in negotiating Irish entry into the E.E.C. that this economic turnaround has occurred.

These accomplishments only begin to illustrate the many professional successes of Peter Lynch. He was a man who was able to look past historic prejudice and heat-of-the-moment emotions to bring individuals with very different viewpoints together in meaningful dialogue. He was a visionary who saw the need for economic modernization and was unafraid to seek help from his European neighbors. And, in the end, he was a leader. As current Irish Prime Minister Bertie Ahern has said, his firm leadership saw Ireland through a period of great turbulence and his outstanding work to gain Irish membership in the E.E.C. changed forever the way Ireland sees itself as a nation. And for this, Mr. President, people of Irish descent, such as myself, thank him.

THE PEOPLE'S CREED

• Mr. BENNETT. Mr. President, I submit for the RECORD the following document, written by one of my constituents, Mr. Terry Harris. The People's Creed, which Mr. Harris hopes will serve as a tool to those learning about the U.S. Constitution, is on display this week in the Utah State Capitol. I ask that it be printed in the RECORD.

The material follows:

THE PEOPLE'S CREED

(By Terry Harris)

The People's Creed, set forth in the United States of America, for the people of the United States of America and all those who desire and respect liberty, freedom, justice and the pursuit of happiness; on Sunday the fourth of July nineteen hundred and ninety-nine.

For this creed was written with the intention to include Every Woman, Man and Child regardless of his or her race, content or creed, For we are all the people of the United States of America.

For together we stand proud as one nation under God, indivisible, with liberty and justice for all.

We the people of the United States of America (every woman, man and child/all nationalities to be included), share a foundation bound by democracy, freedom, justice, liberty and the pursuit of happiness. This foundation has caused us to be united as one nation under God.

We the people of the United States of America have been blessed and recognized with freedom of speech and of the press.

We the people of the United States of America understand that freedom has a price, and we must maintain that which was set forth by the founding fathers of this great country and by those who have paid the ultimate price for freedom.

We the people of the United States of America must respect the laws of this great nation, and when we find ourselves outside of this realm, must act swiftly to make necessary corrections.

We the people of the United States are protected against unreasonable search and seizure.

We the people of the United States of America are all subject to due process of law and equal protection of the law.

We the people of the United States of America are protected against excessive bail and cruel and unusual punishment.

We the people of the United States retain all rights not specifically granted to the States or by the Constitution.

We the people of the United States of America recognize that slavery is wrong and hereby denounce and abolish it.

We the people of the United States of America (woman & man) have been granted the right to vote, regardless of race, color or previous condition of servitude.

We the people of the United States of America understand that this country may not be without faults, yet we will strive to do the best that we can to ensure the right to democracy, freedom, justice, liberty and the pursuit of happiness for all to enjoy.

We the people of the United States of America realize that this country is made up of different cultures, sexes beliefs and religions that may not necessarily be our own; however, we must respect and practice tolerance for one another. For it is diversity that serves as an important link which holds the foundation of this great country together.

We the people of the United States of America hold at the very core of our foundation that democracy is vital and necessary for the people and by the people. For democracy must never be threatened by forces from within or without these United States of America.

From the pages of the Magna Carta, to Puritan New England let liberty ring.

From the Virginia House of Burgesses, to the Washington Monument let liberty ring.

Let liberty ring from Williamsburg to Philadelphia.

From the waters of the Delaware to the Golden Gate Bridge, let liberty ring.

From the sparkling, sandy beaches of Miami to Stone Mountain Georgia, let liberty ring.

From the green pastures of New Hampshire, to the deserts of Arizona, let liberty ring.

From Alabama to Alaska, let liberty ring.

From the Oregon forests to the New Mexico desert, let liberty ring.

From the flat lands of Indiana, to the farm lands of Arkansas, let liberty ring.

From the Colorado Rocky Mountains to the clear Connecticut waters, let liberty ring.

From Seattle to Independence Hall, let liberty ring.

From the Florida Atlantic to the shores of Hawaii, let liberty ring.

From Stone Mountain Georgia to Mt. Rushmore, let liberty ring.

From the Iowa Woodlands to the mighty Missouri River, let liberty ring.

From the Bluegrass Heartlands of Kentucky, to the Flint Hills of Kansas, let liberty ring.

From the potato fields of Idaho, to the dairy lands of Iowa, let liberty ring.

From the golden country side of Kansas to Bourbon Street, let liberty ring

Let Liberty ring from Freedom Trail Boston to Old town Alexandria.

From the cold waters of Maine to the green Montana mountains let liberty ring.

From the great lakes of Michigan to the mighty Mississippi River, let liberty ring

From Historic New Jersey to the Statue of Liberty let liberty ring.

From the sandy mountains of New Mexico to the Alamo, let liberty ring

Let Liberty ring from Industry, Ohio to the steel mills of Pittsburgh.

From the banks of Rhode Island to the historic Carolinas let liberty ring.

From Baltimore's inner harbors to Minnesota's Thousand lakes, let liberty ring.

From the subtly colored sandstones of Wisconsin to Mustang, Wyoming, let liberty ring.

Let liberty ring out from Apollo 13 to the Space Shuttle.

From the heart of Rock-n-roll to the soul of Jazz, let liberty ring.

My Country tis of thee, sweet land of liberty; of thee I sing. Land where my fathers died, land of every one's pride, from every mountain side let liberty ring.

For I am proud to be an American. I will do my best to give my fellow American my honor and my respect. When my fellow American is in need of a helping hand, it is I who must reach out. For it is I who must respect nature that God has placed for all to enjoy, for we must live with nature as one.

May the mercy of liberty, democracy, freedom and the pursuit of happiness echo throughout the world, making this land yours and mine for generations to come.

May God have mercy upon the United States of America and all that lie within.•

IN RECOGNITION OF THE 50TH ANNIVERSARY OF THE MICHIGAN REHABILITATION ASSOCIATION

• Mr. LEVIN. Mr. President, I rise today to pay tribute to the Michigan Rehabilitation Association, a remarkable organization from my home state of Michigan, which will celebrate its 50th Anniversary on November 1, 1999.

Over the past five decades, the Michigan Rehabilitation Association (MRA) has proudly worked to meet the needs of Michigan's disabled community. While beginning as a professional association for rehabilitation practitioners, it has quickly grown into one of Michigan's leading advocates for the welfare and rights of handicapped people.

While its scope and purpose have evolved, its members have remained steadfastly committed to excellence in the delivery of services to the disabled.

Since its inception in 1949 as the country's first state chapter of the National Rehabilitation Association, the MRA's far-reaching hand has helped thousands of Michigan's citizens achieve a higher quality of life. As it celebrates this important milestone, I am sure its staff, friends and supporters will have the opportunity to recall its many successes. I am pleased to join with them in thanking the people of the Michigan Rehabilitation Association for their efforts while applauding all the hard work and determination that have resulted in the MRA's prestigious reputation.

The Michigan Rehabilitation Association can take pride in the many important achievements of its first fifty years. I know my colleagues will join me in saluting the accomplishments of MRA's first half century and in wishing it continued success for the future.•

RED MASS HOMILY

• Mr. ASHCROFT. Mr. President, on Sunday, October 3, 1999, the Most Reverend Raymond J. Boland, Bishop of the Kansas City-St. Joseph area of Missouri, delivered the homily at the Red Mass held at St. Matthew's Cathedral in Washington, DC. The Red Mass traditionally marks the opening of the Supreme Court's new term. In his address, Bishop Boland discusses the idea of having cooperative dialog between the Church and State in their mutual search for justice and respect.

I ask to have printed in the RECORD the text of the homily given by Bishop Raymond J. Boland.

The text follows.

HOMILY: 1999 RED MASS

(St. Matthew's Cathedral, Washington, DC, Sunday, October 3, 1999, Most Reverend Raymond J. Boland, D.D., Bishop of Kansas City-St. Joseph, Missouri)

I am grateful to Cardinal Hickey for his gracious invitation to give the homily at this 47th annual Red Mass. Another legal year, the last of this century, is about to begin and conscious of our fallibilities we gather in prayer to beg God's Spirit to give us understanding, courage, forbearance and, above all else, wisdom. I am also grateful to the John Carroll Society for sponsoring this annual event once again. John Carroll, the first Roman Catholic Bishop of the Republic, played a significant part in defining the role of the church in an infant nation where religion would have freedom but not state sponsorship. John's brother, Daniel, signed the Constitution which gave political and legal shape to what is now the United States.

Because of a certain anniversary which occurs this year, I would like to think that a fuller acceptance of the dignity of the human person may lead to a more productive understanding of the relationship between church and state in this country and elsewhere. It augurs well for our individual freedoms but it is also a delicate balance which may be in jeopardy.

This year marks the 350th Anniversary of the Toleration Act of 1649, a significant development for its time which boldly reaffirmed the right of religious and political freedom in the Maryland colony. Many of you are familiar with the monument at St. Mary's City, the first capital of the future state, which symbolically depicts a man with uplifted countenance emerging from the confining stone from which he is sculpted. At his feet three words are carved, Freedom of Conscience.

The Edict of Toleration provided, "No person shall from henceforth be in any ways troubled . . . for or in respect of his or her religion nor in the free exercise thereof within this Province nor any way be compelled to the belief or exercise of any other against his will." (Their Rights and Liberties, Thomas O'Brien Hanley, S.J. p. 115)

When Jesus enunciated his oft-quoted judgment, "Give to Caesar what is Caesar's, but give to God what is God's." (Luke 20:25) Luke tells us that his response "completely disconcerted" his audience "and reduced them to silence." (Luke 20:26) Over the centuries we have not remained silent but we have continued to remain perplexed. Couched in terms of black and white the principle is one for the ages but its complexity intensifies as its application uncovers a multiplicity of details. All people of faith are citizens and most citizens are people of faith. Avowed atheists may not believe in God or any god, as Bishop Fulton Sheen used to quip, "they have no invisible means of support," but it can be argued that their secularized or humanistic self-sufficiency constitutes a belief system of some sort. The predicament is obvious. The church-goer pays taxes. A devout Christian can be passionately patriotic. Among our citizens are Jews, Muslims, Hindus, Buddhists and adherents of many other religions, all of whom wish to practice their faith in freedom and many of whom honor forebears who came to this country precisely for that reason. According to reputable opinion polls the vast majority of Americans believe in God, pray with some frequency and articulate their sincerely-held beliefs by following rituals and disciplines promoted by their respective churches. These same people are also participants in the political process. They vote, they seek political office, they express their opinions, they establish forums to give wider circulation to their political philosophies. There is absolutely no way they can prevent the influence of their religious beliefs from coloring their public attitudes and forming their political convictions. Indeed, churches as a whole, convinced that they have much which is positive to contribute to the public debate, expect their members to bring their cultural and religious values to the various arenas where ideas are being generated and laws being honed. The church, no less than the state, seeks to meet the challenges of a society where sociological and technological change seems to be constantly outpacing our human capacity to keep it within the bounds of comprehension not to mention control.

There is another dimension to this reality which is even more important because it comes closer to the cutting edge. Many citizens, whether they be religious or not, only participate in the public debate in a limited way. But we are concerned with the other end of the spectrum—the lawyers, the judges, the legislators who devote their lives to enacting and interpreting laws and who will naturally do so within the context of their own inherited and acquired religious convictions. When they enter statehouses and courtrooms they cannot leave their consciences along with their coats in the cloakroom. Not all matters are charged with ethical or moral overtones but those which are of most concern to our populace—rights and liberties, life and death, war and peace, affluence and poverty, personal freedom and the common good—are so interlaced with cultural, religious, scientific and legal implications that wisdom in all its personifications is called for.

Is it possible to hope that, as we enter a new millennium, church and state in our land, and even the international world, may all subscribe to a synthesis of basic principles which guarantee freedom for all while equally protecting the rights of believers and unbelievers? Have we been moving in that direction? Surely such an outcome is desirable. Church and state have a lot in common in their mutual search for justice, in promoting respect for all just laws, in their concern for the common good and this, of necessity, includes such important areas as education, health care and social services.

It is difficult to assess what influence Maryland's Edict of Toleration had on the framers of the Constitution. The Establishment Clause and, later on, the Free Exercise Clause have achieved a hallowed place in our national psyche even though many modern scholars detect inconsistencies in their application and some straying from their authors' intention in their interpretation. History certainly indicates that Congress adopted the two religion clauses as protection for religion, not protection from religion. English teachers constantly warn their students that analogies and metaphors should not be pushed too far. Thomas Jefferson's famous "Wall of Separation" metaphor may have suffered this over extension, something certainly not supported by a complete examination of his legal philosophy nor of the Constitution itself. The phrase has become a mantra. How high the wall? How impenetrable? Nobody denies the need for separation but such does not exclude cooperation. This vital area of constitutional law has experienced many twists and turns in its two centuries of history and more cases are winding their way upwards from lower courts. Maybe we need the equivalent of what manufacturers call R and D, Research and Development, to discover where we've been and to propose new ways of legally facilitating those who work with Caesar and walk with God. Instead of tanks and guns and land mines, maybe we have a great opportunity to offer the world a legal system which guarantees elementary human rights and yes, religious rights, and as a result, the potential for peace, justice and economic growth. We may even get to the stage when the words of Deuteronomy will be applied to us, "this great nation is truly a wise and intelligent people." (Deut. 4:6).

In the last century the Church has made extraordinary strides in its own understanding of pluralism, religious freedom and political liberty. It was not easy because theocracies dominated the scene in the western world for so many centuries. The demise of the Holy Roman Empire and the disappearance of the Papal States gave the Church both an opportunity and a challenge to speak to the world with moral authority unfettered and unprotected by armies, navies or nuclear weapons.

The high point of this new attitude was enshrined in one of the shortest documents of the Second Vatican Council, that world-wide meeting of Catholic Bishops in Rome in the mid-sixties. The document, known as Dignitatis Humanae, the Declaration on Religious Liberty, was promulgated by Pope Paul VI in December, 1965 after five drafts and two years of vigorous debate. Called by the Pope "one of the major texts of the Council" it began with the felicitous observation, "contemporary man is becoming increasingly conscious of the dignity of the human person" (Dignitatis Humanae, 1). It is no secret that one of the most influential framers of this document was the American Jesuit, John Courtney Murray, who brought with him to the Vatican a deep understanding and a genuine admiration for the guarantees established by the United States Constitution and Bill of Rights. It may have been indirect but there is no doubt that the American experience, dating back to the Toleration Act of 1649, found a responsive echo in St. Peter's Basilica.

If there was any question about this new initiative it was resoundingly dispelled by our new Pope, John Paul II, in 1979 during the very first year of his pontificate. Here was a man whose only fellow seminarian was snatched in the night and executed by the Gestapo precisely because he was a Catholic seminarian. Here was a priest and bishop who later prevailed over the disabilities imposed upon him and his flock by an atheistic Communist regime.

In his papal letter Redemptor Hominis, John Paul II would recall and reaffirm that Vatican Council document and again declare that the right to religious freedom together with the right to freedom of conscience is not only a theological concept but is one also "reached from the point of view of natural law, that is to say, from the purely human position, on the basis of the premises given by man's own experience, his reason and his sense of human dignity." (Redemptor Hominis, 17)

For over 20 years, on every continent, again and again the Holy Father has stressed that the human dignity of each individual is the basis for all law.

Within the last year, in his New Year's message, addressing people of good will everywhere the Pope reiterated his conviction that "when the promotion of the dignity of the human person is the guiding principle and when the search for the common good is the overriding commitment" (World Day of Peace Message, 1999, 1) the right to life, to religious freedom, of citizens to participate in the life of their community, the right of ethnic groups and national minorities to exist along with those rights to self-fulfilment covering educational, economic and peace issues become possible.

The Universal Declaration of Human Rights, intimately associated with the United Nations Charter, affirms the innate dignity of all members of the human family along with the equality and inalienability of their rights. Even though these ideals are being blatantly ignored in many places across the globe, here in this land we must not ignore the unique opportunity we have to solidify the principle enunciated and developed by our leaders of both church and state that "human rights stem from the inherent dignity and worth of the human person." (Cf. In particular the Vienna Declaration, 1993 Preamble 2).

Crafting principles is easy in comparison to applying them to the extraordinary complexities of modern life. Mistakes have been made in the past. On the part of the Church there have been excesses of evangelistic zeal: in the halls of justice nobody seems proud of the Dred Scott decision. We live in an imperfect world and we are not all pious God-fearing and timid law-abiding clones.

There will always be tension between church and state. This tension, in many ways, creates a safety valve. It is, after all, when this tension disappears that we should worry.

In the enactment and administration of civil laws, people of faith do not expect privileges but they do expect fairness. George Orwell in his classic, Animal Farm, coined the phrase that "all animals are created equal but some are more equal than others." Is there a danger that the devotees of secularism are "more equal" than those who are proud of the faith they profess? Do secular symbols enjoy more protection than religious symbols? In every age there are some who would like to have religion disappear. As religion has proven itself remarkably durable, the next line of attack is the attempt to trivialize it into insignificance. It seems incredible but now and again there are those who maintain that believers have no right to engage in the public debate.

"To accept the separation of the church from the state did not mean accepting a passive or marginal status for the Church in society". (Responsibilities and Temptations of Power: A Catholic View. J. Bryan Hehir, Georgetown University.)

The church by definition has a theological foundation but it is also a voluntary association within our society with much to say about social policies. It should be accorded the same rights in the public debate as associations which profess no theological leanings.

Even Pope John Paul II expressed his apprehension on this matter when he accepted the credentials of one of the esteemed John Carroll Society members, Lindy Boggs, as the United States Ambassador to the Holy See, a year ago. On that occasion he declared, "It would truly be a sad thing if the religious and moral convictions upon which the American experiment was founded could now somehow be considered a danger to free society, such that those who would bring these convictions to bear upon your nation's public life would be denied a voice in debating and resolving issues of public policy. The original separation of church and state in the United States was certainly not an effort to ban all religious conviction from the public sphere, a kind of banishment of God from civil society. Indeed, the vast majority of Americans, regardless of their religious persuasion, are convinced that religious conviction and religiously informed moral argument have a vital role in public life."

Religion will endure. Christianity, for one, has its own inner guarantees revolving around the presence of God's Spirit and the promises of Christ. They are doomed to disappointment who constantly predict that the unfolding discoveries of the many scientific disciplines will make religion obsolete or, at best, the hollow consolation of the feebleminded. On the contrary, the more we reveal the mysteries of the universe in which we live, and decipher the minutiae of human existence, the more we come face to face with the creativity of God. We can partially answer the "hows" and the "whens" and the "whats" but at the end of the day, there is still the "why"?

My accent always betrays my origins and on July 12, 1965 I became an American citizen in the court house of Upper Marlboro, Maryland, which, coincidentally, is the town where John Carroll was born. I willingly promised to uphold the laws of the United States and I acquired the freedom and, indeed, the expectation to be part of the process which monitors, implements and sometimes modifies those laws. During these past thirty something years of my citizenship I have observed the Constitution endure some severe pressures and, by and large, I agree with the national consensus that "the system works". There is no substitute for the rule of law.

Across the impressive facade of the Supreme Court Building are the words "Equal Justice Under Law." If I were the architect I would have been tempted to add two further words, "For All." Criminals should fear the law: good people whose means are meager should not be intimidated by either the law itself or the wealth of those who can retain a bevy of high-profile lawyers. Claims are sometimes made that those on the lowest rungs of the economic ladder rarely have access to adequate legal representation. It is for this reason that I wish to commend those legal firms and individual lawyers who, through various pro bono networks, seek to alleviate this shortcoming. They bring a nobility to their profession which is beyond value and it is often the only antidote to the popular cynicism which is foisted upon lawyers in general.

As we usher in a new millennium, and as the world shrinks around us, we have much to learn from each other. The Church and the state must protect the freedom and the integrity of one another within their respective spheres of competence, and where there is overlapping, the dialogue must be marked by, as one scholar suggested, (J. Bryan Hehir) technical competency, civil intelligibility and political courtesy. In this way the 350 year old vision of the Toleration Act of 1649 will endure.●

IN TRIBUTE TO RONALD DOBIES' INDUCTION TO THE NEW JERSEY ELECTED OFFICIALS HALL OF FAME

● Mr. TORRICELLI. Mr. President, I rise today to recognize Mayor Ronald Dobies of Middlesex Borough on his induction into the New Jersey Elected Officials Hall of Fame. After nearly 30 years in public service Mayor Dobies was inducted last January. He was first elected Mayor in 1979, and he has been re-elected four times since. Prior to this service, Mayor Dobies was a member of the school board for six years, as well as a four-year member of the Borough Council.

Through these years, Mayor Dobies' administrations have grappled with some basic suburban dilemmas, such as preserving open space while attracting development and keeping municipal services up and taxes down. Among his accomplishments, Mayor Dobies has secured flood-control measures and ongoing road projects, increased park and recreation areas, and overseen the construction of the borough's Senior Citizen Housing complex.

Mayor Dobies is originally from Scranton, Pennsylvania, and attended the University of Scranton. He graduated with a degree in chemistry and philosophy, and ultimately joined basic training at Fort Gordon in Augusta, Georgia. After serving in the military police corps overseas, Ronald and his wife Blanche returned to the United States.

Mayor Dobies has added to his impressive record of community service by demonstrating his abilities in the business world as well. He is currently the Director of Analytical Research for Wyeth-Ayerst Research in Pearl River, New York. While this job is a full-time one, he still finds the time to devote between 30 and 40 hours each week to his responsibilities as Mayor. Each Friday night, Mayor Dobies hosts meetings with his constituents, a tradition he began during his first term. Mayor Dobies has won the respect of both Republicans and Democrats in his borough, and his non-contentious style has promoted a successful bipartisan spirit at all levels of government in Middlesex Borough. This December, Mayor Dobies will conclude his fifth term, and he hopes to return for a sixth next year. I look forward to his continued service in this office, and I extend my congratulations to him on his honor by the New Jersey Elected Officials Hall of Fame.•

WORKER SAFETY AWARD FOR FORT JAMES MILL OF OLD TOWN

• Ms. SNOWE. Mr. President, I am pleased to announce that this past June 2, 1999, the Fort James Corporation Paper Mills 2 was recognized for its impressive safety record of performance for the entire year of 1998. The award was presented by the Pulp & Paper Association, which honored the St. James Mill at its Awards Banquet at the Association's annual Professional Development Conference in St. Petersburg, Florida.

The award is the highest honor given for safety performance throughout the paper industry, and reflects the most improved safety record in the class of 56 mills working between one and to two million hours per year. Mr. President, the mill logged over 1.3 million work hours with an extremely low incidence of Occupational Safety and Health Administration (OSHA) recordable work injuries—only 21, yielding an exemplary incident rate of 3.2. This incident rate reflects that very few employees required any type of medical attention while carrying out their demanding jobs.

Further, in light of their accomplishments on behalf of the safety of the community and its people, the City of Old Town issued a resolution to the Fort James Corporation honoring its employees for their outstanding commitment. And at a follow-up picnic, mill employees were given a true Maine "thank you" as mill management, along with corporate environmental and safety leaders as well as local officials, helped out in cooking and serving a Celebration Picnic to all of the mill's employees. Each employee was also presented with a gift in recognition of the worker safety accomplishments.

To the entire workforce and management at the Fort James Mill, I would like to add my congratulations and a sincere Maine thank you as well for their efforts in worker safety that have culminated in this well deserved award, and I thank the Chair.•

10TH ANNIVERSARY OF THE VERMONT DEVELOPMENT CREDIT UNION

• Mr. LEAHY. Mr. President, 10 years ago, Caryl Stewart, Executive Director of the Vermont Development Credit Union, had a dream for a grass roots community development "bank" to serve low and moderate income people in Burlington, Vermont. Who would have guessed them that her dream would become a growing credit union with over $10 million in assets and 5,000 members in 175 Vermont towns?

Through it all, the credit union, with Caryl at its helm, has stayed true to its vision of serving lower income families and small business entrepreneurs in Vermont. Not just with loans, but also with the personal attention and counseling needed to ensure that loan recipients succeed, whatever their goals. It is that commitment to Vermonters and the communities they live in that has won the Credit Union the support and patronage of so many Vermont businesses and organizations.

It has also won the organization support from far beyond Vermont's borders. From Fannie Mae to the Community Development Financial Institutions program the Vermont Development Credit Union has received funding and won national recognition for its innovative lending and support programs.

Vermont Development came from very small beginnings in a very small city of our very small State. But like that State, it had very big ideas and has earned its place as a model for organizations providing credit and financial assistance to low and moderate income people throughout the country.

Happy Birthday, Vermont Development Credit Union and congratulations on 10 years of bringing hope and opportunity to thousands of Vermonters.•

THE CONSTITUTION IN TODAY'S CLASSROOM

• Mr. CRAIG. Mr. President, I rise today to discuss an important matter brought to my attention by one of my constituents. I recently received a letter from G. Ross Darnell, and he pointed out the importance of educating our students about the Constitution. In his letter, though, he also mentioned that our educational system has not been performing well in this area. I agree with Mr. Darnell on both points.

The importance of education in preserving our liberties has been realized since the founding of our Republic. In 1787, Thomas Jefferson wrote to James Madison with his reflections on the new Constitution. In that letter he said, "I hope the education of the common people will be attended to; convinced that on their good sense we may rely with the most security for the preservation of a due degree of liberty." Jefferson knew if the people were not aware of the freedoms guaranteed by the Constitution they would be powerless to stop any encroachments upon them. I'm sure Mr. Jefferson would be quite alarmed at the state of ignorance today.

While it is a cliche that a generation always finds faults with the one which follows, there is no denying that in terms of constitutional knowledge, the level of ignorance is severe. A poll of teenagers last year illustrates this. Only forty-one percent could name the constitutionally ordained branches of our government, only twenty-one percent could say that there were one hundred senators, and only thirty-six percent knew one of the most important phrases in our nation's history: "We the People . . ." These teenagers are moving into adulthood, but they are not taking with them a knowledge of our nation's Constitution.

It is undeniable that our educational system has failed to address this deficiency. Many experts have documented the fact that most textbooks do not devote a sufficient amount of space to exploring the Constitution and the ideas and personalities which shaped it. Even the national history standards proposed a few years ago failed to address adequately the importance of this document. The Constitution, along with the Declaration of Independence, is the very foundation upon which our nation is built. To not devote sufficient space in textbooks or time in class to it is a tragedy not only for students but also for the nation.

It's also troubling to note that when constitutional history is discussed today, the Founding Fathers are portrayed as racist, sexist elitists. This caricature of the Founders, which fails to take into account how the Constitutional Convention tried to balance the idealism of the Declaration of Independence with the political realities of the day, is only abetted by the shallowness of the constitutional teaching in our schools. How can students weigh the competing claims in this important debate when they don't even know what is in the Constitution?

How should this deficiency be addressed? I'm not here to suggest another federal program which would impose standards on the state and local school districts. I have long believed that curriculum is best determined by local school boards which are much closer to the people than we are here in

Washington, D.C. Instead, I am today using this opportunity in the United States Senate to urge my colleagues to support states, school districts, and teachers beginning a wholesale effort to renew in our youth a respect and knowledge for the Constitution. Our young people need to know the rights guaranteed by this seminal document. As Thomas Jefferson said, our liberties may depend on it.•

CLEANER GASOLINE AND CLEANER AIR FOR CHICAGO

• Mr. DURBIN. Mr. President, I want to take this opportunity to applaud BP/Amoco for its decision to provide cleaner gasoline to the Chicago Metropolitan Area. BP/Amoco recently announced that it will begin offering lower sulfur premium gasoline immediately and that it intends to provide lower sulfur gasoline in all three grades by 2001—three years ahead of the requirement for lower sulfur gasoline proposed by EPA.

The average sulfur content of gasoline sold in Chicago today is approximately 300 ppm. BP/Amoco's decision will reduce the sulfur content in its gasolines to 30 ppm. As a cosponsor of legislation to cap the sulfur content of gasoline—S. 172, the Clean Gasoline Act of 1999—I believe reducing sulfur levels in gasoline is an extremely cost-effective way to improve our nation's air quality.

It is estimated that when fully implemented, lower-sulfur gasoline offered by BP/Amoco will reduce nitrogen oxide emissions—one of the precursors to the formation of ozone—by about 3 tons per day. That is the equivalent of removing 70,000 cars from Chicago's highways every day.

BP/Amoco's decision to voluntarily reduce the sulfur content of gasoline sold in Chicago means cleaner, healthier air for the residents of the Chicago metropolitan area. It demonstrates again that when we work together we can ensure continued economic growth and protect our environment.•

GOVERNOR'S COMMISSION ON WOMEN 35TH ANNIVERSARY CELEBRATION

• Mr. JEFFORDS. Mr. President, today I rise to celebrate women in my home state of Vermont. It gives me great pleasure to speak in recognition of the Governor's Commission on Women of Vermont and to acknowledge their 35th anniversary.

Over the last 35 years, the Governor's Commission on Women has accrued a long list of achievements in the state of Vermont. It is a vibrant and healthy organization, dedicated to ensuring that women's rights, health, life choices, careers and community service are in sharp focus for policymakers and citizens alike. Commission members know how to use their strength of advocacy to empower women and raise the profile and scope of key issues. To highlight a recent endeavor, the Commission made it a priority to give all Vermonters a better understanding of their health benefits by offering a series of educational materials on managed care plans.

I have often said that community service is the cornerstone of democracy and I believe that each citizen has a responsibility to contribute to their community. The Governor's Commission on Women does just this, by addressing the pressing matters of concern throughout the state, such as poverty, child care and pay equity. For over three decades the Commission has taken on the "tough to tackle" issues. I was very pleased to partner with women's groups across Vermont, including the Commission, in the fight to ratify the Equal Rights Amendment. Although we suffered defeat on this particular issue, we knew we were successful in championing the message of equal rights.

Through a combination of their hard work, commitment and vision, the Vermont Commission has surpassed all expectations and created new, and I believe lasting, community partnerships. I am proud of what they have been able to achieve and I hope that others throughout the state and nation will look to the Commission's accomplishments and be inspired to act as resourcefully.

I have made it a personal priority to support the Commission's efforts to reach their goals and, because I am committed to raising awareness at the federal level about the needs of women, I rely upon them for guidance. From a woman's right to make her own reproductive health choices, to supporting efforts to thwart domestic violence, to addressing the life quality issue of retirement security, I have had the opportunity to listen, to learn and to act on each of these issues in Congress. I encourage my colleagues to forge the same relationship of mutual reliance with any organization representing women in their respective states. I firmly believe that we can never shy away from efforts to understand, and eventually ameliorate the impacts of discrimination, low wages and lack of opportunities.

I extend my best wishes to the Governor's Commission on Women and to honor their very notable accomplishments over the past 35 years.•

CHILDREN WITH BRACHIAL PLEXUS INJURIES

• Mr. GRASSLEY. Mr. President, I rise today to discuss an issue which affects children across the country.

Brachial plexus injuries (BPI), also known as Erb's palsy, occur when the nerves which control the muscles in the shoulders, arms and hands are injured. Any or all of the nerves which run from the spine to the arms and hands may be paralyzed. Often this injury is caused when an infant's brachial plexus nerves are stretched in the birth canal.

What is devastating about BPI is that the children will have paralyzed arms and hands which may be misshapen or extending out from the body at unnatural angles. This can retard a child's physical development, making everyday tasks such as coloring, drawing, dressing and going to the bathroom, which their peers can perform with no trouble, almost impossible. The feeling in the children's arms and hands is similar to how a non-paralyzed person's arm feels when he or she sleeps on it. This numbness leads to more serious injuries—toddlers and young children will accidentally or purposely burn or mutilate themselves because they lack feeling in their extremities. Some children can undergo expensive surgery and therapy and, though never fully recovering, can regain some normal function of their arms and hands. However, many children suffer permanent, debilitating paralysis from which they never fully recover.

On Thursday, October 21, I sponsored a meeting between members of the United Brachial Plexus Network (UBPN), surgeons, occupational therapists and experts from the Social Security Administration to discuss why so many families with children with brachial plexus injuries were being turned down for Supplemental Security Income despite seeming to meet the qualifications for such payments as laid out in the Social Security Administration handbook.

The Social Security Administration gave a presentation explaining the statutory qualifications for receiving SSI. Their presentations were followed by presentations by surgeons and therapists explaining how children with BPI function and why they feel children paralyzed by BPI should be eligible for SSI payments because of their disability.

Most moving were the presentations made by children with BPI and parents of BPI children. These courageous people talked about their daily lives and the difficulties children with BPI must endure in attempting to perform everyday tasks.

I want to commend UBPN board member Kathleen Kennedy from my home state of Iowa, Iowa State Senator Kitty Rehberg and Sharon Gavagan, who also sits on the board for UBPN, for their hard work and dedication in organizing the meeting between the UBPN and the Social Security Administration. I want to thank the surgeons and therapists who traveled from Texas to make presentations. I also want to commend Susan Daniels, Kenneth Nibali of the Social Security Administration and the experts from SSA for their willingness to travel from Baltimore to participate in the meeting. I am encouraged by their willingness to consider issuing new guidelines to the personnel in the SSA field offices regarding brachial plexus injuries.

We must work to ensure that everyone who meets the guidelines for receiving SSI has the opportunity to apply for the benefits and be given a fair hearing. I look forward to seeing the new guidelines from SSA, and I am eager to continue working with the Social Security Administration on this issue.●

SEQUENTIAL REFERRALS—S. 225 AND S. 400

Mr. CRAIG. Mr. President, I ask unanimous consent that S. 225 and S. 400 be sequentially referred to the Committee on Banking, Housing, and Urban Affairs. I further ask consent that if these bills are not reported out of the Banking Committee by November 2, the bills then be automatically discharged from the committee and placed on the calendar.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. CRAIG. I ask unanimous consent that a letter to Senator LOTT relative to the two bills, S. 225 and S. 400, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, October 26, 1999.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR LOTT: We respectfully request that unanimous consent be sought so that the Committee on Banking, Housing, and Urban Affairs may be granted a sequential referral of the "Native American Housing Assistance and Self-Determination Act Amendments of 1999" (S. 400) and the "Native American Housing Assistance and Self-Determination Act Amendments of 1999" (S. 255). These bills have been referred to the Committee on Indian Affairs, although they contain housing provisions which are under the express jurisdiction of the Banking Committee.

If S. 400 and S. 225 are not reported out by the Committee on Banking, Housing and Urban Affairs by November 2, 1999, such bills will be automatically discharged from the Committee.

Thank you for your consideration.

PHIL GRAMM,
Chairman, Committee on Banking, Housing and Urban Affairs.
WAYNE ALLARD,
Chairman, Subcommittee on Housing and Transportation.
BEN NIGHTHORSE CAMPBELL,
Chairman, Committee on Indian Affairs.
PAUL SARBANES,
Ranking Member, Committee on Banking, Housing and Urban Affairs.
JOHN F. KERRY,
Ranking Member, Subcommittee on Housing and Transportation.
DANIEL INOUYE,
Vice Chairman, Committee on Indian Affairs.

MULTIDISTRICT, MULTIPARTY, MULTIFORUM TRIAL JURISDICTION ACT OF 1999

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 341, H.R. 2112.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2112) to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiforum civil actions.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Multidistrict Jurisdiction Act of 1999".

SEC. 2. MULTIDISTRICT LITIGATION.

Section 1407 of title 28, United States Code, is amended—

(1) in the third sentence of subsection (a), by inserting "or ordered transferred to the transferee or other district under subsection (i)" after "terminated"; and

(2) by adding at the end the following new subsection:

"(i)(1) Subject to paragraph (2), any action transferred under this section by the panel may be transferred, for trial purposes, by the judge or judges of the transferee district to whom the action was assigned to the transferee or other district in the interest of justice and for the convenience of the parties and witnesses.

"(2) Any action transferred for trial purposes under paragraph (1) shall be remanded by the panel for the determination of compensatory damages to the district court from which it was transferred, unless the court to which the action has been transferred for trial purposes also finds, for the convenience of the parties and witnesses and in the interests of justice, that the action should be retained for the determination of compensatory damages.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to any civil action pending on or brought on or after the date of the enactment of this Act.

Mr. LEAHY. Mr. President, I am pleased that the Senate is about to pass S. 1748, the Multi-District Jurisdiction Act of 1999, and H.R. 2112, as amended by the Hatch-Leahy substitute during its consideration in the Senate Judiciary Committee. Our substitute amendment is the text of S. 1748, the Multi-District Jurisdiction Act of 1999, which the distinguished Chairman of the Senate Judiciary Committee and I, along with Senators GRASSLEY, TORRICELLI, KOHL, and SCHUMER, introduced last week. Our bipartisan legislation is needed by Federal judges across the country to restore their power to promote the fair and efficient administration of justice in multi-district litigation.

Current law authorizes the Judicial Panel on Multi-District Litigation to transfer related cases, pending in multiple Federal judicial districts, to a single district for coordinated or consolidated pretrial proceedings. This makes good sense because transfers by the Judicial Panel on Multi-District Litigation are based on centralizing those cases to serve the convenience of the parties and witnesses and to promote efficient judicial management.

For nearly 30 years, many transferee judges, following circuit and district court case law, retained these multi-district cases for trial because the transferee judge and the parties were already familiar with each other and the facts of the case through the pretrial proceedings. The Supreme Court in Lexecon Inc. v. Milberg Weiss Bershad Hynes & Lerach, 523 U.S. 26 (1998), however, found that this well-established practice was not authorized by the general venue provisions in the United States Code. Following the Lexecon ruling, the Judicial Panel on Multi-District Litigation must now remand each transferred case to its original district at the conclusion of the pretrial proceedings, unless the case is already settled or otherwise terminated. This new process is costly, inefficient and time consuming.

The Multi-District Jurisdiction Act of 1999 seeks to restore the power of transferee judges to resolve multi-district cases as expeditiously and fairly as possible. Our bipartisan bill amends section 1407 of title 28 of the United States Code to allow a transferee judge to retain cases for trial or transfer those cases to another judicial district for trial in the interests of justice and for the convenience of parties and witnesses. The legislation provides transferee judges the flexibility they need to administer justice quickly and efficiently. Indeed, our legislation is supported by the Administrative Office of the U.S. Courts, the Judicial Conference of the United States and the Department of Justice.

In addition, we have included a section in our bill to ensure fairness during the determination of compensatory damages by adding the presumption that the case will be remanded to the transferor court for this phase of the trial. Specifically, this provision provides that to the extent a case is tried outside of the transferor forum, it would be solely for the purpose of a consolidated trial on liability, and if appropriate, punitive damages, and that the case must be remanded to the transferor court for the purposes of trial on compensatory damages, unless the court to which the action has been transferred for trial purposes also finds, for the convenience of the parties and witnesses and in the interests of justice, that the action should be retained for the determination of compensatory damages. This section is identical to a bipartisan amendment proposed by Representative Berman and accepted by the House Judiciary Committee during its consideration of similar legislation earlier this year.

Multi-district litigation generally involves some of the most complex fact-specific cases, which affect the lives of citizens across the nation. For example, multi-district litigation entails such national legal matters as asbestos, silicone gel breast implants, diet drugs like fen-phen, hemophiliac blood products, Norplant contraceptives and all major airplane crashes. In fact, as of February 1999, approximately 140 transferee judges were supervising about 160 groups of multi-district cases, with each group composed of hundreds, or even thousands, of cases in various stages of trial development.

But the efficient case management of these multi-district cases is a risk after the Lexecon ruling. Judge John F. Nangle, Chairman of the Judicial Panel on Multi-District Litigation, recently testified before Congress that: "Since Lexecon, significant problems have arisen that have hindered the sensible conduct of multi-district litigation. Transferee judges throughout the United States have voiced their concern to me about the urgent need to enact this legislation."

Mr. President, Congress should listen to the concerned voices of our Federal Judiciary and swiftly send the Multi-District Jurisdiction Act of 1999 to the President for his signature into law.

Mr. CRAIG. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee substitute was agreed to.

The bill (H.R. 2112), as amended, was read the third time and passed.

ORDERS FOR THURSDAY, OCTOBER 28, 1999

Mr. CRAIG. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, October 28. I further ask unanimous consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then proceed to a period of morning business, with Senators permitted to speak for up to 5 minutes each, with the following exceptions: Senator DURBIN, or designee, 9:30 to 10 a.m.; Senator THOMAS, or designee, 10 to 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. CRAIG. Mr. President, for the information of all Senators, the Senate will be in a period of morning business from 9:30 to 10:30 a.m. Following morning business, the Senate will resume consideration of the African trade bill. As a reminder, cloture has been filed on the substitute amendment to the trade bill and, therefore, all first-degree amendments must be filed to the substitute by 1 p.m. tomorrow. Also, pursuant to rule XXII, that cloture vote will occur 1 hour after the Senate convenes on Friday, unless an agreement is made between the two leaders.

Currently, Senator ASHCROFT's amendment to establish the position of chief agriculture negotiator is pending. It is hoped that an agreement regarding further amendments can be made so the Senate can complete action on this important legislation.

The Senate may also consider any legislative or executive items cleared for action during tomorrow's session of the Senate.

ORDER FOR ADJOURNMENT

Mr. CRAIG. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of the Senator from Oregon, Mr. WYDEN.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Reserving the right to object. I say to my colleague from Idaho, I believe the junior Senator from Washington also wishes to make a statement after the Senator from Oregon. And I wish to make a statement after the junior Senator from Washington.

Mr. CRAIG. Mr. President, I amend my unanimous consent request and ask unanimous consent that following the comments of the Senator from Oregon, Senator MURRAY from the State of Washington be allowed to speak, followed by the Senator from Florida, who would make the final remarks of the evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from Oregon.

Mr. WYDEN. I thank the Chair.

MEDICARE COVERAGE FOR PRESCRIPTION DRUGS

Mr. WYDEN. Mr. President, and colleagues, this is the seventh time I have come to the floor of the Senate in recent days to talk about the issue of Medicare coverage for prescription drugs. The reason I do so is I think it is so important that before we wrap up our work in this session of Congress, we take action on this matter, given how many vulnerable senior citizens there are in this country who simply cannot afford their prescriptions.

There is just one bipartisan bill with respect to prescription drug coverage now before the Senate. It is a piece of legislation known as the SPICE Act, the Senior Prescription Insurance Coverage Equity Act.

It is a bipartisan bill on which I have teamed with Senator OLYMPIA SNOWE of Maine; and it is one that the two of us are very hopeful this Congress will act on before we conclude our work.

There are some who think this issue is too controversial and too difficult to tackle before the next election. I would note that it is going to be more than a year until the next election. We are going to have a lot of senior citizens who are walking on an economic tightrope, every week balancing their food costs against their fuel costs, and their fuel costs against their medical bills, who are not going to be able to pay for their prescriptions and their necessities if the Senate decides to duck this issue and put it off until after the next election. I think the reason we are sent here is to tackle issues and not just put them off until after the election.

Over the last few months, Senator SNOWE and I have worked with senior citizen groups; we have worked with people in the pharmaceutical sector, in the insurance sector, various public- and private-sector organizations; and we believe the SPICE legislation that we have crafted is the kind of bill that Members of the Senate can support.

In fact, as part of the budget, Senator SNOWE and I teamed up, and we offered a specific funding plan. And 54 Members of the Senate are now on record—they are now specifically on record—with respect to the Snowe-WYDEN funding plan for paying for prescription drug benefits. So we are now in a position, it seems to me, colleagues, to take specific action.

One of the reasons I have come to the floor tonight is my hope that we can really show how urgent this need is.

What I have done, as the poster next to me says, is urge senior citizens to send in copies of their prescription drug bills, directly to their Senator, U.S. Senate, Washington, DC. I have decided I am going to, in my discussions on the floor each evening, read a portion of the letters I am receiving from seniors at home in Oregon.

I read about one group in the newspaper the other day who said it is not really that urgent a need. More than 20 percent of the Nation's senior citizens are spending over $1,000 a year out of pocket for their prescription medicine.

I read a couple of nights ago about an elderly woman from southern Oregon whose income is just over $1,000 a month in Social Security. She spends more than half of it on her prescriptions.

Those are the kinds of accounts we are hearing again and again and again. The fact is, our senior citizens are getting shellacked twice. First, Medicare doesn't cover prescriptions. That is the way the program began in 1965. I was director of the Gray Panthers at home for about 7 years before I was elected to Congress. The need was very acute back then for prescription drug coverage. But today it is even more important, for two reasons.

First, the senior citizen, who not only gets no Medicare coverage for their prescriptions, is now subsidizing the big buyers such as the health maintenance organizations that are in a position to negotiate big discounts. These big buyers, the health maintenance organizations, have real bargaining power and clout. They go out and negotiate a discount; they get a break. If you are a senior citizen, for example, in Myrtle Creek, OR, or Philomath—I will read from those letters in a moment—you end up subsidizing those big buyers. I don't think that is right.

In addition, since the days when we began to push, with the Gray Panthers, for prescription drug coverage, a lot of the new, important prescriptions are preventive in nature. I described several days ago an important anticoagulant drug that can help with a variety of ailments relating to strokes. The cost of that anticoagulant drug is in the vicinity of about $1,000 a year. You have a full-scale stroke that can come about if you don't get the medicine, and the cost can be $100,000 a year.

When people ask me, can this country afford to cover prescription drugs under Medicare, my view is, our country cannot afford not to do it. As part of this campaign we have launched in the Senate to have seniors send in, as this poster says, copies of their prescription drug bills, Senator SNOWE and I have teamed up on a bipartisan kind of plan. I am going to read from these letters. I will take just a couple of minutes for that tonight.

Just a couple of days ago, I heard from a woman in Philomath, OR, who wrote me about her mother. Her mother had recently spent more than $2,220 on prescription drugs. The daughter said—this was particularly poignant, in my view—the only way her mother was able to, in effect, cover her prescription needs was that her mother was getting samples from the doctor. The fact that she spent more than $2,220 on prescription drugs and the year isn't even over yet is dramatized by the fact that the cost would be much greater were it not for the fact that she was getting samples to supplement what she was paying for. That is the kind of account we are hearing from seniors in Oregon, as they, as this poster says, send in copies of their prescription drug bills. I hope we will get more of that.

We need to deal with this issue on a bipartisan basis. Senator SNOWE and I have chosen to model our program after the Federal Employees Health Benefit Plan. The SPICE proposal we introduced is sort of a senior citizens version of the Federal Employees Health Benefit Plan. The elderly population, of course, is different from that of the Federal workforce, but the model of trying to offer choices and options and alternatives to make sure there is competition in health care of the kind Senator GRAHAM has advocated in the past is very sensible. If it is good enough for Members of Congress, it certainly ought to be the kind of thing we look at to cover older people. It is especially important because it can be a model that prevents cost shifting on to other groups of citizens.

There are other proposals, for example, that in effect have Medicare sort of buying up all the prescription drugs and taking the lead as the purchaser. What concerns me about that approach is, I think you will have massive cost shifting on to other groups of individuals. Nobody in the Congress intentionally would want to see a proposal developed that would, in effect, give a discount to folks on Medicare and then just have the cost shifted over to somebody who was 27 years old and had a couple of kids and was working hard and doing their best to get ahead in life. We have to use marketplace forces to develop and implement this benefit.

The proposal I have introduced with Senator SNOWE is one that uses those marketplace forces. It would give seniors the kind of bargaining power a health maintenance organization and a big buying group would have, but it wouldn't involve a lot of price controls. It wouldn't involve a lot of micromanagement. It wouldn't be sort of one-size-fits-all health care.

As we go ahead with this bipartisan campaign, the bill on which Senator SNOWE and I have teamed up is, in fact, the only bipartisan measure now before the Senate. I am going to come to this floor as often as I can and urge seniors to send in copies of their prescription drug bills directly to their Senator and just keep bringing to our colleagues' attention the need for action on this issue.

The second letter I want to describe tonight comes from an elderly couple from my hometown in Portland who said they have already spent $1,750-plus on their prescription drug costs so far this year. They wrote: We have saved all our life, never knowing what health problems would befall us. We are glad to pay our fair share, but the cost of prescription drugs is eating up our savings.

Finally, a constituent from Myrtle Creek has written that recently they spent $700 on prescription medicines. This exceeds the so-called average many of the experts in the beltway are talking about as not being that big a deal for senior citizens. This is a bill incurred by an older person from Myrtle Creek. We hear the same thing from Portland, OR. We hear the same thing from Philomath, OR. This is what we are hearing all across this country.

It would be a terrible shame, in my view, for the Senate to say we are not going to act, we are going to let this become a big campaign issue in the 2000 election, and Democrats and Republicans can engage in a lot of finger pointing and, in effect, sort of put out that the other side doesn't care, the other side isn't interested. We will end up seeing this issue drag on well into the next century.

I believe the Snowe-Wyden legislation, the only bipartisan bill now before the Senate on prescription drugs, may not be the last word on this issue. It is not going to be enacted into law with every I dotted and every T crossed, as it has been proposed thus far, but I do believe it can serve as a model.

It is bipartisan. Fifty-four Members in the Senate are already on record as having cast a vote for the specific plan we have to fund this program. And so the opportunity to make the lives of older people in this country better, to help those who are scrimping and not taking their drugs the way they ought to, to be able to do it in a way that uses marketplace kinds of forces and provides choices and options, just the way our families get, seems to be an opportunity we cannot afford to pass up.

I know Senator GRAHAM, who has done good work on the health care issue and the prescription issue as a member of the Finance Committee, is here to talk. The hour is late. But I intend to keep coming to the floor of the U.S. Senate and pushing for action on this issue. There is a bipartisan bill before the Senate now. This would be the kind of issue that could be a legacy for this session of the Congress. I intend to keep coming to the floor of the U.S. Senate, reading from the letters I am getting from home, urging seniors to do as this poster says: Send in copies of your prescription drug bills.

I intend to come back to this floor again and again and again, until we get action on this matter. For years, since the days when I was director of the Oregon Gray Panthers at home, I have had a dream that the U.S. Congress would make sure that older people who aren't taking their medicines because they can't afford it would be able to get this coverage.

The opportunity to team up with Senator SNOWE has been a real pleasure for me. She has been speaking out on this issue. I will continue to speak out on it, and we are going to do everything we can to make sure the U.S. Senate acts on this question and does it in this session of the Congress.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

IN HONOR OF THEODORE ROOSEVELT AND JOHN CHAFEE

THE NATIONAL PARK SYSTEM

Mr. GRAHAM. Mr. President, I rise today to honor two visionary statesmen—President Theodore Roosevelt and Senator John Chafee. Today, October 27, 1999, we celebrate what would have been President Theodore Roosevelt's 141st birthday. Last Friday, we celebrated John Chafee's 77th—and much to our sadness his last.

Working at opposite ends of the 20th century, these two outstanding leaders contributed greatly to the cause of preserving our precious natural resources for this and especially for future generations.

President Roosevelt was born on October 27, 1858, in New York City. He is remembered as one of our finest Presidents. He is honored as such by being the only 20th century President to join Presidents Washington, Jefferson, and Lincoln at Mount Rushmore.

In 1901, after the assassination of President McKinley, Theodore Roosevelt became America's youngest President. As a child, Roosevelt was faced with poor health and asthma. To escape the pollution of New York City, Roosevelt's father would often take him to Long Island for extended visits. It was there that Roosevelt began his lifelong devotion to the outdoors and to vigorous exercise. His dedication to the "strenuous life" was a hallmark of his career.

In 1884, his first wife, Alice Lee Roosevelt, and his mother died on the same day. Roosevelt spent much of the next two years on his ranch, the Elkhorn, located in the Badlands of the Dakota Territory.

Today, a portion of this ranch is included in the national park named in his honor—the Theodore Roosevelt National Park in North Dakota. History shows Roosevelt to be a true visionary as one reviews his many accomplishments. The Panama Canal, one of the world's engineering marvels, would not have been complete without President Roosevelt's tenacious leadership. He is remembered by business and labor as a "trust buster" who spearheaded the dissolution of a large railroad monopoly in the Northwest using the Sherman Antitrust Act.

In 1905, Roosevelt won the Nobel Peace Prize for mediating an end to the Russo-Japanese War.

But perhaps his greatest contribution to future generations of Americans was his passionate advocacy of conservationism. The history of our Nation is marked by activism on public lands issues. The beginning of the 19th century was marked by President Thomas Jefferson's purchase of the Louisiana Territory. That one purchase added almost 530 million acres to the United States. The Louisiana Purchase changed America from an eastern coastal Nation to a continental empire.

Roosevelt set the tone for public lands issues at the beginning of the 20th century. His words and his actions created a new call to America's environmental ethic. Theodore Roosevelt said, "We must ask ourselves if we are leaving for future generations an environment that is as good, or better, than what we found."

He lived up to his challenge. Mr. President, listen to what Theodore Roosevelt contributed to the public lands legacy of the United States. During his period in the White House, from 1901 to 1909, Theodore Roosevelt designated 150 national forests; the first 51 Federal bird reservations; 5 national parks; the first 18 national monuments; the first 4 national game preserves; and the first 21 reclamation projects.

Theodore Roosevelt also established the National Wildlife Refuge System, beginning with Pelican Island in Florida, which was designated in 1903. Together, these projects equaled Federal protection for almost 230 million acres—a land area equivalent to that of all the east coast States from Maine to Florida and just under one-half of the area of the Louisiana Purchase.

Theodore Roosevelt's contributions to the public land trust cannot be equaled. Perhaps even greater was his contagious passion for the ethic of conservation that he managed to instill for the first time in America's consciousness, the idea of conservation and environmental protection as goals worthy of pursuit.

Mr. President, Senator John Chafee was a leader in the Theodore Roosevelt model. Senator Chafee was a major participant in every piece of environmental legislation that passed the Congress since the early 1980s. He authored the Superfund program, created in 1980 to direct and fund the cleanup of hazardous waste dump sites and leaking underground storage tanks.

In 1982, he sponsored the Coastal Barrier Resources Act, a law that resulted in the preservation of thousands of acres of coastline throughout the Nation.

He led major reform of the Clean Water Act in 1986, introducing more thorough controls on industrial pollution and a new emphasis on non-point source pollution.

He created the National Estuary Program to protect coastal resources and steered the bill to enactment over a Presidential veto in 1987.

In the 1980s, Senator Chafee turned his attention to the air, leading efforts to adopt the Clean Air Act Amendments of 1990, taking steps to control acid rain and toxic chemical emissions.

In 1993, Senator Chafee wrote the law establishing the nation's first indoor air hazard research and response program.

With his clear head, methodical mind, and ability to broker a compromise, Senator Chafee led us through these legislative battles to today's result—a legal infrastructure of environmental law that ensures our own health and safety and preserves the public land trust established by Theodore Roosevelt.

On this day, as we celebrate the 141st anniversary of the birth of Theodore Roosevelt and pay tribute to the work of Senator John Chafee, we must ask ourselves, "Can we meet the challenge posed by Theodore Roosevelt and leave an environment for future generations that is as good or better than it was when we found it?" Are we worthy inheritors of the legacy of John Chafee?

Senator Chafee leaves us with his model to follow as a member of this body which took Roosevelt's challenge to heart and led the Environment and Public Works Committee to take actions on the environment that have left us better off than when he arrived in the Senate.

Sadly, I argue that we, the Senate, are struggling with a backlog of neglect and are ill prepared to assure the well being of one of the most prominent examples of America's environmental heritage: our national parks.

In 1916, Congress created the National Park Service ". . . to conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

My friend and colleague, the Presiding Officer, and I have the privilege of living in two of our States which have been especially blessed by God and blessed by preceding generations willing to take the steps to protect the beauties of the Yellowstone, or of an Everglades. The challenge that we have is worthy of the standard that has been set by Theodore Roosevelt and the others who have made it possible for us to enjoy those wonders of nature.

Today, the "unimpaired" status of our national parks is at-risk.

On April 22, 1999, the National Parks and Conservation Association identified this year's ten-most endangered parks.

In his opening remarks, Mr. Tom Kiernan, president of the NPCA, stated that these parks were chosen not because they are the only parks with endangered resources, but because they demonstrate the resource damages that are occurring at all of our parks.

These parks demonstrate the breadth of the threats facing our park system.

For example, Chaco Culture National Historical Park in Chaco Canyon, New Mexico, contains the remains of thirteen major structures that represent the highest point of Pueblo pre-Columbian civilization.

What is the status of this great world treasure?

In the words of the NPCA, it is ". . . falling victim to time and neglect." Weather damage, inadequate preservation, neglected maintenance, tourism impacts, and potential resource development on adjacent lands threaten the long-term life of these structures.

Another example: All of the parks in the Florida Everglades region were included on the list of the most endangered.

In this area, decades of manipulation of the water system led to loss of significant quantities of Florida's water supply to tide each day, a 90-percent decline in the wading bird population, invasion of non-native plants and animals, and shrinking wildlife habitat.

Mr. President, you will be particularly interested and saddened by what the National Park and Conservation Association calls Yellowstone National Park, the "poster child for the neglect that has marred our national parks."

We have all heard Senator THOMAS and others speak about the degradation of the sewage handling and treatment system at Yellowstone National Park—a situation that has caused spills into Yellowstone Lake and nearby meadows, sending more than 225,000 gallons of sewage into Yellowstone's waterways, threatening the water quality of this resource.

I recently had an opportunity to visit yet another example of neglect, Ellis Island National Monument in New York Harbor. The state of the historical resources in this important part of the history and heritage of America—the space through which millions of people first gained their exposure and appreciation and commitment to America—is unconscionable.

While there are a handful of buildings that have been restored to their previous level of majesty, over 30 buildings where immigrants came to the United States lie abandoned, in disrepair, and deteriorating.

Particularly troubling was damage to the hospital buildings, which, when restored, will be a valuable tool in recreating an important era in our nation's history.

The hospital on Ellis Island provided care for immigrants who were detained temporarily for medical reasons.

This marked one of our country's earliest efforts at providing for public health and disease control and prevention.

Broken windows and leaky roofs have allowed the elements to wreak havoc on these buildings and trees are sprouting from the floorboards of what was once an immigrant dormitory.

Lead paint flakes fall from the walls and rats scurry down historic hallways.

There are efforts being made to block further deterioration, but the existing damage is extensive.

Small scale actions to prevent further destruction are wholly inadequate in the face of the extensive damage to these buildings which are so important to our nation's history.

Mr. President, the sad circumstances of Chaco Canyon, of the Everglades, of Yellowstone, of Ellis Island, the sad circumstances of these few examples by no means mean that they are the extent of the challenge of our national parks.

In fact, estimates of the maintenance backlog at our national parks reach as high as $3.5 billion. The National Park Service has now developed a 5-year plan to meet this requirement based on its ability to execute funds and the priorities of the National Park System.

This year the National Park Service requested $194 million in order to commence the process of meeting this accumulated backlog of maintenance needs.

I am pleased to say, Mr. President, that I believe Members of Congress should take some pride in the fact that as a result of this year's appropriations process the House and Senate have modified the National Park Service request of $194 million and increased it to $224.5 million. This is a very commendable step forward.

I am proud of the actions of the appropriations committees. I know that there is likely to be further executive and legislative considerations of the budget of the National Park Service before we complete our action. But I hope that we will continue to maintain this level of commitment to meeting the backlog of urgent maintenance needs in our national parks.

Although these actions demonstrate a willingness to work to meet the needs of the National Park Service, I believe we cannot adequately address the extent of needs, including the needs of natural resources within the Park System and the external threats to those natural resources with a piecemeal approach.

There is a limit to what we can do with the tools we have today. The Senate is working to fund 21st century needs for construction and natural resource preservation using a 19th century, year-to-year annual appropriations process. What the National Park Service needs is a sustained, reliable funding source that will allow it to develop intelligent plans based on a prioritization of needs with confidence that the funds will be available when they are necessary to complete those plans. This approach will allow common sense to prevail when projects are prioritized for funding.

Let me use the example which is closest to me. That is the effort about to be launched for restoration of the Florida Everglades. We are now over half a century into man's major manipulation of the Florida Everglades, a manipulation which has had many positive effects in terms of protecting millions of people from the ravages of flooding but has also very fundamentally changed the character of the Florida Everglades. The Corps of Engineers has presented to the Congress its recommendation of how to remedy the scars that have been imposed on the Everglades. If authorized by this Congress, the Everglades restoration plan of the Corps of Engineers will be the most extensive restoration of an environmental system ever undertaken in our Nation's history and, in all probability, in the history of the world. It will be an effort at the beginning of the 21st century of the scale, boldness, and challenge that the Panama Canal was at the beginning of the 20th century.

This is also going to be a project which will challenge America financially. The estimate is that over the 20 years to complete this project, the total cost will be approximately $8 billion. The State of Florida will pay half; the Federal Government will pay half. The math indicates that for each year for the next 20 years, the average demand on Federal resources for this restoration project will be approximately $200 million.

I think it is critical before we begin this restoration we have the maximum assurance of the resources necessary to complete the restoration. I use the analogy of open-heart surgery. If one is going to open up a system and take a great knife and begin to cleave the changes that have occurred in the Everglades over the last 50 years so that at the conclusion of this operation we will have a healthier, more natural system, it is incumbent upon those who start the surgery to be assured they will have the resources to complete the operation. Failure to have those resources at any stage throughout this 20-year process will certainly result in the death of the patient.

We have taken some steps to attempt to assure a more reliable source of funds for the National Park Service. Your colleague, Senator THOMAS, led the way to reform with his landmark legislation on the National Park Service called Vision 2000. This legislation adopted for the first time both concessions reform and science-based decisionmaking on resource needs within the Park Service. We took a big step forward last year with the extension of the fee demonstration program. The fee demonstration program allows individual parks to charge entrance fees and to use a portion of the proceeds for maintenance backlog and natural resource projects. This action generated about $100 million annually for the Park System.

Now it is time to take the next step. Earlier this year with Senators REID and my colleague, Senator MACK, we introduced legislation entitled "The National Park Preservation Act." This legislation would provide dedicated funding to the National Park Service to restore and conserve the natural resources within our Park System. This legislation seeks to address the long-term efforts required to truly restore and protect our natural, cultural, and historic resources within the National Park Service.

This legislation would allocate funds derived from the use of a nonrenewable resource, our offshore drilling in the outer continental shelf, to recover the American resource of oil and gas. We would then convert those funds derived from the Federal royalty on offshore oil and gas drilling for a program of restoration and preservation of our natural, cultural, and historic resources within the National Park Service. These funds provided by our bill would assure that each year the National Park Service would have the resources it needed to restore and prevent damages to its resources.

At the beginning of this century, at a time of relative tranquility, President Theodore Roosevelt managed to instill a nation with a tradition of conservation with this simple challenge: Can we leave this world a better place for future generations?

At the end of this century, we honor Senator John Chafee who leaves a legacy of a legal infrastructure that provides a foundation upon which we can continue to meet President Theodore Roosevelt's challenge. Let us keep the vision of these great leaders in mind as we embark together on our efforts to protect the National Park System into the new century.

In the words of President Theodore Roosevelt: Nothing short of defending the country during wartime compares in importance with the great central task of leaving this land even a better land for our descendents than it is for us.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 9:30 a.m., Thursday, October 28, 1999.

Thereupon, the Senate, at 8:27 p.m., adjourned until Thursday, October 28, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 27, 1999:

DEPARTMENT OF STATE

JAMES D. BINDENAGEL, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING TENURE OF SERVICE AS SPECIAL ENVOY AND REPRESENTATIVE OF THE SECRETARY OF STATE FOR HOLOCAUST ISSUES.

MARTIN S. INDYK, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ISRAEL.

EDWARD S. WALKER, JR., OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AN ASSISTANT SECRETARY OF STATE (NEAR EASTERN AFFAIRS), VICE MARTIN S. INDYK.

DEPARTMENT OF THE INTERIOR

THOMAS A. FRY III, OF TEXAS, TO BE DIRECTOR OF THE BUREAU OF LAND MANAGEMENT, VICE PATRICK A. SHEA, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 271:

To be commander

PETER K. OITTINEN, 9055
WILLIAM J. REICKS, 4955
JEFFREY C. GOOD, 0545
RICHARD L. ARNOLD, 3014
STEPHAN P. FINTON, 4725
ROBERT S. HOLZMAN, 5553
NORMAN S. SELLEY, 1427
AUDREY A. MCKINLEY, 4216
SCOTT BURLINGAME, 8246
CHARLES JAGER, 3462
PETER J. BERGERON, 3113
LISA T. HEFFELFINGER, 7216
CHRISTOPHER J. OLIN, 7404
RUSSELL L. HARRIS, 8778
JOSEPH R. JOHNSON, 7111
PHILIP E. ROSS, 9257
GARY C. RASICOT, 9814
WILLIAM L. HUCKE, 3707
MICHAEL D. TOSATTO, 6945
ANDREW P. WHITE, 1111
DONALD G. BRUZDZINSKI, 7613
RICHARD A. BUTTON, 8491
MICHAEL D. DRIEU, 5680
EDWARD W. PARSONS, 0218
THOMAS D. BEISTLE, 9158
RICHARD KERMOND, 5803
GAIL P. KULISCH, 0557
DAVID C. STALFORT, 6039
JAMES P. SOMMER, 5570
CRAIG B. LLOYD, 5615
ROSANNE TRABOCCHI, 8177
LYNN M. HENDERSON, 0039
GEORGE H. BURNS III, 5061
WILLIAM C. DEAL III, 1951
MARCUS E. WOODRING, 2128
ALGERNON J. KEITH, 2908
DREW W. PEARSON, 1554
HERBERT M. HAMILTON III, 7332
ELISABETH A. PEPPER, 6108
NORMAN S. SCHWEIZER, 7143
DOUGLAS E. KAUP, 8765
MICHAEL R. BURNS, 4704
BRADLEY W. BEAN, 5743
MICHAEL ZACK, 2155
PETER N. TROEDSSON, 8870
TIMOTHY M. O'LEARY, 2889
JAMES A. WIERZBICKI, 8521
EDUARDO PINO, 9626
SHARON D. DONALDBAYNES, 4439
JOSEPH T. BAKER, 4781
BRIAN J. PETER, 2446
DENISE L. MATTHEWS, 3537
PAUL E. DEVEAU, 7339
EDGAR B. WENDLANDT, 0520
PAUL F. THOMAS, 8287
CHARLES D. MICHEL, 0508
MICHAEL J. LODGE, 2855
JOHN A. FURMAN, 0083
DAVID S. KLIPP, 3078
PETER J. BROWN, 3480
FREDERICK J. SOMMER, 3703
ROBERT P. WAGNER, 7830
DOUGLAS J. HENKE, 9162
JOSEPH M. VOJVODICH, 3938
CHRIS P. REILLY, 3035
JAMES L. MCCAULEY, 8929
TODD A. SOKALZUK, 1865
CARL B. FRANK, 9822
PETER G. BASIL, 3597
DANIEL C. BURBANK, 1152
DAVID G. THROOP, 3301
JOHN F. PRINCE, 3885
BRADLEY D. NELSON, 5742
TIMOTHY J. QUIRAM, 6902
STEVEN J. ANDERSEN, 8625
JOHN M. KNOX, 6804
MICHELLE L. KANE, 3721
JOHN J. HICKEY, 9877
CHARLES W. MELLO, 9393
EDWARD N. ENG, 8488
WAYNE A. MUILENBURG, 3570
WILLIAM S. KREWSKY, 1956
VINCENT D. DELAURENTIS, 9477
MARK J. HUEBSCHMAN, 1763
ROBERT J. PAULISON, 1649
JERRY C. TOROK, 3694
JOHN P. SIFLING, 7797
KELLY A. SULLIVAN, 6547
KELLY L. HATFIELD, 8230
CHRISTOPHER A. MARTINO, 2136
GREGORY T. NELSON, 9306
JOSEPH M. RE, 9695
JEFFREY R. BRANDT, 1661
LINDA L. FAGAN, 7843
JEFFERY D. LOFTUS, 7302
JOSEPH P. SARGENT, JR., 6946
MICHAEL W. SYMANSKI, 1020
THEODORE D. SZAKMARY, 7249
DAVID A. VANKLEECK, 9555
GEORGE H. WALKER, JR., 7542
WILLIAM K. WEDGE, 9145

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

CELIA L. ADOLPHI, 1255
JAMES W. COMSTOCK, 5456
ROBERT M. KIMMITT, 0719
PAUL E. LIMA, 5295
THOMAS J. MATTHEWS, 5463
JON R. ROOT, 3255
JOSEPH L. THOMPSON III, 2211
JOHN R. TINDALL, JR. 1967
GARY C. WATTNEM, 0832

To be brigadier general

ALAN D. BELL, 4514
KRISTINE K. CAMPBELL, 7499
WAYNE M. ERCK, 5508
STEPHEN T. GONCZY, 6064
ROBERT L. HEINE, 0778
PAUL H. HILL, 7335
RODNEY M. KOBAYASHI, 6985
THOMAS P. MANEY 4820
RONALD S. MANGUM, 2280
RANDALL L. MASON, 7302
PAUL E. MOCK, 9132
COLLIS N. PHILLIPS, 1258

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AND ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be colonel

JOSEPH A. ABBOTT, 3032
PAUL R. ACKERLEY, 0028
DAVID M. ALDRICH, 8807
STEVEN G. ALLEN, 1763
JOHN D. ALLERS, 2642
MICHAEL D. ALTOM, 2079
MARK E. ANDERSEN 2237
ANDY L. ANDERSON, 9925
HENRY L. ANDREWS, JR., 6358
SALVATORE A. ANGELELLA, 0165
JOHN F. ANTHONY, JR., 3610
TONI A. ARNOLD, 4351
MICHAEL J. ARTESE, 5050
MARCELYN NMI ATWOOD, 4520
STEVEN BAYLOR, 6153
PETER J. BALDETTI, 3494
REGINALD A. BANKS, 0170
KENNETH E. BANKSTON, 6976
DOUGLAS N. BARLOW, 2595
LEE M. BARNBY, 3479
SAMUEL J. BARR, 1445
RONALD E. BAUGHMAN, 3458
RANDALL BAXTER, 2323
RICHARD A. BEAN, 1751
RICHARD D. BEERY, 5890
JAMES A. BEHRING, 2159
THOMAS D. BELL, 8791
CRAIG V. BENDORF, 7455
JOHN W. BENGTSON, 7941
DOUGLAS A. BENJAMIN, 1132
LEONARD F. BENSON, 6694
THOMAS F. BERARDINELLI, 1838
PAUL M. BESSON, 5490
CHRISTINE E. BEUERLEIN, 2409
JEFFERY T. BEYER, 1956
ROGER A. BICK, 8475
WANDA E. BISBAL, 1061
GREGORY A. BISCONE, 7315
SHIRLEY H. BLACK, 5563
DONALD I. BLACKWELDER, 8734
KATHI C. BLEVINS, 7455
ROBERT BLEVINS, 5058
WESTANNA H. BOBBITT, 4771
JOSEPH J. BONIN, 1133
HOWARD A. BOWER, 6168
OLEN E. BOWMAN, 3796
CAMERON S. BOWSER, 7697
JEFFREY D. BRAKE, 1108
ALLEN G. BRANCO, JR., 9823
ROBERT W. BRANDON, 1340
ROBERT W. BROEKING, 8050
TIMOTHY J. BROTHERTON, 6193
CURTIS L. BROWN, JR., 4333
GLENN M. BROWN, 2015
JEFFREY C. BROWN, 0414
JOSEPH LEE BROWN, 0573
GREGORY L. BRUNDIDGE, 7660
JOHN C. BURGESS, JR., 2757
ANNE L. BURMAN, 2185
ROBERT J. BUTLER, JR., 9030
ROBERT F. BYRD, 1129
NONIE C. CABANA, 9925
MICHAEL W. CALLAN, 8238
MARY A. CALLAWAY, 4865
JAMES E. CAMP, 7741
DONALD H. CAMPBELL, 9346
WENDY S. CAMPO, 9712
JOHN E. CAMPS, 4095
JAMES C. CANTRELL III, 3119
MICHAEL A. CAPPELANO, 5328
P. MASON CARPENTER, 1579
KENNETH R. CARSON, 7322
WILLIAM L. CARTER, 4405
STEVEN A. CHABOLLA, 0582
WILLIAM A. CHAMBERS, 4404
EARL S. CHASE, 2891
MARYANN H. CHISHOLM, 3053
LOUIS E. CHRISTENSEN, 6648
STEPHEN M. CLARK, 1195
THERESA R. CLARK, 5603
GARY H. COLE, 7563
LEROY M. COLEMAN, 9410
LANSEN P. CONLEY, 7007
CURTIS L. COOK, 4772
MICHAEL R. COOK, 2470
STEPHEN R. COOPER, 6150
STEVE C. COPPINGER, 2624
KEVIN J. CORCORAN, 0795
REBECCA L. CORDER, 8435
IVAN A. CORRETJER, 9592
ANDREW H. COX, 6630
CHARLES G. CRAWFORD, 8702
JERRY L. CRISSMAN, 2065
THOMAS CRONIN, 3137
THOMAS L. CULLEN, 4116
JOAN M. CUNNINGHAM, 8162
PATRICK R. DALY, 2595
ROBERT J. DAMICO, 7932
RICHARD C. DAVIDAGE, 7572
RUSSELL J. DELUCA, 7180
JOSEPH F. DENT, 5997
LANSING E. DICKINSON, 2982
THERESA C. DIRESTA, 6743
*KATHLEEN DOBBS, 7694
MARK J. DONAHUE, 5034
CHRISTOPHER R. DOOLEY, 8564
DANIEL L. DUNAWAY, 8040
BRUCE A. DUNCAN, 9891
KEVIN W. DUNLEAVY, 4436
JOHN A. DYER, 2934
JOHN C. DYMOND, 9620
ROBERT E. EAST, 9881
ALAN C. EKREM, 3147
MICHAEL S. ENNIS, 7906
SANDRA J. EVANS, 6977
DAVID E. EVERHART, 1345
PETER R. FABER, 6942
IVETTE FALTOHECK, 2027
ESKER J. FARRIS III, 1693
JOHN M. FAULKNER, 4782
ROBERT A. FEDERICO, 0390
TERRENCE A. FEEHAN, 4804
NATHAN S. FELDMAN, 3165
LESTER C. FERGUSON, 9971
ERIC E. FIEL, 7226
DAVID B. FILIPPI, 5477
DANIEL B. FINCHER, 9025
MICHAEL J. FINNEGAN, 3755
MARVIN N. FISHER, 9519
PHILIP B. FITZJARRELL, 6127
RODNEY S. FITZPATRICK, 3797
WILLIAM D. FOOTE, 4172
JAMES A. FORREST, 7120
THOMAS L. FOSSEN, 2191
MARK P. FOSTER, 5606
CRAIG A. FRANKLIN, 5281
DOUGLAS W. FREEMAN, 9909
MICHAEL J. FULLER, 8994
HENRY B. GAITHER, JR., 3397
DAVID M. GALLAGHER, 0423
FRANK GALLEGOS, 7712
MARK E. GARRARD, 7082
LAWRENCE D. GARRISON, JR., 8616
JUNE T. GAVRON, 5234
RICHARD E. GEARING, 2157
FREDERICK R. GEBHART, JR., 3194
DONALD A. GEMEINHARDT, 2290
JOHN M. GIBBONS, 7047
MICHAEL H. GILBERT, 3321
WILL WARNER GILDNER, JR., 6182
DAVID S. GILLETTE, 1616
TOMMY L. GILMORE, 3921
WALTER D. GIVHAN, 4773
CHRISTOPHER L. GLAZE, 1777
SALLY A. GLOVER, 4872
ANTHONY GOINS, 5382
DAVID L. GOLDFEIN, 0354
MARK L. GOSLIN, 7841
STEPHEN K. GOURLEY, 8593
CHRISTOPHER C. GRADY, 4867
PETER W. GRAY, 1000
WILLIAM E. GRAY III, 6303
CHARLES R. GREENWAY, 0097
BRENDA JEAN GREGORY, 6728
JACK I. GREGORY, JR., 2256
JOHN P. GRIMES, JR., 9005
ALAN S. GROSS, 4593
WILLIAM A. GROVES, 3225

THOMAS A. GROZNIK, 9413
RUSSELL R. GRUNCH, 0104
LARRY K. GRUNDHAUSER, 2485
SCOTT L. GRUNWALD, 9539
W. MICHAEL GUILLOT, 1821
KURT D. HACKMEIER, 6172
ERNIE H. HAENDSCHKE, 2828
ROBERT C. HALBERT, 8732
JAMES H. HALL, 2383
THOMAS M. HAMILTON, 7371
GLENN T. HANBEY, 6951
THOMAS S. HANCOCK, 5004
DAVID A. HANDLE, 1098
LEE ANN J. HARFORD, 7639
THOMAS E. HARMAN, JR., 7251
DONALD L. HARPER, 3523
MICHAEL E. HARRIS, 4611
CAROL LINDA HATTRUP, 8379
JOHN L. HAYES, 7924
DOUGLAS C. HAYNER, 5450
PETER J. HEINZ, 9705
STEPHEN R. HILDENBRANDT, 0794
JOHN A. HILL, 4613
WANDA G. HILL, 7905
STEVEN S. HINES, 4172
TOMMY D. HIXON, 2573
STEVEN E. HOARN, 5614
BRIAN P. HOEY, 5757
ROBERT M. HOGAN, 8526
LYNN M. HOLLERBACH, 3553
BRIAN J. HOPKINS, 1186
SCOTT J. HOROWITZ, 1134
ROY E. HORTON III, 7267
CHARLES L. HOWE, 8186
ROMAN N. HRYCAJ, 7574
WILLIAM S. HUGGINS, 1530
THOMAS E. HULL, 0040
BARNEY G. HULSEY, 8560
RICK D. HUSBAND, 1763
JAMES W. HYATT, 8335
JOHN L. INSPRUCKER III, 8205
JACK M. IVY, JR., 2130
LAWRENCE M. JACKSON II, 2220
STEPHEN M. JAMES, 7168
DEBRA J. JATTAR, 2745
DENNIS P. JEANES, 1295
JOHN D. JOGERST, 2863
HARVEY D. JOHNSON, 3343
JEFFREY S. JOHNSON, 4833
KENNETH RAY JOHNSON, 6988
LAFAE JOHNSON, 9190
LARRY JOHNSON, 8555
LOUIS M. JOHNSON, JR., 2524
DANIEL K. JONES, 1201
DAVID T. JONES, 4082
NOEL T. JONES, 6905
DAVID G. JOWERS, 9784
DONALD JUREWICZ, 8953
GEORGE KAILIWAI III, 0780
MICHAEL S. KALNA, 5350
PATRICK C. KEATING, 9933
EDMOND B. KEITH, 4303
CALVIN L. KELLAM, 5188
WAYNE H. KELLENBENCE, 6677
THOMAS G. KELLER, 2629
STEVEN P. KELLEY, 4996
JOHN E. KELLOGG, 7820
DAVID A. KELLY, 0361
PETER M. KICZA, JR., 3188
KATHLEEN D. KIEVER, 9511
CRAIG L. KIMBERLIN, 2540
BRIAN C. KING, 6015
LAWRENCE S. KINGSLEY, 3535
TERRY J. KINNEY, 2185
MARK E. KIPPHUT, 7873
ALLEN KIRKMAN, JR., 1236
DANIEL R. KIRKPATRICK, 9452
FRANK J. KISNER, 0380
LINDA C. KISNER, 7752
BARRY D. KISTLER, 6005
KENNETH P. KNAPP, 0777
JAMES S. KNOX, JR., 1126
MARYANNE KOLESAR, 2447
THOMAS J. KOPF, 3980
ROBERT D. KOPP, 7277
MICHAEL C. KOSTER, 4634
DOUGLAS E. KREULEN, 6592
MICHAEL J. KRIMMER, 8026
BARBARA J. KUENNECKE, 1835
WILLIAM R. KUNZWEILER, 3424
FRANCIS J. LAMIR, 3381
ROCCO J. LAMURO, 5336
JOSEPH A. LANNI, 0597
JOHN K. LARNED, 3513
JULIAN A. LASSITER, JR., 7224
MICHAEL B. LEAHY, 4953
DAVID B. LEE, 6465
JAMES G. LEE, 3404
MICHAEL D. LEE, 0219
DOUGLAS R. LENGENFELDER, 8843
DANIEL P. LENTZ, 3243
LINDA L. LEONG, 8212
JEFFREY L. LEPTRONE, 8816
JAMES K. LEVAN, 7507
RUSSELL V. LEWEY, 0697
SAMUEL A. LIBURDI, 4193
JAMES M. LIEPMAN, JR., 9026
KERRIE G. LINDBERG, 2129
GWEN M. LINDE, 9781
BLAKE F. LINDNER, 5414
STEPHEN S. LISI, 6241
CRAIG Z. LOWERY, 9095
GREGORY E. LOWRIMORE, 2082
DONNA J. LUCCHESE, 6390
CHARLES D. LUTES, 2036
CHARLES W. LYON, 1257
JAMES E. MACKIN, 3604
STEVEN A. MAC LAIRD, 5704
OTIS G. MANNON, 0275
JOHN D. MANZI, 1204
ROBERT T. MARLIN, 9599
JOANNE W. MARTIN, 5623
LEEROY A. MARTIN, 0553
SUSAN K. MASHIKO, 0489
THOMAS J. MASIELLO, 8449
ROBERT J. MATTES, 9166
ANTHONY M. MAUER, 1995
BRIAN K. MAZERSKI, 7811
STEVEN A. MC CAIN, 7094
JAMES R. MC CLENDON, 8964
KEITH J. MC DONALD, 4400
KYMBERLE G. MC ELWEE, 1623
GORDON B. MC KAY, 0577
STEPHEN E. MC KEAG, 7676
JOHN A. MEDLIN, 5289
GARY M. MELCHOR, 9220
KENNETH D. MERCHANT, 4532
ALMA J. MILLER, 7530
DWIGHT J. MILLER, 1380
JOHN B. MILLER, 0416
WILLIAM S. MILLER, 8105
DAVID L. MINTZ, 6120
EMMETT J. MITCHELL, 6078
RONALD T. MITTENZWEI, 5522
RICHARD L. MODELL, 7080
MICHAEL R. MOELLER, 5228
GRACE A. MOORE, 1288
TIMOTHY B. MOORE, 6373
GREGORY L. MORGAN, 4402
MARK A. MORRIS, 5544
DAVID R. MORTE, 4075
ALPHRONZO MOSELEY, 5416
JOHN R. MOULTON II, 6661
PATRICK D. MULLEN, 9819
JUDYANN L. MUNLEY, 1294
MICHAEL D. MURPHY, 2578
CHARLES H. MURRAY, 8842
MICHAEL J. MUZINICH, 8816
ROC A. MYERS, 9073
DALE A. NAGY, 5676
LOUIS J. NEELEY, 5913
RONALD R. NEWSOM, 3932
DAVID C. NICHOLS, 4033
ARTHUR J. NILSEN, 7988
RANDALL L. NOCERA, 8090
MICHAEL P. NORRIS, 6861
THOMAS R. O BOYLE, 0148
IAN P. O CONNELL, 9590
CHRISTOPHER E. O HARA, 9721
KIMBERLY D. OLSON, 2678
KENNETH D. ORBAN, 5676
WILLIAM E. ORR, JR., 2623
KAREN E. OSBORN, 1080
BENJAMIN F. OSLER, 9269
JERRY W. PADGETT, 0766
DONALD M. PALANDECH, 4946
WILLIAM G. PALMBY, 1338
THOMAS R. PALMER, 8438
CURTIS J. PAPKE, 5084
TERESA A. PARKER, 7211
MICHAEL F. PASQUIN, 1509
EDWARD G. PATRICK, 9569
MARTIN G. PEAVYHOUSE, 8696
DAVID T. PETERS, 8047
HORACE D. PHILLIPS, 7035
ROBERT F. PIACINE, 6183
LAWRENCE E. PITTS, 0522
KATHLEEN E. PIVARSKY, 0028
JAMES L. PLAYFORD, 4314
RODNEY C. POHLMANN, 5565
WILLIAM G. POLOWITZER III, 6093
HARRY D. POLUMBO, JR., 6801
GREGORY M. POSTULKA, 0144
BRIAN E. POWERS, 9253
STEVEN R. PREBECK, 3927
KENNETH G. PRICE, 5858
TERRY G. PRICER, 4673
THOMAS A. PRIOR, 8732
ROBIN RAND, 6920
RICHARD A. RANKIN, 7633
RICHARD L. REASER, JR., 7569
WILLIAM C. REDMOND, 8528
WILLIAM B. REMBER, 2273
JEFFREY N. RENEHAN, 5819
MICHAEL L. RHODES, 8105
MARK H. RICHARDSON III, 9867
CLYDE E. RIDDLE, 5872
JAMES RIGGINS, 0516
JOSEPH R. RINE, JR., 1925
ALBERT A. RINGGENBERG, 2524
ROGER E. ROBB, 1176
JAMES L. RODGERS, 2153
JOSE R. RODRIGUEZ, 7196
JOHN P. ROGERS, JR., 1446
ANTHONY F. ROMANO, 8980
STEVEN E. ROSS, 4923
SUSAN C. ROSS, 6125
JAMES E. ROWLAND, 9446
CHRISTOPHER W. ROY, 8334
PHILIP M. RUHLMAN, 2028
DAVID L. RUSSELL, 5910
TIMOTHY P. RYAN, 9407
PETER J. RYNER, 2760
DAVID W. SCEARSE, 9647
ROWAYNE A. SCHATZ, JR., 4256
WAYNE A. SCHIEFER, 3438
THOMAS J.C. SCHRADER, 0068
HELEN K. SCHREUR, 1784
LANCE J. SCHULTZ, 8895
GREGORY A. SCHULZE, 2887
STEVEN J. SCHUMACHER, 7862
SAMUEL C. SEAGER, JR., 0702
JOSEPH K. SEAWELL, 0750
CRAIG M. SEEBER, 0121
SCOTT V. SELLS, 6931
CHARLES S. SHAW, 5074
PATRICK J. SHEETS, 8320
FRANCIS E. SHELLEY, JR., 6650
LYN D. SHERLOCK, 8452
JOHN J. SHIVNEN, 4165
JERRY I. SIEGEL, 9876
LARRY G. SILLS, 8717
ROBERT F. SIMMONS, 2826
DARRELL L. SIMS, 2932
KIMBERLY A. SINISCALCHI, 2972
J. TAYLOR SINK, 4161
LISA S. SKOPAL, 0267
AUSTON E. SMITH, 5791
CRAIG A. SMITH, 2643
DAVID G. SMITH, 5705
KENNETH R. SMITH, 3711
RICHARD E. SMITH, 7725
MARVIN T. SMOOT, JR., 6411
DAVID E. SNODGRASS, 8977
GARY W. SNYDER, 2079
JEFFREY M. SNYDER, 5129
ROBIN A. SNYDER, 3288
JOSEPH SOKOL, JR., 5253
MARY A. SOLANO, 6313
PAUL W. SOMERS, 2994
THOMAS L. SORRELL, 1072
DAVID A. SOWINSKI, 8365
JOSEPH W. SPALVIERO, 4320
STEVEN J. SPANO, 8907
DAVID A. SPATARO, 2341
ERNEST E. SPECK, JR., 4216
STEPHEN M. SPENCE, 2884
MICHAEL W. SPENCER, 5462
RITA A. SPRINGER, 3881
DAVID E. SPROWLS, 3684
RAINER P. STACHOWITZ, 3190
JEFFREY E. STAMBAUGH, 0809
MARK E. STEBLIN, 0048
DANNY STEELE, 6774
MARK D. STEPHEN, 5425
BRET STEVENS, 5550
MOSES STEWART, JR., 6894
CHARLES W. STILES, 6343
PAUL M. STIPE, 8641
DANIEL L. STOKES, 7702
BRYANT B. STREETT, 5392
JAMES P. STURCH, 7934
JONATHAN P. SUNRAY, 8826
SHELBY L. SYCKES, 7714
CLARENCE E. TAYLOR, JR., 2651
GLENN E. TAYLOR, 7208
KAREN A. TAYLOR, 3567
NELSON W. TAYLOR IV, 2514
LAURIE R. TERNES, 8128
TOMMY T. THOMAS, 3578
DAVID J. THOMPSON, 4574
JACKIE R. TILLERY, 8283
RANDY J. TIMMONS, 2360
GEORGE A. TIRABASSI, JR., 9466
ROBERT W. TIREVOLD, 7819
DAVID A. TOM, 6508
GREGORY J. TOUHILL, 6931
GAYLEN L. TOVREA, 7662
CHARLES G.C. TREADWAY, 9060
KENNETH G. TRUESDALE, 9472
ALEXANDER TRUJILLO, 0907
MARION D. TUNSTALL, 0680
SUSAN J. VOVERIS, 2881
BRIAN M. WAECHTER, 5106
KEITH J. WAGNER, 8182
GUY M. WALSH, 5972
LEROY L. WALTERS, 4960
JOHN E. WARD, JR., 5146
GRACE Q. WASHBURN, 8238
KENNETH R. WAVERING, 2860
DANNY W. WEBB, 5974
JEFFERY B. WEBB, 0584
RICHARD D. WEBSTER, 1389
DONALD C. WECKHORST, 3650
RANDALL S. WEIDENHEIMER, 2429
PHILIP D. WEINBERG, 6480
STEPHEN J. WERNER, 2085
LEE M. WETZELL, 5720
JAMES F. WHIDDEN II, 1077
ARVIL E. WHITE III, 2244
CRAIG C. WHITEHEAD, 0700
KENNETH E. WIECHERT, 2592
KEITH M. WILKINSON, 6641
KEVIN E. WILLIAMS, 4433
ROBERT D. WINIECKI, 8923
JAMES R. WISE, 8856
RICHARD B. WITT, 1081
JOHN M. WOHLEBER II, 4100
GAIL E. WOJTOWICZ, 0326
KRISTAN J.T. WOLF, 9167
GARY R. WOLTERING, 5623
JEFFREY A. WORTHING, 6305
NEIL R. WYSE, 7922
THOMAS D. YANNI, 5922
LANCE S. YOUNG, 5297
MICHAEL A. ZENK, 0737
ROBERT H. ZIELINSKI, 2563
ANTHONY E. ZOMPETTI, 0012
THOMAS J. ZUZACK, 4224

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

JOEL R. RHOADES, 3497

HOUSE OF REPRESENTATIVES—*Wednesday, October 27, 1999*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. PETRI).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 27, 1999.

I hereby appoint the Honorable THOMAS E. PETRI to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. George Gray Toole, Towson Presbyterian Church, Baltimore, Maryland, offered the following prayer:

O God, be with our representatives as they govern this Nation. Great and broad are their responsibilities and enough to tax any human being. Without Your guidance, they are at a disadvantage, for who can rightly judge between so many issues and events. Surrounded by those vying for one action over another, it can be so difficult to decide which path to follow. When pressures increase, calm them with Your peace. When confusion builds, grant them Your wisdom. With integrity grounded in allegiance to You, lead them in paths that confirm their best efforts, so that peace, justice and the welfare of all people may be the product of their work. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Maryland (Mr. CARDIN) come forward and lead the House in the Pledge of Allegiance.

Mr. CARDIN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed without amendment a joint resolution and a concurrent resolution of the House of the following titles:

H.J. Res. 62. Joint resolution to grant the consent of Congress to the boundary change between Georgia and South Carolina.

H. Con. Res. 196. Concurrent Resolution permitting the use of the Rotunda of the Capitol for the presentation of the Congressional Gold Medal to President and Mrs. Gerald R. Ford.

The message also announced that the Senate has passed bills of the following titles in which concurrence of the House is requested:

S. 1235. An act to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training.

S. 1485. An act to amend the Immigration and Nationality Act to confer United States citizenship automatically and retroactively on certain foreign-born children adopted by citizens of the United States.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will recognize 15 one-minutes from each side.

WELCOME TO THE REVEREND DR. GEORGE GRAY TOOLE

(Mr. CARDIN asked and was given permission to address the House for 1 minute.)

Mr. CARDIN. Mr. Speaker, it is my great honor to welcome Dr. George Toole as our guest chaplain today. He is here along with his wife, Donna. We are certainly honored to have him here with us. He is the senior minister at the Towson Presbyterian Church in Maryland.

His parents were Scottish immigrants. They loved their new country. His father attempted to enlist in the Navy during World War II but was told he was too old. That did not stop his father. He tried two other times and finally was allowed to enlist in the Navy just before the statutory age limit and served his Nation, his new Nation, with distinction because of his love of our Nation. It was that inspiration that has led Dr. Toole to his public service.

Dr. Toole has been very active in community service. In New York as a police commissioner, he helped successfully to convince an armed individual to release his spouse in a hostage situation. And in Maryland he is a familiar face in community service.

We thank Dr. Toole for his public service and for being with us today.

This is a great honor for me to follow Dr. George Toole, the senior minister at Towson Presbyterian Church, one of Maryland's finer churches. Before I begin, I would also like to recognize Dr. Toole's wonderful wife, Donna, who is in the gallery today.

Dr. Toole tells me this is a great day for his family. After hearing his father's story you will understand why.

You see, his parents were Scottish immigrants who fell in love with their new country. So much so that when World War II rolled around, Dr. Toole's father wanted to give back to the country that had opened up a new life of freedom for him and his family. "This is my country and I owed her," he later explained to his son. He went to enlist in the Navy.

But there were a few small problems. Dr. Toole's father was 38 years old. He had a wife. And he had two sons. The U.S. Navy said thanks, but no thanks.

But that didn't stop the elder Toole. Remember: "This is my country and I owed her." So Dr. Toole's father waited and tried again. Same response, thanks but no thanks.

They say the third time's the charm. That certainly proved true in this case. Two weeks before the absolute age disqualification date for service in the Armed Forces, Pentagon brass relented and allowed Dr. Toole's father to join the Navy. He served proudly in the South Pacific and Dr. Toole tells me the younger men on-board his ship called him "Pop." If he treated them half as well as he treated his son who is here with us today, they were probably some happy sailors.

Dr. Toole tells this story as a way of demonstrating what a difference it made to have such a caring and patriotic father. It probably goes a long way to explaining why the Baltimore County Police recognized Ensign Toole's son, today's guest chaplain, several years ago for bravery and community service. Dr. Toole, a former police commissioner in Bath, NY, spent over 4 hours negotiating with an armed man who had taken his wife hostage in their home. The man had been to a service at Dr. Toole's church a few days before the incident and told the police this was the only person he would talk to.

Just like his father refused to give up on the Navy, Dr. Toole refused to give up on this distraught man. The man eventually gave up his gun and released his wife. We are a better country for both of these refusals. Thank you for your remarks today, Dr. Toole, and please keep up the good work in Towson.

REPUBLICAN VIEW ON SOCIAL SECURITY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

☐This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. GIBBONS. Mr. Speaker, like the dawn of a new day we should all be pleased that the President has finally come around to seeing the Republican point of view that we should not spend one penny on other government programs from our Social Security trust fund. At the beginning of this year, the President wanted to spend billions of Social Security tax dollars on some big government programs, and I think today is real progress. However, I am concerned that instead of helping us cut bloated Federal bureaucracies to balance the Federal budget, the President wants to increase taxes on working Americans.

Mr. Speaker, we know that the American people are taxed enough. It has only been through our hard work that the Federal budget is now balanced. There is no reason for us to raise one penny on the backs of lower and middle income families to pay for bigger Federal Government. That would be wrong for our hardworking families and for America. I urge the Democratic leadership to drop their plans to raise taxes on working Americans and join us in a bipartisan effort to balance the budget without using Social Security.

I yield back the balance of my time and the President's proposal to raise taxes on Americans.

REGARDING H.R. 2260, PAIN RELIEF PROMOTION ACT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. "Do no harm" is a tenet that underlies the practice of medicine in America. But despite the system we have, the great system for training, licensure, the safeguards that are built in, occasionally someone incompetent, or in this case a group of people totally unqualified in the practice of medicine, does harm to an individual patient or a group of patients.

Today, the United States Congress wishes under the leadership of the gentleman from Illinois (Mr. HYDE) to irrevocably change end-of-life pain care in America. On the one hand the bill that will come up today says you can aggressively treat pain at the end of life even if it causes death, but the other section of the bill says if a death results in the aggressive management of pain, the Drug Enforcement Administration, that well-known bastion of medical lore, will determine the intent of the physician who provided that prescription after the fact. This is an extraordinary intrusion not only into States' rights but into the practice of medicine. Inserting the Drug Enforcement Administration into the patient-doctor relationship is outrageous and it will set back pain management for decades in this country.

LOCKBOX HELD HOSTAGE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, if you turn on the television networks tonight, you will see a new broadcast season under way. There are new shows and new stars on old shows. TV fans had a long wait for a new season, more than 4 months of summer reruns. American seniors have had a long wait as well, a long wait for Congress to implement the lockbox protection for their Social Security. This body passed the lockbox bill on May 26, 153 days ago. Since that time, the other body has failed to act. Every attempt to bring the Social Security lockbox up for a vote has fallen victim to a filibuster threat. For 140 days, the minority party in the other body has held the lockbox bill hostage. That is long enough. This year's fight to stop the raid on Social Security proves our seniors need and deserve lockbox protection for their Social Security. Let us free the Social Security lockbox bill. One hundred forty days held hostage is long enough.

HURRICANE FLOYD

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute.)

Mrs. CLAYTON. Mr. Speaker, the cameras have gone, the news stories have ended, but for the people of eastern North Carolina, the misery and the suffering as a result of Hurricane Floyd is just beginning. The lives of thousands have been disturbed, disrupted and disordered. More than anything, what is now needed is help and hope for those storm-torn communities.

We expect to provide some of that help on Saturday, November 6. On that day, buses will be leaving Capitol Hill for a morning and afternoon of cleanup and an evening rally. We will help our fellow citizens prepare their homes and their communities for rebuilding, and we will join later then to urge them to hold on, to have a sense of hope. I invite my colleagues to go, to get on the bus with us. And if my colleagues are willing to lend their hands, their hearts and their support, I kindly request that they call my office, and I will be glad to provide them the information.

INTERNATIONAL RELATIONS COMMITTEE TO HOLD HEARING TO INVESTIGATE INVOLVEMENT OF CASTRO REGIME IN TORTURING OF POWS

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, the Committee on International Relations will hold a hearing to investigate the involvement of the Castro regime in the torturing of American prisoners of war in North Vietnam in 1967 and 1968. The atrocities committed by Castro's men in a prison camp known as "the Zoo" resulted in the death of Air Force Captain Earl Cobeil, one of the 19 POWs held captive there. The family of Captain Cobeil and the other POW airmen who were part of what was later called the Cuba Program deserve that their government do everything it can to bring the guilty individuals to justice. This hearing is an essential step in the probe and should pave the way for additional investigations by the Department of Defense, the FBI and other Federal agencies.

I want to thank the gentleman from New York (Mr. GILMAN) for his tremendous support during the preliminary phase of this investigation. There should be no statute of limitations when it comes to bringing to justice international war criminals who brutally abused our U.S. military officers. I thank the gentleman from New York for his decision to hold this important hearing. It is a testament to his leadership and to his character.

BRING OLD RELIABLE BACK TO ITS PROPER THRONE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, a 1992 law designed to save water said that the old standard 3½ gallon toilet must be replaced with a 1½ gallon streamlined job. It sounds good, but Americans have been flushing away ever since. It has gotten so bad there is now a black market on old reliables. It is no joke. Americans are getting potty fatigue flushing their own toilet.

If that is not enough, Members of the other side, to squeeze your Charmin, if you get caught flushing an old reliable in your own home, it is a $2,500 fine.

Beam me up here. I say the nincompoop over at EPA who suggested this policy should go to a proctologist for a brain scan. Flush this.

I yield back all the constipation over this issue and urge us to bring old reliable back to its appropriate throne.

REPUBLICANS DELIVER ON PROMISE TO PROTECT SOCIAL SECURITY

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I do not understand our friends on the other side of the aisle. They come down here with a phony number saying that Republicans are dipping into the Social Security trust fund by $13 billion. That is not true, and they know it. Because if it were true, the Democrats would be down here trying to cut $13 billion from the budget to save Social Security. But they are not. Instead, they are actually criticizing us for not spending more money.

So here is the position of our friends on the other side of the aisle in a nutshell. On the one hand, they say we are spending $13 billion more than we should. On the other hand, they are saying we should be spending more. How is that for consistency?

Mr. Speaker, when this process is over, it will be clear to all that we Republicans have delivered on our promise to protect Social Security from being raided by our big-spending friends on the other side of the aisle.

UNMASK THE GOP

(Mr. CUMMINGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CUMMINGS. Mr. Speaker, as we near Halloween weekend, it is clear that the GOP has put on its mask and is ready for a masquerade ball where they can pretend to be who they are not. But masks come off at the end of the ball and will reveal that the true face of the GOP is one of hypocrisy.

Fortunately, unlike the GOP, the Democratic face is that of the American people. The Democratic face wants a budget that protects Social Security and pays our national debt, a prescription drug policy that provides prescription drugs for those who cannot afford them, 100,000 new teachers, 50,000 more police to combat crime.

Mr. Speaker, the Democrats understand as lawmakers, we are a reflection of the American people and should not attempt to alter that mirror image. And so I urge the GOP to leave their mask at home and try to wear the face of the American people.

VOTE "YES" TO SAVE SOCIAL SECURITY

(Mr. HILL of Montana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILL of Montana. Mr. Speaker, day after day Members of both political parties have come to this floor and said that we must not invade the Social Security trust fund to spend on other programs. I have been among those. The President stood in this Chamber in the 1998 State of the Union Address and said, "Let's put aside 100 percent of Social Security for Social Security." I applauded those remarks at the time. But then the President sent proposal after proposal to this floor to spend those funds. When he did that, he was wrong and I stood against him.

In the next few days, every Member of this Chamber is going to have an opportunity to put their money where their mouth is.

The rubber is about to meet the road. In order to avoid spending part of Social Security, we are going to have to cut back a little bit on the spending bills. It is about 1 percent, more or less. The American people are going to be watching, because it is a simple test. If you are prepared to make the tough choice that is going to be required to protect Social Security, then you will vote "yes." But if your pledge to protect Social Security has been nothing but hollow rhetoric, then you are probably going to find some reason to vote "no." It is all boiling down to this one vote.

I am going to stand with America's seniors. I am going to stand with the folks who pay the Social Security taxes. I am going to fight for Social Security. I am going to vote "yes." America is going to be watching.

□ 1015

PRIVACY

(Mr. LUTHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUTHER. Mr. Speaker, financial services modernization legislation has emerged from conference committee, but unfortunately it lacks provisions that allow American consumers to keep financial institutions from distributing their personal private financial information. The bill is so riddled with loopholes that it would actually permit the telemarketing practice that outraged citizens in my home State of Minnesota and that our Attorney General Mike Hatch stopped.

It did not need to be this way, Mr. Speaker. Financial institutions need to move into the next century, but not at the expense of the American people, and we are here to represent the American people. It is not too much to ask that these institutions in the wake of an unprecedented opportunity to profit, that they respect their customers' privacy.

Mr. Speaker, I ask all Americans to contact their representatives in Congress and to stop this bill from passing.

WHITE HOUSE AND DEMOCRAT MINORITY NEED TO PUT THE BRAKES ON RUNAWAY SPENDING

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, just so there is no misunderstanding about what is really going on here, let us review for a moment tax cuts.

President Clinton and his liberal Democrat allies in the Congress has seen to it that working American families will not receive one red cent in tax reductions next year.

Spending cuts.

The President and his liberal friends here in the Congress have fought fiscal restraint at every turn. The President has vetoed spending bills because they spent too little, and the Democratic leadership here in the Congress has advocated even more pork barrel spending and more foreign aid spending, even at the expense of the Social Security Trust Fund.

Mr. Speaker, it is time for the White House and the liberal Democratic minority in the Congress to put working Americans first for a change. It is time to put the brakes on runaway spending. It is time the President put the veto pen away and quit raiding the Social Security Trust Fund.

UNMASKING THE FAULTY RHETORIC

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, let us really unmask the Republican rhetoric. They can repeat over and over again that they are not spending the Social Security surplus, but let me just say this: we could put wheels on my grandmother, but we would not make her a wagon. I mean this is unbelievable; it is unimaginable what they are talking about here.

Mr. Speaker, their own accounting office, the Congressional Budget Office, has said that their budget spends $13 billion from the Social Security Trust Fund. Instead of trying to strengthen Social Security, protect it for the future and not spend it, they are in fact at this moment deep into the Social Security surplus.

As my colleagues know, the baby boomers are going to retire soon. We need a strong Social Security system for those people who are enjoying it today and for those who need to have it for the future.

The budget that the Republican leadership has prepared does not allow for that reality, so we need to call this for what it is. I will tell my colleagues what they are doing. Not only are they spending our savings, they are doing it with projects that are out of step with the public priorities. They spend billions of dollars on military projects that the Pentagon does not want. They give billions to the corporate oil and gas industry.

Let us unmask this faulty rhetoric.

GARBAGE IN, GARBAGE OUT

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, again my colleague from Connecticut (Ms. DELAURO), to put it charitably, is confused. See, one of the oldest Washington tricks is to send the budgeteers a letter with false assumptions to get a false result. In the real world that is called garbage in, garbage out.

Now to the gentlewoman and the rest of my colleagues, Mr. Speaker, we do not propose to put wheels on anyone's grandma and take away their Social Security. Now that has been, sadly, standard operating procedure when the free spenders were in charge of this institution; but on the contrary, Mr. Speaker, what we propose is a 1 percent solution.

Observe, Mr. Speaker, one penny, one cent, made, no doubt, with fine Arizona copper in part, and what we propose, Mr. Speaker, is to take one penny out of every dollar of discretionary spending. That way we balance the books; that way we preserve the Social Security Trust Fund.

No, we do not want to see grandma sold down the river or any American. We will stop the raid. We have done so, and we dare not turn back now. Responsibility, credibility, and the future is the key to success, and we will do it.

FAILED POLICY IN AFRICA

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, America is supposed to be a force for good in the world, but with our failed policy in Africa I am beginning to wonder if that is really so. How can a mother allow the world's children to be offered up as the most innocent victims of U.S. foreign policy?

Madeleine Albright's first stop in Africa was a stark example of our continued failure on that continent. It was U.S. policy to do nothing to help the fledgling democracy of Sierra Leone. Only after that policy became a shameful embarrassment, the U.S. brokered the peace that gave important ministries in government to rebels whose hallmark was to rape little girls and chop off their arms.

Unfortunately, Mr. Speaker, a share in government for rapists and mutilators is in Albright's own words the necessary price of peace, just like 5,000 dead kids a month in Iraq. After standing in line to shake hands with the victims of her do - nothing - to - help - when - a - little - help - can - make - a - difference policy, Albright remarked, "It's hard to extend your hand to shake hands with people who don't have hands."

Mr. Speaker, the President has allowed his Africa policy to become insensitive, uncaring, and shameful.

RENAMING FEDERAL BUILDINGS

(Mr. TANCREDO asked and was given permission to address the House for 1 minute.)

Mr. TANCREDO. Mr. Speaker, in the short time I have been here, I have witnessed several things and heard many statements that I can only characterize or that can only be characterized as at least audacious; but nothing to date has been more audacious than the recent attempt to name buildings after present Members of Congress. If this trend continues, Mr. Speaker, we may find ourselves debating issues such as this in this great building but having it renamed after one of our more powerful Members. So I ask my colleagues in both the House and Senate to take a step back, take a deep breath and ask themselves the honest question of whether they truly feel they are deserving of the honor of having their names forever etched on the side of Federal property.

I feel that the opportunity to impact the lives of our constituents every day is honor enough for one's entire life, and I will today introduce legislation to end attempts to immortalize one's self while serving in this body.

SOCIAL SECURITY IN AN UNCERTAIN WORLD

(Mr. RODRIGUEZ asked and was given permission to address the House for 1 minute.)

Mr. RODRIGUEZ. Mr. Speaker, I firmly believe in Social Security; and when we look at it, when we look at the legislation, we got to make sure we address the needs of those senior citizens that we have in this country. We also need to make sure that we address the baby boomers as they come up in this.

And as we also look at that piece of legislation, as we look at what we are doing out here, we need to also make sure that we take care of the "baby echo," those youngsters that are beginning to pay Social Security and those youngsters are beginning to work out there. It is important for us to do that.

As we also look at what Social Security has done in this country, a lot of Americans out there who work saw that they have. My dad worked for over 35 years in a company, and after all was said and done, the only thing he had was Social Security. Social Security, there are 12 million senior citizens who only receive that, and that is what keeps them out of poverty. There are over 800,000 youngsters that also fall under the Social Security that are also taken care of. Many Americans, especially women and minorities, do not have the jobs that provide the retirement and disability benefits. For them Social Security is the only thing they have. So it is important for us to stop playing games and to make sure we take care of Social Security.

PASS THE AFRICAN GROWTH AND OPPORTUNITY ACT

(Mr. ROYCE asked and was given permission to address the House for 1 minute.)

Mr. ROYCE. Mr. Speaker, this week the Senate is considering a bill that we passed out of this House in July. It is called the Africa growth and opportunity act, and this act says that the United States is not giving up on Africa, that there is a real need, a real opportunity, to bring Africa into the world economy. The Africa bill is an important step in promoting Africa's development, and it is good for America too to open these markets in Africa, to open these export markets for the United States.

Trade between the U.S. and sub-Saharan Africa has been growing for the last several years. We now have 100,000 U.S. jobs involved in exports to Africa at this time, and this bill is also good for my home State of California which is number five in exporting to Africa. We now take more of our oil from Africa than we do from the Persian Gulf, and this Africa bill is the most important trade legislation to pass this House in 5 years. It would be a major accomplishment if signed into law.

Mr. Speaker, let us export the free market to Africa. It is a win for Africa and a win for America.

SAVING SOCIAL SECURITY

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, I am following my colleague from Arizona on a regular basis here on our 1-minutes. Let me give some statistics that we are talking about when we are really talking about saving Social Security: the amount of the Social Security surplus the House Republicans have already dipped into, $14 billion; the amount of Social Security surplus House Republicans are on track to spend, $24 billion; amount by which the House Republican appropriations exceed the President's request, $14 billion; the Republican leader who said he never would have created Social Security, the majority leader, my colleague from Texas (Mr. ARMEY); number of days the GOP budget tax plan would extend the life of Social Security, zero; the number of years House Democratic budget would extend Social Security, 16 years; total cost of the tax breaks that, thank goodness, the President vetoed was a trillion dollars, and that would have even been worse on Social Security.

Let me tell my colleagues what we need to do. We need to add more teachers to our classroom, more police officers to our streets and the number of military personnel who would be cut by the Republican-proposed 1.4 percent budget would be 39,000 military personnel.

REPUBLICANS HAVE A BETTER IDEA

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, I guess it is true what they say about old dogs. No matter how hard we try sometimes, we just cannot teach them new tricks. So when we try to stop the people who have been raiding the Social Security Trust Fund from doing it any more, well, that is a lot easier said than done. See, they have been using this money to fund big government programs, and if we tell them they have got to find one penny out of every Federal dollar to preserve Social Security for America's retirees, that is a pretty tough trick for them.

The comments of the gentleman from Missouri (Mr. GEPHARDT) tell us just how hard a time the Democrats are having learning it when he says that we should spend as little of the Social Security surplus as possible. What he is really saying is let us spend as much of the Social Security surplus as we want on the Federal bureaucracy, and if there happens to be any money left, heck, we may as well give it back to the people it belongs to.

Mr. Speaker, Republicans have a better idea: stop the raid first. Strengthening retirement security must be a top priority, not an afterthought.

FIGHT FOR OUR SCHOOLS

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, it is our sacred responsibility to make sure that all of our children have an equal opportunity to learn. But today I rise to express my deep concern that the Republican leadership does not share this commitment. While Democrats have been working night and day to improve education, to put more teachers in our schools and to reduce class sizes, the Republican leadership have been trying to take money out of the schools and away from the majority of this country's children.

The Republican plan is not just. The Republican plan is not right. We should be building up our schools, not knocking them down. For the sake of our children, all of our children, we must fight for our schools.

PRESIDENT SENDS PLAN ON SOCIAL SECURITY TO HOUSE

(Mr. OSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OSE. Mr. Speaker, I thank the gentleman for giving me an opportunity to stand before the forum this morning and express my appreciation.

□ 1030

For a number of days, I have been in the well seeking the President's plan on Social Security, and I have, for 29 days, been tracking the fact that, until yesterday afternoon, the President had not delivered a plan.

While I am pleased to say that we have received a plan, it did just come in yesterday afternoon, it is a very lengthy plan, it is filled with many howevers, and whereases, and therefores, and thereases, and I am working my way through it. But I did want to stand and express my appreciation to the administration, Mr. Speaker, for having forwarded the plan and to say that we will be reviewing it.

I hope it gets a fair hearing, and I am looking forward to the dialogue as to the adequacy of the plan. So with that, Mr. Speaker, this placard is no longer operative. Again, I thank the administration for finally forwarding their plan.

SAVING SOCIAL SECURITY

(Mr. MEEKS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEKS of New York. Mr. Speaker, last night the President sent Congress his legislative proposal, entitled Strengthen Social Security and Medicare Act of 1999.

The President's plan would devote the entire Social Security surpluses to debt reduction, extend the solvency of Social Security to 2050, and establish a Medicare surplus reserve equal to one-third of any on-budget surpluses for the period of fiscal years 2002 through 2009 to strengthen and modernize Medicare.

I want to stress to my colleagues the urgency in discussing and reaching a fair compromise on this proposal. If we do not, our constituents will suffer and be caught in the middle of a partisan battle, and I am very concerned.

In New York, Social Security benefits 2.3 million people who are retired workers, disabled workers, widows and widowers, wives and husbands, and over 247,000 children in New York receive Social Security benefits. In my district, in southeastern Queens, 74,579 people receive Social Security benefits, of which 9,000 of these individuals are children.

We must preserve Social Security so that our constituents will have a decent quality of life.

Finally, Mr. Speaker, let's go Yankees.

CBO SAYS REPUBLICANS' PLAN DOES NOT SPEND SOCIAL SECURITY SURPLUS

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, some of my friends on the other side of the aisle are continuing to claim that the Republican Congress' spending plan takes from the Social Security Trust Fund. Mr. Speaker, nothing could be further from the truth.

The problem with the Democrat claim is that it is based on spending assumptions that have never materialized. They simply do not exist.

Let me share with the House an updated letter, dated September 30, 1999, from the nonpartisan Congressional Budget Office. It says, "CBO estimates that the Republicans' spending plan will not use any of the projected Social Security surpluses in fiscal year 2000."

The facts are clear, this Republican Congress is not and will not spend the Social Security surplus.

STATE OF NORTHERN IRELAND

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, Senator George Mitchell resumes talks today with pro Good Friday Agreement political leaders from Northern Ireland.

Since the Good Friday Agreement was signed on April 10, 1998, we have seen some progress towards a lasting peace in Northern Ireland. The Patten Commission has issued its report on Policing in Northern Ireland and the cease-fire has remained intact.

Despite these positive events, the agreement's foes have consistently sought to delay and derail implementation of the Good Friday Agreement, particularly David Trimble, the leader of the Ulster Unionist Party.

The most recent effort to derail the peace process centers around the debate on decommissioning. Even though the Good Friday Agreement contains no provision that the IRA begin decommissioning before Sinn Fein can take its place on the Executive Committee, First Minister and UUP leader David Trimble has linked the two issues together in clear violation of the Good Friday Agreement.

In the words of Mr. Adams, the Unionists need to "get real" and enter into the power-sharing executive as called for under the agreement. And Britain's new Secretary for Northern Ireland, Peter Mandelson, has warned politicians, and I quote "the people of Northern Ireland will not forgive them if they put barriers in the way of permanent peace."

Mr. Speaker, if the Good Friday Agreement should fail, it may prove disastrous for the peace process because there is no alternative.

It is a dangerous game the Unionists are playing with real lives at stake. It is my hope, and that of so many Irish

Americans, that this game of brinkmanship by the Unionists will end before it is too late for the Good Friday Agreement.

REPUBLICANS WANT 100 PERCENT OF SOCIAL SECURITY LOCKED UP

(Mr. CUNNINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Speaker, many of my friends on the other side of the aisle claim Republicans are spending Social Security money. They support the President's plan, where the President said he wanted 100 percent in Social Security, then 3 weeks later he came back and said, well, 60 percent in Social Security, 15 percent in Medicare.

What he does is take $466 billion out of Social Security and puts it up here for new spending. He will not identify cuts. New spending. Then he took $19 billion and put it up here for new spending.

We are saying no, put the 100 percent in Social Security, lock it up, let it accrue interest. We will not only save Social Security and Medicare forever, but that accrued interest also pays down the national debt, in which we pay nearly a billion dollars a day.

I would ask of believability, fiscal conservative or liberal Democrat, being fiscally conservative is an oxymoron.

REPUBLICANS WANT TO PROTECT AND PRESERVE 100 PERCENT OF SOCIAL SECURITY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, there are two prevailing issues or schools of thought on what to do about Social Security surpluses. The Republican Party wants to protect and preserve 100 percent of it. But do not take my word for it as a Republican, let me quote to my colleagues what John Podesta, the White House Chief of Staff says. "The Republicans' key goal is to not spend the Social Security surplus." Again, words spoken by the White House Chief of Staff John Podesta, Clinton's right-hand man.

Now, the Democrats, on the other hand, led by the President, last January, wanted to spend 38 percent of it. The President stood right behind where I am now and said, "Let us preserve 62 percent of Social Security but spend the rest on other programs."

Now, as of late he has come around to say, well, maybe we should not do that. But this is what the Democrat leader, the gentleman from Missouri (Mr. GEPHARDT), said this Sunday. And I will just put these words here, and again it is a direct quote. That, "since we have the surplus, we have to get ready for baby boomers, and we should spend as little of it as possible."

Now, join us, please. I ask the Democrats, protect 100 percent of Social Security, not just most of it. The way to do it is if we cut one penny out of every dollar in the budget, we can protect and preserve Social Security. A penny saved is a retirement earned and secured for our seniors.

PROVIDING FOR CONSIDERATION OF H.R. 2260, PAIN RELIEF PROMOTION ACT OF 1999

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 339 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 339

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2260) to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 4(a) of rule XIII are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided among and controlled by the chairmen and ranking minority members of the Committee on Commerce and the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the bill modified by the amendments recommended by the Committee on Commerce now printed in the bill. That amendment in the nature of a substitute shall be considered as read. No amendment to that amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided, that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. PETRI). The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this is a structured rule providing for consideration of H.R. 2260, the Pain Relief Promotion Act of 1999. H. Res. 339 provides 1 hour of general debate equally divided and controlled by the chairmen and ranking minority members of the Committee on Commerce and the Committee on the Judiciary.

The rule waives clause 4(a) of Rule XIII, which requires a 3-day layover against consideration of the bill.

H. Res. 339 makes in order as an original bill for the purpose of amendment the Committee on the Judiciary amendment in the nature of a substitute, as modified by the amendments recommended by the Committee on Commerce and printed in the bill.

The rule provides for consideration of only the amendments printed in the Committee on Rules report accompanying the resolution. The rule further provides these amendments will be considered only in the order specified in the report, may be offered only by a member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent and shall not be subject to amendment.

Specifically, the rule makes in order an amendment offered by the gentleman from Virginia (Mr. SCOTT) and the gentleman from Oregon (Mr. DEFAZIO) to be debated for 10 minutes and a substitute amendment offered by the gentlewoman from Oregon (Ms. HOOLEY) and the gentlewoman from Connecticut (Mrs. JOHNSON) to be debated for 40 minutes.

The rule also allows the Chairman to postpone recorded votes and reduce to 5 minutes the voting time on any postponed question, provided the voting time on the first in any series of questions is not less than 15 minutes. This provision will simply facilitate consideration of amendments.

House Resolution 339 also provides for one motion to recommit with or without instructions.

Mr. Speaker, for the purpose of background, the Administrator of the Drug Enforcement Agency decided in late 1997 that delivering, dispensing, prescribing or administering a controlled substance with the deliberate intent of assisting in a suicide violates the Controlled Substance Act or applicable regulations. The regulations stated that a controlled substance must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice. However, Attorney General Reno unfortunately decided in 1998 that such usage is now part of the ordinary practice of medicine in Oregon, and therefore exempt from the Controlled Substances Act of 1970.

Clearly, physician-assisted suicide is a danger to society. I share the views of the gentleman from Illinois (Mr. HYDE), the chairman of the Committee on the Judiciary, that assisting in a suicide by giving a prescription for a controlled substance cannot be a "legitimate medical purpose," especially when the practice is not reasonable and necessary to the diagnosis and treatment of disease and injury, legitimate health care, or compatible with the physician's role as healer.

With this bill, we do want to reaffirm that the Controlled Substances Act does not authorize intentionally using federally regulated drugs to cause the death of a patient. However, this is an important bill because it ensures that we encourage aggressive pain relief for patients, while also reinforcing the current law that administering, dispensing, or distributing a controlled substance for the purpose of assisting in a suicide is not authorized by the Federal Controlled Substances Act.

This legislation will promote the responsible use of these drugs for pain control rather than leaving the patients with the impression that suicide is the only option to escape from the pain of a terminal illness. It is unacceptable that we would permit terminally ill patients to think that suicide is the only option because pain relief options are not available to them. Today, we help make improved pain relief an objective in health care institutions across the country by authorizing the Agency for Health Care Policy and Research to develop and advance a scientific understanding of palliative care; authorizing a program for education and training in palliative care in the Health Resources and Services Administration of the Department of Health and Human Services; and authorizing additional funding for the palliative care award program beginning in fiscal year 2000.

I do want to note that a previous bill in 1998 caused concerns that it might inhibit doctors from prescribing adequate pain relief. H.R. 2260 has been drafted to resolve those concerns. I am very pleased that the interested parties have worked together over the past year and have crafted legislation that will not only encourage doctors to prescribe effective pain management but also encourage alternatives to euthanasia.

□ 1045

Today, the National Hospice Association states that "this legislation is a step toward better awareness of effective pain management techniques and should ultimately change behavior to better serve the needs of terminally ill patients and their families."

The organization Aging With Dignity states that, "improving end of life care is the best way to keep legalized euthanasia and assisted suicide away from mainstream America. Doctors can treat their patients and lessen their pain, and this needs to happen now. This law will help them do that."

These groups join the American Medical Association, the Coalition of Concerned Medical Professionals, Physicians for Compassionate Care, the American Academy of Pain Management, and the American Society of Anesthesiologists in supporting H.R. 2260.

I want to commend the gentleman from Illinois (Mr. HYDE), the chairman of the Committee on the Judiciary, and the gentleman from Michigan (Mr. STUPAK), the cosponsor, for their efforts in sponsoring this excellent piece of bipartisan legislation.

Mr. Speaker, H.R. 2260 was favorably reported out of both the Committee on the Judiciary and the Committee on Commerce, as was the rule by the Committee on Rules. I urge my colleagues to support the rule so that we may proceed with general debate and consideration of the merits of this important bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Georgia (Mr. LINDER) for yielding me the time.

Mr. Speaker, this is a restrictive rule which will allow for the consideration of H.R. 2260, the Pain Relief Promotion Act of 1999. As the gentleman from Georgia described, the rule provides 1 hour of general debate equally divided and controlled by the chairman and ranking member of the Committee on Commerce and the chairman and ranking member of the Committee on the Judiciary.

Mr. Speaker, this rule permits consideration of only two amendments selected by the Committee on Rules. No other amendments are made in order. We on the Democratic side made an effort to allow amendments by all Members who submitted them in advance to the Committee on Rules, but were voted down on a party line.

This bill prohibits doctors from using drugs for suicide and euthanasia. It would have the effect of overturning the Oregon State law permitting physician-assisted suicide.

On the other hand, Mr. Speaker, the bill specifically permits doctors to provide pain reducing drugs, even if the use of those drugs increases the risk of death. This provision is very necessary to ensure that terminal patients can be given the treatment that they need so their suffering may be reduced.

This bill also creates a program to study pain management and to make the information widely available. This program is a very meaningful way to improve the way health professionals treat patients suffering from pain.

Mr. Speaker, I have known from personal experience the importance of these pain reducing drugs. Though this bill is controversial, it has very important features that deserve to be discussed by this entire body.

Mr. Speaker, I reserve the balance of my time.

Mr. LINDER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from south Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I thank the gentleman from Georgia for yielding me this time.

Mr. Speaker, I rise in support of the rule, but I would like to make a couple of comments about why I do not think we should support this bill.

I am strongly pro-life. I think one of the most disastrous rulings of this century was Roe versus Wade. I do believe in the slippery slope theory. I believe that if people are careless and casual about life at the beginning of life, we will be careless and casual about life at the end. Abortion leads to euthanasia. I believe that.

I disagree with the Oregon law. If I were in Oregon, I would vote against that law. But I believe the approach here is a legislative slippery slope. What we are doing is applying this same principle of Roe versus Wade by nationalizing law and, therefore, doing the wrong thing.

This bill should be opposed. I think it will backfire. If we can come here in the Congress and decide that the Oregon law is bad, what says we cannot go to Texas and get rid of the Texas law that protects life and prohibits euthanasia. That is the main problem with this bill.

Also, I believe it will indeed dampen the ability of doctors to treat dying patients. I know this bill has made an effort to prevent that, compared to last year, but it does not. The Attorney General and a DEA agent will decide who has given too much medication. If a patient is dying and they get too much medicine, and they die, the doctor could be in big trouble. They could have criminal charges filed against them. They could lose their license or go to jail.

Just recently, I had a member of my family pass away with a serious illness and required a lot of medication. But nurses were reluctant to give the medicine prescribed by the doctor for fear of lawsuit and fear of charges that something illegal was being done. With a law like this, it is going to make this problem much, much worse.

Another thing is this sets up a new agency. For those conservative colleagues of mine who do not like the nationalization of medical care, what my colleagues are looking at here is a new agency of government setting up protocols, educating doctors and hospitals, and saying this is the way palliative care must be administered. My colleagues will have to answer with reports to the Federal Government.

As bad as the Oregon law is, this is not the way we should deal with the problem. This bill applies the same principle as Roe versus Wade.

I maintain that this bill is deeply flawed. I believe that nobody can be more pro-life than I am, nobody who could condemn the trends of what is happening in this country in the movement toward euthanasia and the chances that one day euthanasia will be determined by the national government because of economic conditions. But this bill does not deal with life and makes a difficult situation much worse.

Mr. Speaker, the Pain Relief Promotion Act of 1999 (H.R. 2260) is designed for one purpose. It is to repeal the state of Oregon's law dealing with assisted suicide and euthanasia.

Being strongly pro-life, I'm convinced that the Roe vs. Wade Supreme Court decision of 1973 is one of the worst, if not the worst, Supreme Court ruling of the 20th century. It has been this institutionalizing into our legal system the lack of respect for life and liberty that has and will continue to play havoc with liberty and life until it is changed. It has been said by many since the early 1970s that any legalization of abortion would put us on a slippery slope to euthanasia. I agree with this assessment.

However, I believe that if we are not careful in our attempt to clarify this situation we also could participate in a slippery slope unbeknownst to us and just as dangerous. Roe vs. Wade essentially has nationalized an issue that should have been handled strictly by the states. Its repeal of a Texas State law set the stage for the wholesale of millions of innocent unborn. And yet, we once again are embarking on more nationalization of law that will in time backfire. Although the intention of H.R. 2260 is to repeal the Oregon law and make a statement against euthanasia it may well just do the opposite. If the nationalization of law dealing with abortion was designed to repeal state laws that protected life there is nothing to say that once we further establish this principle that the federal government, either the Congress or the Federal Courts, will be used to repeal the very laws that exist in 49 other states than Oregon that prohibit euthanasia. As bad as it is to tolerate an unsound state law, it's even worse to introduce the notion that our federal congresses and our federal courts have the wisdom to tell all the states how to achieve the goals of protecting life and liberty.

H.R. 2260 makes an effort to delineate the prescribing of narcotics for alleviating pain from that of intentionally killing the patient. There is no way medically, legally, or morally to tell the difference. This law will serve to curtail the generous use of narcotics in a legitimate manner in caring for the dying. Claiming that this law will not hinder the legitimate use of drugs for medical purposes but not for an intentional death is wishful thinking. In fear that a doctor will be charged for intentionally killing a patient, even though the patient may have died coincidentally with an injection, this bill will provide a great barrier to the adequate treatment of our sick and dying who are suffering and are in intense pain.

The loss of a narcotic's license, as this bill would dictate as punishment, is essentially denying a medical license to all doctors practicing medicine. Criminal penalties can be invoked as well. I would like to call attention to my colleagues that this bill is a lot more than changing the Controlled Substance Act. It is involved with educational and training programs to dictate to all physicians providing palliative care and how it should be managed. An entirely new program is set up with an administrator that "shall" carry out a program to accomplish the developing and the advancing of scientific understanding of palliative care and to disseminate protocols and evidence-based practices regarding palliative care.

All physicians should be concerned about a federal government agency setting up protocols for medical care recognizing that many patients need a variation in providing care and a single protocol cannot be construed as being "correct".

This program is designed to instruct public and private health care programs throughout the nation as well as medical schools, hospices and the general public. Once these standards are set and if any variation occurs and a subsequent death coincidentally occurs that physician will be under the gun from the DEA. Charges will be made and the doctor will have to defend himself and may end up losing his license. It will with certainty dampen the enthusiasm of the physician caring for the critically ill.

Under this bill a new program of grants, cooperative agreements and contracts to help professional schools and other medical agencies will be used to educate and train health care professionals in palliative care. It is not explicit but one can expect that if the rules are not followed and an institution is receiving federal money they will be denied these funds unless they follow the universal protocols set up by the federal government. The bill states clearly that any special award under this new program can only be given if the applicant agrees that the program carried out with the award will follow the government guidelines. These new programs will be through the health professional schools, i.e. the medical schools' residency training programs and other graduate programs in the health professions. It will be a carrot and stick approach and in time the medical profession will become very frustrated with the mandates and the threat that funds will be withheld.

The Secretary of Health and Human Services in charge of these programs are required to evaluate all the programs which means more reports to be filled out by the institutions for bureaucrats in Washington to study. The results of these reports will be to determine the effect such programs have on knowledge and practice regarding palliative care. Twenty four million dollars is authorized for this new program.

This program and this bill essentially nationalizes all terminal care and opens up Pandora's box in regards to patient choices as well as doctor judgment. This bill, no matter how well intended, is dangerously flawed and will do great harm to the practice of medicine and for the care of the dying. This bill should be rejected.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. ROTHMAN).

Mr. ROTHMAN. Mr. Speaker, I rise in support of the rule, but I join the gentleman from Texas (Mr. PAUL) in opposing the bill. Make no mistake about it, the bill in question deals with pain, excrutiating, horrible pain, the kind of pain that afflicts literally tens of millions of Americans, chronic pain, terminally-ill pain.

What is the difference? Well, what is the story here in America with regards to providing pain medication to those tens of millions of Americans who so desperately need the pain medication? Well, there is a consensus in the United States, Democrats, Republicans, liberals, conservatives, everyone agrees. There is an undertreatment of pain in the United States of America.

Why? Primarily we are told because doctors feel intimidated if they give too much pain medication to those patients in terrible pain who are asking for it, they do not want to die, they just want pain relief, because the doctors are afraid of a civil medical malpractice lawsuit.

So what does the underlying bill do? It provides for a criminal penalty against doctors, 20 years in jail maximum. It provides license revocation, if a DEA drug enforcement agent can go through the pain prescription of every doctor prescribing pain prescription in America, and this drug enforcement agent feels the pain medication might have been intentionally overdone.

Now, if one thinks there is a chilling effect on doctors providing pain medication now, wait till H.R. 2260 if this bill gets passed. Hopefully my colleagues on both sides of the aisle who agree with me, and there are many of us, will support the substitute.

What does the substitute say? It says we are against physician-assisted suicide. We are against physician-assisted suicide. It says we want more research into pain medication. We want more understanding amongst doctors about the right way to prescribe pain medication.

But what it does not have, what the underlying bill has, is it does not provide this criminal penalty against doctors and license revocation. It keeps our eye on the ball.

We are talking about providing pain relief for those millions of American children, men and women in agony, dying horrible deaths. So why would my colleagues, some of them, be wanting to introduce this bill in the first place? It is clear, and they say so quite candidly. They do not like the Oregon physician-assisted suicide law. Many of us do not.

I voted against physician-assisted suicide here in the Congress, as did the majority of my colleagues. We do not like the Oregon physician-assisted suicide law, but do not have a law. Go to the Supreme Court. Get it thrown out if it is unconstitutional. But do not have a law that will affect all 50 States, tens of millions of Americans who are suffering who need pain medication. Do not affect all those Americans because one does not like the law that the people of Oregon twice chose in referendum. If my colleagues do not like it, ask the Supreme Court to declare it unconstitutional, but do not cause so much suffering.

Some of my colleagues will say, well, there is a law like the one we want to introduce today in Congress passed in a couple of States, and pain medication went up, and they had no problem. Well, those State laws did not involve the Drug Enforcement Agency having the right to review every single prescription for pain medication that every doctor in America is going to prescribe. It goes against common sense.

If one is a doctor and now the DEA can come in to review one's records of every pain prescription one prescribes, it would go to intimidate. The Drug Enforcement Agency should be going after the drug cartels in South America. They should not be looking at every single pain prescription that every single doctor in America prescribed.

We need pain relief. We need doctors and local medical societies, the majority of whom support the substitute and are against the bill. The majority of the nurses associations in America are for the substitute and against the bill, while the doctor organizations are split.

What you have here is obvious. Doctors are conflicted. They are afraid. They are uncertain. The nurses who are the last line of defense, who treat these terminally-ill patients writhing in pain, they are almost unanimous against the bill and in favor of the substitute.

So if my colleagues want to deal with pain in America and they do not want to inhibit doctors from providing the pain medications that tens of millions of Americans are going to be affected with, vote against the bill, vote for the substitute which says we are against physician-assisted suicide.

We want more doctors to prescribe pain medication, not to kill the patient, but to provide the relief that they are begging for in their last days and months on Earth. But do not put them in jail. Do not threaten to put them in jail. Let the States' local medical societies who each have their own traditions and customs and have worked on the details of these bills for so long, let them deal with it appropriately. I ask my colleagues to support the substitute.

Mr. LINDER. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Oklahoma (Mr. COBURN.)

Mr. COBURN. Mr. Speaker, this is the bill. What the gentleman from New Jersey (Mr. ROTHMAN) just said is false. There is no penalty in here. Every doctor in this country today, every controlled substance is available for review by the DEA. There is no change in that. The gentleman knows that. There is no penalty, new penalty in this bill for anybody. What this bill is about is saying that Federal law, as far as narcotics control, cannot be preempted by a State in the use of those narcotics. That is what it is about.

The gentleman has not ever given pain medicine to somebody who is dying. I have. I have intentionally medicated somebody to help them with their pain. Unfortunately, as a consequence of that, some have died. There is nothing that keeps us from doing that today except our fear of rhetoric that is untrue.

That is untrue, absolutely blatantly false that there is criminal penalties in this bill for any doctor who does the right thing. This is about not allowing the State to stick their nose out at a Federal law that we all know is important, and that is controlling dangerous substances.

Now, the gentleman's desire is an honorable desire that, in fact, we should help doctors alleviate pain; and we can do that. There is no question that I have seen in my 18 years of practice of medicine that we, in fact, do not do as good a job as we should at that issue. But to take and create that as a reason to allow any State to use narcotics to kill a patient is wrong. That is what is going to happen.

We have great testimony. We have the great experience of the Dutch. We had 2,100 people in 1995 in Holland who were euthanized against their will. They did not want to die. But a doctor decided they should not live anymore.

The slippery slope that the gentleman from Texas (Mr. PAUL) talked about and his understanding of this bill I believe is wrong. There is a slippery slope. But it is not the slope of allowing the Federal Government to continue to enforce the laws of this land and to have a Federal standard on narcotics. That is not the slippery slope.

The slippery slope is to create an environment where any State, regardless of their own desires, can ignore Federal law today; every doctor who writes a prescription for a controlled substance can be reviewed; every prescription can be looked at by the DEA.

There is no new authority for the DEA in this. What this bill says, and it is only this few pages, is that the law applies to every State equally, and that just because Oregon decides that they want to take someone's life, that they should not be able to say that Federal law does not apply.

The fact is all life has value. As we have determined in this country, we have said the unborn does not have value. Now Oregon says the dying do not have value, and that in the future, those that are not dying have no value.

□ 1100

There were just 1,100 babies that were born last year and the year before in the whole land that the doctor decided should not live. So what did they do? They gave them paregoric, they paralyzed the respiration, and they died.

Do we want doctors deciding who lives and who dies? No, we do not want that. This is a slope, a real slope where we are going to become God. We do not have that power. The Declaration of Independence says that we should have the right to pursue life, liberty, and the pursuit of happiness. Nothing in it says we have the right to pursue death, nothing.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. ROTHMAN).

Mr. ROTHMAN. Mr. Speaker, I would like to respond to my colleague.

The gentleman was very clever. Even though he is a physician, he spoke like a Philadelphia lawyer, and he said this bill does not provide criminal penalties if they do nothing wrong. But if they did in the opinion of the Drug Enforcement Agency, then the doctor can go to prison.

Mr. LINDER. Mr. Speaker, will the gentleman yield?

Mr. ROTHMAN. I yield to the gentleman from Georgia.

Mr. LINDER. Mr. Speaker, what he said, as I heard it, is that it does not provide any additional penalties that are not already there.

Mr. ROTHMAN. Mr. Speaker, reclaiming my time, he said that. And then he said, to clarify it, there will be no jail time if they do not do anything wrong, or words to that effect. Because if they do do something wrong in the opinion of the Drug Enforcement Agency, which is now being called upon in this bill to look into this, they can go to jail and they will lose their license.

Again, the question is, if we are concerned about pain medication, let us pass a bill about pain medication. That is the substitute, which is also against physician-assisted suicide. And if my colleagues did not like the Oregon referendum of physician-assisted suicide, as I do not, then go to the Supreme Court and declare it unconstitutional.

Do not let the tens of millions of American children, men, and women suffer because they do not like the Oregon law. Change the law, get it declared unconstitutional, and leave these patients and doctors alone.

Mr. LINDER. Mr. Speaker, for a point of clarification, I yield myself 30 seconds to make this point.

What the gentleman from Oklahoma (Mr. COBURN) said was that this bill does not provide any new or additional penalties that are already not extant. This is nothing changed. Those penalties can occur today. He made the point very clear, I thought, that the whole point of this bill is to not allow States on their own to exempt themselves from Federal laws with respect to controlled substances.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the gentleman who preceded me in the well may well be a good physician, but he is not an attorney.

The Department of Justice says, "By denying authorization under the Controlled Substances Act, H.R. 2260 would make it a Federal crime for a physician to dispense a controlled substance to aid a suicide. However, a physician who prescribes the controlled substances most commonly used to aid a suicide would, because he or she necessarily intends death to result, or may have intended death to result, or should have known that death should have resulted, would face a 20-year mandatory minimum sentence in Federal prison."

That is what we are talking about here, the Drug Enforcement Administration second-guessing the intention after the fact of every physician in America.

Let us use a real-life example. This is a pain medication. If this were a barbiturate for end-of-life care and it was prescribed by my physician aggressively that I was to take one every 2 hours to relieve my excruciating pain, say from bone cancer, that would be legal.

Now, if this prescription, a pain relief prescription, was prescribed by my doctor for aggressive pain relief management, one to be taken every 2 hours, and I took this entire vial all at once and died, the question would be what was my physician's intent in giving me this prescription? Was it that I would really take one every 2 hours, or did my physician know or should my physician have known that I might choose to take all of them at once?

What this means ultimately, the absurdity of this, is any physician who does not want to risk being investigated by the Drug Enforcement Administration, and nobody wants that, is going to have to say they can have one pill every 2 hours, send their wife or kids down to the 24-hour pharmacy to pick them up for them, because he gives them more than one and they take them all at once and they die, the Drug Enforcement Administration is going to question his intent.

That is the cover of law that is being ripped away by this well-sounding, theoretically well-meaning legislation.

In their zeal to overturn the Oregon law, which is not euthanasia, which does not allow a doctor to give an injection, which does not allow a doctor to administer a prescription, which allows individuals who are terminally ill who have a diagnosis they will die within 6 months, after consulting with two physicians, after consulting with a psychiatrist to go to their physician and ask for a prescription which they can only self-administer.

This is not euthanasia, and it has been very, very infrequently used in our State. In fact, probably fewer people have shot themselves or otherwise killed themselves under fear of the pain they were going to undergo because of the Oregon law.

But these people on this side of the aisle who are for States' rights every day of the week when a State says something they agree with are suddenly today standing up and saying, well, we are for States' rights as long as we agree with the State.

Preempt the will of the Oregon people. It is not the State of Oregon, it is the people of the State of Oregon twice by initiative and referendum who have passed this law.

Mr. LINDER. Mr. Speaker, for a quiet and dignified response, I yield 2 minutes to the gentleman from Oklahoma (Mr. COBURN).

Mr. COBURN. Mr. Speaker, what the gentleman fails to state is that the DEA already has that power.

Yes, there is no more important thing than intent. Every doctor, when they graduate from medical school, their goal is to preserve life, not take it. There are lots of times in my life that have been low, I would have loved to have been out of here. But I am glad somebody did not help me leave. Because there is always another day.

For those of my colleagues who have not treated dying patients with metastatic bone cancers, first of all, we do not use barbiturates. We use narcotics. Barbiturates are not used for pain relief. They are used to accentuate pain relief. But narcotics are used for pain relief.

There is no new law. The DEA, if I misuse a drug today, a controlled substance, can in fact harm me, take away my license to dispense drugs, and incarcerate me. And rightly so.

We do not in this country, under our Constitution or our Declaration of Independence, have the right to die. That is not one of the guaranteed freedoms in this country. We do not have the right to die. As a matter of fact, it is against the law to commit suicide in many States.

So what we are really saying is the motivation of the people from Oregon is a good motivation. People are in pain. How do we fix that? Well, the professionals have already said we need to do a better job of training doctors and we need to make sure doctors do not feel afraid to go up with the intention of alleviating pain and worry about the unintended consequence it might suppress somebody's respiration and they die.

This bill truly addresses that because it does not give the free will for a physician to say, we are going to take their life. Most people who want their life taken have a clinical depression, a clinical depression. They have another illness besides the illness that is in front of everybody, and it is that, that we need to recognize.

Mr. MOAKLEY. Mr. Speaker, I am happy to yield 3½ minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, I rise in opposition to the underlying bill and in support of the Johnson-Rothman-Hooley substitute amendment to H.R. 2260.

All of us come to this issue of pain and end of life from very different perspectives. Some would like to effectively overturn Oregon's law that allows physicians to assist terminally-ill patients with less than 6 months to live in ending their lives. Since we passed that law, and we passed it twice, 15 terminally-ill patients have used such assistance.

Undoubtedly, the proponents of H.R. 2260 are motivated by a heartfelt desire to eliminate a physician-assisted suicide. The Johnson substitute seeks that same outcome, but the difference is it addresses the problem as a medical problem and not a law enforcement problem.

In the 6 months that it took the gentlewoman from Connecticut (Mrs. JOHNSON) and I to draft the Conquering Pain Act, H.R. 2188, from which this Johnson substitute is derived, not one expert concerning improving end-of-life care said we need to take away authority from the State. Not one expert recommended amending the Controlled Substances Act, in which the Pain Relief Promotion Act would. Not one expert said this was the best way to improve pain management.

Interestingly, the American Medical Association and the National Hospice Organization were an integral part in our working group and ultimately endorsed the Conquering Pain Act, on which the Johnson substitute is based, never once raising the issue of the Controlled Substances Act.

In fact, at a hearing in October at the Senate Committee on Health, Education, Labor, and Pensions, where experts were asked where should we begin to improve management, every expert witness said we should begin with education and research. Not one expert said the best way to improve management pain management for patients is to amend the Controlled Substances Act.

Dr. Richard Payne, Chief of Pain & Palliative Care Services at Memorial Sloan Kettering Cancer Center, and a co-chair of the Agency for Health Care Policy and Research panel on cancer pain guidelines summed it up well. "While H.R. 2260 is well-intentioned, it is counterproductive. It would have a chilling effect on aggressive pain management."

Dr. Payne and many physicians and other health care practitioners, those who specifically specialize in pain management, not the generalist, are urging the support of the substitute based on H.R. 2188, "the bill that would constructively promote end-of-life and palliative care," and urge a no vote on H.R. 2260 as reported by committee.

I know others may disagree. But it is clearly not worth the risk that people will suffer, and people will suffer in more pain by passing H.R. 2260.

Under the Johnson substitute amendment, Congress expresses its clear opposition to assisted suicide, makes every effort to reduce it. What is more important is the Johnson substitute seeks to address the reason a suffering individual at the end of their life might seek that dreadful option, fear and exhaustion of being in pain.

I urge a yes vote on the Johnson substitute and a no vote on H.R. 2260.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), the author of the Johnson substitute.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding me the time, and I rise in support of the rule and appreciate the Committee on Rules allowing me to offer my substitute.

To just comment on the earlier debate, Mr. Speaker, the Hyde bill does not impose new penalties, but the Hyde bill does identify a new role for DEA agents, who are nonmedical people. That role involves judging the intent of a physician and thereby exposing physicians to criminal penalties, not for trafficking or other illegal activities involving drugs but for exercising their professional judgment in the delivery of patient care.

□ 1115

But I rise at this point in the debate to call the attention of my colleagues to a Dear Colleague that I sent out recently about the testimony of David Jorensen. He is the director of the pain and policy studies group at the Comprehensive Cancer Center at the University of Wisconsin, cofounder of the National Association of State Controlled Substances Authorities and the State cancer pain initiative. He served many years on the drafting committee of the national conference of commissioners on uniform State laws to revive the Uniform Controlled Substances Act for the United States. In other words, he is extremely experienced in this issue of managing controlled substances and in pain management. I urge my colleagues to review the rather dry Dear Colleague that I sent out, because it lays out the clear history of this matter. Under current law, medical issues are deferred to enforcement by medical agencies, whether it is HHS at the national level or State medical agencies or medical review boards that have been put in place to oversee medical practice and standards of care at the State level. In other words, current law clearly allows the use of controlled substances for pain management and regulates such medical uses through HHS and State health agencies, including medical review boards and licensure laws and clearly does not allow DEA or agencies who have no knowledge in this area to be part of the enforcement mechanism.

Mr. MOAKLEY. Mr. Speaker, I yield 5½ minutes to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I rise in opposition to the rule and in opposition to the bill in its current form and want to make several points. First of all, this is the whip notice for today. It says we are getting out of session this afternoon between 3 and 4 o'clock. Two amendments, very important amendments, were offered to the Committee on Rules which the Committee on Rules chose not to make in order, we presume because we do not have time to debate the issues that were to be debated related to this bill. One of those amendments is an amendment that would have been offered by myself in conjunction with the gentleman from Oregon (Mr. WU) and several other Members of this House which in effect walks a line between the bill as it is currently structured and the substitute as it is proposed. There are some of us who really do not have any problem with parts of this bill as it is drawn. We ought to be encouraging palliative care and pain relief, but we ought to be doing it in such a way that it is explicitly clear that we are not preempting States' laws. That is what our amendment would have done. But apparently the Committee on Rules decided that that kind of balanced approach to this debate was not something that this House ought to entertain. We ought to either have it all on the one hand or have a complete substitute on the other hand. That should not have happened and it certainly should not have happened on a day that the House is recessing at 3 or 4 o'clock in the afternoon.

The second amendment that was offered is one that is of equal importance, because a number of us through the years have had severe problems with the disparity in sentencing between crack cocaine and powder cocaine. Under this bill, a physician can prescribe cocaine for the purposes of alleviating pain. It is a schedule 2 drug under the Controlled Substances Act. But if that physician prescribes crack, a form of cocaine, and if the opponents of this bill are correct that that would subject the physician to a criminal penalty if he prescribed powder cocaine for the relief of pain, it would subject him to one-tenth of the penalty that it would subject the physician to if he prescribed crack cocaine, a derivative of the same product, we should at least equalize the penalties if we are going to penalize physicians even if there were some rationale for doing it out in the community which we do not believe there is and which has resulted in disparate imprisonment between poor people and rich people, poor people being typically people who take crack cocaine and rich people being people who take powder cocaine, the only distinction rationally that you could even argue. There is no reason that we ought to penalize a physician disproportionately under this bill.

Now, there is something wrong with my colleagues saying one day that we believe in States' rights and the next day saying we are going to preempt Oregon's State law. That is what my amendment would have done. It would have protected Oregon's law in one simple phrase, the simple phrase being "except in compliance with applicable State or Federal laws." This whole law could have applied. If the objective is to increase the use of palliative care and encourage pain relief, then we should not be here debating about whether to overrule a State's law.

Unlike the physician who came to the floor who may be very skilled in his knowledge of medicine, I want to direct his attention to amendment 10 to the Constitution. It says that the powers not delegated to the United States by the Constitution nor prohibited to the States are reserved to the States respectively or to the people. The people have the right to pass a statute in Oregon and have that statute honored and we should honor it here on this floor of the House.

Mr. LINDER. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. CANADY), the author of the bill.

Mr. CANADY of Florida. Mr. Speaker, I appreciate the gentleman yielding time. Actually the gentleman from Illinois (Mr. HYDE) is the author of this legislation.

I want to address this misconception that we keep hearing here, that somehow this bill will expand the investigative or enforcement authority of the DEA. That is simply not true. That is not what this bill will do. If we look at what the Attorney General said, and I do not agree with the Attorney General on the way she has approached the application of the law in Oregon, but she said, "Adverse action under the Controlled Substances Act may well be warranted where a physician assists in a suicide in a State that has not authorized the practice under any conditions or where a physician fails to comply with State procedures in doing so." She herself has acknowledged that. Everyone who has looked at the law understands that physicians who violate a State law in providing a controlled substance for assisted suicide face penalties from the DEA. There is no question about that. That is the state of the law now. We are not creating any additional regulatory scheme. That scheme is already in place. It is very important that people understand that.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Mr. Speaker, I rise to support the rule. I am proud to have introduced this legislation with the gentleman from Illinois (Mr. HYDE) of the Committee on the Judiciary. This legislation is cosponsored by 150 bipartisan Members of this House.

This legislation amends the Controlled Substances Act to clarify that doctors and other licensed health care professionals who dispense, distribute and administer pain control drugs for legitimate medical purposes of alleviating a patient's pain or discomfort are permitted to do so even if the use of these drugs may increase the risk of death.

This bill also reinforces current Federal policy that the administration, dispensation or distribution of a controlled substance for the purpose of assisting in a suicide is not authorized by the Controlled Substances Act. We make clear that the Attorney General in implementing the Controlled Substances Act shall not recognize any State law permitting assisted suicide or euthanasia.

This legislation reflects the hard work of many, many people and many organizations. We have brought the hospice organizations on board to support this legislation. In addition to the National Hospice Organization, this bill is supported by the American Medical Association, Hospice Association of America, American Academy of Pain Management, American Society of Anesthesiologists, American College of Osteopathic Family Physicians and C. Everett Koop.

Some organizations and Members as we have heard today are concerned that this bill would chill the doctor's ability to prescribe pain medication. Nothing could be further from the truth. Currently, doctors run afoul of the Controlled Substances Act if their actions cause or contribute to the fatal or near fatal overdose of drugs. In essence, the current standard for enforcement by the DEA is whether or not the use of controlled substances by a doctor served a legitimate medical reason. That is the standard. The bill makes clear that the Controlled Substances Act allows doctors to administer drugs for the purpose of relieving pain. This has always been the Federal policy and it remains the Federal policy under this legislation.

If the critics would examine the first sentence of section 101 of the bill, they will see that the bill provides for a safe harbor for aggressive treatment of pain, even if the treatment increased the risk of death. The second sentence of the same provision limits the safe harbor, because without it people could always claim they were assisting suicide in the treatment of pain.

I urge my colleagues to listen to the criticism and compare it to the actual language of the bill and I am confident that my colleagues are inaccurate who criticize this bill.

H.R. 2260 does a lot more than provide a safe harbor for the treatment of pain. Last year in the Committee on Commerce, we debated the Assisted Suicide Funding Restriction Act. Many Members expressed concern that the lack of palliative care in this country was responsible for the helplessness that many chronically ill patients feel that lends to assisted suicide. The bill addresses those concerns as we amend the Public Health Services Act to authorize the development and advancement of scientific understanding of palliative care. The agency is directed to collect and disseminate protocols and evidence-based practices for palliative care with priority for terminally ill patients. The bill also amends the Public Health Services Act by authorizing a program for education and training in palliative care.

This bill ends assisted suicide and relieves pain. This legislation makes sense. It makes clear and again reinforces the current Federal policy that under the Controlled Substances Act, the distribution of a controlled substance for the purpose of assisting in suicide is illegal. The legislation gives physicians the ability to treat patients, to provide palliative care and increase our understanding of palliative care. The bill reinforces the written policy of the Federal Government and the administration, and I quote from that policy, that it "strongly opposes the practice of physician-assisted suicide and would not support the practice as a matter of Federal policy." What we are doing here is reinforcing Federal policy that has always been on the books.

Vote for the Pain Relief Promotion Act of 1999. Stand up for palliative care for terminally ill patients and their families and stand up against assisted suicide. Vote "yes."

Mr. LINDER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the Pain Relief Promotion Act. This bill is good legislation because it is simple, it is straightforward and it addresses the concerns of every family member who has ever held the hand of a loved one who is in pain and near death.

The gentleman from North Carolina (Mr. WATT) for whom I have high regard raised the concern about States' rights and are we violating this. First of all, it is very appropriate and necessary that Congress legislate on this issue in order to retain a uniform national standard over controlled substances. This is very important.

□ 1130

I want to harken back to the gentlewoman from Connecticut who raised an issue and said this is a new role for the DEA. This is not a new role for the DEA. The DEA does not have the final judgment over this.

I was United States Attorney. I actually had to prosecute a doctor for dispensing controlled substances without a legitimate medical purpose. It appeared to me that that was the case, that they were just putting out controlled substances without any good medical reason for it. Well, we went to a jury on that case, and the medical community came in, and they gave testimony and said it was for a legitimate medical purpose. They reviewed that and said it was appropriate, and then the jury made a decision on that.

That is how the system presently works, but the problem is because of the issue of physician-assisted suicide and because of the chilling impact and the concern of physicians they are not dispensing pain relief medication because they are concerned that they could be second guessed that it is not for legitimate medical purpose.

So what this does is it tightens it, it makes it clear, it tells the DEA that we cannot look into it if it is to relieve pain. We want to make it clear and provide the guidance for physicians. We want to remove that chilling impact so that they can appropriately administer pain medication without concern that they are going to be second guessed by someone that it is not for legitimate medical purpose.

But we also clarify that if they have the intent to cause the death of someone, then they cross the line. They cross the line, and that will not be accepted medical purpose. It will not be accepted in our society, and so we are drawing a clear line of distinction there that gives the physician the guidance that they need, it takes the discretion away from a DEA agent, and it follows the same path that we have handled in our cases under the Controlled Substances Act for decades and decades.

And so this should be helpful to the physicians, but it should be very helpful to our society and to the patients who need the pain medication, who want a higher quality of life as death approaches or they have a terminal illness; but it makes it clear that in our society that doctors honor the Hippocratic Oath that they will protect and enhance the quality of life. I ask support.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. MORAN).

Mr. MORAN of Kansas. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I speak today in support of H.R. 2260, the Pain Relief Promotion Act, and in support of this rule. This legislation will establish that the practice of assisted suicide and euthanasia are neither legal nor condoned medical procedures in this country. In addition, this legislation is a significant step forward in our efforts to effectively encourage pain management for terminally-ill Americans.

For those who have concerns with this measure, I would encourage them to read the bill language. The legislation is explicit that it does not affect health professionals providing care and treatment even in the case of accidental death. In fact, H.R. 2260 encourages, encourages physicians to provide the full range of treatment to alleviate pain and suffering for their patients.

Physicians in the hospice community have endorsed this bill, and the evidence is clear that banning assisted suicide does not deter pain relief. I would encourage any remaining skeptics to look at the experiences in my home State of Kansas and other States where similar measures have been implemented. The concern by the opponents of this legislation is that it would deter the use of pain medications such as morphine.

While I was a member of the State Senate, Kansas first enacted legislation to ban assisted suicide in 1993 and then again strengthened those protections in 1998. The evidence in our State of Kansas is clear. The use of morphine to alleviate pain has not declined and in fact has risen significantly. In 1993 Kansas health professionals administered roughly 561 grams of morphine per 100,000 individuals. Six years after the ban on assisted suicide, morphine prescriptions rose to 4,573 grams, a significant increase, not a decrease.

Mr. Speaker, rather than encouraging euthanasia, we need to aggressively pursue effective pain management. Today, we have the technology and medication to successfully control pain. This legislation establishes education and training initiatives to ensure that health professionals recognize the array of pain management tools that are available to them. I encourage my colleagues to support this rule and to ultimately support the passage of this act.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. LATHAM).

Mr. LATHAM. Mr. Speaker, I thank the gentleman for yielding this time to me, and I just rise in support of the rule and, as a cosponsor of the bill, obviously for passage of this.

I really believe that we are on a very slippery slope when we look at the sanctity of life and the quality of life, and it is a very personal issue with me. I have an 87-year-old father who has advanced Alzheimer's; and as my colleagues know, we could question what the quality is or what the value of that life is, but to my mother who has been married, they have been married for 61 years, and that is her life every day, is to go to the home, visit my father, and there is extraordinary quality there.

And my parents have worked very, very hard all of their lives, and they are fortunate that they have enough money saved up that they are able to pay for their care. I am very concerned that on this slippery slope, if we have the opportunity for a third person to make decisions, life and death decisions for folks, who is going to live and who is going to die in the case of my father as an example. My father is able to pay for his care. If we have a third person, a bureaucrat who is making a decision for a ward of the county or of the State, what is their decision? I think we have to look very, very closely at the direction we are heading in this country. This bill allows my father, if he were to go into pain, have real problems, to get that kind of treatment. But it is wrong, it is very wrong, for someone else to make that decision to take his life and for other motivations that may be outside of his own well-being, obviously.

So again, on a very personal level I rise in support of this rule and in support of the underlying bill.

Mr. MOAKLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Speaker, I rise in opposition to the rule and to address an issue placed on this floor by the gentleman from Oklahoma concerning whether there is a constitutional right involved in this debate or not. I commend to the gentleman the Bill of Rights amendment number four, the right of the people to be secure in their persons shall not be violated, and amendment 10, the powers not delegated to the United States, et cetera, are reserved to the States or to the people.

I submit to my colleague that 208 years ago the founders of this republic foresaw this day when the rights of the few would be trampled by the political fears of the many, and that is why these amendments are in this Constitution.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. COBURN).

Mr. COBURN. As my colleagues know, I thank the gentleman for his words. I actually take that a completely different way. One does have the right to be secure, which means nobody has the right to take their life, nobody; and I would put forth to this body that if our Founding Fathers thought we killed 3 to 5 million unborn babies a year in this country, they would be sickened of heart at how we have not held on to the very principles of life, liberty and the pursuit of the qualities that go along with life and liberty.

There is not a stronger States' rights person here than me, but with the tenth amendment gives no right to take someone's life. We do have a Constitution of the United States; and if it was my own State, Oklahoma, had passed the Oregon law, I would be here fighting them because not only are they wrong constitutionally, they are wrong morally; and our founders founded this country on the basis of moral beliefs and the beliefs of a higher being that endowed us with inalienable rights, but one of those rights was not the right to take someone's life.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, to begin, I will respectfully dissent from the notion that this should be settled by the moral views of the Founding Fathers. They were very wise people in deciding how government should be structured, but people who spent a lot of time protecting the institution of slavery are not my moral instructors in all things.

What we have is a decision that we have to make, not people who lived 200 years ago, and the question is: does an individual who has been found competent, not a third party, because the Oregon law that is here under assault from the majority, the Oregon law that would be effectively repealed by this action of the United States Congress, the Oregon law twice passed by a referendum by the people of Oregon that would be undone, makes it clear that there is not a third party involved. The person themself must have made the decision that they want assistance in committing suicide and they must be found competent to do so.

Now we can argue about the role of the DEA and this and that, but that is not what got any of us here. We are talking about two fundamental philosophical questions. One is the right of a State to make decisions. We have traditionally said that where there is no need for a national uniform policy we will leave it to the States, and Members have said, "Oh, no, we have to have a uniform drug policy."

Well, we have to have uniform policy sometime for manufacturing. It is true if we are talking about manufacturing a substance in one State to be sold in every State it has to be uniform, but why the need for uniformity here? Is it the fear that someone will be in Idaho and mistakenly think she is in Oregon? Is it that someone will be in Oregon and forget and think they are in Washington? We are talking here about a specific discrete physical act, the act of someone being assisted in ending a life which he or she has decided, being of sound mind, that this life is no longer supportable.

There is no confusion. Everyone will know where the person is. There is no need for uniformity except, as the previous speaker said, if we decide to impose nationally the moral judgment of the Federal Government on this issue, and clearly the people of Oregon knew what they were doing; they were put to this twice.

They have twice decided that a sound individual, an individual of sound mind who finds life insupportable, who finds pain overwhelming, who finds paralysis in which they could do nothing but lay in bed intolerable, that that individual has the right to ask for assistance in committing suicide. And remember what I assume we are talking about, people who clearly would have the right, and I assume no one is interposing a Federal objection to suicide if the individual is capable of doing it. So the question is whether individuals who are not physically capable themselves and would otherwise have the right to commit suicide can ask someone, being of sound mind, to do that.

Now clearly there is no reason why the Federal Government has to intervene. There is no need for uniformity here. The existence of a right of assisted suicide in Oregon has no effect in Massachusetts or Oklahoma or Washington State unless someone wanted an individual to be transported there. But clearly the need for uniformity simply reflects a desire of people here to impose their moral views on the people of Oregon who have been found to be morally deficient in this particular regard.

Now that is a perfectly rational argument, but it is not one we can make and still be a States' rights proponent.

Let me also say, by the way, that the arguments about including palliative care, et cetera, those really cannot be made here because the gentleman from North Carolina pointed out he had a perfectly sensible amendment that would have preserved every aspect of this bill except its impulse to overturn the Oregon law. His amendment would have allowed every single other factor of the bill and say and because of that the Committee on Rules unfortunately would not allow it.

So the only thing that is at issue between us is this decision to overturn the Oregon law, and now we get to the philosophical issue: Does an individual have the control of his or her own life; does an individual have the right to say it is my life and I am in charge of it, and that includes the right to decide that it should be ended?

And we have people who believe philosophically, some out of a religious belief, some out of some other set of philosophical belief, that that is not true, one's life does not belong to them. We, the government, the national government of the United States, we, the Congress, can say to them: no, they may not do that.

□ 1145

We do not care how much pain one is in. We do not care how much one is tormented. We do not care how much, and I believe in many cases the psychological pain of being confined, rigid, being only a mind and nothing else, being totally dependent on others for everything else, and perhaps combining that with some pain, that is irrelevant. We will decide. We will decide under what conditions one will live. We will compel one to live against one's will.

That is what we are saying here, we, the United States Government, will compel one to live against one's will even though the people of one's State decided otherwise, because we have a moral framework which excludes one's right to end one's life.

I do want to have one other point here. We say, well, this is not interfering with States' rights, because these are federally controlled substances, so the Federal Government has the right to control them. The fact that we regulate something in one regard does not mean the Federal Government owns it. What is at stake here is a decision by the Federal Government to impose the moral views of a majority of this House on the people of the State of Oregon.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, nearly 50 years ago, Doctors Watson and Crick were given the Nobel Prize in medicine for discovering the stuff of life. They defined deoxyribonucleic acid, DNA. Twenty years ago, Dr. Crick suggested seriously in Great Britain that people reaching the age of 80 ought to be eliminated because they were very expensive and not productive. That is the casual attitude about life and death that we ought not let States undertake.

This bill does two substantive things. It adds protections for doctors who use medications to treat pain, and it applies a 1970 law on controlled substances equally across 50 States. All States must abide by that law, irrespective of Oregon's decision to exempt itself from it.

If Texas chose to exempt itself from a national law in deadbeat parents, would we sit by and say, well, that is fine; they had a vote, it is not our business? If New York voted to allow no welfare reform and allow people to stay on welfare forever, would we sit back and say that is fine, it is not of our business, they voted?

Federal laws should be abided by equally by 50 States, and we have a 1970 Controlled Substances Act that Oregon has chosen to exempt itself from. This law would change that. Must we treat life with more dignity than we are in Oregon? Should we allow people to take their lives or to ask others to take their lives? We think so.

Two decades ago, a Methodist pastor was in Connecticut Hospital in serious pain from cancer and wrote a letter to Bill Buckley, the editorialist. He said, "I have spent a great bit of time thinking about suicide and praying about it. But then I concluded that I have no right to take away what God has given me on this Earth. I do, however, have the right to pray for early release from this diseased ravaged carcass."

We have no right to take away what God has put on this Earth or asking our friends who are doctors to take it away. But this bill is not about that. This bill is about saying that 50 States must abide equally by national laws, in this instance the 1970 Controlled Substances Act.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. COBURN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2260, and to insert extraneous material on the bill.

The SPEAKER pro tempore (Mr. PETRI). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PAIN RELIEF PROMOTION ACT OF 1999

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 339 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2260.

□ 1149

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2260) to amend the Controlled Substance Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes, with Mr. PETRI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Oklahoma (Mr. COBURN), the gentleman from Michigan (Mr. STUPAK), the gentleman from Florida (Mr. CANADY), and the gentleman from Michigan (Mr. CONYERS) each will control 15 minutes.

PARLIAMENTARY INQUIRY

Mr. DEFAZIO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. DEFAZIO. Mr. Chairman, is it not usual that the time is divided equally between proponents and opponents?

The CHAIRMAN. The rule provided for the division of time that was just announced by the Chair.

Mr. DEFAZIO. Mr. Chairman, it specified that three-quarters of the time would go to proponents and one-quarter, 15 minutes, would go to the opponents. Is that correct? Is that what the rule specified?

The CHAIRMAN. No. The rule provided that the time would be divided among the chairmen and ranking minority members of the reporting committees.

The Chair recognizes the gentleman from Oklahoma (Mr. COBURN).

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have heard a lot of debate already on the rule. We have heard a debate about the intent of our Forefathers. I would counter what the gentleman from Massachusetts (Mr. FRANK) said during the debate on the rule that, in fact, that every law that we pass has a moral consequence; and that, in fact, if we read the writings of our Founders, they did not see that questions such as this would come up.

The real thing that we are going to be debating is about life. As the freest Nation in the world, are we going to abandon the principle that life has value?

I have come to recognize with all my own deficiencies, and especially how they have been exemplified my last 5 years in Congress, that we are all handicapped in one way or another. Some of us, we can see the external handicap. It is very plain and visible. Others, we hide our handicaps. But the fact is, all of us, handicapped as we are, have value, whether I agree with the philosophical point of view or not of that other individual, is that all of God's creation, all life has value.

What we are really debating is whether or not the State of Oregon can ignore a law that is 28 years old and decide that, in this country, the freest country of the world, that they will allow other people to decide whether life has value.

We are on a terrible slippery slope. The committee of which I am a member had testimonies about what has happened in Holland. In fact, when euthanasia and assisted suicide started in Holland, it was a very small number. It has grown progressively each year. But most importantly, because of the number of people who have been euthanized against their will, people now carry a card in Holland in their billfolds to say do not euthanize me.

They have had to do that because they are worried that, if they get in a precarious life-threatening situation, somebody might make the decision about their life. Our country cannot go that direction. We must demand and stand for the fact that all life has value.

Whether it is the unborn child just conceived, whether it is the child with multiple anomalies, it all has value. If it has no value, there is no real meaning to life in the beginning or in the end. I throw that off as a Member of this body, somebody who represents the great State of Oklahoma, who was brought up in a tradition that this is the freest country in the land, but it is only free if we preserve the principles of life.

Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, first of all, I want everyone in the chamber to know that this bill requires that two doctors and a patient, who has the understanding to make the decision, would make this decision for the taking of his life, physician-assisted suicide. So the tragedies and scare stories about other countries has nothing to do with this.

This legislation really represents a new hypocrisy by the majority who claim to support States' rights but would prevent the United States Attorney General from giving effect to State laws that allow physician-assisted suicide. They do not say anything about that.

The Supreme Court has said, quote, "Americans are engaged in an earnest, profound debate about the morality, legality, and practicality of physician-assisted suicide. Our holding permits this debate to continue."

This bill prevents and excludes that debate by coming to a Washington-knows-best solution coming from those who claim to support States' right. I support States laws. Although Republicans who have often claimed that citizen initiative is the most revered form of democracy, repeatedly sponsor bills that treat them as a higher form of law than others, they bring a measure to the floor today that would overturn an Oregon initiative that has been approved twice by large margins.

The 10th amendment, well, that is someone else's problem. It has reserved to the States those rights not given to the Federal Government. This is not a Federal issue. So, today, to consider a bill that has no grounding in interstate commerce or any other cause in the Constitution, in direct violation of the 10th amendment, compounded by the fact that they directly intend to override Oregon's law and would not give them a chance to make that exception in the Committee on Rules, this measure intrudes severely upon the essential relationship between a doctor and a patient.

Moreover, numerous medical associations have already told us that this bill, ironically, will deter doctors from treating pain because they fear they may be subject to criminal prosecution at the Federal level if their patients die. So it is especially disturbing considering that doctors are already undermedicating approximately 80 percent of their terminally-ill patients because they believe the current drug laws are too strict.

Let us not move in this direction. I commend to my colleagues the substitute of the gentleman from Massachusetts (Mr. STUPAK) and the gentleman from New Jersey (Mr. ROTHMAN), which will come up later.

Mr. Chairman, I reserve the balance of my time.

Mr. CANADY of Florida. Mr. Chairman, I yield 3 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from Florida for yielding me this time.

I rise in support of this legislation. I come to this debate today, not only as a legislator, but as well as a physician. I practice internal medicine. About once a month, I see patients. For 15 years prior to coming to the Congress, I practiced internal medicine full time.

One of the aspects of that for me was I had the opportunity to manage many patients with chronic pain and many patients, unfortunately, who were terminal who had, in many instances, metastatic cancer, with disease in their bones, and there was a lot of pain associated with their condition.

One of the experiences I discovered was that, with time and attention from the attending physician, it is possible to manage these patients quite successfully so that there is not suffering. Indeed, one of the things that I discovered was that the patients who suffered with severe pain, whether they were terminal or whether they had severe pain from a chronic disease and they were not necessarily terminal, the patients who were suffering were the patients who were being managed incorrectly. Their physicians essentially were incompetent, and that is why they were suffering.

That, in the hand of a competent physician, these patients can be managed correctly, and that their pain can be dealt with. Their nausea as a complication of their pain medicines can be dealt with. Indeed, even if they were severely depressed as a complication of their illness, one could manage them with medications. There is a whole plethora of drugs available.

Now, the reason why some people believe that physician-assisted suicide is necessary is, in my opinion, the false assumption that there are these cases that we cannot manage and, therefore, we have to euthanize these people.

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I argue today, before all my colleagues, that that is a very, very cruel and bogus hoax. In competent hands and in compassionate hands we do not have to resort to the extreme measure of managing a patient like we would Fido or Rover, and simply just put them to sleep; that we are essentially at the limits of what doctors can do.

My colleagues, there are narcotic pain relieving drugs not only available in pill form, there are medications available in suppository form, there are medications available that are transcutaneous patches of narcotic pain relievers, there is even a lollipop that doctors can use that has a pain reliever in it. I have never seen a patient that could not have their pain managed. And the people who would resort to this are people who are lazy or perpetrating a hoax on their patients.

Mr. STUPAK. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I thank my colleague for yielding me this time, and I rise in opposition to H.R. 2260, the Pain Relief Promotion Act. This is a cynical title for a bill that is not about pain relief but about overturning State-assisted suicide laws.

H.R. 2260 explicitly preempts State laws that govern the practice of medicine, even if the residents of those States have spoken on the issue. Understandably, this bill is opposed by the California Medical Association and other State medical associations.

I strongly oppose physician-assisted suicide, but assisted suicide and pain management are very distinct things, and this bill blurs that distinction.

Title I of this bill raises the prospect of the Drug Enforcement Agency, nonmedical people, second-guessing a physician or a health care professional's intent in prescribing large doses of controlled substances for patients who have very severe pain. The threat of investigation could scare health care professionals away from providing quality care to people who are living in desperate situations, living with uncontrolled pain. There are medical standards in place now, approved by the Joint Commissions Standards Committee.

This bill is opposed by the American Nurses Association. Nurses are the health care professionals who are most often at the side of patients helping them to deal with their pain and to continue to live their lives. Nurses are ethically bound to oppose this legislation because it creates barriers to appropriate and compassionate patient care. By making effective pain and symptom relief more difficult to obtain, H.R. 2260 is likely to increase suicide as desperate patients seek relief from unbearable pain.

In providing needed pain management, let us remember that we are not assisting patients to die, but helping them to live. I oppose H.R. 2260 and urge support of the Johnson-Rothman-Maloney-Hooley substitute.

Mr. COBURN. Mr. Chairman, I yield 1½ minutes to the gentleman from Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Chairman, I rise in support of the Hyde-Stupak bill.

Sometimes on this floor Members actually have to read the legislation. We had a debate here a few weeks ago on managed care in which part of the biggest problem that we had was to get people to read the legislation. So let me read the pertinent point in here, and that is this. "For purposes of this act and any regulations to implement this act, alleviating pain or discomfort in the usual course of professional practice is a legitimate medical purpose for the dispensing, distributing, or administering of a controlled substance that is consistent with public health and safety, even if the use of such a substance may increase the risk of death."

Those are important words that are in this bill. For various reasons, moral, religious, professional, ethical, I am against physician-assisted suicide. I agree with my colleague from Oklahoma, I think this puts us on a very slippery slope, and testimony before the Commerce Committee from the Netherlands demonstrated that.

I would also point out that the problem with pain can be handled. But that is not the most common reason why people request assisted suicide. It is not because they are having severe pain. Surveys have shown this. It is because they fear that they are losing control or they fear that they will be a burden. And I think that there are other ways we can approach that to help those people, but that we ought to pass the Hyde bill.

Mr. ROTHMAN. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, a lot of people would like this debate to be about physician-assisted suicide because many of us are against physician-assisted suicide. I am against physician-assisted suicide. That is not what this debate is about.

This debate is about whether the underlying bill, 2260, will so intimidate doctors across America that they will not prescribe the pain medications to the children, men, and women who are begging for it. Not because they want to die but because they do not want to suffer agony. They want to live as long as they can, but not in pain.

But my colleagues who want this bill want to make it a physician-assisted bill. Why? Because they did not like the physician-assisted law in Oregon and, instead of going to the United States Supreme Court to get that referendum in Oregon declared unconstitutional, they have decided to use this route. The question is, is that so bad? Yes, it is bad, because by using this route and the controlled substances Federal law to go after the Oregon referendum that the people passed twice, they are affecting tens of millions of other Americans whose doctors will be inhibited and chilled from prescribing the pain medications that those tens of millions of children, men, and women are asking for.

This is not a debate about physician-assisted suicide. If they wanted to get rid of the Oregon physician-assisted suicide bill, let them go to the Supreme Court and have it declared unconstitutional. Do not intrude in the doctor-patient relationship. There is already an untreatment of pain in America. Do not make it worse. It is not necessary.

We are all against physician-assisted suicide. I urge my colleagues, those who are against physician-assisted but believe there needs to be more care for people in pain, more pain medication, then pass the substitute and reject the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. CANADY of Florida. Mr. Chairman, I yield myself 2 minutes.

I think it is very important that the Members of the House focus on what the language of this bill actually does, and I appreciated the gentleman from Iowa (Mr. GANSKE) actually quoting the bill. Much is being said here today that has no relationship to what the bill actually says and what it would actually do.

This bill is not going to do anything to intimidate doctors across America. That is what has been said here today. That is not the impact of this bill. This bill is actually going to provide additional protections for doctors across America. In the language of the bill we give a safe harbor for the appropriate use of controlled substances and palliative care. We are creating additional protection under the law for physicians who use controlled substances to control pain, even in circumstances where the hastening of the death of the patient may occur.

We do draw the critical distinction, and we say that the deliberate taking of life is wrong. But if death is hastened as a consequence of providing appropriate palliative care, the physician will be protected. And that is a very important step forward in this legislation. That is why groups such as the American Medical Association support it.

The focus of this bill is to help ensure that we consistently enforce the Controlled Substances Act. The issue before the House today, as we have said repeatedly in this debate today, is whether we are going to have a consistent Federal policy that does not support assisted suicide or whether we are going to allow a Federal regulatory scheme to be used to support physician-assisted suicide. Are we going to allow physicians who are licensed under the Controlled Substances Act to dispense controlled substances, to use the pads, the prescription pads printed up by the DEA, to provide controlled substances to kill their patients? That is the issue before the House today.

I do not think that is appropriate Federal policy. Let me quote to my colleagues what the President himself said upon signing the Assisted Suicide Funding Restriction Act. He said, "The ban on funding will allow the Federal Government to speak with a clear voice in opposing these practices." We should do the same today.

Mr. STUPAK. Mr. Chairman, I yield 3 minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Chairman, I rise today in support of the Johnson-Rothman-Maloney-Hooley substitute amendment to 2260, and in opposition to the underlying bill.

Several months ago, I introduced 2188, the Conquering Pain Act, with the gentlewoman from Connecticut (Mrs. JOHNSON) to address the pain crisis, and we are having a pain crisis in this Nation. Most of the provisions are in this substitute. The Conquering Pain substitute addresses pain management from a medical perspective rather than law enforcement. It also expresses Congress' clear opposition to assisted suicide.

Let me tell my colleagues what is in the substitute. First of all, patients, families, and doctors would have access to help 24 hours a day, 7 days a week. Our goal is to make sure that people, if they have a problem on Sunday, do not have to wait until Monday; that they do not have to be in pain. We want patients to know that they should expect to have their pain managed and to receive quality pain management. No one should have to live or die in pain because a doctor was afraid to give higher doses of pain medication.

As introduced, the Conquering Pain Act also sought to identify any barrier in our regulatory pain system that prevents good access to pain management. We want the Surgeon General to provide us with a report on the state of pain in this country. We create an advisory committee to help us identify gaps in the Federal policy on pain management to force the different parts of government to speak to one another, to talk to each other, so we can create a coordinated agenda that builds on all of our actions of the Federal Government without wasting taxpayers' dollars.

Under the Johnson substitute amendment, Congress again expresses its clear opposition to assisted suicide. Among the groups that sat down with us to help us write 2188, the Conquering Pain Act, from which this substitute is derived, and endorsed that bill, are the American Medical Association, the National Hospice Organization, American Society of Anesthesiologists, American College of Physicians, American Pharmaceutical Association.

Among those who oppose the Hyde-Stupak bill and prefer the Conquering Pain substitute to the Pain Relief Promotion Act are the American Academy of Family Physicians, American Nurses Association, American Pharmaceutical Association, and the American Pain Foundation. And let me tell my colleagues one other group of people that is very important for us to understand. All of those associations that deal specifically with pain management and palliative care are opposed to the underlying bill and support this amendment.

Ultimately, I hope we can agree that the amendment put forth by the gentlewoman from Connecticut (Mrs. JOHNSON), the gentleman from New Jersey (Mr. ROTHMAN), the gentlewoman from New Jersey (Mrs. ROUKEMA), the gentlewoman from New York (Mrs. MALONEY) and myself should be approved because it will make a difference in people's lives every single day who are struggling with these life and death issues.

By improving care rather than by more closely scrutinizing care, we can reduce patients' hopelessness at the end of life. For a medical solution rather than a law enforcement solution, vote for the substitute.

Mr. ROTHMAN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from New Jersey for yielding me this time, and I rise to support the Scott-DeFazio amendment, and the Johnson-Rothman-Maloney-Hooley amendment, and in opposition to the underlying bill.

Mr. Chairman, I thank the gentleman from New Jersey (Mr. ROTHMAN) for defining what this debate is all about. This debate is not about physician-assisted suicide, which all of us collectively, in many ways, have said that this body, this Congress, does not have the stomach for; in fact, the American people do not have the stomach for, or physicians.

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But what this is about is to close the door of the patient's room to the physician before he goes or she goes in the door to serve that patient, and it is a jail-time-for-physicians bill in America. That is the name of this bill.

It is interesting that just a few weeks ago we collectively came together in supporting the patients' bill of rights in reaffirming the relationship between patients and physicians. For once and for all, this Congress stood side by side with the healers of this Nation and said, we want them to engage with their patients.

Now we come back just a few weeks later, and because we have some kind of angst and some kind of disagreement with the Oregon State law, which, in fact, in hearings as I have reviewed is a very good law with double checks, with second opinions, with the right to withdraw, with family members involved, with time frames there, a very strong bill; and yet we in the United States Congress have put ourselves in a God-like position to, one, remove the rights of the people from Oregon but then, as well, tell physicians we lock them up and we do not want them to care for their patients.

Pain is devastating, Mr. Chairman. Pain is devastating. The cancer victims have terrible pain. This is a bad bill. It should be defeated. We should support the amendment.

Mr. Chairman, I rise in opposition to this bill because I am concerned about the negative impact it will have on patient care. This bill enables the Drug Enforcement Administration (DEA) to determine whether a prescription was intended to manage pain or to terminate a life. On its face, this bill may seen like an effort to improve pain management, but instead, this bill will compromise the ability of doctors to relieve patient pain.

I understand concerns that pain management medication may be prescribed for assisted suicides or for euthanasia. Doctors may believe that by prescribing high doses of pain medication, they are easing the suffering of a patient close to death.

For patients who have requested assistance in committing suicide, a physician may prescribe a lethal dose of pain medication as an act of humanity. In both cases, there is considerable debate about the ethics of preserving life in these instances.

However, we already recognize certain rights of patients in determining end of life issues. Terminally ill patients sometimes decide to write living wills that alert medical personnel of their final wishes. People sign organ donor cards and families make life or death decisions concerning on-going treatment in chronically ill cases.

In each of these situations, there is a balancing determination about the quality of life in terms of the wishes of the patient and the interests of society. Included in these decisions are the ethics of end of life pain management.

There is precedent in federal law and state law concerning physician assisted suicide. In Washington v. Glucksberg (1997), the Supreme Court encouraged States to engage in this debate, "about the morality, legality and practicality of physician assisted suicide."

The State of Oregon voted in 1994 through a ballot initiative to support physician assisted suicide under specific circumstances and by following specific guidelines.

This bill is an attempt to address this issue by giving the DEA the authority to determine if pain management medication is prescribed in a manner that constitutes a "legitimate medical purpose." Its effect is to take the debate away from the states by regulation on the federal level.

This is problematic because this bill may subject physicians to criminal prosecution when administering pain medication. Physicians who prescribe pain management drugs in large doses that "may increase the risk of death" would be in danger of losing their DEA license.

I do not support this bill and I urge my colleagues to vote against it. The Supreme Court has already determined that the States have the right to legislate in this area, and I believe we should defer to that finding. The right of patients to request medication to manage pain, and the responsibility of doctors to manage the pain cannot be compromised.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, well, if we wanted to distill this down to the final issue, it is should one of the options be available to a doctor to go in and kill a patient if the patient has determined that their life is not worth living anymore. And if my colleagues think that is a very good law, then perhaps they should not support this bill.

I think this is a cruel hoax. I think anybody who would hold out and say killing them is the best way to go is wrong. I can manage the patients. If they cannot handle them in Oregon, send them to me and I will retire from the House and take care of them in Florida. I mean, this is absurd to say we have to ultimately have the ability to just do that and say bye-bye.

Mr. STUPAK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill merely reinforces current Federal policy that the administration, dispensation, or distribution of a controlled substance for the purpose of assisting a suicide is not authorized by the Federal Controlled Substance Act.

We make clear that the Attorney General, in implementing the Controlled Substance Act, shall not recognize any law permitting assisted suicide or euthanasia.

Now, this legislation has reflected many months of hard work to bring the hospice groups on board to support this legislation. And not only the National Hospice Organization. But the American Medical Association, the American Academy of Pain Management, American Society of Anesthesiologists, the American College of Osteopathic Family Physicians all support this legislation.

Now, despite all the claims made on the floor by the opponents here, this bill really does three things. It promotes pain management and palliative care. It does not create any new Federal standard concerning the controlled substances under the Controlled Substance Act with respect to assisted suicide. We do not put forward any new standard. And it does override reliance on Oregon's Death With Dignity Act as a defense, we do not repeal it, but as a defense to any action pursuant to the Controlled Substance Act.

If I may, one of those who supports this legislation, C. Everett Koop states, and I would like to quote from his statement to us, he says, "Clearly, controlled substances, such as narcotics, have very legitimate and important uses in modern medicine, not least in alleviating the suffering of dying patients. Just as clearly, Government has legitimate interests in ensuring that those substances are never intentionally used to take a human life. Physicians who are entrusted by the Federal Government with the privilege of using these potentially dangerous drugs in their practice should be the first to understand the need for laws ensuring their proper use. Their own ethical code instructs them always to use medications only to care, never to kill."

C. Everett Koop, in endorsing our legislation, goes on and states that this bill strikes the right balance by promoting the much-needed role of federally regulated drugs for pain relief while reaffirming that they should not be abused to assist patient suicide. A better understanding of the difference between trying to kill pain and trying to kill patients will be of great help to law enforcement authorities, to physicians, and especially to patients themselves.

Now, if we take a look at our legislation that we have before us, H.R. 2266, there has been all these claims that law enforcement officials will be questioning the doctor's intent in using controlled substances for pain. That is not the case. That is not even close to what this bill purports to do.

Using drugs to assist suicide is clearly different from using them to control pain. Causing a patient's death usually requires a sudden massive overdose of a potentially dangerous drug. Pain control involves the carefully adjusting dosage until it achieves relief of pain with a minimum amount of side effects for the patient. This gradual adjustment of the dosage is exactly what must be avoided if one's intent is to kill, because patients quickly build up a resistance to side effects, such as suppression of breathing.

The intentional assistance in suicide is already contrary to State law and State licensing practices across this great Nation. This bill creates no new standard, no new law of the States. Even in the few States that do not clearly ban assisted suicide by criminal law, the practice is clearly contrary to medical and also to ethics and licensing standards. And if it is contrary to licensing standards, therefore, it is contrary to the Controlled Substance Act, which denies a license, a registration to anyone who has lost his or her own State license.

So the point being that all this about we are going to put in new intent is simply not true.

Now, let me just make a few comments if I may on the broader issue of federalism that we have heard a lot about. H.R. 2260 does not preempt Oregon's law legalizing assisted suicide. Its only legal effect is we forbid the use of narcotic drugs which are federally controlled for that purpose.

On a broader issue of federalism, Oregon has the right to say that there will be no State penalties for certain conduct. But that does not mean that Oregon can prevent the Federal Government from restricting the use over federally controlled substances.

Registration of a physician under the Controlled Substance Act is a matter entirely separate from a physician's State license to practice medicine. Therefore, the revocation of a registration only precludes a physician from dispensing controlled substances under the Controlled Substance Act. It does not preclude that physician from dispensing other prescription drugs or in his continued medical practice. And because the Federal Controlled Substance Act requires prescriptions to be for legitimate medical purpose to be valid by allowing this practice, the Federal Government is making a judgment that each and every one of those suicides was performed for legitimate medical purpose.

So it is well within the power of the Federal Government to say that these Federal drugs are not being used for the purpose of killing people, notwithstanding State law.

There is no reason why our tax dollars and our Federal law enforcement personnel must be drafted into assisting Oregon's dangerous experiment in assisted suicide.

I hope that our colleagues will reject the arguments and vote for H.R. 2260. Let us end assisted suicide and let us relieve pain. I hope they vote yes.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Chair would advise Members that the gentleman from Oklahoma (Mr. COBURN) has 9½ minutes remaining, the gentleman from New Jersey (Mr. ROTHMAN) has 8½ minutes remaining, the gentleman from Ohio (Mr. CHABOT) has 10 minutes remaining, and the gentleman from Michigan (Mr. STUPAK) has 4 minutes remaining.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to just go through and rhetorically ask some questions and answer them so we can really talk about what this bill does. Because we have heard everything except the essence, other than what the gentleman from Michigan (Mr. STUPAK) just outlined, as the truth about what this bill does.

Is it the intent of this bill to undermine States' ability to help patients access appropriate palliative care? No, it is not the intent whatsoever. Is it the intent of this bill to create a fear on the part of physicians so they will not do the proper thing when it comes to caring for end-of-life, pain-enduring patients? No, that is not the intent. And that is not the consequence, regardless of what has been said on the floor. What we actually do is define better so that we do not put physicians at risk and give them a safe harbor.

Are we trying to go around guidelines for end-of-life issues in the State? No, we are not trying to do that at all. What we are trying to say is have whatever guidelines they want, but as far as the use of narcotics, we do not think that those narcotics ought to be used to intentionally take a life.

Some have said we are going to allow the DEA agents to make a decision over what the intent was of the doctor. Well, that is simple. I am for that. I do not have any problem. Because do my colleagues know what? They make that decision about me right now. Whatever my intent is, whether I write a narcotic prescription to alleviate pain associated with a fracture or if I write morphine suppositories for a patient dying of metastatic cancer, they still get a look at it; and they are making a decision right now.

And do my colleagues know what? All they want is to make sure that we are not violating the law. And every physician is trained in that.

Now, what is the real question? The real question is will physicians in this country stand up and put their patients first? That is the real question, will they really go out and help their patient?

As the gentleman from Florida (Mr. WELDON) so eloquently said, we can help patients. We do it all the time. The question is we have to be trained in it, we have to want to do it, and we have to make sure that the extenders of the physicians in this country will in fact carry out our order.

There is no question, the American Medical Association said 2 years ago we have not done a good job in this country in training physicians in end-of-life pain control management. They have redoubled their efforts not only at the American Medical Association but in every medical school in this country.

So what we have heard about the untoward events that will come out of this bill is poppycock; it is not based in fact. The fact is, if they are going to assume everybody is going to do everything wrong, they might be able to do that.

Somehow we changed in this country. We used to assume that people would do things right, that they were honorable, that they had integrity. And then, as we start undermining the values and foundational principles of our country, we have to assume that everybody is going to do everything wrong.

What this bill does is say, if their intent is right, they are safe-harbored and they are protected.

The fact is that every day good physicians are out there making great decisions about pain control for their patients. This bill will enhance their ability to do that, not take away from that.

Mr. Chairman, I reserve the balance of my time.

Mr. ROTHMAN. Mr. Chairman, I yield 3½ minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Chairman, I think that we are passing the ultimate in Murphy's law today. Because a few weeks ago we got out here and talked about we wanted to have the doctor-patient relationship; and now we, the great medical board of medicine in the sky, are going to decide what goes on between patients and doctors.

What happened in Oregon is really an attempt to deal with a very thorny public issue, and they tried to make explicit and say that that which all physicians know goes on ought to be done within the scope of the law so that there is no question about it.

A patient has to ask, two physicians have to examine for competency. A patient can withdraw. The doctor has to register that he or she is going to administer medication for this purpose. We are not just talking about narcotics here. We are talking about a whole range of psychotropic drugs, everything covered by the DEA. And so now you are going to hand to the bureaucrats, and if I have heard one bureaucrat reviled on this floor, I have heard a thousand of them, so they are going to hand this to the Department of Justice and somebody in the Department of Justice is going to write the rules and regulations for this.

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Now, that is where Murphy's law comes, because somebody over there is going to sit and say, well, if a doctor gives this number of pills within this period of time, that is assisting suicide and therefore we are going to swoop in and grab him. They will have to have some standard by which they grab them and take them to court and say you, doctor, were assisting in suicide.

The doctor merely has to take the law out here and say, no, no, no, on page 5 it says here, the purpose of my care was to alleviate pain and other distressing symptoms and to enhance the quality of life, and they are wrong, right? But they are going to have to go through court to prove that that is what they were doing. They would have no defense. If they have 25 pills within 30 days, they will certainly wind up being dragged into court by somebody, maybe a family member, it may be somebody else saying, you were assisting my mother in suicide by giving her those pills.

I am a psychiatrist. I have prescribed many, many, many times amounts of medication that people can use to kill themselves, if they took them all at once. You could say, well, doctor, what you have to do is let the patient have five pills, that is all they get. When they need five more, come in and get five more. I testified in a malpractice suit on which a physician had prescribed 100 Nembutal to somebody which were used for suicide. You are opening a box that you know nothing about, because it occurs in a room between a patient and a physician. And if you think you are smart enough to write a law that will control that situation, you simply do not know what physicians face and what patients face when they are faced with an overwhelming illness. For us to say that we know what should go on in the United States with all 600,000 physicians and the 240 million patients in this country is absolute nonsense.

The locals have worked on an issue here. I think they ought to be allowed to do that because they made it very explicit and made the doctors honest. You are going to make doctors dishonest with this law.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

I quote, and this testimony was also given before the constitutional subcommittee in the House. I want to give my colleagues the quote of a physician:

"What is the sense of having that woman here? It makes no difference whether she dies today or after 2 weeks. We need the bed for another case."

This is a recounting of a Catholic nun who did not want to be euthanized but was euthanized anyway in Holland because they needed the bed.

Mr. Chairman, psychiatrists are in lawsuits every day in this country because they give antidepressants that have a lethal dose of 50 and they give too much medicine. One of the things you are taught in medical school is to not give too much medicine, enough medicine that someone could take their life. So we understand that issue and those arguments are fallacious. The fact remains that if we are going to encourage a doctor-patient relationship, I will encourage that all the way up to the point we decide that the doctor has the right to take the patient's life. That is no longer a relationship. That is not a relationship when I as a physician decide I am going to be the giver or taker of life for my patient. And if that is the foundational construct under how we are going to run doctor-patient relationships, we need to start completely over. Psychotropic drugs are controlled in this country and for good reason. That is called mescaline, LSD. We use very few. We use antipsychotic drugs and we use narcotics and we use barbiturates. But most psychotropic drugs we do not even allow doctors to write a prescription for because they are significantly mind-altering drugs. The doctor-patient relationship does need to be preserved. This law does nothing to disturb a proper doctor-patient relationship in Oregon. But as soon as a doctor has made the decision that they are the giver or taker of life, they no longer are a physician. They may be called doctor by our society but they no longer are a physician. They no longer have the ethical right to care for that patient.

Mr. Chairman, I reserve the balance of my time.

Mr. STUPAK. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I rise in support of the Johnson–Hooley-Roukema-Maloney-Rothman amendment and against the base bill. The first principle of the Hippocratic oath is to do no harm, yet the base bill before us does harm. The Pain Relief Promotion Act does little to relieve pain. Instead, it focuses on abolishing physician-assisted suicide. It expands the authority of the Drug Enforcement Administration agents to judge the practices of well-meaning doctors. This means that even when death results from sincere efforts to provide appropriate pain relief, a doctor's intent can be questioned.

Last night, I spoke with one of my constituents. Her name is Lisa Pearlman. She was just 22 years old when she developed fibromyalgia. This disease causes pain throughout the body. Lisa said there were days when she could barely function, there were times she could not even pick up her young child. She said she went to at least a dozen doctors before she found one who could manage her pain. Now for flare-ups she takes pain killers to manage the pain so she can take care of her two young children. But what if Lisa's doctor were too afraid of a criminal investigation to order the drugs that changed her life? Where would Lisa and so many patients be?

The American Pain Foundation predicts that the base bill could actually increase the rate of suicide among the terminally ill because people who suffer from severe, chronic pain will no longer have an alternative. By intimidating doctors with pulled licenses and jail sentences, the base bill does more to threaten the lives of those who desperately want to live than those who do not want to live. It gives drug enforcement agents too much control over decisions that should be made by doctors and their patients.

I ask my colleagues to consider the lives of people who depend on aggressive pain medication to live. It is not our place to come between a doctor and their patient in important decisions.

I include for the RECORD the following letter from Memorial Sloan-Kettering in support of the Johnson bipartisan bill. I urge my colleagues to support the Johnson bill.

> I am a neuro-oncologist and palliative care physician. On a daily basis, I treat patients with cancer who have pain and other symptoms in the course of their illness, including patients who are dying. I am writing to urge you to oppose H.R. 2260, The Pain Relief Promotion Act of 1999 (Hyde/Nichols). As a palliative care physician, I know that pain is under-treated and that palliative care services are underutilized.
>
> While H.R. 2260 is well intentioned, it is counterproductive. It will likely have a chilling effect on aggressive pain management. As the co-chairman of the Agency for Health Care Policy and Research (AHCPR) expert panel on cancer pain guidelines, I know that physicians often prescribe inadequate amounts of pain medicines, and use less potent pain medications because of fears of regulatory scrutiny. I wish to make it clear that I am opposed to physician-assisted suicide. Furthermore, I feel it is profoundly unfair to provide an option for physician-assisted suicide in circumstances where many patients do not have full access to health care and quality pain management and palliative care. However, in considering the issue of physician-assisted suicide, Congress should not tamper with the Controlled Substances Act and endanger patients in need of aggressive pain and symptom management. I urge you to support an amendment to strike Title 1 and thereby remove the provisions that turn the Drug Enforcement Agency (DEA) into a medical oversight body charged with investigating the "intent" and "purpose" in a physician's care for a patient.
>
> I also urge you to support a substitute amendment incorporating the provisions of the Conquering Pain Act (H.R. 2188)—a bill that would constructively promote end-of-life and palliative care—as long as the substitute amendment includes elimination of the changes to the Controlled Substances Act of Title 1 of H.R. 2260. Unless one of these amendments is passed to remove the provisions that would increase barriers to aggressive pain management, I strongly urge you to vote against H.R. 2260 as reported by committee.
>
> Please do not increase the barriers for physicians to provide the pain management, palliative and end-of-life care that the American public needs.
>
> Sincerely,
>
> RICHARD PAYNE, MD,
> *Professor of Neurology and Pharmacology,*
> *Cornell University Medical College.*

Mr. ROTHMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I would like to respond to my friend and colleague the gentleman from Iowa (Mr. GANSKE) who said, read the legislation. Then he stopped reading the legislation at a very critical point. It is true that this bill allows administering controlled substances to alleviate pain even if they may increase the risk of death. The next sentence: Nothing in this section authorizes intentionally administering a controlled substance for the purpose of causing death, and later on in the definitional section, that causing death must be read as hastening death. So under this law, DEA agents will have to judge whether the intention of the physician was to alleviate pain, even at the risk of death, or whether the physician's intention was to hasten death. This is a judgment that is extremely difficult to make if you are a physician. It should not be made by nonmedical personnel, DEA agents.

This is such a serious matter that Richard Payne, the Chief of Pain and Palliative Care Service, Department of Neurology, Cornell University, Memorial Sloan-Kettering Cancer Center says in a letter, "Physicians often prescribe inadequate amounts of pain medicines and use less potent pain medications because of fears of regulatory scrutiny." Then I have to skip some in the interest of time.

He goes on to say, "I urge you to support the amendment to strike title I," later he goes on to support my amendment, "and thereby remove the provisions that turn the Drug Enforcement Agency into a medical oversight body charged with investigating the intent and purpose of a physician's care for a patient."

So if the gentleman from Oklahoma (Mr. COBURN) gets up here and says it is not my intent to discourage alleviation of pain, it does not matter what his intent is when the law says the government is now going to judge the physician's intention in providing care in situations in which there is extremely severe pain and high dosages involved.

Mr. STUPAK. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I want to follow on to what our colleague from Connecticut had to say. This bill allegedly creates a safe harbor for those who administer pain medications to chronically and terminally ill patients. But I have heard from nurses, family physicians and pharmacists who say the bill will do more harm than good. They believe this legislation will chill their efforts to aggressively treat patients in pain. By raising doubts about the legality of their conduct, this bill will discourage them from easing the pain of AIDS and cancer patients across the country.

I cannot support a bill that will at best further cloud an already uncertain legal environment in which doctors, nurses and pharmacists are trying to do what is best for their patients. This bill will make it harder for them to do their jobs and force them into guessing games over whether the DEA will turn a benevolent or a hostile eye towards their conduct.

We should not gamble the quality of life of patients in pain upon who happens to be Attorney General. Until the bill's safe harbor is truly safe enough for care givers, I unfortunately will oppose this legislation and support the amendments to it.

This legislation was also created as a political attack on Oregon's Death with Dignity Act. It seeks to override the votes of Oregon residents, but it is patients in pain who will pay the price for this legislation.

Finally, H.R. 2260 will put an end to widespread and thoughtful deliberation among the States about physician-assisted suicide. I do not think the Federal government should intrude in these important debates. We should allow states like Oregon to reach decisions which reflect the fundamental beliefs of their residents.

I submit the following material for the RECORD:

SUICIDE BILL'S DEEP FLAWS

The House of Representatives plans to vote today on the most wrenching issue before it: a bill by Rep. Henry J. Hyde (R–Ill.) that is intended to effectively nullify a law in Oregon that allows terminally ill patients to request drugs to end their lives. However, the bill would reach far beyond the Oregon law. Medical societies say it will lead many doctors to under-medicate terminal patients to avoid scrutiny from federal drug agents. For this reason the bill is unacceptable.

Hyde wrote the bill out of rightful concern that the Oregon law, which voters passed in 1994, could lead government down a slippery slope toward sanctioning the state or federal legalization of physician-assisted suicide.

Hyde's bill, however, is by no means the best way to supervise and discipline doctors who stray from their proper role as healers.

The bill has gained broad support in the House largely because of misleading arguments being made by its proponents. Hyde titles his bill. "The Pain Relief Promotion Act" and the author of its Senate counterpart, Sen. Don Nickles (R–Oklahoma), insists that "there's no going after doctors in this."

In fact, Hyde's legislation imposes civil penalties and a 20-year mandatory prison sentence on doctors who knowingly hasten a terminally ill patient's death. The California Medical Assn., along with physician groups representing a dozen other states, persuasively argue that the harsh sanctions would lead doctors to under-medicate patients to avoid prosecution—thus inhibiting the effective pain management the bill purports to promote.

Some Hyde staffers have said they would consider reducing the bill's penalties if that would persuade President Clinton to sign it. But even if the sanctions were reduced, the bill remains marred by its requirement that the Drug Enforcement Administration define legitimate medical uses of pain medications, then regulate and enforce those subjective determinations. The DEA, basically a policing agency, by its own admission has neither the expertise nor the resources to play doctor.

The best way to prevent medical abuses that drift toward euthanasia is through vigilance by state medical authorities and legislators, not by passing a federal bill with a misleading title and unenforceable aims.

AMERICAN PAIN FOUNDATION,
Baltimore, MD.

OPPOSITION TO "PAIN RELIEF PROMOTION ACT" (H.R. 2260) AS REPORTED BY COMMITTEES

H.R. 2260 is well-intended and an improvement over last year's bill, but it is seriously flawed. Please vote against H.R. 2260 in its present form.

Many doctors and other health care practitioners think H.R. 2260 will have a chilling effect on pain management. Others disagree. It's not worth Congress' taking the risk that people in pain will suffer more under H.R. 2260.

Current law and Drug Enforcement Administration (DEA) regulations protect doctors who aggressively treat pain with morphine and other opioids. Doctors don't need a new law, they need better implementation of existing law.

DEA will investigate physicians' subjective "intent" in palliative care with the threat of criminal penalties. Practitioners will incur costs and burden of justifying their medical care to federal authorities. Result: undertreatment of pain.

Assisted suicide should be dealt with in a separate law, not linked to the medical practice of pain management.

Correct H.R. 2260 with floor amendments:

Strike Title I to remove provisions that turn the DEA into a medical oversight body investigating "intent" and "purpose" in a physician's care for a patient.

Substitute the provisions of the Conquering Pain Act—an effective approach to stopping suicides, assisted and otherwise, by relieving unnecessary pain.

Many patients, physicians, nurses, pharmacists and cancer specialists oppose H.R. 2260:

Patient and Health Care Groups Opposed (partial list): American Academy of Family Physicians, American Alliance of Cancer Pain Initiatives, American Nurses Association, American Pain Foundation, American Pharmaceutical Association, American Society for Action on Pain, American Society of Health-System Pharmacists, American Society of Pain Management Nurses, Hospice and Palliative Nurses Association, National Association of Orthopaedic Nurses, National Foundation for the Treatment of Pain, Oncology Nursing Society, and Society of Critical Care Medicine.

State Medical Societies Already Opposed or Having Serious Reservations (10/19/99): Arizona Medical Association, Arkansas Medical Society, California Medical Association, Louisiana State Medical Society, Massachusetts Medical Society, Oregon Medical Association, Rhode Island Medical Society, Texas Medical Association, Vermont Medical Society, Washington State Medical Association, and State Medical Society of Wisconsin.

DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, October 19, 1999.

Hon. JOHN D. DINGELL,
Ranking Minority Member, Committee on Commerce, House of Representatives, Washington, DC.

DEAR CONGRESSMAN DINGELL: This letter presents the views of the Department of Justice on H.R. 2260, the "Pain Relief Promotion Act of 1999."

H.R. 2260 makes two changes to federal drug law as it relates to the use of controlled substances by terminally ill patients. First, the bill clarifies that controlled substances may be used to alleviate pain in the course of providing palliative care to terminally ill patients. The bill also funds research and education on the appropriate use of controlled substances for this purpose. The Department strongly supports these provisions of H.R. 2260.

Second, H.R. 2260 states that the use of controlled substances to assist a terminally ill person in committing suicide is not authorized by federal law. The Department opposes physician-assisted suicide, but is concerned about the propriety of a federal law that would unquestionably make physician-assisted suicide a federal crime with harsh mandatory penalties. Imposing such penalties would also effectively block State policy making on this issue at a time when, as the Supreme Court recently noted in *Washington* v. *Glucksberg*, 117 S. Ct. 2258, 2275 (1997), the States are still "engaged in an earnest and profound debate about the morality, legality, and practicality of physician-assisted suicide."

PALLIATIVE CARE

Section 101 of H.R. 2260 amends section 303 of the Controlled Substances Act ("CSA"), 21 U.S.C. §823, to specify that the use of controlled substances to "alleviat[e] pain or discomfort in the usual course of professional practice" is a "legitimate medical purpose" under the CSA, 21 U.S.C. §841, "even if the use of such a substance may increase the risk of death." Because a physician who acts with a "legitimate medical purpose" is acting in compliance with the Act,[1] H.R. 2260 creates a "safe harbor" against administrative and criminal sanctions when controlled substances are used for palliative care. Sections 102, 201 and 202 amend the CSA and the Public Health Service Act (42 U.S.C. §299) to authorize the Attorney General, the Administrator of the Agency for Health Care Policy and Research, and the Secretary of the Health and Human Services Department to conduct research on palliative care, to collect and distribute guidelines for the administration of palliative care, and to award grants, cooperative agreements, and contracts to health schools and other institutions to provide education and training on palliative care.

The Department fully supports these measures. H.R. 2260 would eliminate any ambiguity about the legality of using controlled substances to alleviate the pain and suffering of the terminally ill by reducing any perceived threat of administrative and criminal sanctions in this context. The Department accordingly supports those portions of H.R. 2260 addressing palliative care.

PHYSICIAN ASSISTED SUICIDE

H.R. 2260 would amend section 303 (21 U.S.C. §823) of the CSA to provide that "[n]othing in this section authorizes intentionally dispensing, distributing, or administering a controlled substance for the purpose of causing death or assisting another person in causing death." By denying authorization under the CSA, H.R. 2260 would make it a federal crime for a physician to dispense a controlled substance to aid a suicide.[2] A physician who prescribes the controlled substances most commonly used to aid a suicide would, because he or she necessarily intends death to result, face a 20-year mandatory minimum sentence in federal prison (as well as civil and administrative sanctions under the Act).[3]

The Administration strongly opposes the practice of physician-assisted suicide and would not support the practice as a matter of federal policy. H.R. 2260 side-steps the federal policy question, however, and operates instead by blocking State policy making on an issue that many, including the Supreme Court, think is appropriately left to the States to decide as each chooses.[4]

Moreover, H.R. 2260 would affirmatively interferes with State policy making in a particularly heavy handed way by using 20-year

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Footnotes at end of letter.

mandatory prison sentences (as well as civil and administrative sanctions) to effectively preclude States from adopting any policy that would authorize physician-assisted suicide, even if that authorization contains carefully drafted provisions designed to protect the terminally ill.

For these reasons, H.R. 2260 is particularly intrusive to State policy making, and the Department accordingly opposes this portion of the bill.[5] The Department would, however, be willing to work with you in formulating a legislative or regulatory solution that obviates the concerns identified in this letter.[6]

Thank you for this opportunity to present our views. The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this letter. Please do not hesitate to call upon us if we may be of further assistance in connection with this or any other matter.

Sincerely,

ROBERT RABEN,
Assistant Attorney General.

FOOTNOTES

[1] *See e.g.* 21 C.F.R. §1306.04(a) (authorizing prescriptions only for "legitimate medical purposes").

[2] The criminal provisions of the CSA are triggered by the absence of proper authorization. *See* 21 U.S.C. §841(a) ("*Except as authorized by this subchapter*, it shall be unlawful . . .") (emphasis added).

[3] *See* 21 U.S.C. §841(b)(1)(C) (setting 20 year mandatory minimum sentence when death results from the distribution of a Schedule II substance); 21 C.F.R. §1308.12(a)-(c) (defining Schedule II substances). Schedule III drugs, which are sometimes used, do not carry any mandatory minimum sentence. *See* 21 U.S.C. §841(b)(1)(D).

[4] *Glucksburg*, 117 S. Ct. 2258, 2274 (noting that debate over physician-assisted suicide is underway in the States, "as it should in a democratic society"); *id* at 2303 (O'Connor, I., concurring) (endorsing majority's result, which left "the . . . challenging task of drafting appropriate procedures for safeguarding . . . liberty interests . . . to the 'laboratory' of the States"); *id.* at 2293 (Souter, I., concurring) (emphasizing that, in light of current state experimentation, "[t]he Court should stay its hand to allow reasonable legislative consideration [of this difficult issue]").

[5] This approach to physician-assisted suicide is consistent with the Department's approach to "medical marijuana." The legality of the latter turns on *factual*, not ethical, questions. That is, the scheduling of controlled substances is based on scientific testing to determine, among other things, whether they have any "currently accepted medical use for treatment in the United States," a "high potential for abuse," and "a lack of accepted safety for use . . . under medical supervision." 21 U.S.C. §812(b)(1) and Schedule I(c)(10). As a result, the CSA appropriately creates a uniform national system of drug scheduling. Where an issue turns solely on ethics, not science, it is reasonable to allow individual states to reach their own conclusions, rather than impose a uniform national standard through implied preemption of state medical standards.

[6] Any solution should also be careful not to make state-authorized assisted suicides more painful, as H.R. 2260 appears to do. H.R. 2260's prohibitions would only reach controlled substances, which are most often used as sedatives and not as the actual agents of death. As a result, H.R. 2260 might well result in physician-assisted suicides that do not use sedatives and pain-controlling substances that are accordingly more painful.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I would like to address two of the criticisms of the bill that have been brought up. Number one, somebody rose and said there is nothing in this bill that will help people with pain. There are two titles in this act. The second title which encompasses most of the bill deals with extensive training so that physicians will get better training on how to manage pain. That is really the problem. That is why people suffer. There are a lot of doctors who are not well trained in how to manage these cases.

Now, the issue that has been brought up as well by the last two speakers, that there will be this gray zone and you will give a few pills and the DEA will start scrutinizing you, in practical effect that never happens. Indeed, under the Oregon statute, which is essentially the focus of all this discussion, you have to register with the State that you are going to execute somebody. It is quite clear what the intent is there. There is not a gray zone at all involved.

I believe if Members take the time to read it as the gentleman from Iowa (Mr. GANSKE) said, this is an excellent bill, an extremely well crafted bill, one of the best ones I have ever seen.

Mr. ROTHMAN. Mr. Chairman, the Oncology Nursing Society and American Nurses Association support the Johnson substitute.

Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

We have heard some extraordinary things from the other side. The people who are one day for States' rights today want to preempt it. The people who are for individual decisions want to preempt them. The people who want to sanctify the physician-patient relationship want to put a Drug Enforcement Administration agent in the room with the physician and the patient while they are making these critical decisions. They have talked about the word execute, euthanasia.

Look at the Oregon law. It is something where a physician can only prescribe after there are two diagnoses, a psychological consultation, the person willingly asks, they have acceded in writing, they have informed their next of kin, there has been a waiting period and the person must self-administer. That is the key. It is not euthanasia. It is not physician-assisted suicide. They write a humane prescription for a person who is dying a horrible, horrible death and who might want relief.

What has happened in Oregon? Fewer people have taken their lives with guns and other things because they just knew it was there if they needed it. They want to turn back the clock to the bad old days when my father is dying and I said, can he not have more pain medication, the doctor said, no, it might depress his breathing. In one line in the bill, they give the doctor that authority. But they take it away five lines later where they say if the doctor intentionally depresses that person's breathing.

□ 1245

Who knows? How are we going to determine intent? Are the drug enforcement administration the best people to determine one's physician's intent and chill their desire to give relief from intractable pain? I would say no, and I do not think on any other day of the week the Republican party would advocate having the Drug Enforcement Administration involved in our personal legal lives.

Mr. COBURN. Mr. Chairman, I yield myself 15 seconds for just a response.

If a doctor writes a prescription that he knows is going to be used to take someone's life, that is doctor-assisted suicide, period, end of sentence.

Mr. Chairman, I yield 1½ minutes to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I rise in strong support of H.R. 2260, the Pain Relief Promotion Act, 1999. Like many of my colleagues on both sides of the aisle who have spoken here, I have a very profound respect for the sanctity of human life. I also believe that every individual has the right to live and ultimately die with dignity. The Pain Relief Promotion Act goes a long way to ensure that terminally-ill patients receive the palliative care necessary to alleviate chronic pain. In doing so it allows these individuals to die with dignity. This bill prohibits the use of CSA-controlled drugs for assisted suicide and euthanasia, but it gives doctors greater leeway to aggressively treat pain.

In 1997 Congress passed the Assisted Suicide Funding Restriction Act with the support of the current administration. The act forbids the use of Federal funds for assisted suicide whether or not States legalize the practice. The vote in the House on that bill was 398 to 16, and it was unanimous in the Senate. However, since that time we have been confronted with a tragic ruling by the Attorney General, that physician-assisted suicide does not fall under the jurisdiction of the Controlled Substances Act. We, as a body, must now take this opportunity to further clarify our message, and that message is: Congress does not sanction assisted suicide, and federally controlled substances cannot be prescribed for that purpose.

Sadly, we will probably all at one time or another be confronted with a tragedy of personal illness or suffering, and this bill is a good bill, and I would urge its passage.

Mr. STUPAK. Mr. Chairman, I yield our remaining minute to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, I rise today in support of the Pain Relief Promotion Act. As a cosponsor of this bill, I know that the Pain Relief Promotion Act would not keep physicians, nurses, or health care workers from providing appropriate pain and symptom control to sick patients. The for care givers, I unfortunately will oppose this legislation and support the amendments to it.

This legislation was also created as a political attack on Oregon's Death with Dignity Act. It seeks to override the votes of Oregon residents, but it is patients in pain who will pay the price for this legislation.

Finally, H.R. 2260 will put an end to widespread and thoughtful deliberation among the States about physician-assisted suicide. I do not think the Federal government should intrude in these important debates. We should allow states like Oregon to reach decisions which reflect the fundamental beliefs of their residents.

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AMERICAN PAIN FOUNDATION,
Baltimore, MD.

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DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, October 19, 1999.

Hon. JOHN D. DINGELL,
Ranking Minority Member, Committee on Commerce, House of Representatives, Washington, DC.

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Second, H.R. 2260 states that the use of controlled substances to assist a terminally ill person in committing suicide is not authorized by federal law. The Department opposes physician-assisted suicide, but is concerned about the propriety of a federal law that would unquestionably make physician-assisted suicide a federal crime with harsh mandatory penalties. Imposing such penalties would also effectively block State policy making on this issue at a time when, as the Supreme Court recently noted in *Washington* v. *Glucksberg*, 117 S. Ct. 2258, 2275 (1997), the States are still "engaged in an earnest and profound debate about the morality, legality, and practicality of physician-assisted suicide."

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Section 101 of H.R. 2260 amends section 303 of the Controlled Substances Act ("CSA"), 21 U.S.C. §823, to specify that the use of controlled substances to "alleviat[e] pain or discomfort in the usual course of professional practice" is a "legitimate medical purpose" under the CSA, 21 U.S.C. §841, "even if the use of such a substance may increase the risk of death." Because a physician who acts with a "legitimate medical purpose" is acting in compliance with the Act,[1] H.R. 2260 creates a "safe harbor" against administrative and criminal sanctions when controlled substances are used for palliative care. Sections 102, 201 and 202 amend the CSA and the Public Health Service Act (42 U.S.C. §299) to authorize the Attorney General, the Administrator of the Agency for Health Care Policy and Research, and the Secretary of the Health and Human Services Department to conduct research on palliative care, to collect and distribute guidelines for the administration of palliative care, and to award grants, cooperative agreements, and contracts to health schools and other institutions to provide education and training on palliative care.

The Department fully supports these measures. H.R. 2260 would eliminate any ambiguity about the legality of using controlled substances to alleviate the pain and suffering of the terminally ill by reducing any perceived threat of administrative and criminal sanctions in this context. The Department accordingly supports those portions of H.R. 2260 addressing palliative care.

PHYSICIAN ASSISTED SUICIDE

H.R. 2260 would amend section 303 (21 U.S.C. §823) of the CSA to provide that "[n]othing in this section authorizes intentionally dispensing, distributing, or administering a controlled substance for the purpose of causing death or assisting another person in causing death." By denying authorization under the CSA, H.R. 2260 would make it a federal crime for a physician to dispense a controlled substance to aid a suicide.[2] A physician who prescribes the controlled substances most commonly used to aid a suicide would, because he or she necessarily intends death to result, face a 20-year mandatory minimum sentence in federal prison (as well as civil and administrative sanctions under the Act).[3]

The Administration strongly opposes the practice of physician-assisted suicide and would not support the practice as a matter of federal policy. H.R. 2260 side-steps the federal policy question, however, and operates instead by blocking State policy making on an issue that many, including the Supreme Court, think is appropriately left to the States to decide as each chooses.[4]

Moreover, H.R. 2260 would affirmatively interferes with State policy making in a particularly heavy handed way by using 20-year

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Footnotes at end of letter.

mandatory prison sentences (as well as civil and administrative sanctions) to effectively preclude States from adopting any policy that would authorize physician-assisted suicide, even if that authorization contains carefully drafted provisions designed to protect the terminally ill.

For these reasons, H.R. 2260 is particularly intrusive to State policy making, and the Department accordingly opposes this portion of the bill.[5] The Department would, however, be willing to work with you in formulating a legislative or regulatory solution that obviates the concerns identified in this letter.[6]

Thank you for this opportunity to present our views. The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this letter. Please do not hesitate to call upon us if we may be of further assistance in connection with this or any other matter.

Sincerely,

ROBERT RABEN,
Assistant Attorney General.

FOOTNOTES

[1] *See e.g.* 21 C.F.R. §1306.04(a) (authorizing prescriptions only for "legitimate medical purposes").

[2] The criminal provisions of the CSA are triggered by the absence of proper authorization. *See* 21 U.S.C. §841(a) ("*Except as authorized by this subchapter*, it shall be unlawful . . .") (emphasis added).

[3] *See* 21 U.S.C. §841(b)(1)(C) (setting 20 year mandatory minimum sentence when death results from the distribution of a Schedule II substance); 21 C.F.R. §1308.12(a)–(c) (defining Schedule II substances). Schedule III drugs, which are sometimes used, do not carry any mandatory minimum sentence. *See* 21 U.S.C. §841(b)(1)(D).

[4] *Glucksburg*, 117 S. Ct. 2258, 2274 (noting that debate over physician-assisted suicide is underway in the States, "as it should in a democratic society"); *id* at 2303 (O'Connor, I., concurring) (endorsing majority's result, which left "the . . . challenging task of drafting appropriate procedures for safeguarding . . . liberty interests . . . to the 'laboratory' of the States"); *id.* at 2293 (Souter, I., concurring) (emphasizing that, in light of current state experimentation, "[t]he Court should stay its hand to allow reasonable legislative consideration [of this difficult issue]").

[5] This approach to physician-assisted suicide is consistent with the Department's approach to "medical marijuana." The legality of the latter turns on *factual*, not ethical, questions. That is, the scheduling of controlled substances is based on scientific testing to determine, among other things, whether they have any "currently accepted medical use for treatment in the United States," a "high potential for abuse," and "a lack of accepted safety for use . . . under medical supervision." 21 U.S.C. §812(b)(1) and Schedule I(c)(10). As a result, the CSA appropriately creates a uniform national system of drug scheduling. Where an issue turns solely on ethics, not science, it is reasonable to allow individual states to reach their own conclusions, rather than impose a uniform national standard through implied preemption of state medical standards.

[6] Any solution should also be careful not to make state-authorized assisted suicides more painful, as H.R. 2260 appears to do. H.R. 2260's prohibitions would only reach controlled substances, which are most often used as sedatives and not as the actual agents of death. As a result, H.R. 2260 might well result in physician-assisted suicides that do not use sedatives and pain-controlling substances that are accordingly more painful.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I would like to address two of the criticisms of the bill that have been brought up. Number one, somebody rose and said there is nothing in this bill that will help people with pain. There are two titles in this act. The second title which encompasses most of the bill deals with extensive training so that physicians will get better training on how to manage pain. That is really the problem. That is why people suffer. There are a lot of doctors who are not well trained in how to manage these cases.

Now, the issue that has been brought up as well by the last two speakers, that there will be this gray zone and you will give a few pills and the DEA will start scrutinizing you, in practical effect that never happens. Indeed, under the Oregon statute, which is essentially the focus of all this discussion, you have to register with the State that you are going to execute somebody. It is quite clear what the intent is there. There is not a gray zone at all involved.

I believe if Members take the time to read it as the gentleman from Iowa (Mr. GANSKE) said, this is an excellent bill, an extremely well crafted bill, one of the best ones I have ever seen.

Mr. ROTHMAN. Mr. Chairman, the Oncology Nursing Society and American Nurses Association support the Johnson substitute.

Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

We have heard some extraordinary things from the other side. The people who are one day for States' rights today want to preempt it. The people who are for individual decisions want to preempt them. The people who want to sanctify the physician-patient relationship want to put a Drug Enforcement Administration agent in the room with the physician and the patient while they are making these critical decisions. They have talked about the word execute, euthanasia.

Look at the Oregon law. It is something where a physician can only prescribe after there are two diagnoses, a psychological consultation, the person willingly asks, they have acceded in writing, they have informed their next of kin, there has been a waiting period and the person must self-administer. That is the key. It is not euthanasia. It is not physician-assisted suicide. They write a humane prescription for a person who is dying a horrible, horrible death and who might want relief.

What has happened in Oregon? Fewer people have taken their lives with guns and other things because they just knew it was there if they needed it. They want to turn back the clock to the bad old days when my father is dying and I said, can he not have more pain medication, the doctor said, no, it might depress his breathing. In one line in the bill, they give the doctor that authority. But they take it away five lines later where they say if the doctor intentionally depresses that person's breathing.

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Who knows? How are we going to determine intent? Are the drug enforcement administration the best people to determine one's physician's intent and chill their desire to give relief from intractable pain? I would say no, and I do not think on any other day of the week the Republican party would advocate having the Drug Enforcement Administration involved in our personal legal lives.

Mr. COBURN. Mr. Chairman, I yield myself 15 seconds for just a response.

If a doctor writes a prescription that he knows is going to be used to take someone's life, that is doctor-assisted suicide, period, end of sentence.

Mr. Chairman, I yield 1½ minutes to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I rise in strong support of H.R. 2260, the Pain Relief Promotion Act, 1999. Like many of my colleagues on both sides of the aisle who have spoken here, I have a very profound respect for the sanctity of human life. I also believe that every individual has the right to live and ultimately die with dignity. The Pain Relief Promotion Act goes a long way to ensure that terminally-ill patients receive the palliative care necessary to alleviate chronic pain. In doing so it allows these individuals to die with dignity. This bill prohibits the use of CSA-controlled drugs for assisted suicide and euthanasia, but it gives doctors greater leeway to aggressively treat pain.

In 1997 Congress passed the Assisted Suicide Funding Restriction Act with the support of the current administration. The act forbids the use of Federal funds for assisted suicide whether or not States legalize the practice. The vote in the House on that bill was 398 to 16, and it was unanimous in the Senate. However, since that time we have been confronted with a tragic ruling by the Attorney General, that physician-assisted suicide does not fall under the jurisdiction of the Controlled Substances Act. We, as a body, must now take this opportunity to further clarify our message, and that message is: Congress does not sanction assisted suicide, and federally controlled substances cannot be prescribed for that purpose.

Sadly, we will probably all at one time or another be confronted with a tragedy of personal illness or suffering, and this bill is a good bill, and I would urge its passage.

Mr. STUPAK. Mr. Chairman, I yield our remaining minute to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, I rise today in support of the Pain Relief Promotion Act. As a cosponsor of this bill, I know that the Pain Relief Promotion Act would not keep physicians, nurses, or health care workers from providing appropriate pain and symptom control to sick patients. The measure simply clarifies what is already established as case law and common practice. The use of drugs outside of established professional and legal parameters is forbidden, and this bill is very similar to a law already in place in my home State of Arkansas, a law that has proved to be effective and enforceable.

Mr. Chairman, this legislation has been endorsed by a broad spectrum of organizations such as the National Hospice Organization, the American Medical Association, the former Surgeon General, C. Everett Koop. Let us pass this legislation and show that we know the value of human life.

Mr. COBURN. Mr. Chairman, I ask unanimous consent to yield the balance of my time for purposes of control to the gentleman from Florida (Mr. CANADY).

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. Without objection, 15 seconds is yielded to the gentleman from Florida (Mr. CANADY).

There was no objection.

Mr. ROTHMAN. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN pro tempore. The gentleman from New Jersey (Mr. ROTHMAN) is recognized for 1½ minutes.

Mr. ROTHMAN. Here are the facts, Mr. Chairman.

There is an undertreatment of pain in the United States of America because doctors feel inhibited they will be sued civilly in the medical malpractice suit.

What does the underlying bill do? It adds additional fear to doctors that they will be sent to jail and lose their license. How do we know they are fearful of this? Half of the doctors groups have said they do not support this bill. Most of the nurses organizations do not support this bill. Instead, they support the Johnson-Rothman substitute.

So we know doctors and nurses are being chilled now. They are telling us do not pass that underlying bill. If my colleagues do not like physician-assisted suicide, which I do not, which most Members of Congress do not, and they do not like the Oregon physician-assisted suicide bill, go to the Supreme Court and get it thrown out.

But do not chill doctors giving of pain medication to the tens of millions of children, boys and girls, men and women in America and the other 49 states because of not liking Oregon's law. Let us deal with pain for the millions of Americans in pain. Deal with the Oregon constitutional situation in the Supreme Court. They are trying to make this a physician-assisted suicide sanctity-of-life issue. We all believe in the sanctity of life. Address that separately before the Supreme Court. Let us give people in agonizing terminal pain the ability not to kill themselves, but to get the pain medicine they are asking and begging for.

Mr. Chairman, I yield back the balance of my time.

Mr. CANADY of Florida. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. HYDE), chairman of the House Committee on the Judiciary.

The CHAIRMAN pro tempore. The gentleman from Illinois (Mr. HYDE) is recognized for 10¼ minutes.

Mr. HYDE. Mr. Chairman, let us not make any mistake. The real danger, the real danger if we go down this road, if we leap off the cliff into the abyss is in 10 years, once we make assisted suicide permissible, once we make it possible, once doctors lose the healing, diminish their healing faculty and become an assistant to the hangmen, we put and jeopardize the unwanted people, and we are diminishing the value of human life.

We were told, we pro-lifers, that we do not care about people after they are born; our only concern is when they are born. No, but some of us said, You're starting down a slippery slope; you're devaluing human life, and that is what we see here today. But we are just beginning. The unwanted, the uninsured, the poor, the elderly, the frail, the diseased, the profoundly handicapped, they are at risk. They are watching this today, if only they could, to see if they are going to be put at risk.

They talk about expanding the authority of the DEA. The DEA has this authority already. We are trying to reinstate it in the one State where it has been removed, and that is Oregon. We are not providing any more authority to any law enforcement that they do not have now, and the doctor, the gentleman from Washington (Mr. MCDERMOTT), talked about these tough decisions. Well, if they are so tough, how is a U.S. Attorney going to prove beyond all reasonable doubt that the doctor had a criminal intent? Not so.

This is an important bill because it assures the uniform application of Federal law, and I really ought to thank the gentleman from Florida (Mr. CANADY), Senator NICKLES, the gentleman from Michigan (Mr. STUPAK), and the gentleman from Oklahoma (Mr. COBURN), and the gentleman from Florida (Mr. WELDON), and so many and all in the hospice and medical communities who have worked so diligently to produce a bill that offers our citizens greater access to palliative care to the management and alleviation of pain and maintains medicine as a healer, a healing force, an alleviator of pain.

The bill has 165 cosponsors in the House and in the Senate. The companion bill cosponsored by Senator LIEBERMAN and sponsored by Senator NICKLES has 31 cosponsors, so there is bipartisan support in the House and in the Senate.

Now we know the Controlled Substances Act was passed in 1970 to establish uniform Federal laws on a uniquely Federal subject, the control, the regulation of controlled substances. Those are drugs that are potentially dangerous. We have got a DEA, we have got a drug car, and we have a national drug problem. The agency's task is to ensure that these potentially dangerous drugs are administered for legitimate medical purposes.

Now it happens that Oregon decided to change the traditional time-honored professional purpose of medicine and give Oregon doctors the option no longer to serve as healing forces but as social engineers, messengers of death. So Oregon has passed a State law that gives doctors the right to assist in the intentional killing of patients, patients who may want to die, families who want their older relatives to die, and so doctors are authorized now by Oregon law to put down their stethoscope and pick up the poison pill and proceed to assist in the execution of their patient.

Very simple. It comes down to this. Do we want to empower our doctors to intentionally kill a patient even if that is the desire of the patient or the family? Do we want to add executions to the list of healing services they provide? Should Oregon law trump the Federal law?

Now some Oregonians resent this Federal intrusion in response to their decision to let doctors do away with the weak, the weary, the fearful of being a burden to their families. Suicide is the ultimate act of despair, and facilitating the intentional killing of a human life is the opposite of healing. The opposite of alleviating pain, it is a surrender to hopelessness when there are other options that reject the culture of death.

Physicians have not been taught what medications to prescribe for a suicide. There is no research or case series in medical literature to which doctors of death can refer to find prescribing information and directions. It is doubtful that one standard will fit all. There is no documented scientific literature or guide book on how to kill one's patient.

The medical profession is concerned about palliative care, and the debate about assisted suicide which takes place now must be at the forefront of our concerns because to focus on the management of pain in the last months, the last days, the last hours of life, hospice doctors and others in the medical profession study and practice medicine with a clear purpose of making their patients more comfortable even while mindful that administering palliative care sometimes can have the unintended side effect of hastening death.

These are difficult decisions faced every day. This bill can help end those decisions by providing what is not there now, a safe harbor, one that is absent in the current law. That safe harbor in this bill protects doctors even if the administration of pain medications result in unintended death.

This bill does something more. It provides money and guidance for training and safeguards now absent in current law to educate doctors, caregivers, medical students, health professions, nurses, State, local and Federal law enforcement officials on the practice of palliative medicine. That is why this is an important bill. It deals with the very nature of man, the value of every life, the definition of a physician. It emphasizes the alleviation and management of pain, not reversing the role of doctor from healer to hangman.

Some of us here today cry Federal preemption of a State law when really what we are dealing with is State preemption of a Federal law. We can advocate the Federal Government look the other way on this issue, play Pontius Pilate, wash our hands, but we have to think about it because there is a sanctity of life that must be respected and defended.

As my colleagues know, there is an insidiousness about the notion of assisted suicide. We make it permissible, then we make it acceptable, and finally it becomes an act of nobility. We plant the idea with the elderly, it is their duty to die, get out of the way. Is that not what the governor of Colorado said a few years ago? The elderly have a duty to die and get out of the way, not to be a burden on the children.

Many times the anguishing words "I want to die" really mean I do not want to be a burden on my family. We insist that more be done at the Federal level to promote palliative end-of-life care. There are very effective ways to control pain, and I am confident that doctors will not shy from their duty to alleviate pain, and this bill encourages palliative care. It provides that safe harbor for the physician should the palliative care inadvertently lead to the death of a patient. It provides money for training in pain management and requires caregivers adhere to our national policy of administering controlled substances for legitimate medical purposes, not taking a life.

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A doctor should not be asked to play the role of hired gun. His art and science are in the service of life. In this bill, we expressly permit and encourage the use of controlled substances for pain management, even when it might unintentionally hasten death. We supply money and training.

To those who assert we are preempting the laws of Oregon, this bill does not preempt the Oregon law legalizing assisted suicide in specified circumstances. The legal effect of this bill is to forbid the use of certain controlled substances which are federally controlled for the intentional purpose of killing the patient. If you want to use non-controlled substances or some other method to assist the passage of the patient, you can still do so under Oregon law, unfortunately.

The single ethic that has provided the moral backbone for Western civilization is one that insists that every member of the human family has equal inherent moral worth. It is called the Sanctity of Life ethic. That is the core of our belief, that the poor and the powerless deserve equal rights and equal protection.

One of the frequent criticisms of certain acts or omissions by the government is that it will have a chilling effect on some people. How often we hear that phrase. Well, physician assisted suicide has a chilling effect on handicapped people, elderly people, sick people and the unwanted, because it is an aspect of a philosophy from another time and another place that said it was appropriate to get rid of the useless eaters. It starts us down a real slippery slope, where some of us who do not measure up to someone else's standards become vulnerable, expendable and discardable.

Mr. LEVIN. Mr. Chairman, I oppose assisted suicide. I voted against a recent Michigan ballot initiative which would have legalized it in my State. I did so because I believe that it is increasingly evident that with modern pain management techniques doctors can make comfortable patients who are critically ill.

The primary responsibility to handle this issue has traditionally been with the States, which almost universally prohibit assisted suicide. Under current law, assisted suicide is not explicitly listed as a Federal crime. The DEA has never prosecuted a physician for assisted suicide under the Controlled Substances Act (CSA). Instead, the responsibility for enforcing medical standards has historically been a State responsibility.

The effect of H.R. 2260 would be to add assisted suicide to the list of Federal crimes under the CSA which carry a mandatory 20-year jail sentence. For the first time, the Justice Department and the DEA would be required to become involved in determining the intent of doctors when they prescribed pain medication to patients. Associations representing about half of our doctors and almost all of our nurses have said that they believe the fear of being investigated by the DEA would lead many doctors to prescribe less medication for pain.

I support the other sections of H.R. 2260, which would support efforts to educate health professionals about effective pain management. I have long supported pain management education for health professionals and a comprehensive approach to end-of-life care. I first introduced legislation in this area in 1990. That legislation became law. The most recent version of the legislation would improve upon our earlier efforts by taking steps to provide patients and their families with the information and support they need during the difficult time at the end of life. This legislation would also improve Medicare's coverage of self-administered drugs for pain. All of these issues—pain management, support and information, and the payment policies of Medicare and other insurance payors—should be part of our efforts to prevent suicide and assisted suicide.

Ms. KILPATRICK. Mr. Chairman, today I rise in strong opposition to H.R. 2260, A bill which claims to promote pain relief but actually will increase the pain of many of this Nation's citizens that suffer from debilitating and incurable diseases.

My opposition to this legislation is based on the premise that Federal legislators, most of whom are not doctors, should not delve, dig or pry into the intense and personal decisions made between a doctor and his or her patient. Once again, this Congress is attempting to legislate our lives most private and intimate decisions (the right to die with dignity). It is my belief that the decision to recommend this or any other medical procedure depends on expert medical judgement and therapeutic assessment. Such decisions—much like a women's decision regarding her own reproductive rights—are a physicians responsibility, within the privacy and confidentiality of the doctor-patient relationship.

Like most Members of Congress, I live my life to the fullest. I never take a single moment for granted. For Members of Congress to imply or imagine collectively we know what is best for a family tortured with the final decision of life is pure folly. Again, we need to let doctors in consultation with the patients and the patients family decide what is best in each individual, unique situation.

I am also alarmed by the very reason that we are considering this bill. We are considering this bill to topple the will of the people of the State of Oregon who approved, on two occasions, a measure that would legalize assisted suicide under strict and well deliberated mandates and guidelines. How ironic it is that the Congress, which claims it is the Congress of State rights, is the primary promoter of this legislation?

Congress needs to state focusing on the issues that are most important to the American people. The American people continue to cry out for legislation to address education and health care. How long will the Republicans continue to ignore the citizens call for campaign finance and gun control reforms? We are simply wasting time and energy on a matter that is a decision that will eventually be determined by the Supreme Court, and an issue the States are already effectively addressing.

In this crucial time, when the federal budget is in limbo, it is important that we address the real challenges and problems that need to be, and should be addressed. I am asking that we say "no" to the further intrusion on the work of trained, skilled professionals and let doctors, families and patients make the very difficult and hard life and death decisions in private and without the intervention of the Federal Government.

Mr. BURTON of Indiana. Mr. Chairman, as an original cosponsor of H.R. 2260, the Pain Relief Promotion Act of 1999, I think it is important to reiterate the importance of this bill. On October 19, the Committee for Government Reform conducted a hearing entitled, "Improving Care at the End of Life with Complementary Medicine." Pain management is one of the top concerns of palliative care, including those patients who are dying. The need to properly recognize and treat pain is why the Veterans Health Administration added monitoring pain as the fifth vital sign. It is a sad day in this country when some individuals in the medical establishment have determined that one of the options for alleviating pain will be for a doctor to hasten the death. And a sadder day indeed when that option gains so much credibility that the U.S. Congress has to debate a bill clarifying that physician-assisted suicide or the polite term "euthanasia" is not an option for pain management.

As we look to provide care for our veterans, including the 32,000 World War II veterans that die each month, we must insure that pain is properly treated. We must also assure that the option to hasten death is not what we look to as a resolution for taking care of veterans and all Americans.

At our October 19, hearing we heard from Dr. Ira Byock, a renowned expert in palliative care. Dr. Byock clarified some of the misconceptions of this bill, including that physicians who use drugs such as morphine to treat pain are already monitored by the Drug Enforcement Administration (DEA) and that this bill will not prevent the prescribing of strong and effective pain drugs. This bill clarifies the importance of pain management and palliative care and asks for further research and the development of practice guidelines for pain management.

We heard from Dr. Byock, who also conducts research in improving care at the end of life, as well as Dannion Brinkley, the chairman of Compassion in Action, an organization that trains hospice volunteers and provides professional and community education, that pain management has to be addressed and that there are other options available to individuals including non-pharmacologic efforts. These treatment options include music therapy, acupuncture, and guided imagery. We heard from Dr. Patricia Grady, Director of the National Institute of Nursing Research that there is research to indicate that these therapies especially when used in conjunction with pain medication allowed patients to have less pain, to rest better, and to go longer between the need for medication.

Dr. Byock also stated something that my colleague from Florida, Congressman WELDON (MD) has reiterated—a doctor knows whether he or she is prescribing a drug to treat pain or to cause death and that pain can be properly treated. Educating health care professionals in pain management and treatment options is vital and this bill will move this forward.

I stand in support of this bill and also suggest that we look at solving the problems of pain in this country by looking to non-controlled substances and complementary therapies as options to treat pain.

Mr. BARCIA. Mr. Chairman, I rise today in support of H.R. 2260, the Pain Relief Promotion Act. I have repeatedly heard today that this bill overturns Oregon's assisted suicide law. This is simply not true. The bill does not prevent anyone in Oregon from assisting in a suicide, nor does the bill establish any new authority to penalize assisted suicide. The bill simply clarifies that assisted suicide may not take place with federally controlled substances. This bill continues to allow States to pass their own laws while clarifying the boundaries of Federal involvement regarding assisted suicide. As Federal legislators, this is our duty. We are in the business of clarifying Federal involvement. Oregon's current experiment in democracy is perfectly within its right, but this does not mean that one State has the right to tell the Federal Government how federally controlled substances should be used.

The essence of H.R. 2660 is that it clarifies the extent to which federally controlled substances can be used in order to relieve the patient's pain. Additionally, by clarifying that drugs under the Controlled Substances Act can be used to relieve pain, even if those drugs hasten death, this bill protects health care providers while allowing them to use the strongest drugs necessary for pain relief.

Mr. Chairman, to the dying we owe our compassion. We have the ability to alleviate the pain of the dying. We must comfort the dying with compassion by voting for H.R. 2260.

Mr. NUSSLE. Mr. Chairman, I rise today in strong support of H.R. 2260. This legislation takes a much needed step toward the Federal protection of all human life. This bill will provide doctors in Iowa's second district and throughout the country the ability to aggressively provide their patients with pain relief while prohibiting the use of federally controlled substances in assisting suicide.

The purpose of this legislation is to encourage the alleviation of pain suffered by patients with advanced disease and chronic illness and pain associated with conditions that do not respond to treatment. H.R. 2260 also encourages the promotion of life of such patients and would prohibit States from enacting laws that permit physician-assisted suicide.

Much of the debate surrounding H.R. 2260 focuses on the affect it will have on those who have severe pain. The opponents to H.R. 2260 worry that this legislation would hinder a doctors willingness to prescribe pain medication to the seriously ill. My home State of Iowa adopted an almost identical provision to H.R. 2260 in 1996, and the statistics show that the use of pain control drugs have almost doubled. Obviously, the Iowa law did not deter doctors from administering pain relief to the seriously ill, neither would H.R. 2260.

H.R. 2260, for the first time, writes into the Controlled Substance Act protection for physicians who prescribe large doses of drugs sometimes necessary to manage intractable pain, even if this may increase the risk of death, so long as the drugs are not prescribed intentionally for the purpose of assisting suicide or euthanasia. Under this bill, a doctor who intentionally dispenses or distributes a controlled substance with the purpose of causing the suicide or euthanasia of any individual may have his license suspended or revoked.

In summary, Mr. Chairman, I hope that my colleagues will join me in supporting H.R. 2260. This legislation provides doctors the ability to use federally regulated drugs for the pain management of the seriously ill.

Mrs. MINK of Hawaii. Mr. Chairman, I rise to express my concerns about H.R. 2260, the Pain Relief Promotion Act.

Although this bill is being represented as if it would improve physicians' abilities to provide pain relief and palliative care, the bill's primary purpose is to criminalize physician assisted suicide utilizing controlled substances. And although I do not condone assisted suicide, exposing doctors to additional criminal and civil liabilities for using controlled substances will curtail the pain relief options available to patients.

H.R. 2260 authorizes the Drug Enforcement Agency to investigate and second-guess the intent of a physician when a death, possibly attributable to a controlled substance, occurs. Such investigations would effectively discourage doctors from dispensing such substances even in the most severe cases. Patients would be left to suffer even more painful and agonizing deaths.

Physicians should not have to fear losing their medical licenses for prescribing pain relief to terminally ill patients. Their responsibilities are complex enough without the additional threat of DEA investigations and criminal and civil law suits questioning their intent. Physicians should have all inventions, treatments and substances, at their disposal to provide care for their patients and to make the last days of a terminally ill patient's life as comfortable as possible.

The DEA should be focusing its efforts on fighting illegal drug activities that are a menace to our society, not on doctors prescribing pain relief for terminally ill patients. And Congress should be focusing its efforts on the issue of what is proper pain management and what are the best ways to treat pain. Accordingly, I support the provisions in the bill that would establish a program within the Department of Health and Human Services to study pain management and distribute pain management information. I also support the grants provided by the bill to train health professionals in the care of patients with advanced illnesses. Still we should not bind the hands of physicians treating terminally ill patients.

I support improving pain management for the terminally ill but I oppose limiting physicians' abilities to practice medicine. I urge a "nay" vote on H.R. 2260 as it is currently drafted.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in support of H.R. 2260 because the bill encourages sound medical practice in the relief of pain and suffering of the chronically and terminally ill patients.

This bill would add a provision to the Controlled Substances Act, acknowledging the legitimate use of narcotics for the management of serious pain and discomfort, even if their use increases the risk of death for the patient.

In the Hyde-Stupak bill, the goal is to make the patient as comfortable as possible during that person's terminal or chronic illness. Relief of pain is the contemplated result.

This is not physician-assisted suicide or euthanasia, either in substance or intent. Physicians are not actively and intentionally seeking to end the life of the patient.

But powerful drugs that relieve pain have serious secondary effects. They can cause loss of cognition, depressed respiration, retained secretions, and increased dehydration by depressing voluntary nutrition. The secondary, or unintended effect, may therefore hasten death, through death is not a directly intended purpose.

Organized medicine has recognized the principle of this "double effect" as the potential consequence of the legitimate and necessary use of controlled substances for pain management. The AMA calls this principle "a vital element in creating a legal environment in which physicians may administer appropriate pain care for patients and we appreciate its inclusion."

The AMA further expands its position as follows. "Physicians have an obligation to relieve pain and suffering and to promote the dignity and autonomy of dying patients in their care. This includes providing effective palliative treatment, even though it may foreseeably hasten death."

The bill will promote the training of health professionals to use these drugs appropriately while providing palliative care. This will dovetail with the newly inaugurated AMA program—"Education for Physicians on End of Life Care." This program is designed to educate physicians more fully in pain management and to deal more holistically with the patient.

I oppose the Johnson-Rothman-Hooley substitute because it does nothing to prevent or restrict assisted suicide and it does nothing to train physicians and nurses in pain management, which the Hyde bill accomplishes.

Johnson-Rothman-Hooley continues to authorize the use of federally regulated drugs to assist suicides whenever a state law permits this deadly practice. Finally, the substitute never clearly distinguishes pain control from deliberate killing or assisted suicide.

There appears to be much confusion in the debate as to the scope of this proposal and how it might affect individual states. Supervision of controlled substances is a federal prerogative—it always has been. There are no new penalties suggested. Nothing is new. Rather, Hyde-Stupak heightens and reinforces current federal policy.

While the bill will not technically "overturn" current Oregon law in this general matter, it will abrogate its use. Since physicians will be unable to legally prescribe intentionally lethal doses of federally controlled substances, the doctors will be encouraged to offer better pain control and not offer death to the seriously ill patient.

Relief of pain with moderate or even substantial doses of drugs is good medical practice. Purposely and intentionally ending human life is inappropriate and antithetical to the role of the physician as healer.

H.R. 2260 clarifies and enables physicians to pursue their legitimate role as healers. Easing pain at the time of the patient's final passage is one of medicine's most noble callings. I urge your support for this important bill.

Mr. HALL of Texas. Mr. Chairman, two years ago I was privileged to be the sponsor of the Assisted Suicide Funding Restriction Act, which passed the House floor by a vote of 398 to 16 before being signed into law by President Clinton.

The Assisted Suicide Funding Restriction Act said that we don't want federal tax dollars going to pay for euthanasia, and we don't want euthanasia going on in federally controlled facilities such as Veterans' Hospitals and Public Health Service facilities. The Pain Relief Promotion Act says we don't want federally controlled drugs being used for euthanasia.

That is a popular position with the American people. In a nationwide poll in June, 64% answered "no" when asked whether federal law should allow the use of federally controlled drugs for the purpose of assisted suicide and euthanasia. Only 31% said "yes." That's better than 2 to 1. We are trying to help people live!

One of the parts of the Assisted Suicide Funding Restriction Act that was very important was a rule of construction that made clear that funding and facilities could be provided "for the purpose of alleviating pain or discomfort, even if such use may increase the risk of death, so long as "the purpose was not "of causing, or * * * assisting in causing, death * * *." The American Medical Association wrote, "This provision assures patients and physicians alike that legislation opposing assisted suicide will not chill appropriate palliative and end-of-life-care."

I am glad to see that very similar language is included in the Pain Relief Promotion Act, along with important positive programs to increase the knowledge of health care personnel at the clinical level to be able to control pain.

I am sure that is a large part of why this bill is endorsed by so many medical and end-of-life care groups, including the American Academy of Pain Management, the American Society of Anesthesiologists, the AMA, the National Hospice Organization, the Hospice Association of America, and Aging with Dignity.

Even the Hemlock Society, which works to legalize assisting suicide and of course therefore opposes this bill, concedes that "the bill encourages aggressive pain relief for the terminally ill." Our distinguished colleague, Mr. NADLER from New York, voted against the bill in the Judiciary Committee because he thinks controlled substances should be available for assisted suicide in states that legalize it. But at the Judiciary Committee markup, Mr. NADLER said, "[M]ost of the secondary reasons for opposing it, the pain issue and so forth, I really don't think are very valid and I think the bill has really been cleaned up in that respect."

Some of the groups that still oppose the bill, it's important to understand, don't oppose assisting suicide. The American Pharmaceutical Association, for example, has a formal policy that "opposes laws and regulations that * * * prohibit the participation of pharmacists in physician-assisted suicide." Mr. Skip Baker, the head of the Society for Action on Pain, has called the "Oregon suicide law a much needed law."

But suicide is not the solution. You don't really solve problems by getting rid of the person to whom the problems happen. Once we accept death as a solution, we begin to lose the incentive and the drive to work on positive alternatives. We can do better than that in America.

This bill is a good start. It will help us end the patient's pain, not the patient's life. Please support it.

Mr. GARY MILLER of California. Mr. Chairman, I believe the Pain Relief Promotion Act is one of the most compassionate and life-affirming bills to come before us this year.

Two years ago, a gentleman came to see me regarding laws on pain relief. At the time, I was working on a "Pain Patients Bill of Rights" for Californians who suffer from extreme pain.

The gentleman who visited me is a police officer who had broken his back in the line of duty during an incident with a suspect. As a result of his injury he was in constant, untreatable pain. He had to endure numerous invasive surgeries, that were not successful. It seemed that he had no choice but to endure chronic pain that most of us cannot even imagine.

He shared with me that because the pain was so unendurable, and because it seemed there was no treatment to stop the pain, he arrived at a point where he wanted to end his life. Pain made life so unbearable, that this protector of the people did not think his life was worth living anymore.

After seeing many different doctors, this police officer finally was referred to a specialist in pain treatment. The doctor was able to prescribe high levels of pain medication, which made the pain manageable, and as a result made this police officer feel that his life was worth living.

Unfortunately, most doctors are afraid to prescribe high levels of pain medication because they do not know if the Drug Enforcement Agency will come after them for diverting drugs or prescribing too much. Doctors are not going to act if they are not sure whether or not they are breaking the law.

Doctors know how to treat their patients, and we need to make sure they have the freedom to prescribe the treatment that will make their patients comfortable. This compassionate piece of legislation will give doctors the legal protection to take care of patients who are experiencing terrible, debilitating pain.

I can testify that the police officer who came to talk with me now has a happy life, and his pain is manageable. He walks with a cane and a limp, but his quality of life is high and he has a passion for life.

For everyone in this room who values life, this is a "yes" vote.

Mr. LUCAS of Kentucky. Mr. Chairman, I support the Pain Relief Promotion Act. The Pain Relief Promotion Act will make important strides in giving health care providers around the country better access to the most advanced ways of dealing with patients' pain. It will assure physicians who prescribe federally controlled substances that they can safely authorize adequate amounts to manage pain without jeopardizing their Drug Enforcement Administration registration.

It will also ensure a uniform national application of the existing principle that federally controlled and regulated drugs should not be used to assist suicide or for euthanasia, even if a particular state legalizes the practice as a matter of state law.

This is a good complement to the Assisted Suicide Funding Restriction Act that passed by an overwhelming margin two years ago. That Act said that euthanasia shouldn't be carried out in federal facilities, such as Veteran's Hospitals, and that federal tax dollars shouldn't fund it. This bill says that those narcotics and other dangerous drugs that have long been regulated by the federal government under the

Controlled Substances Act should not be used to kill patients.

Congress must not blur the distinction between pain relief and assisted suicide. In order to protect the vulnerable in our society, it is critically important that we maintain the difference recognized by the medical profession and the Supreme Court between treating patients appropriately even if it means risking increasing the likelihood of death and giving patients the means to intentionally kill themselves.

We in Congress must not facilitate turning doctors into killers by giving permission to use federally controlled drugs for assisted suicide and euthanasia. We must enact H.R. 2260, the Pain Relief Promotion Act.

Mr. RAHALL. Mr. Chairman, I support H.R. 2260, a bill to promote pain relief in lieu of promoting assisted suicide for men, women and children suffering from unremitting pain of grievous injury and terminal disease.

The American people oppose euthanasia as a solution to the problem of pain and suffering. They know that is not the humane, decent choice.

I believe that saying yes to people who talk about, threaten or ask for assisted suicide is not respecting that person's choice.

The threat of or request for assisted suicide is a cry for help—not a real request to die.

The yearning for, the love of life, the desire to live, is a part of each and every one of us. When a person—a loved one perhaps—believe they want to die because their pain cannot be or is not being controlled adequately, it is not for us to answer them by allowing controlled substances to be used to bring about their death.

It is our duty and responsibility to let them know we care and that we will do something for them—not to bring about death—but to bring about relief from the pain that causes them to think they would rather die.

It should not be—should not be—the response of the Federal Government to legalize assisted suicide.

Our response should be that we have the medical technology that makes the administration of pain-relieving drugs sufficient to control pain. Our response must be to improve our medical delivery system so that what we know about the cutting edge of medicine becomes a reality at every bedside—and that doctors, nurses and family members are assured that the safe prescription of drugs for pain control is possible without fear that they will be charged with a crime.

Our response must be that we will ensure through authorized federal programs the dissemination of state-of-the-art information to doctors or care-givers in medical settings, about how to control pain. Our response should be to give all care givers the information that our best pain specialists know. Our response is to ensure that this information go out to every general practitioner in every clinical setting—so that no one needs to be put to death—but are made comfortable so that even their final hours are spent in the most pain-free state medically possible.

The Pain Relief Promotion Act before the House today takes those steps—strong steps—in that direction.

Rather than starting down the slippery, dangerous slope of assisted suicide, let us take a higher ground—to a place that tells us it is reasonable—not extraordinary—to expect not to have to kill our loved ones in order to put them out of their misery.

We have the medical technology. We have pain control and management specialists who are ready and willing to impart their knowledge to medical practitioners so it can be used for humane—and safe—purposes.

The relief from pain for those who are suffering from grievous injury or terminal illness is within our capability now—and it can be administered without killing them. No one has a duty to die because they may be a burden to care givers, or a drain on a family's financial resources.

If we do nothing else, we must stop going down that path where we put pressure on those who are vulnerable, who are poor and sick and disabled—that they have a duty to die because they are a burden. To do otherwise is to set a dangerous, inhumane precedent.

I urge my colleagues to vote for alternatives to suicide—not assisted suicide. Vote for the Pain Relief Promotion Act.

Mr. WU. Mr. Chairman, death with dignity is a right which all Americans should have. Currently, only Oregonians have this right. Today, we debate whether Congress will deprive Oregonians of their most fundamental human rights—the right to choose one's destiny.

May God guide this House in its deliberations.

The bill before us today is misnamed the "Pain Relief Promotion Act," a crafty piece of legislation that hides its real intent. Organizations that have taken the time to study the bill, including the state chapters of the American Medical Association, have expressed their opposition. Every day, opposition is growing to this bill because it subjects thousands of doctors across the country to second-guessing by the DEA.

In order to hide the real motive of the legislation, H.R. 2260 alters the Controlled Substances Act—a law intended to deal with drug trafficking and diversion—in an attempt to regulate state medical practice. Frankly, H.R. 2260 amounts to little more than one section that contains non-controversial palliative care measures, and one section that is a thinly veiled attempt to overturn Oregon's Death with Dignity Act.

Terminal illness has nothing to do with drug trafficking or forgery or all the other things that are traditionally the purview of the Office of Diversion Control within the DEA. H.R. 2260 would have this unknown law enforcement agency make determinations regarding a new offense that is inherently intent based, yet without allowing a physician to avoid legal responsibility by establishing that they merely intended to relieve pain, even where death inadvertently results.

The Controlled Substances Act is written as a strictly liability law for both criminal and civil purposes and contains no intent requirement. Sadly, the Judiciary Committee voted down an amendment that would have required the government to prove the doctor's intent, and another which would have allowed health care providers to make an affirmative defense that they had no such intent.

How will the DEA enforce this legislation? The DEA never testified before Congress on either H.R. 2260 or its predecessor in the last Congress, H.R. 4006.

The gymnastics that are required to make this legislation work are mind-boggling.

I am very concerned that there will be vast amounts of new paperwork requirements. Health care workers will be required to report on each other.

Will family members who are sad to see a loved one pass away report the physician?

This bill is fundamentally destructive of patient rights, the physician-patient relationship, and the independent practice of medicine.

Testimony before the Committee indicated that "this Act subjects physicians who care for dying patients to the oversight of police with no expertise in the provision of medical care." I am disappointed that the Committee chose to ignore these words.

While members were not permitted to testify this year in the Judiciary Committee, my state medical association, the Oregon Medical Association, did testify. They said "Physicians already undermedicate patients for fear of being sanctioned under the current law."

H.R. 2260 will only exacerbate the current situation, and leave thousands more needlessly suffering. All it will take is one case, in any town in the United States, where the DEA investigates a physician on this issue, and I guarantee that an instant freeze on prescriptions for analgesics across that state will result.

H.R. 2260 will trigger a federal enforcement process that would ruin the careers of physicians and throw them in jail. Physicians, already beset by controversy in local state laws, will be reluctant to prescribe the large doses of pharmaceuticals that are often required to treat incapacitating levels of pain.

The Rules Committee has allowed a substitute by Mrs. JOHNSON, Mr. ROTHMAN, and Ms. HOOLEY, my colleague from Oregon, to be considered on the floor. This substitute will enhance all the non-controversial provisions in H.R. 2260 regarding the need to boost palliative care, but leave out the provisions that have led the American Nurses Association, and American Pharmaceutical Association, the American Academy of Family Physicians, the Association of Health System Pharmacists, the American Pain Foundation, and many other organizations to oppose this bill.

I hope my colleagues will consider the fact that the Johnson-Rothman-Hooley substitute puts Congress on record as opposing assisted suicide, but does not threaten treatment of chronic pain.

There have been instances in our nation's history where it is appropriate for federal law to supercede state law in order to fulfill national imperatives, but this is not one of those occasions.

With this bill today, Congress misses the opportunity to engage in a real debate about end-of-life care, and what our choices should be as individuals in a free society. Today does not represent the kind of open, courageous, and enlightening discussion that Congress is capable of having. Instead, this bill aptly demonstrates what Congress can do in a backhanded way.

I urge my colleagues to oppose H.R. 2260, support the DeFazio-Scott amendment, and support the Johnson-Rothman-Hooley substitute.

The CHAIRMAN pro tempore (Mr. Hastings of Washington). All time for general debate has expired.

Pursuant to the rule, an amendment in the nature of a substitute consisting of the bill, modified by the amendments recommended by the Committee on Commerce, is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.R. 2260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pain Relief Promotion Act of 1999".

TITLE I—USE OF CONTROLLED SUBSTANCES CONSISTENT WITH THE CONTROLLED SUBSTANCES ACT

SEC. 101. REINFORCING EXISTING STANDARD FOR LEGITIMATE USE OF CONTROLLED SUBSTANCES.

Section 303 of the Controlled Substances Act (21 U.S.C. 823) is amended by adding at the end the following:

"(i)(1) For purposes of this Act and any regulations to implement this Act, alleviating pain or discomfort in the usual course of professional practice is a legitimate medical purpose for the dispensing, distributing, or administering of a controlled substance that is consistent with public health and safety, even if the use of such a substance may increase the risk of death. Nothing in this section authorizes intentionally dispensing, distributing, or administering a controlled substance for the purpose of causing death or assisting another person in causing death.

"(2) Notwithstanding any other provision of this Act, in determining whether a registration is consistent with the public interest under this Act, the Attorney General shall give no force and effect to State law authorizing or permitting assisted suicide or euthanasia.

"(3) Paragraph (2) applies only to conduct occurring after the date of enactment of this subsection.".

SEC. 102. EDUCATION AND TRAINING PROGRAMS.

Section 502(a) of the Controlled Substances Act (21 U.S.C. 872(a)) is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting "; and"; and

(3) by adding at the end the following:

"(7) educational and training programs for local, State, and Federal personnel, incorporating recommendations by the Secretary of Health and Human Services, on the necessary and legitimate use of controlled substances in pain management and palliative care, and means by which investigation and enforcement actions by law enforcement personnel may accommodate such use.".

TITLE II—PROMOTING PALLIATIVE CARE

SEC. 201. ACTIVITIES OF AGENCY FOR HEALTH CARE POLICY AND RESEARCH.

Part A of title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended by adding at the end the following section:

"SEC. 906. PROGRAM FOR PALLIATIVE CARE RESEARCH AND QUALITY.

"(a) In General.—The Administrator shall carry out a program to accomplish the following:

"(1) Develop and advance scientific understanding of palliative care.

"(2) Collect and disseminate protocols and evidence-based practices regarding palliative care, with priority given to pain management for terminally ill patients, and make such information available to public and private health care programs and providers, health professions schools, and hospices, and to the general public.

"(b) Definition.—For purposes of this section, the term 'palliative care' means the active, total care of patients whose disease or medical condition is not responsive to curative treatment or whose prognosis is limited due to progressive, far-advanced disease. The purpose of such care is to alleviate pain and other distressing symptoms and to enhance the quality of life, not to hasten or postpone death.".

SEC. 202. ACTIVITIES OF HEALTH RESOURCES AND SERVICES ADMINISTRATION.

(a) In General.—Part D of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.), as amended by section 103 of Public Law 105–392 (112 Stat. 3541), is amended—

(1) by redesignating sections 754 through 757 as sections 755 through 758, respectively; and

(2) by inserting after section 753 the following section:

"SEC. 754. PROGRAM FOR EDUCATION AND TRAINING IN PALLIATIVE CARE.

"(a) In General.—The Secretary, in consultation with the Administrator for Health Care Policy and Research, may make awards of grants, cooperative agreements, and contracts to health professions schools, hospices, and other public and private entities for the development and implementation of programs to provide education and training to health care professionals in palliative care.

"(b) Priorities.—In making awards under subsection (a), the Secretary shall give priority to awards for the implementation of programs under such subsection.

"(c) Certain Topics.—An award may be made under subsection (a) only if the applicant for the award agrees that the program carried out with the award will include information and education on—

"(1) means for alleviating pain and discomfort of patients, especially terminally ill patients, including the medically appropriate use of controlled substances;

"(2) applicable laws on controlled substances, including laws permitting health care professionals to dispense or administer controlled substances as needed to relieve pain even in cases where such efforts may unintentionally increase the risk of death; and

"(3) recent findings, developments, and improvements in the provision of palliative care.

"(d) Program Sites.—Education and training under subsection (a) may be provided at or through health professions schools, residency training programs and other graduate programs in the health professions, entities that provide continuing medical education, hospices, and such other programs or sites as the Secretary determines to be appropriate.

"(e) Evaluation of Programs.—The Secretary shall (directly or through grants or contracts) provide for the evaluation of programs implemented under subsection (a) in order to determine the effect of such programs on knowledge and practice regarding palliative care.

"(f) Peer Review Groups.—In carrying out section 799(f) with respect to this section, the Secretary shall ensure that the membership of each peer review group involved includes one or more individuals with expertise and experience in palliative care.

"(g) Definition.—For purposes of this section, the term 'palliative care' means the active, total care of patients whose disease or medical condition is not responsive to curative treatment or whose prognosis is limited due to progressive, far-advanced disease. The purpose of such care is to alleviate pain and other distressing symptoms and to enhance the quality of life, not to hasten or postpone death.".

(b) Authorization of Appropriations; Allocation.—

(1) In general.—Section 758 of the Public Health Service Act (as redesignated by subsection (a)(1) of this section) is amended in subsection (b)(1)(C) by striking "sections 753, 754, and 755" and inserting "section 753, 754, 755, and 756".

(2) Amount.—With respect to section 758 of the Public Health Service Act (as redesignated by subsection (a)(1) of this section), the dollar amount specified in subsection (b)(1)(C) of such section is deemed to be increased by $5,000,000.

SEC. 203. EFFECTIVE DATE.

The amendments made by this title take effect October 1, 1999, or upon the date of the enactment of this Act, whichever occurs later.

The CHAIRMAN pro tempore. No amendment to that amendment shall be in order except those printed in House Report 106–409. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by a proponent and an opponent, and shall not be subject to amendment.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

It is now in order to consider Amendment No. 1 printed in House Report No. 106–409.

AMENDMENT NO. 1 OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. Scott:

In title I, strike section 101 and redesignate succeeding sections and all cross references accordingly.

The CHAIRMAN pro tempore. Pursuant to House Resolution 339, the gentleman from Virginia (Mr. Scott) and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Virginia (Mr. Scott)

Mr. SCOTT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this amendment strikes section 101 from the bill. That is the part that overturns the Oregon referendum and also exposes doctors to criminal and civil liability.

This bill states that alleviating pain in the usual course of professional practice is legitimate, even if the use of controlled substances may increase the risk of death. However, then it turns around and specifically prohibits the intentional use of such substances for causing death.

Now, the part about alleviating pain being a legitimate practice under the law is legally meaningless because it does not create a legal safe harbor. It does not create an affirmative defense. It does not say if you are consistent with the medical protocol that you can use that as a defense against a charge of intention.

The problem we have is that the case will only arise when you have a terminally ill patient who has died and is full of drugs. DEA comes in and says, well, you killed him intentionally. The DEA has expertise in prohibiting the possession of certain drugs that are totally prohibited, but they have no expertise to know how to prescribe drugs and when too many or not enough drugs have been prescribed.

Now, a doctor may be subject to scrutiny by the state medical board if they inappropriately prescribe drugs, but a law enforcement agency, without any expertise, is inappropriate. Even if the DEA decides not to prosecute a doctor, the fact that this bill is on the books will create civil liability, so that anybody can come in and sue the doctor, contrary to the stated purpose of the bill. Then section 101's expansion of DEA authority, potential civil and criminal liability, will likely increase the doctor's reluctance to prescribe sufficient drugs to relieve pain. This is particularly harmful, because physicians already undermedicate under current law for fear of violating laws, and, if we truly want to encourage aggressive pain relief, we should not expose doctors to additional civil and criminal penalties if they do exactly what we want them to do.

Mr. COBURN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Oklahoma is recognized for 5 minutes.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, what this amendment does is gut the portion of the DEA enforcement that we presently have and is presently law. The real issue we are talking about is how do you defend taking somebody else's life and doing it under the Oregon statute? How do you defend that? How do you say it is okay for me as a physician to take your loved one out?

What, under our Constitution, what would ever give me that right, whether I am in Oregon or Oklahoma? The fact is that Oregon gets the right to pass their laws. As the chairman of the Committee on the Judiciary said, they can still take that; they just cannot do it using the Federal Controlled Substances Act. There is very good reason that we have that act. What the gentleman wishes to do is to make it not apply in this instance.

What about the child that is born, that is severely handicapped and the parents say, "Oh, no, we can't. You know, we just cannot take care of this child. It is too big of a burden. Will you not please, Mr. Pediatrician, Dr. Obstetrician, won't you relieve our suffering? Please give an injection of respiratory depressant or of a high dose of narcotics so we don't have to handle this burden. Oh, take care of our problem."

What about the value of that life? It does not have any value, according to the people of Oregon, because only in the context of the people making the decision will it have value. Only in the context of an elderly person that has severe Alzheimer's, is uncontrollable, only if that family desires, and if it is registered to be done, can they do it. That life has no value? There is no value?

In terms of inaccurate statements, the fact is the DEA law is not changed, just clarified, which will make no major change. We could give a safe harbor for physicians. As a practicing physician who gives palliative care for dying cancer patients and others, I welcome this change in the law, because it does clarify, and it does offer safe harbor.

Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. DEFAZIO)

Mr. DEFAZIO. Mr. Chairman, if you are for States rights, you will support this amendment. But even if you are not for States rights and you are not supportive of what Oregon has done, twice, the people of Oregon by initiative, if you do not want the Drug Enforcement Administration second guessing the intent of every physician providing end-of-life pain care to every American and chilling and destroying that relationship and the capability of people to get relief from pain, you will support this amendment.

The other side is trying to scare people with all sorts of inaccurate statements. Taking someone else's life? The person has to be competent, judged by two doctors, a psychiatrist, and they can only do it by their own hand with a prescription. "Hangman," we heard from the chairman of the committee. "Euthanasia," we heard. Incredibly irresponsible statements by the other side, denigrating the people of Oregon, the 60 percent who supported this, and the people who are suffering horribly at the end of life.

And, finally, the hypocrisy. The chairman of the committee proposed in the last Congress a bill, H.R. 1252, and what he said there is no single Federal judge should be able to overturn a state law adopted by referendum, and that they cannot grant any relief or anticipatory relief on the ground the a state law is repugnant of the Constitution, which they do not say here. It is repugnant to them and their moral structure. Treatises or laws of the United States, unless the application for anticipatory relief is heard and determined by a court of three judges. So he feels so strongly about state referenda that he wants to say a single Federal judge cannot find a violation of the Constitution.

But, in this case, he feels so little about the will of the people of a state and for States rights and for individuals suffering horribly, horribly, at the end of life, that he would overturn it here in a curtailed debate in the House of Representatives, where we get 5 minutes on our side, where the proponents were given three-quarters of the time during the debate. It is a stacked deck. It is not fair.

If you want to preempt the Oregon law, do it straight and honest and straight up and preempt the Oregon law on the floor, and see what the Supreme Court says about that.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. CANADY).

Mr. CANADY of Florida. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I just want to point out that the whole argument being made by the opponents of this bill is really an argument against the Controlled Substances Act. If you do not like the Controlled Substances Act, that is a position you can take. But this argument that somehow in this particular context we should not be allowed to apply the Controlled Substances Act is based on an argument that undermines the whole regulatory and statutory scheme under the Controlled Substances Act.

It is important for the Members of the House to understand that the question before us is whether we will say that the Federal Government will support and encourage assisted suicide. Now, if you believe that we should support and encourage assisted suicide, you should vote for this amendment and vote against the bill. The question is that, however, and we need to focus on that question: Will we authorize the use of controlled substances for the purpose of killing human beings? If you believe that we should do that, vote for the amendment. If you think that is something we should not do, I suggest you vote against the amendment. That is what is at stake before the House, and Members need to focus on what is really at stake and put aside the scare tactics.

Mr. SCOTT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman is recognized for 1 minute.

Mr. SCOTT. Mr. Chairman, first of all, if a physician intentionally kills someone, they will be subject to all of the state laws, criminal laws. But the point here is that if you have a terminally ill patient who has died and is full of drugs, this bill will allow the DEA to come in to determine what the intent of the physician was. Not medical enforcement, not the medical society full of doctors determining whether the appropriate protocol was followed, but a law enforcement officer. The DEA knows which drugs can be possessed and which drugs cannot be possessed. They know nothing about overprescribing or under-prescribing drugs.

We need to encourage pain relief for patients. We ought not be subjecting the physicians to additional civil and criminal penalties if they do just that.

Now, if this bill passes, we will be subjecting them not only to additional criminal laws, but also the fact that you violated a law makes you exposed to more civil litigation. So even if the DEA has the common sense not to prosecute, anybody else can come in and sue. That is not what we need, and that is why we need the amendment.

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Mr. COBURN. Mr. Chairman, I yield myself 1½ minutes, the balance of the time.

Mr. Chairman, this House twice, 2 years in a row, has said we do not think the FDA ought to be in the business of approving drugs that kill babies; we do not find a role for it, that, in fact, we should not spend Federal dollars to figure out the best ways to kill somebody.

If my colleagues want to talk about a slippery slope, pretty soon we are going to figure out the best way to take a senior out, the most comfortable way, the least expensive way, the most efficacious way to end life. Pretty soon, we are going to figure out what is the easiest way to terminate a pregnancy, to eliminate the consequences of a mistake in judgment or a crime. We are going to spend Federal dollars on how to eliminate those segments of our society that are most dependent on us.

I am not a partisan up here. But on this issue, I say that if my colleagues really care about those who cannot care for themselves, they cannot be for anybody in our society to make the final decision about whether they live or not, whether it is me making a decision about my child or us making a decision as a group about a family member or me as a physician making a decision about my patient.

What we are saying was said in Holland 10 years ago. The same statements were said, and it was ignored. Today, they have active euthanasia of newborn babies growing at 20 percent per year. They have active euthanasia of those that are handicapped growing at 20 percent a year. It will happen here, folks.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). All time has expired.

The question is on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. DEFAZIO. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 339, further proceedings on the amendment offered by the gentleman from Virginia (Mr. SCOTT) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment No. 2 printed in House Report 106–409.

AMENDMENT NO. 2 IN THE NATURE OF A SUBSTITUTED OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 2 in the nature of a substitute offered by Mrs. JOHNSON of Connecticut:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Conquering Pain Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.

TITLE I—EMERGENCY RESPONSE TO THE PUBLIC HEALTH CRISIS OF PAIN

Sec. 101. Guidelines for the treatment of pain.
Sec. 102. Quality improvement projects.
Sec. 103. Surgeon General's report.

TITLE II—DEVELOPING COMMUNITY RESOURCES

Sec. 201. Family support networks in pain and symptom management.

TITLE III—REIMBURSEMENT BARRIERS

Sec. 301. Insurance coverage of pain and symptom management.

TITLE IV—IMPROVING FEDERAL COORDINATION OF POLICY, RESEARCH, AND INFORMATION

Sec. 401. Advisory Committee on Pain and Symptom Management.
Sec. 402. Institutes of Medicine report on controlled substance regulation and the use of pain medications.
Sec. 403. Conference on pain research and care.

TITLE V—DEMONSTRATION PROJECTS

Sec. 501. Provider performance standards for improvement in pain and symptom management.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) pain is often left untreated or undertreated especially among older patients, African Americans, and children;

(2) chronic pain is a public health problem affecting at least 50,000,000 Americans through some form of persisting or recurring symptom;

(3) 40 to 50 percent of patients experience moderate to severe pain at least half the time in their last days of life;

(4) 70 to 80 percent of cancer patients experience significant pain during their illness;

(5) despite the best intentions of physicians, nurses, pharmacists, and other health care professionals, pain is often under-treated because of the inadequate training of physicians in pain management;

(6) despite the best intentions of physicians, nurses, pharmacists, and other health care professionals, pain and symptom management is often suboptimal because the health care system has focused on cure of disease rather than the management of a patient's pain and other symptoms;

(7) the technology and scientific basis to adequately manage most pain is known;

(8) pain should be considered the fifth vital sign; and

(9) coordination of Federal efforts is needed to improve access to high quality effective pain and symptom management in order to assure the needs of chronic pain patients and those who are terminally ill are met.

(b) PURPOSE.—The purpose of this Act is to enhance professional education in palliative care and reduce excessive regulatory scrutiny in order to mitigate the suffering, pain, and desperation many sick and dying people face at the end of their lives in order to carry out the clear opposition of the Congress to physician-assisted suicide.

SEC. 3. DEFINITIONS.

In this Act:

(1) CHRONIC PAIN.—The term "chronic pain" means a pain state that is persistent and in which the cause of the pain cannot be removed or otherwise treated. Such term includes pain that may be associated with long-term incurable or intractable medical conditions or disease.

(2) DRUG THERAPY MANAGEMENT SERVICES.—The term "drug therapy management services" means consultations with a physician concerning a patient which results in the physician—

(A) changing the drug regimen of the patient to avoid an adverse drug interaction with another drug or disease state;

(B) changing an inappropriate drug dosage or dosage form with respect to the patient;

(C) discontinuing an unnecessary or harmful medication with respect to the patient;

(D) initiating drug therapy for a medical condition of the patient; or

(E) consulting with the patient or a caregiver in a manner that esults in a significant improvement in drug regimen compliance.

Such term includes services provided by a physician, pharmacist, or other health care professional who is legally authorized to furnish such services under the law of the State in which such services are furnished.

(3) END OF LIFE CARE.—The term "end of life care" means a range of services, including hospice care, provided to a patient, in the final stages of his or her life, who is suffering from 1 or more conditions for which treatment toward a cure or reasonable improvement is not possible, and whose focus of care is palliative rather than curative.

(4) FAMILY SUPPORT NETWORK.—The term "family support network" means an association of 2 or more individuals or entities in a collaborative effort to develop multi-disciplinary integrated patient care approaches that involve medical staff and ancillary services to provide support to chronic pain patients and patients at the end of life and their caregivers across a broad range of settings in which pain management might be delivered.

(5) HOSPICE.—The term "hospice care" has the meaning given such term in section 1861(dd)(1) of the Social Security Act (42 U.S.C. 1395x(dd)(1)).

(6) PAIN AND SYMPTOM MANAGEMENT.—The term "pain and symptom management" means services provided to relieve physical or psychological pain or suffering, including any 1 or more of the following physical complaints—

(A) weakness and fatigue;

(B) shortness of breath;

(C) nausea and vomiting;

(D) diminished appetite;

(E) wasting of muscle mass;

(F) difficulty in swallowing;

(G) bowel problems;

(H) dry mouth;

(I) failure of lymph drainage resulting in tissue swelling;

(J) confusion;

(K) dementia;

(L) anxiety; and

(M) depression.

(7) PALLIATIVE CARE.—The term "palliative care" means the total care of patients whose disease is not responsive to curative treatment, the goal of which is to provide the best quality of life for such patients and their families. Such care—

(A) may include the control of pain and of other symptoms, including psychological, social and spiritual problems;

(B) affirms life and regards dying as a normal process;

(C) provides relief from pain and other distressing symptoms;

(D) integrates the psychological and spiritual aspects of patient care;

(E) offers a support system to help patients live as actively as possible until death; and

(F) offers a support system to help the family cope during the patient's illness and in their own bereavement.

(8) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

TITLE I—EMERGENCY RESPONSE TO THE PUBLIC HEALTH CRISIS OF PAIN

SEC. 101. GUIDELINES FOR THE TREATMENT OF PAIN.

(a) DEVELOPMENT OF WEBSITE.—Not later than 2 months after the date of enactment of this Act, the Secretary, acting through the Agency for Health Care Policy Research, shall develop and maintain an Internet website to provide information to individuals, health care practitioners, and health facilities concerning evidence-based practice guidelines developed for the treatment of pain.

(b) REQUIREMENTS.—The website established under subsection (a) shall—

(1) be designed to be quickly referenced by health care practitioners; and

(2) provide for the updating of guidelines as scientific data warrants.

(c) PROVIDER ACCESS TO GUIDELINES.—

(1) IN GENERAL.—In establishing the website under subsection (a), the Secretary shall ensure that health care facilities have made the website known to health care practitioners and that the website is easily available to all health care personnel providing care or services at a health care facility.

(2) USE OF CERTAIN EQUIPMENT.—In making the information described in paragraph (1) available to health care personnel, the facility involved shall ensure that such personnel have access to the website through the computer equipment of the facility and shall carry out efforts to inform personnel at the facility of the location of such equipment.

(3) RURAL AREAS.—

(A) IN GENERAL.—A health care facility, particularly a facility located in a rural or underserved area, without access to the Internet shall provide an alternative means of providing practice guideline information to health care personnel.

(B) ALTERNATIVE MEANS.—The Secretary shall determine appropriate alternative means by which a health care facility may make available practice guideline information on a 24-hour basis, 7 days a week if the facility does not have Internet access. The criteria for adopting such alternative means should be clear in permitting facilities to develop alternative means without placing a significant financial burden on the facility and in permitting flexibility for facilities to develop alternative means of making guidelines available. Such criteria shall be published in the Federal Register.

SEC. 102. QUALITY IMPROVEMENT EDUCATION PROJECTS.

The Secretary shall provide funds for the implementation of special education projects, in as many States as is practicable, to be carried out by peer review organizations of the type described in section 1152 of the Social Security Act (42 U.S.C. 1320c–1) to improve the quality of pain and symptom management. Such projects shall place an emphasis on improving pain and symptom management at the end of life, and may also include efforts to increase the quality of services delivered to chronic pain patients.

SEC. 103. SURGEON GENERAL'S REPORT.

Not later than October 1, 2000, the Surgeon General shall prepare and submit to the appropriate committees of Congress and the public, a report concerning the state of pain and symptom management in the United States. The report shall include—

(1) a description of the legal and regulatory barriers that may exist at the Federal and State levels to providing adequate pain and symptom management;

(2) an evaluation of provider competency in providing pain and symptom management;

(3) an identification of vulnerable populations, including children, advanced elderly, non-English speakers, and minorities, who may be likely to be underserved or may face barriers to access to pain management and recommendations to improve access to pain management for these populations;

(4) an identification of barriers that may exist in providing pain and symptom management in health care settings, including assisted living facilities;

(5) and identification of patient and family attitudes that may exist which pose barriers in accessing pain and symptom management or in the proper use of pain medications;

(6) an evaluation of medical school training and residency training for pain and symptom management; and

(7) a review of continuing medical education programs in pain and symptom management.

TITLE II—DEVELOPING COMMUNITY RESOURCES

SEC. 201. FAMILY SUPPORT NETWORKS IN PAIN AND SYMPTOM MANAGEMENT.

(a) ESTABLISHMENT.—The Secretary, acting through the Public Health Service, shall award grants for the establishment of 6 National Family Support Networks in Pain and Symptom Management (in this section referred to as the "Networks") to serve as national models for improving the access and quality of pain and symptom management to chronic pain patients and those individuals in need of pain and symptom management at the end of life and to provide assistance to family members and caregivers.

(b) ELIGIBILITY AND DISTRIBUTION.—

(1) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(A) be an academic facility or other entity that has demonstrated an effective approach to training health care providers concerning pain and symptom management and palliative care services; and

(B) prepare and submit to the Secretary an application (to be peer reviewed by a committee established by the Secretary), at such time, in such manner, and containing such information as the Secretary may require.

(2) DISTRIBUTION.—In providing for the establishment of Networks under subsection (a), the Secretary shall ensure that—

(A) the geographic distribution of such Networks reflects a balance between rural and urban needs; and

(B) at least 3 Networks are established at academic facilities.

(c) ACTIVITIES OF NETWORKS.—A Network that is established under this section shall—

(1) provide for an integrated interdisciplinary approach to the delivery of pain and symptom management;

(2) provide community leadership in establishing and expanding public access to appropriate pain care, including pain care at the end of life;

(3) provide assistance through caregiver and bereavement supportive services;

(4) develop a research agenda to promote effective pain and symptom management for the broad spectrum of patients in need of access to such care that can be implemented by the Network;

(5) provide for coordination and linkages between clinical services in academic centers and surrounding communities to assist in the widespread dissemination of provider and patient information concerning how to access options for pain management;

(6) establish telemedicine links to provide education and for the delivery of services in pain and symptom management; and

(7) develop effective means of providing assistance to providers and families for the management of a patient's pain 24 hours a day, 7 days a week.

(d) PROVIDER PAIN AND SYMPTOM MANAGEMENT COMMUNICATIONS PROJECTS.—

(1) IN GENERAL.—Each Network shall establish a process to provide health care personnel with information 24 hours a day, 7 days a week, concerning pain and symptom management. Such process shall be designed to test the effectiveness of specific forms of communications with health care personnel so that such personnel may obtain information to ensure that all appropriate patients are provided with pain and symptom management.

(2) TERMINATION.—The requirement of paragraph (1) shall terminate with respect to a Network on the day that is 2 years after the date on which the Network has established the communications method.

(3) EVALUATION.—Not later than 60 days after the expiration of the 2-year period referred to in paragraph (2), a Network shall conduct an evaluation and prepare and submit to the Secretary a report concerning the costs of operation and whether the form of

communication can be shown to have had a positive impact on the care of patients in chronic pain or on patients with pain at the end of life.

(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed as limiting a Network from developing other ways in which to provide support to families and providers, 24 hours a day, 7 days a week.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $18,000,000 for fiscal years 2000 through 2002.

TITLE III—REIMBURSEMENT BARRIERS

SEC. 301. INSURANCE COVERAGE OF PAIN AND SYMPTOM MANAGEMENT.

(a) IN GENERAL.—The General Accounting Office shall conduct a survey of public and private health insurance providers, including managed care entities, to determine whether the reimbursement policies of such insurers inhibit the access of chronic pain patients to pain and symptom management and pain and symptom management for those in need of end-of-life care. The survey shall include a review of formularies for pain medication and the effect of such formularies on pain and symptom management.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the General Accounting Office shall prepare and submit to the appropriate committees of Congress a report concerning the survey conducted under subsection (a).

TITLE IV—IMPROVING FEDERAL COORDINATION OF POLICY, RESEARCH, AND INFORMATION

SEC. 401. ADVISORY COMMITTEE ON PAIN AND SYMPTOM MANAGEMENT.

(a) ESTABLISHMENT.—The Secretary shall establish an advisory committee, to be known as the Advisory Committee on Pain and Symptom Management, to make recommendations to the Secretary concerning a coordinated Federal agenda on pain and symptom management.

(b) MEMBERSHIP.—The Advisory Committee established under subsection (a) shall be comprised of 11 individuals to be appointed by the Secretary, of which at least 1 member shall be a representative of—

(1) physicians (medical doctors or doctors of osteopathy) who treat chronic pain patients or the terminally ill;

(2) nurses who treat chronic pain patients or the terminally ill;

(3) pharmacists who treat chronic pain patients or the terminally ill;

(4) hospice;

(5) pain researchers;

(6) patient advocates;

(7) caregivers; and

(8) health insurance issuers (as such term is defined in section 2791(b) of the Public Health Service Act (42 U.S.C. 300gg-91(b))).

The members of the Committee shall designate 1 member to serve as the chairperson of the Committee.

(c) MEETINGS.—The Advisory Committee shall meet at the call of the chairperson of the Committee.

(d) AGENDA.—The agenda of the Advisory Committee established under subsection (a) shall include—

(1) the development of recommendations to create a coordinated Federal agenda on pain and symptom management;

(2) the development of proposals to ensure that pain is considered as the fifth vital sign for all patients;

(3) the identification of research needs in pain and symptom management, including gaps in pain and symptom management guidelines;

(4) the identification and dissemination of pain and symptom management practice guidelines, research information, and best practices;

(5) proposals for patient education concerning how to access pain and symptom management across health care settings;

(6) the manner in which to measure improvement in access to pain and symptom management and improvement in the delivery of care; and

(7) the development of an ongoing mechanism to identify barriers or potential barriers to pain and symptom management created by Federal policies.

(e) RECOMMENDATION.—Not later than 2 years after the date of enactment of this Act, the Advisory Committee established under subsection (a) shall prepare and submit to the Secretary recommendations concerning a prioritization of the need for a Federal agenda on pain, and ways in which to better coordinate the activities of entities within the Department of Health and Human Services, and other Federal entities charged with the responsibility for the delivery of health care services or research on pain, with respect to pain management.

(f) CONSULTATION.—In carrying out this section, the Advisory Committee shall consult with all Federal agencies that are responsible for providing health care services or access to health services to determine the best means to ensure that all Federal activities are coordinated with respect to research and access to pain and symptom management.

(g) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—The following shall apply with respect to the Advisory Committee:

(1) The Committee shall receive necessary and appropriate administrative support, including appropriate funding, from the Department of Health and Human Services.

(2) The Committee shall hold open meetings and meet not less than 4 times per year.

(3) Members of the Committee shall not receive additional compensation for their service. Such members may receive reimbursement for appropriate and additional expenses that are incurred through service on the Committee which would not have incurred had they not been a member of the Committee.

(4) The requirements of appendix 2 of title 5, United States Code.

SEC. 402. INSTITUTES OF MEDICINE REPORT ON CONTROLLED SUBSTANCE REGULATION AND THE USE OF PAIN MEDICATIONS.

(a) IN GENERAL.—The Secretary, acting through a contract entered into with the Institute of Medicine, shall review findings that have been developed through research conducted concerning—

(1) the effects of controlled substance regulation on patient access to effective care;

(2) factors, if any, that may contribute to the underuse of pain medications, including opioids; and

(3) the identification of State legal and regulatory barriers, if any, that may impact patient access to medications used for pain and symptom management.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the findings described in subsection (a).

SEC. 403. CONFERENCE ON PAIN RESEARCH AND CARE.

Not later than December 31, 2003, the Secretary, acting through the National Institutes of Health, shall convene a national conference to discuss the translation of pain research into the delivery of health services to chronic pain patients and those needing end-of-life care. The Secretary shall use unobligated amounts appropriated for the Department of Health and Human Services to carry out this section.

TITLE V—DEMONSTRATION PROJECTS

SEC. 501. PROVIDER PERFORMANCE STANDARDS FOR IMPROVEMENT IN PAIN AND SYMPTOM MANAGEMENT.

(a) IN GENERAL.—The Secretary, acting through the Public Health Service, shall award grants for the establishment of not less than 5 demonstration projects to determine effective methods to measure improvement in the skills and knowledge of health care personnel in pain and symptom management as such skill and knowledge applies to providing services to chronic pain patients and those patients requiring pain and symptom management at the end of life.

(b) EVALUATION.—Projects established under subsection (a) shall be evaluated to determine patient and caregiver knowledge and attitudes toward pain and symptom management.

(c) APPLICATION.—To be eligible to receive a grant under subsection (a), an entity shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

(d) TERMINATION.—A project established under subsection (a) shall terminate after the expiration of the 2-year period beginning on the date on which such project was established.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

The CHAIRMAN pro tempore. Pursuant to House Resolution 339, the gentlewoman from Connecticut (Mrs. JOHNSON) and a Member opposed will each control 20 minutes.

The Chair recognizes the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise to speak in strong support of aggressive pain management and palliative care. We need the opportunity to oppose physician-assisted suicide and advance the cause of pain management without having to support an aggressive new Federal role in the practice of medicine.

In the next several years, we will see tremendous growth of the elderly population. As we advance medical science to prolong life, we must also do all we can to make people's final months and days pain free. Too many patients with terminal illness and chronic conditions suffer extreme pain without receiving adequate treatment or even knowing the treatment options. Because acute prolonged pain is a significant cause of people seeking to end their lives, the substitute strikes at a major cause of suicide in an effective and progressive way.

Our substitute amendment clearly opposes physician-assisted suicide. But it would also eliminate the need for such extreme measures by advancing the science of pain management and making it more available to patients.

Our substitute would help broaden access to palliative care through the creation of family support networks and outreach programs. It would also help disseminate information to patients, their families, and physicians through a centralized health and human services Web site specific to pain management and far more accessible information than the existing Web site.

It would also help develop the science of pain management and advance the state of medical practice at the patient's bed side. It would train and educate physicians at the local level through the use of peer review organizations and direct the National Institutes of Health to convene a conference to put new developments in pain research into practice and the health care system.

It would create an 11-member advisory committee to coordinate efforts within the Federal Government to make recommendations about additional research needs, practice guidelines, and other areas of pain management practice.

Finally, the amendment would instruct the Surgeon General to issue a report on the legal and regulatory barriers to pain management, the level of competence in treating pain by physicians around the country, the amount and quality of training received by medical students and residents, and other issues relating to pain management.

I deeply respect the opposition to physician-assisted suicide of the gentleman from Illinois (Chairman HYDE). Congress has already stated its opposition when it overwhelmingly passed legislation to ban Federal funds and Federal health programs from funding assisted suicide.

Most States, including my home State of Connecticut, ban assisted suicide, prohibit it as a matter of State law and as a matter of medical practice.

Our substitute reflects the will of Congress in its clear language opposing assisted suicide, but it goes beyond that to strike at one of the most significant reasons people feel that suicide is the only answer: the sheer desperation and hopelessness that severe pain causes.

Our amendment would address this desperation by promoting the development of pain management, advancing physician knowledge, and increasing patient expectations that their pain should be properly managed.

In contrast, the underlying bill would discourage physicians from prescribing appropriate pain medications. I have a long list of quotes from physicians that demonstrates what a chilling effect this bill would have on current practice.

This is why I have been trying to intervene when my colleagues were saying we do not change the law, because we do change the law, it will have a chilling effect on the willingness of physicians to deliver pain relief care. For the first time, under the Hyde language, DEA agents would be required to judge retroactively the intent of a prescribing physician. With little or no medical training, agents would have to judge if a physician intended to relieve pain even at the risk of death or intended to "hasten death."

Now, remember, Mr. Chairman, there is always a risk of death when prescribing controlled substances for extreme pain suffered by very ill patients. Patients build up resistance to medications and require stronger doses for relief. As a result, there is nearly always a risk of death to the patient.

How is a DEA agent to judge whether the stronger dose was appropriate, though it risked death, which is legal under the Hyde language, or it was not appropriate because it hastened death? Does this House want to delegate to nonmedical professionals that kind of authority? Do we want the Federal Government writing regulations to implement this section of law?

Pain management is a developing science and each terminal case has its own tragic reality. Under current practice, the DEA already has clear regulatory authority over physicians who are illegally trafficking drugs and misused controlled substances.

On matters involving questions of medical judgment, however, the DEA defers to the State health agencies and State medical boards which have historically governed the scope and standards of medical practice.

Why would we want to change this? Why would we ask DEA agents to judge the intention of physicians managing extreme pain in very sick patients?

Ironically, a few weeks ago, this body passed legislation to prevent insurance companies from the second guessing of physicians. We should not now require DEA agents to second-guess physicians.

I urge my colleagues to support the substitute amendment that addresses the desperation and hopelessness of suffering severe pain by developing the science of pain management, advancing physician knowledge, and increasing patient expectation and access to proper pain management. I urge support of my amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Oklahoma (Mr. COBURN) rise?

Mr. COBURN. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The gentleman from Oklahoma (Mr. COBURN) is recognized for 20 minutes.

Mr. COBURN. Mr. Chairman, I yield myself 15 seconds so that I might respond.

The gentlewoman from Connecticut (Mrs. JOHNSON) might not recognize that every narcotic prescription that I write today, when it is reviewed and surveyed and sampled, a DEA agent makes a decision whether or not my judgment was appropriate in that. If there is any question, they are in my office looking at my medical records. So the statement to say we do not allow them judgment today is wrong.

Mr. Chairman, I yield 8 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Chairman, I thank the gentleman from Oklahoma for yielding me this time.

Mr. Chairman, much of the debate surrounding the Pain Relief Promotion Act focuses on whether it is more likely to have a positive or a negative impact on those who suffer from severe and continuing pain. I believe the experience in my own State of Kansas can shed important light on this question.

Major medical organizations, including the American Academy of Pain Management, the American Society of Anesthesiologists, and the American Medical Association say the bill will live up to its title. They emphasize that, for the first time, the bill writes into the Controlled Substances Act protection for physicians who prescribe the large doses of drugs sometimes necessary to manage intractable pain, even when it may increase the risk of death, so long as the drugs are not prescribed intentionally for the purpose of assisting suicide or euthanasia.

However, a dissident group of State medical societies and some other medical organizations predict that this very provision will lead some physicians to hesitate to prescribe needed drugs, fearing that their intentions may be subject to question by the Drug Enforcement Agency, or the DEA.

Fortunately, there is evidence from a number of States against which we can test these competing predictions. In the period from 1993 through 1998, Kansas and four other States enacted new laws similar in effect to the disputed provision in the Pain Relief Promotion Act.

Like H.R. 2260, these State laws have combined a provision specifically protecting doctors who prescribe medications for pain relief with provisions preventing their use for purpose of assisting suicide or euthanasia. Let us look at what happened at the drug prescriptions following enactment of these laws.

Let us begin with my own State of Kansas. The bill preventing assisted suicide was enacted in our State legislature in 1993 while I served in the State Senate. Did that cause doctors to be less likely to prescribe high doses? Look at the chart here. Per capita morphine usage increased a little bit for a couple of years, then in 1996, began to rise dramatically. In 1998, the law on assisting suicide was strengthened. At the same time, language specifically protecting prescriptions for pain relief was added.

It read: "A licensed health care professional who administers, prescribes, or dispenses medications or procedures to relieve another person's pain or discomfort, even if the medication or procedure may hasten or increase the risk of death, does not violate this law unless the medications or procedures are knowingly administered, prescribed, or dispensed with the intent to cause death." That is very close, indeed, to the language of the Pain Relief Promotion Act.

What happened to the prescriptions for pain killing drugs? Based on the figures for the first half of 1999, per capita use of morphine rose 22 percent in Kansas. The experience has been replicated in State after State after State.

Let us look at a chart for Kentucky. In June of 1994, Kentucky passed a law banning assisted suicide, but specifically allowing pain control that may unintentionally risk death. That year, per capita use of morphine increased. While there was a little dip in 1995, usage was still higher than either of the 2 years before the law passed. Since then, morphine usage per capita has increased over 2,200 grams for every 100,000 people in 1997 and 1998, and projected from half-year figures in 1999.

Next is Iowa. In 1996, Iowa enacted legislation against assisted suicide. The law included language to protect prescriptions for pain relief very similar to that of Kansas and the Pain Relief Promotion Act.

What happened? Again, let us look at the chart. Before the bill, prescriptions of morphine per 100,000 people were almost flat, ranging from 935 to 1,100 grams. With the bill's enactment, the amount of morphine used in prescription soared. By 1997, it had almost doubled.

Next a chart for Louisiana. In 1995, Louisiana passed a law preventing assisted suicide which stated that it did not apply to prescribing medication if the intent is to relieve the patient's pain or suffering and not to cause death. As the chart dramatically shows, in the 4 years preceding the law's effective date, the use of morphine was below 1,000 grams per 100,000 people. In the 4 years since, it has soared. So that, in the first half of this year, it has stood at 3,659 grams per 100,000 people.

Michigan, the home of Jack Kevorkian is next. That chart shows a checkered history of the laws on assisted suicide in their State compared with morphine usage per capita. As my colleagues can see, there is certainly no downward effect on morphine usage associated with the periods the ban was in effect.

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Since a permanent statutory ban, which includes language like that in H.R. 2260 promoting pain relief, went into effect in 1998, the trend of morphine usage has been steadily upward.

Rhode Island. Now we will look at this particularly interesting case because the Rhode Island Medical Society is opposing the Pain Relief Promotion Act, saying that preventing the use of drugs to assist suicide will chill prescriptions for pain control.

In 1996, the organization made the same argument against an assisted-suicide bill in the State legislature that passed despite its opposition. That Rhode Island law included the following language: "A licensed health care professional who administers, prescribes, or dispenses medications or procedures to relieve another person's pain or discomfort, even if the medication or procedure may hasten or increase the risk of death, does not violate the provisions of this chapter, unless the medications or procedures are knowingly administered, prescribed, or dispensed to cause death."

Again, this is quite similar to the language of the Pain Relief Promotion Act.

What happened? As my colleagues can see from the chart, per capita prescriptions of morphine shot up to almost double the highest pre-law rate. Since then they have dropped off a little bit, but remaining far above the pre-law rate.

Next is Tennessee. In July, 1993, a law with language very much like the Pain Relief Promotion Act was enacted. Morphine usage that year and the next year was up from the year before. In 1995, there was a dip, but morphine usage per capita was still greater than that of the year before the law. Since then it has continued up.

Virginia. Briefly let us look at Virginia. In the spring of 1997, the Virginia legislature passed a measure to prevent assisting suicide, which went into effect after reaffirming the vote in the spring of 1998. That law contained language differentiating between the intent to relieve pain, even with the risk of death, and the intent to cause death, just like the Pain Relief Promotion Act.

The result is clear on the chart. Per capita use of morphine has not been deterred. In fact, it went up.

Finally, some of my friends from Oregon make the argument that passing the law legalizing assisted suicide in some cases has freed doctors to provide needed higher doses to accomplish pain relief. But let us look at the Oregon chart.

True, morphine use per capita has increased in Oregon, but virtually all of that increased while the suicide law was not yet in effect, because it had been enjoined by a court order. That means the increase occurred while physicians remained subject to investigation and revocation of their DEA registration if they used federally controlled drugs to assist any suicide. Clearly, that did not deter Oregon doctors from significantly increasing their prescriptions for the pain killing morphine.

Remember, other than Oregon, all of these States' new laws distinguish between the intent to alleviate pain and cause death. Because of experiences in Kansas and other States, we can be confident that a vote for H.R. 2260 will promote and not threaten improved pain relief. I urge a vote of passage and opposition to any substitute or amendments.

Mrs. JOHNSON of Connecticut. Mr. Chairman, may I inquire as to how much time I have remaining?

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentlewoman from New Jersey (Mrs. JOHNSON) has 13 minutes remaining, and the gentleman from Oklahoma (Mr. COBURN) has 11¾ minutes remaining.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN. Mr. Chairman, I rise today in opposition to the Pain Relief Promotion Act and in support of the Johnson–DeFazio amendments.

I share many of my colleagues' discomfort with the issue of assisted suicide, and I certainly respect the desire of the gentleman from Illinois (Mr. HYDE) to improve palliative care and to ensure that the seriously ill receive safe, quality, and effective pain management.

However, I also support States rights. The people of Oregon, not once but twice, through long and through thoroughly debated ballot measure campaigns, affirmed their desire to allow terminally ill people to seek help from their physicians in ending their lives. For most Oregonians, deciding on how to vote on this issue was a deeply personal and moral process. I know, because I too agonized over how to vote on this measure.

I agonized as a father, who watched the life drain from a young son, and who watched as cancer worked its wicked will on a mother. I voted against assisted suicide when it was on the ballot because I personally have serious moral misgivings for it. But I also have a deep respect for the underpinnings of our democracy in our State and our country, and I respect the right of the initiative and the referendum process.

Oregon voters are probably the only ones that have voted both through the initiative and the referendum process to stand up for what they felt was right for their loved ones and for their lives. Now, more than 2500 miles away, a Congress, foreign to many in my State, wants to overturn their will, wants to make that very personal decision for them.

I have to tell my colleagues that in the year that I was out campaigning for this very office there were many times people came up to me and said, "Are you going to go back there and undo what we did?" Not on this issue, but on others. Do my colleagues realize how cynical people are about how they act at the ballot box, only to have some level of government higher or the Judiciary overturn what they seek to do?

So, Mr. Chairman, I stand here today in support of this amendment and of the DeFazio amendment. And I want to close with a quote from Time magazine from a cancer specialist, Dr. Nancy Crumpacker, who said, "If this bill is passed, doctors will never again be able to treat suffering people without the fear of punishment."

I do not want them to have to operate under the fear of that kind of punishment. I want this decision, a very personal decision, to remain the way it has been crafted very carefully; not only by Oregon voters but by their legislature as well, so that it is between the terminally ill person, witnessed in that person's physician. So I support the amendments to this legislation.

Mr. COBURN. Mr. Chairman, I yield myself 15 seconds, and I want to quote Herbert Hinden, Professor of Psychiatry at New York Medical College.

"The proposed law provides protection for physicians who prescribe medication with the intention of relieving pain, even if that medication has the secondary effect of causing death."

Mr. Chairman, I yield 2½ minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, what we are talking about here is the relationship between a doctor and a patient. Most of these patients are dying patients, at least that is what we assume.

These people are at their weakest, they are at their most vulnerable, their complete trust, in fact, their life is in the hands of their doctor. They have every right to expect that their doctor is going to be a healer and not a killer; that their doctor is not going to seek a quick fix. Doctors have the right to prescribe very useful, very strong, very powerful drugs to alleviate pain. But to alleviate pain, not to eliminate patients. It is to eliminate pain.

We, in this country, believe in the sanctity of human life. I can remember my grandmother, very ill in the hospital. I can remember the doctor telling us she would not live through the night. She did live through the night. She came home and she spent 3 more years with my grandfather, and they were productive years. She was not confined to a wheelchair, she was not confined to a bed.

Now, this bill has been misrepresented. I want to commend the gentleman from Illinois (Mr. HYDE) and I want commend the gentleman from Florida (Mr. CANADY) for bringing this bill.

Once again let me repeat what this bill does allow doctors to do. And let me say this, doctors support this bill. The American Medical Association has endorsed this bill. The organization that cares for these dying patients and knows more about them, the American Hospice Organization, has endorsed this bill. Americans support this bill by more than two to one.

This bill allows physicians to do their job effectively and compassionately. Those with terminal illnesses often find themselves in terrible pain, and under current laws many doctors do not have the ability to help those sickest patients. Under this legislation, and it clearly states this, that alleviating pain or discomfort is a legitimate medical purpose consistent with public health and safety, even if the use of such substance may increase the risk of death."

This bill allows doctors to effectively prescribe medication to control pain of patients and to improve their last few days of life, but at the same time ensures to all of us that they will be healers and that they will conform to their ethical code never to kill, only to cure.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentlewoman for yielding me this time. I want to associate myself with the remarks of the gentleman from Oregon (Mr. WALDEN).

Like the gentleman from Oregon, I too have watched a loved one die of cancer. I did not want her to commit suicide nor be put to death. I wanted her to be healed, as the previous speaker has said, and I believe all the doctors that dealt with her wanted to do that. But anybody who has gone through that experience, I think, is convicted of the fact that they want the doctor to have the latitude to use such means and devices as in the doctor's judgment is best to relieve that patient from the agony of death.

I will vote for this substitute and urge the adoption of this substitute because I believe it gives that latitude. It states as a policy that we are against assisted suicide, but it also goes on to train and to offer counseling and education in this very difficult time for families and individuals.

Mr. Chairman, I rise today in support of the Rothman-Johnson-Maloney-Hooley "Conquering Pain Substitute" to H.R. 2260—"The Pain Relief Promotion Act."

Assisted suicide remains a divisive issue around the nation. For young and old alike who suffer from terminal illness, finding a way to ease excruciating pain is a complex and difficult task.

The "Conquering Pain Substitute" provides a viable alternative to the "'Pain Relief Promotion Act."

Not only does it express this body's opposition to assisted suicide, but it implements a variety of programs to provide information on pain management and learn more about the importance of controlled substances in treating the seriously and terminally ill.

The "Conquering Pain Substitute" puts more emphasis into research and insuring that health professions have the information they need in making pain management decisions.

The substitute expands access to pain management by establishing family support networks, a pain guidelines web-site, and insures that all Medicare recipients are informed of their insurance coverage of pain treatment.

The bill also calls for a report by the Surgeon General on legal and regulatory barriers to pain management as well as establishing an advisory committee on pain to coordinate efforts to the Federal Government.

This substitute provides a sensible approach to a difficult and emotional issue and I hope my fellow colleagues will join me in supporting it.

From time to time a few egregious cases, like assisted suicide, lead us to adopt legislation with broad implications and possible unintended consequences.

However, if the substitute fails, I will vote for final passage of H.R. 2260.

Representatives HYDE and STUPAK have made a concerted effort to win wide-spread support of their bill including support by the American Medical Association, and the National Hospice Association. This bill is far superior to the Lethal Drug Abuse Prevention Act that was introduced in the 105th Congress.

Once again I urge my colleagues to support the "Conquering Pain Substitute"

Mr. COBURN. Mr. Chairman, I yield 2½ minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise here today in the first place because I have been wrongly identified as a supporter of the substitute, and secondly I rise in support of the base bill.

But I also wanted to tell my colleagues, that I, too, like the gentleman from Maryland (Mr. HOYER), have had to care for terminally ill members of my family as both a daughter and a mother. I cared for my father at my home during his last weeks as a prostate cancer patient and for my own son, Todd whom I lost to leukemia, and I cared for him. Sincerely and seriously, I address this issue from the memories of the trauma—physical and mental that my loved ones endured.

I have to tell my colleagues that originally I was too focused on only the palliative care questions because the issues had been misrepresented to me. And as I investigated, both with the Justice Department and with the AMA as to their reasons for supporting these portions of the bill, I learned that absolutely this does not interfere with the doctor-patient relationship.

I want to read from the October 19 letter that the Justice Department wrote to the gentleman from Illinois (Mr. HYDE), and I want to be specific about this because there is a lot of rhetoric around here and we are talking about legal questions. The Department of Justice fully supports these measures. "H.R. 2260 would eliminate any ambiguity about the legality of using controlled substances to alleviate the pain and suffering of the terminally ill," and I want to emphasize this, because they go on to say, "by reducing any perceived threat of administrative and criminal sanctions in this context." That gives me the assurance that I believe I need.

Further on, they go on to other questions. But, clearly, the palliative care and the protection of the physician's professional actions are there.

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But, in addition, I questioned at length, the AMA. At first I called the AMA with deep concern about their support for the bill. And then after discussing with the AMA, they sent me documentation as to their reasons for support.

Because I am the wife of a doctor and I have had all kinds of contacts with medical provisions, and they specifically explicitly state in black and white that the addition of language explicitly acknowledging the medical legitimacy of the double effect in the CSA provides a new and important statutory protection for the physicians prescribing controlled substances for pain, particularly for patients at the end of life.

It is unambiguous and the AMA supports this because their previous concerns have been addressed quite correctly by the gentleman from Illinois (Chairman HYDE) and the committee.

I strongly support the bill; and oppose the substitute as ambiguous and inadequate.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, the gentlewoman from New Jersey (Mrs. ROUKEMA) described herself as wrongly identified. I would like the RECORD to note that she asked to be a cosponsor of the amendment, voluntarily signed "dear colleagues," and was part of a letter to the leadership; and while she may have changed her mind, things were not misrepresented and she was not wrongly identified. She has merely changed her position. And I certainly accept and respect that.

Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I oppose assisted suicide. If I had the opportunity either as a Member of Congress or in a referendum, I would vote to make that illegal. However, I am concerned about the unintended consequences that this bill would place on providers and patients at risk, as well as preempt State laws that have already addressed this issue.

All of us have had experience with very dear and close family members who have died and had to have hospice treatment. In my State of Texas, where a physician-assisted suicide is not legal, the definition of "intractable pain" and the rules that govern its treatment are carefully worked out and negotiated.

Over the past years, the Texas Board of State Medical Examiners has modified their rules to fine tune them so that they will provide for best care for patients without undue interference. Our pain act was passed to reassure physicians that they would not have enforcement action taken against them if they prescribed a prescription for a controlled substance.

Now I see we have a difference between the AMA and Texas Medical Association. Because before this act was passed by the legislature, many physicians were consciously undertreating patients because of the fear of State disciplinary action. I worried this would happen. That is why I stand in support of the Johnson-Rothman-Hooley substitute.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1½ minutes to my colleague, the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise in support of this amendment. This will improve the bill. I am very concerned, as a physician, that this bill will do great harm to the practice of medicine. This is micromanaging the palliative care of the dying.

So I strongly support this amendment because it will remove the severe penalties and the threats. Physicians are accustomed to practicing with lawyers over their shoulders. Now we are going to add another DEA agent over our shoulders to watch what we do.

It is said, well, there is not going to be any change in law. Well, if there is not, why the bill? Certainly there is a change in law. This bill does not state that it is dealing with euthanasis. It says it is a pain relief promotion act.

Generally speaking, I look at the names of bills and sometimes intentionally and sometimes just out of the way things happen here, almost always the opposite happens from the bill that we raise up. So I would call this the pain promotion act. I really sincerely believe, as a physician, that this will not help.

Too often physicians are intimidated and frightened about giving the adequate pain medication that is necessary to relieve pain. This amendment will be helpful. This is what we should do. We should not intimidate. The idea of dealing with the issue of euthanasis, euthanasia is killing. It is murder.

I am pro-life. I am against abortion. I am absolutely opposed to euthanasis. But euthanasis is killing. Under our Constitution, that is a State issue, not a congressional issue.

I strongly urge the passage of this amendment.

Mr. Chairman, today Congress will take a legislative step which is as potentially dangerous to protecting the sanctity of life as was the Court's ill-advised Roe versus Wade decision.

The Pain Relief Promotion Act of 1999, H.R. 2260, would amend Title 21, United States Code, for the laudable goal of protecting palliative care patients from the scourge of "assisted" suicide. However, by preempting what is the province of States—most of which have already enacted laws prohibiting "assisted suicide"—and expanding its use of the Controlled Substances Act to further define what constitutes proper medical protocol, the federal government moves yet another step closer to both a federal medical bureau and a national police state.

Our federal government is, constitutionally, a government of limited powers. Article one, section eight, enumerates the legislative areas for which the U.S. Congress is allowed enact legislation. For every other issue, the federal government lacks any authority or consent of the governed and only the state governments, their designees, or the people in their private market actions enjoy such rights to governance. The tenth amendment is brutally clear in stating "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." Our nation's history makes clear that the U.S. Constitution is a document intended to limit the power of central government. No serious reading of historical events surrounding the creation of the Constitution could reasonably portray it differently.

In his first formal complaint to Congress on behalf of the federal Judiciary, Chief Justice William H. Rehnquist said "the trend to federalize crimes that have traditionally been handled in state courts . . . threatens to change entirely the nature of our federal system." Rehnquist further criticized Congress for yielding to the political pressure to "appear responsive to every highly publicized societal ill or sensational crime."

However, Congress does significantly more damage than simply threatening physicians with penalties for improper prescription of certain drugs—it establishes (albeit illegitimately) the authority to dictate the terms of medical practice and, hence, the legality of assisted suicide nationwide. Even though the motivation of this legislation is clearly to pre-empt the Oregon Statute and may be protective of life in this instance, we mustn't forget that the saw (or scalpel) cuts both ways. The Roe versus Wade decision—the Court's intrusion into rights of states and their previous attempts to protect by criminal statute the unborn's right not to be aggressed against—was quite clearly less protective of life than the Texas statute it obliterated. By assuming the authority to decide for the whole nation issues relating to medical practice, palliative care, and assisted suicide, the foundation is established for a national assisted suicide standard which may not be protective of life when the political winds shift and the Medicare system is on the verge of fiscal collapse. Then, of course, it will be the federal government's role to make the tough choices of medical procedure rationing and for whom the cost of medical care doesn't justify life extension. Current law already prohibits private physicians from seeing privately funded patients if they've treated a Medicaid patient within two years.

Additionally, this bill empowers the Attorney General to train federal, state, and local law enforcement personnel to discern the difference between palliative care and euthanasia. Most recently, though, it was the Attorney General who specifically exempted the physicians of Oregon from certain provisions of Title 21, the very Title this legislation intends to augment. Under the tutelage of the Attorney General, it would thus become the federal police officer's role to determine at which point deaths from pain medication constitute assisted suicide.

To help the health care professionals become familiar with what will become the new federal medical standard, the bill also authorizes $24 million dollars over the next five years for grant programs to health education institutions. This is yet another federal action to be found nowhere amongst the enumerated powers.

Like the unborn, protection of the lives of palliative care patients is of vital importance. So vitally important, in fact, it must be left to the states' criminal justice systems and state medical licensing boards. We have seen what a mess results from attempts to federalize such an issue. Numerous states have adequately protected both the unborn and palliative care patients against assault and murder and done so prior to the federal government's unconstitutional sanctioning of violence in the Roe versus Wade decision. Unfortunately, H.R. 2260 ignores the danger of further federalizing that which is properly reserved to state governments and, in so doing, ignores the Constitution, the bill of rights, and the insights of Chief Justice Rehnquist. For these reasons, I must oppose H.R. 2260, The Pain Relief Promotion Act of 1999.

PREFERENTIAL MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Clerk will report the motion.

The Clerk read as follows:

> Mr. OBEY moves that the Committee do now rise and report the bill back to the House with a recommendation that the enacting clause be stricken out.

Mr. OBEY. Mr. Chairman, many of us are against assisted suicide. But, in my view, in an attempt to get at that problem, this bill is a blunder and it pushes us away from added protection for patients.

I am for the amendment that is being considered. Because what this bill does is to say that, when a doctor prescribes pain killing agents, the Drug Enforcement Agency could look over the doctor's shoulder and threaten that doctor with 20 years in jail.

That is an outrageous Big Brother intrusion in the doctor-patient relationship. Nobody, not government, not religion, not politicians have the right to tell any individual how much pain they have to endure and how it has to be managed. That is my business and my doctor's business. It is not yours or yours or yours or anybody else's.

Does anybody really believe that today there is too much bias in medicine toward relieving pain? If they think that is the case, they have not been in many hospital rooms lately.

The fact is that today incentives are in the opposite direction to make doctors so careful that they often will err on the side of not enough pain relief. This bill would make that problem worse. That is why I am opposed to it, and that is why I support the amendment.

Mr. COBURN. Mr. Chairman, I seek time in opposition, and I yield to the gentleman from Florida (Mr. CANADY).

Mr. CANADY of Florida. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to bring to the attention of the House why we are here today, and that is because the Attorney General of the United States has made a determination as the Attorney General that physician-assisted suicide is legitimate medical practice. That is what she decided.

Now, that was a break with tradition. That was a break with the policy of the Federal Government. She decided that. And we are here today, as the Congress, to express our view legislatively on whether she was right or wrong. I submit to the House that she was wrong and this House should not endorse the position of the Attorney General that physician-assisted suicide is legitimate medical practice.

That is the real issue before us here today. There has been a lot of things talked about, but I want to thank the gentlewoman from New Jersey (Mrs. ROUKEMA) for bringing out the fact that the Department of Justice has endorsed the provisions of this bill that deal with palliative care.

There have been many things said about those provisions, criticizing them and saying they are going to create additional problems. But the Department of Justice has written in a letter of October 19 that H.R. 2260 would eliminate any ambiguity about the legality of using controlled substances to alleviate the pain and suffering of the terminally ill by reducing any perceived threat of administrative and criminal sanctions in this context. The Department, accordingly, supports these portions of H.R. 2260 addressing palliative care.

This is a very important statement coming from the Department of Justice, and I think the Members should evaluate some of the attacks that have been made on this bill and look at what the Department of Justice, which does not support the overall bill, I hasten to add, they do not support provisions with respect to the effect on Oregon. That is very clear, as well. But palliative care they support.

I suggest that the Members ask themselves as they consider how they are going to vote on this whether we wanted to say that the Federal Government will support and encourage assisted suicide or are we going to authorize the use of controlled substances for the purpose of killing human beings?

It is the Federal Government that authorizes the use of controlled substances. We have a general prohibition on them. But we allow them to be utilized in certain circumstances. Is it going to be the position of this Federal Government that we will authorize them for the purpose of killing human beings? That is the issue that is before us here today, will we allow this well-established regulatory scheme governing controlled substances to be undermined in that way. It is my view that to allow it to be used in that way would be to undermine it.

Now remember, when a physician authorizes the use of a controlled substance, he has to take out a special prescription pad is my understanding, a prescription pad that is authorized by the DEA; and on that special controlled substance prescription pad, he is going to write out a prescription to kill somebody.

Now, do we want to put in place a mechanism where that sort of thing takes place? I do not think so. But we have got to decide today, are we going to go on record supporting the decision of the Attorney General that this is a legitimate medical practice, or are we going to say no?

Now, it is very interesting that each of the proponents of the bill say they are against physician-assisted suicide. Well, if they are against physician-assisted suicide, why do they want to allow a Federal regulatory scheme to be utilized in a way that supports and encourages it? Why do we want to authorize the use of federally controlled drugs for physician-assisted suicide if we are opposed to physician-assisted suicide? I think there is a fatal contradiction.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. CANADY of Florida. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I would like to ask the gentleman from Oklahoma (Mr. COBURN) a question.

Whenever he prescribes a controlled substance, does not the DEA review that prescription?

Mr. COBURN. Mr. Chairman, reclaiming my time, absolutely.

Mr. HYDE. Mr. Chairman, if the gentleman will continue to yield, now did my colleagues hear that? Every time he writes a prescription for a controlled substance, the DEA, that horrible gestapo, reviews the prescription and the purpose for it.

Now, therefore, the DEA has a role to play today as we speak in the existing law, and this bill does not change it. It just says to Oregon that they are back in with the rest of the 50 States now.

We do not create a gestapo. We simply say that what exists now will continue to exist, but they cannot use controlled substances to execute people, however directly or indirectly.

Mr. CANADY of Florida. Mr. Chairman, the gentleman from Illinois (Mr. HYDE) is absolutely correct.

The CHAIRMAN pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. OBEY).

The motion was rejected.

The CHAIRMAN pro tempore. The Chair would advise that both Members have 6½ minutes remaining in the debate.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, we should not support H.R. 2260 in its present form. As a physician, I rise in support of the substitute amendment offered by my colleagues, the gentlewoman from Connecticut (Mrs. JOHNSON), the gentleman from New Jersey (Mr. ROTHMAN), the gentlewoman from New York (Mrs. MALONEY), and the gentlewoman from Oregon (Ms. HOOLEY), which tries to lessen the damage that would be done by the underlying bill.

Mr. Chairman, one would believe that the proponents of this bill never have had someone close to them terminally ill, their body taken over by cancer and racked with pain. The only thing that families ask for at times like these is that the last days of their loved ones be as comfortable as possible. And the only thing that we as physicians can offer is palliative treatment or pain relief.

This is not assisted suicide. It is good, and caring medical practice. What we need to be doing as a Congress, instead of preventing physicians from providing the care that a person needs, is to do precisely what the amendment asks us to do, allow us to practice our healing arts with compassion and also provide for research and training to expand our options for palliative care so that our loved ones can transition with dignity.

Mr. Chairman, this bill is misguided and it is one more attempt to interfere with the practice of good medicine. Let us pass this amendment. I would want my doctor to be able to provide needed pain relief if I were terminally ill, and so would my colleagues.

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Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I rise in opposition to the substitute. I would like to make it quite clear to all of my colleagues what the substitute does. Both bills have funding and authorization for more education for physicians so that they will more aggressively treat patients with pain. I think the gentlewoman from Connecticut one-ups the authors of the original bill. She has got $19 million in there and a website, et cetera. But she very strategically does not have the language that addresses what is going on in the State of Oregon, and I will again reiterate what I said earlier. When you hold out suicide as an option, it is a fraud. You can take care of these patients.

I practiced treating these people. I took care of them. In proper hands you can manage their pain. You can treat their depression. And to say that in some cases we cannot handle those things and therefore you have to allow them to commit suicide to me is a hoax.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. WU).

Mr. WU. I thank the gentlewoman from Connecticut for yielding me this time.

Mr. Chairman, so much has been said in this debate already. I seek not to restate any of that. I ask my fellow Members of the House to do one thing and one thing only, and, that is, to read the Oregon statute before they vote. Please read the Oregon statute before you vote. There are dozens of protections in the statute. They should be fully informed about what they vote on today, because this body is about to substitute its judgment for the judgment of individuals in small rooms in my home State. Please read the statute before you vote.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I rise in support of the bipartisan Johnson amendment. This debate today is not about squashing the Oregon law 3,000 miles away. It is about whether or not people can get appropriate pain relief in our own neighborhoods at home, our parents, our friends.

One of my constituents writes, "After 5 years and one suicide attempt and my doctor saying he could not legally go any higher on my pain relief medication, I do not want to live anymore. I want to be productive and see my young girl grow up but I really feel I have been sentenced to death."

I ask my colleagues to consider the lives of people who depend on appropriate pain medication to live. It is not our place or government's place to come between doctors and their patients and potentially criminalize their efforts to ease the suffering of those who need help, who need pain relief.

I urge all of my colleagues to vote for the Johnson substitute and against the base bill.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. ROTHMAN).

Mr. ROTHMAN. Mr. Chairman, first let me correct my colleague and friend from New Jersey. On page 3 of the Justice Department's letter to the gentleman from Illinois (Mr. HYDE), they say specifically they oppose the portion of the bill with regards to the Oregon law. They are in favor of the palliative portion but oppose the Oregon portion. That is clear.

Now, let me read from the substitute: "The purpose of the act is to enhance professional education in palliative care and reduce excessive regulatory scrutiny in order to mitigate the suffering, pain and desperation many sick and dying people face at the end of their lives in order to carry out the clear opposition of the Congress to physician-assisted suicide."

That is the substitute. We are against physician-assisted suicide but we want to foster palliative care to the tens of millions of Americans suffering chronic, debilitating, horrible pain. Now, the doctors in this Chamber, Democrats and Republicans, are on both sides of this question. The doctors in the major organizations in the United States are on both sides of this question. Most of the nursing organizations are for the substitute. Why? Because they know that there is a chilling effect, a real one, on doctors in prescribing pain medication if the underlying bill is passed and we reject the substitute. If you are against the Oregon law, go to the Supreme Court and throw it out. But do not affect the ability of tens of millions of Americans to get the pain relief that they need. Vote for the substitute that says we are against physician-assisted suicide but we want doctors to be able to prescribe pain medicine to relieve the pain of people suffering horrible, debilitating pain in their last weeks and days of life.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself the balance of my time. I rise in strong support of my amendment and urge my colleagues to support it as well.

It is far more aggressive in developing the science of pain management and advancing physician knowledge of pain management and increasing patient expectation of pain management. That is why the National Foundation for the Treatment of Pain, the American Pain Foundation and many other organizations, including the American Academy of Family Physicians, the Society of Critical Care Medicine, the Emergency Room Physicians, the Hospice and Palliative Nurses Association and many others support my amendment. It is also why many State medical societies support this in spite of the AMA's stand.

Furthermore, it is very clear, according to the former counsel of the DEA office of the chief counsel, that under current DEA law and policy, physicians can prescribe controlled substances for pain management, but it is also true that this new bill contradicts the Department of Justice's and DEA's findings that the agency should defer to the medical community on appropriate standards for providing palliative care and that the PRPA would for the first time establish Federal criteria in statute to define "legitimate medical purposes". This is a departure from current law that would prevent deferring to State and medical standards and create a conflict with State medical guidelines as to the appropriate standard of medical care. It would create conflict with State law, conflict with State guidelines, conflict with the State agencies that have traditionally implemented this part of the DEA statute. It is a significant change in Federal statute, because for the first time it requires federal criteria as to what is "legitimate medical purpose" and requires DEA agents to judge the intent of a physician as he administers to a patient suffering acute pain during the concluding days of serious illness.

I urge support of the amendment.

Mr. COBURN. Mr. Chairman, I yield myself the balance of my time.

I think three points need to be made. There is well-intended thought in the substitute but there are a couple of factual errors. Number one, we would not be here if the Attorney General had not said that physician-assisted suicide is the legitimate practice of medicine. It is not. That is number one.

Number two is the rules and regulations that the Oregon law put up were good. They are intended to make sure the wrong things do not happen, to make sure that if in fact somebody helps somebody die, that they did that when they are not depressed, when they are not coerced, when they are not in a position. But we already have this experiment that has been carried out for us in Holland. They have the exact same rules.

I want to quote to Members the testimony before the Committee on Commerce. There is a substantial practice of euthanasia now, primarily voluntarily, but definitely also not voluntarily. Even 5 years after the regulations were established, the majority of cases of euthanasia and physician-assisted suicide and almost all cases of nonvoluntary euthanasia are not reported, making effective control by the legal authorities impossible in Holland.

In fact, the first publicly reported case of assisted suicide in the State of Oregon involved an out-of-State woman who was found to be depressed by one doctor that she consulted. Within 3 weeks of contacting Compassion in Dying and moving to Oregon, she was dead by lethal overdose. Significantly, while two doctors rendered opinions against the assisted suicide, including a physician who believed the woman was suffering from clinical depression, these opinions were not included in the Oregon Health Division Report of the law's first year after enactment.

So we can be well-intentioned. We can try to design it, but the fact is there are holes. And the very first case in Oregon slipped through the cracks.

Let me read to Members about what we are going to see in the future, and I am not saying this is happening in Oregon today but this is where we are going:

"Thanks to another 'prosecution' of a doctor who euthanized an infant, euthanasia, already practiced on adults in the Netherlands, will soon openly enter the pediatric ward. Dr. Henk Prins killed a 3-day-old girl who was born with spina bifida, leg deformities and hydrocephaly, which all babies who have spina bifida have. The doctor, a gynecologist, not a pediatrician or medical expert in such cases, although experts were consulted, was defended. He testified in the trial court that he killed the child with her parents' permission because of the infant's poor prognosis."

I am not saying that is going on right now. And I understand and believe the people in opposition to this base bill that they do not believe in physician-assisted suicide. But I beg you to open your eyes to see where we are going. When abortion was first made legal in this country, it was to prevent back alley abortions. The number one reason for abortion today is birth control. That was not the intended purpose when we said we should allow medical abortions. But where are we? Just 50 million babies that are not here for birth control. The lazy birth control. Have an abortion.

So think about what can come out of this. There are legitimate options in the substitute as far as enhancing the treatment of pain control. There is no question. But the fact is this bill will protect physicians. My own experience tells me that. My own gut tells me that. But most importantly we will not violate the State right of Oregon. If Oregon wants to kill somebody not using a Federally controlled drug, they have every right to do it. But what we are saying is, if you are going to use a Federally controlled product, you do not have that right.

The CHAIRMAN pro tempore (Mr. NEY). The question is on the amendment in the nature of a substitute offered by the gentlewoman from Connecticut (Mrs. JOHNSON).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 339, further proceedings on the amendment in the nature of a substitute offered by the gentlewoman from Connecticut (Mrs. JOHNSON) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 339, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 1 offered by the gentleman from Virginia (Mr. SCOTT); amendment No. 2 in the nature of a substitute offered by the gentlewoman from Connecticut (Mrs. JOHNSON).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. SCOTT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. SCOTT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 268, not voting 5, as follows:

[Roll No. 542]

AYES—160

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Chenoweth-Hage
Clay
Clayton
Clyburn
Conyers
Coyne
Crowley
Cummings
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gilman
Gonzalez
Greenwood
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Holt
Hooley
Horn
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kaptur
Kennedy
Kilpatrick
Kind (WI)
Kolbe
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller, George
Minge
Mink
Moore
Moran (VA)
Morella
Nadler

Napolitano
Obey
Olver
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Pickett
Porter
Rangel
Reyes
Rivers
Rodriguez
Rohrabacher
Rothman
Roybal-Allard

Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Shays
Sherman
Slaughter
Smith (WA)
Snyder
Stabenow
Stark
Tanner
Tauscher
Thompson (CA)
Thompson (MS)

Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walden
Waters
Watt (NC)
Waxman
Weiner
Wexler
Wise
Woolsey
Wu
Wynn

NOES—268

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berry
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dingell
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ewing

Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoeffel
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Kasich
Kelly
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kucinich
Kuykendall
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)

Maloney (CT)
Manzullo
Martinez
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Mica
Miller (FL)
Miller, Gary
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Packard
Pascrell
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Schaffer
Schakowsky
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen

Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent

Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walsh

Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Delahunt
Hinojosa

Mascara
Rush

Scarborough

□ 1437

Messrs. TANCREDO, PASCRELL, MARTINEZ, BENTSEN, HALL of Texas, BILBRAY, OBERSTAR and Ms. PRYCE of Ohio changed their vote from "aye" to "no."

Mr. WISE, Mr. BOYD, Ms. JACKSON-LEE of Texas and Ms. SLAUGHTER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. NEY). Pursuant to House Resolution 339, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the additional amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 2 IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. JOHNSON OF CONNECTICUT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on Amendment No. 2 in the nature of a substitute offered by the gentlewoman from Connecticut (Mrs. JOHNSON) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 188, noes 239, not voting 6, as follows:

[Roll No. 543]

AYES—188

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett (WI)
Bass
Becerra
Bentsen

Berkley
Berman
Biggert
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Boucher
Boyd
Brady (PA)

Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clyburn

Condit
Conyers
Cooksey
Coyne
Cramer
Crowley
Cummings
Davis (IL)
Davis (VA)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)

Johnson, E. B.
Jones (OH)
Kaptur
Kennedy
Kilpatrick
Kind (WI)
Kolbe
Kuykendall
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Porter

Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Rohrabacher
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Scott
Serrano
Shaw
Shays
Sherman
Shuster
Sisisky
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Tanner
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walden
Waters
Watt (NC)
Waxman
Weiner
Wexler
Wise
Woolsey
Wu
Wynn

NOES—239

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Borski
Boswell
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth-Hage
Clement
Coble
Coburn
Collins

Combest
Cook
Costello
Cox
Crane
Cubin
Cunningham
Danner
Davis (FL)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dingell
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss

Graham
Granger
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoeffel
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Kasich
Kelly
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kucinich

LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Packard
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Saxton
Schaffer
Schakowsky
Sensenbrenner
Sessions
Shadegg
Sherwood
Shimkus
Shows
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—6

Delahunt
Hinojosa
Mascara
Pickering
Rush
Scarborough

☐ 1449

Mr. HAYWORTH changed his vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote is announced as above recorded.

Stated against:

Mr. PICKERING. Mr. Chairman, on rollcall No. 543, I was unavoidably detained. Had I been present, I would have voted "No."

The CHAIRMAN pro tempore (Mr. NEY). The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HOBSON) having assumed the chair, Mr. NEY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2260) to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes, pursuant to House Resolution 339, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BLUMENAUER

Mr. BLUMENAUER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BLUMENAUER. In its present form, Mr. Speaker, I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BLUMENAUER moves to recommit the bill H.R. 2260 to the Committee on Commerce with instructions to report the same back to the House forthwith with the following amendment:

Page 3, line 25, before the period insert ", except a law adopted or confirmed through a State citizen initiative or referendum".

Add at the end of title I the following:

SEC. 103. EXCLUSION OF CRIMINAL LIABILITY.

No person shall be held criminally liable for any violation of law based on the effect of the amendments made by section 101.

Mr. BLUMENAUER. Mr. Speaker, this motion to recommit is offered on behalf of myself, the gentleman from Oregon (Mr. WU), the gentleman from Oregon (Mr. DEFAZIO), and the gentlewoman from Oregon (Ms. HOOLEY).

The supporters of this legislation have every right to attempt to ban assisted suicide or to promote the pain management in this country. Unfortunately, the legislation that we have been offered today is the worst of both worlds. It does not just trample on States rights, but it most assuredly does so, effectively overturning legislation that has been approved, not just once, but twice by the citizens of Oregon.

In addition, the physicians that I represent in Oregon tell me that, regardless of their position on physician-assisted suicide, it will make it much, much harder to manage pain, allowing additional second-guessing of their professional judgments as they seek to meet the needs of their patients.

I sincerely believe that virtually nobody outside this Beltway wants to criminalize doctor-patient decisions of this most sensitive manner. Tough decisions are made every day in hospitals all across the country, withdrawing life support, and sometimes, in instances, withdrawing drugs that can, in fact, hasten death.

There are some tragic cases that involve actual suicide. Outside of Oregon, people are often driven to desperate acts alone, seeking to insulate their families from the trauma.

We have heard repeatedly in the course of this discussion that pain management is a serious problem around the country. But most often in this country, as these decisions are made in quiet, most of America looks the other way and ignores the difficulty and the trauma. The citizens of Oregon have taken a difficult decision to help deal with these end-of-life questions, providing the only framework in the United States.

Those of us who listened to the debate on the floor of this assembly heard very eloquent statements by my colleagues about how they arrived as individual citizens in making the decision to vote on that measure themselves, the eloquence of the gentleman from Oregon (Mr. WALDEN) from Hood River talking about very personal instances that affected his family.

Twice Oregonians have decided this is the way they want to go. Despite all the rhetoric about opening the flood gates for physician-assisted suicide, such has not been the case. There are only 15 cases last year in Oregon, and in fact the research suggests and common sense would reinforce that when we give people, their families, and their physicians control over the situation, they are less likely to take desperate and unfortunate action.

The ironic approach that is taken by the supporters of this legislation may actually lead to an increase, if they are successful, in suicide in my State but without the framework.

Mr. Speaker, I strongly urge that Members of this assembly move this bill back to committee to strip away the provisions that would criminalize the decisions that are made by physicians exercising their professional judgment on how best to meet the needs and wishes of their patients and the patients' families, and that we would exempt States which have, by a vote of their citizens, squarely addressed this issue.

Mr. Speaker, I yield the balance of my time to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, I ask for my colleagues' recommittal of this bill. What I have heard around this place today are a lot of people talking about this group supports it, that group does not support it. What we are talking about are real people in every one of our districts.

If that doctor feels a threat of law enforcement, the DEA looking over their shoulder, will they give one's friend, one's neighbor, one's son or daughter, one's wife, one's husband, will they give them adequate pain medication? That is what it is about. It is about whether or not we are going to let people that we care about suffer. Please recommit.

The SPEAKER pro tempore. For what purpose does the gentleman from Oklahoma (Mr. COBURN) rise?

Mr. COBURN. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Oklahoma (Mr. COBURN) is recognized for 5 minutes.

Mr. COBURN. Mr. Speaker, this is a difficult issue. End of life issues always are. What the people of Oregon have done, they have every right to do as long as they follow the laws of the United States that do not supersede that.

The fact is, this bill will not keep Oregon from having physician-assisted suicide. What it says is they just cannot use federally controlled drugs to do that.

Now, how did we get where we are? The Attorney General of the United States decided that physician assisted-suicide as far as Oregon's law is concerned is a legitimate practice of medicine.

□ 1500

I am here to tell my colleagues that that is not a legitimate practice of medicine. Matter of fact, even Oregon put great safeguards into their bills to make sure that mistakes were not made. Let me read to my colleagues what happened with one of the first cases.

The first publicly reported case of assisted suicide in Oregon involved an out-of-state woman who was found to be clinically depressed by her doctor. Within 3 weeks of contacting the Compassion in Dying and moving to Oregon, she was dead by lethal overdose. Significantly, two other doctors had rendered opinions against the assisted suicide, including a physician who believed the woman was suffering from a clinical depression. These opinions were not included in the Oregon Health Division report in the law's first year.

The fact is with this motion to recommit what we will be saying, if we follow it in its essence, is that it is okay for a doctor in Oregon to use federally controlled substances to kill a patient, but it is not okay to harm them. So what we will see is, if they harm someone, they are going to be held liable; but if they kill somebody, they will not.

I would put forth to the body of the House that we have a wonderful example of what happens when a group of people follow this logic, and all we have to do is look at Holland. Last year in Holland, a very small country, 80 babies were euthanized by their gynecologists. Now, I know Oregon does not allow euthanasia of babies, but neither did Holland when they first started. The vast majority of people, well over 2,000 people in Holland, were euthanized against their choice. What is in the testimony is the fact that they are incapable in Holland of knowing how many people were euthanized against their will.

I would ask the Members of this body to throw off the false argument that we are having the DEA look over the shoulder of doctors. In fact, the opposite is true. We have created a safe harbor for doctors that says if their intent is to eliminate pain, then they are held without liability. We also had charts presented and facts presented that showed that in every State that had put in a common-sense approach like this, the use of pain controlled medicines, morphine, has dramatically risen in helping those who are in the pains of dying with manageable pain. And, in fact, we are now moving as a Nation to manage that pain.

I reject this motion to recommit, and I ask the House to support that position.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HOBSON). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. CANADY of Florida. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 271, noes 156, not voting 6, as follows:

[Roll No. 544]

AYES—271

Aderholt
Andrews
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Brady (PA)
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth-Hage
Clement
Coble
Coburn
Collins
Combest
Cook
Costello
Cox
Cramer
Crane
Crowley
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoeffel
Hoekstra
Holden
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jefferson
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Kasich
Kelly
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Martinez
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Mica
Miller (FL)
Miller, Gary
Moakley
Mollohan
Moore
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Packard
Pascrell
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Saxton
Schaffer
Schakowsky
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Visclosky
Vitter
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOES—156

Abercrombie
Ackerman
Allen
Baird
Baldwin
Barrett (WI)
Bass
Becerra
Bentsen
Berkley
Berman
Biggert
Blagojevich
Blumenauer
Bonior
Boucher
Boyd
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Cooksey
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Ehrlich
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gilchrest
Gonzalez
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Holt
Hooley
Horn
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kaptur
Kilpatrick
Kind (WI)
Kolbe
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller, George
Minge
Mink
Moran (VA)
Morella
Nadler
Napolitano
Obey
Olver
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Pickett
Porter
Price (NC)
Rangel
Rivers
Rodriguez
Rohrabacher
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Scott
Serrano
Shays
Sherman
Shuster
Slaughter
Smith (WA)
Snyder
Stabenow
Stark

Stump
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Walden
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—6

Delahunt
Hinojosa
Kennedy
Mascara
Rush
Scarborough

□ 1519

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

OFFERING CONDOLENCES TO FAMILIES OF VICTIMS AND PEOPLE OF ARMENIA

(Mr. GILMAN asked and was given permission to address the House for 1 minute.)

Mr. GILMAN. Mr. Speaker, we were appalled to learn earlier today of the assassination of Armenia's Prime Minister Sarkisian and several other high officials in the Armenian Government. It is tragic that this form of political violence has intruded upon the democratic path to which the Armenian people have committed themselves.

It is our hope and prayer that the people of Armenia not allow this kind of despicable terrorism to deter them from pursuing their democratic ideals and the institutions that provide for a free society.

Armenia has been a good friend of our Nation, and America stands ready to continue to provide the assistance needed to our friends to help them overcome this tragedy. It is our profoundest hope that Armenia will speedily recover from this violence and resume the practices that have provided its people the full measure of political freedom and opportunity.

I want to offer our condolences on behalf of the Congress to the families of the victims and to the people of Armenia.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. NEY). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

TRAGIC EVENTS IN ARMENIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, it is with profound sadness that I rise today to indicate to my colleagues and the American people the tragic events that have taken place in the Republic of Armenia.

News reports indicate that Prime Minister Vazgen Sarkisian has been assassinated in an attack by four gunmen who stormed into Parliament during a session earlier today. Other lawmakers and government officials were killed in the attack in the Parliament chamber, including the Speaker of Parliament Karen Demirchian, according to news reports. The death of the Prime Minister and the Speaker of the Parliament have now been confirmed by the office of Armenia's president.

The gunmen are currently holding some 100 hostages, including members of Parliament. However, the government is in full control of the situation outside Parliament in the Armenian capital of Yerevan and throughout the country. There is no state of emergency. There are no indications that this was part of any organized coup, but merely the action of a few gunmen whose motives are not yet clear.

The Prime Minister and members of the government were gathered in Parliament for a presentation of the budget. So, clearly, the gunmen chose an occasion when they could attack many of the top leaders at one time. The gunmen have reportedly released the women hostages.

Armenia's President Robert Kocharian was not at the Parliament complex at the time of the shooting. He is there now personally directing the security forces and trying to negotiate for the release of the remaining hostages.

I want to stress, Mr. Speaker, that democracy in Armenia is strong. The commitment on the part of Armenia's elected leaders and the vast majority of Armenia people to democracy, to the orderly transfer of power, to peace and stability in Armenia and within the region, all remain as strong as ever.

Clearly, Armenia must be in a state of shock right now. The same is true for me, Mr. Speaker, and for all the friends of Armenia in this Congress on both sides of the aisle and for all the American friends of Armenia, including more than one million Americans of Armenian descent. But Armenia will continue to move forward with the political and economical reforms it began when it won its independence more than 8 years ago.

Mr. Speaker, there is a special poignancy for me and many of my colleagues in learning of the death of Prime Minister Sarkisian. The Prime Minister was our guest in this very Capitol building just a few weeks ago, 4 weeks ago to be exact. More than 30 Members of Congress and many of our staff had the opportunity to hear the Prime Minister give a very strong speech in which he stressed his commitment to continuing with economic reforms while working for a settlement of the Nagorno Karabagh conflict and greater integration between Armenia and her neighbors.

Vazgen Sarkisian had only been Prime Minister since May of this year following nationwide elections for the National Assembly, the Parliament. His party was the Unity Federation. Prior to becoming Prime Minister, he served as Defense Minister from 1995 to 1999. And like many political figures in Armenia, his real involvement in politics began in 1988, as the Soviet Union was collapsing. That year he joined the National Liberation Movement for Independence of Armenia and Constitutional Self-Determination of Nagorno Karabagh.

Also, like many of the political leaders of today's Armenia, Prime Minister Sarkisian was quite young. He was only 40 years old and had an extremely bright future ahead of him as leader of his country.

Mr. Sarkisian was committed to the goal of reform, rebuilding the nation after decades of Soviet domination. He supported integration of Armenia's economy with the region and the world. He sought to promote a society that protects private property with a stable currency and a balanced budget, while providing social protections to its citizens.

During his visit to Washington, the Prime Minister met with Vice President GORE, attended World Bank and IMF meetings, and met with officials of the Overseas Private Investment Corporation, as well as other Members of Congress.

Mr. Speaker, Speaker Demirchian had been the leader of Armenia during Soviet times. In the post-Soviet Armenia, he has emerged as a champion of reform. I have had the opportunity to meet Mr. Demirchian during a congressional delegation to Armenia that I participated in this summer with four of my colleagues. We were all struck by the fact that the new leadership, with President Kocharian, Prime Minister Sarkisian, and Speaker Demirchian represented an extremely strong leadership team poised to lead Armenia into a new millennium and into an economic area of prosperity and peace.

While I am sure President Kocharian will continue at that legacy, he has lost two valuable partners. Armenia and the world have lost two fine leaders. But even on this saddest of days, and it really is a very sad day, I am confident that Armenia will continue its progress in establishing a strong, prosperous, and free society.

SOCIAL SECURITY TRUST FUND

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I come to the well of the House today with what I consider good news but also maybe some bad news, a little bit sweet and a little bit sour.

The good news is that there is a great deal more attention to the serious problem of saving Social Security. The bad news is that we are not doing too much about it.

I was disappointed when the President sent over his proposed legislation that in effect says, let us add another IOU promissory note to the Social Security Trust Fund. An IOU is, of course, a promise to pay in the future. And that is what this would do is say, somehow, some way, raising revenues from some source down in future years, Congress will come up with the money to keep Social Security going for a little while longer.

Let me, Mr. Speaker, just give a little background on Social Security. It was started in 1935. It was a program then and always has been a pay-as-you-go program. In other words, existing current workers were asked to pay a Social Security tax. That tax came in and was immediately sent out to senior citizens, retirees, beneficiaries.

So today the money comes in one day and by the end of the week it is sent out in benefit payments. Right now we are bringing a little more in because we have substantially increased the FICA tax, the Social Security tax; we are bringing a little bit more money in than is needed to pay benefits. That is what is called the Social Security Trust Fund. And that is what Republicans, the Democrats and the President have been arguing about, should we continue spending that Social Security Trust Fund money for other government programs.

I think now most of us agree, no, that we should not. And the challenge is how do we calm the desire of the President and some of the spenders in this body that would like to spend more money and yet not spend the Social Security Trust Fund reserve.

□ 1530

That, however, not spending that Social Security trust fund, does not solve Social Security. The trust fund, the IOUs in the trust fund, the money the government has borrowed in the past, now accounts for approximately $800 billion. But when we consider that benefit payments are $400 billion a year, that trust fund reserve would not even hardly last the full of 2 years. The actuaries at Social Security and the CBO, the Congressional Budget Office, estimate that the unfunded liability, I will go into detail on those words, but the unfunded liability of Social Security is $9 trillion. In other words, if we were to hire a private firm and say we want you to continue paying Social Security benefits indefinitely, they would say, okay, you have got to give us the right to tax all workers 12.4 percent of their taxable payroll, plus you have got to give us $9 trillion today to put in an interest-bearing account so that that will be the only way that we will take on as a private sector industry the responsibility of paying Social Security benefits in the future. $9 trillion. Compare that with our annual budget in this country of $1.7 trillion. It means that we have got a long ways to go. It means that Social Security is not solvent and cannot continue the way it is currently structured.

So back to the good news. The good news is there is more attention to it. I say hurrah to the President for the last two State of the Union speeches, saying let us put Social Security first and so the Republican leadership, the Democrats, all of us in Congress have said, good idea, let us put Social Security first but we have not done it yet. We have not come up with the kind of proposals that are going to keep Social Security solvent.

Next Wednesday at 11 a.m. in room 210, Mr. Speaker, I will be announcing my Social Security bill that does just that. It keeps Social Security solvent into the future. It is not easy. To pretend that somehow the Social Security trust fund and the promise that government has made that it will somehow pay that trust fund money back is going to save Social Security is not true. It is not right. It will not work. Somehow, we have got to increase benefits for widows and widowers that are asked to substantially reduce their money coming in from Social Security as they try to survive. I think we are challenged with a situation that Congress does not usually react and do something unless the people of this country demand that something be done. That has not happened yet. There needs to be better information. There needs to be more understanding that at risk are future generations and current retirees if we do not step up to the plate and solve Social Security now.

MARKING 100TH YEAR ANNIVERSARY OF H. HORWITZ CO., CHICAGO'S OLDEST FAMILY-OWNED JEWELER

The SPEAKER pro tempore (Mr. NEY). Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to pay tribute to one of Chicago's finest and most longstanding family-owned businesses, the H. Horwitz Company, jewelers since 1899. 1999 marks the 100th year anniversary of H. Horwitz Company, Chicago's oldest family-owned jeweler. Founder Hyman Horwitz emigrated to the United States from Russia in 1895, equipped with a jeweler's training and desire to start his own business. At first, his one-room loop shop handled only jewelry repairs. But it soon blossomed into a thriving boutique that in addition to gems, provided gainful employment for a passel of Horwitz's Russian Jewish brothers and sisters. Scooping Service Merchandise by decades, he sold his diamonds alongside luggage, radios and cameras from the 1930s through the 1960s through his jewels values catalog. Horwitz and his son Donald, who ran the shop until 1998, experimented from the start with cutting edge jewelry designs. Theirs was one of the first companies to produce the pearl mystery clasp, a setting in which a necklace or bracelet clasp is drilled into two pearls, allowing them to screw together. The all around channel setting, now a common setting for diamond rings, was another pioneering step forward in jewelry design for the company.

This spirit of innovation also characterized Hyman Horwitz's humanitarian interest. In addition to supporting several Chicago charitable organizations, such as the Shrine Foundation and Chicago's Scholarship Fund, Horwitz created a custom braille watch to give to the blind of Chicago. This watch was made to size with the bracelet band and engraved with the name on the back. Of the luminaries who have shopped at H. Horwitz, least surprising is the one famous for his diamond fetish, Liberace. Other patrons have included former Illinois Governor Otto Kerner, Henry Youngman, Archbishop Samuel Cardinal Stritch, Chicago's Goldblatt family and insurance magnate and philanthropist W. Clement Stone.

Now run by Donald's wife Phyllis and son Craig, H. Horwitz and Company continues to offer fine jewelry at a discount. The company also imports all of its diamonds and precious gems directly from diamond cutters.

Mr. Speaker, 100 years is a long time, especially is it a long time to own and operate a business in one of the Nation's finest cities, Chicago, the windy city, city of the big shoulders, the city of neighborhoods. Yes, Chicago, the home of Horwitz jewelers. Yes, Ms. Phyllis Horwitz, we salute you and your family for an outstanding century of providing services to Chicagoans and all of those who have come to know of your service, professionalism and contributions to humanity. We say congratulations. We wish you well as you continue down the road to success. You are makers of history and we are pleased that you are a part of our community and that you prepare and distribute some of the finest jewelry in the world.

"CUBA PROGRAM," TORTURING OF AMERICAN POWs BY CUBAN AGENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, the Geneva Convention prohibits violence to life and person, in particular murders of all kinds, mutilation, cruel treatment and torture and outrages upon personal dignity, in particular humiliating and degrading treatment. That is an exact quote.

However, all of those barbaric acts are exactly what took place in a prison camp in North Vietnam known as the Zoo, seen here in a declassified photo. North Vietnamese POW prison called the Zoo, site of tortures of American POWs by Castro agent. During this period of August 1967 to August 1968, 19 of our courageous servicemen were physically and psychologically tortured by Cuban agents working under orders from Hanoi and Havana.

Assessed to be a psychological experiment to test interrogation methods, the Cuba Program, as the torture project was labeled by our Defense Department and intelligence agencies, was aimed at obtaining absolute compliance and submission to captor demands. It was aimed at converting or turning the POWs and to be used as propaganda by the international Communist effort. It was inhumane. It was incessant. It was barbaric.

Air Force Major James Kasler, who is pictured here in one of the posters, 19 of the U.S. POWs in the Cuban program, Major Kasler said that during one period in June 1968 he was tortured incessantly by a man known as Fernando Vecino Alegret who had been identified as Fidel, the Cuban agent in charge of this exercise in brutality. In a Time magazine report entitled "At Last the Story Can Be Told," after one beating, Kasler's buttocks, lower back and legs hung in shreds. The skin had been entirely whipped away and the area was a bluish, purplish, greenish mass of bloody raw meat. The person he has identified as the possible torturer is this man who is the current Minister of Education in Cuba. He could be one of the agents identified by our POWs as Fidel.

Colonel Jack Bomar, another victim of the Cuba Program, pictured here, has described the beating of a fellow prisoner and Readers Digest printed this eyewitness account for an article they wrote on POWs. It says, The sight of the prisoner stunned Bomar. He stood transfixed trying to make himself believe that human beings could batter one another. The man could barely walk. He was bleeding everywhere. His body was ripped and torn. Fidel, Fernando Vecino Alegret perhaps, smashed a fist into the man's face, driving him against the wall. Then he was brought to the center of the room and made to go down on his knees. Screaming in rage, Fidel took a length of rubber hose from a guard and lashed it as hard as he could into the man's face. The prisoner did not react. He did not cry out or even blink an eye. Again and again a dozen times Fidel smashed the man's face with the hose. He was never released.

This man who stood firm in the face of such brutality, who would not surrender himself to the wishes of his torturer was Air Force pilot Earl Cobeil. Earl Cobeil died in captivity, and he is pictured here. As a result of being tortured by a Castro agent, Earl passed away.

These accounts are but a microcosm of the terrible acts committed against American POWs in Vietnam by Castro agents, acts which are in direct violation of the Geneva Convention on prisoners of war. To violate the provisions enshrined in this document run against the grain of civilized society and undermine the integrity of the international community as a whole. Humanity is one. When one suffers, we all suffer. Thus, violations of this protocol are not just crimes against one individual but against all of humanity.

The Cuba Program was part of a difficult period in our Nation's history, one which many would like to forget. However, we cannot allow the suffering of those brave soldiers to have been in vain. Thus, the unconscionable acts which they were subjected to cannot and must not go unnoticed and they must not go unpunished.

Substantiated by declassified DOD and CIA documents, survivors have been eager to identify and trace the Cuban agents who systematically interrogated them and tortured their fellow Americans. Yet despite their best efforts, a successful resolution of this matter has still not been achieved.

For them and to ensure that the facts about the program are fully uncovered, the Committee on International Relations will be holding a hearing on this issue next week. We thank the gentleman from New York (Mr. GILMAN) for his leadership in order to get leads that could get us closer to identification of the Cuban torturers and have the Department of Defense continue their investigation into this new evidence. We hope that this hearing will serve to honor all of those POWs who sacrificed themselves for us.

EXPORTATION OF TECHNOLOGY REGARDING SUPERCOMPUTERS AND ENCRYPTION SOFTWARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Washington. Mr. Speaker, rapid advances in technology have presented challenges to all of us on a number of levels but one of the most profound challenges that our Nation faces is in the area of national security. These rapid advances in technology place new challenges to our folks who are trying to protect our Nation and protect our security interests as they try to figure out how to deal with this new technology. As technology changes basically the old rules do not apply but the challenge that faces us is figuring out what the new rules are. How do we deal with the changes in technology in a way that will protect our national security? The area that I want to talk about this afternoon is in the area of the exportation of certain technology, namely supercomputers or so-called supercomputers, today a lap top almost qualifies as a supercomputer by the old standards, in fact a few of them do, and also the exportation of encryption software, the software that helps encode messages and protect it from outside sources gaining access.

In the old days, the method for protecting national security was, if a new weapon was developed on a horizon that presented a threat to us, one of the things we tried to do was to make sure that nobody else had access to it. If it is a product that is developed in the U.S., we try to severely restrict the exportation of that product.

□ 1545

That is, in fact, what we have done with encryption software and with supercomputers. We have placed severe restrictions for years on the ability of U.S. companies to export either something that is classified as a supercomputer or encryption software to any place outside the United States, and these restrictions were intended to prevent that technology from getting into the hands of other people.

This has not worked, and I rise today to offer a better solution and to offer a solution that will best protect our national security, and that is the critical point here. It is not my argument that we should export this stuff because it is good commercially and the national security losses are minimal. On the contrary, it is my argument that if we do not allow greater exportation of this technology, our national security will be threatened, and let me explain that.

It is threatened by two realities. One of them is ubiquity. What that means is that things become easily accessible anywhere in the world. It used to be that a supercomputer was a rather large cumbersome series of machines and boxes that were very difficult to put together and even more difficult to transport. That is no longer the case. You can put together a supercomputer now with the chip that is really basically about the size of the tip of my finger; put together that, pull together seven or eight of those chips, and you have a computer capable of something way beyond what any computer was capable of even a decade ago. Therefore, Mr. Speaker, controlling this becomes very, very difficult.

In addition to being small and easily transportable, the other thing that has happened is a lot of other countries have started to catch up in the area of technology. If you want to buy the computer chips that will put together a supercomputer, you do not have to come to the U.S. You have literally hundreds of other options. So we in the U.S. are not able to restrict that. We can restrict our own exports, but that does not stop other countries from having companies develop that product.

It is even more true in the area of encryption software. Encryption software is now produced by over a hundred countries. If you want access to top-of-the-line encryption, you can get it from dozens of other places other than the United States of America. We are powerless to control it.

Now you may argue, well, so what? At least we can do our part. We can control what the U.S. exports and, therefore, protect national security, at least to the best that we are able. But the problem with that is the second key point I would like to make, and that is something that everybody acknowledges from the FBI to the NSA to the most ardent opponents of exporting technology. They all acknowledge that one of the keys to our national security is for the U.S. to maintain its leadership in technology, and the reason for this is obvious.

Technology is critical to our national security. If we are developing the best encryption software, the best computers here in the U.S., then our FBI, our NSA, our national security and Armed Forces units will have access to that information that they will not have if some other country develops it; and if we allow our countries to get ahead of us in the area of both supercomputers and encryption technology, pretty soon nobody will be buying from the U.S. because we will not have the best product. Our industries will die and we will not have access to the best technology.

Now recently, after years, the White House has stepped up and expanded our ability to export both supercomputers and encryption technology. I rise today to make the critical point that that is a good move not just for our industry, not just for jobs in the U.S., which is not an insignificant concern, but it is also a good move for our national security, and I want folks to understand that because I think for too long we have been stuck in thinking that has long since been passed by technology.

We cannot wrap our arms around technology and keep it here in the U.S.; those days are gone. If we want to protect our national security, we need to maintain our leadership in both the development of the best computers in the world and the development of the best encryption software in the world, and the only way to do that is give U.S. companies access to the foreign markets they so desperately need to maintain that leadership.

I am very pleased as a member of the new Democratic Network that the new Democratic Coalition and Caucus have so much to do with pushing this issue, making the White House aware of it, because I think it is critical to the future of our country both economically and in terms of national security, and I urge that we continue down the sensible path to protecting national security.

A SAD DAY FOR ARMENIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. KENNEDY) is recognized for 5 minutes.

Mr. KENNEDY of Rhode Island. Mr. Speaker, today is a very sad day for democracy. Today is a very sad day for those of us who are friends of Armenia. Those of us who have been able to watch today's unfolding news have been struck by the horror in the government in Armenia as the prime minister and several lawmakers were struck down by bullets in the middle of their session.

I had the opportunity to meet Prime Minister Sarkisian last year when I visited Armenia and just 2 weeks ago when he walked the halls of this United States Congress to bring the cause of Armenia here to the bastion of democracy, and Prime Minister Sarkisian was struck down and murdered and assassinated today in Armenia. All of us in the United States Congress and all friends of Armenia all over this country, our hearts go out to the families of Prime Minister Sarkisian and all those lawmakers who lost their lives today in Armenia.

For all Armenian Americans today is a very sad day, and I must say for all of us today is a sad day because this kind of senseless act of violence threatens the very foundations of democracy which we hold so dear here and which Armenia is struggling so much to establish in that former Communist country.

Mr. Speaker, our sympathies go out to the families with our condolences.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

Mr. HOLT. Mr. Speaker, as a new Member of Congress this year, I am pleased to be here to represent the 12th Congressional District of New Jersey. Running for Congress is indeed a wonderful experience. It reminds one of what a magnificent place America is, a place full of hard-working, talented people. It reminds you that citizens here truly care about important issues facing our communities throughout the Nation, things like improving our schools and fighting suburban sprawl, protecting Social Security, holding the line on taxes for seniors and middle-class families.

But running for Congress also reminds one of something else, that our country's campaign finance system is broken and needs to be fixed. We all know it. A campaign system where wealthy corporations can donate millions of dollars to political parties has the potential to drown out the voices of ordinary citizens. A campaign system where special interests can spread an unlimited amount of money on attack ads to smear and distort a candidate's record is wrong; a campaign system where we, as elected representatives, have to spend time raising money instead of addressing the issues.

One of the best ways, I believe, that this can be accomplished is through a restructuring of our campaign finance laws. It is one of the essential steps to begin restoring people's faith in government. That is why the first act I undertook after being sworn in as a Representative was to become an original cosponsor of the reintroduction of the Shays-Meehan bipartisan Campaign Finance Reform Act, and furthermore it is why I voted in favor of the legislation when it came under the consideration of this House.

It appears that this legislation will not pass Congress this year, that we who care about a government that is responsive to the people rather than special interests must not let up. This bipartisan bill is desperately needed to shut down the out-of-control soft money system which undermines the values upon which our democratic system of government is based.

The stakes are high and we must act.

SAVING SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from North Dakota (Mr. POMEROY) is recognized for 60 minutes as the designee of the minority leader.

Mr. POMEROY. Mr. Speaker, I am very pleased to for the next hour be coordinating a special order on the very important topic of Social Security. In the course of the next hour I am going to be talking about the very critical importance of this program. We are also going to put in perspective something about the present debate waging in this Chamber even as Congress works to conclude this session, and clearly we are in the final weeks of this session.

I also want then to highlight the emerging opportunity that we have in this Congress still this year to take the steps necessary to do something to strengthen Social Security, to prolong the solvency of the program, to push the life of the trust fund out from its present expectation, and these will be the areas that we will be discussing.

I am very pleased that joining me during this hour to discuss this matter will be a number of Members, and we will be pleased to incorporate them into the discussion.

I will begin just by talking about the Social Security program. It is our foremost family protection program. It is truly, when you talk Social Security, a program of all of us for each of us, and it has been that way for 6 decades. I do not think there is much question about what has made Social Security America's most successful Federal program. It comes down to the fact that it helps families in very real ways with risks that they otherwise cannot avoid. We all have risks of life. We may die too soon. We may become ill and unable to work. We may outlive our assets. Maybe we live too long and outlive our assets.

All of these are risks, all of us have them, and yet Social Security steps in and helps mitigate those risks by helping us in very fundamental ways. Let me just outline three of the coverages of the Social Security program.

The first, retirement income. There are millions in this country that every month receive a Social Security check that are in retirement years. This retirement check will continue as long as they live. It will be inflation adjusted to keep pace with rising costs. This program is the primary source of income for more than two-thirds of those on Social Security. It is 90 to 100 percent of the income for one-third on Social Security.

Let me make that clear again. Social Security is most of the income for two-thirds of Social Security's retirement recipients. It is all of the income for one-third of the recipients. You do not have to figure too hard given statistics like that to conclude how vitally important this program is to seniors on retirement depending upon this income.

But that is not what is the best known of the Social Security coverages. It is certainly not the only coverage because Social Security also provides a survivors benefit. Now what is that?

That is coverage that applies when the bread winner dies prematurely leaving dependents at home. Ninety-eight percent, 98 percent of the children in this country are covered under that survivor's protection. If their dad dies, they are going to have some support while the family tries to recover from that devastating tragedy. There, I do not think, is another program that has ever been passed that provides such comprehensive coverage to the children of this country, 98 percent.

The third is disability benefits because if you become disabled and are unable to make an income, what are you going to do? There are an awful lot of people in that category that simply have no other means for support. In fact, the disability benefit provided from Social Security is the only disability protection for three out of four in the workplace today.

You think about it. All the millions of people in the workplace today, driving to work this morning, absolutely depending on their paycheck at the end of the day or the end of the month or the end of the pay period to make it. Suddenly they become disabled, unable to work. What happens then?

Well, thanks to Social Security, they can make it because there is a Social Security check under that disability component of the program.

Now sometimes, as my colleagues know, we get up here and we talk about programs, and it sounds like just so much politics and government nonsense.

□ 1600

Social Security has had a very personal impact in the lives of millions of Americans, and I know well, because it has had a very personal impact in my life. My dad died when I was a teenager. I received a Social Security check. I have been a Social Security beneficiary. I, quite frankly, have no idea what my family would have done without the protection of Social Security, as we tried to regroup after the unanticipated death of my father at a relatively young age.

My mother now has another experience with Social Security. She is now, some 25 or more years later, 79 years old. She is living independently, thanks to that Social Security check that arrives every month.

My grandmother really did not have that opportunity. In the late fifties and early sixties, my grandmother's final years, she had to live with my family because she did not have the financial independence that my mother now has because of the Social Security check. Again, it could not be more personal to me, this program, which allows my mother the independence that she wants and deserves, thanks again to Social Security.

Well, Social Security is running a surplus now, but we know that that changes in the years ahead. Right now, the demographic bulge known as the baby-boomers are in prime career years, and they are generating the surpluses into the Social Security account. Those surpluses end in the year 2011, and at that time the claims payments equal the cash inflow from the FICA tax. Over the next 10 years we actually have to draw down the interest on the trust fund that has accrued in the Social Security trust fund to make the cash flow obligations of the Social Security system.

But it does not stop there, because in the year 2024 the interest part has been exhausted and you are dipping into principal, and, for the next 10 years, that principal is drawn down. So the Social Security checks are paid by the FICA taxes coming in and the liquidation of the Social Security trust fund until the Social Security trust fund is broke in the year 2034.

At that time, the only thing available to pay the benefits will be the cash flow coming in from the taxes, and that will only pay 75 percent of what the Social Security recipients would otherwise be expecting to receive. Benefits will fall by one-quarter in the year 2034 if we do not take steps now to strengthen the trust fund, to prolong the life of the system, and that is why taking steps now to address the long-term are so critically important.

Take note of these changing demographics: In 1960, 5 workers per retiree; in 1998, 3.4 workers per retiree, so today, 3.4 workers per retiree; the year 2035, when the baby-boomers are fully into retirement and advancing in age, 2 workers per retiree, just 2 workers per retiree.

So if we do not bank this money now and keep it and take steps to strengthen the trust fund going forward, we are going to have the prospect of collapsed benefits and a tax obligation on our children and grandchildren that is impossible for them to bear. That is why we have to act.

Basically there are three ways to strengthen the solvency of Social Security. It is very, very simple. You can cut benefits, reduce that benefit, kick out the COLA, the cost of living adjustment. I do not think you ought to do that.

The average Social Security check in this country is $700 a month. Remember, one-third of the people are living on that. For two-thirds of the recipients, that is most of their income. So we better not cut that monthly benefit. Far from it, we must stand resolved to hold that benefit and the cost of living adjustment on it.

Another way to cut benefits is to raise the retirement age. But, you know, the retirement age is already set to go up to 67. I do not think we ought to have 70-year-olds in the workforce because they cannot draw a Social Security check. I am against raising the retirement age. We have had people work for decades, counting on Social Security to be there when they retire, and to raise that retirement age, I believe, is just fundamentally wrong.

So if you are not going to cut those benefits, what else can you do to prop up Social Security solvency? Well, you can raise taxes. But I do not think you should do that either. The FICA tax presently is 12.4 percent. We are at a point in this country where more people pay more in FICA taxes than they pay in income taxes.

For those of us that have an employer, we pay the employee's share and the employer pays the employer's share, but I represent a lot of farms and self-employed people. They pay the whole 12.4 percent, and it is breaking their back to do it. So that tax is as high as it can go. I would like to see tax relief on that one.

So what else are you going to do? You cannot raise the taxes. The only other way to strengthen the solvency of the Social Security trust fund is to invest general fund revenues so that this Social Security program, the crown jewel of the Federal Government, stays able to meet its commitments over the long haul.

Fortunately, there is a plan that has been advanced that would afford us doing that, and I will describe it in a minute. Before I do, I want to describe instead the position taken by the House majority this session on Social Security, because right now we are in the middle of a pitched battle where the House majority has launched frankly the most audacious attack against Democrats that I have ever seen launched on this issue. They have accused us of raiding Social Security to pay for programs, to finance government programs, and they say they are trying to stop it and they are going to save Social Security. These charges are unfounded, they are hypocritical, and they are untrue. Let us look at the record.

First of all, this is a GOP-controlled Chamber. They have the majority. We are operating under their budget. Their majority passes the appropriations bills. So for them to suggest that the Democrats, operating from the minority position, are raiding Social Security, is flat-out baseless and untrue. In short, it is a damnable lie.

You do not have to take my word for it, because it has been very heavily covered in the media across this country. Take a look at this Wall Street Journal coverage. "Social Security surplus triggers concern. CBO study shows Congress intends to spend billions on unrelated programs." Wall Street Journal coverage of the GOP budget and appropriations bills.

Here is what the Congressional Budget Office shows has already been spent out of the Social Security surplus, looking at the appropriations bills passed and marked up by this Republican majority. Already into it to the tune of $14 billion. And yet this same crowd that is spending the surplus are running the ads in my district and other districts across the country saying that the Democrats are doing it.

It is really a new level of political hypocrisy: Do something, and then charge your opponents with doing that very same thing.

Washington Post story: "GOP spending bills tap Social Security surplus. CBO notes planned use of $18 billion."

Again, the source document for all of this is the Congressional Budget Office, the nonpartisan number crunchers in the bowels of the Capitol here that relay the factual information on the budget. "CBO notes planned use of $18 billion of Social Security revenue."

Here is in fact a copy of the letter from Dan Crippen, head of the Congressional Budget Office, that outlines where that spending has occurred.

So for a start you have to fault them on the pure baseless hypocrisy of their attack that the Democrats have raided Social Security. The spending that has occurred in this Chamber has been under the GOP budget by GOP-passed appropriations bills. Make no mistake about that.

Even more importantly than that, however, is that this focus on trust fund spending as we try to get the last appropriations bills worked out distract from the true measure of who has done something for Social Security. The true measure of who has done something for Social Security depends upon who has advanced the life of the trust fund. That trust fund, slated to go bust in 2034, that trust fund that, if not replenished, will cause benefits to fall 25 percent just when baby-boomers are most dependent on Social Security.

We are now at the end of a full legislative year. The President advanced a plan for Social Security in January, and what have we seen come to the floor? Nothing. Not one thing, not one vote, not one debate on the floor of this House on how to strengthen the Social Security trust fund. They are not even talking about it.

Why are they not talking about it? I think they are not talking about it, frankly, because the tax bill that passed this very Chamber last summer, and, fortunately, was vetoed by the President in September, would have taken all of the general fund revenues that we need to fix Social Security for the long haul and sent it out the door in a tax cut benefiting disproportionately the wealthiest people in this country. That is the hard fact.

Their tax bill, passed by this majority, vetoed by the President, would have taken the general revenue we need to strengthen Social Security and it would have shipped it out the door, forcing us to one of the following alternatives: Benefit cuts, tax increases, or a busted trust fund in the year 2034.

We have quite a different plan. The plan of the Democrats is to take the Social Security surplus and preserve it for Social Security. Put them in and invest those proceeds in a way that draws down the national debt.

This national debt drawdown will produce tremendous savings for this country. Debt held by the public in 1997 was $3.77 trillion, 47 percent of the gross domestic product. Today it stands at $3.4 trillion. By drawing down the surplus in this fashion, we can reduce this debt to a point that by the year 2011 we are saving in interest charges paid alone $107 billion every year.

Do you know that 15 percent of every tax dollar today goes to pay interest on this debt? Fifteen percent. If you just think about it for a second, if you bring that debt down, think of the money you save, that you no longer have to pay in those interest charges.

The Democrats' plan is pay down the debt, take the interest money saved and invest that back in Social Security. That is where you get the general fund revenue available to invest in Social Security to strengthen the trust fund, to prolong the life of the trust fund, to strengthen Social Security, so that it is there past the year 2034 when we need it most.

That is the President's plan. That is the plan that is being introduced into this Chamber, and we strongly support, because it really gets to the core issue, who is doing something to strengthen Social Security for the long haul? And on that one, this majority has fallen woefully short.

I used to be an insurance commissioner. I would regulate agents. Sometimes I would see sales practices that were really shocking. The more they talked, the louder they talked, the more fancy materials they had, often masked the fact they were doing the opposite of what they were saying, and time after time I would revoke their license and put them out of business for lying to their customers.

You know, sometimes I wish we had kind of similar restraints on the action of both political parties here. If that was the case, these guys would be out of business, because they are flat out lying to their customers, the taxpayers of the United States, about their intentions for Social Security.

I am very pleased that we have had a couple of other Members join me in this Chamber. I would like to incorporate them into the discussion right now, beginning by yielding to my friend and colleague, the gentleman from Texas (Mr. LAMPSON).

Mr. LAMPSON. Mr. Speaker, the gentleman was just talking about the use of the interest. I wonder if he would reclarify that. He is telling us we can get rid of the interest on our debt, which is almost $4 trillion, and by paying down our debt, that interest payment, that amounts to almost as much as we are paying on defense for our whole Nation, could ultimately be used in the Social Security program and Medicare. Talk about that for a minute, would you, please?

Mr. POMEROY. I certainly will. Then I would very much invite the gentleman's presentation on this vital topic, because I want to hear it and I know that we all do.

The way we have constructed this package is that the general fund money we get to strengthen Social Security comes from the interest we are no longer paying on this debt. Remember again, there are three ways to make this trust fund more secure: Cut benefits, you do not want to do that; raise taxes, you do not want to do that. You have to invest some general fund money. Where are you going to find the general fund money? Over time, by drawing down that debt, you free up interest payments that we are now having to make.

□ 1615

You have got a smaller debt. You have got a smaller interest payment. You take the difference in interest payment, and you put it into the Social Security Trust Fund, and you strengthen it for years.

In fact, under the plan that we have introduced, it will carry the life of this trust fund out to the year 2050, 2050. What is so important about that is this baby boom demographic bulge that we have got, it will be pretty well wiped out by then. I say so as a baby boomer myself, born in 1952. I would be 98 years old in 2050. Quite frankly, I do not think I will be drawing a Social Security check anymore personally. Most of us will not be. Our time will be at an end.

That is why our children and grandchildren and their children will have a shot at getting a Social Security benefit themselves because we will have seen this program pass the middle of the 21st century, and that is exactly the steps we need to take to make sure this program can meet our needs going forward.

Mr. Speaker, I yield to the gentleman from Texas (Mr. LAMPSON), because he has been very patient listening to me, and I would like to hear his presentation, his own personal reflections on Social Security.

Mr. LAMPSON. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) for yielding to me.

It is nice to be able to rise and join the Speaker and other Members and begin to talk about this particular issue because it affects hundreds of seniors, millions of senior citizens across this country and their families. They are the people that I am hearing about in my own office. It is not just the comments that I get from my own mother and others in my family, my uncles and aunts; but it is the letters that are written there concerning the future of Social Security.

Americans from all walks of life recognize that this sacred contract between the public and their government must be addressed and must be addressed now. If it can be done as simply and logically as what the gentleman from North Dakota (Mr. POMEROY) has just said, then it does not make sense for us not to pick it up and go forward with it.

The people do not want Congress to play games with this matter, with this retirement security that they feel so strongly on. As we look toward the 21st century, we cannot afford to risk losing this opportunity to save Social Security by allowing ourselves to become mired in partisan rhetoric or by failing to use creative approaches to problem solving.

It has been said that opportunity knocks but once, and Congress has to answer the door. We owe that to the American people.

Nancy Lampson happens to be my mother. She lives in Texas. She is 89 years old and lives by herself. Like millions of other senior citizens, she is worried about the future of Social Security. She, indeed, relies on it. She is afraid that it will not be there for me and my brothers and sisters. She knows what it has done for her. My mother knows that Social Security is not just good for retirement security for her. It is also good for me, her children, her grandchildren, and great grandchildren, including my own grandchild who will be born in just a few weeks.

Just as the gentleman from North Dakota (Mr. POMEROY) spoke a few minutes ago about his own personal experiences, my mother, who is now 89, faced the task of raising six children when my father died when I was 12 years old. Not an easy task for a family to face, not an easy task for a single mother who had no education to be able to face in this country.

Without the assistance of Social Security survivors benefits, our family would not have stayed together. It is difficult to imagine, as the gentleman from North Dakota said, what would happen to those families who do not have that kind of security, that wherewithal. One child goes off to live with one relative, another goes off with another. Perhaps they never see each other again. Perhaps they are not able to grow up in the manner that we all believe so strongly in, as family can support each other in their quest to become productive citizens in this country.

Well, many claim that this Congress is claiming, and particularly the Republicans within Congress, claiming their budget does not touch the surplus. But such a claim is a ruse. The leadership of this House continues to use gimmicks and false promises in an attempt to mislead the American public. We need to put aside the surplus for Social Security, not spend it and, in turn, reduce the national debt and the billions of dollars that we are wasting each year on those interest payments that I asked the gentleman from North Dakota (Mr. POMEROY) about a minute ago. Winnowing down the national debt will be good for my mother's great grandchildren, my grandchildren.

Currently, the United States of America spends nearly as much on interest payments as it does on national defense. If we wisely invest the surplus in Social Security, then we can reduce our interest payments from almost 20 percent of the budget in 1999 to around 2 percent in 2014. It is just 15 years away.

Investing in Social Security will not only reduce the debt, but it will also lower interest rates, boost economic growth, and increase the financial security of working families. One does not have to be a Harvard economist to know that this makes good sense for the American people.

Well, I am dedicated to ensuring the long-term solvency of Social Security and committed to guaranteeing American families financial security upon retirement and in the event of death or disability. Social Security has kept millions of retired seniors from living in poverty and by providing a guaranteed cash benefit with a lifetime protection against inflation.

That amount of money only amounts to $571 for my mother, but it makes a difference in her life. For about two-thirds of the beneficiaries, Social Security provides about half of their annual income. For 30 percent of the beneficiaries, Social Security provides 90 percent of their annual income. Social Security is the only source of income for one in six older Americans. If the Republicans succeed with their budgetary sham, the quality of life of seniors in this country will be put at risk.

On behalf of my mother, on behalf of the people of my district in southeast Texas, on behalf of the millions of people across this country that we in Congress represent, I urge all of my colleagues to avoid the trap that is being set by the leaders of this House. Before we do anything else, we must save Social Security.

We need to focus on the present and the future by investing the budget surplus in Social Security.

Mr. Speaker, I would love to participate more as this dialogue continues. I thank the gentleman from North Dakota (Mr. POMEROY) for the leadership that he is showing on this issue.

Mr. POMEROY. Mr. Speaker, I want to thank the gentleman from Texas very, very much for that very compelling statement. In his family, as in my family, this is a program that has really mattered. I cannot think of anything more important for us to do than to join forces and try to protect it for the millions of families that are depending upon this program.

It really all comes down to, are we taking the steps necessary to strengthen the trust fund, prolong its solvency? If this Congress leaves in the face of these surpluses without lengthening the solvency of that trust fund, we will have failed the people mightily.

I am terribly concerned at this very late point in this session, here we have been here all year, not one bill on the floor, not one hour of discussion on the majority side in terms of actually pushing out that solvency date, strengthening the Social Security program. Without, really, that key point, we really miss the mark in terms of taking steps to shore this program up for, not just our retirement needs, but our children and grandchildren as well.

Mr. Speaker, I am very pleased to yield to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) for organizing this special order this afternoon, since Congress got out much earlier than we normally do, and to talk about Social Security.

But because I, like a lot of Members, have seen, not only here in Washington but around the country, the ads that our Republican colleagues have that shows the Democratic Caucus squandering Social Security funds. I kind of laugh. The gentleman from North Dakota has been in our caucuses, and they are pretty boring compared to those ads. Obviously, I do not think they are getting their money's worth. In fact, some of us have said, well, we need to go to where they have those ads.

But it is amazing to me that they would spend whatever they are going to do, the millions of dollars, to put those out in selected districts around the country when, historically, Social Security was not created with any Republican support. It has not been supported typically, in fact even the gentleman from Texas (Mr. ARMEY), the majority leader, has said that Social Security is something that he would not have supported. It is a falsehood on the American people.

But since the 1930s, and following the gentleman from Beaumont, Texas (Mr. LAMPSON), and how important Social Security is, it is one of the most successful domestic programs we have ever seen. It guarantees retirement security for millions of Americans and health care benefits for the disabled.

It also, as the gentleman from Texas said, survivors benefits for children, if a person who pays his Social Security dies, his children, until they are of age, can have some help in just surviving.

So what we are seeing here today, instead of those ads that are saying something about Democrats challenging or threatening Social Security, I think it is ridiculous. I think the American people know that. What we are seeing, though, is the rhetoric for one side who is just about the biggest falsehood I have seen in history, because we know that threatening of the program is because of what is happening now with their budget projections.

In the article of the gentleman from North Dakota (Mr. POMEROY), he has, CBO notes a planned use of $18 billion of Social Security surplus. It was $14 billion, but up here we change those numbers almost on a daily basis because of appropriations.

As always, my colleagues on the other side of the aisle leave everything to the last minute. So that is why we are here today looking at a Labor, Health and Human Services appropriations bill tomorrow that very well could go higher in Social Security numbers. Instead of $18 billion, it could go as high as $24 billion in using Social Security and trying to scramble to balance the budget.

But even with that, even with going as high as $24 billion in using Social Security trust funds for their budget, they are still going to cut math teachers and reading teachers for public schools. They are going to cut veterans health care programs with that proposed across-the-board 1 percent cut. It was 1.4 percent 2 days ago. Now it is a 1 percent cut.

But even then, they are still dipping into Social Security. We cannot allow that to happen. Social Security is simply too important, not just to my father who will be 85 years old and who benefits from Social Security, but not only for the baby boomer generation that we are members of, but also for our children and our grandchildren.

Social Security is a primary source of income for two-thirds of all Americans over 65. Two-thirds of all Americans is the primary source. For one-third of seniors over 65, it represents 90 percent of their income. That is not just true for those recipients today, not just like my father or the mother of the gentleman from Texas (Mr. LAMPSON), it is going to be true for our generation.

Sure we have opportunities to save and invest and things like that. But, again, Social Security was created not to make one rich. I use the example, it will not buy one one's Cadillac, but it may buy one a used Chevy. That is what we need to make sure, that it is there for every generation, not just the current generation, but for every generation.

It is more than a retirement program. It is a critical survivors benefits, as the gentleman from Beaumont, Texas (Mr. LAMPSON), said. One out of every five Social Security beneficiaries receive survivor or disability benefits.

So many children in the United States receive some type of benefits from Social Security. It provides disability benefits for our Nation's workers. Three out of four of the workers sometimes can benefit from disability in some form.

So where is the Republican plan to extend the life of the Social Security Trust Fund? Well, obviously from that article we see and the article we have seen, it really does not exist. Because, again, if it gets as high as $24 billion with the drastic cuts in programs and diversions of money, I guess what worries me is the 1 percent I am hearing today would be across the board.

Instead of prioritizing our appropriations, it is much easier to say, well, I am going to let a $500 million aircraft carrier that the Navy does not want, we are going to cut it 1 percent. But we are also cutting math and science teachers and reading teachers in our public schools.

While my Republican colleagues for months were proposing an irresponsible tax cut and talking about how they were really saving Social Security, but that is not so. Thank goodness the President vetoed that. They have not brought that up to try and override the President's veto. Maybe we need to talk about that sometime on the floor.

They propose a budget that does not do anything to, again, reduce the class size, put more police on our streets. In fact, they are cutting the successful Cops on the Beat program. Computers in the classroom, like I said math and reading teachers, after-school programs, and, worst of all, they are proposing to cut immunizations for children with that 1 percent, yet still spend $24 billion of Social Security trust funds.

Their budget plans leaves nothing for strengthening the fund. It does not leave anything to extend the life of Medicare Trust Fund or modernize Medicare to provide for prescription medication.

Now, there is a plan that both the administration and Democrats have proposed that we have talked about to extend the solvency of Social Security to 2050 and avoid the difficult choice of reducing Social Security benefits or raising the retirement age of seniors. According to the primary estimates by the Social Security program's Office of Actuary, the administration's proposal would extend the solvency until 2050. This is an extra 16 years added to the program.

□ 1630

The administration's proposal would devote the entire Social Security surplus over the next 15 years to paying down the debt held by the public. This would reduce the debt held by the public by $3.1 trillion over the next 15 years.

We have a responsibility to take the necessary steps to make Social Security safe and strong, and not only for our baby boomers and our parents' generation, but also for future generations. Hard-working Americans pay a lot of their income into Social Security, both themselves and their employers, and they are relying on that program to make sure they are not in the poor house as they used to be before we had a Social Security program for our seniors.

Mr. Speaker, I think it is time we put politics aside and also put gimmickry aside and really get down to trying to do what we can to make sure we balance the budget and still provide for the safety of Social Security, and looking at the Medicare Trust Fund too, along with prescription medication. We can commit enough money to shore up both Medicare and Social Security.

Again, I want to thank my colleague, the gentleman from North Dakota (Mr. POMEROY), for asking for this special order and giving us the chance to come and talk about it.

Mr. POMEROY. Mr. Speaker, I thank my friend and colleague for participating and the observations that he has made. They are so apt.

Basically, we have a majority here that says the Democrats are spending the Social Security money, when in fact the media coverage, based on the Congressional Budget Office shows it is the GOP spending bills, based on the GOP budget. After all, they are the majority party in the body. If anyone is raiding Social Security, it is the majority, not the minority. We do not have the votes, if we wanted to, and we do not want to.

Second, they accuse the Democrats of jeopardizing Social Security when this same crowd running the Chamber has not offered a proposal and debated on this floor any ideas relative to strengthening the trust fund.

I think it is terribly unfortunate that we cannot work together, Democrats and Republicans, to strengthen this program. Because it is not a Democrat program or it is not a Republican program, it is America's program. And in the middle of all this political smoke I hope Americans keep one thing in mind: The way to evaluate whether anything is happening or not on Social Security is to look at that 2034 date, the date at which the trust fund goes bust. If that date is not addressed, those benefits are going to fall by 25 percent. And the prospects of our children and grandchildren getting a meaningful Social Security benefit are greatly reduced, even though they definitely face the prospects of significantly higher taxes.

So has the trust fund been strengthened? The answer; not by anything they have done so far this year. And that is a deep disappointment to me, and I am sure the American people.

Joining me, Mr. Speaker, is the gentleman from Arkansas (Mr. VIC SNYDER), from Little Rock, Arkansas. Well, from the State of Arkansas, I am not certain if Little Rock is in the gentleman's district or not. I am happy the gentleman has joined us for this special order, and I yield to him at this time.

Mr. SNYDER. Well, I thank the gentleman, Mr. Speaker. I was over in my office and watching the gentleman's usual thoughtfulness. The gentleman has been a beacon in this town for the last several years, a light in all this fog that is surrounding us here right now.

As the gentleman knows, when I first came here 2½ years ago, I was invited to attend the gentleman's Democratic budget study group that meets every Wednesday morning, and it has been through those group meetings that I have been helped in sorting through this fog of these numbers and in trying to understand in an unbiased way what all these numbers mean.

I remember when the gentleman had that terrible tragedy of the floods in North Dakota and he was literally immersed in flood waters and stayed overnight in the shelters there, at least for one night. Well, now the gentleman has immersed himself with these budget numbers trying to understand this very, very complicated issue of budgets and how it impacts on Medicare and Social Security. And I appreciate the tremendous work that the gentleman has done.

I have seen these ads that have been running against the gentleman in North Dakota, and those are an insult to the people of North Dakota. Anyone wanting to put out those ads does not understand the kind of man the gentleman is and the kind of work the gentleman has done in trying to provide for the long-term solvency of Social Security and Medicare.

Anyone can put together a 30-second ad for short-term political advantage, but that is not what I think the people of America want us to do, it is certainly not what the people in North Dakota and Arkansas want us to do. They want us to work on long-term solvency of these very important programs, not short-term political advantage.

It is 4:30 in the afternoon. We have our usual about empty Chamber here when we are doing these special orders. I would like to think that everyone is out trying to solve the problem of Social Security. My guess is a lot of them are out trying to raise more money trying to figure out how to run more ads against good people like the gentleman from North Dakota. But I do not think that will work and I commend the gentleman for his efforts in this regard.

I want to pick up on the some of the last comments the gentleman made about the importance of Democrats and Republicans working together. We cannot solve the long-term problems of Medicare and Social Security, and I will put down there defense and veterans issues, in a partisan manner. We cannot do it. And the American people will not stand for it. Any party who has the votes can put bills through, but that will not lead to the ultimate long-term solvency of these programs that the American people care about so much.

Somehow we have to get past all this. We also have to recognize that this country has a lot of needs. Our senior citizens have a lot of needs, not just Social Security, even though it is vital. Veterans. Very important to senior citizens. Medicare is very important to senior citizens. A lot of the senior citizens in my district care very much about our defense budget. They came through World War II and the Korean War and the Vietnam War, and they recognize the importance of a strong defense. They also recognize the problems of paying for drugs when on Medicare, and they care about that deeply.

They also understand the importance of education. When I go visit a friend in the hospital, I am very much aware most of the people working in the hospital are fresh out of our high schools and colleges. We depend, even in our retirement years, on the education level of the generations coming behind.

So for many what long-term solvency means is to have a program that my mother can depend on, that I can depend on, and that the staff that work for me in their 20s in my office can depend on. I have one pregnant staffer. To me, long-term solvency means that those kids that are coming behind us, that are now toddlers and in grade school, that they know that their Congress is watching out for this program, not for short-term political gain, not to run a 30-second political spot to try to hurt a good Member like the gentleman from North Dakota (Mr. POMEROY), but that we are working together in a bipartisan way, Republican and Democrat, old and young, so that we can make this Social Security, Medicare, and veterans programs be there for all our retirees in the future.

And once again I commend the work the gentleman has done on this issue and, I am confident, will do for many years.

Mr. POMEROY. I thank the gentleman for those kind comments. The gentleman's measured, reasoned analysis is once again so directly on point relative to what types of response we ought to work together in this Chamber to take. Not running 30-second attack ads, just playing politics with an issue that is as important as Social Security, but working to strengthen the Social Security Trust Fund by taking the interest savings generated by Social Security, as we pay down that debt, and putting it into the Social Security program.

I am very pleased to call on my colleague, the gentlewoman from Cleveland, Ohio (Mrs. JONES), who has been very patient in the course of this afternoon. I thank her very sincerely for staying and participating, and I yield to her now.

Mrs. JONES of Ohio. Mr. Speaker, I thank the gentleman, and I want to salute him for spending time to put together this special order with regard to Social Security. And as my colleagues have said, I would say to him that he should stand tall; we know that the gentleman is doing a great job here in the Congress of the United States. Those ads will not last for long, because we are going to get the message out that the gentleman is doing a great job and that the Democrats are not trying to raid the Social Security fund. So I thank the gentleman very much for his consistency.

Mr. Speaker, Social Security is the cornerstone of our retirement system. Social Security is the principal source of retirement income for two-thirds of the elderly. In 1959, the poverty rate for senior citizens was 35.2 percent. In 1998, it was 10.5 percent, the lowest on record. Last year, Social Security benefits lifted roughly 15 million senior citizens out of poverty. At the same time, poverty remains high for widows and other groups.

Social Security is more than just a retirement program. One in five beneficiaries is under the age of 62, receiving either disability or survivor benefits. As my colleagues have said, I am blessed to have parents who are living and healthy, 78 and 79 years old. I am blessed to have in-laws who are living, whose health is somewhat in disrepair, who are also 78 and 79. And as I campaigned throughout the City of Cleveland back in 1998, the major issue that senior citizens brought to my attention was Social Security and they told me that they were counting on me to go to Washington and save Social Security.

Now, over this past year, as a new Member of Congress, I have watched and learned about this discussion with regard to Social Security, and I am begging my colleagues, both Democrat and Republican, to stop talking the political language of Social Security and get down to the issues that are important with regard to Social Security; that the people of these United States expect that we are going to do.

Social Security is projected to become insolvent by 2034 as a result of the demographic pressures it faces. In 1960, there were 5.1 covered workers for every Social Security beneficiary; in 1998, there were only 3.4 workers for every beneficiary; and by 2035, there are projected to be only two workers for every beneficiary. That is why it is so important that we now hold on to the dollars for Social Security and put them aside, put them into a fund so that they will be maintained and be able to bear interest so that Social Security will be around. It is important that we assure the young, the old throughout that Social Security is something that they can count on over time.

I do not know who else has been on the floor today with the gentleman from North Dakota, but I think it would be of interest for those who are listening to us to hear about The New York Times piece that said, and I quote the next to the last paragraph: "Asserting that it is merely trying to save money for Social Security, the Republican leadership in Congress wants to cut spending by 1.4 percent," or now I understand it is 1 percent, "across the board, and block the White House's initiatives for money to hire new teachers and police officers. The leaders' approach has been so wrongheaded that yesterday it provoked a revolt in the party rank and file, and the cuts were being scaled back. But it is not necessary to slash programs to 'save' Social Security. More to the point, there are better places to save money, by cutting billions of dollars in pork barrel projects and eliminating some of the expensive tax breaks for special interests that have made big campaign donations to the party in recent years."

This is clearly on line and on point with what we have been trying to say over the past few days. The House GOP'ers have already dipped into $14 billion of Social Security surplus. They are on track to spend $24 billion of that surplus. The appropriations exceed the President's request by $14 billion. The majority leader, the gentleman from Texas (Mr. ARMEY), is on record as stating he never would have created Social Security. The number of days the GOP budget plan would extend the life of Social Security is zero.

By way of contrast, the number of years the Democratic tax budget plan would extend the life of Social Security is 16 years.

Finally, while ignoring the needs of the Social Security System and its financial viability, the Republican leadership, through tax breaks, provides for the wealthiest and special interests, and that amount would come to close to $1 trillion.

As a freshman Member of Congress, I have had an opportunity over the past year to get to know some of my Republican and Democratic colleagues. I am confident that through working together, through strong leadership, we can arrive at a resolve for the Social Security System. And that resolve is in saving Social Security dollars, putting it aside, investing it, paying down the dilemma that we are in in terms of debt as a country, and moving on to dealing with the other issues that impact the people of these United States.

Again I would like to congratulate the gentleman from North Dakota on his leadership on this issue, and I yield back.

Mr. POMEROY. I thank the gentlewoman very much for her comments.

There have been, in the course of our discussion, some comments made as to a series of ads, and among the places they are being run is in the State of North Dakota. I would just read for my colleagues the text of this ad, to put in context what we are dealing with as we try to make difficult decisions at the end of a legislative session. The majority party has unfortunately decided to launch, as a political strategy, apparently some sleight-of-hand way to disguise what they are doing on Social Security.

This is the text of the ad that has already run in North Dakota. It begins with a fadeup of shots of threatening criminals looking at the camera. Cut to the criminals He looks to the camera and smiles, and here is the text: Imagine a world where there's no punishment for committing a crime, where thieves can steal from unsuspecting victims. It is hard to imagine, yet it is about to happen in Washington. The Democrat and the President's budget could raid Social Security and spend our retirement money on big government programs. Protect your family's future. Insist every penny of the Social Security trust fund go to the people who paid into it.

□ 1645

"Call Congressman POMEROY. Tell him keep his hands off Social Security."

This ad, run to the people that I have lived with all my life, actually implies that somehow I am engaged in criminal activity involving a raid of the Social Security Trust Fund. It is run by the same majority that the Washington Post has analyzed has already spent Social Security surplus. "CBO notes planned use of $18 billion." That is the crew that paid for that television ad. So they have done what they are actually buying advertising to accuse others of doing.

This is a House operating under the GOP budget. It is a GOP majority. Those are GOP appropriations bills. It is their control of this chamber that would result in spending that Social Security-derived revenue.

But the question, the broader and most important question, is has anyone in the majority offered on this floor a plan to strengthen the trust fund? And on that one, regrettably, we must conclude, no, there has not been a plan to strengthen the trust fund.

Any plan that does not call for an additional infusion of resources to strengthen Social Security for the long haul is going to rely instead on benefit cuts, higher retirement age, or higher FICA taxes. There is just no other way around it.

So when the Republican tax plan took all the available general fund revenue and kicked it out the door, going primarily to the wealthiest people in this country, it was a plan that would have savaged Social Security and required steep benefit cuts after the year 2034 because there would have been no way to make the fund solvent for the long term. That is their record.

Not only have they done that which they accuse us of doing, they have passed a tax bill, fortunately vetoed, never to become law, that would have taken the means to strengthen Social Security and taken away from us instead forcing us to rely on benefit cuts.

We are now in the final minutes of this presentation, and I have a request that has come in from the gentlewoman from North Carolina (Mrs. CLAYTON) who has experienced a situation I am very familiar with, disastrous flooding for her neighborhoods. And so, for the concluding 5 minutes of this special order, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON) to bring us up to date as to the heartache and the tragedy her folks are experiencing.

I would just say to my colleague in yielding, representing the City of

Grand Forks, the city that was inundated in 1997 and is clawing its way back now thanks to the strong support of Federal disaster aid, we would not have made it without disaster aid programs.

I will listen closely to the description of the problems of my colleague. And if we can help, we need to help with a similar Federal response so that her brave constituents can similarly make the tough road back.

Mr. Speaker, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON).

FEDERAL DISASTER AID

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) for yielding and thank him for his offer to help.

By the way, my citizens also are concerned about Social Security spending. I want my colleague to know that. But, in addition to being fearful of how they will have Social Security or how we will manage it, they must now manage this disaster.

My colleague knows well how this sort of disaster not only unsettles the community but frightens human lives. It puts everything in uncertainty and fear and the anxiety that prevails and the lack of hope.

I have come to just raise with my constituents and I am so pleased that my colleague is willing to assist and I want to tell my constituents they need additional help.

This is a picture of Tarboro taken some weeks ago. It is not flooded like that now. But I will have my colleagues know that 68,000 persons have now called the FEMA line for assistance. 68,000. More than 46,000 homes have been damaged. The governor has now brought his figures thinking that maybe 10,000 of those homes will not be able to be built back again.

So we are now wanting Congress to begin helping us just move beyond just the relief and have a recovery fund. And what we are doing, by the way, as Members of Congress, many of us are going to North Carolina to give a hand, to share our concern, but also to express our personal participation. Members from Congress, on November 6, will be going on buses with their staff and other public officials to eastern North Carolina, working in five selected communities helping to remove debris, clean up, give hope, have discussion with the local leaders and, in the afternoon, to have a rally of hope.

There will be gospel singers and inspirational singers, B.B. Weiner, C.C. Weiner, Shirley Caesar and our former Member. And Bill Hefner, who was a Member with us here who sings gospel, has agreed that he may come. We want to make sure Bill Hefner hears us and comes on down. And the Phelps brothers. We have a Member from Illinois, and he is going down.

So we have a strong delegation of American citizens for us, yes, Congresspersons, but American citizens too who want to identify and say, beyond just thinking about you or looking at these pictures. Because you see, now the stories have ceased, we do not see the cameras, but the mud is there. The flood has done devastation.

There is one other final piece I want to show my colleagues. This is showing the devastation to infrastructure where roads have been just devastated, bridges, the waterway, the environment. This is showing a hole in the road in 301. By the way, the railroad came across this way, too. So it has not only interrupted the water and the travel by car, but also the railroad system had to be rebuilt.

So the power of water first sustains life, but also we saw the power of water where it has taken life.

Finally, more than I think now 51 persons have died because of this. Life indeed is precious. But what we want to do is to make sure those who are living and those who are struggling with that will have a sense of hope.

So I am urging my colleagues to consider a bill before we end this session so we can show a sense of passion, not only the resolution we passed, but having the monies. We need the money to go build the houses.

And my colleague is right, FEMA is that relief that the Federal Government has, but we need those extra resources to allow individuals to build their homes back, to have structure.

By the way, more than 2.5 million chickens were killed, 120,000 hogs. I mean, the wildlife suffered just tremendously. And the environmental impact, we are still assessing that. We do not know what it will mean to our beaches and our waterways and our fishermen. Because if we do not mitigate this harm and do it very rapidly, we will be paying a severe price.

I would say more than just have relief, we need opportunity for a major recovery for more than 18 counties who are involved.

I thank the gentleman for both sharing his time but, more importantly, understanding the need for support for the people in North Carolina.

Mr. POMEROY. Mr. Speaker, I thank the gentlewoman for her comments.

Clearly, the initial disaster package added to the agriculture appropriations bill does not begin to compensate the economic loss that North Carolina has sustained.

I just know from again my own flood experience in North Dakota, everything that filthy water touches it destroys. And so, once that water recedes it leaves your families' belongings, some of their most treasured things, in a distorted, grotesque, and disgusting condition requiring removal. And then you build back starting from scratch. We are going to have to have a bigger Federal response helping your people off the floor, just as the Federal Government helped Grand Forks, North Dakota off the floor; and I stand to help my colleague.

ONE-PERCENT SOLUTION

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 60 minutes as the designee of the majority leader.

Mr. HAYWORTH. Mr. Speaker, I thank my colleagues from North Dakota and North Carolina for the conclusion of their time on this floor as they renewed their calls for something quite needed.

As a North Carolinian by birth, but now proud to represent the State of Arizona, Mr. Speaker, I would assure those North Carolinians and all Americans who have been affected by Nature's wrath and fury that we are acutely concerned for their plight. And I believe that we can work in a bipartisan way to solve those problems of an emergency nature, although one cannot help but note, Mr. Speaker, how much better it would have been if some $20 billion in American taxpayers' money had not been used for foreign adventurism in the Balkans, but instead that money remained in the Treasury of the United States to help Americans when they were put in harm's way.

Mr. Speaker, I rise this afternoon to respond to some of the other less bipartisan statements made earlier by my colleagues on the left. I think it is important to offer straight talk, Mr. Speaker, to the American people about what we can call the 1-percent solution.

First we must celebrate our achievement. And my former colleagues in journalism, as I spent many years in radio and television covering the news before I was honored to be sent by the people of the Sixth District of Arizona to this chamber, I would commend to my former colleagues and, Mr. Speaker, to the American people news that may have escaped the notice of the American people over the last 10 days as the budgeteers in both the White House and the Congress sat done and reevaluated what has transpired.

The fact is there is very, very, very good news. Because, for the first time since 1960, for the first time since Dwight David Eisenhower served as our President, this Congress has not only balanced the budget, this Congress did so without using one penny of the Social Security surplus. And moreover, Mr. Speaker, this Congress generated a surplus for the American people of $1 billion over and above the reports we received today of close to $124 billion of Social Security surplus money. So that is indeed good news.

But it does not change the fact, Mr. Speaker, that good people can disagree.

And even as we welcome former President Ford and his lovely wife, Betty, today to receive jointly the Congressional Gold Medal and, in so doing that ceremony, we welcome the current President of the United States, it is worth noting that there are profound differences in our approaches.

Even as we celebrate the achievement of not raiding the Social Security Trust Fund for the first time in 40 years, we must remain steadfast in our resolve to stop that raid. And accordingly, those of us in the common sense conservative majority have offered the 1-percent solution.

I am holding in my hand, Mr. Speaker, a shiny new penny, no doubt made with copper from my home State of Arizona; and I hold this up, Mr. Speaker, to symbolize the 1-percent solution that we offer. Because we in the majority, to preserve and make sacrosanct the Social Security Trust Fund, say to the American people, Mr. Speaker, we simply need to have savings of one penny out of every Federal dollar in discretionary spending, a 1-percent savings; and in so doing, Mr. Speaker, we will continue to protect the Social Security surplus.

Now, sadly, from time to time in the discussion of public policy and different philosophical approaches, there is a casualty. The casualty is truth. And perhaps there were mistakes offered unintentionally by the House minority leader earlier today. Perhaps there were mistakes, misunderstandings offered by the White House press spokespeople today. But as former President Reagan used to say, "Facts are stubborn things."

□ 1700

Here are the facts with all due respect to Education Secretary Dick Riley, a former governor of South Carolina who stated yesterday that there would be massive cuts in education. Let us state for the record the fact, our majority budget plan spends $34.8 billion on education. The President's proposal was $34.7 billion. In other words, Mr. Speaker, our common sense conservative majority is prepared to spend an additional $100 million on education but to put those funds in the hand of the people who can make the difference, teachers in the classroom locally. Because while we understand that education is a national priority, it fundamentally remains a local concern. And again the math lesson is quite simple and unequivocal and apparent to all. We are using more resources and more dollars for education but we are using them at the local level. There is no cut. And quite frankly, Mr. Speaker, I wish the fear and smear and the failure of the Education Secretary to apparently learn his own mathematical lessons, well, I wish he would simply pay attention to this particular lesson: More funds than the President even requested but spent where it counts, in local classrooms, in local school districts, by local teachers and local school boards.

Mr. Speaker, I must also confess my surprise and remorse at the statements of General Shelton, Chairman of the Joint Chiefs of Staff. General Shelton, a fellow alumnus of North Carolina State University, Mr. Speaker, was quite simply wrong in his testimony to the Senate Armed Services Committee yesterday. I find it amazing that the minority leader claims that there would be military layoffs. Again, Mr. Speaker, facts are stubborn things.

Here are the facts. This common sense conservative majority in Congress has sought time and time and time again to increase our spending for national defense and indeed a check of the budget requests will bear this out. Our majority has devoted $265.1 billion. The President proposed expenditures of $263 billion. Simple mathematics points out that our common sense conservative Congress offers more than 2 billion additional dollars to keep America strong. It is unfortunate that those relied upon to lead our American fighting men and women have somehow descended into the realm of politics. I regret that, but I offer this criticism candidly and publicly to General Henry Hugh Shelton, Chairman of the Joint Chiefs. Mr. Speaker, General Shelton is wrong. Mr. Speaker, the administration and the minority on the Hill is engaged in a game of fear and smear.

I mentioned earlier, Mr. Speaker, the President of the United States joined us for a ceremony in the Capitol Rotunda just a few minutes ago. I appreciate the bipartisan sentiment there, and I would ask the President in a true spirit of bipartisanship to join with us in leading through example. Because, Mr. Speaker, this House is prepared to reduce its salary, the men and women who serve in the Congress of the United States within our common sense conservative majority, have pledged to reduce salaries by 1 percent. Constitutionally, we cannot do that for the executive branch at this juncture, but, Mr. Speaker, I would ask the President, does he share that commitment? Will he voluntarily reduce his salary by 1 percent? Will he ask his Cabinet secretaries and other employees of his administration to reduce their salaries by 1 percent? Indeed, the 1 percent solution while we are intent on wiping out Washington waste, fraud and abuse, there are actions we can take to lead by example. How refreshing it would be, how truly bipartisan it would be if the minority in this House, Mr. Speaker, if our President at the other end of Pennsylvania Avenue would in fact join with us. We are happy to hear legitimate criticism. We took the remarks to heart, Mr. Speaker, and we hope the President would join us.

While I was meeting the press along with many of my colleagues who will join me here in short order in this special order, White House spokesman Joe Lockhart was meeting with the White House press at the other end of Pennsylvania Avenue. Let me quote from his press briefing today. The question comes on Social Security. The question for Mr. Lockhart is as follows:

"Just to be clear, the third option, you would under no circumstances accept going to the Social Security surplus at this point, is that correct?"

Mr. Speaker, listen to Press Secretary Lockhart's answer:

"We have put forward a better way. We hope they'll consider it. We'll be here. They understand what our ideas are."

Mr. Speaker, the ideas are encapsulated in the President's budget plan. The ideas have been borne out in a veto of some of our appropriations bills. Indeed, Mr. Speaker, we have the sad and sorry spectacle of the President of the United States vetoing a foreign aid bill because he says it does not spend enough money. He wants to increase those foreign expenditures by 30 percent, by some $4 billion, and, Mr. Speaker, he offers no plan of where to find that money. Quite the contrary. The implication is clear, Mr. Speaker, for all to see. He has made a choice to take those funds out of Social Security, to take the retirement funds of American taxpayers who have paid into that system for years and years and years and use those funds, not for Americans but for others around the world. Facts are stubborn things. And in this day and age where we have to parse statements, where we fail to see a clear answer to the questions, we have to parse the statements. Again let me repeat the question from a member of the fourth estate from the journalistic fraternity at the White House:

"Just to be clear, the third option, you would under no circumstances accept going to the Social Security surplus at this point, is that correct?"

Lockhart's answer:

"We have put forward a better way. We hope they'll consider it. We'll be here. They understand what our ideas are."

Mr. Speaker, it would be refreshing if those who seek to offer variations on the definition of what "is" is, if those who parse so many different statements could simply offer to the American people what President Ford gave us in his time of healing, what he in his first televised address to the American people called "A Little Straight Talk Among Friends." How refreshing it would be if this White House could say "yes" means "yes" and "no" means "no" and "is" means "is." The sad fact, Mr. Speaker, is clear. There is a clear and present danger to the Social Security funds of America's retirees because this administration in its budget pronouncements, in its veto messages, is prepared once again to raid the Social Security trust fund. Mr. Speaker, "no" means "no."

Mr. Speaker, I am honored to be joined on this floor for this hour by three hardworking Members of Congress. I would yield at this point to a gentleman who has served capably as an educator, who understands educational administration, who comes to this Chamber from the great State of Colorado, I yield now to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Speaker, I am a freshman Member of the Congress. I have been here all of 10 months. I must say that in that time, I have witnessed a number of strange things, of course. I am sure that has been the case of all of my predecessors who came in. In their first time around this particular hall they saw things that were astounding to them. Recently, we put forward a plan, what I consider to be a very modest plan to achieve a very important goal. That goal, of course, is to hold inviolate the Social Security trust fund. In order to do that, we have to reduce some spending of the Federal Government. About $600 billion worth of spending that the Federal Government now undertakes in discretionary programs alone, that is what we are going to have to reduce, by about 1 percent, or $6 billion, in order to achieve the laudable goal that I described earlier. And the amazing thing that I have seen as a freshman is this reaction, the reaction of the administration, the reaction of my colleagues on the other side of the House, the reaction to a proposal to save 1 percent. Because people use the term "cut," and we get into that weird sort of definition of what a cut is. Are we really cutting any agency of the Federal Government if we were to reduce the budget by 1 percent? No, of course not. Because all of them, what we are talking about is next year's budget and all of the budgets have been increased fairly dramatically. So to cut from a proposed increase is not truly a cut. It is a savings. So we are talking about a savings of 1 percent.

You would think, of course, that we had proposed the end of civilization as we know it. You would think that the results of a 1 percent savings in the departments of the government that spend $600 billion, you would think that it would mean blood in the streets if it were to be accomplished. That is what is incredible to me as a freshman, to observe something like this. Then you see statements, statements of the President's Cabinet, members of the President's Cabinet. This one is just another amazing thing. Here is a statement by Interior Secretary Bruce Babbitt just yesterday. Pool reporters asked Secretary Babbitt, "Can I just say based on your answers generally that there really, as a practical matter, there is no more waste in government in your department?" To which Secretary Babbitt replied, "Well, it would take a magician to say there was no waste in government, we are constantly ferreting it out, but the answer otherwise is yes, you got it exactly right, that there is no waste in the Department of Interior."

Now, what is really incredible about this, on its face it is idiotic, that is for starters, but beyond that, at the same time that the Secretary of the Interior was telling the pool reporter that there was no waste in his department, a member of his department was telling the Committee on Resources that in fact they had lost $7 million. The Committee on Resources heard testimony by Assistant Secretary Don Barry of the Fish and Wildlife Service explaining that his department could not account for $7 million. Beyond that, the Department of Interior officials in the Department of Insular Affairs have used Federal property. Right now there is a major investigation going on because government employees in that department have used time and resources to assist the campaigns of Members of the Congress, Democrat Members of the Congress. I would say to my colleague, is that not a waste?

Mr. HAYWORTH. If the gentleman will yield on that point, I think, Mr. Speaker, that this bears amplification. What the gentleman from Colorado is telling this House at this hour, based on investigations by the House Committee on Resources, officials within the administration, on government time, using taxpayer dollars, were involved in partisan political campaigns.

Mr. TANCREDO. That is exactly what has happened. And it has happened to an extent that is quite extraordinary. I think we see these kinds of things periodically where someone might put up a poster in their office or something like that and maybe that is a technical violation but in fact it is no big deal and there is not a major case made.

□ 1715

What has happened in this particular department is egregious, the violations are egregious, and there are certainly going to be ramifications to it, and there is an ongoing investigation. But already people have left the government.

As my colleagues know, they have seen this happen before when somebody accuses this administration, when facts are uncovered about what this administration does. All of a sudden people start leaving the country, are no longer to be found. Well, that is what is happening now in this particular case.

Remember this is the same gentleman, Secretary of Interior, telling us there is no waste in his department.

Mr. HAYWORTH. It would seem to me that the gentleman from Colorado has not only pointed out wasteful spending, but something that is equally, if not more, troubling, the blatant disregard for simple ethics and honest stewardship of the organs of government.

Indeed my friend from Colorado mentions his experience now as a freshman. I can harken back to my first term in office, honored to come here as part of a new majority, also serving at that point in time on the House Committee on Resources; and let me tell you this waste notion is nothing new. I can remember our first hearing on the subcommittee dealing with parks.

Now, Mr. Speaker, government does this, and my friend from Colorado can bear this out with his past administrative experience because government gives an interesting name to accountants. The Federal Government calls them inspectors general.

And so the Inspector General for the Interior Department was seated besides at that time the Director of the National Park Service, and the audit offered by the Inspector General at that time said that the National Park Service could not account for over 70 million dollars of taxpayer funds; and indeed, as we have seen from the latest study offered by our budgeteers and the General Accounting Office, the folks who do this to check on the business of government, if you will, there is waste and a lack of accountability to the tune of $800 billion, and yet there are those in this administration who refuse to stand up and offer straight talk, who sadly, as agents that are in essence political provocateurs, abuse government property and taxpayer funds for political endeavors and still cannot seem to come to grips with a 1 percent solution that we need now more than ever to save Social Security and make sure that the raid is not renewed, a raid that will come based on the insistence of this President who vetoed a foreign aid bill saying he wanted to spend $4 billion more on non-Americans. One penny out of every dollar of discretionary spending is all we ask.

And I appreciate the service of the gentleman from Colorado who will offer us more thoughts on his past experience in a moment, but I must turn now to a gentleman in his second term in office who honors us and honors the people of the Lone Star State of Texas. I yield now to the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. I appreciate the gentleman's leadership in trying to cut the waste and fraud and abuse from our government, working hard as a Member, esteemed Member, of this body that has tried to get more bang for the buck, to be the first Congress to balance the budget without using the Social Security Trust Fund to rebuild the defense we all know has us so vulnerable today and to start, finally, after so many decades of deep digging such a deep hole for Social Security, being the first Congress to stop digging, to stop digging a deeper hole and to start rebuilding it; and I thank the gentleman from Arizona for his leadership.

During the Civil War, President Abraham Lincoln received a report from one of the generals that the President suspected was probably exaggerating the damage that he had inflicted upon the confederate soldiers in battle. Lincoln said the report reminded him of a man he knew who used to lecture about his travels abroad, but in his lectures often played sort of fast and loose with the facts. Well, the lecturer, knowing he was prone to exaggeration, asked a friend of his to yank on his coattails every time he drifted from the truth.

Well, soon after that, the other was telling an audience about a tall building he had seen in his recent trip to Europe. He was describing it, and he said, "and this building must have been a mile high and a mile and a half long."

Now just then, feeling a tug on his coattails, someone in the audience called, "And how wide was the building?"

Scrambling, the lecturer replied quickly, "Oh, about a foot wide."

There must be a lot of coattails being tugged over at the White House these days as the President, his dutiful military leaders and agency heads scramble to outdo each other in exaggerating the impact of our tiny 1 percent savings in this large and growing Federal budget. America, I think though, knows best because here is the real question we are facing:

Is there anyone in America who does not think Washington cannot become 1 percent more efficient? Is there a taxpayer anywhere who believes that we cannot work 1 percent smarter, 1 percent better? Because these taxpayers know they have, and even government employees we have got, well, we have got a big bureaucracy. We have got some very good people in these agencies, and even they are frustrated with the money they see wasted at work each day.

As my local constable, David Hill of Magnolia, told me Monday following a drug awareness program we had before one of our schools for Red Ribbon Week, he said, "One percent is nothing. Anyone can do that and especially to save Social Security." Well, David Hill is right; 1 percent is nothing. Anyone can do that, Mr. Speaker, and especially because we have Social Security at stake.

Look at some of the duplication we have. As my colleagues know, just look at some of the duplication we have here in Washington. Despite our best efforts, and I think we are just getting started, we still have more than 500 inner-city programs, 500 different urban aid programs, more than 300 different economic development programs, more than 200 education programs, and recently people were congratulating us because we had consolidated down to only 100 different job training programs. That duplication has a real cost to taxpayers, Mr. Speaker; and it means that we are not helping the people the way we can.

In the Committee on Resources, which I serve on, it is the House Subcommittee on Energy and Mineral Resources, I was shocked recently to learn that each year government spends about 1 billion, that is with a "B," $1 billion, helping about 5,000 salmon swim upstream, back upstream each year. The Federal Government share for each fish each year is between 2,000 and $20,000 each year. Literally it is cheaper for us to rent a limousine for each fish or to put them in a first-class airplane seat and fly them to the top of the river each year. That would be cheaper than the way we go about saving these fish today, if indeed we need to.

The bottom line, as we all know, there is enough money for defense and health care and Social Security and the essentials here in Washington. There is not enough money for the foolishness. Despite our best efforts, we still have pork barrel projects, and they are real stinkers that we want to root out.

People want money left here in Washington so that votes can be traded. Well, last year during the Fast Track debate, one of the Democratic Members of Congress went to the White House to have his arm twisted to support Fast Track, and as he left, he quipped to reporters, "Well, the good news is I have six new bridges. Now if I only had a river."

The fact of the matter is that if we leave these dollars in Washington, they are going to go for pork barrel projects, they are going to go for trading votes, and again families and businesses have had to trim their budgets, set priorities. In Texas we all made it through a recession recently. It was not much fun. We all hunkered down, and we did it.

But government in Washington has never had to make the tough decisions. In government, Washington does not want to have to tell no to anyone. We do not want to make those tough decisions.

Mr. HAYWORTH. I thank my colleague from Texas (Mr. BRADY) because he points out something that there are so many examples of, and some of these examples, quite frankly, you laugh to keep from crying, Mr. Speaker.

For example, the Agency for International Development. Now remember, the President has just vetoed a foreign aid bill saying we are not spending enough on other folks around the world, we need to take $4 billion of the Social Security Trust Fund, or I guess he is suggesting we ought to raise taxes, to take care of this. But here is an example of international development, the Inspector General, the accountant, checking that from the report.

Ben and Jerry's Ice Cream, the folks up in Vermont; they have a few stores in Arizona, a couple of stores in the Sixth District, but also they have an interest in the former Soviet Union, the Russian Republic. In fact, the Agency for International Development, Mr. Speaker, gave Ben and Jerry's $850,000 to develop and distribute ice cream in Russia. Now the folks at Ben and Jerry's wrote our majority in Congress and told us, "Oh, this is a pretty good idea to use taxpayers' money for ice cream going to Russians, and instead of following the free market route, to have taxpayers pay for the marketing of Ben and Jerry's ice cream."

Oh, there was something else, Mr. Speaker, that the Ben and Jerry's folks added in their letter; their belief, Mr. Speaker, that we should completely zero out defense spending and defense capabilities.

Mr. Speaker, I hope I can arrange an introduction of General Henry Hugh Shelton, Chairman of the Joint Chiefs, to Ben and Jerry and their ice cream, and I would just like to clear up any rumor, Mr. Speaker. There apparently is no truth to the rumor that Ben and Jerry want to develop a new flavor in honor of their pacifist leanings, even as they are happy to take American tax dollars to market ice cream in Russia. There was some talk going around that they had developed a new flavor: surrender sarsaparilla. But I do not think that is going to happen.

I gladly yield to my friend from Texas.

Mr. BRADY of Texas. I agree so much with what you are saying and examples of duplication and waste that we have here in Washington. Let me conclude with this:

My constable back in Magnolia, Texas, is right: 1 percent is nothing, and we can do that especially to save Social Security. It seems to me that this is kind of a hopeful start, to start to trim the fat here in Washington, to start to eliminate obsolete agencies and duplication, just to give people a better bang, a bigger bang for the buck that they send up here because 1 percent savings is so small. And I am convinced that because we are dealing with Social Security and our kids' futures, their retirement, and our neighbors' future and retirement, I guess I would ask that the President rather than the President acting like a Democratic President and perhaps trying to make us just conduct ourselves a Republican Congress, I am convinced that if we acted as an American President, an American Congress, worked together on this, that would solve this.

So I ask, Mr. President, join us in cutting wasteful spending that tiny little bit, 1 percent; and we will join with you together, Republicans in Congress and a Democratic President, to save Social Security. But let us stop digging now.

Mr. HAYWORTH. I thank my colleague from Texas, and I think, Mr. Speaker, the American people reflect the sentiment expressed by my friend from Texas (Mr. BRADY). We need to approach this not as Republicans or as Democrats, but as Americans; and yet even as we celebrate that notion of nonpartisanship, we cannot help but note a difference that, Mr. Speaker, we need to inform the American people about.

You see, to us we have taken the commitment. No means no, hands off Social Security funds, Social Security funds should be used exclusively for Social Security. No means no to this common sense conservative majority, and yet to my friends in the minority and the folks at the other end of Pennsylvania Avenue no means maybe.

Here is the minority leader, the gentleman from Missouri, on ABC's This Week last Sunday. The gentleman from Missouri says, quote:

"We need to save the Social Security surplus as much as we possibly can."

□ 1730

Again, Mr. Speaker, why can he not join with us to say let us save 100 percent of the Social Security surplus?

Mr. Speaker, I am pleased now to yield to another newcomer to this Chamber, the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. I thank the gentleman from Arizona and appreciate the opportunity to join him here tonight to discuss waste, fraud and abuse.

Yesterday House Minority Whip TOM DELAY and Republican Conference Chairman J.C. WATTS gave the American people specific examples of wasteful spending in the Federal Government. These examples included the construction of a $1 million outhouse in Glacier National Park and the Department of Defense misplacement of two tugboats.

Continuing with this theme of promoting and advancing better and more efficient government by rooting out waste, fraud and abuse in Federal agencies, I come to the floor this evening to speak about management's problems that permeate the Federal student loan program.

American taxpayers currently provide through the Department of Education more than $48 billion annually in Federal finance aid to roughly 8.5 million students. Unfortunately, the Department has serious problems monitoring these dollars and the individuals to whom they are awarded.

For almost 10 consecutive years, the General Accounting Office has put the Department of Education on its high risk list for waste, fraud and abuse because of its management shortcomings. Among other things, the GAO has reported that, first, the Department does not adequately oversee schools that participate in student loan programs; second, that the Department uses inadequate management information systems that contain unreliable data; third, that the Department has too little information on the program's effectiveness to meet the information needs of Congress and other decision makers; and, finally, it cannot determine the taxpayer liability associated with almost $150 billion in outstanding student loans.

These problems were outlined in a report released earlier this year by the Department's own Inspector General. The Department's Inspector General found that the Department of Education has forgiven over $3.8 million in loans to individuals who were reported dead, but in fact were alive. The Department's Inspector General also found that roughly $73 million in loans were forgiven to individuals who claimed to be permanently disabled when in fact they were not. That is what I call fraud.

Congress and the Department have taken steps to correct problems in this program by creating the Federal Government's first performance-based organization within the Office of Student Financial Assistance. While I applaud this effort and recognize the progress made by the Department, problems persist. A recent Associated Press article outlined errors made by the Department on 3.5 million college financial aid forms, 100 of which were distributed to colleges across the country.

Fixing this problem, which included recalling, destroying and reprinting these forms, will cost the American taxpayer another $480,000, a half a million dollar mail mistake. That is what I call waste.

At a time when Congress is struggling to find the dollars needed to fund so many important programs, waste and mismanagement similar to the examples mentioned are unacceptable. Not only do the Department's management deficiencies hurt the taxpayer, but they also take away from the parents and students who legitimately need this aid. The millions lost by the Department's mismanagement might have been used to fund other critical programs such as educating homeless children and youth. This is a program that has not seen so much as a dollar increase for the past few years. Yet the $4 million the Department lost by forgiving loans to the living dead would have gone a long way to helping homeless children across the country to succeed in school.

The millions lost by the Department's mismanagement could have been part of the saving of the 1 percent across the board efficiency we are looking for, not the wasteful spending that has occurred.

Mr. Speaker, we all understand the difficult funding circumstances under which this Congress and the administration are working. We can begin to ease these problems by working with the Federal agencies to identify and to root out and then correct the problems that waste hundreds of millions of dollars of taxpayer money.

While the Federal student loan programs would be a good place to start this process, every other area of spending needs to be looked at as well, which we are doing tonight on several of the issues. But the education of our children is one of our top priorities, if not the top priority, and, as a matter of fact, this side of the aisle is spending $34.8 billion on education in our appropriation bills versus the President's proposal of $34.7 billion. So there will be no cuts to our children's needs. In fact, there will be more money than the President even requested. But we must be ever-vigilant to ensure that there is no fraud, waste and abuse so that we will have the money to spend on those critical programs that are necessary.

Mr. HAYWORTH. Mr. Speaker, I thank the gentlewoman from Illinois, because she points out the vital human equation at stake here. Not a mere recitation of facts and figures, though they are important, but the question becomes not only how much is set aside in terms of funding, and a substantial amount more by this common sense conservative majority in Congress than even proposed by the President in his budget when it came to education, but more how it is spent in local communities, for more accountability at home, and also honoring the commitments this Congress made when it was in the hands of the left back in the mid-seventies with reference to special education, the IDEA program that was left unfunded for so many years. This Congress stepped up. That is true compassion, when you couple a sense of commitment with accountability, and we are indebted to the gentlewoman from Illinois for sharing those very cogent points about inaccuracies, and, yes, fraud in terms of student loans and a breach of trust that goes beyond simple inefficiency, simple negligence, to in essence be a crime against the American taxpayer. We are indebted for her point.

Again, we should reaffirm this. We are talking about a 1 percent solution. One penny out of every dollar, one penny out of every Federal dollar spent will keep the budget balanced, stop this raid on Social Security and pay down $2 trillion in public debt.

Mr. Speaker, my colleagues, can we not save a penny for grandma, because, in so doing, Mr. Speaker, we are helping her grandchildren.

Mr. Speaker, I am pleased to be joined by another newcomer to Congress. He is a gentleman who has learned his lessons well in the field of business, a noted restaurateur and a capable new representative from the Commonwealth of Pennsylvania. I yield now to my good friend, the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Speaker, I thank my colleague from Arizona for yielding. I want to commend the gentleman for the effort he has made consistently to establish and reiterate the importance of fiscal discipline and the opportunity we have before us, which is truly remarkable. But I wanted to suggest that we consider that there are three alternatives, really, to resolving this dispute that we have with the current administration versus Congress in how we are going to end up in this appropriation process this budget process.

The first is the easy way out. The first way would be to follow the suggestion, the budget that the President presented back in February. The easy way out, that has been done for the last three decades at least, and that would be simply raid that Social Security trust fund. That is what has happened so many times in the past. That would be the easy and, I would argue, irresponsible and the wrong way out. We have made it such an important priority of this Congress that we are not going to take that easy, irresponsible way out, that I am delighted to see that it appears that the President has come around to our point of view on this, and it appears that the President recognizes that it would be wrong to spend that Social Security surplus.

There is another way that Congress could get out of this apparent dilemma. That would be to raise taxes. Let us consider this for a moment. This year Federal spending will be higher than it has ever been in the history of this great Nation. This year Federal taxes are higher than they have ever been in the peacetime history of this Nation. The Federal tax burden on working Americans is consuming almost 21 percent of the entire output of our economy.

Now, even after we set aside all the Social Security funds for the next decade, for the purpose of either reforming Social Security or retiring debt, without a penny of that being in the calculations, we still have unprecedented surpluses, projected as far as the eye can see by administration budget forecasts, Congressional budget forecasts, private forecasts.

Mr. Speaker, it strikes me that when taxpayers are paying more than it takes to fund the biggest Federal Government in history, and in addition to that taxpayers are paying Social Security benefits for the next 10 years and then $2 trillion above and beyond that, which is going to be used for the Social Security trust fund and for retiring debt, when in fact taxpayers are paying $1 trillion above and beyond all of that over the course of the next 10 years, it seems obvious to me that taxes are simply too high. For the President or anyone else to seriously consider raising taxes in that context is an outrageous infringement upon the freedom of working Americans.

We need to lower taxes, and I am happy that yesterday this body voted on a resolution which I authored which expressed the sense of Congress that we will not raise Federal taxes. That resolution passed with a vote of 371 to 48. I think it is worth noting, however, that there were 48 Members of this Chamber who felt that despite a record high tax burden on the American people, we should make it an even higher tax burden.

Well, we do not have to worry about that, I do not think, because an overwhelming majority said no, we are not going to raise taxes. So we have established that we are not going to spend that Social Security money on the President's spending wishes.

I think we have established that we are not going to raise taxes to do it. How else do we deal with this issue? We do it from the spending side. This is the common sense solution that we have before us.

Frankly, the fact that a 1 percent across-the-board reduction in waste and fraud and abuse that is in so many of our government programs can solve this problem, can solve this entire budget problem, makes it the obvious solution to me.

As my colleague from Arizona pointed out, my background is in business. I am to this day an owner of two restaurants. Prior to getting in the restaurant business I was in the business of finance.

I can tell you that despite the incredibly intense pressures in the private sector, the pressure that comes from competition, the pressure that comes from another operator, whether it is a restaurant or a shoe store or you name it, despite enormous pressure to be efficient, to lower your costs, any halfway decent business manager can find 1 percent of his budget to trim when he has to. That is despite the enormous ongoing pressures that he already faces.

Now, the government, of course, does not live under the same kind of economic pressures. The Department of Energy, for instance, does not have a competitive Department of Energy down the road against which it has to compete, against which it has to demonstrate consistently that it can lower its costs. The government just does not face those kinds of pressures, which only means it is even easier in government to find out opportunities to eliminate some waste, some excess costs.

That is the opportunity before us. This is a no-brainer. This is an easy opportunity for us to do the right thing, not the irresponsible thing, but to go ahead and allow 1 percent, just 1 percent across the board, of the waste and excesses and frivolous expenses that we know we spend in virtually every government program to be taken out and to achieve the fiscal discipline, the fiscal responsibility, that comes with that.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Pennsylvania, and I congratulate him on the overwhelming passage of House Concurrent Resolution 208. I was honored as a member of the Committee on Ways and Means to bring that legislation to the floor and then yield the time to my friend from Pennsylvania to manage, which he did quite capably, and, Mr. Speaker, we saw evidence of his expertise in the real world dealing with budgets, being responsible for employees offering services to his clients and customers, lessons that served him well in the private sector, Mr. Speaker, lessons that serve us well in the Congress of the United States.

Mr. Speaker, before I yield to one of my friends who preceded all of us in this Chamber, another former broadcaster, in fact, let me just point out again something that the American people may have missed, because on Sundays Americans are at church, enjoying time with their families. The truth be told, Mr. Speaker, a lot of folks do not hunker down for all the public affairs programming that exists, no matter what may happen within the banks of the Potomac.

☐ 1745

The gentleman from Missouri (Mr. GEPHARDT), the House Minority Leader, on ABC's "This Week," when asked about the Social Security Trust Fund and keeping those funds off limits for spending, said this, "There is a feeling now that, since we have a surplus, and since we have got to get ready for the baby boomers, that we really ought to try to spend as little of it as possible." He later said, "Oh, we need to save the Social Security surplus as much as we possibly can."

Again, Mr. Speaker, even though I heard the gentleman from Missouri (Mr. GEPHARDT) offer a wonderful tribute to President Ford, where he called on the need for bipartisanship, I would note the gulf between rhetoric and reality, how he has instructed every Member of the minority to vote no on our appropriations bills, how he has said that, while no means no on the constructive business of governing in terms of the appropriations bills, when it comes to keeping the Social Security Trust Fund off limits, no means maybe.

Mr. Speaker, no means no. All we are saying is this, one penny out of every dollar spent, realize those savings, and my colleagues will save Social Security in the process. They will pay down

$2 trillion in public debt. We will continue to balance the budget.

Mr. Speaker, I am pleased to yield to the gentleman from Oklahoma (Mr. ISTOOK), the man who has to make so many challenging decisions as the chairman of the Subcommittee on District of Columbia of the Committee on Appropriations, the gentleman who will have some action on this floor, dare I say, tomorrow as we vote for this 1 percent solution.

Mr. ISTOOK. Mr. Speaker, I was watching as the gentleman from Arizona (Mr. HAYWORTH) was making some of the comments. Tomorrow on the floor of this House, as the gentleman has mentioned and so many other Members have mentioned, we are going to have a very, very important vote.

I will be the one that will be handling this particular bill on the House floor, because it is a bill that not only appropriates money for operation of Federal agencies, but it says, okay, what is the final thing we need to do to make sure that the budget being passed by Congress, one, is a balanced budget? It does not spend more than we take in. Secondly, it does not spend any of this Social Security surplus to make sure that the money that we spend is only the money that comes from the other revenues of the Federal Government.

Somebody said this is kind of like sanding a block of wood. When one is trying to make something and one has to get all the pieces to fit in, one gets that last piece, and maybe it does not quite fit right, so one sands it down and gets it down to the right size so it does fit in.

This is going to be sanding down the Federal Government so it fits within the goals of balancing the budget and making sure that we do not spend Social Security money in the process. I think that is a worthy goal.

I have heard my friends on the other side of the aisle say, oh, we share that goal. We want to balance the budget and not touch Social Security. The President of the United States stood here in this House chamber in January and said he was going to save 68 percent of the Social Security surplus and not spend it.

Now, I know math; and I know that if one saves 68 percent, one spends 32 percent. So the President's plan was let us spend 32 percent of this Social Security Trust Fund.

We as Republicans, the majority party in the Congress, said, Mr. President, the right thing is do not spend any of it. We know that for years it has been normal in Washington, D.C. under Democrats and then as Republicans as we were taking those final steps to balance the budget, yes, Social Security money was used in the process for far too long. But that time is over.

Now we can balance the Federal budget without using any of that Social Security Trust Fund, without jeopardizing the future security of people who are now retired or who may be retiring in the future. At the same time, this will be reducing the national debt, so that people who are younger today will have the security of knowing that the national debt either will be smaller or nonexistent so they will not be stuck with paying it off; so people today will know that the size of government has shrunk. Now, that seems to me like that is what everybody is saying.

Yet we had the meeting on the conferees of the bill this morning, the bill that comes up tomorrow, the meeting of the conferees; and I could not believe it, the things I heard from some other person. I will not even name the person who said this. One of the Members of Congress on the other side of the aisle today, he said, "One, we cannot afford these cuts. We cannot do this 1 percent across the board cut." Then he said, "And, by golly, you are spending money out of Social Security."

I called him on the carpet, frankly. I said, "One, I think everybody can afford a 1 percent cut. But, two, if you think that is not enough, if you think we would have to cut further to make sure we do not dip into Social Security, why are you not proposing larger cuts instead of opposing the 1 percent cut?" He got kind of speechless at that point.

I notice this same rationale or lack of logic in the President's comments. I was reading the transcript of his comments today, saying that he does believe in balancing the budget without using Social Security money, and he wants to claim that Republicans are dipping into Social Security.

So we would think, therefore, he would say cut spending further. No, he says raise spending more. Wait a minute. If they claim we are spending Social Security money at this level, and they want to spend more, they would be spending more Social Security money.

They ought to be helping us. They ought to be helping us reduce the size of government. They ought to be proposing more than 1 percent across the board to save money. But, instead, they want it both ways. That is not right. That is Alice in Wonderland-type thinking. I grew up knowing better.

I remember all the meals that we had in my family, and it was a family of five kids, my mom, my dad. My dad was hard working. He would go to work during the day, come home for dinner, and go back to work.

What we would commonly have for dinner, my favorite dinner when I was growing up, was beans and cornbread. If it was not that, it was sliced diced potatoes and white gravy or Kraft dinners, we called them, the macaroni and cheese.

I thought that we had those meals so often because they were so good. Well, it took a while, until I had five kids myself, that I realized we had those meals so often because they were so economical. They were healthy. They were nourishing. We got by fine, but it saved money. The family needed to save.

Maybe we have some Federal bureaucrats that need to be talking about beans and cornbread instead of doing the things that I have heard them say, Cabinet officers on TV, oh, there is no way that we can do a 1 percent cut. Tell that to Mr. And Mrs. America. Tell that to them when they have to sit around the table and have to balance the family budget, and they have to make decisions a lot bigger than cutting 1 percent.

I remember when Jimmy Carter was President of the United States, and he said we cannot spend so much money and so much expense on energy. He said, turn down your thermostats in the winter. Turn them up in the summer. Do not use so many lights. Conserve electricity. Families do that all the time.

Maybe bureaucrats need some leadership at the top saying conserve things instead of spending more. The President took 1,700 people on a trip to Africa, announced all these government give-aways, and, on top of that, spent, what was it, $50 million, $70 million for that huge entourage.

Mr. HAYWORTH. Mr. Speaker, for three trips, Africa, Chile, China, the grand total was in excess of $70 million with thousands accompanying the President, well over 1,000 in his entourage. That is not taking into account the justifiable needs for security, secret service, and the like for the President of the United States.

I agree with the gentleman from Oklahoma. We need at long last, Mr. Speaker, leadership by example. Part of that bill that the gentleman from Oklahoma will be talking about and helping to manage on this floor tomorrow includes a 1 percent reduction in salary for Members of Congress. Again, I would renew my challenge to the President. He should reduce his salary. Cabinet level officials should reduce their salaries. They should lead by example.

Mr. ISTOOK. Mr. Speaker, if the gentleman will yield, it is especially appalling to see the Clinton-run Pentagon using Clinton-speak. We are putting more money into the Pentagon, even after the 1 percent cut, more money than the President proposed. He had the Pentagon people come to the Congress and say, under the President's budget, they can get along just fine. But now, under the larger budget they will be getting from Congress, the President has been claiming they cannot get by. That does not make sense. They can get by on less from the President. They can get by on more from Congress. They can handle this 1 percent cut like everybody else.

I speak as a member of the Subcommittee on Defense that wants to strengthen our defense, and we are doing it because we are still strengthening it even after applying the same standard to them as to the rest of government.

Mr. HAYWORTH. Mr. Speaker, again, we are actually adding $2 billion more to this defense budget than this White House and the Pentagon requested.

Facts are stubborn things. No means no. But to the minority party in this chamber and to the folks at the other end of Pennsylvania Avenue, no apparently means maybe when it comes to the Social Security Trust Fund.

Mr. Speaker, let me repeat, the transcript of what transpired today in the White House press room, a journalist to Joe Lockhart, the Press Secretary, question: "Just to be clear, the third option you would consider, you would under no circumstances accept going to the Social Security surplus at this point; is that correct?" Mr. Lockhart responds, "We have put forward a better way. We hope they will consider it. We will be here. They understand what our ideas are."

This President stood in the well. He said save 62 percent of the Social Security surplus, implying he would spend 38 percent of it on other programs. He outlined various new ways to raise revenue. We brought it to the floor of this House. Not a single Member voted for the Clinton tax-hike package, not anyone on that side. So no meant no when it came to raising taxes.

All we say is this, Mr. Speaker, our 1 percent solution, one penny out of every dollar in savings will save Social Security and stop the raid. A penny saved is a retirement secured.

ARMENIAN TERRORISM AN OUTRAGE

The SPEAKER pro tempore (Mr. RYAN of Wisconsin). Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I appear here to add my voice to those who are expressing our strongest sense of outrage at the reported terrorism against the Armenian Congress which has so far claimed the lives of Prime Minister Vazgen Sarkisian, the Speaker of the Assembly Karen Demirchian, Deputy Speaker Bakhshian, Energy Minister Petrosian, and senior economic official Kotanian.

I was pleased to lead a congressional delegation to visit Armenia during the August month. We had the opportunity to personally meet with these individuals who were clearly professionals on all they did, dedicated to the well being of the country and its people, and repeatedly demonstrated their obvious commitment to bringing peace and prosperity to the region. In fact, we were there to help to promote the peace process with Nagorno-Karabakh and Azerbaijan.

Prime Minister Sarkisian, only a few days before we arrived, had addressed the people of Armenia on a television broadcast talking about the window of opportunity that Armenia had for the peace process as well as opportunities for trade in Armenia by those from other parts of the world, as well as the need to do something about corruption, to prevent corruption, and for transparency, for openness of the system. He got great applause; but it was, indeed, a very courageous statement he made.

He was also here less than a month ago, and many of us who were interested in Armenia met with him and again discussed the process of the peace progress as well as the openness to trade and the advancements that are being made by the brilliant Armenian people.

I am just very saddened by what we have learned about what has happened. This unwarranted intrusion against the Armenian people's democratically elected leaders must not in any way deter the commitment of the Armenian government to further develop and strengthen the nation's democracy.

Our prayers and our best wishes are with the people of Armenia in the hope that the current hostage situation will be peacefully resolved and the perpetrators of this heinous crime are brought to justice.

DIGITAL DIVIDE AND POTENTIAL SOLUTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentlman from Connecticut (Mr. LARSON) is recognized for 60 minutes.

Mr. LARSON. Mr. Speaker, today across our Nation, we are most fortunate that this economy that we are participating in continues to surge and roar. Yet, Mr. Speaker, today based on the finding of the Commerce Department, we find an alarming trend throughout this country as it relates to something that is commonly referred to as the digital divide.

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The genesis for this special order this evening is to discuss that divide and potential solutions through prospective legislation that will be introduced in a compendium of bills that colleagues from the Committee on Science and the Committee on Education and the Workforce will be addressing as we move forward this evening.

In a conference report entitled Falling Through the Net, Larry Irving, in testifying before the Subcommittee on Empowerment of the Committee on Small Business, and speaking directly to the ranking minority member, the gentlewoman from California (Ms. MILLENDER-MCDONALD), reported the following: He cited that there is an alarming trend that is taking place all across this Nation. Even though there is greater access to the Internet, what we find is that the gap is widening between those who have access to information and those who do not. And for those who do not, most disturbingly we find that it is happening along the lines of race, gender, geography and wealth.

We must seek to close that gap. We must seek to make sure that in the policies that we enact here in the United States Congress that we leave no one behind in this economy.

This poses a problem for us because of this gap. It is three-tiered. First, in terms of the economic isolation that it creates; economic isolation that all too often takes place within our urban areas and, therefore, impacts our minority populations who live there; economic isolation that takes place in our rural communities because of the inability for us to reach those communities with the technology they richly deserve and need; and it also results in an inferior form of education.

The gentleman from Michigan (Mr. EHLERS), who serves on the Committee on Science, and the gentlewoman from Maryland (Mrs. MORELLA) on the Committee on Science, have pointed out, there is not a sufficient pipeline for us to make sure that there is a transition in our public school systems from school to work. In fact, many people have come before this Congress, many from the business community, asking us to ease immigration quotas so that they can import people from abroad to provide for the more than 350,000 jobs in the high-tech area that are currently going unfilled.

Any economist worth their salt has spoken at length about the Information Age. We have come to acknowledge that knowledge will be the future currency in this country, and it is knowledge that will make this economic engine that is propelling us forward continue to thrive in a global economy. Tonight, we hope to address this by way of solutions.

Now, I know all too often that Congress has a deserved reputation of talking at length about the problems but does very little in the way of solutions. What we are hoping to address by way of legislation is to look at three fundamental areas. All of us involved in education understand the three Rs of reading, writing and arithmetic, and yet to guarantee in the future that teachers will have the best tools afforded to them, that we will be able to provide our children with the very best and most up-to-date technology within the classroom, fundamentally we have to do three things: We have to look at retooling our infrastructure; we have to look at retraining our teaching force; and we have to rethink how we look at education from the bottom up.

We are of the mind, and hope to address this this evening as well, three bills that are before the Committee on Science and the Committee on Education and the Workforce. Those bills focus on the problem. And let me start with the issue of retooling.

What do I mean by retooling? Fundamentally, most Americans, when they think of retooling, think of our great failure in the 1970s when we found out what happens when a business does not retool, as was the case with respect to the automobile industry. We did not make the necessary steps in that area, and we found that we lost market share. We found that all of a sudden the United States, once the preeminent producer of automobiles, fell behind competing nations. It is a lesson that we learned hard.

That was in the automobile industry. The industry we are speaking about this evening is education and, fundamentally, it is our children that we are talking about. We need in this Nation, just like we have a national highway system and a highway infrastructure that transports our commerce, and that our parents made sure was constructed after the Second World War, we need to make sure that our children have an information superhighway that links up our public schools and our libraries so that everyone can have access to information; so that everybody will be able to have access to the knowledge that they are going to need to flourish and to grow in the Information Age in an increasingly shrinking world in this global economy of ours.

We expect to close this gap. If we expect not to leave any child behind, we also must provide for having teachers who are able to utilize that technology within our classrooms. I am a former school teacher. I understand implicitly the need and the desire on the part of teachers to be able to individualize instruction for all of their students. We now have the capability, we now have the technology to do just that; to allow the teacher to individualize instruction; to be more diagnostic in their approach to teaching and, therefore, more prescriptive in the remedies that they apply to their students.

We have the opportunity to allow the gifted to learn as fast and as far as their minds and creativity will carry them. We have the opportunity to remediate for those students that need our help the most and, for the vast majority of students, to allow them to participate and thrive in the fullness of this economy, by providing them with the skill sets that they are going to need.

Frankly, that is going to require a change. We have to provide incentives for our teachers. First and foremost, tax incentives so that they can pick up equipment on their own, purchase computers, purchase the hardware and software that they need and receive a tax credit for it; to go back and get an education and receive a tax credit for that so that they can be further trained in their ability to integrate voice, video and data within the context of their lesson plan, within the context of their curriculum, so that they are a more effective and efficient teacher.

And incentives need to be provided to the business community as well; to allow them to buddy up with teachers, to allow them to buddy up with school systems. And where they will provide hours, by lending the expertise of their corporations to public schools, they should receive a tax credit for that as well.

Secretary Riley has pointed out that we are going to need 2 million teachers over the next 10 years, and we have to make sure that our universities are turning out teachers that are well versed in voice, video, and data technology, and capable of integrating them within their lesson plan.

Now, I am constantly reminded by my wife and by others, and I believe this to be true, that no piece of legislation, no bill that is proposed, ever reads to a child at night, or tucks them in, or provides them with encouragement. Only caring parents can do that, and only professionally trained teachers, within the context of the classroom, can provide for the kind of ubiquitous individual education that I believe the technology that we possess now can provide for our students.

But we need to act now. And what I am suggesting this evening is that aside from the infrastructure needs that I know that we must address, and besides the retraining, that we fundamentally have to think about that technology and how our children use that technology. It has been stated on more than one occasion that oftentimes the fifth grader in a local school knows more than the teacher, or is the technology expert in the school. We have to take advantage of this.

We are submitting legislation that focuses on creating a National Youth Tech Corps starting in the fifth grade, reaching out to children, making sure they understand the importance of not only being served but providing service, letting them participate fully in mentoring other students and, in some cases, of course, teachers as well.

We want to let them also participate civilly and understand the importance of putting a civic face on technology and the responsibility that goes along with that. Let them work with the elderly in a community and help shut-ins use E-mail and talk directly through technology to their children and to their grandchildren.

I know that it will take some time to look at what is the most efficient technology and infrastructure. Will it be wide band, will it be radio wave, will it be infrared, will it be satellite transmission that we use to bring this ubiquitous form of technology to our public schools and libraries? And to fully train teachers is going to take time as well. But our youth are already hungry. Our youth already understand and grasp the technology oftentimes better than their parents. And I believe that from the bottom up, if we encourage their involvement, and acknowledge and recognize them for their effort, that we can move this Nation forward.

I have felt for some time that as a nation we have our head in the sand with respect to this issue, and that we, as a Congress, have got to wake up and understand. If we will consider just for a moment the dilemma the local superintendent of schools or boards of education face, all wanting and desiring to light up the desktops of their children and the blackboards of their teachers, but faced with enormous economic costs and something that we refer to as Moore's law on the Committee on Science, where technology is eclipsing itself at a rate so that every 6 to 12 months it has become almost obsolete, no superintendent, no principal, no board of education is going to be able to find themselves in a position to put the monies forward needed to bring this technology into their classroom if there is not a plan for ongoing maintenance, and if the very technology that they install could be obsolete in 6 to 12 months.

Mr. Speaker, this requires the best and the brightest minds in this country, an alliance for progress that will bring together the National Science Foundation, NASA, the Department of Education, the business community, and government focusing on the best solutions to bring that technology into our classrooms and our libraries.

I am joined this evening by a distinguished colleague on the Committee on Science as well, the gentleman from Oregon (Mr. WU), and at this time I would yield to him.

Mr. WU. Mr. Speaker, I thank the gentleman from Connecticut. I have had many occasions in recent months to observe the digital divide as it plays out in my home State of Oregon. On some of my elementary school visits there are whole roomfuls of computers.

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In one school that I visited just about 10 days ago, there was a roomful of windows, Intel machines, and there was another roomful of Apple computers; and in that particular elementary school, there was literally dozens of computers on two different software systems. And in stark contrast, in some other schools that I have visited, there are barely two computers available to the entire school.

This is one example of the digital divide. I would guess that the same situation is played out at home, that the wonderful parents that have contributed these machines at the school with two rooms full of computers, that they also provide computers at home and in the other neighborhoods where they have struggled to put two computers into the entire school, that at home perhaps there is much less access to computer technology and all the marvels that it can bring into our lives.

I think we need to address this digital divide situation and we need to address it aggressively. By all estimates, in this century and going forward in this century, 75 percent of all future jobs will require some form of computer literacy.

Now, one of the things we know is that, just as in the private sector, where the cost of putting a box, a machine, a computer on a desk and its associated software is only about 30 percent of the cost of actually implementing computer technology. The other 70 percent is really the cost of training the users of the computer and fully integrating that into the business.

The parallel in the education arena is that while it costs a lot to put computers into the classroom, and many classrooms still have not successfully done that, it will cost even more and take even more time to integrate the computers into educational curricula, to properly train teachers, as well as students, in the use of the machines which we hope to make available to them.

Mr. LARSON. Mr. Speaker, my colleague has made several good points, and I just want to amplify a couple.

Another concern that has arisen, and I spoke about the need to retool with respect to the need for infrastructure improvement. In this Congress, the gentleman from New York (Mr. RANGEL) has introduced bills with respect to school modernization. It is important that we modernize our schools. It is important as we do this that we bring in the kind of technology, as I will continue to say, that will light up the desktops of children and the blackboards of teachers.

Other nations are moving ahead of us. And just like the automobile industry was arrogant in the 1970s, not believing that anyone could ever compete with them, we are being leap-frogged by other nations. Countries like Costa Rica, nations like India in many instances have more sophisticated technology within their classrooms and understand its importance if they are going to thrive in a global economy.

And so, we have got to make sure that, as a Nation, that if we anticipate leaving no one behind and if we are going to close this digital divide, that the way to do that is through our public education system.

These are not reports that came from the Department of Education. This is the Department of Commerce. The Department is citing this alarming gap; and it understands fundamentally, as does the business community, that we lack the sufficient pipeline coming from our school systems that will provide them with the workforce that they need in the future.

So it is of vital importance that we are able to get this legislation enacted and that we are well on the way to closing this divide.

Mr. Speaker, I yield to the distinguished gentleman from North Carolina (Mr. ETHERIDGE), a member of the Committee on Science and the Committee on Education and the Workforce and a leader in educational issues and an expert in this area.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman from Connecticut for yielding.

Let me thank him for bringing this issue before us tonight and hosting this special order so that we could talk about an issue that is important not only to schools. So many times when we talk about them, we talk about as if it is important only to schools and to children and to teachers and to parents. But my colleague has properly framed it. It is important really to this country and our competitiveness.

We have seen in the 1990s, as an example, where business has absolutely used technology to increase productivity at a level that we have not seen since the dawning of the industrial revolution in this country literally, and it has increased our productivity and given us one of the best economies really that we have had in our lifetimes. If we can just sustain it for a few more months, it may be the longest sustained economic period of growth in the history of this country. And a lot of that goes to the technology that is driving our economy.

That being said, your point of acknowledging that the challenges we face at the public school level and the digital divide that is there already, that is why the business roundtable as come forward on education and put their shoulder to the wheel, as some would say, the titans of industry. But they are not industry as we expect; they are industry that understands that a well-educated citizenry, as Thomas Jefferson said, is really our key not only to a democracy but to a thriving economy.

The U.S. Chamber of Commerce and almost every chamber of commerce now across this country, and I had the privilege when I was State superintendent in North Carolina of working not only with our, what is called the Citizens of Business and Industry, which is really our State chamber of commerce, each chamber of commerce now has an education component.

Now, there is a reason to have an education component and a support unit there for public schools. Because they recognize that if we are going to have a strong economy and children are going to be able to produce in the 21st century, and the gentleman from Oregon (Mr. WU) was talking about 75 percent of those who are going to be moving into the workforce need to have computer skills and I would challenge him, I think it is 100 percent, the truth is everyone is going to have to have some knowledge of computers. But we are going to have to have a much higher competency on a large segment of our population in the 21st century because most jobs are going to be driven in one way or another by technology.

The thing that I see in our public schools and the issues my colleague has talked about in the bills, and I want to commend my colleague for the bills that he has in committee that he is working on, I have a bill on school construction that the gentleman from New York (Mr. RANGEL) is on and he has been since I have signed on, it is important to get those bills in and get them moving. Because just to have technology without space for children and to have those buildings, some of those old buildings just absolutely will not take the wiring and the technology that is needed to get on the Internet. The school is the ramp that we are going to get onto the Internet to get to the world, and too many of our schools do not have an on-ramp.

And unfortunately, as we talk about computers and Internets in our schools, as badly as they are needed, too many of our classrooms do not even have telephones, things that we thought of years ago that were important that on every executive desk and that in each one of our offices where we have computers.

I went in a classroom just this past Monday and visited where they are trying to get just five computers in each classroom, a very modern school in a very progressive county in my district. But guess what happened? They could not afford to have them and have them tied to the Internet. So now they have computer labs.

Computer labs are not all that bad. The problem is children get to use them only when they go. How would we like to have all the automobiles that we have placed in a garage and we could only use them once a week? That is really what we are doing with computers. As important as computers are to a child in learning, we are saying you can get to them once a week; and by the way, you can only use them about an hour and we will teach you how to drive it. That is really what we are doing. And an item that is so important, the technology that is driving the changing world and yet we want to deny it to our children.

I commend the gentleman for what he is doing. I think we are on the right track. And I would trust that this Congress would do everything within our power not only to raise the issue to a higher level but to put some money behind it. Whether it takes allocating resources or whether it takes tax credits to encourage the private sector to help us, it is so important to make sure that that is in the classroom where children can learn, whether they are in the inner city or whether they are in isolated rural areas. If they are part of the digital divide, they suffer just as badly no matter where they are. Every child ought to have that opportunity no matter what their economic or ethnic background might be.

Mr. LARSON. Mr. Speaker, I have been to several hearings and a variety of different forums as it relates to this issue, and the general public and the business community and in fact the academic community is crying out for leadership.

This Nation has always been able to move forward on critical issues. We have always been able to respond, especially when the very fabric of our economy is at stake here. If we are going to continue to thrive and compete in a global economy, then we have got to make sure that we have the students who can make that transition from the school to the workforce, that, in a knowledge-based society, that our students going on to higher education are exposed to the same kind of data and research.

But what we find from the Department on Commerce is that, while more people today have purchased more technology, i.e. computers and voice video and data integration within the context of work and home, fundamentally the gap has widened between those who have access to that information and those who do not, creating the haves and have-nots in the information age.

Mr. ETHERIDGE. Mr. Speaker, if the gentleman would yield on that point for just a moment, because I think he is absolutely correct. But the point he made that was made earlier by the gentleman from Oregon (Mr. WU), as we talk about technology in the classroom, it is imperative that we make sure our teachers get the staff development training they need so that, whatever that technology may be, it is not just computers, it is integrated technology, that they have it so they can integrate it in the curriculum.

Because it has to be a part of the taught curriculum, not just an add-on to the daily activities. And until it is taught and the teachers have the time, and many are doing it and many States are working at it, but they need every bit of help we can give them to do that so it becomes a part of the active curriculum every day.

Mr. LARSON. Mr. Speaker, in my State, in Connecticut, and in my hometown of east Hartford, united technologies have buddied up very successfully with fourth and fifth grade teachers to expose them. These are teachers that had, frankly, not ever used computers, who had never seen a laptop, who were exposed to it. And as they became more familiar and were able, as my colleague pointed out, to integrate the technology within the context of their daily lesson plans and their curricula, then they began to see the wonders of this technology.

I have pointed out this evening that there is wide concern about rural areas, many of which my colleague represents in North Carolina. But there is no one who is more sensitive and understands more succinctly the problems of urban America with respect to technology than our esteemed colleague, the gentleman from New York (Mr. WEINER), who also serves on the Committee on Science with us.

Mr. Speaker, I yield to the gentleman at this point.

Mr. WEINER. Mr. Speaker, I thank the gentleman from Connecticut (Mr. LARSON) for yielding. I also wanted to thank him for bringing this issue to the floor. He has really tried to push this issue to the forefront, and he is frankly bucking some of our conventions around here in the House of Representatives.

One of the things that we are known for in this great body is acting with great alacrity, with great speed in times of crisis. It is a time when we come together on both sides of the aisle and we manage to get the People's work done, whether we stare down the barrel of very often misfortune or war or crisis in the country.

But it is very difficult often to discuss the types of issues that my colleague is discussing here tonight because it requires our making an intellectual leap not just to next week or next year but maybe to events that might happen 10 or 15 years down the road. And when we are looking at issues like this, frankly, this process has never been very good at it. We have never been very good on planning for the next generation for 4 or 5 years hence.

But I would argue, and my colleague has made this point abundantly clear, as has the gentleman from Oregon (Mr. WU) and the gentleman from North Carolina (Mr. ETHERIDGE), that we are at that crisis mode right now.

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Our students today are doing very poorly as compared to other major industrialized nations, in math, in science. Frankly they rank near the bottom. And we are also seeing that there is a crisis and that jobs are very mobile. Perhaps no community is more evident of that than the one that the gentleman represents in Connecticut, one where once upon a time it was unheard of that insurance jobs could be anywhere else except around one another in one community. The same is true for my financial services in New York City. Now with the new technologies being what they are, jobs are extraordinarily mobile and it does not just stop at one district, it does not stop at the borders of our country. Jobs could almost overnight at the throw of a switch leave our shore and go overseas. This is a crisis of our economy.

I have to say that this is also a crisis because decisions that we make today in 1999, on the legislation that you are pushing, are decisions that will manifest themselves 5 or 6 or 10 years down the road. If we do not act on these things now, it is going to be too late if we wake up and see, wait a minute, we have got a terrible brain drain, we have a terrible circumstance where we cannot fill the good jobs that our economy is producing, we better hurry up and invest in education. It does not work like that. You have to invest in 1999 to see the benefits in 2009.

So I would argue we are at the precipice of a crisis in our education system right now. But another element that we are kind of bucking against here and this one is a philosophical problem. Many people in this Chamber and perhaps many people in the country at large still have what I would argue is an outdated federalist notion of education issues. We are still very much hung up on the idea that education is an issue that they deal with at the local level and the city council from where I came, in the States from where you came and the gentleman from Oregon (Mr. WU) came and it is really Congress' job to stay out of the way. And in fact we go so far as to say it is our job here in Congress to pave a road but if it goes by a school, we cannot touch it. We can pave a highway but we cannot plug a school into the Internet. That is a philosophical objection that we hear around here from time to time that speaks to a federalist argument that is literally generations behind us.

Today, we have a national crisis. Today, we have an emergency that transcends that type of thinking. Now, I would share the argument that many of my colleagues make here that we should not, once we plug the school in, say here is what we think you should look at with that Internet hookup, here is what we think how many kids you should have in the classroom. Although I have views on that, perhaps that is something for a local school board or a local city or local governance. But for the Federal Government to stand back in the face of what is really an economic battle, an economic war that goes beyond these shores and say we will not get involved really does ignore a major problem.

The legislation that you have proposed and are sponsoring recognizes that the Federal Government has to get in the game, has to begin to participate in solving this problem. This is, I believe, an intuitive point among parents around this country in districts, Republican, Democrat, independent and the like.

Mr. LARSON. I would like to amplify that point by saying that the legislation acknowledges that decisions with respect to education are best made locally. I am a former member of the board of education in my community in East Hartford. I served locally on a town council and served in the State legislature. I understand the importance of local control. This legislation seeks not to intervene with local control but augment the ability. And to your point, and I think the most critical issue that we face with respect to supplying our schools with the wherewithal to do this without bankrupting them through local property taxes is to come up with a strategic means of supplying information, through whatever conduit, satellite, broad band width, radio wave, infrared, whatever is most economically feasible and efficient to bring technology into those classrooms. That is an information superhighway, not different infrastructurally than a national highway system and only, and I would argue along with you, is the Federal Government in a position to do that. No community, no State, even a city as large as New York or a State as affluent as Connecticut or Oregon can provide itself with the wherewithal to do the kind of infrastructure work and maintenance that will be needed. But this Nation does, because what is at stake here is to make sure that we have the ability to facilitate learning throughout a lifetime.

Mr. WEINER. If the gentleman will yield for a moment, I have to tell you, and it is interesting to hear you use that language. Last night a bipartisan group of Members of Congress sat down and heard a speech by John Chambers, who is the CEO of Cisco. Cisco Systems, they are a company that makes the switches that all Internet commerce and all Internet traffic travels over. They do not actually make the wire. It is kind of like no matter who is carrying the information they are making the switches to get it there. They are a very successful company, a market capitalization that frankly boggles the mind at this point. When he was describing his company, the gentleman sitting next to me was I believe from Chase Manhattan Bank and he turned to me and said, "That's five times the market capital of my company," and he is a major bank. It was interesting because very often we are visited on Capitol Hill by folks who are making narrow appeals for legislation that might help their particular business. But what Mr. Chambers argued for is the two major things that he thought would not only benefit his company but the country as a whole is, as you said, one is the infrastructure, making sure the infrastructure is available for this new economy to travel over, and he harkened again and again to the notion of education. His argument was very simple. He said that a company like his, if he so desired, could in a matter of a year or two move its work elsewhere, move its jobs elsewhere. That is how interconnected the community has become. If you think that is an exaggeration, I would ask you when you go back to your office here at the House of Representatives, if you want a bill, you go onto the Internet and you just print it up on your computer. When I was here working on Capitol Hill, not eons ago, just 5 or 6 years ago, you had to look up in a book the bill number or call over to someone and get the bill number and then there was a House documents room, where you had to walk down, someone would climb up on the ladder and they would actually pull down a copy of the bill and there you had a copy of the bill.

So this is technology that is making every corner of this economy work much faster and much more efficiently. With that same speed, if we are slow on the uptake with education changes, with infrastructure changes, we are simply going to get left behind. It is very easy for somebody like John Chambers who employs thousands and thousands of people at Cisco to say, well, I am going to go to Australia tomorrow because so little of his business actually involves bricks and mortar in Silicon Valley. That was one lesson that I think he left with us that was very poignant.

He kept coming back to education. On some level I would argue, for him, he will find his workforce, because there are going to be countries out there who are smart enough to figure this stuff out and invest quickly. He was describing the slow evolution, perhaps revolution is the wrong word to use about China, I say to the gentleman from Oregon (Mr. WU), but evolution that is going on where they are starting to catch up and investing more and more of their resources in education. So I think we have a window of time here. You have described it very well. We have a window of time here where we can take advantage of the enormous intellectual wealth that is being created in this country and try to pass some of it along to our schools and these three bills do that.

Mr. LARSON. A point very well made. I yield to the gentleman from Oregon.

Mr. WU. I thank the gentleman from Connecticut for yielding and for his strong commitment and leadership to advocating for adequate technology training for our teachers and in our classrooms. To further expand upon the gentleman from New York's comments concerning federalism, what we need is a federalism of commitment and not a federalism of convenience. Today, we saw in this House a situation where our commitment to federalism became inconvenient to certain values and we ran roughshod over a certain State's rights, but we are going to stay focused on the issue of education here. And with respect to local determinations, no one would more strongly advocate for completely taking care of educational issues at the school board level, at the school level, at the classroom level than I. However, in my home State of Oregon, because of certain property tax limitation measures which were passed several years ago, the local school boards no longer have the resources or the authority to take care of some of their crucial, basic mission. As a result of that, some of those financial resources and the authority has gone to our State capital of Salem.

It has also become apparent that between the local school boards and our State capital, there is not enough to go around to solve the problems that the gentleman from North Carolina (Mr. ETHERIDGE) has tried to address with his school modernization and school construction bills. And I would like to thank the gentleman from North Carolina and the gentleman from New York (Mr. RANGEL) for their leadership in school modernization.

In my congressional district, there are schools which are only 2 years old and yet they are already overcrowded. I did a class size study of my congressional district and over 70 percent of the students in grades K through 3 were in class sizes which were over the optimum and a significant percentage were in class sizes of 27 and above. Many high school students are in classes where there are more than 40, 45 or 50 students. That is just not an adequate environment in which to learn. Other schools in my congressional district have a lack of facilities, they need to build the additional space so that additional teachers can teach, and other schools have old facilities. In Astoria, Oregon, there has not been a new classroom built since 1927. Some schools do not have telephones. Many classrooms have only one plug in the wall. The bill that the gentleman from North Carolina has sponsored would help address that issue, not by taking that function away from the local school board but by assisting the school board in its job. It respects federalism and it helps education. Between the school modernization initiative which would bring $200 million to the State of Oregon, and the class size initiative putting 100,000 teachers into classrooms across America, that would put 2,500 teachers into the State of Oregon. That is a very important first step. It respects federalism because there continues to be a crucial role for the State and for the local school board, for the teacher and for the parent. But we must do what we can to address these issues of classroom overcrowding and antiquated facilities.

Mr. ETHERIDGE. If the gentleman will yield, he is absolutely right. And tie that together with what the gentleman from Connecticut is trying to do in terms of linking up with technology. My State is one of those fast growing States, not unlike yours where we are just growing by leaps and bounds. Over the next 10 years as we look out, the projections are by the Department of Education, as the gentleman from Connecticut knows, they have projected that the high school population in this Nation will grow substantially, and my State is one of the probably top five fastest growing States. But even with the growth, technology can have a significant impact in helping that, but we need to be able to help not only a facility with technology but also with those teachers in the classroom and staff development.

I have been in a lot of classrooms, as all three of my colleagues have, and I have never in the years that I was State superintendent and as a legislator now as a Member of Congress ever had a child or a teacher for that matter to ask me where the money came from, whether it was Federal, State or local, recognizing that at the Federal level we probably only put in about 6 percent, depending on where you are it may be a little bit more or less in States, not much more than 7, but they have never asked that question.

The problem we face is tremendous challenges. Children never know what they need. They only know what they get. In many cases, they do not know that what they get is not what they should be getting, that it is woefully short in a lot of cases and in a lot of communities. This digital divide that you are calling attention to tonight is a critical issue. It spans whether you are rural or urban. I commend the gentleman for that, because I think all of us need to be better educated but more importantly once we are educated, we need to act on it.

□ 1845

Mr. LARSON. Like so many individuals across this Nation, I participated in Net Day and was responsible in Connecticut for what we referred to as Connect 96. But even there with the electronic barnraising that took place and the single connections to our schools where we are able to hook up libraries and schools, we recognize fundamentally that there was still a problem that persisted.

I do not want to leave here this evening, and I want to make sure that I allow you time to talk about an important issue as it impacts schools in your State that has been severely impacted by the flooding that has taken place throughout the great State of North Carolina, but I did just want to reemphasize three points. One, with respect to retooling. We need a national plan; we need a Marshall Plan for our public education system. No different than the ability that our parents recognized when they came home from the Second World War and said, Look, we need to connect this Nation through commerce by an interstate highway system. It is a different highway, but probably, more important, it is an information highway, that without that connection this gap between those who have access to information and those who do not are going to be left behind.

So we need to put the best minds together to focus on the best means of providing universal and ubiquitous service to our children and our teachers, and our teachers are fundamental to this. At no point, first, would anyone, especially the superintendent of school systems of all of North Carolina, or a Congressman from New York or Oregon, recognize fundamentally the role of parents. There is no greater teacher.

That is not at issue here, nor is what is at issue here the use of technology to replace a teacher. What is at issue here is the use of technology to enhance and augment the ability of teachers to get after the goal that every teacher strives for, to individualize instruction for their students, to bring out the very best, to be more diagnostic in their approach to teaching, to open up universes where all of us in this room have here before never traveled and to be able to be more prescriptive in their remedy and, therefore, more accountable.

The accountability between teacher and student, and teacher and parent, and parent and child is enhanced by this technology, and by no means is it ever meant to replace, but augment and provide us with the kind of tools that we are going to need to have the best educated country in the world.

Mr. Speaker, that is what has allowed us to come to this point in history as the preeminent economic and military force in the world. Absent our attending to investment within our public school infrastructure will only mean the slow decay of this Nation. It cannot happen on our watch. We have got to make sure that we move forward on this agenda, and we can do so by inviting our students as well.

There is concern all across this country about kids' involvement with this technology and the Internet, but supervised by adults, caring adults that put a civic tone and civic responsibility with appropriate checks, we can unleash in this country a new civic force starting very young but recognizing the importance not only of being served, but providing service.

That is the goal of this education, of these proposals to retool, to retrain and fundamentally rethink.

I recognize my dear friend and representative from Oregon for some closing remarks so that we can give the gentleman from North Carolina (Mr. ETHERIDGE) time to respond to his proposals as well.

Mr. WU. Mr. Speaker, I want to just underscore a couple of positive programs that are occurring around the country and particularly in my corner of the country because I think that we need a sense of hope, a sense of what is going right, a sense of where we are going from here.

The gentleman from New York (Mr. WEINER) mentioned Cisco and the dinner last night. Cisco Corporation has an education foundation here in Washington, D.C., and in my home State the largest employer is Intel Corporation. Intel has made it a practice to donate motherboards to schools. They make a lot of public school donations, and the quid pro quo is that the school is then tasked to bring together the other things that are needed to make an entire computer out of a motherboard; and students and teachers learn together how to do that. It is a complete process of education, and it starts with a motherboard donation by Intel Corporation. That, Mr. Speaker, is the kind of public-private partnership that I think we should be looking for.

Another public-private partnership that is occurring in Oregon is something that is called Saturday Academy at the Oregon Graduate Institute. Saturday Academy brings public school students to sites around the metropolitan Portland area on a Saturday and permits them to study topics in science, mathematics, and other things of their interests, computer science perhaps. Earlier this year we were able to show congressional leadership this program in action, and the question that I faced after that was: Gee, how come this is not happening in my community?

This started, that is, the Saturday Academy program started with a small grant from the National Science Foundation; but it has been leveraged by private donations and donations from the corporate community. I think this is the kind of public-private leadership and partnership that gets us to where we want to go.

There is one particular aspect of the Saturday Academy program which addresses the divide which the gentleman from Connecticut (Mr. LARSON) has been trying to address in this discussion. What we have witnessed is a drop-off in math and science participation by girls in junior high school and in high school so that by college the participation by young women in science and mathematics just is not where it should be.

We are not training the number of engineers, mathematicians and scientists, female mathematicians, engineers and scientists that we should; and Saturday Academy has a special program focused on girls. It is called AWSEM. Let me make sure I get this right: Advocates for Women in Science, Engineering and Mathematics. I attended an AWSEM banquet about 2 years ago, and the level of enthusiasm of these junior high and high school girls for math and science was absolutely striking. The AWSEM program, I understand, Mr. Speaker, is going nationwide.

There are success stories out there like AWSEM, like Saturday Academy, like the Intel donation program, and I think that we need to focus both on what challenges lie ahead and what we are doing right today. And with that I yield back.

Mr. LARSON. Mr. Speaker, I thank the gentleman from Oregon. I also thank the gentleman from New York for their contributions this evening. We hope to come back again with another special order to both detail out the progress and at this time yield the floor to our esteemed colleague from North Carolina (Mr. ETHERIDGE) who has important and critical issues that impact education in his home State of North Carolina to address.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding to me, and I also thank him for the special order because I think what we have been about this evening is so important, and also let me thank the gentleman from Connecticut (Mr. LARSON) also for his legislation. The leadership he is bringing to that, there is no question that as he talks about this information highway or the digital divide, not unlike what our colleagues who were here in the 1950s talked about the interstate highway, and he is absolutely correct in talking about that. My friend, the gentleman from Oregon (Mr. WU), when he talked about Intel, let me remind you that those business partnerships are important.

In North Carolina we actually have students in a number of schools actually getting the motherboard from Intel, putting them in and bringing computers up to modern standards from computers that many businesses will share with them. So, Mr. Speaker, there is tremendous partnerships out there, and we have done it with IBM and a number of our high-tech folks in the research triangle.

So there are a lot of great success stories, and I hope we can talk about more of those at a future time, and this evening I appreciate you yielding the last little bit to me so I can talk about some of the schools in North Carolina, specifically in the eastern part of the State, that have been hit so hard by Hurricane Floyd and then followed up by Hurricane Irene that did even greater damage to our agricultural areas.

But here is a photograph that some of you have seen earlier of towns in eastern North Carolina flooded. The truth is when we talk about that, folks do not realize how large the geographic area was. It is an area that includes about 2.1 million people, and the geographic area is larger than the State of Maryland. So it is a substantial area.

The devastation is substantial. When you look at these for preliminary numbers, it really came out of the local paper early on. They have been refined and are not quite that large, but if you look at the town of Princeville, 100 percent flooded with 2,152 residents. There is Tarboro, 40 percent, 4,300 residents. There is Rocky Mount, 40 percent flooded with a total of 22,900 residents. There is Goldsboro with 24,000, and the number goes on.

The point I want to make tonight, that I call on my colleagues in this Congress, before we go home and wrap up this year, we have to appropriate the funds needed to make sure these people can get their lives back together, they can get in homes, farmers can get their crops in the ground and, ready for next year. The devastation has been tremendous. This has been the largest natural disaster in the history of my State. It affected Virginia, it affected Maryland, it affected New York and parts of South Carolina. Preliminary numbers I have here: on November 19, over 30,000 individuals just in North Carolina had registered with FEMA. The number of homes that are going to be destroyed or displaced are now approaching 10,000, and there may be as many as another 15 to 20,000, maybe higher than that, going to need help. There are a lot of businesses in trouble. I talked with a businessman in Wilson who lost everything that he had, his whole life's work. He was in his 50s. His business was flooded. He had no flood insurance because he never had any need for it. It was a 500-year flood plain.

Last Sunday I was in Rocky Mount at the request of a constituent. He wanted me to come down. I went to visit. I went to the homes of his three daughters. One had been in a home 5 years, another one 7 years, the other one a bit longer. She was on the other side of town. They were nice brick homes. Unfortunately, none of the three had flood insurance, and all three of them lost everything they had, and he said to me:

"Congressman, we don't need any loans. If they get a loan, they can't repay it. They owe loans on the house to have even the furniture that was in it. And if we don't get some help, we will not recover."

I only tell that story because it can be repeated thousands and thousands of times in eastern North Carolina. We had up here today over 70 members of the North Carolina General Assembly House and Senate saying please help us, help us before you go home; and I call on my colleagues to do the same. We should not go home until we appropriate money to help these people who pay their taxes, who live by the rules, who have been subjected to a disaster today we were not expecting. We need to help them. We help people around the world. It is time to help people at home.

THE WESTERN STATES

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, today the gentleman from Utah (Mr. HANSEN), my good friend, former Speaker of the House of the State of Utah, and I will spend the next hour talking with you about issues that we think are vitally important to the United States, but we think in a large part are being ignored by many parts of the United States. What we are going to talk to you about this evening is the West, the western States, the Rocky Mountains, Federal land, land-use policies, wilderness areas, water, land of many uses, Teddy Roosevelt. There are a number of different subjects, Mr. Speaker, that I would wish that you would think about as we talk because it is very important to the people of the West in this country. Frankly, it is very important to the people of the entire United States.

□ 1900

Let me begin with a little history about the Western United States. As you know from the history of our country, when the pioneers and the settlements in this country took place, most of it was on the eastern coast. Of course, I am stepping aside from the Native Americans. The Native Americans were throughout the country. This is the history as the United States as a country began to become formed.

On the eastern coast of the United States, the philosophy was to acquire more land. Our forefathers had a vision of a great country, and I think today that they would stand here, frankly, and take a look at this country and say you have created a good country. You have a country that is strong in its people. You have a country that is strong in its land. You have a country that has a vision. You have a country that has character.

But that is what they wanted to build, and, in doing that, they wanted to enlarge the country. They did not want just 13 states, they did not want 14 states, they wanted to enlarge the country. So they began to acquire land, through for example the Louisiana Purchase and some of the others, through treaties and so on.

Then they began to urge people to become pioneers. You remember the old saying, "Go west, young man; go west." Well, as people and the pioneers began to go out west, they found wonderful, wonderful lands, the Kansas farmlands, the Missouri lands, the Missouri River and the Mississippi River. They got out there and they found on a very small portion of land you could have a very healthy agricultural response. In other words, it did not take a lot of land to support families, and we had a lot of families going out for the purpose of agriculture.

Now, when we read the history books, we see a lot about mineral exploitation, about the gold, going to the mountains for the gold and going for silver, but the long lasting impact for the West was from the pioneers in agriculture.

Well, the difficulty that the administrations back in the East found out was that in the West there were not a lot of people going to the mountains, to the Colorado Rockies, to the Utah mountains, to the Montana and Wyoming mountains. So what they did is they sat down and said we need to figure out how do we get new settlers to go into these mountains? How do we get new settlers to go out into the West?

Well, what happened is the government decided to figure this out and go out there, and they sent some explorers out there, and you know the early days of the Lewis and Clark expedition, and somewhere along the line somebody discovered, you know something, when you get to the mountains, or you get to the lands of Utah and the lands of Colorado and Wyoming, of course, those were not states at the time, but when you get out to those lands, it is very difficult to produce an agricultural product on a small piece of property. In fact, what you need are thousands of acres.

Well, the policy of the government was to give incentive and to get people invigorated about going to the West. You let them homestead. They could go out and stake their ground. What do I mean by staking their ground? In the old days they could go out and literally place stakes in the ground up to certain amounts, say 160 acres or 320 acres, and they could homestead that ground. If they plotted that ground, plowed that ground and took care of that ground for a certain period of time, they got the land. The land was theirs to keep.

Well, when they got to the mountains and they got the reports about the difficulty of having agriculture in the mountains and in the West, they came back to the government and they said, Mr. President, Mr. Administration, Mr. Congress, you cannot do it on 160 acres in the mountains. You cannot do it on 320 acres. We do not know how we are going to encourage people to go into those mountains unless you, the administration and Congress, want to give them thousands of acres.

Well, they thought about that, and, of course, the response was politically we cannot just give away thousands of acres of land to individuals. With the system we would have to set up, we would very quickly encompass large portions of land with few owners. What else can we do?

Therein came the concept of what we call multiple use. What they decided to do, colleagues, is instead of giving the land away through homestead and so on, what they figured out was, well, what we will do on the government lands is we will allow people to have many uses. We will retain ownership, speaking of the government. We will retain ownership of the lands, but we will allow our pioneers and our citizens to go out into these lands and use the lands. That is the concept of multiple use.

Well, you can see then as a result in the Western United States the government primarily owns the land. They are the big landowners in the Western United States, as a result of this multiple use policy.

In the East, that is not the picture at all. In fact, in the East the majority of the land is under private ownership. In the Western United States we face unique problems, unique as compared to the land in the Eastern United States, and it is important for our colleagues, for my colleagues and Mr. HANSEN's and my colleagues from the East, to understand the differences in land ownership and why we are so reliant in the West on government lands.

To my left here is a map of the United States. The map, as you can see, follow my red bead on the map, government lands. All of the colors that you see on the map are owned by the Federal government. You have got some big spots up here, you see down here in the Shenandoah Valley, in the Everglades down there in Florida. But take a look at all of this open land. That is private ownership. That is owned by the citizens of this country individually.

As you can see, as you come down through Montana and Wyoming and Colorado and New Mexico, look at those blocks of land. That land is all Federal or government lands, state land in some cases, but primarily Federal land.

Take a look at the state of Alaska, which I have the bead on down there in the left-hand corner of my demonstration here. Look at Alaska. I am not sure of the exact percentage, but I think it is 98 or 99 percent of the state of Alaska is owned by the government.

Well, that works okay under the concept of multiple use. But what we see happening is a lot of special interest groups in the East have decided it is time to take this land in the West that is owned by the government and, for their own reasons, to push their own advocacy of their special interest groups, they have decided in essence it is time to kick people off of hundreds and hundreds of thousands of acres.

When I grew up in Colorado, and I am from Colorado, my district is in Colorado, the 3rd Congressional District of Colorado, when I grew up, we grew up under a sign, a theory called "land of many uses." So, in other words, when you would go into the Forest Service, you would come up to a sign and it would say, watch, it would say "Welcome to"—I did not put the "Welcome to" on the top, "Welcome to the Rocky Mountain National Park." Then underneath hangs a separate sign that says "A land of many uses."

Well, what is happening today, in my opinion, and this opinion is shared by many people in the West, is an all-out assault to take away this, and replace that, "A land of many uses," with a sign that simply says "No trespassing."

Now, there are a lot of issues that I want to talk to you about in a little more detail, but I think at the beginning of my comments and my colleague's comments it is important for all of us in here to realize that in the West, the majority of land is owned by the government. We have a different style of life in the West.

Now, we are all Americans. We all believe in the flag and motherhood and apple pie. That is not the issue here. I am talking about the geographic difficulties that we deal with in the West, and there are a lot of distinguishing issues.

For example, water. In the East, again, back to my first chart, follow my red dot, in the East back here your problem back here with water is getting rid of it. Our problem here in the West where I show you this, our problem is being able to store the water, to be able to preserve the water.

In Colorado, for example, which is my state, and, by the way, my district is where this red bead is, it is the 3rd Congressional District of Colorado, geographically it is larger than the state of Florida, and in that district in our particular state 80 percent of the water is in the mountains, and 80 percent of the population is out here.

Well, it is the same difficulty that we have over here. In Colorado, for example, we are the only state in the union where all of our free-flowing water goes out of the state. We do not have water that comes into our State.

We have the headwaters for four major rivers, the Platte, the Arkansas, the Rio Grande and the Colorado. My good colleague over here in Utah, take a look at the Federal lands. Water preservation. We need the Federal lands to help us store our water. We need the Federal lands to help us protect our environment. We need the Federal lands to enjoy recreation, like mountain biking, and I love mountain biking. I have enjoyed it for years.

I have been on the Colorado River ever since I was a high school student, river rafting. Many of you colleagues who come and visit in the West, many have vacation homes in the West. You love river rafting. You like the hiking. Many of my colleagues like the hunting. It is hunting season. All of these are a necessary part of the concept of multiple use. And if we allow the concept of multiple use to begin to crumble, I will tell you what will happen. You will lose the river rafting, you will lose the ski resorts, and in my district those ski resorts provide 35,000 jobs off the White River National Forest, just off that forest alone.

By the way, one-third of our forest out there is wilderness area, one-third of it. We protect that for the environment. We want that protected for the environment. I voted on that bill. But two-thirds of it is predominantly recreation, all of these different things.

If we begin to let this concept of multiple use collapse, you will see over a period of time the elimination of mining. Now, that, of course, to a lot of people sounds good. But take a look at how many products in our society depend on mining. That is the first thing that will go. In my district it is pretty well gone. We have some mines up near Meeker, Colorado, near Paonia, Colorado. For the most part, mineral exploration is gone out of there.

The next thing they go after is grazing for our cattle ranchers and farmers. In the East you have farming, it is important for you. We do too in the West, but we have to do it on government lands, and we take care of those government lands. Frankly, we in the West are pretty proud of the job we have done. You see over here a lot of times about pictures of abuse. Those are being put forward by special interest groups that want to destroy this concept of multiple use.

But after ranching and farming, they are going to go after the ski areas. No more expansion of ski areas. Restrict the ski areas. Downsize the ski areas. Then what is next? Then you have got your mountain biking and you have got your river rafting. Then you have got your ability to store or transfer across Federal lands the water that we need. It goes on and on and on.

So I am thrilled tonight to have the opportunity to work with my colleague the gentleman from Utah (Mr. HANSEN). I am going to turn the podium over to Mr. HANSEN so we can carry out for you this evening a little further explanation of why we need your help, not your resistance, we need your help, your help in going out there to preserve this concept of multiple use, so that we in the West can protect our water, so that we in the West can enjoy our recreation, so that we in the West can have the kind of environment that you all dream of, that you come out and vacation in.

That is our goal tonight, is to communicate with you the differences, geographically, the differences with our water, the differences in the descriptions of wilderness and so on, so you are not snookered, quite frankly, by some of the national special interest groups that want to convince you that the West is being trashed by the people of the West, and that the only thing that is going to save the West is for the special interest groups of the East to go in and tell the people of the West what is best for them.

So, with that, let me thank my colleague Mr. HANSEN for joining me today. I appreciate very much this, and I would yield to the gentleman from the State of Utah.

Mr. HANSEN. Mr. Speaker, I appreciate the gentleman yielding to me.

Mr. Speaker, let me just thank the gentleman from Colorado. I think he has done a magnificent job in explaining how the lands of America were settled and who has control of them. If you are a history buff, and I hope you are, you will find out a lot of people when they first came to this country, it was on the eastern seaboard, and they controlled that ground. A lot of it at that time probably belonged to just anybody who wanted to go out and stake a claim for it. There were no restrictions on it.

Then as we went through the Revolutionary War, the Civil War, things such as that, that ground was pretty well filled out. I enjoy this eastern part of the country. I have been here for 10 terms. I love going out to the different areas and looking at it. But I do not see much ground that is public ground. Maybe a park here and a park there, but the vast, vast majority is owned by individuals.

☐ 1915

Different than the West, as the gentleman from Colorado (Mr. McINNIS) pointed out, most of it you can use it for something, you can plow it, you can grow things on it, you can put cattle on it, you can own that ground.

Now, when our early pioneers went out to the West, they have got these huge Rocky Mountains. They have got all these various areas that extend from Canada to Mexico. So you are really not going to use a lot of that ground.

So after a while, about 100, almost 200 years ago, 100 something years ago, they started the Forest Service. The Forest Service was put there to take care of our beautiful green forests. They were told to manage the forests.

As we go back to talking about how the Forest Service started, their instructions was to manage the force for its many, many uses. A lot of it was timber in those days. Most of the folks, they lived in the valleys, and they farmed, they ranched in other areas.

That resolves this piece between what was private, what was forced, and what is that in between. So later on, the government decided what do we call that ground in between? The Bureau of Land Management handles that area. That is the area between Forest Service and the private people who own their ground.

Now, the gentleman from Colorado talked about multiple use. Basically, what is multiple use? It is the sign that he put up there, land of many uses. All of us who were raised in the West, we have seen that all over the West. He talked about some of the uses, the idea that you can go in there and you can do a certain amount of cutting.

Now, why is it that the Forest Service is under agriculture and BLM, Park Service, Reclamation, Fish and Wildlife is under Interior. It was put that way, if we go back and look at the history of how Congress does things, because it is a resource like corn or wheat. It grows and is taken out.

I get letters all the time, Mr. Speaker, as chairman of the Subcommittee on National Parks and Public Lands that say, "Let us leave that forest just as we found it. I flew over it in a 757. I looked down there, and there is this beautiful green carpet, and I want it left just that way." Well, then, take a picture of it with your camera, because it is not going to stay that way because things change on a regular basis.

We had the whole part of the Uinta Mountains, the big east-west part, and the only east-west mountain range in America, and a whole group of environmentalists call up and say do not touch it. Leave it alone.

So we had a hearing on it a few years back. We brought in all these people from land grant colleges and asked them to respond to it. These people said, "We do not want you in there clearing out the pine beetle, because that is nature's way."

Well, this man got up, and he said, "Well, I will just tell you what will happen." He said, "If we go in and we do not kill out that pine beetle, it will not be too long. Instead of that beautiful green carpet that you want us to keep that way, it will be a whole bunch of dead sticks, because they will kill that entire forest. But we could go in, we could spray for them, we could cut out that area of high infestation, and the healthy trees would make it." They said, "No, leave it alone."

The next gentleman got up from Utah State University. He testified and said, "Let me explain to you what will happen." He said, "I do not have a dog in this fight." He said, "Let me tell you what is going to happen. What will happen is the whole entire north slope of Uinta Mountains will be dead and anywhere else in the West if we do not take care of that." He said, "Then I will tell you what will happen. You have got a 100 percent chance that you will have a fire." In other words, it is guaranteed.

I may just deviate a minute and say that, because we have not managed the forest for a long time, we have the highest fuel load we have in my lifetime all through the West; and people wonder why we have forest fires all over the place.

Anyway, after the fire, the next man said, "And I will tell you what will happen after the fire. I will give you 100 percent guarantee that you have one of these flash floods that occurs in August, September, these big summer cumulus nimbus referred to as thuderheads, and they will pour water over that, and you will have a flood. And that topsoil that has taken 100 years to build up will go down to the valleys, and you will have a desolate area for all that time, because we are not managing the forest for multiple use."

Now, I thought about that for a long time. Then I found out down in the Dixie Forest that is down around the southern part of Utah, a beautiful area. I talked to some of the people there who had photographs when the early pioneers went in there, the first ones they called tin or some type of photograph. There was not a tree on those grounds because there was not anything there. It was just rolling sagebrush. They went in there and started planting trees. Out of that, they came up with the beautiful Dixie Forest, reputed to be one of the prettiest forests around.

About 1993, Hugh Thompson, the forest supervisor down there, he said, "We have got an infestation of pine beetles up there by Brian Head." That is a big ski resort. So he went in there and said, "I could cut out 17,000 acres; harvest those trees; that timber could be used for lumber." But, no, one of the large environmental groups filed an injunction against him.

So at that time, I do not know if my colleagues can see this, Mr. Speaker, but here is this beautiful green forest. That is what we had at that time. A year later, it looked like this, because he could not beat down that injunction in time. But those little pine beetles, they just kept munching around. Now see how this turns kind of red. Well, then, a year after that, what do we have? We have an entire dead forest, and that is what it looks like.

Now I am getting letters all over the place saying why did we not take care of the forest. I would like to put up a sign that says this dead forest brought to you by the courtesy of some of the high environmental groups.

So the other day, we had a hearing. One of the large environmental groups was there. I asked this lady, I said, "Why is it that you will not let us manage the forest?" She said, "Well, let nature do her thing. Let nature do it."

Well, I do not know about my colleagues, and I do not mean to spout scripture here, but as I read the Old Testament, it said, when the Lord created the Earth, on one thing he said, I will give you the ground to till and take care of this ground, and you are supposed to take care of it.

I often believe that America has done it right. We have managed and taken care of the ground that is owned by each of us. It is owned by us.

But we can go back to this thing and say, oh, no, let, mama nature take care of it. How does she do it in fire, wind, earthquake, flood, and what have we got? So why do we go in there and we build culverts? Why do we go in there and we take care of it?

So I have to go back to this idea of why is it we call Forest Service under agriculture, because it is a renewable resource. Have we in the past cut too much of places? Absolutely we have. Have we overgrazed the forest sometimes? No question about it. But that does not mean we cannot learn from our mistakes. That does not mean we cannot take care of the forests and use it for the benefit and joy of all America. That is one of the things that kind of bothers me.

The gentleman from Colorado (Mr. MCINNIS) talked about how we got into some of the history, and the history was interesting as he gave it. At one time back in the turn of the century, we had a President by the name of Theodore Roosevelt, a great conservationist and a great guy. He could see that some things were being mutilated that we should preserve, so he asked Congress to pass an act in 1906 called the Antiquity law, the first law I think that was ever there, Mr. Speaker, to take care of people like historic and archeological and scientific sites.

Out of the Antiquity law came a lot of monuments; and out of some of those monuments came some of our better parks, Zion, Bryce, Grand Canyon, a few others.

But now that law is pretty well gone. In fact, I really question in my own heart of hearts if it is constitutional, because the Constitution basically gives the right of public ground to Congress, not to the President. But I do not think it has ever been challenged in court.

Well, since that time, we have had the 1915 Organic Act, called the Park bill where all of our beautiful parks, which we now have 377 parks, come under. Our monuments basically are handled under that which we have 73 at this time.

In 1964 came the Wilderness Act. In 1969 came the NEPA Act. In 1976 came the Federal Land Policy Management Act. The list goes on and on, the Wild Rivers Act, the Horse and Burro Act, the Mormon Trail Act. Boy, you name it, there is a dozen of them on there. So we have got plenty of legislation that takes care of our area.

Now we find ourselves in an idea of the interpretation of these that the gentleman from Colorado was referring to by some of our friends on the extreme environmental side.

It is interesting, I have been in this place now 10 terms, and I have talked to a lot of groups from all kinds. I like to go to a group and ask the question, "Can you give me the definition of wilderness under the 1964 Wilderness Act?" It is rare that anybody can ever do it.

They all talk about, well, hey, I love that area, and I want to take care of it, and I want to leave it just as it is, and do not touch it and all that kind of stuff. But it is untrammeled by man as if man was never there, no sign of man.

Now, go over and listen to what Hubert Humphrey said, who carried most of it in the Senate side. He said, "The most you will ever see, and I am stretching it to this, will be 30 million acres." We have gone through 100 million acres and climbing. We had 100 million acres right in Alaska. We have got ground like you cannot believe.

Do my colleagues know what, Mr. Speaker, the vast, vast, vast majority of Americans do not know what that means. Let us throw out the term. Let us call up somebody tonight and say, "Mr. Posnowski, do you want more or less wilderness in America?" What will he say? He will say, I want more, because wilderness is a romantic word. Look what it conjures up in one's mind, these beautiful green forests, the smell of how it is in the forest, and the Aspen trees, and the clear water, and the fresh air.

Yet, on the other hand, if we said, "Mr. Posnowski, do you want more or less restricted area?" What would he say? He would say, "Heaven's no. I want the right to use this."

In 1980, I started working on a bill with Jake Garn, who was then a Senator, and excuse me for referring to the other body, Mr. Speaker. But in that particular area, we came up with one for Utah Forest Service Wilderness. We put almost all of the Uinta Mountains in it. We put almost a million acres in it.

We had a dedication ceremony up at those beautiful Uinta Mountains, with the Forest Service, with the governor of the State, with the environmental groups and others. Then we came back, and nobody liked the bill, so it must have been a good bill. The environmentalists said we did not go far away. The developers said we went way too far. Anyway, take it as one may.

Our phone started ringing off the hook. The main thing we heard from people went this way, they said, "Boy, I am sure glad you and Jake did that, because now we can take our four-wheelers, and get up in that wilderness area and enjoy ourselves."

Let me say this, Mr. Speaker, what a lot of people do not know is the definition of the 1964 Wilderness Act, "untrammeled by man as if man was never there. No sign of man." Now look at the dictum that fell out of this thing, no sign of man. That means no structures. That means no fences. That means no pop cans, nothing. One as in the first guy God put on earth, and there it is, there is no sign that man had ever been there. So our people have a misinterpretation.

So our good friends from the East, they get these solicitations in the mail, and they say things like this, they say "You will help protect that land out in Colorado or Utah or Idaho or wherever it may be. You send us $10, $20, $30, and boy, we are going to help it out that these crazy nuts do not go in there and desecrate this ground." So they send them the money, yet, they really do not understand what they are doing in that instance because, in effect, we are hurting the ground by not managing it and using it for multiple use.

So, if I may point out, we see a lot of people, and if I may be a tad critical of this administration, they have in my mind desecrated the 1906 Antiquity law, and they did it on September 16, 1996 in southern Utah, and they put 1.7 million acres into a national monument called the Grand Staircase Escalante. But they failed to follow the law. The President did not even say in his petition what it was for.

Then on top of that, he put 1.7 million acres in, and the law says one will State what it is. Is it a historic or archeological site. The next sentence says, "and he shall use the smallest of amount of acreage to protect that site."

He did not say what it was, and he gives us 1.7 million acres. This is an end run. This is a sneaky way to take away from Congress their right to take care of the ground as the Constitution gives it to them.

Now, I hope people who are listening at this time, Mr. Speaker, realize what is a monument. It has got to be an archeological or it has got to be a historic site.

Where the two trains came together when, that obviously is a historic site. Go down to Glen Canyon recreation area and look at that beautiful arch we call Rainbow Bridge. Obviously that is an archeological site.

So I start looking around at all of these proposals on monuments, and I do not see anything that fits it other than here is a sneaky way to grab up as much ground as we can.

Now, a couple weeks ago, what did we get? We got something that said the President by executive order is saying we are going to put 40 million acres of ground, Forest Service ground, mind you, into a roadless area.

So they sent me up this thing, and I got a call from them. It says, here is all the usage one can do. They ask a question, and they give an answer. However, they do not define it. The last one I found very interesting. "What does this rule do to access? Aren't you shutting out the American people of their own forest?" They say no.

The next one, "How many roads will be closed as a result of this proposal?" They say none, none whatsoever.

So I asked one of the Secretaries down there, "What is a road? Would you folks mind defining a road?" Because they have closed roads all over. I will stipulate that two tracks put down by a deer hunter is not a road. On the other side of the coin, it cannot be an interstate, so to speak.

So my colleagues are going to see out of this, if I may respectfully say so, places where the American public has been going up into the mountains of Colorado, Utah, Idaho, Arizona, holding reunions, fishing, hunting, camping, bird watching, enjoying themselves, just getting out, just getting away from everybody, and standing there and looking over this vast panorama and loving every minute of it. Those folks are going to be without.

What are they going to find, and they have found it under this administration for the last, since 1992, there will be a great big sign there that says "this road closed."

□ 1930

I have fished and hunted and camped all over the West. And I was talking to the Forest Service today, because there is a road out in Wyoming that I have been on since I was 10 years old. The other day I was up there with my boys, doing some trout fishing on that stream, and I came to that road and it said, "Road closed by order of the Forest Service." Why? So I called the forester up there and asked him about it, and I am still waiting for a good response as to why he is closing a road that has been used by sheepmen, by timber people, by elk hunters, and by fishermen. A beautiful road, maintained very well, closed. For no reason at all except some folks want us off that ground.

Now, I want to go back to my friend here from Colorado, but I would like to say this. There sure seems to be a lot of folks, besides this administration, that wants to, in effect, close up that ground, make it a single purpose, and not many people to go there. This Uinta Mountains I was talking about, I do not think there is a kid from the whole Wasatch Front of Utah, when he was a Boy Scout, that did not go up to the Uinta Mountains. We all did that with our scout master. And now they are saying, oh no, we do not want you to do that. We do not want any horses up there. Boy, that is a big country. We do not want any horses, and we want groups of less than three. How do scout masters take a scout group in that is composed of less than three?

They also do not want fishing up there. Some of the best fishing in America. Trout fishing, fly fishing. Why can people not take their sons and their neighbors and their uncles and aunts and go up there? They also do not want any hunting. So, in other words, close it up. So there are a lot of ways people are closing up the grounds that they should not.

I say to my good friends from the East, which we have the greatest respect for, you folks sit back here thinking of all those wonderful things out west, and the chance of going there maybe once in your lifetime, but we have to live there. We have to raise our families there. We expect that our people can use this ground. And multiple use has worked successfully for well over 100 years, and it can just bring tears to your eyes thinking about changing an entire way of living that is happening now because some people are not thinking.

They start putting money into these extreme groups who want to get rid of all the things that the gentleman from Colorado is speaking about. Take the motors off the rivers. Well, let us see someone run the Grand Canyon without a 35 horsepower motor on the back. You will spend 2 weeks on it rather than 5 days. I remember a time when people came and said, well, the roar of that motor will ruin our trip. Oh, give me a break. You would have to have ears like a Doberman Pincer to even hear that thing. You are going through those great big rapids. You can hardly hear that little putt-putt on the back. But it holds you straight and gets you through all right.

They want people not to land airplanes. As a pilot myself, I have put down an airplane on back strips all of my life, and some in the Speaker's area up there in the River of No Return, which is kind of scary stuff. But, still, on the other hand, why take those out that we cannot land in some of those areas and enjoy it? Why can we not take some of these little ATVs in some areas? Why is it everything has to be one way and there is no compromise?

It is very interesting that there is one organization called the Southern Utah Wilderness Alliance, and I wish some of them were from Utah. Most of them are from New York, Wisconsin, Minnesota. Hardly anybody from Utah, but they want to tell us how we can run our ground.

Excuse me, Mr. Speaker, for letting my paranoia spill out a little bit, but I am afraid I do get a little tired of that. With that, I thank the gentleman for yielding to me, and would like the opportunity to speak again.

Mr. McINNIS. Mr. Speaker, I appreciate the gentleman from Utah joining me.

One of the great people of our country that the gentleman talked about was President Roosevelt. Theodore Roosevelt. I will write it again on my little chart over here what his philosophy was in regards to the Federal lands. Now, remember, Theodore Roosevelt hunted in Glenwood Springs, Colorado. If you have been to Glenwood Springs, Colorado, it is a wonderful community, it is my home, it is where my parents still live, and we have family there. We have a hotel called the

Hotel Colorado. It used to be called the Western White House because that is where Theodore Roosevelt used to hunt.

Theodore Roosevelt came out and he used the Federal lands, but he had a philosophy about the lands, and his philosophy really is best summarized with a very few short words. What President Roosevelt said, and if my colleagues will look at my chart, in regards to these Federal lands, first look at the left, again look at the quantity of Federal lands in the western United States. And what President Roosevelt said was, going to my white chart here, "Use it, enjoy it, but don't abuse it and don't destroy it."

Why do my colleagues think that those lands look as good as they do? Because, in my opinion, those of us who live out there, and a lot of us live out there, my family has been there for generations, and my wife's family has been there for generations, and we hope our families can stay there for generations more, but one of the reasons we are there is because it is so beautiful. But we have a right to make a living out there, and we think that we have been able to maintain a balance that is preserved, a lot of the beauty that you see.

For a lot of people, especially here in the East, who have never had the good fortune to travel to the West into the mountains, into the Rocky Mountain range, hear horror stories from some of the more radical environmental groups and their image of what is going on out there is a ski area every 2 miles, cabins being built every 50 feet, coal mines, forests being clear-cut, highways everywhere. People would be amazed if they came to the third district of Colorado, my district, that they could fly, not drive but fly, for hours without seeing another human.

People going into those mountains know that we know how to take care of those mountains. You can go into those mountains and walk 50 miles in those mountains and not see one piece of trash. You cannot walk a block from this capital here and not pick up a bagful of trash. We know how to take care of those lands. It is a very precious resource for all of us, for all of the people of the United States. But we have to approach our guardianship of these lands in a very balanced fashion.

I have a couple of examples that I would like to go over with my colleagues. One is the right way to approach this balance and the other is the wrong way to approach this balance.

Let me start with the right way, the positive way, to approach it. We just did it. Senator BEN NIGHTHORSE CAMPBELL, my respected colleague from the State of Colorado, the United States Senator, and I attended an event last weekend, the dedication of the Black Canyon National Park. National park. It was a national monument. Senator CAMPBELL's bill out of the Senate, my bill out of the House, we made it a national monument. It was a great day. In fact, when I went jogging that morning, at 4 in the morning in the Colorado mountains, we had a full moon. And as I ran, looking at that moon, a person cannot help but feel proud, number one, to be an American, but also how lucky we are to live out there. And we feel a deep commitment to preserve the area that we are in, but also to allow humans to enjoy it.

At that dedication ceremony, by the way, I made the comment that the beauty of the preservation of the Black Canyon National Park was that we were able to work in a very cooperative fashion with the local people, with the State people and the Federal people. And what we preserved is not just the national park itself, but we preserved the right for people to go up to the national park and enjoy it. That is very important. Very important.

Now, how did the Black Canyon National Park, from a monument, come about? It was not driven by Washington, D.C. In fact, it was not driven by an elected or a political official at all. It was driven by the local community. At the local level, people got together, in Montrose, in Gunnison, Colorado, in Delta, Colorado, in Ouray, and they got support from the media, like the Daily Sentinel in Grand Junction, Colorado, the Montrose Daily Press, my good friend George R. Bannock, other people like that in the press, helped support this concept of let us work our conflict out at the local level. So we did not jam it down from Washington, D.C. this thing came from the ground up.

And what is the Black Canyon National Park; what is the beauty of this park? It preserves multiple use. It has many uses of the park. Now, I am sure that there are many national environmental groups, probably Earth First, for example, that would have one use for that park and that would be an anti-human use. Get the people off it. Get the recreation off it. If you are not an able-bodied hiker, which, in general, is younger than I am, you are not going to come up here. That is the radical viewpoint over here.

The radical viewpoint on this side of the spectrum there are the people that say, well, we ought to be able to go up there and timber wherever we want to timber, hunt wherever we want to hunt, mountain bike wherever we want to mountain bike, graze wherever. No. No. The local people sat down and said somewhere in between a position like the National Earth First and just complete freedom to do whatever you want, which of course leads to abuse and destruction in those forests, somewhere in between we have a way to resolve this conflict. And what they did was they resolved it. They resolved it. They preserved multiple use. They preserved certain areas in that park as wilderness.

In the new national park designations we have wilderness designation. They preserved the right for people to go down the river in a raft. They preserved the right for some grazing on the national park. They preserved the right for a paved road. We have a paved road right up to the visitor's center where an individual can stand on the edge of cliffs that drop 2,000 feet. Two thousand feet. And when the sun is at the right angle, and you have a pair of binoculars, the water is so clean you can see fish. If you have the binoculars, you can see the fish in the stream.

We preserved the right for people to go up and enjoy that and we did it at the local level. And the local people then brought it to the State people, who then brought it to the United States Congress. And thanks to people like the gentleman from Utah (Mr. HANSEN), and the gentleman from Alaska (Mr. YOUNG), and my good colleagues Mr. ALLARD and Mr. CAMPBELL on the other side in the Senate we were able to move that from a national monument to a national park.

That is the right way to do things. We did not have people in the East bashing it on us in the West. We had people in the East cooperating with us. The people in the East said to the people in the West, you have lived on that land, you care about that land, you know about that land, so maybe we ought to listen to you about that land. Instead of coming up with Washington knows better. That is the right way to do things. Come up with that balance. Preserve those water rights.

And by the way, in the Black Canyon, that project would have been dead in the water, no pun intended, dead in the water if they would have gone after those Colorado water rights. Our water rights in the West, it has been written in our State capital in Denver, life in the West is water. That is what it is about. Water is life in the West.

But the local groups got together and they said, here is how we can preserve those water rights. Now, let me tell my colleagues there is a huge threat to the West on water rights. For example, as my dear colleague knows, the gentleman from Utah (Mr. HANSEN), down at Lake Powell, and many of my colleagues, I am sure, have enjoyed Lake Powell. It is one of the most wonderful lakes in the world. It is wonderful for recreation; wonderful for families. If you want to see a good family activity, or taking kids off the street or taking the kids from somewhere and bringing them down to this lake, they get on these house boats and it provides recreation and family time.

It also provides a huge amount of power. It helps us prevent the flooding, and provides us huge quantities of water storage. But the National Sierra Club, their number one goal is take out the dam, destroy the dam and get rid of Lake Powell. That organization is out of Washington, D.C. That is what they want to do.

We did not buy that with the national park in Black Canyon. We did not buy the philosophy of Earth First. In other words, getting rid of multiple use. We bought the philosophy in Washington, D.C. of the people in Gunnison, in Montrose, in Ouray, and Delta, out there in Colorado, the people who had their hands in the soil every day. My father-in-law, David Smith is a rancher, and his family has been on the same ranch since 1882, 1883, somewhere in there, and he told me one time that an environmentalist is somebody who has had their hands in the dirt, who understands the earth.

Well, that is the right way to do things, to let the people at the local level help us all come together in a common fashion to help preserve multiple use, where we have protection for the environment through wilderness or special areas; where we have national parks and national monuments; but where we preserve the right to go biking on a mountain bike, where we preserve the right to canoe on the river or ride a river raft, which is a thrill. Anybody that has been on it with their family, their kids will remember it. They probably have pictures of them hanging on a raft in their bedrooms. Where we preserve the right to ski. If you do not ski in the mountains, it is pretty tough to ski anywhere else. We have not figured out how to make that sport work without the mountains.

We need to preserve those rights, and the rights of ranchers, like my father-in-law, and my father who is in the business of supporting the ranchers, the right for them to be able to operate their farms and ranches in those mountains.

□ 1945

Now let me talk about the wrong way, and then I want to turn it over to my colleague. The wrong way. I want my colleague, when he takes back the podium here in a couple of minutes, I hope he talks to you about the wrong way and what happened in Utah with the Staircase over there in Utah. But let me talk about what is about to happen in the State of Colorado.

Anasazi Ruins. The Anasazi is down in the Four Corners. The Four Corners is the only place in the United States where four States come together. I will point it out with my light here on my map. The Four Corners is right here. You have four States that come together in one spot. Really kind of exciting. They have got a little spot, by the way human access, you can walk up to it and you can literally be standing in four States at once.

Every young person that has done that has remembered it. Well, there is a lot of land around this. We preserve, of course, the monument. We have a national park down there in the Four Corners. But over in this area right here, the Secretary of the Interior, who spends most of his time in Washington, D.C., who consults very little, in my opinion, with those of us in the West, made recent trips down there. And he said, I want to take this land and put it under some kind of executive order, I want to put this land aside and put it as a monument. This is hundreds of thousands of acres.

So now you have a perception what we are talking about. Think of the acreage that you own with your home. Colleagues, your house is probably on a half an acre. If you are very lucky, it is on an acre. But more likely, you are on a quarter of an acre or less.

Well, the Secretary of Interior has talked about coming down into this Four Corners area and taking hundreds of thousands of acres for a monument. Do you know what kind of response he got at the local level? Wait a minute, Mr. Secretary. Listen to us. What about the water rights, Mr. Secretary? What about the access? What about the needs? We do have to have power lines that come through there. What about our ability to go up and hunt or camp or fish? What about our ability for our cattle to graze? What about the local opinion on how best to protect our environment, how to keep our waters clean as our water is today? What about that, Mr. Secretary?

Do you know what the answer is from Washington? They show up and they pretend like they are listening. But as far as they are concerned, the decision has been made.

Now, that is a pretty strong statement. Where does the gentleman from Colorado (Mr. MCINNIS) come to the conclusion that Bruce Babbitt in Washington, D.C., who has come down to the Four Corners maybe twice or three times, probably no more than that, in his lifetime, who wants to take several hundred thousand acres of land and put it in a monument, how does he know that Bruce Babbitt is going to go about doing this regardless of what the local opinion is?

I will tell you what happened to me and the gentleman from Utah (Mr. HANSEN) last week. I had a constituent of mine come in, and she had been down to a big luncheon for the Heritage, protection of Heritage buildings and historical areas. It was here in Washington about a week ago. Bruce Babbitt was the guest speaker. This is exactly what Bruce Babbitt said. And I will summarize. This is exactly what went on. He said, and this is as reported to me, he said, down in the Four Corners of Colorado there is some beautiful land that we ought to put in a monument.

Now, the local people do not buy into this. And the State delegation of elected officials, they do not agree with me. And the Congressional delegation does not agree with me that we should do this. But I, Bruce Babbitt, I am going to do it. I am going to do it irrespective of what the local people say.

The Federal Government, the people in the East, Washington, D.C., comes into our State and says, regardless of local input, I am going to do it.

Do you know what that lady said to me? It is interesting. She said to me, I was sitting in there wondering, wow, is this the country of which Constitution I studied in high school? Is this what the Constitution says? Are you guys really representatives of the people or are you little dictators out there that are just going to decide we will take this land, we will take that land. You know, it does not affect us.

If they go down there, frankly, Mr. Speaker, most of our colleagues in this room will not even blink an eye. If they take 200,000 acres in the Four Corners of Colorado, they will not even blink an eye. They probably will not know what happened.

But what about those families? Oh, there are not a lot of them. In the East you have these big cities. And we have some in the West, but not like you do in the population in the East. It does not affect a lot of people. But do you know what? Those people deserve to have the opportunity to live and dream and enjoy the heritage they have in those mountains and in those special places in the West as much as you do here in the East.

And even if it is just a thousand families, even if it is 100 families, even if it is just 50 families, do the people in the East have a right to come out and dictate the policies of the West without at least local input?

Mr. Speaker, I appreciate very much the gentleman from Utah (Mr. HANSEN) coming down here. I hope that we are able to continue to kind of have a series of discussions into the future.

Mr. Speaker, I yield the balance of my time to the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I thank the gentleman for yielding.

Let me point out, if I may, my colleague mentioned a lot between the East and the West. Still, if I may say so, it is really kind of a disaster and a sad time that the East does not have more public ground. You know, they really should have.

We tried to get a bill through a couple years ago that was called the Eastern Wilderness Bill. Basically what it would do, it would say to the big States in the East, why do you not find some ground out there? You maybe have to buy it. You maybe have to condemn it, or whatever, but find some ground. Because people here, they do not have that. They do not even know what it is like.

As my colleague pointed out earlier, everything is private ground. And so, in a way, they kind of tell the rest of us how to manage our ground even though some have never even been to our areas. They, of course, have that representation here, and many of them do it because they become part of some of these groups that I would characterize as rather radical.

Where do these groups come from? As a college student many years ago at the University of Utah, I was struggling along selling suits for a guy down at ZCMI, a big store, and trying to make ends meet and married with two little kids and my wife was teaching school; and I used to send $5 or so to the Sierra Club because I believed in what they were doing. They were doing things like trying to keep things clean and fresh and that type of thing. And I think the genesis was pure.

I have seen a lot of these change now. I have seen now they have become big industries. I think it is typical of my many years on the Committee on the Interior, 20 years now, or will be at the end of this term, where we see these people, regardless of what we come up with, they keep moving the goal post on us.

We talk about this thing of wilderness and some people say, take the State of Utah, for example, we want three million acres. We will not settle for any less than that. Then that three million acres then went to 5.7 million acres. And now it is up to 9.1. And at the hearing we had last week, some people want 14 million acres.

To come right down to it, if I may be brutally candid here, these people in these industries have started an industry. So they get that. Do they extinguish? Do they go away? Heavens no. They stay here forever. And why is that? They started out with nothing. They just had some people who believed in their heart of hearts they were doing right. And now, as time went on, they have lawyers, they have accountants, they have millions of dollars. They take out full-page ads in New York papers and the Washington Post, it costs them $50,000 a whack, to try to influence people on this floor to influence people out West.

What is it to a lot of our colleagues, anyway? It is a throw-away vote. What do they care? It does not mean anything out there in Idaho or Colorado or Utah or Arizona. Big deal. So they put a lot of money in these people on their campaigns and then they call them up.

I remember years ago, my 14 years on the Committee on Ethics, I had some good friend from the other side of the aisle call me up and say, Jim, why is this organization giving me five grand? I said, well, think about it. And about 2 or 3 weeks later they said, it kind of dawned on me a little bit because you got a bill about your State in Utah and they want my vote. So these people know how to play the game but they do not go away. It is kind of like the downwinders in Utah.

When I was first here in 1980, we got in the situation of how to deploy the MX missile. President Carter came up with an idea of putting it in Utah and Nevada and running in between them. Well, it did not work. It was not a good idea.

I carried the amendment to kill it, in fact, back in those days. The downwinders were totally dedicated to taking the MX out of Utah. The MX is a good missile, but that was not the way to deploy it.

At the end of that, did they go away? Did they extinguish? No. They ran up and said, well, there is an electronic battlefield going up here. Let us see if we can kill that now.

Well, after that finally died because Dick Chaney said he could not afford it, did they go away? No. It kept getting bigger. And then they got an area we are trying to get rid of 43 percent of the obsolete chemical weapons. And now we look at the Sierra Club. Did they go away? Did SUA go away? Did Earth First go away? Did the Audubon Society? Did the Wilderness Society? No.

Well, I am not saying they are not meritorious in some areas. They probably are. But in many areas they have established an industry and they would not settle these things if we wanted to.

I guess nobody in this House is more sensitive to it than me. Because I have been on the Committee of Public Lands, Forests, and Parks for my entire time and I have worked with these folks and they do not want to settle because the industry would end.

Frankly, it disturbs me because we do not have that honest, pure intent of let us get the job done that we should have done.

The gentleman from Colorado (Mr. McInnis) talked about the Sierra Club going to crack the dam, which is Lake Powell. I do not know if a lot of people here listening understand about Lake Powell, but most of them should. It is one of the biggest reservoirs in the United States. It is 186 miles long. It has more shoreline than the entire West Coast. And people love the area.

The gentleman adequately pointed out the idea that the whole southwest part of America lives because of water. If we did not have the Fontinell and Flaming Gorge, and Lake Mead, and Glen Canyon and Parker and Davis, close up L.A., close up Phoenix and we are done. And hundreds of kilowatt hours, or thousands, millions of kilowatt hours go out of those dams. In fact, on Lake Powell it would take seven coal-fire dams to replace what we would lose from hydropower. And everybody knows that hydropower is the best we have got.

Some of these people do not seem to care. Let a river run through it. Go back to these movie actors that have all these romantic ideas and no knowledge and they do things by a burning in the bosom rather than by science.

It comes down to the idea we need those dams. The gentleman adequately pointed out, one of the greatest vacations anybody could have is to go down to one of these dams. Get a houseboat. Take your ski boat along. The kids will never forget it. When you come down to the choice should you remodel the bathroom or should you take a trip to Lake Powell, take Lake Powell. The kids will remember that much more than they will ever remember remodeling the bathroom.

Well, the one thing, if I may end on this, Mr. Speaker, is I see all these things, those money-raising schemes going out. Protect this land before it is developed. One of the stupidest ones I have ever seen in my life was put out by a movie actor in Provo, Utah, which had all of those beautiful red monoliths of southern Utah and it had superimposed on it condominiums.

Has not anyone heard of the FLPMA Act? Does not anyone understand that BLM, Forest Service, Park Service has management plans? Do they think they let people go out and do that?

What developer would be dumb enough to go out in the middle of some God forsaken, in the minds of some folks, beautiful to a lot of us, and say let us put a condominium on the top of it? That is ridiculous. Have they ever heard of planning commissions? Have they ever heard of rules and laws made by States and counties and cities? Apparently they have not.

What do they sell to some of our good folks back East? They send them back there and they get that and they get this beautiful calendar. In fact, the Southern Utah Wilderness Alliance put out one of the prettiest calendars I have ever seen in my life, and it was all about this Utah BLM bill is how they said it, how they had to protect this ground.

Well, of the 12 months out the year, there was only one, only one, that was Utah BLM ground. As I recall, one was Forest Service and the rest were parks, only one in the area. But, boy, that is nice if you are a dentist out there in New York, as one of my pen-pals is, who criticizes me about once a month. He has that hanging in there and as he leans over there grinding teeth all day, or whatever you do, Mr. Speaker, I know you would know more about that than I would, he can envision the day he can go out and visit that beautiful country and just enjoy it with his family.

We have a coal fire plant out there. And this one fellow said to me one time, when I come to Utah, I do not want to see that smoke stack. Well, that smoke stack is in a pretty remote area called Linden, Utah, right out on the west desert. I doubt if he would see it. We have put millions of dollars in putting scrubbers on it so it will not put any pollutants in the air. In fact, it is so clean that we have that local

Grand Staircase, but I will not go into that. They had to throw sulphur into it even to check the thing out, which is amazing. But he did not want to see that thing. But out of that, millions and millions of people have power. And that is kind of necessary too.

So, as the gentleman from Colorado (Mr. McINNIS) points out, there is a moderation in there. It is not this side or that side. Somewhere we can say there is moderation in all things. I do not know who came up with the term, it ought to be scriptural because that is what makes sense; and thinking people, people who can sit down and be reasonable and think things out, can find that middle ground. We do not always have to take these polarized, extreme positions.

I say to our many, many, many friends from the East who spend millions of dollars on these organizations, think about it a little bit. The rest of us have some rights, too. We just want to get along with our Eastern friends.

RECESS

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 59 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2037

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 8 o'clock and 37 minutes p.m.

CONFERENCE REPORT ON H.R. 3064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. ISTOOK submitted the following conference report and statement on the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes:

CONFERENCE REPORT (H. REPT. 106–419)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3064) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia, and for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2000, and for other purposes, namely:

DIVISION A

DISTRICT OF COLUMBIA APPROPRIATIONS

For programs, projects, or activities in the District of Columbia Appropriations Act, 2000, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

An Act Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

TITLE I—FISCAL YEAR 2000 APPROPRIATIONS

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

For a Federal payment to the District of Columbia for a program to be administered by the Mayor for District of Columbia resident tuition support, subject to the enactment of authorizing legislation for such program by Congress, $17,000,000, to remain available until expended: Provided, That such funds may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, usable at both public and private institutions of higher education: Provided further, That the awarding of such funds may be prioritized on the basis of a resident's academic merit and such other factors as may be authorized: Provided further, That if the authorized program is a nationwide program, the Mayor may expend up to $17,000,000: Provided further, That if the authorized program is for a limited number of States, the Mayor may expend up to $11,000,000: Provided further, That the District of Columbia may expend funds other than the funds provided under this heading, including local tax revenues and contributions, to support such program.

FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

For a Federal payment to the District of Columbia to create incentives to promote the adoption of children in the District of Columbia foster care system, $5,000,000: Provided, That such funds shall remain available until September 30, 2001 and shall be used in accordance with a program established by the Mayor and the Council of the District of Columbia and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That funds provided under this heading may be used to cover the costs to the District of Columbia of providing tax credits to offset the costs incurred by individuals in adopting children in the District of Columbia foster care system and in providing for the health care needs of such children, in accordance with legislation enacted by the District of Columbia government.

FEDERAL PAYMENT TO THE CITIZEN COMPLAINT REVIEW BOARD

For a Federal payment to the District of Columbia for administrative expenses of the Citizen Complaint Review Board, $500,000, to remain available until September 30, 2001.

FEDERAL PAYMENT TO THE DEPARTMENT OF HUMAN SERVICES

For a Federal payment to the Department of Human Services for a mentoring program and for hotline services, $250,000.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For salaries and expenses of the District of Columbia Corrections Trustee, $176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105–33; 111 Stat. 712): Provided, That notwithstanding any other provision of law, funds appropriated in this Act for the District of Columbia Corrections Trustee shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That in addition to the funds provided under this heading, the District of Columbia Corrections Trustee may use a portion of the interest earned on the Federal payment made to the Trustee under the District of Columbia Appropriations Act, 1998, (not to exceed $4,600,000) to carry out the activities funded under this heading.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

For salaries and expenses for the District of Columbia Courts, $99,714,000 to be allocated as follows: for the District of Columbia Court of Appeals, $7,209,000; for the District of Columbia Superior Court, $68,351,000; for the District of Columbia Court System, $16,154,000; and $8,000,000, to remain available until September 30, 2001, for capital improvements for District of Columbia courthouse facilities: Provided, That of the amounts available for operations of the District of Columbia Courts, not to exceed $2,500,000 shall be for the design of an Integrated Justice Information System and that such funds shall be used in accordance with a plan and design developed by the courts and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11–2604 and section 11–2605, D.C. Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Division of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Code, and payments for counsel authorized under section 21–2060, D.C. Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), $33,336,000, to remain available until expended: Provided, That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: Provided further, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia may use a portion (not to exceed $1,200,000) of the interest earned on the Federal payment made to the District of Columbia courts under the District of Columbia Appropriations Act, 1999, together with funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during fiscal year 1999 if the Comptroller General certifies that the amount of obligations lawfully incurred for such payments during fiscal year 1999 exceeds the obligational authority otherwise available for making such payments: Provided further, That such funds shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: Provided further, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

For salaries and expenses of the Court Services and Offender Supervision Agency for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, (Public Law 105–33; 111 Stat. 712), $93,800,000, of which $58,600,000 shall be for necessary expenses of Parole Revocation, Adult Probation, Offender Supervision, and Sex Offender Registration, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; $17,400,000 shall be available to the Public Defender Service; and $17,800,000 shall be available to the Pretrial Services Agency: Provided, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That of the amounts made available under this heading, $20,492,000 shall be used in support of universal drug screening and testing for those individuals on pretrial, probation, or parole supervision with continued testing, intermediate sanctions, and treatment for those identified in need, of which $7,000,000 shall be for treatment services.

CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal contribution to the Children's National Medical Center in the District of Columbia, $2,500,000 for construction, renovation, and information technology infrastructure costs associated with establishing community pediatric health clinics for high risk children in medically underserved areas of the District of Columbia.

FEDERAL PAYMENT FOR METROPOLITAN POLICE DEPARTMENT

For payment to the Metropolitan Police Department, $1,000,000, for a program to eliminate open air drug trafficking in the District of Columbia: Provided, That the Chief of Police shall provide quarterly reports to the Committees on Appropriations of the Senate and House of Representatives by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the project financed under this heading.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $162,356,000 (including $137,134,000 from local funds, $11,670,000 from Federal funds, and $13,552,000 from other funds): Provided, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: Provided further, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: Provided further, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: Provided further, That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor: Provided further, That, notwithstanding any other provision of law now or hereafter enacted, no Member of the District of Columbia Council eligible to earn a part-time salary of $92,520, exclusive of the Council Chairman, shall be paid a salary of more than $84,635 during fiscal year 2000.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $190,335,000 (including $52,911,000 from local funds, $84,751,000 from Federal funds, and $52,673,000 from other funds), of which $15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (D.C. Law 12–23): Provided, That such funds are available for acquiring services provided by the General Services Administration: Provided further, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $778,770,000 (including $565,511,000 from local funds, $29,012,000 from Federal funds, and $184,247,000 from other funds): Provided, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: Provided further, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: Provided further, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on efforts to increase efficiency and improve the professionalism in the department: Provided further, That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: Provided further, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: Provided further, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: Provided further, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: Provided further, That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: Provided further, That no more than 15 members of the Metropolitan Police Department shall be detailed or assigned to the Executive Protection Unit, until the Chief of Police submits a recommendation to the Council for its review: Provided further, That $100,000 shall be available for inmates released on medical and geriatric parole: Provided further, That commencing on December 31, 1999, the Metropolitan Police Department shall provide to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives, quarterly reports on the status of crime reduction in each of the 83 police service areas established throughout the District of Columbia: Provided further, That up to $700,000 in local funds shall be available for the operations of the Citizen Complaint Review Board.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $867,411,000 (including $721,847,000 from local funds, $120,951,000 from Federal funds, and $24,613,000 from other funds), to be allocated as follows: $713,197,000 (including $600,936,000 from local funds, $106,213,000 from Federal funds, and $6,048,000 from other funds), for the public schools of the District of Columbia; $10,700,000 from local funds for the District of Columbia Teachers' Retirement Fund; $17,000,000 from local funds, previously appropriated in this Act as a Federal payment, for resident tuition support at public and private institutions of higher learning for eligible District of Columbia residents; $27,885,000 from local funds for public charter schools: Provided, That if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall be available for new public charter schools on a per pupil basis: Provided further, That $480,000 of this amount shall be available to the District of Columbia Public

Charter School Board for administrative costs; $72,347,000 (including $40,491,000 from local funds, $13,536,000 from Federal funds, and $18,320,000 from other funds) for the University of the District of Columbia; $24,171,000 (including $23,128,000 from local funds, $798,000 from Federal funds, and $245,000 from other funds) for the Public Library; $2,111,000 (including $1,707,000 from local funds and $404,000 from Federal funds) for the Commission on the Arts and Humanities: Provided further, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: Provided further, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: Provided further, That none of the funds contained in this Act may be made available to pay the salaries of any District of Columbia Public School teacher, principal, administrator, official, or employee who knowingly provides false enrollment or attendance information under article II, section 5 of the Act entitled "An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes", approved February 4, 1925 (D.C. Code, sec. 31–401 et seq.): Provided further, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary and secondary school during fiscal year 2000 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia which are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): Provided further, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2000, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: Provided further, That the District of Columbia Public Schools shall not spend less than $365,500,000 on local schools through the Weighted Student Formula in fiscal year 2000: Provided further, That notwithstanding any other provision of law, the Chief Financial Officer of the District of Columbia shall apportion from the budget of the District of Columbia Public Schools a sum totaling 5 percent of the total budget to be set aside until the current student count for Public and Charter schools has been completed, and that this amount shall be apportioned between the Public and Charter schools based on their respective student population count: Provided further, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina.

HUMAN SUPPORT SERVICES

Human support services, $1,526,361,000 (including $635,373,000 from local funds, $875,814,000 from Federal funds, and $15,174,000 from other funds): Provided, That $25,150,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: Provided further, That a peer review committee shall be established to review medical payments and the type of service received by a disability compensation claimant: Provided further, That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization, as defined in section 411(5) of the Stewart B. McKinney Homeless Assistance Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11371), providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to such Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, $271,395,000 (including $258,341,000 from local funds, $3,099,000 from Federal funds, and $9,955,000 from other funds): Provided, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

RECEIVERSHIP PROGRAMS

For all agencies of the District of Columbia government under court ordered receivership, $342,077,000 (including $217,606,000 from local funds, $106,111,000 from Federal funds, and $18,360,000 from other funds).

WORKFORCE INVESTMENTS

For workforce investments, $8,500,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

RESERVE

For a reserve to be established by the Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority, $150,000,000.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (109 Stat. 97; Public Law 104–8), $3,140,000: Provided, That none of the funds contained in this Act may be used to pay any compensation of the Executive Director or General Counsel of the Authority at a rate in excess of the maximum rate of compensation which may be paid to such individual during fiscal year 2000 under section 102 of such Act, as determined by the Comptroller General (as described in GAO letter report B–279095.2).

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act, approved December 24, 1973, as amended, and that funds shall be allocated for expenses associated with the Wilson Building, $328,417,000 from local funds: Provided, That for equipment leases, the Mayor may finance $27,527,000 of equipment cost, plus cost of issuance not to exceed 2 percent of the par amount being financed on a lease purchase basis with a maturity not to exceed 5 years: Provided further, That $5,300,000 is allocated to the Metropolitan Police Department, $3,200,000 for the Fire and Emergency Medical Services Department, $350,000 for the Department of Corrections, $15,949,000 for the Department of Public Works and $2,728,000 for the Public Benefit Corporation.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,286,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act (105 Stat. 540; D.C. Code, sec. 47–321(a)(1)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $9,000,000 from local funds.

CERTIFICATES OF PARTICIPATION

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,950,000 from local funds.

OPTICAL AND DENTAL INSURANCE PAYMENTS

For optical and dental insurance payments, $1,295,000 from local funds.

PRODUCTIVITY BANK

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall finance projects totaling $20,000,000 in local funds that result in cost savings or additional revenues, by an amount equal to such financing: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the projects financed under this heading.

PRODUCTIVITY BANK SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions totaling $20,000,000 in local funds. The reductions are to be allocated to projects funded through the Productivity Bank that produce cost savings or additional revenues in an amount equal to the Productivity Bank financing: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the cost savings or additional revenues funded under this heading.

PROCUREMENT AND MANAGEMENT SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions of $14,457,000 for general supply schedule savings and $7,000,000 for management reform savings, in local funds to one or more of the appropriation headings in this Act: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the general supply schedule savings and management reform savings projected under this heading.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

For operation of the Water and Sewer Authority and the Washington Aqueduct, $279,608,000 from other funds (including $236,075,000 for the Water and Sewer Authority and $43,533,000 for the Washington Aqueduct) of which $35,222,000 shall be apportioned and payable to the District's debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $197,169,000, as authorized by the Act entitled "An Act authorizing the laying of watermains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes" (33 Stat. 244; Public Law 58–140; D.C. Code, sec. 43–1512 et seq.): Provided, That the requirements and restrictions that are applicable to general fund capital improvements projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982 (95 Stat. 1174 and 1175; Public Law 97–91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia (D.C. Law 3–172; D.C. Code, sec. 2–2501 et seq. and sec. 22–1516 et seq.), $234,400,000: Provided, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally generated revenues: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

SPORTS AND ENTERTAINMENT COMMISSION

For the Sports and Entertainment Commission, $10,846,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by the Act entitled "An Act To Establish A District of Columbia Armory Board, and for other purposes" (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): Provided, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

DISTRICT OF COLUMBIA HEALTH AND HOSPITALS PUBLIC BENEFIT CORPORATION

For the District of Columbia Health and Hospitals Public Benefit Corporation, established by D.C. Law 11–212; D.C. Code, sec. 32–262.2, $133,443,000 of which $44,435,000 shall be derived by transfer from the general fund and $89,008,000 from other funds.

DISTRICT OF COLUMBIA RETIREMENT BOARD

For the District of Columbia Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $9,892,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: Provided further, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: Provided further, That section 121(c)(1) of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–711(c)(1)) is amended by striking "the total amount to which a member may be entitled" and all that follows and inserting the following: "the total amount to which a member may be entitled under this subsection during a year (beginning with 1998) may not exceed $5,000, except that in the case of the Chairman of the Board and the Chairman of the Investment Committee of the Board, such amount may not exceed $7,500 (beginning with 2000).".

CORRECTIONAL INDUSTRIES FUND

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act (78 Stat. 1000; Public Law 88–622), $1,810,000 from other funds.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, $50,226,000 from other funds.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

For construction projects, $1,260,524,000 of which $929,450,000 is from local funds, $54,050,000 is from the highway trust fund, and $277,024,000 is from Federal funds, and a rescission of $41,886,500 from local funds appropriated under this heading in prior fiscal years, for a net amount of $1,218,637,500 to remain available until expended: Provided, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: Provided further, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: Provided further, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 2001, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 2001: Provided further, That upon expiration of any such project authorization, the funds provided herein for the project shall lapse.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official, and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: Provided, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: Provided, That in the case of the Council of the District of Columbia, funds may be expended with the authorization of the chair of the Council.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: Provided, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982 (D.C. Law 4–101; D.C. Code, sec. 3-205.44), and for the payment of the non-Federal share of funds necessary to qualify for grants under subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994.

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform, the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: Provided, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that *remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased by Congress in this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) reestablishes through reprogramming any program or project previously deferred through reprogramming; (6) augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of $1,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project, or responsibility center; unless the Appropriations Committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.*

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia government.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: Provided, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 119. (a) CITY ADMINISTRATOR.—The last sentence of section 422(7) of the District of Columbia Home Rule Act (D.C. Code, sec. 1–242(7)) is amended by striking ", not to exceed" and all that follows and inserting a period.

(b) BOARD OF DIRECTORS OF REDEVELOPMENT LAND AGENCY.—Section 1108(c)(2)(F) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–612.8(c)(2)(F)) is amended to read as follows:

"(F) Redevelopment Land Agency board members shall be paid per diem compensation at a rate established by the Mayor, except that such rate may not exceed the daily equivalent of the annual rate of basic pay for level 15 of the District Schedule for each day (including travel time) during which they are engaged in the actual performance of their duties.".

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: Provided, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 2000, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 2000 revenue estimates as of the end of the first quarter of fiscal year 2000. These estimates shall be used in the budget request for the fiscal year ending September 30, 2001. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 122. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: Provided, That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and approved by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 123. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: Provided, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 124. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: Provided, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

SEC. 125. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 2000 if—

(1) the Mayor approves the acceptance and use of the gift or donation: Provided, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 126. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

SEC. 127. (a) The University of the District of Columbia shall submit to the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last quarter in compliance with applicable law; and

(5) changes made in the last quarter to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

(b) The Mayor, the Authority, and the Council shall provide the Congress by February 1, 2000, a summary, analysis, and recommendations on the information provided in the quarterly reports.

SEC. 128. Funds authorized or previously appropriated to the government of the District of Columbia by this or any other Act to procure the necessary hardware and installation of new software, conversion, testing, and training to improve or replace its financial management system are also available for the acquisition of accounting and financial management services and the leasing of necessary hardware, software or any other related goods or services, as determined by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 129. (a) None of the funds contained in this Act may be made available to pay the fees of an attorney who represents a party who prevails in an action, including an administrative proceeding, brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) if—

(1) the hourly rate of compensation of the attorney exceeds 120 percent of the hourly rate of compensation under section 11–2604(a), District of Columbia Code; or

(2) the maximum amount of compensation of the attorney exceeds 120 percent of the maximum amount of compensation under section 11–2604(b)(1), District of Columbia Code, except that compensation and reimbursement in excess of such maximum may be approved for extended or complex representation in accordance with section 11–2604(c), District of Columbia Code.

(b) Notwithstanding the preceding subsection, if the Mayor, District of Columbia Financial Responsibility and Management Assistance Authority and the Superintendent of the District of Columbia Public Schools concur in a Memorandum of Understanding setting forth a new rate and amount of compensation, then such new rates shall apply in lieu of the rates set forth in the preceding subsection.

SEC. 130. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would *be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.*

SEC. 131. None of the funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9–114; D.C. Code, sec. 36–1401 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples (whether homosexual, heterosexual, or lesbian), including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

SEC. 132. The Superintendent of the District of Columbia Public Schools shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget, broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the District of Columbia Public Schools; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(5) changes made in the last quarter to the organizational structure of the District of Columbia Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 133. (a) IN GENERAL.—The Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia public schools and the University of the District of Columbia for fiscal year 1999, fiscal year 2000, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia public schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) SUBMISSION.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

SEC. 134. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, and each succeeding year, the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

SEC. 135. The District of Columbia Financial Responsibility and Management Assistance Authority, acting on behalf of the District of Columbia Public Schools (DCPS) in formulating the DCPS budget, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the University of the District of Columbia School of Law shall vote on and approve the respective annual or revised budgets for such entities before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

SEC. 136. (a) CEILING ON TOTAL OPERATING EXPENSES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2000 under the heading "Division of Expenses" shall not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year; or

(B) $5,515,379,000 (of which $152,753,000 shall be from intra-District funds and $3,113,854,000 shall be from local funds), which amount may be increased by the following:

(i) proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs approved by the District of Columbia Financial Responsibility and Management Assistance Authority; or

(ii) after notification to the Council, additional expenditures which the Chief Financial Officer of the District of Columbia certifies will produce additional revenues during such fiscal year at least equal to 200 percent of such additional expenditures, and that are approved by the Authority.

(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2000, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor, in consultation with the Chief Financial Officer, during a control year, as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8; 109 Stat. 152), may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District of Columbia submits to the Authority a report setting forth detailed information regarding such grant; and

(B) the Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) of this subsection or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) QUARTERLY REPORTS.—The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the quarter covered by the report.

(c) REPORT ON EXPENDITURES BY FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—Not later than 20 calendar days after the end of each fiscal quarter starting October 1, 1999, the Authority shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Government Reform of the House, and the Committee on Governmental Affairs of the Senate providing an itemized accounting of all non-appropriated funds obligated or expended by the Authority for the quarter. The report shall include information on the date, amount, purpose, and vendor name, and a description of the services or goods provided with respect to the expenditures of such funds.

SEC. 137. If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 2000 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, *for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act (87 Stat. 774; Public Law 93–198) the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.*

Sec. 138. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia public schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

Sec. 139. (a) Restrictions on Use of Official Vehicles.—Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term "official duties" does not include travel between the officer's or employee's residence and workplace (except: (1) in the case of an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day; (3) the Mayor of the District of Columbia; and (4) the Chairman of the Council of the District of Columbia).

(b) Inventory of Vehicles.—The Chief Financial Officer of the District of Columbia shall submit, by November 15, 1999, an inventory, as of September 30, 1999, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

Sec. 140. (a) Source of Payment for Employees Detailed Within Government.—For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 2000 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity's budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(b) Modification of Reduction in Force Procedures.—The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), is further amended in section 2408(a) by striking "1999" and inserting "2000"; in subsection (b), by striking "1999" and inserting "2000"; in subsection (i), by striking "1999" and inserting "2000"; and in subsection (k), by striking "1999" and inserting "2000".

Sec. 141. Notwithstanding any other provision of law, not later than 120 days after the date that a District of Columbia Public Schools (DCPS) student is referred for evaluation or assessment—

(1) the District of Columbia Board of Education, or its successor, and DCPS shall assess or evaluate a student who may have a disability and who may require special education services; and

(2) if a student is classified as having a disability, as defined in section 101(a)(1) of the Individuals with Disabilities Education Act (84 Stat. 175; 20 U.S.C. 1401(a)(1)) or in section 7(8) of the Rehabilitation Act of 1973 (87 Stat. 359; 29 U.S.C. 706(8)), the Board and DCPS shall place that student in an appropriate program of special education services.

Sec. 142. (a) Compliance With Buy American Act.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) Sense of the Congress; Requirement Regarding Notice.—

(1) Purchase of American-made equipment and products.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) Notice to recipients of assistance.—In providing financial assistance using funds made available in this Act, the head of each agency of the Federal or District of Columbia government shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) Prohibition of Contracts With Persons Falsely Labeling Products as Made in America.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

Sec. 143. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority) for fiscal year 2000 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Code, sec. 1–1182.8(a)(4)); and

(2) the audit includes a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year.

Sec. 144. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the District of Columbia Financial Responsibility and Management Assistance Authority. Appropriations made by this Act for such programs or functions are conditioned only on the approval by the Authority of the required reorganization plans.

Sec. 145. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public School employees shall be a non-negotiable item for collective bargaining purposes.

Sec. 146. None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

Sec. 147. None of the funds contained in this Act may be used to transfer or confine inmates classified above the medium security level, as defined by the Federal Bureau of Prisons classification instrument, to the Northeast Ohio Correctional Center located in Youngstown, Ohio.

Sec. 148. (a) Section 202(i) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8), as added by section 155 of the District of Columbia Appropriations Act, 1999, is amended to read as follows:

"(j) Reserve.—

"(1) In general.—Beginning with fiscal year 2000, the plan or budget submitted pursuant to this Act shall contain $150,000,000 for a reserve to be established by the Mayor, Council of the District of Columbia, Chief Financial Officer for the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority.

"(2) Conditions on use.—The reserve funds—

"(A) shall only be expended according to criteria established by the Chief Financial Officer and approved by the Mayor, Council of the District of Columbia, and District of Columbia Financial Responsibility and Management Assistance Authority, but, in no case may any of the reserve funds be expended until any other surplus funds have been used;

"(B) shall not be used to fund the agencies of the District of Columbia government under court ordered receivership; and

"(C) shall not be used to fund shortfalls in the projected reductions budgeted in the budget proposed by the District of Columbia government for general supply schedule savings and management reform savings.

"(3) Report requirement.—The Authority shall notify the Appropriations Committees of both the Senate and House of Representatives in writing 30 days in advance of any expenditure of the reserve funds.".

(b) Section 202 of such Act (Public Law 104–8), as amended by subsection (a), is further amended by adding at the end the following:

"(k) Positive Fund Balance.—

"(1). In general.—The District of Columbia shall maintain at the end of a fiscal year an annual positive fund balance in the general fund of not less than 4 percent of the projected general fund expenditures for the following fiscal year.

"(2) Excess funds.—Of funds remaining in excess of the amounts required by paragraph (1)—

"(A) not more than 50 percent may be used for authorized non-recurring expenses; and

"(B) not less than 50 percent shall be used to reduce the debt of the District of Columbia.".

Sec. 149. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the District of Columbia Financial Responsibility and Management Assistance Authority a revised appropriated funds operating budget for all agencies of the District of Columbia government for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-

personal-services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

SEC. 150. None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 151. (a) RESTRICTIONS ON LEASES.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to make rental payments under a lease for the use of real property by the District of Columbia government (including any independent agency of the District) unless the lease and an abstract of the lease have been filed (by the District of Columbia or any other party to the lease) with the central office of the Deputy Mayor for Economic Development, in an indexed registry available for public inspection.

(b) ADDITIONAL RESTRICTIONS ON CURRENT LEASES.—

(1) IN GENERAL.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, in the case of a lease described in paragraph (3), none of the funds contained in this Act may be used to make rental payments under the lease unless the lease is included in periodic reports submitted by the Mayor and Council of the District of Columbia to the Committees on Appropriations of the House of Representatives and Senate describing for each such lease the following information:

(A) The location of the property involved, the name of the owners of record according to the land records of the District of Columbia; the name of the lessors according to the lease, the rate of payment under the lease, the period of time covered by the lease, and the conditions under which the lease may be terminated.

(B) The extent to which the property is or is not occupied by the District of Columbia government as of the end of the reporting period involved.

(C) If the property is not occupied and utilized by the District government as of the end of the reporting period involved, a plan for occupying and utilizing the property (including construction or renovation work) or a status statement regarding any efforts by the District to terminate or renegotiate the lease.

(2) TIMING OF REPORTS.—The reports described in paragraph (1) shall be submitted for each calendar quarter (beginning with the quarter ending December 31, 1999) not later than 20 days after the end of the quarter involved, plus an initial report submitted not later than 60 days after the date of the enactment of this Act, which shall provide information as of the date of the enactment of this Act.

(3) LEASES DESCRIBED.—A lease described in this paragraph is a lease in effect as of the date of the enactment of this Act for the use of real property by the District of Columbia government (including any independent agency of the District) which is not being occupied by the District government (including any independent agency of the District) as of such date or during the 60-day period which begins on the date of the enactment of this Act.

SEC. 152. (a) MANAGEMENT OF EXISTING DISTRICT GOVERNMENT PROPERTY.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to enter into a lease (or to make rental payments under such a lease) for the use of real property by the District of Columbia government (including any independent agency of the District) or to purchase real property for the use of the District of Columbia government (including any independent agency of the District) or to manage real property for the use of the District of Columbia (including any independent agency of the District) unless the following conditions are met:

(1) The Mayor and Council of the District of Columbia certify to the Committees on Appropriations of the House of Representatives and Senate that existing real property available to the District (whether leased or owned by the District government) is not suitable for the purposes intended.

(2) Notwithstanding any other provisions of law, there is made available for sale or lease all real property of the District of Columbia that the Mayor from time-to-time determines is surplus to the needs of the District of Columbia, unless a majority of the members of the Council override the Mayor's determination during the 30-day period which begins on the date the determination is published.

(3) The Mayor and Council implement a program for the periodic survey of all District property to determine if it is surplus to the needs of the District.

(4) The Mayor and Council within 60 days of the date of the enactment of this Act have filed with the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate a report which provides a comprehensive plan for the management of District of Columbia real property assets, and are proceeding with the implementation of the plan.

(b) TERMINATION OF PROVISIONS.—If the District of Columbia enacts legislation to reform the practices and procedures governing the entering into of leases for the use of real property by the District of Columbia government and the disposition of surplus real property of the District government, the provisions of subsection (a) shall cease to be effective upon the effective date of the legislation.

SEC. 153. Section 603(e)(2)(B) of the Student Loan Marketing Association Reorganization Act of 1996 (Public Law 104–208; 110 Stat. 3009–293) is amended—

(1) by inserting "and public charter" after "public"; and

(2) by adding at the end the following: "Of such amounts and proceeds, $5,000,000 shall be set aside for use as a credit enhancement fund for public charter schools in the District of Columbia, with the administration of the fund (including the making of loans) to be carried out by the Mayor through a committee consisting of three individuals appointed by the Mayor of the District of Columbia and two individuals appointed by the Public Charter School Board established under section 2214 of the District of Columbia School Reform Act of 1995.".

SEC. 154. The Mayor, District of Columbia Financial Responsibility and Management Assistance Authority, and the Superintendent of Schools shall implement a process to dispose of excess public school real property within 90 days of the enactment of this Act.

SEC. 155. Section 2003 of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2851) is amended by striking "during the period" and "and ending 5 years after such date.".

SEC. 156. Section 2206(c) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2853.16(c)) is amended by adding at the end the following: ", except that a preference in admission may be given to an applicant who is a sibling of a student already attending or selected for admission to the public charter school in which the applicant is seeking enrollment.".

SEC. 157. (a) TRANSFER OF FUNDS.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the "Authority") to the District of Columbia the sum of $18,000,000 for severance payments to individuals separated from employment during fiscal year 2000 (under such terms and conditions as the Mayor considers appropriate), expanded contracting authority of the Mayor, and the implementation of a system of managed competition among public and private providers of goods and services by and on behalf of the District of Columbia: Provided, That such funds shall be used only in accordance with a plan agreed to by the Council and the Mayor and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That the Authority and the Mayor shall coordinate the spending of funds for this program so that continuous progress is made. The Authority shall release said funds, on a quarterly basis, to reimburse such expenses, so long as the Authority certifies that the expenses reduce re-occurring future costs at an annual ratio of at least 2 to 1 relative to the funds provided, and that the program is in accordance with the best practices of municipal government.

(b) SOURCE OF FUNDS.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

SEC. 158. (a) IN GENERAL.—The District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the "Authority"), working with the Commonwealth of Virginia and the Director of the National Park Service, shall carry out a project to complete all design requirements and all requirements for compliance with the National Environmental Policy Act for the construction of expanded lane capacity for the Fourteenth Street Bridge.

(b) SOURCE OF FUNDS; TRANSFER.—For purposes of carrying out the project under subsection (a), there is hereby transferred to the Authority from the District of Columbia dedicated highway fund established pursuant to section 3(a) of the District of Columbia Emergency Highway Relief Act (Public Law 104–21; D.C. Code, sec. 7–134.2(a)) an amount not to exceed $5,000,000.

SEC. 159. (a) IN GENERAL.—The Mayor of the District of Columbia shall carry out through the Army Corps of Engineers, an Anacostia River environmental cleanup program.

(b) SOURCE OF FUNDS.—There are hereby transferred to the Mayor from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia, $5,000,000.

SEC. 160. (a) PROHIBITING PAYMENT OF ADMINISTRATIVE COSTS FROM FUND.—Section 16(e) of the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–435(e)) is amended—

(1) by striking "and administrative costs necessary to carry out this chapter"; and

(2) by striking the period at the end and inserting the following: ", and no monies in the Fund may be used for any other purpose.".

(b) MAINTENANCE OF FUND IN TREASURY OF THE UNITED STATES.—

(1) IN GENERAL.—Section 16(a) of such Act (D.C. Code, sec. 3–435(a)) is amended by striking the second sentence and inserting the following: "The Fund shall be maintained as a separate fund in the Treasury of the United States. All amounts deposited to the credit of the Fund are

appropriated without fiscal year limitation to make payments as authorized under subsection (e).".

(2) CONFORMING AMENDMENT.—Section 16 of such Act (D.C. Code, sec. 3–435) is amended by striking subsection (d).

(c) DEPOSIT OF OTHER FEES AND RECEIPTS INTO FUND.—Section 16(c) of such Act (D.C. Code, sec. 3–435(c)) is amended by inserting after "1997," the second place it appears the following: "any other fines, fees, penalties, or assessments that the Court determines necessary to carry out the purposes of the Fund,".

(d) ANNUAL TRANSFER OF UNOBLIGATED BALANCES TO MISCELLANEOUS RECEIPTS OF TREASURY.—Section 16 of such Act (D.C. Code, sec. 3–435), as amended by subsection (b)(2), is further amended by inserting after subsection (c) the following new subsection:

"(d) Any unobligated balance existing in the Fund in excess of $250,000 as of the end of each fiscal year (beginning with fiscal year 2000) shall be transferred to miscellaneous receipts of the Treasury of the United States not later than 30 days after the end of the fiscal year.".

(e) RATIFICATION OF PAYMENTS AND DEPOSITS.—Any payments made from or deposits made to the Crime Victims Compensation Fund on or after April 9, 1997 are hereby ratified, to the extent such payments and deposits are authorized under the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–421 et seq.), as amended by this section.

SEC. 161. CERTIFICATION.—None of the funds contained in this Act may be used after the expiration of the 60-day period that begins on the date of the enactment of this Act to pay the salary of any chief financial officer of any office of the District of Columbia government (including any independent agency of the District) who has not filed a certification with the Mayor and the Chief Financial Officer of the District of Columbia that the officer understands the duties and restrictions applicable to the officer and their agency as a result of this Act.

SEC. 162. The proposed budget of the government of the District of Columbia for fiscal year 2001 that is submitted by the District to Congress shall specify potential adjustments that might become necessary in the event that the management savings achieved by the District during the year do not meet the level of management savings projected by the District under the proposed budget.

SEC. 163. In submitting any document showing the budget for an office of the District of Columbia government (including an independent agency of the District) that contains a category of activities labeled as "other", "miscellaneous", or a similar general, nondescriptive term, the document shall include a description of the types of activities covered in the category and a detailed breakdown of the amount allocated for each such activity.

SEC. 164. (a) AUTHORIZING CORPS OF ENGINEERS TO PERFORM REPAIRS AND IMPROVEMENTS.—In using the funds made available under this Act for carrying out improvements to the Southwest Waterfront in the District of Columbia (including upgrading marina dock pilings and paving and restoring walkways in the marina and fish market areas) for the portions of Federal property in the Southwest quadrant of the District of Columbia within Lots 847 and 848, a portion of Lot 846, and the unassessed Federal real property adjacent to Lot 848 in Square 473, any entity of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority or its designee) may place orders for engineering and construction and related services with the Chief of Engineers of the United States Army Corps of Engineers. The Chief of Engineers may accept such orders on a reimbursable basis and may provide any part of such services by contract. In providing such services, the Chief of Engineers shall follow the Federal Acquisition Regulations and the implementing Department of Defense regulations.

(b) TIMING FOR AVAILABILITY OF FUNDS UNDER 1999 ACT.—

(1) IN GENERAL.—The District of Columbia Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–124) is amended in the item relating to "FEDERAL FUNDS—FEDERAL PAYMENT FOR WATERFRONT IMPROVEMENTS"—

(A) by striking "existing lessees" the first place it appears and inserting "existing lessees of the Marina"; and

(B) by striking "the existing lessees" the second place it appears and inserting "such lessees".

(2) EFFECTIVE DATE.—This subsection shall take effect as if included in the District of Columbia Appropriations Act, 1999.

(c) ADDITIONAL FUNDING FOR IMPROVEMENTS CARRIED OUT THROUGH CORPS OF ENGINEERS.—

(1) IN GENERAL.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority to the Mayor the sum of $3,000,000 for carrying out the improvements described in subsection (a) through the Chief of Engineers of the United States Army Corps of Engineers.

(2) SOURCE OF FUNDS.—The funds transferred under paragraph (1) shall be derived from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia.

(d) QUARTERLY REPORTS ON PROJECT.—The Mayor shall submit reports to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate on the status of the improvements described in subsection (a) for each calendar quarter occurring until the improvements are completed.

SEC. 165. It is the sense of the Congress that the District of Columbia should not impose or take into consideration any height, square footage, set-back, or other construction or zoning requirements in authorizing the issuance of industrial revenue bonds for a project of the American National Red Cross at 2025 E Street Northwest, Washington, D.C., in as much as this project is subject to approval of the National Capital Planning Commission and the Commission of Fine Arts pursuant to section 11 of the joint resolution entitled "Joint Resolution to grant authority for the erection of a permanent building for the American National Red Cross, District of Columbia Chapter, Washington, District of Columbia", approved July 1, 1947 (Public Law 100–637; 36 U.S.C. 300108 note).

SEC. 166. (a) PERMITTING COURT SERVICES AND OFFENDER SUPERVISION AGENCY TO CARRY OUT SEX OFFENDER REGISTRATION.—Section 11233(c) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1233(c)) is amended by adding at the end the following new paragraph:

"(5) SEX OFFENDER REGISTRATION.—The Agency shall carry out sex offender registration functions in the District of Columbia, and shall have the authority to exercise all powers and functions relating to sex offender registration that are granted to the Agency under any District of Columbia law.".

(b) AUTHORITY DURING TRANSITION TO FULL OPERATION OF AGENCY.—

(1) AUTHORITY OF PRETRIAL SERVICES, PAROLE, ADULT PROBATION AND OFFENDER SUPERVISION TRUSTEE.—Notwithstanding section 11232(b)(1) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1232(b)(1)), the Pretrial Services, Parole, Adult Probation and Offender Supervision Trustee appointed under section 11232(a) of such Act (hereafter referred to as the "Trustee") shall, in accordance with section 11232 of such Act, exercise the powers and functions of the Court Services and Offender Supervision Agency for the District of Columbia (hereafter referred to as the "Agency") relating to sex offender registration (as granted to the Agency under any District of Columbia law) only upon the Trustee's certification that the Trustee is able to assume such powers and functions.

(2) AUTHORITY OF METROPOLITAN POLICE DEPARTMENT.—During the period that begins on the date of the enactment of the Sex Offender Registration Emergency Act of 1999 and ends on the date the Trustee makes the certification described in paragraph (1), the Metropolitan Police Department of the District of Columbia shall have the authority to carry out any powers and functions relating to sex offender registration that are granted to the Agency or to the Trustee under any District of Columbia law.

SEC. 167. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 802) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.

SEC. 168. (a) IN GENERAL.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereinafter referred to as the "Authority") to the District of Columbia the sum of $5,000,000 for the Mayor, in consultation with the Council of the District of Columbia, to provide offsets against local taxes for a commercial revitalization program, such program to be available in enterprise zones and low and moderate income areas in the District of Columbia: Provided, That in carrying out such a program, the Mayor shall use Federal commercial revitalization proposals introduced in Congress as a guideline.

(b) SOURCE OF FUNDS.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act; the Mayor shall report to the Committees on Appropriations of the Senate and House of Representatives on the progress made in carrying out the commercial revitalization program.

SEC. 169. Section 456 of the District of Columbia Home Rule Act (section 47–231 et seq. of the D.C. Code, as added by the Federal Payment Reauthorization Act of 1994 (Public Law 103–373)) is amended—

(1) in subsection (a)(1), by striking "District of Columbia Financial Responsibility and Management Assistance Authority" and inserting "Mayor"; and

(2) in subsection (b)(1), by striking "Authority" and inserting "Mayor".

SEC. 170. (a) FINDINGS.—The Congress finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse

in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376 of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including two charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with one exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that in considering the District of Columbia's fiscal year 2001 budget, the Congress will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

SEC. 171. The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

SEC. 172. GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM. Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of the District of Columbia, in order to identify the components most in need of additional resources, including financial, personnel, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

SEC. 173. Nothing in this Act bars the District of Columbia Corporation Counsel from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.

SEC. 174. WIRELESS COMMUNICATIONS. (a) IN GENERAL.—Not later than 7 days after the date of the enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—

(1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and

(2) expend such sums as are necessary to carry out paragraph (1).

(b) ANTENNA APPLICATIONS.—

(1) IN GENERAL.—Not later than 120 days after the receipt of an application, a Federal agency that receives an application submitted after the enactment of this Act to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.

(2) EXISTING LAW.—Nothing in this subsection shall be construed to affect the applicability of existing laws regarding—

(A) judicial review under chapter 7 of title 5, United States Code (the Administrative Procedure Act), and the Communications Act of 1934;

(B) the National Environmental Policy Act, the National Historic Preservation Act and other applicable Federal statutes; and

(C) the authority of a State or local government or instrumentality thereof, including the District of Columbia, in the placement, construction, and modification of personal wireless service facilities.

SEC. 175. (a)(1) The first paragraph under the heading "Community Development Block Grants" in title II of H:R. 2684 (Public Law 106–74) is amended by inserting after "National American Indian Housing Council," the following: "$4,000,000 shall be available as a grant for the Special Olympics in Anchorage, Alaska to develop the Ben Boeke Arena and Hilltop Ski Area,"; and

(2) The paragraph that includes the words "Economic Development Initiative (EDI)" under the heading "Community Development Block Grants" in title II of H.R. 2684 (Public Law 106–74) is amended by striking "$240,000,000" and inserting "$243,500,000".

(b) The statement of the managers of the committee of conference accompanying H.R. 2684 is deemed to be amended under the heading "Community Development Block Grants" to include in the description of targeted economic development initiatives the following:

"—$1,000,000 for the New Jersey Community Development Corporation for the construction of the New Jersey Community Development Corporation's Transportation Opportunity Center;

"—$750,000 for South Dakota State University in Brookings, South Dakota for the development of a performing arts center;

"—$925,000 for the Florida Association of Counties for a Rural Capacity Building Pilot Project in Tallahassee, Florida;

"—$500,000 for the Osceola County Agriculture Center for construction of a new and expanded agriculture center in Osceola County, Florida;

"—$1,000,000 for the University of Syracuse in Syracuse, New York for electrical infrastructure improvements."; and the current descriptions are amended as follows:

"—$1,700,000 to the City of Miami, Florida for the development of a Homeownership Zone to assist residents displaced by the demolition of public housing in the Model City area;" is amended to read as follows:

"—$1,700,000 to Miami-Dade County, Florida for an economic development project at the Opalocka Neighborhood Center;";

"—$250,000 to the Arizona Science Center in Yuma, Arizona for its after-school program for inner-city youth;" is amended to read as follows:

"—$250,000 to the Arizona Science Center in Phoenix, Arizona for its after-school program for inner-city youth;";

"—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building on the grounds of the firefighters facility in Morea, Pennsylvania;" is amended to read as follows:

"—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building and other facilities and improvements on the grounds of the firefighters facility in Morea, Pennsylvania;".

(c) Notwithstanding any other provision of law, the $2,000,000 made available pursuant to Public Law 105–276 for Pittsburgh, Pennsylvania to redevelop the Sun Co./LTV Steel Site in Hazelwood, Pennsylvania is available to the Department of Economic Development in Allegheny County, Pennsylvania for the development of a technology based project in the county.

(d) Insert the following new sections at the end of the administrative provisions in title II of H.R. 2684 (Public Law 106–74):

"FHA MULTIFAMILY MORTGAGE CREDIT DEMONSTRATION

"SEC. 226. Section 542 of the Housing and Community Development Act of 1992 is amended—

"(1) in subsection (b)(5) by striking 'during fiscal year 1999' and inserting 'in each of the fiscal years 1999 and 2000'; and

"(2) in the first sentence of subsection (c)(4) by striking 'during fiscal year 1999' and inserting 'in each of fiscal years 1999 and 2000'.

"DRUG ELIMINATION PROGRAM

"SEC. 227. (a) Section 5126(4) of the Public and Assisted Housing Drug Elimination Act of 1990 is amended—

"(1) in subparagraph (B), by inserting after '1965;' the following: 'or';

"(2) in subparagraph (C), by striking '1937: or' and inserting '1937.'; and

"(3) by striking subparagraph (D).

"(b) The amendments made by subsection (a) shall be construed to have taken effect on October 21, 1998.".

This title may be cited as the "District of Columbia Appropriations Act, 2000".

TITLE II—TAX REDUCTION

SEC. 201. COMMENDING REDUCTION OF TAXES BY DISTRICT OF COLUMBIA. The Congress commends the District of Columbia for its action to reduce taxes, and ratifies D.C. Act 13–110 (commonly known as the Service Improvement and Fiscal Year 2000 Budget Support Act of 1999).

SEC. 202. RULE OF CONSTRUCTION. Nothing in this title may be construed to limit the ability of the Council of the District of Columbia to amend or repeal any provision of law described in this title.

DIVISION B

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS

For programs, projects, and activities in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

An Act Making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2000, and for other purposes.

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; the Stewart B. McKinney Homeless Assistance Act; the Women in Apprenticeship and Nontraditional Occupations Act; the National Skill Standards Act of 1994; and the School-to-Work Opportunities Act; $3,002,618,000 plus reimbursements, of which $1,650,153,000 is available for obligation for the period July 1, 2000 through June 30, 2001; of which $1,250,965,000 is available for obligation for the period April 1, 2000 through June 30, 2001; of which $35,500,000 is available for the period July 1, 2000 through June 30, 2003 including $34,000,000 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers, and $1,500,000 under authority of section 171(d) of the Workforce Investment Act for use by the Organizing Committee for the 2001 Special Olympics World Winter Games in Alaska to promote employment opportunities for individuals with disabilities and other staffing needs; and of which $55,000,000 shall be available from July 1, 2000 through September 30, 2001, for carrying out activities of the School-to-Work Opportunities Act: Provided, That $58,800,000 shall be for carrying out section 166 of the Workforce Investment Act, including $5,000,000 for carrying out section 166(j)(1) of the Workforce Investment Act, including the provision of assistance to American Samoans who reside in Hawaii for the co-location of federally funded and State-funded workforce investment activities, and $7,000,000 shall be for carrying out the National Skills Standards Act of 1994: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: Provided further, That funds provided to carry out section 171(d) of such Act may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That funding provided to carry out projects under section 171 of the Workforce Investment Act of 1998 that are identified in the Conference Agreement, shall not be subject to the requirements of section 171(b)(2)(B) of such Act, the requirements of section 171(c)(4)(D) of such Act, or the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of such Act: Provided further, That funding appropriated herein for Dislocated Worker Employment and Training Activities under section 132(a)(2)(A) of the Workforce Investment Act of 1998 may be distributed for Dislocated Worker Projects under section 171(d) of the Act without regard to the 10 percent limitation contained in section 171(d) of the Act.

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; $2,463,000,000 plus reimbursements, of which $2,363,000,000 is available for obligation for the period October 1, 2000 through June 30, 2001; and of which $100,000,000 is available for the period October 1, 2000 through June 30, 2003, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $343,356,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $96,844,000.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, $415,150,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $163,452,000, together with not to exceed $3,090,288,000 (including not to exceed $1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund including the cost of administering section 1201 of the Small Business Job Protection Act of 1996, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502–504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501–8523, shall be available for obligation by the States through December 31, 2000, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2002; and of which $163,452,000, together with not to exceed $738,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 2000 through June 30, 2001, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose, and of which $125,000,000 shall be available only to the extent necessary for additional State allocations to administer unemployment compensation laws to finance increases in the number of unemployment insurance claims filed and claims paid or changes in a State law: Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2000 is projected by the Department of Labor to exceed 2,638,000, an additional $28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center network may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A–87.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 2001, $356,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2000, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $100,944,000, including $6,431,000 to support up to 75 full-time equivalent staff, the majority of which will be term Federal appointments lasting no more than 1 year, to administer welfare-to-work grants, together with not to exceed $45,056,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Pension and Welfare Benefits Administration, $96,000,000.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96–364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 2000, for such Corporation: Provided, That not to exceed $11,155,000 shall be available for administrative expenses of the Corporation: Provided further, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $333,260,000, together with $1,740,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d) and 44(j) of the Longshore and Harbor Workers' Compensation Act: Provided, That $2,000,000 shall be for the development of an alternative system for the electronic submission of reports as required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: Provided further, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91–0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): Provided further, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the heading "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $79,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 1999, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2000: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration, $21,849,000 shall be made available to the Secretary as follows: (1) for the operation of and enhancement to the automated data processing systems, including document imaging and medical bill review, in support of Federal Employees' Compensation Act administration, $13,433,000; (2) for program staff training to operate the new imaging system, $1,300,000; (3) for the periodic roll review program, $7,116,000; and (4) the remaining funds shall be paid into the Treasury as miscellaneous receipts: Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, $1,013,633,000, of which $963,506,000 shall be available until September 30, 2001, for payment of all benefits as authorized by section 9501(d)(1), (2), (4), and (7) of the Internal Revenue Code of 1954, as amended, and interest on advances as authorized by section 9501(c)(2) of that Act, and of which $28,676,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, $20,783,000 for transfer to Departmental Management, Salaries and Expenses, $312,000 for transfer to Departmental Management, Office of Inspector General, and $356,000 for payment into miscellaneous receipts for the expenses of the Department of Treasury, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5) of that Act: Provided, That, in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation, interest, or other benefits for any period subsequent to August 15 of the current year.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $370,000,000, including not to exceed $81,000,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 2000, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of 10 or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $228,373,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; including not to exceed $750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $353,781,000, of which $6,986,000 shall be for expenses of revising the Consumer Price Index and shall remain available until September 30, 2001, together with not to exceed $55,663,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, *and including up to $7,250,000 for the President's Committee on Employment of People With Disabilities, and including the management or operation of Departmental bilateral and multilateral foreign technical assistance, $210,478,000; together with not to exceed $310,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: Provided, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding, 115 S. Ct. 1278 (1995), notwithstanding any provisions to the contrary contained in Rule 15 of the Federal Rules of Appellate Procedure: Provided further, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: Provided further, That any such decision pending a review by the Benefits Review Board for more than 1 year shall be considered affirmed by the Benefits Review Board on the 1-year anniversary of the filing of the appeal, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: Provided further, That these provisions shall not be applicable to the review or appeal of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.).*

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed $184,341,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100–4110A, 4212, 4214, and 4321–4327, and Public Law 103–353, and which shall be available for obligation by the States through December 31, 2000.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $48,095,000, together with not to exceed $3,830,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

This title may be cited as the "Department of Labor Appropriations Act, 2000".

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and section 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, and the Native Hawaiian Health Care Act of 1988, as amended, $4,429,292,000, of which $150,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act, and of which $104,052,000 shall be available for the construction and renovation of health care and other facilities, and of which $25,000,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under section 1820 of such Act: Provided, That the Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals: Provided further, That of the funds made available under this heading, $250,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That no more than $5,000,000 is available for carrying out the provisions of Public Law 104–73: Provided further, That of the funds made available under this heading, $214,932,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That $518,000,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: Provided further, That, notwithstanding section 502(a)(1) of the Social Security Act, not to exceed $108,742,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act: Provided further, That of the amount provided under the heading, $20,000,000 shall be available for children's hospitals graduate medical education payments, subject to authorization: Provided further, That of the amount provided under this heading, $900,000 shall be for the American Federation of Negro Affairs Education and Research Fund.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $1,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, $3,688,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $3,000,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, XIX and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $2,798,886,000 of which $60,000,000 shall remain available until expended for equipment and construction and renovation of facilities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account: Provided, That in addition to amounts provided herein, up to $71,690,000 shall be available from amounts available under section 241 of the Public Health Service Act, to carry out the National Center for Health Statistics surveys: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Congress is to be notified promptly of any such transfer: Provided further, That notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the infectious disease laboratory through the General Services Administration may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232–18: Provided further, That not to exceed $10,000,000 may be available for making grants under section 1509 of the Public Health Service Act to not more than 10 States: Provided further, That of the amount provided under this heading, $3,000,000 shall be for the Center for Environmental Medicine and Toxicology at the University of Mississippi Medical Center at Jackson and $1,000,000 shall be for the University of South Alabama birth defects monitoring and prevention activities.

In addition, $51,000,000, to be derived from the Violent Crime Reduction Trust Fund, for carrying out sections 40151 and 40261 of Public Law 103–322.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $3,332,317,000.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $2,040,291,000.

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $270,253,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $1,147,588,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $1,034,886,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $1,803,063,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $1,361,668,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $862,884,000.

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $452,706,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $444,817,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $690,156,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $351,840,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $265,185,000.

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $90,000,000.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $293,935,000.

NATIONAL INSTITUTE ON DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $689,448,000.

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $978,360,000.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $337,322,000.

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $680,176,000: Provided, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: Provided further, That $75,000,000 shall be for extramural facilities construction grants.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $43,723,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $215,214,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 2000, the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health.

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, $68,753,000.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $283,509,000, of which $44,953,000 shall be for the Office of AIDS Research: Provided, That funding shall be available for the purchase of not to exceed 29 passenger motor vehicles for replacement only: Provided further, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: Provided further, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: Provided further, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to the National Institutes of Health Management Fund shall remain available for one fiscal year after the fiscal year in which they are deposited: Provided further, That up to $500,000 shall be available to carry out section 499 of the Public Health Service Act: Provided further, That, notwithstanding section 499(k)(10) of the Public Health Service Act, funds from the Foundation for the National Institutes of Health may be transferred to the National Institutes of Health.

BUILDINGS AND FACILITIES

For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $135,376,000, to remain available until expended.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, $2,549,728,000.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, $111,424,000; in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed $83,576,000.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $86,087,393,000, to remain available until expended.

For making, after May 31, 2000, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2000 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2001, $30,589,003,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $69,289,100,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $1,971,648,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: Provided further, That $18,000,000 appropriated under this heading for the managed care system redesign shall remain available until expended: Provided further, That $2,000,000 of the amount available for research, demonstration, and evaluation activities shall be available to continue carrying out demonstration projects on Medicaid coverage of community-based attendant care services for people with disabilities which ensures maximum control by the consumer to select and manage their attendant care services: Provided further, That $3,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to an application from the University of Pennsylvania Medical Center, the University of Louisville Sciences

Center, and St. Vincent's Hospital in Montana to conduct a demonstration to reduce hospitalizations among high-risk patients with congestive heart failure: Provided further, That $2,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the AIDS Healthcare Foundation in Los Angeles: Provided further, That $100,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Littleton Regional Hospital in New Hampshire, to assist in the development of rural emergency medical services: Provided further, That $250,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the University of Missouri-Kansas City to test behavorial interventions of nursing home residents with moderate to severe dementia: Provided further, That the Secretary of Health and Human Services is directed to collect, in aggregate, $95,000,000 in fees in fiscal year 2000 from Medicare+Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 2000, no commitments for direct loans or loan guarantees shall be made.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

For making payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the first quarter of fiscal year 2001, $650,000,000.

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV–A of the Social Security Act before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV–A in fiscal year 1997 under this appropriation and under such title IV–A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,100,000,000, to be available for obligation in the period October 1, 2000 through September 30, 2001.

For making payments under title XXVI of such Act, $300,000,000: Provided, That these funds are hereby designated by Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That these funds shall be made available only after submission to Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985.

The $1,100,000,000 provided in the first paragraph under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1999 (as contained in section 101(f) of division A of Public Law 105–277) is hereby designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided, That such funds shall be available only if the President submits to the Congress one official budget request for $1,100,000,000 that includes designation of the entire amount as an emergency requirement pursuant to such section: Provided further, That such funds shall be distributed in accordance with section 2604 of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8623), other than subsection (e) of such section.

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96–422), $419,005,000: Provided, That funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act under Public Law 105–78 for fiscal year 1998 and under Public Law 105–277 for fiscal year 1999 shall be available for the costs of assistance provided and other activities through September 30, 2001.

For carrying out section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), $7,500,000.

The $426,505,000 provided under this heading is hereby designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided, That such funds shall be available only if the President submits to the Congress one official budget request for $426,505,000 that includes designation of the entire amount as an emergency requirement pursuant to such section.

PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), to become available on October 1, 2000 and remain available through September 30, 2001, $1,182,672,000: Provided, That $19,120,000 shall be available for child care resource and referral and school-aged child care activities.

SOCIAL SERVICES BLOCK GRANT

For making grants to States pursuant to section 2002 of the Social Security Act, $1,700,000,000: Provided, That: (1) notwithstanding section 2003(c) of such Act, as amended, the amount specified for allocation under such section for fiscal year 2000 shall be $1,700,000,000; and (2) notwithstanding subparagraph (B) of section 404(d)(2) of such Act, the applicable percent specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act for fiscal year 2000 shall be 4.25 percent.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, the Native American Programs Act of 1974, title II of Public Law 95–266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105–89), the Abandoned Infants Assistance Act of 1988, part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act; for making payments under the Community Services Block Grant Act, section 473A of the Social Security Act, and title IV of Public Law 105–285; and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), sections 40155, 40211, and 40241 of Public Law 103–322 and section 126 and titles IV and V of Public Law 100–485, $6,708,733,000, of which $43,000,000, to remain available until September 30, 2001, shall be for grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670–679); of which $567,065,000 shall be for making payments under the Community Services Block Grant Act; and of which $5,267,000,000 shall be for making payments under the Head Start Act, of which $1,400,000,000 shall become available October 1, 2000 and remain available through September 30, 2001: Provided, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That the Secretary shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant.

In addition, $101,000,000, to be derived from the Violent Crime Reduction Trust Fund for carrying out sections 40155, 40211, and 40241 of Public Law 103–322.

Funds appropriated for fiscal year 2000 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by $6,000,000.

Funds appropriated for fiscal year 2000 under section 413(h)(1) of the Social Security Act shall be reduced by $15,000,000.

PROMOTING SAFE AND STABLE FAMILIES

For carrying out section 430 of the Social Security Act, $295,000,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, $4,307,300,000.

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, for the first quarter of fiscal year 2001, $1,538,000,000.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965, as amended, and section 398 of the Public Health Service Act, $930,225,000: Provided, That notwithstanding section 308(b)(1) of the Older Americans Act of 1965, as amended, the amounts available to each State for administration of the State plan under title III of such Act shall be reduced not more than 5 percent below the amount that was available to such State for such purpose for fiscal year 1995: Provided further, That in considering grant applications for nutrition services for elder Indian recipients, the Assistant Secretary shall provide maximum flexibility to applicants who seek to take into account subsistence, local customs, and other characteristics that are appropriate to the unique cultural, regional, and geographic needs of the American Indian, Alaska and Hawaiian Native communities to be served.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, and the United States-Mexico Border Health Commission Act, $209,701,000, of which $20,000,000 shall become available on October 1, 2000, and shall remain available until September 30, 2001, together with $5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided, That $450,000 shall be for a contract with the National Academy of Sciences to conduct a study of the proposed tuberculosis standard promulgated by the Occupational Safety and Health Administration: Provided further, That said contract shall be awarded not later than 60 days after the enactment of this Act: Provided further, That said study shall be submitted to the Congress not later than 12 months after award of the contract: Provided further, That of the funds made available under this heading for carrying out title XX of the Public Health Service Act, $10,569,000 shall be for activities specified under section 2003(b)(2), of which $9,131,000 shall be for prevention service demonstration grants under section 510(b)(2) of title V of the Social Security Act, as amended, without application of the limitation of section 2010(c) of said title XX: Provided further, That $2,000,000 shall be available to the Office of the Surgeon General, within the Office of Public Health and Science, to prepare and disseminate the findings of the Surgeon General's report on youth violence, and to coordinate with other agencies throughout the Federal Government, through the establishment of a Federal Coordinating Committee, activities to prevent youth violence: Provided further, That the Secretary may transfer a portion of such funds to other Federal entities for youth violence prevention coordination activities.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $31,500,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $18,338,000, together with not to exceed $3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, $17,000,000.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For expenses necessary to support activities related to countering potential biological, disease and chemical threats to civilian populations, $181,600,000: Provided, That this amount is distributed as follows: Centers for Disease Control and Prevention, $122,000,000, of which $30,000,000 shall be for the Health Alert Network, $1,000,000 shall be for the Carnegie Mellon Research Institute, $1,000,000 shall be for the St. Louis University School of Public Health, $1,000,000 shall be for the University of Texas Medical Branch at Galveston, and $1,000,000 shall be for the Johns Hopkins University Center for Civilian Biodefense; Office of the Secretary, $30,000,000, Agency for Health Care Policy and Research, $5,000,000, and Office of Emergency Preparedness, $24,600,000. In addition, for expenses necessary for the portion of the Global Health Initiative conducted by the Centers for Disease Control and Prevention, $69,000,000: Provided further, That this amount is distributed as follows: $35,000,000 shall be for international HIV/AIDS programs, $9,000,000 shall be for malaria programs, $5,000,000 shall be for global micronutrient malnutrition programs and $20,000,000 shall be for carrying out polio eradication activities. In addition, $150,000,000 for carrying out the Department's Year 2000 computer conversion activities, $5,000,000 for the environmental health laboratory at the Centers for Disease Control and Prevention, $35,000,000 for minority AIDS prevention and treatment activities, $20,000,000 for the National Institutes of Health challenge grant program, and $50,000,000 to support the Ricky Ray Hemophilia Relief Fund Act of 1998: Provided further, That notwithstanding any other provision of law, up to $10,000,000 of the amount provided for the Ricky Ray Hemophilia Relief Fund Act may be available for administrative expenses: Provided further, That the entire amount under this heading is hereby designated by the Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount under this heading shall be made available only after submission to the Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That no funds shall be obligated until the Department of Health and Human Services submits an operating plan to the House and Senate Committees on Appropriations.

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103–43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

(TRANSFER OF FUNDS)

SEC. 206. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 207. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Congress is promptly notified of the transfer.

SEC. 208. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the "Office of AIDS Research" account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 209. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

SEC. 210. (a) The final rule entitled "Organ Procurement and Transplantation Network", promulgated by the Secretary of Health and Human Services on April 2, 1998 (63 Fed. Reg. 16295 et seq.) (relating to part 121 of title 42, Code of Federal Regulations), together with the amendments to such rules promulgated on October 20, 1999 (64 Fed. Reg. 56649 et seq.) shall not become effective before the expiration of the 90 day period beginning on the date of the enactment of this Act.

(b) For purposes of subsection (a):

(1) Not later than 3 days after the date of the enactment of this Act, the Secretary of Health and Human Services (referred to in this section as the "Secretary") shall publish in the Federal Register a notice providing that the period within which comments on the final rule may be submitted to the Secretary is 60 days after the date of such publication of the notice.

(2) Not later than 21 days after the expiration of such 60-day period, the Secretary shall complete the review of the comments submitted pursuant to paragraph (1) and shall amend the final rule with any revisions appropriate according to the review by the Secretary of such comments. The final rule may be in the form of amendments to the rule referred to in subsection (a) that was promulgated on April 2, 1998, and in the form of amendments to the rule referred to in such subsection that was promulgated on October 20, 1999.

SEC. 211. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity's enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.

SEC. 212. (a) MENTAL HEALTH.—Section 1918(b) of the Public Health Service Act (42 U.S.C. 300x–7(b)) is amended to read as follows:

"(b) MINIMUM ALLOTMENTS FOR STATES.—With respect to fiscal year 2000, the amount of the allotment of a State under section 1911 shall not be less than the amount the State received under section 1911 for fiscal year 1998.".

(b) SUBSTANCE ABUSE.—Section 1933(b) of the Public Health Service Act (42 U.S.C. 300x–33(b)) is amended to read as follows:

"(b) MINIMUM ALLOTMENTS FOR STATES.—Each State's allotment for fiscal year 2000 for programs under this subpart shall be equal to such State's allotment for such programs for fiscal year 1999, except that, if the amount appropriated in fiscal year 2000 is less than the amount appropriated in fiscal year 1999, then the amount of a State's allotment under section 1921 shall be equal to the amount that the State received under section 1921 in fiscal year 1999 decreased by the percentage by which the amount appropriated for fiscal year 2000 is less than the amount appropriated for such section for fiscal year 1999.".

SEC. 213.-Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 214. EXTENSION OF CERTAIN ADJUDICATION PROVISIONS.—The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking "1997, 1998, and 1999" and inserting "1997, 1998, 1999, and 2000"; and

(B) in subsection (e), by striking "October 1, 1999" each place it appears and inserting "October 1, 2000"; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking "September 30, 1999" and inserting "September 30, 2000".

SEC. 215. None of the funds provided in this Act or in any other Act making appropriations for fiscal year 2000 may be used to administer or implement in Arizona or in the Kansas City, Missouri or in the Kansas City, Kansas area the Medicare Competitive Pricing Demonstration Project (operated by the Secretary of Health and Human Services under authority granted in section 4011 of the Balanced Budget Act of 1997 (Public Law 105–33)).

SEC. 216. Of the funds appropriated for the National Institutes of Health for fiscal year 2000, $7,500,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Health Resources and Services Administration for fiscal year 2000, $1,120,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Centers for Disease Control and Prevention for fiscal year 2000, $965,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Children and Families Services Programs for fiscal year 2000, $400,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Social Services Block Grant for fiscal year 2000, $425,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Substance Abuse and Mental Health Services Administration for fiscal year 2000, $450,000,000 shall not be available for obligation until September 29, 2000.

SEC. 217. STUDY AND REPORT ON THE GEOGRAPHIC ADJUSTMENT FACTORS UNDER THE MEDICARE PROGRAM. (a) STUDY.—The Secretary of Health and Human Services shall conduct a study on—

(1) the reasons why, and the appropriateness of the fact that, the geographic adjustment factor (determined under paragraph (2) of section 1848(e) (42 U.S.C. 1395w–4(e)) used in determining the amount of payment for physicians' services under the Medicare program is less for physicians' services provided in New Mexico than for physicians' services provided in Arizona, Colorado, and Texas; and

(2) the effect that the level of the geographic cost-of-practice adjustment factor (determined under paragraph (3) of such section) has on the recruitment and retention of physicians in small rural States, including New Mexico, Iowa, Louisiana, and Arkansas.

(b) REPORT.—Not later than 3 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit a report to Congress on the study conducted under subsection (a), together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.

SEC. 218. WITHHOLDING OF SUBSTANCE ABUSE FUNDS. (a) IN GENERAL.—None of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x–26) if such State certifies to the Secretary of Health and Human Services that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) AMOUNT OF STATE FUNDS.—The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such State's substance abuse block grant allocation for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act, except that the Secretary may agree to a smaller commitment of additional funds by the State.

(c) SUPPLEMENT NOT SUPPLANT.—Amounts expended by a State pursuant to a certification under subsection (a) shall be used to supplement and not supplant State funds used for tobacco prevention programs and for compliance activities described in such subsection in the fiscal year preceding the fiscal year to which this section applies.

(d) ENFORCEMENT OF STATE EXPENDITURE.—The Secretary shall exercise discretion in enforcing the timing of the State expenditure required by the certification described in subsection (a) as late as July 31, 2000.

SEC. 219. None of the funds made available under this title may be used to carry out the transmittal of August 13, 1997 (relating to self-administered drugs) of the Deputy Director of the Division of Acute Care of the Health Care Financing Administration to regional offices of such Administration or to promulgate any regulation or other transmittal or policy directive that has the effect of imposing (or clarifying the imposition of) a restriction on the coverage of injectable drugs under section 1861(s)(2) of the Social Security Act beyond the restrictions applied before the date of such transmittal.

SEC. 220. In accordance with section 1557 of title 31, United States Code, funds obligated and awarded in fiscal years 1994 and 1995 under the heading "National Cancer Institute" for the Cancer Therapy and Research Center in San Antonio, Texas, grant numbers 1 C06 CA58690–01 and 3 C06 CA58690–01S1, shall be exempt from subchapter IV of chapter 15 of such title and the obligated unexpended dollars shall remain available to the grantee for expenditure without fiscal year limitation to fulfill the purpose of the award.

This title may be cited as the "Department of Health and Human Services Appropriations Act, 2000".

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

For carrying out activities authorized by titles III and IV of the Goals 2000: Educate America Act, the School-to-Work Opportunities Act, and sections 3122, 3132, 3136, and 3141, parts B, C, and D of title III, and part I of title X of the Elementary and Secondary Education Act of 1965, $1,586,560,000; of which $456,500,000 for the Goals 2000: Educate America Act and $55,000,000 for the School-to-Work Opportunities Act shall become available on July 1, 2000 and remain available through September 30, 2001, and of which $87,000,000 shall be for section 3122: Provided, That none of the funds appropriated under this heading shall be obligated or expended to carry out section 304(a)(2)(A) of the Goals 2000: Educate America Act, except that no more than $1,500,000 may be used to carry out activities under section 314(a)(2) of that Act: Provided further, That section 315(a)(2) of the Goals 2000: Educate America Act shall not apply: Provided further, That up to one-half of 1 percent of the amount available under section 3132 shall be set aside for the outlying areas, to be distributed on the basis of their relative need as determined by the Secretary in accordance with the purposes of the program: Provided further, That if any State educational agency does not apply for a grant under section 3132, that State's allotment under section 3131 shall be reserved by the Secretary for grants to local educational agencies in that State that apply directly to the Secretary according to the terms and conditions published by the Secretary in the Federal Register: Provided further, That of the funds made available to carry out section 3136 and notwithstanding any other provision of law, $500,000 shall be awarded to the Houston Independent School District for technology infrastructure, $8,000,000 shall be awarded to the I CAN LEARN program, $2,000,000 shall be awarded to the Linking Education Technology and Educational Reform (LINKS) project for educational technology, $1,000,000 shall be awarded to the Center for Advanced Research and Technology (CART) for comprehensive secondary education reform, $250,000 shall be awarded to the Vaughn Reno Starks Community Center in Elizabethtown, Kentucky for a technology program, $125,000 shall be awarded to the Wyandanch Compel Youth Academy Educational Assistance Program in New York, $3,000,000 shall be awarded to Hi-Technology High School in San Bernardino County, California for technology enhancement, $300,000 shall be awarded to the Long Island 21st Century Technology and E-Commerce Alliance, $800,000 shall be awarded to Montana State University for a distance learning initiative,

$2,000,000 for the Tupelo School District in Tupelo, Mississippi for technology innovation in education, $900,000 for the University of Alaska at Anchorage for distance learning education, $1,000,000 shall be awarded to the Seton Hill College in Greensburg, Pennsylvania for a model education technology training program, $500,000 shall be awarded to the University of Alaska-Fairbanks, in Fairbanks, Alaska for a teacher technology training program, $200,000 shall be awarded to the Alaska Department of Education for the Alaska State Distance Education Technology Consortium, $1,000,000 shall be awarded to the North East Vocational Area Cooperative in Washington State for a multi-district technology education center, $400,000 shall be awarded to the University of Vermont for the Vermont Learning Gateway Program, $2,500,000 shall be awarded to the State University of New Jersey for the RUNet 2000 project at Rutgers for an integrated voice-video-data network to link students, faculty and administration via a high-speed, broad band fiber optic network, $500,000 shall be awarded to the Iowa Area Education Agency 13 for a public/private partnership to demonstrate the effective use of technology in grades 1–3, $235,000 shall be for the Louisville Deaf Oral School for technology enhancements: Provided further, That in the State of Alabama $50,000 shall be awarded to the Bibb County Board of Education for technology enhancements, $50,000 shall be awarded to the Calhoun County Board of Education for technology enhancements, $50,000 shall be awarded to the Chambers County Board of Education for technology enhancements, $50,000 shall be awarded to the Chilton County Board of Education for technology enhancements, $50,000 shall be awarded to the Clay County Board of Education for technology enhancements, $50,000 shall be awarded to the Cleburne County Board of Education for technology enhancements, $50,000 shall be awarded to the Coosa County Board of Education for technology enhancements, $50,000 shall be awarded to the Lee County Board of Education for technology enhancements, $50,000 shall be awarded to the Macon County Board of Education for technology enhancements, $50,000 shall be awarded to the St. Clair County Board of Education for technology enhancements, $50,000 shall be awarded to the Talladega County Board of Education for technology enhancements, $50,000 shall be awarded to the Tallapoosa County Board of Education for technology enhancements, $50,000 shall be awarded to the Randolph County Board of Education for technology enhancements, $50,000 shall be awarded to the Russell County Board of Education for technology enhancements, $50,000 shall be awarded to the Alexander City Board of Education for technology enhancements, $50,000 shall be awarded to the Anniston City Board of Education for technology enhancements, $50,000 shall be awarded to the Lanett City Board of Education for technology enhancements, $50,000 shall be awarded to the Pell City Board of Education for technology enhancements, $50,000 shall be awarded to the Roanoke City Board of Education for technology enhancements, $50,000 shall be awarded to the Talledega City Board of Education for technology enhancements and $500,000 shall be to continue a state-of-the-art information technology system at Mansfield University, Mansfield, Pennsylvania: Provided further, That of the funds made available to carry out title III, part B of the Elementary and Secondary Education Act of 1965 and notwithstanding any other provision of law, $750,000 shall be awarded to the Technology Literacy Center at the Museum of Science and Industry, Chicago, $1,000,000 shall be awarded to an on-line math and science training program at Oklahoma State University, $4,000,000 shall be awarded to continue and expand the Iowa Communications Network statewide fiber optic demonstration project: Provided further, That of the funds made available for title X, part I of the Elementary and Secondary Education Act of 1965 and notwithstanding any other provision of law, $6,000 shall be awarded to the Study Partners Program, Inc., in Louisville, Kentucky, $12,000 shall be awarded to the Shawnee Gardens Tenants Association Inc., in Louisville, Kentucky for a tutorial program, $12,000 shall be awarded to the 100 Black Men of Louisville, Kentucky for a mentoring and leadership training program, $500,000 shall be awarded to the Omaha, Nebraska Public Schools for the OPS 21st Century Learning Grant, $25,000 shall be for the Plymouth Renewal Center in Kentucky for a tutoring program, $25,000 shall be for the Canaan Community Development Corporation's Village Learning Center Program, $25,000 shall be for the St. Stephen Life Center After School Program, $25,000 shall be for the Louisville Central Community Centers Youth Education Program, $15,000 shall be for the Trinity Family Life Center tutoring program, $15,000 shall be for the New Zion Community Development Foundation, Inc., after school mentoring program, $20,000 shall be for the St. Joseph Catholic Orphan Society program for abused and neglected children, $25,000 shall be for the Portland Neighborhood House after school program, and $25,000 shall be for the St. Anthony Community Outreach Center, Inc., for the Education PAYs program.

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act of 1965, $8,547,986,000, of which $2,317,823,000 shall become available on July 1, 2000, and shall remain available through September 30, 2001, and of which $6,204,763,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001, for academic year 2000–2001: Provided, That $6,649,000,000 shall be available for basic grants under section 1124: Provided further, That up to $3,500,000 of these funds shall be available to the Secretary on October 1, 1999, to obtain updated local-educational-agency-level census poverty data from the Bureau of the Census: Provided further, That $1,158,397,000 shall be available for concentration grants under section 1124A: Provided further, That $8,900,000 shall be available for evaluations under section 1501 and not more than $8,500,000 shall be reserved for section 1308, of which not more than $3,000,000 shall be reserved for section 1308(d): Provided further, That grant awards under sections 1124 and 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to each State and local educational agency at no less than 100 percent of the amount such State or local educational agency received under this authority for fiscal year 1999: Provided further, That notwithstanding any other provision of law, grant awards under section 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to those local educational agencies that received a Concentration Grant under the Department of Education Appropriations Act, 1998, but are not eligible to receive such a grant for fiscal year 2000: Provided further, That each such local educational agency shall receive an amount equal to the Concentration Grant the agency received in fiscal year 1998, ratably reduced, if necessary, to ensure that these local educational agencies receive no greater share of their hold-harmless amounts than other local educational agencies: Provided further, That the Secretary shall not take into account the hold harmless provisions in this section in determining State allocations under any other program administered by the Secretary in any fiscal year: Provided further, That $160,000,000 shall be available under section 1002(g)(2) to demonstrate effective approaches to comprehensive school reform to be allocated and expended in accordance with the instructions relating to this activity in the statement of the managers on the conference report accompanying Public Law 105–78 and in the statement of the managers on the conference report accompanying Public Law 105–277: Provided further, That in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children served by title I to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $910,500,000, of which $737,200,000 shall be for basic support payments under section 8003(b), $50,000,000 shall be for payments for children with disabilities under section 8003(d), $76,000,000, to remain available until expended, shall be for payments under section 8003(f), $10,300,000 shall be for construction under section 8007, $32,000,000 shall be for Federal property payments under section 8002 and $5,000,000 to remain available until expended shall be for facilities maintenance under section 8008: Provided, That of the funds available for section 8007 and notwithstanding any other provision of law, $500,000 shall be awarded to the Fort Sam Houston Independent School District, Texas, $800,000 shall be awarded to the Hays Lodgepole School District, Montana, and $2,000,000 shall be awarded to the North Chicago Community Unit SD 187: Provided further, That these funds shall remain available until expended: Provided further, That the Secretary of Education shall treat as timely filed, and shall process for payment, an application for a fiscal year 1999 payment from the local educational agency for Brookeland, Texas under section 8002 of the Elementary and Secondary Education Act of 1965 if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That section 8002(f) of the Elementary and Secondary Education Act of 1965 is amended by adding a new paragraph "(3)" at the end to read as follows:

"(3) For each fiscal year beginning with fiscal year 2000, the Secretary shall treat the Central Union, California; Island, California; Hill City, South Dakota; and Wall, South Dakota local educational agencies as meeting the eligibility requirements of subsection (a)(1)(C) of this section.":

Provided further, That the Secretary of Education shall consider all payments received by the educational agency for Hatboro-Horsham and Delaware Valley, Pennsylvania for fiscal year 1995 under section 8002(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(a)), and all payments under section 8002(h)(2)(A) for subsequent years through fiscal year 1999, to be correct: Provided further, That section 8002(f) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (4) to read as follows:

"(4) For the purposes of payments under this section for each fiscal year beginning with fiscal year 2000, the Secretary shall treat the Hot Springs, South Dakota local educational agency *as if it had filed a timely application under section 8002 of the Elementary and Secondary Education Act of 1965 for fiscal year 1994 if the Secretary has received the fiscal year 1994 application, as well as Exhibits A and B not later than December 1, 1999.":*

Provided further, That section 8002(f) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (5) to read as follows:

"(5) For purposes of payments under this section for each fiscal year beginning with fiscal year 2000, the Secretary shall treat the Hueneme, California local educational agency as if it had filed a timely application under section 8002 of the Elementary and Secondary Education Act of 1965 if the Secretary has received the fiscal year 1995 application not later than December 1, 1999.":

Provided further, That the Secretary of Education shall treat as timely filed, and shall process for payment, an application for a fiscal year 1998 payment from the local educational agency for Hydaburg, Alaska, under section 8003 of the Elementary and Secondary Education Act of 1965 if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That the Secretary of Education shall treat as timely, and process for payment, an application for fiscal years 1996 and 1997 payment from the local education agency for Fallbrook Unified High School District, California, under section 8002 of the Elementary and Secondary Education Act of 1965, if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That for the purpose of computing the amount of a payment for a local educational agency for children identified under section 8003 of the Elementary and Secondary Education Act of 1965, children residing in housing initially acquired or constructed under section 801 of the Military Construction Authorization Act of 1984 (Public Law 98–115) ("Build to Lease" program) shall be considered as children described under section 8003(a)(1)(B) if the property described is within the fenced security perimeter of the military facility upon which such housing is situated: Provided further, That if such property is not owned by the Federal Government, is subject to taxation by a State or political subdivision of a State, and thereby generates revenues for a local educational agency which received a payment from the Secretary under section 8003, the Secretary shall: (1) require such local educational agency to provide certification from an appropriate official of the Department of Defense that such property is being used to provide military housing; and (2) reduce the amount of such payment by an amount equal to the amount of revenue from such taxation received in the second preceding fiscal year by such local educational agency, unless the amount of such revenue was taken into account by the State for such second preceding fiscal year and already resulted in a reduction in the amount of State aid paid to such local educational agency.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, IV, V–A and B, VI, IX, X, and XIII of the Elementary and Secondary Education Act of 1965 ("ESEA"); the Stewart B. McKinney Homeless Assistance Act; and the Civil Rights Act of 1964 and part B of title VIII of the Higher Education Act of 1965; $2,926,134,000, of which $875,300,000 shall become available on July 1, 2000, and remain available through September 30, 2001, and of which $1,530,000,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001 for academic year 2000–2001: Provided, That of the amount appropriated, $335,000,000 shall be for Eisenhower professional development State grants under title II–B and $380,000,000 shall be for title VI and up to $750,000 shall be for an evaluation of comprehensive regional assistance centers under title XIII of ESEA: Provided further, That $1,200,000,000 is for a class size/teacher assistance initiative to be distributed as described in subparagraphs (A) and (B) of section 307(b)(1) of the Department of Education Appropriations Act, 1999. School districts may use the funds for class size reduction activities as described in section 307(c)(2)(A)(i)–(iii) of the Department of Education Appropriations Act, 1999: Provided further, That, if the local educational agency determines that it wishes to use the funds for purposes other than class size reduction as part of a local strategy for improving academic achievement, funds may be used for professional development activities, teacher training or any other local need that is designed to improve student performance: Provided further. That each such agency shall use funds under this section only to supplement, and not to supplant, State and local funds, that in absence of such funds, would otherwise be spent for activities under this section.

READING EXCELLENCE

For necessary expenses to carry out the Reading Excellence Act, $65,000,000, which shall become available on July 1, 2000 and shall remain available through September 30, 2001 and $195,000,000 which shall become available on October 1, 2000 and remain available through September 30, 2001.

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title IX, part A of the Elementary and Secondary Education Act of 1965, as amended, $77,000,000.

BILINGUAL AND IMMIGRANT EDUCATION

For carrying out, to the extent not otherwise provided, bilingual, foreign language and immigrant education activities authorized by parts A and C and section 7203 of title VII of the Elementary and Secondary Education Act of 1965, without regard to section 7103(b), $387,000,000: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies.

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act, $6,036,646,000, of which $2,047,885,000 shall become available for obligation on July 1, 2000, and shall remain available through September 30, 2001, and of which $3,742,000,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001, for academic year 2000–2001: Provided, That $1,500,000 shall be for the recipient of funds provided by Public Law 105–78 under section 687(b)(2)(G) of the Act to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: Provided further, That $1,500,000 shall be awarded to the Organizing Committee for the 2001 Special Olympics World Winter Games in Alaska and $1,000,000 shall be awarded to the Salt Lake City Organizing Committee for the VIII Paralympic Winter Games: Provided further, That $1,000,000 shall be for the Early Childhood Development Project of the National Easter Seal Society for the Mississippi Delta Region, which funds shall be used to provide training, technical support, services and equipment to address personnel and other needs: Provided further, That $1,000,000 shall be awarded to the Center for Literacy and Assessment at the University of Southern Mississippi for research dissemination and teacher and parent training.

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, $2,701,772,000: Provided, That notwithstanding section 105(b)(1) of the Assistive Technology Act of 1998 ("the AT Act"), each State shall be provided $50,000 for activities under section 102 of the AT Act: Provided further, That of the funds available for section 303 of the Rehabilitation Act of 1973 and notwithstanding any other provision of law, $750,000 shall be awarded to the Krasnow Institute at George Mason University for a Receptive Language Disorders research center, $1,000,000 shall be awarded to the University of Central Florida for a virtual reality-based education and training program for the deaf, $2,000,000 shall be awarded to the Seattle Lighthouse for the Blind for interpreter, orientation, mobility, and education services for deaf, blind and other visually impaired adults, $1,000,000 shall be awarded to the Professional Development and Research Institute on Blindness in Louisiana for the training of professionals in the field of education and rehabilitation of blind adults and children, and $600,000 shall be awarded to the Alaska Center for Independent Living in Anchorage, Alaska to develop capacity to implement a self-directed model for personal assistance services, including training of self-employed personal assistants and their clients: Provided further, That of the funds available for section 305 of the Rehabilitation Act of 1973 and notwithstanding any other provision of law, $1,000,000 shall be awarded to the California State University at Northridge for a Western Center for Adaptive Therapy.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $10,100,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $48,151,000, of which $2,651,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $85,980,000, of which $2,500,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Technical Education Act, the Adult Education and Family Literacy Act, and title VIII–D of the Higher Education Act of 1965, as amended, and Public Law 102–73, $1,656,750,000, of which $3,500,000 shall remain available until expended, and of which $833,150,000 shall become available on July 1, 2000 and shall remain available through September 30, 2001 and of which $791,000,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001: Provided, That of the amounts made available for the Carl D. Perkins Vocational and Technical Education Act, $4,600,000 shall be for tribally controlled vocational institutions under section 117: Provided further, That $9,000,000 shall be for carrying out section 118 of such act for all activities conducted by *and through the National Occupational Information Coordinating Committee: Provided further, That of the amounts made available for the Adult Education and Family Literacy Act, $14,000,000 shall be for national leadership activities under section 243 and $6,000,000 shall be for the National Institute for Literacy under section 242: Provided further, That $19,000,000 shall be for Youth Offender Grants, of which $5,000,000, which shall become available on July 1, 2000, and remain available through September 30, 2001, shall be used in accordance with section 601 of Public Law 102–73 as that section was in effect prior to the enactment of Public Law 105–220.*

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3 and 4 of part A, part C and part E of title IV of the Higher Education Act of 1965, as amended, $9,435,000,000, which shall remain available through September 30, 2001.

The maximum Pell Grant for which a student shall be eligible during award year 2000–2001 shall be $3,300: Provided, That notwithstanding section 401(g) of the Act, if the Secretary determines, prior to publication of the payment schedule for such award year, that the amount included within this appropriation for Pell Grant awards in such award year, and any funds available from the fiscal year 1999 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose.

For an additional amount for "STUDENT FINANCIAL ASSISTANCE" for payment of allocations to institutions of higher education for Federal Supplemental Educational Opportunity Grants for award years 1999–2000 and 2000–2001, made under title IV, part A, subpart 3, of the Higher Education Act of 1965, as amended, $10,000,000: Provided, That notwithstanding any other provision of law, the Secretary of Education may waive or modify any statutory or regulatory provision applicable to the Federal Supplemental Educational Opportunity Grant program and the determination of need for such grants, that the Secretary deems necessary to assist individuals who suffered financial harm resulting from the hurricanes, and the flooding associated with the hurricanes, that struck the eastern United States in August and September 1999, and who, at the time of the disaster were residing, attending an institution of higher education, or employed within an area affected by such a disaster on the date which the President declared the existence of a major disaster (or, in the case of an individual who is a dependent student, whose parent or stepparent suffered financial harm from such disaster, and who resided, or was employed in such an area at that time): Provided further, That notwithstanding section 437 of the General Education Provisions Act (20 U.S.C. 1232) and section 553 of title 5, United States Code, the Secretary shall, by notice in the Federal Register, exercise this authority, through publication of waivers or modifications of statutory and regulatory provisions, as the Secretary deems necessary to assist such individuals: Provided further, That notwithstanding section 413D of the Higher Education Act of 1965, allocations from such additional amount shall not be taken into account in determining institutional allocations under such section in future years: Provided further, That the entire amount made available under this paragraph is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and that the entire amount shall be available only to the extent an official budget request for the entire amount, that includes designation of the entire amount as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, is transmitted by the President to the Congress.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act of 1965, as amended, $48,000,000.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, VII, and VIII of the Higher Education Act of 1965, as amended, and the Mutual Educational and Cultural Exchange Act of 1961; $1,466,826,000, of which $12,000,000 for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended: Provided, That of the funds available for part A, subpart 2 of title VII of the Higher Education Act of 1965, $10,000,000 shall be available to fund awards for academic year 2000–2001, and $10,000,000 to remain available through September 30, 2001, shall be available to fund awards for academic year 2001–2002, for fellowships under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1: Provided further, That section 852(b)(1) of the Higher Education Amendments of 1998 is amended—

(1) in the matter preceding subparagraph (A), by striking "14" and inserting "16";

(2) in subparagraph (E), by striking "and" after the semicolon;

(3) in subparagraph (F), by striking the period and inserting a semicolon; and

(4) by adding at the end the following:

"(G) one member shall be appointed by the Chairperson of the Committee on Health, Education, Labor, and Pensions of the Senate from among members of the Senate; and

"(H) one member shall be appointed by the Chairperson of the Committee on Education and the Workforce of the House of Representatives from among members of the House of Representatives.":

Provided further, That the matter preceding paragraph (1) of section 853(b) of the Higher Education Amendments of 1998 is amended by striking "6 months" and inserting "12 months": Provided further, That the amounts provided under this heading in division A, section 101(f) of Public Law 105–277 for the Web-Based Education Commission, authorized by part J of title VIII of the Higher Education Amendments of 1998, shall remain available through September 30, 2000: Provided further, That $3,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965, including such activities needed to comply with the Government Performance and Results Act of 1993: Provided further, That of the funds available for title IV, part A, subpart 8 of the Higher Education Act of 1965 and notwithstanding any other provision of law, $3,000,000 shall be awarded to the University of South Florida for a distance learning program, $190,000 shall be awarded to the New York Global Communication Center in West Islip, New York for a distance learning program, $1,000,000 shall be awarded to the Alliance for Technology, Learning and Society (ATLAS) at the University of Colorado for technology-enhanced learning, $2,500,000 shall be awarded to the Illinois Community College Board to develop a systemwide, on-line virtual degree program for the community college system in Illinois, and $1,250,000 shall be made available to the University of Idaho Interactive Learning Environments to develop and improve Internet-based delivery of education programs.

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $219,444,000, of which not less than $3,530,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98–480) and shall remain available until expended.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, $737,000 to carry out activities related to existing facility loans entered into under the Higher Education Act of 1965.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965 shall not exceed $357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, $207,000.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994, including sections 411 and 412; section 2102 of title II, and parts A, B, and K and section 10102 and section 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103–227, $492,679,000: Provided, That $25,000,000 shall be available to demonstrate effective approaches to comprehensive school reform, to be allocated and expended in accordance with the instructions relating to this activity in the statement of managers on the conference report accompanying Public Law 105–78 and in the statement of the managers on the conference report accompanying Public Law 105–277: Provided further, That the funds made available for comprehensive school reform shall become available on July 1, 2000, and remain available through September 30, 2001, and in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement: Provided further, That $10,000,000 of the funds provided for the national education research institutes shall be allocated notwithstanding subparagrphs (B) and (C) of section 931(c)(2) of Public Law 103–227: Provided further, That of the funds appropriated under section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, $1,500,000 shall be used to conduct a violence prevention demonstration program: Provided further, That of the funds available for part A of title X of the Elementary and Secondary Education Act of 1965, $10,000,000 shall be awarded to the National Constitution Center, established by Public Law 100–433, for exhibition design, program planning and operation of the center, $10,000,000 shall be provided to continue a demonstration of public school facilities to the Iowa Department of Education, $1,000,000 shall be made available to the New Mexico Department of Education for school performance improvement and drop-out prevention, $300,000 shall be *made available to Semos Unlimited, Inc., in New Mexico to support bilingual education and literacy programs, $700,000 shall be awarded to Loyola University Chicago for recruitment and preparation of new teacher candidates for employment in rural and inner-city schools, $500,000 shall be awarded to Shedd Aquarium/Brookfield Zoo for science education/exposure programs for local elementary school students, $3,000,000 shall be awarded to Big Brothers/Big Sisters of America to expand school-based mentoring, $2,500,000 shall be awarded to the Chicago Public School System to support a substance abuse pilot program in conjunction with Elgin and East Aurora School Systems, $1,000,000 shall be awarded to the University of Virginia Center for Governmental Studies for the Youth Leadership Initiative, $800,000 shall be awarded to the Institute for Student Achievement at Holmes Middle School and Annandale High School in Virginia for academic enrichment programs, $100,000 shall be awarded to the Mountain Arts Center for educational programming, $1,500,000 shall be awarded to the University of Louisville for research in the area of academic readiness, $500,000 shall be awarded to the West Ed Regional Educational Laboratory for the 24 Challenge and Jumping Levels Math Demonstration Project, $1,000,000 shall be awarded to Central Michigan University for a charter schools development and performance institute, $950,000 shall be awarded to the Living Science Interactive Learning Model partnership in Indian River, Florida for a science education program, $825,000 shall be awarded to the North Babylon Community Youth Services for an educational program, $1,000,000 shall be awarded to the Los Angeles County Office of Education/Educational Telecommunications and Technology for a pilot program for teachers, $650,000 shall be awarded to the University of Northern Iowa for an institute of technology for inclusive education, $500,000 shall be awarded to Youth Crime Watch of America to expand a program to prevent crime, drugs and violence in schools, $892,000 shall be awarded to Muhlenberg College in Pennsylvania for an environmental science program, $560,000 shall be awarded to the Western Suffolk St. Johns-LaSalle Academy Science and Technology Mentoring Program, $4,000,000 shall be awarded to the National Teaching Academy of Chicago for a model teacher recruitment, preparation and professional development program, $2,000,000 shall be awarded to the University of West Florida for a teacher enhancement program, $1,000,000 shall be awarded to Delta State University in Mississippi for innovative teacher training, $1,000,000 shall be awarded to the Alaska Humanities Forum, Inc., in Anchorage, Alaska, $250,000 shall be awarded to An Achievable Dream in Newport News, Virginia to improve academic performance of at-risk youths, $250,000 shall be awarded to the Rock School of Ballet in Philadelphia, Pennsylvania, to expand its community-outreach programs for inner-city children and underprivileged youth in Camden, New Jersey and southern New Jersey, $1,000,000 shall be awarded to the University of Maryland Center for Quality and Productivity to provide a link for the Blue Ribbon Schools, $1,000,000 shall be awarded to the Continuing Education Center and Teachers' Institute in South Boston, Virginia to promote participation among youth in the United States democratic process, $1,000,000 shall be for the National Museum of Women in the Arts to expand its "Discovering Art" program to elementary and secondary schools and other educational organizations, $400,000 shall be awarded to the Alaska Department of Education's summer reading program, $400,000 shall be awarded to the Partners in Education, Inc., to foster successful business-school partnerships, $250,000 shall be for the Kodiak Island Borough School District for development of an environmental education program, $2,000,000 shall be for the Reach Out and Read Program to expand literacy and health awareness for at-risk families, $1,000,000 shall be for the Virginia Living Museum in Newport News, Virginia for an educational program, $450,000 shall be for the Challenger Learning Center in Hardin County, Kentucky for technology assistance and teacher training, $250,000 shall be for the Crawford County School System in Georgia for technology and curriculum support, $500,000 shall be for the Berrien County School System in Georgia for technology development, $35,000 shall be for the Louisville Salvation Army Boys and Girls Club Diversion Enhancement Program, $100,000 shall be awarded to the Philadelphia Orchestra's Philly Pops to operate the Jazz in the Schools program in the Philadelphia school district, $500,000 for the Mississippi Delta Education for a teacher incentive program initiative, $500,000 shall be for enhanced teacher training in reading in the District of Columbia, and $100,000 shall be awarded to the Project 2000 D.C. mentoring project: Provided further, That of the funds available for section 10601 of title X of such Act, $2,000,000 shall be awarded to the Center for Educational Technologies for production and distribution of an effective CD-ROM product that would complement the "We the People: The Citizen and the Constitution" curriculum: Provided further, That, in addition to the funds for title VI of Public Law 103–227 and notwithstanding the provisions of section 601(c)(1)(C) of that Act, $1,000,000 shall be available to the Center for Civic Education to conduct a civic education program with Northern Ireland and the Republic of Ireland and, consistent with the civics and Government activities authorized in section 601(c)(3) of Public Law 103–227, to provide civic education assistance to democracies in developing countries. The term "developing countries" shall have the same meaning as the term "developing country" in the Education for the Deaf Act.*

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, $370,184,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $71,200,000.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General, as authorized by section 212 of the Department of Education Organization Act, $34,000,000.

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 305. (a) From the funds appropriated for payments to local educational agencies under section 8003(f) of the Elementary and Secondary Education Act of 1965 ("ESEA") for fiscal year 2000, the Secretary of Education shall distribute supplemental payments for certain local educational agencies, as follows:

(1) First, from the amount of $74,000,000, the Secretary shall make supplemental payments to the following agencies under section 8003(f) of ESEA:

(A) Local educational agencies that received assistance under section 8003(f) for fiscal year 1999—

(i) in fiscal year 1997 had at least 40 percent federally connected children described in section 8003(a)(1) in average daily attendance; and in fiscal year 1997 had a tax rate for general fund purposes which was at least 95 percent of the State average tax rate for general fund purposes; or

(ii) whose boundary is coterminous with the boundary of a Federal military installation.

(B) Local educational agencies that received assistance under section 8003(f) for fiscal year 1999; and in fiscal year 1997 had at least 30 percent federally connected children described in section 8003(a)(1) in average daily attendance; and in fiscal year 1997 had a tax rate for general fund purposes which was at least 125 percent of the State average tax rate for general fund purposes.

(C) Any eligible local educational agency that in fiscal year 1997, which had at least 25,000 children in average daily attendance, at least 50 percent federally connected children described in section 8003(a)(1) in average daily attendance, and at least 6,000 children described in subparagraphs (A) and (B) of section 8003(a)(1) in average daily attendance.

(2) From the remaining $2,000,000 and any amounts available after making payments under paragraph (1), the Secretary shall then make supplemental payments to local educational agencies that are not described in paragraph (1) of this subsection, but that meet the requirements of paragraphs (2) and (4) of section 8003(f) of ESEA for fiscal year 2000.

(3) After making payments to all eligible local educational agencies described in paragraph (2) of subsection (a), the Secretary shall use any remaining funds from paragraph (2) for making payments to the eligible local educational agencies described in paragraph (1) of subsection (a) if the amount available under paragraph (1) is insufficient to fully fund all eligible local educational agencies.

(4) After making payments to all eligible local educational agencies as described in paragraphs 1 through 3, the Secretary shall use any remaining funds to increase basic support payments under section 8003(b) for fiscal year 2000 for all eligible applicants.

(b) In calculating the amounts of supplemental payments for agencies described in subparagraphs (1)(A) and (B) and paragraph (2) of subsection (a), the Secretary shall use the formula contained in section 8003(b)(1)(C) of ESEA, except that—

(1) eligible local educational agencies may count all children described in section 8003(a)(1) in computing the amount of those payments;

(2) maximum payments for any of those agencies that use local contribution rates identified in section 8003(b)(1)(C) (i) or (ii) shall be computed by using four-fifths instead of one-half of those rates;

(3) the learning opportunity threshold percentage of all such agencies under section 8003(b)(2)(B) shall be deemed to be 100;

(4) for an eligible local educational agency with 35 percent or more of its children in average daily attendance described in either subparagraph (D) or (E) of section 8003(a)(1) in fiscal year 1997, the weighted student unit figure from its regular basic support payment shall be recomputed by using a factor of 0.55 for such children;

(5) for an eligible local educational agency with fewer than 100 children in average daily attendance in fiscal year 1997, the weighted student unit figure from its regular basic support payment shall be recomputed by multiplying the total number of children described in section 8003(a)(1) by a factor of 1.75; and

(6) for an eligible local educational agency whose total number of children in average daily attendance in fiscal year 1997 was at least 100, but fewer than 750, the weighted student unit figure from its regular basic support payment shall be recomputed by multiplying the total number of children described in section 8003(a)(1) by a factor of 1.25.

(c) For a local educational agency described in subsection (a)(1)(C) above, the Secretary shall use the formula contained in section 8003(b)(1)(C) of ESEA, except that the weighted student unit total from its regular basic support payment shall be recomputed by using a factor of 1.35 for children described in subparagraphs (A) and (B) of section 8003(a)(1) and its learning opportunity threshold percentage shall be deemed to be 100.

(d) For each eligible local educational agency, the calculated supplemental section 8003(f) payment shall be reduced by subtracting the agency's fiscal year 2000 section 8003(b) basic support payment.

(e) If the sums described in subsections (a)(1) and (2) above are insufficient to pay in full the calculated supplemental payments for the local educational agencies identified in those subsections, the Secretary shall ratably reduce the supplemental section 8003(f) payment to each local educational agency.

SEC. 306. (a) Section 1204(b)(1)(A) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6364(b)(1)(a)) is amended—

(1) in clause (iv), by striking "and" after the semicolon;

(2) by striking clause (v) and adding the following:

"(v) 50 percent in the fifth, sixth, seventh, and eighth such years; and

"(vi) 35 percent in any subsequent such year.".

(b) Section 1208(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking paragraph (3) and inserting the following:

"(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part after the first year, the State educational agency shall review the progress of each eligible entity in meeting the goals of the program referred to in section 1207(c)(1)(A) and shall evaluate the program based on the indicators of program quality developed by the State under section 1210."; and

(2) in paragraph (5)(A), by striking the last sentence.

SEC. 307. (a) Notwithstanding sections 401(j) and 435(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a(j) and 1085(a)(2)) and subject to the requirements of subsection (b), the Secretary of Education shall—

(1) recalculate the official fiscal year 1996 cohort default rate for Jacksonville College of Jacksonville, Texas, on the basis of data corrections confirmed by the Texas Guaranteed Student Loan Corporation; and

(2) restore the eligibility of Jacksonville College to participate in the Federal Pell Grant Program for the 1999–2000 award year and succeeding award years.

(b) Jacksonville College shall implement a default management plan that is satisfactory to the Secretary of Education.

(c) For purposes of determining its Federal Pell Grant Program eligibility, Jacksonville College shall be deemed to have withdrawn from the Federal Family Education Loan program as of October 6, 1998.

SEC. 308. An amount of $14,500,000 from the balances of returned reserve funds, formerly held by the Higher Education Assistance Foundation, that are currently held in Higher Education Assistance Foundation Claims Reserves, Treasury account number 91X6192, and $12,000,000 from funds formerly held by the Higher Education Assistance Foundation, that are currently held in trust, shall be deposited in the general fund of the Treasury.

SEC. 309. Of the funds provided in title III of this Act, under the heading "Higher Education", for title VII, part B of the Higher Education Act of 1965, $250,000 shall be awarded to the Snelling Center for Government at the University of Vermont for a model school program, $750,000 shall be awarded to Texas A&M University, Corpus Christi, for operation of the Early Childhood Development Center, $1,000,000 shall be awarded to Southeast Missouri State University for equipment and curriculum development associated with the University's Polytechnic Institute, $800,000 shall be awarded to the Washington Virtual Classroom Consortium to develop, equip and implement an ecosystem curriculum, $500,000 shall be provided to the Puget Sound Center for Technology for faculty development activities for the use of technology in the classroom, $500,000 shall be awarded to the Center for the Advancement of Distance Education in Rural America, $3,000,000, to be available until expended, shall be awarded to the University Center of Lake County, Illinois and $1,000,000, to be available until expended, shall be awarded to the Oregon University System for activities authorized under title III, part A, section 311(c)(2), of the Higher Education Act of 1965, as amended, $500,000 shall be awarded to Columbia College Illinois for a freshman retention program, $1,500,000 shall be awarded to the University of Hawaii at Manoa for a Globalization Research Center, $2,000,000 shall be awarded to the University of Arkansas at Pine Bluff for technology infrastructure, $1,000,000 shall be awarded to the I Have a Dream Foundation, $1,000,000 shall be awarded to a demonstration program for activities authorized under part G of title VIII of the Higher Education Act of 1965, as amended, $1,500,000 shall be awarded to the Daniel J. Evans School of Public Policy at the University of Washington, $200,000 shall be awarded to North Dakota State University for the Career Program for Dislocated Farmers and Ranchers, $350,000 shall be awarded to North Dakota State University for the Tech-based Industry Traineeship Program, $1,500,000 shall be awarded to Washington State University for the Thomas S. Foley Institute to support programs in congressional studies, public policy, voter education, and to ensure community access and outreach, $200,000 shall be awarded to Minot State University for the Rural Communications Disabilities Program, $300,000 shall be awarded to Bryant College for the Linking International Trade Education Program (LITE), $1,000,000 shall be awarded to Concord College, West Virginia for a technology center to further enhance the technical skills of West Virginia teachers and students, $200,000 shall be awarded to Peirce College in Philadelphia, Pennsylvania for education and training programs, $250,000 shall be awarded to the Philadelphia Zoo for educational programs, $800,000 shall be awarded to Spelman College in Georgia for educational operations, $1,000,000 shall be awarded to the Philadelphia University Education Center for technology education, $725,000 shall be awarded to Lock Haven University for technology innovations, $250,000 for Middle Georgia College for an advanced distributed learning center demonstration program, $1,000,000 for the University of the Incarnate Word in San Antonio, Texas, to improve teacher capabilities in technology, $1,000,000 for Elmira College in New York for a technology enhancement initiative, $1,000,000 shall be awarded to the Southeastern Pennsylvania Consortium on Higher Education for education programs, $400,000 shall be awarded to Lehigh University Iacocca Institute for educational training, $250,000 shall be awarded to Lafayette College for arts education, $1,000,000 shall be awarded to Lewis and Clark College for the Crime Victims Law Institute, $1,650,000 for Rust College in Mississippi for technology infrastructure, $500,000 for the University of Notre Dame for a teacher quality initiative, and $2,000,000 shall be awarded to the Western Governors University for a distance learning initiative.

This title may be cited as the "Department of Education Appropriations Act, 2000".

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers' and Airmen's Home and the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $68,295,000, of which $12,696,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: Provided, That, notwithstanding any other provision of law, a single contract or related contracts for development and construction, to include construction of a long-term care facility at the United States Naval Home, may be employed which collectively, include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232–18 and 252.232–7007, Limitation of Government Obligations.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $295,645,000: Provided, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by part E of title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends to volunteers or volunteer leaders whose incomes exceed the income guidelines established for payment of stipends under the Foster Grandparent and Senior Companion programs: Provided further, That the foregoing proviso shall not apply to the Seniors for Schools program.

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2002, $350,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: Provided further, That in addition to the amounts provided above, $10,000,000 shall be for digitalization, only if specifically authorized by subsequent legislation enacted by September 30, 2000.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171–180, 182–183), including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95–454 (5 U.S.C. ch. 71), $36,834,000, including $1,500,000, to remain available through September 30, 2001, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $6,159,000.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF LIBRARY SERVICES: GRANTS AND ADMINISTRATION

For carrying out subtitle B of the Museum and Library Services Act, $163,250,000, of which $19,356,000 shall be awarded to national leadership projects, notwithstanding section 221(a)(1)(B): Provided, That of the amount provided, $700,000 shall be awarded to the Library and Archives of New Hampshire's Political Tradition at the New Hampshire State Library, $1,000,000 shall be awarded to the Vermont Department of Libraries in Montpelier, Vermont, $750,000 shall be awarded to consolidation and preservation of archives and special collections at the University of Miami Library in Coral Gables, Florida, $1,900,000 shall be awarded to exhibits and library improvements for the Mississippi River Museum and Discovery Center in Dubuque, Iowa, $750,000 shall be awarded to the Alaska Native Heritage Center in Anchorage, Alaska, $750,000 shall be awarded to the Peabody-Essex Museum in Salem, Massachusetts, $750,000 shall be awarded to the Bishop Museum in Hawaii, $200,000 shall be awarded to Oceanside Public Library in California for a local cultural heritage project, $1,000,000 shall be awarded to the Urban Children's Museum Collaborative to develop and implement pilot programs dedicated to serving at-risk children and their families, $150,000 shall be awarded to the Troy State University Dothan in Alabama for archival of a special collection, $450,000 shall be awarded to Chadron State College in Nebraska for the Mari Sandoz Center, and $350,000 shall be awarded to the Alabama A&M University Alabama State Black Archives Research Center and Museum.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1805 of the Social Security Act, $7,015,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91–345, as amended), $1,300,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, $2,400,000.

NATIONAL EDUCATION GOALS PANEL

For expenses necessary for the National Education Goals Panel, as authorized by title II, part A of the Goals 2000: Educate America Act, $2,250,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141–167), and other laws, $199,500,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151–188), including emergency boards appointed by the President, $9,100,000: Provided, That unobligated balances at the end of fiscal year 2000 not needed for emergency boards shall remain available for other statutory purposes through September 30, 2001.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $8,500,000.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $174,000,000, which shall include amounts becoming available in fiscal year 2000 pursuant to section 224(c)(1)(B) of Public Law 98–76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds $174,000,000: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $150,000, to remain available through September 30, 2001, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98–76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $91,000,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $5,400,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $20,764,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, $383,638,000, to remain available until expended.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 2001, $124,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92–603, section 212 of Public Law 93–66, as amended, and section 405 of Public Law 95–216, including payment to the Social Security trust funds for administrative expenses incurred pursuant *to section 201(g)(1) of the Social Security Act, $21,503,085,000, to remain available until expended: Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.*

From funds provided under the previous paragraph, not less than $100,000,000 shall be available for payment to the Social Security trust funds for administrative expenses for conducting continuing disability reviews.

In addition, $200,000,000, to remain available until September 30, 2001, for payment to the Social Security trust funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104–121 and section 10203 of Public Law 105–33. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2001, $9,890,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $10,000 for official reception and representation expenses, not more than $6,093,871,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: Provided, That not less than $1,800,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances at the end of fiscal year 2000 not needed for fiscal year 2000 shall remain available until expended to invest in the Social Security Administration computing network, including related equipment and non-payroll administrative expenses associated solely with this network: Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

From funds provided under the previous paragraph, notwithstanding the provision under this heading in Public Law 105–277 regarding unobligated balances at the end of fiscal year 1999 not needed for such fiscal year, an amount not to exceed $50,000,000 from such unobligated balances shall, in addition to funding already available under this heading for fiscal year 2000, be available for necessary expenses.

From funds provided under the first paragraph, not less than $200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, $405,000,000, to remain available until September 30, 2001, for continuing disability reviews as authorized by section 103 of Public Law 104–121 and section 10203 of Public Law 105–33. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

In addition, $80,000,000 to be derived from administration fees in excess of $5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 2000 exceed $80,000,000, the amounts shall be available in fiscal year 2001 only to the extent provided in advance in appropriations Acts.

From amounts previously made available under this heading for a state-of-the-art computing network, not to exceed $100,000,000 shall be available for necessary expenses under this heading, subject to the same terms and conditions.

From funds provided under the first paragraph, the Commissioner of Social Security may direct up to $3,000,000, in addition to funds previously appropriated for this purpose, to continue Federal-State partnerships which will evaluate means to promote Medicare buy-in programs targeted to elderly and disabled individuals under titles XVIII and XIX of the Social Security Act.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $15,000,000, together with not to exceed $51,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the "Limitation on Administrative Expenses", Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House and Senate.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $13,000,000.

TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: Provided, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed $20,000 and $15,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 506. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 507. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 508. (a) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for any abortion.

(b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term "health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical

condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

SEC. 510. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term "human embryo or embryos" includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

SEC. 511. (a) LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES.—None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) EXCEPTIONS.—The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

SEC. 513. Except as otherwise specifically provided by law, unobligated balances remaining available at the end of fiscal year 2000 from appropriations made available for salaries and expenses for fiscal year 2000 in this Act, shall remain available through December 31, 2000, for each such account for the purposes authorized: Provided, That the House and Senate Committees on Appropriations shall be notified at least 15 days prior to the obligation of such funds.

SEC. 514. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d–2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.

SEC. 515. Section 520(c)(2)(D) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, as amended, is further amended by striking "December 31, 1997" and inserting "December 31, 1999".

SEC. 516. The United States-Mexico Border Health Commission Act (22 U.S.C. 290n et seq.) is amended—

(1) by striking section 2 and inserting the following:

"SEC. 2. APPOINTMENT OF MEMBERS OF BORDER HEALTH COMMISSION.

"Not later than 30 days after the date of the enactment of this section, the President shall appoint the United States members of the United States-Mexico Border Health Commission, and shall attempt to conclude an agreement with Mexico providing for the establishment of such Commission."; and

(2) in section 3—

(A) in paragraph (1), by striking the semicolon and inserting "; and";

(B) in paragraph (2)(B), by striking "; and" and inserting a period; and

(C) by striking paragraph (3).

SEC. 517. The applicable time limitations with respect to the giving of notice of injury and the filing of a claim for compensation for disability or death by an individual under the Federal Employees' Compensation Act, as amended, for injuries sustained as a result of the person's exposure to a nitrogen or sulfur mustard agent in the performance of official duties as an employee at the Department of the Army's Edgewood Arsenal before March 20, 1944, shall not begin to run until the date of the enactment of this Act.

SEC. 518. Section 169(d)(2)(B) of Public Law 105–220, the Workforce Investment Act of 1998, is amended by striking "or Alaska Native villages or Native groups (as such terms are defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602))." and inserting "or Alaska Natives.".

SEC. 519. Of the funds appropriated or otherwise made available in this Act for salaries and expenses for fiscal year 2000, $121,000,000, to be allocated by the Office of Management and Budget, are permanently canceled: Provided, That, within 30 days of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate showing the allocation of the $121,000,000.

TITLE VI—EARLY DETECTION, DIAGNOSIS, AND INTERVENTIONS FOR NEWBORNS AND INFANTS WITH HEARING LOSS

SEC. 601. (a) DEFINITIONS.—For the purposes of this section only, the following terms in this section are defined as follows:

(1) HEARING SCREENING.—Newborn and infant hearing screening consists of objective physiologic procedures to detect possible hearing loss and to identify newborns and infants who, after rescreening, require further audiologic and medical evaluations.

(2) AUDIOLOGIC EVALUATION.—Audiologic evaluation consists of procedures to assess the status of the auditory system; to establish the site of the auditory disorder; the type and degree of hearing loss, and the potential effects of hearing loss on communication; and to identify appropriate treatment and referral options. Referral options should include linkage to State IDEA part C coordinating agencies or other appropriate agencies, medical evaluation, hearing aid/sensory aid assessment, audiologic rehabilitation treatment, national and local consumer, self-help, parent, and education organizations, and other family-centered services.

(3) MEDICAL EVALUATION.—Medical evaluation by a physician consists of key components including history, examination, and medical decision making focused on symptomatic and related body systems for the purpose of diagnosing the etiology of hearing loss and related physical conditions, and for identifying appropriate treatment and referral options.

(4) MEDICAL INTERVENTION.—Medical intervention is the process by which a physician provides medical diagnosis and direction for medical and/or surgical treatment options of hearing loss and/or related medical disorder associated with hearing loss.

(5) AUDIOLOGIC REHABILITATION.—Audiologic rehabilitation (intervention) consists of procedures, techniques, and technologies to facilitate the receptive and expressive communication abilities of a child with hearing loss.

(6) EARLY INTERVENTION.—Early intervention (e.g., nonmedical) means providing appropriate services for the child with hearing loss and ensuring that families of the child are provided comprehensive, consumer-oriented information about the full range of family support, training, information services, communication options and are given the opportunity to consider the full range of educational and program placements and options for their child.

(b) PURPOSES.—The purposes of this section are to clarify the authority within the Public Health Service Act to authorize statewide newborn and infant hearing screening, evaluation and intervention programs and systems, technical assistance, a national applied research program, and interagency and private sector collaboration for policy development, in order to assist the States in making progress toward the following goals:

(1) All babies born in hospitals in the United States and its territories should have a hearing screening before leaving the birthing facility. Babies born in other countries and residing in the United States via immigration or adoption should have a hearing screening as early as possible.

(2) All babies who are not born in hospitals in the United States and its territories should have a hearing screening within the first 3 months of life.

(3) Appropriate audiologic and medical evaluations should be conducted by 3 months for all newborns and infants suspected of having hearing loss to allow appropriate referral and provisions for audiologic rehabilitation, medical and early intervention before the age of 6 months.

(4) All newborn and infant hearing screening programs and systems should include a component for audiologic rehabilitation, medical and early intervention options that ensures linkage to any new and existing statewide systems of intervention and rehabilitative services for newborns and infants with hearing loss.

(5) Public policy in regard to newborn and infant hearing screening and intervention should be based on applied research and the recognition that newborns, infants, toddlers, and children who are deaf or hard-of-hearing have unique language, learning, and communication needs, and should be the result of consultation with pertinent public and private sectors.

(c) STATEWIDE NEWBORN AND INFANT HEARING SCREENING, EVALUATION AND INTERVENTION PROGRAMS AND SYSTEMS.—Under the existing authority of the Public Health Service Act, the Secretary of Health and Human Services (in this section referred to as the "Secretary"), acting through the Administrator of the Health Resources and Services Administration, shall make awards of grants or cooperative agreements to develop statewide newborn and infant hearing screening, evaluation and intervention programs and systems for the following purposes:

(1) To develop and monitor the efficacy of statewide newborn and infant hearing screening, evaluation and intervention programs and

systems. Early intervention includes referral to schools and agencies, including community, consumer, and parent-based agencies and organizations and other programs mandated by part C of the Individuals with Disabilities Education Act, which offer programs specifically designed to meet the unique language and communication needs of deaf and hard-of-hearing newborns, infants, toddlers, and children.

(2) To collect data on statewide newborn and infant hearing screening, evaluation and intervention programs and systems that can be used for applied research, program evaluation and policy development.

(d) TECHNICAL ASSISTANCE, DATA MANAGEMENT, AND APPLIED RESEARCH.—

(1) CENTERS FOR DISEASE CONTROL AND PREVENTION.—Under the existing authority of the Public Health Service Act, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall make awards of grants or cooperative agreements to provide technical assistance to State agencies to complement an intramural program and to conduct applied research related to newborn and infant hearing screening, evaluation and intervention programs and systems. The program shall develop standardized procedures for data management and program effectiveness and costs, such as—

(A) to ensure quality monitoring of newborn and infant hearing loss screening, evaluation, and intervention programs and systems;

(B) to provide technical assistance on data collection and management;

(C) to study the costs and effectiveness of newborn and infant hearing screening, evaluation and intervention programs and systems conducted by State-based programs in order to answer issues of importance to State and national policymakers;

(D) to identify the causes and risk factors for congenital hearing loss;

(E) to study the effectiveness of newborn and infant hearing screening, audiologic and medical evaluations and intervention programs and systems by assessing the health, intellectual and social developmental, cognitive, and language status of these children at school age; and

(F) to promote the sharing of data regarding early hearing loss with State-based birth defects and developmental disabilities monitoring programs for the purpose of identifying previously unknown causes of hearing loss.

(2) NATIONAL INSTITUTES OF HEALTH.—Under the existing authority of the Public Health Service Act, the Director of the National Institutes of Health, acting through the Director of the National Institute on Deafness and Other Communication Disorders, shall for purposes of this section, continue a program of research and development on the efficacy of new screening techniques and technology, including clinical studies of screening methods, studies on efficacy of intervention, and related research.

(e) COORDINATION AND COLLABORATION.—

(1) IN GENERAL.—Under the existing authority of the Public Health Service Act, in carrying out programs under this section, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall collaborate and consult with other Federal agencies; State and local agencies, including those responsible for early intervention services pursuant to title XIX of the Social Security Act (Medicaid Early and Periodic Screening, Diagnosis and Treatment Program); title XXI of the Social Security Act (State Children's Health Insurance Program); title V of the Social Security Act (Maternal and Child Health Block Grant Program); and part C of the Individuals with Disabilities Education Act; consumer groups of and that serve individuals who are deaf and hard-of-hearing and their families; appropriate national medical and other health and education specialty organizations; persons who are deaf and hard-of-hearing and their families; other qualified professional personnel who are proficient in deaf or hard-of-hearing children's language and who possess the specialized knowledge, skills, and attributes needed to serve deaf and hard-of-hearing newborns, infants, toddlers, children, and their families; third-party payers and managed care organizations; and related commercial industries.

(2) POLICY DEVELOPMENT.—Under the existing authority of the Public Health Service Act, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall coordinate and collaborate on recommendations for policy development at the Federal and State levels and with the private sector, including consumer, medical and other health and education professional-based organizations, with respect to newborn and infant hearing screening, evaluation and intervention programs and systems.

(3) STATE EARLY DETECTION, DIAGNOSIS, AND INTERVENTION PROGRAMS AND SYSTEMS; DATA COLLECTION.—Under the existing authority of the Public Health Service Act, the Administrator of the Health Resources and Services Administration and the Director of the Centers for Disease Control and Prevention shall coordinate and collaborate in assisting States to establish newborn and infant hearing screening, evaluation and intervention programs and systems under subsection (c) and to develop a data collection system under subsection (d).

(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to preempt any State law.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) STATEWIDE NEWBORN AND INFANT HEARING SCREENING, EVALUATION AND INTERVENTION PROGRAMS AND SYSTEMS.—For the purpose of carrying out subsection (c) under the existing authority of the Public Health Service Act, there are authorized to the Health Resources and Services Administration appropriations in the amount of $5,000,000 for fiscal year 2000, $8,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal year 2002.

(2) TECHNICAL ASSISTANCE, DATA MANAGEMENT, AND APPLIED RESEARCH; CENTERS FOR DISEASE CONTROL AND PREVENTION.—For the purpose of carrying out subsection (d)(1) under the existing authority of the Public Health Service Act, there are authorized to the Centers for Disease Control and Prevention, appropriations in the amount of $5,000,000 for fiscal year 2000, $7,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal year 2002.

(3) TECHNICAL ASSISTANCE, DATA MANAGEMENT, AND APPLIED RESEARCH; NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS.—For the purpose of carrying out subsection (d)(2) under the existing authority of the Public Health Service Act, there are authorized to the National Institute on Deafness and Other Communication Disorders appropriations for such sums as may be necessary for each of the fiscal years 2000 through 2002.

This Act may be cited as the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000".

DIVISION C

RESCISSIONS AND OFFSETS

SEC. 1001. (a) ACROSS-THE-BOARD RESCISSIONS.—There is hereby rescinded an amount equal to 0.97 percent of—

(1) the budget authority provided (or obligation limitation established) for fiscal year 2000 for any discretionary account in any fiscal year 2000 appropriation law;

(2) the budget authority provided (or obligation limitation established) in any advance appropriation for fiscal year 2000 for any discretionary account in any prior fiscal year appropriation law; and

(3) the budget authority provided in any fiscal year 2000 appropriation law that would have been estimated as increasing direct spending for fiscal year 2000 under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 were it included in a law other than an appropriation law and not designated as an emergency requirement.

(b) PROPORTIONATE APPLICATION.—Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account and each item of budget authority described in subsection (a)(3); and

(2) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(c) SUBSEQUENT APPROPRIATION LAWS.—In the case of any fiscal year 2000 appropriation law enacted after the enactment of this section, any rescission required by subsection (a) shall take effect immediately after the enactment of such law.

(d) OMB REPORTS.—Within 30 days after the date of the enactment of this section (or, if later, 30 days after the date of the enactment of any fiscal year 2000 appropriation law), the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report specifying the amount of each rescission made pursuant to this section.

(e) SAME PERCENTAGE REDUCTION APPLICABLE TO PAY FOR MEMBERS OF CONGRESS.—

(1) IN GENERAL.—In determining rates of pay for service performed in any fiscal year beginning after September 30, 1999, the rate of pay for a Member of Congress shall be determined as if the fiscal year 2000 pay adjustment (taking effect in January 2000) had resulted in a rate equal to—

(A) the rate of pay that would otherwise have taken effect for the position involved beginning in January 2000 (if this section had not been enacted), reduced by

(B) the same percentage as specified in subsection (a).

(2) DEFINITIONS.—For purposes of this subsection—

(A) the term "Member of Congress" refers to any position under subparagraph (A), (B), or (C) of section 601(a)(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31(1)(A)-(C)); and

(B) the term "fiscal year 2000 pay adjustment" means the adjustment in rates of pay scheduled to take effect in fiscal year 2000 under section 601(a)(2) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31(2)).

SEC. 1002. (a) Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following:

"(6) INFORMATION COMPARISONS AND DISCLOSURE FOR ENFORCEMENT OF OBLIGATIONS ON HIGHER EDUCATION ACT LOANS AND GRANTS.—

"(A) FURNISHING OF INFORMATION BY THE SECRETARY OF EDUCATION.—The Secretary of Education shall furnish to the Secretary, on a quarterly basis or at such less frequent intervals as may be determined by the Secretary of Education, information in the custody of the Secretary of Education for comparison with information in the National Directory of New Hires, *in order to obtain the information in such directory with respect to individuals who—*

"(i) are borrowers of loans made under title IV of the Higher Education Act of 1965 that are in default; or

"(ii) owe an obligation to refund an overpayment of a grant awarded under such title.

"(B) Requirement to seek minimum information necessary.—The Secretary of Education shall seek information pursuant to this section only to the extent essential to improving collection of the debt described in subparagraph (A).

"(C) Duties of the secretary.—

"(i) Information comparison; disclosure to the secretary of education.—The Secretary, in cooperation with the Secretary of Education, shall compare information in the National Directory of New Hires with information in the custody of the Secretary of Education, and disclose information in that Directory to the Secretary of Education, in accordance with this paragraph, for the purposes specified in this paragraph.

"(ii) Condition on disclosure.—The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part. Support collection under section 466(b) shall be given priority over collection of any defaulted student loan or grant overpayment against the same income.

"(D) Use of information by the secretary of education.—The Secretary of Education may use information resulting from a data match pursuant to this paragraph only—

"(i) for the purpose of collection of the debt described in subparagraph (A) owed by an individual whose annualized wage level (determined by taking into consideration information from the National Directory of New Hires) exceeds $16,000; and

"(ii) after removal of personal identifiers, to conduct analyses of student loan defaults.

"(E) Disclosure of information by the secretary of education.—

"(i) Disclosures permitted.—The Secretary of Education may disclose information resulting from a data match pursuant to this paragraph only to—

"(I) a guaranty agency holding a loan made under part B of title IV of the Higher Education Act of 1965 on which the individual is obligated;

"(II) a contractor or agent of the guaranty agency described in subclause (I);

"(III) a contractor or agent of the Secretary; and

"(IV) the Attorney General.

"(ii) Purpose of disclosure.—The Secretary of Education may make a disclosure under clause (i) only for the purpose of collection of the debts owed on defaulted student loans, or overpayments of grants, made under title IV of the Higher Education Act of 1965.

"(iii) Restriction on redisclosure.—An entity to which information is disclosed under clause (i) may use or disclose such information only as needed for the purpose of collecting on defaulted student loans, or overpayments of grants, made under title IV of the Higher Education Act of 1965.

"(F) Reimbursement of HHS costs.—The Secretary of Education shall reimburse the Secretary, in accordance with subsection (k)(3), for the additional costs incurred by the Secretary in furnishing the information requested under this subparagraph.".

(b) Penalties for Misuse of Information.—Section 402(a) of the Child Support Performance and Incentive Act of 1998 (112 Stat. 669) is amended in the matter added by paragraph (2) by inserting "or any other person" after "officer or employee of the United States".

(c) Effective Date.—The amendments made by this section shall become effective October 1, 1999.

Sec. 1003. Section 110 of title 23, United States Code, is amended by adding at the end the following:

"(e) After making any calculation necessary to implement this section for fiscal year 2001, the amount available under paragraph (a)(1) shall be increased by $328,655,000. The amounts added under this subsection shall not apply to any calculation in any other fiscal year.

"(f) For fiscal year 2001, prior to making any distribution under this section, $56,231,000 of the allocation under paragraph (a)(1) shall be available only for each program authorized under chapter 53 of title 49, United States Code, and title III of Public Law 105–178, in proportion to each such program's share of the total authorizations in section 5338 (other than 5338(h)) of such title and sections 3037 and 3038 of such Public Law, under the terms and conditions of chapter 53 of such title.

"(g) For fiscal year 2001, prior to making any distribution under this section, $1,019,000 of the allocation under paragraph (a)(1) shall be available only for motor carrier safety programs under sections 31104 and 31107 of title 49, United States Code; $698,000 for NHTSA operations and research under section 403 of title 23, United States Code; and $2,008,000 for NHTSA highway traffic safety grants under chapter 4 of title 23, United States Code.".

Amend the title so as to read "An Act making appropriations for the District of Columbia, and for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2000, and for other purposes.".

And the Senate agree to the same.

Ernest J. Istook, Jr.,
Randy "Duke"
Cunningham,
Todd Tiahrt,
Robert B. Aderholt,
Jo Ann Emerson,
John E. Sununu,
Bill Young,
Managers on the Part of the House.

Kay Bailey Hutchison,
Ted Stevens,
Pete Domenici,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3064) making appropriations for the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the mangers and recommended in the accompanying conference report.

The composition of this conference agreement includes more than the District of Columbia Appropriations Act for fiscal year 2000. While the House version of H.R. 3064 and the Senate amendment in the nature of a substitute dealt only with District of Columbia appropriations, the conference report was expanded to include Departments of Labor, Health and Human Services, and Education and related agencies appropriations. Appropriations for the District of Columbia are included in Division A. Appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies are included in Division B.

Since the conference agreement is expanded to include the Departments of Labor, Health and Human Services, and Education, and related agencies, the title of the bill is amended to reflect this.

DIVISION A

District of Columbia Appropriations

The conferees on H.R. 3064 agree with the matter inserted in this division of this conference agreement and the following description of this matter. This matter was developed through the negotiations on the differences in the House and Senate versions of H.R. 3064, the District of Columbia Appropriations Act, 2000, by members of the appropriations subcommittee of both the House and Senate with jurisdiction over H.R. 3064.

The Division A portion of this joint explanatory statement includes more than a description of the resolution of the differences between the House and Senate versions of H.R. 3064. It also provides a more full description of the matter not in disagreement between the two Houses. Since H.R. 2587, the initial District of Columbia Appropriations Act, 2000, was vetoed, the conferees have expanded this statement to provide an explanation of the additional matter that was not changed in H.R. 3064 as guidance in implementing this conference agreement.

A description of the resolution of the differences between the House and Senate on H.R. 3064 follows next.

DISTRICT OF COLUMBIA FUNDS

Government Direction and Support

The conference action inserts a proviso as proposed by the Senate concerning the salary of members of the Council of the District of Columbia.

Public Education System

The conferees are aware of the Values First program that is designed to bring character education to the District's public elementary schools. The conferees are aware that ten schools now have such a program. The conferees encourage the public school system to continue to expand the Values First program and expend the funds necessary to implement this program on a broader basis.

General Provisions

The conference action inserts a new subsection (b) in section 129 as proposed by the Senate that allows an increase in payments to attorneys representing special education students if the Mayor, control board, and Superintendent of Public Schools concur in a Memorandum of Understanding setting forth the increase.

The conference action continues the prohibition in section 150 on using Federal or local funds to support needle exchange programs, but without the restriction on privately-funded programs.

The conference action revises section 151 concerning the monitoring of real property leases entered into by the District government.

The conference action revises section 152 concerning new leases and purchases of real property by the District government.

The conference action inserts a new section 173 as proposed by the Senate that allows the DC Corporation Counsel to review and comment on briefs in private lawsuits and to consult with officials of the District government regarding such lawsuits.

The conference action inserts a new section 174 as proposed by the Senate concerning wireless communication and antenna applications. The language recommended by the conferees requires the National Park

Service to implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the issuance of right-of-way permits, within 7 days of the enactment of this Act. Concerning future applications for siting on Federal land, the responsible Federal agency is directed to take final action to approve or deny each application, including action on the issuance of right-of-way permits at market rates, within 120 days of the receipt of such application. This 120-day directive does not change or eliminate the obligation that the responsible Federal agency must comply with existing laws.

The conference action inserts a new section 175 that amends the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Public Law 106–74), by making certain technical corrections and adding language reflecting the intent of the conferees on that Act.

What follows next is a description of the resolution of selected differences between the House and Senate on the initial District of Columbia Appropriations Act, 2000, H.R. 2587, that was vetoed. Even though there were differences between the House and Senate versions of H.R. 2587, the resolution of these selected differences was incorporated as identical text in both versions of H.R. 3064. A description of the resolution of these selected differences is included in this conference agreement on H.R. 3064 because an understanding of them is important to the overall implementation of this Act.

The conference agreement on H.R. 3064 incorporates some of the provisions of both the House and Senate versions of H.R. 2587. The language and allocations set forth in House Report 106–249 and Senate Report 106–88 are to be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary. The agreement herein, while repeating some report language for emphasis, does not negate the language referenced above unless expressly provided. General provisions which were identical in the House and Senate passed versions of H.R. 2587 and not changed in H.R. 3064 and that are unchanged by this conference agreement are approved unless provided to the contrary herein.

TITLE I—FISCAL YEAR 2000 APPROPRIATIONS

FEDERAL FUNDS

Federal Payment for Resident Tuition Support

Appropriates $17,000,000 as proposed by the House and the Senate and makes modifications specifying that the entire $17,000,000 will be available if the authorized program is a nationwide program and $11,000,000 will be available if the program is for a limited number of States. The language also allows the District to use local tax revenues for this program.

Federal Payment for Incentives for Adoption of Children

Appropriates $5,000,000 instead of $8,500,000 as proposed by the House and includes language allowing the funds to be used for local tax credits to offset costs incurred by individuals in adopting children in the District's foster care system and for health care needs of the children in accordance with legislation to be enacted by the District government.

Federal Payment to the Citizen Complaint Review Board

Appropriates $500,000 instead of $1,200,000 as proposed by the House. This amount together with $700,000 in local funds will provide a total of $1,200,000 for the Board's operations in fiscal year 2000. The conferees recognize the importance of an independent review body to act as a forum for the review and resolution of complaints against officers of the Metropolitan Police Department and special officers employed by the District of Columbia. The conferees also request that the Mayor's office provide a comprehensive plan for the use of the Civilian Complaint Review Board. The plan/report should contain information about the problems of the previous review board and what will be done to avoid these problems with the new board.

Federal Payment to the Department of Human Services

Appropriates $250,000 for a mentoring program and for hotline services as proposed by the House.

Federal Payment to the District of Columbia Corrections Trustee Operations

Appropriates $176,000,000 as proposed by the Senate instead of $183,000,000 as proposed by the House and includes language allowing the Corrections Trustee to use interest earnings of up to $4,600,000 to assist the Trustee with the sharp, rather unexpected increase in the overall inmate population.

Federal Payment to the District of Columbia Courts

Appropriates $99,714,000 instead of $100,714,000 as proposed by the House and $136,440,000 as proposed by the Senate. The reduction below the House allowance reflects the $1,000,000 in the capital program as proposed by the Senate.

Courts' budget.—The conferees request that budget information submitted by the Courts with their FY 2001 and future budgets include grants and reimbursements from all other sources so that information on total resources available to the courts will be available.

Defender Services in the District of Columbia Courts

Appropriates $33,336,000 as proposed by the House and includes language proposed by the Senate requiring monthly financial reports. The conferees have included language allowing the Joint Committee on Judicial Administration to use interest earnings of up to $1,200,000 to make payments for obligations incurred during fiscal year 1999 for services provided by attorneys for indigents. The availability of this additional amount is contingent on a certification by the Comptroller General. The Courts have reported that they anticipate a shortfall of "approximately $1,000,000" in fiscal year 1999 for the Criminal Justice Act program.

Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia

Appropriates $93,800,000 instead of $105,500,000 as proposed by the House and $80,300,000 as proposed by the Senate. The increase above the Senate allowance includes $7,000,000 for increased drug testing and treatment and $6,500,000 for additional parole and probation officers instead of $13,200,000 and $10,000,000, respectively, as proposed by the House.

Children's National Medical Center

Appropriates $2,500,000 for Children's National Medical Center instead of $3,500,000 as proposed by the House.

Federal Payment for Metropolitan Police Department

Appropriates $1,000,000 for the Metropolitan Police as proposed by the Senate. The conferees recognize the devastating problems caused by illegal drug use and fully support this program to eliminate open air drug trafficking in all four quadrants of the District of Columbia. The conferees have included language requiring quarterly reports to the Congress on all four quadrants. The reports should include, at a minimum, the amounts expended, the number of personnel involved, and the overall results and effectiveness of the open air drug program in eliminating the drug trafficking problem.

DISTRICT OF COLUMBIA FUNDS

Governmental Direction and Support

OFFICE OF THE CHIEF TECHNOLOGY OFFICER

The conferees are concerned that the District's child support system is not Y2K compliant. The conferees have been advised that the Office of Corporation Counsel is responsible for developing, operating, and maintaining this system which is used by the District's courts to collect child support payments from absentee parents, disburse payments to custodial parents, and account for these activities. The conferees urge the District's Chief Technology Officer to provide the Office of Corporation Counsel with the necessary support to ensure that: (1) The system is promptly remediated and tested, and (2) a business continuity and contingency plan that includes a Courts' child support functions is in place. The conferees request a report on this matter by November 1, 1999.

PUBLIC SAFETY AND JUSTICE

Appropriates $778,770,000 including $565,511,000 from local funds and $184,247,000 from other funds instead of $785,670,000 including $565,411,000 from local funds and $191,247,000 from other funds as proposed by the House and $778,470,000 including $565,211,000 from local funds and $184,247,000 from other funds as proposed by the Senate. The increase of $300,000 above the Senate allowance will provide a total of $1,200,000 for the Citizen Complaint Review Board consisting of $500,000 in Federal funds and $700,000 in local funds instead of a total of $900,000 in local funds as proposed by the Senate.

The conference action retains the proviso that caps the number of police officers assigned to the Mayor's security detail at 15 as proposed by the House.

The conference action includes a proviso that allows up to $700,000 in local funds for the Citizen Complaint Review Board instead of $900,000 in local funds as proposed by the Senate.

FIRE DEPARTMENT

The conferees recommend that the Fire and Emergency Medical Services Department conduct a study about the need for placement of automated external defibrillators in Federal buildings.

PUBLIC EDUCATION SYSTEM

The conference action includes the proviso proposed by the Senate concerning the Weighted Student Formula and the setting aside of five percent of the total budget which is to be apportioned when the current student count for public and charter schools has been completed. The conference action also includes a proviso proposed by the Senate allowing $500,000 for a Schools Without Violence program.

HUMAN SUPPORT SERVICES

Appropriates $1,526,361,000 including $635,373,000 from local funds as proposed by the House instead of $1,526,111,000 including $635,123,000 as proposed by the Senate.

PUBLIC WORKS

The conference action deletes the proviso earmarking funds as proposed by the Senate.

RECEIVERSHIP PROGRAMS

Appropriates $342,077,000 including $217,606,000 from local funds instead of $345,577,000 including $221,106,000 from local funds as proposed by the House and $337,077,000 including $212,606,000 from local funds as proposed by the Senate.

RESERVE

The conference action deletes the proviso concerning expenditure criteria as proposed by the Senate.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

The conference action retains the proviso concerning the cap on the salary levels of the Executive Director and the General Counsel as proposed by the House.

PRODUCTIVITY BANK

The conference action retains the proviso requiring quarterly reports as proposed by the House.

PRODUCTIVITY BANK SAVINGS

The conference action retains the proviso requiring quarterly reports as proposed by the House.

PROCUREMENT AND MANAGEMENT SAVINGS

The conference action restores the proviso requiring quarterly reports as proposed by the House and deletes the proviso requiring Council approval of a resolution authorizing management reform savings proposed by the Senate.

D.C. RETIREMENT BOARD

The conference action amends the cap on the compensation of the Chairman of the Board and the Chairman of the Investment Committee of the Board to $7,500 instead of $10,000 as proposed by the House.

CAPITAL OUTLAY

The conference action revises the first paragraph for clarity as proposed by the House.

SUMMARY TABLE OF CONFERENCE RECOMMENDATIONS BY AGENCY AND FY 2000 FINANCIAL PLAN

A summary table showing the Federal appropriations by account and the allocation of District funds by agency or office under each appropriation heading for fiscal year 1999, the fiscal year 2000 request, the House and Senate recommendations, and the conference allowance, and the fiscal year 2000 Financial Plan which is the starting point for the independent auditor's comparison with actual year-end results as required by section 143 of the bill follow:

SUMMARY
FY 2000 D. C. APPROPRIATIONS BILL

	House Bill		Senate Bill		Conference	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
TITLE I						
FEDERAL FUNDS						
Federal Payment for Resident Tuition Support	0	17,000,000	0	17,000,000	0	17,000,000
Federal Payment for Incentives for Adoption of Children	0	8,500,000	0	0	0	5,000,000
Federal Payment to the Citizen Complaint Review Board	0	1,200,000	0	0	0	500,000
Federal Payment to the Department of Human Services	0	250,000		0	0	250,000
Federal Payment to the District of Columbia Corrections Trustee Operations	0	183,000,000	0	176,000,000	0	176,000,000
Federal Payment to the District of Columbia Courts	0	100,714,000	0	136,440,000	0	99,714,000
Defender Services in District of Columbia Courts	0	33,336,000	0	0	0	33,336,000
Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia	0	105,500,000	0	80,300,000	0	93,800,000
Federal Payment for Metropolitan Police Department	0	0	0	1,000,000	0	1,000,000
Children's National Medical Center	0	3,500,000	0	0	0	2,500,000
Total, Title I, Federal funds to the District of Columbia	**0**	**453,000,000**	**0**	**410,740,000**	**0**	**429,100,000**

	House Bill		Senate Bill		Conference	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
DISTRICT OF COLUMBIA FUNDS						
Operating expenses:						
Governmental Direction and Support	2,297	162,356,000	2,297	162,356,000	2,297	167,356,000
Economic Development and Regulation	1,439	190,335,000	1,439	190,335,000	1,439	190,335,000
Public Safety and Justice	9,264	785,670,000	9,264	778,470,000	9,264	778,770,000
Public Education System	11,359	867,411,000	11,359	867,411,000	11,359	867,411,000
Human Support Services	3,742	1,526,361,000	3,742	1,526,111,000	3,742	1,526,361,000
Public Works	1,686	271,395,000	1,686	271,395,000	1,686	271,395,000
Receivership Programs	2,755	345,577,000	2,755	337,077,000	2,755	342,077,000
Workforce Investments	0	8,500,000	0	8,500,000	0	8,500,000
Buyouts and Other Management Reforms	0	20,000,000	0	0	0	18,000,000
Reserve	0	150,000,000	0	150,000,000	0	150,000,000
D.C. Financial Responsibility and Management Assistance Authority	33	3,140,000	33	3,140,000	33	3,140,000
Repayment of Loans and Interest	0	328,417,000	0	328,417,000	0	328,417,000
Repayment of General Fund Recovery Debt	0	38,286,000	0	38,286,000	0	38,286,000
Payment of Interest on Short-Term Borrowing	0	9,000,000	0	9,000,000	0	9,000,000
Certificates of Participation	0	7,950,000	0	7,950,000	0	7,950,000
Optical and Dental Payments	0	1,295,000	0	1,295,000	0	1,295,000
Productivity Bank	0	20,000,000	0	20,000,000	0	20,000,000
Productivity Bank Savings	0	(20,000,000)	0	(20,000,000)	0	(20,000,000)
Procurement and Management Savings	0	(21,457,000)	0	(21,457,000)		(21,457,000)
Water and Sewer Enterprise Fund	0	279,608,000	0	279,608,000	0	279,608,000
Lottery and Charitable Games Enterprise Fund	100	234,400,000	100	234,400,000	100	234,400,000
Sports and Entertainment Commission	0	10,846,000	0	10,846,000	0	10,846,000
D.C. General Hospital (Public Benefit Corporation)	0	89,008,000	0	89,008,000	0	89,008,000
D.C. Retirement Board	13	9,892,000	13	9,892,000	13	9,892,000
Correctional Industries Fund	31	1,810,000	31	1,810,000	31	1,810,000
Washington Convention Center Enterprise Fund	0	50,226,000	0	50,226,000	0	50,226,000
Total, operating expenses	32,719	5,370,026,000	32,719	5,334,076,000	32,719	5,362,626,000
Capital Outlay						
General fund	0	1,218,637,500	0	1,218,637,500		1,218,637,500
Water and Sewer fund	0	197,169,000	0	197,169,000	0	197,169,000
Total, capital outlay	0	1,415,806,500	0	1,415,806,500	0	1,415,806,500
Grand Total, District of Columbia Funds	32,719	6,785,832,500	32,719	6,749,882,500	32,719	6,778,432,500

GOVERNMENTAL DIRECTION AND SUPPORT

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Council of the District of Columbia	9,388,000	10,477,000	10,477,000	10,477,000	10,477,000
Office of the District of Columbia Auditor	1,048,000	1,183,000	1,183,000	1,183,000	1,183,000
Advisory Neighborhood Commissions	0	623,000	623,000	623,000	623,000
Office of the Mayor	2,256,000	4,207,000	4,207,000	4,207,000	9,207,000 1/
Office of the Secretary	2,146,000	1,816,000	1,816,000	1,816,000	1,816,000
Office of Communications	350,000	0	0	0	0
Office of Intergovernmental Relations	1,271,000	0	0	0	0
Office of the City Administrator	926,000	25,132,000	12,821,000	12,821,000	12,821,000
Office of Personnel	8,963,000	10,445,000	10,445,000	10,445,000	10,445,000
Human Resource Development	0	3,766,000	3,766,000	3,766,000	3,766,000
Office of Finance and Resource Management	0	778,000	778,000	778,000	778,000
Office of Contracts and Procurement	17,080,000	14,150,000	14,150,000	14,150,000	14,150,000
Office of the Chief Technology Officer	14,924,000	3,740,000	3,740,000	3,740,000	3,740,000
Office of Property Management	9,445,000	9,152,000	9,152,000	9,152,000	9,152,000
Contract Appeals Board	603,000	687,000	687,000	687,000	687,000
Board of Elections and Ethics	2,954,000	3,238,000	3,238,000	3,238,000	3,238,000
Office of Campaign Finance	920,000	978,000	978,000	978,000	978,000
Public Employee Relations Board	559,000	632,000	632,000	632,000	632,000
Office of Employee Appeals	1,213,000	1,337,000	1,337,000	1,337,000	1,337,000
Metropolitan Washington Council of Governments	374,000	367,000	367,000	367,000	367,000
Office of Inspector General	7,430,000	6,827,000	6,827,000	6,827,000	6,827,000
Chief Financial Officer	82,294,000	75,132,000	75,132,000	75,132,000	75,132,000
Total, Governmental Direction and Support	164,144,000	174,667,000	162,356,000	162,356,000	167,356,000
Plus Intra-District funds	39,796,000	32,796,000	32,796,000	32,796,000	32,796,000
Total	203,940,000	207,463,000	195,152,000	195,152,000	200,152,000

1/ General Provision, Sec. 168, $5,000,000.

ECONOMIC DEVELOPMENT AND REGULATION

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Business Services and Economic Development	18,640,000	22,515,000	22,515,000	22,515,000	22,515,000
Office of Zoning	956,000	1,275,000	1,275,000	1,275,000	1,275,000
Department of Housing and Community Development	55,509,000	56,739,000	56,739,000	56,739,000	56,739,000
Housing Authority	2,080,000	0	0	0	0
Department of Employment Services	56,804,000	63,690,000	63,690,000	63,690,000	63,690,000
Board of Appeals and Review	203,000	240,000	240,000	240,000	240,000
Board of Real Property Assessments and Appeals	293,000	291,000	291,000	291,000	291,000
Department of Consumer and Regulatory	24,554,000	27,125,000	27,125,000	27,125,000	27,125,000
Office of Banking and Financial Institutions	0	870,000	870,000	870,000	870,000
Public Service Commission	0	5,327,000	5,327,000	5,327,000	5,327,000
Office of People's Counsel	0	2,823,000	2,823,000	2,823,000	2,823,000
Department of Insurance and Securities Regulation	0	6,990,000	6,990,000	6,990,000	6,990,000
Office of Cable Television and Telecommunications	0	2,450,000	2,450,000	2,450,000	2,450,000
Total, Economic Development and Regulation	159,039,000	190,335,000	190,335,000	190,335,000	190,335,000
Plus Intra-District Funds	3,634,000	3,136,000	3,136,000	3,136,000	3,136,000
Total	162,673,000	193,471,000	193,471,000	193,471,000	193,471,000

PUBLIC SAFETY AND JUSTICE

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Metropolitan Police Department	296,854,000	301,774,000	300,574,000	301,574,000	301,574,000
Fire and Emergency Medical Services Department	104,806,000	111,870,000	111,870,000	0 111,870,000	111,870,000
Police and Fire Retirement System	35,100,000	39,900,000	39,900,000	39,900,000	39,900,000
Office of the Corporation Counsel	39,835,000	46,425,000	46,425,000	46,425,000	46,425,000
Settlements and Judgments	19,700,000	26,900,000	26,900,000	26,900,000	26,900,000
Department of Corrections	254,857,000	245,577,000	252,577,000	245,577,000	245,577,000
National Guard	1,783,000	1,748,000	1,748,000	1,748,000	1,748,000
Office of Emergency Preparedness	2,627,000	2,641,000	2,641,000	2,641,000	2,641,000
Commission on Judicial Disabilities and Tenure	138,000	143,000	143,000	143,000	143,000
Judicial Nomination Commission	86,000	85,000	85,000	85,000	85,000
Office of Citizen Complaint Review	0	900,000	2,100,000	900,000	1,200,000
Advisory Commission on Sentencing	0	707,000	707,000	707,000	707,000
Total, Public Safety and Justice	755,786,000	778,670,000	785,670,000	778,470,000	778,770,000
Plus Intra-District funds	10,500,000	5,726,000	5,726,000	5,726,000	5,726,000
Total	766,286,000	784,396,000	791,396,000	784,196,000	784,496,000

PUBLIC EDUCATION SYSTEM

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Board of Education (Public Schools)	644,805,000	713,197,000	713,197,000	713,197,000	713,197,000
D.C. Resident Tuition System	0	0	17,000,000	17,000,000	17,000,000
Teachers' Retirement System	27,857,000	10,700,000	10,700,000	10,700,000	10,700,000
Public Charter Schools	18,600,000	27,885,000	27,885,000	27,885,000	27,885,000
University of the District of Columbia	72,088,000	72,347,000	72,347,000	72,347,000	72,347,000
Public Library	23,419,000	24,171,000	24,171,000	24,171,000	24,171,000
Commission on the Arts and Humanities	2,187,000	2,111,000	2,111,000	2,111,000	2,111,000
Total, Public Education System	788,956,000	850,411,000	867,411,000	867,411,000	867,411,000
Plus Intra-District funds	12,791,000	13,768,000	13,768,000	13,768,000	13,768,000
Total	801,747,000	864,179,000	881,179,000	881,179,000	881,179,000

HUMAN SUPPORT SERVICES

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recommendation	Senate Recommendation	Conference Allowance
Department of Human Development	391,416,000	393,441,000	393,691,000	393,441,000	393,691,000
Department of Health	996,080,000	1,004,113,000	1,004,113,000	1,004,113,000	1,004,113,000
Department of Recreation and Parks	24,119,000	26,196,000	26,196,000	26,196,000	26,196,000
Office on Aging	17,616,000	18,616,000	18,616,000	18,616,000	18,616,000
Public Benefit Corporation Subsidy	46,835,000	44,435,000	44,435,000	44,435,000	44,435,000
Unemployment Compensation Fund	10,678,000	7,200,000	7,200,000	7,200,000	7,200,000
Disability Compensation Fund	21,089,000	25,150,000	25,150,000	25,150,000	25,150,000
Department of Human Rights	1,044,000	1,106,000	1,221,000	1,221,000	1,221,000
Office on Latino Affairs	655,000	880,000	880,000	880,000	880,000
D.C. Energy Office	5,219,000	4,859,000	4,859,000	4,859,000	4,859,000
Total, Human Support Services	1,514,751,000	1,525,996,000	1,526,361,000	1,526,111,000	1,526,361,000
Plus Intra-District funds	7,232,000	6,568,000	6,568,000	6,568,000	6,568,000
Total	1,521,983,000	1,532,564,000	1,532,929,000	1,532,679,000	1,532,929,000

PUBLIC WORKS

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Department of Public Works	118,281,000	106,209,000	106,209,000	106,209,000	106,209,000
Department of Motor Vehicles	12,065,000	25,393,000	25,393,000	25,393,000	25,393,000
Taxicab Commission	716,000	730,000	730,000	730,000	730,000
Washington Metropolitan Area Transit Commission	81,000	81,000	81,000	81,000	81,000
Washington Metropolitan Area Transit Authority (Metro)	132,319,000	135,532,000	135,532,000	135,532,000	135,532,000
School Transit Subsidy	3,450,000	3,450,000	3,450,000	3,450,000	3,450,000
Total, Public Works	266,912,000	271,395,000	271,395,000	271,395,000	271,395,000
Plus Intra-District funds	22,274,000	19,382,000	19,382,000	19,382,000	19,382,000
Total	289,186,000	290,777,000	290,777,000	290,777,000	290,777,000

RECEIVERSHIPS

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recommendation	Senate Recommendation	Conference Allowance
Child and Family Services Agency	107,131,000	119,355,000	119,355,000	119,355,000	119,355,000
Incentives for Adoption of Children	0	0	8,500,000	0	5,000,000
Commission on Mental Health Services	198,548,000	204,422,000	204,422,000	204,422,000	204,422,000
Corrections Medical Receiver	13,300,000	13,300,000	13,300,000	13,300,000	13,300,000
Total, Receivership Programs	318,979,000	337,077,000	345,577,000	337,077,000	342,077,000
Plus Intra-District funds	0	1,200,000	1,200,000	1,200,000	1,200,000
Total	318,979,000	338,277,000	346,777,000	338,277,000	343,277,000

OTHER

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Workforce Investment	0	8,500,000	8,500,000	8,500,000	8,500,000
Buyouts and Other Management Reforms	0	0	20,000,000	0	18,000,000 2/
Reserve	0	150,000,000	150,000,000	150,000,000	150,000,000
D.C. Financial Responsibility and Management Assistance Authority	7,840,000	3,140,000	3,140,000	3,140,000	3,140,000
Total, Other	7,840,000	161,640,000	181,640,000	161,640,000	179,640,000

1/ General Provisions, Sec. 157.

FINANCING AND OTHER

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recommendation	Senate Recommendation	Conference Allowance
Washington Convention Center Transfer Payment	5,400,000	0	0	0	0
Repayment of Loans and Interest	382,170,000	328,417,000	328,417,000	328,417,000	328,417,000
Repayment of General Fund Deficit	38,453,000	38,286,000	38,286,000	38,286,000	38,286,000
Interest on Short-Term Borrowing	11,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Certificate of Participation	7,926,000	7,950,000	7,950,000	7,950,000	7,950,000
Human Resources Development	6,674,000	0	0	0	0
Optical and Dental Payments	0	1,295,000	1,295,000	1,295,000	1,295,000
Productivity Bank	0	20,000,000	20,000,000	20,000,000	20,000,000
Productivity Bank Savings	0	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)
Total, Financing and Other Uses	451,623,000	384,948,000	384,948,000	384,948,000	384,948,000

PROCUREMENT AND MANAGEMENT SAVINGS

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Management Reform and Productivity Savings	(10,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)
General Supply Schedule Savings	0	(14,457,000)	(14,457,000)	(14,457,000)	(14,457,000)
Total, Procurement and Management Savings	(10,000,000)	(21,457,000)	(21,457,000)	(21,457,000)	(21,457,000)

ENTERPRISE AND OTHER

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Water and Sewer Authority	239,493,000	236,075,000	236,075,000	236,075,000	236,075,000
Washington Aqueduct	33,821,000	43,533,000	43,533,000	43,533,000	43,533,000
Total, Water and Sewer Enterprise Fund	273,314,000	279,608,000	279,608,000	279,608,000	279,608,000
Lottery and Charitable Games Board	225,200,000	234,400,000	234,400,000	234,400,000	234,400,000
Office of Cable Television and Telecommunications	2,108,000	0	0	0	0
Public Service Commission	5,026,000	0	0	0	0
Office of People's Counsel	2,501,000	0	0	0	0
Department of Insurance and Securities Regulation	7,001,000	0	0	0	0
Office of Banking and Financial Institutions	640,000	0	0	0	0
Sports and Entertainment Commission	8,751,000	10,846,000	10,846,000	10,846,000	10,846,000
Public Benefit Corporation	66,764,000	89,008,000	89,008,000	89,008,000	89,008,000
Retirement Board	18,202,000	9,892,000	9,892,000	9,892,000	9,892,000
Correctional Industries Fund	3,332,000	1,810,000	1,810,000	1,810,000	1,810,000
Washington Convention Center Authority	48,139,000	50,226,000	50,226,000	50,226,000	50,226,000
Total, Enterprise Funds	660,978,000	675,790,000	675,790,000	675,790,000	675,790,000
Plus Intra-District funds	36,685,000	70,177,000	70,177,000	70,177,000	70,177,000
Total	697,663,000	745,967,000	745,967,000	745,967,000	745,967,000

GOVERNMENT OF THE DISTRICT OF COLUMBIA
AS APPROVED BY CONFERENCE ACTION, AUGUST 4, 1999
TOTAL ESTIMATED RESOURCES AVAILABLE TO THE DISTRICT OF COLUMBIA, FISCAL YEAR 2000
(Amount in Thousands)

		Local Funds		Federal Grants		Private & Other		Subtotal FY 2000		Intra-District		FY 2000 Total Resources	
	Code	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Governmental Direction and Support:													
Council of the District of Columbia	AB	153	10,471	0	0	0	6	153	10,477	0	0	153	10,477
Office of the D.C. Auditor	AC	14	1,183	0	0	0	0	14	1,183	0	0	14	1,183
Advisory Neighborhood Commissions	DX	0	623	0	0	0	0	0	623	0	0	0	623
Office of the Mayor	AA	67	4,207	0	0	0	5,000 1/	67	9,207	0	0	67	9,207
Office of the Secretary	BA	25	1,737	0	0	2	79	27	1,816	0	0	27	1,816
Office of the City Administrator	AE	36	2,064	17	10,757	0	0	53	12,821	4	246	57	13,067
Office of Personnel	BE	126	9,204	0	0	21	1,241	147	10,445	24	1,179	171	11,624
Human Resource Development	HD	10	3,766	0	0	0	0	10	3,766	0	0	10	3,766
Office of Finance and Resource Management	AS	11	778	0	0	0	0	11	778	12	1,205	23	1,983
Office of Contracting and Procurement	PO	223	14,150	0	0	0	0	223	14,150	0	0	223	14,150
Office of the Chief Technology Officer	TO	42	3,740	0	0	0	0	42	3,740	13	1,771	55	5,511
Office of Property Management	AM	77	7,229	0	0	2	1,923	79	9,152	199	21,956	278	31,108
Contract Appeals Board	AF	6	687	0	0	0	0	6	687	0	0	6	687
Board of Elections and Ethics	DL	50	3,238	0	0	0	0	50	3,238	0	0	50	3,238
Office of Campaign Finance	CJ	15	978	0	0	0	0	15	978	0	0	15	978
Public Employee Relations Board	CG	4	632	0	0	0	0	4	632	0	0	4	632
Office of Employee Appeals	CH	15	1,337	0	0	0	0	15	1,337	0	0	15	1,337
Metropolitan Washington Council of Governments	EA	0	367	0	0	0	0	0	367	0	0	0	367
Office of Inspector General	AD	60	6,827	0	0	0	0	60	6,827	0	0	60	6,827
Office of the Chief Financial Officer	AT	919	63,916	5	913	41	10,303	965	75,132	104	6,439	1,069	81,571
Total, Governmental Direction and Support		1,853	137,134	22	11,670	66	18,552	1,941	167,356	356	32,796	2,297	200,152
Economic Development and Regulation:													
Business Services & Economic Development	EB	55	7,515	0	0	0	15,000	55	22,515	0	0	55	22,515
Office of Zoning	BJ	16	1,275	0	0	0	0	16	1,275	0	0	16	1,275
Department of Housing & Community Development	DB	7	3,889	125	48,388	0	4,462	132	56,739		1,200	132	57,939
Department of Employment Services	CF	71	11,489	391	35,867	174	16,334	636	63,690	0	0	636	63,690
Board of Appeals and Review	DK	3	240	0	0	0	0	3	240	0	0	3	240
Board of Real Property Assessments and Appeals	DA	3	291	0	0	0	0	3	291	0	0	3	291
Department of Consumer and Regulatory Affairs	CR	373	25,523	4	392	6	1,210	383	27,125	0	1,500	383	28,625
Office of Banking and Financial Institutions	BI	5	381	0	0	5	489	10	870	0	0	10	870
Public Service Commission	DH	0	0	2	104	56	5,223	58	5,327	0	0	58	5,327
Office of People's Counsel	DJ	0	0	0	0	28	2,823	28	2,823	0	0	28	2,823
Department of Insurance and Securities Regulation	SR	0	0	0	0	89	6,990	89	6,990	0	0	89	6,990
Office of Cable Television and Telecommunications	CT	11	2,308	0	0	3	142	14	2,450	12	436	26	2,886
Total, Economic Development and Regulation		544	52,911	522	84,751	361	52,673	1,427	190,335	12	3,136	1,439	193,471

	Code	Local Funds FTE	Local Funds Amount	Federal Grants FTE	Federal Grants Amount	Private & Other FTE	Private & Other Amount	Subtotal FY 2000 FTE	Subtotal FY 2000 Amount	Intra-District FTE	Intra-District Amount	FY 2000 Total Resources FTE	FY 2000 Total Resources Amount
Public Safety and Justice:													
Metropolitan Police Department	FA	4,622	282,792	24	13,695	0	5,087	4,646	301,574	2	3,454	4,648	305,028
Fire and Emergency Medical Services Department	FB	1,828	111,861	0	0	0	9	1,828	111,870	0	72	1,828	111,942
Police and Fire Retirement System	FD	0	39,900	0	0	0	0	0	39,900	0	0	0	39,900
Office of the Corporation Counsel	CB	297	28,801	180	13,554	12	4,070	489	46,425	24	1,900	513	48,325
Settlement and Judgments	ZH	0	26,900	0	0	0	0	0	26,900	0	0	0	26,900
Department of Corrections	FL	979	69,696	0	800	1,197	175,081	2,176	245,577	0	300	2,176	245,877
National Guard	FK	30	1,748	0	0	0	0	30	1,748	0	0	30	1,748
Office of Emergency Preparedness	BN	26	1,678	13	963	0	0	39	2,641	0	0	39	2,641
Commission on Judicial Disabilities and Tenure	DQ	2	143	0	0	0	0	2	143	0	0	2	143
Judicial Nomination Commission	DV	1	85	0	0	0	0	1	85	0	0	1	85
Office of Citizen Complaint Review	FH	21	1,200	0	0	0	0	21	1,200	0	0	21	1,200
Advisory Commission on Sentencing	EZ	6	707	0	0	0	0	6	707	0	0	6	707
Total, Public Safety and Justice		7,812	565,511	217	29,012	1,209	184,247	9,238	778,770	26	5,726	9,264	784,496
Public Education System:													
Public Schools	GA	8,864	600,936	869	106,213	77	6,048	9,810	713,197	33	4,091	9,843	717,288
D.C. Resident Tuition Support		0	17,000	0	0	0	0	0	17,000	0	0	0	17,000
Teachers' Retirement System	GX	0	10,700	0	0	0	0	0	10,700	0	0	0	10,700
Public Charter Schools	GC	0	27,885	0	0	0	0	0	27,885	0	0	0	27,885
University of the District of Columbia	GF	581	40,491	167	13,536	189	18,320	937	72,347	162	9,677	1,099	82,024
Public Library	CE	400	23,128	8	798	0	245	408	24,171	0	0	408	24,171
Commission on the Arts and Humanities	BX	2	1,707	7	404	0	0	9	2,111	0	0	9	2,111
Total, Public Education System		9,847	721,847	1,051	120,951	266	24,613	11,164	867,411	195	13,768	11,359	881,179
Human Support Services:													
Department of Human Development	JA	821	199,643	1,126	189,742	7	4,306	1,954	393,691	27	1,653	1,981	395,344
Department of Health	HC	363	319,720	689	676,115	53	8,278	1,105	1,004,113	2	183	1,107	1,004,296
Department of Recreation and Parks	HA	477	24,029	0	34	19	2,133	496	26,196	93	3,954	589	30,150
Office on Aging	BY	14	13,316	9	5,300	0	0	23	18,616	3	648	26	19,264
Public Benefit Corporation Subsidy	JC	0	44,435	0	0	0	0	0	44,435	0	0	0	44,435
Unemployment Compensation Fund	BH	0	7,200	0	0	0	0	0	7,200	0	0	0	7,200
Disability Compensation Fund	BG	0	25,150	0	0	0	0	0	25,150	0	100	0	25,250
Office of Human Rights	HM	16	1,000	0	221	0	0	16	1,221	0	0	16	1,221
Office on Latino Affairs	BZ	4	880	0	0	0	0	4	880	0	30	4	910
Energy Office	JF	0	0	13	4,402	6	457	19	4,859	0	0	19	4,859
Total, Human Support Services		1,695	635,373	1,837	875,814	85	15,174	3,617	1,526,361	125	6,568	3,742	1,532,929

		Local Funds		Federal Grants		Private & Other		Subtotal FY 2000		Intra-District		FY 2000 Total Resources	
	Code	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Public Works:													
Department of Public Works	KA	1,044	96,646	14	3,099	47	6,464	1,105	106,209	267	18,872	1,372	125,081
Department of Motor Vehicles	KV	191	22,336	0	0	66	3,057	257	25,393	48	510	305	25,903
Taxicab Commission	TC	6	296	0	0	3	434	9	730	0	0	9	730
Washington Metropolitan Area Transit Commission	KC	0	81	0	0	0	0	0	81	0	0	0	81
Washington Metropolitan Area Transit Authority	KE	0	135,532	0	0	0	0	0	135,532	0	0	0	135,532
School Transit Subsidy	KD	0	3,450	0	0	0	0	0	3,450	0	0	0	3,450
Total, Public Works		1,241	258,341	14	3,099	116	9,955	1,371	271,395	315	19,382	1,686	290,777
Receivership Programs:													
Child and Family Services Agency	RL	321	75,556	196	43,799	0	0	517	119,355	0	1,200	517	120,555
Incentives for Adoption of Children		0	5,000	0	0	0	0	0	5,000	0	0	0	5,000
Commission on Mental Health Services	RM	1,568	123,750	660	62,312	0	18,360	2,228	204,422	0	0	2,228	204,422
Corrections Medical Receiver	RR	10	13,300	0	0	0	0	10	13,300	0	0	10	13,300
Total, Receivership Programs		1,899	217,606	856	106,111	0	18,360	2,755	342,077	0	1,200	2,755	343,277
Workforce Investments	UP	0	8,500	0	0	0	0	0	8,500	0	0	0	8,500
Buyouts and Other Management Reforms		0	0	0	0	0	18,000 2/	0	18,000	0	0	0	18,000
Reserve	RD	0	150,000	0	0	0	0	0	150,000	0	0	0	150,000
D.C. Financial Responsibility and Management Assistance Authority	XB	33	3,140	0	0	0	0	33	3,140	0	0	33	3,140
Financing and Other:													
Repayment of Loans and Interest	DS	0	328,417	0	0	0	0	0	328,417	0	0	0	328,417
Repayment of General Fund Deficit	ZD	0	38,286	0	0	0	0	0	38,286	0	0	0	38,286
Interest on Short-Term Borrowing	ZA	0	9,000	0	0	0	0	0	9,000	0	0	0	9,000
Certificate of Participation	CP	0	7,950	0	0	0	0	0	7,950	0	0	0	7,950
Optical and Dental Insurance Payments	DI	0	1,295	0	0	0	0	0	1,295	0	0	0	1,295
Productivity Bank	PB	0	20,000	0	0	0	0	0	20,000	0	0	0	20,000
Productivity Savings	PY	0	(20,000)	0	0	0	0	0	(20,000)	0	0	0	(20,000)
Total, Financing and Other		0	384,948	0	0	0	0	0	384,948	0	0	0	384,948
Procurement and Management Savings:													
General Supply Schedule Savings	PS	0	(14,457)	0	0	0	0	0	(14,457)	0	0	0	(14,457
Management Reform Savings	PC	0	(7,000)	0	0	0	0	0	(7,000)	0	0	0	(7,000
Total, Procurement and Management Savings		0	(21,457)	0	0	0	0	0	(21,457)	0	0	0	(21,457
Total, General Fund - Operating Expenses		24,924	3,113,854	4,519	1,231,408	2,103	341,574	31,546	4,636,836	1,029	82,576	32,575	4,769,412

-4-

	Code	Local Funds FTE	Local Funds Amount	Federal Grants FTE	Federal Grants Amount	Private & Other FTE	Private & Other Amount	Subtotal FY 2000 FTE	Subtotal FY 2000 Amount	Intra-District FTE	Intra-District Amount	FY 2000 Total Resources FTE	FY 2000 Total Resources Amount
Enterprise Funds:													
Water and Sewer Authority	LA	0	0	0	0	0	236,075	0	236,075	0	0	0	236,075
Washington Aqueduct	LB	0	0	0	0	0	43,533	0	43,533	0	0	0	43,533
Total, Water and Sewer Fund		0	0	0	0	0	279,608	0	279,608	0	0	0	279,608
Lottery and Charitable Games Board	DC	0	0	0	0	100	234,400	100	234,400	0	0	100	234,400
Sports and Entertainment Commission	SC	0	0	0	0	0	10,846	0	10,846	0	0	0	10,846
Public Benefit Corporation	JB	0	0	0	0	0	89,008	0	89,008	0	66,327	0	155,335
Retirement Board	DY	0	0	0	0	13	9,892	13	9,892	0	0	13	9,892
Correctional Industries Fund	FP	0	0	0	0	8	1,810	8	1,810	23	3,850	31	5,660
Washington Convention Center	ES	0	0	0	0	0	50,226	0	50,226	0	0	0	50,226
Total, Enterprise and Other Funds		0	0	0	0	121	675,790	121	675,790	23	70,177	144	745,967
Total, Operating Expenses		24,924	3,113,854	4,519	1,231,408	2,224	1,017,364	31,667	5,362,626	1,052	152,753	32,719	5,515,379
Capital Outlay													
General Fund		0	941,614	0	277,024	0	0	0	1,218,638	0	0	0	1,218,638
Water and Sewer		0	0	0	0	0	197,169	0	197,169	0	0	0	197,169
Total, Capital Outlay		0	941,614	0	277,024	0	197,169	0	1,415,807	0	0	0	1,415,807
GRAND TOTAL		24,924	4,055,468	4,519	1,508,432	2,224	1,214,533	31,667	6,778,433	1,052	152,753	32,719	6,931,186

1/ Above table includes $5,000,000 for Office of Mayor provided under section 168 of the General Provisions.

2/ Above table includes $18,000,000 for Buyouts and Other Management Reforms provided under section 157 of the General Provisions.

GFF/N
8/4/99

Fiscal Year 2000 Financial Plans
(In thousands of dollars)

	Local funds	Grants and other revenue	Gross funds
Revenue:			
Local sources, current authority:			
Property taxes	693,700	0	693,700
Sales taxes	620,000	0	620,000
Income taxes	1,185,100		1,185,100
Other taxes	348,500	0	348,500
Licenses, permits	48,498	0	48,498
Fines, forfeitures	56,771	0	56,771
Service charges	34,173	0	34,173
Miscellaneous	93,558	318,574	412,132
Tax Parity Act	(58,950)	0	(58,950)
Subtotal, local revenues	3,021,350	318,574	3,339,924
Federal sources:			
Federal payment	23,750	0	23,750
Grants	0	1,231,408	1,231,408
Subtotal, Federal sources	23,750	1,231,408	1,255,158
Other financing sources:			
Transfer Interest Income from Control Board	0	23,000	23,000
Lottery transfer	69,000	0	69,000
Subtotal, other financing sources	69,000	23,000	92,000
Total, general fund revenues	3,114,100	1,572,982	4,687,082
Expenditures:			
Current operating:			
Governmental Direction and Support	137,134	30,222	167,356
Economic Development and Regulation	52,911	137,424	190,335
Public Safety and Justice	565,511	213,259	778,770
Public Education System	681,356	113,708	795,064
Human Support Services	590,938	890,988	1,481,926
Public Works	258,341	13,054	271,395
Receiverships	217,606	124,471	342,077
Financial Authority	3,140	0	3,140
Nonunion pay increase	8,500	0	8,500
Buyouts and Other Management Reforms	0	18,000	18,000
Optical and Dental Benefits	1,295	0	1,295
Reserve	150,000	0	150,000
Productivity Bank	20,000	0	20,000
Productivity Savings	(20,000)	0	(20,000)
Management Reform and Productivity Savings	(7,000)	0	(7,000)
General Supply Schedule Savings	(14,457)	0	(14,457)
Subtotal, current operating	2,645,275	1,541,126	4,186,401

	Local funds	Grants and other revenue	Gross funds
Other financing uses:			
Debt service			
Principal and interest	383,653	0	383,653
Other financing uses:			
D.C. General	44,435	0	44,435
University of the District of Columbia	40,491	31,856	72,347
Subtotal, other financing uses	468,579	31,856	500,435
Total, general fund expenditures	3,113,854	1,572,982	4,686,836
Surplus/(Deficit)	246	0	246
Enterprise fund data:			
Enterprise fund revenues:			
Water and Sewer Authority	0	236,075	236,075
Washington Aqueduct	0	43,533	43,533
D.C. Lottery and Charitable Games Board	0	234,400	234,400
Sports and Entertainment Commission	0	10,846	10,846
Public Benefit Corporation	0	89,008	89,008
D.C. Retirement Board	0	9,892	9,892
Correctional Industries	0	1,810	1,810
Washington Convention Center Authority	0	50,226	50,226
Total, enterprise fund revenue	0	675,790	675,790
Enterprise fund expenditures:			
Water and Sewer Authority	0	236,075	236,075
Washington Aqueduct	0	43,533	43,533
D.C. Lottery and Charitable Games Board	0	234,400	234,400
Sports and Entertainment Commission	0	10,846	10,846
Public Benefit Corporation	0	89,008	89,008
D.C. Retirement Board	0	9,892	9,892
Correctional Industries	0	1,810	1,810
Washington Convention Center Authority	0	50,226	50,226
Total, enterprise expenditures	0	675,790	675,790
Total, revenues versus expenditures	0	0	0
Total, operating revenues	3,114,100	2,248,772	5,362,872
Total, operating expenditures	3,113,854	2,248,772	5,362,626
Revenue versus expenditures	246	0	246

General Provisions

The conference action changes several section numbers for sequential purposes and makes technical revisions in certain citations.

The conference action restores section 117 of the House bill prohibiting the use of Federal funds for a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia government.

The conference action approves section 119 of the House bill in lieu of section 118 of the Senate bill concerning the cap on the salary of the City Administrator and the per diem compensation to the directors of the Redevelopment Land Agency.

The conference action approves section 127 of the Senate bill (new section 128) concerning financial management services.

The conference action revises the ceiling on operating expenses in section 135 (new section 136) to $5,515,379,000 including $3,113,854,000 from local funds instead of $5,522,779,000 including $3,117,254,000 as proposed by the House and $5,486,829,000 including $3.108,304,000 as proposed by the Senate.

The conference action deletes subsection (d) of section 135 of the House bill concerning the application of excess revenues as proposed by the Senate.

The conference action deletes section 137 of the House bill concerning a report on public school openings as proposed by the Senate.

The conference action requires the inventory of motor vehicles required by section 139 of the House bill and 138 of the Senate bill (new section 139) to be submitted by the Chief Financial Officer as proposed by the House instead of by the Mayor as proposed by the Senate.

The conference action restores section 142 of the House bill concerning the Compliance with Buy American Act.

the conference action deletes section 141 of the Senate bill concerning certain real property in the District of Columbia. The language was made permanent in Public Law 105–277.

The conference action deletes the date referenced in section 146 of the Senate bill concerning the correctional facility in Youngstown, Ohio as proposed by the Senate (new section 147).

The conference action approves section 148 of the Senate bill concerning a reserve and positive fund balance for the District of Columbia. The conferees believe that the reserve fund will now serve as a true "rainy day" fund. Further, the conferees have now required the District to maintain a budget surplus of not less than 4 percent. Any funds in excess of this level could be used for debt reduction and non-recurring expenses. The conferees believe that this combination of reforms will provide the District with a stable financial situation that will in time reduce the District's debt and lead to an improved bond rating.

The conference action deletes section 151 of the House bill which prohibits the use of Federal funds for legalizing marijuana or reducing penalties. Section 168 of the House bill (new section 167) prohibits Federal and local funds for legalizing marijuana or reducing penalties.

The conference action restores section 154 of the House bill (new section 153) concerning public charter school construction and repair funds and amends the language to provide $5,000,000 for a credit enhancement fund.

The conference action restores section 156 of the House bill (new section 155) concerning the authorization period for public charter schools.

The conference action restores section 157 of the House bill (new section 156) concerning sibling preference at public charter schools.

The conference action restores section 158 of the House bill (new section 157) concerning buyouts and management reforms and provides $18,000,000 instead of $20,000,000 as proposed by the House. The conference action also inserts a proviso concerning the spending and release of the funds.

The conference action restores section 159 of the House bill (new section 158) concerning the 14th Street Bridge and provides $5,000,000 instead of $7,500,000 as proposed by the House. The conference action also changes the source of funds from the infrastructure fund to the District's highway trust fund. The conferees direct that responsibility for this project along with these funds be transferred to the Federal Highway Administration for execution.

The conference action restores section 160 of the House bill (new section 159) concerning the Anacostia River environmental cleanup.

The conference action restores section 161 of the House bill (new section 160) concerning the Crime Victims Compensation Fund and amends the language so that funds are retained each year to pay crime victims at the beginning of the next year. The conference action also inserts language that ratifies payments and deposits to conform with the Revitalization Act (Public Law 105–33).

The conference action restores section 162 of the House bill (new section 161) requiring the chief financial officers of the District of Columbia government to certify that they understand the duties and restrictions required by this Act.

The conference action restores section 163 of the House bill (new section 162) requiring the fiscal year 2001 budget to specify potential adjustments that might be necessary if the proposed management savings are not achieved.

The conference action restores section 164 of the House bill (new section 163) requiring descriptions of certain budget categories.

The conference action restores section 165 of the House bill (new section 164) concerning improvements to the Southwest Waterfront in the District and modifies the language to provide flexibility for the Mayor in executing new 30-year leases with the existing lessee or their successors at the Municipal Fish Wharf and the Washington Marina.

The conference action restores section 166 of the House bill (new section 165) expressing the sense of Congress concerning the American National Red Cross project at 2025 E Street Northwest.

The conference action restores section 167 of the House bill (new section 166) concerning sex offender registration.

The conference action restores section 168 of the House bill (new section 167) prohibiting the use of funds to legalize marijuana or reduce penalties.

The conference action retains and amends section 149 of the Senate bill (new section 168) providing $5,000,000 to offset local taxes for a commercial revitalization program in enterprise zones and low and moderate income areas in the District of Columbia. The conferees believe that the Commercial Revitalization program will be an important tool for the city to improve blighted neighborhoods in the District of Columbia. The conferees believe it is important to bring new commercial enterprises into neglected areas of the city. The conferees direct the District to review Congressional proposals on this issue in order to use the funds effectively.

The conference action inserts section 151 of the Senate bill (new section 170) concerning quality-of-life issues and changes the findings from a sense of the Senate to a sense of the Congress.

The conference action inserts section 152 of the Senate bill (new section 171) concerning the use of Federal Medicaid payments to Disproportionate Share Hospitals.

The conference action inserts section 153 of the Senate bill (new section 172) concerning a study by the General Accounting Office of the District's criminal justice system. The conferees request that this be a comprehensive study of all components of the criminal justice system including law enforcement, courts, corrections, probation, and parole. The report should include recommendations for improving the performance of the overall system as well as the individual agencies and programs.

The conference action deletes section 154 of the Senate bill concerning termination of parole for illegal drug use.

TITLE II—TAX REDUCTION

The conference action restores Title II—Tax Reduction commending the District of Columbia for its action to reduce taxes and ratifying the District's Service Improvement and Fiscal Year 2000 Budget Support Act of 1999 as proposed by the House.

Conference Total—With Comparisons

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

Federal Funds:	
New budget (obligational) authority, fiscal year 1999	683,639,000
Budget estimates of new (obligational) authority, fiscal year 2000	393,740,000
House bill, fiscal year 2000	429,100,000
Senate bill, fiscal year 2000	429,100,000
Conference agreement, fiscal year 2000	429,100,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	−254,539,000
Budget estimates of new (obligations) authority, fiscal year 2000	35,360,000
House bill, fiscal year 2000	
Senate bill, fiscal year 2000	
District of Columbia funds:	
New Budget (obligational) authority, fiscal year 1999	*6,790,168,737*
Budget estimates of new (obligational) authority, fiscal year 2000	*6,745,278,500*
House bill, fiscal year 2000	*6,778,432,500*
Senate bill, fiscal year 2000	*6,778,432,500*
Conference agreement, fiscal year 2000	*6,778,432,500*
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	*−11,736,237*

Budget estimates of new (obligations) authority, fiscal year 2000	*33,154,000*
House bill, fiscal year 2000	
Senate bill, fiscal year 2000	

DIVISION B

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS

The conferees on H.R. 3064 agree with the matter inserted in this division of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House reported version of H.R. 3037 and the Senate version of S. 1650, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 2000, by members of the subcommittee of both the House and Senate with jurisdiction over H.R. 3037 and S. 1650.

In implementing this agreement, the Departments and agencies should comply with the language and instructions set forth in House Report 106–370 and Senate Report 106–166.

In the case where the language and instructions specifically address the allocation of funds, the Departments and agencies are to follow the funding levels specified in the Congressional budget justifications accompanying the fiscal year 2000 budget or the underlying authorizing statute and should give full consideration to all items, including items allocating specific funding included in the House and Senate reports. With respect to the provisions in the House and Senate reports that specifically allocate funds, each has been reviewed and those which are jointly concurred in have been included in this joint statement.

The provisions of the House Report (105–205) are endorsed that direct ". . . the Departments of Labor, Health and Human Services, and Education and the Social Security Administration and the Railroad Retirement Board to submit operating plans with respect to discretionary appropriations to the House and Senate Committees on Appropriations. These plans, which are to be submitted within 30 days of the final passage of the bill, must be signed by the respective Departmental Secretaries, the Social Security Commissioner and the Chairman of the Railroad Retirement Board."

The Departments and agencies covered by this directive are expected to meet with the House and Senate Committees as soon as possible after enactment of the bill to develop a methodology to assure adequate and timely information on the allocation of funds within accounts within this conference report while minimizing the need for unnecessary and duplicative submissions.

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, FY 2000, put in place by this bill, incorporates the following agreements of the managers:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The conference agreement appropriates $5,465,618,000, instead of $4,572,058,000 as proposed by the House and $5,472,560,000 as proposed by the Senate. Of the amount appropriated, $2,463,000,000 becomes available on October 1, 2000, instead of $2,607,300,000 as proposed by the House and $2,720,315,000 as proposed by the Senate.

The agreement includes language authorizing the use of funds under the dislocated workers program for projects that provide assistance to new entrants in the workforce and incumbent workers as proposed by the Senate. It also includes language proposed by the Senate modified to waive a 10 percent limitation in the Workforce Investment Act with respect to the use of discretionary funds to carry out demonstration and pilot projects, multiservice projects and multistate projects with regard to dislocated workers and to waive certain other provisions in that Act. The House bill had no similar provisions.

The Department is expected to make every effort to be flexible in the use of worker training funds for reactivated shipyards, such as those referenced in the Senate Report. The conference agreement encourages the Department to use national emergency grants under the dislocated workers program to supplement available resources for (1) worker training needs at reactivated shipyards that have experienced large-scale worker dislocation, (2) continuing training to utilize the workplace as site for learning, (3) supporting training for American workers at state-of-the-art foreign shipyards, and (4) continuing upgrading of workers skills to increase employability and job retention.

The agreement includes a citation to the Women in Apprenticeship and Nontraditional Occupations Act as proposed by the House. The Senate bill did not cite this Act.

The conference agreement includes $5,000,000 under Job Corps for the purpose of constructing or rehabilitating facilities on some Job Corps campuses to co-locate Head Start programs to serve Job Corps students and their children as proposed in the House Report.

The Labor Department is encouraged to continue and provide technical assistance to the Role Models America Academy Demonstration Program.

The Ways to Work family loan program is an innovative micro-loan program which provides small loans to low-income families who are attempting to make the transition from public assistance to the workforce or retain employment. This program allows families who often lack access to loans from mainstream sources because of their weak credit histories to receive the necessary financial resources to meet emergency expenses. The Department is urged to consider making available up to $1 million for this program to demonstrate its effectiveness in assisting low-income parents in obtaining and retaining jobs.

The conference agreement includes the following amounts for the following projects and activities:

Dislocated workers

—$1,000,000 for the York Skill Center, York, PA

—$2,000,000 for development of a new model for high-tech workforce development at San Diego State University

—$1,000,000 for the Central Indiana Technology Training Center at Ball State University

—$1,000,000 for Clayton College and State University in Georgia for a virtual education and training project to improve military-to-civilian employment transition

—$1,500,000 for a dislocated farmer retraining project at the University of Idaho

—$1,000,000 for the Chipola Junior College in Florida to retrain dislocated workers.

—$500,000 for the State of New Mexico for rural employment in telecommunications

—$500,000 for the Puget Sound Center for Technology to help alleviate the shortage of information technology workers in the Puget Sound Region

—$400,000 for the Philadelphia Area Accelerated Manufacturing Education, Inc.

—$1,500,000 for the Pennsylvania training consortium

—$600,000 for the Lehigh University integrated product development

—$2,500,000 to train foreign workers, including Russians in oil field management in Alaska

Pilots and demonstrations

—$800,000 for the Center for Workforce Preparation at the U.S. Chamber of Commerce

—$1,000,000 for Green Thumb for replication in rural areas of a project to train disadvantaged individuals for jobs in the information technology industry

—$1,000,000 for Focus:HOPE in Detroit for information technology training

—$300,000 for the Bowling Green, KY Housing Authority for workforce preparation and training for low-income youth and adults

—$400,000 for the Collegiate Consortium for Workforce and Economic Development

—$2,000,000 for the Springfield Workforce Development Center in Springfield, Vermont for a model regional workforce development

—$200,000 to Northlands Job Corps Center in Vergennes, Vermont for a center child care project

—$170,000 for the Greater Burlington Industrial Corporation in Burlington, Vermont for a model pre-employment counseling program

—$100,000 for the Commonwealth of Pennsylvania, Department of Labor and Industry, to study the financial impact of professional employer arrangements on the Unemployment Compensation Fund

—$1,000,000 for the Lorain County Community College for a workforce development project

—$800,000 for Jobs for America's Graduates

—$2,500,000 for Alaska Works in Fairbanks, Alaska for construction job training

—$2,500,000 for Hutchinson Career Center in Fairbanks, Alaska to upgrade equipment to provide vocational training

—$1,500,000 to train Alaska Native and local low income youth as cultural tour guides and in museum operations for the Alaska Native Heritage Center, Bishop Museum in Hawaii, and Peabody-Essex Museum in Massachusetts

—$1,500,000 for the University of Missouri-St. Louis for the design and implementation of the Regional Center for Education and Work

—$400,000 for the Vermont Technical College for a Technology Training Initiative

—$150,000 to the Nebraska Urban League for a welfare-to-work pilot project

—$1,000,000 to the Des Moines Community College for SMART Partners, a public-private partnership which guarantees full-time employment to students who meet the competencies and skill standards required in modern advanced high performance manufacturing

—$500,000 to the American Indian Science and Engineering Society for the Native American Rural Computer Utilization Training Program

—$500,000 to the Maui Economic Development Board for the Rural Computer Utilization Training Program

—$250,000 to the Job Corps of North Dakota for the Fellowship Executive Training Program

—$250,000 for the University of Colorado Health Sciences Center to provide training and assistance through the University's telehealth/telemedicine distance learning.

The conference agreement also provides funds to continue in FY 2000 those projects and activities which were awarded under the dislocated workers program and under pilots and demonstrations in FY 1999 as described in the Senate Report, subject to project performance, demand for activities and services, and utilization of prior year funding.

The conference agreement includes $15,000,000 to continue and expand the Youth Offender grant program serving youth who are or have been under criminal justice system supervision.

There is awareness of the job training activities of the South Dakota Intertribal Bison Cooperative. The Department is urged to consider funding of a proposal for a vocational training program which will provide employment-related skills for native tribes in bison herd management, meat processing, animal husbandry, hide tanning and leather work.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The conference agreement appropriates $415,150,000 as proposed by the Senate instead of $314,400,000 as proposed by the House.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The conference agreement appropriates $3,253,740,000, instead of $3,141,740,000 as proposed by the House and $3,358,073,000 as proposed by the Senate.

The agreement includes $41,300,000 for the alien labor certification program as proposed by the Senate instead of $36,300,000 as proposed by the House. For administration of the work opportunity tax credit and the welfare-to-work tax credit, the agreement includes $22,000,000 as proposed by the Senate instead of $20,000,000 as proposed by the House. For one-stop centers/labor market information, the agreement includes $140,000,000 instead of $100,000,000 as proposed by the House and $146,500,000 as proposed by the Senate. Included in the amount of $140,000,000 is $20,000,000 for work incentives grants. The Senate proposed to fund this as a separate line item. The House did not propose to fund it. Funds are included for a "talking" America's Job Bank for the blind.

The agreement does not include a citation to section 461 of the Job Training Partnership Act proposed by the Senate. The House bill did not include this citation.

PROGRAM ADMINISTRATION

The conference agreement appropriates $146,000,000, instead of $138,126,000 as proposed by the House and $149,340,000 as proposed by the Senate. The agreement also includes language proposed by the House requiring that the majority of the welfare-to-work program staff shall be term appointments lasting no more than one year. The Senate bill contained no such language.

The Department is expected to conduct an analysis of the case backlog in the alien labor certification program and report its findings to the Appropriations Committees by February 1, 2000. Further, it is expected that the Department will submit at the same time its proposed schedule for eliminating this backlog.

There is a proposal by the City of Salinas, CA to transfer a DOL building to the local government for use as a child care facility. The Department of Labor is urged to work with the City of Salinas to resolve this matter in a timely manner.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $96,000,000, instead of $90,000,000 as proposed by the House and $99,831,000 as proposed by the Senate.

PENSION BENEFIT GUARANTY CORPORATION

The conference agreement provides $11,155,000 for the administrative expense limitation, instead of $10,958,000 as proposed by the House and $11,352,000 as proposed by the Senate.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $335,000,000, instead of $314,000,000 as proposed by the House and $342,787,000 as proposed by the Senate.

There is concern about the December 3, 1997 Opinion Letter issued by the Employment Standards Administration regarding section 3(o) of the Fair Labor Standards Act. Within the constraints of not preempting the Department's discussions with industry or the courts' impartial consideration of the merits of this issue, the Department is urged to clarify this letter with regard to retroactivity and to existing collective bargaining agreements or private litigation.

BLACK LUNG DISABILITY TRUST FUND

The conference agreement appropriates $49,771,000 for salaries and expenses from the Trust Fund, instead of $49,404,000 as proposed by the House and $50,138,000 as proposed by the Senate. The agreement includes a definite annual appropriation for black lung benefit payments and interest payments on advances made to the Trust Fund as proposed by the House instead of an indefinite permanent appropriation as proposed by the Senate.

There is concern about the structural deficit in the Black Lung Disability Trust Fund. The Administration is directed to provide its recommended solution for the problem of the increasing indebtedness of the Trust Fund to the Congress as part of its fiscal year 2001 budget request.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $370,000,000, instead of $337,408,000 as proposed by the House and $388,142,000 as proposed by the Senate. The agreement does not include language proposed by the Senate that would have earmarked one-half of the increase over the FY 1999 appropriation for State consultation grants and one-half for enforcement and all other purposes. The House bill had no similar provision. The detailed table at the end of this joint statement reflects the activity distribution agreed upon.

The Department is urged to consider allowing the use of all FDA-approved devices which reduce the risk of needlestick injury, whether or not such safety feature is integrated into the needle or other sharp medical object, if the non-integrated device is at least as safe and effective as other FDA-approved devices.

Without any intent to delay pending regulations, the conference agreement includes $450,000 elsewhere in this bill for a National Academy of Sciences study of the proposed standard on tuberculosis.

Concerns have been expressed about recommendations of the Metalworking Fluids Standards Advisory Committee, established by the Department, with respect to metalworking fluids exposure levels. The Department is expected to carefully consider peer-reviewed scientific research and examine the technical feasibility and economic consequences of its recommendations. An economic analysis to the three-digit SIC code and a risk assessment should be completed on the impact of reduced exposure levels.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $228,373,000, instead of $211,165,000 as proposed by the House and $230,873,000 as proposed by the Senate. The agreement includes $2,500,000 over the budget request for physical improvements at the National Mine Safety and Health Academy.

The agreement does not include language proposed by the House that would have prohibited the use of funds to carry out the miner training provisions of the Mine Safety and Health Act with respect to certain industries, including sand and gravel and surface stone, until June 1, 2000. The Senate bill did not include a similar provision.

The agreement also does not include language proposed by the Senate that would have allowed MSHA to retain and spend up to $1,000,000 in fees collected for the approval and certification of mine equipment and materials. The House bill did not include a similar provision.

Concerns have been expressed about the possible ramifications of a rulemaking on the use of conveyor belts in underground coal mines, including concerns about the validity of the testing on which the rule is based. MSHA is urged to carefully examine the record and to conduct additional research that may be required to address any significant concerns that have been raised.

MSHA is urged to examine the ongoing NCI/NIOSH study of Lung Cancer and Diesel Exhaust among Non-Metal Miners in connection with the promulgation of a proposed rule on diesel exhaust.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

The conference agreement appropriates $409,444,000 as proposed by the Senate instead of $394,697,000 as proposed by the House.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement appropriates $210,788,000, instead of $191,131,000 as proposed by the House and $247,311,000 as proposed by the Senate. The agreement includes language proposed by the Senate that authorizes the expenditure of funds for the management or operation of Departmental bilateral and multilateral foreign technical assistance. The House bill included no such language. The agreement does not include language proposed by the Senate that would have authorized the use of up to $10,000 of DOL salaries and expenses funds in this Act for receiving and hosting officials of foreign states and official foreign delegations. The House bill included no such language. Instead, the agreement authorizes the Secretary to use up to $20,000 from funds available for salaries and expenses for official reception and representation expenses in a general provision in title V of the bill (§504), instead of $15,000 as proposed in both the House and Senate bills.

International child labor activities are funded at the level requested in the President's budget.

The agreement does not include statutory language proposed by the Senate requiring a report to Congress containing options to promote a legal domestic workforce in the agricultural sector, provide for improved compensation and benefits, improved living conditions and better transportation between jobs and address other issues related to agricultural labor that the Secretary determines to be necessary. However, the Department is instructed to prepare such a report and submit it to Congress as soon as possible.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

The conference agreement appropriates $184,341,000, instead of $182,719,000 as proposed by the House and $185,613,000 as proposed by the Senate.

OFFICE OF INSPECTOR GENERAL

The conference agreement appropriates $51,925,000 as proposed by the Senate instead of $47,500,000 as proposed by the House.

GENERAL PROVISIONS

JOB CORPS PAY CAP

The conference agreement includes language proposed by the House adjusting the salary cap for employees of Job Corps contractors from Federal Executive Level III to Executive Level II. The Senate bill left the cap at the current level of Executive Level III.

DAVIS-BACON HELPER REGULATIONS

The conference agreement does not include language proposed by the House that would have prohibited the use of funds in the bill to implement the proposed Davis-Bacon helper regulations issued by the Wage and Hour Division on April 9, 1999. The Senate bill contained no such provision.

HEALTH CLAIMS REGULATIONS

The conference agreement does not include language proposed by the House that would have prohibited the use of funds in the bill to implement the proposed regulations issued by the Labor Department on September 9, 1998 concerning changes in ERISA health claims processing requirements. The Senate bill contained no such provision.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

The conference agreement includes $4,429,292,000 for Health Resources and Services instead of $4,204,395,000 as proposed by the House and $4,365,498,000 as proposed by the Senate.

The conference agreement includes bill language identifying $104,052,000 for the construction and renovation of health care and other facilities instead of $10,000,000 as proposed by the Senate. The House bill contained no similar provision. These funds are to be used for the following projects: Northwestern University/Evanston Hospital Center for Genomics and Molecular Medicine; Sinai Family Health Centers of Chicago; Condell Medical Center Regional Center for Cardiac Health Services; Northwestern Memorial Hospital; Hackensack University Medical Center; Brookfield Zoo/Loyola University School of Medicine; Westcare Fresno Community Healthcare Campus, Fresno, California; Northern Illinois University Center for the Study of Family Violence and Sexual Assault; Memorial Hermann Healthcare System, Houston, Texas; George Mason University Center for Services to Families and Schools; Dominican College Center for Health Sciences; Marklund Children's Home, Bloomingdale, Illinois; Lawton and Rhea Chiles Center for Healthy Mothers and Babies Perinatal Data Center; Aging Health Services Center, Somerset, Kentucky; St. Joseph's Hospital Health Center, Syracuse, New York; Northeastern Ohio Universities College of Medicine; Gateway Community Health Center, Laredo, Texas; Uvalde County Clinic, Uvalde, Texas; Vida y Salud Community Health Center, Crystal City, Texas; Sul Ross State University, Alpine, Texas; University of Mississippi Medical Center, Guyton Building; Children's Hospital of Alabama, Birmingham, Alabama; Edward Health Services, Naperville, Illinois; Marquette University School of Dentistry; St. Christopher-Ottilie Residential Treatment Center, Sea Cliff, Long Island; Louisiana State University Feist-Weiller Cancer Center, Shreveport, Louisiana; Columbus Community Healthcare Center, Buffalo, New York; Children's Hospital Los Angeles Research Institute; Englewood Hospital and Medical Center, Englewood, New Jersey; Marywood University Northeast Pennsylvania Healthy Families Center, Scranton, Pennsylvania; Temple University Outpatient Facility; Temple University Children's Medical Center; Pittsburgh Magee-Women's Hospital Women's Center; College of Physicians, Philadelphia, Pennsylvania; Drexel University National Chemical and Biological Research Center; University of Pittsburgh Cancer Center; Philadelphia College of Osteopathic Medicine; Fairbanks Memorial Hospital, Fairbanks, Alaska; Yukon-Kuskokwim Health Corporation, Bethel, Alaska; University of Vermont Cancer Center; Burlington, Vermont community health center; Central Wyoming community health center; Clinical Diabetes Islet Transplanation Research Center at the former NIH/Perrine, Florida Animal Research Facility; Cooper Green Hospital, Alabama; Central Ozarks Medical Center, Richland, Missouri; University of Alabama at Birmingham Interdisciplinary Biomedical Research Institute; Lawton Chiles Foundation, Florida; Mississippi Institute for Cancer Research; Jackson Medical Mall Foundation, Mississippi; Union Hospital, Terre Haute, Indiana; St. Joe's Hospital of Ohio; University of Northern Colorado, Rocky Mountain Cancer Rehabilitation Institute; National Jewish Medical and Research Center; University of Florida Genetics Institute; Hidalgo County Health Complex, Lordsburg, New Mexico; community health centers in Iowa; Medical University of South Carolina Cancer Center; Child Health Institute at the University of Medicine and Dentistry of New Jersey; Harts Health Center, Harts, West Virginia; West Virginia University Eye Institute; University of South Dakota Medical School Research Facility; Tufts University, Biomedical/Nutrition Research Center; New York University Program in Women's Cancer; Laguna Honda Hospital, San Francisco, California; and University of Montana Institute for Environmental and Health Sciences.

The conference agreement includes bill language identifying $214,932,000 for family planning instead of $215,000,000 as proposed by the House and $222,432,000 as proposed by the Senate.

There is concern that there has been a steady erosion of title X funds being made available by the Department for authorized section 1001 clinical services. The Department is directed to allocate at least 90 percent of the funds appropriated for title X specifically for clinical services. The conference agreement concurs with the language contained in the Senate report regarding the expenditure of year-end funds and allocation of title X funds to regional offices.

The conference agreement does not include a provision to allow funds to be used to operate the Council on Graduate Medical Education as proposed by the Senate. The House bill contained no similar provision. The Health Professions Education Partnerships Act of 1998 authorizes the use of funds for this purpose.

The conference agreement provides $50,000,000 for the Ricky Ray Hemophilia Relief Fund Act as proposed by the Senate instead of $20,000,000 as proposed by the House. This funding is included in the Public Health and Social Services Emergency Fund as proposed by the House. The Senate bill provided funding in the HRSA account. Within the total provided, $10,000,000 shall be for HRSA administrative costs.

The conference agreement does not include a provision related to the Health Care Fraud and Abuse Data Collection Program as proposed by the Senate. The House bill contained no similar provision.

The conference agreement provides $1,024,000,000 for community health centers as proposed by the Senate instead of $985,000,000 as proposed by the House. Within the total provided, $5,000,000 is for native Hawaiian health programs.

The demonstration project by the Utah area health education centers was identified under community health centers in the Senate report and should be considered under the area health education centers account.

The conference agreement provides $38,244,000 for the national health service corps, field placements as proposed by the House instead of $36,997,000 as proposed by the Senate. Within the total provided, $1,000,000 is to expand the availability of behavioral and mental health services nationwide.

The conference agreement provides $78,666,000 for national health service corps, recruitment instead of $78,166,000 as proposed by both the House and Senate. The amount provided includes $500,000 to increase the number of SEARCH grantees so as to include the Illinois Primary Health Care Association. The conference agreement concurs with the Senate report language concerning increasing health care availability in underserved areas.

The conference agreement provides $324,277,000 for health professions instead of $301,986,000 as proposed by the House and $226,916,000 as proposed by the Senate. The conference agreement includes $1,000,000 within allied health special projects for expansion of the Illinois Community College Board's program, in coordination with the Illinois Department of Human Services, to train and place welfare recipients in the allied health field using distance technology.

The conference agreement includes $20,000,000 for pediatric graduate medical education, subject to authorization. The funds would be used to support health professions training at children's teaching hospitals. The Secretary is directed to provide a detailed operating plan that clearly specifies those hospitals deemed eligible for funding, the methodology and criteria used in determining payments, and performance measurements and outcomes. It is intended that the funds provided for this activity will be a one-time payment, pending action by the authorizing Committees to establish statutory guidelines for the structure and operation of the program.

The conference agreement provides $20,282,000 for Hansen's Disease Services instead of $18,670,000 as proposed by the House and $17,282,000 as proposed by the Senate. The conference agreement includes $3,000,000 to continue the Diabetes Lower Extremity Amputation Prevention (LEAP) programs at the University of South Alabama, the Louisiana State University School of Medicine, and the Roosevelt Warm Springs Institute for Rehabilitation.

The conference agreement provides $710,000,000 for the maternal and child health block grant instead of $800,000,000 as proposed by the House and $695,000,000 as proposed by the Senate. The conference agreement includes bill language designating $108,742,000 of the funds provided for the block grant for special projects of regional and national significance (SPRANS) instead of $198,742,000 as proposed by the House. The Senate bill contained no similar provision. It is intended that $5,000,000 of this amount be used for the continuation of the traumatic brain injury State demonstration projects as authorized by title XII of the Public Health Service Act.

Within the funds provided, sufficient funds are included to initiate a multi-state dental sealant demonstration program identified in the Senate bill. The agency is urged to work closely with the Departments of Health of New Mexico and Alaska to develop dental sealant programs that address the needs of medically underserved children, especially those living in rural, American Indian, and Native Alaskan communities.

Within the total provided, $150,000 is included for the Whole Kids Outreach program in southeast Missouri.

Within the total provided, the agency is encouraged to support the efforts of the Kids Peace program in Orefield, Pennsylvania, that assist children to overcome situational crises.

The conference agreement provides $90,000,000 for healthy start instead of $110,000,000 as proposed by the Senate. The House bill provided $90,000,000 for healthy start within the Maternal and Child Health block grant SPRANS account. It is intended that these projects will be evaluated and States will begin to incorporate those activities that are proven successful and can be replicated into the mission of the maternal and child health program.

The conference agreement provides $3,500,000 for newborn and infant hearing screening instead of $2,500,000 as proposed by the House and $4,000,000 as proposed by the Senate. These funds are to be used to implement title VI of this Act, Early Detection, Diagnosis, and Interventions for Newborns and Infants with Hearing Loss.

The conference agreement provides $32,067,000 for rural health outreach grants instead of $38,892,000 as proposed by the House and $31,396,000 as proposed by the Senate. Within the total provided, $1,200,000 is to continue and expand the development of the Center for Acadiana Genetics and Hereditary Health Care at Louisiana State University Medical Center.

The conference agreement provides $30,548,000 for rural health research instead of $11,713,000 as proposed by the House and $6,085,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$300,000 for the Northern California Telemedicine Network at Santa Rosa Memorial Hospital;

—$385,000 for a rural telemedicine distance learning project at Daemen College, Amherst, New York;

—$1,000,000 for a University of New Mexico and University of Hawaii joint telehealth initiative;

—$1,000,000 for the Medical University of South Carolina Center for the joint MUSC/Walter Reed/Sloan Kettering Telemedicine program;

—$1,500,000 for the Southwest Alabama Rural Telehealth Network at the University of South Alabama College of Medicine;

—$1,500,000 for the Children's Hospital and Regional Medical Center, Seattle, telemedicine project;

—$1,650,000 for the University of Maine rural children's health assessment and follow-up program;

—$2,000,000 for the University of Mississippi Center for Sustainable Health Outreach;

—$2,500,000 for the Mississippi State University Rural Health, Safety, and Security Institute;

—$3,000,000 for a telehealth deployment research testbed program; and

—$4,000,000 for the Alaska Federal Health Care Access Network, Anchorage.

The conference agreement does not provide separate funding for the Office for the Advancement of Telehealth as proposed by the Senate. The House bill contained no similar provision.

The conference agreement provides $5,000,000 for traumatic brain injury demonstrations within the Maternal and Child Health block grant SPRANS account as proposed by the House. The Senate bill provided $5,000,000 as a separate appropriation.

The conference agreement does not provide separate funding for trauma care as proposed by the Senate. The House bill contained no similar provision. Within funds available for maternal and child health, HRSA is urged to work with the National Highway Traffic Safety Administration and the American Trauma Society to assess emergency medical services systems.

The conference agreement provides $3,000,000 for poison control as proposed by the Senate. The House bill contained no similar provision. Efforts are underway by HRSA and the Centers for Disease Control and Prevention to initiate planning for a national toll-free number for poison control services. Funding is provided to support this effort and related system enhancements such as the development and assessment of uniform patient management guidelines. The agency is also urged to assist the poison control centers' planning and stabilization efforts.

The conference agreement provides $6,000,000 for black lung clinics as proposed by the Senate instead of $5,000,000 as proposed by the House.

The conference agreement provides a total of $1,550,000,000 for Ryan White programs instead of $1,519,000,000 as proposed by the House and $1,610,500,000 as proposed by the Senate. Included in this amount is $525,000,000 for emergency assistance, $814,000,000 for comprehensive care, $132,000,000 for early intervention, $51,000,000 for pediatric demonstrations, $20,000,000 for dental services, and $8,000,000 for education and training centers.

The conference agreement includes bill language identifying $518,000,000 for the Ryan White Title II State AIDS drug assistance programs. The House bill identified $500,000,000 and the Senate bill identified $536,000,000.

The conference agreement provides $125,000,000 for program management instead of $115,500,000 as proposed by the House and $133,000,000 as proposed by the Senate. Within the total provided, it is intended that $900,000 will be allocated to support the efforts of the American Federation for Negro Affairs Education and Research Fund of Philadelphia and $750,000 is for the University of Northern Iowa Global Health Corps project.

There are plans by several transplant organizations to hold a National Consensus Conference on Living Organ Donation in early 2000 to examine the opportunities and challenges surrounding living organ donation. Despite efforts to increase organ donation, the demand for donations continues to surpass the number of donated organs. The support of the Administration is an important part of organ donation efforts. The Department is urged to be a partner in this upcoming conference.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

The conference agreement includes $2,798,886,000 for disease control, research, and training instead of $2,621,476,000 as proposed by the House and $2,760,544,000 as proposed by the Senate. In addition, the conference agreement includes bill language designating $51,000,000 for violence against women programs financed from the Violent Crime Reduction Trust Fund as proposed by both the House and Senate.

The conference agreement provides $60,000,000 for equipment, construction, and renovation of facilities instead of $40,000,000 as proposed by the House and $59,800,000 as proposed by the Senate, of which $20,000,000 was included in the Public Health and Social Services Emergency Fund. The conference agreement also repeats bill language included in the fiscal year 1999 appropriations bill to allow the General Services Administration to enter into a single contract or related contracts for the full scope of the infectious disease laboratory and that the solicitation and contract shall contain the clause "availability of funds" found in the Code of Federal Regulations.

The conference agreement provides a total of $100,000,000 for the National Center for Health Statistics instead of $94,573,000 as proposed by the House and $109,573,000 as proposed by the Senate. The conference agreement also includes bill language designating $71,690,000 of the total to be available to the Center under the Public Health Service one percent evaluation set-aside instead of $71,793,000 as proposed by the House and $109,573,000 as proposed by the Senate. The Center is urged to give priority to the NHANES survey.

The table accompanying the conference agreement includes a breakout of program costs and salaries and expenses by program. Salaries and expenses activities encompass all non-extramural activities with the exception of program support services, centrally managed services, buildings and facilities, and the Office of the Director. It is intended that designated amounts for salaries and expenses are ceilings. The agency may allocate administrative funds for extramural program activities according to its judgment. Funds should be apportioned and allocated consistent with the table, and any changes in funding are subject to the normal notification procedures.

The conference agreement provides $135,204,000 for the prevention health services block grant instead of $152,247,000 as proposed by the House and $118,161,000 as proposed by the Senate.

The conference agreement provides $17,500,000 for prevention centers as proposed by the House instead of $15,500,000 as proposed by the Senate. Within the total provided, sufficient funds are included to establish an Appalachian prevention center at the University of Kentucky.

The conference agreement provides $461,875,000 for childhood immunization instead of $421,477,000 as proposed by the House and $512,273,000 as proposed by the Senate. In addition, the conference agreement provides $20,000,000 for polio eradication in the Public Health and Social Services Emergency Fund.

In addition, the Vaccines for Children (VFC) program funded through the Medicaid program is expected to provide $545,043,000 in vaccine purchases and distribution support in fiscal year 2000, for a total program level of $1,006,918,000.

The conference agreement provides $662,276,000 for HIV/AIDS as proposed by the Senate instead of $657,036,000 as proposed by the House.

The conference agreement provides $123,574,000 for tuberculosis instead of $121,962,000 as proposed by the House and $125,185,000 as proposed by the Senate.

The conference agreement provides $129,097,000 for sexually transmitted diseases as proposed by the House instead of $128,808,000 as proposed by the Senate. CDC is encouraged to address chlamydia as a disease with widespread prevalence among teens and young adults.

The conference agreement provides $361,705,000 for chronic and environmental diseases instead of $315,511,000 as proposed by the House and $327,081,000 as proposed by the Senate. In addition, the conference agreement provides $5,000,000 for the environmental health laboratory in the Public Health and Social Services Emergency Fund. Included in this amount are increases for the following activities: $500,000 for oral health; $500,000 for prostate cancer; $500,000 colorectal cancer; $500,000 for autism; $503,261 for chronic fatigue syndrome; $538,820 for radiation; $539,055 for folic acid; $1,000,000 for limb loss; $1,000,000 for arthritis; $1,000,000 for women's health/ovarian cancer; $1,176,793 for birth defects; $2,000,000 for diabetes; $2,300,000 for pfiesteria; $3,500,000 for newborn and infant hearing screening; $5,000,000 for nutrition/obesity; $10,000,000 for asthma; $10,000,000 for cardiovascular diseases; and $27,000,000 for smoking and health/tobacco. The agency is urged to give full and fair consideration to the Hale County, Alabama, HERO program.

The conference agreement provides $167,051,000 for breast and cervical cancer screening as proposed by the Senate instead of $161,071,000 as proposed by the House. The conference agreement includes bill language to allow the agency to expand the WISEWOMAN program to not more than 10 States. The agency is urged to give full and fair consideration to proposals from Pennsylvania, Iowa, and Connecticut.

The conference agreement provides a total of $165,610,000 for infectious diseases as proposed by both the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and the Senate. Within this amount, $145,610,000 is provided in this account and $20,000,000 is provided in the Public Health and Social Services Emergency Fund for bioterrorism surveillance-emergency preparedness and response activities.

The conference agreement provides $38,248,000 for lead poisoning as proposed by the House instead of $37,205,000 as proposed by the Senate.

The conference agreement provides $86,198,000 for injury control instead of $57,581,000 as proposed by the House and $82,819,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$200,000 to the City of Waterloo, Iowa, for expansion of Fire PALS, a school-based injury prevention program;

—$500,000 for the Trauma Information Exchange Program as described in the House and Senate reports;

—$2,500,000 to expand injury control centers; and

—$12,500,000 to initiate or expand youth violence programs, of which $10,000,000 shall be for national academic centers of excellence on youth violence prevention and $2,500,000 shall be for a national youth violence prevention resource center.

The conference agreement provides $215,000,000 for the national occupational safety and health program as proposed by the Senate instead of $200,000,000 as proposed by the House.

The conference agreement provides $85,916,000 for epidemic services as proposed by the House instead of $81,349,000 as proposed by the Senate. Within the total provided, it is intended that $1,600,000 will be allocated to support expansion of an existing post-traumatic peer support model intervention network to address the needs of landmine victims in affected regions overseas.

The conference agreement provides $36,322,000 for the Office of the Director instead of $31,136,000 as proposed by the House and $32,322,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$1,000,000 to establish a sustainable pilot program that would initiate an interdisciplinary approach to mind-body medicine and to assess their preventive health impact. To ensure a program of the highest quality, a strong peer-review process for all proposals should be put in place.

—$1,000,000 for the University of South Alabama birth defects monitoring and prevention activities; and

—$3,000,000 for the Center for Environmental Medicine and Toxicology at the University of Mississippi Medical Center at Jackson.

The conference agreement provides $30,000,000 for health disparities demonstrations instead of $10,000,000 as proposed by the House and $35,000,000 as proposed by the Senate. The agency is urged to expand the REACH initiative to additional communities and collaborate with Missouri community health centers as well as other worthy centers across the country.

NATIONAL INSTITUTES OF HEALTH

National Cancer Institute

The conference agreement provides $3,332,317,000 for the National Cancer Institute instead of $3,163,727,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $3,286,859,000 as proposed by the Senate.

National Heart, Lung and Blood Institute

The conference agreement provides $2,040,291,000 for the National Heart, Lung and Blood Institute instead of $1,937,404,000 as proposed by the House and $2,001,185,000 as proposed by the Senate.

National Institute of Dental and Craniofacial Research

The conference agreement provides $270,253,000 for the National Institute of Dental and Craniofacial Research instead of $257,349,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $267,543,000 as proposed by the Senate.

National Institute of Diabetes and Digestive and Kidney Diseases

The conference agreement provides $1,147,588,000 for the National Institute of Diabetes and Digestive and Kidney Diseases instead of $1,087,455,000 as proposed by the House and $1,130,056,000 as proposed by the Senate.

National Institute of Neurological Disorders and Stroke

The conference agreement provides $1,034,886,000 for the National Institute of Neurological Disorders and Stroke instead of $979,281,000 as proposed by the House and $1,019,271,000 as proposed by the Senate.

National Institute of Allergy and Infectious Diseases

The conference agreement provides $1,803,063,000 for the National Institute of Allergy and Infectious Diseases instead of $1,714,705,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $1,786,718,000 as proposed by the Senate.

National Institute of General Medical Sciences

The conference agreement provides $1,361,668,000 for the National Institute of General Medical Sciences instead of $1,298,551,000 as proposed by the House and $1,352,843,000 as proposed by the Senate.

National Institute of Child Health and Human Development

The conference agreement provides $862,884,000 for the National Institute of Child Health and Human Development instead of $817,470,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $848,044,000 as proposed by the Senate.

National Eye Institute

The conference agreement provides $452,706,000 for the National Eye Institute instead of $428,594,000 as proposed by the House and $445,172,000 as proposed by the Senate.

National Institute of Environmental Health Sciences

The conference agreement provides $444,817,000 for the National Institute of Environmental Health Sciences instead of $421,109,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, instead of $436,113,000 as proposed by the Senate.

National Institute on Aging

The conference agreement provides $690,156,000 for the National Institute on Aging instead of $651,665,000 as proposed by the House and $680,332,000 as proposed by the Senate.

National Institute of Arthritis and Musculoskeletal and Skin Diseases

The conference agreement provides $351,840,000 for the National Institute of Arthritis and Musculoskeletal and Skin Diseases instead of $333,378,000 as proposed by the House and $350,429,000 as proposed by the Senate.

National Institute on Deafness and Other Communication Disorders

The conference agreement provides $265,185,000 for the National Institute on Deafness and Other Communication Disorders instead of $251,218,000 as proposed by the House and $261,962,000 as proposed by the Senate.

National Institute of Nursing Research

The conference agreement provides $90,000,000 for the National Institute of Nursing Research as proposed by the Senate instead of $76,204,000 as proposed by the House.

National Institute of Alcohol Abuse and Alcoholism

The conference agreement provides $293,935,000 for the National Institute of Alcohol Abuse and Alcoholism instead of

$279,901,000 as proposed by the House and $291,247,000 as proposed by the Senate.

National Institute on Drug Abuse

The conference agreement provides $689,448,000 for the National Institute on Drug Abuse instead of $656,551,000 as proposed by the House and $682,536,000 as proposed by the Senate.

National Institute of Mental Health

The conference agreement provides $978,360,000 for the National Institute of Mental Health instead of $930,436,000 as proposed by the House and $969,494,000 as proposed by the Senate.

National Human Genome Research Institute

The conference agreement provides $337,322,000 for the National Human Genome Research Institute as proposed by the Senate instead of $308,012,000 as proposed by the House.

National Center for Research Resources

The conference agreement provides $680,176,000 for the National Center for Research Resources instead of $642,311,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $655,988,000 as proposed by the Senate. The conference agreement also includes bill language designating $75,000,000 for extramural facilities construction grants. These funds will provide seed money to stimulate greater public and private sector investments in this needed modernization effort. In awarding grants with these funds, NCRR is directed to recognize the special needs of smaller and developing institutions. NCRR shall assure that, given a sufficient number of meritorious applications from smaller and developing institutions, no less than 50 percent of the awards are made to these institutions. In addition, NCRR shall take all steps necessary to assure that small and developing institutions are notified of the funds available in this account and are provided adequate technical assistance in the application process. The conference agreement does not include a provision proposed by the Senate to provide $30,000,000 for extramural facilities available on October 1, 2000. The House bill contained no similar provision.

The total provided also includes $40,000,000 for the Institutional Development Awards (IDeA) program as proposed by the House instead of $20,000,000 as proposed by the Senate. In addition, $15,000,000 is included to enhance the science education program as referenced in the House and Senate reports.

The conference agreement concurs with language contained in the Senate report concerning animal research facilities in minority health professional schools.

John E. Fogarty International Center

The conference agreement provides $43,723,000 for the John E. Fogarty International Center as proposed by the Senate instead of $40,440,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund.

National Library of Medicine

The conference agreement provides $215,214,000 for the National Library of Medicine instead of $202,027,000 as proposed by the House and $210,183,000 as proposed by the Senate.

National Center for Complementary and Alternative Medicine

The conference agreement provides $68,753,000 for the National Center for Complementary and Alternative Medicine instead of $68,000,000 as proposed by the House and $56,214,000 as proposed by the Senate. The conference agreement does not include bill language proposed by the Senate to make these funds available for obligation through September 30, 2001. The House bill contained no similar provision.

It is believed that Federal policy in a number of areas is failing to keep up with the increased use of complementary and alternative therapies. Funding was provided in fiscal year 1999 to support the establishment and operation of a White House Commission on Complementary and Alternative Medicine Policy to study and make recommendations to the Congress on appropriate policies regarding consumer information, training, insurance coverage, licensing, and other pressing issues in this area. It is believed that the Commission is not intended to review the work of or set the priorities for the Center. Rather, the Center is expected simply to provide administrative support to the Commission.

The conference agreement concurs with the House and Senate report language regarding the training of physicians in integrative medicine, but urges the Center to also support the training of nurses in integrative medicine through appropriate mechanisms. The Center is also urged to study strategies for integrating complementary and alternative medicine into all nursing curricula.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $283,509,000 for the Office of the Director instead of $270,383,000 as proposed by the House and $299,504,000 as proposed by the Senate. The conference agreement includes a designation in bill language of $44,953,000 for the operations of the Office of AIDS Research as proposed by the House. The Senate bill contained no similar provision.

It is expected that the Minority Access to Research Careers, Minority Biomedical Research Support, Research Centers in Minority Institutions, and the Office of Research on Minority Health programs will continue to be supported at a level commensurate with their importance.

Investigations into the causes, prevention, treatment, and cure for diabetes are important. The Diabetes Research Working Group report outlines many scientific opportunities and NIH is encouraged to pursue research on all types of diabetes with equal vigor.

NIH is expected to consult closely with the research community, clinicians, patient advocates, and the Congress regarding Parkinson's research and fulfillment of the goals of the Morris K. Udall Parkinson's Research Act. NIH is requested to develop a report to Congress by March 1, 2000 outlining a research agenda for Parkinson's focused research for the next five years, along with professional judgment funding projections. The NIH Director should be prepared to discuss Parkinson's focused research planning and implementation for fiscal year 2000 and fiscal year 2001.

Continued advances in biomedical imaging and engineering, including the development of new techniques and technologies for both clinical applications and medical research and the transfer of new technologies from research projects to the public health sector are important. The disciplines of biomedical imaging and engineering have broad applications to a range of disease processes and organ systems and research in these fields does not fit into the current disease and organ system organizational structure of the NIH. The present organization of the NIH does not accommodate basic scientific research in these fields and encourages unproductive diffusion of imaging and engineering research. Several efforts have been made in the past to fit imaging into the NIH structure, but these have proved to be inadequate.

For these reasons, NIH is urged to establish an Office of Bioimaging/Bioengineering and to review the feasibility of establishing an Institute of Biomedical Imaging and Engineering. This Office should coordinate imaging and bioengineering research activities, both across the NIH and with other Federal agencies. The NIH shall report to the Appropriations Committees of the House and Senate on the progress achieved by this Office no later than June 30, 2000.

Security at Federal facilities is a growing concern and with the number of visitors to the NIH campus, including both domestic and foreign dignitaries, and the type of research that occurs on campus, adequate security at NIH is critical. The Director is requested to contract with an independent group to study the overall security situation at the Bethesda campus. This study should include, but not be limited to, recommendations regarding the appropriate manpower, training, and equipment needed to provide adequate security for NIH employees and all visitors to the campus as well as any recommended changes to the current security policy.

Infantile autism and autism spectrum disorders are biologically based neurodevelopmental diseases that cause severe impairments in language and communication and generally manifest in young children sometime during the first two years of life. Best estimates indicate that 1 in 500 children born today will be diagnosed with an autism spectrum disorder and that 400,000 Americans have autism or an autism spectrum disorder. NIH is strongly encouraged to dedicate more resources and to expand and intensify these efforts through the NIH Autism Coordinating Committee. More knowledge is needed concerning the underlying causes of autism and autism spectrum disorders, how to treat and prevent these disorders; the epidemiology and risk factors for the disorders; the development of methods for early medical diagnosis; dissemination to medical personnel, particularly pediatricians, to aid in the early diagnosis and treatment of this disease; and the costs incurred in educating and caring for individuals with autism and autism spectrum disorders. NIH is also encouraged to explore mechanisms, including innovative collaborative approaches in autism, supported by the Institutes to conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of autism, including research in the fields of developmental neurobiology, genetics, and psychopharmacology.

NIDDK and NIAID are to be commended for jointly supporting research on foodborne illness. The Institutes are encouraged to enhance research on the reaction of the gut to foodborne pathogens, including research on the pathogenesis of the disease, the reasons for antibiotic resistance, the reaction of the gut to infections, the development of animal models to test therapies, and the invention of vaccines or substances that bind with the toxins to prevent the illness.

BUILDINGS AND FACILITIES

The conference agreement provides $135,376,000 for buildings and facilities instead of $108,376,000 as proposed by the House and $100,732,000 as proposed by the Senate. In addition, $40,000,000 was provided in the fiscal year 1999 appropriations bill for the Clinical Center.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

The conference agreement provides $2,549,728,000 for substance abuse and mental health services instead of $2,413,731,000 as proposed by the House and $2,799,516,000 as proposed by the Senate. The conference agreement does not provide $148,816,000 to become available on October 1, 2000 as proposed by the Senate. The House bill contained no similar provisions.

Center for Mental Health Services

The conference agreement provides $300,000,000 for the mental health block grant as proposed by the House instead of $358,816,000, of which $48,816,000 was to become available on October 1, 2000, as proposed by the Senate.

The conference agreement provides $83,000,000 for children's mental health as proposed by the House instead of $78,000,000 as proposed by the Senate.

Mental health services for children and adolescents could be strengthened by a comprehensive system that measures the quality and effectiveness of these services. The Center's Committee on Child and Adolescent Outcomes has supported the collaboration between Vanderbilt University and Australia in developing such an evaluation system in the United States. The Department is urged to continue this collaboration.

The National Mental Health Self-Help Clearinghouse, the Consumer Organization and Networking Technical Assistance Center, and the National Empowerment Center provide information and resources to individuals suffering from mental illnesses and their families. Continued funding of these Centers will allow services to be provided uninterrupted.

The conference agreement provides $31,000,000 for grants to states for the homeless (PATH) as proposed by the Senate instead of $28,000,000 as proposed by the House.

The conference agreement provides $25,000,000 for protection and advocacy as proposed by the Senate instead of $22,957,000 as proposed by the House.

The conference agreement provides $137,932,000 for knowledge development and application as proposed by the Senate instead of $85,851,000 as proposed by the House. The conference agreement has doubled funding for mental health services for school-age children, as part of an effort to reduce school violence. It is intended that $80,000,000 be used for the support and delivery of school-based and school-related mental health services for school-age youth. It is intended that the Department will continue to collaborate its efforts with the Department of Education to develop a coordinated approach.

Within the total provided, $1,000,000 is for the Northwest Suburban Cook County and Lake County Public Action to Deliver Shelter (PADS) provider organizations to address long-term homelessness through service integration.

Center for Substance Abuse Treatment

The conference agreement provides $1,585,000,000 for the substance abuse block grant as proposed by the House instead of $1,715,000,000 as proposed by the Senate. The conference agreement does not include a provision proposed by the Senate to provide $100,000,000 on October 1, 2000. The House bill contained no similar provision.

The conference agreement provides $181,741,000 for knowledge development and application instead of $136,613,000 as proposed by the House and $226,868,000 as proposed by the Senate. Within the total provided, $200,000 is for the Center Point Program in Marin County, California, for substance abuse and related services to high-risk individuals and families.

Recent reports by NIH and the Institute of Medicine recommend expansion of effective treatment approaches for adolescent drug abusers. CSAT is to be commended for its work in developing and testing manuals for program interventions through the Cannabis Youth Treatment initiative. CSAT is encouraged to expand this initiative by examining the immediate and long-term outcomes across the developmental period when adolescents are at risk for peak drug use, and by taking steps to replicate and improve such treatment approaches.

The Norton Sound Health Corporation project for substance abuse treatment services should be given full and fair consideration for funding.

Center for Substance Abuse Prevention

The conference agreement provides $139,955,000 for knowledge development and application instead of $118,910,000 as proposed by the House and $161,000,000 as proposed by the Senate. Within the total provided, $750,000 is for the Rio Arriba and Santa Fe Counties "black tar" heroin program and $3,000,000 is for a regional consortium of South Dakota, North Dakota, Minnesota, and Montana to provide Fetal Alcohol Syndrome services.

The conference agreement provides $7,000,000 for high risk youth grants as proposed by the Senate. The House bill contained no similar provision.

Program Management

The conference agreement provides $59,100,000 for program management instead of $53,400,000 as proposed by the House and $58,900,000 as proposed by the Senate. It is intended that $1,000,000 of the increase over the Administration request is to support the school violence prevention initiative.

It is intended that, from within the funds reserved for rural programs, $12,000,000 be allocated for CSAT grants and $8,000,000 be allocated for CSAP grants.

The conference agreement includes $3,700,000 to initiate and test the effectiveness of Community Assessment and Intervention Centers in providing integrated mental health and substance abuse services to troubled and at-risk children and youth, and their families in four Florida communities. Building upon successful juvenile programs, this effort responds directly to nationwide concerns about youth violence, substance abuse, declining levels of service availability and the inability of certain communities to respond to the needs of their youth in a coordinated manner. The total provided includes: $2,000,000 from mental health knowledge development and application; $500,000 from substance abuse prevention knowledge development and application; $1,000,000 from substance abuse treatment knowledge development and application; and $200,000 from program management.

The Senate recently heard testimony about pathological gambling disorders and the importance of additional federal research in this area as recommended by the National Gambling Impact Study Commission. The Center is urged to conduct demonstration projects to determine effective strategies and best practices for preventing and treating pathological gambling.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

The conference agreement provides $111,424,000 in appropriated funds instead of $104,403,000 as proposed by the House and $19,504,000 as proposed by the Senate.

The conference agreement designates $83,576,000 to be available to the Agency under the Public Health Service one percent evaluation set-aside instead of $70,647,000 as proposed by the House and $191,751,000 as proposed by the Senate.

In addition, $5,000,000 previously identified by the Senate report for bioterrorsm activities is included in the Public Health and Social Services Emergency Fund for the same purpose.

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

The conference agreement provides $1,971,648,000 for program management instead of $1,752,050,000 as proposed by the House and $1,991,321,000 as proposed by the Senate. The House bill assumed that the Administration's user fee proposal would be enacted prior to conference. An additional appropriation of $630,000,000 has been provided for this activity in the Health Insurance Portability and Accountability Act of 1996.

The conference agreement provides $95,000,000 for Medicare+Choice as proposed by the Senate instead of $15,000,000 as proposed by the House.

The conference agreement does not include language proposed by the Senate that would have allowed Medicaid and CHIP funding to be interchangeable. The House bill contained no similar provision.

The conference agreement repeats language included in last year's bill related to administrative fees collected relative to Medicare overpayment recovery activities.

The conference agreement does not include bill language proposed by the Senate to allow appropriated funds to be used to increase Medicare provider audits. The House bill contained no similar provision.

Research, Demonstration, and Evaluation

The conference agreement provides $60,000,000 for research, demonstration, and evaluation instead of $50,000,000 as proposed by the House and $65,000,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$100,000 for Littleton Regional Hospital in New Hampshire to assist in the development of rural emergency medical services;

—$250,000 for the University of Missouri-Kansas City to test behavioral interventions of nursing home residents with moderate to severe dementia;

—$2,000,000 for a nursing home transition initiative;

—$2,000,000 for a demonstration of residential and outpatient treatment facilities at the AIDS Healthcare Foundation in Los Angeles; and

—$3,000,000 for the University of Pennsylvania Medical Center, the University of Louisville Sciences Center, and St. Vincent's Hospital in Montana to conduct a demonstration to reduce hospitalizations among high-risk patients with congestive heart failure.

HCFA is urged to conduct a demonstration project to test the potential savings to the Federal government and to the Medicare program by comparing different products used for diabetic wound-care treatment. Such a demonstration should compare the aggregate costs of wound care treatment using different wound-care gel products as well as different gel application regimens.

HCFA is urged to conduct a demonstration project addressing the extraordinary adverse health status of native Hawaiians at the Waimanalo health center exploring the use of preventive and indigenous health care expertise.

HCFA is urged to conduct a demonstration project in Hawaii and Alaska to address the extraordinary adverse health status and limited access to health services of the indigenous people in Hawaii and Alaska natives and others residing in southwest Alaska.

There is strong concern over HCFA's failure to articulate clear guidelines and set expeditious timetables for consideration of new technologies, procedures and products for Medicare coverage. Two particularly troubling examples are HCFA's lengthy delays and failure to articulate clear standards regarding Medicare coverage of positron emission tomography (PET) and lung volume reduction surgery (LVRS). The effect of these delays in instituting Medicare coverage is to deny the benefits of these technologies and products to Medicare patients. There is also concern that HCFA appears to be requiring new technologies to repeat clinical trials and testing already successfully completed by the new products in the process of gaining FDA approval or in NIH clinical trials and which serve as signals to private insurers to cover new technologies. The recent creation of a 120-person advisory committee to review new technologies is also of some concern and it is noted that the Appropriations Committees will be observing the new advisory committee to review its costs and to see whether its use further delays Medicare coverage of new products. Because of the possible duplication of efforts among HHS agencies and related unnecessary costs to the Medicare program and the Department, it is expected that the Secretary will take a leadership role in resolving this matter expeditiously.

The Secretary is strongly urged to appoint a three-person Medicare-Technology Consumer Advisory Committee. The Committee should be appointed from among knowledgeable patient advocates and members of the medical community with expert knowledge of new technologies and cost-benefit analysis. The new Committee should study the current HCFA process for determining new coverages and should report at least every six months to the Secretary, the Appropriations Committees, and the general public on its findings and recommendations. The Secretary is expected to report prior to fiscal year 2001 appropriations hearings about its recommendations on streamlining HCFA's approval process for Medicare coverage of new technologies.

If the Secretary of the Department of Health and Human Services, under existing demonstration authority, chooses to implement a program to improve health care access for uninsured workers, the Secretary should encourage applications from private, not-for-profit multi-state health systems in urban and rural areas. Such multi-state systems should be given special consideration if they are willing to provide private matching funds to create model public-private partnerships which enhance integrated systems of health care for the working poor.

Medicare contractors

The conference agreement provides $1,244,000,000 for Medicare contractors as proposed by the Senate instead of $1,176,950,000 as proposed by the House. The amount provided reflects HCFA's proposal to change its approach for processing managed care encounter data, which will result in estimated savings of $30,000,000.

State survey and certification

The conference agreement provides $189,674,000 for State survey and certification instead of $106,000,000 as proposed by the House and $204,347,000 as proposed by the Senate.

Federal administration

The conference agreement provides $480,000,000 for Federal administration as proposed by the Senate instead of $421,126,000 as proposed by the House.

The conference agreement concurs with House report language regarding its concern that the current performance evaluation and recertification process for Organ Procurement Organizations (OPO) may hinder the goal of increased organ donations. HCFA is urged to work with and support the industry in its effort to develop alternative performance measures. HCFA is also urged to use existing authority to extend the OPO certification period until such time as an alternative process has been adopted.

Hospices in Wichita, Kansas will be adversely affected in their Medicare reimbursement in fiscal year 2000 because of an error in a faulty hospital cost report in 1995, over which they had no control, and because of a faulty tabulation by HCFA or its fiscal intermediary. HCFA is expected to correct the error in the publication of the hospice wage index for the Wichita, Kansas MSA by using the July 30, 1999 hospital wage index, published in the Federal Register, for the current fiscal year, rather than delaying until the following fiscal year, and by publishing a revised notice to reflect this correction.

Congress enacted the Indian Health Care Improvement Act with the intention of improving access to health care for Native Americans, including access to Medicaid-funded services. Congress intended to cover 100 percent of amounts that States expend for medical assistance received through an Indian Health Service (IHS) facility or a tribally-operated facility, including contractual and referral arrangements made through IHS or tribally-operated health programs. Moreover, medical assistance includes the full array of services for which a State Medicaid program can claim Federal matching funds. Therefore, HCFA is urged to reconsider its interpretation of the Indian Health Care Improvement Act.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

The conference agreement provides no extended availability of funds proposed by the Senate. The House bill proposed no extended availability.

LOW INCOME HOME ENERGY ASSISTANCE

The conference agreement includes language proposed by the House designating that the $1,100,000,000 appropriated for LIHEAP for FY 2000 in the FY 1999 appropriations act is an emergency under the Budget Act and requiring that such funds be allocated in accordance with the statutory formula. The Senate bill contained no such language. The agreement also includes the House legal citation to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act.

REFUGEE AND ENTRANT ASSISTANCE

The conference agreement appropriates $426,505,000, instead of $423,500,000 as proposed by the House and $430,500,000 as proposed by the Senate. The agreement provides for an annual appropriation as proposed by the House instead of three-year availability of funds proposed by the Senate. In the case of the Torture Victims Relief Act funds, the agreement provides for an annual appropriation as proposed by the House instead of the funds remaining available until expended proposed by the Senate.

In addition, the conference agreement includes language not contained in either bill that designates all funding in this account as an emergency requirement under the Budget Act.

The conference agreement includes $20,000,000 from carryover funds that are to be used under social services to increase educational support to schools with a significant proportion of refugee children and for the development of alternative cash assistance programs that involve case management approaches to improve resettlement outcomes. Such support should include intensive English language training and cultural assimilation programs.

The agreement also includes $26,000,000 for increased support to communities with large concentrations of refugees whose cultural differences make assimilation especially difficult justifying a more intense level and longer duration of Federal assistance.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

The conference agreement appropriates $1,182,672,000 as an advance appropriation for fiscal year 2001, instead of $2,000,000,000 as proposed by the Senate. The agreement further provides that $19,120,000 shall be for child care resource and referral and school-aged child care activities as proposed by the Senate. The House bill had no appropriation for this account.

The conference agreement includes $500,000 for a toll-free child care services program hotline to be operated by Child Care Aware.

States are encouraged to create or enhance systems of care that support and educate families expecting a baby or with young children, and help them understand that day-to-day interaction with children helps them develop cognitively, socially, physically and emotionally. Many states have already created state and local collaboratives that coordinate early childhood development, and these efforts are to be commended.

In the case of states that have yet to initiate such coordination, they are encouraged to look at best practices from across the country. The National Governors Association has developed goals, model indicators, and measures of performance to help states focus on improving the conditions of young children and their families. The State of Ohio has a successful initiative known as Family and Children First that could serve as a model. All states are encouraged to continue to develop and expand healthy early childhood systems of care.

SOCIAL SERVICES BLOCK GRANT

The conference agreement includes $1,700,000,000, instead of $1,909,000,000 as proposed by the House and $1,050,000,000 as proposed by the Senate. The agreement also includes the provision in the House bill that limits the ability of States to transfer TANF funds to the Social Services Block Grant to 4.25 percent instead of the 5 percent proposed in the Senate bill.

The conference agreement does not include section 216 of the Senate bill which increased the appropriation to $2,380,000,000 but specified that $1,330,000,000 of that amount would not become available for obligation until fiscal year 2001 and that the amount available for allocation to States in fiscal year 2001 would be $3,030,000,000. The House had no similar provision.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

The conference agreement appropriates $6,809,733,000, instead of $6,240,216,000 as proposed by the House and $6,789,635,000 as proposed by the Senate. In addition, the agreement rescinds $21,000,000 from permanent appropriations as proposed by the House.

The agreement includes an advance appropriation of $1,400,000,000 for Head Start for fiscal year 2001 as proposed by the House instead of $1,900,000,000 proposed by the Senate.

An amount of $10,000,000 is included under social services and income maintenance research for establishing Individual Development Accounts. The House proposed to fund this as a separate line item.

The Hull House Association's Neighbor to Neighbor (NTN) program in Chicago and Florida provides specialized placement and family services for sibling groups, keeping such children together, placed within their community, and stabilized in one foster home. Outcomes for this program have been noteworthy, including high rates of family reunification, placement stability and foster parent retention. The conference agreement includes $500,000 to support the Association's project to provide training, technical assistance and implementation assistance to establishment of NTN programs within public and private foster care agencies in other states and localities.

The conference agreement includes language not contained in either House or Senate bills that requires the Department to establish certain procedures regarding the disposition of intangible property in the community economic development program under the Community Services Block Grant Act.

There is awareness of efforts by the state information technology consortium to identify best practices with regard to implementing Temporary Assistance to Needy Families, including best practices developed by states, the federal government, and the private sector. The next phase of this effort will enable states to discern which best practices are appropriate for their particular needs, then work with the consortium to implement those practices. Continuation of this effort at the current level of support is urged.

It is important that the Congress determine the economic status of former recipients of Temporary Assistance to Needy Families, and the conference agreement provides funds to support such research and evaluation.

Head Start grantees may use their basic grant funds, quality funds, and expansion funds for minor renovations and rehabilitation of existing Head Start facilities. The Secretary is urged to give special attention to Native American communities with particular needs, including the Alaskan communities of Chevak, Napakiak, Haines, Marshall, Noorvik, Selawik, Pilot Station, Hooper Bay, and Dillingham.

Within the funds provided for Runaway Youth—Transitional Living, the conference agreement includes $500,000 for the House of Mercy in Des Moines, Iowa.

Within the funds provided for child abuse prevention programs, the conference agreement includes $1,000,000 for a one-stop shopping demonstration for Catholic Social Services in Juneau, Alaska; $2,000,000 for the Healthy Beginnings Program in Alaska; $500,000 for Children's Advocacy Services Center of Greater St. Louis; $50,000 for the Taos Community Against Violence for ongoing services for children and victims of domestic violence; and $1,000,000 for the University of Louisville, Center for Research in Early Childhood Development.

Within the funds provided for Native American programs, the conference agreement includes $700,000 for the Cook Inlet Tribal Council, Inc. and $300,000 for Kawerak, Inc.

The conference agreement includes $2,000,000 for the Public Children Services Association of Ohio to build a multi-State grassroots network that results in a State infrastructure of local child protection agencies.

The conference agreement includes $400,000 for the National Adoption Center to develop a national adoption photo listing service on the Internet.

Within the funds provided for developmental disabilities, projects of national significance, the conference agreement includes $1,000,000 for the Sertoma Center in Knoxville, Tennessee to work in conjunction with other entities to develop a training regime for providers of services for the developmentally disabled.

PROMOTING SAFE AND STABLE FAMILIES

The conference agreement changes the name of this appropriation account to "Promoting Safe and Stable Families" as proposed by the Senate instead of "Family Preservation and Support" proposed by the House.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

The conference agreement appropriates $4,307,300,000 as proposed by the House instead of $4,312,300,000 as proposed by the Senate.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

The conference agreement appropriates $930,225,000, instead of $881,976,000 as proposed by the House and $942,355,000 as proposed by the Senate. The agreement includes a legal citation as proposed by the Senate with respect to the Alzheimer's initiative.

The conference agreement includes the following amounts under aging research and training:

—$3,000,000 for social research into Alzheimer's disease care options, best practices and other Alzheimer's research priorities as specified in the House Report

—$10,000,000 for the "Senior Waste Patrol" pilot project to determine the most effective means of eliminating Medicare fraud, waste and abuse

—$2,000,000 for the Texas Tech University Center for Healthy Aging

—$500,000 for the West Virginia University Rural Aging Project

—$850,000 for Elder Services, Inc. in Middlebury, Vermont

—$2,200,000 for the Anchorage, Alaska Senior Center

—$450,000 for the Deaconess Billings Clinic Northwest Area Center for Aging in Montana

—$1,000,000 for Family Friends

—$100,000 for the Nevada Rural Counties Retired and Senior Volunteer Home Companion Program to provide services to homebound elderly in rural areas

Within the funds provided for state and local innovations/projects of national significance, the conference agreement intends that funds be used for ongoing projects scheduled for refunding in FY 2000.

Nearly one in four American households is currently involved in family caregiving to elderly relatives or friends. The Administration on Aging should give full and fair consideration to a demonstration and evaluation of the Metropolitan Family Services' community-based program that builds on the strengths of families to provide cost-effective and high quality care.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

The conference agreement appropriates $215,552,000, instead of $227,787,000 as proposed by the House and $189,420,000 as proposed by the Senate. To the extent that any staffing reductions are required to implement the conference agreement to freeze the basic salaries and expenses funding in this account at the fiscal year 1999 level, the Secretary should make the reductions in such overhead areas as the immediate office of the Secretary, public affairs, Congressional affairs, and intergovernmental affairs.

The agreement includes $1,500,000 for the United States-Mexico Border Health Commission. The conference agreement concurs with the Senate Report language concerning the human services transportation technical assistance program. It also concurs with the Senate Report language concerning the amount available for a public education campaign on osteoporosis in the Office on Women's Health. Within the amount allocated to the Office on Women's Health, $2,000,000 is for the initiation of biological, chemical and botanical studies to assist in the development of the clinical evaluation of phytomedicines in women's health.

The conference agreement includes language proposed by the House that earmarks $450,000 for a contract with the National Academy of Sciences to conduct a study of OSHA's proposed rule relating to occupational exposure to tuberculosis. The study should address the following questions:

1. Are health care workers at a greater risk of infection, disease, and mortality due to tuberculosis than the general community within which they reside? If so, what is the excess risk due to occupational exposure?

2. Can the occupationally acquired risk be quantified for different work environments, different job classifications, etc., as a result of implementation of the 1994 Centers for Disease Control and Prevention (CDC) guidelines for the prevention of tuberculosis transmission at the worksite or the implementation of specific parts of the CDC guidelines?

3. What effect will the implementation of OSHA's proposed tuberculosis standard have in minimizing or eliminating the risk of infection, disease, and mortality due to tuberculosis?

The agreement includes language as proposed by the Senate setting aside $10,569,000 under the adolescent family life program for activities specified under §2003(b)(2) of the Public Health Service Act, of which $9,131,000 shall be for prevention grants under §510(b)(2) of the Social Security Act, without application of the limitation of §2010(c) of the Public Health Service Act. The House bill had no similar provision.

With respect to the advance appropriation of $20,000,000 for title XX of the Public Health Service Act, it is intended that these funds be used for grants to organizations that clearly and consistently focus on abstinence for preventing STD's and unwanted pregnancy. [Abstinence shall have the same meaning as in Public Law 104–193, title IX, section 912.] Grants to these organizations should focus on training persons as abstinence instructors and on providing actual presentations to youth at vulnerable ages (grades 7 through 12). The Department shall hold competition for these grants during the regular grant cycle in fiscal year 2000 and issue these grants at the beginning of fiscal year 2001.

The conference agreement concurs with the language in the House Report relating to an Institute of Medicine study on ethnic bias in medicine.

Sufficient funds are available to continue the inner city childhood asthma project at the Children's Hospital of Philadelphia.

It is understood that the screening of blood and blood products could be improved through the use of nucleic acid testing (NAT) to better detect known infectious diseases such as Human Immunodeficiency Virus (HIV–1) and Hepatitis C virus (HCV). The National Heart, Lung and Blood Institute in the National Institutes of Health has contracted with private companies to develop fully automated NAT tests for HIV–1 and HCV. In view of NIH's financial commitment to NAT and the approval of NAT in other countries, the Public Health Service Blood Safety Committee, chaired by the Surgeon General/Assistant Secretary for Health, is urged to encourage the adoption of these screening tools for individual donor testing of blood and plasma.

The conference agreement includes language proposed by the Senate modified to earmark $2,000,000 to be utilized by the Surgeon General to prepare and disseminate the findings of the Surgeon General's report on youth violence and to coordinate with other agencies activities to prevent youth violence. The House bill had no similar provision.

The conference agreement also includes the following amounts for the following projects:

—$1,000,000 for the Albert Einstein Medical Center LIFE elderly care model

—$500,000 for the Thomas Jefferson University Hospital alternative medicine program

—$500,000 for the Thomas Jefferson University Hospital sickle cell program

—$1,000,000 for the CORE Center at Cook County Hospital in Chicago to develop a model HIV/AIDS Education and Training Center.

OFFICE OF INSPECTOR GENERAL

The conference agreement appropriates $31,500,000, instead of $29,000,000 as proposed by the House and $35,000,000 as proposed by the Senate. The agreement does not include language proposed by the House to limit the amount of funds available to the Inspector General in FY 2000 under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) to no more than $100,000,000, the same amount as in FY 1999. The Senate bill had no similar provision.

Sufficient funds are available to initiate activities in Pittsburgh, PA as mentioned in the Senate Report.

OFFICE FOR CIVIL RIGHTS

The conference agreement appropriates $21,652,000, instead of $20,652,000 as proposed by the House and $22,159,000 as proposed by the Senate.

POLICY RESEARCH

The conference agreement appropriates $17,000,000, instead of $15,000,000 as proposed by the Senate and $14,000,000 as proposed by the House. The agreement includes $850,000 for the East St. Louis Center operated by Southern Illinois University to analyze problems faced by health service providers in administering multiple sources of funding.

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

The conference agreement provides $510,600,000 for the Public Health and Social Services Emergency Fund instead of $391,833,000 as proposed by the House and $475,000,000 as proposed by the Senate. The conference agreement also includes a provision that these funds shall be made available only upon submission of a budget request designating the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 as proposed by the House. The Senate bill did not propose this account as an emergency.

The amount provided includes $196,000,000 for the Centers for Disease Control and Prevention. Included in this amount is $122,000,000 for the following bioterrorism activities:

—$1,000,000 to enhance technical capabilities to identify certain biological agents;

—$2,000,000 to assist States in developing emergency preparedness plans;

—$2,000,000 for public health training centers;

—$2,000,000 to discover, develop, and transition anti-infective agents to combat emerging diseases;

—$2,000,000 to expand epidemiological intelligence service;

—$4,000,000 for conducting independent studies of health and bioterrorism threats, of which $1,000,000 is for the Carnegie Mellon Research Institute, $1,000,000 is for the St. Louis University School of Public Health, $1,000,000 is for the University of Texas Medical Branch at Galveston; and $1,000,000 is for the Johns Hopkins University Center for Civilian Biodefense;

—$5,000,000 to develop rapid toxic screening;

—$7,000,000 to strengthen State and local epidemiological and surveillance capacity;

—$8,400,000 to better identify potential biological and chemical terrorism agents;

—$9,000,000 to develop new sources and methods for surveillance;

—$9,600,000 for regional laboratories for measuring biological and chemical agents;

—$20,000,000 for infectious diseases emergency preparedness and response;

—$30,000,000 for a national health alert network; and

—$20,000,000 for a pharmaceutical and vaccine stockpile.

The remaining $74,000,000 is provided for the following activities: $5,000,000 for the environmental health laboratory; and $69,000,000 for a global health initiative, of which $5,000,000 is for micronutrient malnutrition programs; $9,000,000 is for malaria programs; $20,000,000 is for polio eradication activities; and $35,000,000 is for international HIV/AIDS programs.

The amount provided also includes $30,000,000 for the Office of the Secretary, $24,600,000 for the Office of Emergency Preparedness, and $5,000,000 for the Agency for Health Care Policy and Research for bioterrorism activities; $20,000,000 for NIH Challenge Grants; $35,000,000 for minority HIV/AIDS activities within the Office of the Secretary; $50,000,000 for Ricky Ray Hemophilia Relief Fund Act within the Health Resources and Services Administration, of which $10,000,000 is for program administration; and $150,000,000 for Y2K activities at the Health Care Financing Administration.

Within the increase provided to NIH, sufficient funds are available for global health initiative activities identified in the Senate report.

General Provisions

NIH AND SAMHSA SALARY CAP

The conference agreement includes a provision limiting the use of the National Institutes of Health and the Substance Abuse and Mental Health Services Administration funds to pay the salary of an individual, through a grant or other extramural mechanism, at a rate not to exceed Level II of the Executive Schedule instead of Level III as proposed by the Senate. The House bill contained no similar provision.

TRANSFER AUTHORITY

The conference agreement includes a provision proposed by the House to prohibit any appropriation from increasing by more than three percent as a result of use of the Secretary's one percent transfer authority. The Senate bill contained a similar provision except it exempted the Public Health and Social Services Emergency Fund.

ORGAN ALLOCATION FINAL RULE

The conference agreement includes a provision to provide a 60-day comment period on the final rule entitled "Organ Procurement and Transplantation Network", promulgated by the Secretary of Health and Human Services on April 2, 1998 together with the amendments to such rule promulgated on October 20, 1999. The comment period begins 3 days after the date of enactment of this Act. Following the comment period, the Department will have 21-days to review submitted comments and to amend the rule, if necessary. The rule shall not become effective before the end of a 90-day period beginning from the date of enactment of this Act. The House bill included a provision to prohibit the rule from becoming effective until October 1, 2000. The Senate bill contained no similar provision.

SUBSTANCE ABUSE BLOCK GRANT FORMULA ALLOCATION

The conference agreement includes a provision proposed by the House to provide each State with the same funding level in fiscal year 2000 as it received in fiscal year 1999. The Senate bill contained a similar provision except it was based on an increased appropriation amount.

EXTENSION OF CERTAIN ADJUDICATION PROVISIONS

The conference agreement includes a provision proposed by the Senate to extend the refugee status for persecuted religious groups. The House bill contained no similar provision.

MEDICARE COMPETITIVE PRICING DEMONSTRATION PROJECT

The conference agreement includes a provision proposed by the Senate to prohibit funding to implement or administer the Medicare Prepaid Competitive Pricing Demonstration Project in Arizona or in Kansas City, Missouri or in the Kansas City, Kansas area. The House bill contained no similar provision.

DELAYED OBLIGATIONS

The conference agreement includes a provision to delay the obligation of $7,500,000,000 of NIH funds; $1,120,000,000 of HRSA funds; $965,000,000 of CDC funds; $450,000,000 of SAMHSA funds; $425,000,000 of Social Services Block Grant funds; and $400,000,000 of Children and Families Services funds until September 29, 2000. The Senate bill contained a provision to delay the obligation of $3,000,000,000 of NIH funds until September 29, 2000. The House bill contained no similar provision.

SENSE OF THE SENATE REGARDING DIABETES AWARENESS AND FUNDING

The conference agreement deletes without prejudice a sense of the Senate provision regarding diabetes awareness and support for increased diabetes research funding. The House bill contained no similar provision.

STUDY OF THE GEOGRAPHIC ADJUSTMENT FACTORS IN THE MEDICARE PROGRAM

The conference agreement includes a provision proposed by the Senate to require the Secretary of HHS to conduct a study on appropriateness of the geographic adjustment factors used to determine the amount of payment for physicians' services under the Medicare program in New Mexico, Arizona, Colorado, and Texas and the effect these factors have on recruitment and retention of physicians in small rural States. The House bill contained no similar provision.

DENTAL SEALANT DEMONSTRATION PROGRAM

The conference agreement deletes a provision proposed by the Senate to establish a multi-State dental sealant demonstration program. The House bill contained no similar provision. The agreement includes sufficient funds within the Maternal and Child Health block grant to initiate such a program.

WITHHOLDING OF SUBSTANCE ABUSE FUNDS

The conference agreement includes a provision proposed by the Senate to allow a State to avoid a penalty under section 1926 of the Public Health Service Act (commonly known as the Synar Amendment) if the State agrees to commit new State funding to help ensure compliance with State laws prohibiting youth purchase of tobacco products. It is noted that the provision applies only for fiscal year 2000 and States are expected to continue to try to meet the established Synar Amendment targets for enforcement of their youth tobacco laws. It is also noted that there is increasing sentiment that the Synar Amendment needs to be reexamined and all concerned parties are encouraged to work toward a compromise solution next year with the appropriate authorizing committees. The provision allows the Secretary to exercise discretion in enforcing the timing of the new State expenditures in order to provide flexibility to States that do not immediately have available funds for this purpose. It is expected that within 30 days of accepting an agreement to increase funding for enforcement, the State will provide a report to the Secretary of all State resources spent in fiscal year 1999 on enforcement of the State law by program activity and by May 15, 2000, a report on FY 2000 obligations regarding enforcement unless otherwise negotiated by the Secretary. The Secretary shall deliver the findings of these reports to Congress. The language provides the Secretary authority to permit a State to commit an amount smaller than its formula amount as described in subsection (b) in order to recognize that an individual state may have been granted "delayed applicability" status under the Synar Amendment by the Substance Abuse and Mental Health Services Administration.

MEDICARE INJECTABLE DRUG COVERAGE

The conference agreement includes a provision not proposed by either House or Senate related to Medicare injectable drug coverage. There is concern that an August 13, 1997 memorandum and subsequent interpretations will inappropriately restrict beneficiary access to injectable drugs that are and have been covered by the Medicare program. It is noted that for many years, Medicare policy (as stated in Section 2049.2 of the Medicare Carriers Manual) has allowed coverage of a drug or biological administered incident to a physician's service where the product is one that is not usually self-administered by the patient. It is intended that HCFA continue to cover such products under Social Security Act section 1861(s)(2) and communicate this policy through a program memorandum to all HCFA regional offices.

NATIONAL CANCER INSTITUTE

The conference agreement includes a provision to allow the Cancer Therapy and Research Center in San Antonio, Texas to continue to use prior year construction grant funding without fiscal year limitation.

CHILDHOOD ASTHMA

The conference agreement deletes a provision proposed by the Senate to provide an earmark of $8,706,000 for the asthma prevention program on October 1, 2000. The House bill contained no similar provision. The conference agreement includes $11,294,053 for asthma prevention as part of the Centers for Disease Control and Prevention.

TITLE II CITATION

The conference agreement includes a provision proposed by the House to cite title II as the "Department of Health and Human Services Appropriations Act, 2000". The Senate bill contained no similar provision.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

The conference agreement includes $1,586,560,000 for Education Reform, instead of the $800,100,000 proposed by the House and $1,655,600,000 as proposed by the Senate. The agreement does not include advance funding of $344,625,000 as proposed by the Senate. The House had no similar provision.

Goals 2000

For Goals 2000, the conference agreement provides $491,000,000. The Senate provided $494,000,000. The House proposed no funding for this program. This amount includes $458,000,000 for state grants, instead of $461,000,000 as proposed by the Senate. The House proposed no funding for this program. For parental assistance, the conference agreement includes $33,000,000, the same level as in the Senate bill. The House did not propose funding for this program.

School-to-Work Opportunities

The conference agreement provides $55,000,000 for School-to-Work Opportunities, the same amount provided by the Senate. The House provided no funding for this program.

Education technology

For education technology, the conference agreement provides $740,560,000. The Senate provided $706,600,000. The House proposed $500,100,000.

Technology Literacy Challenge Fund

For the Technology Literacy Challenge Fund, the conference agreement includes $425,000,000 proposed by the Senate. The House provided $375,000,000.

Technology Innovation Challenge Grants

For the Technology Innovation Challenge Grants, the conference agreement provides $143,310,000. Both the House and the Senate provided $115,100,000. Within the amount provided for Technology Innovation Challenge Grants, the conference report specifies funding for the following activities:

Houston Independent School District for technology infrastructure	$500,000
Long Island 21st Century Technology and E-Commerce Alliance	300,000
I CAN LEARN	8,000,000
Linking Education Technology and Educational Reform (LINKS) for educational technology	2,000,000
Center for Advanced Research and Technology (CART) for comprehensive secondary education reform	1,000,000
Vaughn Reno Starks Community Center in Elizabethtown, KY for a technology program	250,000
Wyandanch Compel Youth Academy Educational Assistance Program in New York	125,000
Hi-Technology High School in San Bernardino County, California for technology enhancement	3,000,000
Montana State University for a distance learning initiative	800,000
Tupelo School District in MS for technology innovation	2,000,000
Seton Hill College in Greensburg, PA for a model education technology training program	1,000,000
University of Alaska-Fairbanks	500,000
North East Vocational Area Cooperative in WA for a multi-district technology education center	1,000,000
University of Vermont for the Vermont Learning Gateway Program	400,000
State University of New Jersey for the RUNet 2000 project at Rutgers for an integrated voice-video-data network to link students, faculty and administration via a high-speed, broad band fiber optic network	2,500,000
Iowa Area Education Agency 13 for a public/private partnership to demonstrate the effective use of technology in grades one through three	500,000
Louisville Deaf Oral School for technology enhancements	235,000
Bibb County Board of Education for technology enhancements	50,000
Calhoun County Board of Education for technology enhancements	50,000
Chambers County Board of Education for technology enhancements	50,000
Chilton County Board of Education for technology enhancements	50,000
Clay County Board of Education for technology enhancements	50,000
Cleburne County Board of Education for technology enhancements	50,000
Coosa County Board of Education for technology enhancements	50,000
Lee County Board of Education for technology enhancements	50,000
Macon County Board of Education for technology enhancements	50,000
St. Clair County Board of Education for technology enhancements	50,000
Talladega County Board of Education for technology enhancements	50,000
Tallapoosa County Board of Education for technology enhancements	50,000
Randolph County Board of Education for technology enhancements	50,000
Russell County Board of Education for technology enhancements	50,000
Alexander City Board of Education for technology enhancements	50,000

Anniston City Board of Education for technology enhancements ...	50,000
Lanett City Board of Education for technology enhancements ...	50,000
Pell City Board of Education for technology enhancements	50,000
Roanoke City Board of Education for technology enhancements ...	50,000
Talledega City Board of Education for technology enhancements	50,000
University of Alaska at Anchorage for distance learning education	900,000
Alaska Department of Education for the Alaska State Distance Education Technology Consortium	200,000
Mansfield University to continue a technology demonstration	500,000

Regional technology in education consortia

For Regional technology in education consortia, the conference agreement includes $10,000,000 proposed by the Senate. The House provided no funding for this program.

National activities

The conference agreement includes $87,000,000 for education technology initiatives funded under National Activities: $75,000 for teacher training in technology, $10,000,000 to establish computer learning centers in low-income communities, and $2,000,000 for national technology leadership activities. The amounts provided are the same as provided by the Senate. The House provided $10,000,000 for Community Based Technology Centers and no funding for other programs within this account.

Star Schools

For Star Schools, the conference agreement provides $50,750,000. The Senate bill provided $45,000,000. The House bill provided no funding for this program. Within the amount provided for Star Schools, the conference report specifies funding for the following activities:

Technology Literacy Center at the Museum of Science & Industry, Chicago	$750,000
Oklahoma State University for an on-line math and science training program	1,000,000
Continuation and expansion of the Iowa Communications network statewide fiber optic demonstration	4,000,000

Ready to learn television

The conference agreement provides $16,000,000 as proposed by the Senate. The House proposed no funds. The conference agreement notes that only $3,369,913 of the $25,000,000 appropriated for this program since fiscal year 1997 have been outlayed to date. The conference agreement accordingly directs the Corporation for Public Broadcasting to report to the Appropriations Committees in the House and the Senate during each quarter of fiscal year 2000 the amount of funds obligated and outlayed from each of the fiscal years 1997, 1998, 1999 and 2000 appropriations, the dates on which outlays occur during fiscal year 2000 and the specific uses to which such outlays are put.

Telecommunications demonstration project for mathematics

The conference agreement provides $8,500,000 for telecommunications demonstration project for mathematics as proposed by the Senate. The House proposed no funds.

21st Century Learning Centers

The conference agreement includes $300,000,000 for the 21st Century Learning Centers proposed by the House instead of $400,000,000 proposed by the Senate. Within the amount provided, the conference report specifies funding for the following activities:

Study Partners Program, Inc. in Louisville, KY	$6,000
Shawnee Gardens Tenants Association Inc. in Louisville, KY ...	12,000
100 Black Men of Louisville, KY for a mentoring program	12,000
Omaha Nebraska Public Schools for the OPS 21st Century Learning Grant	500,000
Plymouth Renewal Center in Kentucky for a tutoring program	25,000
Canaan Community Development Corporation's Village Learning Center Program	25,000
St. Stephen Life Center After School Program	25,000
Louisville Central Community Centers Youth Education Program	25,000
Trinity Family Life Center tutoring program	15,000
New Zion Community Development Foundation, Inc. after school mentoring program	15,000
St. Joseph Catholic Orphan Society program for abused and neglected children	20,000
Portland Neighborhood House after school program	25,000
St. Anthony Community Outreach Center, Inc. for the Education PAYs program	25,000

EDUCATION FOR THE DISADVANTAGED

The conference agreement includes $8,547,986,000 for Education for the Disadvantaged instead of the $8,750,986,000 proposed by the Senate and $8,417,897,000 as proposed by the House. The agreement includes advance funding for this account of $6,204,763,000, the same as both the House and the Senate.

For Grants to Local Education Agencies (LEAs) the agreement provides $7,807,397,000, compared with $8,052,397,000 provided in the Senate bill and $7,732,397,000 provided in the House bill. Of the funds made available for basic grants, $5,046,366,000 becomes available on October 1, 1999 for the academic year 1999–2000.

The agreement includes $6,649,000,000 for basic state grants and $1,158,397,000 for concentration grants. Of this total, $1,158,397,000 for fiscal year 2000 was advance funded in the fiscal year 1999 Departments of Labor, Health and Human Services and Education and Related Agencies Act (P.L. 105–277). The conference agreement funding of $1,158,397,000 for concentration grants is advanced for fiscal year 2001.

The conference agreement includes $12,000,000 for capital expenses for private school children, instead of $15,000,000 proposed by the Senate. The House contained no funding for this program.

The conference agreement provides $150,000,000 for the Even Start program as proposed by the House. The Senate provided $145,000,000 for this program.

The conference agreement provides $42,000,000 for Neglected and Delinquent Youth as proposed by the Senate. The House provided $40,311,000 for this program.

The conference agreement provides $8,900,000 for evaluation of title I programs as proposed by the Senate. The House provided $7,500,000 for this activity.

The conference agreement includes the provision contained in the Senate bill regarding a 100% hold harmless for States and LEAs for both basic and concentration grants. The conference agreement also adopts language included in the Senate bill providing that the Department shall make 100% hold harmless awards to LEAs who were eligible for concentration grants in 1998 but are not eligible to receive grants in fiscal year 2000, ratably reduced if necessary.

The House nevertheless opposes the hold harmless provision because it unfairly penalizes underprivileged and immigrant children in growing states, including Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Montana, Nevada, New Mexico, New York, North Carolina, South Carolina, Texas, Virginia and the District of Columbia. These states represent over half of the U.S. population of underprivileged schoolchildren.

The House also notes that the 100% hold harmless provision is opposed by the House authorizing committee of jurisdiction and the Administration. The House will continue to oppose the inclusion of such a provision in the future.

The conference agreement also adopts language included in the Senate bill providing that the Secretary of Education shall not take into account the 100% hold harmless provision in determining State allocations under any other program.

The conference agreement includes $160,000,000 for demonstrations of comprehensive school reform; both the House and Senate funded this program at $120,000,000. The conference agreement directs the Department to follow the directives in the conference report accompanying the fiscal year 1998 bill (House Report 105–390) and in the conference report accompanying the fiscal year 1999 bill (House Report 105–825).

IMPACT AID

The conference agreement provides $910,500,000 for the Impact Aid programs. The House proposed $907,200,000. The Senate proposed $892,000,000. For basic grants the conference agreement includes $737,200,000, for payments for children with disabilities the agreement includes $50,000,000, and for payments for heavily impacted districts the agreement includes $76,000,000. The agreement also includes $5,000,000 for facilities maintenance, $10,300,000 for construction, and $32,000,000 for payments for federal property. The conference agreement provides within the account for construction, $500,000 for the Ft. Sam Houston ISD, $800,000 for the Hays Lodgepole School District in MT and $2,000,000 for the North Chicago Community Unit School District.

The conference agreement also includes the following language provisions: eligibility for the Central Union, Island, and Hueneme School Districts in California and the Hill City, Wall, and Hot Springs School Districts in South Dakota; timely filing of applications by the Brookeland School District in Texas, the Fallbrook High School District in California and Hydaburg School District in Alaska; forgiveness of overpayment for the Hatboro-Horsham and Delaware Valley School Districts in Pennsylvania; and computing payments for Travis School District in California. Neither the House nor Senate bills contained similar provisions.

The conference agreement notes the Administration's proposal to significantly expand the Military Family Housing Privatization Initiative, which has since been scaled back. In some privatization projects, the property itself is privatized, causing serious implications for the affected school districts' ability to receive funding under the Impact Aid program. Thus, the conference agreement strongly urges the Administration to clarify that military family housing privatization proposals will have no effect on Impact Aid payments to local school districts, even if land is privatized.

SCHOOL IMPROVEMENT PROGRAMS

The conference agreement provides $2,926,134,000 for School Improvement Programs, instead of $3,115,188,000 as proposed by the House and $2,961,634,000 as proposed by the Senate. The agreement provides $1,396,134,000 in fiscal year 2000 and $1,530,000,000 in fiscal year 2001 funding for this account.

Eisenhower professional development

For the Eisenhower professional development activities, the agreement provides $335,000,000, the same level as in the Senate bill. The House provided no funding for this activity.

Innovative education program strategies

For innovative education program strategies, title VI of the Elementary and Secondary Education Act of 1965, the conference agreement provides $380,000,000. The House provided $385,000,000 and the Senate bill included $375,000,000.

Class size/Teacher Assistance Initiative

The conference agreement includes $1,200,000,000 for a class size/teacher assistance initiative. The House bill provided $1,800,000,000 for the Teacher Empowerment Act, subject to authorization. The Senate bill provided $1,200,000,000 for teacher assistance activities subject to authorization. The agreement provides $300,000,000 in fiscal year 2000 and $900,000,000 in fiscal year 2001 funding for this account.

The conference agreement modifies language contained in the Senate bill regarding a class size/teacher assistance initiative.

The modified provision distributes funds according to the formula developed for the class size reduction initiative in the fiscal year 1999 Departments of Labor, Health and Human Services and Education and Related Agencies Act (P.L. 105–277). The provision allows school districts to use funds for class size reduction activities; however, if the local educational agency determines that it wishes to use the funds for purposes other than class size reduction as part of a local strategy for improving academic achievement, funds may be used for professional development activities, teacher training or any other local need that is designed to improve student performance. Funds must be used to supplement and not supplant state and local funds that would otherwise be spent for activities under this section.

The Senate bill provided funds for the initiative if authorized by July 1, 2000. If the initiative was not authorized by July 1, 2000, funds could be used for any activity authorized by Title VI of the Elementary and Secondary Education Act of 1965 that would improve the academic achievement of all students.

Safe and drug free schools

The conference agreement includes $605,000,000 for the Safe and Drug Free Schools and Communities Act instead of the $566,000,000 proposed by the House and $636,000,000 proposed by the Senate. The agreement provides $115,000,000 in fiscal year 2000 and $345,000,000 in fiscal year 2001 funding for this account.

Included within this amount is $460,000,000 for state grants, instead of $441,000,000 as proposed by the House and $476,000,000 as proposed by the Senate.

The conference agreement also includes $95,000,000 for national programs, instead of $90,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

The conference agreement includes $850,000 within the safe and drug free schools national programs to continue the National Recognition Awards programs to provide models of alcohol and drug abuse prevention and education at the college level.

The conference agreement includes $50,000,000 under national programs for the Safe and Drug Free Schools coordinator initiative, instead of $35,000,000 as proposed by the House and $60,000,000 as proposed by the Senate.

Reading is Fundamental

For the Reading is Fundamental program, the conference agreement provides $20,000,000 instead of $21,500,000 as proposed by the Senate and $18,000,000 as proposed by the House.

Arts in education

For Arts in Education, the conference agreement provides $11,500,000, instead of $10,500,000 as proposed by the House and $12,500,000 as proposed by the Senate.

Magnet Schools Assistance Program

For the Magnet Schools Assistance Program, the conference agreement provides $110,000,000 instead of $104,000,000 as proposed by the House and $112,000,000 as proposed by the Senate.

Education of Native Hawaiians

The conference agreement includes $23,000,000 for the Education of Native Hawaiians, the same level as in the Senate. The House included $20,000,000 for this account. The conference agreement assumes that when allocating these funds, the Secretary of Education will fund the following activities as described in the Report of the Senate Committee (Senate Report No. 106–166).

Alaska Native educational equity

The conference agreement includes $13,000,000 for the Alaska Native Educational Equity program, the same level as in the Senate. The House included $10,000,000 for this account.

Charter schools

The conference agreement includes $145,000,000 for Charter Schools, instead of $130,000,000 proposed by the House and $150,000,000 proposed by the Senate.

Comprehensive Regional Assistance Centers

The conference agreement includes $28,000,000 for Comprehensive Regional Assistance Centers as proposed by the Senate instead of $27,054,000 as proposed by the House. The conference agreement includes $750,000 within these funds for an evaluation to collect performance indicator data.

Advanced placement fees

For advanced placement fees, the conference agreement provides $15,000,000 as proposed by the Senate instead of $4,000,000 as proposed by the House. The conference agreement notes that less than half of our Nation's high schools offer some form of Advanced Placement (AP) course instruction for junior and senior high school students. The lack of access to this instruction is particularly acute in rural parts of the country. Internet-based AP course instruction is a dynamic and cost-effective way to deliver AP instruction to students living in rural areas and other areas where conventional instructor-led training for AP courses is not available. Accordingly, the conference agreement encourages the Secretary to use some of the Advanced Placement Incentive Program funds to award grants to States or LEAs seeking to establish Internet-based AP pilot programs in rural parts of the country or other under-served districts where students would otherwise not have access to AP instruction.

READING EXCELLENCE

The conference agreement includes $260,000,000 for activities authorized under the Reading Excellence Act instead of the $200,000,000 proposed by the House and $285,000,000 proposed by the Senate. The agreement provides $65,000,000 in fiscal year 2000 and $195,000,000 in fiscal year 2001 funding for this account.

INDIAN EDUCATION

The conference agreement includes $77,000,000 for Indian Education, the same level as in the Senate. The House proposed $66,000,000 for this account.

BILINGUAL AND IMMIGRANT EDUCATION

The conference agreement includes $387,000,000 for Bilingual and Immigrant Education programs instead of the $380,000,000 proposed by the House and $394,000,000 proposed by the Senate.

For Instructional Services, the agreement includes $162,500,000 instead of the $160,000,000 proposed by the House and $165,000,000 proposed by the Senate. For Support Services, the agreement provides $14,000,000, the same level as in the House and Senate bills. For Professional Services, the agreement provides $52,500,000 instead of the $50,000,000 proposed by the House and $55,000,000 proposed by the Senate. For immigrant education, the agreement provides $150,000,000, the same level as in the House and Senate bills. The agreement also provides $8,000,000 for foreign language assistance instead of the $6,000,000 proposed by the House and $10,000,000 proposed by the Senate.

SPECIAL EDUCATION

The conference agreement includes $6,036,646,000 for Special Education instead of the $5,833,146,000 proposed by the House and $6,035,646,000 proposed by the Senate. The agreement provides $2,294,646,000 in fiscal year 2000 and $3,742,000,000 in fiscal year 2001 funding for this account.

Included in these funds is $4,989,685,000 for Grants to the States, the same as the Senate level. The House provided $4,810,700,000. This funding level provides an additional $679,000,000 to assist the States in meeting the additional per pupil costs of services to special education students.

The conference agreement provides $390,000,000 for Preschool Grants as proposed by the Senate instead of $373,985,000 as proposed by the House.

The conference agreement includes $375,000,000 for Grants for Infants and Families as proposed by the Senate instead of $370,000,000 as proposed by the House.

The conference agreement also includes $1,000,000 for the completion of the Easter Seal Society's Early Childhood Development Project for the Mississippi River Delta Region and $1,000,000 for the Center for Literacy and Assessment at the University of Southern Mississippi. The conference agreement also includes $1,500,000 for the 2001 Special Olympics World Winter Games in Alaska and $1,000,000 for the VIII Paralympic Winter Games.

Included in the conference agreement is $34,523,000 for technology and media services proposed by the Senate instead of the $33,523,000 as proposed by the House. The conference agreement includes $7,500,000 for Recordings for the Blind and Dyslexic as described in the House and Senate Reports. The conference agreement contemplates that these funds be distributed to RFB&D as early in the fiscal year as possible.

The conference agreement also includes $1,500,000 for Public Telecommunications Information and Training Dissemination as proposed by the Senate. The House did not contain funds for this activity.

REHABILITATION SERVICES AND DISABILITY RESEARCH

The conference agreement includes $2,701,772,000 for Rehabilitation Services and Disability Research instead of $2,687,150,000 proposed by the House and $2,692,872,000 proposed by the Senate.

For Vocational Rehabilitation State Grants, the agreement provides $2,338,977,000, the same as the House and Senate levels.

The conference agreement includes $21,842,000 for demonstration and training programs instead of $13,942,000 proposed by the House and $18,942,000 proposed by the Senate.

The conference agreement also includes $11,894,000 for Protection and Advocacy of Individual Rights, the same level as in the House bill. The Senate provided $10,894,000.

The conference agreement also provides $48,000,000 for Independent Living Centers proposed by the Senate instead of $46,109,000 proposed by the House. The conference agreement includes $15,000,000 for services for older blind individuals as proposed by the Senate instead of $11,169,000 as proposed by the House.

The conference agreement also includes $34,000,000 for Assistive Technology, the same level as in the House bill. The Senate provided $30,000,000.

Within the amounts provided, the conference report specifies funding for the following activities:

Krasnow Institute at George Mason University for a receptive language disorders research center	$750,000
University of Central Florida for a virtual reality-based education and training program for the deaf	$1,000,000
Seattle Lighthouse for the Blind	$2,000,000
Professional development and Research Institute on Blindness in Louisiana	$1,000,000
California State University at Northridge for a Western Center for Adaptive Aquatic Therapy	$1,000,000
Alaska Center for Independent Living in Anchorage	$600,000

The conference agreement recognizes the importance of supporting grants for the purchase of assistive technology for persons with disabilities to help them become employable and live independently. This technology can improve the lives of over 50 million Americans with physical or mental disabilities. The conference agreement recommends that, after state assistive technology projects have been allocated, remaining funds should be used for Title III grants, which enable consumers with disabilities to purchase needed assistive technology.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

The conference agreement provides $10,100,000 for American Printing House for the Blind as proposed by the Senate, instead of $9,000,000 as proposed by the House.

GALLAUDET UNIVERSITY

The conference agreement provides $85,980,000 for Gallaudet University as proposed by the House instead of $85,500,000 as proposed by the Senate.

VOCATIONAL AND ADULT EDUCATION

The conference agreement includes $1,656,750,000 for Vocational and Adult Education instead of the $1,582,247,000 as proposed by the House and $1,676,750,000 as proposed by the Senate. The agreement provides $865,750,000 in fiscal year 2000 and $791,000,000 in fiscal year 2001 funding for this account.

$1,055,650,000 is included in the agreement for Vocational Education basic state grants, instead of the $1,080,650,000 as proposed by the House and $1,030,650,000 as proposed by the Senate.

The conference agreement provides $4,600,000 for Tribally Controlled Postsecondary Vocational Institutions as proposed by the Senate instead of $4,100,000 as proposed by the House.

The conference agreement also includes $17,500,000 for vocational education national programs instead of $13,497,000 proposed by the House and $19,500,000 proposed by the Senate. The conference agreement provides $9,000,000 for National Occupational Information Coordinating Committee activities as proposed by the Senate. The House did not include funding for this activity.

For Adult Education State Grants, the agreement provides $425,000,000 instead of the $365,000,000 provided in the House bill and $468,000,000 in the Senate bill.

The conference agreement provides $14,000,000 for adult education national leadership activities as proposed by the Senate instead of $7,000,000 as proposed by the House.

The conference agreement also includes $19,000,000 for State Grants for Incarcerated Youth as proposed by the Senate. The House did not provide funding for this activity.

STUDENT FINANCIAL ASSISTANCE

The conference agreement provides $9,435,000,000 for Student Financial Assistance instead of $9,259,000,000 as proposed by the House and $9,548,000,000 as proposed by the Senate. The conference agreement sets the maximum Pell Grant at $3,300 and provides a program level of $7,700,000,000 for current law Pell Grants. The conference agreement does not provide advance funding for this account. The House advance funded $2,286,000,000 and the Senate advance funded $1,226,400,000 for this account.

$621,000,000 is included in the agreement for Federal Supplemental Educational Opportunity Grants (SEOG), instead of the $619,000,000 as proposed by the House and $631,000,000 as proposed by the Senate. The agreement also includes an additional emergency appropriation of $10,000,000 and allows the Secretary of Education to waive the usual rules regarding the SEOG program for low-income college students that live in or attend school in areas affected by Hurricane Floyd and subsequent flooding as proposed by the House. The Senate included no similar language.

$934,000,000 is included in the agreement for Federal Work Study as proposed by the Senate. The House proposed $880,000,000.

The agreement includes $40,000,000 for Leveraging Educational Assistance Partnerships (LEAP), instead of the $75,000,000 as proposed by the Senate. The House did not provide funding for this program.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

The conference agreement provides $48,000,000 for the Federal Family Education Loan Program Account as proposed by the Senate instead of $46,482,000 as proposed by the House.

HIGHER EDUCATION

The conference agreement provides $1,466,826,000 for Higher Education instead of $1,151,786,000 as proposed by the House and $1,406,631,000 as proposed by the Senate.

The conference agreement includes $42,250,000 for Hispanic Serving Institutions as proposed by the Senate instead of $28,000,000 as proposed by the House.

The conference agreement includes $141,500,000 for strengthening Historically Black Colleges and Universities as proposed by the Senate instead of $136,000,000 as proposed by the House.

The conference agreement includes $31,000,000 for Historically Black Graduate Institutions as proposed by the Senate instead of $30,000,000 as proposed by the House.

The conference agreement includes $5,000,000 for Alaska and Native Hawaiian Institutions proposed by the Senate instead of $3,000,000 proposed by the House.

The conference agreement also includes $6,000,000 for strengthening Tribal Colleges proposed by the Senate instead of $3,000,000 proposed by the House.

The conference agreement includes $62,075,000 for the Fund for the Improvement of Postsecondary Education instead of $27,500,000 as proposed by the Senate and $22,500,000 as proposed by the House.

The conference agreement includes $62,000,000 for International Education domestic programs as proposed by the House instead of $61,320,000 as proposed by the Senate. The conference agreement also includes $6,680,000 for International Education overseas programs as proposed by the Senate instead of $6,536,000 as proposed by the House. The conference agreement also includes $1,022,000 for the Institute for International Public Policy as proposed by the Senate instead of $1,000,000 as proposed by the House.

The conference agreement includes $645,000,000 for TRIO rather than the $630,000,000 included in the Senate bill and the $660,000,000 included in the House bill.

The conference agreement includes $180,000,000 for the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), the same level proposed by the Senate. The House contained no funds for this program.

The conference agreement includes $39,859,000 for Byrd Scholarships as proposed by the Senate. The House did not provide funding for this program.

The conference agreement includes $51,000,000 for Graduate Assistance in Areas of National Need (GAANN) as proposed by the Senate instead of $31,000,000 as proposed by the House. Within the total, $10,000,000 is provided to fund the Javits Fellowship program in school year 2000–2001. An additional $10,000,000 is also provided within this total to allow the Javits Fellowship program to be forward funded.

The conference agreement includes $17,940,000 for the Learning Anytime Anywhere Partnerships instead of $10,000,000 proposed by the Senate. The House did not fund this program. Within the amount provided, the conference report specifies funding for the following activities:

University of South Florida for a distance learning program	$3,000,000
New York Global Communication Center in West Islip, NY for a distance learning program	190,000
Alliance for Technology, Learning and Society (ATLAS) at the University of Colorado for technology-enhanced learning	1,000,000

Interactive Learning Environments at the University of Idaho for a distance learning program	1,250,000
Illinois Community College Board to develop a systemwide, on-line virtual degree program for the community college system	2,500,000

The conference agreement includes $80,000,000 for Teacher Quality Enhancement Grants as proposed by the Senate instead of $75,000,000 as proposed by the House.

The conference agreement also includes $1,750,000 for the Underground Railroad Educational and Cultural Program as proposed by the Senate. The House did not fund this activity.

The conference agreement includes $1,000,000 for community scholarship mobilization, instead of $2,000,000 as proposed by the Senate. The House did not fund this program.

The conference agreement includes $3,000,000 for data collection and program evaluations in higher education programs, including the development of performance measurement data, instead of $4,000,000 as proposed by the House. The Senate did not provide separate line item funding for this activity.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

The conference agreement includes $737,000 for administering the College Housing and Academic Facilities Loans program as proposed by the Senate instead of $698,000 as proposed by the House.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

The conference agreement provides $207,000 for the Historically Black College and University Capital Financing Program Account as proposed by the Senate instead of $96,000 as proposed by the House.

EDUCATION RESEARCH, STATISTICS AND IMPROVEMENT

The conference agreement includes $492,679,000 for Education Research, Statistics and Improvement instead of the $390,867,000 as proposed by the House and $368,867,000 as proposed in the Senate.

The conference agreement provides $93,567,000 for research instead of $83,567,000 proposed by the House and $82,567,000 proposed by the Senate. Within this increase, $10,000,000 is included for an expansion of comprehensive school reform activities and $1,000,000 is included for the development of a five-year plan for an expanded research program of large-scale, systematic experimentation and demonstration focused on strategic education issues in accordance with the guidelines outlined in the Report of the House Committee (House Report 106–370).

The conference agreement provides $65,000,000 for regional educational labs as proposed by the Senate instead of $61,000,000 as proposed by the House. The conference agreement provides that the regional laboratory governing boards set the research and development priorities to guide the work funded and that funds be obligated and distributed in accordance with the fiscal year 1999 allocations by December 1, 1999.

The conference agreement provides $68,000,000 for statistics as proposed by the House instead of $70,000,000 proposed by the Senate.

The conference agreement provides $4,000,000 for NAGB as proposed by the House instead of $4,500,000 as proposed by the Senate.

Fund for the improvement of education

For the fund for the improvement of education (FIE), the conference agreement provides $155,812,000 instead of the $76,000,000 as proposed by the House and $39,500,000 as proposed by the Senate.

The conference agreement provides $25,000,000 for continuation grants for schools in their third year of implementing comprehensive school reform.

The conference agreement provides funds for the continuation of Project Jump Start and provides funds for the continuation and expansion of the Youth Safety Corps. The conference agreement also includes $400,000 for the National Student and Parent Mock Elections and $500,000 for the continuation and expansion of the Boston Symphony Orchestra's education resource center.

Within the amount provided, $20,000,000 is to be used for the Elementary School Counseling Demonstration Program to establish or expand counseling programs in elementary schools.

Within the amount provided, the conference report specifies funding for the following activities:

Loyola University Chicago for recruitment and preparation of new teacher candidates for employment in rural and inner-city schools	$700,000
Shedd Aquarium/Brookfield Zoo for science education programs	500,000
Big Brothers/Big Sisters of America to expand school-based mentoring	3,000,000
Chicago Public School System to support a substance abuse pilot program in conjunction with Elgin and East Aurora School Systems	2,500,000
University of Virginia Center for Governmental Studies for the Youth Leadership Initiative	1,000,000
Institute for Student Achievement at Holmes Middle School and Annandale High School in Virginia for academic enrichment	800,000
Mountain Arts Center in Kentucky for educational programming	100,000
University of Louisville for research in the area of academic readiness	1,500,000
WestEd Regional Educational Laboratory for the 24 Challenge and Jumping Levels Math Demonstration Project	500,000
Central Michigan University for a charter schools development and performance institute	1,000,000
Living Science Interactive Learning Model partnership in Indian River, FL for a science education program	950,000
North Babylon Community Youth Services for an educational program	825,000
Los Angeles County Office of Education/Educational Telecommunications and Technology for a pilot program for teachers	1,000,000
University of Northern Iowa for an institute of technology for inclusive education	650,000
Youth Crime Watch of America to expand a program to prevent crime, drugs and violence in schools	500,000
Muhlenberg College in Pennsylvania for an environmental science program	892,000
Western Suffolk St. Johns-LaSalle Academy Science and Technology Mentoring Program	560,000
National Teaching Academy of Chicago for a model teacher recruitment, preparation and professional development program	4,000,000
University of West Florida for a teacher enhancement program	2,000,000
Virginia Living Museum in Newport News, VA for an educational program	1,000,000
Challenger Learning Center in Hardin County, KY for technology assistance and teacher training	450,000
Crawford County School System in Georgia for technology and curriculum support	250,000
Berrien County School System in Georgia for technology development	500,000
Louisville Salvation Army Boys and Girls Club Diversion Enhancement Program	35,000
New Mexico Department of Education for school performance improvement and drop-out prevention	1,000,000
Semos Unlimited Inc. in New Mexico to support bilingual education and literacy programs	300,000
Delta State University in MS for innovative teacher training	1,000,000
Alaska Humanities Forum, Inc. in Anchorage	1,000,000
An Achievable Dream in Newport News to improve academic performance of at-risk youths	250,000
Rock School of Ballet in Philadelphia to expand its community-outreach programs for inner-city children and underprivileged youth in Camden, NJ and southern NJ	250,000
University of Maryland Center for Quality and Productivity to provide a link for the Blue Ribbon Schools	1,000,000
Continuing Education Center and Teachers' Institute in South Boston, Virginia to promote participation among youth in the U.S. democratic process	1,000,000
National Museum of Women in the Arts to expand its "Discovering Art" program to elementary and secondary schools and other educational organizations	1,000,000
Alaska Department of Education's summer reading program	400,000
Partners in Education, Inc. to foster successful business-school partnerships	400,000
Kodiak Island Borough School district for development of an environmental education program	250,000
Reach out and Read Program to expand literacy and health awareness for at-risk families	2,000,000
Jazz in the Schools program for educational programs	100,000
Mississippi Delta Education Initiative	500,000
Project 2000 D.C. Mentoring Project	100,000
National Constitution Center	10,000,000

Continuation of Iowa public school facilities repair demonstration administered by the Iowa Department of Education	10,000,000
Continuation of Foorman, Frances, and Fletcher NICHD-approved longitudinal project "Early Interventions for Children with Reading Problems" in public elementary schools in the District of Columbia.	500,000

For Civics Education, the conference agreement provides $9,500,000, the same level as in the Senate, rather than the $5,500,000 included in the House bill.

The conference agreement provides $9,000,000 for the National Writing Project instead of $10,000,000 as proposed by the Senate and $5,000,000 as proposed by the House.

DEPARTMENTAL MANAGEMENT

The conference agreement includes $475,384,000 for Departmental Management as proposed by the Senate instead of $459,242,000 proposed by the House. Within this amount, the agreement provides $71,200,000 for the Office of Civil Rights and $34,000,000 for the Office of Inspector General as provided by the Senate. The House provided $66,000,000 for the Office of Civil Rights and $31,242,000 for the Office of the Inspector General.

The conference agreement urges the Secretary of Education to take whatever steps are necessary to select and fill the Liaison for Proprietary Institutions of Higher Education position which is provided for in section 219 of the Higher Education Act, as amended (HEA). The conference agreement notes that section 219 requires the Secretary to appoint the Liaison within 6 months of passage of HEA.

GENERAL PROVISIONS

CALCULATIONS FOR HEAVILY IMPACTED SCHOOL DISTRICTS

The conference agreement modifies a legislative provision that was contained in the House bill relating to payments for heavily impacted .school districts (section 8003(f)) that changes the method by which payments made under this section are allocated to provide supplemental payments for federally connected students. The Senate bill had no similar provision.

EXTENSION OF PARTICIPATION IN EVEN START PROGRAM

The conference agreement contains an amendment to the Elementary and Secondary Education Act of 1965 that was contained in the House bill that allows local grantees to continue to participate in the Even Start program beyond eight years and reduces the federal share for the ninth and succeeding years from 50 percent to 35 percent. The Senate bill had no similar provision.

FEDERAL FAMILY EDUCATION LOANS (FFEL)

The conference agreement includes a provision regarding the FFEL program that was not contained in either House or Senate bills.

HIGHER EDUCATION ASSISTANCE FOUNDATION (HEAF)

The conference agreement includes a provision regarding HEAF claims reserves that was not contained in either House or Senate bills.

ADDITIONAL HIGHER EDUCATION FUNDING

The conference agreement includes the following amounts for the following projects and activities. Neither the House nor the Senate bills contained this language.

Middle Georgia College for an advanced distributed learning center demonstration program	$250,000
University Center of Lake County, IL	3,000,000
Oregon University System	1,000,000
Columbia College in IL for a freshman retention program	500,000
University of Hawaii at Manoa for a globalization research center	1,500,000
University of Arkansas at Pine Bluff for technology infrastructure	2,000,000
I Have a Dream Foundation	1,000,000
Demonstration program for activities authorized under part G of title VII of the Higher Education Act	1,000,000
University of the Incarnate Word in San Antonio, TX to improve teacher capabilities in technology	1,000,000
Elmira College in New York for a technology enhancement initiative	1,000,000
Rust College in MS for technology infrastructure	1,650,000
Snelling Center for Government at the University of Vermont for a model school program	250,000
Texas A&M University, Corpus Christi for the operation of the Early Childhood Development Center	750,000
Southeast Missouri State University for equipment and curriculum development associated with the university's Polytechnic Institute	1,000,000
Washington Virtual Classroom Consortium	800,000
Puget Sound Center for Technology for faculty development activities for the use of technology in the classroom	500,000
Center for the Advancement of Distance Education in Rural America	500,000
Daniel J. Evans School of Public Policy at the University of Washington	1,500,000
North Dakota State University for the Career Program for Dislocated Farmers and Ranchers	200,000
North Dakota State University for the Tech-based Industry Traineeship Program	350,000
Washington State University for the Thomas S. Foley Institute to support programs in congressional studies, public policy, voter education, and to ensure community access and outreach	1,500,000
Minot State University for the Rural Communications Disabilities Program	200,000
Bryant College for the Linking International Trade Education Program (LITE)	300,000
Concord College, WV for a technology center to further enhance the technical skills of WV teachers and students	1,000,000
Peirce College in Philadelphia for education and training programs	200,000
Philadelphia Zoo for educational programs	250,000
Philadelphia University Education Center for technology education	1,000,000
Lock Haven University for technology innovations	725,000
Southeastern Pennsylvania Consortium on Higher Education for education programs	1,000,000
Lehigh University Iacocca Institute for educational training	400,000
Lafayette College for arts education	250,000
Lewis and Clark College for the Crime Victims Law Institute	1,000,000
University of Notre Dame for a teacher quality initiative	500,000
Spelman College in Georgia for educational operations	800,000
Western Governors University for a distance learning initiative	2,000,000

TECHNICAL CORRECTION TO FISCAL YEAR 1999 BILL

The conference agreement deletes a provision contained in the House bill which made a technical correction to P.L. 105-277 (the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999). The Senate bill had no similar provision.

DIRECT STUDENT LOAN ADMINISTRATIVE ACCOUNT

The conference agreement deletes a provision contained in the House bill which froze the administrative account for the Direct Student Loan program at fiscal year 1999 levels. The Senate bill had no similar provision.

VOLUNTARY NATIONAL TESTS

The conference agreement does not include a provision contained in the Senate bill regarding voluntary national tests. This language is not necessary since P.L. 105-277 (the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) adopted a permanent change to the law that specifically prohibited any pilot testing, field testing, administration or distribution of individualized national tests that are not specifically and explicitly provided for in authorizing legislation enacted into law. At the present time, there is no specific and explicit authority in Federal law for individualized national tests.

FUNDING

The conference agreement deletes a provision contained in the Senate bill which redistributed funding for certain education programs. The House bill contained no similar provision.

LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM

The conference agreement deletes a provision contained in the Senate bill that provided advance funding for the LEAP program. The House bill contained no similar provision.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

The conference agreement provides $68,295,000 for the Armed Forces Retirement Home as proposed by the House. The Senate bill contained no appropriation for the Home.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

The conference agreement provides $295,645,000 for the Domestic Volunteer Service programs instead of $293,261,000 as proposed by the Senate and $274,959,000 as proposed by the House.

Volunteers in Service to America (VISTA)

The conference agreement provides $81,000,000 for VISTA as proposed by the Senate instead of $73,000,000 proposed by the House.

National Senior Volunteer Corps

The conference agreement provides $95,782,000 for the Foster Grandparent Program (FGP), $39,669,000 for the Senior Companion Program (SCP), and $46,565,000 for the

Retired Senior Volunteer Program (RSVP). The House proposed $93,256,000 for Foster Grandparents, $36,573,000 for Senior Companions and $43,001,000 for Retired Senior Volunteers. The Senate proposed $95,000,000 for FGP, $39,031,000 for SCP and $46,001,000 for RSVP.

One-third of the increases provided for the FGP, SCP, and RSVP programs shall be used to fund Programs of National Significance expansion grants to allow existing FGP, RSVP and SCP programs to expand the number of volunteers serving in areas of critical need as identified by Congress in the Domestic Volunteer Service Act.

Sufficient funding has been included to provide a 2 percent increase for administrative costs realized by all current grantees in the FGP and SCP programs, and a 4 percent increase for administrative costs realized by all current grantees in the RSVP program. Funds remaining above these amounts should be used to begin new FGP, RSVP and SCP programs in geographic areas currently unserved. The conference agreement expects these projects to be awarded via a nationwide competition among potential community-based sponsors.

The Corporation for National and Community Service shall comply with the directive that use of funding increases in the Foster Grandparent Program, Retired and Senior Volunteer Program and VISTA not be restricted to America Reads activities. The agreement further directs that the Corporation shall not stipulate a minimum or maximum amount for PNS grant augmentations.

The conference agreement also provides $1,500,000 for senior demonstration activities, instead of $3,100,000 proposed by the Senate. The House did not propose funding for this activity. Sufficient funds are provided for the third and final year of the Seniors for Schools demonstration. Of the total, $350,000 is provided to conduct an evaluation of existing demonstration activities and to bring to closure the Seniors for Schools demonstration project.

Funds are also provided to continue other existing senior demonstration activities, except that no funds are provided for the payment of non-taxable, non-income stipends to individuals not meeting income requirements established by Congress. No new demonstration projects may be begun with these funds. None of the increases provided for FGP, SCP, or RSVP in fiscal year 2000 may be used for demonstration activities. The agreement further expects that all future demonstration activities will be funded through allocations made through Part E of the Domestic Volunteer Service Act.

Funds appropriated for Fiscal Year 2000 may not be used to implement or support service collaboration agreements or any other changes in the administration and/or governance of national service programs prior to passage of a bill by the authorizing committees of jurisdiction specifying such changes.

Program administration

The conference agreement includes $31,129,000 for program administration of DVSA programs at the Corporation, instead of $29,129,000 that was provided in both House and Senate bills. The additional $2,000,000 is provided to assist the Corporation in correcting its financial management weaknesses and obtaining a clean opinion on its financial statements. Funding should be used to fully implement the new core financial management system and to make other technology enhancements that will improve customer service and field communications.

Corporation for Public Broadcasting

The conference agreement provides $350,000,000 in advance funding for fiscal year 2002 for the Corporation for Public Broadcasting as proposed by the Senate instead of $340,000,000 as proposed by the House.

The conference agreement includes language proposed by the House providing an additional $10,000,000 for digitalization, if specifically authorized by subsequent legislation by September 30, 2000. The Federal Communications Commission (FCC) has mandated that all public television be converted from analog to digital transmission by May 2003. Because television and radio broadcast infrastructures are closely linked, the conversion of television to digital will create immediate costs not only for television, but also for public radio stations. Public broadcasting stations with limited resources, in particular small rural stations, will be faced with extreme hardship because of the significant cost of converting to digital, therefore, the conference agreement encourages funds provided to be targeted to those stations with the most financial need.

The conference agreement commends the Corporation for adoption of the Listener Access 2000 initiative and other related efforts that recognize the need to enhance service in rural and underserved areas. These steps will expand the number of stations defined as serving rural areas, create a new incentive grant tailored to areas with limited financial resources, while maintaining the public-private nature of public broadcasting.

While this approach is a meaningful initial investment, the conference agreement urges the Corporation to continue to explore additional ways to ensure that its goal of universal service throughout the country is achieved. The conference agreement recognizes that stations serving rural and underserved audiences typically have limited local potential for fundraising because of sparse populations serviced, limited number of local businesses, and low-income levels.

The conference agreement strongly urges the Corporation to consider expanding its Rural Listener Access Incentive Fund, which will support further enhancements to and reliability of service in rural and underserved areas. Furthermore, the conference agreement supports additional actions that will assist stations in serving rural and underserved areas.

Federal Mediation and Conciliation Service

The conference agreement provides $36,834,000 for the Federal Mediation and Conciliation Service as proposed by the Senate instead of $34,620,000 as proposed by the House. The conference agreement also includes bill language proposed by the Senate stating that FMCS may charge for training activities, services, and assistance, including those provided to foreign governments and international organizations.

Federal Mine Safety and Health Review Commission

The conference agreement provides $6,159,000 for the Federal Mine Safety and Health Review Commission as proposed by the Senate instead of $6,060,000 as proposed by the House.

Institute of Museum and Library Services

The conference agreement provides $163,250,000 for the Institute of Museum and Library Services. The Senate proposed $154,500,000. The House proposed $149,500,000. The conference agreement does not accept the President's request for $5,000,000 under National Leadership Grants for Libraries for the National Digital Library initiative. The increase in funding for this account should be used for new awards under the regular grant competition. Within the amount provided, the conference report specifies funding for the following activities:

Library & Archives of New Hampshire's Political Tradition at the New Hampshire State Library	$700,000
Vermont Department of Libraries in Montpelier, Vermont	1,000,000
Consolidation and preservation of archives and special collections at the University of Miami Library in Coral Gables, FL	750,000
Exhibits and library improvements for the Mississippi River Museum and Discovery Center in Dubuque, Iowa	1,900,000
Alaska Native Heritage Center in Anchorage	750,000
Peabody-Essex Museum in Salem, MA	750,000
Bishop Museum in Hawaii	750,000
Oceanside Public Library in California for a local cultural heritage project	200,000
Urban Children's Museum Collaborative to develop and implement pilot programs dedicated to serving at-risk children and their families	1,000,000
Troy State University Dothan in Alabama for archival of a special collection	150,000
Chadron State College in Nebraska for the Mari Sandoz Center	450,000
Alabama A&M University Alabama State Black Archives Research Center and Museum	350,000

National Commission on Libraries and Information Science

The conference agreement provides $1,300,000 for the National Commission on Libraries and Information Science as proposed by the Senate instead of $1,000,000 as proposed by the House. The conference agreement also includes bill language citing Public Law 91–345, as amended.

National Council on Disability

The conference agreement provides $2,400,000 for the National Council on Disability as proposed by the Senate instead of $2,344,000 as proposed by the House.

National Education Goals Panel

The conference agreement provides $2,250,000 for the National Education Goals Panel as proposed by the Senate instead of $2,100,000 as proposed by the House.

National Labor Relations Board

The conference agreement provides $199,500,000 for the National Labor Relations Board instead of $210,193,000 as proposed by the Senate and $174,661,000 as proposed by the House.

The conference agreement deletes language proposed by the House which prohibits the NLRB from expending any funds to promulgate a final rule regarding the use of single location bargaining units in representation cases. The conference agreement notes that the NLRB has indefinitely withdrawn from active consideration its proposed rulemaking proceedings in this area.

National Mediation Board

The conference agreement provides $9,100,000 for the National Mediation Board as proposed by the Senate instead of $8,400,000 as proposed by the House. The conference agreement also includes bill language that unobligated balances at the end of fiscal year 2000 not needed for emergencies shall remain available through September 30, 2001.

Occupational Safety and Health Review Commission

The conference agreement provides $8,500,000 for the Occupational Safety and Health Review Commission as proposed by the Senate instead of $8,100,000 as proposed by the House.

Railroad Retirement Board

DUAL BENEFITS PAYMENT ACCOUNT

The conference agreement provides $174,000,000 for dual benefits payments instead of $175,000,000 as proposed by both the House and the Senate.

LIMITATION ON ADMINISTRATION

The conference agreement includes a limitation on transfers from the railroad trust funds of $91,000,000 for administrative expenses instead of $90,000,000 as proposed by both the House and the Senate.

Social Security Administration

SUPPLEMENTAL SECURITY INCOME PROGRAM

The conference agreement includes $21,503,085,000 for the Supplemental Security Income Program instead of $21,553,085,000 as proposed by the Senate and $21,474,000,000 as proposed by the House.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement includes a limitation of $6,093,871,000 on transfers from the Social Security and Medicare trust funds and Supplemental Security Income program for administrative activities instead of $6,188,871,000 as proposed by the Senate and $5,996,000,000 as proposed by the House.

The conference agreement includes language authorizing the Commissioner of Social Security to use up to $3,000,000, in addition to amounts appropriated previously, for Federal-State partnerships to evaluate ways to promote Medicare buy-in programs targeted to elderly and disabled individuals.

Office of Inspector General

The conference agreement provides $66,000,000 for the Office of Inspector General through a combination of general revenues and limitations on trust fund transfers as proposed by the Senate instead of $56,000,000 as proposed by the House.

United States Institute of Peace

The conference agreement provides $13,000,000 for the United States Institute of Peace as proposed by the Senate instead of $12,160,000 as proposed by the House. The conference agreement directs the United States Institute of Peace to provide information in the fiscal year 2001 Congressional budget justification regarding the use of appropriated funds in the Endowment. Included in this information should be the total amount of appropriated funds transferred into the Endowment from the most recent fiscal year available, the total amount of interest earned in the fiscal year on those funds, a list of all dates in which draw downs occur and those amounts, and a beginning and end of year balance of the Endowment.

TITLE V—GENERAL PROVISIONS

DISTRIBUTION OF STERILE NEEDLES

The conference agreement includes a general provision as proposed by the House that prohibits the use of funds in this Act to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug. The Senate bill included the same provision except that it would not have become effective until one day after the date of enactment of this Act.

UNOBLIGATED SALARIES AND EXPENSESA

The conference agreement includes a general provision proposed by the House that would allow salaries and expenses funds in the bill that are unobligated at the end of the fiscal year to remain available for three additional months, provided that the Appropriations Committees are notified before they are obligated. The Senate bill had no similar provision.

RAILROAD RETIREMENT BOARD BUYOUTS

The conference agreement includes a provision amending existing law as proposed by the Senate to allow the Railroad Retirement Board to offer voluntary separation incentives to Board employees who either retire or resign by December 31, 1999. The House bill contained no similar provision.

BROOKLYN MUSEUM OF ART

The conference agreement does not include a provision expressing the sense of the Senate that the conferees on H.R. 2466, the FY 2000 Interior Appropriations Act, shall include language prohibiting the use of funds for the Brooklyn Museum of Art unless the Museum immediately cancels the exhibit "Sensation" which contains obscene and pornographic pictures and other offensive material.

HOSPITAL OUTPATIENT SERVICES

The conference agreement deletes without prejudice a sense of the Senate provision that the Secretary of HHS should carry out congressional intent and cease her inappropriate interpretation of the provisions of the prospective payment system for hospital outpatient department services under section 1833(t) of the Social Security Act (42 U.S.C. 13951(t)).

FORMER RECIPIENTS OF TANF ASSISTANCE

The conference agreement deletes without prejudice a sense of the Senate provision stating that it is important that Congress determine the economic status of former recipients of assistance under the TANF program.

SCIENTIFIC VALIDITY OF POLYGRAPHY

The conference agreement deletes without prejudice a sense of the Senate provision stating that the Director of the NIH should enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation into the scientific validity of polygraphy as a screening tool for Federal and Federal contractor personnel. However, the Secretary of HHS is urged to conduct such a study and report her findings to Congress.

PROSTATE CANCER RESEARCH

The conference agreement deletes without prejudice a sense of the Senate provision stating that finding treatment breakthroughs and a cure for prostate cancer should be made a national health priority, that significant increases in prostate cancer research funding should be made available to NIH and DoD, and that these agencies should prioritize research that is directed toward innovative clinical and translational projects.

BORDER HEALTH COMMISSION ACT

The conference agreement includes a Senate provision amending the United States-Mexico Border Health Commission Act to require the President to appoint the United States members of the Commission and attempt to conclude an agreement with Mexico providing for the establishment of such Commission no later than 30 days after the date of enactment of this provision. The House bill contained no similar provision.

ACCESS TO OBSTETRIC AND GYNECOLOGICAL SERVICES

The conference agreement deletes without prejudice a sense of the Senate provision stating that Congress should enact legislation that requires health plans to provide women with direct access to a participating obstetrician/gynecologist without first having to obtain a referral from a primary care provider or the health plan.

PUBLIC EDUCATION REFORM

The conference agreement deletes without prejudice a sense of the Senate provision stating that the Federal government should support state and local educational agencies engaged in comprehensive reform of their public education systems.

FEDERAL EMPLOYEES' COMPENSATION ACT

The conference agreement includes a Senate provision with respect to a compensation claim arising from injuries sustained as a result of an employee's exposure to a nitrogen or sulfur mustard agent at the Department of the Army's Edgewood Arsenal before March 20, 1944. The House had no similar provision.

WORKFORCE INVESTMENT ACT

The conference agreement includes a Senate provision amending the Workforce Investment Act with respect to Alaska Natives. The House had no similar provision.

NEEDLESTICK INJURIES

The conference agreement deletes without prejudice a sense of the Senate provision stating that the Senate should pass legislation to eliminate or minimize the risk of needlestick injury to health care workers.

SALARIES AND EXPENSES REDUCTION

The conference agreement includes a reduction of $121,000,000 in the salaries and expenses funds contained in this bill to be allocated by the Office of Management and Budget among the Departments and agencies in the bill. This provision was not included in either House or Senate bills. Within 30 days of enactment, the Director of OMB shall submit a report showing the allocation of the reduction. In making these reductions, the Departments and agencies are strongly urged to make reductions first in such areas as public affairs, Congressional affairs, intergovernmental affairs, planning and evaluation, and the immediate offices of the Secretaries. Administrative travel costs should also be closely scrutinized and should be one of the first things to be reduced.

TITLE VI

NEWBORN AND INFANT HEARING SCREENING AND INTERVENTION

The conference agreement includes a separate title as proposed by the House which authorizes grants to States on a voluntary basis for a three-year period to aid in setting up newborn infant hearing screening programs. This language authorizes funding for the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the National Institutes of Health for the implementation of these programs and provides that State programs shall work with participants to ensure that all children are given options for care to include, but not be limited to medical, audiologic, rehabilitative, education, and community service programs. The Senate bill contained no similar language.

Other Provisions

The conference agreement deletes without prejudice a House provision to require any elementary or secondary school or public library that has received any Federal funds for the acquisition or operation of any computer that is accessible to minors and that has access to the Internet to install software on such computer designed to prevent minors from obtaining access to any obscene information using that computer and to ensure that such software is operational whenever that computer is used by minors. Exceptions are granted to permit a minor to have access to information that is not obscene or otherwise unprotected by the Constitution under the direct supervision of an adult designated by the school or library. The Senate bill contained no similar provision.

The conference agreement does not include House language amending the National Labor Relations Act to require the NLRB to adjust its jurisdictional threshold amounts for the inflation that has occurred since the adoption of the current thresholds on August 1, 1959. The Senate bill contained no similar provision.

The conference agreement does not include House language amending the Internal Revenue Code to require that Earned Income Tax Credit payments be paid on a monthly basis rather than in a lump sum annual payment. The Senate bill contained no similar language.

The conference agreement does not include House language amending the Higher Education Act to require the Secretary of Education to charge an origination fee on direct student loans of four percent. The Senate bill included no similar provision.

The conference agreement does not include House language amending the National Housing Act to eliminate the premium rebate on FHA home mortgages. The Senate bill included no similar provision.

The conference agreement does not include an appropriation of $508,000,000 proposed by the House for the Department of Agriculture to provide assistance to producers for crop and livestock losses incurred as a result of the hurricanes, and the flooding associated with the hurricanes, that struck the eastern United States in August and September, 1999. The Senate bill included no similar appropriation.

CONFERENCE AGREEMENT

The following table displays the amounts agreed to for each program, project or activity with appropriate comparisons:

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE I - DEPARTMENT OF LABOR									
EMPLOYMENT AND TRAINING ADMINISTRATION									
TRAINING AND EMPLOYMENT SERVICES									
Grants to States:									
Adult Training, current year	955,000	955,000	215,500	238,000	238,000	-717,000	+22,500	---	D FF
FY01	---	---	644,000	712,000	712,000	+712,000	+68,000	---	D
Adult Training, program level	955,000	955,000	859,500	950,000	950,000	-5,000	+90,500	---	
Youth Training	1,000,965	1,000,965	900,869	1,000,965	1,000,965	---	+100,096	---	D FF
Dislocated Worker Assistance, current year	1,400,510	1,595,510	315,159	395,510	535,510	-865,000	+220,351	+140,000	D FF
FY01	---	---	945,300	1,200,000	1,060,000	+1,060,000	+114,700	-140,000	D
Dislocated Worker Assistance, program level	1,400,510	1,595,510	1,260,459	1,595,510	1,595,510	+195,000	+335,051	---	
Federally administered programs:									
Native Americans	57,815	53,815	53,815	60,000	58,800	+985	+4,985	-1,200	D FF
Migrant and Seasonal Farmworkers (1)	78,517	71,017	71,017	75,996	74,445	-4,072	+3,428	-1,551	D FF
Job Corps:									
Operations (2)	1,158,642	1,213,533	307,000	485,413	634,000	-524,642	+327,000	+148,587	D FF
FY01	---	---	918,000	728,120	591,000	+591,000	-327,000	-137,120	D
Construction and Renovation (3)	150,572	133,658	34,000	53,463	34,000	-116,572	---	-19,463	D FF
FY01	---	---	100,000	80,195	100,000	+100,000	---	+19,805	D
Subtotal, Job Corps	1,309,214	1,347,191	1,359,000	1,347,191	1,359,000	+49,786	---	+11,809	
Veterans' employment	7,300	7,300	7,300	7,300	7,300	---	---	---	D FF

(1) Includes $7 million in emergency funding.

(2) Includes $1.595 million in emergency funding for Year 2000 computer conversion.

(3) Three year forward funded availability.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National activities:									
Pilots, Demonstrations and Research	67,500	35,000	35,000	98,500	82,500	+15,000	+47,500	-16,000	D FF
Evaluation	9,098	12,000	9,098	9,098	9,098	---	---	---	D FF
Right Track Partnership	---	75,000	---	---	---	---	---	---	D FF
Youth Opportunity Grants	250,000	250,000	---	250,000	250,000	---	+250,000	---	D FF
Other	9,000	5,000	5,000	5,000	5,000	-4,000	---	---	D FF
Subtotal, National activities	335,598	377,000	49,098	362,598	346,598	+11,000	+297,500	-16,000	
Subtotal, Federal activities	1,788,444	1,856,323	1,540,230	1,853,085	1,846,143	+57,699	+305,913	-6,942	
Total, Job Training Partnership Act	5,144,919	5,407,798	4,561,058	5,399,560	5,392,618	+247,699	+831,560	-6,942	
Women in Apprenticeship	1,000	---	1,000	1,000	1,000	---	---	---	D
Skills Standards	7,000	7,000	7,000	7,000	7,000	---	---	---	D FF
Subtotal, National activities, TES	343,598	384,000	57,098	370,598	354,598	+11,000	+297,500	-16,000	
School-to-Work (1)	125,000	55,000	---	55,000	55,000	-70,000	+55,000	---	D FF
Homeless Veterans	3,000	5,000	3,000	10,000	10,000	+7,000	+7,000	---	D
Total, Training and Employment Services	5,280,919	5,474,798	4,572,058	5,472,560	5,465,618	+184,699	+893,560	-6,942	
Welfare-to-work rescission	-137,000	---	---	---	---	+137,000	---	---	D
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS	440,200	440,200	440,200	440,200	440,200	---	---	---	D FF

(1) 15 month forward funded availability.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES									
Trade Adjustment	312,300	306,400	306,400	349,000	349,000	+36,700	+42,600	---	M
NAFTA Activities	48,400	8,000	8,000	66,150	66,150	+17,750	+58,150	---	M
Total	360,700	314,400	314,400	415,150	415,150	+54,450	+100,750	---	
STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS									
Unemployment Compensation (Trust Funds):									
State Operations (1)	2,122,631	2,206,125	2,135,125	2,154,625	2,150,125	+27,494	+15,000	-4,500	TF
National Activities	10,000	57,000	10,000	10,000	10,000	---	---	---	TF
Year 2000 Computer conversion (advance from prior year)	(40,000)	---	---	---	---	(-40,000)	---	---	NA
Contingency	161,884	196,333	75,000	151,333	125,000	-36,884	+50,000	-26,333	TF
Subtotal, Unemployment Comp (trust funds)	(2,294,515)	(2,459,458)	(2,220,125)	(2,315,958)	(2,285,125)	(-9,390)	(+65,000)	(-30,833)	

(1) The request earmarks $91 million for integrity activities.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Employment Service:									
Allotments to States:									
Federal Funds	23,452	23,452	23,452	23,452	23,452	---	---	---	D
Trust Funds	738,283	738,283	738,283	738,283	738,283	---	---	---	TF
Subtotal	761,735	761,735	761,735	761,735	761,735	---	---	---	
Reemployment Service Grants	---	53,000	---	40,000	---	---	---	-40,000	TF
National Activities:									
Federal Funds	---	10,000	---	---	---	---	---	---	D
Trust Funds	59,880	23,580	59,880	66,880	66,880	+7,000	+7,000	---	TF
Subtotal, Employment Service	821,615	848,315	821,615	868,615	828,615	+7,000	+7,000	-40,000	
Federal funds	23,452	33,452	23,452	23,452	23,452	---	---	---	
Trust funds	798,163	814,863	798,163	845,163	805,163	+7,000	+7,000	-40,000	
One Stop Career Centers									
Federal Funds	138,645	149,000	100,000	146,500	140,000	+1,355	+40,000	-6,500	D
Trust Funds	7,855	---	---	---	---	-7,855	---	---	TF
Total, One stop centers	146,500	149,000	100,000	146,500	140,000	-6,500	+40,000	-6,500	
Work Incentives Grants	---	50,000	---	27,000	---	---	---	-27,000	D
Total, State Unemployment	3,262,630	3,506,773	3,141,740	3,358,073	3,253,740	-8,890	+112,000	-104,333	
Federal Funds	162,097	232,452	123,452	196,952	163,452	+1,355	+40,000	-33,500	
Trust Funds	3,100,533	3,274,321	3,018,288	3,161,121	3,090,288	-10,245	+72,000	-70,833	
ADVANCES TO THE UI AND OTHER TRUST FUNDS (1)	357,000	356,000	356,000	356,000	356,000	-1,000	---	---	M

(1) Two year availability.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM ADMINISTRATION									
Adult Employment and Training	29,353	30,673	28,103	30,673	29,986	+633	+1,883	-687	D
Trust Funds	2,395	2,475	2,395	2,475	2,420	+25	+25	-55	TF
Youth Employment and Training	32,971	34,867	31,721	34,867	34,086	+1,115	+2,365	-781	D
Employment Security	5,961	5,065	4,718	5,066	4,952	-1,009	+234	-113	D
Trust Funds	39,956	33,958	39,956	42,248	41,302	+1,346	+1,346	-946	TF
Apprenticeship Services	17,635	19,580	17,435	19,580	19,141	+1,506	+1,706	-439	D
Executive Direction (1)	8,907	6,445	6,073	6,445	6,348	-2,559	+275	-97	D
Trust Funds	1,365	1,409	1,365	1,409	1,334	-31	-31	-75	TF
Welfare to Work	6,160	6,578	6,360	6,578	6,431	+271	+71	-147	D
Total, Program Administration	144,703	141,050	138,126	149,340	146,000	+1,297	+7,874	-3,340	
Federal funds	100,987	103,208	94,410	103,208	100,944	-43	+6,534	-2,264	
Trust funds	43,716	37,842	43,716	46,132	45,056	+1,340	+1,340	-1,076	
Total, Employment & Training Administration	9,709,152	10,233,221	8,962,524	10,191,323	10,076,708	+367,556	+1,114,184	-114,615	
Federal funds	6,564,903	6,921,058	5,900,520	6,984,070	6,941,364	+376,461	+1,040,844	-42,706	
Current Year	(6,564,903)	(6,921,058)	(3,293,220)	(4,263,755)	(4,478,364)	(-2,086,539	(+1,185,144)	(+214,609)	
Advance Year, FY01	---	---	(2,607,300)	(2,720,315)	(2,463,000)	(+2,463,000	(-144,300)	(-257,315)	
Trust funds	3,144,249	3,312,163	3,062,004	3,207,253	3,135,344	-8,905	+73,340	-71,909	

(1) Includes $2.734 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PENSION AND WELFARE BENEFITS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement and Compliance	71,106	79,355	71,106	77,355	76,349	+5,243	+5,243	-1,006	D
Policy, Regulation and Public Service	15,216	18,636	15,216	18,636	15,803	+587	+587	-2,833	D
Program Oversight (1)	4,248	3,840	3,678	3,840	3,848	-400	+170	+8	D
Total, PWBA	90,570	101,831	90,000	99,831	96,000	+5,430	+6,000	-3,831	
PENSION BENEFIT GUARANTY CORPORATION									
Program Administration subject to limitation (TF)	10,958	11,352	10,958	11,352	11,155	+197	+197	-197	TF
Termination services not subj to limitation (NA) (2)	(148,974)	(153,599)	(153,599)	(153,599)	(153,599)	(+4,625)	---	---	NA
Total, PBGC new BA	10,958	11,352	10,958	11,352	11,155	+197	+197	-197	
Total, PBGC (Program level)	(159,932)	(164,951)	(164,557)	(164,951)	(164,754)	(+4,822)	(+197)	(-197)	

(1) Includes $570,000 in emergency funding for Year 2000 computer conversion.

(2) Includes $1.25 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
EMPLOYMENT STANDARDS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement of Wage and Hour Standards	129,581	176,042	129,581	142,342	141,003	+11,422	+11,422	-1,339	D
Office of Labor-Management Standards	28,148	29,308	28,148	29,308	29,308	+1,160	+1,160	---	D
Federal Contractor EEO Standards Enforcement	65,461	76,417	65,461	76,417	70,307	+4,846	+4,846	-6,110	D
Federal Programs for Workers' Compensation	76,759	80,369	76,759	80,369	80,031	+3,272	+3,272	-338	D
Trust Funds	1,924	1,740	1,924	1,740	1,740	-184	-184	---	TF
Program Direction and Support (1)	13,231	12,611	12,127	12,611	12,611	-620	+484	---	D
Total, ESA salaries and expenses	315,104	376,487	314,000	342,787	335,000	+19,896	+21,000	-7,787	
Federal funds	313,180	374,747	312,076	341,047	333,260	+20,080	+21,184	-7,787	
Trust funds	1,924	1,740	1,924	1,740	1,740	-184	-184	---	
SPECIAL BENEFITS									
Federal employees compensation benefits	175,000	75,000	75,000	75,000	75,000	-100,000	---	---	M
Longshore and harbor workers' benefits	4,000	4,000	4,000	4,000	4,000	---	---	---	M
Total, Special Benefits	179,000	79,000	79,000	79,000	79,000	-100,000	---	---	

(1) Includes $1.104 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
BLACK LUNG DISABILITY TRUST FUND (1)									
Benefit payments and interest on advances............	969,725	963,506	963,506	963,506	963,506	-6,219	---	---	M
Employment Standards Adm. S&E........................	30,191	28,676	28,676	28,676	28,676	-1,515	---	---	M
Departmental Management S&E..........................	20,422	21,144	20,422	21,144	20,783	+361	+361	-361	M
Departmental Management, Inspector General...........	306	318	306	318	312	+6	+6	-6	M
Subtotal, Black Lung Disablty. Trust Fund, apprn	1,020,644	1,013,644	1,012,910	1,013,644	1,013,277	-7,367	+367	-367	
Treasury Administrative Costs........................	356	356	356	356	356	---	---	---	M
Total, Black Lung Disability Trust Fund.........	1,021,000	1,014,000	1,013,266	1,014,000	1,013,633	-7,367	+367	-367	
Total, Employment Standards Administration......	1,515,104	1,469,487	1,406,266	1,435,787	1,427,633	-87,471	+21,367	-8,154	
Federal funds................................	1,513,180	1,467,747	1,404,342	1,434,047	1,425,893	-87,287	+21,551	-8,154	
Trust funds..................................	1,924	1,740	1,924	1,740	1,740	-184	-184	---	

(1) The request proposes an indefinite appropriation for this account.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Safety and Health Standards	12,323	13,126	11,707	13,126	12,700	+377	+993	-426	D
Federal Enforcement	133,896	142,232	122,871	142,232	138,000	+4,104	+15,129	-4,232	D
State Programs	80,084	83,501	76,080	83,501	81,000	+916	+4,920	-2,501	D
Technical Support	18,203	17,806	17,293	17,806	17,500	-703	+207	-306	D
Compliance Assistance: Federal Assistance	45,670	57,812	45,670	57,812	47,300	+1,630	+1,630	-10,512	D
State Consultation Grants	40,943	40,943	43,000	40,943	43,000	+2,057	---	+2,057	D
Subtotal	86,613	98,755	88,670	98,755	90,300	+3,687	+1,630	-8,455	
Safety and Health Statistics	15,172	23,677	14,413	23,677	23,000	+7,828	+8,587	-677	D
Executive Direction and Administration (1)	8,084	9,045	6,374	9,045	7,500	-584	+1,126	-1,545	D
Total, OSHA	354,375	388,142	337,408	388,142	370,000	+15,625	+32,592	-18,142	

(1) Includes $1.375 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
MINE SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Coal Enforcement	104,638	111,008	105,489	111,008	110,570	+5,932	+5,081	-438	D
Metal/Non-Metal Enforcement	44,737	50,293	43.886	50,293	49,693	+4,956	+5,807	-600	D
Standards Development	1,509	1,671	1,509	1,671	1,509	---	---	-162	D
Assessments	3,896	4,128	3,896	4,128	3,896	---	---	-232	D
Educational Policy and Development	20,864	24,684	20,864	27,184	27,184	+6,320	+6,320	---	D
Technical Support	25,312	25,840	25,312	25,840	25,312	---	---	-528	D
Program Administration (1)	14,957	10,749	10.209	10,749	10,209	-4,748	---	-540	D
Total, Mine Safety and Health Administration	215,913	228,373	211,165	230,873	228,373	+12,460	+17,208	-2,500	
BUREAU OF LABOR STATISTICS									
SALARIES AND EXPENSES									
Employment and Unemployment Statistics	115,828	118,084	115,828	117,084	117,084	+1,256	+1,256	---	D
Labor Market Information (Trust Funds)	54,146	55,663	54,146	55,663	55,663	+1,517	+1,517	---	TF
Prices and Cost of Living	120,179	131,032	120,179	126,032	126,032	+5,853	+5,853	---	D
Compensation and Working Conditions	61,029	69,383	61,029	65,383	65,383	+4,354	+4,354	---	D
Productivity and Technology	7,526	8,988	7,526	8,288	8,288	+762	+762	---	D
Economic Growth and Employment Projections	4,905	5,058	4,905	5,058	5,058	+153	+153	---	D
Executive Direction and Staff Services	24,098	25,725	24,098	24,950	24,950	+852	+852	---	D
Consumer Price Index Revision (2)	11,159	6,986	6,986	6,986	6,986	-4,173	---	---	D
Total, Bureau of Labor Statistics	398,870	420,919	394,697	409,444	409,444	+10,574	+14,747	---	
Federal Funds	344,724	365,256	340,551	353,781	353,781	+9,057	+13,230	---	
Trust Funds	54,146	55,663	54,146	55,663	55,663	+1,517	+1,517	---	

(1) Includes $4.748 million in emergency funding for Year 2000 computer conversion.

(2) Two year availability.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
DEPARTMENTAL MANAGEMENT									
SALARIES AND EXPENSES									
Executive Direction	20,193	34,575	20,193	26,575	24,000	+3,807	+3,807	-2,575	D
Legal Services	66,519	70,041	66,219	70,041	68,000	+1,481	+1,781	-2,041	D
Trust Funds	299	310	299	310	310	+11	+11	---	TF
International Labor Affairs	40,385	76,165	40,385	76,165	50,000	+9,615	+9,615	-26,165	D
Administration and Management	20,774	23,287	15,774	22,029	18,000	-2,774	+2,226	-4,029	D
Adjudication	21,842	23,689	21,842	23,689	22,766	+924	+924	-923	D
Promoting Employment of People with Disabilities	6,750	7,250	6,750	7,250	7,250	+500	+500	---	D
Women's Bureau	7,802	8,369	7,802	8,369	8,086	+284	+284	-283	D
Civil Rights Activities	4,929	5,684	4,929	5,684	5,307	+378	+378	-377	D
Chief Financial Officer	5,538	5,799	5,538	5,799	5,669	+131	+131	-130	D
Task Force/Employment people w/disabilities	1,400	2,485	1,400	1,400	1,400	---	---	---	D
Year 2000 Computer Conversion (Emergency Funding)	4,667	---	---	---	---	-4,667	---	---	D
Total, Salaries and expenses	201,098	257,654	191,131	247,311	210,788	+9,690	+19,657	-36,523	
Federal funds	200,799	257,344	190,832	247,001	210,478	+9,679	+19,646	-36,523	
Trust funds	299	310	299	310	310	+11	+11	---	
VETERANS EMPLOYMENT AND TRAINING									
State Administration: Disabled Veterans Outreach Program	80,040	80,215	80,040	80,215	80,215	+175	+175	---	TF
Local Veterans Employment Program	77,078	77,253	77,078	77,253	77,253	+175	+175	---	TF
Subtotal, State Administration	157,118	157,468	157,118	157,468	157,468	+350	+350	---	
Federal Administration	25,601	28,145	25,601	28,145	26,873	+1,272	+1,272	-1,272	TF
Total, Veterans Employment and Training	182,719	185,613	182,719	185,613	184,341	+1,622	+1,622	-1,272	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE INSPECTOR GENERAL									
Program Activities (1)	39,377	43,927	38,377	42,346	42,346	+2,969	+3,969	---	D
Trust Funds	3,648	5,010	3,648	3,830	3,830	+182	+182	---	TF
Executive Direction and Management	5,475	6,241	5,475	5,749	5,749	+274	+274	---	D
Total, Office of the Inspector General	48,500	55,178	47,500	51,925	51,925	+3,425	+4,425	---	
Federal funds	44,852	50,168	43,852	48,095	48,095	+3,243	+4,243	---	
Trust funds	3,648	5,010	3,648	3,830	3,830	+182	+182	---	
Total, Departmental Management	432,317	498,445	421,350	484,849	447,054	+14,737	+25,704	-37,795	
Federal funds	245,651	307,512	234,684	295,096	258,573	+12,922	+23,889	-36,523	
Trust funds	186,666	190,933	186,666	189,753	188,481	+1,815	+1,815	-1,272	
Total, Labor Department	12,727,259	13,351,770	11,834,368	13,251,601	13,066,367	+339,108	+1,231,999	-185,234	
Federal funds	9,329,316	9,779,919	8,518,670	9,785,840	9,673,984	+344,668	+1,155,314	-111,856	
Current Year	(9,329,316)	(9,779,919)	(5,911,370)	(7,065,525)	(7,210,984)	(-2,118,332)	(+1,299,614)	(+145,459)	
Advance Year, FY01	---	---	(2,607,300)	(2,720,315)	(2,463,000)	(+2,463,000)	(-144,300)	(-257,315)	
Trust funds	3,397,943	3,571,851	3,315,698	3,465,761	3,392,383	-5,560	+76,685	-73,378	

(1) Includes $1 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH RESOURCES AND SERVICES ADMINISTRATION									
HEALTH RESOURCES AND SERVICES									
Community health centers	924,706	945,000	985,000	1,024,000	1,024,000	+99,294	+39,000	---	D
National Health Service Corps:									
Field placements	37,232	36,997	38,244	36,997	38,244	+1,012	---	+1,247	D
Recruitment	78,141	78,166	78,166	78,166	78,666	+525	+500	+500	D
Subtotal, National Health Service Corps	115,373	115,163	116,410	115,163	116,910	+1,537	+500	+1,747	
Health Professions									
Training for Diversity:									
Centers of excellence	25,634	33,142	25,642	---	25,642	+8	---	+25,642	D
Health careers opportunity program	27,790	35,299	27,799	---	27,799	+9	---	+27,799	D
Faculty loan repayment	1,100	1,100	1,100	---	1,100	---	---	+1,100	D
Scholarships for disadvantaged students	38,087	38,966	38,099	---	38,099	+12	---	+38,099	D
Subtotal	92,611	108,507	92,640	---	92,640	+29	---	+92,640	
Training in Primary Care Medicine and Denistry:									
Family medicine training/departments	50,509	---	51,102	---	---	-50,509	-51,102	---	D
General internal medicine and pediatrics	18,125	---	18,290	---	---	-18,125	-18,290	---	D
Physician assistants	6,800	---	6,623	---	---	-6,800	-6,623	---	D
General and pediatric dentistry residencies	4,500	---	3,919	---	---	-4,500	-3,919	---	D
Consolidated training in primary care	---	---	---	---	79,934	+79,934	+79,934	+79,934	D
Subtotal	79,934	---	79,934	---	79,934	---	---	+79,934	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE INSPECTOR GENERAL									
Program Activities (1)	39,377	43,927	38,377	42,346	42,346	+2,969	+3,969	---	D
Trust Funds	3,648	5,010	3,648	3,830	3,830	+182	+182	---	TF
Executive Direction and Management	5,475	6,241	5,475	5,749	5,749	+274	+274	---	D
Total, Office of the Inspector General	48,500	55,178	47,500	51,925	51,925	+3,425	+4,425	---	
Federal funds	44,852	50,168	43,852	48,095	48,095	+3,243	+4,243	---	
Trust funds	3,648	5,010	3,648	3,830	3,830	+182	+182	---	
Total, Departmental Management	432,317	498,445	421,350	484,849	447,054	+14,737	+25,704	-37,795	
Federal funds	245,651	307,512	234,684	295,096	258,573	+12,922	+23,889	-36,523	
Trust funds	186,666	190,933	186,666	189,753	188,481	+1,815	+1,815	-1,272	
Total, Labor Department	12,727,259	13,351,770	11,834,368	13,251,601	13,066,367	+339,108	+1,231,999	-185,234	
Federal funds	9,329,316	9,779,919	8,518,670	9,785,840	9,673,984	+344,668	+1,155,314	-111,856	
Current Year	(9,329,316)	(9,779,919)	(5,911,370)	(7,065,525)	(7,210,984)	(-2,118,332)	(+1,299,614)	(+145,459)	
Advance Year, FY01	---	---	(2,607,300)	(2,720,315)	(2,463,000)	(+2,463,000)	(-144,300)	(-257,315)	
Trust funds	3,397,943	3,571,851	3,315,698	3,465,761	3,392,383	-5,560	+76,685	-73,378	

(1) Includes $1 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH RESOURCES AND SERVICES ADMINISTRATION									
HEALTH RESOURCES AND SERVICES									
Community health centers	924,706	945,000	985,000	1,024,000	1,024,000	+99,294	+39,000	---	D
National Health Service Corps:									
Field placements	37,232	36,997	38,244	36,997	38,244	+1,012	---	+1,247	D
Recruitment	78,141	78,166	78,166	78,166	78,666	+525	+500	+500	D
Subtotal, National Health Service Corps	115,373	115,163	116,410	115,163	116,910	+1,537	+500	+1,747	
Health Professions									
Training for Diversity:									
Centers of excellence	25,634	33,142	25,642	---	25,642	+8	---	+25,642	D
Health careers opportunity program	27,790	35,299	27,799	---	27,799	+9	---	+27,799	D
Faculty loan repayment	1,100	1,100	1,100	---	1,100	---	---	+1,100	D
Scholarships for disadvantaged students	38,087	38,966	38,099	---	38,099	+12	---	+38,099	D
Subtotal	92,611	108,507	92,640	---	92,640	+29	---	+92,640	
Training in Primary Care Medicine and Denistry:									
Family medicine training/departments	50,509	---	51,102	---	---	-50,509	-51,102	---	D
General internal medicine and pediatrics	18,125	---	18,290	---	---	-18,125	-18,290	---	D
Physician assistants	6,800	---	6,623	---	---	-6,800	-6,623	---	D
General and pediatric dentistry residencies	4,500	---	3,919	---	---	-4,500	-3,919	---	D
Consolidated training in primary care	---	---	---	---	79,934	+79,934	+79,934	+79,934	D
Subtotal	79,934	---	79,934	---	79,934	---	---	+79,934	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Interdisciplinary Community-Based Linkages:									
Area health education centers	28,578	28,587	29,561	---	28,587	+9	-974	+28,587	D
Health education and training centers	3,764	3,765	3,889	---	3,765	+1	-124	+3,765	D
Allied health and other disciplines	7,093	---	6,722	---	7,553	+460	+831	+7,553	D
Geriatric programs	9,697	---	9,206	---	10,911	+1,214	+1,705	+10,911	D
Quentin N. Burdick pgm for rural training	4,544	4,545	4,314	---	5,167	+623	+853	+5,167	D
Subtotal	53,676	36,897	53,692	---	55,983	+2,307	+2,291	+55,983	
Health Professions Workforce Info & analysis:									
Health Professions data systems	246	---	246	---	---	-246	-246	---	D
Research on Health Professions Issues	468	---	468	---	---	-468	-468	---	D
Consolidated HP Workforce Info & Analysis	---	714	---	---	714	+714	+714	+714	D
Subtotal	714	714	714	---	714	---	---	+714	
Public Health Workforce Development:									
Public health, preventive med & dental programs	8,291	---	8,294	---	8,294	+3	---	+8,294	D
Health administration programs	1,135	---	1,136	---	1,136	+1	---	+1,136	D
Subtotal	9,426	---	9,430	---	9,430	+4	---	+9,430	
Children's Hospitals Graduate Medical Educ	---	40,000	---	---	20,000	+20,000	+20,000	+20,000	D
Advanced Education Nursing:									
Advanced Nurse Education	12,926	---	12,943	---	---	-12,926	-12,943	---	D
Nurse practitioners/nurse midwives	18,259	---	18,259	---	---	-18,259	-18,259	---	D
Professional nurse traineeships	16,528	---	16,528	---	---	-16,528	-16,528	---	D
Nurse anesthetists	2,868	---	2,868	---	---	-2,868	-2,868	---	D
Consolidated Advanced Education Nursing	---	50,598	---	---	50,598	+50,598	+50,598	+50,598	D
Subtotal	50,581	50,598	50,598	---	50,598	+17	---	+50,598	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Basic nurse education and practice	10,965	10,968	10,968	---	10,968	+3	---	+10,968	D
Nursing workforce diversity	4,009	4,010	4,010	---	4,010	+1	---	+4,010	D
Consolidated Health Professions	---	---	---	226,916	---	---	---	-226,916	D
Subtotal, Health professions	301,916	251,694	301,986	226,916	324,277	+22,361	+22,291	+97,361	
Other HRSA Programs:									
Hansen's Disease Services	21,663	17,282	18,670	17,282	20,282	-1,381	+1,612	+3,000	D
Maternal & Child Health Block Grant	694,777	695,000	800,000	695,000	710,000	+15,223	-90,000	+15,000	D
Healthy Start	104,967	105,000	---	110,000	90,000	-14,967	+90,000	-20,000	D
Universal Newborn Hearing	---	4,000	2,500	4,000	3,500	+3,500	+1,000	-500	D
Organ Transplantation	9,997	10,000	10,000	10,000	10,000	+3	---	---	D
Health Teaching Facilities Interest Subsidies	150	150	150	150	150	---	---	---	D
Bone Marrow Program	17,994	18,000	18,000	18,000	18,000	+6	---	---	D
Rural outreach grants	31,384	31,396	38,892	31,396	32,067	+683	-6,825	+671	D
Rural Health Research	6,081	6,085	11,713	6,085	30,548	+24,467	+18,835	+24,463	D
Office for the Advancement of Telehealth	13,124	13,124	---	20,000	---	-13,124	---	-20,000	D
Critical care programs:									
Emergency medical services for children	14,995	15,000	17,000	17,000	17,000	+2,005	---	---	D
Traumatic brain injury program	5,000	5,000	---	5,000	---	-5,000	---	-5,000	D
Trauma care	---	1,000	---	1,000	---	---	---	-1,000	D
Poison control	---	1,500	---	3,000	3,000	+3,000	+3,000	---	D
Subtotal	19,995	22,500	17,000	26,000	20,000	+5	+3,000	-6,000	
Black lung clinics	4,998	5,000	5,000	6,000	6,000	+1,002	+1,000	---	D
Nursing loan repayment for shortage area service	2,278	2,279	2,279	2,279	2,279	+1	---	---	D
Payment to Hawaii, treatment of Hansen's	2,044	2,045	2,045	2,045	2,045	+1	---	---	D
Subtotal, Other HRSA programs	929,452	931,861	926,249	948,237	944,871	+15,419	+18,622	-3,366	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Ryan White AIDS Programs:									
Emergency Assistance	505,039	521,200	525,000	541,200	525,000	+19,961	---	-16,200	D
Comprehensive Care Programs	737,755	783,000	785,000	843,000	814,000	+76,235	+29,000	-29,000	D
AIDS Drug Assistance Program (ADAP) (NA)	(461,000)	(496,000)	(500,000)	(536,000)	(518,000)	(+57,000)	(+18,000)	(-18,000)	NA
Early Intervention Program	94,270	130,300	132,000	140,300	132,000	+37,730	---	-8,300	D
Pediatric Demonstrations	45,985	48,000	49,000	53,000	51,000	+5,015	+2,000	-2,000	D
AIDS Dental Services	7,798	8,000	8,000	9,000	8,000	+202	---	-1,000	D
Education and Training Centers	19,994	20,000	20,000	24,000	20,000	+6	---	-4,000	D
Subtotal, Ryan White AIDS programs	1,410,851	1,510,500	1,519,000	1,610,500	1,550,000	+139,149	+31,000	-60,500	
Family Planning	214,932	239,952	215,000	222,432	214,932	---	-68	-7,500	D
Ricky Ray Hemophilia program	---	---	---	50,000	---	---	---	-50,000	D
Health Care and Other Facilities	65,324	---	---	10,000	104,052	+38,728	+104,052	+94,052	D
Buildings and Facilities	250	250	250	250	250	---	---	---	D
Rural Hospital Flexibility Grants	24,992	25,000	25,000	25,000	25,000	+8	---	---	D
National Practitioner Data Bank	12,000	16,000	16,000	16,000	16,000	+4,000	---	---	D
User Fees	-12,000	-16,000	-16,000	-16,000	-16,000	-4,000	---	---	D
Program Management (1)	128,962	121,563	115,500	133,000	125,000	-3,962	+9,500	-8,000	D
Total, Health resources and services	4,116,758	4,141,083	4,204,395	4,365,498	4,429,292	+312,534	+224,897	+63,794	

(1) Includes $10 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
MEDICAL FACILITIES GUARANTEE AND LOAN FUND:									
Interest subsidy program	1,000	1,000	1,000	1,000	1,000	---	---	---	M
HEALTH EDUCATION ASSISTANCE LOANS PROGRAM (HEAL):									
Liquidating account	(37,000)	(31,500)	(31,500)	(31,500)	(31,500)	(-5,500)	---	---	NA
Program management	3,687	3,688	3,688	3,688	3,688	+1	---	---	D
VACCINE INJURY COMPENSATION PROGRAM TRUST FUND:									
Post-FY88 claims	60,000	60,000	60,000	60,000	60,000	---	---	---	M
HRSA administration (1)	3,000	3,000	3,000	3,000	3,000	---	---	---	D
Subtotal, Vaccine injury compensation trust fund	63,000	63,000	63,000	63,000	63,000	---	---	---	
VACCINE INJURY COMPENSATION:									
Pre-FY89 claims (appropriation)	100,000	---	---	---	---	-100,000	---	---	M
Total, Vaccine inquiry	163,000	63,000	63,000	63,000	63,000	-100,000	---	---	
Total, Health Resources & Services Admin	4,284,445	4,208,771	4,272,083	4,433,186	4,496,980	+212,535	+224,897	+63,794	

(1) Reclassified as discretionary funding.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
CENTERS FOR DISEASE CONTROL AND PREVENTION									
DISEASE CONTROL, RESEARCH AND TRAINING									
Preventive Health Services Block Grant									
Program	147,753	115,914	150,000	115,914	131,824	-15,929	-18,176	+15,910	D
Salaries and Expenses	2,247	4,086	2,247	2,247	3,380	+1,133	+1,133	+1,133	D
Subtotal, Preventive Health Services Block Grant	150,000	120,000	152,247	118,161	135,204	-14,796	-17,043	+17,043	
Prevention Centers									
Program	13,000	13,000	17,000	15,000	16,855	+3,855	-145	+1,855	D
Salaries and Expenses	500	500	500	500	645	+145	+145	+145	D
Subtotal, Prevention Centers	13,500	13,500	17,500	15,500	17,500	+4,000	---	+2,000	
CDC/HCFA vaccine program:									
Childhood immunization									
Program	400,568	463,364	372,568	463,364	404,966	+4,398	+32,398	-58,398	D
Salaries and Expenses	48,909	62,803	48,909	48,909	56,909	+8,000	+8,000	+8,000	D
Subtotal, Childhood immunization (1)	449,477	526,167	421,477	512,273	461,875	+12,398	+40,398	-50,398	
HCFA vaccine purchase (NA)	(566,278)	(545,043)	(545,043)	(545,043)	(545,043)	(-21,235)	---	---	NA
Subtotal, CDC/HCFA vaccine program level	(1,015,755)	(1,071,210)	(966,520)	(1,057,316)	(1,006,918)	(-8,837)	(+40,398)	(-50,398)	
Communicable Diseases									
AIDS									
Program	534,964	575,240	535,000	540,240	540,240	+5,276	+5,240	---	D
Salaries and Expenses	122,036	126,156	122,036	122,036	122,036	---	---	---	D
Subtotal, HIV/AIDS	657,000	701,396	657,036	662,276	662,276	+5,276	+5,240	---	
Tuberculosis									
Program	114,777	112,147	116,777	120,000	116,074	+1,297	-703	-3,926	D
Salaries and Expenses	5,185	7,815	5,185	5,185	7,500	+2,315	+2,315	+2,315	D
Subtotal, Tuberculosis	119,962	119,962	121,962	125,185	123,574	+3,612	+1,612	-1,611	

(1) Includes $28 million for global polio/measles eradication emergency funding in FY99.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
Sexually Transmitted Diseases									
Program	110,656	115,711	116,000	115,711	115,097	+4,441	-903	-614	D
Salaries and Expenses	13,097	14,938	13,097	13,097	14,000	+903	+903	+903	D
Subtotal, Sexually Transmitted Diseases	123,753	130,649	129,097	128,808	129,097	+5,344	---	+289	
Chronic Diseases									
Chronic and Environmental Disease Prevention									
Program	241,378	250,364	257,500	260,364	281,705	+40,327	+24,205	+21,341	D
Salaries and Expenses	58,011	75,579	58,011	58,011	80,000	+21,989	+21,989	+21,989	D
Subtotal, Chronic & Environmental (1)	299,389	325,943	315,511	318,375	361,705	+62,316	+46,194	+43,330	
FY01	---	---	---	8,706	---	---	---	-8,706	D
Subtotal, Chronic & Environ program level	299,389	325,943	315,511	327,081	361,705	+62,316	+46,194	+34,624	
Breast and Cervical Cancer Screening									
Program	149,091	147,071	151,091	157,071	156,527	+7,436	+5,436	-544	D
Salaries and Expenses	9,980	12,000	9,980	9,980	10,524	+544	+544	+544	D
Subtotal, Breast & Cervical Cancer Screening	159,071	159,071	161,071	167,051	167,051	+7,980	+5,980	---	
Infectious Diseases									
Program	70,300	98,274	78,274	98,274	65,610	-4,690	-12,664	-32,664	D
Salaries and Expenses	67,336	83,652	67,336	67,336	80,000	+12,664	+12,664	+12,664	D
Subtotal, Infectious diseases	137,636	181,926	145,610	165,610	145,610	+7,974	---	-20,000	
Lead Poisoning Prevention									
Program	31,457	30,457	31,500	30,457	31,000	-457	-500	+543	D
Salaries and Expenses	6,748	7,748	6,748	6,748	7,248	+500	+500	+500	D
Subtotal, Lead Poisoning Prevention	38,205	38,205	38,248	37,205	38,248	+43	---	+1,043	

(1) Includes $5 million for Environmental Health Lab emergency funding in FY99.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Injury Control									
Program	38,756	49,494	38,756	63,994	62,358	+23,602	+23,602	-1,636	D
Salaries and Expenses	18,825	21,004	18,825	18,825	23,840	+5,015	+5,015	+5,015	D
Subtotal, Injury Control	57,581	70,498	57,581	82,819	86,198	+28,617	+28,617	+3,379	
Occupational Safety and Health (NIOSH) (1)									
Program	78,744	87,415	78,744	93,744	86,573	+7,829	+7,829	-7,171	D
Salaries and Expenses	121,256	124,434	121,256	121,256	128,427	+7,171	+7,171	+7,171	D
Subtotal, Occupational Safety and Health	200,000	211,849	200,000	215,000	215,000	+15,000	+15,000	---	
Epidemic Services									
Program	30,432	25,865	30,432	25,865	30,432	---	---	+4,567	D
Salaries and Expenses	55,484	59,183	55,484	55,484	55,484	---	---	---	D
Subtotal, Epidemic Services	85,916	85,048	85,916	81,349	85,916	---	---	+4,567	
Office of the Director									
Budget Authority	30,440	30,322	30,440	32,322	36,322	+5,882	+5,882	+4,000	D
1% Set Aside	(696)	---	(696)	---	---	(-696)	(-696)	---	NA
Office of the Director, program level	(31,136)	(30,322)	(31,136)	(32,322)	(36,322)	(+5,186)	(+5,186)	(+4,000)	
National Center for Health Statistics									
Program Operations									
Budget Authority	9,522	---	9,523	---	10,069	+547	+546	+10,069	D
Salaries and expenses									
Budget Authority	17,249	---	13,257	---	18,241	+992	+4,984	+18,241	D
1% evaluation funds (NA)	(67,793)	(109,573)	(71,793)	(109,573)	(71,690)	(+3,897)	(-103)	(-37,883)	NA
Subtotal, Health Statistics program level	(94,564)	(109,573)	(94,573)	(109,573)	(100,000)	(+5,436)	(+5,427)	(-9,573)	

(1) Includes Mine Safety and Health.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Buildings and Facilities	17,800	39,800	40,000	39,800	60,000	+42,200	+20,000	+20,200	D
Prevention research									
Program	11,995	12,000	12,000	12,000	12,000	+5	---	---	D
Salaries and Expenses	3,000	3,000	3,000	3,000	3,000	---	---	---	D
Subtotal, Prevention research	14,995	15,000	15,000	15,000	15,000	+5	---	---	
Health disparities demonstration									
Program	9,397	31,697	9,400	31,697	30,000	+20,603	+20,600	-1,697	D
Salaries and Expenses	600	3,303	600	3,303	---	-600	-600	-3,303	D
Subtotal, Health disparities demonstration	9,997	35,000	10,000	35,000	30,000	+20,003	+20,000	-5,000	
Bioterrorism Emergency	123,600	---	---	---	---	-123,600	---	---	D
Reimbursement to Calvin County, MI (hep A outbreak)	322	---	---	---	---	-322	---	---	D
Year 2000 Computer Conversion (Emergency Funding)	4,900	---	---	---	---	-4,900	---	---	D
Undistributed	---	104	---	104	---	---	---	-104	D
Subtotal, Centers for Disease Control	2,720,315	2,804,440	2,621,476	2,760,544	2,798,886	+78,571	+177,410	+38,342	
Crime Bill Activities:									
Crime Trust Fund									
Rape Prevention and Education	44,986	45,000	45,000	45,000	45,000	+14	---	---	D
Domestic Violence Community Demonstrations	5,998	6,000	6,000	6,000	6,000	+2	---	---	D
Subtotal, Crime bill activities	50,984	51,000	51,000	51,000	51,000	+16	---	---	
Total, Disease Control	2,771,299	2,855,440	2,672,476	2,811,544	2,849,886	+78,587	+177,410	+38,342	
Current Year	(2,771,299)	(2,855,440)	(2,672,476)	(2,802,838)	(2,849,886)	(+78,587)	(+177,410)	(+47,048)	
Advance Year, FY01	---	---	---	(8,706)	---	---	---	(-8,706)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
NATIONAL INSTITUTES OF HEALTH									
National Cancer Institute	2,902,375	2,732,795	3,163,417	3,286,859	3,332,317	+429,942	+168,900	+45,458	D
AIDS (NA)	---	(240,124)	---	---	---	---	---	---	NA
Subtotal, NCI	(2,902,375)	(2,972,919)	(3,163,417)	(3,286,859)	(3,332,317)	(+429,942)	(+168,900)	(+45,458)	
National Heart, Lung, and Blood Institute	1,782,577	1,759,806	1,937,404	2,001,185	2,040,291	+257,714	+102,887	+39,106	D
AIDS (NA)	---	(66,043)	---	---	---	---	---	---	NA
Subtotal, NHLBI	(1,782,577)	(1,825,849)	(1,937,404)	(2,001,185)	(2,040,291)	(+257,714)	(+102,887)	(+39,106)	
National Institute of Dental & Craniofacial Research	238,318	225,709	256,022	267,543	270,253	+31,935	+14,231	+2,710	D
AIDS (NA)	---	(18,397)	---	---	---	---	---	---	NA
Subtotal, NIDR	(238,318)	(244,106)	(256,022)	(267,543)	(270,253)	(+31,935)	(+14,231)	(+2,710)	
National Institute of Diabetes and Digestive and Kidney Diseases	996,848	1,002,747	1,087,455	1,130,056	1,147,588	+150,740	+60,133	+17,532	D
AIDS (NA)	---	(18,322)	---	---	---	---	---	---	NA
Subtotal, NIDDK	(996,848)	(1,021,069)	(1,087,455)	(1,130,056)	(1,147,588)	(+150,740)	(+60,133)	(+17,532)	
National Institute of Neurological Disorders & Stroke	899,119	890,816	979,281	1,019,271	1,034,886	+135,767	+55,605	+15,615	D
AIDS (NA)	---	(30,154)	---	---	---	---	---	---	NA
Subtotal, NINDS	(899,119)	(920,970)	(979,281)	(1,019,271)	(1,034,886)	(+135,767)	(+55,605)	(+15,615)	
National Institute of Allergy and Infectious Diseases	1,576,104	789,156	1,694,019	1,786,718	1,803,063	+226,959	+109,044	+16,345	D
AIDS (NA)	---	(825,294)	---	---	---	---	---	---	NA
Subtotal, NIAID	(1,576,104)	(1,614,450)	(1,694,019)	(1,786,718)	(1,803,063)	(+226,959)	(+109,044)	(+16,345)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National Institute of General Medical Sciences........	1,197,597	1,194,068	1,298,551	1,352,843	1,361,668	+164,071	+63,117	+8,825	D
AIDS (NA)..	---	(32,630)	---	---	---	---	---	---	NA
Subtotal, NIGMS..................................	(1,197,597)	(1,226,698)	(1,298,551)	(1,352,843)	(1,361,668)	(+164,071)	(+63,117)	(+8,825)	
National Institute of Child Health & Human Development	753,406	694,114	815,970	848,044	862,884	+109,478	+46,914	+14,840	D
AIDS (NA)..	---	(77,599)	---	---	---	---	---	---	NA
Subtotal, NICHD..................................	(753,406)	(771,713)	(815,970)	(848,044)	(862,884)	(+109,478)	(+46,914)	(+14,840)	
National Eye Institute...............................	396,896	395,935	428,594	445,172	452,706	+55,810	+24,112	+7,534	D
AIDS (NA)..	---	(10,604)	---	---	---	---	---	---	NA
Subtotal, NEI....................................	(396,896)	(406,539)	(428,594)	(445,172)	(452,706)	(+55,810)	(+24,112)	(+7,534)	
National Institute of Environmental Health Sciences...	388,477	390,718	419,009	436,113	444,817	+56,340	+25,808	+8,704	D
AIDS (NA)..	---	(7,194)	---	---	---	---	---	---	NA
Subtotal, NIEHS..................................	(388,477)	(397,912)	(419,009)	(436,113)	(444,817)	(+56,340)	(+25,808)	(+8,704)	
National Institute on Aging...........................	600,136	612,599	651,665	680,332	690,156	+90,020	+38,491	+9,824	D
AIDS (NA)..	---	(2,118)	---	---	---	---	---	---	NA
Subtotal, NIA....................................	(600,136)	(614,717)	(651,665)	(680,332)	(690,156)	(+90,020)	(+38,491)	(+9,824)	
National Institute of Arthritis and Musculoskeletal and Skin Diseases..................................	307,284	309,953	333,378	350,429	351,840	+44,556	+18,462	+1,411	D
AIDS (NA)..	---	(4,797)	---	---	---	---	---	---	NA
Subtotal, NIAMS..................................	(307,284)	(314,750)	(333,378)	(350,429)	(351,840)	(+44,556)	(+18,462)	(+1,411)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National Institute on Deafness and Other Communication Disorders	231,547	235,297	251,218	261,962	265,185	+33,638	+13,967	+3,223	D
AIDS (NA)	---	(1,874)	---	---	---	---	---	---	NA
Subtotal, NIDCD	(231,547)	(237,171)	(251,218)	(261,962)	(265,185)	(+33,638)	(+13,967)	(+3,223)	
National Institute of Nursing Research	70,031	65,335	76,204	90,000	90,000	+19,969	+13,796	---	D
AIDS (NA)	---	(6,395)	---	---	---	---	---	---	NA
Subtotal, NINR	(70,031)	(71,730)	(76,204)	(90,000)	(90,000)	(+19,969)	(+13,796)	---	
National Institute on Alcohol Abuse and Alcoholism	259,202	248,916	279,901	291,247	293,935	+34,733	+14,034	+2,688	D
AIDS (NA)	---	(16,581)	---	---	---	---	---	---	NA
Subtotal, NIAAA	(259,202)	(265,497)	(279,901)	(291,247)	(293,935)	(+34,733)	(+14,034)	(+2,688)	
National Institute on Drug Abuse	607,979	429,246	656,551	682,536	689,448	+81,469	+32,897	+6,912	D
AIDS (NA)	---	(193,505)	---	---	---	---	---	---	NA
Subtotal, NIDA	(607,979)	(622,751)	(656,551)	(682,536)	(689,448)	(+81,469)	(+32,897)	(+6,912)	
National Institute of Mental Health	855,210	758,892	930,436	969,494	978,360	+123,150	+47,924	+8,866	D
AIDS (NA)	---	(117,101)	---	---	---	---	---	---	NA
Subtotal, NIMH	(855,210)	(875,993)	(930,436)	(969,494)	(978,360)	(+123,150)	(+47,924)	(+8,866)	
National Human Genome Research Institute	269,086	271,536	308,012	337,322	337,322	+68,236	+29,310	---	D
AIDS (NA)	---	(4,086)	---	---	---	---	---	---	NA
Subtotal, NHGRI	(269,086)	(275,622)	(308,012)	(337,322)	(337,322)	(+68,236)	(+29,310)	---	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National Center for Research Resources	554,643	469,684	639,251	625,988	680,176	+125,533	+40,925	+54,188	D
FY01	---	---	---	30,000	---	---	---	-30,000	D
Subtotal	554,643	469,684	639,251	655,988	680,176	+125,533	+40,925	+24,188	
AIDS (NA)	---	(98,435)	---	---	---	---	---	---	NA
Subtotal, NCRR	(554,643)	(568,119)	(639,251)	(655,988)	(680,176)	(+125,533)	(+40,925)	(+24,188)	
National Center for Complementary and Alternative Medicine	50,000	50,168	68,000	56,214	68,753	+18,753	+753	+12,539	D
John E. Fogarty International Center	35,415	23,498	40,190	43,723	43,723	+8,308	+3,533	---	D
AIDS (NA)	---	(12,776)	---	---	---	---	---	---	NA
Subtotal, FIC	(35,415)	(36,274)	(40,190)	(43,723)	(43,723)	(+8,308)	(+3,533)	---	
National Library of Medicine	181,309	181,443	202,027	210,183	215,214	+33,905	+13,187	+5,031	D
AIDS (NA)	---	(4,211)	---	---	---	---	---	---	NA
Subtotal, NLM	(181,309)	(185,654)	(202,027)	(210,183)	(215,214)	(+33,905)	(+13,187)	(+5,031)	
Office of the Director	256,462	218,153	270,383	299,504	283,509	+27,047	+13,126	-15,995	D
AIDS (NA)	---	(44,556)	---	---	---	---	---	---	NA
Subtotal, OD	(256,462)	(262,709)	(270,383)	(299,504)	(283,509)	(+27,047)	(+13,126)	(-15,995)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
Buildings and facilities:									
Current year	197,456	108,376	108,376	100,732	135,376	-62,080	+27,000	+34,644	D
Advance for subsequent year	40,000	---	---	---	---	-40,000	---	---	D
Advance from prior year	---	(40,000)	(40,000)	(40,000)	(40,000)	(+40,000)	---	---	NA
Office of AIDS Research	---	1,833,826	---	---	---	---	---	---	D
Year 2000 Computer Conversion (Emergency Funding)	5,993	---	---	---	---	-5,993	---	---	D
Total, National Institutes of Health:									
Current Year, FY00	15,613,470	15,892,786	16,895,314	17,573,470	17,873,470	+2,260,000	+978,156	+300,000	
Advance from prior year	---	40,000	40,000	40,000	40,000	+40,000	---	---	
Total N.I.H. program level	15,613,470	15,932,786	16,935,314	17,613,470	17,913,470	+2,300,000	+978,156	+300,000	
Advance for subsequent year, FY01	40,000	---	---	30,000	---	-40,000	---	-30,000	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION									
Mental Health:									
Knowledge development and application	96,639	97,964	85,851	137,932	137,932	+41,293	+52,081	---	D
Mental Health Performance Partnership	288,723	358,816	300,000	310,000	300,000	+11,277	---	-10,000	D
FY01	---	---	---	48,816	---	---	---	-48,816	D
Children's Mental Health	77,974	78,000	83,000	78,000	83,000	+5,026	---	+5,000	D
Grants to States for the Homeless (PATH)	25,991	31,000	28,000	31,000	31,000	+5,009	+3,000	---	D
Protection and Advocacy	22,949	22,957	22,957	25,000	25,000	+2,051	+2,043	---	D
Subtotal, mental health	512,276	588,737	519,808	630,748	576,932	+64,656	+57,124	-53,816	
Substance Abuse Treatment:									
Knowledge Development and Application	170,771	226,868	136,613	226,868	181,741	+10,970	+45,128	-45,127	D
Substance Abuse Performance Partnership	1,584,492	1,615,000	1,585,000	1,615,000	1,585,000	+508	---	-30,000	D
FY01	---	100,000	---	100,080	---	---	---	-100,000	D
Subtotal, Sub Abuse Treatment, current year	1,755,263	1,841,868	1,721,613	1,841,868	1,766,741	+11,478	+45,128	-75,127	
Subtotal, Sub Abuse Treatment, program level	1,755,263	1,941,868	1,721,613	1,941,868	1,766,741	+11,478	+45,128	-175,127	
Substance Abuse Prevention:									
Knowledge Development and Application	156,159	131,000	118,910	161,000	139,955	-16,204	+21,045	-21,045	D
High Risk Youth Grants	6,997	7,000	---	7,000	7,000	+3	+7,000	---	D
Subtotal, Substance abuse prevention	163,156	138,000	118,910	168,000	146,955	-16,201	+28,045	-21,045	
Program Management and Buildings and Facilities (1)	56,618	57,900	53,400	58,900	59,100	+2,482	+5,700	+200	D
Total, Substance Abuse and Mental Health	2,487,313	2,726,505	2,413,731	2,799,516	2,549,728	+62,415	+135,997	-249,788	
Current Year	(2,487,313)	(2,626,505)	(2,413,731)	(2,650,700)	(2,549,728)	(+62,415)	(+135,997)	(-100,972)	
Advance Year, FY01	---	(100,000)	---	(148,816)	---	---	---	(-148,816)	

(1) Includes $100,000 in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
AGENCY FOR HEALTH CARE POLICY AND RESEARCH									
Research on Health Care Systems Cost and Access: Federal Funds	98,035	24,326	102,062	17,163	108,924	+10,889	+6,862	+91,761	D
1% evaluation funding (NA)	(42,847)	(143,588)	(42,847)	(155,751)	(47,576)	(+4,729)	(+4,729)	(-108,175)	NA
Subtotal	(140,882)	(167,914)	(144,909)	(172,914)	(156,500)	(+15,618)	(+11,591)	(-16,414)	
Health insurance and expenditure surveys 1% evaluation funding (NA)	(27,800)	(36,000)	(27,800)	(36,000)	(36,000)	(+8,200)	(+8,200)	---	NA
Program Support (1)	4,136	2,341	2,341	2,341	2,500	-1,636	+159	+159	D
Total, AHCPR	(172,818)	(206,255)	(175,050)	(211,255)	(195,000)	(+22,182)	(+19,950)	(-16,255)	
Federal Funds	102,171	26,667	104,403	19,504	111,424	+9,253	+7,021	+91,920	
1% evaluation funding (non-add)	(70,647)	(179,588)	(70,647)	(191,751)	(83,576)	(+12,929)	(+12,929)	(-108,175)	
Total, Public Health Service	25,298,698	25,710,169	26,358,007	27,667,220	27,881,486	+2,582,790	+1,523,481	+214,268	
Current Year	(25,258,698)	(25,610,169)	(26,358,007)	(27,479,698)	(27,881,488)	(+2,622,790)	(+1,523,481)	(+401,790)	
Advance Year, FY01	(40,000)	(100,000)	---	(187,522)	---	(-40,000)	---	(-187,522)	

(1) Includes $1.795 million in emergency funding for Year 2000 computer conversion.

Note: Retirement Pay and Medical Benefits for Commissioned Officers is part of Office of the Secretary.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
HEALTH CARE FINANCING ADMINISTRATION									
GRANTS TO STATES FOR MEDICAID									
Medicaid current law benefits	102,265,000	108,257,500	108,257,500	108,257,500	108,257,500	+5,992,500	---	---	M
State and local administration	5,740,376	6,018,455	6,018,455	6,018,455	6,018,455	+278,079	---	---	M
Vaccines for Children	528,240	545,043	545,043	545,043	545,043	+16,803	---	---	M
Subtotal, Medicaid program level, current year	108,533,616	114,820,998	114,820,998	114,820,998	114,820,998	+6,287,382	---	---	
Carryover balance	-6,012,383	---	---	---	---	+6,012,383	---	---	M
Less funds advanced in prior year	-27,800,689	-28,733,605	-28,733,605	-28,733,605	-28,733,605	-932,916	---	---	M
Total, request, current year	74,720,544	86,087,393	86,087,393	86,087,393	86,087,393	+11,366,849	---	---	
New advance 1st quarter, FY01	28,733,605	30,589,003	30,589,003	30,589,003	30,589,003	+1,855,398	---	---	M
PAYMENTS TO HEALTH CARE TRUST FUNDS									
Supplemental medical insurance	61,879,000	68,690,000	68,690,000	68,690,000	68,690,000	+6,811,000	---	---	M
Hospital insurance for the uninsured	555,000	349,000	349,000	349,000	349,000	-206,000	---	---	M
Federal uninsured payment	97,000	121,000	121,000	121,000	121,000	+24,000	---	---	M
Program management	292,000	129,100	129,100	129,100	129,100	-162,900	---	---	M
Total, Payments to Trust Funds, current law	62,823,000	69,289,100	69,289,100	69,289,100	69,289,100	+6,466,100	---	---	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM MANAGEMENT									
Research, demonstration, and evaluation:									
Regular Program	50,000	55,000	50,000	65,000	60,000	+10,000	+10,000	-5,000	TF
Medicare Contractors (1)	1,265,081	1,274,303	1,176,950	1,244,000	1,244,000	-21,081	+67,050	---	TF
User fee legislative proposal	---	(-92,750)	---	---	---	---	---	---	NA
H.R. 3103 funding (NA)	(560,000)	(630,000)	(560,000)	(630,000)	(630,000)	(+70,000)	(+70,000)	---	NA
Subtotal, Medicare Contractors limit'n on new BA	1,265,081	1,274,303	1,176,950	1,244,000	1,244,000	-21,081	+67,050	---	
Subtotal, Contractors program level	(1,825,081)	(1,904,303)	(1,736,950)	(1,874,000)	(1,874,000)	(+48,919)	(+137,050)	---	
State Survey and Certification (1)	175,000	204,347	106,000	204,347	189,674	+14,674	+83,674	-14,673	TF
User fee legislative proposal	---	(-65,000)	---	---	---	---	---	---	NA
Federal Administration									
Year 2000 Computer Conversion (Emergency Funding)	196,954	---	---	---	---	-196,954	---	---	TF
Federal Administration (1)	457,784	484,502	421,126	480,000	480,000	+22,216	+58,874	---	TF
User Fees	-1,984	-2,026	-2,026	-2,026	-2,026	-42	---	---	TF
User fee legislative proposal	---	(-36,700)	---	---	---	---	---	---	NA
Subtotal, Federal Administration	652,754	482,476	419,100	477,974	477,974	-174,780	+58,874	---	
Total, Program management	2,142,835	2,016,126	1,752,050	1,991,321	1,971,648	-171,187	+219,598	-19,673	
Total, Program Management program level	(2,702,835)	(2,646,126)	(2,312,050)	(2,621,321)	(2,601,648)	(-101,187)	(+289,598)	(-19,673)	

(1) Request assumes enactment of user fees.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Medicare Trust Fund Activity:									
Hospital Insurance TF (1)........................	(-6,800,000)	(-6,800,000)	(-6,800,000)	(-6,800,000)	(-6,800,000)	---	---	---	NA
Supplemental Medical Ins. TF (2).................	(-300,000)	(-300,000)	(-300,000)	(-300,000)	(-300,000)	---	---	---	NA
Total, Health Care Financing Administration.....	168,419,984	187,981,622	187,717,546	187,956,817	187,937,144	+19,517,160	+219,598	-19,673	
Federal funds................................	166,277,149	185,965,496	185,965,496	185,965,496	185,965,496	+19,688,347	---	---	
Current year............................	(137,543,544)	(155,376,493)	(155,376,493)	(155,376,493)	(155,376,493)	(+17,832,949)	---	---	
New advance, 1st quarter, FY01...........	(28,733,605)	(30,589,003)	(30,589,003)	(30,589,003)	(30,589,003)	(+1,855,398)	---	---	
Trust funds..................................	2,142,835	2,016,126	1,752,050	1,991,321	1,971,648	-171,187	+219,598	-19,673	

(1) Intermediate estimates: Page 40 of the 1998 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund.

(2) Intermediate estimates: Page 39 of the 1998 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION FOR CHILDREN AND FAMILIES									
FAMILY SUPPORT PAYMENTS TO STATES									
Aid to Families with Dependent Children (AFDC)........	35,000	---	---	---	---	-35,000	---	---	M
Quality control liabilities..........................	-25,000	---	---	---	---	+25,000	---	---	M
Payments to territories..............................	38,000	38,000	38,000	38,000	38,000	---	---	---	M
Emergency assistance.................................	65,000	---	---	---	---	-65,000	---	---	M
Repatriation...	1,000	1,000	1,000	1,000	1,000	---	---	---	M
Subtotal, Welfare payments..........................	114,000	39,000	39,000	39,000	39,000	-75,000	---	---	
Child Support Enforcement:									
State and local administration....................	2,572,800	---	---	2,823,000	2,823,000	+250,200	+2,823,000	---	M
Federal incentive payments........................	385,000	---	---	354,000	354,000	-31,000	+354,000	---	M
Hold Harmless payments............................	41,000	---	---	65,000	65,000	+24,000	+65,000	---	M
Access and visitation.............................	10,000	---	---	10,000	10,000	---	+10,000	---	M
Repeal of hold harmless payments (1)..............	---	---	---	---	---	---	---	---	M
Change match rate for paternity testing (1).......	---	---	---	---	---	---	---	---	M
Carry-over from prior year........................	---	750,000	750,000	---	---	---	-750,000	---	M
Subtotal, Welfare payments..........................	3,008,800	750,000	750,000	3,252,000	3,252,000	+243,200	+2,502,000	---	
Total, Payments, current year program level.....	3,122,800	789,000	789,000	3,291,000	3,291,000	+168,200	+2,502,000	---	
Less funds advanced in previous years.........	-660,000	-750,000	-750,000	-750,000	-750,000	-90,000	---	---	M
Total, payments, current request...........	2,462,800	39,000	39,000	2,541,000	2,541,000	+78,200	+2,502,000	---	
New advance, 1st quarter, FY01.............	750,000	650,000	650,000	650,000	650,000	-100,000	---	---	M

(1) Requires new legislation.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM									
Advance from prior year (NA) (1)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	---	---	---	NA EMG
Emergency Allocation	300,000	300,000	300,000	300,000	300,000	---	---	---	D EMG
Advance funding FY 2001	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	---	---	---	D
REFUGEE AND ENTRANT ASSISTANCE									
Transitional and Medical Services	220,628	220,698	221,000	220,698	220,698	+70	-302	---	D EMG
Social Services	139,946	147,990	140,000	147,990	143,995	+4,049	+3,995	-3,995	D EMG
Preventive Health	4,833	4,835	5,000	4,835	4,835	+2	-165	---	D EMG
Targeted Assistance	49,461	49,477	50,000	49,477	49,477	+16	-523	---	D EMG
Victims of Torture	---	7,500	7,500	7,500	7,500	+7,500	---	---	D EMG
Contingent emergency appropriation	100,000	---	---	---	---	-100,000	---	---	D EMG
Total, Refugee and entrant assistance	514,868	430,500	423,500	430,500	426,505	-88,363	+3,005	-3,995	
CHILD CARE AND DEVELOPMENT BLOCK GRANT: Advance funding from prior year (NA)	(1,000,000)	(1,182,672)	(1,182,672)	(1,182,672)	(1,182,672)	(+182,672)	---	---	NA
Advance funding FY 2001	1,182,672	1,182,672	---	2,000,000	1,182,672	---	+1,182,672	-817,328	D
SOCIAL SERVICES BLOCK GRANT (TITLE XX)	1,909,000	2,380,000	1,909,000	1,050,000	1,700,000	-209,000	-209,000	+650,000	M
FY01	---	---	---	1,330,000	---	---	---	-1,330,000	D

(1) Scored as emergency funding in FY00.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
CHILDREN AND FAMILIES SERVICES PROGRAMS									
Programs for Children, Youth, and Families:									
Head Start, current funded	4,658,517	5,267,000	3,360,000	3,367,000	3,867,000	-791,517	+507,000	+500,000	D
FY01	---	---	1,400,000	1,900,000	1,400,000	+1,400,000	---	-500,000	D
Subtotal, Head Start program level	4,658,517	5,267,000	4,760,000	5,267,000	5,267,000	+608,483	+507,000	---	
Runaway and Homeless Youth	43,639	43,653	43,653	43,653	43,653	+14	---	---	D
Runaway Youth -- Transitional Living	14,944	19,949	14,949	19,949	16,949	+2,005	+2,000	-3,000	D
Subtotal, runaway	58,583	63,602	58,602	63,602	60,602	+2,019	+2,000	-3,000	
Child Abuse State Grants	21,019	21,026	21,020	21,026	21,026	+7	+6	---	D
Child Abuse Discretionary Activities	14,149	14,154	14,150	22,154	18,000	+3,851	+3,850	-4,154	D
Abandoned Infants Assistance	12,247	12,251	12,255	12,251	12,251	+4	-4	---	D
Child Welfare Services	291,896	291,989	291,900	291,989	291,989	+93	+89	---	D
Child Welfare Training	6,998	7,000	7,000	7,000	7,000	+2	---	---	D
Adoption Opportunities	24,992	27,363	27,500	26,000	27,500	+2,508	---	+1,500	D
Adoption Incentive	19,994	20,000	20,000	20,000	20,000	+6	---	---	D
Adoption Incentive (no cap adjustment)	---	---	---	---	23,000	+23,000	+23,000	+23,000	D
Battered women's shelters	---	---	---	13,500	17,500	+17,500	+17,500	+4,000	D
Social Services and Income Maintenance Research	26,991	6,000	27,000	36,991	36,991	+10,000	+9,991	---	D
Community Based Resource Centers	32,825	32,835	32,835	32,835	32,835	+10	---	---	D
Developmental disabilities program:									
State Councils	64,782	64,803	64,800	66,803	65,802	+1,020	+1,002	-1,001	D
Protection and Advocacy	26,710	26,718	27,710	28,718	28,214	+1,504	+504	-504	D
Developmental Disabilities Special Projects	10,247	10,250	5,042	11,250	10,247	---	+5,205	-1,003	D
Developmental Disabilities University Affiliated	17,455	17,461	17,460	18,961	18,211	+756	+751	-750	D
Subtotal, Developmental disabilities	119,194	119,232	115,012	125,732	122,474	+3,280	+7,462	-3,258	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
Native American Programs..............................	34,922	34,933	34,933	36,922	35,500	+578	+567	-1,422	D
Community services:									
Grants to States for Community Services..........	499,841	500,000	510,000	500,000	510,000	+10,159	---	+10,000	D
Community initiative program:									
Economic Development.........................	30,055	---	30,055	30,065	30,065	+10	+10	---	D
Individual Development Account Initiative.....	9,997	20,000	10,000	---	---	-9,997	-10,000	---	D
Rural Community Facilities...................	3,499	---	3,500	5,500	5,500	+2,001	+2,000	---	D
Subtotal, discretionary funds..............	43,551	20,000	43,555	35,565	35,565	-7,986	-7,990	---	
National Youth Sports...........................	14,995	---	15,000	15,000	15,000	+5	---	---	D
Community Food and Nutrition....................	4,999	---	---	6,500	6,500	+1,501	+6,500	---	D
Subtotal, Community services.................	563,386	520,000	568,555	557,065	567,065	+3,679	-1,490	+10,000	
Program Direction..................................	144,454	150,568	144,454	150,568	148,000	+3,546	+3,546	-2,568	D
Year 2000 Computer Conversion (Emergency Funding).....	24,071	---	---	---	---	-24,071	---	---	D
Total, Children and Families Services Programs..	6,054,238	6,587,953	6,135,216	6,684,635	6,708,733	+654,495	+573,517	+24,098	
Current Year................................	(6,054,238)	(6,587,953)	(4,735,216)	(4,784,635)	(5,308,733)	(-745,505)	(+573,517)	(+524,098)	
Advance Year, FY01..........................	---	---	(1,400,000)	(1,900,000)	(1,400,000)	(+1,400,000)	---	(-500,000)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
VIOLENT CRIME REDUCTION PROGRAMS:									
Crime Trust Funds									
Runaway Youth Prevention	14,995	15,000	15,000	15,000	15,000	+5	---	---	D
Domestic Violence Hotline	1,200	1,200	1,200	1,200	1,200	---	---	---	D
Battered Women's Shelters	88,772	102,300	88,800	88,800	84,800	-3,972	-4,000	-4,000	D
Total, Violent crime reduction programs	104,967	118,500	105,000	105,000	101,000	-3,967	-4,000	-4,000	
Rescission of permanent appropriations	-21,000	---	-21,000	---	-21,000	---	---	-21,000	D
PROMOTING SAFE AND STABLE FAMILIES	275,000	295,000	295,000	295,000	295,000	+20,000	---	---	M
PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE									
Foster Care	3,982,700	4,537,200	4,537,200	4,537,200	4,537,200	+554,500	---	---	M
Adoption Assistance	868,800	1,020,100	1,020,100	1,020,100	1,020,100	+151,300	---	---	M
Independent living	70,000	105,000	105,000	105,000	105,000	+35,000	---	---	M
Independent living expansion	---	5,000	---	5,000	---	---	---	-5,000	M
Total, Program level: Payments to States	4,921,500	5,667,300	5,662,300	5,667,300	5,662,300	+740,800	---	-5,000	
Less Advances from Prior Year	-1,157,500	-1,355,000	-1,355,000	-1,355,000	-1,355,000	-197,500	---	---	M
Total, request, current year	3,764,000	4,312,300	4,307,300	4,312,300	4,307,300	+543,300	---	-5,000	
New Advance, 1st quarter, FY01	1,355,000	1,538,000	1,538,000	1,538,000	1,538,000	+183,000	---	---	M
Total, Administration for Children and Families	19,751,545	18,933,925	16,781,016	22,336,435	20,829,210	+1,077,665	+4,048,194	-1,507,225	
Current year	(15,363,873)	(14,463,253)	(12,093,016)	(13,818,435)	(14,958,538)	(-405,335)	(+2,865,522)	(+1,140,103)	
Advance Year, FY01	(4,387,672)	(4,470,672)	(4,688,000)	(8,518,000)	(5,870,672)	(+1,483,000)	(+1,182,672)	(-2,647,328)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
ADMINISTRATION ON AGING									
Grants to States:									
Supportive Services and Centers	300,192	310,082	310,192	310,082	310,082	+9,890	-110	---	D
Preventive Health	16,123	16,123	16,123	16,123	16,123	---	---	---	D
Title VII	12,181	12,181	12,181	13,181	13,181	+1,000	+1,000	---	D
Nutrition:									
Congregate Meals	374,258	374,412	374,258	374,412	374,412	+154	+154	---	D
Home Delivered Meals	112,000	147,000	112,000	161,300	147,000	+35,000	+35,000	-14,300	D
Frail Elderly In-Home Services	9,763	---	---	---	---	-9,763	---	---	D
Grants to Indians	18,457	18,457	18,457	18,457	18,457	---	---	---	D
Aging Research, Training and Special Projects	18,000	18,000	18,000	26,000	28,500	+10,500	+10,500	+2,500	D
Alzheimer's Initiative	5,970	5,970	5,970	5,970	5,970	---	---	---	D
Program Administration (1)	15,395	16,830	14,795	16,830	16,500	+1,105	+1,705	-330	D
National Family Caregiver Support (2)	---	125,000	---	---	---	---	---	---	D
Health Disparities Interventions	---	4,000	---	---	---	---	---	---	D
Total, Administration on Aging	882,339	1,048,055	881,976	942,355	930,225	+47,886	+48,249	-12,130	

(1) Includes $600,000 in emergency funding for Year 2000 computer conversion.

(2) Requires new authorizing legislation.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
OFFICE OF THE SECRETARY									
GENERAL DEPARTMENTAL MANAGEMENT:									
Federal Funds	108,291	120,074	108,291	104,943	108,291	---	---	+3,348	D
NAS study	---	---	450	---	450	+450	---	+450	D
Trust Funds	5,851	6,851	5,851	6,517	5,851	---	---	-666	TF
1% Evaluation funds (ASPE) (NA)	(20,552)	(20,552)	(20,552)	(20,552)	(20,552)	---	---	---	NA
Subtotal	(134,694)	(147,477)	(135,144)	(132,012)	(135,144)	(+450)	---	(+3,132)	
Year 2000 Computer Conversion (Emergency Funding)	2,419	---	---	---	---	-2,419	---	---	D
Adolescent Family Life (Title XX)	17,700	9,200	17,700	19,700	19,700	+2,000	+2,000	---	D
FY01	---	---	50,000	---	20,000	+20,000	-30,000	+20,000	D
Physical Fitness and Sports	1,005	1,097	---	1,097	1,097	+92	+1,097	---	D
Minority health	36,000	28,000	30,000	28,000	30,000	-6,000	---	+2,000	D
Office of women's health	15,495	17,522	15,495	15,495	15,495	---	---	---	D
U.S. Surgeon General violence initiative	---	---	---	4,000	2,000	+2,000	+2,000	-2,000	D
Bioterrorism (1)	25,000	9,668	---	9,668	9,668	-15,332	+9,668	---	D
Other Health Activities	---	---	---	---	3,000	+3,000	+3,000	+3,000	D
Health Care Access for the Uninsured	---	25,000	---	---	---	---	---	---	D
Total, General Departmental Management (2)	261,761	217,412	227,787	189,420	215,552	-46,209	-12,235	+26,132	
Federal funds	255,910	210,561	171,936	182,903	189,701	-66,209	+17,765	+6,798	
Trust funds	5,851	6,851	5,851	6,517	5,851	---	---	-666	
Federal funds, FY01	---	---	50,000	---	20,000	+20,000	-30,000	+20,000	

(1) Includes $10 million in emergency funding in FY99.

(2) Also includes $50 million in minority AIDS emergency funding in FY 99.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE INSPECTOR GENERAL:									
Federal Funds (1)	34,391	31,500	29,000	35,000	31,500	-2,891	+2,500	-3,500	D
HIPAA funding (NA)	(100,000)	(120,000)	(100,000)	(120,000)	(120,000)	(+20,000)	(+20,000)	---	NA
Total, Inspector General program level	(134,391)	(151,500)	(129,000)	(155,000)	(151,500)	(+17,109)	(+22,500)	(-3,500)	
OFFICE FOR CIVIL RIGHTS:									
Federal Funds	17,338	18,845	17,338	18,845	18,338	+1,000	+1,000	-507	D
Trust Funds	3,314	3,314	3,314	3,314	3,314	---	---	---	TF
Total, Office for Civil Rights	20,652	22,159	20,652	22,159	21,652	+1,000	+1,000	-507	
POLICY RESEARCH	13,996	14,000	14,000	15,000	17,000	+3,004	+3,000	+2,000	D
RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS:									
Retirement payments	159,251	172,045	172,045	172,045	172,045	+12,794	---	---	M
Survivors benefits	11,531	11,906	11,906	11,906	11,906	+375	---	---	M
Dependents' medical care	28,541	29,626	29,626	29,626	29,626	+1,085	---	---	M
Military services credits	2,312	1,328	1,328	1,328	1,328	-984	---	---	M
Total, Retirement pay and medical benefits	201,635	214,905	214,905	214,905	214,905	+13,270	---	---	

(1) Includes $5.4 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PUBLIC HEALTH AND SOCIAL SERVICE EMERGENCY FUND (1)..	223,422	386,022	391,833	475,000	510,600	+287,178	+118,767	+35,600	D EMG
Total, Office of the Secretary..................	755,857	885,998	898,177	951,484	1,011,209	+255,352	+113,032	+59,725	
Federal funds...............................	746,692	875,833	839,012	941,653	982,044	+235,352	+143,032	+40,391	
Trust funds.................................	9,165	10,165	9,165	9,831	9,165	---	---	-666	
Federal funds, FY01.........................	---	---	50,000	---	20,000	+20,000	-30,000	+20,000	
Total, Department of Health and Human Services..	215,108,423	234,559,769	232,636,722	239,854,311	238,589,276	+23,480,853	+5,952,554	-1,265,035	
Federal Funds...............................	212,956,423	232,533,478	230,875,507	237,853,159	236,608,463	+23,652,040	+5,732,956	-1,244,696	
Current year..............................	(179,795,146)	(197,373,803)	(195,548,504)	(198,558,634)	(200,128,788)	(+20,333,642)	(+4,580,284)	(+1,570,154)	
Advance Year, FY01........................	(33,161,277)	(35,159,675)	(35,327,003)	(39,294,525)	(36,479,675)	(+3,318,398)	(+1,152,672)	(-2,814,850)	
Trust funds.................................	2,152,000	2,026,291	1,761,215	2,001,152	1,980,813	-171,187	+219,598	-20,339	

(1) Request and Senate did not designate funds as "emergency".

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE III - DEPARTMENT OF EDUCATION									
EDUCATION REFORM									
Goals 2000: Educate America Act:									
State Grants forward funded	459,500	459,500	---	114,875	456,500	-3,000	+456,500	+341,625	D FF
FY01	---	---	---	344,625	---	---	---	-344,625	D
State Grants current funded	1,500	1,500	---	1,500	1,500	---	+1,500	---	D
Parental Assistance	30,000	30,000	---	33,000	33,000	+3,000	+33,000	---	D
Subtotal, Goals 2000	491,000	491,000	---	494,000	491,000	---	+491,000	-3,000	
School-to-Work Opportunities	125,000	55,000	---	55,000	55,000	-70,000	+55,000	---	D FF
Educational Technology:									
Technology Literacy Challenge Fund	425,000	450,000	375,000	425,000	425,000	---	+50,000	---	D
Technology Innovation Challenge Fund	115,100	110,000	115,100	115,100	143,310	+28,210	+28,210	+28,210	D
Regional Technology in Education Consortia	10,000	10,000	---	10,000	10,000	---	+10,000	---	D
Subtotal	550,100	570,000	490,100	550,100	578,310	+28,210	+88,210	+28,210	
National Activities									
Technology Leadership Activities	2,000	2,000	---	2,000	2,000	---	+2,000	---	D
Teacher Training in Technology	75,000	75,000	---	75,000	75,000	---	+75,000	---	D
Community-Based Technology Centers	10,000	65,000	10,000	10,000	10,000	---	---	---	D
Middle School Teacher Training	---	30,000	---	---	---	---	---	---	D
Software Development Initiative	---	5,000	---	---	---	---	---	---	D
Subtotal	87,000	177,000	10,000	87,000	87,000	---	+77,000	---	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Star Schools	45,000	45,000	---	45,000	50,750	+5,750	+50,750	+5,750	D
Ready to Learn Television	11,000	7,000	---	16,000	16,000	+5,000	+16,000	---	D
Telcom Demo Project for Mathematics	5,000	2,000	---	8,500	8,500	+3,500	+8,500	---	D
Subtotal, Educational technology	698,100	801,000	500,100	706,600	740,560	+42,460	+240,460	+33,960	
21st Century Community Learning Centers (1)	200,000	600,000	300,000	400,000	300,000	+100,000	---	-100,000	D
Total, Education Reform	1,514,100	1,947,000	800,100	1,655,600	1,586,560	+72,460	+786,460	-69,040	
Current Year	(1,514,100)	(1,947,000)	(800,100)	(1,310,975)	(1,586,560)	(+72,460)	(+786,460)	(+275,585)	
Advance Year, FY01	---	---	---	(344,625)	---	---	---	(-344,625)	
Subtotal, Forward funded	(584,500)	(514,500)	---	(169,875)	(511,500)	(-73,000)	(+511,500)	(+341,625)	

(1) The Administration proposes transferring this from the Education, Research, Statistics & Improvement Account.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
EDUCATION FOR THE DISADVANTAGED									
Grants to Local Education Agencies (LEAs):									
Basic Grants									
Advance from prior year	(1,448,386)	(5,046,366)	(5,046,366)	(5,046,366)	(5,046,366)	(+3,597,980)	---	---	NA
Forward funded	1,524,134	1,844,134	1,524,134	1,844,134	1,599,134	+75,000	+75,000	-245,000	D FF
Current funded	3,500	3,500	3,500	3,500	3,500	---	---	---	D
Subtotal, Basic grants current year funding	1,527,634	1,847,634	1,527,634	1,847,634	1,602,634	+75,000	+75,000	-245,000	
Subtotal, Basic grants total funds available	(2,976,020)	(6,894,000)	(6,574,000)	(6,894,000)	(6,649,000)	(+3,672,980)	(+75,000)	(-245,000)	
Basic Grant FY01 Advance	5,046,366	4,292,366	5,046,366	5,046,366	5,046,366	---	---	---	D
Subtotal, Basic grants, program level	(6,574,000)	(6,140,000)	(6,574,000)	(6,894,000)	(6,649,000)	(+75,000)	(+75,000)	(-245,000)	
Concentration Grants - Advance from prior year	---	(1,158,397)	(1,158,397)	(1,158,397)	(1,158,397)	(+1,158,397)	---	---	NA
Concentration Grants FY01 Advance	1,158,397	1,100,000	1,158,397	1,158,397	1,158,397	---	---	---	D
Targeted Grants FY01 Advance	---	756,020	---	---	---	---	---	---	D
Subtotal, Grants to LEAs	7,732,397	7,996,020	7,732,397	8,052,397	7,807,397	+75,000	+75,000	-245,000	
Capital Expenses for Private School Children	24,000	---	---	15,000	12,000	-12,000	+12,000	-3,000	D FF
Even Start	135,000	145,000	150,000	145,000	150,000	+15,000	---	+5,000	D FF
State agency programs:									
Migrant	354,689	380,000	354,689	354,689	354,689	---	---	---	D FF
Neglected and Delinquent/High Risk Youth	40,311	42,000	40,311	42,000	42,000	+1,689	+1,689	---	D FF
Evaluation	7,500	8,900	7,500	8,900	8,900	+1,400	+1,400	---	D
Comprehensive School Reform Demonstration	120,000	150,000	120,000	120,000	160,000	+40,000	+40,000	+40,000	D FF
Total, ESEA	8,413,897	8,721,920	8,404,897	8,737,986	8,534,986	+121,089	+130,089	-203,000	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Migrant education:									
High School Equivalency Program	9,000	15,000	9,000	9,000	9,000	---	---	---	D
College Assistance Migrant Program	4,000	7,000	4,000	4,000	4,000	---	---	---	D
Subtotal, migrant education	13,000	22,000	13,000	13,000	13,000	---	---	---	
Total, Education for the disadvantaged	8,426,897	8,743,920	8,417,897	8,750,986	8,547,986	+121,089	+130,089	-203,000	
Current Year	(2,222,134)	(2,595,534)	(2,213,134)	(2,546,223)	(2,343,223)	(+121,089)	(+130,089)	(-203,000)	
Advance Year, FY01	(6,204,763)	(6,148,386)	(6,204,763)	(6,204,763)	(6,204,763)	---	---	---	
Subtotal, forward funded	(2,198,134)	(2,561,134)	(2,189,134)	(2,520,823)	(2,317,823)	(+119,689)	(+128,689)	(-203,000)	
IMPACT AID									
Basic Support Payments	704,000	684,000	737,200	725,000	737,200	+33,200	---	+12,200	D
Payments for Children with Disabilities	50,000	40,000	50,000	50,000	50,000	---	---	---	D
Payments for Heavily Impacted Districts (Sec. f)	70,000	---	76,000	75,000	76,000	+6,000	---	+1,000	D
Subtotal	824,000	724,000	863,200	850,000	863,200	+39,200	---	+13,200	
Facilities Maintenance (Sec. 8008)	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Construction (Sec. 8007)	7,000	7,000	7,000	7,000	10,300	+3,300	+3,300	+3,300	D
Payments for Federal Property (Sec. 8002)	28,000	---	32,000	30,000	32,000	+4,000	---	+2,000	D
Total, Impact aid	864,000	736,000	907,200	892,000	910,500	+46,500	+3,300	+18,500	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SCHOOL IMPROVEMENT PROGRAMS									
Eisenhower Professional Development	335,000	335,000	---	335,000	335,000	---	+335,000	---	D FF
Innovative Education (Education Block Grant)	375,000	---	97,000	375,000	95,000	-280,000	-2,000	-280,000	D FF
FY01	---	---	288,000	---	285,000	+285,000	-3,000	+285,000	D
Education Block Grant, program level	375,000	---	385,000	375,000	380,000	+5,000	-5,000	+5,000	
Class Size / Teacher Assistance initiative	1,200,000	1,400,000	---	300,000	300,000	-900,000	+300,000	---	D FF
FY01	---	---	---	900,000	900,000	+900,000	+900,000	---	D
Class Size / Teacher Assist, program level	1,200,000	1,400,000	---	1,200,000	1,200,000	---	+1,200,000	---	
Teacher Empowerment Act (1)	---	---	450,000	---	---	---	-450,000	---	D FF
FY01	---	---	1,350,000	---	---	---	-1,350,000	---	D
Teacher Empowerment Act, program level	---	---	1,800,000	---	---	---	-1,800,000	---	
Safe and drug free schools: State Grants	441,000	439,000	441,000	136,250	115,000	-326,000	-326,000	-21,250	D FF
FY01	---	---	---	339,750	345,000	+345,000	+345,000	+5,250	D
State Grants, program level	441,000	439,000	441,000	476,000	460,000	+19,000	+19,000	-16,000	
National Programs	90,000	90,000	90,000	100,000	95,000	+5,000	+5,000	-5,000	D
Coordinator Initiative	35,000	50,000	35,000	60,000	50,000	+15,000	+15,000	-10,000	D
Project SERV	---	12,000	---	---	---	---	---	---	D
Subtotal, Safe and drug free schools	566,000	591,000	566,000	636,000	605,000	+39,000	+39,000	-31,000	
Inexpensive Book Distribution (RIF)	18,000	18,000	18,000	21,500	20,000	+2,000	+2,000	-1,500	D
Arts in Education	10,500	10,500	10,500	12,500	11,500	+1,000	+1,000	-1,000	D

(1) Subject to authorization.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Other school improvement programs:									
Magnet Schools Assistance	104,000	114,000	104,000	112,000	110,000	+6,000	+6,000	-2,000	D
Education for Homeless Children & Youth	28,800	31,700	28,800	28,800	28,800	---	---	---	D FF
Women's Educational Equity	3,000	3,000	3,000	3,000	3,000	---	---	---	D
Training and Advisory Services (Civil Rights)	7,334	7,334	7,334	7,334	7,334	---	---	---	D
Ellender Fellowships/Close Up	1,500	---	1,500	1,500	1,500	---	---	---	D FF
Education for Native Hawaiians	20,000	20,000	20,000	23,000	23,000	+3,000	+3,000	---	D
Alaska Native Education Equity	10,000	10,000	10,000	13,000	13,000	+3,000	+3,000	---	D
Charter Schools	100,000	130,000	130,000	150,000	145,000	+45,000	+15,000	-5,000	D
Subtotal, other school improvement programs	274,634	316,034	304,634	338,634	331,634	+57,000	+27,000	-7,000	
Comprehensive Regional Assistance Centers	28,000	32,000	27,054	28,000	28,000	---	+946	---	D
Advanced Placement Fees	4,000	20,000	4,000	15,000	15,000	+11,000	+11,000	---	D
Total, School improvement programs	2,811,134	2,722,534	3,115,188	2,961,634	2,926,134	+115,000	-189,054	-35,500	
Current Year	(2,811,134)	(2,722,534)	(1,477,188)	(1,721,884)	(1,396,134)	(-1,415,000)	(-81,054)	(-325,750)	
Advance Year, FY01	---	---	(1,638,000)	(1,239,750)	(1,530,000)	(+1,530,000)	(-108,000)	(+290,250)	
Subtotal, forward funded	(2,381,300)	(2,205,700)	(1,018,300)	(1,176,550)	(875,300)	(-1,506,000)	(-143,000)	(-301,250)	
READING EXCELLENCE									
Reading Excellence Act	260,000	286,000	200,000	90,000	65,000	-195,000	-135,000	-25,000	D FF
FY01	---	---	---	195,000	195,000	+195,000	+195,000	---	D
Reading Excellence, program level	260,000	286,000	200,000	285,000	260,000	---	+60,000	-25,000	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
INDIAN EDUCATION									
Grants to Local Educational Agencies	62,000	62,000	62,000	62,000	62,000	---	---	---	D
Special Programs for Indian Children	3,265	13,265	3,265	13,265	13,265	+10,000	+10,000	---	D
National Activities	735	1,735	735	1,735	1,735	+1,000	+1,000	---	D
Total, Indian Education	66,000	77,000	66,000	77,000	77,000	+11,000	+11,000	---	
BILINGUAL AND IMMIGRANT EDUCATION									
Bilingual education:									
Instructional Services	160,000	170,000	160,000	165,000	162,500	+2,500	+2,500	-2,500	D
Support Services	14,000	14,000	14,000	14,000	14,000	---	---	---	D
Professional Development	50,000	75,000	50,000	55,000	52,500	+2,500	+2,500	-2,500	D
Immigrant Education	150,000	150,000	150,000	150,000	150,000	---	---	---	D
Foreign Language Assistance	6,000	6,000	6,000	10,000	8,000	+2,000	+2,000	-2,000	D
Total, Bilingual and Immigrant Education	380,000	415,000	380,000	394,000	387,000	+7,000	+7,000	-7,000	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL EDUCATION									
State grants:									
Grants to States Part B advance funded	---	1,925,000	3,608,000	2,201,059	3,742,000	+3,742,000	+134,000	+1,540,941	D
Part B advance from prior year	(210,000)	---	---	---	---	(-210,000)	---	---	NA
Grants to States Part B current year	4,100,700	2,389,000	1,202,700	2,788,626	1,247,685	-2,853,015	+44,985	-1,540,941	D FF
Grants to States program level	(4,310,700)	(4,314,000)	(4,810,700)	(4,989,685)	(4,989,685)	(+678,985)	(+178,985)	---	
Preschool Grants	373,985	402,435	373,985	390,000	390,000	+16,015	+16,015	---	D FF
Grants for Infants and Families	370,000	390,000	370,000	375,000	375,000	+5,000	+5,000	---	D FF
Subtotal, State grants program level	(5,054,685)	(5,106,435)	(5,554,685)	(5,754,685)	(5,754,685)	(+700,000)	(+200,000)	---	
IDEA National Programs (P.L. 105-17):									
State Program Improvement Grants	35,200	45,200	35,200	35,200	35,200	---	---	---	D FF
Research and Innovation	64,508	64,508	64,508	64,508	64,508	---	---	---	D
Technical Assistance and Dissemination	44,556	44,556	44,556	44,556	45,556	+1,000	+1,000	+1,000	D
Personnel Preparation	82,139	82,139	82,139	82,139	82,139	---	---	---	D
Parent Information Centers	18,535	22,535	18,535	18,535	18,535	---	---	---	D
Technology and Media Services	33,023	34,523	33,523	34,523	34,523	+1,500	+1,000	---	D
Public Telecom Info/Training Dissemination	1,500	---	---	1,500	1,500	---	+1,500	---	D
Primary Education Intervention	---	50,000	---	---	---	---	---	---	D
Subtotal, IDEA special programs	279,461	343,461	278,461	280,961	281,961	+2,500	+3,500	+1,000	
Total, Special education	5,124,146	5,449,896	5,833,146	6,035,646	6,036,646	+912,500	+203,500	+1,000	
Current Year	(5,124,146)	(3,524,896)	(2,225,146)	(3,834,587)	(2,294,646)	(-2,829,500)	(+69,500)	(-1,539,941)	
Advance Year, FY01	---	(1,925,000)	(3,608,000)	(2,201,059)	(3,742,000)	(+3,742,000)	(+134,000)	(+1,540,941)	
Subtotal, Forward funded	(4,879,885)	(3,226,635)	(1,981,885)	(3,588,826)	(2,047,885)	(-2,832,000)	(+66,000)	(-1,540,941)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
REHABILITATION SERVICES AND DISABILITY RESEARCH (1)									
Vocational Rehabilitation State Grants	2,304,411	2,338,977	2,338,977	2,338,977	2,338,977	+34,566	---	---	M
Client Assistance State grants	10,928	10,928	10,928	10,928	10,928	---	---	---	D
Training	39,629	41,629	39,629	39,629	39,629	---	---	---	D
Demonstration and training programs	14,942	16,942	13,942	18,942	21,842	+6,900	+7,900	+2,900	D
Migrant and seasonal farmworkers	2,350	2,350	2,350	2,350	2,350	---	---	---	D
Recreational programs	2,596	2,596	2,596	2,596	3,596	+1,000	+1,000	+1,000	D
Protection and advocacy of individual rights (PAIR)	10,894	10,894	11,894	10,894	11,894	+1,000	---	+1,000	D
Projects with industry	22,071	22,071	22,071	22,071	22,071	---	---	---	D
Supported employment State grants	38,152	38,152	38,152	38,152	38,152	---	---	---	D
Independent living: State grants	22,296	22,296	22,296	22,296	22,296	---	---	---	D
Centers	46,109	50,886	46,109	48,000	48,000	+1,891	+1,891	---	D
Services for older blind individuals	11,169	11,392	11,169	15,000	15,000	+3,831	+3,831	---	D
Subtotal, Independent living	79,574	84,574	79,574	85,296	85,296	+5,722	+5,722	---	
Program Improvement	1,900	1,900	1,900	1,900	1,900	---	---	---	D
Evaluation	1,587	1,587	1,587	1,587	1,587	---	---	---	D
Helen Keller National Center for Deaf-Blind Youths & Adults	8,550	8,550	8,550	8,550	8,550	---	---	---	D
National Institute for Disability and Rehabilitation Research (NIDRR)	81,000	90,964	81,000	81,000	81,000	---	---	---	D
Assistive Technology	34,000	45,000	34,000	30,000	34,000	---	---	+4,000	D
Subtotal, discretionary programs	348,173	378,137	348,173	353,895	362,795	+14,622	+14,622	+8,900	
Total, Rehabilitation services	2,652,584	2,717,114	2,687,150	2,692,872	2,701,772	+49,188	+14,622	+8,900	

(1) P.L. 105-220 reclassified all Voc Rehab programs except State Grants as discretionary funding.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES									
AMERICAN PRINTING HOUSE FOR THE BLIND	8,661	8,973	9,000	10,100	10,100	+1,439	+1,100	---	D
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF	45,500	---	---	---	---	-45,500	---	---	D
Operations	---	45,274	45,500	45,500	45,500	+45,500	---	---	D
Construction	---	2,651	2,651	2,651	2,651	+2,651	---	---	D
Total	45,500	47,925	48,151	48,151	48,151	+2,651	---	---	
GALLAUDET UNIVERSITY	83,480	---	---	---	---	-83,480	---	---	D
Operations	---	82,620	83,480	83,000	83,480	+83,480	---	+480	D
Construction	---	2,500	2,500	2,500	2,500	+2,500	---	---	D
Total	83,480	85,120	85,980	85,500	85,980	+2,500	---	+480	
Total, Special Inst for Persons with Disabilities	137,641	142,018	143,131	143,751	144,231	+6,590	+1,100	+480	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
VOCATIONAL AND ADULT EDUCATION									
Vocational education:									
Basic State Grants, current funded	1,030,650	1,030,650	308,650	1,030,650	264,650	-766,000	-44,000	-766,000	D FF
FY01	---	---	772,000	---	791,000	+791,000	+19,000	+791,000	D
Basic State Grants, program level	1,030,650	1,030,650	1,080,650	1,030,650	1,055,650	+25,000	-25,000	+25,000	
Tech-Prep Education	106,000	111,000	106,000	106,000	106,000	---	---	---	D FF
Tribally Controlled Postsecondary Vocational Institutions	4,100	4,100	4,100	4,600	4,600	+500	+500	---	D
National Programs	13,497	17,500	13,497	19,500	17,500	+4,003	+4,003	-2,000	D FF
NOICC (1)	---	---	---	9,000	9,000	+9,000	+9,000	---	D
Subtotal, Vocational education	1,154,247	1 163,250	1,204,247	1,169,750	1,192,750	+38,503	-11,497	+23,000	
Adult education:									
State Grants, current funded	365,000	468,000	92,000	468,000	425,000	+60,000	+333,000	-43,000	D FF
FY01	---	---	273,000	---	---	---	-273,000	---	D
State grants, program level	365,000	468,000	365,000	468,000	425,000	+60,000	+60,000	-43,000	
National programs:									
National Leadership Activities	14,000	101,000	7,000	14,000	14,000	---	+7,000	---	D FF
National Institute for Literacy	6,000	6,000	6,000	6,000	6,000	---	---	---	D FF
Subtotal, National programs	20,000	107,000	13,000	20,000	20,000	---	+7,000	---	
Subtotal, adult education	385,000	575,000	378,000	488,000	445,000	+60,000	+67,000	-43,000	

(1) $9,000,000 for NOICC activities was provided under Training and Employment Services, Department of Labor in FY99.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
State Grants for Incarcerated Youth Offenders.........	16,723	12,000	---	19,000	19,000	+2,277	+19,000	---	D
Total, Vocational and adult education...........	1,555,970	1,750,250	1,582,247	1,676,750	1,656,750	+100,780	+74,503	-20,000	
Current Year................................	(1,555,970)	(1,750,250)	(537,247)	(1,676,750)	(865,750)	(-690,220)	(+328,503)	(-811,000)	
Advance Year, FY01..........................	---	---	(1,045,000)	---	(791,000)	(+791,000)	(-254,000)	(+791,000)	
Subtotal, forward funded........................	(1,535,147)	(1,734,150)	(533,147)	(1,644,150)	(833,150)	(-701,997)	(+300,003)	(-811,000)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
STUDENT FINANCIAL ASSISTANCE									
Pell Grants -- maximum grant (NA)	(3,125)	(3,250)	(3,275)	(3,325)	(3,300)	(+175)	(+25)	(-25)	NA
Pell Grants -- Regular Program	7,704,000	7,463,000	5,334,000	6,601,600	7,700,000	-4,000	+2,366,000	+1,098,400	D
FY01	---	---	2,286,000	1,176,400	---	---	-2,286,000	-1,176,400	D
Total funding available for Pell Grants	7,704,000	7,463,000	7,620,000	7,778,000	7,700,000	-4,000	+80,000	-78,000	
Federal Supplemental Educational Opportunity Grants	619,000	631,000	619,000	631,000	621,000	+2,000	-2,000	-10,000	D
Emergency SEOG--Hurricane Floyd	---	---	10,000	---	10,000	+10,000	---	+10,000	D EMG
Federal Work Study	870,000	934,000	880,000	934,000	934,000	+64,000	+54,000	---	D
Federal Perkins loans: Capital Contributions	100,000	100,000	100,000	100,000	100,000	---	---	---	D
Loan Cancellations	30,000	30,000	30,000	30,000	30,000	---	---	---	D
Subtotal, Federal Perkins loans	130,000	130,000	130,000	130,000	130,000	---	---	---	
LEAP program	25,000	25,000	---	25,000	40,000	+15,000	+40,000	+15,000	D
FY01	---	---	---	50,000	---	---	---	-50,000	D
Subtotal, LEAP program level	25,000	25,000	---	75,000	40,000	+15,000	+40,000	-35,000	
Total, Student financial assistance	9,348,000	9,183,000	9,259,000	9,548,000	9,435,000	+87,000	+176,000	-113,000	
Current Year	(9,348,000)	(9,183,000)	(6,973,000)	(8,321,600)	(9,435,000)	(+87,000)	(+2,462,000)	(+1,113,400)	
Advance Year, FY01	---	---	(2,286,000)	(1,226,400)	---	---	(-2,286,000)	(-1,226,400)	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
FEDERAL FAMILY EDUCATION LOAN PROGRAM									
Federal Administration (1)	47,276	48,000	46,482	48,000	48,000	+724	+1,518	---	D
Direct Loan Program Year 2000 Comp Conv (Emergency)	531	---	---	---	---	-531	---	---	D
HIGHER EDUCATION									
Aid for institutional development:									
Strengthening Institutions	60,250	61,575	60,250	60,250	60,250	---	---	---	D
Hispanic Serving Institutions	28,000	42,250	28,000	42,250	42,250	+14,250	+14,250	---	D
Strengthening Historically Black Colleges (HBCUs)	136,000	148,750	136,000	141,500	141,500	+5,500	+5,500	---	D
Strengthening historically black graduate insts	30,000	32,000	30,000	31,000	31,000	+1,000	+1,000	---	D
Strengthening Alaska / Native Hawaiian Instit	3,000	3,000	3,000	5,000	5,000	+2,000	+2,000	---	D
Strengthening Tribal Colleges	3,000	6,000	3,000	6,000	6,000	+3,000	+3,000	---	D
Subtotal, Institutional development	260,250	293,575	260,250	286,000	286,000	+25,750	+25,750	---	
Program development:									
Fund for the Improvement of Postsec. Ed. (FIPSE)	50,000	27,500	22,500	27,500	62,075	+12,075	+39,575	+34,575	D
Minority Science and Engineering Improvement	7,500	8,500	7,500	7,500	7,500	---	---	---	D
International educ & foreign language studies:									
Domestic Programs	60,000	61,320	62,000	61,320	62,000	+2,000	---	+680	D
Overseas Programs	6,536	6,680	6,536	6,680	6,680	+144	+144	---	D
Institute for International Public Policy	1,000	1,022	1,000	1,022	1,022	+22	+22	---	D
Subtotal, International education	67,536	69,022	69,536	69,022	69,702	+2,166	+166	+680	
Urban Community Service	4,637	---	---	---	---	-4,637	---	---	D
Subtotal, Program development	129,673	135,022	99,536	104,022	139,277	+9,604	+39,741	+35,255	

(1) Includes $794,000 in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Interest Subsidy Grants	13,000	12,000	12,000	12,000	12,000	-1,000	---	---	D
Federal TRIO Programs	600,000	630,000	660,000	630,000	645,000	+45,000	-15,000	+15,000	D
GEAR UP	120,000	240,000	---	180,000	180,000	+60,000	+180,000	---	D
Byrd Honors Scholarships	39,288	39,859	---	39,859	39,859	+571	+39,859	---	D
Graduate Assistance in Areas of National Need	31,000	41,000	31,000	51,000	51,000	+20,000	+20,000	---	D
Learning Anytime Anywhere Partnerships	10,000	20,000	---	10,000	17,940	+7,940	+17,940	+7,940	D
Teacher Quality Enhancement Grants	77,212	115,000	75,000	80,000	80,000	+2,788	+5,000	---	D
Child Care Access Means Parents in School	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Demonstration in Disabilities / Higher Education	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Web Based Education Commission	450	---	---	---	---	-450	---	---	D
Underground Railroad Program	1,750	1,750	---	1,750	1,750	---	+1,750	---	D
Community Scholarship Mobilization	---	---	---	2,000	1,000	+1,000	+1,000	-1,000	D
Preparing for College	---	15,000	---	---	---	---	---	---	D
College Completion Challenge Grants	---	35,000	---	---	---	---	---	---	D
D.C. Resident Tuition Support (1)	---	17,000	---	---	---	---	---	---	D
GPRA data/HEA program evaluation	---	4,000	4,000	---	3,000	+3,000	-1,000	+3,000	D
Total, Higher education	1,292,623	1,579,206	1,151,786	1,406,631	1,466,826	+174,203	+315,040	+60,195	

(1) Program transferred to D.C. Appropriations Bill.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
HOWARD UNIVERSITY									
Academic Program	181,470	185,540	185,540	185,540	185,540	+4,070	---	---	D
Endowment Program	3,530	3,530	3,530	3,530	3,530	---	---	---	D
Howard University Hospital	29,489	30,374	30,374	30,374	30,374	+885	---	---	D
Total, Howard University	214,489	219,444	219,444	219,444	219,444	+4,955	---	---	
COLLEGE HOUSING & ACADEMIC FACILITIES LOANS PROGRAM: Federal Administration	698	737	698	737	737	+39	+39	---	D
HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING, PROGRAM ACCOUNT									
Federal Administration	96	207	96	207	207	+111	+111	---	D

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT									
Research and statistics:									
Research	82,567	133,282	83,567	82,567	93,567	+11,000	+10,000	+11,000	D
Regional Educational Laboratories	61,000	65,000	61,000	65,000	65,000	+4,000	+4,000	---	D
Statistics	68,000	77,500	68,000	70,000	68,000	---	---	-2,000	D
Assessment:									
National Assessment	36,000	40,000	36,000	36,000	36,000	---	---	---	D
National Assessment Governing Board	4,000	4,500	4,000	4,500	4,000	---	---	-500	D
Subtotal, Assessment	40,000	44,500	40,000	40,500	40,000	---	---	-500	
Subtotal, Research and statistics	251,567	320,282	252,567	258,067	266,567	+15,000	+14,000	+8,500	
Fund for the Improvement of Education	139,000	139,500	76,000	39,500	155,812	+16,812	+79,812	+116,312	D
International Education Exchange	7,000	7,000	7,000	7,000	7,000	---	---	---	D
Civic Education	7,500	9,500	5,500	9,500	9,500	+2,000	+4,000	---	D
Eisenhower Professional Dvp. Federal Activities	23,300	30,000	23,300	23,300	23,300	---	---	---	D
Eisenhower Regional Math & Science Ed Consortia	15,000	17,500	15,000	15,000	15,000	---	---	---	D
Javits Gifted and Talented Education	6,500	6,500	6,500	6,500	6,500	---	---	---	D
National Writing Project	7,000	10,000	5,000	10,000	9,000	+2,000	+4,000	-1,000	D
Total, ERSI	456,867	540,282	390,867	368,867	492,679	+35,812	+101,812	+123,812	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
DEPARTMENTAL MANAGEMENT									
PROGRAM ADMINISTRATION (1)	364,521	386,000	362,000	370,184	370,184	+5,663	+8,184	---	D
OFFICE FOR CIVIL RIGHTS	66,000	73,262	66,000	71,200	71,200	+5,200	+5,200	---	D
OFFICE OF THE INSPECTOR GENERAL	31,242	34,000	31,242	34,000	34,000	+2,758	+2,758	---	D
Total, Departmental management	461,763	493,262	459,242	475,384	475,384	+13,621	+16,142	---	
STUDENT LOANS									
New Annual Loan Volume (including consolidation):									
Federal Family Education Loans (FFEL)	(23,577,000)	(25,006,000)	(25,006,000)	(25,006,000)	(25,006,000)	(+1,429,000)	---	---	NA
Federal Direct Student Loans (FDSL)	(16,232,000)	(16,155,000)	(16,155,000)	(16,155,000)	(16,155,000)	(-77,000)	---	---	NA
Total Outstanding Loan Volume:									
Federal Family Education Loans (FFEL)	(261,528,000)	(283,771,000)	(283,771,000)	(283,771,000)	(283,771,000)	(+22,243,000)	---	---	NA
Federal Direct Student Loans (FDSL)	(45,356,000)	(57,434,000)	(57,434,000)	(57,434,000)	(57,434,000)	(+12,078,000)	---	---	NA
Total, Department of Education	35,614,815	37,050,870	35,659,674	37,632,509	37,372,856	+1,758,041	+1,713,182	-259,653	
Current year	(29,410,052)	(28,977,484)	(20,877,911)	(26,220,912)	(24,910,093)	(-4,499,959)	(+4,032,182)	(-1,310,819)	
Advance Year, FY01	(6,204,763)	(8,073,386)	(14,781,763)	(11,411,597)	(12,462,763)	(+6,258,000)	(-2,319,000)	(+1,051,166)	

(1) Includes $2.521 million in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE IV - RELATED AGENCIES									
ARMED FORCES RETIREMENT HOME									
Operations and Maintenance	55,028	55,599	55,599	---	55,599	+571	---	+55,599	D
Capital Program	15,717	12,696	12,696	---	12,696	-3,021	---	+12,696	D
Total, AFRH	70,745	68,295	68,295	---	68,295	-2,450	---	+68,295	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (1)									
Domestic Volunteer Service Programs: Volunteers in Service to America (VISTA)	73,000	81,000	73,000	81,000	81,000	+8,000	+8,000	---	D
National Senior Volunteer Corps: Foster Grandparents Program	93,256	95,000	93,256	95,000	95,782	+2,526	+2,526	+782	D
Senior Companion Program	36,573	39,031	36,573	39,031	39,669	+3,096	+3,096	+638	D
Retired Senior Volunteer Program	43,001	46,001	43,001	46,001	46,565	+3,564	+3,564	+564	D
Senior Demonstration Program	1,080	5,000	---	3,100	1,500	+420	+1,500	-1,600	D
Subtotal, Senior Volunteers	173,910	185,032	172,830	183,132	183,516	+9,606	+10,686	+384	
Program Administration (2)	29,929	33,500	29,129	29,129	31,129	+1,200	+2,000	+2,000	D
Total, Domestic Volunteer Service Programs	276,839	299,532	274,959	293,261	295,645	+18,806	+20,686	+2,384	

(1) Appropriations for Americorps are provided in the VA-HUD bill (P.L. 106-74).

(2) Includes $800,000 in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
CORPORATION FOR PUBLIC BROADCASTING:									
FY02 (current request) with FY01 comparable.......	340,000	350,000	340,000	350,000	350,000	+10,000	+10,000	---	
FY01 advance with FY00 comparable (NA)...........	(300,000)	(340,000)	(340,000)	(340,000)	(340,000)	(+40,000)	---	---	NA
FY00 advance with FY99 comparable (NA)...........	(250,000)	(300,000)	(300,000)	(300,000)	(300,000)	(+50,000)	---	---	NA
Digitalization program (1)......................	15,000	20,000	10,000	---	10,000	-5,000	---	+10,000	D
Satellite replacement supplemental--FY99..........	30,700	---	---	---	---	-30,700	---	---	D
Satellite replacement supplemental--FY00..........	17,300	---	---	---	---	-17,300	---	---	D
Advance from prior year......................	---	(17,300)	(17,300)	(17,300)	(17,300)	(+17,300)	---	---	NA
Subtotal, FY00 appropriation...............	(295,700)	(337,300)	(327,300)	(317,300)	(327,300)	(+31,600)	---	(+10,000)	
FEDERAL MEDIATION AND CONCILIATION SERVICE............	34,620	36,834	34,620	36,834	36,834	+2,214	+2,214	---	D
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION......	6,060	6,159	6,060	6,159	6,159	+99	+99	---	D
INSTITUTE OF MUSEUM AND LIBRARY SERVICES.............	166,175	154,500	149,500	154,500	163,250	-2,925	+13,750	+8,750	D
MEDICARE PAYMENT ADVISORY COMMISSION (TF)............	7,015	7,015	7,015	7,015	7,015	---	---	---	TF
NATIONAL COMMISSION ON LIBRARIES AND INFO SCIENCE.....	1,000	1,300	1,000	1,300	1,300	+300	+300	---	D
NATIONAL COUNCIL ON DISABILITY.......................	2,344	2,400	2,344	2,400	2,400	+56	+56	---	D
NATIONAL EDUCATION GOALS PANEL.......................	2,100	2,250	2,100	2,250	2,250	+150	+150	---	D
NATIONAL LABOR RELATIONS BOARD.......................	184,451	210,193	174,661	210,193	199,500	+15,049	+24,839	-10,693	D
NATIONAL MEDIATION BOARD.............................	8,400	9,100	8,400	9,100	9,100	+700	+700	---	D
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION......	8,100	8,500	8,100	8,500	8,500	+400	+400	---	D

(1) Unauthorized. Funding is subject to enactment of authorization by September 30, 1999 and 2000.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
RAILROAD RETIREMENT BOARD									
Dual Benefits Payments Account	189,000	175,000	175,000	175,000	174,000	-15,000	-1,000	-1,000	D
Less Income Tax Receipts on Dual Benefits	-11,000	-10,000	-10,000	-10,000	-10,000	+1,000	---	---	D
Subtotal, Dual Benefits	178,000	165,000	165,000	165,000	164,000	-14,000	-1,000	-1,000	
Federal Payment to the RR Retirement Account	150	150	150	150	150	---	---	---	M
Limitation on administration:									
Consolidated Account (1)	90,398	86,500	90,000	90,000	91,000	+602	+1,000	+1,000	TF
Inspector General	5,600	5,400	5,400	5,400	5,400	-200	---	---	TF
SOCIAL SECURITY ADMINISTRATION									
Payments to Social Security Trust Funds	19,689	20,764	20,764	20,764	20,764	+1,075	---	---	M
SPECIAL BENEFITS FOR DISABLED COAL MINERS									
Benefit payments	542,183	520,000	520,000	520,000	520,000	-22,183	---	---	M
Administration	4,620	4,638	4,638	4,638	4,638	+18	---	---	M
Subtotal, Black Lung, current year program level	546,803	524,638	524,638	524,638	524,638	-22,165	---	---	
Less funds advanced in prior year	-160,000	-141,000	-141,000	-141,000	-141,000	+19,000	---	---	M
Total, Black Lung, current request	386,803	383,638	383,638	383,638	383,638	-3,165	---	---	
New advances, 1st quarter FY01	141,000	124,000	124,000	124,000	124,000	-17,000	---	---	M

(1) Includes $398,000 in emergency funding for Year 2000 computer conversion.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SUPPLEMENTAL SECURITY INCOME									
Federal benefit payments	28,263,000	28,822,000	28,822,000	28,822,000	28,822,000	+559,000	---	---	M
Beneficiary services	61,000	64,000	64,000	64,000	64,000	+3,000	---	---	M
Research and demonstration	37,000	24,000	24,000	25,085	25,085	-11,915	+1,085	---	M
Administration	2,114,000	2,203,000	2,114,000	2,192,000	2,142,000	+28,000	+28,000	-50,000	D
Subtotal, SSI current year program level	30,475,000	31,113,000	31,024,000	31,103,085	31,053,085	+578,085	+29,085	-50,000	
Less funds advanced in prior year	-8,680,000	-9,550,000	-9,550,000	-9,550,000	-9,550,000	-870,000	---	---	M
Subtotal, regular SSI current year (1999/2000)	21,795,000	21,563,000	21,474,000	21,553,085	21,503,085	-291,915	+29,085	-50,000	
Additional CDR funding (1)	177,000	200,000	200,000	200,000	200,000	+23,000	---	---	D
User Fee Activities	75,000	80,000	80,000	80,000	80,000	+5,000	---	---	D
Total, SSI, current request	22,047,000	21,843,000	21,754,000	21,833,085	21,783,085	-263,915	+29,085	-50,000	
New advance, 1st quarter, FY01	9,550,000	9,890,000	9,890,000	9,890,000	9,890,000	+340,000	---	---	M

(1) Two year availability.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
LIMITATION ON ADMINISTRATIVE EXPENSES									
OASDI Trust Funds	2,928,400	2,910,200	2,928,200	2,928,400	2,928,400	---	+200	---	TF
HI/SMI Trust Funds	952,000	1,087,000	952,000	1,066,671	1,021,671	+69,671	+69,671	-45,000	TF
Social Security Advisory Board	1,600	1,800	1,800	1,800	1,800	+200	---	---	TF
SSI	2,114,000	2,203,000	2,114,000	2,192,000	2,142,000	+28,000	+28,000	-50,000	TF
Subtotal, regular LAE	5,996,000	6,202,000	5,996,000	6,188,871	6,093,871	+97,871	+97,871	-95,000	
User Fee Activities (SSI)	75,000	80,000	80,000	80,000	80,000	+5,000	---	---	TF
Claimant representative payments	---	19,000	---	---	---	---	---	---	TF
TOTAL, REGULAR LAE	6,071,000	6,301,000	6,076,000	6,268,871	6,173,871	+102,871	+97,871	-95,000	
Additional CDR funding (1)									
OASDI	178,000	205,000	205,000	205,000	205,000	+27,000	---	---	TF
SSI	177,000	200,000	200,000	200,000	200,000	+23,000	---	---	TF
Subtotal, CDR funding	355,000	405,000	405,000	405,000	405,000	+50,000	---	---	
TOTAL, LAE	6,426,000	6,706,000	6,481,000	6,673,871	6,578,871	+152,871	+97,871	-95,000	

(1) Two year availability.

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF INSPECTOR GENERAL									
Federal Funds	12,000	15,000	12,000	15,000	15,000	+3,000	+3,000	---	D
Trust Funds	44,000	51,000	44,000	51,000	51,000	+7,000	+7,000	---	TF
Total, Office of the Inspector General	56,000	66,000	56,000	66,000	66,000	+10,000	+10,000	---	
Adjustment: Trust fund transfers from general revenues	-2,366,000	-2,483,000	-2,394,000	-2,472,000	-2,422,000	-56,000	-28,000	+50,000	TF
Total, Social Security Administration	36,260,492	36,550,402	36,315,402	36,519,358	36,424,358	+163,866	+108,956	-95,000	
Federal funds	32,156,492	32,276,402	32,184,402	32,266,487	32,216,487	+59,995	+32,085	-50,000	
Current year	(22,465,492)	(22,262,402)	(22,170,402)	(22,252,487)	(22,202,487)	(-263,005)	(+32,085)	(-50,000)	
New advances, 1st quarter FY00	(9,691,000)	(10,014,000)	(10,014,000)	(10,014,000)	(10,014,000)	(+323,000)	---	---	
Trust funds	4,104,000	4,274,000	4,131,000	4,252,871	4,207,871	+103,871	+76,871	-45,000	
UNITED STATES INSTITUTE OF PEACE	12,160	13,000	12,160	13,000	13,000	+840	+840	---	D
Total, Title IV, Related Agencies	37,717,649	37,996,530	37,675,166	37,874,420	37,858,156	+140,507	+182,990	-16,264	
Federal funds	33,510,636	33,623,615	33,441,751	33,519,134	33,546,870	+36,234	+105,119	+27,736	
Current year	(23,462,336)	(23,259,615)	(23,087,751)	(23,155,134)	(23,182,870)	(-279,466)	(+95,119)	(+27,736)	
Advance Year, FY01	(9,708,300)	(10,014,000)	(10,014,000)	(10,014,000)	(10,014,000)	(+305,700)	---	---	
Advance Year, FY02	(340,000)	(350,000)	(340,000)	(350,000)	(350,000)	(+10,000)	(+10,000)	---	
Trust funds	4,207,013	4,372,915	4,233,415	4,355,286	4,311,286	+104,273	+77,871	-44,000	
GENERAL PROVISIONS									
Undistributed salaries and expenses reduction	---	---	---	---	-121,000	-121,000	-121,000	-121,000	D
TITLE X									
Agriculture Disaster Emergency	---	---	508,000	---	---	---	-508,000	---	D EMG

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1999	House	Senate	
SUMMARY									
Grand bill total	301,168,146	322,958,939	318,313,930	328,612,841	326,765,655	+25,597,509	+8,451,725	-1,847,186	
Federal Funds	291,411,190	312,987,882	309,003,602	318,790,642	317,081,173	+25,669,983	+8,077,571	-1,709,469	
Current year	(241,996,850)	(259,390,821)	(245,933,536)	(255,000,205)	(255,311,735)	(+13,314,885)	(+9,378,199)	(+311,530)	
Advance Year, FY01	(49,074,340)	(53,247,061)	(62,730,066)	(63,440,437)	(61,419,438)	(+12,345,098)	(-1,310,628)	(-2,020,999)	
Advance Year, FY02	(340,000)	(350,000)	(340,000)	(350,000)	(350,000)	(+10,000)	(+10,000)	---	
Trust Funds	9,756,956	9,971,057	9,310,328	9,822,199	9,684,482	-72,474	+374,154	-137,717	
BUDGET ENFORCEMENT ACT RECAP									
Mandatory, total in bill	211,156,337	229,336,630	228,859,896	230,610,465	231,255,098	+20,098,761	+2,395,202	+644,633	
Less advances for subsequent years	-40,529,605	-42,791,003	-42,791,003	-42,791,003	-42,791,003	-2,261,398	---	---	
Plus advances provided in prior years	38,458,189	40,529,605	40,529,605	40,529,605	40,529,605	+2,071,416	---	---	
Unauthorized NAFTA activities	-44,000	---	---	---	---	+44,000	---	---	
Subtotal, mandatory	209,040,921	227,075,232	226,598,498	228,349,067	228,993,700	+19,952,779	+2,395,202	+644,633	
Reclassified to discretionary	321,173	---	---	---	---	-321,173	---	---	
Total, mandatory, current year	209,362,094	227,075,232	226,598,498	228,349,067	228,993,700	+19,631,606	+2,395,202	+644,633	

	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Discretionary, total in bill	90,011,809	93,622,309	89,454,034	98,002,376	95,510,557	+5,498,748	+6,056,523	-2,491,819	
Less advances for subsequent years	-8,884,735	-10,806,058	-20,279,063	-20,999,434	-18,978,435	-10,093,700	+1,300,628	+2,020,999	
Plus advances provided in prior years	4,008,386	8,844,735	8,844,735	8,844,735	8,844,735	+4,836,349	---	---	
Scorekeeping adjustments:									
Plus TF advances provided in prior years	40,000	---	---	---	---	-40,000	---	---	
Adjustment to balance with 1999 bill	2,824	---	---	---	---	-2,824	---	---	
Adjustment for leg cap on Title XX SSBGs	-471,000	---	-471,000	-1,330,000	-680,000	-209,000	-209,000	+650,000	
SSA User Fee Collection	-75,000	-80,000	-80,000	-80,000	-80,000	-5,000	---	---	
Puerto Rico CHIP payments	32,000	---	---	---	---	-32,000	---	---	
MN/WY Disproportionate Share Hospitals	21,000	---	---	---	---	-21,000	---	---	
Women's health and cancer rights	1,000	---	---	---	---	-1,000	---	---	
Refugee and entrant assistance reappropriation	---	12,000	12,000	12,000	12,000	+12,000	---	---	
Emergency-designated funding	-1,122,413	---	---	---	---	+1,122,413	---	---	
Freeze direct student loan admin costs	---	---	-118,000	---	---	---	-118,000	---	
Freeze HCFA payment integrety admin costs	---	---	-70,000	---	---	---	+70,000	---	
Unauthorized NAFTA activities	44,000	---	---	---	---	-44,000	---	---	
Offsets	---	---	-258,000	---	---	---	+258,000	---	
Medicaid Title XX offset	---	---	---	25,000	1,000	+1,000	+1,000	-24,000	
Subtotal, discretionary	83,607,871	91,592,986	77,034,706	84,474,677	84,629,857	+1,021,986	+7,595,151	+155,180	
Reclassified from mandatory	-321,173	---	---	---	---	+321,173	---	---	
Total, discretionary, current year	83,286,698	91,592,986	77,034,706	84,474,677	84,629,857	+1,343,159	+7,595,151	+155,180	
Crime trust fund	155,951	169,500	156,000	156,000	152,000	-3,951	-4,000	-4,000	
General purposes	83,130,747	91,423,486	76,878,706	84,318,677	84,477,857	+1,347,110	+7,599,151	+159,180	
Grand total, current year	292,648,792	318,668,218	303,633,204	312,823,744	313,623,557	+20,974,765	+9,990,353	+799,813	

DIVISION C

RESCISSIONS AND OFFSETS

Sec. 1001. The conference agreement includes a government-wide across-the-board reduction of 0.97 percent to all discretionary accounts. The managers expect that Federal agencies will, to the maximum extent possible, meet the reduced funding levels by eliminating waste, fraud, abuse, and excessive overhead expenses in Federal programs.

NATIONAL DIRECTORY OF NEW HIRES

Sec. 1002. The conference agreement includes a provision that amends the Social Security Act and the Child Support Performance and Incentive Act of 1998 to allow the Department of Education to access data from the National Directory of New Hires, maintained by the Department of Health and Human Services, to enhance student loan default collection efforts. This provision was not contained in either the House or the Senate bills.

ERNEST J. ISTOOK, Jr.,
RANDY "DUKE" CUNNINGHAM,
TODD TIAHRT,
ROBERT B. ADERHOLT,
JO ANN EMERSON,
JOHN E. SUNUNU,
BILL YOUNG,
Managers on the Part of the House.

KAY BAILEY HUTCHISON,
TED STEVENS,
PETE DOMENICI,
Managers on the Part of the Senate.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 8 o'clock and 38 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 2158

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. LINDER) at 9 o'clock and 58 minutes p.m.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 3064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 106–420) on the resolution (H. Res. 345) waiving certain points of order against the conference report on the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MAKING AN ORDER AT ANYTIME CONSIDERATION OF H.J. RES. 73, FURTHER CONTINUING APPROPRIATIONS, FOR FISCAL YEAR 2000

Mr. DREIER. Mr. Speaker, I ask unanimous consent that it be in order at any time to consider in the House the joint resolution, H.J. Res. 73, making further continuing appropriations for fiscal year 2000, and for other purposes;

That the joint resolution be considered as read for amendment;

That the joint resolution be debatable for 1 hour, equally divided and controlled by the chairman and ranking member of the Committee on Appropriations; and

That the previous question be considered as ordered on the joint resolution to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. LINDER). Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. HOLT, for 5 minutes, today.

Mr. CAPUANO, for 5 minutes, today.

Mr. SMITH of Washington, for 5 minutes, today.

(The following Members (at the request of Mr. SUNUNU) to revise and extend their remarks and include extraneous material:)

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mrs. CHENOWETH-HAGE, for 5 minutes, November 2 and November 3.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1235. An act to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training; to the Committee on the Judiciary.

S. 1485. An act to amend the Immigration and Nationality Act to confer United States citizenship automatically and retroactively on certain foreign-born children adopted by citizens of the United States; to the Committee on the Judiciary.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1175. To locate and secure the return of Zachary Baumel, a United States citizen, and other Israeli soldiers missing in action.

H.J. Res. 62. To grant the consent of Congress to the boundary change between Georgia and South Carolina.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On October 26, 1999:

H.R. 2367. To reauthorize a comprehensive program of support for victims of torture.

ADJOURNMENT

Mr. DREIER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, October 28, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4961. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Animal Welfare; Perimeter Fence Requirements [Docket No. 95-029-2] received October 18, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4962. A letter from the Secretary of Education, transmitting Final Regulations—Federal Perkins Loan Program and Federal Family Education Loan Program, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

4963. A letter from the Secretary of Education, transmitting Final Regulations—Student Assistance General Provisions, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

4964. A letter from the Assistant General Counsel for Regulations, Office of Educational Research and Improvement, Department of Education, transmitting the Department's final rule—National Awards Program for Model Professional Development—received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4965. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Student Assistance General Provisions; General Provisions for the Federal Perkins Loan Program, Federal Work-Study Program, and Federal Supplemental Educational Opportunity Grant Program; Federal Perkins Loan Program; Federal Work-Study Programs; Federal Supplemental Educational Opportunity Grant Program; and Federal Pell Grant Program (RIN: 1845–AA01) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4966. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Federal Family Education Loan Program and William D. Ford Federal Direct Loan Program (RIN: 1845–AA00) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4967. A letter from the Assistant Inspector General for Audit, Environmental Protection Agency, transmitting the annual audit on the use of the Environmental Protection Agency's (EPA) Superfund program for Fiscal Year 1998, pursuant to 31 U.S.C. 7501 nt.; to the Committee on Commerce.

4968. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Revisions to the Alabama Department of Environmental Management (ADEM) Administrative Code for the Air Pollution Control Program [AL–050–9953(a); FRL–6461–8] received October 18, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4969. A letter from the Deputy Secretary, Office of Mergers and Acquisitions, Division of Corporation Finance, Securities and Exchange Commission, transmitting the Commission's final rule—Cross-Border Tender and Exchange Offers, Business Combination and Rights Offerings (RIN: 3235–AD97) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4970. A letter from the Deputy Secretary, Office of Mergers & Acquisitions, Division of Corporation Finance, Securities and Exchange Commission, transmitting the Commission's final rule—Regulation of Takeovers and Security Holder Communications (RIN: 3235–AG84) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4971. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of the Navy's proposed lease of defense articles to Malaysia (Transmittal No. 02–00), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

4972. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of the Air Force's proposed lease of defense articles to the Republic of Korea (Transmittal No. 01–00), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

4973. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Thailand for defense articles and services (Transmittal No. 00–14), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4974. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Korea for defense articles and services (Transmittal No. 00–13), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4975. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Greece for defense articles and services (Transmittal No. 00–02), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4976. A letter from the Acting Deputy Under Secretary, Department of Defense, transmitting a copy of Transmittal No. 13–99 which constitutes a Request for Final Approval for Amendment Number 2 to the Memorandum of Understanding between the U.S. and the United Kingdom concerning the development testing, qualification testing, and unconstrained enclosure development for the Intercooled Recuperated Gas Turbine Engine, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

4977. A letter from the Acting Deputy Under Secretary, Department of Defense, transmitting a copy of Transmittal No. 12–99 which constitutes a Request for Final Approval for the Memorandum of Understanding between the U.S. and Seasparrow Consortium concerning the cooperative in-service support of the Evolved Seasparrow missile, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

4978. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 126–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

4979. A letter from the Director, Information Security Oversight Office, transmitting a copy of the "Report to the President" for 1998; to the Committee on Government Reform.

4980. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Very Small Business Concerns [FAC 97–14; FAR Case 98–013; Item I] (RIN: 9000–AI29) received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4981. A letter from the Administrator, U.S. General Services Administration, transmitting the Clean Air Incentives Act Report for Fiscal Years 1998 and 1999; to the Committee on Government Reform.

4982. A letter from the Executive Director, American Chemical Society, transmitting the Society's annual report for the calendar year 1998 and the comprehensive report to the Board of Directors of the American Chemical Society on the examination of their books and records for the year ending December 31, 1998, pursuant to 36 U.S.C. 1101(2) and 1103; to the Committee on the Judiciary.

4983. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 727–100 and –100C Series Airplanes [Docket No. 98–NM–367–AD; Amendment 39–11353; AD 99–21–10] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4984. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9, DC–9–80, and C–9 (Military) Series Airplanes, and Model MD–88 Airplanes [Docket No. 98–NM–268–AD; Amendment 39–11350; AD 99–21–07] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4985. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon (Beech) Model 400A Airplanes [Docket No. 98–NM–280–AD; Amendment 39–11351; AD 99–21–08] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4986. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9–81, –82, –83, and –87 Series Airplanes (MD–81, –82, –83, and –87) and Model MD–88 Airplanes [Docket No. 98–NM–267–AD; Amendment 39–11349; AD 99–21–06] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4987. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives: McDonnel Douglas Model DC–10–10, –15, and –30 Airplanes, and KC–10A(Military) Airplanes [Docket No. 99–NM–14–AD; Amendment 39–11354; AD 95–04–07 R2] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4988. A letter from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting the Department's final rule—Determining the Extent of Corrosion on Gas Pipelines [Docket No. PS–107; Amdt. 192–87] (RIN: 2137–AB50) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4989. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 98–NM–244–AD; Amendment 39–11377; AD 99–21–31] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4990. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes Powered by Pratt & Whitney JT9D–7R4 Series Turbofan Engines or General Electric CF6–80A Series Turbofan Engines [Docket No. 98–NM–363–AD; Amendment 39–11363; AD 99–21–18] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4991. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. 99–NM–94–AD; Amendment 39–11375; AD 99–21–29] (RIN: 2120–AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4992. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, A321, A330, and A340 Series Airplanes Equipped With AlliedSignal RIA-35B Instrument Landing System Receivers [Docket No. 99-NM-25-AD; Amendment 39-11374; AD 99-21-28] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4993. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC-8-311 and -315 Series Airplanes [Docket No. 98-NM-324-AD; Amendment 39-11373; AD 99-21-27] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4994. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon (Beech) Model 400, 400A, 400T, and MU-300-10 Airplanes [Docket No. 96-NM-209-AD; Amendment 39-11372; AD 99-21-26] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4995. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT9D Series Turbofan Engines [Docket No. 98-ANE-31-AD; Amendment 39-11221; AD 99-15-02] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4996. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SE.3160, SA.315B, SA.316B, SA.316C, and SA.319B Helicopters [Docket No. 99-SW-29-AD; Amendment 39-11370; AD 99-21-25] (RIN: .2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4997. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA-365C, C1, C2, N, and N1; AS-365N2; and SA-366G1 Helicopters [Docket No. 98-SW-75-AD; Amendment 39-11369; AD 99-21-24] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4998. A letter from the Department of Transportation, FAA, transmitting the Department's final rule—Airworthiness Directives; Short Brothers Model SD3-30, SD3-60, SD3 SHERPA, and SD3-60 SHERPA Series Airplanes [Docket No. 98-NM-137-AD; Amendment 39-11367; AD 99-21-22] (RIN: 2120-AA64) received October 21. 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 348. A bill to authorize the construction of a monument to honor those who have served the Nation's civil defense and emergency management programs (Rept. 106-416). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2889. A bill to amend the Central Utah Project Completion Act to provide for acquisition of water and water rights for Central Utah Project purposes, completion of Central Utah project facilities, and implementation of water conservation measures (Rept. 106-417). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 278. An act to direct the Secretary of the Interior to convey certain lands to the county of Rio Arriba, New Mexico (Rept. 106-418). Referred to the Committee of the Whole House on the State of the Union.

Mr. ISTOOK: Committee of Conference. Conference report on H.R. 3064. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106-419). Ordered to be printed.

Mr. LINDER: Committee on Rules. House Resolution 345. Resolution waiving points of order against the conference report to accompany the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106-420). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GOSS:

H.R. 3152. A bill to provide for the identification, collection, and review for declassification of records and materials that are of extraordinary public interest to the people of the United States, and for other purposes; to the Committee on Government Reform, and in addition to the Committee on Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 3153. A bill to amend title 49 of the United States Code to require automobile manufacturers to provide automatic door locks on new passenger cars manufactured after 2003; to the Committee on Commerce.

By Mr. GEJDENSON (for himself, Ms. Slaughter, Mr. Lantos, Mr. Berman, Mr. Ackerman, Mr. Faleomavaega, Mr. Martinez, Mr. Payne, Mr. Menendez, Mr. Brown of Ohio, Ms. McKinney, Mr. Hastings of Florida, Ms. Danner, Mr. Hilliard, Mr. Sherman, Mr. Wexler, Mr. Rothman, Mr. Davis of Florida, Mr. Pomeroy, Mr. Delahunt, Mr. Meeks of New York, Ms. Lee, Mr. Crowley, Mr. Hoeffel, Mr. King, Mr. Houghton, Mr. Meehan, Ms. Waters, Mr. Cooksey, Ms. Pelosi, Ms. DeLauro, Ms. Norton, Mr. Moran of Virginia, Ms. Roybal-Allard, Mr. George Miller of California, and Ms. Kaptur):

H.R. 3154. A bill to combat trafficking of persons in the United States and countries around the world through prevention, prosecution and enforcement against traffickers, and protection and assistance to victims of trafficking; to the Committee on International Relations, and in addition to the Committees on the Judiciary, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEKAS:

H.R. 3155. A bill to direct the Secretary of Transportation to establish a grant program for providing assistance to emergency response organizations, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. HOEFFEL (for himself and Mr. Weldon of Pennsylvania):

H.R. 3156. A bill to amend the Technology for Education Act of 1994 to clarify the authority for, and to encourage, the use of Federal funds for incentives for school personnel to participate in professional development relating to the use of technology in education, and in the development of technology applications; to the Committee on Education and the Workforce.

By Mr. LANTOS (for himself, Mr. Faleomavaega, Mr. McGovern, Mrs. Morella, Mr. Oberstar, Mr. Rohrabacher, Mr. Rothman, Ms. Baldwin, Mr. Pombo, Mr. Abercrombie, Mr. Stupak, Mr. Hinchey, Mr. Nadler, Ms. Eshoo, and Mr. Brown of Ohio):

H.R. 3157. A bill to prohibit all United States assistance to Indonesia until the President certifies to the Congress that the Government of Indonesia has provided full compensation for the material damage in East Timor; to the Committee on Banking and Financial Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. NORTON (for herself, Ms. Jackson-Lee of Texas, Ms. Millender-McDonald, Mrs. Jones of Ohio, and Ms. Woolsey):

H.R. 3158. A bill to establish Federal safeguards for the prevention of sexual misconduct of women inmates at State correctional institutions; to the Committee on the Judiciary.

By Mr. POMEROY (for himself, Mr. Minge, and Ms. Baldwin):

H.R. 3159. A bill to impose a moratorium on large agribusiness mergers and to establish a commission to review large agriculture mergers, concentration, and market power; to the Committee on Agriculture, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska (for himself, Mr. Pombo, Mr. Tauzin, Mr. Hansen, Mr. Calvert, Mr. Thomas, Mr. Doolittle, Mr. Radanovich, Mr. Baker, Mr. Skeen, Mrs. Bono, Mr. Lewis of California, Mr. Walden of Oregon, Mrs. Cubin, Mr. Schaffer, Mr. Taylor of North Carolina, Mr. Hastings of Washington, Mr. Hunter, Mr. Gary Miller of California, Mr. Watkins, Mr. Tancredo, Mr. Bachus, Mr. Simpson, Mr. Herger, Mr. Cunningham, Mr. Peterson of Pennsylvania, Mr. DeLay, Mr. Gibbons, Mr. Lucas of Oklahoma, Mr. John, Mr. Bonilla, and Mr. Packard):

H.R. 3160. A bill to reauthorize and amend the Endangered Species Act of 1973; to the Committee on Resources.

By Mr. YOUNG of Florida:

H.J. Res. 73. A joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes; to the Committee on Appropriations.

By Mr. ACKERMAN:

H. Con. Res. 210. Concurrent resolution expressing the strong support of the Congress for the recently concluded elections in the Republic of India and urging the President to travel to India; to the Committee on International Relations.

By Mr. ACKERMAN (for himself, Mr. GEJDENSON, and Mr. LANTOS):

H. Con. Res. 211. Concurrent resolution expressing the strong suppport of the Congress for the recently concluded elections in the Republic of India and urging the President to travel to India; to the Committee on International Relations.

By Mr. BUYER (for himself, Mr. SPENCE, Mr. YOUNG of Florida, Mr. HYDE, Mr. STUMP, Mr. HUNTER, Mr. BATEMAN, Mr. WELDON of Pennsylvania, Mr. HEFLEY, Mr. SAM JOHNSON of Texas, Mrs. FOWLER, Mr. MCHUGH, and Mr. CHAMBLISS):

H. Con. Res. 212. Concurrent resolution expressing the sense of the Congress concerning continued use of the United States Navy training range on the island of Vieques in the Commonwealth of Puerto Rico; to the Committee on Armed Services.

By Mr. TANCREDO (for himself, Mr. BARTLETT of Maryland, Mr. BILBRAY, Mrs. CHENOWETH-HAGE, Mr. COBLE, Mrs. CUBIN, Mrs. EMERSON, Mr. GILCHREST, Mr. GOODE, Mr. GREEN of Wisconsin, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HYDE, Mr. JONES of North Carolina, Mr. KINGSTON, Mr. LARGENT, Mr. OSE, Mr. PAUL, Mr. PETRI, Mr. ROHRABACHER, Mr. RYAN of Wisconsin, Mr. SCHAFFER, Mr. SHADEGG, Mr. SMITH of Texas, Mr. WAMP, Mr. WELDON of Florida, Mr. WU, Mrs. BIGGERT, Mr. CAMPBELL, Mr. CHABOT, Mr. COBURN, Mr. DEMINT, Mr. DOOLITTLE, Mr. FLETCHER, Mr. FOSSELLA, Mr. GREENWOOD, Mr. HAYWORTH, Mr. HEFLEY, Mr. HERGER, Mr. HILLEARY, Mr. HOEKSTRA, Mr. KUYKENDALL, Mr. LAZIO, Mr. LINDER, Mr. MCCRERY, Mr. GARY MILLER of California, Mr. PITTS, Mr. ROGAN, Mr. ROYCE, Mr. SHAYS, Mr. SIMPSON, Mr. TERRY, and Mr. TRAFICANT):

H. Res. 343. A resolution amending rule XXI of the Rules of the House of Representatives to prohibit the consideration of legislation that provides for the designation or redesignation of any building, highway, or other structure in honor of an individual who is serving as a Member of Congress; to the Committee on Rules.

By Mr. BLUNT (for himself, Mr. MCCOLLUM, Mr. DELAY, Mr. BURTON of Indiana, Mr. TALENT, Mrs. EMERSON, Ms. DANNER, Mr. GEPHARDT, Ms. MCCARTHY of Missouri, Mr. SKELTON, Mr. OXLEY, Mr. HUTCHINSON, Mr. TANNER, Mr. RYAN of Kansas, Mr. WATTS of Oklahoma, and Mr. LARGENT):

H. Res. 344. A resolution recognizing and honoring Payne Stewart and expressing the condolences of the House of Representatives to his family on his death and to the families of those who died with him; to the Committee on Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 125: Mr. CAPUANO.

H.R. 488: Ms. MILLENDER-MCDONALD.

H.R. 531: Mr. WICKER.

H.R. 797: Mr. PAUL and Mr. MORAN of Virginia.

H.R. 809: Mr. INSLEE.

H.R. 914: Mr. PALLONE.

H.R. 997: Mr. SCOTT and Ms. BERKLEY.

H.R. 1093: Mr. KUYKENDALL.

H.R. 1168: Mr. BERRY and Mr. WU.

H.R. 1271: Ms. KILPATRICK.

H.R. 1300: Mr. WELLER and Mr. GOODLATTE.

H.R. 1303: Mr. COLLINS.

H.R. 1322: Mr. DEAL of Georgia.

H.R. 1341: Mrs. LOWEY.

H.R. 1349: Mr. BARCIA.

H.R. 1356: Mr. BARCIA.

H.R. 1456: Mr. WHITFIELD.

H.R. 1525: Mr. WU and Mr. NADLER.

H.R. 1621: Mr. GEPHARDT and Mr. CLAY.

H.R. 1622: Mr. BARCIA.

H.R. 1657: Mr. LARSON.

H.R. 1687: Mr. CAMPBELL.

H.R. 1775: Mr. JEFFERSON, Mrs. NAPOLITANO, and Mr. VITTER.

H.R. 1871: Mr. LEWIS of Georgia and Mr. GUTIERREZ.

H.R. 1885: Mr. CAMPBELL and Mr. MCHUGH.

H.R. 1899: Mrs. LOWEY, Mr. BARRETT of Nebraska, and Mr. LAFALCE.

H.R. 2059: Mr. ACKERMAN, Mr. ABERCROMBIE, and Mr. CUNNINGHAM.

H.R. 2200: Mr. TRAFICANT.

H.R. 2282: Mr. CALVERT.

H.R. 2356: Mr. MCGOVERN.

H.R. 2366: Mr. DAVIS of Virginia and Mr. WHITFIELD.

H.R. 2451: Mr. MCINNIS and Mr. HUTCHINSON.

H.R. 2569: Mr. HINCHEY, Mrs. CAPPS, and Mr. FRANKS of New Jersey.

H.R. 2604: Ms. ROS-LEHTINEN.

H.R. 2640: Mr. LAHOOD, Mr. EVANS, Mr. LATOURETTE, and Mr. NETHERCUTT.

H.R. 2662: Mrs. TAUSCHER.

H.R. 2697: Mr. MCGOVERN.

H.R. 2706: Mr. ANDREWS.

H.R. 2727: Mr. LATOURETTE, Mr. HALL of Ohio, Mr. HILLIARD, Mr. BOEHLERT, MR. GILCHREST, and Mr. STARK.

H.R. 2733: Ms. CARSON, Mr. DAVIS of Virginia, Mr. DEMINT, and Mrs. MORELLA.

H.R. 2738: Mr. PAYNE.

H.R. 2802: Mr. LARSON.

H.R. 2837: Mr. VENTO.

H.R. 2865: Mr. PAYNE.

H.R. 2890: Mr. WEINER.

H.R. 2892: Mrs. MALONEY of New York, Mr. POMEROY, and Mr. WYNN.

H.R. 2900: Mr. MEEHAN and Mr. LARSON.

H.R. 2980: Mr. MEEHAN.

H.R. 2985: Mr. GOODLING, Mr. JONES of North Carolina, and Mr. THUNE.

H.R. 3044: Mrs. MINK of Hawaii.

H.R. 3075: Mr. EVERETT.

H.R. 3082: Mr. MATSUI.

H.R. 3100: Mr. GILCHREST, Mr. SALMON, Mr. FRANKS of New Jersey, Mr. LOBIONDO, Mr. PETRI, Mr. LATOURETTE, and Mrs. EMERSON.

H.R. 3105: Mr. PALLONE.

H.R. 3115: Mr. POMEROY.

H.R. 3136: Ms. DELAURO and Mrs. NAPOLITANO.

H.R. 3144: Mr. COSTELLO, Mr. HOLDEN, Mr. MCNULTY, Mrs. CAPPS, Mr. DOOLEY of California, Mr. LANTOS, Mrs. NAPOLITANO, Mr. SHERMAN, Mr. DEUTSCH, Mr. HASTINGS of Florida, Mr. LEWIS of Georgia, Mrs. MINK of Hawaii, Mr. JEFFERSON, Mr. MOAKLEY, Mr. NEAL of Massachusetts, Mr. OLVER, Mr. TIERNEY, Mr. MENDENDEZ, Mr. PASCRELL, Mr. ENGEL, Mrs. MCCARTHY of New York, Ms. SLAUGHTER, Mr. BROWN of Ohio, Mrs. JONES of Ohio, Mr. COYNE, Mr. DOYLE, Mr. HOEFFEL, Mr. FROST, Mr. GREEN of Texas, Mr. INSLEE, Mr. MOLLOHAN, Ms. DEGETTE, and Mr. GEPHARDT.

H.J. Res. 46: Mr. STUMP.

H.J. Res. 53: Mr. CHAMBLISS.

H. Con. Res. 120: Mrs. MORELLA, Mr. BARTLETT of Maryland, and Mr. HOSTETTLER.

H. Con. Res. 200: Mr. GILMAN.

H. Con. Res. 206: Mr. HOYER.

H. Res. 238: Ms. CARSON, Mr. DEMINT, and Mrs. MORELLA.

H. Res. 298: Mr. PASCRELL, Mr. ROTHMAN, Mr. WEINER, Mr. OWENS, Mrs. CHRISTENSEN, Mr. UDALL of New Mexico, Mr. BARRETT of Wisconsin, Mr. SWEENEY, Mr. SHERMAN, and Ms. WOOLSEY.

H. Res. 325: Mr. HOEKSTRA, Mr. SPENCE, Mr. SWEENEY, Mr. MATSUI, Mr. ANDREWS, Mr. LIPINSKI, Mr. POMEROY, Mr. FROST, Mr. SMITH of Texas, Mr. JONES of North Carolina, Mr. ETHERIDGE, Ms. JACKSON-LEE of Texas, Mr. HOEFFEL, Mr. WYNN, Mr. UNDERWOOD, Mr. CASTLE, Mr. HASTINGS of Washington, Mrs. LOWEY, and Mr. BILIRAKIS.

EXTENSIONS OF REMARKS

THE BUDGET

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. SANDLIN. Mr. Speaker, a battle over the budget has engulfed Congress. I am saddened by the extent to which the Republican leadership has allowed partisan politics to pollute this distinguished body and shift the budget debate from substance to sound-bites.

With only seven of thirteen spending bills signed into law, the budget for fiscal year 2000 is far from complete. Moreover, Congress has been forced to fund the government through temporary stop-gap spending measures in order to avoid a shutdown of national parks, monuments, agencies, and the federal government. Yet rather than sit down and negotiate with the administration and the Democrats in the House and Senate, Republicans have chosen to take the path of confrontation rather than compromise.

The cause is misplaced priorities, and the effect is a bad budget. Republicans made a choice to fund their own priorities, while completely ignoring the priorities of the American people, Democratic members, and the administration. In the process of drafting spending bills for fiscal year 2000, they shut out the minority and proceeded to go their own way. Now they point fingers when their irresponsible bills are vetoed because they fail to sufficiently fund the priorities of the American people: Programs essential to education, defense, and senior citizens.

Left out of their spending proposals are key Democratic initiatives such as funding for 100,000 new teachers and smaller classes, funding for the COPS program which provides grants to local communities for hiring more police officers, and funding for a Medicare prescription drug benefit. These programs have been completely left out of the Republican budget. Yet when Democrats fight for funding for these key initiatives, we are falsely accused of proposing more spending. The truth is, we do not want more spending. Rather, we advocate different spending. Instead of giving priority to a member pay raise and member earmarked projects, let's fund the initiatives that count. Sadly, Republicans have ignored our pleas and instead chosen to resort to name-calling and groundless accusations.

One of our primary initiatives must be to protect Social Security. I propose taking it completely off-budget. Social Security funds must be used only for Social Security. However, the Congressional Budget Office, the Republican-appointed budget score-keepers, confirm that the Republicans are already on their way to spending at least $25 billion of the Social Security trust fund.

Adding insult to injury, Republicans have tried to cover up their irresponsible spending and penchant for dipping into Social Security through numerous gimmicks and accounting tricks designed to fool the American people into believing their false claims of good fiscal policy. These gimmicks range from declaring the 2000 census, something which happens every ten years as required by the Constitution, as emergency spending. This spending dips directly into Social Security. In addition to emergency designations, Republicans have also proposed adopting a thirteen-month fiscal year, tried to withhold payment of tax credits to the working poor and "forward-fund" certain programs, thereby attempting to count this year's spending in next year's budget. These gimmicks are dishonest and unacceptable to the American people.

When the administration sent its budget recommendation to Congress almost one year ago, Congress rejected it and promised the American people we would pass an even better budget that protected important programs without dipping into the Social Security trust fund. Rather than fulfill this promise to the people, Republicans have opted for a political showdown. The result is a completely unnecessary, wholly manufactured crisis over the budget.

Republicans have chosen rhetoric over responsibility and taken the partisan path towards a 1.4 percent across-the-board budget cut which will have costly ramifications on critical programs. Specifically, education for the disadvantaged would be cut by $109 million, literacy programs would be cut by $3.6 million, and Head Start would be unable to provide services to 6,700 children. Child immunization programs would be cut by approximately $6.7 million, and vitally needed assistance to farmers would be slashed by $124 million.

Agricultural income assistance would be cut by $90 million, and crop and livestock loss payments would be cut by $22 million. In addition, national security would suffer dearly as $3.9 billion would be cut from the defense budget. Military pay and readiness would suffer the most. The men and women in the military who risk their lives for our safety and security would suffer a 2.8 percent cut in personnel.

While this battle rages on over the politics of the budget, the American people suffer. As Republicans focus the energy of the Congress on their budget end game, the Patients Bill of Rights, relief for farmers and veterans' benefits face a dismal future. While Republicans devise more gimmicks to cover their tracks, Congress neglects a long overdue increase in the minimum wage, making schools safer for our children, and passing much-deserved tax relief for families, small businesses, and farmers.

In a tragic example of irresponsible governance, the majority party has chosen to fund its own priorities at the cost of Social Security and drastic budget cuts in education, law enforcement, agriculture, and national security. It's time for Republicans to sit down at the negotiating table and put an end to the budget bickering. It's time for responsible government. Let's choose principle over politics, and let's pass a budget that doesn't short-change the American people.

RECOGNITION OF REV. ALFRED WALKER, JR., AND NEW HOPE BAPTIST CHURCH

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today in recognition of Rev. Alfred Walker, Jr., the 12th pastor of the historic New Hope Baptist Church in Dallas, TX.

Reverend Walker has served New Hope Baptist Church with unwavering faith. His fine tradition of spiritual guidance and community service is an inspiration to us all.

New Hope Baptist Church is blessed to have called Reverend Walker its pastor. Likewise, the Reverend was fortunate to serve a church with such a rich history.

New Hope has the distinction of being the first African-American church within the city limits of Dallas entirely organized and owned by African-American people. In the 1870's, Sisters Rainey, Robinson, Drake, Williams, Starke, Taylor, and Brother Jerry Taylor held regular prayer meetings. On July 27, 1873, these spiritual leaders organized their prayer band into a church. Many direct descendants of these pioneers continue to worship at New Hope.

In addition to its religious programs, the church has been a strong force in the community. New Hope sponsored one of the earliest African-American newspapers, and it has offered etiquette and public speaking classes to interested citizens. The church constructed the historic building at 919 Bogel Street, that became the center for cultural, political, and educational activities. Also, the first free public schools for African-Americans in Dallas were organized at New Hope Baptist Church.

Mr. Speaker, on behalf of the grateful congregation of New Hope Baptist Church, I commend Rev. Alfred Walker, Jr., for his dedication to the church and the community. I also commend Dallas' oldest African-American Christian Witness, New Hope Baptist Church, for 126 years of continuous community service.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

HONORING EULAH LAUCKS

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mrs. CAPPS. Mr. Speaker, today I rise to bring to the attention of my colleagues an extraordinary woman, who was honored by family and friends on October 22nd as she celebrated her 90th birthday in Santa Barbara, California.

Eulah Laucks has become a good friend and mentor to me, and I want to mention just a few of her many accomplishments. Eulah was born on October 23, 1909 in Goldhill, Nevada. After completing high school, she worked for six years at a Tuberculosis Sanitorium to pay for her own college education. Her hard work paid off and in 1933 she began her studies in journalism at the University of Washington. Eulah had a very successful college career and in 1936, during her last year in school, she traveled to Italy to study. Eulah soon became fascinated with the people and the turbulent changes in government that were taking place in Europe.

In 1942, Eulah married Irving Laucks, whom she met while working in the public relations department of the chemical analysis lab he owned in Seattle. In 1964 the Laucks moved to Santa Barbara. Irving soon began work as a consultant for the Santa Barbara Center for the Study of Democratic Institutions. When Irving left the Center, Eulah continued this important work, where she served on the board in 1966 with my husband, Walter Capps. Eulah's passion for knowledge and commitment to learning did not end in college or with her work at UCSB. In 1979 at the age of 70, she earned a Ph.D. in Family Studies. Her research culminated in a book, "The Meaning of Children in Contemporary America," which she published shortly after receiving her degree. In 1996, Eulah completed another book about her childhood memories in Nevada mining country.

Mr. Speaker, as impressive as any complete accounting of Eulah's life would be, it would not do justice to the long lasting and immeasurable contributions she has made in Santa Barbara. I find myself to be exceptionally fortunate to be a friend of Eulah Laucks. She is an incredibly progressive, strong willed, and independent person. Eulah was also very close to my husband, Walter Capps. I know that they often encouraged and supported one another in their faith and commitment to others. He valued her insight and wisdom immensely.

Eulah Laucks will continue to commit much of her energy to the values and ideals that she loves—the well-being of children, education for all, world peace, and protecting our environment. I am truly honored to represent Eulah Laucks in Washington and to incorporate her ideals in my work as a citizen representative.

TRIBUTE TO COMMUNITY SERVICE HONOREES OF THE JAPANESE AMERICAN CITIZENS LEAGUE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. MATSUI. Mr. Speaker, I rise in tribute to the Community Service Honorees of the Japanese American Citizens League. On Thursday, December 9th, the JACL will host a recognition dinner to honor these citizens' outstanding contributions to their community. I ask all of my colleagues to join with me in saluting this special occasion.

This year's first nominee for service to the Nikkei community is Midori Hiyama. A long time faculty member and head of the English Department at Sacramento City College, she is being recognized for many decades of service to the Sacramento Japanese American community in the academic field. Along with Henry Taketa and others, she built up the Sacramento JACL Scholarship Program to the largest such program at the chapter level.

Next, the JACL will honor Percy and Gladys Masaki. The late Percy Masaki and his wife Gladys have dedicated many years of service to the Sacramento JACL, especially during the early formation of the local chapter. Their contributions included providing many years of rent-free space and committing thousands of hours of volunteer time. Their volunteer efforts focused in the areas of coordination of community events and the publishing and distribution of the chapter newsletters.

Another esteemed honoree will be Shigeru Shimazu. Known simply as Shig, Mr. Shimazu is being honored for his forty years of invaluable service to the Sacramento Nikkei community. He has remained a consistently active and productive member of the Japanese American community. Although he is not always openly visible during his participation in community functions, his contributions during the past decades have been outstanding.

The Sacramento JACL would also like to recognize the contributions of the Union Bank of California. Union Bank will represent the corporate honoree at this year's Community Service Recognition Dinner. This financial institution has remained supportive of the JACL and many other Japanese American organizations in the entire state.

The contributions of the Union Bank of California have extended beyond the JACL to areas such as various churches, tanoshimi kais, the Asian Community Nursing Home, Sacramento Asian Pacific Chamber of Commerce, and public television's Channel 6. Their policy of service charge free accounts to all non-profit organizations has been appreciated.

In addition, Anne Rudin has been selected for recognition. The former mayor of Sacramento will be the only non-Nikkei honoree of 1999. She has been extremely active in the Japanese American community for the past three decades. Not only was she the first Honorary Chair of Matsuyama-Sacramento Sister City Corporation, but she has traveled to Japan several times as a delegate to the Japan-U.S. Mayors Conference and as a member of the Sacramento contingent to the Sister City conferences.

The last nominee of this year's banquet will be James Maddock and the Sacramento Bee. Mr. Maddock of the FBI and the Sacramento Bee (represented by Howard Weaver) are being nominated for their support during the recent arson attacks on three Jewish synagogues. Because of their intensive and active support during the aftermath of these terrible events, the citizens of the Sacramento area have rallied together in opposition to such hate crimes.

Mr. Speaker, as these exceptional people and organizations are honored by the Japanese American Citizens League, I am proud to give my heart-felt endorsement. These people and organizations have all contributed immensely to the betterment of the Japanese American community in Sacramento. I ask all of my colleagues to join with me in wishing the honorees and the JACL continued success in the future.

PAYING TRIBUTE ON THE 11TH ANNIVERSARY OF PATIENT RECOGNITION DAY

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. CROWLEY. Mr. Speaker, on October 7, 1999, for the 11th year in a row, the Board of Visitors of the Bronx Psychiatric Center held its "Patient Recognition Day."

This day recognizes those who have significantly progressed on the path toward eventual discharge back to the community, and have made a positive impact on the lives of their peers in their wards.

The dedication of the professional staff at Bronx Psychiatric Center has contributed to the recovery process of the patients by putting great care and pride in their work.

The family and friends of the patients who lend so much support and understanding are also recognized, but the greatest honor is reserved for the patients who, in having trusted and worked with the staff, have made great strides on their journey towards recovery.

Mr. Speaker, in honor of the 11th anniversary of Patient Recognition Day at the Bronx Psychiatric Center, I would like to recognize Samuel Lopez, the President of the Board of Visitors, as well as Sylvia Lask, Nellie Neazer, and Richard Somer who oversee the center, as well as the patients.

HONORING MICHAEL BERRY ON HIS RETIREMENT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. DINGELL. Mr. Speaker, today I rise to honor and congratulate a very close friend as he marks the close of a very significant chapter of his life: practice law.

Michael Berry has served as a model of community leadership throughout his career as an attorney and public servant, and he is fully deserving of the tribute to be given this Friday in Dearborn, Michigan.

Earlier this year, Michael ended the 45-year existence of his law firm, Berry, Francis, Seifman, Salamey and Harris. During these years, Michael represented a wide variety of clients, while becoming involved in a myriad of business, civic, legal and political organizations. His participation in literally scores of activities demonstrates Michael's long-standing commitment to making his community a better place to live, work and raise a family.

Michael served as a Wayne County Public Administrator from 1956–78, and for 15 years as a Member and Chairman of the Board of the Wayne County Road Commission. Having helped build the infrastructure for one of the nation's largest counties, the county rightfully designated Detroit Metropolitan Airport's international terminal in Michael's name, a designation which was particularly fitting given Michael's family heritage as a Lebanese-American.

Throughout my service in Congress, Michael has been a leader among leaders in southeast Michigan's Arab-American community. As such he has devoted countless hours toward improving the lives of Arab-Americans across the nation, and building bridges of understanding between Americans of Arab descent and those of us with other ethnic roots. A Life Member of the NAACP, Michael serves today as an Executive Board Member of the American Task Force for Lebanon. He also has served as a Director of the Greater Round Table of the National Conference of Christians, Muslims and Jews. If one wonders whether Michael's participation and advocacy have had an impact, I need only point to the growing influence today of Arab-Americans in nearly every sphere of our lives, in government, education, business and trade, literature and the arts, and politics.

Mr. Speaker, as Michael's many friends prepare to gather to celebrate this many accomplishments on behalf of his community and country, I wanted to share with my colleagues just how much Michael's service and friendship have meant to me. As a past Chairman of the 16th District Democratic Party for four terms, Michael has been active in Michigan politics for more than 40 years. Throughout this period, Michael has been a true and loyal friend and someone I could trust to give me good advice about everything from transportation policy to the current politics of Lebanon and other parts of the Middle East. His knowlege and insight have been invaluable to me in representing Michigan's 16th Congressional District in the U.S. House of Representatives. I wish him and his fiancee, Cindy Hanes, every happiness as Michael prepares to turn yet another new page on a successful life.

INTRODUCTION OF THE PREVENTION OF SEXUAL MISCONDUCT BY CORRECTIONAL STAFF ACT

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Ms. NORTON. Mr. Speaker, today I introduce the Prevention of Sexual Misconduct by Correctional Staff Act, a bill to protect female inmates from sexual misconduct while incarcerated in our nation's prisons. This bill follows a GAO investigation that I requested of the three largest prison systems—the federal Bureau of Prisons, the Texas Department of Criminal Justice, and the California Department of Corrections and, in addition, the District of Columbia, (1995–1998). I asked GAO to investigate these jurisdictions because they house one-third of the nation's 80,000 female inmates, and, therefore, are likely to reflect the range of problems women in prison face.

The treatment of women incarcerated cries out for remedies. Let me summarize some of the most important findings in the GAO report:

1. The full range of civil and criminal sexual misconduct and abuse was found: rape, improper touching, inappropriate visual surveillance, verbal harassment, and consensual sex, which is a crime when correctional personnel are involved.

2. None of the four jurisdictions had readily available or comprehensive information that would allow them to effectively prevent and address sexual misconduct. Since jurisdictions do not collect and examine even basic information, such as the number, nature, and outcomes of sexual misconduct allegations, it is no wonder that they do little to prevent them. When attempts to track the abuse have been made, they often have been useless or dangerously incompetent. For example, the federal Bureau of Prison's (BOP) tracking system does not break down allegations of non-criminal sexual misconduct, such as indecent language from other allegations BOP classifies as "unprofessional conduct." The District of Columbia had no information on allegations.

3. Only 41 states specifically punish criminal sexual misconduct by corrections personnel, and eight states treat sexual abuse by corrections officials as only a misdemeanor. Although the four jurisdictions studied have criminal laws against sexual misconduct by corrections personnel, only BOP reported prosecutions with convictions (14 prosecutions: rape, consensual sex with an inmate, and sex for money).

4. The GAO reports that, "Many correctional experts believe that the full extent of staff-on-inmate misconduct is likely underreported nationally due to the fear of retaliation and the vulnerability felt by female inmates." Nevertheless, 506 reported allegations of sexual misconduct were made in the past three years in the four jurisdictions. Only 18% were sustained. Most of the sustained allegations resulted in resignations or terminations. What ordinary citizens go to jail for, corrections personnel often can walk away from if they are willing to leave the job.

5. Civil liability can be expected to mount if states do not substantially and immediately improve their efforts to illuminate sexual abuse. A $500,000 settlement paid by the BOP to three women in a suit alleging rape, being sold by guards for sex, and beatings are the tip of the iceberg.

6. States have primary responsibility for the conduct of their own correctional staff, but the federal government is deeply implicated or complicit in two ways: (a) sexual abuse by guards, who have complete authority over inmates and are charged with their incarceration, often rises to the level of constitutional violations; and (b) the federal government gives financial assistance to state prison systems and therefore must be seen to condone constitutional violations in the face of this report unless appropriate requirements are attached to federal assistance.

The Prevention of Sexual Misconduct by Correctional Staff Act I introduce today responds to the specific issues uncovered by the GAO report. It provides mandatory sexual harassment and abuse awareness training for prison officials and staff, establishes a system for women inmates to report abuses by correctional staff, creates a reporting system for submission to the states' attorneys general so that they can detect patterns of abuse, establishes a mechanism by which allegations of sexual misconduct can be investigated, and requires that each state have criminal penalties that explicitly prohibit custodial sexual misconduct by correctional staff. This bill provides that each state submit reports on the compliance of the state to the U.S. Attorney General.

Women inmates should not be made to feel that sexual abuse and harassment is part of their sentence. I ask for your support to put an end to this violence against women.

GIRLS TOWN RECREATIONAL CENTER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. SKELTON. Mr. Speaker, let me take this opportunity to recognize Mr. and Mrs. Joe Scallorns, of California, MO. Over the years, Fran and Joe have worked for the betterment of their community and of the State of Missouri. They have contributed countless hours to improve the lives of many Missourians and they have dedicated themselves to public service.

Recently, Fran and Joe donated the money for the construction of a new recreational center at Missouri Girls Town. It was named in honor of the Scallorns and their selfless contribution to the institution and the young ladies who reside therein. On October 2, 1999, the Scallorns Recreational Center was dedicated and Joe addressed those in attendance. His speech is set forth as follows:

> We are here today for a dedication of this wonderful structure. Fran and I are a little embarrassed about the fact that it bears our name. Most people don't see their name cast in bronze or in stained glass. In most cases when a building is named it is for someone deceased. On those occasions, friends gather and say some nice things about the "dearly

departed". On those other occasions in which the persons are still living, they are invited to make a few remarks. I can't tell you how happy I am to be here before you today.

We are here as a result of our lead gift for this recreation center. That was possible because we are living the American dream. From a very modest beginning of our marriage, we have worked hard, been lucky, and have enjoyed the encouragement and support of family and friends, many of whom are here today. We were fortunate enough to own our own business, sell it, and retire early. We do live in the greatest nation on Earth that is truly good and provides many opportunities.

Fran and I are so pleased to be a part of this great effort. We have been inspired and encouraged by the leadership of the Marshes, Ann K., the McClains, Isabelle Bram, and others in sharing their time and resources with the needs of the girls here. We are pleased and proud to be able to do this and hope that this might influence and encourage others to support Girlstown as much as they can.

We are particularly pleased that our gift was for the recreation center. Sports play such an important part in all our lives, but especially in the development of young people. Not only is this the largest structure on the campus, beautifully designed, and well built although it is all those things; but it is perhaps an apt symbol of what we try to teach all our children—those at home and those here.

Sports teach us that we get along better in life if we learn to play by the rules. Wherever we are in our society, we learn that there are certain expectations of behavior. There are rules in the workplace, rules of the road and rules of personal demeanor and behavior. The sooner we learn to take responsibility for our actions by respecting and abiding by those rules, the better we are able to get along.

Sports, whether recreational or competitive, teach us to do our best. Coaches in any sport certainly know the fundamentals of the game they are playing, but what makes a great coach is having the ability to motivate others to do their very best. If these young ladies can learn to motivate themselves to improve at whatever they are doing—to strive to do their best at every endeavour, that may be the best tool for the building of character. Those that spend their lives looking for happiness seldom find it. If they spend their lives pursuing excellence, they can lead productive and rewarding lives.

The other great lesson that sports will teach us is teamwork. Once we learn to depend on others and let them depend on us, then achievements multiply. There are very few efforts that don't improve geometrically as we approach them as a team. The results of teamwork are always greater than the sum of the individual efforts of those involved. It is through working and giving together, to the best of our abilities, that we are able to build this campus, continue to improve it, and continue to add to it.

A group of girls once gathered for their annual hike in the woods. Taking off at sunrise, the group commenced a fifteen mile trek through some of the most scenic grounds in the country. About midmorning, the girls came across an abandoned section of railroad track. Each in turn, tried to walk the narrow rails, but after only a few unsteady steps each lost her balance and fell off.

Two of the girls, after watching one after the other fall off the iron rail, offered a bet to the rest of the group. The two bet that they could both walk the entire length of the railroad track without falling off even once.

The others laughed and said "no way". Challenged to make good on their boast, the two girls jumped up on the opposite rails, simply reached out and held hands to balance each other and steadily walked the entire section of the track with no difficulty.

How easy it was, simply by working together as a team. When people help each other, freely and voluntarily, there is a spirit of teamwork that can conquer a multitude of problems. When we don't cooperate, the whole system can fall apart.

So remember: play by the rules, do your best, reach out—and never quit holding hands.

COMMON SENSE PROTECTIONS FOR ENDANGERED SPECIES ACT OF 2000

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. YOUNG of Alaska. Mr. Speaker, today we introduce the Common Sense Protection for Endangered Species Act of 2000. My efforts to improve and update the Endangered Species Act date back over my entire 26 years of service in the House of Representatives. The Endangered Species Act or the ESA, was originally adopted in 1973, with the goal of protecting those species of fish, wildlife and plants that were in danger of extinction. However, over the last 26 years the ESA has gotten off course. It is now in danger of foundering in a sea of bureaucratic abuse and misuse.

The Committee on Resources has held over 25 hearings on the impacts of the Endangered Species Act since I became the Chairman. We have heard hundreds of witnesses testify regarding the misuse of this law for purposes that have nothing to do with protecting wildlife. We know that there are 1,197 U.S. species listed as endangered or threatened, yet no species has recovered due to actions taken under the Endangered Species Act. The ESA is a failure, when it is judged solely on the basis of the number of species recovered and it is a failure when you realize that it punishes those private property owners who do the most to protect wildlife on their property. We need to turn this failure into a success story and we can do that through the application of some basic common sense principles.

First, we need to return more authority and responsibility for wildlife protection back to the states. The states have primary responsibility for wildlife and plants within their borders. The states have done the best job of managing their own wildlife. State programs to restore depleted species of game through good scientific management have been a resounding success. Species such as wild turkey, deer, elk, mountain lions, bear, and countless others managed by the states are becoming so plentiful that their numbers are now considered too plentiful in some areas.

Almost every state has its own endangered and threatened species program. Most of the states are doing a better job than the federal government at protecting endangered species and they are doing it in a common sense fashion, unlike some of our federal agencies. However, we seem to be imposing the greatest number of federal resources in those states that have had the best endangered species programs. The State of California, under the leadership of former governor Pete Wilson, developed an endangered species program that is as stringent as the federal program and is the best funded state ESA program in the country, yet we have spent more federal ESA funds in California than in any other state. We need to insure that our scarce federal resources are used in those areas that need federal help—not in those states that are doing a good job. Let's stop duplicating the state's good work and let them do what they do best—manage their own wildlife.

Second, it is absolutely imperative that when a new species is added to the list of endangered and threatened species, that the science used to justify that listing is accurate and adequate. We need to improve the quality of the scientific data used to list species. We can only do that by requiring the agency to use good science, not just whatever science happens to be available at the time a petition is received to list a species. When a species is listed that is not really endangered or threatened with extinction, there are severe economic consequences for local communities and for affected private property owners. This should be avoided through the use of well-founded science.

Thirdly, we need to be fair to landowners who are affected by the listing of endangered species. Most endangered species are found on private lands. Private landowners need to be given incentives and rewards for protecting endangered and threatened species. Unfortunately, the ESA has been used against landowners to deprive them of the right to use their own property and to demand both land and money from affected landowners. The federal agencies that administer the ESA have been given extraordinary powers which they are using to force landowners to set aside "in perpetuity", huge amounts of privately owned lands that can only be used for one purpose—the protection of the public's wildlife and plant species. This type of treatment only discourages other landowners from providing habitat for wildlife.

We need to guarantee the public's right to know what the federal government is going to require for the protection of endangered species. The public and affected landowners should be included at every step in the process and should have a right to be heard and to have their questions answered about what kinds of new regulations the government may be proposing.

Fourth, we need to insure that when federal agencies' activities affect endangered species that the species are protected, but also those agencies need to fulfill their primary missions. We have seen examples of our military unable to prepare for the national defense because of the presence of endangered species on military lands. Flood control projects are delayed over many years resulting in ever increasing damage from floods. Much needed roads, bridges, and other transportation projects are stopped or delayed. Entire forests are closed to harvesting while timber workers are left unemployed. The list goes on and on.

We must insure that the government keeps its promises to private property owners. The Fish and Wildlife Service has issued over 250 permits to various landowners for the use of their property. We need to insure that the federal government does not ignore those permits and demand even greater amounts of land and money in the future during the term of those agreements.

Fifth, we must recover the populations of species and then be sure they are taken off the lists of endangered species. Under the current ESA, the federal agencies list species and then never remove them from the lists even when their populations increase dramatically. This is unacceptable. The federal government must work with the local community and affected landowners to develop workable recovery plans for species. The federal government must then keep its word to delist species when the communities make concessions to recover species.

Our bill, the Common Sense Protections for Endangered Species Act of 2000 would bring back basic common sense solutions to help achieve all these goals. It would:

1. Improve the listing process by involving and relying upon the expertise of States.

2. Improve petitions and listing investigations and insure greater public participation in the listing process.

3. It would require the use of peer reviewed science to support the listing of species.

4. It would reduce conflicts and economic dislocation caused by federal agency shut downs and provide deadlines for agency decision making. It would insure that agencies fulfill their missions and provide a faster and surer method of resolving conflicts between agencies. It would insure that public safety will be protected.

5. It would allow affected citizens a full opportunity to participate in consultations; discuss the impacts of a biological opinion and any proposed alternatives, receive information on the biological opinion; and receive a copy of the draft biological opinion prior to its issuance.

6. It would prevent abusive and excessive demands on private landowners for their land and money as a condition of getting an ESA permit from the federal government and require reasonable deadlines for making permit decisions. It would insure that conservation agreements are binding on all parties to the agreement.

7. It would make recovery planning an inclusive process and would allow the Secretary to delegate to the states the development and implementation of recovery plans. Designation of critical habitat would become part of the recovery process. It would insure that recovery results in the delisting of species.

While I would personally prefer to make even more improvements in the ESA, I feel that these changes will be a good first start toward bringing back a common sense and reasonable approach to our federal government's efforts to recover species. I fully support protecting the rights of private property owners and believe that you can't protect wildlife unless you protect property owners. I also recognize that in order to achieve any goal, you have to take a first step. This is our first step toward Common Sense Protections for Endangered Species.

COMPREHENSIVE ANTI-TRAFFICKING IN PERSONS ACT OF 1999

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. GEJDENSON. Mr. Speaker, I rise to introduce the Comprehensive Anti-Trafficking in Persons Act of 1999, legislation to combat trafficking in human beings, a form of modern day slavery. Thirty-four Members of Congress are original co-sponsors of this bill. I commend my colleagues for lending their bi-partisan support to this legislation, which seeks to combat in the United States and countries around the world one of the worst human rights violations of our time.

More than one million people, predominantly women and children, are trafficked around the world each year. U.S. Intelligence Agencies estimate that 45–50,000 women and children are trafficked annually into the United States, primarily from the Former Soviet Union and Southeast Asia.

Trafficking networks, dominated by organized criminal groups, lure or force victims into the industry using various schemes. Traffickers buy young girls from relatives, kidnap children from their homes, or allure women with false promises of earning money overseas as dancers, maids, factory workers, sales clerks or models. Traffickers then use tactics including rape, starvation, torture, extreme physical brutality and psychological abuse to force victims to work under slavery-like conditions as prostitutes, in sweatshops, or as domestic servants.

Trafficking in human beings is a multi-billion dollar industry that is growing at an alarming rate. Consequently, the United States must act now to combat all forms of trafficking and protect and assist trafficking victims. This legislation employs a domestic and international approach to this effort because we cannot stop trafficking into the United States if we do not address the root causes of this phenomenon in countries around the world.

The Comprehensive Anti-Trafficking in Persons Act of 1999 strengthens prosecution and enforcement tools against traffickers operating in the United States and expands existing services to meet the needs of domestic trafficking victims. This legislation also works through our international affairs agencies to help other countries prevent trafficking, protect victims, and enforce their own anti-trafficking laws. The bill creates an Inter-Agency Task Force to Monitor and Combat Trafficking, comprised of cabinet level members and chaired by the Secretary of State, and requires expanded coverage on trafficking in the annual Country Reports on Human Rights Practices. Finally, this legislation establishes a humanitarian, non-immigrant visa classification for trafficking victims in the United States and gives the President discretionary authority to impose sanctions against countries and individuals involved in trafficking.

Please join me and my colleagues in supporting the Comprehensive Anti-Trafficking in Persons Act of 1999.

THE SITUATION IN ARMENIA

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. MEEHAN. Mr. Speaker, I am shocked and deeply saddened by the brutal assassinations of top Armenian officials this morning, as well as the continuing hostage crisis currently taking place in the Armenian Parliament. My heart goes out to the families of the victims and to all Armenians. We must not permit these senseless acts to hinder the progress made by Prime Minister Sarkisian and his late colleagues in furthering democracy in Armenian. In the face of these unspeakable atrocities, the United States must reaffirm its commitment to supporting the Republic of Armenia in her pursuit of a lasting democracy and enduring peace.

INTRODUCTION OF THE AGRIBUSINESS MERGER MORATORIUM ACT

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. POMEROY. Mr. Speaker, I rise today to introduce the Agribusiness Merger Moratorium Act of 1999. I am honored to have Judiciary Committee Member TAMMY BALDWIN and my colleague on the Agriculture Committee, DAVID MINGE, join me as original cosponsors of this important legislation. Our legislation is very similar to the Senate legislation that was introduced recently by Senators WELLSTONE, DORGAN, HARKIN, and DASCHLE.

Unfortunately, the agriculture sector of our economy has experienced rapid consolidation, disrupting the competitive dynamic of the market place. Today, concentration is more prevalent than ever in agriculture as we have observed with the recent acquisitions of Continental Grain by Cargill and the Smithfield Foods merger with Murphy Family Farms. For example, if the proposed acquisition of Continental Grain by Cargill is allowed with the divestitures set forth in the proposed consent decree, Cargill will handle more than 25 percent of the all of the Nation's export markets.

To illustrate the degree of concentration in agriculture processing, in 1999, 80 percent of beef cattle are slaughtered by only four meat packers, 75 percent of sheep are processed by only four firms, and 60 percent of hogs are slaughtered by only four firms. At the same time concentration has been drastically increasing, a farmer's share of every food dollar spent decreased from 37 cents to 23 cents from 1980 to 1998.

The Agribusiness Merger Moratorium Act of 1999 is a short-term legislative response to the rapid consolidation that I have described. This legislation would establish an 18-month moratorium on mergers and acquisitions by large agribusinesses. It would create a commission to determine whether concentration in the agriculture industry has reached a point where market competition can no longer be counted on to get family farmers and ranchers a fair price for the products they produce.

The moratorium would apply to any proposed merger and acquisition that involves at least one firm with annual net revenues or assets of more than $100 million and another firm with assets of at least $10 million. Agricultural cooperatives would be exempted from this legislation.

Clearly, this legislation is only a short-term response. The long-term solution is enforcement and strengthening of our antitrust laws. But, with the current dire economic conditions farmers and ranchers across the United States are facing, we, as Federal lawmakers, must provide immediate action.

Mr. Speaker, as we enter the new millennium, it is ironic that Congress faces the same challenges our colleagues faced 100 years ago. To paraphrase one of North Dakota's favorite adopted sons, our Nation's 26th President Teddy Roosevelt, "We must carry a big stick to return fairness and freedom to the marketplace." The Agribusiness Merger Moratorium Act of 1999 is a step in that direction.

TRIBUTE TO JAMES PATRICK (PAT) GODWIN, SR.

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. ETHERIDGE. Mr. Speaker, I rise today to honor a great North Carolinian, Mr. James Patrick (Pat) Godwin, Sr. Mr. Godwin recently received the Distinguished Service Award of the Occoneechee Council of the Boy Scouts of America. Pat has been a leader and advocate of scouting in my home state of North Carolina, and I am proud to call him my friend. He has touched many lives in our community through the generous support he gives to our young people.

Mr. Godwin is the owner of Godwin Manufacturing Inc. in Dunn, NC. His truck body manufacturing business began in his backyard in 1966 and is one of the largest truck body builders in the United States. He has been featured in two national publications, yet he remains a humble man who continues to serve his community through his church and other charitable organizations.

I am honored to join The Occoneechee Council in saluting Mr. Godwin for Exemplary Public Service and Lifelong Fidelity to the Scouting Creed of Service to the Community. I congratulate him on his much deserved Distinguished Service Award.

IN CELEBRATION OF RED RIBBON WEEK

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. McCOLLUM. Mr. Speaker, on Thursday, February 7, 1985, Enrique "Kiki" Camarena stashed his DEA badge and his service revolver in his desk drawer and headed for a lunch date with his wife. Kiki, a Drug Enforcement Administration agent, had been in Mexico for 4½ years on the trail of Mexico's marijuana and cocaine barons. He was due to be reassigned in three weeks, having come dangerously close to unlocking a multibillion-dollar drug pipeline, which he suspected extended in the highest reaches of the Mexican army, police and government.

As Kiki was about to get into the cab of his truck, five men appeared and shoved him into a car, threw a jacket over Kiki's head and sped away. Kiki Camarena's body was found 1 month later in a shallow grave 70 miles from Michoachan, Mexico. He had been tortured, beaten and brutally murdered.

This week, Oct. 23–31, we celebrate Red Ribbon Week. Red Ribbon Week is a time to commemorate the death of Kiki Camarena and for communities to come together to reinforce a drug-free message. The red ribbon, which I am wearing, has become a symbol to eliminate the demand for drugs, and the National Family Partnership's Red Ribbon Campaign is designed to create community awareness concerning drugs, alcohol, and tobacco.

It is estimated that 80 million people participate annually in Red Ribbon Week. In order for the Red Ribbon Week message to be effective in communities, it must be recognized and reinforced across as many sectors of the community as possible—schools, businesses, parents, churches, law enforcement, doctors, government, social service organizations, etc. Red Ribbon Week provides an important opportunity for everyone in the community to use their unique skills and talents to deliver a drug-free message.

All of us want to make our communities healthier, safer and drug free for our children to grow up in. During this week may we join together and remember those officials like Kiki Camarena who have given their lives in order to fight the war on drugs. And may we mobilize our communities to prevent problem behaviors before they start, so that we help create a brighter, healthier and drug-free future for our children and for the 21st century.

IN HONOR OF HEAD START AWARENESS MONTH AND THE NATIONAL HEAD START ASSOCIATION

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 27, 1999

Mr. MARTINEZ. Mr. Speaker, since its establishment on May 18, 1965, Head Start has provided comprehensive health, education, nutritional and social services to over 17 million children and their families. Today, the program includes more than 835,000 children, 167,130 staff, and 2,051 Head Start grantees and delegate agencies nationwide.

October 1999 has been designated as Head Start Awareness Month. I rise today to join with everyone in the more than 48,000 Head Start classrooms who celebrate the success of Head Start everyday.

With next year's 35th anniversary of Head Start we will all have an opportunity to join together to promote the continued quality, comprehensiveness, and accountability of the program which has given it the staying power to improve the lives of low-income children and families.

The program also has an impact on child development and day care services; the expansion of state and local activities for children; the range and quality of services offered to young children and their families; and the design of training programs for those who staff such programs. Outreach and training activities also assist parents in increasing their parenting skills and knowledge of child development.

With the bipartisan reauthorization of the program in 1998, we embarked upon a new era for Head Start. Increased professional development, research into the long-term benefits of the program, outcome measures and program accountability, and an expansion of Early Head Start were but a few of the changes in the law. Progress is already being made.

In the days ahead, Congress will likely be considering legislation to provide a significant part of the resources needed to make good on the promise of last year's reauthorization.

Our partner in that reauthorization process and a critical element of delivering on the promise is the National Head Start Association. Representing the program's 835,000 children, 167,130 staff, and 2,051 Head Start grantees and delegate agencies nationwide, NHSA provides training tools and policy guidance in a manner which makes the program more effective and most responsive to the needs of America's low-income children and families, I am honored to join with the Association in celebrating Head Start Awareness Month—October 1999.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, October 28, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 29

10 a.m.
Foreign Relations
To hold hearings on the nomination of Joseph R. Crapa, of Virginia, to be an Assistant Administrator of the United States Agency for International Development; Willene A. Johnson, of New York, to be United States Director of the African Development Bank; and Alan Phillip Larson, of Iowa, to be Under Secretary of State (Economic, Business and Agricultural Affairs).
SD-419

NOVEMBER 2

9:30 a.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the recent announcement by President Clinton to review approximately 40 million acres of national forest lands for increased protection.
SD-366

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the World Trade Organization, its Seattle Ministerial, and the Millennium Round.
SD-538

Judiciary
To hold hearings to examine public interests concerning government lawsuits.
SD-226

Foreign Relations
To hold hearings on pending nominations.
SD-419

2 p.m.
Judiciary
Administrative Oversight and the Courts Subcommittee
To hold joint oversight hearings with the House Committee on the Judiciary's Subcommittee on Commercial and Administrative Law on bankruptcy judgeship needs.
2141 Rayburn Building

Foreign Relations
To hold hearings on the nomination of Charles Taylor Manatt, of the District of Columbia, to be Ambassador to the Dominican Republic.
SD-419

3 p.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings to examine extremist movements and their threat to the United States.
SD-419

NOVEMBER 3

9:30 a.m.
Armed Services
To hold hearings on lessons learned from the military operations conducted as part of Operation Allied Force, and associated relief operations, with respect to Kosovo.
SH-216

10 a.m.
Governmental Affairs
Business meeting to consider pending calendar business.
SD-628

Environment and Public Works
Fisheries, Wildlife, and Drinking Water Subcommittee
To hold hearings to examine solutions to the policy concerns with respect to Habitat Conservation Plans.
SD-406

10:30 a.m.
Foreign Relations
Business meeting to consider pending calendar business.
S-116, Capitol

2:30 p.m.
Foreign Relations
International Operations Subcommittee
To hold hearings to examine issues in promoting United States interests.
SD-419

NOVEMBER 4

9:30 a.m.
Indian Affairs
To hold joint hearings with the House Committee on Resources on S. 1586, to reduce the fractionated ownership of Indian Lands; and S. 1315, to permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease.
Room to be announced

Armed Services
To hold hearings on the nomination of Alphonso Maldon, Jr., of Virginia, to be an Assistant Secretary of Defense; and the nomination of John K. Veroneau, of Virginia, to be an Assistant Secretary of Defense.
SR-222

10 a.m.
Aging
To hold hearings on certain initiatives to improve nursing home quality of care.
SD-562

HOUSE OF REPRESENTATIVES—*Thursday, October 28, 1999*

The House met at 10 a.m.

The Reverend Luke E. Torian, First Mount Zion Baptist Church, Dumfries, Virginia, offered the following prayer:

God of our Nation and savior of the world, I thank Thee that Thou has blest our land. I thank Thee for the leaders You have raised up to guide our republic. In a climate of natural disaster and the desire for harmony among the citizenry, I pray that You will grant wisdom, courage, and strength to those of this elected body. Realizing the intent of this House is to honor our tradition, maintain our freedom, and grow our Nation's prosperity, may every Member undertake each task with soundmindedness, enlightenment, and commitment. May this body be highly favored by You and sustained by Your grace and mercy. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California (Mr. GARY MILLER) come forward and lead the House in the Pledge of Allegiance.

Mr. GARY MILLER of California led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

> H.R. 2112. An act to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiforum civil actions.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The gentleman from Virginia (Mr. DAVIS) will be recognized for 1 minute and then there will be 15 one-minutes on each side.

WELCOME TO THE REVEREND LUKE E. TORIAN

(Mr. DAVIS of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Virginia. Mr. Speaker, I am honored to welcome our guest chaplain and my constituent, the Reverend Dr. Luke Torian, to the House of Representatives this morning.

Dr. Torian is the inspirational pastor of the First Mount Zion Baptist Church in Dumfries, Virginia, located in Prince William County in my district. I have had the great pleasure of hearing this man of God deliver dynamic messages on more than one occasion at his church. He has a Bachelor's Degree from Winston-Salem State University, North Carolina, a Master's from Virginia Union University and a Doctorate from Howard University in Washington, D.C.

In the past 20 years, as a dutiful shepherd in the ministry of his community, his service includes Mount Bethel Baptist Church, Roxboro, North Carolina; Gilfield Baptist Church in Charles City, Virginia, and present location, First Mount Zion Baptist Church in Dumfries, Virginia. He is married to the former Clarice Jones of Charlottesville, Virginia, and they are the proud parents of a 9-year-old daughter, Constance.

No stranger to Capitol Hill, he was a congressional staffer in the mid-1980s. On behalf of the entire House of Representatives, I ask my colleagues to join me in thanking Doctor Luke Torian for starting our legislative day in prayer with an inspirational message.

COMMUNICATION FROM THE HONORABLE DICK ARMEY, MAJORITY LEADER

The SPEAKER pro tempore (Mr. SHAW) laid before the House the following communication from the Honorable DICK ARMEY, Majority Leader:

HOUSE OF REPRESENTATIVES,
Washington, DC, October 27, 1999.

Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 1404 of Public Law 99–661 (20 U.S.C. 4703), I hereby appoint the following individual to the Barry Goldwater Scholarship and Excellence in Education Foundation: Mr. Bob Stump, Arizona.

Respectfully,

DICK ARMEY,
Majority Leader.

REPUBLICANS ARE PROTECTING SOCIAL SECURITY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, for 30 years, the liberal Washington big spenders have mortgaged America's future. For 30 years they have raided Social Security to pay for more and bigger government programs. The Washington big spenders have put big government programs ahead of retirement security for hardworking Americans. Thankfully this Republican-led Congress has changed that. We have put the Social Security surplus in a lockbox and we are not spending a dime of it.

I would ask our Democratic leadership colleagues on the other side to once and for all stop the raid on Social Security, stop throwing away taxpayers money on wasteful, government programs. This country must move forward with a responsible and balanced fiscal budget.

Republicans are holding a Federal Government spring cleaning today. We are getting rid of the unnecessary and redundant programs, we are peeling back the layers of bureaucracy and we are throwing out the President's request to raise taxes and spend more money on wasteful government programs. To the Democratic leadership, I ask for the sake of America's future that you join with Republicans and stop the raid on Social Security and protect our fiscal household.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

REGARDING TRAGEDY IN ARMENIA

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, our hearts go out today to the families of Prime Minister Sarkisian, Speaker Demirchian and all of those who lost their lives yesterday in the violent attack in Yerevan. And we join with freedom-loving peoples throughout the world in expressing solidarity with President Kocharian and the Armenian people as they continue to promote democracy in their great country.

Mr. Speaker, if the forces of violence think they are going to reverse what happened in September of 1991, they are sadly mistaken. I was in Armenia on its independence day. I watched in awe as 95 percent of all the people over the age of 18 went out and voted. I watched them stand in line for hours to have that opportunity which had been denied to them for so long. Their spirit is strong. They shall not be deterred. The dream shall never die.

Ketse azat ankakh hayastan. Long live free and independent Armenia.

REPUBLICANS WILL NOT STEAL FROM SOCIAL SECURITY

(Mr. GARY MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY MILLER of California. Mr. Speaker, the Democrat leaders' strategy seems to be to obstruct and delay the budget process. According to Monday's Roll Call newspaper article, Democrat Leader GEPHARDT is telling Members not to support appropriations bills even if they are the product of bipartisan negotiations.

Why would the gentleman from Missouri oppose Democrats and Republicans working together to finish the people's business? What benefit is there in this strategy? Who does the gentleman from Missouri represent when he says do not work with Republicans, do not pass appropriations bills, do not get anything done? This is not what the constituents of my district and the American people want. They want us to pass a balanced budget without raiding Social Security.

Mr. GEPHARDT, please abandon the strategy of gridlock and delay and instead join us in finishing a budget that does not steal from Social Security.

MESSAGE ON REPUBLICAN BUDGET BILL

(Mr. MENENDEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, on the eve of Halloween, Republicans have many tricks to play on the American people but no treats, and it starts with today's Labor-HHS vote. This bill does not extend the life of Social Security even by one single day. In fact, Republicans, that is why the gentleman from Missouri (Mr. GEPHARDT) does not want to support some of these bills because you have already spent $17 billion of Social Security surplus through your appropriation process.

This bill fails to provide one penny for a Medicare prescription drug benefit, and this bill only does things that ultimately hurt every American family in some real way. Just like your trillion-dollar tax cut would have saddled our children with a huge debt without extending the life of Social Security and Medicare or making investments in education. And the final trick included in this bill is a 1 percent across-the-board cut that deals a blow to those struggling with diabetes when we cut the National Institutes of Health or to the child in my district walking into an overcrowded classroom.

Let us give the American people a real treat by voting against this bill, a bill that does nothing for Social Security, nothing for Medicare and hurts every American family.

IBERO-AMERICAN SUMMIT

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, our allies in the hemisphere are raising their voices on behalf of freedom and democracy on the enslaved island of Cuba. The Presidents of El Salvador, Nicaragua, Argentina, Chile, and Costa Rica have announced that they will not be attending the Ibero-American summit to be held this month in Cuba. They do not want to legitimize the subjugation of the Cuban people any longer.

In his announcement, in fact, President Rodriguez of Costa Rica emphasized that "the Ibero-American summit is an act of profound political meaning in which the consolidation of the democracy and political development of our countries should always be promoted together with the full respect of human rights." He referred to his September letter to Castro where he stated that far from becoming better, the situation of human rights and democracy has actually worsened in recent months in Cuba.

May the other democratic leaders invited to the summit also find the courage to acknowledge the truth and support the Cuban people and not their oppressor.

DEMOCRATIC PLAN PROTECTS SOCIAL SECURITY

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, my constituents are perplexed. At the beginning of this session both Democrats and Republicans talked about how important it was to protect Social Security. Now we have the last appropriation bill being considered today and the Republican record is in. The Republican partisan budget uses gimmicks such as a 13th month and directed scorekeeping to spend Social Security money, even though they would say that they are not. They propose large tax cuts that clearly jeopardize our ability to meet our obligations under Social Security, and at the end of the day they have not extended the life of Social Security even one day.

The President has submitted a plan that Democrats support that would extend the Social Security system by at least 16 years. If we all agree that Social Security is so important, that it is keeping our seniors out of poverty and giving them a decent opportunity within our community, then why are we not working in a bipartisan way to get a realistic budget that will really protect Social Security?

REPUBLICAN PLAN PROTECTS SOCIAL SECURITY

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, is there a single American who believes that government waste, fraud and abuse does not really exist? I do not think so. Examples of misuse of the taxpayers' hard-earned money are far too plentiful. Just ask the 26,000 dead people who received food stamps in a single year. Or ask the folks in Russia who got to enjoy Ben & Jerry's ice cream at the expense of the American taxpayer. Or ask the defense contractor who charged the Pentagon $714 for an electric bell that I could have bought at Lowe's hardware for $46. Mr. Speaker, I could go on, but my point is simple. The Republican plan to take one cent, this is one penny, one cent of every dollar of the Federal bureaucracy is not only responsible, it is necessary.

□ 1015

I find these misuses of taxpayer money outrageous. What makes them more outrageous is the Federal Government has been raiding Social Security for 30 years to pay for this kind of thing. One penny, 1 percent. Believe me, there is at least that much fat in every bureaucracy that can be eliminated. It is minimal, it is fair, it is the right direction.

OPPOSE SEVERE REPUBLICAN CUTS TO OUR NATION'S DOMESTIC PROGRAMS

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute.)

Ms. SANCHEZ. Mr. Speaker, I rise today to call attention to the actions of the House. We are engaged in a very serious matter this week as we near a budget reconciliation. The Republican leadership is urging that we make severe cuts to our Nation's domestic programs, and, as my colleagues know, this is just after the last 4 or 5 months when they said there was so much money there they could return $800 billion. But today they are telling us not only can they not do that, but they have got to cut the funding programs of the national government.

Mr. Speaker, as the daughter of a school teacher and a member of the House Committee on Education and the Workforce, I am particularly concerned that education will be severely affected. The majority spending bill would cut the national class size reduction program, after-school care, reading and math programs, Head Start and teacher training programs; but the damage would extend beyond the classroom. It would hit senior citizens, American working families, family caregivers, even the survivors of Hurricane Floyd.

I will oppose the HHS bill today, and I hope the rest of my colleagues will also.

THE REPUBLICAN CONGRESS SAYS STOP THE RAID

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, according to the most recent government audit, Federal agencies were unable to account for over 800 billion in Federal assets. My colleagues heard me right, $800 billion. That would have to be a pretty big lost and found for all of that missing stuff, but in reality there is no Federal lost and found; and I am betting all that property is lost for good, Mr. Speaker.

That is a disgrace, and what makes it even worse and even more disgraceful is that $800 billion, that could have been used to strengthen Social Security. While the Federal Government was losing all that property, it was raiding the Social Security Trust Fund to keep growing the size of government without increase in the accountability for how the taxpayers' money was spent.

Mr. Speaker, the Republican Congress is telling the President and the Democrat leadership that it is time to stop the raid, and we are asking them to join us in setting aside one penny of every Federal dollar to strengthen Social Security for the American people. It is our plan, it is fair, and it is responsible, and it is the right thing to do.

FAILURE OF THE WAR ON DRUGS DUE TO WIDE OPEN BORDERS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, everybody in America is confused. After spending billions and billions of dollars on this War on Drugs, they cannot figure out why it has failed. Beam me up, Mr. Speaker. It does not take a rocket scientist to figure this out.

Water runs downhill, and drugs pour across our borders. Our borders are wide open. Heroin and cocaine are stone-cold imports, and heroin and cocaine flood across our borders.

I think it is time to do something about our borders, and our streets and our kids that are strung out, 12-year-olds in New York and Philadelphia on heroin.

I yield back, Mr. Speaker, the stupidity of Congress in dealing with the problem of narcotics.

SOCIAL SECURITY LOCKBOX HELD HOSTAGE

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, today is Day 154 of the Social Security lockbox held hostage by Senate Democrats. 154 days ago House Republicans and Democrats joined together to pass a bill I authored, H.R. 1259, the Social Security and Medicare Safe Deposit Box of 1999, by an overwhelming 416 to 12 vote. The House of Representatives has made a commitment to not spend one penny of the Social Security Trust Fund on unrelated programs. Senate Republicans have attempted to bring this lockbox to the Senate floor seven times, and on seven occasions the measure was blocked from even being considered by a straight party-line vote.

Mr. Speaker, American seniors deserve more from Senate Democrats. They deserve a lockbox for their Social Security dollars.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHAW). The Chair cautions that Members should avoid references to the other body.

WHAT HAVE THE REPUBLICANS DONE?

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, today the Republican-controlled House considers the last of the appropriations bills a month late, no budget, no reconciliation. But what have they done?

They have failed to extend the life of Social Security by even a single day. In fact, they have spent $17 billion out of the Social Security Trust Fund. They have failed to provide for a fix of the Medicare system to cover our elderly citizens. In fact, they failed to even consider a prescription drug benefit for our elderly citizens. Their budget, while failing to do this, hurts American families in every way. Their budget today will cut money from education.

Mr. Speaker, think of the disappointment of parents who thought they were going to be able to send their children to a smaller class size so their children would have a better opportunity at learning to read, at learning to deal with mathematics. No, those parents will not have that opportunity, and yet all of the research tells us that if their children were able to have lower class sizes, they would have a better opportunity to learn.

But the Republicans do not address that, they do not address Social Security, and they harm Medicare.

CONFUSION

(Mr. OSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OSE. Mr. Speaker, I have in my hand the budget submitted by the President of the United States in his State of the Union, and on page 366 it details the various outlays, receipts and surplus for the upcoming fiscal year and the ensuing four. However I also have in my hand the President's Social Security plan; and, lo and behold, the President's Social Security plan, delivered to the House with much ado and great fanfare, assumes a $50 billion reduction in discretionary spending for Fiscal Year 2000 as the predicate clause for this savings he is going to use to save Social Security.

Fifty billion dollars. No suggestion of offsets. No suggestions of reality. No input from the Congress. Just a blanket $50 billion reduction in discretionary spending.

I am confused, and apparently the President is, too.

A 1-PERCENT CUT IN THE BUDGET DOES NOT CUT WASTE

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, the Social Security program is one of our most successful domestic programs ever created. It guarantees retirement security benefits for millions of Americans, and yet what we are seeing now today as the Republican majority's budget process uses 17 billion in Social Security Trust Fund, this budget process did nothing for Social Security, did nothing for Medicare and hurts every family. The bill does not extend Social Security 1 day, 1 day, and it provides not one penny for a prescription benefit for Medicare recipients. The only thing it does do is it hurts every American family, but they did want to provide an irresponsible tax cut that somehow they forgot about the last few days.

A 1-percent cut in the budget does not cut waste. Ninety-nine percent spending for a carrier that the Navy does not want and does not need is still 99 percent waste. What they are doing though is saying: well, we are not going to cut our pork; we are going to cut everybody. But let me tell my colleagues that carrier is still going to be built, and it is still going to be waste.

The budget gimmick of putting off the research for medical with the NIH is atrocious. What they are doing is playing with people's lives that have cancer and diabetes, just to name a few.

HOW REPUBLICANS VOTED IN 1935

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, how many times have you heard it from that side of the aisle, the Democrats, that Republicans voted against creation of the Social Security program back in 1935? That is flat wrong. If ever a vote has been mischaracterized, this is it. Here are the facts, and many of our colleagues might be surprised to know that 79 percent of the 95 Republicans who voted in the House voted for this important program; and in the Senate, 75 percent of the 20 Republicans who voted cast their vote in support of this legislation. What is even more interesting about this vote is that over a dozen Democrats voted against this measure. Following this line of reasoning, it could be said that Democrats did not support the Social Security Act when this was approved in 1935.

The truth is that both Republicans and Democrats voted to enact this legislation to establish this important program. Let the record speak for itself.

CUT WASTE, NOT PROGRAMS

(Mr. WISE asked and was given permission to address the House for 1 minute.)

Mr. WISE. Mr. Speaker, I rise today to oppose this irresponsible Republican brought-to-the-floor budget bill. This bill does not extend the life of Social Security by 1 day. It does nothing to deal with the problem of high prescription drug prices, does not add one penny for Medicare prescription drug benefit. It does, though, hurt West Virginia families in very real ways.

People talk about cutting waste, a 1 percent cut across the board they say will cut waste. Well, let us find the waste and cut that, but let us not go after the very programs that West Virginia families depend upon. For instance, the Head Start mother who is going to find that her child will not be able to go to Head Start. Or what about the family who is concerned about the war on crime and finds out that 110 FBI agents will have to be cut under this? What about the veteran that came up to me at the Black Walnut Festival concerned about veterans health care and finds out the real cuts in veterans health care in this budget bill? And what about the hundreds of students in high poverty areas that are not going to qualify for the educational assistance programs they have been receiving?

Bad bill, Mr. Speaker. Vote it down.

EMPOWER HEALTH CARE CONSUMERS

(Mr. ROYCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROYCE. Mr. Speaker, currently employers and employees can set aside pre-tax money that can be used for out-of-pocket health care expenses and co-payments and deductibles, and these are called flexible spending accounts. There is a problem in the current law, Mr. Speaker, and that is, if our constituents use these accounts and they do not completely use them up at the end of the year, that money reverts to the employer.

I have a bill, H.R. 3034, that would fix this use-it-or-lose-it provision and would allow this to be rolled over from year to year; and basically under my legislation, which I hope the House will pass, $3,000 annually can be put into these accounts. This would help portability. In other words, these accounts can go from job to job as employees change jobs. It would boost consumer choice because one would not be locked into the current health insurance plan. They could use this money at their own discretion. It would help the doctor-patient relationship by empowering consumers to make their own decisions about their own health care needs, and it would help control health insurance costs.

I hope all of my colleagues, Mr. Speaker, will support this legislation.

TREAT OUR SENIORS BETTER

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, good morning.

I rise to speak about how we treat those in the twilight of life, our seniors, our parents and our grandparents.

Contrary to what my colleagues may have heard earlier this morning, Democrats have always supported Social Security. On the other hand, Republican leaders have not. They have, in fact, urged that it be abolished, phased out or, Mr. Speaker, let it wither on the vine.

Specifically today, however, they are talking about not spending the Social Security Trust Fund, but unfortunately the CBO has documented that in fact they have spent it to the tune of $17 billion of Social Security Trust Fund money that is being spent by the Republican leadership in this year's budget.

□ 1030

Do not be fooled by the gimmicks and the 13-month year. The fact of the matter is they are spending Social Security.

Additionally, they do not extend the solvency of Social Security. President Clinton and the Democrats have a proposal to extend the solvency of the Social Security trust fund to the year 2050.

Third, they do not do a thing about providing a prescription drug benefit for seniors. We have a proposal to provide prescription drug benefits in the Medicare Program.

Let us treat our seniors better. Let us reject the Republican budget proposals.

TRIBUTE TO VIRGIL COVINGTON, PRINCIPAL, WINBURN MIDDLE SCHOOL

(Mr. FLETCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLETCHER. Mr. Speaker, I want to interrupt this demagoguery from the other side to talk about a very important individual back in my district.

Mr. Speaker, I rise today to acknowledge an outstanding educator and leader within Central Kentucky, a man who has dedicated his life not only to improving education, but making sure students strive to do the very best they possibly can. He is a principal who has touched and improved the lives of so many throughout his years of dedicated service to our community.

Recently, the Kentucky Education Commissioner recognized this outstanding principal, Mr. Virgil Covington, as being one of 172 selected to receive the National Educators Award from the Milken Foundation. Next summer, Mr. Covington will join other recipients in California for a week-long conference, but today he receives praises and congratulations from the school system, community, parents and children that he has strived so hard to serve over the years.

It is obvious that he has worked to produce positive change, while making sure that no one is left behind within his middle school.

Today I join my community in recognizing an outstanding principal who has made a significant contribution to the education of our children. I find it most fitting that he receive this prestigious award.

BUDGET DEAL IS A DO-NOTHING BILL

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, the Republican budget deal is a do-nothing bill, nothing for Social Security, nothing for Medicare. It hurts every family. The Republican budget bill does nothing to extend the life of Social Security, even by one single day. It fails to provide one penny for Medicare prescription drug benefits. The only thing it does do is hurt every family, every American family, every family, in a very real way.

When it comes to Social Security and Medicare, the Republican budget deal is not right, it is not fair, it is not just; it is dead wrong.

ELIMINATE GOVERNMENT WASTE TO SAVE SOCIAL SECURITY

(Mr. WELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, this is what it is all about today. We are making a choice: Government waste, or Social Security. This is what it is all about.

My friends on the other side of the aisle for 30 years raided the Social Security trust fund and ran up massive deficits. We are putting a stop to that practice, because we want to stop the raid on Social Security, and we think it is about time.

Let me ask this question: Is there anyone who honestly believes that there is not 1 percent waste, fraud and abuse in the Federal Government? Folks back home in the south side of Chicago and the south suburbs believe there is a lot more than just 1 percent of the Federal Government budget going to waste.

We think it is time to eliminate it. That is what it is all about today. We are going to vote today to cut government waste in order to protect the Social Security trust fund.

Now, there is an alternative. As you know, the Bill Clinton Democratic budget calls for a $238 billion tax increase as an alternative to cutting government waste.

Let us stop the raid on Social Security. Let us cut government waste. We have that opportunity today.

BUDGET GIMMICKS AT THE EXPENSE OF AMERICA'S HEALTH

(Mr. LEVIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I say to my colleague from Illinois, if you are interested in government waste, cut out the boondoggles in your bills, including in the districts of your leadership. These bills do nothing for Social Security, they do nothing for Medicare, and they will hurt every family.

They also engage in budgeting by deceit. They say they have not raided Social Security, but they have, by $17 billion. Now they are engaging in deceit by delay.

Here is the headline in the Post: "Hill negotiators," that means Republicans, "agree to delay part of NIH research budget." Here is what NIH says: "These delays would hurt or could seriously hamper research efforts. To accommodate this delay, NIH would have to delay funding of over 8,000 new research grants until the final days of FY 2000, research for cancer, research for heart disease, research on diabetes."

Republican budget gimmicks at the expense of America's health.

JOIN BIPARTISAN EFFORT TO SAVE SOCIAL SECURITY

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, I think we should all be pleased that President Clinton has finally come around to the Republican view that we should not spend a penny of Social Security on other programs. Since the President had initially wanted to spend billions of Social Security surplus on some of his big government programs, I think this is real progress.

However, I am concerned that instead of helping us cut spending to reach that goal, the President wants to increase excise taxes on working Americans. Mr. Speaker, the American people are taxed enough. It is through their hard work that the budget is now balanced. We have a budget surplus. There is no reason for us to raise taxes one penny on lower and middle income Americans to pay for bigger government. That would be wrong.

So I urge my Democrat colleagues to drop their plan to raise taxes on working Americans and join us in a bipartisan effort to save Social Security.

BUDGET GIMMICKS TO HURT ALL AMERICANS

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, today we see the full budget from the Republicans. We can see the USS Mississippi, that the Navy does not want, sailing into the harbor, and we say we want to cut government waste. The Navy does not want that ship.

What we really have, and the gentleman from Michigan raised it, are gimmicks in this budget that are going to hurt every single American. This does nothing for Medicare, it does nothing for Social Security. What it says to the National Institutes of Health is, we are going to give you more, but we are not going to give you one single penny of that money until next year on the 28th of September.

Now, for the average American, imagine if your boss said I am going to give you a big increase in your pay, but you do not get any of it until next year on the 28th of September. How would you live while you waited for that to happen?

Anybody who is worried about a member of their family who has diabetes, HIV, cancer, Alzheimer's disease, if you are waiting for the National Institutes of Health to come up with a way to help those people, these guys have said, wait for a year. Hold your breath.

This is a bad bill.

REGARDING THE ASSASSINATION OF THE ARMENIAN PRIME MINISTER AND OTHER GOVERNMENT OFFICIALS IN YEREVAN, ARMENIA

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, I rise with great heaviness in my heart. I ask my colleagues to join me today in paying tribute to Armenian Prime Minister Vazgen Sargissian, Armenian Speaker Karen Demirchian, and the six other Armenian government officials gunned down yesterday in cold blood in the Capital City of Yerevan.

I first met the late prime minister last month when I visited Yerevan. We had a candid and penetrating conversation. He was so cordial that he later asked me to cancel my evening schedule to join him for dinner.

Just three weeks ago we met again here in Washington and he extended the same invitation for his next visit. I deeply regret that will never occur.

Armenia is the oldest Christian nation in the world. Her commitment to freedom and democracy is in no small part due to the efforts of the late prime minister and his fallen colleagues.

This morning the turmoil in Armenia has ended. Armenians will again go on today living in freedom, and dedicated to building a stronger nation for their children. The terrorists are in the hands of law enforcement and the rule of law will prevail.

Mr. Speaker, I ask my colleagues to join me in remembering the service of these eight Armenian patriots and their families on this very sad day.

VOTE NO ON A BAD BUDGET BILL

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, today is the last day for the 13 appropriations bills. Unfortunately, the bill that will be on the floor today did not come to the House floor. The most important bill for America's families came from committee, and not to the floor so that we could debate it.

This budget in its entirety does not extend the life of Social Security for one day. This budget does not offer prescription drug coverage for seniors who need it. This budget hurts American families.

If you have a child and you were thinking that you were going to get them in Head Start, one of the most successful programs we have, the Head Start budget will be cut. You may not be able to have your child there.

If you are a senior and you depend on Meals on Wheels, a very successful program where some seniors have this one hot meal every day, your Meals on Wheels will be cut with this budget.

Nursing homes, who take care of the seniors who have made it possible for all of us to be here today, will be cut.

Bad bill. Vote no.

THOUGHTS AND PRAYERS FOR ARMENIA

(Mr. GANSKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GANSKE. Mr. Speaker, in August I went on a surgical mission to Armenia. Our surgical mission was treated with great hospitality by our hosts and we were able to join with Armenian doctors and do teaching and help take care of patients. So it was with shock that I saw on TV the shooting that occurred in the Armenian legislature.

I would remind our colleagues that it was in about 1954 that we had a shooting in this very room, and when you have violence in the midst of democracy, it sends a chill down all of our backs.

I pray for the families of those who were slain, and I sincerely hope that peace will return to Armenia and that they will be able to go about the business of democracy and improving their country.

SUPPORT H.R. 762, LUPUS RESEARCH AND CARE AMENDMENTS ACT OF 1999

(Mrs. MEEK of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Speaker, I ask this House and this Congress to pay attention to this very important plea I am making this morning.

This is Lupus Awareness Month. People all over this country are not quite aware of the danger of this auto-immune disease called lupus. It kills more people than AIDS and several other infectious diseases. It is time we woke up to lupus. It is a killer. It is a killer of young women in their child bearing years. It is a crippler of men as well as women, but more so women.

I am asking support throughout this country for my bill on lupus. It is the Care Act of 1999. Remember, lupus has a significant impact on women in child bearing years, so your wives, daughters and sisters will be affected by this terrible disease. Charles Kurault died of this disease recently. It is a killer, it breaks your back. I want Members to help me with this bill and try to get it scheduled in this Congress. It has been up for 3 years. It is time that lupus is recognized.

SUPPORT LABOR-HHS APPROPRIATIONS BILL

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, today we will pass the Labor-HHS appropriations bill, which contains many good things. It also contains a 1 percent across-the-board cut, which I support, because we have to do that unless we want to dip into the Social Security funds for other purposes.

But this bill also contains $1.4 billion for a program that I hope at least some people will begin to question. It is one of the most wasteful programs in the entire Federal Government, and yet, because it theoretically is for children, nobody will question it.

□ 1045

That is the Job Corps program. Today we are spending over $26,000 per year per Job Corps student. We could take each one of those students and give them a $1,000 month allowance, send them to some expensive private school, and still save some.

The GAO says hardly any of those students are ending up in jobs for which they were trained. That program is benefiting only the bureaucrats and the fat cat government contractors. Mr. Speaker, we need to question that program. It is harming children by taking money away from their parents to send instead to bureaucrats and fat cat government contractors.

THE BRONX AND NEW YORK CITY ARE VERY PROUD OF THE NEW YORK YANKEES

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I am going to put on this hat, although it is not the traditional blue and white.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHAW). I would have to interrupt the gentleman. The House rules prohibit the wearing of hats.

Mr. ENGEL. Mr. Speaker, I will not put on the hat, I will just hold the hat. Even though it is not the traditional blue and white Yankee colors, these are some of the fancy hats they sell on 161st Street in the Bronx outside Yankee Stadium.

I speak then on behalf of myself and my colleague, the gentleman from New York (Mr. SERRANO). We are both from the Bronx. We always joke, the Yankee Stadium is in his district, and some of the parking lots outside of Yankee Stadium are in my district; when the Yankees hit a home run out of the park, the ball lands in my district.

I was born in the Bronx, lived in the Bronx, was raised in the Bronx, grew up within walking distance of Yankee Stadium. Today the Bronx is really proud of the Bronx Bombers, of the New York Yankees, who once again are the world champions in baseball. They are truly the team of the nineties, the dynasty of the nineties.

As we enter the new millenium, the Yankees are the world champions. The Bronx is very, very proud of the Yankees, and indeed, all of New York City is very, very proud of the Yankees. We look forward to a great ticker tape parade up Broadway with the Yankees. We look forward to continued successes in the future.

Go, Yankees. They have made us all proud: Joe Torre, George Steinbrenner and all the Yankees. New York, New York.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant-at-Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 370, nays 49, answered "present" 1, not voting 13, as follows:

[Roll No. 545]

YEAS—370

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Everett
Ewing
Farr
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hobson
Hoeffel
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Upton
Velazquez
Vento
Vitter
Walden
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weygand
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—49

Aderholt
Baird
Baldwin
Bilbray
Borski
Clay
Clyburn
Costello
Crane
DeFazio
Dickey
English
Evans
Fattah
Filner
Gibbons
Hastings (FL)
Hefley
Hill (MT)
Hilleary
Hilliard
Hinchey
Holt
Hulshof
Johnson, E. B.
Kucinich
Lipinski
LoBiondo
Markey
McNulty
Miller, George
Moore
Oberstar
Pallone
Peterson (MN)
Pickett
Ramstad
Rogan
Sabo
Schaffer
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (NM)
Visclosky
Wamp
Weller
Wu

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—13

Brady (PA)
Buyer
Hinojosa
Johnson (CT)
Mascara
Rush
Sanders
Scarborough
Sweeney
Walsh
Waters
Wexler
Whitfield

□ 1109

Mr. DAVIS of Illinois changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2000

Mr. YOUNG of Florida. Mr. Speaker, pursuant to the order of the House of Wednesday, October 27, 1999, I call up the joint resolution (H. J. Res 73) making further continuing appropriations for the fiscal year 2000, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 73 is as follows:

H.J. RES. 73

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 106–62 is further amended by striking "October 29, 1999" in section 106(c) and inserting in lieu thereof "November 5, 1999", and by striking "$189,524,382" in section 119 and inserting in lieu thereof "$288,903,248". Public Law 106–46 is amended by striking "November 1, 1999" and inserting in lieu thereof "November 5, 1999".

The SPEAKER pro tempore (Mr. SHAW). Pursuant to the order of the House of Wednesday, October 27, 1999, the gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. YOUNG).

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. J. Res. 73, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the continuing resolution before us extends current spending levels for a week, until November 5. That is one week from tomorrow.

The current rates, as contained in the original continuing resolution, are continued for the five bills which have not been signed into law. And, of course, for those eight that have been signed into law, the funding levels in those bills are the controlling elements.

There are two technical provisions for two anomalies which need to be adjusted in the continuing resolution, the waiver of the quorum requirement for the Export-Import Bank, and adjusted funding rate for the census.

Mr. Speaker, it is my understanding that this is acceptable to the President, that he is willing to support this and to sign this continuing resolution, and I would hope that we could expedite this matter.

Mr. Speaker, I reserve the balance of my time.

□ 1115

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, the gentleman from Florida (Mr. YOUNG), the distinguished chairman of the Committee on Appropriations, is correct; the President will sign this third continuing resolution.

He should not have to. I would have hoped that we would have been done by now. But we all, I think, understand why.

My problem is that, right after this continuing resolution, we are going to be dealing with about a 3-hour charade. I need to discuss that in the context of this continuing resolution.

After this continuing resolution is disposed of, we will be bringing to the House floor a so-called conference report on the Labor, Health, Education appropriation bill.

The problem is that that conference took place on a bill that never even saw the light of day on the floor of this House. And under the rules of the Congress, we are not supposed to have a conference until both Houses have been able to vote on the bill.

Now, the bill that comes out is an important bill. The problem with that bill is not really, in the end, the funding level. We could resolve our remaining dollar differences in that bill in about 3 hours if we are given the opportunity to do so. But the problem is that the debate on this bill and the bill to follow today will, in my view, symbolize how political debate in this House has been trivialized and used to obscure rather than reveal the truth.

Next year we enter a new century; we enter a new millennium. We were sent here to make certain that we make the big decisions that will preserve the security of our country and strengthen the prosperity of our country for the next decade and for the next generation. Instead, we will be treated to a 3-hour, cheap, phony, manipulated debate about Social Security.

Now, how did this all happen? In January, the President stood right here behind me, and he asked the Congress to pass legislation that would extend the solvency of Social Security for today's generation and tomorrow's. He asked us to strengthen Medicare and provide coverage for prescription drugs under Medicare. He asked us to pass a budget that would help communities to rebuild falling-down schools, reduce class size by providing 100,000 new teachers, equip every school with modern technology. He asked us to protect the environment. He asked us to help him provide more police on our streets.

This bill, the last appropriations bill for the year that will shortly follow, does none of those things. Instead of listening to what the President asked for, instead of trying to resolve those problems, our majority friends, our Republican friends on the other side of the aisle spent the last 8 months trying to pass a tax cut package which gave 70 percent of the benefits to the wealthiest 5 percent of people in this country making above $100,000 a year. That tax package ate up virtually every dollar in sight that could have been used to strengthen Social Security and to strengthen Medicare.

In fact, our Republican friends at one point were willing to cut virtually every program in the Labor, Health, and Education bill by almost 30 percent in order to make that tax package happen.

Now, after it did not sell, and after our friends on the Republican side have seen their numbers drop in the polls, we now have a very troubling situation. They have passed through this House a series of appropriation bills, four appropriation bills, which spend almost $30 billion more than the President asked us to spend.

The chairman of the committee himself said that the defense bill alone was $16 billion above what the President had asked for. But now after that has been done, we now have our Republican friends saying, Oh, guess what, folks? We cannot fund the President's education and health and crime fighting and environmental priorities without spending the Social Security surplus.

There are three problems with that, to be blunt about it. The first is that it is a phony issue. Not one dollar in the President's request or in any bill that we support on this side of the aisle will reduce the balance in the Social Security Trust Fund by one dollar.

Second, it is a joke for our Republican friends to cry crocodile tears about protecting Social Security. This is the party that tried to kill Social Security when it was born. They have tried to turn it over to the insurance companies for 30 years and privatize it. They have been willing to put an unaffordable tax cut ahead of fixing up Social Security and Medicare. And this is a party which is led by their leader, who said that Social Security should be phased out and that in a free society there should be no room for a program like Medicare.

For us to believe that a party with that track record suddenly stands as the only hope for Social Security recipients is to make Jay Leno look bad.

The third problem with the argument is that our Republican friends, despite their assertions to the contrary, have already spent billions of dollars out of the Social Security Trust Fund to pay for other things this year. At one point they had spent up to $27 billion out of that Social Security Trust Fund.

To hide that fact, what did they do? First they simply adopted a budget technique which hid $18 billion so it could not be counted. That still left them with a $9 billion hole. And so, what have they done? In the bill that they are bringing to the floor today, they did not take out all the pork that was put in appropriation bills. They did not take out the famous billion dollar ship that was nailed into the defense bill by the majority leader in the other body.

No, they did not do that. They did not take out any of the hundreds of projects that were put in those bills. Instead, they pretend that they are imposing a harmless 1 percent across-the-board cut in programs.

Well, what does that harmless 1 percent do? Well, for one thing, it cripples the Social Security Administration because it forces them to cut back on the number of people that we use to ferret out fraudulent claims in Social Security and Medicare and people who also try to get legitimate checks cut to the people who legitimately deserve those programs.

They are cutting millions of dollars out of veterans' health care under their proposal. And they are in the process also creating a colossal disruption of medical research. They are virtually shutting down all new grants to scientists in this country who go to the National Institutes of Health to get funding to do research on cancer, heart disease, Alzheimer's, Lou Gehrig's disease, you name it.

What they do is they pretend that they are going to give them a couple of billion dollars more money, but then they say that they cannot spend it for an entire year. And they do it all for budgetary reasons.

Well, I want to say, make no mistake about it, this is not just a budgetary gimmick. There will be people who will die because of that delayed medical research. Anybody who understands how the research programs in this country work understands that.

And all of this is to pretend that they have not spent any of the Social Security surplus. That whole issue is a false issue to begin with. For a generation, this Congress has taken surpluses in the Social Security account, it has put Federal notes in that Social Security account, and it has used that money for other purposes.

And now next year what do we face? Instead of having 100 percent of that money being used for other purposes, as it was for 30 years, what we have instead, under a worst-case scenario, is that 80 percent of that money instead is going to be used to pay down the national debt.

Only the folks running this House could turn that kind of major progress into a political crisis. They ought to be ashamed of themselves for doing that.

The fact is, if they really want to strengthen Social Security, they will quit playing games with it; and what they will do is recognize that the best thing they can do, along with paying down debt, the best thing that they can do is make the kind of investments we need in Generation X for their education and for their job training so we can raise the income that they will earn so they will have decent salaries and can pay more into Social Security in order to extend the strength and the life of that Social Security fund.

That is what we would say if this issue was being dealt with honestly on the floor. But it is let's-pretend time, and so we cannot get to the truth, I guess.

So, Mr. Speaker, what I guess I would say to my majority friends on the Republican side of the aisle is simply this: if they have the votes, pass this turkey, get it on to the President, let him veto it, let us clear the air, and then let us really sit down and do business. If we could get the political bull gravy out of this debate, we could solve all of the remaining dollar problems in about 3 days.

We are not that far apart. The gap in dollars that separate us is not nearly as large as the credibility gap that they have developed in the way that the majority has handled this issue.

There are only four ways to get a budget. The first is, if they really want to protect Social Security, we can go back and we can cut out a lot of the excess spending that they have included in some of the previously passed appropriation bills. If they want to do that, I will work with them on that. If they do not want to do that, I am not going to argue.

Second thing they could do then is simply say, Okay, we are going to take a look at some of the President's revenue sources, such as his proposal to try to discourage the use of tobacco by young people, which would bring some additional revenue into the Treasury. I do not much like that, but I would rather support that than to lie. And that is what is happening now.

The third thing they can do if they want to pass a budget is simply get real and to simply adjust the spending caps which we are operating under to reflect what we are actually spending rather than what we pretend we are spending. I know the gentleman from Florida (Mr. YOUNG) has urged the same solution. I agree with him on that.

They can get my support on any of those three options. The one option I do not want to support is the one that the House continues to pursue at this moment, which is to stay in Let's-Pretend Land and to hide everything that we are doing through all of these fancy budgetary devices.

This chart shows what they are doing to the National Institutes of Health. The blue graph shows what amount of money was provided by the National Institutes of Health to medical researchers in each month last year as those contracts were signed in an orderly fashion.

Under this bill that they are bringing to the floor today, they are telling the National Institutes of Health that, even though they are going to give them more money, they are not going to let them spend it for an entire year and then; in the last 2 days, they are supposed to put out a huge percentage of their own budget.

□ 1130

That is irresponsible. It is a financial gimmick. It does not serve any purpose but to cover somebody's political tail, and it will hurt our efforts to find cures for every major disease that plagues mankind.

So I would say simply, there are a lot of good people on both sides of the aisle, and sooner or later they have to be unleashed so that we can sit down, work out a rational compromise on these bills, and get this Congress out of town before it does any more damage to its reputation.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

First, I would like to get back to the subject of the continuing resolution. I listened with interest to the debate of my friend from Wisconsin. His debate went to the overall issue of budget items as well as the bill that we are going to consider next. But right now, what we have before us, is the continuing resolution.

I want to tell my friend from Wisconsin when he says we are not that far apart, he is pretty accurate. We are not that far apart on our legislation. We are miles apart on the political rhetoric. And I am afraid that it is going to be more difficult to close that gap between the political rhetoric than it will be to solve the problems of the appropriations bills.

The gentleman suggested that we should consider the President's new tax program that he sent to us. We did. Maybe the gentleman forgot. But the President's package of tax increases was presented to this House just about a week ago, and after great debate, not a Republican voted for that tax package and not an independent voted for that tax package, and not a Democrat voted for that tax package. So the effect, Mr. Speaker, was that the President's plan to increase taxes got zero votes in the House of Representatives.

My friend from Wisconsin said that it is pretend time. Let me tell you how much pretending we are doing here. Yesterday, official figures released show that the Federal Government ran a surplus of $122.7 billion in the last fiscal year, fiscal year 1999, which just ended September 30th. That is the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–1957. The 1999 surplus was almost double the 1998 surplus, which was $69.2 billion. So we are getting there. We are getting to the point. We are not spending Social Security surpluses. And in fiscal year 2000, we will not spend Social Security surpluses. That is not pretend time, that is the fact. I am basing this on official reports that were released yesterday.

I am not going to do this now but I might do this later and show how much various Congresses spent out of the Social Security trust fund in recent years. It is a tremendous amount, as high as $60 billion in the year that the gentleman from Wisconsin chaired the Committee on Appropriations. So a lot of money was spent out of the Social Security trust fund in the past. But in fiscal year 2000, that will not be the case. We are keeping our word. We are not dipping into the Social Security trust fund to finance the day-to-day operation of the government. We are saving that money for the people that it was promised to.

Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. ROGERS), the distinguished chairman of the Appropriations Subcommittee on Commerce, Justice, State, and Judiciary.

Mr. ROGERS. I thank the gentleman for yielding me this time.

Mr. Speaker, we heard it for the first time or at least I did publicly from the gentleman from Wisconsin a few minutes ago when he spoke in the well. We have heard it privately from that side of the aisle for a long time now but we heard it publicly here, when the gentleman said, yes, we have spent out of the Social Security surplus for 30 years, when the gentleman's party controlled this Congress. And he said now you folks want to not spend the Social Security moneys for general government purposes, and you ought to be ashamed of yourselves, he said.

Well, Mr. Speaker, I am not ashamed of myself at all. I am extremely proud that our party, for the first time in more than 30 years, is saying to that party no, you cannot spend any more from the Social Security trust fund. That is for our elderly, and you can live on the tax moneys that come into the general treasury, and that is what this party is attempting to do. And so we heard it for the first time here. Get the transcript and read it. Publish it in the newspapers. That party stands for blowing the Social Security trust fund for anything and everything, and they have, as the gentleman said, for 30 years at least. And our party now says no more. The Social Security moneys that hardworking Americans pay into this government system shall be used only for the purposes for which it was paid, and that is to provide for the care of the elderly when they reach that retirement age. And our party has laid down the line, no more raiding Social Security, leave it alone, it is for our elderly. You ought to be ashamed of yourselves for suggesting the continuation of that kind of a policy of using Social Security for every other purpose.

Mr. OBEY. Mr. Speaker, I yield myself 1 minute. Despite what we have just heard from the past two speakers, the Congressional Budget Office this morning has indicated that you are spending this year $17 billion out of Social Security. What I said on the floor is that you should be ashamed for denying the truth. That is what you ought to be ashamed of.

The second thing I would point out to the gentleman is that whatever money was spent out of Social Security by Democratic Congresses was less than we were asked to spend by President Bush and President Reagan in all 12 years they were in office except for 1 year. In 11 out of the 12 years, we were asked to spend more out of Social Security by President Bush and President Reagan than the Congress agreed to do.

So let us keep the facts straight. If you are going to quote me, quote me right. I am not attacking your actions. I am attacking the hypocrisy that I so often see in this House.

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Georgia (Mr. KINGSTON), a member of the Committee on Appropriations.

Mr. KINGSTON. I thank the gentleman for yielding time.

Mr. Speaker, first of all let me say why are we here. I would say probably for three real reasons. Number one, in response to the American people in 1997 to get our fiscal house in order, we passed a bipartisan budget agreement. I did not support it. I know the gentleman from Wisconsin and many others did not but over 300 Democrats and Republicans joined with the White House to pass this agreement to give us a road for budget restraint in the next couple of years. That is number one.

Number two, we have said as recently as last week, no new taxes. On a vote of 419–0, Democrats and Republicans rejected President Clinton's proposals to increase taxes. And number three, despite the fact that the President said in his State of the Union address that we should only preserve 62 percent of the Social Security trust fund, we on the Republican side have insisted on 100 percent, and now many of the Democrats have said, let us protect 100 percent of the Social Security trust fund.

So with these three principles colliding, what we are trying to do is balance the budget by reducing spending by about one cent on the dollar. It is not that hard to do. If you look back at the principles, here is what the White House said about the Republican plan: The key goal is to not spend Social Security surplus. That is right from the mouth of Chief of Staff John Podesta at the White House.

This chart, Mr. Speaker, shows that under Democrat control and under Republican control up until this year, we have been spending Social Security surplus. But this year on this chart, we have not. We do not want to back off that commitment. I think it is very important.

And the way to not do that is this simple, shown in this chart. We are going to spend out of a dollar 99 cents and we are going to save one cent. Where can you get some of this money? Look at it in practical examples. The President went to Africa last year. One thousand three hundred Federal employees went with him at a price tag of $42.8 million. Under this proposal, 13 of them would have to stay at home. He went to China, $18.8 million, 800 Federal employees. Under this plan, eight of them would have to stay at home Ben & Jerry's, the delicious and successful ice cream company, gets a Federal subsidy of $800,000 to sell ice cream overseas. Under this proposal, they would get less, and who knows, maybe they would have to do it the old-fashioned way and pay for it themselves.

Under this proposal we may want to look at the FDA cheese inspection program because the FDA inspects cheese pizza but the USDA, the Department of Agriculture, inspects pepperoni pizza. I do not know, maybe they could get together. That might be an example of cutting out government waste.

Here in Washington, D.C., one of the cronies of the city council was awarded a $6.6 million contract for job placement. One year later after being asked to place 1500 people, 30 people had been placed.

Those are just a couple of examples. That is all we are saying. If we can do that, we can keep from raiding Social Security or increasing taxes.

Mr. OBEY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, let me again repeat the facts to counter the fiction that we have just heard. Despite the fact that our majority party friends have taken $12 billion of education money and slipped it one day over into the next fiscal year so they could hide it in this year, despite the fact that they have taken almost $4 billion at the National Institutes of Health and squeezed that spending just over the line into the next fiscal year, it will still be spent, still come out of Social Security, just next year's Social Security money, despite the fact that they have simply ordered the accountants to not count $13 billion in spending that they do at the Department of Defense, despite all of that, we have a letter from the Congressional Budget Office this morning that indicates that you are still spending $17 billion worth of Social Security this year. Now, get off the baloney, get back to the facts and let us resolve our differences in an honest way.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Missouri (Mr. CLAY), ranking member of the Committee on Education and the Workforce.

Mr. CLAY. I thank the gentleman for yielding me this time.

Mr. Speaker, if the Republican leadership had done its job instead of playing politics with appropriations for vital government services, I would not be here this morning to speak on this unnecessary continuing resolution and to oppose H.R. 3064, which includes the Labor, HHS and Education Appropriations Act, because if passed it would make drastic cuts in programs that are vitally important to Americans, especially to those most in need of the Federal Government's assistance and protection.

Fortunately, Mr. Speaker, this ill-conceived and sensitive bill faces swift death at the hands of a veto by the President. Many of the important initiatives proposed by the President to improve our schools and to prepare our children for the 21st century have either been eliminated or underfunded. The bill that we will be considering after this guts the Clinton-Clay plan to hire 100,000 new teachers and reduce class sizes in the early grades. Instead, it diverts $1.2 billion to a block grant that requires no real accountability and would permit spending public money to send children to private schools.

Mr. Speaker, last week this body overwhelmingly defeated the Republican majority leader's ill-advised attempt to authorize vouchers for private and public schools. Now the same misguided leadership is attempting a backdoor enactment of the same raid on public funds. The cuts in H.R. 3064 are devastating. The Republicans' bill cuts $26 million from the President's funding request to improve the reading skills of 100,000 students as proposed in the Reading Excellence Act. The Republicans' bill denies $60 million of the President's funding request for Gear Up, thus preventing 131,000 low-income students from receiving mentoring, counseling and tutoring services intended to help them prepare for college.

□ 1145

The bill provides $300 billion less than the President requested for after-school enrichment centers, thereby funding 3,400 fewer centers; and after selling our children and teachers short, the Republicans' bill also reflects the same legislative assault on workers. The bill would undermine worker protection programs by cutting $18 million from the President's request for the Occupational Safety and Health Administration. Funding for the Labor Relations Board is cut by $10 million below the President's request, which will result in total gridlock in resolving labor-management disputes.

Mr. Speaker, I recommend that we defeat the bill that comes after this continuing resolution.

Mr. YOUNG of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. PORTER), who is the very distinguished chairman of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. PORTER. Mr. Speaker, I listened carefully to the gentleman from Missouri (Mr. CLAY) and what he had to say about education funding; and, Mr. Speaker, he is way off the mark. This bill does better than the President in his budget, which was a political document in the extreme.

It does better than the President on education funding by over $300 million, and to say that Republicans are not committed to education is simply wrong. Our commitment is just as strong or stronger than that on the other side of the aisle; but we do not believe, and the reason the gentleman referred to accounts that he said were not plussed up as the President suggested, we do not believe that public education ought to be directed by Washington. The very genius of public education in our country is that it is not directed by Washington; it is directed by our school districts and our States, where the primary responsibility lies.

We put a great deal of money into primary and secondary education, and we put a great deal of money, more than the President has suggested in both areas, into college student financial assistance so that young people have a chance to get a higher education. We put in $679 million more than the President in his budget request in special education for handicapped kids. We put $45 million over last year and $15 million over the President's request in the Trio program so that minority young people have a chance to get a higher education. We funded impact aid, a Federal responsibility, for more than the President.

In line item after line item in this bill we do better than the President, and we give more flexibility to the local school districts and States.

Mr. OBEY. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for yielding this time to me.

As my colleagues know, this Congress is quickly running out of Federal buildings to name around the country. It has about commemorated everything that could be commemorated, and since these uncontested measures represent the principal legislative product of this Republican do-nothing Congress, it is appropriate that this legislation would be before us today as really only another of these uncontested commemorative resolutions. It commemorates failure. It deserves a name: The Republican Congressional Failure Act of 1999.

As late as September 19, the Speaker, the gentleman from Illinois (Mr. HASTERT), told the country that "by the first of October we will have all of the appropriation bills passed out of the House and the Senate," and here we are, nearing November 1, not October 1, and one of those very important bills has never even been presented to the House for consideration, much less the Senate or the President of the United States for his consideration.

We will have later today that bill finally come before us, and it is clear that the reason for the delay of that bill; now that we have it, is that it has failure written all over it. This legislation funds all of our Federal commitment to public education in this country, funds all of our major health research for all the very dreaded diseases that touch families throughout this country; and yet here we are a month after the conclusion of the fiscal year for which it was supposed to have been approved, and it has never even been debated on the floor of the House.

This is a measure that touches every family, one way or another, throughout the United States. Like the other parts of the Republican legislative agenda, this bill fails to add one single dollar to strengthen Social Security, and it also fails to meet the standard of the rhetoric we have heard about Social Security here this morning. I have a letter that the Congressional Budget Office sent this morning, October 28, to Speaker J. DENNIS HASTERT. The Congressional Budget Office says, and I quote:

> Outlays from congressional action on appropriation legislation including the latest action on all 13 appropriation bills would also exceed the discretionary caps (those are the ones put in place to assure a balanced budget) by more than CBO's baseline estimate of the on-budget surplus. After taking that surplus into account, the Congressional Budget Office projects an on-budget deficit of about $17 billion.

That is $17 billion directly out of Social Security Trust Fund monies. To say that they are not using Social Security monies for non-Social Security purposes is flat wrong, and the evidence is here from the Republican Congressional Budget Office to demonstrate it. This bill and the legislative program of which it is a part fails to get prescription drugs to seniors, fails to ferret out waste. It is late, and it is wrong for America. This bill should be rejected, and another stop gap continuing resolution undoubtedly will be presented to this House, because of the same failures that have characterized the first 10 months of this year.

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Alabama (Mr. CALLAHAN), chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs.

Mr. CALLAHAN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I love this House. Witness the ceremony yesterday afternoon where we honored former President Ford and Betty Ford and the comments that were made there about the respect this institution has had over past decades.

But are we so naive or so stupid, Mr. Speaker, that we think the American people cannot see what we are doing here? Is there anybody in this body who thinks they are fooling the American people by saying we are going to destroy the Social Security Trust Fund? Of course we are not. The only thing we have to argue is history, and history says for 40 years until 1993 that the majority party during those years was spending much of the Social Security Trust Fund.

And now we are here today with a balanced budget talking about whether we might dip into the Social Security Trust Fund by $10 or $15 billion, which we are not, but the American people are not that naive. The American people are truly appreciative of the fact that during the last 3 years we have balanced the budget. What a wonderful argument it is to develop today, saying we are not going to spend all of the Social Security Trust Fund. Maybe CBO or some other organization might score some of the things we pass here today as a possible invasion of the trust fund, which I do not think it is. But the American people are not easily fooled. The American people know exactly what we are talking about when we have debates such as this which is nothing but demagoguery.

Mr. Speaker, I am just as guilty as any of my colleagues. I stood on this floor the other day and demagogued the President of the United States for taking 1,700 people to Africa and spending $47 million of the taxpayers' money on that trip. We do all of that, but let us not think for 1 minute that the American people are so naive as to think, Mr. Speaker, that anybody in any party would deliberately do anything to the detriment of the Social Security Trust Fund.

We have to look at where we were when we, the majority, took control of this House 5 years ago and where we are today, and it is as simple as that. The chairman of my committee (Mr. YOUNG) has the most compelling chart of all of the charts that have ever been presented on this issue to the House, and it shows what was happening before the Republican party took control of this House, and it is so glaring that the amount of money that we are now saving for the Social Security Trust Fund is a result of what we have done in this body.

So we can have all this fun we want, and we can engage in all this rhetoric, and we can demagogue, and we can stand up and we can say these bad things about each other. The real fact is the American people are no fools. We have balanced the budget, we have saved Social Security, and it is because of the programs that we have implemented in the last 4 years.

Mr. OBEY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from South Carolina (Mr. SPRATT), ranking Democrat on the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, a continuing resolution is a confession of failure on the part of Congress. It is a confession by Congress that it has not done its job, so is the appropriation bill that follows this continuing resolution.

We were elected to use our judgment, our experience, to use our discretion to get the best value out of the American taxpayers' money. What do we do with an across-the-board cut? It is nothing less than abdication of the judgment that we were elected to use. It whacks the budget across the board by 1 percent, cutting the good with the bad.

Now that may sound minimal. One percent sounds trivial. But if it is minimal, why not go back through these 13 bills and do it using discretionary judgment, picking out things that have been larded into these bills, Member adds, and we can start with Senator LOTT's helicopter landing ship, just one of many things that cost several hundred million dollars that we can do without. The Navy said so, did not want it, did not ask for it.

One percent is not minimal if someone is one of the people who have been hurt by the cut. As my colleagues know, we have spent the better part of this year, this past year, trying to get veterans health care up to the level that the Committee on Veterans' Affairs itself says we need to fund it at in order to keep our promises made to the men and women who served our country particularly in time of war, and if there are any promises we ought to keep; we ought to keep the promises we made to our veterans.

What does this bill do? We have got the veterans' health care up by 1.5, $1.7 million; it whacks it $200 million. That is health care veterans will not be able to get if this bill were to become law.

We spent last year, the whole past year, trying to get funding for our men and women in uniform, our Armed Services, up to the level where they want to stay in the service and encourage others to join the service because recruitment and retention are off, both badly.

What does this bill do? The appropriations bill that will come after this continuing resolution will whack our men in uniform to the tune of 28,000 men and women on active duty who will have to be involuntarily separated, removed from service. What in the world will that do to morale when we are trying to encourage retention and recruitment?

Kicked out of the service, mindless across-the-board cuts. General Shelton summed up the effects yesterday when he said a 1 percent across-the-board would be devastating to our national defense. But that is what we are proposing here today.

All of this mindless carnage to the budget is being done in the name of holding Social Security surplus harmless, and it is a worthy goal; but I suggest to my colleagues in truth this is not the real goal. The real goal is to send these 13 appropriation bills to the President, have them veto several of them, and then we will be able to say he is responsible for our having to borrow this year from Social Security.

Well, Mr. Speaker, that dog will not hunt.

□ 1200

Do not take my word for it. Listen to what CBO says this morning just off the press in its summary of 12 bills that this Republican majority and this House and the Senate have passed, the last to come, Labor-HHS. It summed them all up, and here is the summary right here on this chart in the simplest possible terms for people to understand.

The appropriations spending cap for this year in July was $580 billion. At that level, CBO said we would have a surplus this year of $14 billion, $14.4 to be exact. So that means if you spend $594 billion, the cap on appropriations, plus the on-budget surplus, you can stay out of Social Security. But CBO says today, looking at all 13 appropriation bills, that they spend altogether $611 billion. Simple arithmetic says, therefore, these bills to date are $17 billion already into the Social Security trust fund, $17 billion already into the Social Security surplus, because these bills to date spend $611 billion as opposed to a spending ceiling of $594 billion if you want to stay out of Social Security.

There it is in simple form. In more complicated form I have a letter here dated October 28, 1999, from Dr. Crippen, who is the Director of CBO, which I would like to insert in the RECORD. It sets it straight. It spells it out. You are already $17.1 billion into Social Security. That is the bottom line, no way around it.

Let us vote down the Labor-HHS bill so we can get down to reality and get down to budgeting, rather than blaming, which is what the people elected us to do.

Mr. Speaker, I include the following for the RECORD:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, October 28, 1999.
Hon. J. DENNIS HASTERT,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: As you requested in your letter of October 27, the Congressional Budget Office (CBO) has estimated the on-budget deficit for fiscal year 2000, incorporating appropriation action to date.

CBO's estimates are based on appropriation bills that have been signed by the President and, for those that have not yet been enacted into law, on the most recent conference agreements. The enclosed table provides CBO's estimate of how those bills would affect the on-budget surplus for fiscal year 2000. As you requested, the table displays the impact on that estimate of the adjustments made to CBO's figures for Congressional scorekeeping purposes—with the exception of the adjustment made for contingent emergencies.

In response to numerous questions about the on-budget deficit and related matters, CBO has prepared a memorandum entitled *Discretionary Spending Caps, Deficits, and the Social Security Surplus*, which provides some context for addressing the budgetary issues you have raised. A copy of that memorandum is enclosed.

If you wish further information, we will be pleased to provide it.

Sincerely,

DAN L. CRIPPEN,
Director.

Enclosures:

TABLE 1.—ESTIMATED BUDGETARY IMPACT OF CURRENT APPROPRIATION ACTION FOR FISCAL YEAR 2000, AS OF OCTOBER 27, 1999

[In billions of dollars]

	Budget authority	Outlays
Discretionary Appropriations (By bill): [1]		
Agriculture	22.7	22.7
Commerce, Justice, State, the Judiciary	37.2	36.3
Defense	269.4	267.8
District of Columbia	0.4	0.4
Energy and water	21.3	21.0
Foreign operations	12.7	13.3
Interior	14.4	14.7
Labor, HHS, Education [2]	84.6	83.4
Legislative	2.5	2.5
Military construction	8.4	8.8
Transportation	13.6	44.7
Treasury and general government	13.7	14.7
Veterans, HUD, independent agencies	71.9	83.7
Subtotal [1]	572.9	614.1
Across-the-board reduction of 0.97 percent	−5.7	−3.5
Savings from additional collections of defaulted student loans	−0.1	−0.1
Total [1]	567.1	610.5
CBO's July 1999 Baseline Estimate of Discretionary Appropriations	539.3	579.8
Difference (Total appropriations minus baseline estimate)	27.8	30.7
Additional Interest Costs Resulting from Higher Appropriations	n.a.	0.8
Total Change from Baseline	n.a.	31.5
CBO's July 1999 Baseline Estimate of On-Budget Surplus	n.a.	14.4
CBO's Estimate of the On-Budget Deficit (−) Reflecting Appropriation Action to Date [2]	n.a.	−17.1
Congressional Scorekeeping Adjustments [2]	3.4	18.1
Projected On-Budget Surplus Under Congressional Scoring	n.a.	1.0

[1] CBO estimates, excluding scorekeeping adjustments.

[2] Reductions applied to CBO's estimates for Congressional scorekeeping purposes; not included in any of the figures above. Includes $0.4 billion in debt service savings, but does not include $1.6 billion in adjustments for contingent emergencies.

SOURCE: Congresisonal Budget Office.

NOTE: HHS = Department of Health and Human Services; HUD = Department of Housing and Urban Development; n.a. = not applicable.

DISCRETIONARY SPENDING CAPS, DEFICITS, AND THE SOCIAL SECURITY TRUST FUNDS

October 28, 1999

The current budget debate centers around two distinct objectives. The first is adherence to the statutory caps on discretionary spending specified in the Balanced Budget Act of 1997 (BBA). The BBA extends an accounting framework for discretionary spending and requires across-the-board cuts (sequestration) if the caps are exceeded. The executive branch alone determines whether a sequestration is needed and, if so, executes it.

The second objective is avoiding an on-budget deficit—that is, avoiding the need to borrow from the Social Security trust funds to finance non-Social Security spending. Whether that objective is met depends on the total amount of revenues and spending in the rest of the budget. No enforcement mechanism, such as sequestration, exists to ensure the attainment of that goal.

Those two objectives are related but are not identical, and actions taken to achieve one of them would not necessarily increase the likelihood of achieving the other. In addition, confusion exists about the relationship between on-budget deficits and the Social Security surplus. In response to numerous questions, the Congressional Budget Office (CBO) has prepared this memorandum to provide some context for addressing those issues.

LIMITS OF BUDGET ESTIMATES

It is important to keep in mind that at this stage in the budget process, all of the numbers being presented are estimates of outcomes over the next 12 months. Even without future Congressional action, at this time next year, current estimates of total revenues and outlays will probably have proved to be too high or too low by significant amounts. Fourteen months ago, for example, CBO predicted an on-budget deficit of $37 billion for fiscal year 1999. (The spending and income of the Social Security trust funds and the Postal Service are defined by law as off-budget. All other spending and income of the government are on-budget.) In fact, the on-budget accounts were virtually in balance that year, recording a deficit of only $1 billion.

At present, the primary focus of the budget debate is the outlays that will occur in fiscal year 2000 as a result of discretionary appropriations of budget authority. On that score—estimating the outlays from discretionary budget authority—CBO has an admirable track record. Between 1993 and 1998, its projections of appropriated spending each year differed from actual outlays by an average of just $2 billion, or 0.4 percent (disregarding whether the difference was above or below actual spending).

However, for the remainder of the budget (revenues and mandatory spending), CBO's projections—along with those of the Office of Management and Budget (OMB) and other forecasters—have not been as accurate. With total federal revenues and outlays in the vicinity of $1.8 trillion each year and a national economy of $9 trillion, even small variations from the forecasts for economic variables, tax revenues, or mandatory spending can lead to changes in the surplus or deficit of tens of billions of dollars. For fiscal year 2000, if revenues and outlays differ from CBO's estimates by as little as 1 percent, the on-budget surplus could be $36 billion higher or lower. Thus, the on-budget surplus for 2000 could differ substantially from CBO's baseline projection of $14 billion, even if the two objectives mentioned above are met.

DISCRETIONARY SPENDING CAPS

The caps on discretionary spending are moving targets rather than permanently fixed values. The caps can be adjusted upward to account for funding designated as emergency requirements and for certain other, generally small, items. OMB, which is responsible for determining compliance with the caps, may also make adjustments to reflect changes in budgetary concepts and definitions. As a result of those various types of changes, the caps on discretionary outlays for 2000 have increased from a total of $564.3 billion (as initially set in the Balanced Budget Act) to $575.8 billion (as specified in OMB's Sequestration Update Report, issued on August 25, 1999).

Adherence to the caps is enforced through sequestration, which involves across-the-board cuts in funding for discretionary programs. After this session of Congress ends, OMB will determine whether a sequestration is required on the basis of its estimates of the discretionary caps as adjusted and of the spending that will result from appropriation actions. CBO produces estimates of both the caps and spending, but for the sequestration process, those estimates are purely advisory.

In CBO's view, the President's most recent budget request and House and Senate appropriation action to date all exceed the outlay caps for 2000 by similar amounts. CBO estimates that discretionary outlays from the policies of the President's Mid-Session Review would exceed CBO's July 1 estimate of the caps by $35 billion. The Administration, by contrast, asserts that those policies would adhere to the caps—in part because it estimates lower outlays from the policies and in part because it has proposed a number of offsets (such as tobacco taxes and Medicare savings) that CBO believes cannot be used to offset discretionary spending under the provisions of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CBO estimates that Congressional appropriation action, as of October 27, also exceeds its July 1 estimate of the outlay caps—by a total of about $31 billion. But even though estimated outlays exceed the caps, a sequestration may not occur. A significant part of the overage—about $26 billion—results from spending that has been designated as emergency requirements. If the President concurs with the designation, that spending will result in corresponding upward adjustments to the caps.

In addition, OMB's estimates of outlays are lower than CBO's especially for defense spending—and OMB's estimates are the ones that determine the need for a sequestration. Indeed, the budget committees' scoring of the appropriation bills includes scorekeeping adjustments intended to approximate the Administration's outlays estimates. Depending on the funding levels established in the appropriation bills that have not yet been enacted, the combination of emergency designations and lower outlays estimates may be enough for OMB to determine that a sequestration is not required.

ON-BUDGET SURPLUSES OR DEFICITS

The second budget issue that has received much attention lately is whether an on-budget surplus will result in fiscal year 2000. Whether discretionary spending adheres to the statutory caps, as determined by OMB, can affect whether the government ultimately achieves an on-budget surplus, but the first does not guarantee the second. It is possible to exceed the caps and still have an on-budget surplus; conversely, it is possible to adhere to the caps and still have an on-budget deficit. (The sequestration procedures are aimed at holding spending under the caps, not necessarily at avoiding on-budget deficits.)

Two major factors can account for those different outcomes: spending for which the caps are adjusted and estimating errors. Although the caps may be increased for spending designated as emergency requirements, such spending still counts toward determining the on-budget surplus or deficit. Thus, appropriating emergency funds is not a violation of the caps, but it will result in additional outlays that will lessen or eliminate an on-budget surplus.

Estimating errors can have a similar result. If the estimates of outlays used to determine compliance with the caps are too low, spending may appear to fall within the statutory limits when, in reality, it will exceed them. The use of OMB estimates—or scorekeeping adjustments that approximate them—creates such a possibility, particularly because the Administration has routinely underestimate defense spending in recent years.

CBO's current estimates indicate that there is some room to exceed the spending implied by the discretionary caps while still maintaining an on-budget surplus. In its summer update of the baseline, CBO projects an on-budget surplus of $14 billion for 2000, assuming that discretionary outlays would be about $580 billion (CBO's estimate of the discretionary caps at that time). If those projections are accurate, discretionary spending could exceed CBO's estimate of the caps by up to $14 billion without causing an on-budget deficit.

Both the President's budget proposals and Congressional action would result in discretionary spending that, by CBO's estimates, would exceed the caps by more than $14 billion and thus result in an on-budget deficit for 2000. CBO estimates that the President's budget, if enacted in full, would result in an on-budget deficit of $7 billion. That number is considerably lower than the amount by which this budget would exceed the spending caps because of his proposals to offset total outlays with revenue increases and Medicare reductions. However, the President's budget does not include provisions for some of the emergency appropriations that have been enacted. For example, the emergency agriculture package will add approximately $8 billion to outlays. Including that sum, the on-budget deficit for 2000 under the President's proposals would increase to $15 billion even if the offsets were enacted.

Outlays from Congressional action on appropriation legislation, including the latest action on all 13 regular appropriation bills, would also exceed the discretionary caps by more than CBO's baseline estimate of the on-budget surplus. After taking that surplus into account, CBO projects an on-budget deficit of about $17 billion (see Table 1).

THE SOCIAL SECURITY SURPLUS

The current off-budget surplus is much larger than any on-budget surplus projected for the near future. The Social Security trust funds account for virtually all of that off-budget surplus. (The net income or spending of the Postal Service is quite small in comparison.)

Income credited to the Social Security trust funds (from tax revenues and interest on the funds' holdings of Treasury securities) exceeded spending for Social Security benefits and administrative costs by about $125 billion in fiscal year 1999. CBO expects that, under current law, the Social Security surplus will grow to $147 billion in 2000. What happens to that money?

TABLE 1.—ESTIMATED BUDGETARY IMPACT OF CURRENT APPROPRIATION ACTION FOR FISCAL YEAR 2000, AS OF OCTOBER 27, 1999

[In billions of dollars]

	Budget authority	Outlays
Discretionary Appropriations (By bill): [1]		
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Foreign operations	12.7	13.3
Interior	14.4	14.7
Labor, HHS, Education [2]	84.6	83.4
Legislative	2.5	2.5
Military construction	8.4	8.8
Transportation	13.6	44.7
Treasury and general government	13.7	14.7
Veterans, HUD, independent agencies	71.9	83.7
Subtotal [1]	572.9	614.1
Across-the-board reduction of 0.97 percent	−5.7	−3.5
Savings from additional collections of defaulted student loans	−0.1	−0.1
Total [1]	567.1	610.5
CBO's July 1999 Baseline Estimate of Discretionary Appropriations	539.3	579.8

TABLE 1.—ESTIMATED BUDGETARY IMPACT OF CURRENT APPROPRIATION ACTION FOR FISCAL YEAR 2000, AS OF OCTOBER 27, 1999—Continued

[In billions of dollars]

	Budget authority	Outlays
Difference (Total appropriations minus baseline estimate)	27.8	30.7
Additional Interest Costs Resulting from Higher Appropriations	n.a.	0.8
Total Change from Baseline	n.a.	31.5
CBO's July 1999 Baseline Estimate of the On-Budget Surplus	n.a	14.4
CBO's Estimate of the On-Budget Deficit (−) Reflecting Appropriation Action to Date [1]	n.a.	−17.1
Memorandum:		
Emergency Designations [2]	27.2	25.8
Congressional Scorekeeping Adjustment [3]	3.4	19.3

[1] CBO estimates, excluding scorekeeping adjustments.

[2] Included in the appropriation figures above.

[3] Reductions applied to CBO's estimates for Congressional scorekeeping purposes; not included in any of the figures above.

Source: Congressional Budget Office.

Note: HHS = Department of Health and Human Services; HUD = Department of Housing and Urban Development; n.a. = not applicable.

That surplus is invested in Treasury securities and earns interest for the trust funds. The cash that the Treasury receives in return for those securities can be used in two ways. If the revenues and expenses of the rest of the government (other than Social Security) are in balance, the cash generated by the Social Security surplus is used to reduce federal borrowing from the public—that is, to pay down the debt. Alternatively, if the budget of the rest of the government is in deficit, some of the cash generated by the Social Security surplus is used to pay other expenses of the government and to avoid the need to borrow from the public to support that spending. In either case, the balances credited to the Social Security trust funds and the government's legal obligation to pay Social Security benefits are unaffected.

Surpluses, both on-budget and off-budget, nevertheless have significant benefits because they allow the government to reduce debt held by the public. Such debt reduction cuts the government's interest costs, adding further to the surplus or providing more resources to be used for other purposes. In the long run, substantial reductions in federal debt held by the public can add significantly to national saving, thus enhancing economic growth and better equipping the nation to bear the economic and budgetary burdens imposed by the aging of the baby-boom generation.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know there is a little confusion here today about which bill we are considering. We are considering actually a continuing resolution, and we are not continuing the several bills that the gentleman who just spoke had referred to, but he made a couple of comments that I think we cannot allow to go unchallenged.

First, he talked about veterans health care. What our colleagues on both sides of the aisle ought to realize is that in the bill that we presented for veterans health care, we increased the President's budget request for veterans health care by $1.7 billion. We increased veterans health care over the President's budget, contrary to what the gentleman in the well had just said.

Then he talked about cuts in salaries. No salaries will be cut by the language in the next bill that we consider, nor this bill, and this bill does not cut anybody's salary. The CR does not cut anything. The next bill does not cut anybody's salaries, except Members of Congress. So I am not sure where all these confusing statistics are coming from.

Then there is one more item that supposedly comes from the Congressional Budget Office. What the Members on the other side, who are referring to Mr. Crippen's papers, failed to go to is the next two lines. The next two lines say "Congressional scorekeeping adjustments, $18.1 billion," which brings us to an on-budget surplus of $1 billion, according to Mr. Crippen, who they are quoting in their debate.

Here is the paper from the Congressional Budget Office. It says using the scorekeeping adjustments, we have saved $18.1 billion.

So, Mr. Speaker, I realize there is some confusion here as to which bill we are considering. We are considering a continuing resolution, and I think everybody supports it, including the President of the United States. We are debating a number of other bills.

We will, after we pass the CR, get to the actual bill, the conference report on the District of Columbia and the Labor-Health and Human Services appropriations bill, but that is not what is the issue before us at this time.

Mr. Speaker, I want to compliment the chart makers on both sides. While we have used a lot of charts today, and I am going to use one in my final presentation that I think is a great chart, we have really improved our ability to present charts, and I compliment both sides for that.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from California, the chairman of the Subcommittee on Defense of the Committee on Appropriations.

Mr. LEWIS of California. Mr. Speaker, I very much appreciate the chairman yielding.

Mr. Speaker, I did not intend to speak during this discussion on the bill that is before us, but the comments made by the last speaker are of concern to me as well, for in those comments he presumed in the next bill there may be some across-the-board cut that could affect the bill we have recently had the President sign, the bill funding national defense.

Indeed, it is conceivable that if the House does adopt and there is signed into law an across-the-board provision that affects all accounts, that defense could be affected, and that does concern me a lot. But I must tell you, Mr. Speaker, it concerns me most because of the condition we find our national services in today.

There is little doubt that the bill the President signed is a breath of fresh air in terms of returning to recognizing the priority needed for national defense. But indeed the reason we need to be concerned is because of the actions of past Congresses.

Since I have been in the Congress, we have reduced our annual expenditures for national expense in amounts of almost $150 billion. If indeed we have had a problem funding our personnel, keeping our forces and numbers and strength that is required, it is because of that past history of a lack of support of the former majority of our national defense systems.

I am very concerned about the discussion that is going forward. But, in the meantime, I think the public should understand what this discussion is actually all about as it relates to national defense.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, my friend, whom I greatly respect, the chairman of the Committee on Appropriations, has just said that I left out a line. There is a line on Dr. Crippen's chart. It comes at the bottom of the page after CBO has scored this budget and says it is $17 billion into Social Security. That line says "if you use Congressional scorekeeping."

Well, CBO, the Congressional Budget Office, is our budget office. We have hired them to do it. Their record for scorekeeping is pretty impeccable. Over the last 10 years they have only been 0.4 percent wrong, plus or minus $2 billion dollars, for the past 15 years in scoring discretionary spending.

What they are saying is, "Do not use their scorekeeping; use our arbitrary scorekeeping. We will borrow this from OMB, and this from CBO, whatever best serves our purposes."

The best, consistent and proper way to score the budget before us is to use CBO. Their track record is good. We have always used them in the past. If you use CBO, you are $17 billion into Social Security.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would concede to the gentleman that we are using and cooperating with the President's Office of Management and Budget in this issue of scoring, so I wanted them to know that.

Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Pennsylvania (Mr. PETERSON), a member of the Committee on Appropriations.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I would like to go back a little bit to an issue raised a little while ago that questioned the Republicans' commitment to the National Institutes of Health that was not answered, and I think it should be.

In 1998, I think, the Republican Conference put an initiative of plussing up the National Institutes of Health that is appropriate for the research that needs to be done in this country, and to question our credibility on supporting NIH I think was uncalled for.

Now, why are we here today debating a continuing resolution? Why? I think we heard the discussion. Because we are trying to get it right. We are trying to pass a budget for the first time without using the Social Security surplus, and that is not easy. It may take a little longer, but the American people are going to be very well served if we break this practice.

Now, I think we heard today from the gentleman from Wisconsin the difference. If we look at the record and read it, if I heard the gentleman correctly, he said, "You know, we could do this rather easily," and I am trying to be accurate in what I heard, "we could do this rather easily because historically we were spending 100 percent, borrowing it, putting the notes in the drawer and spending it. If we would agree to spend 80 percent to pay down debt and use 20 percent to fund government programs, we could get this done real quick."

Mr. Speaker, that is true. That was a very accurate statement. This would be over with. We would be home, Congress would be done, the President would have signed the bills.

We are trying to get it right. It has been difficult to suddenly take $100-some billion out of this process and say we are going to do it without that. That is the argument that is going on, and if we read the RECORD of this morning's discussion on the continuing resolution, there is a very valid argument of why we are having a difficult time, because we have not agreed to take 20 percent, borrow it, spend it. We are trying to have 100 percent of the Social Security trust fund set aside and not spent for general government purposes, and that has made it difficult.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, let me again correct the gentleman. When I described the 80 percent, I said if you assume worst case scenario, which is the Republican actions on the budget so far, that you would have that 80 percent—20 percent split. So if you want to know why that is so bad, do not ascribe it to me. You are the folks who have already passed bills that have produced that reality, once you start telling the public what the actual facts are, rather than hiding almost $18 billion in spending.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, here we are, 29 days past the day that started the fiscal year 2000. Only 8 of 13 bills have been passed, so here we are debating another continuing resolution to get us one week deeper into the process, and a week from now we will end up here debating still another continuing resolution.

For weeks now the Republicans have accused Democrats of spending the Social Security surplus on this year's budget. Now, give us a break. The Republicans are in the majority here. Democrats cannot pass a budget at all. We cannot spend a single penny of the budget. The Republican majority has passed appropriations bills, one right after the other, with accounting gimmicks that call for routine items becoming emergencies and putting future expenditures past the end of the fiscal year so it appears in next year's accounts.

The Office of Management and Budget says you have been spending Social Security money, your own Congressional Budget Office says that you have been spending Social Security money, $17 billion by the latest count, but the Republican leaders, one after another, proclaim they are not spending a single dollar of the Social Security surplus.

Well, every propaganda campaign depends on convincing people you are doing exactly the opposite of what you are actually doing, and this is a propaganda campaign. The big lie, repeated again, and again, and again.

It really does not matter, because a year from now, by election time, one year from now, every American will know exactly how much money has been spent from the Social Security surplus, and it will be impossible to hide it or lie about it any longer. But, more importantly, is the fact that in all of this year the Republican majority has deliberately refused to extend the life of the Social Security system by so much as a single day. They have deliberately refused to extend the solvency of the Medicare program by so much as a single day. There is not a whimper of dispute on either of those facts.

They have refused to put the interest saved by paying down America's debt into the Social Security trust fund, which alone would extend Social Security by 15 years, so that people over the age of 30 would be able to know that they have Social Security good for them into at least the year 2050. And they have refused to extend the solvency of the Medicare program beyond the 15 years the present law assures.

At the same time, they have refused to expand the Medicare program to provide for a prescription drug benefit for our senior citizens. In fact, they passed earlier this year a disastrous tax bill which would have made it impossible to extend the life of either Social Security or Medicare. Both would have died a slow death by strangulation. Fortunately, the President vetoed that bill.

□ 1215

Mr. YOUNG of Florida. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida (Mr. SHAW), who plays a major role on the issue of Social Security as a senior member of the Committee on Ways and Means.

Mr. SHAW. Mr. Speaker, I thank the chairman for yielding this time to me.

I think everyone on the Committee on Appropriations knows that social security comes under the jurisdiction of the Committee on Ways and Means, and I have been sitting here listening to Member after Member coming down and talking about how the appropriation process is not extending the life of social security for even one day.

Mr. Speaker, this committee has no jurisdiction with regard to social security. If we do not solve the problem of social security, it will become a problem in about 2014, because we will be looking for appropriations to put money into the social security trust fund to pay off the Treasury bills that are in the trust fund to keep the benefits flowing.

That is my greatest concern, and I think this should be America's greatest nightmare at this particular time. But that has absolutely nothing to do with the appropriations process. We have to leave this to another day. We have to work together to solve this problem.

If we start putting cash into the social security trust fund now, through the appropriation process under the law governing the social security trust fund, that money just comes right out the other end and is converted into Treasury bills. It does not in any way affect the solvency of the social security trust fund and as far as what date is it going to have to go out and tap into the taxpayers to get some money to take care of its obligations and the benefits.

I even saw a member of the Committee on Ways and Means on the minority side get up and start talking about how this does not extend the life of social security. Mr. Speaker, the Committee on Appropriations does not have jurisdiction over social security.

Mr. OLVER. Mr. Speaker, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Massachusetts.

Mr. OLVER. I thank the gentleman for yielding.

I fully agree that it is not under the jurisdiction of the Committee on Appropriations to do, but this is passing the buck from one committee to another. This is a year when, in very good economic times, we could have extended the life of social security by a very simple measure, and with reference to passing the buck, all I said was that the Republican majority has steadfastly and deliberately refused to extend the lifetime of social security by so much as a day.

Mr. SHAW. Reclaiming my time, I would like to ask the gentleman two questions. One, exactly what does the gentleman expect the Committee on Appropriations to do to extend the life of social security in a bill this year?

Mr. OLVER. I do not expect the Committee on Appropriations to do anything. I was merely pointing out that it is a responsibility of the majority to solve America's problems.

Mr. SHAW. The gentleman is absolutely correct.

Mr. OLVER. The problem in this instance is that we need to extend social security.

They really cannot pass the buck from one committee to another when it is a matter of all the committees.

Mr. SHAW. If the gentleman would let me explain to him, and if he was listening, he would know that I said the buck stops at the Committee on Ways and Means, not the Committee on Appropriations. It is a Committee on Ways and Means responsibility to do this. We need to do it with a plan that is going to save social security for all times.

Mr. OBEY. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from Florida (Mr. BOYD).

Mr. BOYD. Mr. Speaker, I appreciate the gentleman from Wisconsin yielding time to me.

Mr. Speaker, I am pleased to enter into the fray behind my friend, the gentleman from Florida (Mr. SHAW). I want to say that the rhetoric on Social Security has reached a new level for the time I have been here, a short 3 years.

The gentleman from Florida is right, nothing that we will do here today or in the next month will change, and I think the American people know and I know every Member of this body knows, nothing will change the fact that every social security recipient will get their paycheck on time, with full benefits, at least until the year 2034.

I want to remind Members, though, that what the Committee on Ways and Means has done over the last 8 months under the leadership of the Republican majority is focus on an $800 billion tax cut, rather than a structural reform for social security. I think many of us feel like we ought to set some money aside so when we address the structural reform, we will have that money to be able to pay for it.

I want to talk to the Members about the cuts, if I might, the across-the-board cuts. I want to tell a very personal story. I got word earlier this week that last Thursday a young lieutenant commander in the Navy who happens to be a cousin of mine, Lieutenant Commander Raymond Worthington, flying off the U.S.S. *Eisenhower*, lost power on both engines as he began to take off, and the nose turned down into the water and he and his back seat ejected, and obviously were rescued and safe, but the plane was destroyed.

I tell that story because his mother, for the 3 years I have been in Congress, has been hounding me about the age of F–14s and the availability of spare parts, and the shortage of mechanics and people who keep these F–14s running and in good shape.

I want to tell the Members, this across-the-board cut will cut $1 billion out of the operations and maintenance account of the Department of Defense. It will make it harder for Lieutenant Commander Raymond Worthington and his cohorts to get the maintenance and spare parts they need.

I want to tell the Members also what else these across-the-board cuts do. They take approximately $200 million out of veterans' health care, something that we all agree has been underfunded for many, many, many years. That is very wrong, and I would hope that this Congress, this House, would reject those across-the-board cuts.

Mr. OBEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, just two points in closing. With respect to veterans' health care, everyone has said that the original budget request was inadequate. We all agree on that.

On this side of the aisle, during consideration of the Veterans Department budget we asked that $2.4 billion be made available for veterans health. The committee chose to provide $1.7 billion, instead. Now, the action that is coming today on the part of the majority party will cut an additional $200 million out of that $1.7 billion. We do not think they ought to do that.

Secondly, we have heard a lot of people give some lurid examples of waste, fraud and abuse. They said, we can easily get at that if we pass this 1 percent cut. The problem is that the way the 1 percent cut is designed, we cannot get at any of that waste, fraud, and abuse. We also cannot get at any congressional Members' pork projects, any of the earmarks.

One example, in the VA-HUD report on page 95, we will find a list of 444 earmarked items. The problem is that none of those items can be eliminated under this proposal before us today. All we can do is take 1 percent out of them.

I will place all of those items in the RECORD so people can see what I mean. I am not suggesting that some of these projects are not perfectly legitimate. I am saying that it is a fraud when Members come to the floor and bring up these lurid examples, mostly from 5 and 7 years ago, and say, "oh, we should cut this out," when in fact the way they have drafted this provision prevents the administrators from being able to cut out that which they object to.

Mr. Speaker, I would simply say, in the time remaining, I recognize the gentleman from Florida has done everything that he can in order to keep this issue on the merits. I recognize he has done everything he can to try to see that we handled these issues in a responsible way. I think there have been considerable problems above his pay grade that have prevented us from doing that. I know if he were left to his own instincts, we would have a far different product here today. Again, I appreciate the opportunity I have had to work with the gentleman.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I compliment both sides of the debate for their chartsmanship, because we have produced some nice-looking charts. This one that I am going to refer to today has a lot of writing on it. Members may not be able to see it too well, but I will refer to it.

I wanted to say to my friend, the gentleman from South Carolina, who said that we cannot get our job done, I want the Members of the Congress to know that we are getting our job done. When we pass the next bill today, we will have sent all 13 appropriation bills to the President, along with the two supplementals that the President had asked for. We are doing it without a massive omnibus appropriations bill like we saw last year, and that most all of us pledged not to let happen again.

I want to thank my friend, the gentleman from Wisconsin (Mr. OBEY). While we have had some fairly strong political differences, and we have had different approaches to our positions, the fact is that we have worked together very well, and we have cooperated with each other in order to get the job done.

Let me tell the Members how the job has been done. If we look at this chart, there are 30 items on this chart that the Committee on Appropriations will have done at the end of this day, 30 items. I challenge any other committee in the House or the Senate to have produced 30 measures to bring before their body for votes.

Let us just take a look at it: the Kosovo emergency supplemental; the Hurricane Mitch supplemental; the conference report on the two supplementals; the Agricultural Appropriations bill; the conference report on the Agriculture bill; the Commerce-Justice-State Appropriations bill; the conference report on Commerce-Justice-State; the Defense Appropriations bill; the conference report on the Defense Appropriations bill; the District of Columbia Appropriations bill No. 1; the conference report on the D.C. bill No. 1; the District of Columbia bill No. 2; the Energy and Water bill; the conference report on Energy and Water; the Foreign Operations appropriations bill; the conference report on the Foreign Operations Appropriations bill; the Interior Appropriations bill; the conference report on the Interior Appropriations bill; the Legislative Branch Appropriations bill; the conference report on the Legislative

Branch Appropriations bill; the Military Construction Appropriations bill; the conference report on the Military Construction Appropriations bill; the Transportation Appropriations bill; the conference report on the Transportation Appropriations bill; the Treasury-Postal Service Appropriations bill; the conference report on that bill; the VA-HUD-Independent Agencies Appropriations bill; the conference report on the VA bill; the steel, oil, and gas loan program issue that came to us from the Senate; and today, then, item No. 30, the conference report on D.C. No. 2 and Labor-HHS.

So the Committee on Appropriations, while we have had political differences, has worked well together to produce these items. They all will have been on the President's desk by the end of this week. The President will probably veto the last five bills. He has signed the first eight, which I think is a major accomplishment. There are five bills that we expect will be vetoed.

We need to have this last bill on the President's desk so that then we can deal with the President's vetos specifically. Once he vetoes the bill, he sends that message back to us and he tells us why he rejects that bill. That gives us somewhere to start in the final negotiations to find how we can rewrite those bills to get them signed by the President.

So contrary to those who say we cannot get our job done, the Committee on Appropriations is and has been getting its job done. I think the appropriators on both sides of the aisle, while maybe not totally supportive of everything in all of these bills, ought to be rather proud of the record they have established here. Again, I thank the gentleman from Wisconsin (Mr. OBEY) for helping us move these bills.

I want to say a word about our leadership. Our leadership has come in for some criticism because they have involved themselves in appropriations issues on occasion.

□ 1230

Well, that is the role of the leadership. They have a right to do that.

I have to tell our Members that, when I, as speaking from the Committee on Appropriations, presented a problem or had a discussion, I found great support for the strategies that we were suggesting, for the policies that we were suggesting. Our leadership supported us every way they could. Did they have input? Of course they did. That is why we elect leaders, to have something to say about the outcome of the legislative process.

So all in all, despite being miles apart on political rhetoric, we are fairly close together on getting our job done. I am proud of the Members of the Committee on Appropriations on both sides. While I may disagree with some of them, especially on that side, I am very proud of the fact that we have been able to produce 30 separate appropriations issues and passed all of them but one, and we are going to pass that one today.

I would also like to add that, up until today and all the votes that we have had on appropriations bills, we have received 8,702 aye votes to 3,514 no votes. That is almost three to one ayes. So the House, in my opinion, has shown great support for the work product of the Committee on Appropriations. I am very, very proud of that record. I hope that all of the members on the Committee on Appropriations on both sides share that pride, because we are getting our job done.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BEREUTER). All time for debate has expired.

The joint resolution is considered as having been read for amendment.

Pursuant to the order of the House of Wednesday, October 27, 1999, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 424, nays 2, not voting 7, as follows:

[Roll No. 546]

YEAS—424

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark

Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

DeFazio
Paul

NOT VOTING—7

Brady (PA)
Coburn
Hinojosa
Mascara
Rush
Scarborough
Waters

☐ 1251

So the joint resolution was passed.

The result of the vote was passed.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 3064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 345 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 345

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The conference report shall be debatable for two hours equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

The SPEAKER pro tempore (Mr. BEREUTER). The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST); pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 345 provides for the consideration of the conference report to accompany H.R. 3064, a bill to provide for fiscal year 2000 District of Columbia appropriations, and for other purposes.

Mr. Speaker, this rule waives all points of order against the conference report and its consideration, and provides that the conference report shall be considered as read. The rule provides for 2 hours of general debate divided equally between the chairman and the ranking minority member of the Committee on Appropriations. House rules provide for one motion to recommit, with or without instructions, as is the right of the minority of the House.

Mr. Speaker, this resolution is intended to move the appropriations process forward and send the message that we are committed to sending all of the 13 appropriations bills to the President. I heard it stated on the House floor earlier this week that only three times in the last 2 decades has the Congress passed all 13 appropriations bills by the fiscal deadline. Like past Congresses, we did not meet the set deadline, but today we are sending the final appropriations bill to the President for his signature.

Keeping America's fiscal house in order does take a little longer than the freewheeling spending days of the past because we must ensure that all funding is spent efficiently and where it is needed most. Notwithstanding the fiscal constraints we now face after decades of fiscal irresponsibility, the bill before us today responsibly funds areas important to every American citizen and also protects the American people from waste, fraud and abuse in Federal agencies.

I want to discuss briefly the contents of the conference report that this rule makes in order. Mr. Speaker, this is a responsible bill that provides funding for important issues across the Nation. It includes funding for the District of Columbia, and substantial funding for education and health programs in the jurisdiction of the Departments of Education, Labor, and Health and Human Services. It also forces Federal workers to weed out waste in all of their agencies to find savings that will protect the Social Security program.

The President has stated clearly that they want to spend more money. Once again, Members on the other side of the aisle have refused to admit what the rest of America strongly believes, that Social Security funds should be spent on Social Security benefits and nothing else. I urge President Clinton to work with Congress to ensure that Social Security is not raided to spend more money on wasteful and inefficient Washington spending plans.

To achieve this, we are including in this bill a plan to direct every Federal agency to reduce spending by less than 1 percent, .97 of 1 percent, by rooting out waste, fraud and abuse. Surely the Federal Government can save one penny out of every dollar, and the American people know that. By cutting waste in the Federal Government, we can stop the raid on Social Security that this government has done for decades.

American citizens every month sit at the kitchen table and find ways to pay their bills and save money for their future. This Congress is simply asking the men and women who run Federal Government agencies to make the same kind of fiscally responsible budgeting with the money taxed out of our paychecks. This plan puts the power in the hands of each agency because each agency would have the opportunity to identify that percent of waste, fraud, and abuse and eliminate it.

It is up to the agency head to decide where to find the savings, and I am sure even the best government program wastes at least 1 cent on the dollar. For example, the Government Accounting Office audits have found that Federal agencies were unable to account for over $800 billion in government assets, that one out of every $18 spent in the Section 8 program is wasted, and that the government lost over $3.3 billion on students who never paid back their student loans. Another example of waste; approximately 26,000 deceased persons received $8.5 million in food stamps.

We all know that the agency directors and executives know where the waste is, and I am relatively certain they will be able to weed out at least that much in savings with this sensible plan.

☐ 1300

The second component of this conference report includes the District of Columbia funding that was included in the first D.C. appropriations bill, appropriating a total of $429.1 million in Federal funding support for the District and sending $6.77 billion in District funds back to the people of Washington.

We maintain a number of important provisions that are designed to turn our Nation's Capital around, including ratification of the tax cut plan that was allotted by the city council and the Mayor of the District of Columbia to provide more opportunity for District residents to save their hard-earned money, reinvest it, to create jobs, and stimulate economic growth.

In addition, part of the city-wide effort to revitalize the District also depends upon efforts to reduce the scourge of drug use and related crime in the District of Columbia. Therefore, we have provided funding for universal drug screening and testing, additional probation and parole officers, and drug treatment services.

I am also very pleased that the bill retains the current law prohibition on Federal funds from being spent on any program to distribute needles for the purpose of illegal drug injection.

Finally, the third component of this conference report includes funding for the final appropriations bill allocating money for the Department of Labor, Education and Human Services. The Labor, Education, HHS allotment includes health and education funding, including funding increases for the Maternal and Child Health Block Grant, the Ryan White AIDS Health Services, and Head Start.

We have also included more funding than the President requested for education in the form of education block grants, safe and drug-free schools, State grants, and vocational education State grants.

We continue to seek to fund education initiatives in ways to infuse incentives, flexibility, and accountability into a system that has so often felt comfortable with the status quo, and this conference report moves us toward our goal of strengthening our schools and improving learning for all of our children.

In the Health and Human Services portion of the conference report, I am also personally pleased that the National Institutes of Health has received an increase in funding over the President's budget request.

I believe that medical research represents the single most effective weapon in our arsenal against the diseases that affect Americans. The advances our scientists and doctors have made over the course of the last century could not have been predicted by even the most farsighted observers. Our own lives might some day depend on the efforts of scientists and doctors currently laboring in our Nation's Federal laboratories, and I am pleased that this important account has been increased for fiscal year 2000 so that this research can continue and expand.

I urge the President to stop issuing veto threats to our fiscally responsible appropriations bills and join us in preserving Social Security and maintaining our balanced budget.

I hope that this conference report serves as a first step toward a cooperative budget process that will result in a balanced budget and secure a future for America's seniors.

This rule was favorably reported by the Committee on Rules last evening. I urge my colleagues to support the rule today on the floor so that we may proceed with a general debate and consideration of this important conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule marks the end of a sad chapter in a year-long budgetary charade played out by the Republican majority.

This is the last of the 13 appropriations bills to be considered for fiscal year 2000. And what has the Republican majority done with the 2000 budget? Let us take a moment to examine this closely.

They have done nothing to strengthen Social Security. They have done nothing to strengthen Medicare. And they are following budgetary policies that hurt every American family. And to make matters worse, according to the Congressional Budget Office, their budget actually spent $17 billion of the Social Security surplus in spite of the fact that they troop out here every morning claiming they are not touching a penny of it.

Let us not forget for a moment what the Republican majority tried to do earlier this year with the surplus. The Republicans passed a $780 billion tax cut that was wisely rejected by the President and by the American people because it squandered the surplus instead of using it to pay down the national debt and to strengthen Medicare and Social Security.

And so we move on to the latest chapter in this sad story of the budgetary games being played out by the Republican majority.

In this chapter, they are proposing a .97 percent across-the-board cut for all Federal programs in order to make up for the fact that they cannot get their job done. In essence, what they are saying is, stop me before I sin again. Stop me before I raid even more from the Social Security Trust Fund.

So what does this .97 percent mean? Let us listen to General Hugh Shelton, Chairman of the Joint Chiefs of Staff, in Congressional testimony earlier this week. "This across-the-board cut would strip away the gains that we have made or what we've just done to start readiness moving back in the right direction. In other words, if applied to this program, it would be devastating. If it went into the personnel accounts, it would be disastrous."

According to the Comptrollers Office at the Department of Defense, this mindless across-the-board cut would mean a reduction of anywhere between 27,800 and 50,000 active-duty personnel. At the low end, this would represent a reduction of 9,600 troops for the Army; 7,500 for the Navy; 3,400 for the Marines; and 7,300 for the Air Force.

This is the equivalent of three-fourths of an Army airborne division, one aircraft carrier, two attack submarines, two Burke-class destroyers, 1½ Marine Expeditionary Units, and two Air Force fighter wings. All this at a time when our armed forces are stretched thin across the globe. This, Mr. Speaker, is nonsense.

Last night during the Committee on Rules hearing, the gentleman from Oklahoma (Mr. ISTOOK) tried to tell me that these cuts would come from waste, fraud, and abuse and from the classic expensive Pentagon toilet seat. He tried to tell me that because the Pentagon budget signed by the President was $4.5 billion more than the President requested, the nearly $3 billion in cuts mandated by the across-the-board cut in this conference report would not really represent a cut in the Defense Department.

The gentleman from Oklahoma (Mr. ISTOOK) said last night that these are not cuts, they are merely adjustments. I beg to differ with his analysis.

Mr. Speaker, as I said earlier this week, the Chairman of the Joint Chiefs of Staff said that these so-called adjustments would be devastating to military readiness. Readiness, in my book, does not represent waste, fraud, and abuse.

Let me tell my colleagues what these adjustments in readiness will represent. A cut in $720 million in military personnel, which leaves that account $600 million below the President's request, and the so-called adjustment will also represent a $1.1 billion cut in operations and maintenance, bringing that account down $1.1 billion below the President's request.

Last night the gentleman from Oklahoma (Mr. ISTOOK) said that because of the obstinacy of the members of the Clinton cabinet, it would be hard to make any projections about what these adjustments might mean until they "get out of denial."

Well, Mr. Speaker, it is hard for General Shelton and the Joint Chiefs of Staff to be in denial about $2.7 billion worth of cuts in the Defense Department when the bill signed by the President and passed by the majority in the other side contains projects they did not ask for.

That includes $375 million as a down payment on a $1.5 million helicopter carrier to be built in Mississippi, the State of the Senate majority leader, or $320 billion for a ship to be built in San Diego, or $15 million for a study of the aurora borealis, things that were added by the Members of the other side of the aisle.

Mr. Speaker, this is mindless budgeting and a clumsy attempt to appear to be living up to the Republican mantra of saving Social Security. The Republicans are not saving Social Security. They are not doing anything about ensuring its solvency, nor are they protecting Medicare. They are trying desperately to save their thin majority in this House. They are looking out for number one and letting the American people down in the process. They are cutting vital defense programs, ignoring Social Security, and denying senior Americans prescription drug coverage.

This is a shameful exercise, Mr. Speaker. I urge every Member of this House, every Member who cares about the honest budgeting and living up to our responsibility as elected representatives, to vote against this farce and to work in the next week to come up with real solutions for the American people.

Mr. Speaker, I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BEREUTER). The Chair would remind Members of something that is too often forgotten. Members should not make reference to individual Members of the other body.

Mr. LINDER. Mr. Speaker, I yield myself 30 seconds to point out that my friend, the gentleman from Texas (Mr. FROST), who spent nearly 2 decades in the majority, spending 100 percent of the Social Security surplus without batting an eye, is now concerned that we are trying to save it.

I further would like to point out that every family in America has learned how to cut 1 percent of their family budget. Surely, even the Pentagon can figure out how to do that.

Mr. Speaker, I yield 4 minutes to my friend, the gentleman from southern California (Mr. CUNNINGHAM), a member of the Committee on Appropriations.

Mr. CUNNINGHAM. Mr. Speaker, I think it is the height for someone that spent time in the majority that consistently voted to take money out of Social Security to then come up and rail on Republicans on Social Security. The gentleman that just spoke did that very same thing time and time again.

Secondly, I was in the hearing where General Shelton testified to the President's budget on defense. He said that the President's budget was completely adequate on defense. We added $16 billion to that fact. And now the General says that 1 percent would be hurtful, after we added $16 billion and he testified that $16 billion would be less.

General Shelton is a war hero, but I think he has no political spine in the fact that he is supporting the President and the Democrats in trying to veto every single one of these bills so that they can spend more money.

In that defense bill that he said that the President signed this week, everybody knows that the gentleman from Michigan (Mr. BONIOR), the President, and the gentleman from Missouri (Mr. GEPHARDT) did everything they could to have Democrats stand up and vote against the defense bill so that they could use it as leverage on all of these bills.

I mean, that is wrong, Mr. Speaker. My colleagues ought to be ashamed of themselves, absolutely ashamed.

And then the President signs it and says, well, it is because of the 1.8. The only reason he signed it is because Democrats stood before the President and said they gave their word, 100 percent of the Democrats on the committee in the Senate and the House said that they would support the defense bill. And then the President had to back out.

Do my colleagues know what he told one of those Democrats? And I will not mention their name because it was a personal conversation. He said, Oh, do not tell people that I was going to veto it anyway.

That is sick, Mr. Speaker, absolutely sick and what the Democrats are trying to do.

Secondly, we add education money. One of the gentlemen from the other body from Illinois, in the conference we add over $300 million above the President's request for education, and the gentleman from the other body said, oh, but you are making a cut, right? We said, no. We are increasing education spending from last year and we are adding $350 million above what the President requested. He said, oh, you are cutting. And the gentleman from Illinois kept on. And Senator STEVENS, or the chairman, I am not supposed to mention his name, sorry, the chairman of the committee said, no, that is not true. We are adding money from last year and we are adding money above the President's request. And the gentleman from Illinois said, well, that is not what we originally wanted.

So we are still increasing, but the same old spin that we are cutting.

Now, I am sick and tired of the Democrats using demagoguery to try and veto every one of these bills so that they can spend more money. They sit there and support the President. The gentleman from Missouri (Mr. GEPHARDT) just walked in. They support the President's budget.

Well, Mr. GEPHARDT, that story you told about Mars bars, where your mother wanted you to save the money, you should have listened to your mother. You still have not learned a lesson. You still want to spend and spend and spend and to tax to do that. Shame on you, Mr. GEPHARDT.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will address his remarks to the Chair.

Mr. CUNNINGHAM. Shame on you, Mr. Speaker.

I apologize.

The SPEAKER pro tempore. That is not exactly what the Chair had in mind, but the gentleman understands his point.

Mr. CUNNINGHAM. Mr. Speaker, I understand that.

But the point is that let us get out of this charade of trying to veto all of these bills so that the President has more leverage on all of these bills.

I think it is perfectly fair to say, Mr. President, we are going to give you 13 appropriations bills. Take out your red marker where your priorities are and identify under the balanced budget where those lines are, but do not dip into Social Security and Medicare.

The 1 percent across-the-board, including Members' pay, which I support, is a way to stay under that, but yet Members even reject that. I think that that is false, and I think it is wrong. Get a life.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind Members that they cannot characterize Members of the other body intentions or remarks unless they are factual recitals of the public record in the other body on this pending measure.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. GEPHARDT).

☐ 1315

Mr. GEPHARDT. Mr. Speaker, this Republican budget is a bad deal for America's families, and it is really when you think about it the worst of all worlds. It does not extend the life of Social Security by one day. It does not provide one penny for a Medicare prescription drug benefit. And worst of all, it hurts every family in America in some important way.

Today's Congressional Budget Office letter to Speaker HASTERT repudiates the Republican false claim about safeguarding the Social Security surplus. The CBO clearly and directly says the Republican budget has already spent $17 billion of the Social Security surplus on the spending bills. This letter does not use Democratic or Republican numbers to come up with the $17 billion figure, it uses CBO's own nonpartisan numbers. It exposes once and for all the clear fact that the Republicans are the raiders of the Social Security surplus they claim to have safely stowed in the lockbox.

And, remember, the use of CBO numbers is something that Republicans felt so strongly about in 1995, they shut down the government over using CBO numbers consistently throughout the budget. They passed a resolution of the House in 1995 saying we would only use CBO numbers. Well, under the CBO numbers consistently applied across this budget, they say that we are spending $17 billion of Social Security surplus.

Democrats are fighting for the real needs of families while the only real priority of the Republican Congress has been to squander the surplus on tax cuts for the wealthy and special interests. Democrats want to strengthen and extend the life of Social Security, and we want to protect and modernize Medicare. Democrats support the President's plan to devote the entire Social Security surplus to debt reduction and extend its solvency to the year 2050, and we have a proposal to add a prescription drug plan for Medicare. Republicans come up empty on both counts. Their budget fails to address the issue of how we can extend the life of Social Security to ensure that current and future retirees can continue to depend on the foundation of retirement security. And they have no answer for seniors who are forced today to choose between health care and prescription drugs and what they can afford.

Some people say this debate is not real, that it is some kind of an inside-the-Beltway ritual, that somehow we enjoy gridlock and we do not want anything to happen. Well, people who say that are dead wrong. Go tell the senior who is going to be waiting for the meals on wheels and it does not come and it is not just the meal, it is the human contact that comes to that senior citizen to allow them to live in their home. This bill cuts thousands of meals on wheels.

Go tell the child who is going to wind up in an overcrowded classroom because this bill does not contain what it should to try to get more teachers and to try to get more classrooms. Go tell the parent who is worried about dealing with their children using drugs that we had to cut the safe and drug-free bill. And ask the cancer patient who benefits from NIH research. I have been there. You have heard me tell the story of my son and what it was like to have that resident come in the room after he was diagnosed with terminal cancer and say, "We got on the computer last night and we found an NIH therapy that might save his life. Don't get your hopes up but we're going to try."

Let me tell you something. When you need that research, you need it. This bill puts the NIH funding off to the last two days of the fiscal year, some kind of a cheap stunt in order to make the numbers come out. It makes no sense. Vote "no" on this budget. Let us sit down as adults with the President and the leaders of this Congress, the appropriators, let us come up with a budget that makes sense for the American people, that saves Social Security and Medicare and does right by America's families.

Mr. LINDER. Mr. Speaker, for the purpose of injecting some sorely needed truth into this discussion, I yield 3 minutes to the gentleman from Oklahoma (Mr. ISTOOK).

Mr. ISTOOK. Mr. Speaker, I know we always hear some things that are long on emotion but short on facts or short on logic. One would think that what we were doing is cutting out or eliminating certain programs that the gentleman from Missouri referred to. That is not the case at all. What this bill says is for the discretionary spending of the Federal Government, let us reduce it 1 percent across the board. Not singling out any program for elimination, not singling out any department, not Meals on Wheels, not the military, not anyone but just saying overall in government, can we tighten our belt by 1 percent so that we do not jeopardize the Social Security trust fund any more. Because in the past, hundreds of billions of dollars from the Social Security trust fund were spent by Congress. And it happened even after the Republican majority took over because we were trying to make the change and now we are making it. Most of it, of course, in the prior years.

But the time to use Social Security money for all these other things has stopped, and all you have to do is say to the rest of government, spend 99 cents instead of $1. That is it. And we do not touch Social Security benefits, we do not touch veterans benefits, we do not touch Medicare benefits. It is only the discretionary programs that are touched. Is that asking too much? Is that the end of the world? Of course not. Except to the people who claim what they do not want to do is spend Social Security, but what is their answer? Do they want to spend the same amount but just differently? No. Do they want to spend less so that we do not touch Social Security? No. They want to spend more. The Democrats want to spend more. That is what this is about. We are saying no.

The CBO scoring documents, the Congressional Budget Office has given us in writing what they are not telling. They quote from the CBO and talk about the withdrawals from the government treasury, the withdrawals, the spending side, but they leave out what CBO has said about the deposits. It is in writing and CBO has given it to us based upon the things and the bill upon which we are about to vote, it will not touch Social Security, there will still be a billion dollar surplus without even counting Social Security money. They want to count the withdrawals of the account, they do not want to count the deposits. CBO, when you count the deposits as well as the withdrawals, says you keep the budget balanced and you do it without spending Social Security money. And it is about time that we do that.

I am sick to hear these Cabinet officers stand up in front of the camera and say, oh, there is no way that we can trim back 1 percent. Tell that to the American families that have to do it constantly, adjustments a lot bigger than 1 percent, or businesses or anyone else. Do not tell me that Federal agencies cannot find the way to save one penny on the dollar.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I rise in strong opposition to the rule and to this bill. As a nurse, I have long advocated for Federal support of medical research. Over the past few years, we have substantially increased funding at NIH. This investment pays great dividends. Most importantly, it helps ease the suffering of millions.

My daughter Lisa is currently in a fight with cancer. She knows and I know the importance of the work of NIH, work that is in process right now. The bill before us supposedly provides $17 billion for NIH, an increase of 15 percent over last year. But in a slick accounting gimmick to make it look like they are balancing the budget, House leaders are holding back nearly half of the money until the closing days of this year. This will push $2 billion onto next year's books and allow them to claim they are saving Social Security.

I am amazed and appalled at such irresponsibility. It is no wonder this is being rushed through without adequate debate. This gimmick will actually have the effect of cutting NIH funding. Scientists today will have to slow their work while they wait for funding, seriously hampering saving research, research my daughter and so many others are waiting for, their lives on hold.

I urge my colleagues to vote down this rule and to fully fund the NIH starting today.

Mr. LINDER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Florida (Mr. GOSS), my colleague on the Committee on Rules.

Mr. GOSS. I thank the distinguished gentleman from Georgia for yielding me this time.

Mr. Speaker, as we debate this very big bill we will necessarily be focused on big issues, as we have already heard, but I wanted to take a moment out to speak more to the human side, to commend the Committee on Appropriations for not overlooking an issue of very great importance but not of major press focus these days. I am referring to a line item that partially funds the Ricky Ray Hemophilia Relief Act found in this year's appropriations bill.

I think my colleagues will remember last year Congress enacted the Ricky Ray bill, which provides compassionate assistance from the Federal Government for victims of hemophilia associated AIDS. This law responds to that awful tragedy that has impacted the lives of thousands of Americans and continues to do that. This is the first year that we have sought funding for the Ricky Ray program, and I was grateful to see the Committee on Appropriations was receptive to beginning the funding process by allocating $50 million for fiscal year 2000. I certainly understand how difficult the appropriations process has been this year, I think we all do, so I am especially pleased that we are moving forward on this critically important program. I know the hemophilia community wishes we could allocate more money this year, the actual total funding would be $750 million, but I am hopeful that as the process continues the Committee on Appropriations will continue work to see that we set aside more funds.

I have a letter from the National Hemophilia Foundation expressing appreciation, which I would like to insert in the RECORD at the appropriate point. I know many Americans will join me in thanking our colleagues the gentleman from Illinois (Mr. PORTER), the gentleman from Florida (Mr. MILLER), the gentleman from Florida (Mr. YOUNG) for finding a way to start the funding for this program. I do not believe the sky is falling. I think good things are happening. I think this proves it. I urge support for the rule and for this bill.

The letter referred to is as follows:

NATIONAL HEMOPHILIA FOUNDATION,
New York, NY, October 5, 1999.

Hon. C.W. YOUNG,
Chairman,
Committee on Appropriations,
House of Representatives, Washington, DC.

DEAR CHAIRMAN YOUNG: On behalf of the hemophilia community, I wish to express our deepest gratitude for your strong leadership and commitment to providing initial funding for the Ricky Ray Hemophilia Relief Trust Fund in the FY2000 Labor, Health and Human Services Appropriations Bill. Nearly 5,000 persons with hemophilia have died from the complications of HIV/AIDS since HIV contaminated the blood supply during the 1980s. Approximately 2,700 Individuals with hemophilia continue to live with HIV. For these individuals and for the families in the hemophilia community who lost their loved ones, the funding included in the FY2000 bill begins to fulfill the promise Congress made when it passed the Ricky Ray Hemophilia Relief Fund Act last year.

As you proceed to conference with the Senate, we ask that you continue to explore avenues to provide increased funding for the Ricky Ray Relief Act and ensure its full implementation as rapidly as possible. The time-limited nature of the Trust Fund and the pressing medical, financial, and personal costs borne by our community give urgency to this request.

Again, we thank you for your outstanding efforts and look forward to working with you to fully fund the Ricky Ray Trust Fund.

Sincerely,

EDWARD JONES,
President.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Ms. SLAUGHTER).

Ms. SLAUGHTER. I thank the gentleman for yielding time. Mr. Speaker, I rise in strong opposition to the rule and the underlying bill. This rule provides for the consideration of the third version of the D.C. appropriations bill and the Labor-HHS bill which has never been voted on in the House, and just for good measure an across-the-board cut of 1 percent. This bill does not extend Social Security or Medicare solvency for even a single day. My friends on the other side know full well that the President will veto this bill and we will have to come back. And a veto is well deserved.

Mr. Speaker, if we pass this rule, we are endorsing a most unusual procedure. The annual Labor, Health and Human Services bill appropriates about one-third of the United States budget. It makes vitally important decisions about funding levels for everything from cancer research to teacher training. One would think that the Members of this House would consider it their responsibility to bring such a bill to the floor and to vigorously debate amendments which might make it better. But my friends in the majority are going to shirk that responsibility and opt instead for a single up-or-down vote on a whole grab bag of issues, some lacking even a passing acquaintance with the Labor-HHS bill.

In my district, Rochester, New York, experts at the University of Rochester are conducting internationally recognized research in biotechnology and medical investigation. But in a bill where out of the ordinary is considered routine, this measure will delay any grants from January until September 29, 2000. There will be no research grants for a year. People who are waiting for cures, praying for cures know that this bill will not help them. As a former scientist, I can tell you research cannot be conducted that way. A delay of a year could be a delay for a lifetime. Research delayed is results denied, results which might help save a life or improve the quality of life for our fellow Americans.

Mr. Speaker, I have tremendous admiration for the gentleman from Illinois (Mr. PORTER), the subcommittee chairman. He has been a champion in so many ways and his intelligence, competence and compassion will be irreplaceable when he retires at the end of next year. I really believe that in another place and time he would have brought a much different bill to the floor. But in this time and place the Labor-HHS bill cannot pass on its own. And so the majority relies on procedural shenanigans to slip it through.

□ 1330

The other side will argue it is really just a cut in office supplies and travel budgets and maybe coffee money. Really? Well, how about a $184 million cut in veterans medical care, or $2.7 billion cut in defense, which would mean eliminating jobs for tens of thousands of men and women in uniform? The top military official in the United States has warned that this approach could seriously impair our military readiness, but the majority here will be arguing office supplies and travel budgets.

I do not blame the American people for finding this hard to believe. I find it hard to believe.

Earlier this year this same majority said it had $892 million for a tax cut using up the Social Security money. Now it says it has to cut back on Head Start and child nutrition.

A retroactive cut in bills which have already been signed by the President is a new wrinkle for us, and that has happened for several of the appropriations bills. It is very much like the contractor who builds a house, Mr. Speaker, and then comes back the next morning and breaks the windows.

The rule is objectionable because it condones the highly unconventional process under which we consider this underlying bill, and the bill is objectionable for reasons too numerous to fully address in the time allotted for any of us, but I solemnly urge defeat of both.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I would just like to put the debate on this final spending bill in context.

The President brought us what he called a balanced budget proposal. It was balanced, but it increased spending dramatically; and it funded it, and this is why it was balanced, it funded it by raising taxes $160 billion on the American people at a time when taxes are higher than they have ever been with the exception of 1 year during World War II.

Mr. Speaker, we put his budget on the floor, and we did not support it, and most of my colleagues did not support it on the other side of the aisle. Recently the President suggested that we close the gap between what we need to fund next year's services and the money available by raising taxes $20 billion. Well, we brought that proposal to the floor. The Republicans opposed that increase in taxes; and, as I recall, everyone of the Democrats did too.

So, do not just talk. Be part of the action. What we are doing here today is finding a way to adjust our expenditures so that we can do the things the American people need.

Any Secretary, any Cabinet member paid the salaries they are being paid can cut their expenses 1 percent over the year. The gentlewoman from New Mexico (Mrs. WILSON), one of our colleagues, was made head of the agency in Arizona responsible for children's services halfway through the year, and she had to save 4 percent in half a year, and she did it without touching a single children's program.

Mr. Speaker, there is not anyone I represent who does not work in a factory or in a work place that over the last 2 years has not had to be more efficient and cut overhead in order to put their product out there on the market better quality, lower price. It is nothing in the private sector to have to find 1 percent.

Why is this an emergency? Why is it that the gentleman from Missouri could get up here and claim that we are going to cut programs like Meals On Wheels? As my colleagues know, it is really very distressing to see the level of fear they were willing to put out there over 1 percent. Frankly, if my colleagues cannot cut 1 percent out of their own expenditures, if any high-paid executive cannot cut 1 percent out without compromising programs, they are not a person who understands quality improvement, continuous improvement, or all of the other modern management techniques that allow them to reduce administrative costs and improve the delivery of services.

So I am astounded at these horror stories that my colleagues are putting out, but let me also say one other thing. I am proud of what we are doing because in this Congress we have quietly decided to move our own goalposts. A few years ago we balanced the budget with great fanfare. That is terrific.

This year we found, because the economy was doing well, we have the opportunity to balance that budget without Social Security funds. First time ever. I mean talk about revolutions.

Balancing the budget was not nearly as hard as balancing it without Social Security funds, and we are going to do it without Social Security funds and without new taxes, and our colleagues should be helping us cut 1 percent, not scaring the American people.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I hear the nervous voices of my Republican colleagues, as they should be nervous, about what they propose today before this House and before the American people.

When I am back home in New Jersey, I spend a lot of my time meeting with working families who are just trying to make ends meet, parents who have to work long hours and need a place to have after-school programs for their kids, senior citizens who are scared that they may have to choose between food and the medicine they need to stay healthy. I have a group in Middlesex County that I am working with to try to serve all of our homebound, bedbound and disabled seniors hot meals. Right now a lot of these people live on cold food or one meal a day. These are real people suffering in my communities and communities across the country.

So when I look at this budget bill, the question I ask is: What does this do for these people? Well, for starters it guts the funding we made to them on hot meals, and it provides nothing to provide these seniors with a prescription drug benefit, but it does not stop there. It denies a million children the chance for a safe after-school program, it cuts funding for over 8,000 desperately needed new teachers, it cuts immunizations for 330,000 poor children, and it does nothing, Mr. Speaker, to extend the life of Social Security, not even by 1 day.

And why does this bill fail in all these respects? Because Republicans need the money to pay for their trillion-dollar tax giveaway, a proposal the American people rejected during the break.

It is all a matter of priorities. This bill does not extend the life of Social Security even by a single day. It fails to provide one penny for a Medicare prescription drug benefit, and the only thing it does, Mr. Speaker, is hurt some American families in some very real way.

To Republicans, the top priorities are tax breaks for their special-interest friends. For we Democrats the top priorities are America's seniors and families. Let us vote with them and against this rule.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume.

At the risk of sounding remedial, I would like to point out to the gentleman from New Jersey that there is no tax cut in this bill.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. Mr. Speaker, I rise in support of the rule and of the conference report. The report not only includes funding for the District of Columbia, it also includes more money for education, Pell grants for college students, the NIH, Federal impact aid for local communities, the Ryan White AIDS program, and communities services block grants the administration requested.

But I am particularly pleased that the report includes a slightly less than 1 percent cut on new spending including a $1,400 cut to Members of Congress' own pay. Cutting Members' cost-of-living increase tells Federal agencies that they are not alone in holding down costs and says, "If you have to take a cut, Congress will, too." The cut in salary will also bring Members to a level that is more comparable to the Social Security beneficiaries' COLA, further illustrating the Republicans' commitment to preserving Social Security.

I congratulate the Republican leadership for funding key programs in this bill and for keeping its word on protecting Social Security. I urge my colleagues to support the rule and the conference report.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding this time to me.

I come to the floor this afternoon in the name of the people of the District of Columbia to protest being used by this rule.

Mr. Speaker, it is one thing to be abused. It is just as bad to be used. It is one thing to be treated like a dog. It is another thing to be treated like a mule. That is what is happening here.

The District of Columbia, the tiniest appropriation, is being used as a mule to carry across the largest appropriation, the Labor-HHS appropriation. This appropriation is the only one that involves a breathing, living city. We should have been the first out of this place. It is the simplest. It is our money, not my colleagues', virtually all of it. It does not belong here. It makes devolution a joke, for me to have to come before my colleagues who have virtually nothing to do with raising the money in this bill to ask for my own money.

Mr. Speaker, it is hung up here extraneous matters that are none of my colleagues' business. It makes the whole idea of devolution as it comes out of their mouths a joke because it involves them in tiny matters that in their jurisdictions would never go anywhere outside their borders.

It makes a lot of hard work go up in smoke. There is the work of the District of Columbia which presented a marvelously balanced budget with tax cuts and a surplus. There is the work of the Senate and House appropriators, and I appreciate that Senator KAY BAILEY HUTCHISON and the gentleman from Oklahoma (Mr. ISTOOK) have worked to get a bill that might be signed.

I wondered after the veto of this bill why would there be no negotiations. Talk about irregular order. Nobody sat down and tried to work out our disagreements. Now I know why, because my colleagues needed a bill number. That bill number, the first thing running, happened to be the District of Columbia appropriations containing the money of the people of the District of Columbia raised in the District of Columbia.

Mr. Speaker, my colleagues did not have the nerve and the guts to take their HHS bill to full committee and then to this floor so that it could be debated openly. They tried something so underhanded that it needs to be exposed to the American people.

What has resulted is a double delay. We had to delay while our colleagues negotiated this jerry-built HHS bill. Then we had the delay, of course, while we negotiated our differences in the D.C. bill.

What we have is a potentially signable bill, one not to my liking, and I do not know if it would be signed, that is going over with a bill my colleagues know will not be signed to further delay the people of the District of Columbia getting their own money.

This rule is unworthy of any serious legislative body. It is an unconscionable way to treat the people of the District of Columbia.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. TIAHRT), a member of the committee.

Mr. TIAHRT. Mr. Speaker, once again we are stressed between a debate over spending the Social Security surplus. This bill that is the result of this rule will protect the Social Security surplus, but one would not know it from the rhetoric. According to the other side we are actually dipping into the Social Security surplus by $17 billion. But once again we see that the sky is falling and Chicken Little is running about the House of Representatives. They say children will be sitting in crowded schools because of this, seniors will not eat, parents will be helpless to stop their children from doing drugs, medical research will be frozen for a year, and 50,000 troops will be laid off or reduced in force.

Well, none of that is true. Let us just look at defense, for an example. General Shelton came to the House of Representatives, came to the Senate and he said, "Here's the President's budget. We think it's sufficient to provide for our Department of Defense." Then we increased that amount of money in budget authority by $4.5 billion. Now a 1 percent cut would reduce that, but it's still $2 billion over the request that was completely sufficient, $2 billion more, and now, Mr. Speaker, all of a sudden we are going to be laying off 50,000 troops.

How can that be? How can it switch when we are still increasing by $2 billion? Well, I have the letter that says that we are dipping into Social Security surplus by $17 billion that has been referred to by the opponents of this, and it puts some really bogus groundrules to do that. But even if it were true, it says that in order to keep from spending the Social Security surplus, one would have to have a 4.8 percent across-the-board reduction, 4.8 percent. Well, where is their offer to cut the budget by 4.8 percent so we can protect Social Security?

□ 1345

Now, you say this will not extend Social Security even one day. Well, if you do not follow your own rhetoric and arguments, if you do not cut another 4.8 percent, you will shorten the life of Social Security. You will reduce the amount of time that is available for us to pay our seniors the benefits that they have so adeptly earned by working and paying into the system. The charges are not true, so why do they make the charges? To increase spending.

I ask my colleagues to vote for the rule and vote for the bill that follows.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I want to remind myself of the old adage, select your words carefully today, for tomorrow you may eat them. I rise in strong opposition to this rule for a fundamental reason why all of us should be opposing this rule: It brings a $95 billion spending bill to the floor without allowing the House to debate it and to decide where to cut it. That in itself is unprecedented, bringing a bill to the floor as a conference report that has not had committee action, that has not had floor action. That should be sufficient reason for anyone who cares about the process of this House to oppose this rule.

Now, I, too, am sick and tired of demagoguery. I heard an excellent speech from my friend from Alabama (Mr. CALLAHAN) this morning in which he openly and honestly said a lot of things.

My reason for being here today is my opposition to the leadership of this side of the aisle, a leadership that has the gall to stand on this floor and to have a message from their party taking full credit for the balanced budget and the fact that we almost got by without spending Social Security last year, when that same leadership did not vote for the budget of 1990 that laid the foundation, the budget of 1993 that put the walls up on the economy, and only provided 187 votes for the balanced budget agreement in 1997 that has become the mantra of political demagoguery on this floor. How do you have the gall to stand here and to blame anybody? There is enough credit and blame to go around.

I happen to be one of the 46 Democrats that stood and voted with you in 1995 when you said a balanced budget should be required and to use scoring by the nonpartisan Congressional Budget Office based on the most current economic and technical assumptions of the Congressional Budget Office. I agreed with you then, I agree with you today. That is why the Blue Dogs sent a letter to this same CBO asking them to score it, and when they responded to our question of CBO assumptions and methodology and excluding directed scorekeeping, they tell us we are spending $17.1 billion of Social Security, we, the Congress, both sides. But how can people blame the minority when the minority can pass nothing? That is CBO.

All I am saying is it is time for a little honesty. You know, that tax bill that you begged and pleaded with us to support, according to CBO honest scoring, would have spent $120 billion of the same Social Security trust fund we here today are debating.

Come on, it is time to be honest with our rhetoric. "Across the board spending." I heard the gentleman from Oklahoma a moment ago make this talking claim. The measure does not specify the accounts.

Mr. LINDER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Illinois (Mr. PORTER), the chairman of the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations.

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, we find ourselves at this moment in the middle of a very highly structured and organized disinformation campaign by our colleagues on the other side of the aisle, and yet some of the criticisms that have been leveled I want to admit to.

The gentleman from Texas and earlier the gentlewoman from New York said that it is not right that a bill like the Labor-HHS bill, or any other appropriation bill, comes to the floor without the chance of the House to shape that legislation on the floor. I agree with that. I regret that this bill has not been taken up on the floor. I think it is a failure of process, and I accept the criticism that has been leveled in that regard.

I would say to the gentleman from Texas that the bill was shaped in the subcommittee and in the full Committee of Appropriations and that my colleague from Wisconsin was invited to an informal conference which we had to have in the absence of passing the bill on the floor. He refused to participate and his voice was not heard. But the criticism is a valid one.

Yet there is so much today that is not valid, so much that is disinformation. This bill in total is the same as the President's budget. It is equal to the President's budget in education, it is higher than the President's budget in health and human services, and it is somewhat below the President in labor. But it is equal to the President's budget, overall.

Yes, we differ on how that money ought to be spent, and it is up to the Congress, not the President, to shape legislative policy, and we are doing that.

The minority leader followed by the gentlewoman from California said in effect we are cutting NIH. Let me remind my colleagues from the other side of the aisle that in the last 5 years we have increased NIH 5.7 percent, 6.9 percent, 7.1 percent, and, last year, 15 percent, and in this bill 14 percent. And, very frankly, the President of the United States in his budget this year proposed just a 1.4 percent increase for NIH. Are we supporting biomedical research? Yes, we are. Is anything saying that we are not? The truth is, "no"; it is a lie.

I would end by saying this: Nobody for the last 15 years has attempted to get control over the budget in a way that protects the Social Security reserve, and your side of the aisle has presided over hundreds of billions of dollars of raid on that reserve. Thank God we are trying to correct that right now.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, it is absolutely correct that I refused to participate in the conference on the Labor-HHS bill, because it was not a conference. The conference is supposed to come after the House passes a bill.

We were never given an opportunity to debate this bill on the floor and help shape it. Then we went into a conference controlled by the Republican leadership with a specific instruction about what ought to be provided in that bill, and so I simply said to the gentleman, "Look, my friend, when the Republicans have determined what they want in that bill, I will be happy to sit down with you and give you an honest assessment of what else you need to do to get a bill that can be supported on a bipartisan basis." But I will not participate in a sham. And I do not apologize for that. I am proud of it.

Secondly, with respect to NIH, the gentleman from Illinois is a great friend of NIH. There are few better friends in this House than the gentleman from Illinois. But the product today, not through his desire, but because of this silly, phony debate on Social Security, what is happening to NIH is that all but a few hundred million of the $4 billion that we are providing to NIH for new grants will be frozen for an entire year. That will kill people, and that is wrong.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let me first say to the respected chairman of the subcommittee just for a point of reference, in 1995, my first year in the House, it was the Republican budget, the fiscal 1996 budget, that the President would not adopt that cut the NIH by 5 percent. You all have forgotten about that, but you all did propose that, and thank God you did.

Now, the bill before us today perpetuates a fraud on the Federal budget process and the American people. The Republicans have produced a Federal budget which in reality exceeds the spending caps set in 1997 by more than $30 billion and, according to our own Congressional Budget Office in this letter, spends at least $17 billion against the Social Security surplus, even with the across-the-board cuts, advance funding and gimmicks such as delaying medical research funding and paying the government's bills to private contractors late.

Today we read that the Speaker of the House and the Republican leadership, in their effort to pursue this budgetary fraud for political goals, has cut a deal with the chairman of the Committee on Transportation and Infrastructure, promising him that they will make him whole later on. He will get his highways, but medical research, trying to find cure for cancer and AIDS in Houston, Texas, will get the shaft.

No matter how much my Republican friends say it, no matter how much they wish it, the fact remains that, as scored by CBO, their budget exceeds the '97 budget spending caps by $30 billion, and spends $17 billion of the Social Security surplus. This is before the House takes up bills to rewrite the 1997 Balanced Budget Agreement, before the tax credit extensions and the minimum wage tax cuts, which we know will cost billions more.

It is not really whether you cut across the board, it is the fact that you have destroyed the budget process.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, here we are, 29 days into the new fiscal year, dealing with the largest discretionary budget, other than defense, under most unusual circumstances.

This is the bill that deals with every family in America on education and health and working issues and training and job safety and such, and we are operating under and asked to vote for a rule which completely bypasses regular order.

This is my ninth budget. In not one of those previous 8 years have we dealt with the labor, health and education budget in less than at least one whole day of debate, where it was possible to amend this legislation along the way, either by the minority or the majority, to offer amendments and have them debated and considered along the way.

Not a single amendment can be offered here, not a single one debated. It is totally unamendable under these circumstances. But we are here under that set of rulings, and we should reject the rule for that reason.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from the Virgin Islands, Mrs. CHRISTIANSEN.

Mrs. CHRISTENSEN. Mr. Speaker, I thank my colleague for yielding me time.

Mr. Speaker, I rise in strong opposition to the rule and to this combined DC/Labor-HHS-Education conference report, which in reality is a misnomer, because the majority did not even bother to bring a freestanding Labor-HHS-Education bill to the floor.

While they are continuing to invent new budgetary gimmicks to mask the fact they have already raided the Social Security surplus, our friends in the majority have brought a Labor-HHS bill to the floor which cuts many of the President's priority requests to a completely unacceptable level. In fact, even if the President's request was approved, it would not have been adequate to sustain and meet the current capacity building needs of minority communities. Of the CDC's minority HIV and Health Disparities request, it cuts the administration's request by $39 million, making it less than last year's level. This is unconscionable and must not be allowed to stand. We cannot afford to take a step back, just as we are finally beginning to make a difference.

My colleagues, we must not allow disparate treatment in health care of minorities to continue. I urge my colleagues to vote against this unfair rule and this mean-spirited bill which cuts much needed funding in health care, education and social services to our families and our children.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

□ 1400

Mr. Speaker, the speakers on the other side, several of them have engaged in what I have referred to as triple-speak, not double-speak but triple-speak. They said, oh, well, the President only requested X for defense, and Congress voted more than the President requested for defense. Now they are cutting back across-the-board 1 percent, and the figure is still more than the President requested for defense. Therefore, defense is just hunky-dory.

What the gentlemen on the other side really did was to appropriate more than the President requested for weapons systems, for pet weapons systems for particular Members of Congress, money that was not even requested by the President. Now they want to cut below what the President requested for operations and maintenance and for personnel.

This is not double-speak, this is triple-speak. In fact, the Defense Department, under their 1 percent cut, will now get less than what the President asked for to be able to deploy people around the world, less for operations and maintenance, and will in fact have to reduce the size of the armed forces.

They should not be permitted to get away with this kind of charade. The American people deserve to be spoken to honestly and directly when we are talking about what we are doing with their money.

Mr. Speaker, this is a charade. We will vote "no" against the rule. If the rule is passed, we will vote no against the conference report. If the conference report should be passed, the President will veto it. They do not have the votes to override the veto, they know that, and we will then, finally, be in negotiations with all the parties at the table, unless the other side stubbornly refuses to negotiate with the President.

Mr. Speaker, I yield back the balance of my time.

Mr. LINDER. Mr. Speaker, I gratefully bring an end to this discourse by yielding the balance of my time to my friend, the gentleman from Southern California (Mr. DREIER), the chairman of the Committee on Rules.

The SPEAKER pro tempore (Mr. BEREUTER). The gentleman from California (Mr. DREIER) is recognized for 4½ minutes.

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule. I would like to commend this House, because when we move from this rule to the debate on the conference report and then vote it out, we will have, for the first time in a heck of a long time, passed all 13 appropriations bills without touching social security, and we will have sent them down to the President.

There has been a great deal of rhetoric that we have heard during this debate, but I have to say that we are going to be making history when we proceed with this.

We are trying to make some tough decisions. It is very easy to simply advocate a tax increase when we are advocating more spending. What we are saying is that we are not going to increase the tax burden on working families, we are not going to touch social security, and at the same time, we are going to make sure that we do not increase spending.

It is tough to do that. We are the ones who proposed doing it responsibly. That is why so many of my colleagues on this side have argued eloquently on behalf of a very responsible 1 percent cut.

My friend, the gentleman from Dallas, Texas, has justifiably talked about the fact that we are going to see problems within the Department of Defense. That does not have to happen. It does not have to happen. We will, with this 1 percent cut, have, as has been pointed out, $1.8 billion more than the President's request for national defense, and those priorities can clearly be established within the Pentagon and by the President.

We all acknowledge that there has to be waste, fraud, and abuse in every level of government. We are going to be doing it right here in the United States Congress, as well.

We know that when it comes to education, $34.7 billion was requested by the President. What is it that we had? We had $35.03 for education, and with this 1 percent cut we end up with $88 million more than the President's request for education. So if we look at what it is we are trying to do, we are doing it very, very responsibly. I hope very much that my colleagues will join in helping us make history by giving us a bipartisan vote on both the rule and on the conference report.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to strongly oppose this rule. Although the rule waives all points of order against the conference report, the rule also denies any amendments to this very flawed bill.

This bill cuts $1.2 billion out of the President's education agenda. It guts last year's bipartisan commitment to hire 100,000 teachers to reduce class size in the early grades, block grants the program, and cuts out the additional $200 million requested by the President to hire 8,000 teachers next year, in addition to 29,000 teachers hired this year.

This measure funds 3,400 fewer after school centers serving 950,000 fewer children than requested by the President.

The appropriations bill also cuts $189 million in Title 1 funds below the President's request which help schools hire an additional 5,400 Title 1 teachers to serve 290,000 disadvantaged children.

This legislation also cuts $44 million in requested CDC funding to immunize over 333,000 children against childhood diseases.

This bill denies $94 million requested for educational technology initiatives, including funds to establish computer learning centers in 260 low-income communities, to implement technology plans in 220 school districts; and impose technology instruction in 4,700 middle schools.

When our multi-cultural society is our Nation's strength, this bill wrongfully denies $169 million for Bilingual Education, HEP/CAMP, and Adult Education, denying bilingual education training for 1,800 teachers; high school equivalency and college assistance for 2,400 migrant students; and ESL education for 600,000 adult learners when one-third of recent immigrants do not have a high school diploma or its equivalent.

And this bill also injures our hardworking students by denying $60 million of the $240 million requested for GEAR UP, preventing an estimated 131,000 low-income middle and high school students from receiving the mentoring, counseling, tutoring, outreach, support services, and encouragement they need to raise their expectations and successfully pursue college; cuts out $50 million for new initiatives to educate disadvantaged youth and their families about college opportunities.

This bill cuts $35 million in requested funding to improve pre-service training for 2,500 new teachers and denies funds to recruit 500 new teachers under the Teacher Quality Enhancement Program; and rejects $18 million for Troops to Teachers aimed at meeting the need for 2.2 million additional teachers over the next 10 years.

The Department of Education is a vital entity that provides a great many services to our Nation's education, yet, the bill cuts $16 million out of the Department's administrative budget—forcing a furlough of employees for 10+ days—in a back door attempt to dismantle the Education Department piece by piece. As written, the bills denies $125 million requested by the President to support family care for over 5 million Americans with long-term care needs, cuts $28 million requested by the President to ensure that 1.6 million elderly and disabled receive quality nursing care, and cuts funding available for social services for the elderly and low-income Americans in FY 2000 by $1.1 billion or 46% below the mandatory level.

This bill also strikes a blow to our workforce and eliminates assistance for 241,000 unemployed individuals. It also shortchanges efforts to improve the safety and health of workers and the safety of their benefits, but cutting $69 million out of requested increases for workplace safety enforcement, initiatives to promote equal pay, to address problems of coal dust in mines, and help other countries improve working standards. Worse yet, the measure eliminates $25 million new initiative to provide health coverage for uninsured workers, cuts the Minority AIDS initiative by $15 million below the 1999 level.

This legislation also injures the American farmer and drops $508 million in emergency aid to farmers devastated by Hurricane Floyd in North Carolina and states on the Eastern seaboard with no guarantee that this needed assistance will be provided later.

The 1.4% cut across the board will decidedly hurt key programs. This bill cuts $403 million out of the Department of Education, reducing the conference level to $81 million below the President's program request, cuts $550 million out of the Department of Health and Human Services, and cuts $122 million out of the Department of Labor. An additional $109 million would be cut out of Title 1, eliminating reading and math assistance for approximately 168,000 disadvantaged children, $108 million would be cut out of Pell Grants, underfunding the maximum Pell award, $54 million would be cut from Head Start, and over 10,000 fewer kids would be served, $2 million would be cut from Meals on Wheels, and 1.5 million fewer meals would be served to 11,000 fewer seniors.

By combining the Labor HHS bill with the DC Appropriations Conference Report, we send the message to America's children, workers, and elderly that we do not care about them—that we are willing to cut their services because we were too lazy to amend this bill.

I oppose this rule and the underlying bill.

Mr. LINDER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 206, not voting 7, as follows:

[Roll No. 547]

YEAS—221

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth-Hage
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds

Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—206

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Roemer
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOT VOTING—7

Gilman
Hinojosa
Mascara
Rodriguez
Rush
Scarborough
Waters

□ 1424

Ms. BERKLEY and Mr. BISHOP changed their vote from "yea" to "nay".

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GILMAN. Mr. Speaker, during rollcall No. 547 I was unavoidably detained and missed the vote. If I had been present I would have voted "aye."

Stated against:

Mr. RODRIGUEZ. Mr. Speaker, on rollcall No. 547, I was delayed. Had I been present, I would have voted "no."

Mr. YOUNG of Florida. Mr. Speaker, pursuant to House Resolution 345, I call up the conference report on the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. BEREUTER). Pursuant to House Resolution 345, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Wednesday, October 27, 1999, at page H10933.)

The SPEAKER pro tempore. The gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) each will control 1 hour.

The Chair recognizes the gentleman from Florida (Mr. YOUNG).

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany H.R. 3064, and that I and the gentleman from Illinois (Mr. PORTER) and the gentleman from Oklahoma (Mr. ISTOOK) may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I believe all of the Members understand now that this conference report includes, not only the District of Columbia appropriations bill, that was rewritten and passed after the President vetoed the first one, but it also includes the Labor, Health and Human Services, and Education bill, which is the 13th appropriations bill to be sent to the President's desk. The submission of these 13 bills plus the two supplementals will end this phase of the appropriations process.

The next phase of the process, then, is to receive the vetoes from the President on those bills which the President determines that he does not like, and to work with the White House Office of Management and Budget and the President himself, if he is available, on whatever differences we can to try to get subsequent legislation signed, because all of these appropriations bills must become law.

Much of the debate will be related probably, not to the District of Columbia portion of the bill, but the Labor, HHS portion and to the offset section.

□ 1430

One of the issues that we will hear about, I know, because we heard a lot about it during consideration of the CR and also the rule on this bill, is the across-the-board cut, which is less than 1 percent. I am not a great proponent of across-the-board cuts, but we are doing everything that we possibly can to make sure that we do not spend any of the Social Security money. To do this we made this less than 1 percent across-the-board cut part of our offset package.

Now, there has been and there will be a lot of criticism of this across-the-board cut, but everyone that I know who lives outside the Beltway is convinced that the Government wastes a lot of money, a lot of their money. And I know that the folks back in my district would laugh at me, and anyone else who would try to convince them that our government could not find 1 penny out of every tax dollar from the discretionary accounts; that we could not save one penny out of every dollar. I think we would be laughed out of town if we tried to convince our constituents that this government, that has considerable waste, and we try to weed out the waste the best that we can, but it continues to pop up, we would be laughed out of town if we tried to convince our constituents that this government could not save 1 penny out of every dollar that we appropriate.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. PORTER), the distinguished chairman of the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations.

Mr. PORTER. Mr. Speaker, I thank my distinguished chairman for yielding me this time.

Before we begin the more partisan portion of this debate, I want to join with my colleague, the gentleman from Wisconsin (Mr. OBEY), for a tribute to a retiring member of our staff, and I want to congratulate Bob Knisely, who is sitting directly on my right, on his retirement and wish him well.

Bob has served the Subcommittee on Labor, Health and Human Services, and Education, and related agencies, for 28 years. That is an absolutely remarkable achievement, Mr. Speaker. There are only 10 Members of this House who were here when Bob Knisely began his career with the subcommittee. He has served under Chairman Mahon, Chairman Whitten, Chairman Natcher, Chairman OBEY, Chairman Livingston, and now Chairman YOUNG. On the Subcommittee on Labor-HHS and Education, he has served under Chairman Flood, Chairman Natcher, Chairman Smith and now during my tenure.

In the world of appropriations, two words encompass the strongest values of the committee and, when used, Mr. Speaker, represent the highest compliment that one can pay to a staffer at any level. One is "technician". It contains none of the bureaucratic connotations usually associated with the word. Bob Knisely is an outstanding technician, Mr. Speaker. He assures that the legislative and other products of the subcommittee meet his high standards for quality and that they will assure the implementation of our policies. His expertise in the rules of the committee and the House, as well as the technical aspects of putting the bill and report together, is absolutely irreplaceable. His knowledge of the programs under our subcommittee's jurisdiction is, of course, unparalleled, as is his understanding of the history of the subcommittee for more than half of its existence.

The second word, Mr. Speaker, is "professional". There are those who continue in the mistaken belief that a professional staff cannot exist on the Hill; that we must surround ourselves only with individuals who share our political views. This is rubbish, and Bob's career demonstrates the true concept of professionalism. He has served chairmen and members of our subcommittee of both parties equally, providing them with his best advice and technical support.

Bob, our subcommittee and its chairmen have been better and more effective because of your service here. This institution, which we all love, is a better place because of your service. And, hopefully, your career will serve as a model to continue to strengthen it even after you have left. Your shoes will be very, very hard to fill.

I know that I speak for the entire subcommittee and for this entire House in wishing you well in your retirement, and I hope we can call on you occasionally for help. Your work of 28 years and your professionalism are a credit to our subcommittee, to the Congress, and to our country.

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, when I first went on the Subcommittee on Labor, Health and Human Services, and Education as a rookie, Bob Knisely was one of the persons who taught me both about the programs with which we dealt, and about the way the committee worked and how I could be most effective in pursuing the goals that I was concerned about.

To this day, I have no idea whether Bob is a Republican or a Democrat. I do know he is a consummate professional. I do know he is a first-rate human being. I do know he is a spectacular public servant. He is one of those people about whom the public will never hear, but he is one of those people, nonetheless, who has helped every day to make things better for working people, who are supposed to be the primary interest of the Department of Labor.

He has always given us straight, honest information. He is part of a terrific staff that acts as reality checks on all of us practicing politicians. We like to fit the facts into our rhetoric, but Bob Knisely has been one of those people who has always helped us to fit our rhetoric into the facts. We may not have always been comfortable with that, but that, in the end, is what a professional staffer is supposed to do.

I am profoundly grateful for the service that you have provided, Bob, and I am profoundly grateful to the assistance you have given me, and all of us, through the years, and I wish you well in your retirement. Thank you again very much.

Mr. Speaker, I yield 6 minutes to the gentleman from Virginia (Mr. MORAN), who wishes to wish Mr. Knisely well, and to discuss the District of Columbia appropriations conference report.

Mr. MORAN of Virginia. Mr. Speaker, the reason why I rise to speak with regard to Mr. Knisely is that I worked with Mr. Knisely a quarter of a century ago.

Over the last 25 years, I have become older and fatter and grayer and uglier, but Mr. Knisely looks the same. He is just as sharp and keen of mind and quick of wit, and he is just as slim and good looking as he was then.

But putting aside all the superficial things, the substantive thing is, as the gentleman from Wisconsin (Mr. OBEY) said, he is a consummate professional. I was on the Senate Committee on Appropriations staff during some very difficult times. And I know that the gentleman from Wisconsin (Mr. OBEY) remembers, and by the way, even then the personality and intellect of the gentleman from Wisconsin made him a larger-than-life presence on the Committee on Appropriations 25 years ago, but if it were not for Bob Knisely, a great many of the issues that we could not find our way out of never would have been resolved in a spirit of bipartisanship.

He is a very professional staffer and a good person and this country owes him a deep debt of gratitude.

Now with regard to the D.C. Appropriations Bill, Mr. Speaker, here we go again. I am not sure if we can remember how many times we have been on the House floor or in conference on just the D.C. appropriations bill. This little bill is about $6 billion, $429 million is all of the Federal funds involved, but certainly this should be the last time that we would have to bring the D.C. appropriations bill to the House floor because we have made great progress since the President's veto of the first D.C. appropriations conference report.

Maybe it took a White House no to get all the parties into a room and discuss it seriously, earnestly. It certainly worked, if that is what it took. The chairman, the gentleman from Oklahoma (Mr. ISTOOK), and the chairwoman, Senator HUTCHISON finally kept an open enough mind to find out what needed to be done, and so we reached an acceptable compromise.

It took very few changes, as we had been saying all along, to reach that acceptable compromise. The compromise includes increasing the cap on special education attorney fees, eliminating the restriction on a private organization to be able to use private funds to carry out needle exchange programs, and allowing the District's Corporation Council to review and comment on its voting rights lawsuit without the use of Federal funds.

I have to say if they had accepted these modest changes several months ago, showing proper respect and deference to the District's home rule, we would not be here today. If it had not been for a lot of politicizing and posturing, we could have and should have had this appropriations bill signed into law last July.

For such a small appropriation of Federal funds, we had to have so much political rhetoric. $429 million is all the Federal money involved, and yet we are holding up $6.8 billion of the District's money. Because we changed things with the D.C. Revitalization Act, we treat the District as we would other States. We give them grants and contracts. We do not oversee them any more, or certainly we should not be, yet we are holding the District's budget hostage. They have a tax cut in it. They have a balanced budget and fiscal accountability in it.

They have a terrific Mayor, better management now in so many key areas. They are doing everything that we had hoped that they might do; more importantly, that their citizens demanded that they do. They have a little surplus. They are all in agreement on their own budget, and yet we are holding up their $6.8 billion budget using as leverage this little $425 million of Federal funds, holding it hostage.

It has been held hostage to a series of controversial social riders and restrictions on how the District can spend its own local property tax money and private money that is not even local public money. Those restrictions have not and would not be imposed on the constituents of any other Member of Congress, yet we impose them on the District of Columbia.

But this compromise, as I say, removes several of the most objectionable riders, at least with regard to the needle exchange program, which is always a controversial issue. But free needle exchange operates as a gateway so that the Whitman-Walker private organization could get access to addicts who were in desperate need of drug treatment and counseling. By offering free needles, they got them into the program so that they could identify them and heal them. The District has the worst AIDS epidemic of any other urban areas. They desperately need to be able to do whatever it takes to address effectively that problem.

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But since we have taken so much time to do our most important job passing appropriations bills, this little D.C. bill, important really only to the residents of the District of Columbia because it holds hostage over $6 billion of their own money, is now held hostage to a grander political scheme. The Labor, Health, and Human Services Appropriations bill, a bill with $93 billion of Federal money, compared to $429 million in the D.C. bill is attached as an amendment along with a 1% across the board cut and thus ensures its veto.

As a free-standing measure, we would support, in fact the entire subcommittee, Democrats and Republicans alike, would support this D.C. appropriations bill. We have always hailed it from an appropriations standpoint. It has always been a good appropriations bill. It is just these politicized, idealogical riders that sunk it.

Now it is going to be crushed by the Labor-HHS bill and by the 1 percent across-the-board cut. That is not right. It is wrong. It should not have happened. And I urge a no vote because it did happen.

Mr. YOUNG of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. ISTOOK), the very distinguished chairman of the Subcommittee on Appropriations for the District of Columbia.

Mr. ISTOOK. Mr. Speaker, I want to thank the gentleman from Florida (Chairman YOUNG) for the opportunity to present this bill today and for the leadership that he has provided in the appropriations process, and also to the gentleman from Illinois (Mr. PORTER), chairman of the Subcommittee on Labor, Health and Human Services, and Education, on which I also serve and which has been combined in this bill with the D.C. appropriation.

Now, Mr. Speaker, there were a number of people who, frankly, have been proposing, and basically these are people on the other side of the aisle, they have been proposing that we get all the appropriations bills and put them in one big package. Well, we have not done that. But we have a smaller package with two sets of issues, those for the District of Columbia and Labor, Health and Human Services. I guess they do not like that either, but this is just the best way we believe to proceed.

Now, why is that? Now, Mr. Speaker, we have had the D.C. bill on the floor before. We know the Nation's capital has a special relationship with the Federal Government. We have in this bill the funding, the assistance from the Federal Government to help the District of Columbia get some problems squared away, attacking the link between crime and drugs, incentives for the adoption of young people that currently are stuck for years in foster homes, incentives for the downsizing of the government in the District of Columbia. Because the city officials recognize it is bloated, it is too large, it needs to come down to size.

We have the environmental cleanup. We have the incentives for college attendance. We have the approval of the budget of the District of Columbia. And get this, Mr. Speaker, the District of Columbia has a Democrat mayor and a majority Democrat city council, and a key part of their budget is reducing taxes and reducing the size of government, and the Republican members of the city council were major contributors to this effort.

I have not heard anybody in the District of Columbia say, there is just no way they could handle a 1 percent cut in the size of their government. Instead, the Democrats in the District of Columbia and the District of Columbia city government are aggressively trying to reduce the size of their government and at the same time reduce taxes. And, yes, we heard within D.C. some people saying, oh, the tax breaks go to people with the wrong economic status.

But D.C. recognized they needed to have the tax incentives to create jobs and to help their economy and they did not fall into this demagogic trap of trying to say they are giving it to the wrong group of people. No, the Democrats of the District of Columbia did not do that. And so, we have the approval of their tax cuts and their budget. We did not change anything about their proposed budget and their proposed tax cut. We endorse it. But now it is part of this proposal for the Federal Government programs.

We hear people saying, now, when it comes to the Federal Government, though, there is no way we could reduce things by just one penny out of each dollar, not even one penny. I saw the Cabinet officers on TV the other day, Mr. Speaker, and they were saying, oh, there is no way we could do a 1 percent cut. They want to make it sound as drastic as possible instead of finding the administrative savings that businesses have to do when they do cuts, that families have to do when they do cuts.

I remember former Democratic President Jimmy Carter who went on national TV to tell people to adjust their thermostats, wear sweaters if necessary, turn out some of the lights, but let us reduce some costs. But today we are hearing people on the other side of the aisle say, because this has a 1 percent reduction, not in Social Security benefits, not in veterans' benefits, not in Medicare, only in so-called discretionary spending, we cannot handle it. Even though spending will actually be up for so many of those agencies from what it was before, they do not want to take a hard look at the size of government. They do not want to tell these Cabinet officers maybe they should lead by example.

The pay of Members of Congress is being adjusted one percent less under this bill than otherwise. I do not see the President or Cabinet officers trying to lead by example. This is important.

First we have to agree on how much we have to spend. The sad thing, Mr. Speaker, is that my friends on the other side of the aisle when they say, oh, we want to balance the budget and we want to do it without spending Social Security money, but instead of saying that means we might have to make more adjustments, they do not want to make any at all. They want to spend more. They want to get more into Social Security, as happened for decades around here. And it should not have happened, and it is time to fix it. This bill fixes it.

I want to commend the gentleman from Florida (Chairman YOUNG). I want to commend the gentleman from Illinois (Chairman PORTER). I want to commend the people that have worked so hard, the gentleman from Ohio (Chairman KASICH), who will speak in a moment, working on overall things.

I do not think the American people believe that Cabinet officers will not find the way to make their adjustments, as they have the right to do, program transfers, adjustments, reprogramming of funds. They have those tools at their disposal to make sure there are no difficulties caused by simply saying they have got to save one penny out of each dollar.

I urge adoption of the conference report.

Mr. Speaker, I am pleased to present to the House today the conference agreement on H.R. 3064, the District of Columbia, and the Departments of Labor, Health and Human Services, and Education Appropriations Act for fiscal year 2000. The conferees met yesterday morning and resolved the remaining matters in disagreement between the House and Senate bills and filed the conference report, House Report 106–419, last evening.

Mr. Speaker, this conference agreement includes the FY 2000 DC Appropriations Act; technical changes to the FY 2000 VA–HUD Appropriations Act; the FY 2000 Labor, Health and Human Services and Education Appropriations Act; and an offset package that protects social security.

Regarding the Labor-HHS Appropriations Act, the chairman of that subcommittee, the distinguished gentleman from Illinois, Mr. PORTER, will be yielded time to explain that part of the conference report. The offset package was developed by the Budget Committee and the distinguished gentleman from Ohio, Mr. KASICH, is here to explain the offsets.

Mr. Speaker, regarding the DC Appropriations Act, the conference agreement reflects the vetoed bill, H.R. 2587, with a few adjustments. The needles language has been adjusted to retain the prohibition on using Federal or local funds, but without the restriction on privately-funded programs. There is also a new provision, section 173 that allows the D.C. Corporation Counsel to review and comment on briefs in private lawsuits and to consult with officials of the District government regarding such lawsuits. All of the other social riders—marijuana, abortion, domestic partners—are the same as they were in the House-passed version of H.R. 3064.

In summary, Mr. Speaker, the conference agreement endorses the budget and tax cuts approved by the District's Democrat mayor and majority Democrat city council, whose Republican members were important contributors to this effort. The conference agreement helps the District in its efforts to reorganize, cut costs, reduce overhead, and improve services. This conference agreement retains the initiatives that were in the initial House bill, such as Federal funding for the largest-ever effort to crack down on the link between drugs and crime, so the DC's streets and neighborhoods will be far safer. The conference agreement includes incentives to move children from foster care to adoption in a safe, loving, and permanent home, and $2.5 million in Federal funds to complete a community pediatric health initiative for high risk children in medically underserved areas of the District. We also retained the $17 million in Federal funds for tuition assistance so that D.C. high school graduates will have the same opportunities that exist for students in the 50 States who attend State-supported institutions of higher education. In addition, language in the initial House bill strengthening the popular charter school movement in the District has been retained. The conference agreement also includes Federal funding to clean up pollution in the Anacostia River and to complete all design and other requirements for the construction of expanded lane capacity for the 14th Street Bridge across the Potomac River.

This conference agreement, as did the first one (House Report 106–299), totals $429 million in Federal funds which is $24 million below the house bill, $18 million above the Senate bill, and $255 million below last year's bill. The reduction of $255 million below last year's bill is due to several non-recurring items funded last year. The total conference amount of $429 million is $24 million below our 302(b) allocations in budget authority and outlays. In District funds, the conference agreement provides $6.8 billion of which $5.4 billion for operating expenses is $7 million below the House level, $29 million above the Senate bill, and $284 million above last year; however, included in this $284 million increase is a "rainy day" reserve fund of $150 million.

The conferees have included language under Defender Services that will allow the use of $1.2 million to pay attorneys for their services to indigents in FY 1999. Because the D.C. Courts underestimated the amount required for this program, language has been included in the conference report allowing FY 2000 funds for court operations and defender services to be used to pay for FY 1999 and FY 2999 attorney services for indigents in the event the regular appropriation is insufficient. This language will allow the appointments and payments to continue without disruption.

Mr. Speaker, it is important to make clear that language in the conference report permitting the courts to use FY 2000 funds to pay excess FY 1999 obligations does not in any way waive any possible applications of the Anti-Deficiency Act to the courts on the grounds that the obligation to make payments to these attorneys exceeded the obligational authority available for making those payments. The courts are not absolved of their responsibility and accountability under the Anti-Deficiency Act.

Title II of the conference agreement commends the District for reducing taxes and ratifies the city's action in that regard. One of the initiatives taken by local officials in agreeing to a consensus budget for fiscal year 2000 is to reduce income and property taxes by $300 million over the next 5 years, including $59 million in fiscal 2000. I want to acknowledge that Republican members of the District's city council, although outnumbered, contributed significantly to the tax reduction enacted by the District government. In fact, one of the two council members who spearheaded the tax cut was a Republican member.

I will include a table showing the amounts recommended in the conference agreement compared with last year's enacted amount, the budget request, and the House and Senate recommendations.

In closing, I want to thank all of our Members for their hard work and their contributions to this bill, especially the Chairman of the Committee, the distinguished gentleman from Florida, BILL YOUNG. He has displayed an amazing degree of patience, good judgment, and resolve in getting us to this point.

Mr. Speaker, I ask for an "aye" vote on the adoption of this conference report.

I reserve the balance of my time.

H.R. 3064 - DISTRICT OF COLUMBIA APPROPRIATIONS BILL, 2000

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	House	Senate	Conference	Conference vs. enacted
FEDERAL FUNDS						
District of Columbia Resident Tuition Support			17,000	17,000	17,000	+17,000
Incentives for Adoption of Foster Children			5,000	5,000	5,000	+5,000
Citizens Complaint Review Board			500	500	500	+500
Federal Payment for Human Services			250	250	250	+250
Metrorail improvements and expansion	25,000					-25,000
Federal payment for management reform	25,000					-25,000
Federal payment for Boys Town U.S.A	7,100					-7,100
Nation's Capital Infrastructure Fund	18,778					-18,778
Environmental Study and Related Activities at Lorton Correctional Complex	7,000					-7,000
Federal payment to the District of Columbia corrections trustee operations	184,800	176,000	176,000	176,000	176,000	-8,800
Federal payment to the District of Columbia Courts	128,000	137,440	99,714	99,714	99,714	-28,286
Defender Services in D.C. Courts			33,336	33,336	33,336	+33,336
Federal payment to the Court Services and Offender Supervision Agency of the District of Columbia	59,400	80,300	93,800	93,800	93,800	+34,400
Federal payment for Metropolitan Police Department	1,200		1,000	1,000	1,000	-200
Federal payment for Fire Department	3,240					-3,240
Federal payment for Georgetown Waterfront	1,000					-1,000
Federal payment to Historical Society for City Museum	2,000					-2,000
Federal payment for a National Museum of American Music and Downtown Revitalization	700					-700
United States Park Police	8,500					-8,500
Federal payment for waterfront improvements	3,000					-3,000
Federal payment for mentoring services	200					-200
Federal payment for hotline services	50					-50
Federal payment for public charter schools	15,622					-15,622
Medicare Coordinated Care Demonstration Project	3,000					-3,000
Federal payment for Children's National Medical Center	1,000		2,500	2,500	2,500	+1,500
National Revitalization Financing:						
Economic Development	25,000					-25,000
Special Education	30,000					-30,000
Year 2000 Information Technology	20,000					-20,000
Infrastructure and Economic Development	50,000					-50,000
Y2K conversion emergency funding (courts)	2,249					-2,249
Y2K conversion (emergency funding)	61,800					-61,800
Total, Federal funds to the District of Columbia	683,639	393,740	429,100	429,100	429,100	-254,539
DISTRICT OF COLUMBIA FUNDS						
Operating Expenses						
Governmental direction and support	(164,144)	(174,667)	(167,356)	(167,356)	(167,356)	(+3,212)
Economic development and regulation	(159,039)	(190,335)	(190,335)	(190,335)	(190,335)	(+31,296)
Public safety and justice	(755,786)	(778,670)	(778,770)	(778,770)	(778,770)	(+22,984)
Public education system	(788,956)	(850,411)	(867,411)	(867,411)	(867,411)	(+78,455)
Human support services	(1,514,751)	(1,525,996)	(1,526,361)	(1,526,361)	(1,526,361)	(+11,610)
Public works	(266,912)	(271,395)	(271,395)	(271,395)	(271,395)	(+4,483)
Receivership Programs	(318,979)	(337,077)	(342,077)	(342,077)	(342,077)	(+23,098)
Workforce Investments		(8,500)	(8,500)	(8,500)	(8,500)	(+8,500)
Buyouts and Management Reforms			(18,000)	(18,000)	(18,000)	(+18,000)
Reserve		(150,000)	(150,000)	(150,000)	(150,000)	(+150,000)
District of Columbia Financial Responsibility and Management Assistance Authority	(7,840)	(3,140)	(3,140)	(3,140)	(3,140)	(-4,700)
Financing and other		(384,948)				
Washington Convention Center Transfer Payment	(5,400)					(-5,400)
Repayment of Loans and Interest	(382,170)		(328,417)	(328,417)	(328,417)	(-53,753)
Repayment of General Fund Recovery Debt	(38,453)		(38,286)	(38,286)	(38,286)	(-167)
Payment of Interest on Short-Term Borrowing	(11,000)		(9,000)	(9,000)	(9,000)	(-2,000)
Certificates of Participation	(7,926)		(7,950)	(7,950)	(7,950)	(+24)
Human development	(6,674)					(-6,674)
Optical and Dental Insurance payments			(1,295)	(1,295)	(1,295)	(+1,295)
Productivity Bank			(18,000)	(18,000)	(18,000)	(+18,000)
Productivity Savings			(-18,000)	(-18,000)	(-18,000)	(-18,000)
Procurement and Management Savings	(-10,000)	(-21,457)	(-21,457)	(-21,457)	(-21,457)	(-11,457)
Total, operating expenses, general fund	(4,418,030)	(4,653,682)	(4,686,836)	(4,686,836)	(4,686,836)	(+268,806)
Enterprise Funds						
Water and Sewer Authority and the Washington Aqueduct	(273,314)	(279,608)	(279,608)	(279,608)	(279,608)	(+6,294)
Lottery and Charitable Games Control Board	(225,200)	(234,400)	(234,400)	(234,400)	(234,400)	(+9,200)
Office of Cable Television	(2,108)					(-2,108)
Public Service Commission	(5,026)					(-5,026)
Office of People's Counsel	(2,501)					(-2,501)
Office of Insurance and Securities Regulation	(7,001)					(-7,001)
Office of Banking and Financial Institutions	(640)					(-640)
Sports and Entertainment Commission	(8,751)	(10,846)	(10,846)	(10,846)	(10,846)	(+2,095)
Public Benefit Corporation	(66,764)	(89,008)	(89,008)	(89,008)	(89,008)	(+22,244)
D.C. Retirement Board	(18,202)	(9,892)	(9,892)	(9,892)	(9,892)	(-8,310)

H.R. 3064 - DISTRICT OF COLUMBIA APPROPRIATIONS BILL, 2000 — continued

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	House	Senate	Conference	Conference vs. enacted
Correctional Industries Fund	(3,332)	(1,810)	(1,810)	(1,810)	(1,810)	(-1,522)
Washington Convention Center	(48,139)	(50,226)	(50,226)	(50,226)	(50,226)	(+2,087)
Total, Enterprise Funds	(660,978)	(675,790)	(675,790)	(675,790)	(675,790)	(+14,812)
Total, operating expenses	(5,079,008)	(5,329,472)	(5,362,626)	(5,362,626)	(5,362,626)	(+283,618)
Capital Outlay						
General fund	(1,711,161)	(1,218,638)	(1,218,638)	(1,218,638)	(1,218,638)	(-492,523)
Water and Sewer Fund		(197,169)	(197,169)	(197,169)	(197,169)	(+197,169)
Total, Capital Outlay	(1,711,161)	(1,415,807)	(1,415,807)	(1,415,807)	(1,415,807)	(-295,354)
Total, District of Columbia funds	(6,790,169)	(6,745,279)	(6,778,433)	(6,778,433)	(6,778,433)	(-11,736)
Total:						
Federal Funds to the District of Columbia	683,639	393,740	429,100	429,100	429,100	-254,539
District of Columbia funds	(6,790,169)	(6,745,279)	(6,778,433)	(6,778,433)	(6,778,433)	(-11,736)

Mr. OBEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I rise in opposition to transportation cuts in this bill.

Mr. OBEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I rise in strong opposition to the latest Republican majority appropriations scheme.

For weeks they tried to craft a Labor/HHS/Education spending bill that would be acceptable to the American people, and for weeks they failed.

Everyone on Capitol Hill spends a lot of time talking about priorities. And to be honest, we all have the same goal—which is to convince the American people that we are really fighting for their priorities.

But the old adage "actions speak louder than words" has never been truer.

While the majority Republicans like to say improving education is one of their top priorities, how are we supposed to react when they use the money that was designated for education funding to offset the spending for their real priorities.

For weeks Democrats have been asking the Republicans to show us their budget plan, and for weeks the Republicans have refused. Today, we finally see why.

Under this bill, every education program will be cut by almost 1 percent. This may not sound like a big deal, and the Republicans will tell us all day that such a small percentage will not have a negative impact. Well what this bill will do is: Blocks nearly 300,000 students from receiving needed math and reading tutoring services under Title I; cuts $200 million from the class-size reduction initiative; and cuts after school care and programs for nearly 1,000,000 children.

The Republicans claim this 1 percent cut will only impact government waste—is that what they think of our Nation's children?

For weeks the Republican leadership has been delaying bringing this bill to the floor.

Today, we learned why.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the gentleman from Maryland for yielding me the time.

Mr. Speaker, 3 minutes does not give me an opportunity, obviously, to discuss this bill or the fiscal shenanigans that are going on in this bill. But I do want to focus on one facet of this bill, the National Institutes of Health.

We have all heard the phrase "women and children first." That, essentially, means that we want to give to women and children priority. This phase has been women, children, and the sick and workers last. This bill has been held hostage to the last. Why? Because the President places a priority on women, children, workers, and the sick.

My distinguished chairman of the subcommittee, the gentleman from Illinois (Mr. PORTER), cares a lot about NIH. I want to tell the chairman, and I am sure he knows this, I am surprised that he would support this bill. Because under this bill, Mr. Speaker, they are proposing to spend this fiscal year that we are in now 1.5 billion less than President Clinton suggested. Hear me, $1.5 billion less.

I will tell my colleagues that people are concerned about this because it will delay such a large part. NIH budget will be a massive managerial challenge but much more importantly will force the delay of research grants and delay of clinical trials.

My friends, the chairman of our committee so critically involved in bone marrow transplants knows how timely action is. We are delaying clinical trials for cancer patients. We are delaying clinical trials for victims of heart disease. We are delaying clinical trials for victims of AIDS. We are delaying clinical trials for children with serious, life-threatening diseases. We are delaying them until September 29 and 30. That is 11 months away.

Who of my colleagues would stand and say to a critically ill child, wait 11 months while we underfund by $1.5 billion what the President asked for NIH funding? We pretend that we are giving NIH $17.9 billion. But we are saying, hey, guess what. Forty-two percent of it they cannot spend. Women, children, sick and workers last.

Why have we done this? To save Social Security? The majority leader of their party says that Social Security ought to be done away with. Let us reject this bill.

Mr. YOUNG of Florida. Mr. Speaker, I am now happy to yield 6 minutes to the gentleman from Ohio (Mr. KASICH), the distinguished chairman of the Committee on the Budget.

Mr. KASICH. Mr. Speaker, I do not want to get off my stride. But let me say that the Republicans, recognizing that the National Institutes of Health really are one of the crown jewels of the Federal Government, have had historic increases in NIH, something that has never been seen before, a 15 percent increase last year, a 14 percent increase this year.

But on to the other subject at hand. And that is, as I have been passing by this floor and past the television sets, listening to the debate, I have begun to observe that it is seemingly impossible for this House not to denigrate just about anything we do. It is remarkable to me as I stop and I watch this debate.

For the first time since man walked on the Moon, we have balanced the budget, when we include all the spending that the Federal Government makes versus all the revenue that has come in. Since the first time we have walked on the Moon, we are in balance. And now, to my own surprise, we are actually going to balance the operating part of the Federal budget without stealing from Social Security.

And do my colleagues know what? As Members of this House, we feel compelled to wipe that off the slate, to ignore an accomplishment that a couple years ago was beyond our imagination, when we have got budgets from downtown that puts spending in the red as far as the eye could see, and now we find ourselves not only balancing the unified budget, but we no longer have to take from Social Security.

Should we not, just for a second, shake one another's hands across the aisle and maybe even send some kudos down Pennsylvania Avenue that, for the first time, we have demonstrated something people thought was impossible in this town and it has resulted in a stronger economy, a major contributing factor?

Now, some of the critics of our approach today say that we are spending into Social Security; and then out of the other side of their mouths they say we are not spending enough.

Well, which is it? We cannot be spending too little and at the same time be spending too much. Pick an argument, choose one of them, and stay with it. They are going to give politics a bad name.

Now, this Republican majority has started a firewall. Is it the greatest firewall? I do not know if it is the best one, but it is a pretty good one.

What we are saying is we are not going to reach into that Social Security surplus and we are going to use the Office of Management and Budget as the traffic cop to add up the numbers, not as the economic estimates, but the traffic cop.

The President shut down the Government over the issue of OMB being the traffic cop. And we have decided to go along. We have decided to say that the President's Office of Management and Budget, as provided under the law and provided for by the United States courts, will be the referee and the arbiter of whether we are into Social Security.

And now we as Republicans, joined by I hope some of my colleagues on the Democratic side, have used the extraordinary tactic of an across-the-board cut to make sure that that traffic cop does not give us a ticket for a violation.

In my tenure in the House of Representatives, in 17 years, we have never, as on a voluntary measure by elected Members of Congress, cut across the board in order to achieve this objective.

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Will we stay out of Social Security? I am not sure. It is likely we will stay out of Social Security. But we are fighting on the margins, are we not, on this issue, because we have never achieved this much in any of our tenure.

Now, why do we want to stay out of Social Security? Because we do not want to commit the money to any other program. We want to use it to pay down some debt, which is good for this economy, and we want to preserve those dollars as a leverage to transform Social Security, not just for the seniors but for us and our children, so we can regenerate this system and we do not want to blow this opportunity and reduce our leverage. The Committee on the Budget 5 years ago and working with my friends in the Committee on Appropriations who from time to time we get into fights in the hallway with, we sat down 5 years ago and we plotted a road map. We have made some real progress. Have we made all the progress on that road map that I would like? You have just got to ask the gentleman from Florida (Mr. YOUNG) and he will tell you, "Of course not. The gentleman from Ohio is never happy with any of the level of spending we have. He is always complaining it is too much." But we are moving forward on this road map.

Today rather than spending our time debating about the crumbs, debating about the margins and about obscuring a message to the American people who have become cynical because of the failed promises of politicians, let us for once keep our eye on the ball, hold our heads high, congratulate one another of different philosophies and different parties and different branches of government. And while we can continue to fight on the margin and while we can continue to advance on this road map, let us just celebrate how far we have come and how far we have come in contributing to the benefit of our great country. I hope we will support this bill and today will be a day of celebration, not just a day of argument.

Mr. OBEY. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, despite the fiction we have just heard, we have a letter from the head of the Congressional Budget Office which spells out that the Republican budget so far has eaten into $17 billion of the Social Security surplus. So much for the fiction we just heard.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, the public has every right to be cynical about a Republican House leadership whose majority leader said several weeks ago that Social Security was a bad retirement and a rotten trick on the American people. This is from the party who today claims that in fact they want to save and preserve Social Security.

Mr. Speaker, I rise to oppose this irresponsible budget, one that does nothing to extend the life of Social Security, does nothing to add a prescription drug benefit for Medicare, but does a lot of harm and hurt to real families in this country. I oppose this bill because it is chock full of accounting tricks. But the cruelest trick of all is the delay in funding to the National Institutes of Health. This bill would delay $7.5 billion in funding for the National Institutes of Health, amounting to 42 percent of their budget, 60 percent of its research grants.

Let me just say, what is the National Institutes of Health for those who may not know? What is it but our Nation's leading biomedical research effort, to investigate cures and treatments for every disease, for cancer, for diabetes, for arthritis. The list is endless. Why the delay? In order to keep up this budget charade, their absurd claim that they are not spending Social Security, even though the Congressional Budget Office says that they have already dipped into the Social Security surplus to the tune of $17 billion. So to keep up the budget charade, this bill says that no funding could go to the National Institutes of Health, to their researchers, the people who work on these cures and treatments until the last final days of the fiscal year of next year.

What does this mean for medical research? It means delay. It would mean delay in research, delay in hiring, delay in salaries for a year. It is outrageous.

Mr. Speaker, as a cancer survivor, I am offended with a bill that plays games with biomedical research. We make strides every day in cancer research. That is why this is so cruel. Cancer knows no fiscal year. A family struggling with this life-and-death disease cannot wait a year. They need hope now. As a survivor, I know something about the power of hope. I know what it is like to pray for a cure. I know what it is like to put your life in the hands of doctors and of researchers. I would not be alive today if it were not for the advances in medical research. Advances in cancer research saved my life and every day in laboratories around this country men and women are making those life-saving discoveries that will change the lives of people that they have never met, families huddled in a hospital room, praying for a loved one to have the chance at life. Research cures cancer. Research gives hope. Delays in medical research funding plays games with people's lives.

We were sent here to do well by the people that put their trust in us, not to do harm. This bill does harm. Oppose it.

Mr. YOUNG of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. PORTER) the distinguished chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and Education.

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank the chairman of the Subcommittee on the District of Columbia, a valued member of my subcommittee as well, for allowing us to attach our bill to his bill and bring it through the process.

Let me say that earlier in the debate on the CR and in the debate on the rule, the charge was correctly made that this bill was not heard fully on the floor of the House of Representatives, was not shaped by the Members of the House as it should have been, and that we did not carry out our constitutional responsibility, particularly in view of the fact that spending bills must originate in the House. While the bill was shaped as it should have been in the subcommittee and in the full committee, I accept that criticism; it is fair and right, and I regret that the normal process was not able to be followed.

But let me say that beyond that criticism, much of the rest of what I have heard is not fair criticism, it is simply political talk.

Members that vote on this conference report are going to be voting to protect the Social Security trust fund. To achieve this end has not been easy given the competing spending demands and the small size of the non-trust fund surplus. And this conference report does rely on advance appropriations, delayed obligations and additional offsets provided in the leadership package, primarily a .97 percent across-the-board reduction.

But let me say, Mr. Speaker, that this is the first time that we have attempted to do this and that my colleagues on the other side of the aisle for 17 years did nothing to protect the Social Security trust fund and raided it to the tune of $850 billion in IOUs . . . They never even tried. We are trying to save the trust fund, and all they give us is political criticism. We should get credit for trying to do something that the minority never even attempted when they controlled the House.

This bill, the Labor, Health and Human Services and Education portion of it, is funded at a slightly higher level than the President suggested in his budget. There are cuts in it, yes, because we do not agree on policy matters with the President. There are also increases where the President did not provide adequate funding for programs that we think are higher priorities. Education is level-funded; HHS, we spend more; Labor, we spend slightly less. Overall, the funding is slightly more than the President's. We plus-up the Job Corps more than the President. We think it is a higher priority. We plus-up consolidated health centers higher than the President. We think it is a very important priority. Despite all the rhetoric, we plus-up NIH by the second largest increase in its entire history, 14 percent, and last year it was 15 percent. And yes, all of that money will eventually be paid out, even under our plan. It will be paid out for the research for which it is appropriated. We put more money in for Ryan White AIDS than the President.

We are $320 million above the President total in education funding. Impact Aid is higher than the President. The maximum Pell grant is set at $3,300, which is higher than the President's request. TRIO, higher than the President. Special education, $679 million for disabled children, higher than the President.

Now, do we make some cuts? Do we fail to fund some programs that the President has suggested? Yes. But, ladies and gentlemen of the House, it is our responsibility as the legislative branch to fashion a bill that we think is proper for this country and the President's only role in the legislative process is to veto it if he disagrees. It is our prerogative to write the priorities, not his, and that is exactly what we do.

Mr. Speaker, this is a good conference report. It assures that the Social Security trust fund remains secure. It is the first time it has been attempted ever. The other side never attempted it once. Give us some credit, ladies and gentlemen. We are doing our best to do the work for the American people to protect Social Security, to fund vital programs that work for people, that get positive result in their lives. I think this is a bill every Member of this Chamber ought to support.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, this is a very unfortunate day, because this bill that comes before this body today has been traditionally a bill that brings us together. It says that the strength of our country is measured not only in our military might but in the health, education and well-being of the American people. Mr. Natcher always called it the people's bill.

So it is unfortunate that this bill today has become a mockery. It has become a mockery because it is being used by the Republican majority to say that a vote for this bill today is a vote to protect Social Security. Nothing could be further from the truth. In fact, the Republicans are spending tens of billions of dollars of Social Security funds in this whole budget process while misrepresenting that to the American people.

In this bill, we fund the National Institutes of Health. This funding gives hope to the American people. It is a place where we say the NIH has the biblical power to cure. And while everyone's hopes were raised while there was talk of the increased funding in the bill for the NIH, those hopes were quickly dashed when the budget gimmickry of the Republican Party was demonstrated, that $7 billion, 40 percent of the NIH budget, would be delayed, the spending would be delayed until the end of the fiscal year, the last day or two of the fiscal year. That means 40 percent of the funding, 60 percent of the grants.

Every one of us knows people who have written to us about health problems in their families, be it breast cancer, prostate cancer. I have in my own community a woman Meg who has suffered from a disease, a little known one, called EDS. She and thousands of her friends suffer from this disease and the only hope they have is the National Institutes of Health. This is a disorder of the connective system that can lead to premature death, crippling and disfigurement, mostly to women. So they were very hopeful when this bill urged the National Institutes of Health to look into this issue. Biomedical research is the best hope for people with diseases, especially some of these diseases that no one has ever heard of. Our former Speaker Mr. Tip O'Neill, Speaker O'Neill, said all politics is local. But in this bill, all politics is personal. It is as personal as the woman with breast cancer, or the man with prostate cancer, my friend Meg with EDS, or people with AIDS who look to us for hope. And what do they get? Budget gimmickry. It is a very, very sad testimony.

Another area in education, this bill cuts 1 million students from after-school programs. In one place after another from the cradle to the rocking chair, this bill is a disservice to the American people. I urge my colleagues to vote "no."

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Mr. ISTOOK. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BONILLA), another member of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. BONILLA. Mr. Speaker, I thank the gentleman for yielding this time to me.

The rhetoric I hear from our friends on the other side of the political aisle today reminds me of Chicken Little, and if we look at their faces, they are telling us over and over again that the sky is falling and we are facing tremendous disaster if we vote for this bill, and I think that the American people are smarter than that by now, to listen to the same message over and over and over again.

Mr. Speaker, I think I heard one of my colleagues say this morning that this bill hurts every family in America. I think that their arguments have to start changing to include a little more substance and reality about what we are doing here today. The truth of the matter is, and these are real numbers, that this bill is the People's bill, and we do so much in spite of the budget restraints we now live under that were not only voted upon by this Congress, but signed into law by the President.

Mr. Speaker, let us not forget that the President signed the law that we, after we gave him the bill that says we have limits now on what we can spend, because it is no different than any family, than any business out there that has to face fiscal constraints year after year for the benefit of the greater good of the organization, the family or the corporation; and we are having to make some tough decisions, but nonetheless have kept as the highest priority funding for health care, like the Community and Migrant Health Care Centers that the gentleman from Illinois (Mr. PORTER) pointed out earlier for the Trio education program that we have increased funding for that that has held so many people in low-income neighborhoods like myself, frankly, when I was a teenager, a program that helped give me that lift to go to college and to graduate from college, and other programs like health professions, nurses and dental hygienists and assistants out there looking for that first break to provide a service for the community.

We give more money to these programs, more money than the President has asked for in the first place.

Mr. Speaker, if we visit with people out in the heartland who are running these medical programs, for example, they are all recognizing the truth in what we are trying to accomplish. I just met about an hour ago with representatives from the March of Dimes from my hometown in San Antonio, and I told them what we tried to do with programs that provide for folic acid for mothers, expectant mothers, so that we can cut back on birth defects in our country and in our State; and they understand what we are trying to do, and they know that we are trying to help families out there in the heartland.

And I am just hoping that as people watch this debate, they will listen to the sincerity of what we are trying to portray here today of our efforts to try to help America in every neighborhood out there whether it involves an education program or a health care program, because I think that if we watch the faces of those who will step up right after me that we will see the face of Chicken Little, and we all remember the story on how misinformed Chicken Little was.

Mr. Speaker, I think that in our colleagues' hearts they know that this misinformation that is being put out there over and over again is no longer selling with the American people.

Stand with us, stand with the President to understand that we have got to cut spending yet provide for these important services for the American people.

Mr. OBEY. Mr. Speaker, I yield 2½ minutes to the distinguished gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the distinguished gentleman for yielding this time to me.

This debate opened with the distinguished chairman of the full committee, the gentleman from Florida (Mr. YOUNG), indicating that we would not hear much about the District of Columbia during this debate on the District of Columbia bill. That is what is wrong with this bill. But I am not going to let my colleagues forget what they are doing to the people of the District of Columbia. It is hard to regard what we have before us as a bill at all.

The District of Columbia, of course, had a bill number before us, but that is what we have been degraded to because we are serving other purposes, we are serving other masters. The Labor-HHS appropriation has been slopped together, bypassed committee, bypassing debate on this floor, thrown over the transom on to the backs of the people of the District of Columbia. Makes the D.C. appropriation, our smallest, a beast of burden for the largest appropriation.

What kind of way is this to treat a city pulling itself up by its bootstraps in the full throes of recovery with a new mayor, a reformed City Council meeting the expectations of its own residents, meeting the expectations of the Congress?

Early meetings with the Mayor, a promise to try to get out our appropriation first out? We are the last out, Mr. Speaker. At early hearings, our subcommittee chair worked with us on problems that we ironed out throughout; and yet, Mr. Speaker, the ultimate response was more riders on the D.C. appropriation than in 25 years of home rule.

Today, we see further delay on our bill even after Senate and House appropriations have worked mightily to try to deal with our differences.

This is a minimally signable bill. I can only accept it if I have to.

The worst part of this process today is that it is all for naught, that a veto is assured. It is cynical; it is irregular. If at least the bill would be signed, something might be said for it. Instead the District of Columbia is caught in the middle. We are being stepped on, then walked over.

This body often gets up on the other side of the aisle to rant about its constitutional claim to work in the best interests of the Nation's Capital. By this process today, Mr. Speaker, my colleagues have forfeited any claim by throwing the people of the Nation's Capital to the winds.

Mr. ISTOOK. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I rise in opposition to this measure.

If my colleagues vote for this bill, they are voting to cut the Department of Defense budget by 2.6 billion.

Now, a lot has been said that it is 1 percent. That is 2.6 billion. That is the equivalent of three destroyers or two amphibious assault ships. Mr. Speaker, that is enough money to get the 12,000 soldiers, sailors, airmen, and Marines that we know are on food stamps off of food stamps and buy 175 Black Hawk helicopters, replacing 30 year old Hueys that they are flying around in today.

Almost all of the cuts come at the expense of the Department of Defense, and we are not talking about something that would have been. It is the law right now. Our colleagues are cutting the budget that went into effect this week when the President signed it.

So if my colleagues admit that we have to save some money, then let us set priorities, but do not cut from the one thing that the Nation has to do. The States can do almost everything else, but we have to defend the Nation.

Mr. ISTOOK. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, let me give my colleagues some facts.

The gentlewoman from Connecticut said that we were cutting NIH because we delayed 40 percent. My colleagues support the President's budget which only increased NIH 2 percent, so even if we delay 40 percent, remaining 60 percent, we fund more than they do under the budget now; and then the remaining 40 percent will also be spent, which is 12 percent more than the President, that his entire plan supports.

So what I would say to my colleagues: listen to the gentleman from Ohio (Mr. KASICH).

I am also a cancer survivor, and I am glad the gentlewoman from Connecticut (Ms. DELAURO) was a cancer survivor, and one of our priorities is to double medical research. The gentleman knows that, and we fight for it, and I believe in it.

It is also our priority to keep our word not to touch Social Security and Medicare, and I will do everything I can to make sure that that happens.

But we increased health care medical research by 15 percent last time, 14 percent this time; and we are going to continue to do that because I feel that is one of the gifts that we can give to this great country.

As far as defense, General Shelton is one of my heroes. I mean he could break me in half with his training and his experience in combat. But I am disappointed in General Shelton. He testified before our committee on defense and said that the President's budget was adequate for defense. That was before we added $16 billion to defense. And then he comes out and says, well, this 1 percent will hurt defense. I do not like reducing defense myself, but at the expense of Social Security and Medicare and our other priorities to save and stay under the balanced budget?

The gentlewoman said from D.C. said this is all for naught. I think it is important for us to lay down a marker and say: What do we really stand for? For health care? For education?

The other day, yesterday in the conference, one of the members from the other body said, Oh, you're cutting education.

Chairman said, No. We are adding $350 million above what the President asked, and we're adding more than we spent next year.

And the gentleman says, Oh, you're cutting education because that's not what we originally wanted to put in there.

That argument is wrong. Join with us and say we are adding money to education and health care.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. JACKSON).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). Will the gentleman from Illinois remove the ribbon-badge from his lapel?

Mr. JACKSON of Illinois. I apologize for being out of dress code, Mr. Speaker.

Mr. JACKSON of Illinois. Mr. Speaker, I rise in opposition to the conference report.

Members on the other side of the aisle falsely claim that this conference report saves Social Security while increasing spending over the President's request for education and certain health care programs. When did Members from the other side of the aisle start to care about Social Security? Just 3 months ago Members from the other side of the aisle were peddling an almost $800 billion tax cut that did not help save Social Security, and today the Congressional Budget Office stated the Congress has already spent $17 billion of the Social Security surplus.

This report, like many of the spending bills before it, does not extend the life of Social Security by even 1 day. It fails to include a prescription drug benefit for Medicare, and it hurts every American family in some way. The Labor-HHS and Education bill should help families in this country get through today and prepare for tomorrow. Unfortunately, this bill is loaded with reckless gimmicks and outrageous offsets. Here are just a few examples of some of them.

This report contains $10 billion in advanced appropriations creating a $19 billion hole for next year requiring a further raid of the Social Security surplus.

This report contains $11 billion in delayed obligations for the Departments of Health and Human Services. These delayed obligations will force the National Institutes for Health to not spend 60 percent of the NIH research grant budget until the last 2 days of Fiscal Year 2000. And the Centers For

Disease Control and Prevention, this delayed obligation represents 60 percent of the total amount that the CBC awards for grants and cooperative agreements. This delay will interrupt programs that address infectious diseases, immunizations including children's vaccines, HIV/AIDS surveillance, and prevention activities and chronic diseases.

In the Health Resources and Services Administration this delayed obligation represents 25 percent of its budget, which will interrupt the provision of vital health services for 3 million underserved men, women, and children.

One of the most egregious offsets in this bill is the .97 percent governmentwide across-the-board reduction.

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This reduction is not about cutting waste, fraud and abuse, as the distinguished Budget chairman came a few moments ago and talked about, in Federal agencies, as Members on the other side of the aisle continue to claim. In fact, there is very little discretion for agency heads to make decisions about these cuts. In the Meals on Wheels program, for example, this reduction will result in 1.1 million fewer meals and 8,400 fewer seniors being served. In the Head Start Program, this reduction will deny Head Start services to approximately 7,000 needy children. In Youth Training programs, this reduction will deny job training, summer employment and education opportunities to almost 6,000 disadvantaged youth.

As a member of the Subcommittee on Labor, Health and Human Services, and Education, I hoped my colleagues and I would have been able to come up with a real bill that would have provided real differences for American families.

I am disappointed in the product we have before us and the process that has gotten us to this point, and I urge my colleagues to oppose this ill-conceived conference report.

Mr. OBEY. Mr. Speaker, what I would like to do now is to yield several minutes successively so that Members of the North Carolina delegation can discuss their flood problems.

Mr. Speaker, I yield first 1 minute to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, I rise in opposition to this conference report. There are many grounds for objecting to the accounting gimmicks and the delayed payments in this bill, but the main objection hits very close to home: This bill has eliminated $508 million in emergency assistance for agricultural damage caused by Hurricane Floyd in North Carolina and other states. This assistance was approved unanimously by the Committee on Appropriations as a down payment on the crop and livestock losses that our farmers have suffered. It was accepted by our committee leadership very graciously. It is supported by the administration. Now it has been dropped.

The bill contains lots of emergency spending for other purposes. Why, then, was the $508 million in flood relief stripped from the bill, while another $2 billion was added in emergency funding, including $400 million in refugee assistance?

Assistance for refugees is admirable, I support it. But we have refugees from this storm, thousands of families who have lost their homes and possessions and may lose their farms. We have to help them get on their feet again.

This bill is deceptive in its accounting and uncaring in its elimination of assistance to hurricane and flood victims. I urge my colleagues to vote no.

Mr. Speaker I rise in opposition to this conference report. Despite laudable funding levels for many programs in the Labor/HHS/Education bill, it is fundamentally flawed in ways that require me to vote against it.

This bill pushes $14 billion for ongoing programs into FY 2001, and delays $11 billion in obligations until the end of FY 2000 for the National Institutes of Health, the Head Start program, and other priorities. But cancer doesn't wait; diabetes and Parkinson's Disease don't wait. This is not just an accounting gimmick, although it certainly is that; it also will delay critical research on which thousands of desperately sick people are depending.

The proposed 1 percent across-the-board cut in all discretionary accounts will also have real consequences for real people. According to the Office of Management and Budget, these cuts will deny childhood immunizations for up to 2,900 children, deny food and nutrition services to 71,000 women, infants, and children, and prevent 4,800 children and their families form receiving Head Start services. It is an irresponsible approach to reducing spending, since it does not distinguish between programs which might merit reductions and those which do not.

The most egregious flaw for me is a personal one, since it primarily affects my home state. My colleagues know that North Carolina experienced its worst natural disaster in recorded history when Hurricanes Dennis, Floyd, and Irene pounded the eastern part of our state between late August and mid-October. Thousands of North Carolinians are still suffering from the aftermath of the floodwaters, which are only now receding below flood stage in many areas. Entire towns have been destroyed in some cases. Over 15,000 homes were damaged to the point of being unlivable, and the infrastructure in many areas was severely damaged.

Eastern North Carolina is rural, and depends on a farm economy for sustenance. And unlike homeowners or small business owners, who are eligible for at least some direct assistance through FEMA or low-interest loans through the Small Business Administration, there is no authorized direct assistance program for losses suffered by farmers. The North Carolina delegation never had an opportunity to plead our case for emergency agriculture assistance through the Agriculture Appropriations conference, which would normally have been the proper place for such assistance. And while some of the $1.2 billion in agricultural assistance contained in that bill will benefit farmers in North Carolina and other affected states, substantial unmet needs still remain for our farmers.

As a consequence, I offered an amendment to the Labor/HHS appropriations bill during Appropriations Committee consideration in late September to provide $508 million in emergency assistance for agricultural damages caused by Hurricanes Dennis and Floyd. Since damage estimates at that time were incomplete but clearly substantial, I argued that this funding should be provided as a down payment on the needs that farmers in North Carolina and other affected states would be shown to have. Chairmen YOUNG and PORTER graciously accepted the amendment, and it was approved unanimously by the committee on a voice vote. Likewise, the administration signaled its support for this funding.

It seems highly unlikely that there will be a separate emergency supplemental bill this year to address the needs of states affected by the hurricanes and associated flooding. Our best and likely our only opportunity to provide timely assistance to the victims of this natural disaster is through pending FY 2000 appropriations bills—and Title X of the Labor-HHS bill, which contained this $508 million, was the obvious place to get the job done. The sensible thing would have been to use an updated estimate of emergency needs from North Carolina and the other states to refine the existing emergency provisions in the bill for agriculture and other areas of emergency need.

The omission is made all the more conspicuous and indefensible by the other emergency spending the bill contains. Why was the $508 million in flood relief stripped from the bill while $2 billion in other emergency designations remains, including $1.1 billion for the standard Low Income Home Energy Assistance Program and $427 million for assistance to refugees? Both of these are important programs, but hardly appropriate for emergency funding. Assistance for refugees from other countries is admirable, and I support it—but we have refugees in North Carolina, too—thousands of families who have lost their homes and their possessions. We must help them get on their feet again. How can they interpret the elimination of this emergency assistance as anything but a sign that Congress holds their suffering in contempt and does not care about their real and immediate need?

This bill is dishonest in its accounting and uncaring in its elimination of assistance to Hurricane victims. I urge my colleagues to vote "no."

Mr. OBEY. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I rise in opposition to the bill and in support of my colleagues from North Carolina and their statements about the devastation and lack of attention that this bill pays to North Carolina's flood situation.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. Mr. Speaker, I thank the ranking member for yielding me time.

Mr. Speaker, I associate my remarks with the previous speaker, my friend from North Carolina, and I join him in saying there are some good things, but this bill is a sham. It is a disgrace to our children and families in North Carolina who have lost everything in the flood of Hurricane Floyd. The Republican leadership found $2 billion for emergency relief in this bill, but cut out the $508 million for our folks who badly need it.

Mr. Speaker, there is an emergency in our State today. I have looked into the faces of the farmers and the families. I was with a family this weekend who had three children who lost everything they own, everything. I have met with farmers who have lost their crops, the widow who lost her husband, and 15,000 families who lost their homes.

The Republican leadership should be ashamed of themselves for playing politics with the lives of these people. In North Carolina, normally the cold winds of winter come from the West. Today they are coming from the North, from Washington. I urge you to do better by our people.

This bill is a sham to our seniors, a sham to our children and a sham to thousands of families in North Carolina who have lost everything in the floods from Hurricane Floyd. The Republican leaders found $2 billion in emergency spending for this bill, but cut $508 million in emergency funds the committee had approved unanimously for Hurricane Floyd relief. Folks, we have an emergency in my state. I've seen the suffering and despair first hand. The farmer who has lost his crops, the widow who has lost her husband, and the fifteen thousand families that lost their homes and every possession they ever owned, can't wait any longer for the help they need to survive.

The Republican Leadership should be ashamed of themselves for playing politics with the lives of these people. Playing pay raise politics on this bill is an act of cowardice not worthy of the U.S. Congress. Winter is coming. In Northern Carolina, the cold air usually comes in from the West. But today, the cold air is coming from the North, a chill pouring in from Washington brought about by the cold-hearted politics being played with the lives of the people of my state. I urge every member, including my Republican colleagues from North Carolina, to cast a vote of conscience against this bill and not to vote for another spending bill until we take care of our own. We must help the people of eastern North Carolina get back on their feet, and we must help them now.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from North Carolina (Mr. MCINTYRE).

Mr. MCINTYRE. Mr. Speaker, let us talk about this one penny for every dollar. There was an amendment to this bill that would have given $508 million to help farmers who have lost everything. These are hours of desperation, not a time of celebration. This is a time of shame, shame on those who claim this helps American families.

Let us talk about substance and reality, when in fact it takes $423 million of our money to give to foreign refugees, and you will not give one penny to our farmers who have lost their homes, their equipment? They do not have a future.

This is the People's House. We are elected to serve our people first, and may God help us honor that commitment to the American people with every penny of every dollar.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, normally the Labor bill we call the people's bill, a compassionate bill, a bill that cares about people's health, their welfare.

Well, you had an opportunity to do that, to really do that. $508 million would make a difference of humanity for farmers in my district. I tell you, more than 68,000 Americans who live in eastern North Carolina are affected. You are saying no to them when you refuse to take this opportunity. I say that this conference bill had a unique opportunity to live up to its humanity. This is inhumane. It is inhumane to assume that you would turn your back on farmers and those who are destitute at this time.

Mr. ISTOOK. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. WALSH), the distinguished chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations.

Mr. WALSH. Mr. Speaker, I have to rise regarding this issue. The three or four Members from North Carolina who just spoke sent me letters as chairman of my subcommittee thanking me, thanking me for providing for $2.5 billion in disaster assistance to FEMA for North Carolina, while my part of the country, the Northeast, was terribly underfunded for disaster relief because of drought, and they have the temerity to stand here and accuse us of disrespecting the needs of the lives and well-being of the people of North Carolina.

That is an outrage. It is an outrage for them on the one hand to demand that we help them, and I met with them, the entire delegation with their Governor, heard their pleas, heard their concerns, identified and empathized with them, and provided $2.5 billion in our bill on that request alone. For them to stand here and make these allegations against my party, I think it is just wrong, and I had to stand and state the truth.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, I would like for the gentleman to tell us how much agricultural aid was in that VA-HUD bill? He is talking about FEMA aid. We are very grateful for that. Of course, we are grateful for that.

But in the bill before us, we are talking about emergency aid to farmers who have no other way of getting direct payments for crop and livestock losses.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, we are talking about $2.5 billion in American taxpayer money going to Eastern North Carolina to help people solve their problems. That is our response.

Mr. PRICE of North Carolina. Mr. Speaker, reclaiming my time, my question is, how much of that would be available for direct aid to farmers for crop loss?

Mr. WALSH. Mr. Speaker, it is direct aid to people.

Mr. OBEY. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, I think what the gentleman is talking about is apples and oranges. I think the gentleman from North Carolina is correct. He is talking about aid that farmers need that they are not getting.

Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, my colleague the gentleman from Ohio (Mr. KASICH) was on the floor a minute ago, and he said that we should really be celebrating our success. I agree. We have come a long way from 1992 when the deficit, even with a large surplus in Social Security, was $290 billion and headed up.

We passed three budgets to reverse that course, a budget summit in 1990, the Clinton Omnibus Budget Reconciliation Act in '93, and the Balanced Budget Act of 1997, and my side put the votes on the board to pass those bills and we are proud of the accomplishment.

But one of the disciplines we implemented when we passed those bills was to put a ceiling, a cap, on discretionary spending, the stuff that runs the government. The gentleman from Ohio (Mr. KASICH) said we should not be denigrating this accomplishment, but how can you help but denigrate what this budget before us represents? Because what it does is make a mockery of the discretionary spending ceiling.

The discretionary spending ceiling for this year, according to CBO, is $580 billion in July, $579.8. We are $30 billion over that particular limit, $30 billion over that limit. We have exceeded the discretionary spending limits to that extent.

You can do that if is a genuine emergency, but the Census, an emergency?

$4.4 billion? Spare parts, POL for the Army, an emergency? Give me a break. We are trashing the rules, the disciplines, that have gotten us to where we are in doing this.

The result was given to us this morning by CBO as soon as they saw what this bill, the Labor-HHS bill, appropriated. They scored the entire 13 bills that make up the discretionary spending budget, and here it is: The cap for this year is $580 billion. If we can attain that cap, CBO told us in July that we would have a surplus of $14 billion, without including Social Security. That gives us a target of $594 billion. As long as we keep the spending within that level, we do not have to dip into Social Security.

But what is the total according to CBO of outlays, total spending under all 13 appropriation bills passed by this House, controlled by the Republicans? $611 billion. The arithmetic is simple. We are $17 billion into Social Security.

Now, if you look at the letter CBO sent me this morning, and we have copies over here we will gladly share with you, that is Table 1. Look at Table 2. Dr. Crippen goes on to say in Table 2 you do not have a 1 percent problem. If you want to cut across the board to put this budget back in balance and out of Social Security, you have got a 4.8 percent across-the-board problem. And if, because that would be disastrous for defense and veterans, you want to leave out veterans and defense, you have got a 10.8 percent problem.

So all of this talk about 1 percent across the board is just a minimum cut is poppycock. As soon as we recognize that, read CBO's letter, they are our neutral, nonpartisan budget shop. They have served us well. They have scored outlays over the last 6 years from 1993 to 1998 with an error factor of 0.4 percent. As soon as we take their advice and get this back in proper condition, then we can get out of this sham budgeting and into real budgeting and finally close this process. But it is not a 1 percent problem, it is a much bigger problem.

Mr. ISTOOK. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. YOUNG), the chairman of the full Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, I had not intended to get into this give and take on the political argument, but I listened to this rhetoric about the farm emergencies, and let me tell you what the truth is, and here is the paperwork, the documentation that proves it.

Last year this Congress added as an emergency amount of money for the farm emergencies $6 billion, $5.916 billion, to be exact. Then, when the next supplemental request came from the administration, we added to that request for the Hurricane Mitch supplemental $700 million. Most of it was not requested, we added it. Then in the regular fiscal year 2000 agriculture bill, which we passed and the President has signed, we added $8.7 billion to deal with farm emergencies. The President did not request any of this $8.7 billion. We still do not have a request from the President for agricultural losses this hurricane season.

Now, for someone over there to stand and say this Congress has neglected the farmer and the emergencies in the agriculture community is just not right. It is not accurate. It is not truthful. It is purely political rhetoric. The facts are here, and you are welcome to look at them.

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Mr. ISTOOK. Mr. Speaker, I yield 3 minutes to the gentlewoman from Kentucky (Mrs. NORTHUP), a member of the Subcommittee on Labor, Health and Human Services, and Education.

Mrs. NORTHUP. Mr. Speaker, it gives me a real thrill to be here today and to be part of this debate.

When I ran for Congress in 1995, what I told my constituents was that there was a new day in this country, a day of talking about restraint, a day of talking about balancing the budget, a day of talking about Social Security and saving Social Security, and that it was going to require a lot of courage, it was going to require us to look at things differently, but that I felt that I could be part of that debate and part of that solution.

Since I arrived in 1996, the first thing we tackled was balancing the budget. It was a thrill to me when we passed the balanced budget amendments and set ourselves on a course that we were going to restrain spending and balance the budget.

But even then, we did not imagine that we would be able to, as quickly as now, also restrain ourselves from spending Social Security surpluses. Let us give the economy credit, certainly that has been part of it, but we could have gone right on and spent. In fact, what we have heard today is one speaker after the other from the minority side talking about spend more, spend more, spend more, spend it faster, spend it faster, spend it faster.

If we had stepped up every single budget bill we have had before us, every single appropriations bill we have had this year, and spent what they asked us to, we would have gotten way back into the past type of thinking. But because of the restraint of the leadership, the discipline of the subcommittee chairs and the chairmen, we have held to the idea that we have to restrain ourselves, and for the sake of social security.

I am tired of hearing people say social security is safe, that we have put a note in there saying it is an IOU and we are going to owe it, because our children in 2010 are going to have to start paying that back.

We do not have things that we can sell, assets that we can sell to cash it in. It is not in stocks. It is not in things that we can cash in. It would be like me spending my six kids' college funds on new clothes and saying, I am going to put an IOU in there. That is great. When they start to college, what do I have to sell to give them their money back? We are not going to sell our airports, we are not going to still our schools, we are not going to sell our locks and dams.

We have no assets to sell, no assets to sell. The only assets we have are my six children, who are going to go to work and have to start paying for this spending that we did not restrain ourselves from in the past.

So out of great love and admiration for my 77-year-old parents, who are not going to make anymore money than they have in the bank, we are securing Social Security. For those grandchildren and my six children who are going to carry the burden forever, we are restraining our spending so they might have it in their day.

Mr. OBEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Wisconsin for yielding time to me.

Because 950,000 children will have no place to go after school when this bill passes, Mr. Speaker, I rise to oppose this legislation, and ask us to get back to work for the American people.

Mr. Speaker, I rise to strongly oppose this appropriations bill.

The majority has made a mockery of the appropriations process by attaching the Labor HHS appropriations bill to the DC appropriations bill. Because the bill has been presented in this manner, we cannot amend this bill that is flawed in almost every way. This political maneuvering simply breeds more partisanship, and it only sharply divides the House when we should be working together for the American people.

On a program level comparison, the House Labor HHS appropriations bill is almost $4 billion or 4% below the President's Budget request. It is about $5 billion or 6% below the funding level contained in the bill currently under consideration in the Republican-controlled U.S. Senate. Excluding the National Institutes of Health, which received a $1.3 billion increase in the bill, the remaining programs in the bill are in the aggregate cut close to $1 billion below current year levels. There are 45 major programs cut below 1999 or eliminated entirely in the bill that total almost $2 billion in cuts.

This situation is untenable, and the bill in its current form is a sham. It is our responsibility to draft an appropriations bill that works.

This bill denies 42,000 children a "Head Start" in life. Research has shown consistently that Head Start helps low-income children get ready and stay ready for school, improves parenting, and helps parents get on the road to economic and social self sufficiency. There are over 2 million low-income children under the age of 5 who are eligible for Head Start, but the program currently provides services to only 835,000 children, 40% of those who are eligible. The President's request of $5.3 billion would provide a Head Start experience to an additional 42,000 children (including 7,000 children ages 0 to 3) and their families as part of the Administration's commitment to enrolling 1 million children in Head Start by 2002.

The Appropriations recommendation, however, is a full $507 million below the President's request. This cut would have drastic implications in my home State of Texas. The recommendation would result in a $43 million cut for Head Start funding in Texas. This substantial reduction in funding would have severe consequences on the Texas children and would diminish the positive impact that Head Start has had in my State.

The bill repeals last year's bipartisan agreement to dedicate funding solely for Class Size Reduction, jeopardizing the President's goal of helping schools to hire 100,000 new teachers. The Committee bill eliminates a total of $2.2 billion in funding requested for Class Size Reduction, Goals 2000 and the Eisenhower Teacher Training Program. In the State of Texas, this cut would result in a $26 million cut to the Eisenhower Teacher Training Program, a $37 million cut to the Goals 2000 Program, and an almost $114 million cut to the Class Size Reduction Program. Texas cannot sustain such a loss in Federal funding, and I greatly fear for the continued success of these programs.

Not only does the bill cut the President's combined request for the Class Size Reduction, Goals 2000 (state grants) and Eisenhower Teacher Training programs by $396 million, it also cuts the funding level proposed by the House Committee on Education and Workforce for the teacher training/class size block grant program by $200 million or 10%. The Teacher Empowerment Act is a new teacher training/class size block grant program that has passed the House, but not the Senate, and has not been enacted into law. Should the Teacher Empowerment Act fail to become law, assistance to schools would be cut not by $200 million, but by $2.0 billion below the 1999 level for the programs combined into the block grant.

This bill also cuts back on funding for GEAR UP. In 1994, only 49 percent of low-income students attended a postsecondary institution within two years of high school. Of these students, only 19 percent attended a 4-year college, in contrast with 70 percent of high-income students. The GEAR UP program is designed to help these students. By starting disadvantaged middle school students on an academic path, it raises their educational expectations through early college preparation and awareness activities, and gives them the skills and encouragement they need to successfully pursue a college education. In my hometown of Houston, Texas, The University of Houston has forged an alliance with HISD through GEAR UP, and this university has done much to ensure that low-income students have the opportunity to attend a four-year college.

The bill eliminates the GEAR UP program which was funded at $120 million in FY 1999, and for which the President requested $240 million for FY 2000. The bill would deny 572,000 low-income middle and high school students sustained, comprehensive support services including: counseling, tutoring, mentoring, parental involvement, after-school and summer activities, access to rigorous core courses needed for college, information about financial aid, and campus visits.

This appropriations bill also drastically underfunds America's Historically Black Colleges and Universities. Yet, one of our pressing national priorities is to increase the number of underrepresented minority and disadvantaged students who enter and successfully complete higher education. In 1995–1996 black, non-Hispanic students earned less than 8 pecent of the Bachelor's degrees conferred. To increase the success rate of African-American and other minority students, HBCUs need additional support to provide stronger academic programs and more comprehensive services to the growing number of African-American and other minority students. In Houston, Texas Southern University has been an exemplary institution and has provide innumerable opportunities for minority students. This bill effectively would undermine the work of this school.

In addition, the lack of diversity at the graduate level is becoming an important national concern. In 1995–1996 black, non-Hispanic students received only 6.4 percent of the Master's and 3.7 percent of the Doctor's degree conferred. As we work to increase the number of minority students who pursue graduate education, we have to provide sufficient support to ensure that HBGIs (graduate institutions) are prepared to serve these students adequately.

This bill provides level funding for both of these programs, which is a cut of $14.8 million below the request for Strengthening HBCUs and HBGIs. The Department would therefore be unable to increase support for the 98 HBCUs and the 18 HBGIs beyond the FY 1999 level, not even for inflation. The result would be a decrease in minority participation at these schools—especially at the graduate school level.

With a booming economy offering job opportunities to people who have never before been in the labor force and with welfare rolls shrinking and with employers scouring the labor market for qualified workers, this bill is cutting job training funds by $700 million dollars below last year. In Texas, this would result in an almost $8 million cut in adult training and a $8.5 million cut in youth training. According to a survey of the U.S. Conference of Mayors, 86% of cities suffer shortages of technology workers, 73% suffer shortages of health workers, and 72% lack enough construction workers to fill available jobs. Yet, this bill would do nothing to provide solutions to these grave problems.

The bill provides an appropriation of $4,572 million for Training and Employment Services for FY 2000. This is a reduction of $928 million, or 17% below the request, and a reduction of $709 million, or 13%, below 1999. Overall, the House mark reduces program participants nearly 432,300, or 20%, below the request, and about 175,000, or 9%, below 1999.

This bill also undermines the bipartisan Workforce Investment Act enacted last year that is intended to provide access to information and services that all Americans need to find and keep a job to meet the workforce challenges of the global economy.

The House bill cuts the dislocated worker program by $140 million below 1999, and $335 million below the request. In Texas, the State would need to cut its funding by almost $18 million. The House mark means that 176,600 fewer dislocated workers will be served compared to the President—and 46,500 fewer than in FY 1999, reversing increases the Congress has provided over the past three years. This means that from the universe of 3.3 million dislocated workers per year, even fewer will not benefit from services that could shorten the time that they are unemployed and hundreds of employers will also be hindered in their capacity to find the skilled workers they need. The bill rejects the President's goal of providing reemployment services and training to dislocated worker who needs and wants them by 2004.

The bill provides a program level of $38.4 billion for the Department of Health and Human Services, which is $686 million (–2%) below the President's 2000 request.

In particular, the bill slashes $212 million from the Administration's request for the Substance Abuse and Mental Health Services Administration. This will drastically affect the Center for Mental Health Services which supports state prevention, treatment and rehabilitation efforts. These cuts will potentially deny 20,000 individuals access to essential stabilizing medication. The Committee also cuts $3 million from the President's request for PATH, a program which aids homeless individuals with mental illness. Every night, approximately 200,000 Americans with major mental illness have nowhere to sleep. By denying the President's request, the Committee is denying the opportunity to reach out to an additional 7,800 homeless individuals and provide them with essential mental health services.

Furthermore, our children suffer from mental illnesses. The tragedy in Littleton, Colorado is a somber example of this fact. It is estimated that eleven million American children and adolescents have a diagnosable mental, emotional or behavioral disorder. One in 20 American children will have a severe disorder by the age of 18.

Five to nine percent of our children and youths ages 9 to 17 have a serious emotional disturbance of a magnitude that limits their capacity to function appropriately at home, at school, or in their communities.

Yet, as this bill stands, we cannot help America's children. The Appropriations Committee simply fails to acknowledge that our children are suffering.

The Committee bill is $19 million below the FY 1999 funding level for the Center for Substance Abuse and Prevention. This cut severely threatens the program to provide integrated substance abuse and HIV/AIDS prevention services to African American and Hispanic/Latino youth as well as women and their children. According to the Surgeon General, nearly one half of all new HIV infections are caused either directly (through sharing of injection equipment) or indirectly (sexual transmission from an individual infected through injection equipment, birth, etc.) through substance abuse. Racial and ethnic minorities are disproportionately effected by substance abuse related HIV infection. Sine 1981, roughly 61% of all AIDS cases among women have been attributed to injection drug use, or sex with partners who inject drugs. Further, among the highest health care expenditures associated with substance abuse are those associated with HIV/AIDS.

Yet, this bill eliminates $50 million in emergency funds for HIV/AIDs in Minority Communities. Representing an estimated 12% of the total U.S. population, African Americans make up almost 37% of all AIDS cases reported in this country. In 1998, Hispanic represented 13% of the U.S. population (including residents of Puerto Rico), but accounted for 20% of the total number of new U.S. AIDS cases reported that year (9,650 of 48,269 cases). The AIDS incidence rate among Hispanics in 1998 was 28.1 per 100,000 population, almost 4 times the rate for whites (8.2 per 100,000) but lower than the rate for African Americans (66.4 per 100,000).

And it isn't just children, young adults seeking job training or average workers who are ignored by this bill. It is our senior citizens as well. This bill cuts funds requested for the meals on wheels program targeted at the growing number of elderly shut-ins that currently are not getting that assistance. It eliminates a new initiative aimed at protecting our disabled elderly from abuse in nursing homes. It eliminates the family caregiver support program that would help seniors remain in their own homes and out of nursing homes as long as possible.

The bill includes $6.48 billion for the administrative expenses of the Social Security Administration, which is $225 million below the level requested by the President. Funding SSA at this level will result in a deterioration in public services. SSA would be forced to impose immediate and complete hiring freeze, leaving 3,000 positions vacant by the end of the year. This would result in disability applicants waiting almost 5 months, almost twice as long the current processing time, for a decision on their initial claims, and longer waiting times for the millions of individuals who visit district offices. Mr. Speaker, send this bill back to committee so that American families can get a fair deal for their tax dollars, not an insult.

Mr. OBEY. Mr. Speaker, I yield 3½ minutes to the distinguished gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I rise to oppose this bill, with the greatest respect for the gentleman from Illinois (Chairman PORTER) and the ranking member, the gentleman from Wisconsin (Mr. OBEY). They both care deeply about the health, education, and opportunities available to Americans.

I especially want to mention my high regard for the gentleman from Illinois (Chairman PORTER), who has said he will retire at the end of this Congress. The gentleman from Illinois has served his constituents, this committee, and the people of this great country with such honor, commitment, and decency, I am proud to call the gentleman my friend.

I have hoped and will continue to hope that we can come together and work on a budget that truly addresses the needs of Americans. Unfortunately, in too many instances, I do not believe this budget does so. We are spending billions in this budget and, unfortunately, in my judgment, many times we are spending it in the wrong places.

In some cases, we delay so long it is almost like not spending the money at all. The delayed obligation to the NIH and CDC troubles me, particularly.

I have a personal reason for caring about this part of the budget. I lost my mother to breast cancer, and not a day goes by when I do not think about her, and of the years we missed together. I often wonder how many women like my mother might still be alive today if our country had invested more in cancer research and treatment a generation ago.

I am determined that my daughters and granddaughters will not suffer with cancer as my mom did, and as so many Americans do today. I believe that while government cannot cure cancer, it can put the resources in the hands of those who will. Therefore, I have made funding of biomedical research at the National Institutes of Health and the Public Health Mission of the CDC my top priority on the subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations.

I am proud that medical research, particularly with regard to women, has finally become a national priority. Again, I am proud to serve on this subcommittee. This is a bill that is meant to give Americans a hand in the hard work of raising families and caring for loved ones.

We are charged with protecting America's health, education, and employment, and because of that, I must say that it is irresponsible, in my judgment, to bring a bill to the floor with $10 billion in money borrowed from next year, in effect, taking care of this year's political problems at the expense of next year's needs.

It is irresponsible to say that we support education and health care, but delay $11 billion in obligations to Head Start, the NIH, and other agencies until September 29, 2000, and it strains whatever trust Americans still have in us to load this budget with trickery and accounting gimmicks and call it a success.

Mr. Speaker, frankly, when we read the bill, it is easy to see why Americans are cynical about Congress. The budget does nothing to secure the strength of social security, it does not reform Medicare, it hurts millions of hard-working Americans. Assisting those families should be where we start our budget work, not where we scramble to end it.

I believe we can do better, we should do better. Let us vote no, and then let us work together and give this budget the worthy and sincere effort that the American people deserve.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ARMEY), the majority leader of the House of Representatives.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I am excited, I am pleased, I am happy, and in fact, Mr. Speaker, I am elated. Can Members imagine what we are doing today? Stop and think about what we are able to do today. This is the most wonderful opportunity for public service any of us could ever have hoped to have had in any time of service here.

Today we stop the raid on social security. We started the year saying we could do that. We started the year saying we should do that. We have those who said it could not be done. They did not think we would be capable of doing it. I have to tell the Members, Mr. Speaker, we have worked hard. Some of our Members have worked themselves into near exhaustion. We have worked hard, and yes, we have had some good fortune, some good news along the way.

We have brought ourselves today to that day that they said we just could not get to. Today we are proving that we can fund the government without raiding social security and without raising taxes.

The President knows this. The President saw it a week ago. The President said, they can do it. I can see they can do it. Because they can do it, we must do it. I want to join them in doing it. He has done so. He has his folks up here working. Let us complete the job. It is within our reach. Let us do it.

Today CBO has certified, and now, I would ask Members to please read the whole CBO letter and get to the bottom line. The bottom line of the CBO letter, not the one he sent the gentleman from South Carolina (Mr. SPRATT) but the one he sent to the appropriators and to the leadership of this Congress, CBO has certified that we have done it. Right now we have done the job of passing the budget without spending social security. It is certified, indeed, to a $1 billion on-budget surplus.

The President knows we can do it and has said, let us get the job done as quickly as possible. We know we can do it. CBO has certified we have done it. Now, what do we hear today from our friends across the aisle? They are no longer saying it could not be done, they are no longer saying it cannot be done. Now they are saying it should not be done. Why should it not be done? Because if we stop the raid, if we fund the government without spending social security, they can no longer do what it is they have been doing, funding the government with social security.

Today we have funded the government without social security. Let us vote yes. Let us be proud, let us be happy, and let us be thankful that we have been able to have this opportunity for service to our parents and our children.

Mr. OBEY. Mr. Speaker, to return us from the land of fiction to the land of reality, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, the previous speaker is precisely why I rise again today. It is not a letter to the gentleman from South Carolina (Mr. SPRATT), it is a letter to me from the Congressional Budget Office which we requested on behalf of the Blue Dogs that clearly states when we use CBO scoring as they wish, not as the House leadership instructs them to ask the question, we are spending $17.1 billion of social security trust fund.

That is a fact. That is in my letter. That is a simple thing that we have asked, just to be honest in what you ask and stop this political gobbledegook that we are going through as to who is spending social security trust funds.

I say that my colleague, the gentleman from Illinois (Mr. PORTER), a moment ago expressed a spirit of conciliation which I appreciate in acknowledging the process today. In the same spirit, I acknowledge that some of the rhetoric coming from my side of the aisle is not exactly right, either. I will acknowledge that, and I hope I am not part of it.

But the reason why I oppose this across-the-board cut today is because by CBO's estimates, we will be spending social security trust funds after we have made an across-the-board cut of $3.452 billion in outlays. I do not wish to go into operations and maintenance of the Defense Department, of which we have heard witness after witness, statement after statement, on both sides of the aisle of people who are concerned about defense, saying that we cannot afford a one dollar cut out of $100, or a 1 percent cut.

Everyone that knows something about this knows that it is not that simple. But yet today, for somebody's reasons, so somebody can continue to buy advertisements on television attacking some of my Democratic colleagues saying we in the minority are spending social security trust funds, the CBO, when asked honest questions, and I have no quarrel with the gentleman from Florida (Chairman YOUNG), I commend him for the job that he is doing, and the statements that have been made by the gentleman from New York (Mr. WALSH), a moment ago, all of this.

But if we really wanted to deal with social security, why did not the leadership, the gentleman from Texas (Mr. ARMEY), why did he not insist that the gentleman from Texas (Chairman ARCHER) come from the Committee on Ways and Means and bring a social security bill to the floor of the House this year, instead of spending the first 8 months talking about a tax cut of $1 trillion that would have spent, by CBO's honest accounting, $120 billion of the same social security trust funds that we are here today to preserve and protect?

Please let us get honest. There has been a spirit of conciliation. The gentleman from Ohio (Chairman KASICH) a moment ago acknowledged that even after this, we may still not serve it. I ask those Members to listen to their chairman and be careful of their rhetoric, particularly when they go out and make political statements, because they are going to have to live by these words next year.

Remember, the budget of 2001 begins about February. All of this rhetoric about back-end loading and all of the things, and the little cute games we are getting in order to make sure we say today we are not spending social security, will actually be factual in about 3 months. I ask Members to be careful what they say.

Mr. ISTOOK. Mr. Speaker, I yield myself 20 seconds.

Mr. Speaker, we have heard people try to present a partial look, only a partial look at what CBO has said.

A request was sent to them saying, if you do not count the adjustments, is there money coming out of social security? They said, if you do not count it. But if you count the adjustments, then it is in surplus. That is like asking your banker, Mr. Speaker, to send you a bank statement that tells you about your withdrawals but leaves out reference to the deposits. Of course it would show a negative.

Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. DICKEY).

□ 1600

Mr. DICKEY. Mr. Speaker, I wish that my constituents were here today. When we went home during the break and said we wanted to have tax reductions, we had wanted taxes to come back here, and they said we want to pay off the debt, and my response was time and time and time again we cannot do that up in Washington, because we are going to spend, and we are going to spend, and we are going to spend, and we are going to spend.

They said, no, no, we hear it from the liberals and we hear it from the conservatives that we are going to pay this debt down. Now, we are watching today. I just wish they could be here. We are watching today the people who are the most skilled at learning and talking about spending.

I have heard every excuse there is. We are trying to isolate this and that, and we are trying to bring compassion in, and we are trying to say there is no compassion on the other side. Remember this, compassion is saving the money so that we can spend it later. It is not compassionate to go spend money and spend money and spend money so we can get recognition, so we can get reelected and leaving the poor people out there to live off of borrowed funds and particularly borrowed funds from Social Security.

So we need to be honest. We must be honest. We are not being honest now. We took this bill and said that we were not covering the farm aid. The gentleman from Florida (Chairman YOUNG) said what he said, and then the gentleman from New York (Chairman WALSH) got up and said $2.5 billion specifically is going to North Carolina directly.

Now, this is how it still is. This is why you all are so good, you liberals are so good at doing what you have done for years. You are protecting your territory, and you are doing it quite well, but it is not right.

We have to be responsible. We need to take our compassion and convert it to discipline and to stopping this spending. We are doing it here. We should be joining together to protect the people of America.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Minnesota (Mr. SABO), former chairman of the Committee on the Budget.

Mr. SABO. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. OBEY), the ranking member, for yielding me this time.

Mr. Speaker, before my planned comments, a couple statements of fact. Nothing this Congress will do will add one dime to the Social Security Trust Fund. Nothing that this Congress is doing will change how dime one of the Social Security Trust Fund is invested. Regardless of which assumptions one uses, whether they be CBO, Congressional Budget Office, or those at the Office of Management and Budget, in either case, based on current projections, this Congress will be borrowing money from the Social Security Trust Fund based on today's assumptions.

But, Mr. Speaker, I was going to make just one little observation about how one program works. I am for highway funding. I am for transit funding. I serve on the committee that funds those programs. But I think they should be treated like other programs.

In this bill, those programs receive the 1 percent cut like other programs for the year 2000. But then lo and behold, this same bill gives all the money back as additional funding in the year 2001, saying that all those funds for those programs, which I like, some I have local interest in, is higher priority than anything else in the transportation area, such as operations for the FAA.

If there is any area within our bill that all of us were apprehensive about, it was FAA operations. We had already reduced the President's request. That will be cut by 59 million additional dollars, will not automatically be restored next year.

Programs, whether they be in education, research, housing, farmers, veterans, none of those are automatically restored next year. But because one powerful individual threatens to vote no, those funds get preference. What a way to operate.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. MILLER), another member of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. MILLER of Florida. Mr. Speaker, today is a day we should feel good, feel positive, feel happy, because there are some great accomplishments that we should be proud that have been announced this week and that we are going to pass on the floor here today.

We are hearing all this sky is falling rhetoric from the other side and this fear and scare tactics, oh, my gosh, what is happening next.

Well, first of all, the Treasury Department announced this week that we had $124 billion surplus in this past fiscal year that just ended a few weeks ago, $124 billion surplus. Now, $1 billion was taken out of Social Security, so we have not quite met our goal. But the fact is we had a huge accomplishment. That is real numbers. That is not OMB numbers. That is not CBO numbers. That is real dollars.

In the past 2 years, according to the Treasury Department, actual debt reduction is $138 billion. Real reduction. We have finally accomplished that.

Now, a lot of our colleagues on the other side think it was the tax increases in 1990 and 1993. In 1995, when President Clinton submitted his budget, he projected $200 billion deficits as far as the eye could see. We said, no, that is not good enough. We want to have at least a balanced budget by 2002. Thank God we made it sooner than that. So we should be glad that we have accomplished this already with real dollars.

The other great accomplishment is going to happen later this afternoon, and that is passing this bill and for the continuation of the fact we are really going to have a real surplus again.

Now, we have the Labor-HHS bill before us now. As a member of that committee, I wish we had a full day to debate it and discuss it. The one disappointment that I have about the bill is that the gentleman from Illinois (Chairman PORTER) is going to be serving his last term as chairman of that subcommittee, because he has been a great chairman. I think both sides of the aisle would agree.

But let us look at some of the real numbers. NIH, we have a $2.3 billion increase. President Clinton asked for a $300 million increase. From 2.3 billion, and the President only asked for $300 million. Now, all right, we are going to take a 1 percent cut out of it. But a $2.3 billion increase. The President said, oh, cancer research is important. We agree. Special Ed has got a $1 billion increase. This is a good bill. Pass it.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, the gentleman from Florida (Mr. MILLER) may not have been here. This budget spends, in fiscal year 2000, $1.5 billion less than the President of the United States asked for in NIH. That is what their budget does.

Mr. OBEY. Mr. Speaker, that is correct.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. MURTHA), the distinguished ranking member on the Subcommittee on Defense of the Committee on Appropriations.

Mr. MURTHA. Mr. Speaker, I tell my colleagues what worries me about the way we are doing this. I would doubt that the leadership asked the chairman of the Subcommittee on Defense where to cut this bill.

Now, during the entire time that I have been on this committee, we have cut substantial amounts from defense, but we never did an across-the-board cut without knowing what the implications were.

Some people said, well, General Shelton testified this way, General Shelton testified that way. Well, I have said, the gentleman from California (Chairman LEWIS) has said, the gentleman from Florida (Chairman YOUNG) has said, the Defense Department has been short money for the last several years. We have said it over and over again.

When I go to a base, I find 20 percent short across the line. I find them short on real property maintenance. I find them short on O&M. Anybody that goes to any of our military bases will find the same thing.

Secretary Cohen called me the other day. He said, "I want to tell you how much I appreciate what the Members of Congress did to raise the pay and change the whole thing for retirement." He appreciated it. He said the enthusiasm and morale is marvelous.

Now, I do not want to say what I went through in order to make sure this bill was not vetoed. I mean, I have had a few amiable discussions with a lot of people. There was a tremendous pressure to veto this bill. I decided that we could not veto it. We had a good bill. Everybody said this is a good bill. This is a bill that funds the Defense Department with the allocation we got from leadership, whatever leadership gives us.

If the gentleman from Florida (Mr. YOUNG) gives us less money, we will make the appropriate cuts. If the leadership decides there should be less money, we will make those cuts.

During the Reagan administration, we cut billions of dollars, item by item from his budget. As we went into the gulf war, one of our finest victories, we had apportioned that money so carefully that we were able to win a tremendous victory. But we did not do an across-the-board cut. We did a cut item by item.

According to the figures that I have, the Defense Department, because it cannot cut pay, would have to cut personnel. When I go overseas, I find the members of the Armed Forces saying, I have been overseas four or five times. I went to one Marine unit, and they had been overseas four Christmases in a row because we have cut back so dramatically in the number of people that are available in the armed services.

Now, we can argue whether they should be deployed so often or not, but this way of cutting the budget is absolutely against everything that we have been taught. What we should do is go back to committee and make the decisions based on the amount of money we have available.

When we started this process, we had a bipartisan agreement in all the subcommittees, then the leadership said, Okay, you have got to cut a couple hundred million dollars more. Well, they did not do that with defense. With defense, they took the bill, they gave us a good allotment, and we came up with a bill which everybody is praising, and, yet, it is not enough money.

Any way one cuts it, it is not enough money. They used to come over there and bring all those charts over when we were before the committee. I wonder where they got the money for the charts. But I will tell my colleagues this, cutting out a few charts is not going to make up for the amount of money, the $2.7 billion, we are going to cut out of this. This actually takes us below the O&M that the President requested. So this is not the way to do it.

You take this bill back, and you give it to the gentleman from California (Chairman LEWIS) and myself, and we will come up with a bill. We will come up with a legitimate cut. But the way we are doing it is absolutely wrong.

I would ask the Members to think about the devastating impact that we would have when we just passed a pay raise, we just revised their pension, the morale is high. The Defense Department knows it needs more. There is no question about that. All of us agree with that on the Subcommittee on Defense. Yet, we are sending a signal that we are just cutting across the board.

Even though my colleagues say, well, it is going to be vetoed, well, I could have said the same thing when I argued that our bill was going to be sent right back to them. I think it behooves us to give us the figure and let us work our will on where the bill should be cut.

So I would urge the Members of this body to take this bill back to committee and let us work our will. Tell us how much money that our allocation is, and we will pass that bill out, and it will be a much better bill than an across-the-board cut.

Mr. ISTOOK. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. LEWIS), chairman of the Subcommittee on Defense of the Committee on Appropriations.

Mr. LEWIS of California. Mr. Speaker, I very much appreciate the comments of my colleague and helpmate on the Subcommittee on Defense. The gentleman from Pennsylvania (Mr. MURTHA) is a great American, and I appreciate his help and his work.

I would like to spend just a moment addressing a couple other areas relative to this debate before going back to defense. For, as I listened to other people earlier, Mr. Speaker, I could not help but think of that old line that there are darn liars and statisticians. That line very much applies to a lot of the debate that has taken place here today.

Let me speak a moment about the whole ruckus swirling around the Social Security Trust Fund. That is very, very disconcerting to me. But I start by saying that one of the great things that have happened in this year is that the majority in Congress, and I know the Republicans as well as Democrats, are concerned about that trust fund.

But to hear the gentleman from Pennsylvania (Mr. MURTHA), my ranking member, talking about a set of statistics that suggest that one way or the other the bills that are passing here will be signed into law perhaps have already gone into the trust fund by $17 billion, and then another set of statisticians who reflect the administration's view of the way dollars worked, suggest we have not really gone into the trust fund yet.

The point is really not that. It is that there is a new call to set aside the Social Security Trust Fund and to protect it. That, in view of the history of the Congress, the old majority, the business as usual majority, using it constantly to build more and more spending programs around the Federal Government, that is the point that needs to be made and remembered.

One of the items that was discussed earlier today related to education funding within this bill, Labor-HHS, that portion of it, suggesting that one way or another we are of great disservice to Federal education efforts. Indeed, the proposal of the committee was $375 million above the President's request.

□ 1615

A 1 percent across-the-board would bring it down to the President's request. That is $30 billion in total; more money at a Federal level than throughout history for Federal money for education. We all know that most education dollars are raised and spent at the local level and the responsibility of the States and local school districts.

My last point takes me to the comments of the gentleman from Pennsylvania (Mr. MURTHA). I could not agree with him more. We produced an excellent bill this year. An across-the-board cut is not the way to deal with our bill, in my view. And, indeed, to reduce that effort is not helpful to our national defense purposes.

But having said that, the Congress has exercised itself by way of across-the-board cuts before. I remember a discussion with my friend, the gentleman from Wisconsin (Mr. OBEY), talking about his favorite programs around here in the Labor-HHS bill, this very bill. And I asked him how he could possibly stand aside for an across-the-board cut in Labor-HHS. Really, our discussion came to the point that at, the crunch time, when there are Democrats and Republicans, and there are these two bodies, as well as the administration, sometimes that is the only way to get to the final straw.

Well, my colleagues, we are at the final straw at this moment. It is time for us to come together and support this measure and get our work done.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding me this time. I have only time to focus on one of the reasons for voting against this bill.

My distinguished chairman of the subcommittee, the honorable chairman and good friend, has a couple of times, several times, pointed out that the NIH budget, the National Institutes of Health budget, is up from $15.6 billion by 14 percent, up to $17.9 billion. What he does not point out, and that he has never mentioned, is that $7.5 billion of that, more than 40 percent, is shifted so that it may not be obligated until the 29th or 30th day of September next year.

For him to speak about that would probably cause him to throw up. The number of dollars that are available because of that feature, the number of dollars for medical research in the fiscal year is, in reality, cut by about 15 percent in the year 2000. And that means that medical research on cancer research, on Alzheimer's, on AIDS, as well as genetic causes of disease and biotechnology, all of that has to be slowed down or stopped or put on the back burner.

Mr. ISTOOK. Mr. Speaker, I yield 1 minute to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Speaker, I thank the gentleman for yielding me this time.

There have been many honorable men and women who have approached the microphone today to express their concerns about this bill, the two bills, and the 1 percent across-the-board savings. And although the message of the other side is very well organized, it is somewhat crippled by the well-publicized strategy that the minority has been directed to employ by its own leadership, and that strategy is identified in The Washington Post on Monday, January 12, and I quote the gentleman from Massachusetts (Mr. FRANK). He said, "It took us a little while to figure out how to be the minority. But DICK has it just right," meaning the gentleman from Missouri (Mr. GEPHARDT), the minority leader, "it is not our responsibility to legislate any more, it does not make sense for us to compromise."

That is the direction and that is the strategy. I do not know which to believe. Is it a true concern about education, about defense and the rest, or is it just a need to obstruct, to impede, to delay, to encumber, to foil? Which one should we believe?

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. BONIOR), the distinguished minority whip.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, this bill does not extend the life of Social Security by one single day. This bill that we have before us fails to provide one penny for Medicare prescription drug benefits. The only thing it does is hurt American families.

Compromise, the gentleman from Colorado said? We would be delighted to sit down to compromise. We cannot get them to the table.

I want to talk about some folks that I represent. A lovely lady in my district, retired, widowed, with children, $600 a month she has coming in. She makes a few dollars baby-sitting. Her prescription drug costs per year are over $2,000. This bill does nothing to help her or millions of other American families who are in a similar situation.

I have another wonderful woman who I know who called the district office complaining about these prescription drug costs the other day because she has cancer and her monthly cancer prescription drug costs are up to the ceiling. And all she wants is a few years to be able to spend with her grandchildren.

What does this bill do? As the gentleman from Massachusetts (Mr. OLVER) just mentioned, it stretches and it hurts the whole question of digging into cancer research and other medical research for Alzheimer's and Parkinson's disease. This bill does nothing for that lady. It denies her the hope that she would hope to have to spend those extra years with her grandchildren.

And, of course, what does the majority do in this bill and in the budget that we have that could alleviate some of these problems? There is $500 million for a Mississippi shipyard boat that the

Navy does not even want. For a boat in Mississippi, $500 million that the Navy does not want. Talk about waste, fraud and abuse, Mr. Speaker. This budget puts pork before people, and it puts special interests before saving Social Security.

And let me also say that what this has been about, this battle here on the floor with respect to Social Security, is that they put together this incredible trillion dollar tax cut bill that they could not sell to the American people, because the American people did not want it. They saw the other needs we had. They did not want to bust the budget. And as a result of putting it together and advocating it, they scared the daylights out of senior citizens all over this country.

Well, their poll numbers went into the toilet, excuse me, with seniors. The seniors saw that that trillion dollar tax cut going to the very wealthiest people in this country was going to stifle any prescription drug care and was going to cut out any benefits to extend Social Security and Medicare. Now they are in a panic. So they come here and they say to us, unbelievably, that we are the culprits here. After their own leaders, year after year after year have advocated phasing out Social Security, letting Medicaid wither on the vine, they have the gall to come here and suggest that they are the saviors.

They have no credibility. They are as bankrupt on this as they are on this bill. And so I say, Mr. Speaker, the American people see through what is going on here. And what we need to do is vote "no" on this bill, and sit down, I say to the gentleman from Colorado (Mr. TANCREDO), and deal with a compromise where the principals are sitting at the table, not coming here and playing these games with the American people that the Republicans are the saviors of Social Security, the party who wants to phase it out, the party that never provided a vote for Social Security when it was adopted in 1935.

Mr. ISTOOK. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DELAY), the majority whip of the House of Representatives.

Mr. DELAY. Mr. Speaker, it is almost Halloween, and the Democrats are up to their usual tricks in search of the big government treats. Like all our appropriations bills, this conference report funds many very significant programs sufficiently while maintaining a balanced budget. But despite all the good qualities of this legislation, it is being opposed.

Now, I hear a lot of rhetoric about getting down to business from the other side of the aisle. One Member after the other walks up to the podium and accuses the Republicans of partisanship. Well, I have a message for the Democrats. Stopping the raid on the Social Security Trust Fund is not a partisan issue. The Republicans want to ensure that every penny of the Social Security Trust Fund goes to those who paid into the fund.

Today, with this vote, the Democrats will have the opportunity to join us in this battle. But it seems very clear that many Democrats are going to turn their backs on this historic opportunity in voting "no" on this bill. When these individuals vote "no" in the coming minutes, they are telling their constituents in no uncertain terms that they are willing to raid the Social Security Trust Fund to pay for big government programs.

Why will the Democrats vote to raid the Social Security Trust Fund? The answer is very simple. Because above all else Democrats want to increase Federal spending. They have continually said that the taxes that Americans pay to the Federal Government are not enough to fund their programs. Now they are saying that they need to take those tax dollars and the Social Security money to pay for these programs.

Today, the Republicans are saying in one very clear voice that we will keep our hands off the Social Security Trust Fund. The Republicans know how important it is to secure the trust fund, and we have a plan to do it.

Mr. ISTOOK. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. WALSH), the chairman of the Subcommittee on VA, HUD and Independent Agencies.

Mr. WALSH. Mr. Speaker, I thank the distinguished chair of the Subcommittee on the District of Columbia for yielding me this time.

I want to address one point. While this bill may not extend the life of Social Security, and it was not intended to, what it is intended to do for millions is to extend the hope that their retirement promise will be kept. And this is the day that begins.

My subcommittee bill includes the veterans budget, and I would like to respond to that issue directly. First of all, the President proposed no increase in veterans' medical care this year. Flat line. No increase. We propose a $1.7 billion increase in veterans' medical care. So even if this 1 percent across-the-board reduction were embraced by the Congress and the President, we are still $1.5 billion above the President's request, the largest increase ever given to veterans' benefits for medical care.

We have done much more for the veteran on our watch than the opposition has, and I think it is important that we make note of that, a $1.5 billion increase over what the President requested, even with this shaving across the top of all the budgets.

I want to address one other item that was discussed today, this idea of budget gimmicks. When I received the President's request for our VA-HUD bill, I looked and I found in that bill a $4.5 billion advanced appropriation for Section 8 housing.

Now, the President proposes to be concerned about people getting public housing, and I think there is no question that he does. We all do. We are all very concerned. I said to staff, what is this advanced appropriation all about? I have been on the Committee on Appropriations for 5 years, and I had never seen anything like this before. They said, Mr. Chairman, that is a gimmick. The President has proposed to spend this money not this year but next year in order to fund Section 8 housing.

We rejected that budget gimmick. Ultimately, it was accepted by the Senate and the President, and the House joined in. And as one of the President's secretaries explained to me, if everyone embraces the gimmick, then it is an offset.

So the facts are here that the President introduced this advanced appropriation, this so-called gimmick, into our bill. We rejected it initially. Ultimately, working together in the spirit of compromise with the White House, we accepted it.

□ 1630

Mr. ISTOOK. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. BEREUTER). The gentleman from Oklahoma (Mr. ISTOOK) has 10½ minutes remaining. The gentleman from Wisconsin (Mr. OBEY) has 9 minutes remaining.

Mr. ISTOOK. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I think it is important that we look at the heart of this matter and how we got here. The real issue is are there limits, are there boundaries on this spending of the Federal Government, or do we go back to the old days of the former majority where they just kept spending and borrowing as much as they wanted to?

We have achieved a balanced budget. No matter who wants to take the credit, the fact is it has been done. And there is plenty of credit to share. We have set the standard. It ought to be balanced without spending out the Social Security Trust Fund. Many people agree with that in principle, but when it comes to practice, they do not want to accept the boundaries that it places on spending.

So we had the President's budget that proposes tons of new spending. And he said, well, we will spend it by having more taxes, more fees, and taking a third of this year's Social Security surplus, spending a third of it.

We said to the President, the proper standard is do not spend any of it and do not raise taxes, either. That means there is a limit on spending. And frankly, Mr. Speaker, we have an across-the-board cut to balance out spending, to make it fit within the available money because our friends on the other side of the aisle are not willing to accept limits.

They are still asking for more money. I have heard them identify a lot of new programs they want to put in. They do not want to reduce things. We cannot get specific agreements on reductions rather than across the board because they will not agree that this is all the money that there is available. This is the only method left. We could do it different ways, but this is the only method left if we want to keep the budget balanced and not raise taxes and not raid Social Security. That is why we are in this circumstance.

But the American people understand that, Mr. Speaker. They have dealt with family budgets. They have dealt with business budgets. They know that a 1 percent shave is not the end of the world.

Now, for some people, of course, it is never enough. And I am really appalled hearing some people say, well, this will not extend the life of Social Security. What they want to do will shorten the life of Social Security. They want to raid the Social Security Trust Fund so that when old Mother Hubbard gets to the cupboard it is bare; the money is already spent out.

We want to preserve as much as we can by controlling spending. That is the whole issue. Keep the budget balanced, do not raid Social Security, and accept the fact that there is a finite amount that this Congress can and should spend.

If they would stop their new spending programs, it would be a lot easier. But, in the meantime, nobody is going to be hurt by doing a 1 percent across-the-board. If the American people have to do it, Uncle Sam should do it, too.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland (Mr. HOYER) so he might explain the motion to recommit that will be coming shortly.

Mr. HOYER. Mr. Speaker, I will be offering a motion to recommit at the conclusion of the consideration of this bill. The motion to recommit is not debatable, so I am explaining it at this time to all Members.

The majority has included in this bill a provision which will strike the comparability adjustment for Members of Congress by 3.4 percent. The fact of the matter is that that provision will have no impact on Social Security and no impact on the deficit and, I point out to all the Members, no impact on Members.

The reason it will have no impact on Members is because the Constitution precludes reducing a Member's compensation during the term of his or her office.

Therefore, we are reliably informed that this provision will not take effect until January 1, 2001. It is, therefore, simply self-flagellation which will not adversely affect us. But we will pretend to the public that it will; and we will, therefore, add to the cynicism of the public as we rhetorically say we are beating our chest and not taking a pay raise, when in fact it will occur on January 1, 2000.

So I would say to my friends on both sides of the aisle, we adopted an adjustment of pay. Why did we do it? Because for 5 out of the 6 years we had not taken an adjustment, which means that the 2.3 percent that we received in 1998, if divided by six, was a four-tenths of a percent adjustment per year.

Certainly, I would hope that none of my constituents, nor any of my colleagues', would think that was an unreasonable adjustment in salaries for the service given.

My colleagues, the 3.4 percent, as all of us know, is 1.4 percent, or about 35 percent, less than Federal employees will receive and less than the military will receive. That is appropriate. We want to take less to ensure that the public knows we are not here for money's sake. But it is fair to keep us even.

I would hope my colleagues realize that the inclusion of this language will have a pretense to the public that we are doing something adverse to ourselves and trying to tighten our own belts. But because it is a pretense and when they find that it does not happen, they will be cynical.

Very frankly, I do not think anybody thinks this is going to happen anyway, which is also adding to the cynicism of the public.

I urge all Members to vote for the motion to recommit.

Mr. ISTOOK. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. PORTER), chairman of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding me the additional time.

Mr. Speaker, let me begin by saying that I want to commend the gentleman from Florida (Mr. YOUNG), the chairman of our committee, for the absolutely marvelous job that he has done in shepherding all 13 appropriations bills through this process. We could not have a better chairman, a man who keeps his cool under fire, who works with all of the Members to try to accommodate greatly different interests often. We thank him for the marvelous job he does in leading all of us.

Let me thank the committee staff Tony McCann, Bob Knisely, Carol Murphy, Susan Firth, Francine Salvador, Nicole Wheeler; and on the minority side, Mark Mioduski and Cheryl Smith. They do a terrific job for all of us.

My personal staff: my AA, Rob Bradner; my LA, Spencer Perlman, who has worked on the bill, and Christina Hamilton on the staff of the gentleman from Wisconsin (Mr. OBEY) have all done absolutely wonderful work. And Bettylou Taylor for the Senate majority staff, and Ellen Murry for the Senate minority staff and their coworkers have done an absolutely marvelous job.

Let me also thank the members of my subcommittee. They do yeoman's work in hearing months and months of hearings before the subcommittee and it is a very, very tough job for them.

Mr. Speaker, let me close by saying that the other side said to us earlier that they believe we are $17 billion off. This Federal budget is $1.800 billion. We are talking about less than one percent. Even if we take their figures, and they cite a CBO letter that is based upon CBO revenue estimates, we cannot estimate within 1 percent. We cannot even estimate within 3 percent of what the Federal revenues are going to be for the next year.

Let us celebrate. As the gentleman from Ohio (Mr. KASICH) said earlier, we have done a terrific job in getting this process under control and protecting the Social Security Trust Fund.

Let me say something else. We have learned in the last 5 years to focus on the bottom line. We are doing it on a bipartisan basis. We have learned to protect Social Security. We did not do it before. We are doing it now.

We demand from every Federal spending program results for individuals, the betterment of their lives. The money has to be spent well. We have to see that it gets something positive done in the lives of every single American that it affects.

We have brought the budget into balance. We have brought an end to the raiding of Social Security. I believe that all of us ought to go back home and celebrate the tremendous job that has been done, celebrate the tremendous economy that our constituents have brought to all of us. We have done the people's work in the right way.

Support the conference report.

Mr. OBEY. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I am sure that before this debate is done the gentleman from Florida (Mr. YOUNG) will point out that in all the years, going back to the Mesozoic Era, that the Congress borrowed Social Security money. I will stipulate that is true. I will also stipulate that, in every year but one, Congress did less of that than we were asked to do by Republican Presidents.

The problem with this bill today is that it is a giant fudge ball of gimmicks to enable the Republican party to pretend that they are helping Social Security.

What are the gimmicks? First of all, the bill provides $12 billion in aid to schools. That money is supposed to go out this July to the school districts. Instead, it delays it until October 1 so it slips just over the line and is not counted in this fiscal year.

That does not help Social Security. In fact, it does spend next year's Social Security money.

The bill also contains $18 billion for NIH for medical research. Sixty percent of the dollars for those research grants are delayed for a year. New research grants will be cut by 90 percent for a full year under those recommendations. Again, that helps the Republicans pretend that they are not spending Social Security money. But it again spends that same Social Security money next year. That does not do Social Security any good. Just a political gimmick.

The 13-month gimmick that they provide, it is not only a gimmick, it is a public fib. Taxpayers pay $50 million a year in order to staff the Congressional Budget Office that is supposed to tell us how much everything we do is going to cost. And they have told us today, despite denials to the contrary, that the Republican budget right now, even with all these gimmicks, still spends $17 billion out of Social Security money.

So what does the Republican leadership do to try to avoid it? They simply set up a device that says, "Ignore it." They order the scorekeeping agency to simply ignore $13 billion worth of spending in the defense bill. In this bill today, they tell them to ignore $1.6 billion, just ignore it.

They then have another gimmick. They declare $25 billion of so-called emergencies, because if we call it emergencies, that also does not count.

Example: the fuel assistance program. That provide help to low-income elderly so they can pay their heating bills in the wintertime. Last year, the Republican leadership tried to eliminate that program. This year they call it an emergency. I have a little trouble following that one. That is a double reverse even the Green Bay Packers could not duplicate.

Another problem: when we provide all of these phony emergency designations, it really removes all restraints on spending. When we take the Department of Defense bill, which the chairman has already indicated is $16 billion above the President—and he said that, I did not—when we add up all other increases, we have bills that add $30 billion to the President's budget.

So then how do they deal with it? They totally disrupt the NIH funding stream for research grants and they say, "Oh, we are going to give them this harmless little 1 percent across-the-board cut." The problem is they rig it so that we cannot really attack the waste and fraud that they are talking about.

I have a list here from Senator MCCAIN of all of the congressional pork put into the Department of Defense bill. It is 11 feet long. They have got it rigged so that none of these projects can be eliminated, even though the Defense Department did not ask for them. One of them alone is $1.5 billion. Do my colleagues call that responsible to say, no, we are not going to cut this but, oh, yes, we are going to cut cancer research, we are going to cut education? We do not think that is the right way to do it.

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And then as was also mentioned, one powerful chairman has gotten all of his programs effectively exempted. They get cut this year but, oh, the money gets put back this year. I love highways, but I do not love them more than I love cancer research, or providing health care to people who do not have it. If you are an American family and you have to cut back in your budget and you had a trip to Bermuda and you bought a new car and you bought milk and you bought groceries and you paid the rent, if you go to cut back in your budget, you do not cut all of that back evenly 1 percent. You say, "Well, probably the trip to Bermuda isn't necessary." You will cut that out. You pick and choose. You make intelligent choices, not the kind of choices in this bill.

This is not a bill at all. This is a magic show, designed to put on a phony debate on Social Security. If you really care about Social Security, if you really care about Medicare, recognize this turkey of a bill does nothing to strengthen Social Security or Medicare. What you ought to do is extend the solvency of Social Security, put a prescription drug benefit into Medicare. I held 16 hearings around my district to listen to seniors who needed help to pay for their drugs. I ran into one woman who paid $600 a day, yes, a day, for prescription drugs. This bill does nothing for her. I ran into another couple, they spent $28,000 a year on prescription drugs.

Your leadership, the same leadership that has said on other occasions that Medicare should not even be here and that Social Security ought to be phased out, you now give this cock and bull story that somehow you become the last-minute defenders of Social Security. Give me a break. Let us play it real. Drop the debates, sit down in a room, figure out what is practical, end this debate. I know the gentleman from Florida (Mr. YOUNG) would like to do that. He knows I want to do it. And I know the gentleman from Illinois (Mr. PORTER) wants to do that, too. We are not able to do it because of a dispute above our pay grade, but this Congress is not going to get out of session until that dispute stops, we play this real for a change and give the American people what they deserve, an honest budget.

Mr. ISTOOK. Mr. Speaker, I yield the balance of my time to the gentleman from Florida (Mr. YOUNG), the chairman of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, before closing comments on the bill itself, I wanted to add to the comments that were made about our friend Bob Knisely at the beginning of the debate and say that I certainly agree with those comments. I would also like to say that the Committee on Appropriations staff, we have a tremendous staff, and they work long, hard hours and long days and after we have finished our 12- and 14-hour days as Members, they add another 5 or 6 hours to put on paper or put into the computer decisions that we made during that day. I want to thank Jim Dyer, who is the clerk of the full Committee on Appropriations and Chuck Parkinson and Dale Oak and John Mikel and all the staff of the Committee on Appropriations. They all do a tremendous job, and I think they deserve that recognition.

I want to say, Mr. Speaker, that I envy the gentleman from Wisconsin (Mr. OBEY). The gentleman from Wisconsin had the privilege to chair this committee for a year and during that time the gentleman had 81 more Democrats than we had Republicans. As Chairman in this year I only have 10 more Republicans than Democrats. That makes it a lot different. In addition, the gentleman from Wisconsin was able to spend $60 billion out of the Social Security trust fund that year. Chairman YOUNG cannot spend anything out of the Social Security trust fund and does not want to.

Despite the fact that we have this small majority, which we hope will increase the next time we organize the next Congress, there are some things that we promised to do. A lot of people do not realize that politicians keep their promises. We promised to do everything we could to balance the budget. We kept that promise. The report yesterday said that we not only have a budget surplus this year but we had one last year. This is record-setting. This is the first time since Eisenhower's administration that we had two back-to-back surpluses. We promised to increase national defense. And if I misspoke and said that we were $16 billion over the President's budget, that was not correct. This budget is $16 billion over last year, the fiscal year 1999 defense budget. So we have increased our investment in national defense, a promise that we made.

We have increased medical research, a promise that we made. Despite the rhetoric today to the contrary, we have increased medical research. We have increased education, over and above the President's request. The only argument that we have with the Democrats and the administration on education is who makes the decision on how it is spent. Does some bureaucrat in Washington make that decision or do our local school boards make the decision?

The needs in one district may be different than the needs in another district and those needs should be determined by the people who control and are elected in those school districts to make those decisions.

We stopped spending the Social Security money. The gentleman from Wisconsin's party controlled this Congress for 40 years. What did they do about Social Security? They spent it. The gentleman from Wisconsin just said that this bill does nothing to deal with Medicare or prescription drugs. That is true. Why? This committee does not have jurisdiction over that issue. That is a Ways and Means issue. But I would say again, the gentleman from Wisconsin's party controlled this House for 40 years. What did they do in 40 years to provide for prescription drugs and Medicare? Nothing.

Mr. HOYER. Mr. Speaker, we adopted Medicare.

Mr. YOUNG of Florida. The gentleman has had his hour.

The SPEAKER pro tempore (Mr. BEREUTER). The gentleman from Florida controls the time.

Mr. YOUNG of Florida. Mr. Speaker, it has not been easy because of a small majority. And the 1997 budget accord which the gentleman from Wisconsin did not have to deal with, either, because he was Chairman before the 1997 budget agreement has not made it easy. But we made promises, and we have kept those promises, and this bill today will complete the promise of having 13 bills on the President's desk. Then we will go to the final phase of our appropriations process for this year, and then we can all go home and be with our constituents, where we should spend considerable time.

After this bill gets to the White House, then the final phase will be to deal with the President's vetoes, on whichever bill he determines to veto. At that point the gentleman from Wisconsin and I will once again become major players to try to settle those differences and get signable bills. But now let us vote against the motion to recommit and vote for this conference report.

Ms. WOOLSEY. Mr. Speaker, I rise today in opposition to this conference report.

Let's look at how we got to this shameful place in the budget process.

First, the Republicans tried to cut taxes for the wealthiest Americans by billions of dollars.

When that didn't sell, they decided on across-the-board cuts to programs that affect all families.

I hope my colleagues look at what this bill doesn't do and the consequences it will have on families and children.

First, this bill does not extend the life of Social Security by a single day.

It also fails to provide one penny for a Medicare prescription drug benefit.

Most importantly, this bill fails to take care of our children.

It will leave children unable to participate in the Head Start; title I; before and after-school programs that families need.

What does this bill do? Well, it does take $17 billion from the Social Security surplus.

Robbing the Social Security surplus and not investing in our children—that's not a responsible and fiscally prudent way to run a government.

I urge my colleague to oppose this conference report.

Mr. CROWLEY. Mr. Speaker, I rise in strong opposition to the combined D.C. and Labor, Health and Human Services appropriations conference report.

First Mr. Speaker, linking a Labor HHS conference report to another rider laden conference report is wrong. But even more egregious, is the fact that this House did not consider a Labor HHS bill. Instead, the Republican leadership sent it straight to conference, leaving Democrats with no opportunity to amend the bill.

This is tantamount to denying my constituents representation in Congress! I strongly believe each member should have the opportunity to debate and amend this extremely important appropriations measure.

Instead, we have a Labor HHS bill, which has:

1. A 21 percent across the board spending cut;

2. Guts the class size reduction initiative this Congress funded last year;

3. Denies funding to after-school centers—centers that keep our children off the streets;

4. Cuts title I funds which help disadvantaged students;

5. And, dramatically underfunds bilingual and immigrant education.

What is the impact of an across the board budget cut? It means that Head Start programs will service almost 5,000 fewer children and their families. It means that more than 70,000 fewer women, infants and children will benefit from food assistance and nutrition services. It means that over 117,000 disadvantaged children will have their reading and math assistance programs eliminated! I don't know about my Republican colleagues, but the thought of allowing over 70,000 women, defenseless infants, and children be malnourished so we can give tax cuts to the rich makes me sick.

Mr. Speaker, the real truth is that a Democratic-led Congress created the Social Security Program, and it was signed into law by a Democratic President, despite fierce opposition from Republicans. Now we are expected to believe that Republicans are protecting Social Security? Something they never wanted in the first place.

The Republicans are clearly playing games with the budget—games with the lives of the American people.

Does this Republican leadership care? No. They tout the "tax relief" packages, which only help the top one percent of wage earners in the country. Does the Republican leadership care about Social Security? If so, it is not evident in this bill, which does not extend social security by one day. Instead, this budget would still exceed the discretionary caps set by this leadership, thereby dipping into the social security surplus. The Congressional Budget Office reports that $17 billion in excesses in this year's budget will be taken from the social security surplus. How does this indicate a Republican Party who purports to care about saving social security?

Additionally, Mr. Speaker, this bill provide one penny for prescription drug benefits to our financially strapped seniors. In fact, this bill takes food out of their mouths and services from them. This Labor HHS bill cuts the Meals-On-Wheels Program, resulting in over 1.3 million fewer meals being delivered to the elderly.

What about other cuts in this bill? Schools in my district are bursting at the seams. I now have to go home and tell these schools that the little relief they have received from the class size reduction initiative will be reduced. Schools that are already operating at 119 percent over capacity will lose funds. School districts that are seeing a growth of 30,000 students every five years are losing funds for class size reduction, after-school programs, and title I assistance. Furthermore, this bill does not even address the national crisis that our school infrastructure is in. With walls and ceilings sagging, paint peeling, and antiquated heating systems—in my district they still have coal burners for heat—our Nation's schools need help. But do we have any school modernization fund assistance here? No. Did we have it in the Republican tax package? No.

This bill is a travesty Mr. Speaker, and I urge all Members to vote against it. Don't take food from the mouths of infants, seats from our students, or services to our elderly. Vote against this Labor-HHS conference "agreement."

Mr. WAXMAN. Mr. Speaker, I want to commend Mr. OBEY and the Democratic members of the Labor-HHS Subcommittee. They worked hard to defend critical health programs from short-sighted Republican proposals like slash-and-burn, across-the-board cuts.

But I am deeply troubled by the inclusion of a rider delaying vital reforms of our national organ allocation system. A 1-year moratorium on the Department's final rule expired last week. A revised final rule has been published. We are ready to reform organ allocations for the better.

So why is there a new rider? How much longer are we going to play political games with transplant patients and their families? Every day of delay hurts patients across the country.

This rider flies in the face of sound science and equity.

First, we have hard data from UNOS itself documenting dramatic 200 to 300 percent transplant and survival disparities between centers across the country. These are precisely the inequities which the final rule would address. But the rider would delay the final rule.

Second, we have the Institute of Medicine recommending "that the final rule be implemented" because broader sharing "will result in more opportunities to transplant sicker patients without adversely affecting less sick patients." But the rider would delay the final rule.

Finally, we have the Institute of Medicine correcting the mistaken objections that local donations and small transplant centers would do poorly under the final rule. IOM says the evidence is that neither would happen. But again, contrary to the evidence, the rider would delay the final rule.

I know the opponents to organ reform will say, "What's the harm of getting more public comment?"

The answer is simple. "Been there, done that."

There is no excuse for delaying the final rule any longer. The Secretary has already bent over backward to achieve a consensus. She has revised the final rule to reflect the concerns of patients, surgeons and transplant centers.

The final rule already embodies years of deliberation, three separate public comment periods and input from public meetings held across the country. It embodies the consensus that organs should be shared more broadly to end unjust racial and geographical disparities in organ allocation.

A delay in the final rule is a vote for the status quo: a status quo of gross racial injustice; a status quo of parochial self-interest which flies in the face of equity and the evidence; a status quo that is slowly killing patients who deserve to live, but are deprived of that right by a system that stacks the odds against them.

If you want to help them, let the final rule go into effect. It's that simple.

Mr. SANDLIN. Mr. Speaker, the Labor-HHS appropriations bill is yet another example of the Republican party's inability to govern. I will vote against this bill because it fails the American people. It is a failure with regard to Medicare and education and other important Democratic priorities. It fails to fund a Medicare prescription drug benefit for seniors, and it fails to provide funds to reduce class size and hire 100,000 new teachers.

Adding insult to injury, Republicans have added a 1-percent across-the-board budget cut to the Labor-HHS bill. This cut will have disastrous effects on programs that are critical to children, seniors, veterans, farmers, and national security. In lieu of an egregious across-the-board cut, I have proposed that the Republican leaders eliminate the Members' pay raise, as well as all Member earmarks. However, the Republican leadership would rather put money in their pockets and pet projects than use it to fund the priorities of the people.

Republicans have also proven, through this across-the-board cut, that they will take care of their own priorities at any cost, even if it means losing up to 48,000 military personnel and cutting much-needed assistance to our farmers by $86 million. Putting money in their pockets must also be more important than fighting the war on drugs and maintaining strong law enforcement. Their budget cut would cut 90 agents from the Drug Enforcement Administration and 247 FBI agents.

Moreover, Democrats are not alone in their concerns about the inevitable cuts in defense. Joint Chiefs of Staff Chairman Henry Shelton has confirmed the disastrous effects of the Republican-proposed budget cut on our military. In testimony before the Senate Armed Services Committee, he stated that the across-the-board budget cut would be "devastating" to the military.

In addition, the Congressional Budget Office, the Republican-appointed budget scorekeepers, announced today that Republicans have already spent $17 billion of the Social Security trust fund. This announcement comes as Republicans take to the floor one after another to praise the importance of Social Security, vowing not to dip into the trust fund. These are crocodile tears from the party that has consistently raided Social Security. They have opposed this program since its inception and have consistently tried to kill it.

The sad truth is that the Republicans' newfound concern for Social Security is merely a political ploy. They weren't concerned last year when they spent one billion dollars of the trust fund, and they weren't concerned during the Reagan administration or the Bush administration, when Republicans consistently proposed spending billions of dollars of the Social Security trust fund.

I urge my colleagues to cast their vote against the Labor-HHS bill. A vote against this product of poor Republican governance, budget gimmicks, and cynical political maneuvering, is a vote for bolstering our national security, educating our children, caring for our seniors, respecting our veterans, and helping our farmers.

Mr. HALL of Ohio. Mr. Speaker, I rise today to let my colleagues know what the proposed 1-percent across-the-board cuts will mean for hungry and poor people in the United States.

One percent may not sound like very much, and I might agree with our colleagues who argue that there is one percent of fat in the overall federal budget that can be cut. But those cuts should be made with care—not with this meat-cleaver approach.

Many federal programs—and virtually every one that benefits low-income Americans—already have faced cuts year after year. For example, the food stamp program—which was slashed in order to pay for welfare reform—would be cut by $210 million. The fund that helps churches and charities operate their soup kitchens and food banks is another example. This fund already is running on empty because of the growing need working poor families have for help with their grocery bills. All around the nations, food banks and soup kitchens are turning people away—and yet this bill would cut their funding by nearly $1 million a year.

Nor do one percent of the people who receive meals-on-wheels, WIC assistance, food stamps, or help from soup kitchens and food banks deserve to be dropped from these programs. If this bill becomes law, here is what will happen: 1.3 million fewer meals would be delivered through the nation's Meals on Wheels programs; 71,000 fewer women and their young children would get assistance from the WIC nutrition program; 4,800 fewer poor children would be enrolled in Head Start—a program that enjoys bi-partisan support and has proven to be an effective way to ensure children succeed; and 2,900 fewer poor children would receive childhood immunizations.

Mr. Speaker, while our nation is enjoying the best of times a generation of Americans has known, too many Americans still face the worst of times. This country should not ever balance its budget on the backs of the poor—and especially not at the time when there are responsible ways to meet our commitment to all American citizens.

Cutting spending across-the-board is the wrong way to meet our responsibilities. It will hurt people who are doing all they can to be self-sufficient. It will hurt children who swell the ranks of impoverished Americans. I urge my colleagues to reject this proposal.

Mr. DAVIS of Virginia. Mr. Speaker, we are here today in a spirit of compromise. My compliments to Chairman ISTOOK for his patience and the statesmanlike approach he has taken in bringing this conference committee Report to the floor.

The last D.C. budget was vetoed by the President on September 28. The city, and I emphasize that this is a city we are talking about—not an agency or department—is operating under a continuing resolution. This is not acceptable.

The Nation's Capital is caught in the middle, and many urban needs here are being adversely affected. It is my sincere hope that the flexible approach taken by the House conferees will encourage the administration to sign the bill containing the D.C. budget. This may be the city's last clear chance to get the resources and reforms it needs.

While much progress has been made in the District, there are still enormous problems which must be addressed. A substantial number of functions remain in receivership, including foster care and offender supervision. The enhanced resources for foster care in this budget, to take just one example, are desperately needed by many children.

Our local courts are funded in this budget. They too very much need the added resources this bill provides.

Very soon I expect the House will pass the legislation I sponsored to enhance college access opportunities for D.C. students. The money to fund that program is in this budget.

There is additional money in this budget for public education. There are 146 public schools in this city, and now 29 charter schools. The money to help the children in those schools is in this budget.

This budget contains the largest tax cut in the city's history, which is central to our goal of retaining and attracting economic development.

There is money in this budget to clean up the Anacostia River, open more drug treatment programs, and study widening of the 14th Street Bridge.

What the city needs is a stronger tax base and more taxpayers. This bill takes us another step in that direction.

This D.C. budget is the one the President's strongest supporters in Congress have always insisted he would sign. Let's hope so.

In the 5 years I've had the honor to serve as chairman of the District's authorizing subcommittee, it's been my philosophy that you cannot have a healthy region without a healthy city. Working in a bipartisan manner, building consensus, I'm proud of the way we have helped to turn this city around. I urge this House and then the White House to let us continue.

Mr. BENTSEN. Mr. Speaker, I rise today in opposition to the conference report on fiscal year 2000 appropriations bill for the District of Columbia and the Departments of Labor, Health and Human Services, and Education. The conference report before us is a sham budget which I cannot support.

The bill before us today perpetuates a fraud on the federal budget process and the American people. The Republican leadership has produced a budget that exceeds the budget caps we established in the Balanced Budget Act of 1997 by $30 billion, according to the Congressional Budget Office. This Republican-majority budget would also spend at least $17 billion of the Social Security Trust fund, something the Republicans are claiming they do not want to do. This bill includes many budget gimmicks, such as advance funding, delaying medical research funding until September 29, 2000, and delaying paying private contractors who provide services to the Federal Government. Today, we also learned that the Republican leadership has cut a deal with the House Transportation Committee chairman by promising to restore any transportation funds lost from the across-the-board cuts included in this bill. He will get his highways, but medical researchers trying to find a cure for cancer or AIDS in Houston, Texas will get the shaft.

I am especially concerned that this bill includes a budget gimmick that will backload $7.5 billion or 40 percent of the National Institutes of Health's (NIH's) medical research Fiscal Year 2000 budget until September 29, 2000. What this means is that new and renewing research grants to universities and teaching hospitals will be delayed by nine months to a year. This $7.5 billion delay for NIH's funding would affect up to 60 percent or 40,000 research grants. For researchers at Texas Medical Center in my district which receives about $300 million in NIH grants annually, the spigot will be turned off for nine months and people will be laid off. This delay is unworkable and would adversely impact the cutting-edge medical research done at those teaching hospitals. With this budget gimmick, those projects like the Human Genome Project, and the recently announced ovarian cancer research project at Baylor College of Medicine could be put on hold until their annual funding is paid on the last day of the next fiscal year. All this in the name of politics.

I am also concerned about some of the funding levels included in this bill. For instance, this conference report would cut title I funding for 5,400 teachers who provide reading and math assistance for 290,000 disadvantaged children and would cut $1.1 billion or 46 percent from the title XX social services block grant programs. The title XX program provides federal funding for a variety of social services, including family planning, adoption services, and foster care. Without this funding, states will be forced to reduce the number of families which they serve. Finally, this conference report also eliminates $508 million in emergency aid to farmers related to Hurricane Floyd.

I am also troubled by the process which brought this bill before us. The fiscal year 2000 Labor, Health and Human Services, and Education appropriations bill has never been considered by the House of Representatives. Yet, today we are considering a conference report on this bill. This highly unusual procedure has bypassed the House of Representatives and not provided sufficient time for the Members to participate in this process.

No matter how much my Republican friends say it, no matter how much they wish it, the fact remains, as scored by the CBO, that their own budget exceeds the 1997 spending caps by $30 billion, and spends $17 billion of the Social Security surplus. And this is before the House takes up the bills to rewrite the 1997 Balanced Budget Act, tax credit extensions and minimum wage tax cuts which will cost billions more. It's not really about whether you can cut 1 percent across-the-board, or pound your chest about how we are cutting our pay, it's about the fact that you have already busted the budget and do not have guts or the integrity to stand before the American people and tell them so and why.

For these reasons, I urge my colleagues to oppose this bill.

Mr. VENTO. Mr. Speaker, I rise today in opposition to the Labor-HHS-Education appropriations funding plan. The fact that the Republican leadership has sought to avoid a separate vote on the measure reveals a fundamental weakness in this legislation. Proponents will talk about increases in funding for Pell grants, for special education, and for the National Institutes of Health. Of course we can all agree that these are important programs. However, there are several other programs which are being under funded or completely cut out. This bill is like a pea and shall game, but without the pea. The GOP leadership has been shuffling dollars and shifting funds from the Labor-HHS-Education allotment to other appropriations bills to make them passable. Now that there is so little money left that passage of the Labor-HHS-Education bill is impossible, they declare billions of dollars for regular programs as emergency spending. They have even shifted spending irresponsibility into next year, inventing a 13-month year for 2000 and compounding problems, creating an impossible equation for fiscal year 2001. No matter how slick the GOP leadership is, we can not be fooled into thinking that there will be a winner in this game of gimmicks and phony arithmetic.

The American public time and again has rated education as a top priority . . . above tax cuts, above foreign affairs, above Pentagon spending, even above gun control and protecting social security. While I am not discrediting the need for Congress to address all of those issues, it is important that we listen to what constituents are saying. Republican rhetoric makes a strong commitment to education. However, this is a classic case of robbing Peter to pay Paul. In order to showcase the funding increase for Pell grants and special education, this budget severely short-changes other essential education programs. To site just a few: GEAR UP, technology training for teachers, bilingual education, adult education, and Head Start. To add insult to injury, this legislation would gut last year's bipartisan commitment to hire 100,000 new teachers and reduce class sizes, abandoning the program and substituting an under-funded, undefined block grant. Education is a continuous journey, and the GOP scheme of hitting a few highlights along the way is short-changing and short-sighted; a shallow and insincere approach to ensuring that all students have the support they need to succeed.

Congress must do more to restore and increase funding for important human needs programs. This bill is emblematic of how budget distortions and faulty priorities often have grave consequences for some of our most vulnerable citizens. The most glaring example of this is static funding for social service block grants (SSBG). Over the last 20 years, SSBG has been one of the primary sources of social service funding for states, providing the flexibility to afford vital services for children, youth, seniors, families, and persons with disabilities. Now, in a healthy productive, economic time, Congress should not intensify social-economic disparities, but rather maintain commitments to ensure that all Americans have an opportunity to contribute to and share in America's prosperity.

As a great man, fellow Minnesotan, and congressional mentor Hubert H. Humphrey said, "The moral test of government is how it treats those who are in the dawn of life, the children; those in the twilight of life, the aged; and those who are in the shadows of life, the sick, the needy and the handicapped". It is apparent to me that this legislation reflects, through distorted priorities, political posturing and questionable accounting methods, serious shortcomings on the part of the majority leadership who are failing this moral test. I urge all of my colleagues to vote no on this GOP appropriations fiasco which plays games with funding for vital and necessary programs.

Mr. MCGOVERN. I rise today in strong opposition to the District of Columbia/Labor, Health and Human Services, and Education conference report. This bill is bad policy and I am appalled that the Republican majority is bringing this bill to the floor today. As a strong supporter of education, health and public welfare programs, I cannot support this report and I will vote against it.

The Republican leadership once again is bringing the Labor, Health and Human Services, and Education appropriations bill to a vote without giving Members of Congress the opportunity to improve the underlying bill. Last year, the ineptitude of the Republican leadership resulted in an omnibus appropriations bill. The Republican leadership, under the fear of opening this bill up to amendments, attached the Labor, Health and Human Services, and Education appropriations bill to the D.C. appropriations bill. The majority's job is to pass spending bills to keep this country running. The Republican majority is failing by sending bills like this to the floor and I am distressed and saddened that the Republican leadership is resorting to these gimmicks to pass such important legislation.

First let me address the underlying bill. While the latest version of the D.C. appropriations bill is slightly improved from the bill sent to the President—a bill I voted against—it is still far from perfect. The bill still maintains the language that prohibits the District from using any funds for abortions or to implement the District's Domestic Partners Act. I would have voted against this conference report even if the Labor, Health and Human Services, and Education bill had not been attached to the report.

This bill is a perfect example of how far out of touch the Republicans are with the people in Massachusetts and around the country. While we are working to improve the programs Americans want and need, the Republicans are playing games with the health and education of America's families. Instead of working to improve the quality of life for Americans, the Republican leadership is sacrificing sound policy for partisan politics.

The spending priorities in this bill are not consistent with what Americans want or need. For example, this bill cuts $1.1 billion in social services for elderly and low-income Americans, ignores our children by refusing to fund $44 million to immunize over 333,000 children against childhood diseases, and punishes our farmers for natural disasters outside of their control by striking $508 million in emergency aid to farmers devastated by Hurricane Floyd.

As my colleagues are well aware, I am a strong supporter of federal funding for public education and families and students finance a college education. That's why I support continuing the bipartisan-initiated Class Size Reduction Program to put more qualified teachers in our schools. This bill guts that program and uses the deception of block grants to hide that fact.

I support programs to help our elementary and secondary teachers strengthen their professional and subject matter skills, but this bill freezes funding for these programs. This bill underfunds technology training for our teachers and schools. It eliminates funding for education reform and the establishment of high standards for our children in reading, math, and science.

At the same time, this bill perpetuates another deception on the American people. It proposes increases in Pell grants, special education, TRIO programs, and modest increases or funding freezes for most other programs, while at the same time requiring a .97 percent across-the-board-cut in all federal programs. This cut will wipe out most of the modest increases in K-through-12 education programs. For example, the Bilingual and Immigrant Education Program is designated to receive $387 million, or $7 million more than fiscal year 1999. But after the across-the-board cut, this program will be reduced by $3.75 million, for an annual increase of only $3.2 million.

Even more deceptive is the fact that for many of our critical education programs, the funds noted in the bill are not available for fiscal year 2000. Instead, they are forward funded for fiscal year 2001. This translates into deep reductions in public education programs for next year and increases the budget problems the Congress will confront in fiscal year 2001.

For example, for special education programs, a program the Republican leadership praise themselves for providing more funding than the President's request, the current fiscal year 1999 level of funding is $5.08 billion. The Republicans say they are providing $6.0 billion for special education, or $587 million more than the administration's request. The reality, however, is quite harsh. Only $2.3 billion is available for special education in fiscal year 2000, which means an actual decrease of $2.78 billion from fiscal year 1999 funding. The remaining $3.7 billion is advanced funding for fiscal year 2001, and cannot be used in the coming year.

And after a year that has seen the safety and security of our schools rise to such public prominence, the Republican appropriators perpetrate a horrible deception on our families and school children. The conference report purports to provide $460 million is targeted for state grants for the Safe and Drug-Free Schools Program, in theory $19 million more than the President's request. Of this total, however, only $115 million of these funds will be available in fiscal year 2000—the remaining $345 million only becomes available one year later in fiscal year 2001. This will require deep, deep cuts in this program at the local school district level. The administration, in its balanced budget proposal, had proposed $441 million for state grants, all of it available in fiscal year 2000 funds.

As we can see, the programs are both underfunded and funded in backhanded ways. The Republicans are doing this in the false pretense that the Social Security fund will not be raided. Unfortunately, the Republican majority is playing games by using advanced appropriations, delayed funding and emergency declarations for non-emergency programs. They are playing partisan games because they know that they are raiding the Social Security trust fund. We are witnessing the deception of the American public instead of working in a bipartisan way to improve the health, education and public welfare of America's families. Let's look at the ways the Republicans are playing games in this budget process today.

First, the Republican leadership concocted the bright idea of changing the payment structure for the earned income tax credit (EITC). The EITC is a tax credit for low-income working families with children. This credit helps reduce the regressive burden of the payroll tax on wages and it prevents minimum-wage workers with children from sinking far below the poverty level. However, the Republican leadership decided to change the payment structure, causing an $8.7 billion tax increase on low-income working families. By examining this cut, it's evident that the Republican leadership is out of touch with America. For example, the 1.9 million low-income working families in Texas, the home of both the majority leader and the majority whip, would have lost almost $1 billion in tax credits. Fortunately, this provision was dropped somewhere along the way.

Now the Republican leadership has unveiled its new spending bill, which includes a 97 percent across-the-board spending cut as well as other misguided funding priorities. This provision would cut all programs funded by the Federal Government except for Medicare, Medicaid, Social Security, and the cost-of-living increase and salaries of Federal workers. Here is a list, compiled by the Office of Management and Budget, of what this cut would mean for various programs:

Head Start—A 0.97-percent cut would cause Head Start to provide services to approximately 4,800 fewer children and their families than otherwise would be served.

WIC—Approximately 71,000 fewer women, infants, and children would benefit from the food assistance and nutrition services offered by the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

Meals on Wheels—A 0.97-percent cut would result in over 1.3 million fewer Meals on Wheels being delivered to the elderly than would otherwise be provided.

Title I, Education for the Disadvantaged—$76 million would be cut from title I, eliminating reading and math assistance for 117,000 disadvantaged children.

Reading Excellence—$2.5 million would be cut out of the Reading Excellence Program, eliminating literacy services to approximately 9,700 children.

Childhood Immunizations—$4.7 million would be cut from childhood immunizations, preventing roughly 2,900 additional children from receiving the full complement of child immunizations.

Superfund—$13 million would be cut from Superfund, eliminating funding for an additional two new, federally-led Superfund cleanups, jeopardizing public health for those living near affected sites.

FBI—Staff would be cut by approximately 247 full-time employees, including 106 FBI agents and 141 analysts, computer specialists, engineers, and other support staff.

INS—Staff would be cut by approximately 116 Border Patrol agents and 154 support staff (if taken from the enforcement account).

Defense Department—A 0.97-percent across-the-board cut would equate to a $2.7 billion cut to Defense—with $2.6 billion coming from the Defense appropriations bill and $0.1 billion coming from the military construction appropriations bill. The indiscriminate nature of the cut would mean certain accounts that fund military pay and readiness, appropriated at or below the Administration's request, would suffer. For example, the cut would require the military services to make cuts in recruiting and engage in a loss of up to about 48,000 military personnel.

Mr. Speaker, this bill is bad policy drafted on politics and not policy. I reject this bill, I strongly urge my colleagues to vote against this bill and I welcome President Clinton's impending veto.

Mr. KIND. Mr. Speaker, I rise today in strong opposition to H.R. 3064, the combination District of Columbia appropriations and the Labor, Health and Human Services, Education appropriations bill. This bill makes a mockery of the legislative process and is paid for with numerous budgetary gimmicks.

The majority is bypassing the normal legislative process and is asking us to vote on the final version of the Labor/HHS bill. What happened to the amendment process? For every other appropriations bill Members of Congress had the opportunity to present amendments to the Rules Committee and have the amendments debated on the House floor. Why are we skipping this step on one of the most important bills to be discussed each year?

The Labor/HHS bill funds crucial domestic programs including: Title 1, for disadvantaged students; Meals on Wheels; National Institutes of Health; Pell grants; and workers health and safety programs. The American people deserve a full debate on this bill.

Not only are we denied a full debate, but also we are asked to accept a bill that is paid for with numerous budget tricks. For example, there are some strange emergency designations. The 25-year-old Low-Income Home Energy Assistance Program (LIHEAP) is now considered emergency spending. Did the Republicans forget that winter is coming? My constituents in western Wisconsin know that winter is coming. We saw our first snow fall back on October 1.

In addition, this bill delays $11 billion in obligations to NIH, Head Start, and other agencies until September 29, 2000. We are giving these important programs desperately needed money, but telling them they cannot spend it until the end of the fiscal year. Further, there is $10 billion in new fiscal year 2001 appropriations, avoiding the problem for this year but creating a deeper hole for next year's budget.

Finally, I want to talk about the 1-percent across-the-board cut in discretionary spending. This is a fiscally irresponsible way to budget. By advocating an across-the-board cut, the majority is abdicating its responsibility to make the tough choices. Though a 1-percent cut may sound fair, it penalizes efficient government and wasteful government equally. What is fair about cutting nutrition programs for seniors, health care for veterans, and education programs for children, just because Members of Congress cannot help themselves when it comes to parochial projects? We should be cutting wasteful pork-barrel spending such as a $1.5 billion ship to be built in Senator TRENT LOTT's home state that the Department of Defense did not ask for and does not even want. Let's cut the true waste and pork first before we cut crucial services to people in need.

Some Members today have said that surely we can cut one cent of every dollar out of the budget, just as many families do every day across the country. But, would a family cut spending on a medical operation for their child the same as they would cut spending on a new pair of roller skates? Of course not. Would a senior cut prescription drug purchases and the expense of buying a new T.V. equally? Of course not. The point is, as with family budget decisions, federal budget decisions should be a question of priorities. This 1-percent cut abdicates our responsibility to allocate our limited resources to our most important priorities as a nation.

The American people deserve a full and open debate on this important legislation. They deserve more than smoke and mirrors; they deserve a responsible budget. I urge my colleagues to oppose this bill.

Mr. COSTELLO. Mr. Speaker, I rise today in opposition to the District of Columbia/Labor-HHS-Education conference report. This is a terrible way to approve the federal government's budget and for that reason alone I would urge my colleagues to vote against it.

However, there are other reasons to oppose this legislation. The District of Columbia conference report, while still including provisions I support, does not include the kind of reform and oversight I believe is necessary to provide accountability for taxpayer-funded programs in the nation's capital.

In addition, the Labor-HHS legislation include a 1-percent across-the-board cut of all 13 appropriations bills, indiscriminately cutting defense, veterans, education, and other programs. If this effort were to achieve the goal of not touching the Social Security Trust Fund while balancing our federal budget, it would be worth consideration. However, the Congressional Budget Office—which for years the majority in this House has used as the agency with the most accurate budget numbers—estimates it will still result in dipping into the Social Security Trust Fund. The Republican majority is deluding itself by using the administration's more optimistic estimates in spending, something that would have been unthinkable in past years. By CBO's standard, this bill will cut into the Social Security Trust Fund, something I cannot support.

I urge those on the appropriations committee to keep working on a solution that will balance our federal budget, fund our nation's priorities while not dipping into the Social Security Trust Fund. I urge my colleagues to join me in opposing this bill in its current form.

Mr. PACKARD. Mr. Speaker, today we will vote for 1-percent across-the-board savings in the budget by targeting waste, fraud, and abuse in the federal bureaucracy—not from critical services like Social Security, Medicare, or Medicaid. I strongly urge my colleagues to support this sensible proposal.

This proposal does not compromise vital programs. Even with a 1-percent across-the-board saving, our defense spending level remains at $265.1 billion, $1.8 billion more than the President's request. For education, our funding level is $34.8 billion contrasted to the President's proposal of $34.7 billion. This budget also contains $3.25 billion to continue our fight against crime versus the President's proposal of $2.85 billion.

Mr. Speaker, this 1-percent across-the-board saving proposal makes sense. It forces federal agencies to closely examine their spending and make wise decisions on where tax dollars are most needed. Congress remains committed to holding the line on protecting the Social Security Trust Fund despite pressure by President Clinton to raid the fund to pay for more government spending. Again, I urge my colleagues to support the 1-percent across-the-board saving proposal.

Ms. DEGETTE. Mr. Speaker, I rise to oppose this appropriations bill. It fails to live up to our commitments on some of the most vital federal programs and plays budgetary games with others.

Last week, this House debated two education bills. Throughout the debate, one of the most common things heard, by Members on both sides of the aisle, is how terribly important education is. How improving education in this country is one of the most important issues today. And now we stand here with a bill in front of us that makes unsustainable cuts in some of the most vital educational programs there are. This is unthinkable.

Hidden in this bill is a provision that would delay critical medical research for a year. Under the spending plan for the National Institutes of Health, $7.5 billion in funding is essentially locked up until next September 29th, the end of fiscal year 2000. This Republican Congress is prioritizing its budgetary gimmicks—gimmicks that don't even save Social Security—over research that could result in lifesaving breakthroughs for millions of Americans suffering from hundreds of diseases.

We cannot ask seven year old Mackenzie Mahr, who testified in front of the Commerce Committee just 2 weeks ago about her diabetes, to wait that much longer for a cure for her disease. Nor can we ask her father, a lieutenant with the Capitol Police, to watch his daughter give herself over 700 shots next year, so that this budget fits arbitrary boundaries.

The NIH has said the result of this ploy could postpone all new grant awards for a year. We cannot ask the 16 million diabetics who are waiting for a cure, to risk kidney failure, amputations, and blindness because these research grants cannot be released until the very end of the fiscal year for these budgetary gimmicks.

We are at a critical point in diabetes research. 271 Members of Congress joined Congressman NETHERCUTT and me to urge the NIH to fully fund the $827 million by the Diabetes Research Working Group Report, a comprehensive research plan to help us attack diabetes head on. They understand that diabetes is the sixth leading cause of death due to disease in the United States, the third leading cause in some minority groups. They also understand that the extraordinary research opportunities identified in this report are the critical first steps towards a cure for diabetes.

The DRWG recommendations are encouraging and will profoundly impact people with diabetes. A primary goal of the report is to understand the causes of diabetes and how we can prevent or delay the onset of the disease. Additionally, the plan sets forth efforts to effectively manage diabetes to delay, or hopefully avoid altogether the complications of the disease. The DRWG applies recent discoveries in areas like genetics and immunology to diabetes research. If the plan is carried out, a cure is within reach.

Do not allow these research opportunities to be delayed, or worse, not funded at all, in the interest of a budgetary shell game.

It is the job of Congress to make tough choices and prioritize what is truly important. Numbers should never be placed above research that will save lives.

Mr. STARK. Mr. Speaker, the circumstances under which we are considering this bill are rotten: Because other appropriators have raided Labor/HHS for money to pad their proposals, this D.C./Labor HHS bill contains a variety of budget gimmicks that shift billions in spending into fiscal year 2001. Such gimmicks will negatively impact many worthy programs, including delays in critical biomedical research projects funded by the National Institutes of Health.

But these forward funding gimmicks are not even the bill's biggest flaw. The Labor/HHS proposal deserves to fail because it harms programs that are critical to the well-being of Americans across the country. Simply stated, it's a rotten bill.

Look at what we're being asked to approve: A 1-percent across-the-board cut in every program in the federal budget. Such crude, desperate budgetary tactics will result in decreasing vital federal funding for new community police officers, after-school services to children, worker protection programs funded by the Department of Labor, and childhood immunization programs. All of these and many more programs will be damaged.

For seniors, the impact will be particularly severe. This bill cuts funding for nursing home survey and certification programs—reversing the increases of last year. It proposes to cut the operating budget for the Health Care Financing Administration, which needs far more then it is slated to receive to do an effective job in administering Medicare and Medicaid.

If we continue to slash HCFA's administrative budget—which today stands at only 2 percent of the entire agency's budget—then we will have only ourselves to blame when HHS comes back next year to report that they are months behind in implementing initiatives that we directed them to accomplish.

It is particularly sad and ironic that House appropriators are proposing to reduce spending for nursing home surveys. Have they not heard about the many General Accounting Office reports that detail appalling conditions in our long-term care facilities? In California, which I represent, GAO found that one in three nursing homes between 1995 and 1998 were cited by state surveyors for having serious or potentially life threatening care problems.

The year-old federal/state initiative spearheaded by the HCFA to stem nursing home abuse has just begun to yield important findings. These findings didn't appear magically. They came about because last year, we voted to approve increased funding for additional state inspectors, who are now visiting more facilities more often—and on an unscheduled basis. This stepped-up scrutiny is showing where the worst quality flaws are in nursing homes generally, and which individual homes are actually harming people.

The bill before us proposes to reverse these gains—and to put frail nursing home residents at serious risk again. As one frustrated HCFA official said to me: 'You can't possibly give states money one year to hire more inspectors, and then take it away the next year and expect to make any progress.'

It is equally wrongheaded to bleed funds from the government's primary health care fraud-fighting initiative, the Medicare Integrity Program. Congress crafted this program in 1996 so that it would be funded from mandatory spending accounts, precisely so that it would not be subject to the appropriations process. The whole notion was to try to create a secure, stable source of funding. This bill effectively proposes to unravel the Medicare Integrity Program, which the Congressional Budget Office has credited with producing an actual drop in Medicare spending of 2.5 percent last year.

There is another huge problem with this bill—and that is that it delays HHS regulations that would reform our current organ allocation system to better serve the neediest—regardless of where they live. At present, our locally based systems mean that patients with terminal diseases in some parts of the country have a good chance of getting an organ transplant, while equally—and sometimes more—needy and deserving people in other states, where allocation systems are poorly developed, have no chance at all.

The Institute of Medicine has issued a report that criticizes our current unfair system of organ allocation, and which recommends policy that is very similar to what the Secretary's regulations would do. I urge my colleagues to listen to these medical experts, to patients and to transplant advocates, and to support reform of our current skewed system.

For all of these reasons, I urge my colleagues to vote "no" on the Labor/HHS bill.

Ms. LEE. Mr. Speaker, I rise to object strenuously to this appropriations conference report.

We have had almost one year to craft these appropriations bills. Yet now the Republicans are talking about across-the-board cuts that would decimate those who we deeply care about—our families, our children, our senior citizens. It does not protect Social Security or Medicare. This bill does not extend Social Security by a single day. It does not provide for our senior citizens' need for a minimum Medicare prescription drug benefit. It does not support effort to strengthen community policing.

This bill attacks our national cry to improve our educational program and hurts our children by reducing efforts for immunizations, reading instruction, math and reading teachers and after school centers, and small class sizes.

In a time when the Republicans wanted a $790 billion tax cut, which of course the American people said no to, we see now an effort to wreak havoc in the daily lives of those we care about.

I urge my colleagues to reject this bill.

Mrs. MALONEY of New York. Mr. Speaker, a 1-percent across-the-board cut is one of the most half-baked wacky ways to balance a budget this country has ever seen.

One leg of the federal government that needs no budget trimming is the Decennial Census. And I thought the House leadership knew that—because just a few weeks ago, we were told that the Census budget is so crucial that it is "an emergency." And now, we're being told that the Census budget should be cut. Well, is the Census an emergency or should it be cut?

This cut to the Census Bureau's budget will lead to a less accurate census.

Can the Republican leadership tell me where there is waste, fraud or abuse in the Census Bureau? Because, the GAO cannot. The GAO released a report only last month that said there was no waste in the budget for the 2000 Census!

Mr. Speaker, the Census, has had its budget called an emergency one week and had its budget cut the next. This is wacky.

Ms. ROYBAL-ALLARD. Mr. Speaker, Democrats will continue to fight for critical priorities in the Labor, HHS, and Education appropriations bill so that the bill will address the education and health needs of all America's children.

The bill as currently drafted fails in this regard:

For example, it cuts $60 million of the President's request for the GEAR UP Program, leaving over 100,000 disadvantaged high school students without mentoring, counseling, and tutoring services critical to helping them reach their fullest potential.

It cuts $50 million from the President's proposal to educate disadvantaged youth and their families about college opportunities.

And at a time when we need to increase resources to attack the HIV/AIDS crisis particularly in our communities of color, where African-Americans represent 43 percent and Latinos 20 percent of new HIV/AIDS cases—the bill cuts $39 million from this critical program.

This is a sad commentary on the Republican vision for our country's future, and it is the wrong choice for America.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. HOYER

Mr. HOYER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. HOYER. Yes, the gentleman is.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HOYER moves to recommit the conference report on the bill H.R. 3064 to the committee of conference with instructions to the managers on the part of the House to disagree to section 1001(e) of Division C (relating to pay for Members of Congress) in the conference substitute.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. HOYER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 11, nays 417, not voting 5, as follows:

[Roll No. 548]

YEAS—11

Doolittle
Hoyer
Jackson (IL)
King (NY)
Lewis (CA)
Meeks (NY)
Mollohan
Moran (VA)
Murtha
Rahall
Watt (NC)

NAYS—417

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier

Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Moore
Moran (KS)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Engel

NOT VOTING—5

Hinojosa
Mascara
Rush
Scarborough
Waters

□ 1713

Messrs. CAPUANO, NADLER, TANCREDO, SIMPSON, Ms. McCARTHY of Missouri, Mrs. BONO, and Messrs. WHITFIELD, SMITH of New Jersey, BARR of Georgia, HINCHEY, OWENS and TOWNS changed their vote from "yea" to "nay."

Mr. KING changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BEREUTER). The question is on the conference report.

Pursuant to the provisions of clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 218, nays 211, not voting 5, as follows:

[Roll No. 549]

YEAS—218

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istock
Jenkins
Johnson (CT)
Johnson, Sam
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—211

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hefley
Hill (IN)
Hilliard
Hinchey
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Schaffer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant

Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOT VOTING—5

Hinojosa
Mascara
Rush
Scarborough
Waters

☐ 1731

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. JACKSON-LEE of Texas. Mr. Speaker, on Thursday, October 21, 1999, because of a family matter that I had to attend to in Houston, I was unable to cast my votes.

Mr. Speaker, if I had been here, I would have cast my vote in favor of roll call vote No. 522. I would have voted in favor of roll call vote No. 523. I would have voted against roll call vote No. 524. I would have voted in favor of roll call vote No. 525. I would have voted in favor of roll call vote 526. I would have voted against roll call vote 527. I would have voted against roll call vote 528. I would have voted against roll call vote 529. I would have voted in favor of roll call vote 530. I would have voted in favor of roll call vote 531. I would have voted against roll call vote 532.

PERSONAL EXPLANATION

Ms. JACKSON-LEE of Texas. Mr. Speaker, on October 26, I was in my District on official business.

I would have voted in favor of roll call vote 539, House Concurrent Resolution 102. I would have voted in favor of roll call vote 540, House Concurrent Resolution 188. I would have voted in favor of roll call vote 541, H.R. 1175.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, I rise for the purpose of inquiring of the distinguished majority leader or the gentleman from New York (Mr. LAZIO) regarding the schedule for the rest of the day, the balance of the week, and next week.

Mr. LAZIO. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. LAZIO. Mr. Speaker, I thank the gentleman for yielding.

I would like to announce, Mr. Speaker, that the House has completed its business for the week. There will be no legislative business in the House tomorrow.

I want to express on behalf of the majority leader, the gentleman from Texas (Mr. ARMEY), his appreciation to the Committee on Appropriations, which has been doing an outstanding job.

I would also like to announce that the chairman of the Committee on Appropriations, the gentleman from Florida (Mr. YOUNG), has allowed the committee Members to have tomorrow off, so we are very appreciative of that.

The House will meet next on Monday, November 1, at 12:30 p.m., for morning hour debates, and at 2 p.m., for legislative business.

We will consider a number of bills under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

On Monday we do not expect recorded votes until 6 p.m.

On Tuesday, November 2, and the balance of the week, the House will take up the following measures, all of which will be subject to rules: S. 900, the Financial Services Modernization Act conference report; H.R. 3081, the Wage and Employment Growth Act, and H.R. 2389, the County Schools Funding Revitalization Act of 1999.

Mr. Speaker, we also expect a conference report on the Satellite Home Viewer Act to be ready by next week.

Mr. BONIOR. If my colleague would indulge me for a second, what day do we expect to have the minimum wage bill up on the floor?

Mr. LAZIO. Mr. Speaker, if the gentleman will yield further, I would say to the gentleman that we are trying to get through some other work, and that we continue to try and reach a bipartisan accord on the minimum wage bill. I do not expect that we will have it up in the early part of next week, but probably in the latter part of next week.

Mr. BONIOR. Would the gentleman repeat that, please?

Mr. LAZIO. I would say to the gentleman from Michigan, we are trying hard to reach a bipartisan accord on the minimum wage and tax package. I expect that there will be other legislation that will be on the floor early in the week, probably suspensions on Monday and Tuesday. After that, there will be other bills that are subject to rules. We will have those votes later in the week.

It is more likely than not that we will have the minimum wage bill up later in the week, next week.

Mr. BONIOR. Mr. Speaker, does the gentleman know what kind of rule we can anticipate on the wage bill?

Mr. LAZIO. I would say to the gentleman that I think that the Committee on Rules is going to be considering that. I am sure they will come up with a fair rule in order for us to consider that, but there has been no decision yet on the substance of the rule.

Mr. BONIOR. Can the gentleman from California (Mr. DREIER) enlighten us perhaps on what he might have in mind in terms of the rule on the wage bill?

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. LAZIO. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding to me.

We are going to have an extraordinarily fair and balanced rule that will allow this House to, as has always been the case under this majority, work its will. We will look forward to the debate. We will welcome the gentleman's input on any recommendations to the rule.

Mr. BONIOR. I thank my colleague. I will rest well this weekend with his assurances.

Let me ask my friend from New York, the Vieques resolution, when does he expect that up on suspensions and what day, if it is under suspension?

Mr. LAZIO. If the gentleman will continue to yield, I would say to the gentleman that we are trying to negotiate through and accommodate the minority's concerns on this piece of legislation. We will have a hearing and markup in committee. It will go through regular order, as expected.

We are trying to accommodate the concerns that have been raised by the minority before we see it on the floor.

Mr. BONIOR. Am I to gather from the gentleman's answer that this will be under regular order and not under the Suspension Calendar?

Mr. LAZIO. I would say to the gentleman, I think the plan is to go through the committee process and to have regular hearings, have a markup, and have it on the floor, but not next week. It is not likely to be up on the floor for next week.

Mr. BONIOR. Let me ask the gentleman one other question. Tuesday is Election Day, as my colleague knows, across the country. Will votes occur after a certain time on Tuesday?

Mr. LAZIO. We are trying to ensure that the votes will be held until the afternoon to allow those Members who have the opportunity, that live in the close proximity and have the ability to have a flight to get back after votes on Monday evening, to do that.

So I would say Members should anticipate not having any votes in the morning of Tuesday nor in the early afternoon, but rather in the mid or later afternoon would be the earliest we would have votes. Members should stay in contact, I think, with their respective cloakrooms. We will perhaps be giving more updates on Tuesday.

Mr. BONIOR. Finally, if the gentleman from New York can tell me when he expects to have the conferees named on the Patients' Bill of Rights?

Mr. LAZIO. I would say to the gentleman that we are expecting that would be completed for next week.

Mr. BONIOR. The gentleman expects to name conferees next week?

Mr. LAZIO. Yes, sir.

Mr. BONIOR. How about Friday, next Friday? Do we anticipate votes next Friday?

Mr. LAZIO. Right now I would say to the gentleman that it appears that Members should count on being here for Friday votes. We expect the House to be in session for votes on Friday.

As the gentleman knows, the CR expires on Friday. It would be wonderful if we had an accommodation and agreement that would allow us to conclude our business by Friday, but right now, Members should anticipate being here on Friday.

Mr. BONIOR. I thank my colleague.

ADJOURNMENT TO MONDAY, NOVEMBER 1, 1999

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3140

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that my name be removed from the cosponsorship of H.R. 3140.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ANNOUNCEMENT REGARDING SUBMISSION OF AMENDMENTS ON H.R. 2389, COUNTY SCHOOLS FUNDING REVITALIZATION ACT OF 1999

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, this afternoon a Dear Colleague letter was sent to all Members informing them that the Committee on Rules is planning to meet the week of November 1 to grant a rule for consideration of H.R. 2389, the County Schools Funding Revitalization Act of 1999.

The Committee on Rules may grant a rule which would require that amendments be preprinted in the CONGRESSIONAL RECORD. In this case, amendments must be preprinted prior to their consideration on the floor. Amendments should be drafted to an amendment in the nature of a substitute offered by the gentleman from Virginia (Mr. GOODLATTE) which will be printed in today's CONGRESSIONAL RECORD and numbered 1.

It is the intention of the Committee on Rules to make in order the amendment offered by the gentleman from Virginia (Mr. GOODLATTE) as base text for the purpose of further amendment. Members should use the Office of Legislative Counsel to assure that their amendments are properly drafted, and should check with the Office of the Parliamentarian to be certain that their amendments comply with the rules of the House.

APPOINTMENT OF CONFEREES ON H.R. 1180, TICKET TO WORK AND WORK INCENTIVES IMPROVEMENT ACT OF 1999

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1180) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas? The Chair hears none and, without objection, appoints the following conferees: Messrs. ARCHER, BLILEY, ARMEY, RANGEL, and DINGELL.

There was no objection.

APPOINTMENT OF MEMBERS TO ATTEND THE FUNERAL OF THE LATE SENATOR JOHN H. CHAFEE

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 341, the Chair announces the Speaker's appointment of the following Members of the House to the committee to attend the funeral of the late John H. Chafee:

Mr. KENNEDY of Rhode Island;
Mr. WEYGAND of Rhode Island;
Mr. SHUSTER of Pennsylvania;
Mr. WAXMAN of California; and
Mr. PETRI of Wisconsin.

□ 1745

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

U.S.-INDIA RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I wanted to take this time to talk about some important developments in the relationship between the United States and India.

In the past few weeks, the headlines from South Asia have been dominated by the news from India's neighbor Pakistan, where a military coup has deposed the nation's civilian prime minister. This was obviously an important and very disturbing development, one which has been condemned by me and many of my colleagues here in Congress. Unfortunately, there is often a tendency to lump India and Pakistan together, to see all developments in South Asia as a function of the conflicts between India and Pakistan.

In fact, Mr. Speaker, what we now see in South Asia are two nations moving in very different directions. While Pakistan is mired in military coups and economic collapse, India sticks to the path of democracy and economic reform. We must consider India, and take it seriously on its own terms, as the world's largest democracy, the second most populous nation, an important regional player in Asia in its own right, a huge and growing market for American trade and investment, a potential partner on security issues and the fight against terrorism, and as a country with the great potential for cooperation in such areas as environmental protection, energy efficiency, and infrastructure development.

Mr. Speaker, this week we have seen some indications that U.S. policy is beginning to accommodate some of the important distinctions between these two countries. Last year, after India and Pakistan conducted nuclear tests, a wide range of economic sanctions were imposed on both countries.

About a year ago, Congress and the President acted to waive these sanctions for 1 year. This week, under the renewed waiver authority, President Clinton has waived the economic sanctions on India, but kept most of the sanctions against Pakistan in response to the coup.

Under the President's determination, Pakistan would be ineligible for loans from the Export-Import Bank and unable to participate in the International Military Education and Training, IMET, program. It also means that the U.S.-backed Overseas Private Investment Corporation, OPIC, and the Trade Development Agency would not be able to operate in Pakistan.

A White House National Security Council spokesman stated that the different treatment of the two countries reflects the reality that things have changed for the worst in Pakistan, and that there can be no business as usual in Pakistan until an elected government is restored. I hope that our government will stick with that policy.

More important, Mr. Speaker, I would urge the administration not to use the prospect of reopening military assistance to Pakistan as an inducement to the military coup leaders. This is particularly timely in light of recent reports of serious border attacks against India by Pakistani troops in Kashmir.

Secretary of State Albright has called on the Pakistani side to withdraw from the line of control in Kashmir. Given the evidence that the hardliners now in charge of Pakistan were in large part responsible for launching the aggression against India last spring, maintaining the ban on military assistance to Pakistan makes very good sense.

Following the recent nationwide elections in India, a new governing coalition led by Prime Minister Atal Behari Vajpayee of the BJP has been sworn in. While Mr. Vajpayee and his party were in power prior to last month's voting, the recent elections have given him a stronger majority, allowing for greater political stability.

The new government has wasted no time in demonstrating its commitment to move forward on a bold economic agenda. The government will review the existing foreign direct investment regime to bring in greater transparency, cut delays in project implementation, and create a policy to insure an investment inflow of at least 10 billion U.S. dollars.

In the energy and power sector, the central government will work closely with the State governments on privatization and regulatory overhauls. The government will work to dismantle the administrative price regime. Improvement and expansion of transportation and telecom infrastructure is another major priority.

In the energy sector in particular, the potential for U.S.-India cooperation is great. During his trip to India, Energy Secretary Bill Richardson and Indian External Affairs Minister Jaswant Singh signed a joint declaration on energy cooperation, which calls for cooperation in conventional energy projects, renewable energy, and clean coal technology. Secretary Richardson has also reported progress with his India counterparts in discussions on the Comprehensive Test Ban Treaty.

Mr. Speaker, in conclusion, I hope that we will see continued progress in these and other areas, and that the upcoming planned visit to South Asia by President Clinton will further advance the process of establishing a U.S.-India relationship based on shared goals, mutual respect, and appreciation for each other's vital interests.

ORDER OF BUSINESS

Mr. FILNER. Mr. Speaker, I ask unanimous consent to take my special order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FOLLOW THE WILL OF THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, tonight I am asking the Speaker of the House and the leadership of the Republican Party to respect the will of the American people, respect the demands of the American people, respect the vote of this House of Representatives, and quickly appoint conferees on H.R. 2723, the Patients' Bill of Rights.

This country cannot wait any longer for the vital health protections included in its important legislation. We cannot afford to have only those opposed to those protections at the table negotiating. To do so would guarantee that these hard-fought protections would just be negotiated away.

It would be criminal not to include Members from the majority who listened to the pleas from their constituents. It would signal the intent of the leadership of this House to ignore the protections that we fought so hard to include in the bipartisan patient protection plan.

So I ask the Speaker, I ask the House leaders not to prejudice the conference from the beginning. The Patients' Bill of Rights included life-saving protections that must be embraced and not thrown out. The people have spoken, and we must listen.

They said they wanted their HMOs to be accountable for decisions that HMO bureaucrats forced, and we listened. They said they wanted an effective appeals process so that decisions could be challenged and lives saved, and this House listened.

They pointed to States like Texas that have had both strong appeals process and accountability. The result of these protections is that few plans and no employers have been sued. This House listened. We took note, and we took action.

The people said that they wanted to continue with their cancer doctors and obstetricians during the course of treatment or pregnancy, and this House listened. They said they wanted to be able to take their children to the closest emergency room when an emergency struck, and this House listened.

They said they wanted their doctors to be able to talk freely with them about their treatment and the medications they needed without feeling gagged by their health plan, and this House listened.

Mr. Speaker, this House of Representatives listened to the American people. Please do not turn a deaf ear to those pleas. This life and death issue is too important to play politics with.

I urge that a conference that includes supporters of Patients' Bill of Rights from the majority party be held. They listened, Mr. Speaker. Will you listen? I yield back so that the Speaker and the majority will listen to the American people.

WTO/ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, next month, the world's power brokers are going to meet in Seattle so they can kick off a new round of trade talks for the World Trade Organization. Although one will not learn much about the WTO summit from television newscasters or read about it on the front pages of newspapers, there are few events this year that will be more important to workers in Ohio and around the world.

While the WTO corporate supporters and allies in Washington see the Seattle negotiations as a fresh opportunity to completely deregulate the international economy, the truth is that their agenda has systematically gutted our worker, consumer, and environmental protections that we have fought for in this body, and deliberately usurped the rights of individual nations to make their own laws, especially when those laws protect the environment and especially when those laws protect workers.

Mr. Speaker, a report "Whose Trade Organization," written by Public Citizen's Global Trade Watch dramatically demonstrates why the WTO requires fundamental change before the bureaucrats in Seattle take us down another road of trade negotiations.

When Congress approved the World Trade Organization and other agreements, like NAFTA, we essentially ceded our authority to independently advance health and safety standards that protect America's families. Let me say that again. Thanks to the WTO and to NAFTA and other trade agreements, we are losing our ability to protect the health and the well-being of the men and women that voted us into office.

That is because we have to ensure that we are not violating some bureaucrat's view of what constitutes a trade barrier or what constitutes a legitimate health concern.

None of the lawyers, Mr. Speaker, from the U.S. Trade Representative's office or the Commerce Department or their supporters on Wall Street has been elected to office. Yet these are the very people that will represent us in Seattle, the people that will weaken our ability to erect meaningful worker and environmental standards.

Their fascination with a healthy bottom line is how we wind up with trade agreements that give more rights to corporations and their stockholders than they do to individual citizens and to our elected governments. That is how we wind up giving unelected bureaucrats the authority to determine whether or not our consumers have to eat foods that have been treated with carcinogenic pesticides or whether or not we have to drink water that tastes vaguely like paint thinner.

That is what is happening right now in California. The governor has banned the gasoline additive MTBE because it is leaking into the drinking water. The Canadian corporation that makes it is using NAFTA to sue the United States for nearly $1 billion because they think this constitutes a trade barrier. Think about that. A foreign corporation is asking our taxpayers to give it $1 billion because the people in California do not like the taste of paint thinner in their drinking water and think it is good public health to ban this gasoline additive.

This case is just one of the dozens that are included in this book I mentioned which meticulously documents how every single health safety or environmental law reviewed by the WTO has been declared an illegal trade barrier that must be eliminated under the threat of sanctions.

In addition to these cases, Public Citizen documents that much of the WTO's damage is done merely by threatening the use of its powerful dispute system, a fact evidenced by the increasing number of countries that are preemptively eliminating their environmental or health laws just to avoid the steep political and fiscal costs involved in defending a law from a WTO challenge.

Mr. Speaker, if we want to preserve American jobs, if we want to continue protecting our environment, we need to make sure that negotiators in Seattle, U.S. taxpayer financed negotiators in Seattle, respect the principles that let us stand here during this debate tonight.

Rather than letting unelected officials from the Trade Rep's office or their friends on Wall Street tell us what is good for America, we need to make sure they hear what our constituents want.

Every weekend that I go home to Ohio, they tell me they do not want to eat contaminated strawberries; they tell me they do not want to drink unsafe water. They do not want to lose their jobs because the WTO does not care whether some foreign workers, no older, sometimes, than the age of 13 or 14, or that work 18 hours a day for what amounts to less than a dollar an hour, that WTO does not care whether workers like that are taking American jobs and being exploited in developing countries.

Mr. Speaker, it is vital that we in Congress, that the American people, realize what is at stake when the world's largest assembly of millionaires meets in Seattle this year. We have to keep fighting to make labor standards, environmental standards, and human rights as important to our trade bureaucrats as intellectual property rights.

ILLEGAL IMMIGRANTS AND THE EEOC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, first I want to commend this House on a vote of 218 to 211. We put ourselves in a position of saving Social Security. We have said to all agencies that we can and do expect them to find ways to make savings so that we can sacrifice today to save Social Security for tomorrow for this generation and for future generations.

I commend my colleagues to stay tuned as the gentleman from Texas (Mr. SESSIONS) will deliver a special order. We will go more into detail on the very significant plans we have voted on today and I believe we can achieve.

I would also like to remark on a comment made by the Vice President last night in the debate with Senator Bradley.

☐ 1800

The debate was centered on bureaucracy, and the Vice President basically said that we should not allow a faceless, nameless bureaucrat to stand in the way of health care of Americans, basically saying we do not need a bureaucracy in order to deliver health care.

Well, I say to the President and the Vice President today that maybe we should use that same strategy when we talk about education. Because I think we have created a lot of bureaucracies, and the gentleman from Texas is going to talk about some of the ways we believe we can save the American taxpayers some money.

But I want to discuss another situation today, an outrageous situation. In fact, my district office sent up the clippings from the newspaper. And Diane, who works for me in Port St. Lucie, puts "today's outrage" on things she thinks bears specific note on where we might have gone astray.

This week the Equal Employment Opportunity Commission announced they are planning to extend anti-discrimination rights to working illegal immigrants. This policy would include remedies such as potential back pay, punitive damages, and even reinstatement to their jobs. Reinstatement to their jobs? I am sorry, I must not understand the term illegal immigrant. Perhaps the EEOC can start providing free towing for car thieves or free checking for bank robbers.

It just baffles my mind. I clearly do not want things to happen to any worker, no matter how they are in this country, but if the Equal Employment Opportunity Commission is really concerned with equal employment opportunity, as their title would indicate, they should be ensuring that legal residents and citizens have fair and equal access to earn a living. This does not include protecting illegal immigrants who are working illegally for an employer who hired them illegally.

This is all illegal. We are talking about the rule of law. We must make a concerted effort to track down employers who are hiring illegal immigrants and charge them not with worker discrimination, but with hiring illegal workers. Working illegal immigrants take jobs away from Americans. They hurt the U.S. work force and they damage the economy.

This is just another misguided attempt by this administration to—well, I will be quite honest, I have no idea what they are trying to do. I hope my colleagues will join me in sending a message to the administration that coddling illegal aliens is not what our policies are all about.

I cannot underscore this enough. None of us should sit willingly by while workers' rights are being abused, but we also have to recognize first and foremost that there are laws on the books that have to do with hiring illegal aliens, hiring illegal workers, and we should enforce this policy. But this policy, announced by the EEOC today, just once again extends the reach of government into an area where they should be concentrating and working clearly to track down illegals and return them to their native countries.

Mr. Speaker, I will be submitting a bill, in fact, it is here at the desk, and I will be submitting it to the committee for consideration, because I believe we should tell strongly the EEOC, yes, protect workers rights; yes, stand for equal employment for all Americans; yes, make certain that employers are treating workers fairly, but, in a case like this, where they are not permitted to work based on their status, we should not provide protection under the law for those who choose to work or those who choose to hire illegal immigrants.

THE APPROPRIATIONS PROCESS

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I was not going to speak to the topic, but I do want to tell the gentleman from Florida that as a member of the Subcommittee on Immigration and Claims of the Committee on the Judiciary, I will look intently at his issue, and I appreciate his bringing this to the attention of the House.

I would hope that the different extremes of thought, the fact that people should not be discriminated against but the fact that we should have a workplace that respects American workers and recognizes that we do discourage illegal immigration and encourage employers to hire both legal immigrants and those who are American citizens, that we can find a way to respond to the gentleman's concerns, and I thank him for bringing this to our attention.

Mr. Speaker, many of the American public who have watched us over this past time frame of dealing with the appropriations process may have wondered what all of the bickering was about. In fact, they may have wondered why the bickering, with the most prosperous peacetime over a period of time that we have seen in a number of years. Consistent prosperity. It seems ludicrous to many who would study the issues of economics that we find ourselves at a point where we are denying services to the American public under the precept of an across-the-board cut at a time when there is great prosperity.

So the problem, I think, is that we are either misrepresenting to the American public, playing our own private games, or failing to recognize our responsibility to work in a bipartisan manner to address the needs of this country.

It is important to note that just a couple of months ago the Republican majority was offering a $792 billion tax cut. What was that based upon, particularly when we now are debating the idea of an across-the-board cut? And as I continue in my discussion, I think my colleagues will see the people who are negatively impacted by such a cut.

Well, the $792 billion tax cut was based upon presumptions and good news and the hope that something would happen, and that was that if the peacetime economy was to continue, there was some thought that the prosperity of this country would allow monies to be recouped on the $792 billion tax cut. This is the same tax cut that most Americans said they did not want; the same tax cut that probably would give little benefit to working and middle class Americans; the same tax cut that would not have benefitted the EITC, the earned income tax credit, recipients, those working poor who would benefit from their lump sum tax benefit, who in the last days were in the middle of a chopping block while we were talking about a $792 billion tax cut.

So my call on my fellow colleagues is that as we have now voted on the last appropriations bill, of which it is quite obvious that the President will veto, when we have the opportunity to come back again, or if we go into major negotiations, might we put in front of all of the distinct and disparate political philosophies the fact that the American people have asked us to frugally, yet responsibly, and with compassion, deal with all of their needs.

I would hope when we come back to the table again that we would not deny 950,000 children the right to participate in after-school programs. Today, I had the privilege of conducting a hearing entitled "An Ounce of Previous Recollection Is Worth a Pound of Cure". It was a reaffirmation or a hearing regarding the testimony of advocates and participants in programs that children use after school. It was the children themselves, it was the participants in Boy Scouts and Campfire Girls, it was the YMCA, which indicated they are in 22,000 communities around this Nation.

If my colleagues could have heard those young people, 14 years old and 16 years old, tell their own personal stories. A 14-year-old Girl Scout, who is already a mother, says she belonged to a gang and that if she had not been steered away, through this program which receives complementary Federal funds to expand its program into lower income neighborhoods, she would not have been sitting in that hearing room today. She got off drugs, or the enticement of drugs, she got away from gangs and began to understand how to behave as a girl, and she said she is now a better parent.

These programs, Mr. Speaker, are just one example of why the appropriations process is wrong, why this bill was wrong, and why we should go back to the drawing board and do the right thing for the American people.

CONTROVERSY OVER USE OF PRESIDENTIAL EXECUTIVE ORDERS AND PROCLAMATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, a steady increase in controversy over executive orders and presidential proclamations has arisen since Franklin Roosevelt's administration. Nevertheless, I am truly concerned about the comments of the President's Chief of Staff, John Podesta, as quoted in the current issue of U.S. News and World Report.

To quote Podesta: "Frustrated with the balky Republican Congress, President Clinton plans a series of executive orders and changes to the Federal Rules that he can sign into law without first getting the okay from GOP naysayers. There's a pretty wide sweep of things we're looking to do, and we're going to be very aggressive in pursuing it."

These statements are deeply disturbing and should be to all Americans. An unelected political bureaucrat is boasting to the American people about his plan to sidestep the Constitution. Sadly, Congress should not be surprised that this President's frustrated staff is looking to bypass Congress and implement their agenda. We have seen this before.

When the President issued his Executive Order on striker replacements, he attempted to do what had been denied him by the regular legislative process. In addition, when the President issued his proclamation establishing a national monument in Utah, he again tried to do what he had been unable to achieve through Congress.

Mr. Speaker, the founders expected national policy to be the result of open and full debate, hammered out by the legislative and executive branches. They believed in careful deliberation conducted in a representative assembly, subject to all the checks and balances that characterize our constitutional system. Having broken with England in 1776, they rejected government by monarchy and one-man rule. Nowhere in the Constitution is the President specifically given authority to issue these directives. The founders specifically placed all legislative powers in the Congress.

In the legislative veto decision in 1983, INS vs. Chadha, the Supreme Court insisted that congressional power be exercised "in accordance with a single, finely wrought and exhaustively considered, procedure." The Court said that the records of the Philadelphia Convention and the states ratification debates provide "unmistakable expression of a determination that legislation by the national Congress be a step-by-step, deliberate and deliberative process."

If Congress is required to follow this rigorous process, how absurd it is to argue that the President can accomplish the same result by unilaterally issuing an Executive Order or presidential proclamation. The President's controversial use of presidential directives skirt the constitutional process, offend the values announced by the court in the legislative veto case, and do serious damage to our commitment to representative government and the rule of law.

It is time to clarify the scope of executive authority vested in the presidency by Article II of the Constitution. Through its ability to authorize programs and appropriate funds, Congress can define and limit presidential powers. As Members, we must participate in our fundamental duty of overseeing executive policies, passing judgment on them, and behaving as the legislative branch should.

Mr. Speaker, the road to tyranny does not begin by egregious usurpations, but by those which appear logical and meant to gain public support. We must not be lulled into complacency by these, because with absolute certainty, the ones that come later will be aimed directly at our fundamental liberties and representative self-government.

Remember, eternal vigilance is still the price of liberty.

NAVY'S HANDLING OF VESSEL REPAIRS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam (Mr. UNDERWOOD) is recognized for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, I rise to bring up an issue which I brought up earlier last week and which I continue to fight, and that is that the U.S. Navy has done it again.

The day before yesterday I was informed that yet another U.S. naval vessel, the USNS *Kiluea*, is going to be sent to a South Korean shipyard for scheduled maintenance. The USNS *Kiluea* is one of several U.S. flagged Navy vessels that transport ammunition to our surface fleet, and recently the USNS was stationed with U.S. forces operating in and around the peacekeeping mission in East Timor.

Several weeks ago, the Navy and the Military Sealift Command issued a Far East request for proposal seeking bids for ship repair work on the USNS *Kiluea*.

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To the surprise of no one, the bid that won was a foreign shipyard because it can dramatically underbid U.S. shipyards. And so once again, Mr. Speaker, the U.S. Navy and MSC is spending U.S. tax dollars to repair American naval vessels with foreign workers in a foreign land.

Incredibly, it seems that the U.S. military is bent on spending precious tax dollars in Japan, Korea, or Singapore to keep their shipyards operating and their workers employed but will not lift a hand for U.S. workers. That is the outrageous facts. Many of these vessels are entitled U.S. Navy ships.

Indeed, at the rate that the Navy is sending these jobs overseas, if Congress is not too careful and does not pay attention to this process, these Navy ships are going to have to be redesignated as Republic of Korea Navy ships.

Check this out. The Military Sealift Command, in violation of an amendment to Title 10, which I introduced, requires that U.S. naval vessels home-ported in the United States must do their repair work, their normal repair work, not emergency work, in U.S. shipyards.

My amendment included Guam under this, and Guam is part of the United States and the workers are U.S. citizens. And what my amendment asked was that the Navy put those ships that are under their control and are home-ported, and many of these ships operate right out of Guam, they steam right by a U.S. shipyard operated by Americans, staffed by Americans, and they bid out the work, and these very ships go right past those workers up to a shipyard in South Korea.

This is more than about dollars and cents. This is about jobs. The fact is that foreign shipyards can always beat U.S. shipyards in terms of price, for several reasons.

First, foreign shipyards are in most cases subsidized. Second, foreign shipyards do not pay their workers decent wages. Third, foreign shipyards do not have to comply with health and safety work laws and environments. Finally, some shipyards are in foreign countries that have had their currencies devalued compared to the dollar. For all these reasons, foreign shipyards are cheaper than American. But they are certainly not any better.

What we are up against is the Navy's insistence that, through a series of ways of redefining where these ships are home-ported, they have been able to escape the full application and the spirit and intent of Title 10, which is to take ships that are home-ported in American ports, make sure that their work is done in American shipyards, their regular work.

What the Navy has done through the MSC is redefine these so that they can compete these out and give the work to foreign shipyards.

Our readiness continues to suffer on this. The internal Navy waiver process continues to be issued unabated. I am calling upon many of my colleagues here in the House, and some have already signed letters, but I am calling through a "dear colleague" letter to protest this effort directly to Secretary of Defense Bill Cohen.

This practice is wrong, it is harmful to the national security of the Nation, and it certainly hurts American workers.

REVISIONS FOR ALLOCATION FOR HOUSE COMMITTEE ON APPROPRIATIONS, PURSUANT TO HOUSE REPORT 106-373, TO REFLECT ADDITIONAL NEW BUDGET AUTHORITY AND LESS IN OUTLAYS FOR EMERGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. KASICH) is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the CONGRESSIONAL RECORD revisions to the allocation for the House Committee on Appropriations pursuant to House Report 106–373 to reflect $0 in additional new budget authority and $3,000,000 in additional outlays for emergencies. This will increase the allocation to the House Committee on Appropriations to $564,472,000,000 in budget authority and $597,574,000,000 in outlays for fiscal year 2000. This will increase the aggregate total to $1,454,921,000,000 in budget authority and $1,434,711,000,000 in outlays for fiscal year 2000.

As reported to the House, H.R. 2466, the conference report accompanying the bill making appropriations for the Departments of Interior and Related Agencies for fiscal year 2000, includes $158,000,000 in budget authority and $42,000,000 in outlays for emergencies. An earlier statement indicated incorrectly that H.R. 2466 only allocated $39,000,000 in additional outlays for emergencies.

These adjustments shall apply while the legislation is under consideration and shall take effect upon final enactment of the legislation. Questions may be directed to Art Sauer or Jim Bates at x6–7270.

REVISIONS FOR ALLOCATION FOR HOUSE COMMITTEE ON APPROPRIATIONS, PURSUANT TO HOUSE REPORT 106–373, TO REFLECT ADDITIONAL NEW BUDGET AUTHORITY AND LESS IN OUTLAYS FOR EMERGENCIES

Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the CONGRESSIONAL RECORD revisions to the allocation for the House Committee on Appropriations pursuant to House Report 106–373 to reflect $38,000,000 in additional new budget authority and $293,000,000 less in outlays for emergencies. This will change the allocation to the House Committee on Appropriations to $564,510,000,000 in budget authority and $597,281,000,000 in outlays for fiscal year 2000. This will increase the aggregate total to $1,454,959,000,000 in budget authority and $1,434,418,000,000 in outlays for fiscal year 2000.

As reported to the House, Division B of H.R. 3064, the conference report accompanying the bill making fiscal year 2000 appropriations for the District of Columbia, makes appropriations for the Departments of Labor, Health and Human Services, and Education and Related Agencies for fiscal year 2000. Division B includes $2,348,000,000 in budget authority and $1,298,000,000 in outlays for emergencies. These are $38,000,000 more in budget authority and $293,000,000 less in outlays than the revisions to the allocation for the House Committee on Appropriations made for consideration of H.R. 3037, the bill previously reported to the House making appropriations for the Departments of Labor, Health and Human Services, and Education and Related Agencies for fiscal year 2000.

These adjustments shall apply while the legislation is under consideration and shall take effect upon final enactment of the legislation. Questions may be directed to Art Sauer or Jim Bates at x6–7270.

FINANCIAL MODERNIZATION CONFERENCE REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, soon the House will have an opportunity to consider S. 900, what is entitled the Financial Modernization Conference Report.

This complicated and controversial legislation seeks to overhaul banking laws that have been in existence in our country since the Great Depression. These laws were dedicated to safety and soundness in the banking system of the United States.

The laws that have been on the books for this entire century since the Great Depression have separated the activities of bankers, of the insurance industry, and of the securities and stock brokerage industries. Essentially, what this legislation attempts to do is to allow them to intermarry and to do business together.

Now, I recently did a survey in my district, and I asked our constituents the following question: How would you describe your personal views of bank practices? Two-thirds stated that they disliked the changes that have been occurring in the banking system. They say the fees are not consistent with the services provided, services are declining, and most of our banks are no longer locally owned.

If we think to the system that has been in place in this country that has permitted us to grow and to increase equity for America's families, the epitome of this system was the community bank. And in fact, the community banker became an active member of the local chamber of commerce in every neighborhood, in every city; and banking became equated with stability.

What we have seen happen in the banking system of our country, and it has been happening slowly, slowly, slowly, we have watched communities like my own, Toledo, OH, become a branch economy of an institution located someplace else. And when that happened, community contributions to Boy Scouts by those institutions went down, to children's softball teams and so forth. The community contributions, the philanthropy of that institution and the personal identification of the president of the institution with the community as a whole diminished.

In addition to that, we have seen the idea of safety and soundness changed fundamentally to where now most of these institutions have turned into high-flying debt pushers trying to get consumers to take on more credit than they can afford.

In fact, last week when I got home from Congress and I opened my mail, I got so mad I ripped this letter up. Because this came from an institution that does business in Ohio, and what did it have? It had one of these $5 checks attached that says that, if you cash this and sign up for our program, we will send you $5.

But what was I to sign up for? Here is a banking institution pushing more credit on the commercial side to me, a depositor in that institution. They want me to sign up for Shopper's Advantage, over 250,000 brand items; Traveler's Advantage, again credit to travel; concierge's service; Saver's Club discount book. In other words, they are pushing debt, pushing debt through the banking system at our consumers.

Now, this is a fundamental change in the way that our country used to operate in the field of banking and credit. In some ways, these lending institutions, if we can call them that, are not so much interested in building communities as in milking communities and in taking money that should be placed in those depositors' accounts so that they can end up owning a piece of the rock rather than assuming these greater and greater debt burdens that are characterizing family accounts across this country.

Here is a recent chart on the rising level of consumer debt in our country. The average family cannot survive more than 3 months without getting their paycheck in the mail because of the debts that they owe. Yet these institutions that are supposed to be dedicated to safety and soundness are into pushing more credit, not in the interest of community building, but in the interest only of profits of those institutions.

We have seen megafinancial conglomerates and mergers across our country, and this bill will only add new hurdles to the already difficult task for consumers obtaining basic financial services without incurring outlandish and arbitrary fees.

Further, consumers will be forced to speak with more 1-800 recordings. How many of us have got lost in those when we try to get an answer out of a banking institution in this country and very pricey automatic teller machines rather than dealing with human beings? This is happening across our country.

Mr. Speaker, the fundamental precept of any banking laws in this country should be safety and soundness, not high-flying credit pushers.

I rise today to outline my concerns with this conference report. I believe America's Fiscal Fitness is in jeopardy as we enter the next millennium. Are we really prepared for the challenges that lie ahead?

I am concerned about the growing trend toward mergers and acquisitions throughout America's banking industry. These massive consolidations, most recently seen with the merger of Nations Bank and Bank of America, will likely result in fewer financial service options and fewer alternatives for consumers when it comes to shopping for life insurance, checking accounts, and investments transactions.

The mega-financial conglomerates created by this bill will only add new hurdles to the already difficult task of obtaining basic financial services without incurring outlandish and arbitrary fees. Further, consumers will be forced to speak with 1–800 number recordings and sent to pricey automatic teller machines rather than dealing with human beings.

Consumer spending makes up two-thirds of our economy, but increases accounted for an astounding 85 percent of the growth in the gross domestic product last year. And it's fueled by unsustainable efforts by most families.

Consumer debt, from credit cards to home mortgages, now total about 85 percent of personal income—with installment loans accounting for $1.4 trillion. The 55 to 60 million households that carry a credit card balance from month-to-month have an average balance of $7,000 and pay more than $1,000 per year in interest and fees.

As consumer debt has increased net family worth has declined. Federal Reserve reports that the median net worth of all U.S. families, in constant 1995 dollars has dropped from $57,000 in 1989 to $55,600 in 1995.

A report released by the Consumer Federation of America found that half of U.S. households do not have $1,000 in assets available for an emergency. Should the economy take a dramatic downturn, these families are not prepared.

As a percentage of the gross domestic product, consumer debt has increased from 13.74 percent in 1990 to 15.41 percent this year. One family in six below $25,000 in annual income spends more than 40 percent of its income on debt service.

American families have kept their heads above water by working more hours—middle-income couples with children are putting in an average of 6 full-time weeks more each year than a decade ago.

The burden of today's consumer debt coupled with an increase in interest rates, a new wave of downsizing, or a cutback in overtime hours would force families to curtail spending and push many into bankruptcy.

Today, over 12 million American families can't afford bank accounts. And for those who do have accounts, the average annual cost of maintaining a regular checking account has risen to more than $217 in 1999—according to U.S. Public Interest Research Group. Meanwhile, in 1998 banks recorded nearly $62 million in profits, an eighth straight record year.

The Financial Modernization Conference bill does little to discourage the growth of bigger, higher fee banks, leading to less consumer choice and higher fees for all Americans. There are also privacy concerns that are not addressed in this bill.

The bill allows for sharing between megabank affiliates. Which can only lead to more of the solicitations like this one that I received over the weekend from Key Bank.

The bill does not allow a customer to "opt-out" if a financial institution wishes to distribute the customer's information to affiliates within the financial holding company. Is it too much to ask for a customer to have the right to "opt-out" and inform his or her financial institution that it may not distribute his or her personal, private financial information to financial institutions?

Mr. Speaker, I am aware of the tremendous work on the part of the Banking Committee Members and staff and appreciate their work on this important issue. I remain, however, concerned that the bill falls short from meeting consumer protection needs and reducing bank fees.

DOMESTIC VIOLENCE AWARENESS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, October is Breast Cancer Awareness Month, but it is also Domestic Violence Awareness Month. This is the issue I want to briefly address.

It was 35 years ago when Congress passed the landmark Violence Against Women Act, and it has changed the way that we as a Nation address the crimes of domestic violence and sexual assault.

Today, there are more investigations and prosecutions and stiffer penalties, including life sentences for those who cross State lines to commit domestic violence. Millions of dollars in Federal funds have been provided to States to help them reshape the way police officers respond to domestic violence.

For example, the COPS program, that is the Community Oriented Policing Services, helps local police departments apply the principles of community policing methods to domestic violence. There is increased funding for shelter and a national domestic violence hotline, which receives an estimated 11,000 calls per month. America's dirty little secret is a secret no longer.

But the 1994 Violence Against Women Act, or VAWA I, as we called it, could not and did not cover every issue with violence against women. With the response to the domestic violence outreach programs including hotlines and shelters, we have seen an increase in the number of victims who come forward and seek help.

This increase necessitates further action on our part. The programs under the Violence Against Women Act just begin our fight against domestic violence, and the programs funded under that act lead the way.

This epidemic crosses all racial and socio-economic barriers. The National Domestic Violence hotline reports that 90 percent of the callers were female and 57 percent were white. Every State and every district has some domestic violence, unfortunately, with victims in cities and on farms across the country.

In my State of Maryland, reports have shown an estimated 26,000 cases of domestic violence crimes in 1997. This number is said to reflect only about 10 percent of the actual attacks. And last year the Crime in Maryland Uniform Report stated that 72 individuals died from domestic violence attacks. That is approximately one person every 5 days who dies as a result of domestic violence in one small State, Maryland, alone.

The Maryland Network Against Domestic Violence has demonstrated how VAWA funds have made a critical difference in the lives of victims and their children in the State of Maryland.

For instance, in areas of prosecution, nine jurisdictions in Maryland use VAWA funds to increase staffing and to designate domestic violence units. Others offer legal assistance through court advocates who accompany victims to trial and who assist with private legal fees to establish protective orders.

Also funded is the Pro-prosecution Project. It trains law enforcement officers, court commissioners, and State's attorneys on pro-arrest policies when violent situations cannot be overcome inside the home.

It also funds parole and probation advocates who act as liaisons between the department agents and victims. This program has had tremendous success in shortening the length of time between a violation and a violation hearing.

Four local police departments are using funds to implement programs that focus on both prevention and intervention and with regard to victims services. One jurisdiction uses the VAWA money to support their local hotline. Others use this area to fund a program that addresses victims who also have a mental illness or addiction.

In Maryland, VAWA funds are also used for the Maryland Coalition Against Sexual Assault and 10 local coalitions that bring together educators, program providers, law enforcement, prosecutors, judges, health care professionals, clergy and community groups, all of that coalition that should be working together.

Maryland, which currently has 21 programs and 19 shelters, has used a multilevel approach that includes local, grassroots projects to meet the immediate needs of individuals and families, as well as statewide initiatives that provide education, training, and advocacy that addresses institutional and systemic issues.

I use Maryland as one of the examples, but this is the case throughout our 50 states and indicates that VAWA works. That is the Violence Against Women Act. I want to point out that nationally nearly one in every three adult women will experience a physical assault by a partner or a significant other and almost half the women who are taken to a hospital emergency room are treated for injuries inflicted by a partner or spouse.

The Violence Against Women Act needs to be reauthorized and a new version adding more, Violence Against Women Act II, also needs to be passed.

These statistics, including the reports from shelters all over the country that they are overwhelmed with victims seeking safety and counseling, reinforce the need to expand domestic violence programs. Many of these expansions are addressed within the Violence Against Women Act II—HR 357.

Among the issues that VAWA I did not tackle, for example, were domestic violence and child custody, issues that have traditionally been handled by state and local courts but are issues that demand a national response.

What is domestic violence and what happens to children raised in homes where domestic violence occurs?

Domestic violence or battering is a means of establishing control over another person through fear and intimidation. Generally, battering is physical, but it also includes emotional, economic, and sexual abuse, and the kind of isolation experienced by hostages and prisoners of war.

Domestic violence is a brutal crime, mostly, but not always, committed by men against women. The shocking reality is that an estimated 3 to 4 million American women are assaulted each year by their husbands or partners, and every year 3.3 million children witness these attacks.

There are many theories about batterers and why they resort to violence. These include career and economic stress, violence on TV and in movies, poor socialization, and sexism in our society. Whatever the cause, battering continues because too many people look the other way. Our judicial system has been guilty of ignorance about domestic violence and negligence. For many victims of domestic violence the courts are their adversaries, not their allies.

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SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

Ms. LEE. Mr. Speaker, I rise today in strong support of ensuring the solvency of the Social Security program. Today, there are 44.4 million Americans who receive Social Security benefits. Over 4 million of these individuals reside in the State of California. Americans all over our Nation depend on this retirement benefit as a source of major income. This program is the principal source of retirement income for two-thirds of our elderly. For about one-third of all seniors over the age of 65, it represents 90 percent of their income. In fact, Social Security benefits lifted approximately 15 million senior citizens out of poverty last year.

Now, Social Security is not just a retirement program for our seniors. It provides badly needed survivor benefits, also. One out of every five Social Security beneficiaries receives survivor or disability benefits. This program also provides for disability benefits to our Nation's workers. For three out of four workers, Social Security represents their only form of disability coverage.

The Republican budget does absolutely nothing to extend the life of the Social Security program. Democrats want to strengthen the Social Security program and actually extend its life. The President's plan extends the life of Social Security for 15 years. Republicans do not propose extending the life of the program by a single day. Instead, they are actually raiding the Social Security trust fund to the tune of $13 billion. The President's plan, however, would apply the interest savings gained by paying down the debt to saving Social Security. While the so-called lockbox proposed by Republicans would have used any such interest savings to finance a huge tax cut for the wealthy, the Democrats propose to devote the entire interest savings to ensuring the life of the Social Security program.

The President's plan solves two major problems also simultaneously. This plan will directly invest Social Security surpluses into paying off our public debt as well as extending the program's solvency. This proposal will reduce the debt by $3.1 trillion over the next 15 years, thereby creating badly needed resources for our children and our families, such as education, health care and housing. By investing a decade of Social Security surpluses to debt reduction, we will cut the debt by $2.1 trillion, cutting interest payments to $56 billion. The President's plan proposes to devote the entire interest savings to extending the life of Social Security. The Social Security program is expected to have difficulty paying timely benefits starting in the year 2034. According to preliminary estimates by the Social Security program's Office of the Actuary, the President's proposal would extend solvency until 2050. This is an extra 16 years added to the life of the program. This Congress has an obligation to strengthen the Social Security program, because working people have earned and deserve Social Security. It is the most sacred and fundamental measure for the survival of all Americans.

The American people deserve the truth. The Republicans are not saving Social Security nor protecting the program so that our children and grandchildren can benefit from this retirement program. Social Security will not be around for our children if we allow the Republicans to continue to spend as they do.

Let us support the President's proposal to ensure that Social Security survives for our seniors today as well as for our future generations. Our children and our grandchildren deserve no less.

THE TRUTH ABOUT SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. SESSIONS) is recognized for 60 minutes as the designee of the majority leader.

Mr. SESSIONS. Mr. Speaker, tonight we are through with legislative business for the week. It has been a very energetic week for the House of Representatives. We have discussed and debated a lot of issues. As we see just a few minutes ago, the charade continues about the discussion and the debate about where this country is on Social Security. What I would like to do is for the next hour or so to take some time to explain to the American public what the truth is about Social Security, where we are, what this Congress is doing, because I believe that there is a more responsible answer that we should give to the American public. We should not scare the American public, but most of all that the truth should not be held hostage. We should not have to hear politician after politician come and to spout out what I think are their wishes for doom and gloom of this Social Security system when in fact a lot of focus has been placed upon it and the American public have written their Congressmen and Members of Congress have gotten engaged in this issue.

And so I would like to use this remaining time of this hour to talk directly with the American public, to provide them information not only about how Social Security is doing but the difference between the gross and the net, the gross being the top side that they hear about and the net being the bottom. I am joined, Mr. Speaker, tonight by several of my Republican colleagues who are going to engage in this debate with me. It has been a marvelous week here in Washington. We believe we are at the point now where we can look the American public right in the eye and tell them the truth about where we are in Washington, whether we are going to spend Social Security, that we are going to balance the budget and that we can make a deal because responsible people in Washington, D.C. can make responsible decisions.

Tonight, I would first like to call on the gentleman from New Hampshire (Mr. BASS), a member of the Budget, Transportation and Intelligence committees. I would like to have the gentleman from New Hampshire join in with me in this debate.

Mr. BASS. Mr. Speaker, I thank the gentleman from Texas, my friend and colleague. I, too, join him in expressing the fact that I am proud of this Congress for what we have done today and what we have done for the last 10 months of this year.

As a member of the Committee on the Budget, we began the year seriously wondering whether or not we were going to have the integrity and the fiscal discipline to put aside the money that we need to put aside to save Social Security. I recall early on in the year going through hearings which within the Committee on the Budget we debated how we would go about doing it, understanding that in the previous year we had committed 90 percent of our surplus to saving Social Security and the President had called for putting aside 100 percent of the surplus for Social Security. Then in his State of the Union address, he had said, well, let us put 60 percent of the surplus aside for Social Security and to this day he says that we should try to put as much as we can aside for Social Security. Make no mistake about it. The Committee on the Budget made a commitment along with the leadership to put 100 percent of the receipts from the Social Security taxes plus all the interest which is accruing to the Social Security system aside, and that is a number that is in excess of $120 billion. Indeed, that goes to paying down the debt.

Now, my good friend from California who spoke a minute or two ago paid tribute to the President's plan to devote, quote, the entire interest savings to Social Security and thereby extend its life. Let us just examine exactly what that means. The fact of the matter is that what the President has proposed is to set as much, maybe 60 percent, maybe 90 percent, whatever he does not spent on new spending programs aside for Social Security which will indeed pay down the public debt. But then what he proposes to do is to take the interest that would have been paid had you not paid down the debt, call it imputed interest, and create a whole new series of IOUs to the Social Security system, thereby making it look like it will last 15 more years. But the reality of it is, it is a shell game, a first-class shell game.

What the Republicans are proposing to do is to exercise fiscal discipline and at the same time to set aside in a lockbox the Social Security surplus. Indeed, doing this will not prolong the life of Social Security one more day, that is true. There are other issues that we need to deal with with Social Security. But the one thing we have to understand in the beginning is that we are not going to take the hard-earned money that is paid in payroll taxes by working Americans and use that money for other spending programs.

Now, we passed I think a really momentous appropriations bill today. It was a combination of the Labor, Education, Health and Human Services bill, the D.C. appropriations bill and a 1 percent across-the-board reduction in discretionary spending accounts. In my 5 years in Congress, this is the first time I have seen this occur. It is not an easy vote but let us examine the 1 percent cut for a second. One percent, one penny on every dollar. We hear the President talking about how he cannot cut this program and he cannot cut this program, there is not another dime. I understand the Interior Secretary the other day said, and I cannot quote because I do not have the quote in front of me, that there was not one single dime of waste in the Interior Department. I think other speakers after me will perhaps give him some suggestions about where money might be saved.

But what we are doing is what the American people asked us to do when they elected us, which is to trim government, to save Social Security, to cut taxes for working Americans, and to balance the budget. Before I entered Congress, the idea of balancing the budget was fodder for laughs at cocktail parties. In fact, the theory was being developed that deficit budgets were good for the United States economy. Of course those lines have now been long forgotten. Now that we face the first real honest cash surplus since I got my driver's license at the age of 16 in 1968, we have a President who wants to put a little bit away but he has a whole lot of new ideas for spending money and we have a Congress that is committed first to setting aside the money for Social Security, secondly paying down the debt, thirdly providing tax relief for working Americans, the people who are pulling the wagon in this country year after year. It is not going to be that difficult to do.

I urge the President and the minority to work for working Americans in this country and move this appropriation forward so that we can finish the business of appropriations, avoid a government shutdown and move on to next year.

I want to thank the gentleman from Texas for bringing up this very important subject tonight, because I really believe that it is critical that Americans understand exactly what our priorities are.

Mr. SESSIONS. I thank the gentleman from New Hampshire. I am also joined tonight, Mr. Speaker, by one of the brightest members of the House of Representatives. He is a young man who is in my class, he is from South Dakota, his name is JOHN THUNE.

The gentleman from South Dakota and I recognize that what we are talking about is saving one penny, one penny, and it is very important. I would appreciate it if you would take a few minutes with us and talk to us.

Mr. THUNE. That is exactly right. I thank the gentleman from Texas for yielding and also for the leadership that he has taken on this issue in helping us communicate with the American people with our colleagues here exactly what it is that we are trying to accomplish.

As I was listening to the debate today on the floor, I could not help but be struck with the thought that the other side must have a severe case of schizophrenia, because our friends on the other side of the aisle were saying on one hand that we are spending Social Security, which we are not, and at the same time they were saying that we were not spending enough. And so you had two different messages coming out in the course of the debate that we had today. The reason that we are not spending Social Security is because we made a conscious decision, a deliberate decision as a matter of principle that the people who work hard in this country and pay the FICA tax, the payroll tax, ought to have some assurance that those dollars are going to go into their retirement security. And so we made that conscious decision a very long time ago. And in order to be able to do that, to ensure that we were not raising Social Security as we have been doing, as the Congress has been doing for a good number of years, we had to come up with a way in which to make sure that all the important priorities of this Federal Government get funded. And so we decided that the best way to do that would be to accomplish the savings through a 1 percent across-the-board reduction, or a 1 percent across-the-board savings, if you will, by giving the agencies of the Federal Government a mandate and a mission to find 1 percent, 1 percent in waste, fraud and abuse within their respective agencies in order that we could keep our commitment to the seniors of this country, to the young people of this country who day in and day out roll up their sleeves, go to work, work very, very hard to pay the taxes, knowing that someday, hoping that they will be able then to collect that and to provide a secure retirement for themselves and for their family.

□ 1845

I think that in listening again to the debate today, I think the other side is profoundly confused about what it is they want to do because again they were attacking us for saying, again which we are not, that we were going to dip into Social Security and yet at the same time lambasting a 1 percent across-the-board savings in all the Federal budget as gutting all these programs; that somehow this is going to take away from the families of this country, and the only conclusion I could draw from listening to that was that either they think we are spending too much or they think we are not spending enough. And I am not sure which it is, but I think their side was very confused in this debate today, and I think for our side, Mr. Speaker, the issue is very, very simple.

It is really a matter of whether or not we are going to ensure and insist upon the commitment that we made that Social Security taxes go into the Social Security Trust Fund and are used, are reserved, there for the retirement security of the American working public; and until that time happens, we continue to pay down the Federal debt, which is another priority that we have made for a long time.

Now just out of there is a chart here, and I am not a big one for using charts, but in the event that anyone out there is confused by what has been happening here in Washington the last few years, this illustrates very clearly the raid, if you will, on the Social Security Trust Fund, the amount of money that has been spent out of that fund over the course of the last 15 years or so. It totals almost $638 billion as a whole lot of money that has come out of the Social Security Trust Fund and has been used by the Federal Government to pay for the costs of other Federal programs.

We said categorically that has to stop. As a matter of principle, it is wrong for this country, this government, to collect money from people which they expect to go into a retirement fund that will be there when they retire and then have those dollars used to fund other areas of the Federal budget.

And I guess my big problem with the whole notion of the way that the Federal Government operates is there is a good amount of call it waste, fraud, and abuse in the Federal Government, and I certainly believe, and I think the American people believe, I think anybody in my State of South Dakota would certainly concur, that anyone looking at the Federal budget closely could say, I think we can find 1 percent. I think on a dollar of Federal spending we can find one penny in savings. One penny is all we are saying to the Federal Government.

It is, tighten up a little bit. Let us just see if we can find one penny in savings out of the entire Federal budget, the discretionary side of it. If all we do, if we can just save one penny, it will allow us to honor our commitment to the seniors of this country and to again the people who work hard every day to pay the payroll tax, and we do not have to do this any more.

I think the best part and what I like about this graph the most is what happens in 1999 when it goes down to zero, and that is what we were able to do today with the votes that we took. We made a commitment. We have passed 13 separate appropriations bills. We have passed them in a way that does not violate our commitment to the American people, that enables us to honor that commitment to protect Social Security and still keeps the government running.

Now all you heard today from the other side again was it is going to cut this or this or this and the usual suspects that are always mentioned. But the reality is whether it is defense, whether it is education, whether it is law enforcement, we spend in this budget, what we passed today and what we have already sent down to the President, more on those priorities than what the President had proposed in the first place even after we trim one cent out of every dollar.

Now we all talked about this the other day. There certainly are ways that we can find a penny in savings, whether it is in the area of foreign travel that has been mentioned, some of the trips.

I mean, the President may have to reduce the number of people who travel with him, 1,700 to Africa, 800 on another trip; and it is only, as my colleagues know, a small percentage of savings really that we are talking about. And you look at some of the things that the Federal dollars have been spent for, the 26,000 people who are deceased who received $8.5 million in food stamps, according to the Committee on the Budget. Those who have collected SSI payments illegally, and there is a convicted murderer who received more than $75,000 in SSI disability payments during his 14 years on death row; and of course the one I like the best, Mr. Speaker, is the million dollars that we had to spend for the outhouse at Glacier National Park. The people who have to walk 6½ miles, up 7,000 feet to use an outhouse that was bought and paid for by the Federal Government.

Surely when it comes down to our sense of priorities, we ought to say to the American people that a million dollars for an outhouse versus a million dollars into a Social Security Trust Fund that will protect and safeguard the retirement security of Americans, it ought to be an easy choice for us.

And I think what happened today, unfortunately for those on the other side, is we took away in many respects their ability to spend, and we have said as a matter of principle Social Security should be protected, it should be safeguarded; and that hurts deeply, Mr. Speaker, for those who over the past 15 years have found it to be the Social Security Trust Fund and the Social Security surplus to be their sort of spending balloon.

Well, today we popped that balloon, and the American people are going to be better served as a result of that, and we have gone a long ways toward protecting and safeguarding the Social Security retirement dollars that the people in this country worked very, very hard for, worked very, very hard to pay; and I am very happy to report to the people in my State of South Dakota and to all the American public, all the taxpayers out there, that this was an important historic day here in Washington because we popped the spending balloon, the Social Security Trust Fund that has been raided for the last 15 years and said categorically it has got to stop here.

That is a principle with which I think the American people will agree, and I am proud that we were able to come up with the votes today in order to do that, and I would say to my friend from Texas and my friend from New Hampshire who have been leaders in this effort in the effort to bring Federal spending under control, to eliminate wasteful spending, to make sure that the American taxpayers are getting the very best return on their investment, that I appreciate the leadership that you all have taken for the opportunity to participate with you this evening in this discussion and again to reiterate to the American people that we want to make absolutely certain that the dollars that you pay from Mr. FICA actually are going into the Social Security Trust Fund.

This was indeed a historic day here in Washington and a day which I think again that the American people will be very much benefited from.

So with that, Mr. Speaker, I would yield back to my friend from Texas (Mr. SESSIONS) and indicate to him again that I appreciate his strong leadership on this subject.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Members are reminded that they are to direct their remarks to the Chair and not to those who may be viewing the proceedings of the House.

Mr. SESSIONS. I thank the speaker for the comments from the gentleman from South Dakota, his enunciation of what a great day and a great week this has been in Washington, D.C., a day when we can look the American public right in the eye and we can say that not only do we have a balanced budget, but the straight face comes when we say: and we did not spend your Social Security, your retirement future, in order to take claim for this balanced budget.

And it is a proud day for me. I came to Congress in 1996. I ran on a pledge that I felt like we not only should, could, but must, balance the budget, and that if we did not balance the budget that I promised that I would not accept a paycheck if we did not balance the budget.

So we balanced the budget, we stick to what we said we would do, but now with a straight face we can say:

And, America, we are no longer taking from your retirement future.

What is interesting, as we approach this time, is that we have heard the gentleman from South Dakota (Mr. THUNE) talk about ideas which we have as Republicans about how the President, and this administration and our colleagues on the other side of the aisle can view this as an opportunity and a challenge, a challenge not only for America, but we have taken on the challenge ourselves as Members of Congress.

We have stated that we will as management of the country, we will accept a 1 percent reduction this next year in our paychecks. We had a vote on it this evening. Most Members voted for it. Of course it passed. But this 1 percent reduction in our paychecks, that would go to something as important as not only securing America's future with saving Social Security, but by making sure we do it immediately and keep the trend that we just started for the first time of not spending Social Security dollars in 39 years.

So, it is a historic day, it is an opportunity; but I know that you have many things on your plate that you would like to talk about that are great opportunities, good ideas for this administration and the American public to hear from us about great ideas to find this 1 percent in savings that we are going to challenge the government to do.

Mr. BASS. Mr. Speaker, I thank the gentleman from Texas for yielding, and he certainly is right. The concept that you cannot find one penny in every dollar in a fiscal year is ludicrous. I would suggest that every State in the Nation on occasion is forced to find far more than 1 cent on every dollar because, unlike the Federal Government, they have to balance their budgets every single year.

I would also point out that you will hear discussion amongst the minority and the majority about whether or not we, as Republicans with our plan, are using Social Security surpluses or not. You realize that this argument has gotten down now to the point where we are having a fight between OMB and CBO, whether their predictions are right, whether we use OMB numbers or CBO numbers.

Well, when you are talking about the difference between the President's proposal to put 60 percent of the surplus aside versus the Republican's successful effort at putting 100 percent of the Social Security surplus aside, I really do not think that the key issue is whether or not the numbers come from CBO or OMB, and I am not even going to tell you what they stand for, Mr. Speaker, because I do not really think it makes a big difference.

Let me also point out for those who say that a 1 percent cut, will result in unacceptable reductions in spending in critical programs, let me point out that even after the 1 percent cut, across-the-board cut, the Republican plan spends $265.1 billion on defense versus the President's proposal for $263 billion. $265, $263; we spent more. On education we spend $34.8 billion versus the President's proposed $34.7. On education, Mr. Speaker, on education. After the 1 percent cut, the Republican appropriations spends $34.8 billion, the President's $34.7 on education. And on crime fighting the GOP spends $3.25 billion versus the President's $2.8 billion.

Now what about this 1 percent across-the-board cut that we cannot find a single dollar? Well, I have here a document put out by Citizens Against Government Waste entitled "Prime Cuts 1999," and I would suggest that every Cabinet member and everybody in the administration take an opportunity to read this book because there are plenty of suggestions which total well in excess, well in excess, of 1 percent.

Some of the more interesting proposals that I have seen come across my desk in the last couple of days are, and let me give you a couple of examples. Perhaps we could eliminate a subsidy of $850,000 to a well-known ice cream company in a State adjacent to mine which they received from the Federal Government to distribute their product in Russia, as if it is not cold enough in Russia for them to produce their own ice cream or that this particular company cannot find the resources to develop its own advertising campaign.

Or how about delays, administrative delays, in the disposing of more than 41,000 HUD properties that are costing taxpayers in this country a million dollars a day? Or how about a government audit that recently found that Federal agencies were simply unable to account for $800 billion, $800 billion in government assets? And I can go on and on, page after page, and I think that the American people find it pretty ludicrous to believe, Mr. Speaker, that no Federal agency can cut 1 percent from their budget.

So again, I think this is a reasonable proposal, and I am proud that this body has taken it upon itself to pass it and send it down to the White House.

Mr. SESSIONS. This one percent that the gentleman is talking about equals about $3.5 billion, and what we are talking about is $3.5 billion that it will take to where we ask the Government if they will find the 1 percent savings; once again, 1 cent out of a dollar. It would be in what we call discretionary funds. It would not come from Social Security, would not come from Medicare, would not come from Medicaid, but directly from the things that we know of, Mr. Speaker, government programs.

□ 1900

This 1 percent that we are after, one penny, has a very auspicious background and history, because what we are talking about in Washington now is not hundreds of billions, which is our past history from when Republicans took control of this Congress, but rather now down to $3.5 billion.

What I would like to do is go through what is 30 years of Congressional overspending, 30 years worth of Democrat control, going back to when we first put a man on the Moon back in 1969. That is when it started.

This chart here represents deficits that the government has overspent. In other words, the money that was coming in was overspent. We spent more money than what the Treasury brought in. Back in 1994, when Ross Perot and other people who stood up and talked about it, whether they be Independents in this country or whether they be Republicans, they talked about that at some point this was going to become so large that we could never turn it around; that the critical mass would be so large, and we needed to place an emphasis on doing something about this, that is when I signed the Contract with America.

The Contract with America directly addressed what we were talking about. It said if Republicans were given an opportunity, we would quit what was ahead in our future of having $300 billion deficits, of spending 100 percent of every Social Security dollar, that we would stop that and within 7 years balance the budget, and the American public heard us and they believed us.

So we got elected, and we came into control of the House and the Senate at that time. And what has happened? Our track record is nothing less than marvelous. We have gone from $300 billion a year deficits, to now we have celebrated, as you see here on this chart, we have gone to surpluses. We went to surpluses because we cut taxes and we were able to say no to spending. We were able to have some fiscal responsibility, some restraint, the opportunity to make wise and prudent decisions on behalf of ourself and the American public.

Mr. BASS. If the gentleman will yield, would you be willing to point to the place at which on that chart the control of Congress changed from the minority to the majority, the Republicans? Where is it on that chart?

Mr. SESSIONS. I would be pleased to show the gentleman. As a matter of fact, that is the deciding point that you will see that is right here. That is where the lowest point, the highest deficits took place, right here. Since that time the Congress, year after year after year, has had a debate, a discussion, that has been very lively, and I will tell you it has gotten hot and very heated here on this floor. And repeatedly people stood up and said we are trying to do things that we are being asked by people at home to do. We are trying to do things that pass the smell test, to where we can look at the American public and say we have something in mind. And what in mind we had was that we should not put further debt upon ourself or our children and their future generations.

This proves then we now have a surplus. What we had to do is get to the point where we could wean ourself away from Social Security. We have discussed it, the American people have discussed it, the President has discussed it.

What happened that we received information on about 2 weeks ago was that for the first time in 39 years we have found out that not one penny of Social Security went to fund the government. For the first time in 39 years.

So I would like to go from this chart of spending to this chart of the history of the Social Security raid. As you see here, back in 1983 it really began. We began on a yearly basis of taking 80, 90 billion dollars, and taking what was the surplus in Social Security, what was given because people had to give the government their money, with the understanding that government had some fiduciary responsibility to take care of this. In fact, what has happened is all this money has gone into what was called a Social Security trust fund.

Well, I would submit to you that this trust fund is smoke and mirrors, because in fact all of the money has been spent, it is all gone, and the American public knows this, $638 billion. So the 27 years worth of Social Security that I have paid in and the 27 years worth of Social Security that my wife has paid in, and gosh knows how many years that my parents worked, probably 50 years, they are now counting on a system that essentially is counting on us today to pay for their retirement, rather than putting the money in where it is supposed to be, allowing it to grow with interest, not spending it today, but doing what is prudent and wise, and that is waiting for a rainy day.

This is what we have ended. Now, after 39 years, Republicans have had the guts to stand up and say we are not only going to balance the budget, we are going to make sure that your future retirement is not spent in the process. That is exactly what we have done this week again.

Mr. BASS. If the gentleman will yield for a second, when I entered Congress in 1995 the administration submitted its first budget for the 104th Congress, and that budget had projected deficits for the 5-year period in excess, in excess, of $150 to $225 billion per year, not including, not including, the Social Security surplus.

So if you recall the table on the history of the Social Security fund and you notice how the purple goes up and up and up and suddenly drops down, had we not been able to cut a minimum of $300 billion out of projected spending over the last 4 years, that purple, that line would have skyrocketed, because, remember, the total amount of money since 1983 that has been spent on other programs and not gone into Social Security is about $638 billion.

Well, the surplus this year alone is in excess of $120 billion. So what we were really dealing with here was a problem where we were on the brink of a calamity in Social Security. It has stopped. It is not going to be easy to fight this battle, but we are ahead at the present time because I think most Americans agree with the fact that we have made this commitment not to let this money get spent on other Federal programs.

Mr. SESSIONS. I thank the gentleman. I have a new board up here which really says exactly the good news that we have just received two weeks ago. What that says is that the

Congressional Budget Office certifies that the Republican budget stopped the 39-year raid on Social Security and that the projected on budget surplus under Congressional scoring is $1 billion.

Mr. Speaker, what we are trying to do is say that everybody gets credit for this. We want the American public not to have their Social Security spent. And what has been the response back has been, oh, my gosh, it has almost been an accusation. "The Republicans' key goal is not to spend the Social Security surplus. Those mean Republicans, they do not want to spend the Social Security surplus."

Thank you, Mr. Podesta. You are right. You have got it. Give us credit. Give us credit for that which we are doing. And you have done that.

But, Mr. Speaker, there is more. And the more to that is this: It is what we must do now is to make wise and prudent decisions about how we are going to repeat this task that we have started. We want to repeat it so that we make sure that on a going-forward basis, that we understand on an upfront basis that we are not ever, ever, never, going to spend the Social Security surplus to fund this government. It is the retirement of millions of Americans who gave that money, gave the money to the government with the understanding that they would have a secure Social Security retirement system in place and available to them.

So here is what we are doing in Washington right now. We are trying to devise a budget and finalize that budget and have the President sign that budget with some very important components.

First of all, it will be a balanced budget. Second of all, it will mean that we want to lock away, not use, Social Security. After passing 13 bills, which we have done today, we recognize that we are now down to about $3.5 billion over what we would have wanted. But after these months of work it is hard to add up where it will all be. Now that we see what the final answer is, we realize we are $3.5 billion over. But a bill to spend Social Security we were advised two weeks ago by Majority Leader DICK ARMEY would not be allowed to be on the floor of the House of Representatives. So recognizing that, it was important for Republicans to put forth a plan that we made sure would deal correctly and fairly and honestly with the American public, and that is where we came up with what is known as the 1 percent savings solution.

What we are trying to do is we are trying to say that in the future, next year, we are going to ask out of every dollar that is given to this administration for discretionary funds, that out of every dollar that would be given to the administration, that we would like them to find a savings of one penny. This is exactly what Americans do at home. This is exactly what Americans do when they sit around their table and they talk about their budget every month.

To assume that government would be immune from the same type of problem that Americans run into, because it is all Americans together that could have this problem, to assume that we could not forthrightly come up with an answer, that we could not honestly look government right in the eye and say, "What will you do to participate?" I consider it a challenge.

If I worked in the administration, I would say, "I think this is a great opportunity for us to look inward." If I were a government employee working for this administration, or a career employee, I wonder how many of them, how many times these employees have come up with great ideas about how to make their government programs or their job to work more effectively or more efficiently, and I wonder how many times they floated ideas up the chain of command that would say how can we save money? Where is a good idea? What can we do to help out?

Well, today this Republican Congress is challenging those millions of government workers, we are challenging the administrators, we are challenging the cabinet officers, and, yes, we are challenging this administration and our President. For, you see, we believe that saving Social Security and not spending one penny is the most important thing that we can do for our people this year.

So, we are challenging government. We are challenging its employees. We are challenging this administration. Please go look inwardly. Look at your own budgets. Look at what you are going to do starting with this new budget that starts in about 3 or 4 days. Go find those things where you can save one penny out of a dollar. Put those things in place, implement them, and then we will make sure that we are not stealing from the retirement for our future.

This is what this gets down to. This is what it is all about. And the gentleman from New Hampshire I am sure has lots of more ideas about how we can challenge this government to provide them information.

□ 1915

Mr. BASS. Mr. Speaker, I appreciate the gentleman from Texas for yielding to me.

I will conclude my observations about where we stand today by making an observation about the debate that occurred recently in my home State of New Hampshire between the two candidates running for the nomination for president on the Democratic side. They were both trying to outliberal each other.

It was interesting to me to see how, when Mr. GORE accused Mr. Bradley of having a health care plan that would use up the entire surplus, the entire surplus, he was also talking about it using up the entire social security surplus, too.

Vice President GORE expressed sadness that Mr. Bradley, Senator Bradley's health care proposal would not leave money for him to propose other new spending initiatives.

So Mr. Speaker, I think this debate that we are having this year is a healthy debate. The differences between the Republicans and the Democrats are clear, concise, and understandable.

I know that they are committed to their ideals, but when we came to power in Congress in 1995, we set, as our goals, goals that would not necessarily be satisfying every interest group at home, goals that would not be spending more money without any accountability. The goals that we established were the goals that may not get newspaper headlines, but what they were were the goals of achieving a balanced budget, which we have done; the goals of attempting to take the trust funds off-budget, which we have done with the Highway Trust Fund and we have done with social security, we hope, and at least from my perspective to do with the aviation trust fund; and we paid down in excess of $50 billion in debt in the last fiscal year.

I know that with the $120 billion plus that we are taking off-budget, we also will pay down that amount in public debt. We will, as Republicans, put this Federal Government on an even fiscal keel as we move into the 21st century. Although they are not traditionally the platforms that garner tremendous public support, we have the interests of this Nation in the 21st century at heart. I know and believe that the American people support what we have tried to do over the last 4 years, and will support us in years to come.

I want to thank my friend, the gentleman from Texas, for having taken this time to discuss this issue which is so important not only to working families and to seniors, but for those that believe that this country should be as strong in the 21st century for my children and my children's children as it has been for my father and my mother and my grandparents.

I thank the gentleman for giving me the opportunity to participate in this dialogue.

Mr. SESSIONS. Mr. Speaker, I thank the gentleman from New Hampshire, who is a very proud part of the things that we are doing in Washington.

As I go to close here tonight, I want to summarize that this has been an invigorating week, 2 weeks that we have had in Washington, where we have learned officially that for the first time in 39 years, the budget of the United States did not use social security by which to fund government operations, and that in fact it has been a good thing not only for taxpayers and people on social security, but it has reinvigorated us here in Washington to recognize that this should not be a battle between Republicans and Democrats, but what it has done is opened up a new door, a new opportunity, a new challenge for Members of Congress to recognize that if we work together, that not only can we continue to ensure that we do not spend social security, but that we do those things that are good for the fiscal soundness of our country.

I would like to end today with a challenge, not only to my Republican colleagues but also to my friends on the other side, to come join me in what we call the Results Caucus. It is a bipartisan group of Members who work together to make sure that we can find and weed out those areas of government spending, those areas of government spending that fall under waste, fraud, and abuse.

I would like to read to not only my colleagues on the Democrat side but also have the opportunity for those who are listening tonight to hear what the Results Caucus is. Here is my basic philosophy:

The Federal Government has many good intentions. Intent is not the issue, effectiveness is the issue. Washington spends billions of dollars every day trying to help in people's lives, but no one knows whether or not these programs actually work.

Americans work hard for their income. They pay a lot, in fact, too much, in taxes. I say it is immoral for the national government to spend one dollar, one tax dollar, on a program that does not work and does not help achieve its stated objective. If a program is not working, then it should be reformed or cut, with the savings returned directly to the taxpayer.

That is what the Results Caucus is all about. We are trying to work to find these savings. I think that this opportunity that we have had to speak tonight is not only invigorating to Republicans, but it is an opportunity, a fair way to give this administration and all Federal workers an understanding and a challenge that we need them to work carefully as a challenge to reduce, for every dollar that they will be given to spend, to reduce by 1 cent.

The Results Caucus has a wonderful saying. It is this, that every single dollar that this government needs it should get, but not a penny more.

I thank the Speaker for staying late this evening. I want to thank the Speaker and my colleagues who have been part of what we have done tonight.

PRIVACY AND H.R. 10

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the minority leader.

Mr. INSLEE. Mr. Speaker, tonight we are going to have an opportunity to talk about privacy and H.R. 10, the financial institution reform bill.

Before we do that, I yield to the gentleman from Minnesota (Mr. MINGE), who will address social security from perhaps a little different perspective.

Mr. MINGE. I would like to thank the gentleman from Washington for yielding to me, Mr. Speaker.

I was very interested in the discussion that preceded this, the comments that were made, especially in closing, about the Results Caucus. I have worked on a bipartisan basis over the last 4 years with my colleague, the gentleman from California (Mr. ROYCE) in what is called the Porkbuster Caucus. We have tried to focus on waste, fraud, and abuse, especially on pork barrel projects that have been found in appropriations bills and other bills.

It is fortunate, I think, that several of the Committee on Appropriations subcommittees have made a real attempt to eliminate earmarked projects and pork barrel projects, especially the Subcommittee on Transportation, but that does not mean that we have come to the millennium. We still have these pork barrel projects. We still have earmarks that cannot be justified.

Unfortunately, in the bill that was passed today we had some of those projects. No lesser legislative leader than the majority leader in the Senate has projects that he has brought home to his State of Mississippi which cost this country hundreds of millions of dollars, and unfortunately, also cost money from the programs that are affected by the cuts that were in the legislation today.

I would like to focus for just a few minutes about this discussion on social security. As I listened to the preceding discussion, I thought of the phrase from Shakespeare, "The lady doth protest too much, methinks."

It appeared that there was so much protestation that there was nothing that would be borrowed from the social security trust fund for current expenditures in the fiscal year 2000 that I thought it worth probing that presentation for a few moments.

The first thing that I think is interesting to note is that the Congressional Budget Office itself, in a letter dated today, one copy of which was addressed to me but another copy of which was addressed to the gentleman from Illinois (Speaker HASTERT), stated that, "With the passage of today's legislation, we will be borrowing $17 billion from the social security trust fund surplus for fiscal year 2000 in order to cover expenses." That is $17 billion.

Now, Members may say, how could we have the presentation for 40 minutes claiming that we were not borrowing anything, and then have a letter like this from the Congressional Budget Office?

Well, probably, the most important things to remember are that, number one, there were emergency spending measures in some of the appropriations bills. There has been an attempt to disregard those. There has been so-called directed scoring in some of the appropriations bills. There has been an attempt to disregard that. Finally, there has been an attempt to push certain expenditures into the subsequent fiscal year for projects and activities that are undertaken in the current fiscal year.

If we had an accrual basis accounting system here, this kind of a trick would not work. Really, what it is important to recognize is that we have a return to smoke and mirrors.

I think most Americans remember that in the 1980s and early 1990s we had this ongoing battle between the White House and Congress as to how the money was being spent. There was this duplicitous effort to try to justify certain budgets that were being presented by claiming that these budgets were going to balance at the end of the year, or in 2 or 3 years we were going to eliminate the deficit.

But what happened is we were not using realistic numbers. So finally, an element of real discipline was introduced into the congressional budget process by requiring that Congress use the Congressional Budget Office as its sole source of its budget numbers, rather than picking and choosing favorable numbers from the Congressional Budget Office, or CBO, and then favorable budget numbers from the Office of Management and Budget, or OMB, and then favorable budget numbers from other sources.

So this particular quotation is important to recognize, because what it is saying is if you use consistent budget numbers from the impartial Congressional Budget Office, you end up with a $17 billion deficit. If you use numbers from the Office of Management and Budget when they are favorable and the Congressional Budget Office when it is favorable, then you can sort of jerry-rig this situation, and you can avoid most of that $17 billion, and then you use other gimmicks, and you can try to eliminate the $17 billion.

So the protestation here that there is not a penny being touched is misleading. It is duplicitous. What we need to be forthright about is to just recognize that if we rely on the Congressional Budget Office, we are borrowing $17 billion.

What should we do about it? Today I and three of my colleagues introduced legislation after the final vote on this most recent bill to assure the people of the country that if in fact we are borrowing $17 billion or $1 billion or $25 billion, whatever the number might be, if we are borrowing that from social security, in fiscal year 2000 we repay that $17 billion or whatever the figure is from the first available surplus in fiscal year 2001. That is our bill, stripped to its essence.

I challenge my colleagues on the Republican side to join me in passing this bill promptly, because it is an enforcement device. It is there to put some discipline into this budget process, and to say that we are making this commitment to the American people with respect to the next fiscal year, that we will restore that money before we use it for tax cuts, before we use it for other spending programs, before we use it for any other purpose.

I had hoped that we would have bipartisan support for this bill when I introduced it, but apparently it was too stiff a medicine for the folks on the other side. I thought it a simple bipartisan enforcement approach that ought to be welcomed by everyone.

So in the days ahead, I will be talking to my colleagues on both sides of the aisle and urging that we get together so that at least this little nasty problem that continues to haunt us is addressed.

□ 1930

Mr. INSLEE. Mr. Speaker, this evening I would like to address the House concerning, I think, a very important emerging issue, emerging because of tremendous consolidation in our financial services industry and emerging because of people's rightful concern about their personal privacy.

This personal privacy issue is one I think that has exploded on us because we have found, unfortunately, that there are various businesses that are consciously violating Americans rights of personal privacy. Let me give my colleagues just a little small example, because I am going to talk about financial services industries in an abstract, but I just want to tell my colleagues a little story, a little story about personal privacy and what happens when it is not respected.

I was talking to this Member who was telling me that he just had heart surgery, and because of that heart surgery, he was on a blood thinner drug called Coumadin, which is fine, and it saved his life, and he is doing quite well.

But about 30 days after he started on this regimen of Coumadin, lo and behold, he gets a solicitation in the mail from this company to buy some product about how to monitor his Coumadin. Someone somewhere, some business, for some profit motive had violated his personal rights of privacy by telling some strange company he had never heard of that one of our fellows was a good target to try to sell some product.

If companies can violate the privacy rights of Members of Congress, imagine what is going on to our constituents. Unfortunately, a lot of bad things are happening to our constituents when it comes to personal privacy rights.

Now, what brought us here tonight is the emerging consideration next week by the Chamber of H.R. 10, the Financial Modernization Act. For those who are not familiar with this, the Financial Modernization Act will, for the first time in the American economy, give free reign to banks to affiliate with hundreds of other types of financial institutions, insurance companies, brokerage houses, securities businesses. As we know, for many, many years, they have been prohibited from doing so.

Many Members, myself included, believe that there are a lot of benefits to be had by allowing some consolidation in the industry. But we are very, very concerned, Mr. Speaker, that if that bill passes in the form that has been reported out of the conference committee, that what will be left out almost lock, stock, and barrel is the protection of consumers' privacy when banks essentially merge with insurance companies and merge with security houses and merge with stockbrokers.

Let me tell my colleagues why we are concerned. There is a very significant infection going on when it comes to personal privacy in this country. I would like to alert to the House some of the things that have been going on, some we read about in the newspapers, some we learn about just talking to our constituents.

I just want to read a story, a first paragraph from the Los Angeles Times this September, "A San Fernando Valley bank sold a convicted felon 90 percent of the credit card numbers he allegedly used to run up $45.7 million in mostly bogus charges against consumers worldwide, according to interviews and court documents filed Friday. Charter Pacific Bank, which has made millions by processing credit card transactions for adult entertainment firms, provided Kenneth H. Thaves of Malibu more than 3.7 million card numbers complied from its merchants accounts, according to a report filed in U.S. District Court in Los Angeles."

Here we had, according to the Los Angeles Times, an instance where a bank violated its Members' rights of privacy and sold thousands of their credit card numbers to somebody who then, in a fraudulent scheme, ran up credit card charge numbers.

But this was not an isolated act. We go to Minnesota where, just recently, a lawsuit was settled between the Attorney General of the State of Minnesota and U.S. Bankcorp where U.S Bankcorp agreed, according to news accounts, to give $3 million to the States and charities because they apparently supplied telemarketing firm Member Works, Inc. of Stanford, Connecticut with its customers' names, Social Security numbers, marital status, occupation, account balances, homeownership status, and credit limits against the privacy rights of its own customers.

Imagine how one would feel or anyone in this Chamber would feel if we were told that, against our wishes, in fact, a bank had given our credit card numbers or our account information, in fact, to some third party, and they end up telemarketing a product to us.

All of us, it seems to me, have some reasonable expectation that the amount of money in our bank accounts is not going to be spread to the world, that who we write checks to is not going to be told to telemarketing agencies. That is a reasonable American expectation of privacy. But, unfortunately, that is not being honored, not by all banks.

Many banks, in fact, are honoring people's privacy. There are thousands of banks that are being responsible, corporate citizens that are honoring our privacy rights. But we are having some that are not.

Mr. Speaker, it comes down to a very personal basis when I learn about some things that have happened in my own State of Washington. I just want to read a couple personal accounts of complaints registered by the Washington State Attorney General's office about some real life stories that happen in my State.

Here is a woman from Royal City, Washington, a nice small town in eastern Washington. She says, after receiving a phone call from a telemarketing agency and telling them that she was not interested in their product, an experience many of us have two or three times a night now, unfortunately, she says, "In May, I was billed $59.95 on a my U.S. Visa credit card. Because I do not use the card, I was shocked. I phoned the Field & Stream Club, but they refused to cancel the membership. They were unable, however, to find a record of a request for a membership. How could they bill my credit card when I did not give them my number or authorize a purchase?

"I called U.S. Bank to file a complaint and cancel the credit card. The bank representative admitted that the bank had given out my unlisted phone number and banking information. She said it was a credit card 'enhancement' program. I am extremely angry that my bank, I have been a customer for 25 years, sold my private information. I have been scammed by both the U.S. Bankcorp and the Field & Stream Club."

Her anger I think was properly placed, because Americans ought to have the statutory right to block their banks from giving away their account information to telemarketers who can turn around and call us at 7 o'clock at night and try to sell us a product, frankly, that we do not want. This ought to be an American right. We have got a freedom of speech in this country. We have got freedom of religion. We ought to have freedom from interference in our private information in our bank accounts.

But she is not alone. A lady from Kent, Washington, saying she got a charge on her Visa bill statement. She says, "I do not know how they could have gotten my Social Security number or even my address. This telemarketing thing seems to be a big ripoff and probably targeted senior citizens. I am 83 years old but still checking on all my billings. Thank goodness I never signed up or ordered anything from these people. And how did they get my Visa card number?"

A letter from a man in Port Angeles, Washington, "It all started when we received our normal Visa, but with an entry in the amount of $59.95 from Encore Travel Club. I did not authorize this company for this service, nor could I understand how they received my Visa account number."

Well, the reason the gentleman could not understand it is he would have the assumption that his bank would not give away his private financial information. But, unfortunately, the law does not protect the man from Port Angeles, the lady from Kent, or the lady from Royal City. It does not protect Americans adequately.

Mr. Speaker, the bad news is that, if H.R. 10, the financial modernization bill, passes, we have this chance of going backwards on privacy, not forwards. I would like to share with the House why that is. We have the distinct chance of going backwards on privacy, because this bill, while it has, at least at first blush, some attempt to protect privacy rights of citizens, it has at least some language that would say that banks will not be able to sell or give away private financial information to what are called third parties. That means companies that are not associated in some way with the bank, which is by and large a good thing.

There are two huge loopholes one can drive a bank truck through in this particular draft of the conference report. I want to address the House on what those two giant loopholes are.

Loophole number one, which is too big to call a loophole, we really ought to call it a canyon or something, is that these privacy protections give consumers exactly zero right to tell their banks not to give away their private information to anything that is considered an "affiliate" of the bank. Now, this is an little technical for some folks, but let me try to explain what this means.

This means that, while the bill might prevent a bank from giving this information to a telemarketer if the customer said not to, it would simply allow the bank to affiliate with the telemarketing company or with an insurance company or with a stock brokerage company or with a securities firm.

This bill, as presently allowed, presently drafted would allow any bank, against the wishes, against the specific statement of a customer who told the bank do not give away my credit card, do not give away my account information, it would allow the bank to give it to its affiliated insurance company. Against the wishes of us, it would allow the insurance company to make a call at 7 o'clock at night to try to sell them a good insurance product.

It would allow the computers, which are tremendous, I think computers are one of the best things that ever happened, but, unfortunately, in this case, it would allow banks to do computer profiling of us as Americans. That means that they can set up a computer profile with their associated stock brokering company that says, any time one has got $10,000 in cash, John Q. Citizen, when the computer sees he has got $10,000 in cash, spit that name over to our stock company and allow the stock brokerage company to call John Q. Citizen and try to sell them a stock because they happen to have $10,000 on hand.

It allows the computers to profile us on our purchasing habits. If we happen to go to sports stores and buy sporting goods products, it allows our bank against our wishes to violate our privacy, to have that computer profile us and give information to an affiliated company that might have some sporting goods activity associated with it.

It basically says that we are going to prevent the sin of violating privacy to a third party, but allow the sin of violating privacy to an affiliate. Why is this important? It may not be so important right now where today the law prevents banks from affiliating with other companies. But next week, if this became law, it will bring down the shields and allow the banks to affiliate with hundreds or thousands of other financial services enterprises. My colleagues and I both know that those market-driven folks will be most eager, anxious, looking forward to the opportunity to get into our bank accounts and use the information in our private bank accounts against us to try to sell us products.

So, Mr. Speaker, if this were to pass, I do not think it is a fear, I think it is a fact that we will see an increase in telemarketing activity, using information in our own lives, in essence, against us.

It did not have to be this way, Mr. Speaker. This bill can be drafted in such a way that could prevent these marketing activities, that could allow these affiliates to offer us the services we want. We can draft the bill very easily to say, as long as the consumer wants these services, it would allow the affiliated companies to provide them.

But I stand here to say that Americans ought to have the right to say no to bank telemarketing activity with their affiliates, that Americans ought to have the simple right to write a letter or e-mail or fax or, when one signs up with one's account, check the box that says do not give away my private information.

□ 1945

I do not think that's too much to ask. This is a huge bill, Mr. Speaker, as we are all aware. This is one of the more significant bills we will have during this Congress, and I am convinced there is a lot of good that can happen as a result of it.

I think that many financial institutions have been very candid and sincere with us; that they can help provide Americans with some good services as a result of these consolidations. But, unfortunately, while we do that, we should not, at the same time, allow the sin of violating our privacy to continue. We have to make sure that we stop that.

So what we need to do, if in fact this bill comes to the floor, and I am told there is still some dispute in the conference committee about this language because it is so controversial, and should be, but if it comes to the floor we should send the conferees back to work. We should send the conferees back to work and tell them to come back when they give Americans protection against privacy right violations of bank affiliates. And that is something the House could do and should do.

I want to talk about a second giant loophole in the bill. We have not seen the specific language as yet. We are told the conferees are still thrashing this out. And I hope if any of them are possibly listening to this they will continue to thrash to come up with some better language, because there is a loophole in section 2. I am looking for the section now, which is on page 3. Basically, this exception to the prohibition would allow banks to even give information to a third party as long as it was essentially associated with anything called a "joint agreement." A joint agreement.

Well, I guess a joint agreement could be the two presidents of the company shaking hands and saying, "We are going to start to computer profile our customers and we are going to telemarket the heck out of them, and we are both going to do pretty well on this deal." That is a "joint agreement." But that joint agreement is closer to kind of a joint conspiracy to violate somebody's privacy. And that is another loophole that has to be closed if we are going to go forward with H.R. 10. It is a simple thing to do, it will allow banks to pursue their duties, and we ought to do it.

I want to come back to a point perhaps I made a little earlier, and that is that it is very important not to paint all banks with the same brush with the kind of things I have been talking about tonight. There are many banks, and I have talked to many banks in my community, community banks who are very socially responsible. I have talked to a lot of bankers, particularly small town bankers, who have built banks on the trust of their communities, who have told me they are angry at some of their bigger brethren, frankly, for violating people's privacy, for exposing them to the ridicule of Congress and the American public on this subject.

Because those bankers understand very clearly that banks really are built on trust and that they do damage to their relationship with their customers if they violate that sense of trust. I think we are going to see more, in fact I know there is one bank in the next week or two in the State of Washington that is going to announce policies that are essentially what we are proposing. We are proposing that Americans have the right to advise their banks to provide them banking services but not to allow the use of those banking services for marketing purposes against them by some other affiliate or third party. That should not be too much to ask.

So, Mr. Speaker, in closing, I would like to say that we are on the cusp of a new dawn when it comes to financial services. We are at the eleventh hour, this is last chance we are going to have to ensure Americans their privacy. And while this bill, H.R. 10, may have sort of corralled one horse, the one horse that is involved in raiding our privacy, it has left 5 to 500 out of the corral. Because while it has helped on third-party privacy protection, it is going to create a whole new host of financial organizations. And they are going to be given the opportunity to violate our rights of privacy, to telemarket us at 7 o'clock at night.

Mr. Speaker, I am here to stand for any American in the next decade that gets a call at the dinner hour when they are trying to sell them a product using their checking account, their credit card, their Social Security number or other information. And I hope they do not call me at 6 o'clock to complain, because I am here tonight trying to get the U.S. Congress to prohibit that practice.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 73. Joint Resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

SECURITY ISSUES RELATING TO RUSSIA

The SPEAKER pro tempore (Mr. FLETCHER). Under the Speaker's announced policy of January 6, 1999, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 60 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, as I have done frequently in the past, I want to just talk this evening about a situation that occurred in a hearing this week relative to our relations with Russia.

The last time I addressed this body it was to focus on a new direction in our relations with Russia, a new set of eight principles that the factions of the state Duma had agreed with, allowing us to continue to provide investment and economic opportunity in Russia but to set some new guidelines. That bill, which I dropped approximately one month ago, had 25 Democrat and 25 Republican sponsors when I introduced it. We have now gotten additional support and, in fact, we are hoping to continue to grow the kind of movement in the Congress that says that in spite of Russia's economic problems, we must still be engaged but be engaged in a different way.

I rise tonight, however, Mr. Speaker, to discuss a security issue relative to Russia based on a set of hearings that I have conducted on my subcommittee over the past 5 years. Two years ago, Mr. Speaker, I had the highest ranking GRU defector ever from the former Soviet Union, Stanislav Lunev come before our Committee on Armed Services, and in a hearing that was open to the public, but in which hearing we had to hide his identity because he is in a witness protection program in this country, he testified about his role as a GRU agent and what his responsibilities were.

During that testimony, besides giving us an insight into the mindset of Soviet intelligence, he talked about what he thought may in fact continue to be some problems with our relationship with Russia today. One of the more troubling things that Lunev spoke of was when he was assigned to the Washington embassy of the former Soviet Union, under the cover of being a Tass correspondent, one of his primary responsibilities was to identify and locate potential sites for the drops and the location of sensitive Soviet military equipment and hardware that could be accessed in time of a conflict in the United States.

Now, we had no separate way of corroborating the testimony of Mr. Lunev at that time, yet these comments were made on the public record and were obviously of great concern to us. Well, this past summer something new happened, Mr. Speaker, and that was that the Cambridge scholar Christopher Andrew, who has written over 10 books, very scholarly books on intelligence operations around the world, and who has specialized in the intelligence of the former Soviet Union and the current practices of the current intelligence operations inside of Russia, Christopher Andrew was able to get access to a series of files that have been given to the British Government.

□ 2000

For 6 years he worked on the files in a way that allowed him to produce a book last month which was the basis of the hearing that I chaired. I want to go through that because the testimony of Christopher Andrew reinforces what Stanislav Lunev had said in our committee hearing 2 years prior. Some very troubling information came out of that, and there is, I think, reason for us to move quickly.

I have written to Secretary Albright and hope tonight to dwell upon why I think it is important for the administration to act on the findings of Christopher Andrew in his book.

It seems as though, Mr. Speaker, that the head archivist for the KGB files in Moscow for a period of over 20 decades by the name of Mitrokhin did not like the kind of activities the KGB was involved in in the Soviet era.

During his tenure as the chief archivist, there was a decision made in Moscow to relocate the central files of the KGB from downtown Moscow to one of the Ring Road sites. Since Mitrokhin was in charge of the archives, his job was to monitor these archives and always keep them under his control. In fact, he oversaw the move of the files had to be checked out of the Moscow site and then checked in at the new site, both of which were done by Mitrokhin and people who worked for him.

Now, he had been recognized during his career as an outstanding public servant in the Soviet Union. In fact in the book, there is a photograph of the documentation awarded to him signed by the chief of the KGB praising him for the outstanding work he did on behalf of the Soviet Union.

But because Mitrokhin privately did not like many of the practices of the KGB, especially those individual attacks on people and the attacks on ethnic groups, he secretly during his career of over 2 decades on a daily basis copied down in his own handwriting as many of the KGB files as he could. Each day during his tenure as the head archivist of the KGB, he would then place these handwritten notes inside of his clothing, would sneak them out of the KGB headquarters, and on a daily basis put them under the flooring of his dacha. He did this for a number of years, assembling a huge file of handwritten notes that basically were copied from the KGB archives.

In 1992, after the reforms took place in Russia, Mitrokhin emigrated through one the three Baltic states. He initially went to an American embassy and told them who he was and the kind of information he had. For some reason, he was not able to link up with the American Government to allow him to emigrate to the West. He then went to the British Embassy, and the Brits offered him complete asylum for himself and his family.

In fact, since 1992, he has been living along with his family under a secret identity in Great Britain. He brought the files with him, the handwritten notes that he had copied from the KGB archives.

Obviously, there was a huge wealth of information about actions that went on within the Soviet Union by their intelligence services. The Brits, when they got this cache of information, realized they had something that was invaluable because it gave the West the first complete insight into what kinds of actions and activities the KGB was involved in, what kinds of things against America and the West.

There were some other startling pieces of information in those files. The British Government, in getting these files, wanted them to be thoroughly examined, reviewed, and translated by someone that they had confidence in. And because of Christopher Andrew's reputation as a Cambridge scholar and Russian intelligence expert, they brought him in and gave him complete access to the Mitrokhin files.

For 6 years, Mr. Speaker, Mitrokhin on a regular daily basis met with Andrew and he and Christopher Andrew developed this publication which was released on the market in September of this year, just one month ago, entitled "The KGB Files: The Sword and the Shield, the Mitrokhin Archives and the Secret History of the KGB."

There is extensive documentation of what Mitrokhin found and the files that he was able to remove in his own handwritten notes. But, Mr. Speaker, I do not have time tonight to go into all the details the way the KGB manipulated the response in America to the J.F.K. assassination, the way the KGB attempted to manipulate the perceptions of the FBI here in our country. But all that is here in the book.

But there is one set of facts that I do want to focus on this evening because they involve the security of American people throughout this Nation.

Mr. Speaker, I am not satisfied with the response to date of what is contained in the files. In the files, Mr. Speaker, Mitrokhin spoke of the KGB during the Cold War era prelocating military hardware and equipment throughout Europe and throughout North America. These caches of weapons included transmitter technology, included in some cases detonating devices, in some cases included classified information about that country and its operations, and perhaps even included material that would be necessary for producing a weapon of mass destruction or perhaps even a weapon of mass destruction itself.

When Mitrokhin copied down the notes in this area, he could not copy down, because of time limitations and his own interest, every detailed location of every site in both Europe and North America because there were extensive amounts of sites all over the world, but he did document a few. But he also referenced locations throughout North America, many of which were in the United States where the KGB deliberately stored military materiel under the Earth in selected spots that were booby-trapped. These booby-trapped spots evidently are still in place today.

Now, when Mitrokhin in the archives gave this information to Christopher Andrew, who published this in his book, this reinforces, Mr. Speaker, what Stanislav Lunev told us 2 years ago, that the Soviet Union and the KGB had taken great efforts to pre-position military hardware inside of our country's borders buried at specific locations that could be accessed by Soviet operatives if and when the time came for conflict with the Soviet Union.

These sites were also located throughout Europe and the European countries. In fact, in the Mitrokhin archives it was noted that many, if not most, of these sites were booby-trapped with bombs that would go off if someone attempted to dig up the cache of weapon materiel.

Mr. Speaker, at least two countries that I am aware of, in getting information from the Mitrokhin files, were able to get the exact locations of the sites that Mitrokhin copied down from the KGB files, Switzerland and Brussels. In each case, the governments of those two countries went to the exact sites identified in the KGB files as outlined in this book.

The exact locations marked off by landmarks above ground led the governments and the agents of both of these countries to sites where they dug down. In each case, the sites were booby-trapped.

In fact, following the Swiss excavation of the one site, the Swiss Government put out a warning to its citizens that if they were to encounter a similar site, they should not go near it because the bombing device that was used to protect the site of the Soviet weaponry was strong enough to kill a human being.

The Swiss Government and the Belgium Government dug up these sites, and exactly where the Mitrokhin files said they would be, they found the military hardware that the Soviet Union had placed there without those countries having any idea of what the Soviets had done.

Now, someone would consider that to be an act of provocation for a foreign government to specifically locate materiel that could be used for war on the territory of another country during time of peace. In fact, in the book, Mr. Speaker, there are photographs of the site in Switzerland where the digging was done, where the cache of weapons was located, and there are photographs of what the Swiss recovered from that site.

Mr. Speaker, I include for the RECORD a press release dated September 15, 1999.

[From the Agence France—Presse, Sept. 15, 1999]

KGB CACHES DISCOVERED IN BELGIUM

BRUSSELS, Sept. 15 (AFP)—Three secret depots used by the Soviet intelligence service, the KGB, have been discovered in Belgium, national papers reported Wednesday.

The caches were found in forests in the centre of the country, and contained radio sets dating from the late 1960s, according to Jos Colpin, spokesman for the Brussels prosecutor's office.

The location of the hiding-places was revealed in documents passed over to Britain in 1992 by the former KGB archivist Vasily Mitrokhin.

Those documents form the basis of a new book—the Mitrokhin Archives, by British academic Christopher Andrew, to be published shortly.

This press release is from Agence France-Presse, and the headline is "KGB Caches Discovered in Belgium." One month ago, Mr. Speaker. And this is what it read from Brussels. September 15 is the date. "Three secret depots used by the Soviet intelligence service, the KGB, have been discovered in Belgium, national papers reported Wednesday. The caches were found in forests in the center of the country and contained radio sets dating from the late 1960s, according to Jos Colpin, spokesman for the Brussels prosecutor's office. The location of the hiding places was revealed in documents passed over to Britain in 1992 by the former KGB archivist Vasily Mitrokhin. Those documents form the basis of a new book, 'The Mitrokhin Archives,' by British academic Christopher Andrew, to be published shortly."

Well, that book has since been published.

So now, Mr. Speaker, we not only have the testimony of Lunev 2 years ago that, in fact, his job as an agent in the Soviet Embassy here in Washington was to locate sites in America where weapons caches could be prelocated, now we have confirmed information that several of these sites have been located based on the Mitrokhin files in both Switzerland and Belgium.

The question then arises, what about the sites in the United States?

Now, after talking to Christopher Andrew at length and after talking to the highest ranking KGB defector ever from the Soviet Union, Oleg Gordievski, who I had flown over here this past Wednesday to also testify before my committee, we now have information that in the Mitrokhin files are references to a number of sites throughout the U.S. where similar caches of weapons and technology were stored by the Soviet Union underground in specifically marked locations.

In talking to Christopher Andrew personally and in the hearing, we questioned him at length about whether or not the specific sites were noted as they were noted in the case of the Swiss and the Belgium sightings of the KGB materials. Christopher Andrew said that, to the best of his ability, he went through the Mitrokhin files, the notes, and he could not find specific locations in America of the kind that were provided for Switzerland and Belgium.

Now, I also called in the FBI, Mr. Speaker, last week before Christopher Andrew came in; and I talked to Louis Freeh and asked him to send over some agents, which he did. On Wednesday of last week, I met with three FBI agents who focus on Russia; and I asked them if they were aware of the Mitrokhin files, and they said they were. They agreed it was a massive source of unbelievable data that allowed to us see the kind of activities that the KGB had been involved in.

I asked the FBI if they knew whether or not their ability to have access to the Mitrokhin files provided by the British intelligence service allowed the FBI to see specific locations, and they told me that it did not. They knew of the general locations. They knew that there were locations supposedly in Minnesota, someplace near Brainerd, Minnesota; in Montana; in New York, presumably by the harbor there; near a pipeline in Texas; near harbor installations in California, as well as a number of general sites throughout America.

Neither the FBI nor Christopher Andrew were able to give me specific locations where we could direct our military or the FBI to go in and conduct an expedition to actually dig up the equipment much in the way that the Swiss and the Belgians did.

Our military, Mr. Speaker, in a press conference that was held at the Pentagon last month, was also asked a question by a media reporter after the book came out, if our military had been advised or if they knew that there were caches of weapons and materials that had been stored in the United States without our knowledge as documented by the Mitrokhin files.

The military officer who was conducting the press conference said the military was aware of the book, aware of the Mitrokhin archives, but were not aware of any specific sites identified.

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Mr. Speaker, at the hearing that occurred this past Wednesday, where I had Christopher Andrew himself and where I had Oleg Gordievski himself, the highest ranking KGB defector from Russia ever who in fact was the KGB London chief who ran that office there, and who worked in the KGB for decades, both of them unequivocally, emphatically said there is no doubt, no doubt whatsoever in their minds that the Soviets stored military equipment and hardware throughout the United States at installations that their agents dug up, placed this equipment underground, that this equipment was probably booby-trapped and it included not just telemetry equipment, not just radio equipment but probably included material that could be used for weapons, detonation equipment or perhaps even material involving weapons of mass destruction.

So now, Mr. Speaker, we have three people. We have Stanislav Lunev who 2 years ago said his job as an agent in Washington was to locate sites, in fact he said they were out in the Shenandoah Valley and in suburban Washington that he specifically went to to point out to his superiors back in Moscow, locations where the Soviets could drop materials, military materials, materials that could be accessed by Soviet agents. This past Wednesday, we have two other individuals, Gordievski, the KGB defector, and Christopher Andrew who has worked for 6 years with Mitrokhin on the archives, who have both unequivocally stated that there is no doubt in their minds that there is equipment today throughout the U.S. stored in sites that only the KGB knows the exact locations of.

Mr. Speaker, I am concerned, because this means that throughout this country, perhaps in forested areas as we saw occur in Belgium, perhaps in remote towns and villages or perhaps outside of major cities, there are perhaps scores of locations that have been secretly listed in the KGB archives that Mitrokhin did not copy down the exact locations of because he could not copy down every location of every site. That was not his main purpose. He wanted to show examples. The examples he picked were in Europe. But there is no doubt in the minds of the London chief of the KGB and Christopher Andrew who worked with Mitrokhin that in the KGB files back in Moscow are the specific identifying locations of every site in the U.S., in every State where these materials were deposited during the Cold War.

That would lead one to the obvious question that we would think would have already been asked, and that is what I asked of the FBI: Have we as a Nation since we found out this information asked Russia to give us the identity of the sites? Mr. Speaker, I can tell you in my conversation with the three FBI agents that I met with, their answer was that our government has not yet asked the Russian government to give us the exact locations of these sites. To further confirm that, when the Pentagon press conference was held last month on the same issue when it came up at a press conference, the Pentagon officer that was responding was asked the same question, have we asked the Russians for the specific sites of the U.S. locations. The answer was the same answer that I got from this FBI last week: "No, we have not asked that question."

Mr. Speaker, on the record this past Wednesday, Christopher Andrew told me on the record that our government has known about the sites in the U.S. for a minimum of 3 years, that he is aware of, where FBI and U.S. intelligence had access to the Mitrokhin files. His best guess is that the British intelligence probably gave these archives to the FBI when they got them back in 1992 and in 1993. And if that is the case, it means our government has known that this information existed for 6 or 7 years.

Mr. Speaker, what this tells us is for the past 6 or 7 years, no one from this administration has felt it important enough to ask the Russian government to give us the sites where these materials were stored by the Soviet Union during the Cold War which are still in place and which are probably in fact booby-trapped as the sites in Switzerland and Belgium were booby-trapped.

Now, Mr. Speaker, to me that is an outrage. It is an outrage and a dereliction of duties on the part of this administration. If we know as I now know that we know that the Mitrokhin archive records show that there are specific locations in America that we do not have the exact identity of, then it behooves this administration to make this a formal request of the Russian government. What amazes me, Mr. Speaker, is over the past 6 and 7 years, we have given the Russian government on average a billion dollars a year through direct programs. We have replenished the IMF with billions of dollars to help Russia's economy, even though much of it was ripped off by the corruption in Russia, largely centered around Boris Yeltsin. And we have also given money to the World Bank which has been used in Russia. We have leverage. I think it behooves Russia without leverage in this age of new cooperation to give us the specific information from the previous Communist-controlled KGB about where these materials were stored. We do not have that information today, Mr. Speaker.

At this point in time, Mr. Speaker, I would like to submit a letter for the RECORD signed by myself and the gentleman from Minnesota (Mr. OBERSTAR).

HOUSE OF REPRESENTATIVES,
Washington, DC, October 22, 1999.

Hon. MADELEINE ALBRIGHT,
Secretary of State,
Washington, DC.

DEAR SECRETARY ALBRIGHT: This week, the House Military Research and Development Subcommittee will hear testimony from author Christopher Andrew ("The Sword and the Shield: The Mitrokhin Archive and the Secret History of the KGB" and "KGB: The Inside Story") on KGB operations during the Soviet era and contemporary Russian threat perceptions.

In his most recent book, Andrew documents the extent to which Soviet leaders were convinced of an imminent nuclear war—as late as the 1980s. He also describes in great detail the lengths to which they were willing to go to prevail in the event of such a conflict. Among the more chilling revelations is the documented pre-deployment of arms and high explosives in Europe and the United States. These plans were documented by KGB archivist and defector Vasili Mitrokhin—who shared the most extensive collection of classified KGB notes ever with the British Intelligence Service, the United States and author Christopher Andrew.

While the disclosure of the KGB's weapons pre-deployment plan has led to the unearthing of weapons caches in Switzerland and Belgium, we understand that the United States still has not located Russian weapons sites here. According to officials at the Federal Bureau of Investigation (FBI), the United States only has information on the general vicinity of pre-deployed Russian weapons caches—such as the one reported to be located near Brainerd, Minnesota.

The Mitrokhin files were made available to the West in 1992, and European weapons sites were identified and removed last year. We are concerned that the United States still lacks the critical information necessary to remove these known dangers to its citizens. More troubling, these recent findings appear to confirm the testimony of former Russian military intelligence officer Stanislav Lunev, who last year told the House Military Research and Development Subcommittee of GRU operations involving the pre-deployment of atomic demolition units (often referred to as "nuclear suitcases") in the United States.

We are writing to inquire whether the United States government has ever asked the Russian government to provide detailed site information on pre-deployed weapons. If not, why not? Do we plan to request that information of the Russian government now? If the United States has requested that information of the Russians, please inform us when those inquiries were made, and what information was provided.

As we struggle to forge a new relationship with Russia, the existence of these weapons sites only serves to aggravate remaining tensions between our countries. We believe it is absolutely essential that the United States aggressively pursue the Russian government to identify all pre-deployed weapons sites in the United States, and that we eliminate such remnants of the Cold War. We ask your cooperation to ensure that happens, and look forward to hearing from you on the status of that effort.

Sincerely,

JAMES OBERSTAR,
Member of Congress.
CURT WELDON,
Member of Congress.

Mr. Speaker, the gentleman from Minnesota is a colleague of ours, a very capable Member, a member of the other party who lives and represents the district including Brainerd, Minnesota. I went to the gentleman from Minnesota when I had interviewed Christopher Andrew and when I told him I had Christopher Andrew and Oleg Gordievski coming to Washington to testify in open hearing. The gentleman from Minnesota came over to that hearing because obviously he is concerned for the safety of his constituents. He expressed the same degree of frustration that the administration had not yet asked the question as I did. So he and I penned this letter which is now a part of the CONGRESSIONAL RECORD for all Americans to see which he and I signed jointly on October 22 and sent to Secretary of State Madeleine Albright. In the letter, we outline that the Mitrokhin files which our intelligence and the British intelligence have said are the most significant information we have ever gotten from the former Soviet intelligence service and the fact that we have had access to these intelligence files for at least 3 and probably as much as 7 years, and yet we have been told by both the military and by the FBI that we have not asked the Russian government to provide detailed information on these predeployed weapons and military technology. And we asked the Secretary of State in the letter, if our information is wrong, if the FBI is mistaken, if the military is mistaken, then, Madam Secretary, tell us that we have asked the Russians, tell us when we asked the Russians and tell us what the response was so that we can reassure our constituents that we have located and dug up every site where the Soviets prelocated this military hardware and equipment. And if we have not requested that information from the Russians, which I am assuming we have not, then the question is, why have we not and when are we going to question the Russians to get their intelligence service, now known as the SBR, no longer the KGB, to give us the exact locations of the storage of these materials.

Mr. Speaker, I am not here to alarm the American people. I do not think that the Russians would be foolish enough, even the KGB, to store portable weapons of mass destruction in America underground, although I was with General Alexander Lebed 2½ years ago in May in his office in Moscow when he outlined to me that one of his responsibilities when he worked for Yeltsin as security adviser was to locate 132 suitcase-sized nuclear weapons that the Soviet Union had built, and using all the influence of his office, he was only able to locate 48 of those devices. Each of these small atomic demolition munitions, carrying a capacity of one to 10 kilotons. That is about the size of the bombing of Hiroshima, 10 kilotons, so it would produce a massive, massive explosion. After Lebed told us the story, and there were five Members of Congress with me from both parties, I came back to Washington and I asked the CIA if we had any information to know whether or not Lebed would in fact know this information that he had told us about trying to identify these small nuclear devices and whether or not we knew if they were safe. The CIA told me we did not have any way of knowing whether or not Lebed was being factual with us.

A TV producer for "60 Minutes" got ahold of our trip report when it was filed 2 months after we had been in Moscow and met with Lebed. The producer asked me if I was willing to do an interview on camera, which I agreed to. They traveled to Moscow and interviewed General Lebed, who by the way is now the governor of Krasnoyarsk, one of the largest republics in Russia. Those interviews aired in the lead story on national TV 2 months ago last September, and in that story Lebed reaffirmed what he told me and our delegation, that there were in fact loose nuclear suitcases, small atomic demolition munitions that he could not locate when he was Boris Yeltsin's top security adviser. The Russian government ridiculed Lebed when that came out publicly and they called him a traitor and said they had never produced such devices.

The worst part is, Mr. Speaker, when a press briefer over at the Pentagon following the criticism by the Russian government of Lebed, when that press briefer was asked to comment on the revelation by Lebed about the small nuclear suitcases, our government official at the Pentagon said, we have no reason to doubt the Russian government, thereby agreeing with the Russian government that they never produced these devices.

I then brought over a Russian friend of mine, Dr. Alexi Yablakov, who is one of the leading academic scientists in Russia, and in October of that year I had him testify before my committee. In a public hearing in Washington, he stated, not only was he aware of these devices but he had scientist friends who worked on these devices, some of which were being produced for the KGB. That is in the public record. So we had another individual from Russia, Alexi Yablakov, confirming what Lebed said about the production of small nuclear weapons that are portable and can be carried around. Again, the Russian government criticized Yablakov and said he was a fool and did not know what he was talking about.

Wanting to get to the bottom of the story, I traveled to Moscow in December of that year and I had a meeting with the defense minister of all of Russia, Defense Minister Sergeyev. He knows that I have been working on some proactive, positive efforts to help the Russian military, help them develop housing for their troops, helping them develop solutions for a terrible problem they have with their nuclear waste. After discussing the positive things that we are doing with the Russian military, I asked Defense Minister Sergeyev point-blank across the table, Defense Minister, will you please tell me, what is the truth about these small atomic demolition devices that Lebed has said existed that he could not locate and that Yablakov has verified were produced. The defense minister for Russia said to me in that meeting, yes, Russia produced such devices during the Cold War. And he further went on to say, and so did you in the States. He said, we are aware that you destroyed your small atomic demolition munitions years ago because we had witnessed such destruction. He went on to say, "Congressman WELDON, I assure you that by the year 2000, we will have dismantled all of our small atomic demolition munitions." That was 2 years ago come this December, Mr. Speaker. Whether or not they have all been destroyed, we have no idea. Whether or not Lebed was accurate in saying that some of them could in fact be up for sale to rogue nations or terrorists, we do not know. Whether or not Lunev was correct in saying his job as a Tass correspondent was to locate sites to put materials, we have to assume. But we now have two additional witnesses. We now have the highest ranking KGB defector in the history of the KGB, Oleg Gordievski, and we now have Christopher Andrew who has had access to the Mitrokhin files of the KGB's own archives telling us, there is no doubt, 100 percent certainty that the Soviet Union located military hardware and equipment inside the territory of our country at a number of locations which may have included, may, a nuclear device.

Now, we have no evidence to verify that such a device was located, but in the written and stated public testimony of both of these individuals on Wednesday, they both said there was a possibility that such devices could have been stored in an underground facility or an underground pit that would have been dug up by Soviet operators during the Cold War.

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Now, Mr. Speaker, again I am not trying to arouse a sense of uneasiness. I am just saying that we just do not know, we just do not know what types of devices were stored in our country underground at specific locations by Russian agents, Soviet agents, KGB agents. But we do know the storage was completed, we do know that there are sites all over this country where these materials are today still under ground probably in locations that are booby trapped if people were to approach them not knowing what they were encountering, and to the best of my knowledge at this moment our government has not asked the question of the Russian government about where these sites are.

Now one would ask the logical question: Why would our government not want to ask the Russian government? After all, they have said publicly that the files are the best information we have ever gotten.

Our intelligence service has said publicly that this is the best hard information we have ever gotten from the KGB. We have independently confirmed by Oleg Gordievsky, the highest-ranking KGB defector ever who was the London chief of the KGB desk for the Soviet Union.

So we have confirmation. There is no reason to doubt that what Mitrokhin found in the archives is true and that all over America today, perhaps in mountainous areas, perhaps in national parks, perhaps in remote and isolated areas that only the Soviet KGB knows, are stored Russian military equipment, technology and hardware, and the door is left open that perhaps there are weapons stored at some of these sites, weapons that could kill or harm significant numbers of American people.

Mr. Speaker, I am outraged that we have not asked the question. I bring this special order tonight before our colleagues and the American people because I want answers. I want to know what this administration is going to do to hold Russia accountable, to obtain the information from the SVR–KGB archives about the specific sites that have been identified that we know are in the KGB archives that we need to see and be able to respond to.

Mr. Speaker, I thank the staff for sticking around for this special order. I urge our colleagues to contact and interact with their constituents, and I urge Americans all over this country to interact with Members of Congress to demand of both a Member of Congress and the White House that we get answers about the Mitrokhin files, about this particular information relative to weapon storage and military material storage and to also begin to ask questions about much of the other material that is contained in the Mitrokhin archives.

This is only the first edition. Christopher Andrew expects a second edition to be out sometime in the Year 2000 which will go into more detail. We cannot wait for the second edition because we are then going to be able to see some people in America who during the Cold War the KGB thought were really acting on their behalf as opposed to America's behalf. They are going to be named in the next edition, and perhaps America will have a better insight into what really happened in this city during the Cold War period when the Soviet KGB was relying on key Americans to help them weaken our country and perhaps prepare for the ultimate, which would have been a direct military confrontation with our Nation.

Mr. Speaker, I bring this information to the attention of our colleagues in the spirit of wanting to work in a positive relationship with Russia, one that I consistently say must be based on strength, consistency and candor. In my opinion this administration has none of those three attributes, which is why we do not today have the information relative to this because I am convinced this administration does not want to raise this information because they think it would further embarrass Boris Yeltsin, and that has been the basis of our relationship for 8 years. President Clinton, Boris Yeltsin, AL GORE, Victor Chernomyrdin until he was removed from office, anything that surfaced that would embarrass either of those two Russian leaders we pretend it did not happen, whether it was the theft of IMF, whether it was the abuse of one of our Navy officers like Lieutenant Jack Daly, whether it was arms control violations, which I have said at numerous times on the floor of this House, or whether it was instability in Russia, that we did not want to call the attention of the people of this country for fear that it would embarrass Yeltsin in his homeland because that is the mainstay of our relationship, and I am convinced that that perhaps is the reason why we have failed to ask the question of the Russians about these devices, because this administration perhaps fears that when we start to dig up all over America locations of equipment that we know have been there for 3 or perhaps 7 years, there are going to be a lot of people in this country who are going to start to ask some very difficult questions of their elected leaders.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MASCARA (at the request of Mr. GEPHARDT) for today on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. ENGEL, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. MINGE, for 5 minutes, today.

(The following Members (at the request of Mr. SESSIONS) to revise and extend their remarks and include extraneous material:)

Mr. GOSS, for 5 minutes, today.

Mr. RYAN of Wisconsin, for 5 minutes, on November 3.

Mr. DIAZ-BALART, for 5 minutes, today and on November 1, 2, 3, and 4.

Mr. FOLEY, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. KASICH, for 5 minutes, today.

(The following Member (at her own request), to revise and extend her remarks and include extraneous material:)

Mrs. MORELLA, for 5 minutes, today.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 437. An act to designate the United States courthouse under construction at 333 Las Vegas Boulevard South in Las Vegas, Nevada, as the "Lloyd D. George United States Courthouse."

S. 1652. An act to designate the Old Executive Office Building located at 17th Street and Pennsylvania Avenue, NW, in Washington, District of Columbia, as the "Dwight D. Eisenhower Executive Office Building."

ADJOURNMENT

Mr. WELDON of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 36 minutes p.m.), under its previous order, the House adjourned until Monday, November 1, 1999, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4999. A letter from the Administrator, Marketing and Regulatory Programs, Department of Agriculture, transmitting the Department's final rule—Tomatoes Grown in Florida; Decreased Assessment Rate [Docket No. FV99-966-1 IFR] received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5000. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Programs to Help Develop Foreign Markets for Agriculture Commodities (Foreign Market Development Cooperator Program) (RIN: 0551–AA26) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5001. A letter from the Legislative and Regulatory Activities Division, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Extended Examination Cycle For U.S. Branches and Agencies of Foreign Banks (RIN: 3064–AC15) received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5002. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Vermont: Final Authorization of State Hazardous Waste Management Program Revision [FRL–6456–8] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5003. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistant, Department of Education, transmitting the Department's final rule—Student Assistance General Provisions (RIN: 1845–AA03) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5004. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—Institutional Eligibility Under the Higher Education Act of 1965, as amended and Student Assistance General Provisions (RIN: 1845–AA08) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5005. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Federal Perkins Loan Program (1845–AA05) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5006. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Energy Efficiency Program for Certain Commercial and Industrial Equipment: Test Procedures, Labeling, and Certification Requirements for Electric Motors; Final Rule (RIN: 1904–AA82) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5007. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Tennessee: Approval of Source Specific Revisions to the nonregulatory portion of the Tennessee SIP Regarding Emission Limits for Particulate Matter and Volatile Organic Compounds [TN–192–1–9962(a); TN–193–1–9963(a); FRL–6465–1] received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5008. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Priorities List for Uncontrolled Hazardous Waste Sites [FRL–6462–1] received October 18, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5009. A letter from the Director, Office of Congressional Affairs, Office of Nuclear Reactor Regulation, Nuclear Regulatory Commission, transmitting the Commission's final rule—Respiratory Protection and Controls to Restrict Internal Exposures (RIN: 3150–AF81) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5010. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 00–15), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5011. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Germany for defense articles and services (Transmittal No. 00–05), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5012. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to the Netherlands for defense articles and services (Transmittal No. 00–04), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5013. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Denmark for defense articles and services (Transmittal No. 00–03), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5014. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Circular 97–14; Introduction—received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5015. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Conditionally Accepted Items [FAC 97–14; FAR Case 98–002; Item XIII] (RIN: 9000–AI17) received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5016. A letter from the Deputy Archivist of the United States, Policy and Planning Staff, National Archives and Records Administration, transmitting the Administration's final rule—Nixon Presidential Materials (RIN: 3095–AA91) received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5017. A letter from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Determination of Threatened Status for Bull Trout in the Coterminous United States (RIN: 1018–AF01) received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5018. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Department's final rule—Atlantic Highly Migratory Species (HMS) Fisheries; Large Coastal Shark Fishery; Season Adjustments [I.D. 092299D] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5019. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Department's final rule—Fisheries of the Economic Exclusive Zone Off Alaska; Trawl Gear in the Gulf of Alaska [Docket No. 990304062–9062–01; I.D. 101599D] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5020. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Department's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Using Hook-and-line and Pot Gear in the Bering Sea and Aleutian Islands [Docket No. 990304063–9063–01; I.D. 101599F] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5021. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Department's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Reallocation of Pollock [Docket No. 990304063-9063-01; I.D. 101299E] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5022. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Department's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod Fishery by Vessels Using Trawl Gear in Bering Sea and Aleutian Islands Management Area [Docket No. 990304063-9063-01; I.D. 101599E] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5023. A letter from the Deputy Assistant Administrator for Fisheries, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Amendment 12 to the Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan (FMP); Amendment 8 to the Atlantic MACKerel, Squid, and Butterfish FMP; and Amendment 12 to the Atlantic Surf Clam and Ocean Quahog FMP [Docket No. 990301058-9225-02; I.D. 011499B] (RIN: 0648-AL56) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5024. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock by Vessels Catching Pollock for Processing by the Inshore Component in the Bering Sea Subarea [Docket No. 990304063-01; I.D. 102099A] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5025. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Commercial Inseason Adjustments and Closures from Cape Flattery to Leadbetter Point, WA [Docket No. 99040113-913-01; I.D. 090899A] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5026. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species (HMS) Fisheries; Vessel Monitoring Systems [Docket No. I.D. 071698B] (RIN: 0648-AJ67) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5027. A letter from the the Assistant Secretary of the Army, Civil Works, the Department of the Army, transmitting notification that the Secretary of the Army supports the authorization and plans to implement the project through the normal budget process; (H. Doc. No. 106—150); to the Committee on Transportation and Infrastructure and ordered to be printed.

5028. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Falcon 2000 Series Airplanes [Docket No. 98-NM-377-AD; Amendment 39-11365; AD 99-21-20] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5029. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310-300 and A300-600R Series Airplanes [Docket No. 99-NM-08-AD; Amendment 39-11366; AD 99-21-21] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5030. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319-131, A320-232 and -233, and A321-131 and -231 Series Airplanes [Docket No. 99-NM-96-AD; Amendment 39-11364; AD 99-21-19] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5031. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Avions Mudry et Cie Model CAP 10B Airplanes [Docket No. 99-CE-26-AD; Amendment 39-11368; AD 99-21-23] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5032. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-100, -200, -300, -400, and -500 Series Airplanes [Docket No. 98-NM-318-AD; Amendment 39-11360; AD 99-21-15] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5033. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace (Jetstream) Model 4101 Airplanes [Docket No. 99-NM-115-AD; Amendment 39-11356; AD 99-21-12] (RIN: 2120-AA64) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5034. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Disaster Assistance; Redesign of Public Assistance Program Administration (RIN: 3067-AC89) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5035. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Department Store Indexes [Rev. Rul. 99-46] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5036. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Extension of Announcement 99-5 [Announcement 99-106] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5037. A letter from the Deputy Executive Secretary to the Department, Office of Special Programs, Department of Health and Human Services, transmitting the Department's final rule—Organ Procurement and Transplantation Network—received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Commerce and Education and the Workforce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1533. A bill to compensate the Wyandotte Tribe of Oklahoma for the taking of certain rights by the Federal Government, and for other purposes (Rept. 106-421). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2632. A bill to designate certain Federal lands in the Talladega National Forest in the State of Alabama as the Dugger Mountain Wilderness (Rept. 106-422 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. GILMAN: Committee on International Relations. H.R. 1838. A bill to assist in the enhancement of the security of Taiwan, and for other purposes; with an amendment (Rept. 106-423 Pt. 1). Ordered to be printed.

Mr. ARCHER. Committee on Ways and Means. H.R. 3073. A bill to amend part A of title IV of the Social Security Act to provide for grants for projects designed to promote responsible fatherhood, and for other purposes; with an amendment (Rept. 106-424 Pt. 1). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Agriculture discharged from further consideration: H.R. 2632 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1838. Referral to the Committee on Armed Services extended for a period ending not later than November 5, 1999.

H.R. 2632. Referral to the Committee on Agriculture extended for a period ending not later than October 28, 1999.

H.R. 3073. Referral to the Committee on Education and the Workforce extended for a period ending not later than November 5, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. WILSON (for herself, Mr. DINGELL, Mr. COOK, Ms. ESHOO, Mr. FRANKS of New Jersey, Mr. HOLT, Ms. LOFGREN, Mr. MALONEY of Connecticut, Mr. ROGAN, and Mrs. TAUSCHER):

H.R. 3161. A bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes; to the Committee on Science, and in addition to the Committees on Commerce, Armed Services, Resources, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KUYKENDALL:

H.R. 3162. A bill to amend the Internal Revenue Code of 1986 to allow merchant mariners to be treated as citizens or residents of the United States living abroad; to the Committee on Ways and Means.

By Mr. SHUSTER (for himself, Mr. Oberstar, Mr. Petri, and Mr. Rahall) (all by request):

H.R. 3163. A bill to authorize appropriations for the Surface Transportation Board for fiscal years 2000 and 2001, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. GOSS (for himself, Mr. McCollum, Mr. Gilman, Mr. Hastert, Mr. Rangel, Mrs. Fowler, Mr. Young of Florida, Mr. Kolbe, Mr. Cox, Mr. Portman, Mr. Boehlert, Mr. Bass, Mr. Lewis of California, Mr. Dreier, Mr. LaHood, Mr. Blunt, Mr. Castle, Ms. Pryce of Ohio, and Mr. Armey):

H.R. 3164. A bill to provide for the imposition of economic sanctions on certain foreign persons engaging in, or otherwise involved in, international narcotics trafficking; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEPHARDT (for himself, Mr. Bonior, Mr. Rangel, Mr. Matsui, Mr. Stark, Mr. Coyne, Mr. Levin, Mr. McDermott, Mr. Lewis of Georgia, Mr. Jefferson, Mr. Becerra, Mrs. Thurman, Mr. Frost, Ms. Stabenow, Mr. Pomeroy, Mr. Maloney of Connecticut, Mr. Wise, Ms. Berkley, Mrs. Napolitano, Ms. Baldwin, Ms. DeLauro, Mr. Menendez, Mr. Holt, Mr. Baird, and Mr. Hoeffel):

H.R. 3165. A bill to protect and provide resources for the Social Security system, to reserve surpluses to protect, strengthen and modernize the Medicare Program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on the Budget, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BALDACCI:

H.R. 3166. A bill to establish a commission to study the impact of deregulation of the airline industry on small town America; to the Committee on Transportation and Infrastructure.

By Mr. ENGLISH:

H.R. 3167. A bill to reform the Federal unemployment benefits system; to the Committee on Ways and Means.

H.R. 3168. A bill to amend the Internal Revenue Code of 1986 to exclude from unrelated business taxable income amounts set aside by a volunteer fire department for the purchase of equipment for use by such department; to the Committee on Ways and Means.

H.R. 3169. A bill to amend the Internal Revenue Code of 1986 to repeal the inclusion in gross income of unemployment compensation; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 3170. A bill to amend title VII of the Civil Rights Act of 1964, and the Age Discrimination in Employment Act of 1967, and the Americans with Disabilities Act of 1990 to exclude individuals who are employed, and unlawfully present, in the United States; to the Committee on Education and the Workforce.

By Mr. FRANKS of New Jersey:

H.R. 3171. A bill to direct the Administrator of General Services to convey a parcel of land in the District of Columbia to be used for construction of the National Health Museum, and for other purpose; to the Committee on Transportation and Infrastructure.

By Mr. GOODLING (for himself, Mr. McKeon, and Mr. Andrews):

H.R. 3172. A bill to amend the welfare-to-work program and modify the welfare-to-work performance bonus; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HULSHOF (for himself, Mr. Watkins, Mr. Simpson, Mr. Hastings of Washington, Mr. Pomeroy, Mr. Walden of Oregon, Mr. Ewing, Mrs. Chenoweth-Hage, Mr. Skelton, Mr. Thompson of California, Mr. Bishop, Mr. Moran of Kansas, Mr. Bereuter, Mr. Nethercutt, Mrs. Emerson, Mr. Hayes, Mr. Dickey, Mr. Herger, Mr. Ryan of Wisconsin, and Mr. Brady of Texas):

H.R. 3173. A bill to amend the Trade Act of 1974 to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative; to the Committee on Ways and Means.

By Mr. McCRERY (for himself, Mr. Boehner, Mr. Shaw, Mr. Herger, Mr. Baker, Mr. Ramstad, Mr. Sununu, Mr. Bachus, Mr. LaTourette, Mr. Oxley, Mr. Collins, Mr. Portman, Mr. Watkins, Mr. Hayworth, Mr. McInnis, Mr. Lewis of Kentucky, Ms. Pryce of Ohio, Mr. Traficant, Mr. Sessions, Mr. Chambliss, Mr. Dickey, Mrs. Cubin, Mr. Hansen, and Mr. Stenholm):

H.R. 3174. A bill to amend the Internal Revenue Code of 1986, the Social Security Act, the Wagner-Peyser Act, and the Federal-State Extended Unemployment Compensation Act of 1970 to improve the method by which Federal unemployment taxes are collected and to improve the method by which funds are provided from Federal unemployment tax revenue for employment security administration, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MINGE (for himself, Mr. Stenholm, Mr. John, Mr. Cramer, and Mr. Phelps):

H.R. 3175. A bill to amend chapter 31 of title 31, United States Code, to require the Secretary of the Treasury to reduce the debt held by the public in fiscal year 2000 by up to the amount of surplus in the Social Security trust funds, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MINK of Hawaii:

H.R. 3176. A bill to direct the Secretary of the Interior to conduct a study to determine ways of restoring the natural wetlands conditions in the Kealia Pond National Wildlife Refuge, Hawaii; to the Committee on Resources.

By Ms. NORTON:

H.R. 3177. A bill to amend the Public Health Service Act to provide for a national program to conduct and support activities toward the goal of significantly reducing the number of cases of overweight and obesity among individuals in the United States; to the Committee on Commerce.

By Mr. PETERSON of Minnesota:

H.R. 3178. A bill to amend the Internal Revenue Code of 1986 to make the dependent care credit refundable and to provide for advance payments of such credit; to the Committee on Ways and Means.

By Mr. REYNOLDS:

H.R. 3179. A bill to amend the Act establishing the Women's Rights National Historical Park to permit the Secretary of the Interior to acquire title in fee simple to the Hunt House located in Waterloo, New York; to the Committee on Resources.

By Mr. SALMON (for himself, Mr. Oberstar, Mr. Metcalf, Mr. Inslee, Mr. Stark, and Mr. Frelinghuysen):

H.R. 3180. A bill to amend the Telemarketing and Consumer Fraud and Abuse Prevention Act to authorize the Federal Trade Commission to issue new rules regulating telemarketing firms, and for other purposes; to the Committee on Commerce.

By Mr. UDALL of New Mexico (for himself, Mr. Hayworth, and Mr. Cannon):

H.R. 3181. A bill to permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or alloted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease; to the Committee on Resources.

By Mr. YOUNG of Alaska:

H.R. 3182. A bill to provide for a land conveyance to the city of Craig, Alaska, and for other purposes; to the Committee on Resources.

H.R. 3183. A bill to provide grants to the State of Alaska for the purpose of assisting that State in fulfilling its responsibilities under sections 803, 804, and 805 of the Alaska National Interest Lands Conservation Act, and for other purposes; to the Committee on Resources.

By Mr. DREIER (for himself and Mr. Pomeroy):

H. Con. Res. 213. A concurrent resolution encouraging the Secretary of Education to promote, and State and local educational agencies to incorporate in their education programs, financial literacy training; to the Committee on Education and the Workforce.

By Mr. McINTOSH:

H. Con. Res. 214. A concurrent resolution expressing the sense of Congress that direct systematic phonics instruction should be used in all schools; to the Committee on Education and the Workforce.

By Mr. LAMPSON (by request):

H. Con. Res. 215. A concurrent resolution calling on the President and the American people to renew their commitment to the fundamental principles which guided the Founders of this Nation; to the Committee on Education and the Workforce.

By Mr. ROGAN (for himself, Mr. Radanovich, Mr. Pallone, Mrs. Morella, Mr. Tierney, Mr. Capuano, Mrs. Lowey, Mr. Waxman, Mrs. Maloney of New York, Mrs. McCarthy of New York, Mrs. Bono, Mr. Abercrombie, Mr. Porter, Mr. Engel, Mr. Crowley, Mr. Franks of New Jersey, Mr. McKeon, Mr. Meehan, Mr. Costello, Mr. McGovern, Mr. Menendez, Mr. Horn, Mr. Barrett of Nebraska, Ms. Eshoo, Mr. Weygand, Mr. Bilbray, Mr. Doyle, Mr. GONZALEZ, Mr. BROWN of Ohio, Mr. DINGELL, Mrs. NAPOLITANO, Mr. VISCLOSKY, Mr. PITTS, Mr. LEVIN, and Mr. DREIER):

H. Con. Res. 216. A concurrent resolution condemning the assassination of Armenian Prime Minister Vazgen Sargsian and other officials of the Armenian Government and mourning this tragic loss of the duly elected leadership of Armenia; to the Committee on International Relations.

By Ms. BROWN of Florida:

H. Res. 346. A resolution expressing the sense of the House of Representatives that "Family Hour", the time period between 8 p.m. and 9 p.m., should be set aside by the television industry for family-oriented programming; to the Committee on Commerce.

By Mr. CAPUANO (for himself, Mr. BLAGOJEVICH, Mr. LAFALCE, Mr. PASCRELL, Mr. FOSSELLA, Mr. LAZIO, and Mr. ENGEL):

H. Res. 347. A resolution expressing the sense of the House of Representatives in support of "Italian-American Heritage Month" and recognizing the contributions of Italian Americans to the United States; to the Committee on Government Reform.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. WAXMAN introduced a bill (H.R. 3184) for the relief of Zohreh Farhang Ghahfarokhi; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. SWEENEY and Mr. MCGOVERN.

H.R. 123: Mr. WATKINS, Mr. DEMINT, and Mr. PETRI.

H.R. 133: Mrs. EMERSON.

H.R. 303: Mr. JACKSON of Illinois, Mr. RADANOVICH, Mr. FOSSELLA, Mr. PAYNE, Mr. MCGOVERN, Mr. SWEENEY, Mr. MICA, and Mr. LAMPSON.

H.R. 353: Mr. WALDEN of Oregon.

H.R. 382: Ms. NORTON, Mr. LAHOOD, Mrs. LOWEY, Mr. DIXON, Mr. NADLER, Mrs. MCCARTHY of New York, Mr. MCNULTY, and Ms. LOFGREN.

H.R. 383: Mr. CALVERT.

H.R. 408: Mr. GANSKE, Mr. KOLBE, Mr. COOK, Mr. SMITH of Texas, Mr. SKELTON, Mr. KLINK, Mr. GILCHREST, Mr. NEY, Mr. VENTO, and Mr. PRICE of North Carolina.

H.R. 464: Mr. VITTER.

H.R. 505: Mr. MARTINEZ.

H.R. 531: Mr. KIND, Mr. WAMP, and Mrs. EMERSON.

H.R. 532: Mr. BROWN of Ohio and Mr. THOMPSON of Mississippi.

H.R. 534: Mr. KUYKENDALL and Mr. LARSON.

H.R. 566: Mr. MATSUI.

H.R. 623: Ms. KILPATRICK and Mr. FOLEY.

H.R. 670: Mr. CONYERS, Mr. MARTINEZ, and Mr. DAVIS of Virginia.

H.R. 684: Mr. DELAHUNT.

H.R. 692: Mr. WAMP.

H.R. 721: Mr. ISTOOK.

H.R. 742: Mr. PALLONE.

H.R. 750: Mr. SHERMAN.

H.R. 783: Mr. MARTINEZ.

H.R. 838: Mr. CAPUANO, Mr. EVANS, Ms. ESHOO, and Mr. WU.

H.R. 868: Mr. SOUDER.

H.R. 888: Mr. EWING.

H.R. 1044: Mr. HERGER, Mr. ISTOOK, and Ms. DANNER.

H.R. 1046: Mr. CAMPBELL.

H.R. 1070: Mr. COBURN.

H.R. 1071: Mr. MURTHA.

H.R. 1077: Mr. DOOLITTLE.

H.R. 1190: Mrs. JOHNSON of Connecticut.

H.R. 1194: Mr. BARR of Georgia.

H.R. 1275: Mrs. MALONEY of New York, Ms. ESHOO, Mr. HINCHEY, Mr. WELLER, Mr. MCCOLLUM, Mr. WU, Ms. SLAUGHTER, Mr. PICKERING, Mr. MCGOVERN, Mr. GILMAN, Mr. SAM JOHNSON of Texas, and Mr. KLECZKA.

H.R. 1287: Mr. MALONEY of Connecticut, and Mr. BLUMENAUER.

H.R. 1356: Mr. KING and Mr. PORTER.

H.R. 1358: Mr. ANDREWS and Mr. ALLEN.

H.R. 1546: Mr. CALVERT.

H.R. 1592: Mr. BONILLA.

H.R. 1593: Mr. LAHOOD.

H.R. 1621: Mr. STRICKLAND and Mr. LANTOS.

H.R. 1671: Mr. FOLEY.

H.R. 1775: Mr. MCCRERY, Mr. PORTER, Mr. ABERCROMBIE, Mr. KING, Mr. EHRLICH, Mrs. FOWLER, Mr. FRELINGHUYSEN, and Mrs. ROUKEMA.

H.R. 1838: Mr. CROWLEY.

H.R. 1841: Mr. HINOJOSA and Mr. TIERNEY.

H.R. 1869: Mrs. BONO.

H.R. 1977: Mrs. MINK of Hawaii.

H.R. 2053: Mr. KING.

H.R. 2141: Ms. CARSON and Mr. DEAL of Georgia.

H.R. 2149: Mr. EDWARDS.

H.R. 2162: Mr. ALLEN.

H.R. 2177: Mr. ENGEL.

H.R. 2178: Mr. ENGEL.

H.R. 2200: Mrs. KELLY.

H.R. 2241: Mr. GOODLING and Mr. DUNCAN.

H.R. 2245: Mr. DICKEY.

H.R. 2258: Mr. STRICKLAND and Mr. LEWIS of Georgia.

H.R. 2266: Mr. CLAY.

H.R. 2282: Mr. WAMP.

H.R. 2319: Mr. DEAL of Georgia.

H.R. 2362: Mr. DIAZ-BALART.

H.R. 2372: Mr. MCKEON, Mr. MCINNIS, Mr. ROTHMAN, Mrs. FOWLER, Mr. WALDEN of Oregon, Mr. REYNOLDS, Mr. YOUNG of Alaska, Mr. BURR of North Carolina, and Mr. DEMINT.

H.R. 2382: Mr. SIMPSON, Mr. UNDERWOOD, and Mr. BARCIA.

H.R. 2418: Mr. WELDON of Florida and Mr. CANADY of Florida.

H.R. 2419: Mr. ENGLISH, Mr. OSE, and Mr. PASTOR.

H.R. 2420: Mr. BRADY of Pennsylvania, Mr. JOHN, Mr. GREEN of Wisconsin, Mr. HOLDEN, Mr. BLAGOJEVICH, Mr. QUINN, Mr. KUYKENDALL, Mr. LEVIN, and Mr. SAXTON.

H.R. 2655: Mr. HAYWORTH and Mr. HERGER.

H.R. 2713: Mr. HINOJOSA, Mr. PAYNE, Mr. RUSH, and Mr. LARSON.

H.R. 2722: Mrs. TAUSCHER, Mr. TIERNEY, Ms. KILPATRICK, and Mr. LIPINSKI.

H.R. 2728: Ms. BALDWIN.

H.R. 2733: Mr. RAHALL.

H.R. 2735: Ms. DUNN, Mr. FOLEY, and Mr. MANZULLO.

H.R. 2738: Mr. FROST, Ms. DELAURO, and Ms. WOOLSEY.

H.R. 2749: Mr. COLLINS, Mr. HAYWORTH, Mr. RODRIGUEZ, and Mr. CAMP.

H.R. 2764: Mr. ORTIZ, Mr. REYES, Mr. RODRIGUEZ, Ms. ROYBAL-ALLARD, Mr. SERRANO, Ms. VELÁZQUEZ, and Mr. LARSON.

H.R. 2776: Ms. ESHOO and Mr. WEINER.

H.R. 2814: Mrs. TAUSCHER, Mr. HOSTETTLER, and Mr. THOMPSON of California.

H.R. 2815: Mr. HOSTETTLER, Ms. DUNN, Mr. ROYCE, Mr. TALENT, Mr. BACHUS, Mr. ISTOOK, Mr. NORWOOD, Mr. WHITFIELD, Mr. SHIMKUS, Mr. STEARNS, Ms. SLAUGHTER, Mr. DEUTSCH, Mr. MCGOVERN, Mr. GOODE, Mr. JONES of North Carolina, Mr. BERRY, Mr. BONIOR, Ms. PELOSI, Mr. BARCIA, Mr. STENHOLM, Mr. SALMON, Mr. MOAKLEY, Mr. CRANE, Mr. COOKSEY, Mr. OLVER, Mr. GALLEGLY, Mr. GOODLATTE, Mr. SHUSTER, Mr. ARCHER, Mr. DIAZ-BALART, Mr. MICA, Mr. GORDON, Mr. MARKEY, Mr. DIXON, Mr. REYES, Mr. SAWYER, Mr. VENTO, Mr. WELDON of Pennsylvania, Mr. DAVIS of Florida, Mr. LEWIS of Georgia, Mr. THOMPSON of California, Mr. WALSH, Mr. SHADEGG, Mr. BEREUTER, Mr. DUNCAN, Mr. HYDE, Mr. RILEY, Mr. KUCINICH, Mr. KINGSTON, Mr. ACKERMAN, Mr. BECERRA, Mrs. MINK of Hawaii, Mr. CONYERS, Mr. ALLEN, Mr. NEY, Mrs. MCCARTHY of New York, Mr. PASCRELL, Mr. BRADY of Pennsylvania, Mr. HOLDEN, Mr. KLINK, Mr. KANJORSKI, Mr. MATSUI, Mr. STARK, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. MEEK of Florida, Mr. METCALF, Mr. LEACH, Mr. TOWNS, Mr. COBURN, Mr. ROGERS, Mr. HASTERT, Mr. GREENWOOD, Mr. WATTS of Oklahoma, Mr. GUTKNECHT, Mr. LEWIS of Kentucky, Mr. TERRY, Mr. BARTLETT of Maryland, Mr. WELLER, Mr. PORTMAN, Mrs. MORELLA, Ms. LOFGREN, Mr. SMITH of Texas, Ms. LEE, Mr. REYNOLDS, Mr. CAMPBELL, Mr. VITTER, Mr. SPENCE, Mr. COOK, Mr. POMBO, Mr. DELAY, Mr. GREEN of Wisconsin, Mr. FRANKS of New Jersey, Mr. LEWIS of California, Mr. CALVERT, Mr. BLILEY, Mr. BALLENGER, Mr. CAMP, Mr. ISAKSON, Mr. THORNBERRY, Mrs. ROUKEMA, Mr. HORN, Mr. RADANOVICH, Mr. HUNTER, Mr. BONILLA, Mr. FRELINGHUYSEN, Mr. SHAYS, Mr. PACKARD, Mr. LUCAS of Oklahoma, Mr. NUSSLE, Mr. PORTER, Mr. ROHRABACHER, Mrs. MYRICK, Mr. PETERSON of Pennsylvania, Mr. HEFLEY, Ms. JACKSON-LEE of Texas, Mr. PITTS, Mr. HILLEARY, Mrs. KELLY, Mr. BARR of Georgia, Mr. GOSS, Mr. EVERETT, Mrs. FOWLER, Mr. DEAL of Georgia, Mr. LATHAM, Mr. BERMAN, Mr. BOUCHER, Mr. MEEKS of New York, Mr. TURNER, Mr. SNYDER, Mr. WATT of North Carolina, Mr. QUINN, Mr. YOUNG of Alaska, Mr. YOUNG of Florida, Mr. RYUN of Kansas, Mr. FORBES, Ms. BERKLEY, Mr. SHAW, Mr. LAHOOD, Mr. KASICH, Ms. BALDWIN, Mr. HASTINGS of Florida, Mr. DOYLE, Mr. GONZALEZ, Ms. SCHAKOWSKY, Mr. KILDEE, Mr. TRAFICANT, Mr. SKEEN, Mr. BILIRAKIS, Mr. WEYGAND, Mr. RANGEL, Mr. WISE, Mr. GREEN of Texas, Mr. DICKEY, Mr. RYAN of Wisconsin, Mr. TIAHRT, Mr. GEKAS, Mrs. EMERSON, Mr. HERGER, Mr. MANZULLO, Mrs. JOHNSON of Connecticut, Mr. SHOWS, Ms. MILLENDER-MCDONALD, Ms. PRYCE of Ohio, Mr. COLLINS, Mr. MORAN of Kansas, Mr. GIBBONS, Mr. DREIER, Mr. REGULA, Mr. LEVIN, Mr. WEINER, Mr. UDALL of Colorado, Mr. BLAGOJEVICH, Mr. NADLER, Mr. CUNNINGHAM, Mr. GOODLING, Mr. KUYKENDALL, Mr. CANNON, Mr. HUTCHINSON, Mr. KING, Mr. CHAMBLISS, Mr. CALLAHAN, Mr. STUMP, Mr. OXLEY, Mr. ADERHOLT, Mr. PALLONE, Mr. MOORE, Mr. DELAHUNT, Mr. HALL of Texas, Mr. MEEHAN, Mr. FRANKS of Massachusetts, Mr. FOSSELLA, Mr. KOLBE, Mr. SOUDER, Mr. HOBSON, Mrs. CHENOWETH-HAGE, Mr. BOEHLERT, Mr. ARMEY, Mr. BURR of North Carolina, Mr. INSLEE, Ms. WATERS, Mr. RODRIGUEZ, Mr. TIERNEY, Mr. TAYLOR of Mississippi, Ms. ESHOO, Mr. FARR of California, Mr. KIND, Mr. MOLLOHAN, Mr. RAHALL, Mr. WU, Mr. BENTSEN, Mr. MCINTYRE, Mr. HILL of Indiana, Mr. CHABOT, Mr. DOOLITTLE, Mr. NETHERCUTT, Mr. HASTINGS of Washington, Mr. GILCHREST, Mr. FOLEY, Mr. CANADY of Florida, Mr. DAVIS of Virginia, Mrs. NORTHUP, Mr. GARY MILLER of California, Mrs. NAPOLITANO, Mr. MCCOLLUM, Mr. OSE, Mr. FLETCHER, Mr. HAYWORTH, Mr. HULSOF, Mr. SENSENBRENNER, Mr. WELDON of Florida, Mr. ENGLISH, Mr. WAMP, Mr. GRAHAM, Mrs. BONO, Ms. ROS-LEHTINEN, Mrs. Wilson, Mr. Pickering, Mr. Cox, Ms. Granger, Mrs. Biggert, Mr. Jenkins, Mr. Spratt, Mr. Abercrombie, Mr. Buyer, Mr. Blunt, Mr. Brady of Texas, Mr. Miller of Florida, Mr. Andrews, Ms. Danner, Mr. Ewing, Mr. Coble, Mr. Tauzin, Mr. Bateman, Mr. Gilman, Mr. Hoekstra, Mr. Schaffer, Mr. Thune, Mr. Tancredo, Mr. DeMint, Mrs. Cubin, Mr. Barrett of Nebraska, Mr. Boehner, Mr. Ehlers, Mr. Sherwood, Mr. Gillmor, Mr. Ganske, Mr. Bilbray, Mr. Martinez, Mr. Condit, Mr. McKeon, Mr. Sam Johnson of Texas, Mr. Pease, Mr. Thomas, Mr. Ehrlich, Mr. Wicker, Mr. Hayes, Mrs. Capps, Mr. Udall of New Mexico, Mr. Sisisky, Mr. Cramer, Mr. Barrett of Wisconsin, Mr. Brown of Ohio, Mr. Waxman, Mr. Largent, Ms. Kaptur, Mr. DeFazio, Ms. DeGette, Mr. John, Mr. Boyd, Mr. Gutierrez, Mr. Phelps, Ms. Roybal-Allard, Mr. Larson, Mr. Crowley, Mr. Baldacci, and Mrs. Tauscher.

H.R. 2819: Ms. Eddie Bernice Johnson of Texas.

H.R. 2827: Mr. Manzullo, Mr. Costello, and Mr. Boswell.

H.R. 2894: Mr. Watkins.

H.R. 2907: Mr. McGovern and Mr. Underwood.

H.R. 2925: Mr. McCollum, Mr. Greenwood, Mr. Barcia, and Mr. Gillmor.

H.R. 2947: Mr. Wu and Mr. Martinez.

H.R. 2955: Mr. McDermott, Mr. Gutierrez, Mr. Crowley, Mr. McGovern, Mr. Payne, and Ms. Norton.

H.R. 2960: Mrs. Emerson and Mr. Manzullo.

H.R. 2966: Mr. Bishop, Mr. Conyers, Mr. Etheridge, Mr. Green of Texas, Mr. Hilliard, Mr. Kennedy of Rhode Island, Mr. McGovern, Mrs. Mink of Hawaii, Mr. Olver, Mr. Romero-Barcelo, Mr. Taylor of North Carolina, Mrs. Thurman, and Mr. Watts of Oklahoma.

H.R. 2985: Mr. Sununu.

H.R. 2991: Mr. Simpson, Mrs. Chenoweth-Hage, Mr. Pickering, Mr. Peterson of Pennsylvania, Mr. Moore, Mr. Hefley, Mr. Smith of Michigan, and Mr. Dickey.

H.R. 3047: Mr. Payne, Mr. Visclosky, and Mr. Martinez.

H.R. 3058: Mr. Franks of New Jersey, Mr. Frost, Mr. Stupak, Mr. Gutierrez, Mr. Underwood, Mr. Sanders, Mrs. Morella, Mr. Evans, and Mr. Berman.

H.R. 3075: Mr. Kuykendall.

H.R. 3082: Mr. Shaw.

H.R. 3086: Mr. Olver.

H.R. 3095: Mr. Blagojevich.

H.R. 3144: Ms. Eshoo, Mr. Forbes, and Mr. Oberstar.

H.J. Res. 46: Mr. Traficant, Mr. Kildee, Mr. Hall of Ohio, Mr. Everett, Mr. McKeon, and Mr. Spence.

H. Con. Res. 60: Mr. Martinez and Mr. Visclosky.

H. Con. Res. 62: Mr. Sandlin, Mr. Watkins, and Mr. Frost.

H. Con. Res. 186: Mr. Royce, Mr. Coble, Mr. Ryan of Wisconsin, Mr. Hulshof, and Mr. Hall of Texas.

H. Con. Res. 199: Mr. Istook, Mr. Jones of North Carolina, Mr. Hilleary, Mr. Souder, Mr. Burr of North Carolina, and Mr. LaHood.

H. Res. 169: Ms. Kilpatrick.

H. Res. 238: Mr. Rahall.

H. Res. 298: Mr. Shuster and Mr. Allen.

H. Res. 325: Mr. Moore and Mr. Hinojosa.

H. Res. 332: Mr. Wolf.

H. Res. 340: Mr. Ackerman.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3140: Mr. Blunt.

SENATE—Thursday, October 28, 1999

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Jehovah-Shalom, You have promised us peace that passes all understanding. That is the quality of the peace that we need for today. It is beyond our understanding that You can produce serenity in our souls when there is so much that is unfinished and unresolved and unforgiven in us: in our relationships, in our work, and in our society. Sometimes we even deny ourselves the calm confidence of Your peace because we are so aware of what denies Your peace in us. Take from us the strain and stress as our anxious hearts confess our need for You. Grant us Your incomprehensible but indispensable, palpable peace so we can be peacemakers. Give the Senators a fresh infusion of Your peace so that they may deal with the disagreements and discord of the legislative process. Help them to overcome problems and endure the pressures of these days. In the name of the Prince of Peace. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO, a Senator from the State of Idaho, led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Idaho is recognized.

SCHEDULE

Mr. CRAPO. Mr. President, the Senate will be in a period of morning business until 10:30 a.m. Following morning business, the Senate will resume consideration of the pending Ashcroft amendment to H.R. 434, the African trade bill. As a reminder, there will be a cloture vote on the substitute amendment 1 hour after convening tomorrow. It is still hoped that an agreement can be reached to allow the Senate to complete action on this trade bill by the end of the week. The Senate may also consider any legislative or executive items cleared for action.

I thank my colleagues for their attention.

MORNING BUSINESS

The PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I seek recognition in morning business, and I make an inquiry of the Chair as to how much time has been allocated in morning business.

The PRESIDENT pro tempore. The Senator has 10 minutes.

Mr. DURBIN. I thank the Chair.

FINISHING THE SENATE'S BUSINESS

Mr. DURBIN. Mr. President, many people who are watching the business of Capitol Hill are curious as to the current state of affairs. We are obviously past our deadline of October 1 for a new fiscal year. We were supposed to have passed all of the appropriations or spending bills by that time. Very few Congresses ever achieve that, and this Congress did not. But most Congresses reach a point in the late days of October where we at least know the end game, we know how it is going to end, and we are merely putting paperwork together.

Well, we are not quite there yet. In fact, we are in a situation where there is great doubt about how this session will come to an end, and it is a great irony that we would be questioning how it will end in light of all the circumstances that we face. This is an extraordinarily good time for America in terms of the state of our economy, its growth, the creation of jobs, keeping inflation under control, and giving businesses opportunities to start and expand. All of these things are good signs. In fact, we are generating enough money now in terms of revenues to the Federal Government that we have gone beyond the era of deficits and have now started talking about the era of surpluses.

It was a little over 2 years ago that we were fixated in this Chamber on passing a constitutional amendment to balance the budget. There were some Members of the Senate who had literally given up hope that the Senate could meet its own responsibility, and they insisted that a constitutional amendment be passed to give the Federal courts the authority to enforce the law and stop Congress from spending. That is how desperate many of these Members of the Senate were in terms of the deficit situation.

Well, things have changed dramatically; 2½ years later we now seem to be at an impasse over a surplus, not over a deficit. That amendment did not pass. It lost by one vote. I voted against it and would do it again. Now we are talking about surpluses and what to do with them.

The interesting thing about this debate, though, is we are not focusing on individual appropriations bills but really keep returning to a subject that has been around since 1935, because it was in 1935 that Franklin Roosevelt showed the vision and the political courage to create Social Security. In creating the Social Security system, he really said that we were going to do something dramatic to make sure our parents and grandparents could live in dignity when they reached retirement age. Some people, primarily from the other side of the aisle, called it socialism. They said, no, we aren't going to go along with "New Deal" politics creating these massive government programs. This same Republican voice was heard time and again for decades over the creation of Social Security; that it was a bad idea; it was socialism; it was too much government.

Yet the program endured. Thank goodness it did because it changed the lives of Americans for the better and gave us hope that in our senior years, in our years of retirement, we could be independent and live in dignity. Look at what we have today—so many healthy, vibrant seniors leading great lives, knowing they have a safety net called Social Security in which they have invested through all of their work experience. It is not enough to lead a luxurious life by far, but it certainly gives people that safety net, and they are glad they have it.

We are debating about what to do with Social Security as we end this session. It is a principal source of retirement income for two-thirds of the elderly. Listen to these statistics: In 1959, 40 years ago, the poverty rate for senior citizens was 35 percent, one out of three. In 1998, it was 10.5 percent, the lowest on record. Last year, Social Security benefits lifted roughly 15 million senior citizens out of poverty.

That is what it means. It means people who would not be able to make it can make it, at least barely make it, if they are relying on Social Security. It is more than just a retirement program because one out of five people who receive benefits under Social Security are either disabled, mentally or physically, or they are the survivors of those who paid into the system.

We on the Democratic side have for years advocated the protection of Social Security. In that debate I mentioned earlier about a balanced budget amendment, we offered an amendment on our side and said we did not want

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

the budget to be balanced by using the Social Security trust fund. Well, we offered that amendment and only two Republican Senators voted for it. When we tried to protect the Social Security trust fund from being raided as part of that constitutional amendment, only two Republican Senators would join us and we were not successful.

Now we have this whole question about whether or not we are currently spending the Social Security trust fund. There have been ads run by political parties saying this fund should be held sacred and it should not be touched. Yet when we look at the record, the Congressional Budget Office tells us, as of a month ago the Republican appropriations bills already use $18 billion of the Social Security surplus. This estimate assumed appropriations bills already enacted or those in accordance with the then-current status in the House of Representatives. Since September 29, the use of the Social Security surplus has grown.

I think that is a challenge to some of the advertising being put on television by the other side of the aisle. The facts do not back them up. Republicans have talked about protecting Social Security, but, frankly, they have not. They have used $18 billion of the Social Security trust fund so far.

They do not want to talk about a program which a few months ago was their pride and joy, the so-called Republican tax cut; a $792 billion tax cut, the vast bulk of which went to the wealthiest people in this country. That tax cut idea went over like a lead balloon. People across America said: Why in the world do you want to talk about a tax cut when we have a national debt we should be concerned about, when we have the future of Social Security we should be concerned about, when we have Medicare we are concerned about? Why do you want to talk about a tax cut primarily for wealthy people?

If you remember the Republicans went out in August and said we are going to take our case to the people. They came back after the August recess and said: We are going to close the books on this case. The people aren't interested. We will talk about it next year.

The American people were interested enough to take a look at and reject this Republican tax cut, and it is a good thing they did for the sake of Social Security. Estimates suggest that some $83 billion would have had to come out of the Social Security trust fund to pay for the Republican tax cut package for wealthy people. That was not going to fly. The American people let the Republican leadership know that and they dropped their tax cut plan from their agenda and came back and said instead we are dedicated to protecting Social Security.

Let me tell you, the President has the right idea when it comes to the solvency of the Social Security trust fund. He wants to make sure we lock away that trust fund so it cannot be raided and so we can say to future generations: Social Security is not only solvent to the year 2032 or 2034, but beyond. I think he is on the right track.

The President's Social Security lockbox ensures another generation can receive benefits from this important program. It locks away interest savings for Social Security. It transfers interest savings to the Social Security trust fund. It extends the solvency of the Social Security system to the year 2050.

One other point that bears mentioning, we must address the needs of the future of Medicare. Time and again, the debate on this floor has ignored the Medicare Program. Medicare is the health insurance program for seniors and disabled that, frankly, needs attention at this moment more than any other program. It will be insolvent by the year 2015. Yet precious little is said or done in the debates on Capitol Hill to address the needs of the Medicare system.

The Medicare trust fund will go bankrupt in 2015. To make matters worse, the strains in the system will continue to increase as the baby boom generation retires, with the number of Medicare-eligible seniors expected to double to almost 80 million within a few decades. We have proposed, on the Democrat side, to lock away part of our surplus that we see coming in the years ahead to extend the life of Medicare for an additional 12 years. Not only would this extend the solvency of the system and the program, it would eliminate the need for future excessive cuts in medical care. Medicare is the critical other half of the equation that the Republicans continue to ignore.

Democrats are determined to make sure that, as Speaker Gingrich once said, Medicare does not "wither on the vine." We want to make sure this system continues and survives.

I see my colleague from Massachusetts, Senator KENNEDY, on the floor. I will yield to him in morning business and close by saying, as we come to the end of this congressional session, families across America have the right and responsibility to hold this Congress accountable; to ask us the hard questions. What have we done under our stewardship to make life better in America during the course of this year?

Did we pass campaign finance reform to clean up the mess in our campaign election system? I am afraid the answer is no, we did not. It broke down on partisan lines. Even though we had 55 Republican and Democratic Senators who were determined to pass it, 45 Republican Senators opposed it and it died.

Did we pass Senator KENNEDY's minimum wage increase so we go from $5.15 an hour to a more livable wage for the 350,000 people in Illinois who get up every morning and go to work for $5.15 an hour? The answer, sadly, is no, we did not pass an increase in the minimum wage.

What did we do for the people who are concerned about their managed care, their health insurance, when they want their doctors to make the decisions and not the insurance company bureaucrats; when they don't want to turn over a life-or-death decision to somebody at the end of a telephone line who may have a high school diploma and no knowledge of medicine? Did we do something to stand up for patients? Sadly, the answer is no. The special interests, the insurance industry, prevailed in this Chamber. They killed the good legislation we were trying to pass. Sadly, that means the American people have lost out.

What have we done for education, to reduce class size? When I visit a classroom in Wheaton, IL, with 16 kids in the first grade and the teacher says: Senator, this Federal program works. I can give special attention to these kids. If they are falling behind I can help them. If they are gifted, I can give them something extra to do. Keep the class size initiative on track.

What have we done? We are in a bitter fight now as to whether we will even continue that program.

Sadly, as you look at all the issues, whether it is sensible gun control in light of the violence in schools such as Columbine, or whether you look at minimum wage or campaign finance reform or the Patients' Bill of Rights, this Congress is going to go home emptyhanded. We have failed the American people. They should hold the leadership in this Congress accountable for coming here, drawing their paychecks, punching the clock for their pensions, and going home without addressing issues that American families care about.

So I hope in the closing days of this session we can salvage something for the time we have spent in Washington. I hope as we start the next session, the next round, the Republican leadership will finally listen to the people across America who want us to act in their interests, not for the special interests. Time and time again, families have lost and special interests have won and that is not what this Senate should be about.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the time until 10 a.m. is under the control of the Senator from Illinois.

Mr. DURBIN. I yield all remaining time to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I thank my friend and colleague from Illinois. I must say, he has summarized the situation as we are drawing to the end of this part of the Congress very well. There is still some time for this do nothing Congress to mend its ways—if there were a disposition to make some progress, there is still some time to do so.

But I think it is important, as we come to the end of this session, to take stock of what has been achieved and has not been achieved. My friend from Illinois has done an excellent job summarizing those issues. I would like to provide some additional comments on some of the matters he raised.

First of all, as the Senator from Illinois and others have pointed out in these last days, we are still failing to meet our responsibilities to those 11 million Americans who earn the minimum wage. In many instances these are the hardest-working laborers in our economy, but they are on the bottom rung of the economic ladder—and this, during the most extraordinary prosperity in the history of this country. There has been an incredible accumulation of wealth that has taken place over the period of the last 5, 6, 7 years. As a direct result of the leadership of President Clinton and the Democratic Members of Congress, and despite the opposition of nearly every single Republican Member, we are in the midst of the greatest economic growth in the history of the country. We have even found the will to raise our own salaries some $4,600 a year. But the Republicans are now holding a minimum wage increase hostage to $35 billion in new tax breaks for the wealthiest Americans.

All we are asking is that we have at least the opportunity to bring this matter before the Senate and permit a vote on it. It does not take too much time—Members know this issue. But under the parliamentary situation that we find ourselves in now, the leadership—the Republican leadership—is denying us the opportunity to do so. This is the seventh time that technique has been used this year. Do we think the purpose of it is to open and broaden debate and discussion on matters before the American people? No, it is to narrow and close down the opportunity for debate and discussion.

So, when we look where we are as a country, from 1965 up to the year 2000, this line reflects what the purchasing power of the minimum wage would be with constant dollars of 1998. Here we find back in 1965 all the way up to the early 1980s, we actually found Republicans and Democrats alike working together to make sure that working Americans could earn a livable wage.

Then there was a period during the Reagan administration, starting in 1980 and going right through 1988, when we had a great deal of resistance in getting any increase. We had one increase in the minimum wage and another spike again in 1995.

But if we do not take action by the year 2001, the purchasing power of the minimum wage will be at an all-time low. And still we are denied an opportunity to bring this matter before the Senate.

Eighty-five percent of the American people favor increasing the minimum wage, and the opposition refuses to even debate it. The two old arguments they have used against increasing the minimum wage are that it will cause a loss of jobs and that it will add to inflation. Those tired old arguments have long since been discredited.

We know that when there has been an actual increase, again, in October 1996 and October 1997, the employment levels have continued to go up. There is absolutely no case that can be made that this will lose jobs.

Our proposal is modest, a one dollar increase in two installments—50 cents next January, and 50 cents the following year—to provide a lifeline to so many who are working so hard in our country. We know who the workers earning the minimum wage are. They are assistant schoolteachers who work in our children's classrooms. They are assistants in nursing homes caring for our family members.

This is a women's issue because the overwhelming majority of individuals who work at minimum wage are women.

This is a children's issue because eighty-five percent of the women who are receiving minimum wage have children.

It is a civil rights issue because many of those involved in making the minimum wage are men and women of color.

Most of all, it is a fairness issue. How can we justify raising our own salaries $4,600 a year and refuse to provide a $1 increase over 2 years for men and women who go out every single day, 40 hours a week, 52 weeks a year?

This is absolutely unfair. Americans understand fairness, they understand work, they understand fair play, and the Republican leadership is denying the American workers fair play on this issue.

I want to mention another important issue which we hope to address in the final days of the Senate, and that is the issue of the Patients' Bill of Rights, a very simple piece of legislation that says doctors—not accountants—ought to be making decisions in matters affecting the health of our families.

The protections contained in the Norwood-Dingell managed care reform bill which passed in the House of Representatives three weeks ago by an overwhelming bipartisan majority of 275-151, have been recommended by the broad-based and nonpartisan Presidents' Commission. They are included in the model standards of the National Association of Insurance Commissioners. These protections are already available under Medicare. They are used as voluntary standards by the managed care companies' own trade associations. They are the rights that ethical insurance companies honor as a matter of course, and that every family believes it has purchased when it pays its premiums.

These protections listed on this chart are the ones we tried to guarantee to the consumers of America. That essentially is the Democratic proposal we debated in the Senate. These circles indicate what the Senate finally did on these protections. My colleagues can see they are zero in most of the cases, and small coloring in other cases, which means they took a partial fix on some of these protections. And my colleagues can see what the bipartisan Republican and Democratic proposal did in the House of Representatives.

We are prepared to bring that House bill before the Senate and debate it for a few hours, pass it, and provide protections for the American people. We do not need a conference. The President will sign it. Why don't we move ahead on this? This has bipartisan support. This has already been debated and it had the overwhelming support of 68 Republican Members in the House of Representatives.

Why are we not protecting the American people? Why are we being denied the opportunity to provide protections? If there is some question as to whether we really are providing protections, look at what is happening across the country every single day. Every single day the Congress delays the Patients' Bill of Rights means more patients are suffering.

Each day that Congress delays means that more patients will suffer and die. According to a survey by the University of California at Berkeley, every day we delay means that 35,000 patients will find their access to needed care delayed. Thirty-one thousand will be forced to change doctors. Eighteen thousand will be forced to forego medications ordered by their doctor. Fifty-nine thousand will endure unnecessary pain and suffering as the result of adverse actions by their health plan. And 11,000 will suffer permanent disability.

The health professionals who deal with managed care companies every day know that prompt action is critical. According to a survey of physicians by the Harvard University School of Public Health, every week at least 18,000 patients' medical condition worsens because they are denied an overnight stay in a hospital. At least twenty-three thousand patients are harmed every week because of the denial of specialty care. Each week, at least seventy-nine thousand patients are harmed because of denial of needed prescription drugs. The list goes on and on.

Mr. DURBIN. Will the Senator yield?

Mr. KENNEDY. I yield for a question.

Mr. DURBIN. I would like the Senator from Massachusetts to help those following the debate to understand who lines up on the different sides of this debate.

The Senator has been here through many of these legislative battles. He knows there are forces at work that want to pass a bipartisan Patients' Bill of Rights to help families, and there are forces against. Will the Senator, for the record, tell us how those forces line up?

Mr. KENNEDY. That is an excellent question. As the Senator from Illinois understands, these protections did not just come out of thin air. They were recommended. Recommended by whom? Virtually every medical society in the country supports our program. During this debate, we challenged the other side to produce one medical society that supported their program. We still have not heard it.

Every medical society supports our program. Every nursing society supports our program. Every consumer group supports our program. Every patient organization supports our program. Every one of the consumer groups that have been trying to protect children understands the importance of getting specialists for children; not just a pediatrician, but a pediatrician oncologist to deal with cancer in children and specialists in these areas. We guarantee these. This Republican program does not.

We have the legislative power of this body to pass something which the President will sign to provide the patient protections we are talking about. All the majority leader has to do is call up that legislation. Just call it up. Let us debate it, and let us act.

Mr. DURBIN. Will the Senator yield for a question?

Mr. KENNEDY. I yield for a question.

Mr. DURBIN. If every medical organization—doctors, nurses, specialists—has come down in favor of this bipartisan approach, who is on the other side of this? What is the force that is stopping us from passing this legislation?

Mr. KENNEDY. The Senator again has asked the important question. It is the insurance industry. You have on the one hand, as suggested by the two questions the Senator asked, all of the health professionals, all of the men and women who have devoted their lives to taking care of patients in this country, the doctors, the nurses, all of the various professional societies, all the consumer groups, all the children's organizations that care about this, all the elderly groups. And on the other side you have the insurance industry that is opposed to it. The basic reason for that is that it cuts into their bottom line—even though they have guaranteed the kinds of protections we are talking about.

What we are trying to do is make sure the patients are going to get the kind of coverage and the kind of attention for which they had signed up. What happens in so many of these instances is the HMO, the policyholder, just will not give what their patients are guaranteed in these areas. And with all the other complexities in terms of denying the patients the opportunity to sue the HMO, we are denied an opportunity for remedy as well.

There is rarely a public policy question that is as important as this one. We know what can be done. We have good legislation, that is almost at the door of the Senate, that could be called up. I am sure the Senator from Illinois would agree with me, and we could get that done today. Certainly we could do that, and the minimum wage as well.

I see my time has just about expired, but I want to try to go through, briefly, some of these other areas where we have failed to take action. These are the kind of issues about which people talk to us. This is the kind of issue about which families are concerned—the minimum wage, a Patients' Bill of Rights. When I was in Methuen this past Monday, I must have had four different senior citizens come up to me and say: What's happening on that prescription drug proposal that the President is supporting—that so many of us are supporting? Try to get that up and get a debate, get that reported out of the Finance Committee and reported out here on the Senate floor. Please do something about prescription drugs.

But we aren't able to get anything done on that. We aren't able to get anything done on the Patients' Bill of Rights. We have a Republican leader who said that "House-Senate conferences on other legislation have a higher priority" than consideration of the Patients' Bill of Rights. So this thing is just being kicked on over to next year. That may be satisfactory to some of the insurance companies. That may be satisfactory to some of the Republican leadership. But it is not satisfactory to the families in this country.

In the final few moments, I want to once again mention the areas of education which we would have hopefully had some opportunity to address with greater time.

In recent years, too many in Congress have paid lip-service to education—and then failed to act to meet the most basic needs of the Nation's schools. This Congress faces a major test in the coming days, as we seek to guarantee that education receives the funds it deserves for the coming fiscal year. If we want a better and stronger America tomorrow, we must invest more in education today.

Mr. DURBIN. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. Yes.

Mr. DURBIN. The debate then on the President's proposal for 100,000 teachers to reduce classroom size, so that teachers can give more attention to the students, really is kind of a parallel to the 100,000 COPS Program.

The PRESIDING OFFICER (Mr. GRAMS). The Senator's time has expired.

Mr. DURBIN. I ask unanimous consent that we be allowed to continue for 3 minutes and it not be charged against the Republican side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. If I might, then, say to the Senator from Massachusetts, the President's program for 100,000 cops has given the money directly to the police departments and the communities to put more cops on the beat. We have seen the crime rate coming down in America, partially because of this. Now we have the same debate about the money going directly to the schools so they can reduce class size. And there is resistance, again, from the Republican side of the aisle.

Have we not learned any lesson from the 100,000 cops, that if the money goes directly to the problem, we can get results?

Mr. KENNEDY. The Senator has given an excellent example about programs that have been successful. And we know these programs are working, as the Senator has pointed out.

Communities do not understand why, just a year ago, we joined hands to help them reduce class size—yet we are on the verge of abandoning our commitment now.

Research has documented what parents and teachers have always known—smaller classes improve student achievement. In small classes, students receive more individual attention and instruction. Students with learning disabilities have those disabilities identified earlier, and their needs can be met without placing them in costly special education. In small classes, teachers are better able to maintain discipline. Parents and teachers can work together more effectively to support children's education.

Project STAR studied 7,000 students in 80 schools in Tennessee. Students in small classes performed better than students in large classes in each grade from kindergarten through third grade. Follow-up studies show that students from small classes enrolled in more college-bound courses, had higher grade-point averages, had fewer discipline problems, and were less likely to drop out of school.

Because of the Class Size Reduction Act, 1.7 million children are benefiting from smaller classes this year. 29,000 teachers have been hired. 1,247 are teaching in the first grade, reducing class sizes from 23 to 17. 6,670 are teaching in the second grade, reducing class size from 23 to 18. 6,960 are teaching in the third grade, reducing class size from 24 to 18. 2,900 are in other grades, K-12, 290 special education teachers have been hired.

The program is well under way. Abandoning our commitment to help communities reduce class sizes would break a specific promise made by Congress only 1 year ago. It would also be a violation of our responsibility to support a strong Federal-State-local partnership in education. Congress cannot abdicate this responsibility.

We must also ensure that teachers get the training they need to come to school ready to teach. Teacher Quality Enhancement Grants are an important step in addressing the critical national need for high-quality teachers. It received strong bipartisan support in the reauthorization of the Higher Education Act, and Congress should fund it at the full authorization level of $300 million for next year.

Children need and deserve a good education in order to succeed in life. But they cannot obtain that education if school roofs are falling down around them, if sewage is backing up because of faulty plumbing—asbestos in flaking off the walls and ceilings—schools lack computers and modern technology—and if classrooms are overcrowded.

We need to invest more to help States and communities rebuild crumbling schools, modernize decrepit buildings, and expand facilities to accommodate reduced class sizes. Sending children to dilapidated, overcrowded schools sends an unacceptable message to these children. It tells them they don't matter. No CEO would tolerate a leaky ceiling in the board room, and no teacher should have to tolerate it in the classroom. We need to do all we can to ensure that children are learning in safe, modern school buildings.

Nearly one third of all public schools are more than 50 years old. Fourteen million children in a third of the Nation's schools are learning in substandard buildings. The problem of ailing school buildings is not the problem of the inner city alone. It exists in almost every community, urban, rural, or suburban.

In addition to modernizing and renovating dilapidated schools, communities need to build new schools in order to keep pace with rising enrollments and to reduce class sizes. Elementary and secondary school enrollment has reached an all-time high again this year of 53 million students, and will continue to grow.

The Department of Education estimates that 2,400 new public schools will be needed by 2003, just to accommodate rising enrollments. The General Accounting Office estimates that it will cost communities $112 billion to repair and modernize the Nation's schools. Congress should lend a helping hand, and do all we can to help schools and communities across the country meet this challenge.

Finally, in June with the support of over 250 groups representing the disability community, health care providers, and the business community, the Senate passed landmark legislation 99–0 to open the workplace doors for disabled people in communities across this country. Last week, the House of Representatives passed this legislation by a vote of 412–9. Once this measure is enacted into law, large numbers of people with disabilities will have the opportunity to fulfill their hopes and dreams of living independent and productive lives.

But despite the overwhelming bipartisan support for the Work Incentives Improvement Act, the House of Representatives has yet to appoint conferees to move enactment of this bill forward.

A decade ago, when we enacted the Americans with Disabilities Act, we promised our disabled fellow citizens a new and better life, in which disability would no longer end the American dream. Too often, for too many Americans, that promise has been unfulfilled. The Work Incentives Improvement Act will dramatically strengthen the fulfillment of that promise.

We know that millions of disabled men and women in this country want to work and are able to work. But the Republican Leadership in the House continues to deny these citizens the opportunity to work be refusing to appoint conferees and move this bill forward. Every day this legislation is delayed is another day the nation is denied the talents and the contributions of disabled Americans.

Current laws are an anachronism. Modern medicine and modern technology are making it easier than ever before for disabled persons to have productive lives and careers. Yet current laws are often a greater obstacle to that goal than the disability itself. It's ridiculous that we punish disable persons who dare to take a job by penalizing them financially, by taking away their health insurance lifeline, and by placing these unfair obstacles in their path.

Eliminating these barriers to work will help disabled Americans to achieve self-sufficiency. We are a better and stronger and fairer country when we open the door of opportunity to all Americans, and enable them to be equal partners in the American dream. For millions of Americans with disabilities, this bill is a declaration of independence that can make the American dream come true.

For far too long, disabled Americans have been left out and left behind. It is time for Congress to stop stalling this legislation, and take the long overdue action to correct the injustices they are unfairly suffering.

The issues I have discussed today—a fair wage, health care, education, employment for the disabled, freedom from hate crimes—touch the lives of every American. If this Congress wants to make a difference for our constituents—to improve their lives and to ease their burdens—these are major issues we must address.

I thank the Chair and thank the Senator from Maine for her indulgence.

Ms. COLLINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, I yield myself as much time as I may consume from the time reserved for Senator THOMAS.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRACTICES OF SWEEPSTAKES COMPANIES

Ms. COLLINS. Mr. President, earlier this year the Permanent Subcommittee on Investigations, which I chair, undertook an extensive investigation of the practices of sweepstakes companies. We held hearings in March and later in the year to examine the increasingly deceptive and aggressive marketing techniques used by many of the sweepstakes companies in this country.

At these hearings, I was told repeatedly by these companies that they did not target the elderly, they did not use deceptive techniques to try to induce people to buy products they didn't really need or want, and that they were constantly reviewing their promotional language to make sure it was fair. They pledged to further improve their efforts to make sure their mailings were not deceptive.

Recently, my constituents have sent me a number of examples of deceptive sweepstakes mailings. I tell my colleagues, they are just as deceptive as ever. I have seen absolutely no voluntary improvement by the sweepstakes industry, despite the extensive attention given to their deceptive practices.

Let me share with the Senate some of the recent examples my constituents have sent me. This example is from Charles M. Sias of Bangor, ME. Mr. Sias happens to be the head of the local AARP chapter, and he recently arranged for me to talk to a group of senior citizens in the Bangor area about sweepstakes. We developed a list of tips for them to be able to identify deceptive mailings. It is particularly ironic that Mr. Sias is himself receiving mailings that are clearly deceptive. He is very aware of what to look out for, so he is not going to be deceived by the language of these mailings. But, unfortunately, that is not the case with many other consumers who are inundated with mailings of this sort.

Take a look at this mailing. It says, in very large print: The judges have decided: Charles M. Sias of Bangor is our $833,337 winner. And then: We will update our official winners list so that it reads—again, it lists Mr. Sias' name. Urgent: Mail back your prize number within 5 days. In the corner: This is your exclusive prize claim number—giving the appearance that Mr. Sias has already won.

This particular mailing comes from a division of Time, Inc., known as Guaranteed & Bonded. It is very similar to the kinds of deceptive mailings we have seen during the past year.

A representative of Time, Inc., testified at our hearings. She testified that this kind of mailing is fair but assured us they were continuing to evaluate the copy in their mailings and they were trying to improve it so there would be no question.

This is a recent solicitation, and it is just as deceptive as previous ones. I think it is very disappointing to once again see the use of very large, bold headlines declaring that one of my constituents is the winner of more than $833,000 when obviously his chances of winning are less than his chances of being struck by lightning.

Let me give another example provided to me by one of my constituents. In some ways, this letter from Publishers Clearing House, another one of the major sweepstakes companies, is even more insidious. It was personally addressed to the woman who sent it to me. It says: These are the certified cash winner documents we alerted you to watch for.

The use of the words "certified cash winner" creates the image that my constituent has won a great deal of money. But this goes beyond the other mailing. The $100,000 figure appears to have been personally crossed out. On the side, it says it is now $200,000 my constituent is going to win, and it appears a woman named Dorothy, whom we know to be an employee of Publishers Clearing House, has written a personal note to my constituent, to this woman who lives in Portland, ME, and has written: "$200,000—see enclosed urgent notification for details,"—once again, creating the impression that my constituent is going to win not $100,000 but now $200,000. It is her lucky day.

Again, if we look at the small print, we find that, in fact, the vast majority of people responding to this solicitation will receive just $1. It is extremely misleading.

To add to the deception, Publishers Clearinghouse includes what appears to be a check of some sort. They call it a claim voucher. It is made out to my constituent. I have blocked out her name to protect her privacy. It appears to be personally signed in blue ink by the treasurer and by Dorothy Addeo, and it says: Cash value up to $100,000—although we know from Dorothy's helpful little note that it actually may be $200,000.

My point is that this is clearly intended to deceive the people who are receiving these solicitations. The intent is to part people from their money, to get them to buy merchandise they don't really need or want, in the mistaken belief that somehow making a purchase will either guarantee they will be a winner or at least increase the odds of their winning that great prize, those hundreds of thousands of dollars.

There is another harm that is done beyond the financial waste of senior citizens and others wasting their money buying products they don't really need or want. That is the injury that is done to a senior citizen's dignity when they realize they have been duped by these highly deceptive mailings.

I recently received a letter from one of my constituents which I will share with my colleagues. It shows how tragic some of the results are of these sweepstakes. We found seniors who have wasted $10,000, $20,000, $60,000 on sweepstakes, thinking it would help them win the grand prize. In some cases, they have squandered their Social Security checks and even borrowed money. As I said, there is also the injury to a person's dignity once they realize they have been fooled.

This letter captures that part of the problem. My constituent writes to Reader's Digest in this case:

> Several days ago my father received your "announcement" that he had been nominated to fill "your newest position" on the "exclusive Winners Advisory Board." With its official looking certificates and "personal" Internal Selection Record you had him convinced that he was indeed being asked to serve in some official, though honorary capacity. When he realized that this was another sweepstakes gimmick, and that he was no more special to you than the thousands of others who received this same "special" announcement, he was devastated.
>
> My father shared your "announcement" with me because he was proud that he was being recognized by a company he has supported for many, many years. What a cruel game you have played with a man who has truly been a good customer. What a cruel game you play with every person who received this same, or similar letter, and who, like my father, are vulnerable because they believe the best about people.

I think my constituent has described the problem very eloquently. These kinds of deceptive mailings prey on people who believe what they read, who want to trust that they are not being misled.

Mr. President, on August 2, the Senate unanimously approved legislation that I, Senator LEVIN, Senator COCHRAN, Senator EDWARDS, and many others have worked on, which would curtail these kinds of deceptive sweepstakes mailings.

I want to thank the Chairman of the House Subcommittee on the Postal Service, Congressman JOHN MCHUGH, for his excellent work in securing approval by the House of a strong measure to prevent these types of deceptive sweepstakes mailings. In addition, Congressman FRANK LOBIONDO, who introduced a strong sweepstakes disclosure measure in the House, has made a valuable contribution to the effort to curb deceptive mailings. Congressman JAMES ROGAN and Congressman BILL MCCOLLUM have also introduced legislation to address this problem, and have given their strong support to the effort to reform the current practices. I also appreciate the support and assistance given by Congressman CHAKA FATTAH and Congressman HENRY WAXMAN, who have provided both excellent ideas and leadership during House consideration of legislation to address the problem of deceptive sweepstakes.

The Senate bill was passed, as I said, unanimously, and it is now pending in the House Government Reform Committee. It has been unanimously approved by the Postal Subcommittee of the House Government Reform Committee, and it is my fervent hope that before we adjourn this year we can clear this important legislation and see it signed into law. It is time to put an end to these deceptive and unfair mailings that prey on the hopes and dreams of our senior citizens.

Mr. President, I yield the floor, and seeing no one seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. HOLLINGS. Mr. President, I have had earlier comments about our good friend, John Chafee, but a line I was trying to say was, more than a balanced budget, what we need in this body is balanced Senators. I don't know anybody better than John. He was the best.

I ask unanimous consent to have printed in the RECORD the wonderful column by Mary McGrory entitled, "The Gentleman From Rhode Island."

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 28, 1999]

THE GENTLEMAN FROM RHODE ISLAND

Sen. John Chafee of Rhode Island was a hero on the battlefields of two wars: He fought in World War II and in Korea. He was also a hero on the battlefield of the Senate, fighting valiantly, often for lost causes, working behind enemy lines, defying his party on matters of great import. He was an aristocrat who brought to the Senate a sense of noblesse oblige that is otherwise unknown today. In an institution that calls every male a gentleman, Chafee really was one.

He was of a size difficult for his colleagues to manage. A wrestler in college and a former Marine, he hated violence. He was a high-minded patrician of colonial lineage who came to be idolized by his heavily Democratic and ethnically diverse constituents. He served for 23 years in a body that today is renowned for its pettiness and narrow-mindedness and never to the end lost his zest for coalitions and compromises. He was a most clubbable man, jovial and kind. For many in his caucus, vision consists of imagining bringing Bill Clinton to his knees. Chafee doggedly pursued his goals: clean air, clean water, a nation free of guns, a world where nuclear weapons were under control and people negotiated their differences.

He worried about foster children who at 18 lose government subsidies; he worried about the ABM treaty. The combination of practical and cosmic concerns and a nature that seemed devoid of malice made him an object of wonder. People who eulogized him on the Senate floor, including those who never voted his way, spoke of him with love and tears.

New Hampshire Sen. Robert Smith, now an independent, remembered that in 1991, when the Republican leadership was trying to dump Chafee as conference chairman, Smith, a newcomer, decided against his fellow New Englander. When he told Chafee that he was going to vote for Thad Cochran (Miss.), all Chafee said was "Oh, dear," He lost by one vote.

Sen. Daniel P. Moynihan (D), who served with Chafee on Environment and Public Works, remembers Chafee saying to him the next day, "There is no place for us liberals on our side any more." He was smiling as he said it.

"Liberal" is now a toxic word. "Moderate" is as far as anyone goes to describe someone who is out of step with Trent Lott. Republicans show no mercy to people who, like Chafee, sat down at committee tables and without the slightest nod to partisan sensibilities said, "Let's get at it."

Time was when Chafee's Wednesday group, a weekly lunch for the like-minded, had a dozen members and some influence. At their most recent meeting, last Wednesday, there were just five, counting Chafee. He was gaunt and feeble after August back surgery. He had weeks ago announced his decision to retire from the Senate, but he was using every last minute to make a difference. Susan Collins, a freshman Republican from Maine who, like several others, regarded Chafee as "my best friend in the Senate," told of Chafee's fervent remarks about foster children set loose at 18 and his hope that she could help in helping them.

Chafee, a gentleman of the old school, doubtless deplored what went on in the Oval Office. But he was one of five Republicans who voted against removing Clinton from office. He was one of four Republicans who voted for the Comprehensive Test Ban Treaty.

Chafee took no part in the pre-debate polemics on the test ban. He and Sen. Richard Lugar (Ind.), a pivotal Republican figure in all arms control efforts, were conspicuously absent. He told me a week before the treaty suffered meltdown on the floor that he was concentrating on the ABM treaty. As usual, he was looking down the road to the day when Senate hawks would tear up the treaty on the Senate floor and remove the last obstacle to building a missile defense system, their ultimate pie in the sky.

Republicans had been sniping at ABM, calling it "null and void" because the Soviet Union, with whom it was negotiated, no longer exists. Clinton will decide next June about going forward with a project about which the only certainty is its astronomical cost. The Russians say they will tolerate no change.

In this Senate the notion of unilateral withdrawal is a live option. So is a return to a full-throttle arms race and the Cold War. Chafee did not press colleagues on the test ban. He said he understood and shared their reservations about verification and our stockpile but on balance thought the country and the world would be better off if we ratified the treaty.

Those looking for consolation—Chafee always did in a dark hour—can find a little in the prospect that his death has greatly improved his son Lincoln's chances of succeeding him. Rhode Island is a small state that sent a great man to the Senate, and sympathy for his family is unbounded. Chafee, a pragmatist, would be pleased.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. ROCKEFELLER. Mr. President, I come to the floor, after many of my colleagues have already said magnificent things, to say a word about a man I revered, worked with, and cherished both in personal and professional terms. That is, of course, John Chafee. There are so many reasons I respected and, in a sense, really loved John Chafee, and do to this minute and always will.

Many of them had to do with what it was that he didn't say and what it was that he didn't find a need to do. There was an interesting article in the Washington Post this morning by Mary McGrory that made me think back to the time I was in the Peace Corps. I served with a man who has since died by the name of Marty Grobli. We were working on the Philippines program together. He was an enormous hero of the Battle of the Bulge in World War II. He had done works of heroism which I never learned about because whenever as a young person in my early twenties I tried to ask him, because I wanted to learn about it, he said he didn't want to talk about it. I think that is the way of many who have been through searing emotional and physical experiences of danger, of patriotism, of great personal risk—they simply keep it to themselves. There isn't a need to tell others. War is not pleasant. War is destructive; war is carried out in the interests of the Nation or of many nations against one or several others.

John Chafee never felt a need. In fact, in all the years I knew him, I never heard him talk about serving in two wars, World War II and the Korean war, or the fact he was a marine. If one looked at John Chafee, particularly in the latter years, one wouldn't necessarily—unless you looked at that chiseled face—say this was a marine in the sense that one thinks about it in classical terms. He was not into looking tough, acting tough, or being tough—he just was tough. But he was tough on behalf of people he loved, whom he represented in Rhode Island, those he didn't directly represent, although he did as a Senator in the form of children and women and the inheritance of whatever quality of environment we will inherit in our country.

He was a steward of all of those things. He was ferocious in the way he fought for them. He never pushed himself forward. It always seemed, watching him on the Finance Committee when he was in a hearing conducting questioning, he was searching for truth, not either to show knowledge, of which he had a deep, deep repository, or to show special seniority. It was always that he was interested in what the witness was saying, reflecting on what the witness was saying, being courteous to the witness, tough on the witness where the witness might be withholding information or not fully disclosing some of the other arguments that might have been brought through that witness' answers.

I loved him for those qualities. I had no idea, I think as no one did, that this was going to be his fate. I didn't look forward to the fact he was going to retire, but since he announced he was going to retire I looked forward to the fact he would go back to Rhode Island, his beloved Northeast, to prowl his State, to be with the people who stood by him in all the years.

As the Senator from South Carolina knows, John Chafee was also a Governor. I was a Governor, and I think Governors bring to this body a particular ability and desire to want to reach a compromise to find a solution. The Presiding Officer was a Governor. And Governors often can't allow themselves to tarry because of an ideology. They can't tarry on simply a petulant feeling about this situation or that person because they are the only person in that State, be they man or woman, who can resolve the situation. Therefore, they have to seek a compromise. They have to seek a solution. I love that quality in a Senator. It is a quality John Chafee had in just an unparalleled amount.

So he never got to go back home. I feel very sad about that. I wanted to think about John Chafee at home, enjoying the fact he was looking back on all of his years of national service and public service and enjoying his grandchildren, his children, Ginny, his beloved State of Rhode Island, and all of the Northeast. He was a remarkable person.

I quote another thing Mary McGrory said which I liked so much:

> In an institution that calls every man a gentleman, he really was one.

That kind of puts us in our places. But it also very much says something accurate about John Chafee. I have heard him talk to people sharply. But it was always on substance. It was always on issues. It was always on what it was between himself and a resolution to a policy problem that he cared about.

In the leader's chair sits the Senator from Iowa, Mr. GRASSLEY. He and I will remember, because we were both there, it was only last week—which is the heartbreaking part of it—that Senator John Chafee, as the senior member of the Finance Committee, was conducting a hearing on independent living. That is the problem caused when children are brought up, often abused by their parents or by others, through a foster care system, and then all of a sudden at the age of 18 they are declared independent.

Our colleague, the Presiding Officer, the Senator from Ohio, is also very interested in this problem. John Chafee was quizzing the young people who were there, who had come through the system—many, many foster parents, some of whom had worked, some of whom had not—but they had been, at the age of 18, declared independent. They were just cast out. They lost their health insurance. They didn't know how to open a bank account, not necessarily even how to operate a washing machine, and they said that to us in very clear and compelling ways.

I thought it was in situations such as that—I think my friend from Iowa will agree with me—that John Chafee was at his best. He was in his 70s. Yet he focused so much of what he did heavily on children who were in their fourth and fifth year, or in their teens. It was a burden and a passion that never relented.

The Senator from Iowa, Mr. GRASSLEY, and I are working very hard with our staff and the Finance Committee staff to try to complete that independent living bill, not simply—because that would embarrass him—as a way of honoring John Chafee, but, frankly, because John Chafee would be on us to do it. Knowing he is not here to do it himself, we intend to do that and we will do that. We hope it will pass this body and the other body and be signed by the President.

John Chafee's health is something I have to comment on because I always thought of him, and do think of him, as so strong. I wondered, as many of us did in the last several months, what was it that caused him to seem to become so fragile so quickly? But because I knew John Chafee and had known John Chafee, I always believed it would pass because John Chafee always came back. He was always there. He was frail because he had back surgery, but that was not going to lead to something else. It was simply something he was going to get over and come back and take his place over there, behind where the flowers are placed on his desk, and resume his work.

That is what John Chafee did. He did not retire when he was in his late 60s. He certainly was financially independent enough to do so, but he didn't retire because he wanted to work. He loved public policy. He loved helping children and families. He loved health care.

I can remember during the Clinton health care debates, it was classic John Chafee because we would go on Sunday television shows and he and I would have a wonderful conversation—before. We had different views on the legislation. We would have a very warm conversation before and then he would, during the course of the interview, proceed to shred me mercilessly, in good Marine fashion; you know, using good facts and good examples. Then, as soon as it was over, he would go back and we would be amiable.

I commented to him on that several times, and he just would sort of brush it off. He was doing his work. He was doing the work he was here to do.

When we think of children in this country getting health insurance, let us remember John Chafee because it was John Chafee who drove that. It was called the Children's Health Insurance Program—CHIPs. And Laurie Rubiner, his staff person, drove that. They were driving this independent living bill. There were so many things he did for people of all sorts.

I haven't even mentioned, except very briefly at the beginning, the environment.

John Chafee was also a very independent person. I do not say this as a Democrat; I say this as a Senator. I liked so much the fact that he was so ferociously independent of his own party when he chose to be; of his own party when they applied pressure on him; from his constituents, presumably, when they applied pressure on him. He always did what he thought was right. In the longer day of life, if you are who you are and you stay who you are, people will come in your direction. If you bend to other people's wills and people have a sense of that, then there will never be a need for them to come in your direction because they will sense, if they outwait you, they will prevail.

You could not do that with John Chafee, whether it was because he was this incredible person from Rhode Island and Northeast, this son of early America; whether it was because he was a marine; whether it was because of his own particular and unique nature—he never backed away from anything.

John Chafee was a great figure of the Senate. I am not in the position at this point to rate great figures in the Senate over eras. But I certainly start with the idea that John Chafee was and is one of those. I think he was an inspiration. He inspired me. I felt better when I saw him, when I was in his presence. I felt more motivated. I felt better about everything because he just did that to you, whether he was on his cane, as he was in the last month or so, or whether he was vigorous, as he was always before that. He enriched the lives of so many. He seemed to care very little about his own comforts, but, on the other hand, he was so devoted to his family.

In closing, I want to think about Ginny; I want to think about his children; I want to think about his grandchildren; I want to think about his staff, people who must be absolutely devastated now, all of them, each of the categories of people close to him, whom I have mentioned I want them to know they were related to, married to, children of, grandchildren of, and working for, a really very great American.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, on Monday, as so many others in this body, I was shocked to hear the news of the passing of my dear friend and our colleague, Senator John Chafee.

I spoke out at that time of the feelings that both my wife Marcelle and I have for John and for Ginny and for their family. I would like to expand on that just a little bit further on the floor of the Senate.

When I spoke first, it was off the floor. But John and I spent so much time in this body that I felt it would be only appropriate to say something here because I feel that it was an incredible privilege to have served with him. I know his presence is going to be missed greatly by everyone.

It still seems strange to stand on the Senate floor and see his desk with a black shroud on it and the flowers there—something that in my 25 years I have seen several times for colleagues. You always hope you will not see it because when you see it you know—whichever side of the aisle it is on—that you will miss a Member of this very special family. There are only 100 who are privileged to serve, at any one time, in this body representing a quarter of a billion people. We have respect for each other, affection for many.

I think in this case, when you hear what has been said by Senators on both sides of the aisle, you know the great affection and respect there is for John Chafee. And it is only natural. He was a truly extraordinary man. He dedicated his life to serving his State of Rhode Island and his country. He did so with a commitment that yielded many benefits to all Americans, way beyond Rhode Island or New England.

He had a distinguished military career. He never questioned when duty called, even when it was at his own personal expense. He left Yale University as an undergraduate to serve in World War II. He returned to active duty in

Korea shortly after receiving a law degree from Harvard. His contribution to Rhode Island and our country continued as Governor of his State, as Secretary of the Navy, and as a Senator.

The list of positions he held indicates a man of rare qualities. But what he did in those positions is what places John amongst the finest Americans to have served in the Senate. He was passionate about issues, but he had the unique ability to search for compromise among otherwise divided colleagues. He never seemed to lose sight of the fact that the Senate was working toward a common good, not an individual one.

From taking the office of Governor in 1962, in a largely Democratic State, to his four terms in the Senate, John Chafee showed the country he was willing to look past party lines and see what was at the heart of the issue at hand.

He made so many significant, visible and invisible, contributions to the Senate in the 24 years he served in this body. I was privileged to serve with him in each of those years. He was a tireless advocate of the environment, becoming the chairman of the Environment and Public Works Committee in 1994. He was a staunch supporter and advocate of many of the most important environmental protection laws that have been passed, including the Clean Air Act of 1990. He was always one of the strongest voices behind the protection of our wetlands, as well as the need to stop global warming from further progression.

I remember our latest legislative effort together on the so-called takings legislation, when John and I took to the Senate floor defending the rights of States and local officials to make their own decisions about their communities. I am sure many in the Senate probably grew tired as the two of us reminisced about New England character and the landscape we love so much. At times during that debate I thought the Chambers of Commerce of Rhode Island and Vermont should probably have hired us for all the things we were saying, but we made our point.

In health care, John was an advocate of compromise. His efforts to strengthen Medicare and Medicaid were actually seen as trying to appease Republicans and Democrats alike. What he was trying to do was to bring us together, because in every bend of the road, John was an advocate of serving his country to the very best of his ability. And he was successful in that every day of his life.

I think of arms control issues in the 1980s. John Chafee, John Heinz, Dale Bumpers—I remember working with them. We were sometimes referred to as the "Gang of Four" as we worked to bring reason to the nuclear arms race, even though we spanned the political spectrum among us. But as a veteran, as a decorated veteran, as a respected veteran, as a respected former Secretary of the Navy, John was not only an inspirational strategist in the "Gang of Four" but also an important resource of knowledge about the needs of an operationally effective nuclear triad.

So all of us have lost a beloved friend, one who will be missed dearly in the Senate. But the country should know the country suffered a great loss. Here was a man whose outlook and morals were of the highest standard. That should be something Senators in the present and the future should emulate. He was an anchor of civility for the Senate.

It is interesting that both he and my distinguished predecessor, as the senior Senator from Vermont, Bob Stafford, served as chairmen of the Environment Committee—both bringing those New England characteristics of civility in working for the better good.

Marcelle's and my thoughts and prayers are with Ginny and the rest of the Chafee family; and also with John Chafee's staff, who are among the finest people here—his extended family.

He will be missed. It was a privilege for the 99 remaining Senators to have served with him. And I think all 99 know that.

Mr. President, I yield the floor.

Mrs. MURRAY. Mr. President, I want to join with my colleagues in paying tribute to Senator John Chafee. With his passing this week, the Senate lost a wise and courageous voice. Anyone who spent any time in the Senate could see that Senator Chafee's reputation for honesty and individual conviction were well-deserved.

I want to offer his family my deepest sympathy and my deepest appreciation for sharing him with us for so long. He served as a role model of what a Senator should be.

The more I think about Senator Chafee—the more I realize the qualities that are rare today, were common in the gentleman from Rhode Island. Rare qualities like courage, independence, and a desire to always do what is right.

He often fought alone for what he believed was right. He worked for legislative compromise, but never compromised his own principles.

I was proud to join with him on many important initiatives, and his mark can be found on many of the landmark environmental protection laws enacted in the last twenty years. He was a thoughtful environmentalist—protecting the health and welfare of people, wildlife, and the environment as a whole, while at the same time balancing the needs of the economy. He recognized the fact that the West had a different relationship with its natural resources than the East. His work on clean air, clean water, oil pollution, and endangered species has benefited the entire nation. The people and the environment in my state, 3,000 miles away from Rhode Island, are far better off today, because a man named John Chafee served 23 years in this body.

Senator Chafee was also a consistent and articulate supporter of trade. And on issues like China MFN, he and I worked for the same goals.

Senator Chafee was a champion of women's health care long before it was politically correct. Long before anyone had ever heard of "soccer moms," he stood alone many times to fight for women's health, and he never backed down.

Senator Chafee was also a strong advocate of a woman's right to choose. He was a voice of reason in an increasingly emotional debate. He protected a woman's right to determine her own fate and to make her own health care decisions. He worked to improve access to reproductive health care services and to improve security at women's health clinics. I always took a great deal of comfort knowing he was at the table fighting for women.

Perhaps his greatest commitment was to children, all children. He worked to expand Medicaid to provide health care for milllions of low income children. He fought to protect Medicaid. I know there are milllions of children who are now healthy adults because of the work of Senator Chafee. One of my most vivid memories of Senator Chafee was fighting on the floor in June 1997 to expand health care security for the 10 million uninsured children. He refused to give up his goal, and he refused to pass an empty promise. His work created the successful, bipartisan Children's Health Insurance Program (CHIP) which ultimately will provide health security for five million children. Think of the kind of impact he will have on the quality of life for these five milllion children.

Mr. President, I believe one of my roles in the Senate is to speak for those that have no voice—children, working families, the environment, battered women, and the elderly. Those are the same causes John Chafee served and served so selflessly. I only hope I can measure up to the standard he set.

When someone like John Chafee—someone with rare personal qualities and a legacy found in the millions of people his policies helped—when someone like that leaves this world, it makes the rest of us reflect on his contribution. Mr. President, this Senate is the poorer for his passing.

Mr. ASHCROFT. Mr. President, today I join my Senate colleagues, the people of Rhode Island, and the citizens of this great nation in bidding a sad farewell to our friend and countryman John Chafee.

From the shores of Guadalcanal to his hometown of Providence, RI, to the floor of the United States Senate, John Chafee was a true patriot. In everything he did, he put the best interests of the United States first.

And even when I disagreed with him, I knew that our disagreements were legitimate disagreements about what each of us felt was the best interests of this great country.

Descendant of two Governors and a Senator, John liked to joke that the one member of his family who ran for office as a Democrat—Harvard professor Zechariah Chafee—lost handily. John, knowing the family history, signed up as a Republican and never looked back.

John was a remarkable man coming from a remarkable family. His legacy gave him a lot to live up to, and he not only met but exceeded all expectations.

John's record of successes began at an early age. In high school, he was the runner up in the 135 pound class in the state wrestling championships. And let me tell you, nobody wrestles like those 135 pounders! Not only was it an impressive achievement, but it was good training for a future career as a Senator.

Later, at Yale, he was captain of the undefeated Yale freshman wrestling team. We will never know if he would have repeated that achievement the following year, because he left Yale in his sophomore year to enlist in the Marines—he didn't have to do that, but because he was an American Patriot, he did.

In the Marines, he served at the Battle of Guadalcanal. John was in the first wave of Americans to join in the bloody and important battle there. This country will always owe a great debt to him and the other Marines who served so bravely there.

After the Marines, John sought to move on with his life. He went to Harvard Law School, got married, and began the practice of law in the state he loved so dear. But duty called once again, and he returned to the Marines, to lead a rifle company in our struggle in Korea, and the nation's debt to him became even greater.

After his service in Korea, John returned to Rhode Island and embarked upon a political career. While John had ups and downs in his time, he certainly had more ups than downs. And more importantly, he knew how to handle those downs.

One of the downs came in 1968, when he lost the governorship in a surprising upset. Richard Nixon, recognizing the talent in John, tapped him to be Secretary of the Navy. There he was faced with a difficult decision concerning the chief officers of the *Pueblo*, a Navy ship that had been taken by the North Koreans. John decided not to court martial the captain and chief intelligence officer of the ship, deeming that they had suffered enough during their internment in a Korean prisoner of war camp. It was a difficult decision, but John Chafee has a great wisdom in difficult matters and the nation once again benefited from John's leadership.

In 1976, he was elected to the United States Senate, the institution to which he would devote the rest of his days. Both John Chafee and I won elections to the Senate in 1994, he for his fourth term and I for my first. Despite the disparity in seniority, we became friends, exchanging greetings on his birthday, which was just last Friday. He always appreciated my greetings, and sent the kindest thank you notes in response.

In my time here, I had the pleasure to work with him on a great number of issues, but two in particular stand out.

The first is ISTEA, the all-important transportation legislation we passed here few years ago. I worked closely with John to secure desperately-needed transportation projects in my home State of Missouri. John was always willing to work with me and my staff, and the citizens of Missouri must be added to the list of those who owe him a debt of gratitude.

The other issue that stands out in my mind when I think of John is his effort to reform the Superfund program. John was always concerned about the environment; back in 1969, the New York Post reported that John would stop his campaign motorcade and get out of his car to pick up a piece of litter. John always understood that we were all responsible for improving the environment, and his efforts to improve Superfund were based on that belief in individual action. As chairman of the Environment and Public Works Committee, he was in a position to act on his love for the environment, and his work in reforming Superfund is one of his most important achievements.

John leaves behind a loving wife, Ginny, 5 children, and 12 grandchildren. My prayers are for them at this time. They will miss him, as will we all.

Mr. HATCH. Mr. President, I rise today to remember my friend and colleague, Senator John Chafee.

We were both elected to this great body in 1976. But, John was not your average freshman Senator. Whereas I had never held office before, John came to the Senate with a service record to his State and his country that was already exemplary.

He was a war hero, having fought with the Marines on Guadalcanal. He was a Rhode Island state legislator, Governor, and Secretary of the Navy.

But here, he was not content to rely upon past achievements, no matter how great those achievements were. He fought diligently for a cleaner environment, better health care, and a fair and fiscally sound Medicare and Medicaid system. Most recently, we worked together on the "Caring for Children Act," a bill which would have responsibly taken our nation's child care policy into the next century, providing parents with more options and expanding the ability of states to meet the needs of low-income working parents.

It was my pleasure to serve with John Chafee on the Finance Committee and the Select Committee on Intelligence. His leadership and understanding on these issues will be greatly missed.

I secretly admired John in another way as well. I understand that he could play a mean game of squash, which is a game I never learned.

Of all of John's titles Governor, Secretary, Senator—I know that his favorites were "Dad" and "Grandpa." I offer my deep condolences to John's wife, Virginia, and to their children and grandchildren. I know that spending more time with them and in his beloved Rhode Island following his retirement next fall was something that he looked forward to. The tragedy of his sudden death is all the worse because he was cheated out of this well-earned retirement.

John Chafee was a gentleman, a statesman, and a true public servant. There is no higher accolade that I can pay him.

Elaine and I send our deepest sympathies to his wonderful family and to all Rhode Islanders on this great loss.

CLASS SIZE REDUCTION

Mrs. MURRAY. Mr. President, we are nearing the end of the budget process, and there were inferences made on the floor yesterday that the class size initiative should not be part of the final budget agreement because—it has been claimed—the President doesn't have the authority to insist that we hire more teachers to reduce class size.

Mr. President, I have come to the floor today to clarify the President's important—and authorized role—in fighting for smaller classes. I have also come to the floor to remind my colleagues that this year we have smaller class sizes—where discipline has been restored and kids can learn the basics—because last year Congress made a bipartisan agreement—and a bipartisan commitment—to hire 100,000 new teachers in order to reduce size in first, second, and third grades.

Today, as the budget process winds down, I want to make sure that our agreement is not pushed aside.

Let me remind my colleagues that the President does have the authority in the Constitution to register his opinion on whether or not the budget is acceptable. In fact, the President doesn't just have the authority, but he has the responsibility under Article I, Section 7 to return bills with his objections that he does not approve of. And I'm glad the President has that authority and that he will use it if this Congress doesn't guarantee class size reductions. And 38 Senators signed a letter saying we would stand behind his threatened veto because we agree class size reduction is critical.

Mr. President, in trying to reduce the number of students in each classroom, I have followed the process. In March, I was told it wasn't the right time. In the subcommittee, I was told we weren't allowed to offer amendments. In full committee, I was told it was too controversial. Then, when I got the floor, I was told I'd have to wait until the Elementary and Secondary Education Act was written. If we have to wait until then, we won't be able to tell kids they will have small classes next year, and we can't tell teachers they will have their jobs next year.

Mr. President, I have followed the process, and I have waited. But I am tired of waiting as I sense that this Congress is trying to undo our bipartisan commitment. What am I supposed to tell students, "Congress has to write the ESEA and until then, you have to learn your ABCs in a class with 35 students." To me, that is not acceptable. I'm not going to tell them that. If this Congress feels so strong that guaranteeing smaller classes is not important, you can give them your excuses.

This is about money in the budget that Congress approved last year, and it is about us keeping our commitment to improving education by reducing class size.

The class size reduction effort has been a success in its first year. Today, we have kids learning in classrooms that are less crowded—learning to read, learning to write, and learning the basics with fewer discipline problems. They are working with a trained professional. Research shows they are going to have higher graduation rates, higher grade point averages and a higher likelihood of pursuing higher education.

They are going to be successful because of the work this Congress did one year ago. And the President has a right to insist on it. We as Democrats have a right to insist on it, and—as a Senator in this body—I am here to insist on it.

Now is the time to keep our commitment. Now is when the decisions are being made. Now is when we have to stand up for smaller classes. If we have to wait until after all budget deals have been cut, until after all the money has been spent, we will have failed those teachers, we will have failed those parents, but most importantly, we will have failed those children.

Mr. President, it is a national priority to reduce class size so kids can learn the basics and so discipline can be restored in the classroom. It is a promise we made last year and we need to put the money behind it, wherever it is appropriate.

A few weeks ago, I met with a teacher in Tacoma, WA, named Kris Paynter. Last year, there were 30 kids in her first grade class. This year there are 13 because of this program. That makes a huge difference for those kids. I saw a disciplined classroom where kids could learn the basics. Next year, we don't know how many kids will be in Ms. Paynter's class. And we can't even guarantee those 29,000 teachers hired last year will keep their jobs.

Mr. President, putting all of these process questions aside, what really matters at the end of the day is that kids have smaller classes. The teachers and parents in this country care that we do it. Period.

The millions of children who are now in smaller classes aren't wondering "has this been authorized?" or "is this in the budget?" or "does the President have the constitutional authority to reduce class sizes?" What really matters is that we fulfill our promise to parents, teachers, and students that we made last year in a bipartisan process.

Mr. President, I hate to say it, but at every turn, this Congress has put special interests ahead of the interests of real families. This is the last opportunity we will have to do something significant for kids. We didn't address the loopholes that still allow kids and criminals to get their hands on guns. We didn't make schools safer after the Columbine tragedy. We didn't provide health insurance to more kids. This is the last chance we have in this Congress to do something for out kids, fix a problem we know exists. And I am here to say that we cannot let this chance pass.

We need to keep our commitment to reducing class size. We need to be able to tell those teachers they will have jobs next year, and we need to be able to tell those kids they will have small classes next year. Let's stand behind our commitment.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

THE HAGEL PROPOSAL ON CAMPAIGN FINANCE REFORM

Mr. FEINGOLD. Mr. President, I come to the floor to briefly comment on a significant development in the fight for campaign finance reform. This morning, a bipartisan group of Senators, led by the Senator from Nebraska, Mr. HAGEL, announced a new campaign finance reform proposal. Let me say that I and the Senator from Arizona, Mr. MCCAIN, warmly welcome the heightened participation of this new group of Senators, which includes the Senator from Louisiana, Ms. LANDRIEU, who has been, from the day she came to the Senate, a strong supporter of campaign finance reform. I also note that it includes five Republican Senators who have previously never voted for a campaign finance reform measure that includes limits on soft money.

As I predicted last week on the floor, the wall of protection for the current system of unlimited soft money contributions to the political parties is rapidly crumbling. While I am pleased by this development, I am not surprised. The soft money system is indefensible. I think we saw that during our abbreviated debate last week. Opponents of reform didn't defend soft money; they tried to divert our attention from it. They actually questioned whether there is anything corrupting about unlimited contributions from corporate and union treasuries to the political parties.

As the chairman of the Global Board of Directors of Deloitte Touche Tohmatsu wrote in the New York Times when he heard about these comments on the floor:

> You could almost here the laughter coming from boardrooms and executive suites all over the country when Senate opponents of campaign finance reform expressed dismay that anyone could think big political contributions are corrupting elections and government.

I think the new initiative, led by the Senator from Nebraska, recognizes the opponents of reform have now retreated to an untenable position. They are defending the indefensible. To say there is nothing wrong with unlimited contributions to the political parties, that this is somehow the "American way," is to live in a fantasy world the American people simply will not accept.

The public knows soft money is wrong. The public knows soft money is corrupting. And the business community knows it, too, as the Global Chairman of Deloitte Touche Tohmatsu so well expressed.

While the Hagel proposal does not ban soft money completely, which I believe is an essential element of an acceptable campaign finance reform bill, it does limit it significantly. So what you have here is a whole new group of Republican Senators, as well as some Democrats who are obviously saying it is not unconstitutional to limit soft money. In fact, they are obviously seeing the abuse of $300,000 or $500,000 contributions and they want to do something about it. So I am looking forward to working with Senator HAGEL and the others to reach common ground.

When campaign finance reform left the floor last week, we had a total of 55 Senators who had voted in favor of reform. Now, with this new initiative, there are five more Senators who apparently are prepared to vote to change this system. I think that is very significant, as I am sure my colleagues know, because what is 55 plus 5? It is 60. If we can bring all of these Senators together on a package they can all accept, we can break the filibuster. What we need now is real hard work, bipartisan work. We need to bridge our differences. If we can do that, we can defeat the defenders of this corrupt system and give the people a cleaner and fairer campaign finance system for the new century.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

AFRICAN GROWTH AND OPPORTUNITY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 434, which the clerk will report.

The legislative assistant read as follows:

A bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa.

Pending:

Lott (for ROTH/MOYNIHAN) amendment No. 2325, in the nature of a substitute.

Lott amendment No. 2332 (to amendment No. 2325), of a perfecting nature.

Lott amendment No. 2333 (to amendment No. 2332), of a perfecting nature.

Lott motion to commit with instructions (to amendment No. 2333), of a perfecting nature.

Lott amendment No. 2334 (to the instructions of the motion to commit), of a perfecting nature.

Lott (for ASHCROFT) amendment No. 2340 (to amendment No. 2334), to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise to discuss the trade bill which is before us, and to register some disappointment with the path the leader has chosen to pursue because at this point the leader has indicated that he is not going to permit amendments to this trade bill. He has brought the bill to the floor, but he has what we call around here "filled the tree."

I am certain people who are listening to this out across the country must wonder what this language we use around here means. Very simply, it means the Republican leader has constructed this bill and amendments to the bill that preclude other Senators from offering amendments to this legislation. I regret that. I think it is a mistake.

One of the reasons we are bogged down around here is because the leader keeps doing this and keeps bringing up bills and keeps filling the tree. He keeps filing cloture and doesn't let the Senate legislate. I understand from time to time that may be necessary to move business in the Senate. But I think it has now happened so frequently that it is actually stopping business in the Senate. I believe that is a mistake.

Hopefully, this will change and we will be given an opportunity to offer amendments. I have several amendments that I believe should be considered by the body on this legislation. They are directly relevant to trade. In fact, I can't think of amendments any more relevant than the amendments I would like to offer.

The first amendment I would like considered is one to give direction to our trade negotiators as they go into the WTO Round in Seattle next month. We are just weeks away from our negotiators going into talks with all of the other countries that are involved in these discussions. We have not taken the opportunity to give direction to our trade negotiators on the policies they ought to pursue in these talks.

I believe it is very important that we set out what the goals should be. What should we ask our negotiators to have as their negotiating priorities?

I also would like to offer an amendment that would give trade adjustment assistance to farmers because right now they are left out. If they are adversely affected by a trade agreement that we reach, tough luck. They are left out. They are not helped. They ought to be included. Certainly, there ought to be restrictions as to how it would apply. But trade adjustment assistance ought to be provided for farmers. That is an amendment that I would like to offer to this bill. Right now I am precluded from doing so because, as I indicated, the Republican leader is denying other Senators the opportunity to present amendments.

I am willing to live by the will of this body. I am willing to offer an amendment and have votes taken. If I win, I win. If I lose, I lose. But I would at least like to have the opportunity to see where the will of the Senate lies on these questions. What are the negotiating instructions we give to our delegation to the WTO talks? Should farmers be included in trade adjustment assistance just as every other worker in this country is eligible? I believe the answer to those questions is a firm yes.

Let me first indicate that the reason I believe it is so critically important that we give instructions to our negotiators with respect to agriculture and what they do in terms of pursuing an agricultural policy in the WTO talks is because we are getting skunked in these discussions. We have been getting skunked and skunked repeatedly in these international trade talks.

Not so long ago I was visiting with the chief negotiator for the Europeans who told me: Senator, we believe we are in a trade war with the United States on agriculture. We believe at some point there will be a cease-fire in this conflict and we want to occupy the high ground. The high ground is world market share. Our European friends have engaged in a strategy and a plan to dominate world market share in agriculture. They have succeeded brilliantly. They have gone from being the largest importing region in the world to being one of the largest exporting regions in 20 years. They have done it the old-fashioned way: They have done it by buying these markets. They have spent, and spent profusely, in order to win this world agricultural trade battle.

Over the last 3 years, they have averaged $44 billion a year in support for producers versus our $6 billion. They have been outspending America 7 to 1 in terms of support for producers over the last 3 years. That is part of their strategy. That is part of their plan. They want to go out and buy these markets. The way they have done it is very interesting. They have developed a structure of agricultural support that pays their producers more within European boundaries to produce the same crops we produce, and then they take the surplus production that results and sell it for fire sale prices on the international market, driving prices down for them, driving down prices for us, driving down prices for everyone. That is also part of their strategy as they increase their market share—again, with the notion they are going to be in a position when a cease-fire is declared in this trade conflict to extract concessions. Oh, how well that strategy and plan has been working.

Their level of support is much higher than ours—3 times as high in some measures, 7 times as high under total support measurement, 60 times as high looking at world agricultural trade subsidy—and we are being outgunned. How do we win a fight when we are being outgunned on world agricultural export subsidy by 60 to 1? That is what the latest figures reveal. Europe accounts for almost 84 percent of all world agricultural trade subsidy; 84 percent. The United States, 1.4 percent. They are providing 60 times as much to go out and buy these markets as we are doing. Not surprisingly, they are winning.

Their trade negotiator said: Senator, we have a higher level of support than you do. In the last trade talks, instead of closing the gap, they were able to get equal percentage reductions from these unequal levels of support. Again, that is part of their strategy and plan. They don't want to see this gap closed. They don't want to see the United States go up and theirs go down. They don't want to see any movement in this relationship where they are now dominant. Instead, they want to secure equal percentage reductions from these unequal levels.

If they are able to do that, they will push us closer and closer to the brink of losing tens of thousands of farm families all across this country. That is why I believe it is critically important we offer negotiating objectives for agriculture to our delegation that will begin with the WTO Round in November.

If I were able to offer the amendment, I would offer the following negotiating objectives. The amendment I have crafted, and it is cosponsored by Senator GRASSLEY of Iowa, lays out seven principal negotiating objectives for agriculture:

No. 1, we should insist on the immediate elimination of all export subsidy programs worldwide. Export subsidies only depress world market prices. I think this is something we could agree on in the Senate. It is not in our interests to have world agricultural export subsidies. It is certainly not in our interests when the Europeans are outspending the United States in this regard 60 to 1.

No. 2, we should insist that the European Union and others adopt domestic farm policies that force their producers to face world prices at the margin so they do not produce more than is needed for their domestic markets. Every economist I have spoken to has told me that is something that makes sense to them, that every country ought to face world market prices at the margin. It is one thing for countries to adopt domestic food security policies to ensure they can feed themselves; it is entirely another matter to subsidize excess production and then dump this surplus on the world market, depressing prices for everyone else.

No. 3, we should insist that the State trading enterprises, such as the Canadian Wheat Board, are disciplined so their actions are transparent and they do not provide de facto export subsidies.

No. 4, we should insist on the use of sound science when it comes to sanitary and phytosanitary restrictions. Too often these are used as hidden protectionist trade barriers. On genetically modified organisms—which is a very hot issue in Europe—we should insist that foreign markets be open to our products, but we should also recognize we can't force consumers to buy what they don't want. We have to give consumers the ability to make an informed choice on whether they want to buy these products without letting inflammatory labels be used as hidden trade barriers.

No. 5, we should insist that our trading partners immediately reduce their tariffs on our agricultural exports to levels that are no higher than ours and then further reduce these barriers.

No. 6, we should seek cooperative agricultural policies to avoid price-depressing surpluses or food shortages.

No. 7, we should strengthen dispute settlement and enforce existing commitments. We honor our commitments. All too often, other countries that are party to these agreements fail to follow what they have pledged to do.

I think these are seven commonsense negotiating objectives we ought to lay out for our delegation to the WTO talks. I hope at some point we are able to offer that amendment.

I have indicated I want to offer an amendment allowing our farmers to qualify for trade adjustment assistance. The amendment I want to offer—and again, this is cosponsored by Senator GRASSLEY—makes farmers eligible for trade adjustment assistance similar to what is provided to other workers in other industries who suffer as a result of unfair imports. When imports cause layoffs in manufacturing industries, workers are eligible for trade adjustment assistance. But when imports cause the same kind of problem to farmers, they are not eligible because the test is job loss.

Of course, farmers don't work for a paycheck, they get their living by selling the commodities they produce. When they are faced with a circumstance in which they are unfairly impacted by trade imports, they lose their income but not their job. So when it comes to trade adjustment assistance, they are out of luck. They don't qualify for trade adjustment assistance. Farmers lose their income, and there is nothing to help them. In fact, this may be something we do to them ourselves. We may negotiate away certain sectors of our industry as we did in the so-called Canadian Free Trade Agreement. Yet we come back and do absolutely nothing for the sector of our economy that was traded away—in this case, farmers.

We have a case in my State where certain loopholes were negotiated in the Canadian Free Trade Agreement that allow Canadians to flood our market with Canadian durum. We can't send a bushel north, and yet there is nothing to help our farmers who were basically sold out in that negotiation. There is not one thing to be done to help them. We have lost hundreds of millions of dollars a year, and nothing is being done to provide assistance to those farmers. The least we could do is provide trade adjustments as we do for every other industry.

That is why I believe we must act on an amendment such as the one Senator GRASSLEY and I have crafted. Trade adjustment assistance for farmers can not only provide badly needed cash assistance to a devastated agricultural economy; it can reignite support for trade among many family farmers.

The Conrad-Grassley amendment would assist farmers who lost income because of unfair imports. Farmers would get a payment to compensate them for some, but not all, of the income they lose if increased imports affect commodity prices. The maximum any farmer would receive in any one year is $10,000, and the maximum cost of this amendment would be $100 million a year.

Under our amendment, the Secretary of Agriculture would decide whether the price of a commodity has dropped more than 20 percent and whether imports contributed importantly to this price drop. The "imports contributed importantly" standard is the same standard the Department of Labor uses to determine whether workers are eligible for trade adjustment assistance when they lose their jobs.

In order to be eligible for benefits under this program, farmers would have to demonstrate their net farm income has declined from the previous years. This was a criticism leveled at the amendment in the Finance Committee, and we have added this provision to try to respond to that criticism.

Farmers would also need to meet with the USDA's Extension Service to plan how to adjust to the import competition. This adjustment could take the form of improving the efficiency of the operation or switching to different crops.

Training and employment benefits available to workers under trade adjustment assistance would also be available to farmers as an option. In most years, the program would have a very modest cost because very few commodities, if any, would be eligible. But in a year comparable to last year, when hog prices collapsed and wheat prices tumbled, the program would offer modest support to compensate farmers for the harmful effect of imports.

These are two amendments that I believe are totally relevant to the bill before us. One of these amendments I offered in the Finance Committee to this very bill. Now this legislation is on the floor and we are precluded from offering an amendment here. Again, I hope the leader will relent. I hope he will open it up so those of us who have serious amendments, amendments that deserve consideration, can at least get an up-or-down vote.

The second amendment I discussed, dealing with WTO negotiating objectives, I also think is directly relevant. Frankly, we are not going to have another chance to give instructions to our delegation before they go to the WTO Round. Before they commence these trade talks, we ought to have an opportunity to give negotiating guidelines to our negotiators. That is part of our responsibility, part of our role. If we do not have a chance here, we are not going to have a chance.

Finally, I have a third amendment on agricultural sanctions that I would hope could be considered.

I very much hope before this is done we will have a chance to offer amendments, amendments that are serious, that are relevant to trade, so our colleagues may pass judgment on them, so we may consider and vote on them.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

NO NEW WAVE OF ISOLATIONISM

Mr. NICKLES. Mr. President, I am going to speak in a moment on the trade bill, but first I want to repudiate, or at least take issue with, some of the comments that have been made by the President and those of his National Security Adviser, Sandy Berger, when he made comments about the Senate becoming the new isolationists.

I looked at his speech he made before the Council on Foreign Relations just a couple of days ago. He blasted the Senate, blasted Republicans, or that was the implication. I will quote:

> It's tempting to say the isolationist right in Congress has no foreign policy, that it is driven only by partisanship. But that understates it. I believe there is a coherence to its convictions, a vision of America's role in the world. Let me tell you what I think they are in simple terms; First: any treaty others embrace, we won't join. The new isolationists are convinced that treaties—pretty much all treaties—are a threat to our sovereignty and continued superiority.

I could go on, but I am very offended by that statement. I am very offended the National Security Adviser of this President would make such a statement about Members of this Senate. He is factually incorrect. He is making statements that send bad signals throughout the world that are unfounded, and he should be ashamed, and he should apologize for this speech he made before the Council on Foreign Relations.

He implies this new isolationism is against all treaties, and he is implying maybe Republicans don't like treaties. Let me just take issue with that.

In 1988, we passed the Intermediate Nuclear Forces Treaty. It passed by an overwhelming margin. We passed the START treaty, Strategic Arms Reduction Treaty, START I in 1992, START II in 1996, by overwhelming majorities.

We worked and had a bipartisan arms control group that monitored arms control. I might mention, that started under President Reagan and President Bush. It has been discontinued, to my knowledge, under President Clinton, and maybe that is to his loss. One of the reasons that group was put together was that another arms control treaty, the SALT II treaty, the Strategic Arms Limitation Treaty proposed by President Carter, was defeated.

I am amazed, when people said the Comprehensive Test Ban Treaty was the first treaty defeated in the Senate, they don't count SALT II. SALT II was defeated. We didn't have an up-or-down vote, but President Carter had the treaty withdrawn. He could count votes and he didn't have 67 votes. It was not going to be ratified, so he withdrew the treaty. And he was correct in doing so. That treaty had fatal flaws.

So subsequent administrations, President Reagan and President Bush, said let's have a bipartisan arms control group in the Senate that will help monitor, discuss, give advice and consent. So we had good dialog on treaties as they evolved, and this Senate was quite successful in ratifying those treaties. I mentioned the fact we ratified INF, START I, START II, Conventional Forces in Europe—we did that in the 1990s—the Chemical Weapons Convention.

I might mention, I did not support the Chemical Weapons Convention, but it still passed by an overwhelming majority. I have my reasons. I don't think it is verifiable. I think somebody can build chemical weapons in a closet and no one will ever know. But my point is, that happened just a year or so ago.

This Senate also passed NATO expansion. We passed it overwhelmingly.

So, again, for the President's National Security Adviser to say we are isolationist I think is absolutely wrong. To say we oppose all treaties is absolutely wrong.

I might go ahead and mention that if the President submits the Kyoto treaty, the Global Climate Change Protocol negotiated in Kyoto, Japan, it will be defeated. This Senate passed a resolution prior to their signing that treaty with 90-some votes saying we will not ratify something that leaves out major players worldwide, players such as China. Mexico and India, who did not sign the Kyoto Protocol, didn't sign the treaty—that we would not sign it. It has several other fatal flaws. The President went ahead and signed it anyway. If the President submits that treaty for ratification, it will go down in defeat.

Is it our fault the President went ahead and submitted the Comprehensive Test Ban Treaty? Didn't he read the Constitution? The Constitution says it takes two-thirds to ratify a treaty. He never had two-thirds. He didn't even have a majority. Was that the Republican Members' fault when we had Members of the Senate, day after day, saying "We want a vote on the treaty"? The President said, "We want a vote on the treaty." We had ranking members, the ranking minority Member of the Senate and several others saying, "We want to vote on the treaty." So we did what we often do around here; we entered into a unanimous consent agreement that could have been objected to by any Senator and scheduled a vote.

Then people wanted to get out of the vote because, oops, we counted and we don't have 67 votes. There were not even 50 votes. All it would have taken was a unanimous consent to defer the vote and that attempt was not made. Senator LOTT tried to offer the President an escape route, but he wouldn't take it. The President didn't even call Senator LOTT until an hour, maybe 2 hours, before the vote. That is the President's fault.

Let's go back to treaties. Is this Senate willing to ratify and consider treaties?

What about the Nuclear Non-Proliferation Treaty? That is a treaty we have ratified, but we also know it has not been enforced. We know Russia has been selling nuclear weapons and materials to Iran, and this administration has done almost nil about it. The fact is the last Congress passed legislation to increase penalties for firms that, through Russia, are selling to Iran. The President did not want to sign it. He eventually signed it.

He has been lax in the enforcement of the Nuclear Non-Proliferation Treaty with respect to Iran. The administration has been looking the other way with China, who has been selling arms, missiles, and equipment to Pakistan. China signed that treaty. Russia signed the treaty. Iraq signed the treaty. And the administration turns its back on Iraq. North Korea signed the Nuclear Non-Proliferation Treaty, and they have not complied with it. They have not come close to complying. As a matter of fact, we have uncovered evidence that they are pretty active in their nuclear program.

The Nuclear Non-Proliferation Treaty says there will be onsite visits. North Korea said: No, there will be no onsite visits; we are turning off the cameras. The administration said: We are going to reward your noncompliance and build you a couple of nuclear powerplants and we will give you millions of dollars of oil every year if you promise not to do this anymore.

What was North Korea's response? Thank you very much; we will take your money, your powerplants and, incidentally, we will lob missiles over South Korea, over Japan, and maybe hit the west coast of the United States, certainly Alaska.

The administration has rewarded noncompliance of the Nuclear Non-Proliferation Treaty by North Korea. They have done the same thing with Iraq. My colleagues might remember we had a war. We had a war in Iraq in 1991—actually, in 1990, we had a significant buildup. In 1991, we had a war.

At the conclusion of that war, we said: Before we are going to allow Iraq to sell oil, we are going to have international arms control inspectors to make sure they are not building nuclear weapons and that they were not in violation of the Nuclear Non-Proliferation Treaty—to make sure they are not building chemical weapons, not building biological weapons; so we are going to have an arms control group monitor Iraq to make sure they are not building weapons of mass destruction. Unless they complied with that, we were not going to let them sell oil. That was in 1991. That was after we won the war with Iraq.

Guess what has happened since then. Since this President has been elected, gradually over time, we have allowed Iraq to sell more oil year by year. We have zero inspectors in Iraq today. Zero. So they are able to build their nuclear weapons, chemicals weapons, and biological weapons. We do not have anybody on the ground. We may have satellites flying around, but they cannot pick that up. They can be built in small rooms.

This administration's record on proliferation is poor. Their record on enforcing the Nuclear Non-Proliferation

Treaty is pathetic. Again, to have this administration lecturing Members of the Senate and saying we are new isolationists is totally unfounded.

They rewarded Iraq for their noncompliance. They did not comply with the regime imposed on them by the United States and, frankly, the entire world—the United Nations. They did not comply with it.

What did we do? We rewarded them and said: You can sell all the oil you want. And the administration ratified that by a unanimous vote in the Security Council 3 weeks ago which said to Iraq: You can sell all the oil you want and, incidentally, you do not have to have any arms control inspectors whatsoever in Iraq; none, zero.

Great. That is a great policy.

Speaking of nonproliferation, the whole idea of nonproliferation is we do not want a lot of nuclear weapons primarily, but we also do not want chemical and biological weapons spreading around the world. We do not want them expanding.

Maybe the administration better give us some answers, including the Vice President of the United States, when we have evidence turned in by the intelligence agencies—actually, it was done by a Chinese agent—that shows us they have copied or they have multitudes of information on our nuclear weapons, including our missile designs, our latest warheads, and a whole variety of things. We found out about that.

When did the President find out about it? His National Security Adviser found out about it in the fall of 1995. Sandy Berger, who is Assistant National Security Adviser, at least was briefed about it by the Department of Energy in April of 1996. According to Mr. Berger's statement, he did not brief the President until July of 1997. Mr. Berger, why didn't you brief the President?

Somehow, I do not believe that. He should resign. If the National Security Adviser finds out that China has access to our latest technology or designs on nuclear weapons in April of 1996 and does not brief the President until July of 1997, he should be replaced. These are weapons that threaten the security of the United States. These are weapons that threaten the security of the world. And he did not find time to brief the President of the United States? I do not believe that.

When did the President find out they had stolen these weapons or they have the designs for these weapons? What is our National Security Adviser there for? To make partisan speeches in New York calling Republicans new isolationists? He does not find time to brief the President, but he has time to sit in on campaign meetings throughout the year and at the same time we have Chinese arms merchants coming to the White House writing big checks? This thing smells. It is despicable. Yet he has time to make partisan speeches that are totally, completely unfounded.

I have gone over a few treaties, and I have mentioned several the Senate has ratified when Republicans have been in control and when the Democrats have been in control. We had bipartisan ratification for every treaty I mentioned.

I mentioned the Kyoto treaty earlier. It has bipartisan opposition, and if the President submits it, it will not be ratified.

I mentioned the Comprehensive Test Ban Treaty about which the President is so upset. It was not ratified because it is a treaty in perpetuity. It is a treaty that says 100 years from now or 40 years from now, no matter what China does, no matter what Russia does or what Iraq does or any other country, if we find out they have an aggressive nuclear program, we still cannot test because we will abide by the treaty in spite of the fact that other countries may not.

The Senate, by a majority vote, said it is not going to ratify a treaty that has zero test limits. Every President in the past has said if we have a treaty, it should be temporary, a moratorium, and not a permanent ban; it should allow for some small amount of testing. Frankly, we think some countries which have signed it are already cheating, but we cannot detect it because it is not verifiable.

Many think this is not a treaty on which we should bind the United States for the next 40 years. Mr. President, you have to submit a better treaty. You have to consult with Congress. You have to get some advice and consent. You cannot rail and make partisan statements that you want a vote and you get a vote, but then you say: Wait, I didn't know. I thought we were guaranteed to win. That is not in the Constitution. Congress fulfilled its constitutional duty. Maybe the President should read the Constitution. It takes two-thirds of the Senate to ratify a treaty. It is not our fault he did not have the votes. He did not even come close to having the votes.

What about this new military isolationism about which Mr. Berger is talking, implying the Republicans do not want to get involved in a foreign war? Maybe he is alluding to this Senator.

In January of 1991, we voted in the Senate whether to authorize the use of military power in Iraq. And we did. We passed it by a vote of 52 to 47. We had some bipartisan support. Vice President GORE supported that resolution.

Most Democrats opposed it, including the majority leader, including some very respected Senators whom I know and think the world of: Senator Nunn, Senator Boren, for example. They were saying let's give sanctions a little more of a chance before we initiate the war. I respected that. I didn't agree with it, but I respected it. I did not question them or call them isolationists. I did not question their patriotism. But yet when some of us had some reservations or opposition to the bombing campaign in Kosovo, we are now called isolationists. I disagree with that.

In the Rambouillet accords, the Secretary of State, Madeleine Albright, basically said: Mr. Milosevic, you need to sign this treaty we have put together or we're going to bomb you. I have made several speeches on the floor that have those transcripts. Those were statements that she made: We're going to bomb if you don't sign.

I was opposed to that. I stated at the time I thought it might make matters worse. And, frankly, it did.

If you are concerned about the humanitarian loss, things were a lot worse after the bombing was initiated. After we pulled out the observers, the monitors, things really got bad. Thousands of people lost their lives. Is it unpatriotic to question that action? Does it make you an isolationist because you don't think we have used all the diplomatic tools at our disposal before we start trying to bomb somebody into submission?

This administration has bombed four countries in the last 13 months. They have bombed in Serbia; they have bombed in Sudan; they bombed in Afghanistan; they bombed in Iraq—most all of which have not been effective. In Serbia, particularly Kosovo, for a long time it made matters a much worse.

I don't question people's integrity or their patriotism or whether they are new isolationists. I question that policy. The same thing in Bosnia. I thought we should have given the Bosnians a chance to defend themselves. This administration did not. There was a difference of opinion. I met with Bosnian leaders who came in and said: We don't want your troops to be stationed in Bosnia. We want to have arms so we can defend ourselves. I happen to agree with that policy and also said: If we go this route, we are going to be stuck in Bosnia forever. We are. I visited the camps in Bosnia. We are going to have U.S. soldiers there for a long time. Now we are going to have United States soldiers occupying Kosovo, probably for decades, at a cost of billions of dollars.

So my point is, this administration seems quick to bomb, and if you question their rhetoric or if you question the issue, well, maybe you are a new isolationist. I just disagree with that.

I don't like name calling and there seems to be a lot of it lately. I am personally offended. Somebody made the implication that, well, somebody was a racist because we didn't confirm a judicial nomination. I am very offended by that comment. I am upset about that comment and the implication from the President and from a couple Members of this body. That does not add to the debate. That is not right. It is inaccurate.

In that particular case, the judge was opposed by the National Sheriffs Organization and opposed by the State chief of police. For that reason, I voted no. It did not have anything to do with his race.

I just think name calling—whether you are calling somebody a new isolationist or whether you are saying somebody has racial motives—is very offensive.

Let me just touch on a couple other issues. Mr. Berger alludes to the fact that we are isolationists. We have a trade bill before the Senate today, the African trade bill. We are trying to pass that. We are trying to include the Caribbean Basin Initiative. We are trying to pass that as well.

There are some Members on the Democrat side who are opposing that. They have a right to do it. My guess is, an overwhelming majority of the Senate will vote to pass this. And I do not question the integrity of one of my colleagues who is opposing it. He has the right to do that. They are entitled to their opinion. They are entitled to offer their amendments. They are entitled to have discussion and debate on the issue.

But if you look at trade over the last 10 or 15 years, this Congress passed NAFTA by a bipartisan vote. We passed GATT. NAFTA, we passed in 1993; GATT, the General Agreement on Tariffs and Trade, in 1994.

This Senate is more than willing to pass fast track. The President did not call for fast track to be reauthorized because he was running for reelection in 1996. Some of the leaders of organized labor did not want it, so he didn't call for it to be done in 1996. He waited until after his reelection and then he sent it to us.

He was the first President, going all the way back to President Ford, I believe, who didn't have fast-track authority. After he was reelected, he said: Hey, Congress, pass this. The Senate wanted to pass it, but the House couldn't. A lot of House Democrats said: You didn't want to take a tough vote before the election, so we do not need to do it now either. He could hardly get any votes from Democrats in the House to pass fast track. So he is the first President in decades who has not had that authority. It is not the Republicans' fault. That is not new isolationism.

Is the President catering to protectionist forces within his own party and within the organized labor agenda? He could not get it through the House; but it was not the House Republicans, it was the House Democrats that presented the problem. And those are just the facts.

Another issue at hand is the World Trade Organization. There is going to be a meeting of the WTO in Seattle. Most Republicans support the idea of reducing trade barriers throughout the world. There are negotiations with the People's Republic of China in the WTO. They were so close, and the President would not say yes. A Chinese delegate came to the United States and made a lot of trade concessions. Frankly, it was a pretty good deal. My compliments to the President's Trade Representative, Charlene Barshefsky, who negotiated a good deal. And then the President would not say yes.

Why? Because maybe a few people in organized labor did not want him to say yes. Regardless, he did not say yes. So now he has called, I guess, the Chinese Premier and said: Well, we really want to do WTO. He had them here a few months ago, and he said no. Whose fault is that? Who is the new isolationist? Most of us realize we need to develop and encourage growing markets with China.

So I mention a few of those things to just repudiate, in the strongest words I possibly can, Sandy Berger's comments talking about the new isolationist fever that is running through Congress. Maybe there are some people running for President who have that philosophy. They don't represent the Republican Party. As a matter of fact, the primary person espousing that belief left the Republican Party.

In the Senate, I serve on the Finance Committee with Senator ROTH and Senator MOYNIHAN, and others on that committee, who have jurisdiction over trade issues, who have jurisdiction over tax issues. There is not an isolationist trend coming out of that committee or from the Senate.

If the President wants to get treaties ratified, he needs to consult with the Senate. He could have found out from the Senate he had some flaws in the Comprehensive Test Ban Treaty and did not have the votes. He could have found that out before asking for the vote and saved himself some embarrassment. Hopefully, he will come to that realization with the Kyoto Treaty.

We had a resolution in the Senate with, I believe, 94 votes that said Kyoto was fatally flawed, don't bring it to the Senate in this form or it will not be ratified. So maybe he is taking that as a hint he doesn't have the necessary 67 votes.

I hope the President and his National Security Adviser will move away from this rhetoric of "new isolationism" because, frankly, they are fomenting something that is not there. It is very much to the disadvantage of our country, our reputation worldwide, and it does not do them service because it is not true.

Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from South Carolina.

THE BUDGET

Mr. HOLLINGS. Mr. President, if there is one difficulty we have in this trade debate, it is credibility. If you believe the distinguished leaders, the President, the majority, minority leader, the distinguished chairman of our Finance Committee, you are bound to vote for this particular agreement with respect to the Caribbean Basin Initiative and the sub-Sahara. Then if you believe this Senator, who is in a dreadful minority at this point, you couldn't possibly vote for it.

Trying to bolster my credibility, because I have spoken throughout the year with respect to the budget, the deficit and whether or not there is a surplus, I ask unanimous consent to print in the RECORD this morning's column entitled "Hill Negotiators Agree to Delay Part of NIH Research Budget."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 28, 1999]

HILL NEGOTIATORS AGREE TO DELAY PART OF NIH RESEARCH BUDGET

(By Eric Pianin)

House and Senate negotiators yesterday agreed to delay a big chunk of the research budget to the National Institutes of Health, as they struggled to find new ways to hold down costs and stay within tight spending limits.

With concerns rising over their plan to cut programs across the board, Republican leaders are once again turning to creative accounting tactics to make sure their spending bills are lean enough to avoid tapping into Social Security payroll taxes.

The last of the 13 spending bills to be considered by Congress, a giant $313 billion measure funding labor, health and human service programs, would provide the NIH with $17.9 billion for fiscal 2000, a 15 percent increase that exceeds the administration request by $2 billion.

But the bill, which will be considered by the full Congress today, would require the NIH to wait until the final days of the fiscal year in September to use $7.5 billion of that money. The tactic is aimed at limiting the actual amount of money that the government will spend at NIH in the current fiscal year; the plan would essentially roll over $2 billion of spending to next year.

The Clinton administration warned that the move would seriously hamper research efforts and impose significant administrative burdens on NIH, and congressional Democrats complained that it was yet another step eroding GOP credibility on budget matters.

But Senate Appropriations Committee Chairman Ted Stevens (R-Alaska) said Congress was justified in is use of accounting "devices" to cope with emergencies and pressing budget priorities that exceeded what Congress had previously set aside to spend this year.

The various devices are crucial to the GOP's campaign to pass all 13 spending bills for the fiscal year that began Oct. 1 without appearing to dip into surplus revenue generated by Social Security taxes. GOP leaders last night put the finishing touches on an unwieldy package that includes both the labor-health-education bill, the District of

Columbia spending bill and proposal for a roughly 1 percent across-the-board spending cut.

Democrats maintain the "mindless" across-the-board cuts would "devastate" some agencies, hurt programs for mothers and children, and trigger large layoffs in the armed services. But House Majority Whip Tom DeLay (R-Tex.) said accusations the cuts would hurt defense were "nothing but hogwash." He said the criticism was coming from "the same officials who have sat by idly as the president has hollowed out the armed forces."

President Clinton has vowed to veto the huge package, as he has three other bills, and there is no way the two sides can reach agreement before a midnight Friday deadline. With neither side willing to provoke a government shutdown, the administration and Congress will agree on a third, short-term continuing resolution to keep all the agencies afloat while they continue negotiations.

While the Republicans and the White House are relatively close in negotiating overall spending levels, there are serious differences over how to spend money to reduce class sizes, hire additional police officers and meet a financial obligation to the United Nations as well as disputes over environmental provisions in the bills.

Meanwhile, figures out yesterday showed that the federal government ran a surplus of $122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–57.

The 1999 surplus was almost double the 1998 surplus of $69.2 billion, which was the first since 1969. Whil the 1999 surplus was the largest in the nation's history in strict dollar terms, it was the biggest since 1951 when measured as a percentage of the economy, a gauge that tends to factor out the effects of inflation.

All of the surplus came from the excess payroll taxes being collected to provide for Social Security benefits in the next century. Contrary to an earlier estimate by the Congressional Budget Office, the non-Social Security side of the federal government ran a deficit of $1 billion, money that was made up from the Social Security surplus.

The drafting of the labor-health-education spending measure dominated the action behind the scenes on Capitol Hill yesterday. The House has been unable to pass its own version, so House and Senate negotiators worked out a final compromise in conference.

The $313 billion compromise exceeds last year's spending by $11.3 billion and includes more money for education, Pell Grants for college students, NIH, federal impact aid for local communities, the Ryan White AIDS research program and community services block grants than the administration had requested.

While the bill provides $1.2 billion for class size reduction, the Republicans insist local school districts be given the option for using the money for other purposes while the White House would mandate the money for hiring additional teachers.

Republicans also were claiming $877 million in savings by using a computer database of newly hired workers to track down people who defaulted on student loans. The nonpartisan CBO said the idea would only save $130 million, but Republicans are using a more generous estimate used by Clinton's White House budget office.

Mr. HOLLINGS. Right in the middle is the headline: The Government has recorded its first back-to-back surpluses since 1956–57. Within the text, reaffirming that:

> Meanwhile, figures out yesterday showed that the federal government ran a surplus of $122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–57.

That is totally false. Mark Twain said it best: The truth is such a precious thing, it should be used very sparingly. That has been the credo around the Government in Washington, particularly with respect to our fiscal condition.

Mr. President, I ask unanimous consent to print in the RECORD table 6 on page 20 of the U.S. Treasury Report, issued yesterday.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 6.—MEANS OF FINANCING THE DEFICIT OR DISPOSITION OF SURPLUS BY THE U.S. GOVERNMENT, SEPTEMBER 1999 AND OTHER PERIODS

[Dollars in millions]

Assets and liabilities directly related to budget off-budget activity	Net transactions (–) denotes net reduction of either liability or asset accounts			Account balances current fiscal year		
	This month	Fiscal year to date		Beginning of		Close of this month
		This year	Prior year	This year	This month	
Liability accounts:						
Borrowing from the public:						
Public debt securities, issued under general Financing authorities:						
Obligations of the United States, issued by:						
United States Treasury	–16,115	130,078	113,047	5,511,193	5,657,386	5,641,271
Federal Financing Bank	....	....	....	15,000	15,000	15,000
Total, public debt securities	–16,115	130,078	113,047	5,526,193	5,672,386	5,656,271
Plus premium on public debt securities	–16	–200	648	2,202	2,018	2,002
Less discount on public debt securities	534	1,648	864	79,051	80,165	80,698
Total public debt securities net of Premium and discount	–16,665	128,230	112,831	5,449,345	5,594,241	5,577,575
Agency securities, issued under special financing authorities (see Schedule B. For other Agency borrowing, see Schedule C)	283	–449	–3,814	[1]29,359	28,627	28,910
Total federal securities	–16,383	127,782	109,017	5,478,704	5,622,868	5,606,486
Deduct:						
Federal securities held as investments of government accounts (see Schedule D)	31,747	[2]221,927	163,915	[2]1,767,778	1,957,959	1,989,705
Less discount on federal securities held as investments of government accounts	411	5,822	3,687	10,687	16,098	16,510
Net federal securities held as investments of government accounts	31,335	216,105	160,228	1,757,090	1,941,860	1,973,196
Total borrowing from the public	–47,718	–88,323	–51,211	3,721,613	3,681,008	3,633,290
Accrued interest payable to the public	8,729	–2,845	–635	45,448	33,874	42,603
Allocations of special drawing rights	–346	80	30	6,719	7,145	6,799
Deposit funds	–719	188	–824	4,280	5,188	4,469
Miscellaneous liability accounts (includes checks outstanding etc.)	4,054	498	–15	3,923	366	4,420
Total liability accounts	–36,000	–90,402	–52,655	3,781,983	3,727,582	3,691,581
Asset accounts (deduct)						
Cash and monetary assets:						
U.S. Treasury operating cash:[3]						
Federal Reserve account	1,082	1,689	–2,740	4,952	5,559	6,641
Tax and loan note accounts	18,986	15,891	–2,003	33,926	30,831	49,817
Balance	20,069	17,580	–4,743	38,878	36,389	56,458
Special drawing rights:						
Total holdings	–512	178	108	10,106	10,796	10,284
SDR certificates issued to Federal Reserve Banks	1,000	2,000	....	–9,200	–8,200	–7,200
Balance	488	2,178	108	906	2,596	3,084

TABLE 6.—MEANS OF FINANCING THE DEFICIT OR DISPOSITION OF SURPLUS BY THE U.S. GOVERNMENT, SEPTEMBER 1999 AND OTHER PERIODS—Continued

[Dollars in millions]

Assets and liabilities directly related to budget off-budget activity	Net transactions (–) denotes net reduction of either liability or asset accounts			Account balances current fiscal year		
	This month	Fiscal year to date		Beginning of		Close of this month
		This year	Prior year	This year	This month	
Reserve position on the U.S. quota in the IMF:						
U.S. subscription to International Monetary Fund:						
Direct quota payments	....	14,763	....	31,762	46,525	46,525
Maintenance of value adjustments	663	412	162	4,615	4,364	5,027
Letter of credit issued to IMF	–166	–15,750	7,204	–14,884	–30,467	–30,633
Dollar deposits with the IMF	4	–36	6	–85	–126	–121
Receivable/Payable (–) for interim maintenance of value adjustments	–406	–562	–262	–253	–409	–815
Balance	94	–1,173	7,110	21,155	19,887	19,982
Loans to International Monetary Fund	....	–495	495	495	....	....
Other cash and monetary assets	–1,513	887	3,375	26,153	28,552	27,040
Total cash and monetary assets	19,139	18,977	6,344	87,586	87,425	106,563
Net Activity, Guaranteed Loan Financing	–5,500	–5,240	–457	–14,362	–14,102	–19,603
Net Activity, Direct Loan Financing	5,280	[4]18,124	11,472	65,289	78,133	83,413
Miscellaneous asset accounts	2,012	1,486	–203	–83	–610	1,403
Total asset accounts	20,930	33,347	17,157	138,430	150,846	171,776
Excess of liabilities (+) or assets (–)	–56,931	–123,749	–69,811	3,643,554	3,576,736	3,519,805
Transactions not applied to current year's surplus or deficit (see Schedule A for Details)	500	1,009	569	....	508	1,009
Total budget and off-budget federal entities (financing of deficit (+) or disposition of surplus (–))	–56,430	–122,740	–69,242	+3,643,554	3,577,244	+3,520,813

[1] Includes a prior period adjustment to record securities previously redeemed.

[2] Includes an opening balance adjustment of –$1,763 million and an adjustment for year to date activity of $24 million to reflect the reclassification of securities held by government accounts in deposit funds.

[3] Major sources of Information used to determine Treasury's operating cash income include Federal Reserve Banks, the Treasury Regional Finance Centers, the Internal Revenue Service Centers, the Bureau of the Public Debt and various electronic systems. Deposits are reflected as received and withdrawals are reflected as processed.

[4] Includes an adjustment for –$289 million in August 1999 for the Small Business Administration.

... No Transactions.

(* *) Less than $500,000.

Note: Details may not add to totals due to rounding.

Mr. HOLLINGS. What I want to refer to is the line that says "Total federal securities." That is the borrowing. You issued the securities to cover your backside. You have to do that by Friday, tomorrow, at midnight. I take it we will close down the Government unless we pass another continuing resolution. The U.S. Treasury report shows that at the beginning of this year we had a national debt of $5,478,704,000,000.

Now, Mr. President, I ask unanimous consent to print this table in the RECORD entitled "Hollings Budget Realities."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HOLLINGS' BUDGET REALITIES, JUNE 30, 1999

President and year	U.S. budget (outlays) (in billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (billions)	Annual increases in spending for interest (billions)
Truman:						
1945	92.7	5.4	–47.6	....	260.1	....
1946	55.2	–5.0	–15.9	–10.9	271.0	....
1947	34.5	–9.9	4.0	+13.9	257.1	....
1948	29.8	6.7	11.8	+5.1	252.0	....
1949	38.8	1.2	0.6	–0.6	252.6	....
1950	42.6	1.2	–3.1	–4.3	256.9	....
1951	45.5	4.5	6.1	+1.6	255.3	....
1952	67.7	2.3	–1.5	–3.8	259.1	....
1953	76.1	0.4	–6.5	–6.9	266.0	....
Eisenhower:						
1954	70.9	3.6	–1.2	–4.8	270.8	....
1955	68.4	0.6	–3.0	–3.6	274.4	....
1956	70.6	2.2	3.9	+1.7	272.7	....
1957	76.6	3.0	3.4	+0.4	272.3	....
1958	82.4	4.6	–2.8	–7.4	279.7	....
1959	92.1	–5.0	–12.8	–7.8	287.5	....
1960	92.2	3.3	0.3	–3.0	290.5	....
1961	97.7	–1.2	–3.3	–2.1	292.5	....
Kennedy:						
1962	106.8	3.2	–7.1	–10.3	302.9	9.1
1963	111.3	2.6	–4.8	–7.4	310.3	9.9
Johnson:						
1964	118.5	–0.1	–5.9	–5.8	316.1	10.7
1965	118.2	4.8	–1.4	–6.2	322.3	11.3
1966	134.5	2.5	–3.7	–6.2	328.5	12.0
1967	157.5	3.3	–8.6	–11.9	340.4	13.4
1968	178.1	3.1	–25.2	–28.3	368.7	14.6
1969	183.6	0.3	3.2	+2.9	365.8	16.6
Nixon:						
1970	195.6	12.3	–2.8	–15.1	380.9	19.3
1971	210.2	4.3	–23.0	–27.3	408.2	21.0
1972	230.7	4.3	–23.4	–27.7	435.9	21.8
1973	245.7	15.5	–14.9	–30.4	466.3	24.2
1974	269.4	11.5	–6.1	–17.6	483.9	29.3
Ford:						
1975	332.3	4.8	–53.2	–58.0	541.9	32.7
1976	371.8	13.4	–73.7	–87.1	629.0	37.1
Carter:						
1977	409.2	23.7	–53.7	–77.4	706.4	41.9
1978	458.7	11.0	–59.2	–70.2	776.6	48.7
1979	503.5	12.2	–40.7	–52.9	829.5	59.9
1980	500.9	5.8	–73.8	–79.6	909.1	74.8

HOLLINGS' BUDGET REALITIES, JUNE 30, 1999—Continued

President and year	U.S. budget (outlays) (In billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (billions)	Annual increases in spending for interest (billions)
Reagan:						
1981	678.2	6.7	−79.0	−85.7	994.8	95.5
1982	745.8	14.5	−128.0	−142.5	1,137.3	117.2
1983	808.4	26.6	−207.8	−234.4	1,371.7	128.7
1984	851.8	7.6	−185.4	−193.0	1,564.7	153.9
1985	946.4	40.5	−212.3	−252.8	1,817.5	178.9
1986	990.3	81.9	−221.2	−303.1	2,120.6	190.3
1987	1,003.9	75.7	−149.8	−225.5	2,346.1	195.3
1988	1,064.1	100.0	−155.2	−255.2	2,601.3	214.1
Bush:						
1989	1,143.2	114.2	−152.5	−266.7	2,868.3	240.9
1990	1,252.7	117.4	−221.2	−338.6	3,206.6	264.7
1991	1,323.8	122.5	−269.4	−391.9	3,598.5	285.5
1992	1,380.9	113.2	−290.4	−403.6	4,002.1	292.3
Clinton:						
1993	1,408.2	94.3	−255.0	−349.3	4,351.4	292.5
1994	1,460.6	89.2	−203.1	−292.3	4,643.7	296.3
1995	1,514.6	113.4	−163.9	−277.3	4,921.0	332.4
1996	1,453.1	153.5	−107.4	−260.9	5,181.9	344.0
1997	1,601.2	165.9	−21.9	−187.8	5,369.7	355.8
1998	1,651.4	179.0	70.0	−109.0	5,478.7	363.8
1999	1,701.0	223.0	120.0	−103.0	5,582.0	356.0
2000	1,744.0	243.0	161.0	−82.0	5,664.0	358.0

Historical Tables, Budget of the US Government FY 1998; Beginning in 1962 CBO's 2000 Economic and Budget Outlook.

Mr. HOLLINGS. I will show we agree that at the beginning of the year we have exactly that figure, 5 trillion 478 billion 7-some-odd-million dollars. Now, referring to U.S. Treasury Report table, you will find, under the column Close of This Month, the figure $5,606,486,000,000. So the table itself, according to the figures issued yesterday, showed the Federal Government ran a surplus. Absolutely false. This reporter ought to do his work. This crowd never has asked for or kept up with or checked the facts. Eric Planin—all he has to do is not spread rumors or get into the political message. Both Democrats and Republicans are all running this year and next and saying surplus, surplus. Look what we have done.

It is false. The actual figures show that from the beginning of the fiscal year until now we had to borrow $127,800,000,000.

That is increasing the national debt. That is the deficit, $127 billion. I checked this with the Congressional Budget Office. They haven't done their interpolation of the various records. I had been reporting, as you will find on the table inserted, a $103 billion deficit for this fiscal year, as of the CBO June 30 figure. I said: Wait a minute, it is way more than what we thought, if it is 127 rather than 103. They said there were some unaccounted balances carried forward, some $16 billion. So it might be, instead of 103, 112. Conscientiously, we are trying to give the truth to the American people.

We have those figures in this particular table. We can enlarge it for the viewing Senators here. That is exactly what I have said. We have a $5,487,700,000,000 debt. Now it has gone up. Instead of $5,582,000,000,000, it has gone to $5,606,000,000,000. So you can see, when we got to the end of the fiscal year, not the projections, not the guesses, or whatever else—we had a deficit of $127.8 billion. That is going up, up and away, because if you look at the previous year, we did better. Well, we didn't do better in 1997, the previous year, but I should say the deficits have been coming down. And they had projected, for example, next year, a $82 billion deficit coming down from the 127.8 billion. I should say 103 billion, as is shown on this particular chart.

Now, if instead of $103 billion deficit, it is going to $127.8 billion, you can see at a glance it is going to be another $100 billion deficit next year. Looking at the facts, you can find the editorial in the Washington Post to show we have already spent 30 billion of the Social Security monies. We are all running around in a circle saying, "I don't want to touch it. No, I will not touch it." They have already touched it to the tune of 30 billion bucks, this Congress, the House and Senate, Republicans and Democrats, all of us.

We have to get the truth out. Even then, to create a surplus, they are using these particular figures—we are discussing in another conference ongoing right at the minute—the airport trust fund. We have all kinds of dangers with respect to the airports. It is getting unsafe to fly. We need better radar. We need more runways. We need more airports. We need better controls, better control towers, everything else of that kind. We are being taxed for it. We all fly, and we pay the taxes as airline travelers. But $11 billion has been spent on any and everything other than airports. It shows that it is going up, under the budget, to $23 billion in 2004. We have the money, but we don't spend it on the airports or the highways. Reporters across this country have been writing these editorials to the effect that it doesn't make any difference whether we borrowed from it or not; these are just IOUs.

I don't want to be around here in the year 2012 when we don't bring in enough to cover our costs and we are going to have to raise taxes in order to make payments. That crowd in New York working the market, they could care less. They think in quarterly amounts, in the quarter of each year. If you don't do it by the third quarter, out you go. That is the CEO/Wall Street mentality. Ours should be the long-range. You have in the desk drawer right now $1.859 trillion in IOUs not only in Medicare but in military retirement, civilian retirement, and you don't want to talk Social Security. I don't want to touch the military retirement fund or borrow from the unemployment compensation fund, the highways, and the airports.

So we just bring that up for a moment of truth in the Senate. I want to show you this because there is another headline story in the paper about a one percent cut across the board, or 1.5 percent. They are looking for a way to cut $5 billion. Now we have the House, the Senate, the leadership, the White House, and we are trying to get out of here in the next 10 days—if we can only agree on how we are going to find $5 billion—either cut $5 billion in spending, or raise $5 billion in taxes, or do whatever we have to do to find a cut across the board. That is $5 billion.

Here is what happens. Right now the estimated interest cost is $356 billion. I don't have an updated figure on that. I know since we have had two interest rate increases by Mr. Greenspan this year, it is going to be more than that $356 billion. But going back to when we last balanced the budget, we had a surplus under President Johnson. They don't have to go back to Eisenhower when they kept a different set of books. Under President Johnson, when we were here and we had a surplus, the interest cost on the national debt was only $16 billion. Here, the interest cost on the national debt is $356 billion. If we just held the line and paid for what we got, we would have had, and would have this morning, not $5 billion, we would have $340 billion to increase the airports, to increase Medicare, to save

Social Security, to increase defense. We could have a tax cut and we could pay down the debt if we had the $340 billion.

The headline ought to read: Last year we increased taxes. Why? We increased the interest costs because we increased the debt. When you increase the debt some $127 billion, you increase your interest costs, which are running right now at a billion dollars a day. You have to pay it. Worse than the regular taxes, such as sales taxes, for which you can get a school, or gasoline tax, for which you can get a highway—we get absolutely nothing for it.

Last year, this Government increased taxes, and they are determined to increase taxes today, this year, in the next two weeks—all the time talking about surpluses and about cutting spending, and all the time talking about cutting taxes.

Now, Mr. President, I yield the floor.

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I rise in strong support of the very important trade package that the Senate is currently considering. At a time when our global marketplace is expanding faster than ever, we need to ensure that the poorest countries around the world are not left behind.

This comprehensive package uses trade to promote economic self-sufficiency, at the same time allowing for broader access to American goods and services to these markets. While many believe the economic and financial answer for these underdeveloped countries may lie in direct financial assistance, I believe the answer is found by facilitating direct private investment.

I want to share with colleagues the plight of one of these countries which I experienced firsthand this past weekend. I spent 2 days in Haiti meeting with political, business, and humanitarian groups.

By far, the most dramatic portion of my trip was witnessing the extreme poverty and despair that grips that Nation. I saw the face of an economy suffering from 17-percent inflation and unemployment of between 60 and 80 percent.

Let me tell the story of one little boy I met. Only through a humanitarian organization and through the support of private donations is this 9-year-old boy able to obtain an education. As a tool to economic and democratic stabilization, aid is simply not enough. Many children just aren't able to stay in school. They are required to work in order to contribute to their families' survival.

Again, I make the point that for a good number of the people in Haiti, their per capita income is around $50 a year. A straight calculation of the per capita income is about $500. But if you look at the makeup of that distribution, you can see easily that there are literally millions of people in Haiti who live with a per capita income of around $50.

If these children are to have a future, revitalization and expansion of economic opportunities are needed to reach the goal of economic self-sufficiency. By creating a framework for using trade and investment as a development tool, the United States will be fostering reform at the economic base of these countries, taking direct aim at lowering unemployment and high inflation rates.

This legislation creates this framework by extending enhanced trade benefits to the countries of the Caribbean Basin. Since the passage of the North American Free Trade Agreement, U.S. imports from Caribbean countries have been at a distinct disadvantage. The measure would build on the existing Caribbean Basin Initiative program, often referred to as CBI, by providing additional trade benefits to Caribbean countries similar to that which Mexico and Canada currently enjoy.

Since its inception, CBI has had a significant positive economic impact on both the United States and the Caribbean countries, helping to promote regional security and stability of our Caribbean neighbors. Opening this market even further, particularly following the recent devastation inflicted by hurricanes, will help to stimulate job growth by increasing exports and expanding market access to these countries for U.S. businesses.

Another important component of this trade package establishes U.S. support for economic self-reliance in sub-Saharan Africa. The United States stands to benefit a great deal from a strong and prosperous Africa. By fostering growth-oriented economic policies, we will help support broader access to African markets for American goods and services. Sub-Saharan Africa makes up a market of more than 700 million people and is potentially one of the largest markets in the world. As economic reforms and market-opening measures spur growth in Africa, it will create new and bigger markets for U.S. exporters.

A particularly sensitive, albeit important, provision included in both the African Growth and Opportunity Act and the Caribbean Basin Trade Enhancement Act deals with textiles. The textile and apparel industries have historically provided the first step toward industrialization in many countries. This is because production is fairly simple, can be done on a small scale, and often uses locally abundant raw material.

In seeking to address the concerns raised by the U.S. textile industry, this legislation has sought compromise by restricting preferential treatment to apparel produced by U.S. fabric and yarns.

Additionally, this legislation provides strong protections against illegal transshipment of goods through Africa or eligible CBI countries. We need to ensure that these countries do not become stop-over points for products from countries not eligible for preferential treatment under the legislation.

International trade has been an important part of the growth we have enjoyed in the United States. Since 1994, international trade has created more than 11 million American jobs, and accounts for 30 percent of our Nation's gross domestic product. Imports have helped to hold down inflation, lower the cost of production, provide greater choice to consumers, and have given incentives to raise productivity.

As emerging markets seek to grow, it is important that the United States take the lead in offering these countries incentives to continue their economic reforms. By doing so, we will be providing the citizens of these emerging countries with more jobs, more opportunities and genuine hope. I believe a strong trade relationship is the best form of "foreign assistance" we can offer another country.

I thank the chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I want to address some of the statements made about the process unfolding, allegations that the majority leader has tied up the process.

The truth is, we have strong bipartisan support for this legislation. The majority leader has tried to protect the 80 or 90 Senators who support the bill to make sure we focus on the merits of the bill and not on extraneous issues that are calculated to block progress.

My friend and Finance Committee colleague, Senator CONRAD, indicated, for example, he wants to raise some amendments on agriculture negotiating objectives and trade adjustment assistance, and these amendments are relevant and should be debated. They could be, if our friends on both sides reach agreement to work together to table nontrade amendments. That is what we should be about.

Let's work together on this and begin to focus on our efforts on the bill. Let's not concede the debate to the opponents because of their procedural tactics. Let's focus on getting this bill acted upon, which is good for America as well as the CBI.

Time is running out. I think it is critically important that we bring about a process where we can move forward on this most critical piece of legislation. What concerns me is it is time sensitive.

For example, GSP has already expired. That not only works against the interests of the Third World developing countries we are trying to help, but it works against the best interests of American companies that depend on this source of supply for their material.

Yesterday, the distinguished ranking minority leader of the Senate Finance Committee made a very eloquent statement about the importance of trade adjustment to the workers who are dependent upon it. Let me emphasize, these are American workers—about 200,000.

Mr. MOYNIHAN. Mr. President, 200,000 this year, up from 150,000 last year. This is not a diminishing program. As trade grows, this number grows.

Mr. ROTH. I ask the distinguished Senator what will happen if we do not act on this legislation with respect to these American workers?

Mr. MOYNIHAN. We will have broken our word to them, that by accepting open trade policies in the aftermath of which there would be dislocations, the economy at large and the society would make arrangements for them to transfer to other work with other skills. There is no reason to think that won't happen, but without assistance it won't, and we will have broken our word which we gave 37 years ago. President after President after President has reaffirmed this, as the Senator has in this bill.

Mr. ROTH. Let me say to my distinguished friend, many years ago when the legendary Russell Long was chairman of our committee, the TAA was about to expire and no one was trying to save it. The chairman was about to rap the gavel to move on to other things. I said: Just a minute, sir. We have a commitment.

That is exactly what the Senator is claiming now. I am proud and pleased to say the legislation was continued.

It is a matter of significant concern to thousands of American workers and their families who are depending upon it. The purpose of this program, of course, is to enable these workers to be trained for new jobs, for new opportunities. We have an economy where there are, indeed, many jobs available. It behooves all to work to expedite action on this important piece of legislation.

The other point I want to underscore and emphasize, and it has been addressed eloquently by the distinguished Senator from New York, who brings so much historical background into this picture, if we don't act on this legislation, it is a denial of liberal trade policies of the past how many years—35 years?

Mr. MOYNIHAN. Sir, I go back to Cordell Hull and the Reciprocal Trade Agreements Act of 1934 which put in place the present system. As the Senator knows—I know our friend from South Carolina doesn't agree—the Smoot-Hawley tariff was a catastrophe. We have not had a tariff bill on the Senate floor since.

We now are in a difficult situation with every President, Republican or Democrat, reaffirming. A legitimate point is made that President Clinton didn't send up a request for fast-track authority in 1995; it has been delayed and we haven't gotten it. If we haven't gotten the CBI, which President Reagan promised, if we haven't gotten the African agreements, we haven't gotten trade adjustment assistance, what do we take to Seattle for the conference of the World Trade Organization?

We go as if we had thought there never should have been such an organization and didn't want it around. Why is it meeting in the United States?

Ten years ago one would not have imagined this moment.

Mr. ROTH. That is absolutely correct.

The distinguished Senator raises a most important point, going back to the need for action being taken now. The meeting of the WTO to be held in Seattle is an extraordinarily important event. It can bring about some very significant progress for this changing world where we are increasingly involved in a global economy.

It is incomprehensible that on this legislation, which has broad bipartisan support on both sides of the aisle, and has the support of the President of the United States, no action will be taken, thus giving the wrong signal to our friends, allies, and trading partners around the world as to our seriousness about moving ahead on trade policy. It looks as if we cannot take action.

Regarding fast track—and I appreciate the support Senator MOYNIHAN has given in committee—we have certainly tried to push fast track. We believed it was critically important this President, as every other President, have that authority. Unfortunately, it never happened.

Mr. MOYNIHAN. The floor not being exactly teeming with Senators wishing to join, Mr. President, this is the point: We are at a critical moment; where is the Senate?

In the absence of the Senate, let me offer some statistics about the centrality of trade. The crash of 1929 is part of American myth, tradition, history. One does not know much about American history if one does not know about that. In the aftermath, in 1930—the crash of 1929 came in October—our GDP dropped 9 percent. That is a pretty hefty drop, but stock markets go up and then they go down. When they are up, there are bargains made by selling; when they are down, there are bargains made by buying. It tends to be cyclical and does not necessarily change that much in the real world. I say again, in 1930, GDP dropped 9 percent; in 1931, it dropped another 6.4 percent. Again, that is a drop, but it is leveling off.

It was before we understood the business cycle very well, before just-in-time delivery, before countercyclical financing. The American world had never heard of John Maynard Keynes. There was learning going on, but it hadn't gotten to us. The Federal Reserve Board responded to the crash by tightening credit. They would never do that today, and they know why; they will show why in numbers.

Then came the impact of Smoot-Hawley in 1932 and the gross domestic product dropped another staggering 13.3 percent. That is when it really hit. At the same time the British had created the idea of free trade by long argumentation, good argument—reeling from Smoot-Hawley, went onto Empire Preference. They drew in and they would deal with Canada and India and New Zealand but not with Europe, not with Germany. Recall it was the Economist magazine, which I understand now has a larger circulation in the United States than it does in Britain but comparably the same readership, was founded to advocate free trade as an economic principle that worked. It did work. Great theorists such as Albert Imlah demonstrated that in the aftermath.

The Japanese, having the market here closed to them, they went to a Greater Far Eastern Coprosperity Sphere, which is a long way of saying a Japanese empire; and they invaded Manchuria, which is another way of saying China, and they began that process which ended in Hiroshima.

In 1933, the same 1933 the year after GDP here dropped 13.3 percent, unemployment was so high and social stability so weakened that a frightened German middle class elected Adolph Hitler to be Chancellor. He was chosen in the Reichstag. The rest is history.

I joined the Navy in 1943, at age 17, and a lot of other people around here did. Maybe not enough people around here did. They don't remember.

Mr. ROTH. I was one of them, I might say.

Mr. MOYNIHAN. You joined on, yes, sir. It was our generation.

Mr. ROTH. That is right.

Mr. MOYNIHAN. That is what we were there for, to fight wars that needn't have happened had the world been wiser. Not just about trade, of course not, but don't underestimate trade. We are not just talking about profits.

Mr. ROTH. Could I ask a question of the distinguished professor? We are enjoying, today, one of the greatest periods of prosperity, 8, 9 years or so, this country has undergone. Unemployment is lower than anyone would ever have predicted a few years ago. The future of this country is bright. It was only about 10 years ago everybody was predicting the United States was going down the drain and Japan was becoming No. 1. But the contrary has happened. In this period of time, we have enjoyed the liberal trade practices that began many, many years ago—what was the year?

Mr. MOYNIHAN. In 1934.

Mr. ROTH. In 1934. How can you explain the prosperity of this country, which has the most open markets of any, if not put it on the basis that a liberal trade policy does work? Unfortunately, there are some industries and some workers who do suffer. That is the reason we have TAA, to help them make the adjustment.

Mr. MOYNIHAN. Right.

Mr. ROTH. But overall, our country has never had a longer period of growth and prosperity than we are enjoying and have enjoyed. It has been enjoyed under two Presidents.

Isn't it ironic we are here debating whether or not we should extend these policies that have worked so well to a few countries that are in need of some support and help? It will not only work in their interests, but again it will work in our interest, as I think the Senator pointed out, starting with the growers of cotton, people who make the fabrics, the apparel, the wholesalers, the retailers, and the consumers. It seems to me it is almost unbelievable anyone would argue to the contrary, that we should not continue on this path of a liberal trade policy.

Mr. MOYNIHAN. Mr. Chairman, we have now reached the point where you and I are alone on the Senate floor as one of the epic decisions of this decade is about to be made. One asks Senators who might be listening: Where are you?

But the answer to your question, sir, is our learning has truly expanded. We know more about this. I mentioned 1933. In that year, John Maynard Keynes published a book in the United States called "Essays In Persuasion." It appeared the previous year in Britain. He already had a pretty good record. He wrote that great essay, "The Economic Consequences of the Peace"—of Versailles. He was on the British delegation as an adviser, and he said: It is going to be awful. Germany is not going to get over this.

That is a very famous essay—and it is sort of a joke. Winston Churchill became Chancellor of the Exchequer around 1926 and went back, took Britain back on the gold standard. He wrote an essay called "The Economic Consequences Of Mr. Churchill," which he thought were pretty grim. And they were.

But, in 1933, in this book, "Essays In Persuasion," he had an introduction. It is really essays over the years. He said: The economic problem is just a giant muddle. He said: We will figure it out. We will get through it. He said: I estimate by about the year 2030, we will have it pretty well under control and we can go on to other issues in life.

The Senator mentioned the existing expansion, the period of expansion. In February of the coming year, that will be in about 4 months, we will completed a period of sustained growth of 107 months, the longest in history—unless we start killing it, which is what we seem intent on doing. Of course there are dislocations brought about by trade. Joseph Schumpeter—had it not been for the Great Depression it is generally thought Schumpeter would be regarded as the greatest economist of the 20th century. He is an Austrian, ended up a professor at Harvard. In his book "Capitalism, Socialism & Democracy," he speaks a phrase now in wide use, of the "creative destruction of capitalism." Sure, there comes a time when shipping the cotton to mills in New England no longer makes sense. They want to have mills in South Carolina. "Bring the mills to the cotton," as the phrase was. It did make sense. The next thing you know you had empty mills all up and down the river in Lowell, MA, and, I might say, in Gloversville, NY, and such like.

Yes, but did that put an end to life in Massachusetts? No. The next thing you know, Route 128 is creating enormous economic growth spurred on by computer companies. That destruction is creative because it brings better uses of resources into play. You get more than you had. Trying to keep just what you had is a formula for ruin—well, not for ruin, but for stagnation. I speak with some temerity. I was once our Ambassador to India, and I saw it happen. Tariffs you could not get through, government purchasing. The Soviet Union——

Mr. ROTH. That is correct.

Mr. MOYNIHAN. The Soviet Union, sir, what was that? Oh, yes, that was the place that was going to take over the world.

I remember a meeting in Bucharest of world trade advocates at the time. It was an international conference about the developing world. The Soviet delegate absolutely swept the conference with an announcement that, as of this moment, as a gesture of solidarity with our friends in Africa, in Latin America, in Southeast Asia, the Soviet Union is abolishing all tariffs of imports from those countries.

The conference went wild, but no one stopped to think: But, wait a minute, the Soviet Union doesn't have tariffs. Everything is bought by the government and put through collective enterprises, all of which were in ruins and eventually collapsed. This was 20 years before the whole system imploded.

We are talking for democracy, talking for vitality, talking for expansion, talking for a tradition. As Jerry Ford said yesterday in the Rotunda, he came to Congress as a social moderate, a fiscal conservative, and a determined internationalist. He was right. Can it be we have forgotten all that?

I say, again, before I yield the floor, at a critical moment in our economic history—a critical moment—we are hours away from ruinous indecision. There are three Senators on the floor. It happens we are all friends, perhaps have gotten to be more friends because we have been on the floor together for 2 days now. It is hard to understand.

Mr. ROTH. Can I make one further observation and get the Senator's reaction to it? The irony of what is before us is, if we enact this legislation, it will help the very industries about which we are concerned.

Mr. MOYNIHAN. Sure.

Mr. ROTH. It is, as we have said before, a win-win situation.

Mr. MOYNIHAN. It gives them a different mix of costs and profits, and that turns out to make them viable again.

Mr. ROTH. I point out it is projected by the industry itself that adoption of this legislation will create in the next 5 years approximately 121,000 jobs, that it will result in markets exceeding roughly $8.8 billion. The purpose of this legislation is not only to enable the textile industry, for example, to compete better at home but also to be in a better position to compete abroad in other markets. If we do nothing, as has happened in the past, we see, for example, the Chinese exports increasing.

Mr. MOYNIHAN. Right.

Mr. ROTH. What we are trying to do is make us more competitive in the industry so that it not only helps the economy but, most important, creates jobs within the industry.

Mr. MOYNIHAN. Mr. President, the chairman is doing this for the American worker. If you think otherwise, think back to opposite policies and what they brought the American worker in the 1930s. Don't think we cannot make those mistakes again. We knew enough not to do it then. We did not know exactly why. But 1,000 economists wrote President Hoover, who was a sensitive and an intelligent man. Nothing quite like that happened before; nowadays we get 1,000 a day. They said: Don't sign that tariff bill, Smoot-Hawley. Don't sign it, they said. Well, he did. It cost him the Presidency, but that is the least of it. I thank the Chair, and I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Delaware.

Mr. ROTH. Mr. President, yesterday, I began making some comments in answer to critics of the proposed legislation, and I want to take a few minutes to continue to answer those negative comments.

One of the questions that has been asked is: Won't this legislation result in the further erosion of America's manufacturing sector?

None of my colleagues who have risen in opposition to this bill have addressed its specifics. The reason is that, unlike the House-passed Africa bill, the Finance Committee measures are drafted in a way that ensures a benefit to the American industry as well as our African, Caribbean, and Central American trading partners.

I made passing reference just now to the specifics and how it would impact on the industry and the American worker. What my colleagues who oppose the bill have done is raise several general arguments against trade that I thought might still be helpful to address.

One of the arguments that falls in that category is the argument that trade has led to an irreversible decline in U.S. manufacturing, and that any trade measure, even this one, would simply worsen that decline. Let me take that head on.

America is not losing its manufacturing sector. By any measure, it is doing a lot better than some of my distinguished colleagues seem to think. There is no question that manufacturing has declined as a percentage of the U.S. economy. Manufacturing, as a portion of GDP, has declined steadily since 1960, from 27 percent of GDP to 17 percent of GDP by 1996. But does that mean the United States is losing in the international arena? The answer is no.

According to the International Trade Commission, all industrial countries have faced a similar percentage decrease in manufacturing as a share of GDP from about 28 percent in 1970 to about 18 percent in 1994.

Does the decline in manufacturing as a percentage of GDP mean that American industry is in decline and output is falling?

Again, the answer is no. In fact, America's industrial output expanded 62 percent for the period from 1977 through 1996. Let me repeat. The fact is, America's industrial output expanded 62 percent from 1977 through 1996, a period that critics of our trade policy think of as the worst stages of our industrial decline.

American manufacturing added a net figure of 4.4 million new jobs during that same period, or an increase of 31 percent in employment in the manufacturing sector.

These are very important statistics, I believe. It bears out what the distinguished Senator from New York was just pointing out.

Are we being beaten in this measure of international competition? Again, the answer is no. According to a most recent edition of the Economist, which I think is one of the best periodicals available today, American industrial production is up by 35 percent over 1990.

During that same period, Japanese industrial growth fell by 5 percent. What a contrast. Ours grew by 35 percent; Japan's fell by 5 percent. This was the world where our country was going to be down and Japan was going to take over.

Industrial output in Germany has remained a sluggish 4 percent over the same 10 years, while French and British industrial production grew by only 8 and 9 percent, respectively.

Is there employment available for those workers who have lost their jobs due to an increase in productivity? As Senator MOYNIHAN and I were commenting earlier, the answer is yes. We have never seen such low unemployment as this country is enjoying today.

The American economy currently enjoys the lowest unemployment in history and rising wages across the board, even for the unskilled who have dropped out of school rather than finishing their education.

Mr. MOYNIHAN. Would my friend allow me to make a comment in the form of a question?

Mr. ROTH. Please proceed.

Mr. MOYNIHAN. In terms of how we are progressing and what we are learning, the Senator mentioned we have the lowest unemployment rates in 30 years, and for the longest time we also have had the lowest inflation rates.

Mr. ROTH. That is correct.

Mr. MOYNIHAN. Twenty years ago, statistics proved that was not possible. There were something called the "Phillips Curve" that said: There is a tradeoff; the lower your unemployment rate goes, the higher your inflation rate goes. And everyone said, oh, God, we can't get the unemployment rate down too much because that will spark inflation.

If I can just be reminiscent and tell war stories in this crowded Chamber, where I see we are back to three Members—well, the distinguished Senator from Illinois is presiding; and it is an honor to have him in the Chair—in 1963, the Council of Economic Advisers, then chaired by Dr. Walter Heller of the Kennedy administration, was putting together the economic report. This report was created by the Employment Act of 1946 which gave us the institutionalized, countercyclical economic notions.

They said: We should have a goal; we should set as a goal for the country an unemployment rate of 4 percent. Now, it won't be easy, but we should be bold.

In the Labor Department we were sort of distressed because we had dreams of unemployment below 4 percent. So we got them to change the text and make it an interim goal of 4 percent—again, a dream.

Sir, we now are routinely close to 4 percent, have been for almost a year. Thirty years ago, it was something you could not imagine. In a rousing economic report—if there is such a thing—you could say, let's do things that are unimaginable. Now we do not even notice when they are reported every month. It is working. Why put it in jeopardy?

Mr. ROTH. I could not agree more with what the Senator just said. I think this is one of the brightest periods in history with respect to our country. I think there is enough credit for everyone to claim.

Mr. MOYNIHAN. Sure.

Mr. ROTH. But I think the——

Mr. MOYNIHAN. But, sir, would you allow me? If we let this calamitous event take place of bringing down this trade bill there will be plenty of blame to go around, too.

Mr. ROTH. I agree with you.

Mr. MOYNIHAN. To go around and around and around.

Mr. ROTH. As you and I have pointed out, a majority of the Senators on both sides of the aisle are supportive of this legislation.

I do wish some of those who are supportive would come down and give their reasons why it is so important that we move ahead with this legislation. It would be a shame if we lost this opportunity to take a step forward. Because, if I might say so, we are not only losing the opportunity to act on this legislation, which in and of itself is so important, but it helps give what I think is the mistaken message to the world that we are no longer interested in liberal trade policy, particularly in view of the fact that we will be going, hopefully, out to Seattle in a few weeks to take the next step forward in broadening and liberalizing markets, making them more accessible to everyone, which, of course, is particularly in our interest because the United States has the lowest tariffs, the most open markets. It is important that we move ahead and begin to negotiate access to other markets.

Mr. MOYNIHAN. May I inquire, will you say that again and again and again? The United States has the lowest tariffs of any major economy in the world.

Mr. ROTH. That is correct.

Mr. MOYNIHAN. The only outcome of having negotiating power and a negotiating round is to reduce the tariffs of other people.

Mr. ROTH. Absolutely.

Mr. MOYNIHAN. And it is in our interest to do it.

We have heard talk about the subsidies of the European Union, and so forth. You do not get anywhere with subsidies.

Mr. ROTH. That is right.

Mr. MOYNIHAN. You get elected 1 year, and so forth. But the economy doesn't.

Mr. Chairman, thank God, you are where you are. But where, sir, are the others?

I see our distinguished friend is in the Chamber. We have reached a critical mass. There are five Senators in the Chamber—six. Yes, six. Perhaps the word is getting around that something of great consequence is going to happen today—or not.

Thank you, Mr. Chairman.

Mr. ROTH. Thank you, I say to Senator MOYNIHAN.

Mr. President, I yield the floor.

Ms. LANDRIEU addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. I thank the Chair.

I come to the floor today to add my voice in support of this very important piece of legislation in the hope that, as we continue to talk about the great strengths and characteristics that make this a good bill and the importance of continuing this open trade, we can build enough support to pass it, to get over whatever procedural hurdles are present.

I thank the Senator from New York and the Senator from Delaware for their bipartisan leadership. With all due respect to the opponents, let me make a few points about this African Growth and Opportunity Act.

When the United States can do something that extends opportunity to countries that need our assistance while at the same time benefiting American workers and industry, I believe we should take that step. We can, by voting for this bill, elevate the commercial exchange between Africa, the Caribbean, and Central America—hopefully, if that piece can be added—and the United States. That is what this bill attempts to do.

My State, Louisiana, is smart and blessed to have positioned itself at the mouth of the Mississippi River. It is how our State began. It is how the city of New Orleans and communities began hundreds of years ago and developed into a State.

It is impossible to overstate the river's importance to the economy of our Nation, but the Mississippi River is more than just a way to move goods within the United States. It is also the primary artery for north-south trade among the United States, Canada, and developing countries to the south. And therein lies so much potential for them and for us. At this time, much of America's trade flows in an east-to-west direction, between Europe and the east coast or Asia and the west coast. We have all benefited, some to a greater degree than others, and there have most certainly been changes, but we have all benefited from that flow. While Louisiana benefits and participates, it does not make use of Louisiana's national geographic advantage.

We will continue to benefit in an even greater way by increasing the north-south flow. For this reason, when the United States has the opportunity to increase trade on the north-south axis, I can be confident we will increase those benefits to our State and the Nation.

Although it has come under some criticism, the best example for Louisiana is NAFTA. By promoting trade among Mexico, the United States, and Canada, NAFTA moves goods along a north-south corridor that naturally produces growth for our State. The results have been quite dramatic.

In 5 years since NAFTA was enacted, Louisiana's trade with our partners has increased 134 percent. Louisiana's exports to Mexico alone were up 34 percent last year. This trade increase supports over 10,000 jobs in my State and is growing every month. Thus, from the standpoint of enlightened self-interest, the majority of people in Louisiana support the expansion of trade between our other southern trading partners in Latin America, the Caribbean, and, yes, Africa.

This bill is also about the United States paying more attention, serious attention, to a continent we have in many ways ignored. Such an effort is too long in coming. Until now, United States policy in Africa has really operated in two modes: benign neglect and cold war gamesmanship.

Our Government poured aid into Africa when it was an active battleground in the ideological struggle of the cold war. We made many mistakes in our efforts to be helpful. We supported governments that paid only lip service to democratic principles and cared little about the infrastructure necessary for a modern market economy. Much of our aid was wasted—I am sure some of it went to very good use—and the series of wars and human tragedies have left the American people somewhat jaded about the prospects for real reform in Africa.

Our neglect of this continent, with some exceptions, obviously, is starkly pointed out by our trade and investment statistics. Only 1 percent of all United States foreign direct investment goes to Africa. Of that 1 percent, half of it is in the petroleum sector, which obviously we, in Louisiana, know something about. The majority was concentrated in only five countries. That leaves 43 other nations in Africa with virtually no contact with the American system of free enterprise.

I believe the American people understand this is a continent we cannot afford to leave behind and we cannot afford to develop a society in this world of haves and have-nots. The stresses that such disparities produce inherently rip at the fabric of our society, cause upheaval, and ultimately can, as we have seen on occasion after occasion, decade after decade, century after century, turn to severe violence and war.

The disparity between the United States and nations such as Tanzania or Malawi makes the difference between the rich and poor within our own country seem laughable. Yet we wonder where rogue nations come from. We wonder what prompts them to act in violent and, in our idea, irresponsible ways. When people in our country are not vested in the development of our society, when they believe they have nothing at stake in the community, crime and violence result. The international community is no different.

Would the Sudan be a rogue state if it had a serious trade relationship with the United States and Europe? I do not believe so. Unfortunately, much of Africa finds itself ignored and divested from the world community. Again, the figures paint a stark picture. For 20 years, the gap between the level of economic development in Africa and the rest of the world has not closed; it has widened. Declining commodity prices cost Africa $50 billion in export earnings. This is twice as much as they received in foreign aid between 1986 and 1990. Fifty percent of all Africans live below the poverty line; 40 percent live on less than $1 a day. And debt service claims over 80 percent of Africa's foreign exchange earnings.

It is no wonder that, given this bleak picture, trade relations with Africa need a jump start, not only for Africa's benefit but for our benefit, for South America, for the Caribbean, and for every State in the Union, particularly those that have the infrastructure to offer for north-south trade.

The African Growth and Opportunity Act would open up American markets to apparel and other goods produced in Africa, but with the right percentages and the right mechanisms and methods for much of those goods and services to also have value added here, which would preserve jobs.

As the amazing growth of East Asia has demonstrated, apparel is a natural entry point into manufacturing and a natural source for more robust trading relations with the United States and Africa.

The Senate version of this bill ensures the benefits of this relationship will not be one-sided but will be mutual, as only apparel utilizing American-produced textiles will receive the GSP benefits. Thus, a steady two-way traffic can develop between the United States and Africa. Such a system of mutually beneficial trade can only enhance prospects of further American investment and interest in the African market, creating jobs both there and here.

For my home State of Louisiana, this is a very good deal. My friend and colleague in the House of Representatives, BILL JEFFERSON, has been one of the principal advocates for this legislation because he understands the mutual benefit for our State and many States in this Nation and this continent. Furthermore, as home to one of the most significant ports in the world, trade in either direction translates into highway jobs for citizens of Louisiana.

With regard to the criticisms of some of my colleagues relating to the dangers of labor standards and environmental degradation, I take these critiques and critics very seriously. I, for one, most certainly don't want to be a part of any trade relationship that does not promote good and progressive environmental policies and labor policies. The only long-term answer to both of these problems is economic growth. No country will address labor relations when 50 percent of its people live in poverty. No country can protect its environment when people are struggling to be kept alive. Poaching, deforestation, slash-and-burn agriculture, these are all the results of too little trade, too little investment, and too little exchange with more developed countries.

This is not to say we should abandon American standards and principle—to the contrary—but, rather, we should look at what has happened in Southeast Asia. As those economies have grown, so have wages and so has concern for the environment. Engagement is required because the status quo is even less likely to produce the kind of environmental goals we want to achieve and to address the rights of workers everywhere.

I am saddened to know that despite the importance of the African Growth and Opportunities Act, it is unlikely to receive a vote on final passage. The vast majority of this Senate, I believe, want this bill enacted. I understand that we are late in the year and procedural difficulties could absorb the little time we have remaining. However, I must say that when it comes to the question of world leadership, the Senate should make time for these kinds of discussions. The Senate floor has seen many items debated that have not enjoyed the broad-based support this legislation does. So I remain hopeful our differences can be worked out because this and other trade bills and provisions are so important to help us maintain the upward mobility we are experiencing in America, the tremendous growth of opportunities in jobs and wage improvements that can only help if these agreements are done in the right way in countries around the world and particularly throughout the Southern Hemisphere.

I just want to end briefly with a statement about the Caribbean Basin Initiative portion of this bill. I had the opportunity to visit Central America in the wake of the hurricane in Honduras and Nicaragua. They were devastated, set back over a decade or two, according to some analysts who spoke about the devastation that hurricane wrought. It was a terrible time for it to hit, just when they were coming into a democracy and when the economies were expanding. When I visited—as many Republicans and Democrats did—with the Presidents of these nations, yes, they asked for us to help repair their highways, and they asked for our military to engage, particularly our Reserves, which we were proud to send down to help them dig out and rebuild. The one thing they asked for more than anything was the Caribbean Basin Trade Initiative so that they could work themselves up, so that they could help produce new jobs, not only in the Caribbean, not only in South America and Central America, but here in the United States of America.

So let us learn from the past. Let us look confidently toward the future. Let us not cower back because the rules may be different and because globalization is upon us. Let us be brave and go forward, recognizing that global trade brings wealth and opportunity, and not only more to our Nation, but it is the only thing that is going to help close the tremendous gap of wealth in this world, which, if we don't close, will produce nothing but unrest, violence, and war in the future.

So for all those reasons—primarily for economic development but also for world peace—let us be about the business of trade. That is what today is about.

I yield the floor.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, the critics of an open and forward-looking trade policy would prefer to avoid a debate about the actual facts regarding the United States economy. Let me give you some examples.

According to the International Trade Commission, from 1970 to 1997, the percentage of U.S. GDP involved in international trade more than doubled—from 11 percent of GDP to 25 percent of GDP. If the opponents of this bill were right in their criticism of U.S. trade policy, the United States should be facing a precipitous economic decline. In fact, the United States' GDP roughly quadrupled over the same time period from $2 trillion to $8.2 trillion.

If the opponents of this bill were correct in their criticisms of our trade policy, we should have seen a dramatic rise in unemployment along with the predicted decline in output. In fact, from 1970 to 1997, the American economy produced a net increase of 33.5 million jobs.

To put that in context, the American economy produced more than three times the number of new jobs than the entire G-7 industrial countries combined. Rather than facing the double-digit unemployment that Germany faces, U.S. unemployment stood near 4 percent.

The opponents of this bill often finger our trade policy as the culprit in a decline in real wages from 1978 to 1997, because trade as a percentage of our economy doubled while real wages fell. In fact, while wages fell, the overall benefits of the entire package of compensation and benefits offered to workers actually increased by 2 percent.

That is not to deny that there is a growing gap between the pay of our highest paid workers and our lowest. There is little doubt that this gap has grown.

But, we owe it our to ask three basic questions? First, is the gap, in and of itself, a problem if everyone is better off? Second, is the gap attributable to trade as the critics complain? Third, is slowing the pace of trade liberalization, or, worse yet, the imposition of actual restraints on trade, the right policy to remedy the inequality in wages?

As to the first point, the growing gap in wages is not necessarily a problem if everyone is better off at the end of the day. As noted above, while wages fell at the low end, the overall package of benefits increased over the past two decades. Furthermore, real wages are once again on the rise, including at the low end.

But, even if wages were, in fact, stagnant, trade would help. Trade makes a broader range of higher quality goods and services available to all wage earners in the economy. In other words, trade helps ensure that even the lowest paid sectors of the economy can get higher value for their dollars than would be the case without the competition trade brings.

As for the second question, whether trade is the culprit in wages in equality, the answer is that trade has some impact, but not as much as the disparity in income between different levels of education.

Education also gives you the tools to remain flexible as the conditions of your current employment changes or as employment changes generally. That is why the economy pays a premium to those who made the sacrifices it takes to succeed in getting a high school education, a college education, and post-graduate education as well.

Our economy rewards academic achievement. There is no doubt about that. But, should we change that? Should we eliminate any incentive to achieve a higher education as a way of eliminating the wage gap? Few people would suggest that that is an appropriate response.

But, that really focuses our attention on the third question—whether slowing the process of trade liberalization or imposing trade restraints is the right answer to address the wage gap. The answer is no!

Imposing restraints on trade would, at best, be an indirect, inefficient, costly, fourth-best option. If the disparity in wages relates to academic achievement, trade restraints will not address the problem, much less solve it.

Indeed, if the problem is one of encouraging improvements in our educational system and encouraging our youth to remain in school, imposing restraints on trade is simply self-defeating. Trade restraints will do nothing to improve educational standards or improve school attendance or achievement. It will simply impose higher costs on consumers.

And, on whose shoulders will those higher costs fall? Those higher costs will fall disproportionately on the lowest economic sectors in our society. In other words, the burden of trade restraints will fall on precisely on those groups that the critics of trade purport to want to help because of what they perceive as an inequitable gap in wages.

Why is that so? The reason is that trade restraints like tariffs and quotas are hugely regressive. Our highest tariffs fall on staples such as food and clothing.

That is an inconvenient fact that the critics of trade would prefer not to publicize. What that means is that those workers that now receive relatively lower wages would pay the cost for any increase in trade restraints, which would exacerbate the inequality between the high and low end of the pay scale, rather than reduce it.

If we actually want to do something about wage inequality, we should avoid using the gap in wages from the high end to the low end as an excuse to provide protection for certain industries in this country and impose higher costs on consumers. Rather, we should be concentrating on improving our primary, secondary, and post-secondary education.

That is but one of the appropriate responses to the rising wage gap. But I understand the arguments that you can't take a former textile worker and retrain him to be a computer programmer.

That is why we should also pursue policies that will increase the amount of capital flowing within and into the United States.

This helps those at the bottom in two ways. If the amount of capital increases relative to labor, it will demand more labor to fully employ itself and appreciate in value.

It also raises the productivity of those at the bottom, making them more valuable, and they will be rewarded for such productivity accordingly. This can summed up succinctly by one question—which high-school level worker gets paid the most to dig a hole, the one who uses a spoon, a shovel, or an excavator? The answer is obvious, and the difference between the three is not education, but the capital that they employ to produce.

Ultimately, all economic growth is the result of risk-taking on new ideas that increase our productivity—thereby increasing our standard of living. When we lower the government barriers to risking capital, like we did in the Taxpayer Relief of 1997, which included a large cut in the capital gains tax, the creation of the Roth IRA, and cuts in the estate tax, capital becomes more abundant, fueling the real wage increases, stock market increases, and economic growth we have seen in recent years.

The stability of the dollar in the past two decades, as opposed to the turmoil of the 1970's, has also greatly contributed to capital formation, not only because the tax on capital is unindexed for inflation, but also because currency instability increases the risk associated with all economic activity.

When we lower these barriers and risks, those with capital will risk it on those without capital, but who possess a surplus of time, energy, talent, or ideas.

These ideas, anything from a better mousetrap to the personal computer, allow us to produce more out of less—raising living standards of all sectors of the wage base.

These are the most direct responses to the rising wage gap, and also the most efficient, least costly, and potentially successful answer to wage and income inequality. Calling for an end to trade liberalization will not help. Nor will opposing this bill.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUNNING). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, it is a little difficult to have coherence with respect to this debate. I had hoped we would avoid getting back to Smoot-Hawley and even Hitler. I know Pat Buchanan—one of the enthusiasts for competitive trade—and I think he is right on trade. Unfortunately, he has suggested in his recent book we ought to be more considerate of Hitler. A notion that is pure nonsense.

On this issue, the Senator from New York cited Smoot-Hawley, the Depression, and Hitler. If you listen to the gentleman and are not fully aware of all the facts, one would think this is a bill to avoid a depression and avoid "Hitlerism" or some other possibility.

With respect to Smoot-Hawley, we had a good debate some 15 or more years ago. I will never forget it. The late Senator from Pennsylvania, John Heinz, and myself had to correct that record. We got the Don Bedell Associates study of Smoot-Hawley.

The crash occurred in October of 1929. That is when we all went broke. That could easily happen with what is going on right now, if some of the signs we are reading on the horizon come to bear. Not being an alarmist and being a realist, let's look at Smoot-Hawley.

First, it occurred some 8 months after the October 29 crash, in June of 1930. It did not cause the crash, Hitler, the Depression, or any of the other disasters of the thirties. On the contrary, it did not affect trade to any extent. The tariffs in question affected only one-third of our trade; two-thirds were unaffected—causing no impact whatsoever with respect to trade.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, continuing with respect to the amount of trade affected, it was just at a third or a little less. Trade itself was somewhere around 1.5 percent. There was some argument about it being 3 percent of the GNP. Now it is 25 percent.

I am trying to give a comparison so you get a feel of the exact impact upon the economy.

The tariffs in question affected only $231 million worth of products in the second half of 1930—less than 1 percent of the world trade. So it did not have any real effect on world trade.

In 1930 to 1932, duty-free imports into the United States dropped at virtually the same percentage as dutiable imports.

So what you do is you look at the effect of Smoot-Hawley, and look how unaffected free trade really was mostly due to the worldwide depression. But namely, talking about cause and effect, we are both discussing the effect, but not the cause; because the cause was not Smoot-Hawley.

When taken into account, Smoot-Hawley only affected a fraction of the trade. Only 33 percent of the $1.5 billion of U.S. imports was in the dutiable category. The entire impact of Smoot-Hawley has to be focused on the $1.5 billion number which was barely 1.5 percent of our GNP.

I have a better authority than any, I think, with respect to Smoot-Hawley. Paul Krugman, in "The Age of Diminished Expectations,"—I finally found his quote—and I am quoting from page 64:

> Although protectionism is usually a bad thing, it is worth pointing out that it isn't as bad as all that. Protectionism does not cost our economy jobs any more than the trade deficit does: U.S. employment is essentially determined by supply, not demand. The claim that protectionism caused the depression is nonsense; the claim that future protectionism will lead to a repeat performance is equally nonsensical.

Mr. President, there you are. Any time they get in trouble and they do not have the facts with them, then they go off and try to get you into a miasma of history and how we have had bad times, and now we have good times—the best of times—and how we are going to create all of these jobs. The group that says it is going to create jobs is the same group mentioned in 1993 in Capital City's Media Women's Daily, where the article from November 16 states:

> That was the battle cry Monday by directors of the American Textile Manufacturers Institute, who in a last-ditch effort to solidify congressional support for NAFTA, pledged not to move any jobs to Mexico in the pact as passed. The ATMI Board, made up of firms representing every facet of the textile industry, voted in favor of the resolution which said their companies would not move jobs, plants, or facilities from the United States to Mexico as a result of the North American Free Trade Agreement.

What are the facts? Dan River is about to build an integrated apparel fabrics manufacturing plant in Mexico. Tarrant Apparel purchased a denim mill in Puebla, Mexico; DuPont and Alpek are going to build a plant in Altimira, Mexico and form a joint venture with Teijin; Guilford and Cone Mills are to create a Mexican industrial park known as "textile city"; Burlington Industries is going to build a new Mexican plant to produce wool products.

I hear about the 127,000 jobs that the industry says it is going to create. I heard that NAFTA was going to create 200,000 jobs.

I know categorically from the Department of Labor that we have lost 420,000 textile jobs since NAFTA was introduced. We have lost exactly 31,700 jobs in South Carolina alone. You only have to turn to the articles by Kurt Salmon Associates—and I quote from August of this year:

> More textile mills are funneling plants and investment into Mexico to be closer to the cut-and-sew apparel factories that have already migrated south of the border, according to a new analysis. A flood of low-priced fabric and fiber imports from Asia has pressured domestic manufacturers to respond by seeking ways to cut their own costs.

The Kurt Salmon Associates report continues:

> Since NAFTA's passage in 1994, Georgia has lost 28,000, plus two textile—30,000 apparel and textile jobs.

So we have lost 31,700 jobs. They have lost 30,000. That makes, as you go over through the other States and the other communities, some 420,000 in just textile jobs alone.

Rather than a balance of trade that they are talking about—a win-win situation, that the industry is for this, everybody is for it. We heard that cry before, too. It was going to create a positive balance of trade. We were at $5 billion at the time we passed NAFTA, a $5 billion-plus balance of trade. Now we have a negative $17 billion balance of trade with Mexico.

So the proof of the pudding is in the eating. As I said before, there is no education in the second kick of a mule. This NAFTA proposition that they are trying to spread to the CBI and the sub-Sahara at the same time, it reminds me of an insurance policy contest that they had for a company down in South Carolina years back. The winning slogan for the particular company was: The Capital Life will surely pay, if the small print on the back don't take it away.

Here we extend this to the CBI and then to the sub-Sahara; or to the sub-Sahara and then to CBI—either way. I think it is really going to the CBI; and it is going to be kept there and then taken away from the sub-Sahara. They are not going to invest all the way over into Africa when they all just pell-mell are going down there hand over fist to come into the Caribbean production.

I was just referring to Mr. Farley and Fruit of the Loom and how they have already eliminated 17,000 jobs in the Presiding Officer's State of Kentucky. They eliminated another 7,000 jobs in Louisiana. They have moved to the Cayman Islands. So they are foreign companies. It is getting to be where we have to sort of sober up and understand what the real facts are.

Trade, reciprocity—that is exactly what he called it—reciprocal trade policy of Cordell Hull back in the 1930s. We had reciprocity. We had a modicum of it even in NAFTA, even though it didn't work. But we had the side agreements on the environment. We had the side agreements for labor. We had reciprocity. We go down the list, and we find out now we are going to do away with all of the particular tariffs with respect to the United States for the CBI, sub-Sahara.

Let's see what the CBI—Dominican Republic has a 43-percent tariff; El Salvador—some of these include VAT, a value added tax—El Salvador, 37.5 percent; Honduras, 35 percent—this is all on textiles—Guatemala, 40 percent; Costa Rica, 39 percent; Haiti, 29 percent; Jamaica, 40 percent; Nicaragua, 35 percent; Trinidad and Tobago, 40 percent—the United States is already giving it the store. We have already lowered ours to 10 percent. There is a 5-year phaseout. We have had a 10-year phaseout of the Multifiber Arrangement. Now we are going into the fifth or sixth year, so we only have another 5 years. And the real impacts, the heavy reductions on the good traded articles—we do trade some in textiles—is going right on out of the window. So, yes, you have some fabric boys calling us and saying: Wait a minute, Senator, we are for this bill. That is shortsighted. It is just like all the apparel jobs—about gone.

What is happening, as Kurt Salmon Associates says, they want to locate the fabric plants near where the sewing is and where the apparel is. It is just an economy of production, an increase in productivity. So they are moving down there more and more. So the fabric boys are calling on the phone. Give them another 5 years, I can tell you here and now; they will be gone.

I know this: Any good businessman in textiles looking at this situation says, with 5 years—wait a minute—to put in this new machinery, this new spindle or otherwise—says: I can't get my money back in 5 years. It is going to take me 9 to 10 years to get my money back. I just don't buy it. I don't get productivity. And then the politicians will run around on the floor of the National Government hollering: They have to be more productive; they have to be more productive. And who has cut off the productivity? We have.

What about tariffs in Africa? Central African Republic, 30 percent; Cameroon, 30 percent; Chad, 30 percent; Congo, 30 percent; Ethiopia, 80 percent; Gabon, 30 percent; Ghana, 25 percent; Kenya, 80 percent; Mauritius, 88 percent; Nigeria, 55 percent; Tanzania, 40 percent; Zimbabwe, 200 percent. There they are.

What is really going to happen, from practical experience, is transshipments. Let me say a word about the transshipment problem. I will never forget. It was 1984; this Senator got 500 additional customs agents into the Treasury-Post Office appropriations bill, and they didn't hire them. We kept on pleading, and by the end of the 1980s, we finally got President Bush, and he put on some extra ones. But we haven't gotten any extra ones since that time.

We go to the customs agents, and they say yes, it is still at least 5 billion in transshipments, but they say: Senator, you want us to stop T-shirts or drugs? And you look them in the face and say: Well, of course you have to stop the drugs. They say: That is all we have got.

Now they are talking all over the Halls in both Chambers of a 1½ percent cut. And now we have just been educated by CBO that 1½ won't work, it will take at least 5.8 percent. And then if you don't, if you are going to exclude, say, defense and others, emergency ones, it is going to take an 11.8-percent across-the-board cut. So they are debating over on the House side right now is this so-called cut bill. But what they are debating is a cut in customs agents and a cut in enforcement.

Our African friends, I know they changed their vote with respect to human rights in the United Nations some 4 years ago or 5 years ago. We had passed a resolution in the general assembly, and we will set up the hearings. We never have had the hearings.

Our Chinese friends went down into Africa. They have made all kinds of friends there over the years. I will never forget over 25 years ago when I was in Zaire, it was the Chinese building the railroad from the hinterland out to the coast, down the Congo. They have had all kinds of contacts down there with Nelson Mandela and many others. They will get their plants and transshipments, and they will be coming through Africa. And our folks will be working still at customs looking for drugs coming up from Colombia and South America and little inspecting will done concerning transshipments in the area of African trade.

In reality, you are really fattening the competition in the Pacific rim all under the auspices and the gist of free trade. Let's say we are going to allow our textile boys to compete with the Pacific rim industries. That is why I put in that book.

Do we have the book of all the fabric manufacturers? I don't want to put the entire book in, but we included just those entities that had invested already down in Mexico—referring, of course, to Davidson's Textile Blue Book. You can see here the fabric resource list. We will include all of these pages—not the book, but pages 345 through—well, just the fabric—well, we can include the yarns, too, natural fibers; they have yarn forward on 807, 809.

That is too much to include in the Congressional Record. Just on the fabrics, not just the yarns forward, would be 11 pages.

As I related on yesterday, all you need do is go from southern California into Tijuana, and you can see that you think you are going into Mexico, but it looks as if you are going into Seoul, Korea. There is nothing but Korean plants all over it. I have been there. I have traveled to other parts of Mexico. I think we ought to say a word, though, with respect to the wonderful economy we have. Do we have that article?

I was talking earlier about the economy and the devastating effect this would have on the economic strength, the security, of the United States upon a three-legged stool: One leg of values as a nation is unquestioned; the second leg, that of military and the only superpower left; the third leg of the economics has been fractured. They used the 17-percent figure, but the most recent figure I had of workforce and manufacturing had gone from 26 percent 10 years ago down to 13 percent. What happens is, since we are not saving here, I had the article where we are actually consuming more than our increase in productivity. If you can find that in here—I am not sure that is the same article I was looking at. It was three weeks ago in Newsweek where they pointed that out. Last week, Mort Zuckerman, in U.S. News and World Report, talked about the two levels of society and the split we have there.

We see signs on the horizon now of trouble. We are not pessimists, and we are not necessarily optimists; we are realists. As I pointed out earlier, the deficit at the end of last month for the fiscal year 1999 was $127 billion. It is not a surplus—not as they reported in a Washington Post story that was added earlier today to the Record—that said for the first time since the Eisenhower days we had back-to-back surpluses. That is absolutely false. It is a $127 billion deficit, according to Treasury figures. They could be interpolated by the CBO about funds carried forward. And it says there might be about $16 billion.

When my distinguished friend from New Mexico put this balanced budget law through in 1997, I said: If the budget is balanced under your act, I will jump off the Capitol dome. We knew it would not be. We know now it isn't. When you are still spending $100 billion more than you take in and you are increasing your deficit from last year, as we are going to do already this year, we just go pell-mell down the road. Your interest debt increases, your interest cost increases, and so your spending increases. And they want to give all kinds of tax cuts and spending.

I know I am on pretty solid ground. So when the President said—I wish I had that article of yesterday from the Washington Post. It was on page 3 or 4. I want to give some credibility to what I am saying. It is difficult when you are the only one saying there is a deficit. The newspapers say surplus, the President says surplus, the majority leader says surplus, the minority leader says surplus, the Democrats say surplus, the Republicans say surplus; and you come along and say there is a deficit. You have to have support for what you are doing. So I put in this sheet of paper earlier with respect to the Treasury figures. I am glad to put it in again, if I can find a copy of it. I will ask the staff to get a copy of that sheet from the Treasury Department we were inserting into the Record so we can see exactly—I am not just saying it is a deficit, it is the Treasury Department saying it is a deficit. So we will find that.

Right here in this morning's paper it says we are not spending more money than we are taking in. It is as usual. As Tennessee Ernie said, "another day older and deeper in debt."

Can we get Thursday's Washington Post, which is easily had, and the sheet of paper from the Treasury Department? I know they made a copy. Here it is. "Hill Negotiators Agree to Delay Part of NIH Research Budget." The subheadline is "The government has recorded its first back-to-back surpluses since 1956–57."

Mr. President, this says:

> Meanwhile, figures out yesterday showed that the federal government ran a surplus of $122.7 billion in fiscal 1999 . . . the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–57.

Absolutely false. There isn't any question about it.

I will retain this floor. I know others like to talk about different subjects, but I have had a difficult time this morning trying to get a word in edgewise about this particular trade bill.

If we find the Treasury sheet that was issued yesterday, it is a whole report—I didn't want to put the entire report in the Record, but if we can find that sheet, we will include it. It is page 20.

I have my hand on another copy right here. This is page 20 of the Department of the Treasury report, table 6: "Means of financing the deficit or disposition of surplus by the U.S. Government, September 1999, and other periods."

Then you will see the account balances column, current fiscal year of total Federal securities. In other words, how much did we have to borrow? We have the figure here at the beginning of the year: it is $5,478,704,000,000. Then you look at the close of the fiscal year, and it is $5,606,486,000,000—a deficit, not a surplus, of $127.8 billion. That is as of yesterday. But if you read the headline in the paper, they have "back-to-back surpluses," and we have another deficit in excess of over $100 billion.

I ask unanimous consent to have this printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, Oct. 28, 1999]

Hill Negotiators Agree to Delay Part of NIH Research Budget

(By Eric Pianin)

House and Senate negotiators yesterday agreed to delay a big chunk of the research budget of the National Institutes of Health, as they struggled to find new ways to hold down costs and stay within tight spending limits.

With concerns rising over their plan to cut programs across the board, Republicans leaders are once again turning to creative accounting tactics to make sure their spending bills are lean enough to avoid tapping into Social Security payroll taxes.

The last of the 13 spending bills to be considered by Congress, a giant $313 billion measure funding labor, health and human service programs, would provide the NIH with $17.9 billion for fiscal 2000, a 15 percent increase that exceeds the administration request by $2 billion.

But the bill, which will be considered by the full Congress today, would require the NIH to wait until the final days of the fiscal year in September to use $7.5 billion of that money. The tactic is aimed at limiting the actual amount of money that the government will spend at NIH in the current fiscal year; the plan would essentially roll over $2 billion of spending to next year.

The Clinton administration warned that the move would seriously hamper research efforts and impose significant administrative burdens on NIH, and congressional Democrats complained that it was yet another step eroding GOP credibility on budget matters.

But Senate Appropriations Committee Chairman Ted Stevens (R-Alaska) said Congress was justified in its use of accounting "devices" to cope with emergencies and pressing budget priorities that exceeded what Congress had previously set aside to spend this year.

The various devices are crucial to the GOP's campaign to pass all 13 spending bills for the fiscal year that began Oct. 1 without appearing to dip into surplus revenue generated by Social Security taxes. GOP leaders last night put the finishing touches on an unwieldy package that includes both the labor-health-education bill, the District of Columbia spending bill and proposal for a roughly 1 percent across-the-board spending cut.

Democrats maintain the "mindless" across-the-board cuts would "devastate" some agencies, hurt programs for mothers and children, and trigger large layoffs in the armed services. But House Majority Whip Tom DeLay (R-Tex.) said accusations the cuts would hurt defense were "nothing but hogwash." He said the criticism was coming from "the same officials who have sat by idly as the president has hollowed out the armed forces."

President Clinton has vowed to veto the huge package, as he has three other bills, and there is no way the two sides can reach agreement before a midnight Friday deadline. With neither side willing to provoke a government shutdown, the administration and Congress will agree on a third, short-term continuing resolution to keep all the agencies afloat while they continue negotiations.

While the Republicans and the White House are relatively close in negotiating overall spending levels, there are serious differences over how to spend money to reduce class sizes, hire additional police officers and meet a financial obligation to the United Nations, as well as disputes over environmental provisions in the bills.

Meanwhile, figures out yesterday showed that the federal government ran a surplus of $122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956–57.

The 1999 surplus was almost double the 1998 surplus of $69.2 billion, which was the first since 1969. While the 1999 surplus was the largest in the nation's history in strict dollar terms, it was the biggest since 1951 when measured as a percentage of the economy, a gauge that tends to factor out the effects of inflation.

All of the surplus came from the excess payroll taxes being collected to provide for Social Security benefits in the next century. Contrary to an earlier estimate by the Congressional Budget Office, the non-Social Security side of the federal government ran a deficit of $1 billion, money that was made up from the Social Security surplus.

The drafting of the labor-health-education spending measure dominated the action behind the scenes on Capitol Hill yesterday. The House has been unable to pass its own version, so House and Senate negotiators worked out a final compromise in conference.

The $313 billion compromise exceeds last year's spending by $11.3 billion and includes more money for education, Pell Grants for college students, NIH, federal impact aid for local communities, the Ryan White AIDS research program and community services block grants than the administration had requested.

While the bill provides $1.2 billion for class size reduction, the Republicans insist local school districts be given the option for using the money for other purposes while the White House would mandate the money for hiring additional teachers.

Republicans also were claiming $877 million in savings by using a computer database of newly hired workers to track down people who defaulted on student loans. The nonpartisan CBC said the idea would only save $130 million, but Republicans are using a more generous estimate used by Clinton's White House budget office.

Mr. HOLLINGS. Mr. President, having gotten the record made, the point is that it is not as easy as my distinguished colleagues from New York and Delaware, the leaders on this particular measure, have painted it. When you see that you are running deficits now of $127 billion, when you see that the trade deficit is widening, when you see that, according to an article, we were consuming faster than we were producing, then you can see trouble on the horizon.

I refer to this morning's Financial Times, page 4: "Widening Trade Gap Raises Fear For Dollar."

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WIDENING TRADE GAP RAISES FEARS FOR DOLLAR

(By Christopher Swann)

Fears of a slide in the US dollar have haunted global currency markets for several months now. The dollar was granted a reprieve last week following better than expected August trade figures. But many observers believe it is only a matter of time before the dollar succumbs to mounting trade imbalances.

As the US current account deficit has increased, concerns have intensified that international appetite for dollar assets will soon be exhausted, leaving the US unable to fund its trade shortfall with the rest of the globe and precipitating a sharp drop in the currency. That could imperil the US economy's run of rapid non-inflationary growth.

However, some economists point out that the high level of long-term foreign direct investment should spend the dollar from the threat posed by the current account deficit, expected to reach $320bn in 1999.

Optimists argue that the growing importance of foreign direct investment, as US companies become the target of foreign takeovers, means much of the capital now flowing into the US may be relatively slow to leave.

Foreign direct investment (FDI), into the US is booming, with BP's take-over of Amoco, Daimler's take-over of Chrysler and Vodafone's takeover of AirTouch the most high profile examples.

New inflows of FDI reached $60.5bn in 1998, a record sum which covered about a third of the US current account deficit. And this year, net FDI has already eclipsed last year's figure, with $83.5bn pouring into the US in the second quarter alone. In the fourth quarter of 1998 and the second quarter of 1999, net FDI flows were stronger than shorter-term portfolio inflows and indeed exceeded the entire current account deficit. The long-term nature of these flows reduces the prospect of a sudden balance of payments crisis, says Ian Morris, US economist for HSBC in New York.

"If a current account problem develops there is a breathing space for the authorities to correct the imbalances rather than have financial markets force it on them in an abrupt and possibly catastrophic manner," he argues.

The big question for the dollar is whether this surge in foreign direct investment can be maintained.

Paul Meggyesi, senior currency strategist at Deutsche Bank in London, thinks it can. The deep-seated structural advantages enjoyed by the US in areas such as technology and labour market regulation, he argues, should ensure that FDI continues at a healthy rate.

"This is particularly true in the technology field, with the US accounting for 74 of the top 100 information technology companies, compared to only 5 per cent in Europe. It would not be surprising if European companies try to close the gap by taking over or merging with US businesses," he says.

But the bare facts are alarming. The current account deficit, expanding at about 50 per cent a year over the past two years, is now at its highest level since at least the end of the civil war as a proportion of GDP. And the family silver can only be sold once. Few believe that the US economy can rely indefinitely on the sale of assets to cover the current account shortfall.

Mr. Morris calculates that funding the expected $375bn deficit in 1999 from FDI alone would mean selling the equivalent of Intel, the third largest company in the Standard and Poors 500 index.

And if present trends continue until 2001, assets equal in value to Microsoft, the largest company in the US, would have to be sold to cover the deficit.

In reality, over the medium term FDI is unlikely to be anywhere near 100 percent of the current account shortfall, leaving much to come from more fickle portfolio flows. "While the high proportion of long-term capital flows provides some comfort for the dollar, it is likely to prove inadequate," argues Avinash Persaud, head of global research at State Street.

When US shares offered an unrivalled 20 percent annual returns it seemed the US would have no trouble attracting sufficient portfolio inflows. With US share prices falling and returns picking up in the economies of Japan, the euro-zone and the UK, competition for international capital is becoming more intense.

"The safe haven portfolio flows which entered the US during the global crisis at the end of 1998 now have other alternative homes. It will prove much more difficult for the US to finance its deficit in 1999 than it was in 1998," says Mr. Persaud.

Most agree that this will cause the dollar to grind lower, removing one of the main ingredients in the US's high rate of non-inflationary growth. Higher interest rates and weaker stocks may well be the consequence.

Some analysts believe that the dollar's 16 percent fall against the yen since this year's peak in May merely marks the start of a period of general weakness in the US currency.

But the dollar has so far proved relatively resilient against other currencies and may well keep the market on tenterhooks for some time yet.

Mr. HOLLINGS. Mr. President, there it says:

> A slide on the U.S. dollar has haunted global currency markets for several months now.

It says:

> The dollar was granted a reprieve last week following better-than-expected August trade figures. But many observers believe it is only a matter of time before the dollar succumbs to mounting trade imbalances.

It is going up over $300 billion.

> As the U.S. current account deficit has increased, concerns have testified that international appetite for dollar assets will soon

> be exhausted, leaving the U.S. unable to fund its trade shortfall with the rest of the globe and precipitating a sharp drop in the currency. That could imperil the U.S. economy's run of rapid inflationary growth.

It goes on to say how we have had foreign direct investment with, of course, the BP takeover of Amoco, Daimler-Mercedes takeover of Chrysler, and Vodafone's takeover of AirTouch.

It says:

> The big question for the dollar is whether this surge in foreign, direct investment can be maintained.
>
> But the bare facts are alarming. The current account deficit, expanding at over 50 percent a year over the past two years, is now at its highest level since at least the end of the Civil War as a proportion of GDP. And the family silver can only be sold once. Few believe that the U.S. economy can rely indefinitely on the sale of assets to cover the current account shortfall.

Some analysts believe that the dollar's 16 percent fall against the yen since this year's peak in May merely marks the start of a period of general weakness in the U.S. currency.

What are we doing about this? We are taking away the productivity. It is not an increase in jobs. It isn't any increase at all. They are running and spending it fast in the fabric plants. But forget about the people working by the sweat of their brow in the apparel industry—such as the mother trying to keep food on the table and get her children through college.

We will pass all kinds of protections for high tech companies. We even repealed the State tort laws for something that can't happen until the first of next year. They want to do away with the immigration laws for high tech companies—the estate taxes, the capital gains tax, and everything else of that kind. They have all kinds of benefits. I even saw an article about creating a subsidy for boat manufacturers, so we can get more pleasure yachts.

We have to increase the productivity. We are losing the industrial backbone of the United States of America.

What we are hearing is that this Senator and others do not understand that the high-tech community is the engine of this wonderful globalization, the engine of this economic giant, the United States of America. Not so at all.

There is a book called "In Praise of Hard Industries" by Eamonn Fingleton. We don't put the book, of course, in the RECORD.

> But surely the United States has scored some real successes in high-tech manufacturing in the 1990s? Yes—but far fewer than even most experts realize. Perhaps the strongest remaining American high-tech manufacturer is Boeing. But even Boeing is doing less well than it used to. Quite apart from facing increasing competition from the European Airbus consortium, Boeing has been under considerable pressure from foreign governments to transfer jobs abroad, and it has duly done so. As William Greider has pointed out in his book *One World, Ready or Not*, 30 percent of the components used in Boeing's 777 jet are made abroad. By comparison in the 1960s, Boeing imported only 2 percent of its components. Thus, Boeing, like other erstwhile world-beating American manufacturers, is rapidly becoming a "virtual corporation" ever more dependent on suppliers in Japan and elsewhere abroad for its most advanced manufacturing needs.

I divert for a minute to say that was the trouble we had in the gulf war. We had to get panel displays from Japan in order to get the weapons in order to fight that war. We weren't making them anymore. Every time I put a "buy America" provision into the defense bill—I serve on the Defense Appropriations Subcommittee—I get no, you are a fruitcake. That is what Mike Kelly calls those who are trying to protect trade.

Now I hear this morning that I am going to start a depression and everything else of that kind. You can't talk sense on this particular subject. But the proof of the pudding is in the eating.

Let me quote again.

> Meanwhile, despite all the talk of a renaissance in the American semiconductor industry, there is acturally only one truly strong American semiconductor manufacturer left: Intel. Moreover. Intel's success says little if anything about its manufacturing prowess. In fact, the company's twenty-four-fold growth in the fifteen years to 1997 has been driven not by any fundamental efficiency edge in production engineering but rather by the company's near-monopolistic franchise in producing microprocessors for the dominant "Wintel" standard in personal computers.
>
> In any case, Intel is just one company—and judged by the all-important criterion of jobs, not a particularly large one. At last count it employed sixty-seven thousand people worldwide—little more than one-sixth of IBM's peak workforce in the mid-1980s before its domination of the computer industry collapsed under pressure from the rising Wintel standard. Moreover, Intel is not as advanced as it appears. In fact, its Wintel chips are based on an aging technology known as CISC (complex instruction set computing). In the last decade, CISC has been superseded by a technology called RISC (reduced instruction set computing). RISC chips, which are noted for their use in such high-performance computers as Sun Microsystems' network servers, are made mainly in Japan.
>
> Intel apart, there are few other semiconductor manufacturers left in the United States. This may seem surprising in view of the fact that, according to such prophets of America's purported industrial renaissance as Jerry Jasinowski, the United States has now recovered strong leadership in semiconductors. He has reported that American semiconductor makers boosted their global market share from 40 percent in 1988 to 44 percent in 1993, and this supposedly has put the United States back in the "top spot" in the industry. After the big decline in America's share in the first half of the 1980s, all this seems like convincing evidence of a comeback. But the truth is that his 44 percent figure is bogus. It is based on highly misleading statistical procedures that categorize most chips outsourced by American companies from factories in East Asia and elsewhere as "American"! The only justification for this bizarre statistical treatment is that most such chips are made to American designs and bear American brand names. But that hardly means they are made in America. Even Dataquest, an information-industry consulting firm that is the ultimate source of data on world semiconductor production, compiles its statistics on this basis.
>
> Given the prevalence of such misleading statistics, how do we gauge the true state of American competitiveness? Again, there is no substitute for international trade figures. These indicate that the United States ran a deficit of more than $3 billion with Japan alone in semiconductors in 1997. Given Japan's higher wage levels, therefore, it is clear that the idea that the United States has recovered world leadership in semiconductors is just another myth.

Mr. President, I want to yield in a minute so other colleagues can address the Senate. But I will come back because what you have is a situation where that sandwich board they put up with all of these industries, they are all for the American worker. No; they are all for money, profit. That is all that those companies are for.

Let me quote page 32.

> Since American labor is not represented in American boardrooms, the real losers from technological globalism have no say in the matter. Moreover, workers' interests count for so little these days that American corporate executives openly proclaim their commitment to utopian globalism without the slightest fear of embarrassment. The pattern was memorably exemplified a few years ago by a Colgate-Palmolive executive who told the New York Times: "The United States does not have an automatic call on our resources. There is no mindset that puts this country first." A similarly outspoken disregard for the interests of American labor was apparent in a remark by NCR's president, Gilbert Williamson, some years ago when he said: "I was asked the other day about the United States' competitiveness, and I replied that I don't think about it at all. We at NCR think of ourselves as a globally competitive company that happens to be incorporated in the United States."

That is the situation with Farley and Fruit of the Loom, exactly what was brought in issue fortuitously by Time magazine when they put in the article "The Fruit of Its Labor—The Politics of Underwear." Fruit of the Loom eliminated 17,000 jobs in Kentucky, 7,000 in Louisiana, moved to the Cayman Islands and I should put them on one of those sandwich boards. Whoopee, they are for this bill so that they can make more money.

Who is looking at the welfare of the American worker? Who is looking at the industrial strength of the United States? Who is looking at the economic progress and security of the United States of America?

One could not be for this particular bill if one knew how it has been drawn up. It does not even compare with NAFTA. We cannot put an amendment up because the tree is filled. They put in what you might call fast track, no amendments, and then they give their friends the fruit of the tree. Senator WELLSTONE, the Democrat, comes in with an agricultural amendment that is not to be allowed. But take the Senator from Missouri. When he comes with a particular amendment on agriculture, the leader comes down and finds that is relevant. We stop the whole process and pluck the amendment from the tree and put in your friend's amendment and they call that "procedure" in the world's most deliberative body. It is the most undemocratic procedure, unparliamentary kind of procedure that could possibly be contemplated. They ought to be embarrassed handling a measure this way.

However, there is no embarrassment with this group. They know they can pass this bill easily because they can breeze through the committee and everybody on the floor saying mollify, unite. It used to be the ILGWU working the floor. I have been in it too long; I understand the competition.

As a southern Governor, I don't blame the foreigners for saying we give this benefit and give that benefit. That is exactly what we did in South Carolina. The Senator from Delaware says they can get new jobs by learning new skills. We do that in South Carolina. We have brought in Hoffman-LaRouche and BMW. They told me the only reason they have come is because of the technical training system I instituted 30 years ago. I know about skills, training, getting new jobs and new industry. But we have had a net loss, in the last 4 years since NAFTA, of 12,000 jobs in South Carolina.

In the campaign last year in the Governor's race, they were talking about new jobs. I said: Add and subtract. You are not announcing those that are leaving and going down to Mexico. We had United Technologies, the textile plants and others take off down to Mexico. We saw it starting then and it is mushrooming now.

We are being derided on the floor talking about Smoot-Hawley and putting up the bankers' sandwich board and saying: This is for the good of America.

We are going to have to discuss this a little bit longer.

I yield the floor.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, this morning Senator CONRAD offered an amendment which I cosponsor. I ask my colleagues to consider voting for this amendment that will make the Trade Adjustment Assistance Program available for farmers as well as industrial workers.

This program, trade assistance, is being reauthorized in this legislation. This amendment would expand it just a little bit.

President Clinton, about a month ago in an address spoke about one-third of the jobs that have been created during his administration have come as a result of opening foreign trade and all the economic activity that takes place because of foreign trade.

If we can have millions of jobs created during this administration because we have had a 50-year history of breaking down trade barriers between countries, we have to conclude that the liberalization of trade is good for American workers and good for our economy.

Free trade has produced many winners in our economy. This has been true since 1947 when the United States and just 22 other countries created the regime for liberalized trade we have been under since 1947 called the General Agreement on Tariffs and Trade.

Since 1987, we have had eight series—sometimes they are called rounds—of multilateral trade negotiations to break down these barriers. These multilateral trade negotiations have liberalized trade in many sectors. Tens of thousands of tariffs have been scrapped. Many nontariff trade barriers have been eliminated. Others have been sharply reduced.

The result of 50 years of trade liberalization has meant the creation of enormous wealth and prosperity and, as I have said, millions of new jobs, one-third of the new jobs created just in this decade. But whenever you have a free market economy, probably even when you have a regimented economy, as the socialist countries have had, there is always some adjustment in the economy. There are some winners and some losers: that is true in our economy, and it is true in the foreign trade part of our economy.

For this reason, more than 35 years ago President Kennedy and the 87th Congress thought it was only fair to transfer some of the net gain from free trade to injured workers or firms or industries or even entire communities. The first U.S. Trade Adjustment Assistance Program was designed by President Kennedy and authorized by the Trade Expansion Act of 1962 to help workers dislocated as a result of a Federal policy to reduce barriers to foreign trade.

It is very important for the purposes of our amendment and also the spirit of the Trade Adjustment Assistance Act to hear what President Kennedy, its author, had to say about its intent and scope:

> I am recommending as an essential part of the new trade program that companies, farmers, and workers who suffer damage from increased foreign import competition be assisted in their efforts to adjust to that competition. When considerations of national policy make it desirable to avoid higher tariffs, those injured by that competition should not be required to bear the brunt of the impact. Rather, the burden of economic adjustment should be borne in part by the Federal Government.

What President Kennedy said was so important, and I emphasize, once again, a small part of it:

> Trade adjustment assistance should be available for companies, farmers, and workers.

In spite of President Kennedy's belief that farmers should be able to get relief from trade adjustment assistance, just like others who suffer from trade-related job losses, the reality is, few, if any, individual family farmers are ever able to qualify for this program. Hence the amendment by Senator CONRAD and myself that is offered today to address this inequity.

Senator CONRAD and I think it is only fair that not only farmers be included but fishermen be added to this group as well. They are workers, they help put food on our tables, and they have the same problems under the current program as farmers.

Our program will create a limited new trade adjustment assistance for farmers program. It will provide cash assistance to farmers and fishermen when the price of a commodity falls sharply as a result of imports and causes a farm's net income to drop. The formula ensures farmers will recover a portion, but not all, of the income lost due to import competition.

This is not an open-ended program. Assistance is capped at $10,000 per farmer and a total of $100 million per year, and, of course, as must be under the Budget Act, this Trade Adjustment Assistance Program is paid for. In order to qualify for this limited Trade Adjustment Assistance Program, farmers will have to consult with the USDA's Extension Service to develop a plan for adjusting to the import competition.

In about 5 weeks, the United States will launch a new round of global trade talks with 133 other WTO—World Trade Organization—member countries. That is an extension of the organization that started out with 22 countries in 1947 for this regime of liberalizing trade. In 5 weeks, these talks start.

Farmers have always been among the strongest supporters of free trade because so much of what they produce is sold in overseas markets. In fact, there is an absolute necessity of selling overseas because, even in normal production, we produce a third more than can be domestically consumed. Profitability and farming must come by selling the surplus overseas.

The income our farm families earn in these foreign markets sustains our economy and contributes greatly to our national well-being. Farm support for free trade cannot and should not be taken for granted by the rest of the people in this country who benefit from free trade.

We are in the worst farm crisis since the Depression of the thirties. Low commodity prices are not caused exclusively by import competition, and I do not mean to imply that. In fact, it is just the opposite. It is caused because a lot of our markets overseas have been hurt by the financial crisis that started 2 1/2 years ago in the Far East. But, of course, in our complex economy, even in our complex agricultural economy, trade might be a contributing factor to these historically low prices.

Through trade adjustment assistance, we look after Americans who are harmed by import competition but not farmers. Through trade adjustment assistance, we have looked after communities harmed by import competition but not farm communities. Between 1979 and 1996, 12 trade adjustment assistance centers in the United States assisted about 6,130 firms with petitions for trade adjustment assistance. During this same 17-year period, these centers assisted only 200 food growers and processors, 200 firms in 17 years that were nonindustrial. But these firms were not individual family farms. I am concerned that if we lose farm support for free trade, it will be very hard, and perhaps impossible, to win congressional approval for new trade deals when these negotiations conclude among these 133 countries.

Fairness, equity, common sense, and, most importantly, the original intent of President Kennedy's program, all tell us that farmers and fishermen should and must be a part of the Trade Adjustment Assistance Program.

So as Senator CONRAD did this morning, I strongly urge my colleagues to support this important amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

ACROSS-THE-BOARD SPENDING CUTS: IRRESPONSIBLE BUDGETING

Mr. KENNEDY. Mr. President, we are almost a month into the new fiscal year and Congress still has not passed an appropriations bill for the Departments of Education, Labor, and Health and Human Services. The work of these Departments touches the lives of nearly every American, yet the Republican leadership has been unable to work out an acceptable budget for them which will enable them to carry out their responsibilities fully and effectively.

The majority has used an extraordinary array of gimmicks, such as bogus emergency spending designations, and an unprecedented level of advance fundings. But even those budgetary slights of hand were insufficient to do the job.

They considered reneging on Congress' commitment to provide TANF moneys to the States but backed off under pressure from the Republican Governors.

They proposed increasing taxes on the working poor by changing the reimbursement rules for the Earned Income Tax Credit. Even the leading Republican Presidential candidate denounced that as "balancing the budget on the backs of the poor." Again, the Republican leadership was forced to retreat from an outrageous proposal. The fact that these cuts were even considered shows how out of control the budget process is.

In desperation, the Republicans have now proposed that we indiscriminately cut all Government programs by 1 percent across the board. In other words, they would treat essential health and education programs no differently than special interest pork barrel projects. They ignore the reality that some of the programs are far more important than others. This type of mindless cut is an admission of total budgetary failure.

They pretend such a cut will not have any impact on the programs, but they are terribly wrong. The human cost of such an across-the-board cut would be very high. It would hurt many of our most vulnerable people:

Some 5,000 fewer preschoolers in Head Start;

2,800 fewer children in the child care programs;

74,000 fewer babies receiving nutritional supplements;

2,775,000 fewer meals brought to the elderly and disabled;

120,000 fewer disadvantaged students helped;

6,000 fewer job opportunities for youth;

10,000 fewer work-study grants for college students;

10,000 fewer children helped to read;

3,000 fewer children immunized;

20,000 fewer homes for low-income families.

Each one of these is an unacceptable price to pay for the Republicans' inability to produce a fair and fiscally sound budget.

That was with a 1% cut. Now CBO has made available to us a letter that was sent to the Honorable JOHN SPRATT, who is the ranking Democratic member of the Committee on the Budget in the House, with copies also to Mr. KASICH and Mr. DOMENICI.

The conclusion of these letters is that the 0.97% cut that will be included in the conference report, which perhaps we will consider later, is going to be insufficient, according to the latest calculations of CBO, to avoid tapping social security funds this fiscal year. Their estimate is, it would have to be not 0.97 percent but a total of 5.8 percent. If you were to eliminate defense, military construction, veterans programs, it would be in excess of 11 percent.

So here on this chart are the cuts with 1 percent. And the CBO says, if you are going to do the job and follow the pathway that is being recommended by the Republican leadership, it will have to be a 5.8 percent cut.

So you can multiply all of the cuts to programs needed by our most vulnerable citizens by 5.8, which yields a much more devastating impact. Those are the circumstances we are in.

The fact is that the President and the ranking Democrats on the various committees say: Why don't you go back and cut out the pork you put in and cut out the excesses you have added, and send us something that is responsible? Then we can have true negotiations.

But that isn't the way the Republican leadership is moving. They are just favoring across-the-board cuts, which will cut valuable, helpful programs that are indispensable to needy people, for infants and for children, for education, and for health—the same amount as the pork programs that have been added by the Republicans.

These consequences are all the more deplorable because they are unnecessary. President Clinton and the Democrats here in Congress have proposed fiscally responsible measures to keep our hands entirely off Social Security money even while we make the critical investments needed to strengthen our Nation in the coming year.

But the Republicans repeatedly said "no." "No" to a cigarette tax that would prevent teen smoking while paying for children's health initiatives; "no" to making oil companies pay royalties they owe the Federal Government; "no" to reducing corporate welfare; "no" even to military officers when they ask to defer or delay programs the Republicans want in their districts.

By consistently declining opportunities to reduce a balanced budget, Republicans are on a course to raid Social Security, regardless of this proposed 1 percent cut.

Why have Republicans proposed this latest gimmick? To avoid using this year's Social Security surplus to pay for this year's Government spending, they tell us. But what Republicans don't say is that the gimmicks they have already voted for guarantee that the Social Security money will be used in the budget this year. That is what the latest CBO report that has been given to the leaders today has indicated.

I have but one simple question for anyone who would disagree: Where will the money come from to pay for the census, which Republicans have suddenly declared to be an emergency? This money must be paid to contractors and staff this budget year, yet it cannot be found anywhere except in the Social Security trust fund.

By simply calling a $4 billion entirely foreseeable program an "emergency," Republicans cannot escape the fact that they will certainly spend Social Security surpluses this year, regardless of whether there is an across-the-board cut. The census gimmick is but one of many instances in which Social Security funds have already been spent by Republicans this budget year.

When all the smoke and mirrors produced by the Republicans are removed, we can see that the true goal of their 1-percent cut is not to preserve Social Security surpluses but to gut Government spending on core education, health, and criminal justice programs. Republicans in this Congress are returning to the time of Speaker Gingrich when they proposed abolishing the Department of Education, only now they are dismantling it piece by piece.

Today's Republicans have proposed a $288 million cut for the Department of Education—continuing their longstanding assault on our children's futures. Let's not forget that when Republicans first assumed the control of Congress in 1995, their top agenda item was to rescind $1.7 billion in education funding that had already been enacted into law by the Democratic Congress. Then, in the first full funding cycle subject to Republican control, their appropriators in the House socked the Department of Education with a $3.9 billion proposed cut—almost 20 percent. They tried again in the budget year 1997 when Senate appropriators sought a $3.1 billion cut to the President's request for education programs.

Democrats in the Congress, together with President Clinton, successfully resisted each one of these Republican cuts in education.

So since 1997, Republicans have sought more modest education cuts of $200 million or more below the President. Today's proposed $288 million cut is consistent with the Republicans' longstanding goal of decreasing support for education. It is wrong. It is shortsighted. It is not what the American people want or deserve.

Of course, Senator NICKLES and Representative DELAY want us to believe their 1-percent cut won't hurt a bit. It might not hurt the oil companies they want to protect from paying full royalties to the Government this year, but it will hurt the real people I described when I listed some effects of their proposed cut. The cut might not affect the tobacco companies, now that the Republicans have rejected President Clinton's plan to raise cigarette taxes, but it will hurt those who rely on the programs Republicans want to cut.

In conclusion, I want to just point out—on this other chart—what the current situation is with regard to the Head Start Program.

Today, we have, for the Early Head Start Program, only 1 in 100 eligible children who are actually enrolled. This is what the Carnegie Commission and virtually all recent studies show is probably the wisest investment of funds of any other Government program because these are the earliest years of confidence building among children. And as all of the research has demonstrated, the earliest intervention in these years, in the first, second, third, and fourth years of life, has enormous consequences in the child's cognitive development and future education. Only 1 in 100 eligible children are presently enrolled in Early Head Start. In the Head Start Program, which has been tried and tested, evaluated and strengthened and improved, only 2 in 5 eligible children are enrolled now; 3 out of 5 are financially eligible, and cannot enroll in the program.

The Child Care Development Block Grant program only assists 1 in 10 eligible children. Education for the disabled, only 1 in 4 eligible children are assisted. This is the current situation. It is against that background we are going to see tens of millions, hundreds of millions of dollars in reduction in those programs because the Republican leadership, over the course of the year, have added a lot of boondoggle programs of their own in these other appropriations.

I indicated what those reductions would be if they were going to be 1 percent. Now we know it is going to be 5.8 percent, according to the CBO.

The proposed cut is wrong. It is an abdication of their duty to state what they believe the nation's priorities should be. It is irresponsible. I hope our colleagues would vote in the negative on this.

Mr. REID. Will the Senator yield for a question?

Mr. KENNEDY. I am glad to yield.

Mr. REID. I ask my friend from Massachusetts, is he aware, in addition to this latest scheme—that is what I call it—this across-the-board cut, in this one-a-week program the Republicans have come up with, they also wanted to do a number of other things, such as extend the year a month? Are you familiar with that?

Mr. KENNEDY. I am.

Mr. REID. That didn't sell very well. Are you aware it was determined even by the very conservative Wall Street Journal they had two sets of books they were trying to keep in an effort to hide the spending of Social Security moneys? Is the Senator aware of that?

Mr. KENNEDY. I remember the discussion on the floor, an article by Mr. Rogers, I think. It was an excellent article and a very accurate one. It was included in the RECORD. I hope our colleagues will read that.

Mr. REID. In addition to having two sets of books, in addition to extending the year another month, as my friend from Illinois has said—that is great, because in doing that, we will never have a Y2K problem; we just keep adding months to the year—are you aware also that the earned-income tax credit, the program Ronald Reagan said was the best antiwelfare program in the history of this country, they tried, as one of their schemes, to take that money away from the working poor in America so they could balance their so-called budget? Is the Senator aware of that?

Mr. KENNEDY. I was aware of it. The particular need for that program is to provide help and assistance for low-income working families who have children. This is basically the children. That program benefits the children of working poor, to try to give some assurance they will at least have some measure of quality of life. That was the program targeted by the Republican leadership in the House of Representatives to be undermined, that program and the resources in that program, in order to offset the other benefits they had given to their special projects.

Mr. REID. As part of their scheme-of-the-week program to have this blue smoke and mirrors, is the Senator also aware—I know he answered this question, as he so aptly pointed out—that now they want an across-the-board cut, saying they want to eliminate waste and fraud, but that across-the-board cuts are indiscriminate; it doesn't go to any one pocket; it cuts programs across the board? Is the Senator aware of that?

Mr. KENNEDY. The Senator is absolutely correct. It does not, for example, even give the military, give the Chairman of the Joint Chiefs of Staff and the commanders, the range of options they could have in order to meet their responsibility. We are up to 270-odd billion dollars in terms of defense appropriations; 1 percent is $2.7 billion. As a member of the Armed Services Committee, we heard from the Joint Chiefs that it would be a devastating cut in terms of personnel and in terms of readiness. They don't give the flexibility to any of the administrators to be able to do it. They are just mandating the requirement right across the board. That is the most inefficient way of doing it.

Mr. REID. I ask the Senator, is he aware that instead of their scheme of the week, they have now done two schemes this week? So maybe next week they will use one of the old ones. Is the Senator aware that one of the latest schemes is to withhold money from the National Institutes of Health for 11 months of the fiscal year so all the money comes in the 12th month? It helps their bookkeeping. Is the Senator aware of this scheme they are floating around here?

Mr. KENNEDY. Well, I had heard that, that they were going to hold some $7.8 billion. Maybe they could, with $1 billion, hold for some period of time. NIH might be able to deal with that. They are talking about $7.8 billion, effectively undermining the most significant and important basic research that is taking place any place in the world at a time of extraordinary possibility and breakthroughs in terms of health, in order to fund a number of military pieces of equipment that were never requested by the military and other special projects that were never requested by the administration. They don't want to cut those out, but they want to tamper with the greatest research center in the world, which is the NIH, doing so much on so many of these diseases that affect every family in America, whether it is cancer, whether it is on the issues of Alzheimer's, whether Parkinson's disease, you name it, lupus, whatever it is, osteoporosis that affect our senior citizens. They are tampering with those funds. I have seen a lot of shenanigans in the budgeting of the Federal budget, but I would certainly agree with the Senator that tampering with the NIH funds in the way this is done would have a dramatic adverse impact in our whole basic research programs at the NIH and would cause enormous harm. I welcome the Senator's observation, because, if there weren't other problems in this report, that in and of itself would justify the rejection of it.

Mr. REID. If the Senator is going to yield the floor, I would like to claim the floor.

Mr. DORGAN. I would like to ask the Senator a question.

Mr. REID. I wanted to ask the Senator from North Dakota a question, but please proceed. I have the floor, and I yield to the Senator from North Dakota.

Mr. HOLLINGS. If the Senator will yield, we have been going back and forth. So please be short, if you can. We want to have that comity continue.

Mr. REID. I ask my friend from South Carolina, are we in a hurry around here?

Mr. HOLLINGS. It is the comity and not the time. Please talk until tomorrow, when we vote.

Mr. REID. The Senator from Massachusetts still has the floor then.

Mr. KENNEDY. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I have the floor. We will speak very shortly so the Senator from Illinois can be recognized.

Mr. DORGAN. The Senator from Illinois should be recognized. If I could ask forbearance, I wanted to ask the Senator from Massachusetts a question. Since he doesn't have the floor, let me at least propound the question.

Mr. FITZGERALD. Mr. President, I would like to have unanimous consent to speak for a couple of minutes on our departed colleague, John Chafee, after which I have to preside. I will just take a couple minutes.

Mr. REID. I say to the Chair, I am happy to yield my time for 2 minutes to the Senator from Illinois. I will reclaim the floor.

The PRESIDING OFFICER. Without objection, the Senator from Illinois is recognized.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. FITZGERALD. I take this opportunity to express my great sense of personal loss on the passing of our colleague from the great State of Rhode Island, John Chafee.

I have only been in the Senate for under a year now. I got to know Senator Chafee while I was running for the Senate about a year ago. Even in that short period of time, I came to have great admiration and respect for Senator Chafee. I can only imagine the great sense of grief my colleagues and others who have known him several decades feel at his passing.

Of all the people I have known in my lifetime, I have to say that Senator Chafee had more of an aura of goodness, kindness, gentleness, and of fineness than just about anybody I had ever encountered in my life.

In many ways, he was a quintessential New Englander. He was modest; he was often taciturn. He did not complain about the health problems he had in the last few months. In fact, he didn't wish to talk about that. He was very hard-working. Others have spoken about his distinguished career in the Senate, as Governor of Rhode Island, and as our Secretary of the Navy. But for all of us who knew him personally, he was a great and fine gentleman. He embodied the best of his State, of his region, of our country, and certainly of this institution.

I just wanted to say now how much I appreciated John Chafee for the warm welcome he gave me as a freshman Senator. I regret that I did not have the chance to thank him while he was still with us. We used to share the elevator rides after we voted. We were on the fifth floor of the Dirksen Building, and we would be riding up to that top floor together after practically every rollcall vote in the Senate. I got to know Senator Chafee quite well in the last few months. He was always very kind and interested in me as a freshman. He was always offering to help. When I took a trip earlier this year to give a speech in Rhode Island, he wanted to know beforehand exactly where I was going and my itinerary in his State, and he quizzed me about it afterward.

He was a Theodore Roosevelt Republican who was concerned about the preservation of our environment, enhancing it for future generations, and he did a marvelous job as chairman of the Environment Committee.

I express my condolences to his wife Virginia, his five children, and most especially to his staff. Senator Chafee's office is right next door to my office in the Dirksen Building. I know that he had a very loyal staff who loved him dearly. Many of his legislative assistants had been with him for 10 years or more, which bespeaks the sense of loyalty and affection they had for him. I know they have suffered a great loss, and we extend our condolences to them. John Chafee will be missed by me and by all of us in the Senate and by the great State of Rhode Island and by our country.

I yield the floor.

SENATE AGENDA

The PRESIDING OFFICER (Mr. FITZGERALD). Under the previous order, the Senator from Nevada is recognized.

Mr. REID. Mr. President, I extend my appreciation to the Chair. I yield now to the minority leader, with the agreement that I will have the floor when he completes.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Mr. President, I thank my colleague, the assistant Democratic leader, for his willingness to allow me the opportunity to talk a little bit more about why we are here.

We are stalled for one reason: The majority leader has again, for the seventh time now, filled the tree, precluding 45 Democrats from offering amendments. That is why we are here. And on two other occasions this year, the majority leader preemptively filed cloture on measures immediately after calling them up—and then proceeded to other business in order to prevent amendments or debate. So nine times so far this year, the majority leader has said, well, we are going to decide which amendments are offered, we are going to decide which amendments are passed, we are going to decide what kind of role you as Senators ought to have, and we will tell you that you are not going to be able to offer amendments. We are going to decide, in other words, whether to gag you and to lock you out of the legislative process to which you were elected as a representative of the people.

It began on March 8, 1999, on the so-called Education Flexibility Act. The bill was offered, the majority leader was recognized, and the tree was filled, locking out every single Democrat from their right to offer amendments to the Education Flexibility Act.

He chose to do it again on April 22 on the Social Security lockbox. He said: We are going to have an up-or-down vote, and it is going to be our lockbox or none at all. We said: What about Medicare? What about locking up the Medicare trust fund? They said: No, you can't offer that amendment; we are going to fill the tree and preclude you from offering amendments on the Social Security lockbox. And, again, the issue was shelved.

On April 27, 1999, the Y2K Act, an extremely complex and very difficult issue, the majority leader came to the floor and filled the tree, precluded Democratic amendments, and said it is take it or leave it.

April 30, again he apparently tries to make the point that Social Security lockbox is important to Republicans—as long as Democrats don't have the opportunity to offer an amendment.

Again, we said: We would like to offer an amendment on Medicare. Again, our Republican colleagues said: It is our bill or no bill. At that point, it went from becoming the Republican lockbox to, as our colleague from Maryland, Senator MIKULSKI, said this morning, the Republican "squawk box."

On June 15, 1999, the "squawk box" was debated again. Again, the majority leader offered the bill, filled the tree, precluded Democratic amendments, and the lockbox was shelved.

On July 16, Republicans used the "squawk box" approach again, claiming to be interested in getting the bill passed, precluding Democratic amendments on Medicare.

On June 16, in a similar situation, they did it again. They called up a House bill, the Social Security and Medicare Safe Deposit Act, filed cloture, and went off the bill to other business. And then, on September 21, the most recent effort by the majority leader and the majority to lock out Democratic amendments, they brought up the bankruptcy reform bill, filed cloture, and moved on to another bill, precluding Democratic amendments.

I only recite the litany of occasions when the majority leader filled the tree in order to make clear how objectionable this coercive tactic really is. For those who are not familiar with parliamentary jargon, "filling the tree" is a procedure that the leader can use to offer multiple amendments and thereby fill all of the available amendment slots that a bill has under the Senate rules, precluding any Senator from offering an amendment. That is what filling the tree is all about. Together with the practice of preemptively filing cloture, which has the same effect, it has been done now on nine separate occasions. The sad thing about it being done on this bill is that it plays right into the hands of the opponents of the legislation.

The opponents are very grateful to Senator LOTT and the majority for filling the tree because it certainly makes it easy. It turns the issue away from whether or not one supports CBI to whether or not one supports a Senator's right to be a full participant in this Senate Chamber on this or any other bill. It ceases to become substantive and becomes a matter of individual Senator's rights.

Well, because I want this bill passed so badly and because I know it is one of the highest priorities for the administration, because I think this legislation has languished too long, because I think there is a real chance we can get this legislation passed and signed into law, going into conference with our House colleagues, I made an offer yesterday that was unprecedented since I have been leader. I said to the majority leader that if he would agree to allow us to offer on other legislation some of the amendments contemplated on this legislation, I would be prepared to work with him to table amendments on this bill. That is remarkable. It wasn't without a great deal of concern for protecting Senators' rights that I offered this latest proposal.

I draw a distinction between protecting a Senator's right to offer an amendment and supporting whatever amendment a Senator chooses to offer. I might not support an amendment on this particular bill, as important as some of these issues might be, but I will fight to protect every Senator's right to offer it. But there is a very important caveat here, and I think it needs to be emphasized. I insisted that we must have the opportunity to at least offer these amendments on another bill.

We have to have an opportunity, for example, to offer minimum wage on the bankruptcy bill when it comes up. The majority leader again said no. The problem, as we have said on so many occasions, is that there are those on the majority side who want this Senate to be a second House of Representatives. They want this body to act and to proceed as if it were the House of Representatives. That is the problem.

The amazing irony is that our Republican colleagues never dreamed of asking for this kind of procedural constraint, this kind of enslaved approach to legislation, when they were in the minority. They had no trouble offering extraneous amendments that were not necessarily relevant to a particular bill when they were in the minority. Of course not. The amazing thing is Democrats did not insist on a procedural constraint of the magnitude our Republican colleagues are now demanding.

Why? Because we had the confidence when a bill came to the floor that we would have a good debate, we would take all comers, we would table amendments that we didn't support, and we would offer second-degree amendments that we thought would be approved. We used all of the tools available to us. And this Senate acted like a Senate.

This Senate isn't acting like a Senate today. This is a sham. This is a terrible excuse for this body. This should not happen. We should not have to come pleading for the right to do what we were elected to do. And it happens over and over—almost once a month this year.

I am telling you, we are losing some of the institutional tradition here. We are seeing the erosion of an extraordinarily important body and the rights incorporated within that body. Who today could, without smiling, argue that this is the most deliberative body? Who could say with a straight face, yes, this is still the world's most deliberative body? I daresay no one could say that. There is nothing deliberative about the Senate today. They want to make this a legislative assembly line. You take something up, you vote it up or down, and you move it along.

I am surprised we don't have a conveyor belt somewhere on the lower part of the floor where we just kind of say yes and no, yes and no, as bills on the conveyor belt come through—no debate, no deliberation; let's move them out.

This isn't what our Founding Fathers expected of us. They expected more. They put the rights in the hands of Senators to say: No, let's slow down on the legislation; or, I want to be able to offer an amendment. And I don't care whether it is a farm bill to a peace treaty. We want to have the opportunity to deliberate in the most deliberative body. Rubber stamping doesn't work around here. We have only had a handful of amendable vehicles—just a handful.

The response from the majority leader to my offer suggests that there may never be another amendable vehicle in this session of Congress—with no amendments on this bill, no amendments on any other bill. That is what the Republicans want. The results of doing business this way is remarkable.

We talk about a legislative landfill. I am telling you, I have never seen a legislative landfill of the magnitude we have today. We keep throwing bills into the legislative landfill, and that landfill keeps getting larger.

This has been the biggest legislative graveyard I have seen since coming to Congress. Republicans get elected to prove government doesn't work, and they prove it every day. When they are in control, they prove that government doesn't work because they don't want it to work. They don't want minimum wage. They don't want a Patients' Bill of Rights. They don't want good gun legislation. They don't want a Medicare prescription drug bill. They don't want legislation that moves this country forward. They don't want it. They don't want to admit it. They ought to admit it.

We are not going to be a part of this. We are going to stick up for our rights. We are going to amend legislation when it comes to the floor. We are going to go back into that legislative landfill and one by one we are going to recycle, because I am telling you that is what this Senate and this country needs. We are going to recycle the Patients' Bill of Rights until it is done right. We are going to recycle minimum wage. We are going to recycle the gun legislation. We are going to recycle farm legislation. We are going to recycle every single bill the Republicans insist on burying, and we are going to keep coming back because that is what we were elected to do. That is what we are going to do. That is what we believe in doing.

I have to say I am disappointed. I am about as patient a person as I think I can be, but I lose my patience, and I get angry and frustrated at the level of duplicity and the extraordinary encumbrances that the majority demands of this body each and every day we legislate. This is wrong.

I am not proud to be in the Senate when I can't legislate as a Senator. I am not proud when we tear away the pillars of the Senate institution. I am not proud when I can't go to the public and say, yes, I am one of the 100 Members of the greatest deliberative body in the world. I am not proud about that. For however long I am here, I would like to be proud of the fact that, as a Senator, I lived up to the traditions and the practices and the extraordinary honor that comes with being a Senator. But that isn't happening today.

I left the House of Representatives 12 years ago for a good reason. I thought I could do more here. I thought I could play a bigger role here. I thought the Senate was where a Senator could really legislate. It was true in 1987. It was true in 1992. It was true all the way up until recently when slowly but most assuredly date by date, bill by bill, in filling the tree and using other devices, this majority leader said no. No. We are going to be a House of Representatives. Forget regular order. Regular order says you can offer amendments. We are not going to have regular order in the Senate. We are going to have narrow order, or no order at all, as the case may be.

What order is there when Senators can't offer amendments and we are stymied for 2 days? Do you realize how many bills we could have finished, or how many amendments we could have finished in just the last couple of days? We probably could go to final passage with the number of Senators who support this legislation by the end of the week. But here we are stymied once again.

We haven't passed the Social Security lockbox. That is part of the legislative landfill because we have filled the tree.

We haven't been able to pass anything where the majority leader has filled the tree until he has torn the tree down. That is the case here as well.

We will never let this legislation pass if we can't offer an amendment, not because we don't support it—I strongly support it—but because I also even more strongly support the right of every single Senator to be partners in the legislative process.

Mrs. BOXER. Mr. President, will the Senator yield for a question?

Mr. DASCHLE. I would be happy to yield to the Senator from California.

Mrs. BOXER. I thank my leader for his comments and his spirit because it is the spirit we need in this country, which is the can-do spirit. We can take care of the people's business, even if it is difficult for my friend. I know it is because I know the kind of goodness he has in his heart. This isn't his favorite moment to come down to the floor and have to express his feelings of dismay and his anger, frankly. My friend listed bills that are in the landfill, the graveyard. I want to ask the Senator about three other issues that I think are in danger of joining in that Republican graveyard: The 100,000 teachers, the 100,000 police, and decent, qualified judges who have been waiting for years to get a vote.

I wonder if my leader would comment on those three areas, as well.

Mr. DASCHLE. The Senator from California puts her finger right on the issues I omitted, and rightfully so. One year ago, we all had a bipartisan agreement and celebrated the fact we were going to reduce class size. How ironic it is now, after all the celebration, that in just 12 months Republicans have had a change of heart. Now, apparently, class size is no longer an issue. Now, apparently, it is OK to have kids in classrooms with 35, 40, 50 children. It doesn't matter. The Senator is right about that.

The Senator is also right about judges. I don't know how anyone can look Judge Paez in the eye and say he got a fair deal. I don't know how Members tell anybody who has had to wait for more than 3 years that this system is fair. I don't know how Members tell the Hispanic community we are being equally as fair with them as we are with all non-Hispanic judges when that simply is not true. If one is in a minority, that person has a bigger contest in getting confirmed. That is a fact. I won't deal with all the perceptions that creates, but it is wrong. Hispanic or non-Hispanic, African American or non-African American, woman or man, it is wrong not to have a vote on the Senate floor.

What are they afraid of? What are they afraid of? What is wrong with a vote? There is something wrong in our system when somebody has the right to tell somebody who is willing to commit him or herself to public service that we are going to make that person wait 3½ years just to get a vote. We are not going to tell them what is wrong. We are not going to say if there is something wrong in their background. We are not going to debate whether they have qualifications or not. We are going to make them wait, and hopefully they will go away. Hopefully, they will go away.

What does that say? What does that say about the intentions of people on the other side? Go away. Don't make any noise.

That is wrong. That is worse than a legislative landfill.

Mr. KENNEDY. Will the Senator yield?

Mr. DASCHLE. I am happy to yield to the Senator.

Mr. KENNEDY. I commend the Senator for his very eloquent and accurate assessment of what has happened to this institution. I have been here for some period of time, and I say this is absolutely a unique set of circumstances. The leader has, I think, accurately described the current system.

I think it is important, as our friend from California pointed out, what it means in terms of people's lives. We can talk about the tree and blocking amendments, but let's take one bill, the Patients' Bill of Rights.

This chart lists in white all the provisions that were in the Senate bill, which our Democratic leader managed so well, and which was submitted in the Senate. All of these provisions represent the best judgment of a bipartisan commission set up by the President. They unanimously made these recommendations. They had to be unanimous in order to make the recommendations. They didn't make the recommendation to put them in law, but they said: This is what is necessary to protect the people. Or by the insurance commissioners, that are neither Democrat or Republican organizations; or, in other instances, in Medicare.

This side of the chart represents what happened in the House of Representatives with a bipartisan group of House Members, 68 Republicans and the Democrats. These full dots indicate the House of Representatives has effectively agreed with the legislation advanced by the minority leader.

I ask, since this was a bipartisan program and the leader had the overwhelming support of the Democrats, whether the Senator would not welcome the opportunity this afternoon to go ahead and pass what was passed in the House of Representatives so we would not have the kind of circumstance we have every single day we are delayed: 35,000 Americans delayed or denied specialty care; 31,000 forced to change doctors; 18,000 forced to change medicine indications; 59,000 Americans with added pain and suffering; 41,000 with a worsening condition; and 11,000 with permanent disability.

That happens every single day.

As I gather from what the leader has said, the kind of legislative trapeze that has been set up by the majority leader denies this minority the opportunity to take action that can make a difference in the lives of the families of America. I think it is worthwhile, as we talk and listen carefully to the Senator's concerns, to know the result of the inaction. Real families are being hurt in America. They don't have to be hurt. Republicans and Democrats alike got together to provide some protection, but this leadership in this body is denying the American people the ability to receive the kind of protections they should.

Mr. DASCHLE. The Senator from Massachusetts is absolutely right. He gave a perfect illustration of how they are being hurt on health care. I think he is also right that it is important to try to put this in terms the American people understand. This has to do with more than just procedure. We are talking procedure, and sometimes I may get too engrossed in my own procedural frustration to try to ensure that we talk about this in ways the American people fully understand.

If anyone out there today has been ripped off by an insurance company or has been denied care by a hospital or doctor because they are being told by the insurance company they cannot do it, those people are affected by what is happening this afternoon on the floor, one of the thousands of people who have been adversely affected by our inability to have a good debate. Anyone out there who has a child in a classroom with 35 or 40 kids is affected by what is going on right now.

If anyone out there has been affected by some crime in the neighborhood because we haven't fully funded the COPS Program, then, by golly, those Americans are affected dramatically by what has happened right now. If anyone is out there working at lousy minimum wage and can't make ends meet, they are affected by what is happening right now because the other side doesn't want a minimum wage increase—not this year, not ever. If they did, they would have supported it a long time ago. If anyone out there wonders why this is all going on, turn the pages of the calendar back 2 weeks and find out it was their side that defeated campaign finance reform and we are affected by what is happening right now. Don't let anybody out there, I don't care what issue, think this is not relevant.

The assistant Democratic leader probably made the best illustration. I think our people are in greater danger today than they have ever been before to the exposure of greater nuclear proliferation because of what the Senate did 3 weeks ago. You are affected by it. You are affected by it.

This is more than procedure. This is what is going on here and how affected we are by it. This has everything to do with why we got elected in the first place, because we wanted to come down and fight for these issues. It is more than whether we can offer an amendment, it is whether we pass the amendment. It is whether we do something good for this country, for whatever limited time we are here. That is what this is about.

We came to fight. We came to fight for the things in which we believe: A better minimum wage, more teachers, a good health care system, an end to nuclear proliferation, a safer neighborhood, a better minimum wage—things about which people today can only dream. That is what we came to fight for. There are opportunities for debates about things; there ought to be.

We have to decide what kind of body this is going to be. Those who wish for the rules of the House ought to go to the House. To understand the 200-year tradition of the Senate, pull open this drawer. I see some wonderful names, names in some cases that have been there for generations. These people, the people in my drawer, fought for the same things I am fighting for right now. These people fought for health care, these people fought for better working conditions for families, these people fought for a safer neighborhood, these people fought for the arms control agreements of their day. They fought. They were not handcuffed. They were not gagged. They were not confined to a legislative straitjacket. They fought valiantly, and today we sing their praises as the legislative leaders and giants of old.

We want to fight. We want to be part of this process. We want to be able to pass this institution onto the next generation of Senators and say: Welcome to the greatest deliberative body in the world.

Mr. DURBIN. Will the Senator from South Dakota yield?

Mr. DASCHLE. I am happy to yield.

Mr. DURBIN. I want to make sure those who are following this debate understand what we are talking about. When we use terms such as "fill the tree," which we are talking about, we are basically talking about a gag rule here which says Members of the Senate can't offer amendments.

Some critics say: We know what you mean; the old Senate filibuster. You want to go on forever offering amendment after amendment after amendment so you can never get anything done around here.

Can the leader on the Democratic side tell us, have we offered to the Republican side to limit the debate on the amendments, to limit the number of amendments, to require they be published in the RECORD so we know the parameters of the debate and so we know it will come to an end at a certain time, we know there will be an up-or-down vote? Has that been part of the bargaining?

Mr. DASCHLE. The Senator from Illinois has raised an important question. On the issue of bankruptcy, the answer is absolutely yes.

My initial position on bankruptcy was, we ought to have the opportunity to offer amendments, relevant or nonrelevant. We ought to use regular order—I should say that. We ought to use the regular order of the Senate in taking up a bill. That is what my suggestion was.

The majority leader said: No, we cannot do that.

So I said: What about offering at least five amendments that may not be directly related to bankruptcy but are important to Democrats?

He said: No, we can't do that.

I said: What about offering three amendments that are important to Democrats that may not be directly related to bankruptcy, requiring that all Senators file all relevant amendments prior to a certain time?

I am told now the majority leader cannot do that.

So, inch by inch, step by step, the majority wants to rob you and rob every single Member on this side of the aisle of your right to be a full partner in the Senate.

We all want to be able to move legislation. I will agree with some, disagree with others. Ultimately, if the Senator from Illinois is right and we are able to close the gap on bankruptcy with some good amendments, I will be supportive of that legislation. I expect to be. But I also expect you will have a right to offer an amendment.

Mr. DURBIN. Will the Senator from South Dakota yield?

Mr. DASCHLE. I will yield for a question.

Mr. DURBIN. Will the Senator agree with our former friend, late departed Mike Synar, Congressman from Oklahoma, who is quoted as saying: If you don't want to fight fires, don't become a fireman, and if you don't want to come to Congress and vote on tough amendments, don't run for the House or Senate.

Mr. DASCHLE. The Senator from Illinois recalls and I recall our wonderful colleague very well. No one was sharper, more energetic, brighter, better liked in our caucus in the House than Mike Synar. He said that and a lot of other truthful things. He was right.

It makes me wonder what people are afraid of. What in the world are Senators afraid of, bringing up and debating an amendment? We used to do that all the time. I can recall so many occasions when we had to come down to the floor and table an amendment that might have had immediate popularity but was not good for the country. We did that. We tabled amendments. We second-degreed them.

Again, I am getting into "beltway speak" here, but the bottom line is, we respected Senators' rights to fight for the things they cared about, to fight for the things for which the people sent them to fight.

The Senator from Illinois has done that on an array of issues. Every Senator on this floor has come with a certain agenda and a belief they could make a difference. But how do you make a difference if you do not have a voice? How do you make a difference when you do not have an opportunity to legislate? How do you make a difference when you are really shoved back into the mentality and the constraints of the House of Representatives when you are a Senator? That is not what the people of our States and this country sent us to do.

Mr. HOLLINGS. Will the distinguished leader yield?

Mr. DASCHLE. I am happy to yield to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the stand the distinguished leader takes is one of a fundamental nature. It is one of principle and not politics, and I am in the best position to comment upon it, for the simple reason, the distinguished Senator from South Dakota favors the Finance Committee bill. He would favor throttling me and getting rid of me and having a quick vote. But he understands, better than any, there is more to the Senate than a gymnasium for political gymnastics whereby, on parliamentary positions, you can just cut everybody off.

I cannot see Senator Mansfield for a second going along with this nonsense. I could not see for a second Senator Dirksen even suggesting it. There has always been an unwritten rule of comity and understanding and friendship and the strength of feeling. Sometimes, when Senators have that feeling, it is respected by the other 99 Senators.

Here, the Senator from South Dakota, our minority leader, has been very eloquent on the position taken as a matter of principle. His politics are otherwise. He could go along with Senator LOTT and say: The dickens with it, fill up the tree, tomorrow we'll vote, we'll have cloture, and this bill will be over with, and everything else of that kind.

But the opposite is the case. He has taken a stand for the Senate majority and minority. It is a Senate stand. I commend him for taking it.

Mr. DASCHLE. I thank the Senator from South Carolina.

I know the assistant Democratic leader has been very patient, waiting to speak. For that reason, I yield the floor.

Mr. REID. Before the leader leaves, on behalf of the Democrats in the Senate and the people of the United States of America, we congratulate and applaud his statement. The Senate stands for what our Constitution was set up to do. We are not the House of Representatives. We are not elected every 2 years. We are to be a deliberative body, and the leader spoke so well in that regard. I, as I said for all Democrats and for the country, respect and appreciate his position.

I would like to ask a question of my friend from North Dakota. I say to my friend from North Dakota, does he remember—I see at least five Senators, here coincidentally on the floor, all of whom agreed to oppose the rush by the Republicans to have a constitutional amendment to balance the budget. We opposed that, the five of us on the floor today: The Senator from California, Mrs. BOXER; the Senator from Massachusetts, Mr. KENNEDY; the Senator from South Carolina, Mr. HOLLINGS; this Senator; and the leader walking out to his office.

Do you recall we all opposed the constitutional amendment to balance the budget that was presented by the Republican majority? Do you recall our opposing that?

Mr. DORGAN. In response to the Senator from Nevada, when we had the debate in the Senate on the constitutional amendment to balance the budget, one of the questions we raised was about writing into the Constitution of the United States a practice of using Social Security trust funds for the purpose of balancing the budget; in other words, taking trust funds that were designated for Social Security, which came from the taxpayers' paychecks and put into a trust fund, and using them as other revenue, just as if it was any other dollar of tax revenue. We raised the question: Do you think it is appropriate to weld into the U.S. Constitution a practice as dishonest as that? These are trust funds, after all.

Mr. REID. What was their answer to that question?

Mr. DORGAN. Their answer was: We insist on doing it this way; we demand we change the U.S. Constitution by requiring that Social Security trust funds be counted as any other form of revenue for the purposes of computing our budget balance. We demand it, they said.

One of the meetings was in this Cloakroom, another back there, another on the floor. We said: But that is not an honest way of budgeting. If you did that in private business—if you have a company and you want to show how much profit you made last year, and in showing how much profit, you want to bring your employees' pension moneys into the bottom line and say that is the profit, if you do that, you are going to get 10 years of hard time in some prison.

We said: It is not appropriate to use Social Security trust funds and certainly not appropriate to lock it into the Constitution.

They said: We have to use them; it is the only way we can balance the budget. They said, back in the Cloakroom, to Senator CONRAD and myself: We will make a deal with you. We want to write into the Constitution that we can use the Social Security trust funds to balance the budget, just as other revenues, just take them out of the trust funds and use them as other revenues, and we will stop doing it in the year 2012.

Mr. REID. Does the Senator remember that was put in writing by one of the Republican Senators?

Mr. DORGAN. The year 2012 was not put in writing. We said that doesn't make any sense.

They have two stages of denial. First, we are not using Social Security, they said. Second, if we are, we will stop by 2012.

Then they said: If you don't buy 2012, we will actually put in this constitutional amendment that we will stop using the Social Security trust funds in 2008. And that is what they put in writing. I still have that deep in the bowels of my desk somewhere with their handwriting: We propose we stop using Social Security trust funds by 2008, but we insist on the right to do it until then. In fact, we want to put it in the Constitution of the United States.

Mr. REID. Does the Senator recall that the Senators on the floor offered our own constitutional amendment to balance the budget that said we want to balance the budget the hard way, the honest way, and we do not want to use Social Security surpluses? We offered that amendment and the Republicans, all but two of them, voted against it; is that right?

Mr. DORGAN. The Senator is correct on that. We offered that amendment, in fact, on a couple of different occasions. They wanted nothing to do with it.

The reason this is an important issue, if I can respond to the Senator from Nevada, is because we have the majority party running television ads across the country at the moment.

Mr. REID. I wanted to give a lead in to my friend from North Dakota. North Dakota is a State sparsely populated, somewhat similar to Nevada. The State of North Dakota has a single congressional district; is that right?

Mr. DORGAN. That is correct.

Mr. REID. Republicans have been running ads, I have been told, in that congressional district, which is that whole State, saying Democrats are bad because we are using Social Security surpluses to balance the budget. Are they running ads like that? And if they are, will the Senator from North Dakota comment on what is going on?

Mr. DORGAN. In our State and others, the majority party is running ads, and the ads are fundamentally dishonest. In political dialog, you have a right to say what you want to say even if it is fundamentally untrue. The ads in North Dakota by the Republican Party are saying the Democrats are stealing, taking Social Security trust funds, they are spending trust funds. In fact, just the opposite is the case. It is the majority party that is taking the trust funds. They demanded they be taken back in the debate on the constitutional amendment. In fact, they demanded the opportunities to take them and put it in the Constitution.

They are doing it and denying they are doing it and charging others. It is akin to the big bully on the schoolyard playground who blames somebody else: No, ma, those aren't my cigarettes; I was holding them for two other guys who were fighting. It is that approach.

Let me read a letter to the Senator from Nevada from the head of the Congressional Budget Office.

Mr. REID. Dated today?

Mr. DORGAN. Dated today.

Mr. REID. Will the Senator explain for those within the sound of his voice what "CBO" is?

Mr. DORGAN. The Congressional Budget Office is an office that has historically been a nonpartisan office. It is supposed to be the scorekeeper. This would be the referee keeping score on numbers and budgets. What happened previously—this is very interesting—is the majority party wrote to the Congressional Budget Office, and they said—

Mr. REID. The Republicans wrote; is that right?

Mr. DORGAN. That is right. They said they wanted to have certain directed scoring adjustments. Let me give an example of what is a directed scoring adjustment. They were writing to the Congressional Budget Office to get comfort for what they were doing. Directed scoring adjustment is, if I went to an accountant and said: All right, I want you to certify for me what my checkbook balance is, but I direct you not to count the last 10 checks I have written in determining the balance. That is a directed adjustment.

Or I say: I want you to tell me whether there are any hills on the Earth, and for that purpose, will you assume that the Earth is flat. That is a directed assumption.

The Republicans used these directed assumptions and said to CBO: Using these directed assumptions, tell us, are we in good shape?

CBO: Yes, using those assumptions, you are in fine shape. Not using Social Security money, you are in good shape.

This is what Mr. Crippin, the head of CBO, says in response to Congressman Spratt who wrote to him:

> As you requested, these estimates reflect the Congressional Budget Office's assumptions and methodology and exclude these directed scoring adjustments.

That is the little funny money put in—

Mr. REID. The last 10 checks; they can count everything.

Mr. DORGAN. Right. This is an honest look. There are no games here; they haven't jimmied up the estimates on the baseline based on a request by anybody. Here is the honest look, and what they say is: Having done your 13 appropriations bills, Republicans in Congress, you have now spent $17 billion of the Social Security trust funds this year, and you will require a nearly 6-percent, across-the-board reduction in all spending—all spending—veterans' health care, senior citizens, the WIC Program for infants and low-income women, the Head Start Program—you will require a nearly 6-percent, across-the-board cut in all spending in order to avoid your continued use or misspending of the Social Security surplus.

This is today's letter. I want to make this point: Those who are spending the money to put the dishonest ads on television this afternoon in my State ought to be ashamed of themselves. They ought to be ashamed. They know it is dishonest. This proves it is dishonest. But money in today's politics is speech. If money is speech, there are a lot of speechless people in this country, and that is regrettable. But the folks with the money can put a television ad on and say down is up, black is white, grass is purple—whatever they want to say, and they can, as they have done, ask somebody with directed scoring adjustments, tell me my bank balance if you don't count the last 10 checks; or tell me the Earth is flat if I insist the Earth is flat in the assumption.

They create a dishonest brand of politics in this country. Shame on those who do it.

Mr. REID. I say to my friend from North Dakota, what you are saying is the majority party, the Republicans who run this place—they have the majority, they are passing these appropriations bills—and the CBO has said they have already used—they, the majority party who gets bills passed here—they have used Social Security surplus moneys this year and they are running ads in the State of North Dakota and around the country saying Democrats are using Social Security money? The Senator has been very discreet in his description. To me, where I come from, that is a falsehood; that is a lie; that is dishonest. Am I misinterpreting what you have said?

Mr. DORGAN. No; the Senator has stated it exactly as I said. Let me mention one additional point that relates to something about which the Democratic leader spoke.

One could say: Well, if you know this to be true—we know it to be true by the Congressional Budget Office today—why don't you do something about it? Why don't you bring an amendment to the floor of the Senate?

The point is, we can't bring an amendment to the floor of the Senate. The Senate is tied up, deliberately. We have what is called a legislative tree that has been created that would prevent those on our side from offering amendments.

If I might just take one additional minute. I grew up in a town of 300 people. We had an elderly widow in my town, kind of a disagreeable elderly widow. She had a huge crab apple tree in her front yard. And she was disagreeable enough to demand, although she had so many crab apples—she could have fed the whole town; they dropped on the ground—she demanded that children never pick her crab apples. So, of course, we had to wait until after dark to pick her crab apples. But she was only disagreeable with those she did not want to pick crab apples. Her friends, she would usher them in, and they would pick her crab apples.

I was thinking about the majority leader today and the tree. It is kind of like that disagreeable elderly woman in my hometown. He says: I want to create a tree here and decide—standing right over there on the floor—who can come in and pick the fruit from this tree. By the way, that doesn't include anybody from the Democratic side of the aisle—nobody. No one on that side of the aisle is going to pick any of my fruit.

Why? It is partisan. Everybody says: Well, this is all partisan with you. It is not partisan with us. It is partisan with those who want to run the Senate in a manner that says our friends are going to have full opportunity to bring their ideas to the floor of the Senate—and, after all, that is the only currency in this kind of institution: An idea, a good idea. The majority leader will say: The way I want to run the Senate is my friends have an opportunity to bring their ideas to the floor of the Senate; and we are going to have votes; but you in the minority will not, and may not, have that opportunity.

That is why we cannot allow that to continue. It is unforgivable to allow that to continue.

Mr. REID. I direct a question to my friend from California.

You have heard the dialog, the discussion, the colloquy between the Senator from North Dakota and the Senator from Nevada. I would like the Senator to comment on something that was killed here a couple weeks ago, and that is campaign finance reform. Why is it needed? I would like the Senator to comment on that. Especially in light of all these false ads that have been running all over this country, why do we need campaign finance reform in our country, which the Republicans have killed?

Mrs. BOXER. I think one of the reasons people are disillusioned today and do not participate in the greatest democracy in the world is that they believe their voice does not count. They believe money talks. And listening to the debate we had on this floor, with the Senator from Kentucky on their side of the aisle leading that fight, I am sure they have concluded they are right. The Senator equates money with speech. It was, to me, one of the saddest debates I have ever heard around here.

People do not vote, they do not participate, because they believe they do not count. Ordinary people, average people, they can't make the $1,000 contribution, or the $5,000, or the $10,000, or the $20,000 contribution, or, frankly, the $100,000 and $200,000 contributions of soft money that come into play here.

I think it was a very sad situation when the Republicans, defying a majority of this Senate—and we had a majority vote for campaign finance reform—took that piece of legislation and threw it into the graveyard, along with all the other things our Democratic leader and our assistant Democratic leader have talked about—all the important things: The HMO reforms, the teachers, the policemen, the Comprehensive Test Ban Treaty, and a number of other issues that they have thrown into that graveyard, the last one being campaign finance reform.

Mr. REID. We have been so impeded in progress around here.

Does the Senator also recognize we have done nothing with important environmental issues facing this country?

Mrs. BOXER. Yes. I have been waiting 3 days to see us get into a debate on the things that matter to people—things such as the minimum wage and environmental protection.

Mr. REID. The minority leader has mentioned, and the Senator from California has just mentioned, minimum wage. Does the Senator from California understand that over 60 percent of the people who draw minimum wage are women, and of those 60 percent, for 40 percent of them that is the only money they get for their families? So, in short, would the Senator agree that the people who need minimum wage are not teenagers at McDonald's flipping hamburgers?

Mrs. BOXER. Absolutely. My friend is right. We held a number of press conferences before the last increase of the minimum wage—which now seems like history, it was so long ago—where we brought that point out that 60 percent of the people on minimum wage are adult women who are supporting their families. They work very hard. If they work full time at a minimum wage job, I say to my friend, they are way below the poverty line. They are earning about $11,000 a year. For a family of three or four, they can barely make it. They can't feed their kids, pay their rent, or buy many clothes at all.

So the bottom line is, my friend is right. When we talk about minimum wage, we should get behind what that means. What that means is, if we do not raise it, people in this country will be hungry, children in this country will be hungry. We already have many children living in poverty. That is the largest group of our citizenry living in poverty.

I want to ask my friend to comment on something here, if he would do me that favor. I am so proud of his leadership and that of Senator DASCHLE today in framing the issues.

When I heard the Senator from North Dakota go back and forth with my friend from Nevada on the Social Security issue, I was very glad they raised this issue on the floor. Because of the fact that we have a social safety net for seniors in this country, we have seen that the people in poverty no longer are the senior citizens. We should all be proud of that. But I want to read just a few lines from an editorial that ran in the San Diego Union Tribune. It was written by a man named Lionel Van Deerlin who, for many years, was in Congress.

Mr. REID. From California.

Mrs. BOXER. Correct, from the San Diego area. He is now a senior citizen himself and quite sharp, as you can tell from this.

I am going to read probably just 2 minutes' worth of his words, and I would love my friend to comment. It is called "Trusting the GOP to 'save' Social Security."

> For anyone who just fell off the turnip truck, Republicans in Congress have a new rallying cry—"We won't let them raid Social Security!". . . .
>
> [Tom] DeLay [who is the Republican whip in the House] asks us to believe that the Social Security trust fund is under assault by Democrats, and we must trust his party [the Republican Party] to protect it.
>
> I'd sooner entrust a lettuce leaf to a rabbit. Credibility surely matters. In probing the violence at Grandmother's house in the woods, whom do we believe, Little Red Riding Hood or the wolf?
>
> Here is one of those demonstrable facts of history:

And he goes on:

> Had it been left to the Republicans in Congress, we'd never have had Social Security in the first place. Nor Medicare.

He says:

> GOP House and Senate members invariably lined up in opposition to these social programs.

Mr. REID. Would the Senator pause from finishing her statement?

Mrs. BOXER. Yes.

Mr. REID. I carry with me in my wallet, because I think it is hard for people to comprehend this is true—here it is. Just to show Lionel Van Deerlin is not too old to remember what really happened, I have here what I carry in my wallet: GOP leaders on Medicare and Social Security.

Let me read to the Senator what some of the leaders have to say.

House Majority Leader DICK ARMEY, with whom we both served when we were in the House, said:

> Medicare has no place in a free world. Social Security is a rotten trick. I think we're going to have to bite the bullet on Social Security and phase it out over time.

I could read a statement from former leader Bob Dole, from House Speaker Gingrich.

The point is, Lionel Van Deerlin is right on target because Republicans did not vote for Social Security to begin with. And they still hate it.

Mrs. BOXER. I am glad you carry that around because if you were to listen to these ads on TV, you would think the Republicans thought of the idea of Social Security and Medicare, when, in fact, they fought it every inch of the way.

Just a few years ago, in 1994, DICK ARMEY, in addition said if he were here, he wouldn't have voted for Social Security.

So this is what Lionel Van Deerlin writes.

> GOP House and Senate members invariably lined up in opposition to these social programs.
>
> As Casey Stengel would advise, you could look it up.

He writes further on:

> Yet when President Roosevelt's original Social Security bill neared passage the following year, every Republican present voted to "recommit" the measure. To send it back to committee, that is, to kill it.

He goes on:

> Today's GOP generation offers little more to warm one's hands on. House Majority Leader Dick Armey, a one-time economics professor, has openly urged the phasing out of Social Security. And no less a prophet than ex-Speaker Newt Gingrich tipped his hand upon taking the gavel in 1995.
>
> "Let it wither on the vine," was his chilling suggestion for dealing with a system vital to the support of nearly 45 million Americans.

He continues:

> I offer the foregoing compendium from public records, not to belittle or embarrass decent, often likable leaders of past and present. They did not climb the ladder with subnormal IQs, nor by ignoring ordinary folk in their respective states and districts . . . no matter how earnestly Armey, DeLay, [and the Republicans] ask us to trust them in regard to Social Security, I offer this advice:
>
> Don't.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial from which I just quoted.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the San Diego Union Tribune, Oct. 27, 1999]

TRUSTING THE GOP TO 'SAVE' SOCIAL SECURITY

(By Lionel Van Deerlin)

For anyone who just fell off the turnip truck, Republicans in Congress have a new rallying cry—"We won't let them raid Social Security!"

Those of us past 65 are expected to feel relieved. Final budget negotiations are under way between Congress and the White House. Listen to those Sunday talk shows and you'd believe a profligate president is poised to riddle the retirement system that has served America since before thoese guys were born.

A bone of contention concerns the willingness of either side to rely on a portion of the Social Security trust fund in balancing the Treasury's books. Though this has happened often in the past, it's a crutch that should not seem necessary in light of record surpluses.

But resolving the question hardly seems worth another government shutdown. Nor, I'd add, letting one side escape nearly seven decades of some pretty telling history.

My understanding of actuarial tables and most financial matters is no sharper than average. I sometimes lose my way in a maze of bookkeeping totals. But the years have not impaired my memory. And when someone like Republican Whip Tom DeLay, the ex-termite mogul from Texas, impersonates Horatio at the Bridge. I cringe in wonderment.

DeLay asks us to believe the Social Security trust fund is under assault by Democrats, and we must trust his party to protect it.

I'd sooner entrust a lettuce leaf to a rabbit. Credibility surely matters. In probing the violence at Grandmother's house in the woods, whom do we believe, Little Red Riding Hood or the wolf?

Here is one of those demonstrable facts of history: Had it been left to the Republicans in Congress, we'd never have had Social Security in the first place. Nor Medicare. GOP House and Senate members invariably lined up in opposition to these social programs.

As Casey Stengel would advise, you could look it up.

Midterm elections in the Depression year 1934 had reduced GOP ranks in the House to fewer than 90 members. Yet when President Roosevelt's original Social Security bill neared passage the following year, every Republican present voted to "recommit" the measure. To send it back to committee, that is, to kill it.

It was much the same with Medicare nearly 30 years later. In July, 1962, only five Republican senators supported President Kennedy's plea for this historic expansion of Social Security—which then failed on a 52–48 vote. The eventual enactment of Medicare had to wait three years more.

Almost always, top GOP leaders were slow to embrace or to improve the sort of social insurance system long in place among other industrial nations. Sen. Barry Goldwater, the GOP's 1964 presidential candidate, may have doomed his chances in the New Hampshire primary by saying:

"I would like to suggest that Social Security should be made voluntary—that if a person can provide better for himself, let him do it."

And Ronald Reagan? The conservative magazine Human Events in November, 1966, quotes the future president saying "Social Security ought to be voluntary . . . so those who can make better provision for themselves are allowed to do so."

Ten years later Reagan was telling The New York Times: "Don't exchange freedom for the soup kitchen of compulsory insurance."

The soup kitchen? It goes without saying that noting in the law prevents any recipient from making better provision for him or herself, as most do. But without the total involvement of all wage earners, Social Security would quickly slip into a massive welfare system for the improvident and unlucky. And higher taxes for the rest.

Today's GOP generation offers little more to warm one's hands on. House Majority Leader Dick Armey, a one-time economics professor, has openly urged phasing out Social Security. And no less a prophet than ex-Speaker Newt Gingrich tipped his hand upon taking the gavel in 1995.

"Let it wither on the vine," was his chilling suggestion for dealing with a system vital to the support of nearly 45 million Americans.

I offer the foregoing compendium from public records not to belittle nor to embarrass decent, often likable leaders of past and present. They did not climb the ladder with subnormal IQs, nor by ignoring ordinary folk in their respective states and districts.

Dr. Kevorkian, too, seems an intelligent and genial fellow. It's never unreasonable to seek a second opinion.

Meanwhile, no matter how earnestly Armey, Delay, et al. ask us to trust them in regard to Social Security, I offer this advice: Don't.

Mr. REID. I say to the Senator from California, we came to the House together in 1982. I had never seen you before until the day we had our orientation. We have served together in the House of Representatives and the Senate. You and I have been involved in some very tough campaigns over the years. I have always been so proud of the Senator from California, because it doesn't matter if you are speaking to the League of Women Voters or to a high school class, whoever you are speaking to, you say the same thing in response to the same question.

You have had tough, hard campaigns, but you have never deviated from what you believe in. It has caused you some heartache and heartburn because they have been tough decisions. That is why I am so upset and feel so oppressed, put upon, and don't know what to do about these ads running all over the country.

You can have tough campaigns. A person can run against BARBARA BOXER. A person can speak out against BARBARA BOXER on an issue because they disagree with how you feel on that issue. That is what government is all about. That is what governing is all about. But not to come up with, we love Social Security and the Democrats are trying to destroy it. That, I am sorry to say, is not fair. It is not right. It is dishonest. It is wrong. This is what a totalitarian government is all about. If you tell a lie long enough, people might believe it.

I hope the American people will not believe the lie being perpetrated around this country by the Republicans saying Democrats are trying to destroy Social Security. We founded Social Security. Just as Congressman Van Deerlin said, we did it on the votes of Democrats. We have saved Social Security. We are the ones who stopped it from being placed in the constitutional amendment to balance the budget, where they would raid the funds more. What is happening around the country is distasteful. It is wrong. It is dishonest. It is repugnant. Somebody should speak out against it. That is why you are here today.

Mrs. BOXER. I am so proud of the Senator's leadership today on this issue and so many others. I think these ads are going to backlash. In the end, the truth will come out. The American people are fair people. The American people are going to judge us, and they are going to judge us harshly on what we say and what we do. But they want the truth.

I do believe that with this kind of writing by Congressman Van Deerlin, who left the Congress a long time ago but still carries a tremendous amount of respect, his being, in his own conscience, unable to let this go and writing such strong words with a sense of humor—and editorials are popping up all over the country—I think the Republican Party is going to find a backlash across this Nation. I believe in my heart people will understand what they are doing.

It is fair to attack a candidate, a Senator, a Presidential candidate, a President on an issue. It is fair to do that. It is not fair to make up a story, make up a scenario because you have taken a poll and you know you are on the wrong side.

As I said today, the Republicans say they created a lockbox for Social Security. They forgot to tell us, they have the key. They already opened up that lockbox to give $18 billion to the programs they want. It is similar to the crab apple analogy before. They are taking out those apples, $18 billion, and then they hold the key.

The bottom line is, to say we are not protecting Social Security doesn't pass the smell test or the laugh test or the test of time or the test of history.

I am, again, proud of my friend for taking the floor.

Mr. REID. In closing our dialog, I have confidence in the sense the Senator has, that this will all come out. I hope the Senator is right. My concern is—based upon what Senator DASCHLE a few minutes ago, when he said they have put in the landfill, the graveyard, campaign finance reform—money can sure confuse a lot of things. When they are spending millions and millions of dollars on these false and misleading ads, I hope we can right the ship. We need to speak out. I again tell the Senator from California how much respect I have for her for standing up, always, for what she thinks is right.

Mrs. BOXER. We will fight for the truth.

Mr. REED. Will the Senator yield?

Mr. REID. I am happy to yield to the Senator from Rhode Island.

Mr. REED. I wonder if the Senator from Nevada shares my same frustration that the Republicans are distorting the record of Social Security and their efforts to protect it. Like you, I lived through the days of the Republican revolution back in 1995, when they literally were talking about dismantling the Social Security system. Their current track seems to be entirely bogus. But at the same time they are distorting Social Security, they are also turning their backs on the need in our country for some important legislation.

Many of them have been mentioned, but there is one, I think, that warrants particular emphasis. That is hate crimes legislation. After the tragic death of Matthew Shepard in Wyoming, of James Byrd in Texas, the tragedy at Columbine, and arsons at synagogues in Sacramento, it is high time we took a very simple step to provide the full ambit of our civil rights protection for those crimes that are hate oriented, that have been based upon gender or disability or sexual orientation. Yet that, too, is in, as our leader said, the landfill of legislation that has become this Congress to date.

I wonder if the Senator shares my frustration about that?

Mr. REID. Mr. President, the Senator from Rhode Island has mentioned three of the most dramatic and most publicized incidents, but they are happening every day in America, tragic events where someone is being hurt, maimed, killed, because they are a Jew, because their skin is a different color—it may be black; it may be brown. The fact is, somebody may have a different lifestyle with which someone doesn't agree. People every day are being hurt in America.

There may be people who disagree with what we want to do with this hate crimes legislation. But in the light of the Senate, couldn't we have a debate on it? I know the Senator from Rhode Island would agree on a very short time limit. I think we could do all we have to do in 2 or 3 hours, debate this issue and have an up-or-down vote on it. Doesn't the Senator think the American people deserve a debate and a vote on this issue?

Mr. REED. I do, indeed, agree with the Senator. What also strikes me as particularly ironic is, when one of these incidents occurs, across the spectrum of political thought, across the spectrum of this body, there is unanimous condemnation. There is a lot of moralizing, a lot of talk about isn't this horrible. Yet we have it within our power, as the Senator suggests, to bring this legislation to the floor, to have a debate, to constructively engage, to compromise, not on principles but on details, so we can fulfill our legislative responsibilities.

Yet what frustrates me, and I believe also the Senator from Nevada, is the fact that none of this is taking place, that all of this is being shoved off to the sideline so that we are not able to do our jobs. And while we are being frustrated, I should say that, as the Senator pointed out so accurately, these hate crimes go on day in and day out. Some are very publicized, some are not getting attention. It is frustrating and it is wrong. All we are asking for a very simple remedy. Let's make the protections of the hate crimes bill within the ambit of our civil rights laws. Let us be able to give our enforcement authorities the power to deal with crimes that are based upon disability, gender, or sexual orientation. If we do that, then I think we will advance the cause of justice in this society.

(Mr. GORTON assumed the chair.)

Mr. REID. Mr. President, we are talking statistics and we are talking about names of people whom we don't know, such as Matthew Byrd, the young man in Wyoming. But the fact is, every day in America, someone's husband, son, daughter, or wife is being hurt—a real person—and we in the Senate and this Congress have the power to make their lives a little better, to make sure that an example is set when somebody commits a despicable act, and that it will become a crime that should be—in the greatest country in the world, you should not be able to oppress people because of race, color, creed, religion, or their lifestyle. Does the Senator agree?

Mr. REED. Absolutely. One thing that resonates throughout this entire dialog this afternoon is the fact that our inaction costs individual Americans; it costs them better health care, it costs them better education, it costs them the right to have a Federal judiciary that is fully staffed by competent and committed judges, and it costs many literally their lives because our indifference to hate crimes can do nothing to stop them. In fact, one could suggest they create an environment that does not discourage them and therefore might encourage them. But, in any case, our inaction means that Americans are bearing the costs, and these costs can be avoided simply by bringing to the floor legislation and by moving with respect to this legislation in a prompt and purposeful way. I thank the Senator.

Mr. REID. Mr. President, I am about to yield the floor because I know the Senator from South Carolina has had time to have a breather and the Senator is now rejuvenated and ready to go on for a while longer.

Mr. HOLLINGS. I think now is the time that a record should be made that this isn't a question of consuming time in the sense the majority leader wants to move in an expeditious fashion to the legislation. He doesn't want to hear it, and he doesn't want anybody else to discuss these items. Let's look at the facts.

This bill was called on Friday and we had a motion to proceed since everybody was leaving town. I wanted to discuss it and wanted to have someone to talk to. I objected to the motion to proceed. I guess it was a week ago Thursday night when they discussed and voted on other matters on Friday. It was set again for Monday's discussion, but then we lost our wonderful colleague, Senator Chafee. In respect to him, we didn't debate anything. Instead we all expressed our sympathy and deep sense of individual loss of such a wonderful colleague, who was so considerate and so moderate in the sense of listening to both sides, and willing to discuss issues. On Tuesday, we made opening statements again—Senator MOYNIHAN and Senator ROTH and myself. I had to leave, but it was thoroughly discussed all day Tuesday. On Wednesday, I was prepared, having returned early in the morning. I had to testify before a council meeting back in my own hometown on Tuesday evening. But I was back here early.

Mr. REID. That was because your house burned down.

Mr. HOLLINGS. That is exactly right. What happens is, on Wednesday morning, we didn't have the side agreements about NAFTA. We were being told this was good because of NAFTA and that NAFTA worked—at least NAFTA had side agreements on environment, labor, reciprocity, and otherwise. Even though I was gone, my staff worked on the legislation.

When I took the floor on Wednesday morning, I was not recognized to have the floor. I said I just wanted to discuss these amendments but the Senate was conducting a quorum call. The leadership waited for an hour and a half for the leader to come and did not allow any discussion. I had gotten up twice and they would not even give me consent to talk about the amendments, which is really what I had to mind.

Then the leader comes in and he so-called filled up the tree, but really he put it on the fast track. Namely, I could not, or you could not, or anybody on this side of the aisle could not offer an amendment. Now, on the other side of the aisle, the Senator from Illinois can get his amendment in at the committee hearing. He can get his amendment in when the leader puts down the managers' amendment. He can get that taken care of there. Or you can do as Senator ASHCROFT of Missouri did. He got the leader to call down the last amendment, come to the floor and put up his agricultural amendment and, in the same breath, say the amendment of the Senator from Minnesota is irrelevant. That is how gauche, arrogant, and unsenatorial this thing is. I never heard of such a thing. They just lock you out and say, as has been pointed out, we filled up the tree, and only Members on that side of the aisle can enjoy the fruits of the tree.

Here we are. So don't have the majority leader come back and have the audacity to say these are important matters; you all want to filibuster. He is the one. I told him, up or down, I would take five minutes to a side on amendments and we will have a roll call. He doesn't want to have this subject up.

We ought to have Members on that side have at least the courage to get up and say, wait a minute, these are important subjects. I would think somebody on the other side of the aisle would like to talk about the minimum wage. They say 83 percent of the people of America favor it. We know what the situation is. Yet they won't even broach the subject. They don't want the subject to come up. All we are hearing when the leader comes is this is a tough job and these are the things we have to do, and I would be glad to take two or three amendments. I said, wait a minute. I would be glad to offer two amendments right now, with five minutes to a side, and have a vote, or have 20 minutes to a half hour of discussion and then vote, and we will be through with it.

Instead of doing that, it is a closeout of discussing important subjects for the American people. From Friday of last week until tonight, Thursday night, the majority was absolutely opposed to you getting the floor whatsoever to discuss it. All of these subjects—Social Security, education measures, the Patients' Bill of Rights, health matters—the majority said was irrevelant. We are going to try and complete our spending bills and try our dead level best to do it without using Social Security. This comes at the very same time that even their own Congressional Budget Office says Congress has already spent $18 billion of Social Security monies.

Mr. REID. Let me say this to the Senator from South Carolina before I give up the floor. We have talked today about a couple of very important items, separate and apart from this underlying legislation, to show what we have been unable to accomplish because they have put stuff in the graveyard, the dump yard. The Senator from South Carolina has spoken out more vividly and clearly than anybody else in this body about the need for campaign finance reform, and I have supported the Senator from South Carolina with the constitutional amendment. That is the only way I think we can solve the problem once and for all. Does the Senator agree?

Mr. HOLLINGS. Yes, sir. I have tried my best. I would like to bring it up. I am a realist. Let's bring up Shays-Meehan, which passed by a strong bipartisan vote over on the House side. You would think it could be voted upon, but it has not even been further discussed. We could have 30 seconds to a side and vote. They won't let you vote.

Mr. REID. I also say to my friend, we have had a lot of talk today about Social Security. I want the RECORD to be spread with the fact that the Senator from South Carolina has been one of the leaders who has been there every step of the way on making sure that we do not use Social Security surpluses to balance the budget.

The Senator from South Carolina and I attended meetings at the Sheraton Hotel when there were just a few of us. The Senator will remember that we were fighting this onslaught to have a constitutional amendment to balance the budget. The Senator recalls the grief and the editorials written about us because we said it is wrong to use Social Security surpluses.

Does the Senator remember that?

Mr. HOLLINGS. I remember it very vividly. The truth is that I finally said: Let's cut out the charade. Let's go to Social Security itself. So, I asked the Administrator of Social Security: You folks write the bill so that rather than using Social Security monies for IOUs and the debt, we put it up in a lockbox. I want to make sure it is a truly, honest-to-goodness lockbox.

So he wrote the measure, and I introduced it back in January. It went to the Budget Committee, on which I serve. I asked for a hearing but couldn't get one. They do not want to hear about a true lockbox.

Mr. REID. The Senator from South Carolina could be the ranking member, and in the majority he would be chairman of that committee.

Mr. HOLLINGS. Yes. I was the chairman under President Carter.

Mr. REID. It is not as if the Senator from South Carolina is a junior member of the Budget Committee. He is a senior member of the Democratic Party, and he can't even have a hearing on the bill in the Budget Committee.

Mr. HOLLINGS. I worked on the bill with Senator Muskie; we wrote the law. I have been on the Budget Committee ever since it was created. I think Senator DOMENICI and I are the only two Members who have been on the committee since its inception.

Mr. REID. Finally, I say to my friend from South Carolina that the debate here is not over. The Senator from South Carolina is not the reason this bill isn't going forward. The reason this bill is not going forward is that they will not allow the Senator from South Carolina to offer an amendment. I don't know, but I assume the Senator might want to offer an amendment on minimum wage, or he might want to offer the Shays-Meehan bill. He would agree to 5 minutes to each side to speak on each one of those. We have had 7 days. If we had those with 20 minutes out of 6 days to speak, that isn't much time, is it?

Mr. HOLLINGS. Not at all. That is what we ought to emphasize. It isn't a matter of time and holding the process up or any of those kind of things. It is that these important subjects will not be touched upon politically because all that is being done is geared toward the next election, the polls, and everything else of that kind. The majority doesn't want to make unpopular votes. So you are protected with this arrogant kind of thing of filling up the tree, instituting fast track, and blocking amendments except those checked through the Majority Leader's office. And I hope this is publicized. I hope they have a conscience and will quit this nonsense so we can save time, discuss the subjects, vote up or down, and move on like an orderly body.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. FITZGERALD. Mr. President, I would like to take a moment or two to respond to some of the charges that have been leveled on the floor.

After listening to the colloquy that has gone on for some time, the only thing I think is accurate out of it is that I would agree that my friend from South Carolina has fought for years to ban Congress from plundering the Social Security trust fund. He has been a leader in that fight. But the one thing I would point out is that the whole other side of the aisle has been voting time and time again this year against doing just that—locking up the Social Security trust fund so it can't be spent on other programs.

Ever since the Social Security program was created, all the money that has been poured into it that is over and above that necessary to pay current Social Security benefits has been taken out and spent on other programs. That is not right. I and my friend from South Carolina agree with that.

I know Senator HOLLINGS, as he has said before—if somebody in the private sector were to reach into an employee's pension fund and take that money out and spend it for some other purpose than the employee's pension, they would go to jail under laws that we in Congress have passed.

My understanding is as well that a few years back Congress made it illegal for anybody in State or local governments to raid one of their pension funds.

It is important that Congress move forward now to once and for all ban the plundering of the Social Security trust fund so we are setting aside money and are in a better financial position come the year 2015 to pay the Social Security benefits of the baby boomers as they retire.

I have to say that if, indeed, my friends on the other side of the aisle are in favor of banning Congress and the Government in Washington from spending Social Security trust funds on other programs, why has it been that they have voted against cloture on our Social Security lockbox proposal time and time again this year?

It is for that reason I disagree with my friend from California, who said she thought the criticism was unfair in some of those television ads she was talking about. I don't think it is unfair. How can you vote against a Social Security lockbox but then say you really want to protect Social Security? I think it is a very fair point that Republicans have been making. It is a fair criticism of the other side of the aisle.

Furthermore, I point out that the other side of the aisle has proposed one new spending bill after the other, and we have no surplus other than the Social Security trust fund. If we want to have more money for spending, where are we going to get that money? The only place to take it, unless you are proposing a tax increase, is to take it out of the Social Security trust fund.

Isn't it intellectually dishonest to stand here and say we support protecting Social Security but at the same time get up and propose a whole bunch of new spending bills that there is absolutely no way to pay for without either a tax increase or another raid on Social Security? To my friends on the other side of the aisle, I have to say I think the criticism has been fair.

The Senator from South Carolina has said, as my friends from California and

Nevada have said, that Republicans have put some of your proposals in what you call the "legislative graveyard." But don't forget those times this summer and before this summer when, time and time again, my Democratic friends put the Social Security lockbox program in the graveyard, from which it still has not emerged. It has only been with repeated pressure that this side of the aisle, on the administration and on the appropriators, has largely been able to set aside the money that is in surplus in Social Security so it will not be spent on other programs.

I am hopeful that someday I can work with Senator HOLLINGS to get the strongest possible protection for those Social Security trust funds. Right now, when we are talking about a lockbox, we are really just talking about using that money to pay down the Government debt—the debt that is now in the hands of people who own Government bonds. We are really still not at the point where we can talk about creating a real trust fund that has real money in it that is available to pay benefits. I think someday we need to make that trust fund a real trust fund.

But the problem with that is, in order to cross that line, we have to have the great national debate as to where we are going to invest that money because if we are going to make the Social Security trust fund a real fund—I favor doing that—we are going to have to cross a threshold on this issue of what we want that real money to be invested in.

Until we have had that debate and reached consensus on that issue, it is appropriate that we take that $3.5 trillion in debt we now owe to people who own Government bonds in this country and all around the world and use the Social Security excess to pay down that debt. That is absolutely the best use of the money. It is far superior to taking it and frittering it away on other programs and leaving our external debt at such high levels.

I, again, compliment my friend from South Carolina. He has been the one person I have found in this Senate who agrees with me on this issue that it is wrong for Washington to be telling the American people we have a budget surplus when, in fact, the national debt is still going up. It will go up almost $100 billion.

The biggest adjustment I have had coming to Washington, as a first-year freshman coming from a private sector background in banking, is getting used to the Washington math. When I looked at the first budget proposal that said we will have trillions of dollars' worth of surpluses between now and 2015, and I looked at the back of the budget and it had a schedule of the national debt which is going up every year, I asked, how can the national debt be rising if we are running surpluses? Obviously, that doesn't make any sense. That is an accounting trick. If anybody in the private sector used that kind of accounting, they would be in jail. They would have ankle bracelets on. That is a disgrace. It is misleading.

I thought the President's address, when he told the country we were going to pay off the national debt by 2015, was very reckless. It was reckless of him to so mislead people. He was talking about one of only two components of our national debt. There are two components of the national debt: debt we owe to people who own government bonds and debt we owe to pension and trust funds, such as the Social Security trust fund and the Federal employees pension fund.

We have a President who has a well-deserved reputation for choosing his words carefully. I looked at his statement and couldn't find anything he said that was inaccurate. He said we were going to pay down the debt owed to the public by 2015. What he did not tell the American people, and what Congress has not told the American people, is that the other portion of the national debt, that portion owed to government pension and trust funds, is going to quadruple between now and 2015.

Senator HOLLINGS has used the analogy of a family who has a Visa and a MasterCard. In our own families, we would not go home and uncork the champagne when paying down the Visa by putting more debt on the MasterCard. Such dubious refinancing is no cause for celebration. Yet all over Washington they are uncorking the champagne because they are paying down one portion of the national debt; they are not telling anybody the other portion is continuing to skyrocket.

I yield for a question.

Mr. REID. The Senator talked about the lockbox bill before the Senate. Does the Senator agree it would be appropriate that the Democrats, the minority, should be able to offer one amendment on your lockbox proposal?

Mr. FITZGERALD. I have no problem with offering an amendment. I am happy to vote on it.

Mr. REID. I say to my friend from Illinois, I appreciate his candor. I appreciate the Senator indicating he doesn't think there is anything wrong with it. Either do we. That is what this is about.

The majority, the Republicans, have a lockbox proposal; and we do, too. What we think should happen is the Republicans offer their proposal, we offer ours, we have a debate. That is what this body is all about.

I have followed the short career in the Senate of the Senator from Illinois. I have acknowledged and appreciated some tough votes the Senator has cast against the majority in opposition to most of the people on the Senator's side of the aisle. I think that is good.

The Social Security debate is one where we should be honest with one another. There are ads running around America sponsored by the Republican Congressional Campaign Committee and the RNC, Republican National Committee, that say with this Congress, this year, the Democrats are spending Social Security money.

We have done our best to make the point that is simply not true, and I believe there are people of good will, of which I think the Senator from Illinois has the ability to be one of those, to speak out against those ads. They add nothing to the political process. They only take away from it.

That is the point we have been talking about today. The ads are disingenuous. They are wrong.

Mr. FITZGERALD. I want to follow up on that. I said earlier I think the ads are fair in light of the fact that Democrats have voted against the lockbox several times this year.

Certainly the Senator would agree the Senator's party has run ads. I was the recipient of $3 million worth of soft money ads that accused me of wanting to do everything except take away Christmas from the people in this country.

What has mainly come out in this colloquy on your side of the aisle is that the Senator has stated a good case why it is better to be in the majority than in the minority.

Mr. REID. My friend from Illinois learns quickly. The fact is, that is not how this body has run in the past. For over 200 years, this body has been able to survive in comity. We recognize the minority has rights. There was a time not long ago when the Democrats had a veto-proof majority in the body but the Republicans were not treated badly.

I say to my friend from Illinois, Democrats have voted against no lockbox provision. We have voted to sustain our rights to be able to offer an amendment to the Senator's lockbox proposal so there could be a debate. If, in fact, the Senator thinks those ads are running because we voted against lockbox, I respectfully submit the Senator needs to study the issue more.

Mr. FITZGERALD. I say to my friend from Nevada, I wonder if there are any Senate rules that have changed from the time the Democrats were in the majority and now when the Republicans are in the majority that the Senator could identify that he thinks have unfairly cut off the rights of the minority. Have any rules changed?

Mr. REID. That is the whole point. The rules have not changed.

The fact is, however, the majority is not treating this body in the senatorial tradition. The rules have held that we in the Senate have the right to offer amendments. This body is being treated like a House of Representatives where a bill comes upon the floor, there is a rule offered, and that is it.

The so-called tree is filled up, we can offer no amendments, and we are locked out of offering amendments.

That is what the Senator from South Carolina has been saying. All we want is to offer amendments. Shouldn't the Senate of the United States be able to have a debate on minimum wage?

Mr. FITZGERALD. I think we have already, to some extent. We have had one or two votes that I can recall earlier this year. But the question is, How many times will Members keep bringing up the same issues?

Mr. REID. I have the greatest respect for my friend's intellect. We have had just one vote this year on minimum wage. We didn't have one last year. Or the year before.

We want to have a debate. We want to have an amendment offered where we raise minimum wage. We have not had the opportunity to do that. If the majority doesn't agree, fine. The Senator from South Carolina said he would agree to a 10-minute time limit on minimum wage. I am not sure I can agree to 10 minutes, but I certainly agree to 2 hours.

I say to my friend from Illinois, picking that one issue, doesn't the Senator think it would be appropriate this body debate minimum wage?

Mr. FITZGERALD. Absolutely, and I am sure we will at some point. I do know we had some votes, whether they were procedural or actually substantive, on minimum wage because I talked to Senator KENNEDY about it. He was very pleased with my vote earlier this year on that. We have had some votes that touched on that area.

I was not in the Senate before this year, so I can't comment on how it was run when the other side was in the majority. My impressions from speaking to some of my senior colleagues on this side of the aisle is that they felt it was always very difficult for them to be in the minority. I think they probably often felt the frustrations that the Senator is feeling now.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, for the last several hours on the floor of the Senate, we have discussed basically the business of the Senate over the last year. A lot of us focused on Social Security. It is a curious thing that this program, which once was so controversial, has now become so universally lauded and acceptable that both political parties are determined to be portrayed as the guardians of Social Security.

Coming from the Democratic side of the aisle, the party of Franklin Roosevelt, I think our party has good claim to the authorship of the original program of Social Security and the fact it has been sustained, now, for some 62 years primarily because of Democratic support.

Having said that, though, I will concede over the years what started off as Republican opposition to Social Security has mellowed to some extent, and they now embrace it where once they called it socialism and big government and the New Deal and Franklin Roosevelt run amok. They now have come to a different conclusion since millions of Americans and their families rely on Social Security to live independent and decent lives after their retirement. The debate now seems to focus on, what are we going to do with the excess money collected—for instance, in payroll taxes for Social Security? Should the Government be allowed to borrow that money and the money then be used for some other purpose and paid back to Social Security with interest? Or should the money be held sacred and apart, untouchable? That seems to be where the debate is.

The television ads, which have been the source of a lot of debate on the floor, relate to an effort by the Republican Party, soon to be answered by the Democrats, to blame us for somehow spending the Social Security trust fund.

It is an interesting claim to make for several reasons. First, we are the minority party. We do not pass bills here; the Republicans pass the spending bills. So to blame us for a spending bill which reaches into the Social Security trust fund just defies arithmetic and common sense. If there has been a bill passed, a spending bill, it has been initiated by the Republican leadership. It has come forward and been sent to the President primarily with Republican votes. For them to suggest one of these bills went over the line and reached into the Social Security trust fund and blame the Democrats for it is really a stretch.

But I will tell you what we can point to, and it is not in the area of spending bills. It was a project by the Republican Party just a few months ago initiating an idea of a massive tax cut. The party, the Republican Party, which had bemoaned deficits for years, to the point of calling for a constitutional amendment to balance the budget, now, when they heard of the possibility of a surplus at the Federal level, answered by suggesting we should have a tax cut of some $792 billion given primarily, if not exclusively, to the wealthiest people in America. They thought this was going to be a big winner. It was an echo of Senator Robert Dole's Presidential campaign where, when he could not get traction against President Clinton, he came up with the Dole tax cut.

It did not work for Senator Dole then. It certainly did not work for the Republican Party a few months ago. They took this idea back to the States, and people universally said: What are you talking about? Why would you, after years and years of deficits, be giving a $792 billion tax cut primarily to wealthy people? If you are going to do anything, take the money and pay down our national debt which costs us $1 billion a day in interest. If we have a surplus, make sure Social Security is sound and solid for decades to come. Put the money into Medicare, make certain it is there for generations to come, for our parents and grandparents who will need it.

In fact, those who analyzed the Republican tax cut said, incidentally, of the $792 billion, at least $83 billion of that has to come out of the Social Security trust fund.

So the Republican Party that is pointing its finger at Democrats and saying we are raiding the Social Security trust fund had a tax cut package primarily for the wealthy which dipped its hand into the Social Security trust fund for $83 billion. That is a fact.

Now let's take a look at the spending bills, the Republican spending bills, keeping in mind the Republicans control both the House and Senate and Appropriations Committees and have now broken from the tradition of Congress which used to call for bipartisan meetings of the Appropriations Committees. They are very partisan now. I am a member of the Appropriations Committee here in the Senate, and I was in the House. For years, we worked on a bipartisan basis in an effort to try to pass bills. I am sad to say, now, many times we are not even called for meetings. The Republicans author these bills and put them together, bring them to the floor, and basically the Democrats are not part of that process.

What do we make of the claim by the Republicans that the Democrats are reaching into the Social Security trust fund? The most recent thing we have to point to is a letter from the Congressional Budget Office. This is one of the two offices we turn to for answers to questions such as: If we initiate a certain program, how much will it cost us? How much will this program cost us each month? Will it add to the deficit or to the surplus? All of the basic questions that need to be answered to be responsible in budgeting.

The Congressional Budget Office has today sent a letter—yesterday, I believe—to Congressman John Spratt, the ranking Democrat on the House Budget Committee. Congressman Spratt, a friend of mine and former colleague, asked the Congressional Budget Office whether or not the spending bills already passed by the Republicans and sent to the President, reached into the Social Security trust fund. The Congressional Budget Office, which enjoys a reputation primarily for being nonpartisan, replied that the Republicans have already spent $17 billion of the Social Security trust fund.

They then asked the Congressional Budget Office, in the same letter, What about the proposed 1-percent across-the-board reductions in spending which the Republicans now propose as a way to solve all our problems and go home? It was the conclusion of the Congressional Budget Office that, if the Republicans really wanted to keep their hands off Social Security and not reach in the trust fund, certainly 1 percent across-the-board was not going to do it; they had to find some $17 billion to be made up that they have already reached into the trust fund for. They said it would take another 4.8-percent cut across the board for that to happen, meaning 5.8 percent would have to be cut from all budgets of the Federal Government to avoid touching the Social Security trust fund, just with appropriations bills already enacted by the Republican majority in the House and the Senate—5.8 percent.

Then they went on to say—and this is important considering the realities of politics in Washington—if you take off the table the defense budget, saying our national security cannot stand the 5.8-percent cut, military construction —part of the same argument, and veterans programs, which both parties hold dear, everything else will have to be cut 11.8 percent.

Here we are, deep into the next fiscal year. We do not have our appropriations in order. In order to balance the books and not touch Social Security, the Republicans would have to cut almost 12 percent across the board in budgets for things such as education; Head Start; Women, Infants and Children; Meals on Wheels—things on which senior citizens rely.

What a curious state of affairs that only a few weeks ago Republicans told us we were so awash in money, we could give out a $792 billion tax cut to the wealthiest people in this country and now have come back to tell us we are in such dire straits that they, frankly, have to be cutting education by 10 or 11 percent in order to balance the books. That, to me, shows the basic emptiness of this argument that has been made against the Democrats and so many others.

The sad reality is that we come to the end of the session and find ourselves bereft of accomplishment. Having been sent to Washington to respond to the needs of America's families, we have dropped the ball. I have said repeatedly, if you held a gun to the head of any Senator in this body and said I am going to shoot you unless you tell me what you have done to help average American families lead a better life and have more opportunity, I would have to say: Fire away. I can't point to a thing.

What did we do on minimum wage? Nothing, absolutely nothing; turning our backs on the millions of people who go to work every day in this country stuck at a minimum wage of $5.15 an hour. The Republicans will not even allow us to debate the issue. The greedy big-business interests that will not give working families a decent living wage have prevailed over those who get up and go to work every single morning—primarily women, many minorities—working at minimum wage, showing they believe in the work ethic, and hoping this body and the House of Representatives will be sensitive to their need for more resources for their families.

The Patients' Bill of Rights: How many times have I been across Illinois and met families, sat down with them, and doctors, and nurses? They have told me horror story after horror story of trying to provide quality medical care for people in need only to be turned down by insurance companies; Doctors on telephones debating with insurance company clerks about surgeries and hospital admissions and different medications that the doctor thinks are necessary, and losing the debate every single time.

We want to stop these faceless bureaucrats in the insurance companies making life-or-death decisions without any medical training. We want families across this country to be able to sit down across the table from a doctor when someone is seriously ill and be treated in an honest, competent, professional way.

We lost that fight on the floor of the Senate. No, let me take that back. We did not lose that fight; America's families lost that fight here. Do you know to whom we lost it? Another special interest group. The health insurance lobby prevailed big time in this bill, and America's families lost big time, and that is another failure of this year we have spent here on Capitol hill.

Campaign finance reform: This is truly a bipartisan issue. Senator JOHN MCCAIN, a Republican candidate for President from the State of Arizona, and Senator RUSS FEINGOLD, who sits behind me, a Democrat from the State of Wisconsin, came forward with a bipartisan way to clean up this mess of campaign financing that has everybody across America so cynical about our process.

The President supports it. In fact, a majority of Senators support it. Fifty-five voted in favor of it. That is not good enough for the Senate; we need 60 votes. We could not dislodge some 45 Republicans who are bound and determined to keep this miserable system in place. This is another failure of this Congress.

Sensible gun control: How many times, walking into the Cloakroom right behind the Senate floor, have I been startled to hear a news flash on CNN that in another high school in America, there is more violence, kids being shot, teachers being shot, the grief of parents, and the visits by the President and the Vice President, news magazines and shows on television just focusing for days and weeks on violence in schools.

People across Illinois and across America say: Senator, what are you doing to make this a safer place to live, to protect our kids?

We work up all kinds of speeches in this Chamber, but what do we do? We have one bill, a sensible gun control bill, which says if you want to buy a gun at a gun show, we have a right to ask whether or not you have a criminal record or a history of violent mental illness. That bill passed the Senate with the vote of Vice President GORE breaking a tie. It went over to the House and disappeared. Sensible gun control. Nothing is going to happen this year. The Republican majority in the House and the Senate do not want to act on that issue.

I pray to God there is never another school tragedy in America, but if there is, each of us will be held accountable as to whether we did everything we could to keep guns out of the hands of kids and those who would misuse them, criminals and those with serious background problems.

This Senate passed a bill, barely; the House Republicans killed it. The National Rifle Association, another special interest group, won and America's families and schoolkids lost again.

100,000 teachers: This is a program the President has proposed for one simple reason. He believes, and I agree with him as a parent who has raised three kids, that if you can have fewer kids in a classroom, you have a better chance of paying attention to their needs.

I went to Wheaton High School and met with a teacher who had 15 kids in her class. She was part of the President's program. She said: Thank you; I can help the kids who are falling behind and the gifted kids; it really works better when I have a smaller class size.

What parent would not agree? I remember how tranquil life was with one child in our house and how hectic it became when the second and third arrived. Imagine a classroom of 20, 30 kids. The President said: Reduce the size of that class and I bet you have more kids who can read, learn basic math, and have a better chance for their education.

The Republicans want to kill it. They do not agree. Last year, they voted for it; this year, they want to kill it. This is a partisan battle. The losers are the families across America who expect us to do something in Washington to make education better for our kids and give them a chance.

Cops on the Beat Program: I see my friend, Senator LEAHY, from the Judiciary Committee. I am proud to serve with him. He was one of the leaders on the President's program to send 100,000 police to local communities and reduce crime.

Do my colleagues know what happened when we sent policemen out to the cities of Chicago, and Cairo, IL, and across America? The crime rate came down. The people who wanted to commit a crime looked around and saw there were a few more cops and squad cars and decided not to do it. Thank goodness. It meant fewer victims and less crime perpetrated on the people in this country.

The Republicans fought us tooth and nail. They do not want to continue this program despite its proven success. They have put partisanship ahead of reality. The reality is we all want to be safe in our neighborhoods. We want our kids safe in school. The President has a program that works, and they want to kill it, stop the 100,000 COPS Program. That is so shortsighted.

The Medicare prescription drug program: Here is one where seniors across America tell us—Senator DODD from Connecticut, Senator LEAHY, and others—that this is a very real concern, paying that bill every single month for these prescription drugs that Medicare does not cover. The President has a plan to move us forward. The Republicans say: Oh, here comes a brand new program.

They have a self-financing mechanism, as they should, to make certain we do not cause any more problems to the fiscal picture in the Medicare program. The fact that we cannot move forward on this Presidential suggestion of a Medicare prescription drug program is going to be a serious problem for seniors across America.

So we come to the end of this session with an empty basket, with nothing to show to families across America. Oh, we have drawn our paychecks, we punched our time cards for our pensions, and we are headed home looking forward to the holidays, and we have nothing to show for it.

My basic question to the Republican leadership is, Why are you here? Why do you want to be called leaders if you do not want to lead? Why do you ask to serve in the Senate, which was formerly known as the greatest deliberative body in the world, if you do not even want to deliberate these questions? Why are you afraid to debate these questions? If your position is so sound and solid, for goodness' sake, stand up and defend it. Let me argue my best point of view, you do the same, and let's have a rollcall vote up or down, yes or no. Let it be printed in the CONGRESSIONAL RECORD to be seen by the United States and the world.

That is why we are here. That is why we ran for these offices—not for a title but to do something for America's families. We have not done it this year. We have not done anything substantive to help these families lead a better life.

We have lost opportunities, and I hope we do not continue to lose opportunities. We have given in to special interests time and time again. We have forgotten the interest of America's families.

I sincerely hope Senator DASCHLE, who took this floor earlier, prevails; that he can convince Senator LOTT, the Republican leader, to finally let Senators roll up their sleeves and get down to work. Goodness' sake, in the last 2 weeks, let's do something substantial. Let's have courage to vote on the issues. To stop debate and put a gag rule on Senators so we cannot offer amendments on all the issues I mentioned, frankly, is a travesty. It is a travesty not only on those who serve here, but on the history of this great institution of which I am proud to be a part. I sincerely hope Senator DASCHLE can prevail, and we can have the debate which the American families deserve.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF LONG-TIME SENATE EMPLOYEE, KATHY KEUP

Mr. DODD. Mr. President, on Friday, October 29—tomorrow—the Senate will say a fond farewell to one of its longest serving employees, someone who has been with me almost 19 years, Kathy Keup.

Kathy Keup began her Senate service almost 34 years ago. She is one of the longest serving employees in the Senate. She began her service November 1, 1965. On that date, Kathy Keup joined the staff of her home State Senator, Ed Muskie of Maine. After nearly 6 years of service with Senator Muskie, Kathy Keup served on the staffs of Senator Warren Magnuson of Washington and Senator John Culver of Iowa. She also served for several years in the 1970s on the Democratic Senatorial Campaign Committee.

Some of our colleagues who have been here a few years will recall, back in those days, it was not uncommon for Senate staff, both Republican and Democratic, to serve for temporary stints on their caucus' campaign committees. As a historical note, the campaign offices were actually located in this building. That practice is long since over, but 25, 30 years ago, that was not an uncommon practice.

As I mentioned at the outset, for the past 18 years and 9 months, it has been my very good fortune to have Kathy Keup as a member of my staff. In fact, she joined my office just a few days after I was sworn in as a new Member of this very body. I can say without any hesitation that each and every day of her time in my office has been marked by a consistent, thorough, and outstanding commitment on her part to serving not only me and the people I represent in Connecticut, but the public at large across this country.

As a fellow New Englander, perhaps the highest compliment we can bestow on any individual is to say they are a true Yankee, and Kathy is a true Yankee, in all the wonderful meanings of that word. She epitomizes the very best values of our region of the country. She is very diligent and hardworking, and respectful of others, no matter their station in life. She is modest and discreet, a person of few words. Indeed, in an era and in a city where the dubious quality of self-promotion is rarely in short supply, Kathy Keup serves as a living reminder of the timeless virtue of letting one's work speak for itself.

She also possesses the virtues of loyalty and dedication. The Senators and others for whom she has worked over the years could always take comfort in knowing she would be at her desk each morning at 7 o'clock, as she has been with me for almost 19 years, come rain, shine, snow, or whatever the weather.

She earned the trust of those around her, not by what she said but by what she did, reliably and superbly, day in and day out, for these past 34 years.

Each of us who is privileged to serve as a Member of the Senate knows well the importance of having loyal and talented men and women who work with us in this wonderful institution. These public servants may not have their names on election certificates or in the newspapers, but they are vitally important to the ability of the Senate to function on behalf of the American people. In a very real sense, they make the wheels of this democracy turn every single day. And in so doing, they make real the timeless promise of our representative government.

Kathy Keup has dedicated her working life—her entire working life—to the Senate. By her efforts over more than a third of a century, she has made an invaluable contribution to this institution and to the country as a whole. She epitomizes what a Senate staff person should be. She has rendered truly exemplary service to this individual Senator, to our former colleagues whom I mentioned already, to the Senate, and to our Nation.

Come next Monday morning, I will call the office, I suppose out of habit, at around 7 or 7:15. And that voice will not be there, as it has been for almost 19 years. Kathy will return to a place she calls home—her beloved Maine. I know I speak for all who have worked with her over these past 34 years, in saying thank you for all she has done to make this a better place. And on their behalf, let me say that I wish her in her retirement a life full of new challenges, good health, and many other rewards she so richly deserves for her long and distinguished career in public service.

We thank you, Kathy, for a job well done.

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Delaware.

Mr. ROTH. Mr. President, some of my esteemed colleagues argued this past week that we are losing jobs in manufacturing, particularly in textiles and apparel, because we have set the American standard of living too high through the minimum wage, Social Security, Medicare, workplace safety rules, environmental standards, and social policies such as parental leave. That is the sort of broad assertion we have heard about every trade bill or trade vote that has come to the floor in the past years.

They argue that any trade liberalization will lead to a reduction in our own labor and environmental standards, rather than encouraging an increase in the labor and environmental standards among the beneficiary countries. That attack on this legislation is wrong for three reasons.

First, there is no evidence that trade has weakened our labor and environmental standards—quite the contrary. During the period from 1970 to the present day, while trade as a percentage of American GDP more than doubled from 11 to 25 percent, our labor and environmental laws were strengthened. What we have witnessed has been the exact opposite of what the trade critics would have predicted. Our labor laws continue to provide strong protection to workers, and the reach of our workplace safety laws has continued to expand.

The last 30 years witnessed the passage of landmark environmental legislation, enormous set-asides of wilderness areas, and significant improvements in air and water quality. We have seen sufficient progress on endangered species so that the President recently removed the bald eagle from the list of endangered species. Who would have thought of a more potent symbol of the progress we have made in the last 30 years. Have we done enough? No. There is still more we can do to encourage conservation and environmental protection. Based on the last 30 years of evidence, there is no reason to forgo the benefits of trade based on the errant assumption that trade will somehow undermine the basic fabric of our environmental law or encourage a race to the bottom.

What has been true in the United States has also proved true elsewhere. The truth is that economic growth and a rising standard of living is a necessary predicate for higher labor and environmental standards, and trade is essential to both goals. What the most recent studies have shown is that air and water quality improve as per capita income increases. The growth in pollution declines as incomes rise. There should be no doubt, then, that poverty is the enemy of both labor and environmental standards and that both benefit from economic growth to which trade contributes.

Third, there are sound reasons why higher labor and environmental standards will not lead to a race to the bottom, even in a world of expanding trade. Pollution control costs, even in the dirtiest of industries, account for less than 1 or 2 percent of total production costs. In other words, even in the dirtiest of industries, the cost of compliance with our environmental standards is not sufficient to persuade companies to invest in other countries simply to take advantage of lax environmental laws.

Trade critics who argue that trade will devastate the environment tend to overlook that firms generally invest in the developing world's pollution havens to gain market access, not to take advantage of the lower environmental standards. In other words, the companies generally invest because their exports face tariffs averaging between 10 and 30 percent, a cost disadvantage they can only overcome through investing on the other side of that tariff wall.

Given those facts, we would be better off beating down high tariffs in the developing countries in order to allow the export of goods from clean factories in the United States, rather than encouraging trade restraints that lead to investment in pollution havens.

Equally important, our companies tend to take their existing technology and production techniques with them, even when they do invest in pollution havens abroad, in order to get around the high tariff walls. They do not do this out of altruism. They do it because it makes good, cost-effective, economic sense.

Our companies have found ways of producing in the United States that both allow them to comply with our environmental standards and remain globally competitive. We should be encouraging the export of those techniques of manufacturing wherever we can. But what those facts most assuredly do not mean is that trade has somehow led to a race to the bottom. In fact, trade appears to lead to a rising standard of living in environmental as well as economic terms.

My colleagues say we can no longer compete in textiles and apparel because our producers compete with many countries in the world with far lower standards of living. They explicitly or implicitly argue that we must impose trade restraints in order to protect these industries and the associated jobs.

Let me be blunt: There is no protection in protectionism. For every job we save through trade restraints, we lose many more in other sectors of the economy. As we have learned this past summer during the debate over quota legislation, saving one job in the steel industry by imposing trade restraints puts 40 jobs in the consuming and exporting industries at risk. Those who oppose this legislation do not favor the win-win outcome that the Finance Committee bill would create and the textile industry itself supports.

Mr. MOYNIHAN. Will the distinguished chairman yield for a question?

Mr. ROTH. I am happy to yield.

Mr. MOYNIHAN. The Senator spoke of those who oppose this legislation. I believe we voted to move to this legislation by a vote of 90–8?

Mr. ROTH. That is correct.

Mr. MOYNIHAN. I believe this measure came out of the Finance Committee, under the Senator's leadership, unanimous, both parties?

Mr. ROTH. The Senator is correct.

Mr. MOYNIHAN. Would the Senator think I was out of range if I suggested there are 75 votes for this legislation as it is?

Mr. ROTH. I think that is a fair statement.

Mr. MOYNIHAN. Well, then doesn't the Senator think we should find a way around our self-imposed restraints and vote?

Mr. ROTH. I couldn't agree with my colleague more. I wish we could proceed. I think this legislation is critically important. I think we have, as the Senator says, a vast majority on both sides of the aisle. As we have already said on many occasions, it has the strong support of the President.

Mr. MOYNIHAN. Who is meeting this morning with the President of Nigeria who is here to talk about that.

Mr. ROTH. I understand a number of the ambassadors from the countries in Africa that would be impacted with this legislation have been calling and telling people of the importance they attach to it. It would be a major setback, inexcusable for this legislation not to proceed.

Mr. MOYNIHAN. Exactly, sir.

Mr. ROTH. As I said, there is no protection in protectionism. For every job we save through trade restraints, we lose many more in other sectors of the economy.

Those who oppose this legislation do not favor the win-win outcome that the Finance Committee's bill would create and the textile industry itself supports.

Some of my colleagues would seem, instead, to prefer the "lose-lose-lose" option of imposing a regressive form of taxation on the poorest in our society, lowering employment in the textile and apparel sector, and lowering employment throughout the economy.

I want to reemphasize what I have been saying. It is not the chairman and it is not the ranking member of the Finance Committee that is telling you that the Senate bill would lead to higher sales and higher employment in the textile industry. No, it is the textile industry itself that is telling us the Senate bill would increase textile shipments by $8.8 billion over 5 years and increase textile-related employment by 121,000 jobs over the same period.

That is a win-win outcome we should support. I urge my colleagues to support the amendment to the legislation.

With that, I yield the floor.

Mr. MOYNIHAN. Mr. President, it goes without saying that I wholly agree with the remarks and statements of our revered chairman. May I say, there is still hope. It is not over yet.

Mr. HOLLINGS. Mr. President, I obtain the floor in order to thank my distinguished colleague from Illinois, Senator FITZGERALD. He is a banker, a financier. He is far more experienced in financial affairs than I, and he is on the other side of the aisle. His arrival now makes it bipartisan and I am very grateful to him. We had a bipartisan move with Senator Heinz and myself in passing section 13.301 of the Budget Act, which says you could not use Social Security—either the Congress or the President—in reporting a budget. That was approved by 98 Senators in a bipartisan fashion.

Yet the budgeters continue to ignore it. So I have been looking, since we lost Senator Heinz on that side of the aisle, for some assistance. We had otherwise the leadership of Senator Armstrong and Senator Boschwitz. We were in the extreme in 1989, for supporting a value-added tax, a 5-percent value-added tax, allocated to reducing the deficit and the national debt so we would not spend Social Security. In fact, we had eight votes in the Senate Budget Committee. We recommended again another VAT. We tried to pass other laws. But with respect to the distinguished Senator's statement that the Democrats have voted against Social Security several times, let me clarify that observation of his to the extent that we, right now, are in that same situation. Here now, the tree is filled up. You have veritably fast track; namely, you have a bill out from the committee with a substitute or leader's amendment or maybe they want to call it the amendment of the committee itself. But whatever they call it, it is the committee bill and you cannot amend it.

When the tree is filled up that way on cloture, it will be difficult to get cloture because no one is allowed to offer amendments. We need someone to understand this and allow us to begin deliberating. Now, that is what we have. If this persists through tomorrow, I am hopeful, but I don't know because I am a minority of a minority of a minority here, that we can move forward. But it could very well occur that we may not get cloture tomorrow morning at 9:30, if that is when they call the vote. They said they didn't think there are any votes tonight, other than a continuing resolution, which we can voice vote. We may, but I doubt if we could get that vote.

So the reason you don't vote cloture is because you want to try to get some amendments considered to discuss these issues. That was the situation each time they brought up that Social Security. I know better than anybody because I put in my amendment at the very beginning of the year, drawn, if you please, by the Social Security Administrator himself. We introduced it. It was referred under the rules, of course, of the Budget Committee. I have been on that Budget Committee since they started it as a Budget Committee in 1974, some 25 years. So I have been there. I have been chairman of the Budget Committee. I thought I could get a hearing. They don't want to talk about a true lockbox or taking it off budget. They will vote for a sense of the Senate. Then they will vote for the law and then totally ignore the law. And if you can put in my amendment in, as we have it propounded now in the Budget Committee, I can tell you here and now we really will have lockbox, and you won't be able to touch it.

We won't have to debate whether or not we are. Everyone could see and understand it. That situation happened several times, and the majority was going to call it the lockbox. One proposal was made by the majority leader that allowed three amendments. We would bring it up, have three amendments considered with time agreements, and then vote.

When they found out about my one amendment that was for a true lockbox that is in the Budget Committee, which they won't even give you a hearing on, they would not agree. We had to go ahead and vote against cloture. The distinguished Senator from Illinois calls that a vote against Social Security. Not at all. That is a vote, really, for Social Security.

Tomorrow, when a substantial number vote, let's say, assuming against cloture, someone could say they voted against the trade bill. Not at all. They are for the trade bill. The distinguished minority leader has made that clear. The Senator from South Dakota is for this bill, but he is trying to protect the rights of Senators on both sides of the aisle to offer amendments. The Senator from Illinois was mistaken to characterize that as a vote against Social Security several times, saying, "Why did you vote against it if you are sincere?" We are sincere all right, to try to preserve Social Security.

I was one of them and I will go immediately now to the observation made by my distinguished ranking member on the Finance Committee about 90 votes to proceed. I was one of those 90. That doesn't mean you can pass the bill without even considering any amendments. When I voted to proceed, I voted to do just that—proceed to debate the amendments, vote upon them, and get to a final enactment thereof. I have several things that we want to bring up. I see other Members present.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have watched with some interest in recent days the Senator from South Carolina holding forth on the floor of the Senate on trade issues. This isn't the first time. He has often come to the floor of the Senate to engage in interesting and robust debates about international trade.

I also noticed that the bill that is before us, the House bill dealing with African trade, the African Growth and Opportunity Act, if you read it, reads like a lot of trade deals we have dealt with. It is kind of a NAFTA for Africa approach with trade adjustment assistance, CBI, and other things added to it.

As I was thinking about all of this, I realized that nothing really changes very much. I guess it has been 4, 5, 6 or 7 years I have been here on the floor of the Senate talking about trade issues to no avail. The debate never changes.

Those who come to the floor proposing a new trade initiative will speak only about their new trade initiative. They will refuse to speak at all, or refuse to address the residue and the problems resulting from the trade bills we have recently passed, NAFTA being one, United States-Canada being another, and GATT being a third. You never hear anybody willing to tackle the problems.

I had a chart with me. It is lost in a pile of charts somewhere. But I wish I could show it. It shows the trade deficits. After several decades of ballooning Federal budget deficits and after getting those deficits under control, now we have another deficit. It is the trade deficit. The annual trade deficit on a chart is just spiking almost straight up. It is a devastating consequence of bad trade policy and a range of other things, but especially bad trade policy. Yes, the collapse of economies, or the difficulties of economies in Asia contribute to it, and there are some other things that contribute to it, but by and large this has been an abiding trade deficit that has been growing for a long period of time, and a chart would show a very significant spike in this deficit.

It is serious. Our current account balance deficit as a result of this trade deficit is going up and up, and it is unsustainable. We can't continue to do this. Yet there is no discussion on the floor by those who bring trade legislation to the floor to say, well, let's talk about what is happening; let's talk about our current experience with our trade practices.

It is not the case that I believe we should put a wall around our country, or we should restrict trade, or we ought to decide to in some way diminish trade. That is not the case at all. I believe, however, that after about 50 years of post-Second World War experience in trade, we ought to understand what is going on. For the first 25 years after the Second World War, our trade policy was exclusively foreign policy. They called it trade policy, but it wasn't trade policy; it was foreign policy. We used trade as a foreign policy instrument with which to help a range of other countries around the world.

That was fine. We could beat any country virtually on any set of circumstances and any competition with one hand tied behind our back. We were bigger, tougher, stronger, and more able to compete. And we could essentially create all kinds of approaches that would be helpful to other countries in foreign policy, call it trade policy, and still win and still prevail.

But the second 25 years after the Second World War, things were different, especially recently. Our trading partners have become shrewd, tough, economic competitors. This is not any longer, and should not be, about foreign policy. It ought to be about trade policy, about what makes sense for our country's interests and how to engage in policies with other countries that are mutually beneficial, yes, to them and also to us.

As I listened to the Senator from South Carolina, I was thinking about something I told the Senate some many years ago. I had a young son who ordered an ant farm from a magazine. He is 12 now. I guess he was probably 5 years old. He saw this advertisement for an ant farm. It was a thing you ordered by mail. It was a container. It would hold sand. They sent you the container and the sand. They put the sand in the container. Then they sent you the ants separately. They said in the order to put the ants in the container. They said you should put that little vial of ants in the refrigerator for a while to slow them down a bit.

So my son got all of this in the mail. He put these ants in the refrigerator and slowed them down a bit. He poured them into his ant farm and then put the top on. For, I don't know, a month or two, we watched these ants in the ant farm. There must have been 100 or 200 ants in this little ant farm. You could watch them every day. They would go from one end of this little partition to the other hauling all of this sand back and forth, and back and forth, and nothing ever changed. I looked at those ants. I thought, I wonder what they are thinking, if they think; they just keep hauling this sand back and forth, and nothing ever changes.

I thought the Senate is similar to that, especially on trade policy. You could put a blindfold on and earmuffs on, and for 7 years nothing would change—at least it hasn't in the 7 years I have been in the Senate. Back and forth, back and forth, never a change.

Does anybody here have a debate about the provisions in NAFTA that lead to the terribly unfair trade in durum wheat? Did anybody ever hear of that? I have never heard of that. I have been down here and talked about it a lot. In fact, most people probably don't know much about durum wheat at all.

Probably many of the expert staffers working on trade have no interest in and no knowledge of durum. They have no knowledge of durum. They certainly have no knowledge of semolina flour. If they eat pasta, they are eating semolina flour and durum wheat. Eighty percent of the durum wheat in America is produced in North Dakota. Anyone working on trade issues in the Senate and eating spaghetti or lasagna might well be eating something that came from a North Dakota durum field.

After this country negotiated a trade agreement with Canada, we had a trade negotiator who reached an agreement with Canada and put it in writing to Members of Congress. He said in writing—Clayton Yeutter, our trade ambassador—there will not be an increase in the flow of grain back and forth across the border as a result of this agreement. That was a guarantee in writing to Members of Congress. It wasn't worth the paper on which it was written. It wasn't worth anything. The fact is, the trade agreement was enacted by Congress after it was negotiated. It was sent here and voted on by Congress and prevailed. I did not support it.

Immediately, we had an avalanche of Canadian durum coming across our border. That durum undercut our farmers' prices, took a couple hundred million dollars out of the pockets of our farmers in a year, and has happened time and time again. This past year was the largest amount of durum, over 20 million bushels in the first 7 months of this year; for 6 months, up over 80 percent.

People say it doesn't matter; that is technical; that is detail. That is fine for someone wearing a suit and tie, but try farming, raising durum, and having the price collapse and see what it does to your income and wonder whether it is important. Wonder whether you understood it and wonder whether you had a responsibility when you talk of trade the next time or talk of the trade problems you caused for the hardworking people in our country. Wonder about the trade problems you caused them by the previous trade agreements.

The same agreement, NAFTA, which has opened the floodgates for the grain coming in that has terribly hurt the family farmers, was advertised to Members, as the Senator from South Carolina knows, as being a trade agreement that would create several hundred thousand new jobs in our country. It didn't turn out quite that way. When NAFTA was negotiated with Canada, Mexico, and the United States, we had a trade surplus with Mexico and a small trade deficit with Canada—not so small but a trade deficit with Canada. So this Congress passes NAFTA, approves NAFTA. The trade surplus with Mexico has now been changed from a surplus to a $16 billion annual deficit just in the first 8 months of this year alone. The trade deficit with Canada has more than doubled.

In a study by the Economic Policy Institute, Rob Scott says NAFTA has resulted in a net loss of over 440,000 jobs in this country.

But the NAFTA supporters advertised that "a lot of new jobs will be created." The fact is, a lot of jobs were destroyed.

"It will be good for our country." In fact, big trade balances that were positive were turned to very large trade balances that are negative for our country. Yet the same folks continue to peddle the same merchandise on the floor of Senate.

Just make this trade agreement and somehow it will be better. My response is to say if we are going to talk about trade, I am perfectly willing to listen and be reasonable about all of these things. I want to help Africa. I want to help the Caribbean nations. I want to reach out and do all those things. But, I want it to be fair. I want our producers to have fair competition. I am willing to retain these, but I refuse to have people come to the Senate and say: Here is our agenda and we demand you respond to that. And we don't intend at all to address the problems we have created in the previous trade agreements. To us, they are irrelevant. We don't intend to address them. They don't matter. They don't exist, and we don't intend to talk about them.

The remedies that normally would have been available to fight the unfair trade have been traded away in previous trade agreements. Those who have lost their jobs and farms find little solace in those who say: "We have a new agreement now and we don't intend to talk about the old problems."

It seems to me we ought to talk about some of the problems that exist in previous trade agreements and fix them. The quickest way for President Clinton and, for that matter, the committee chairman and the two managers of this bill, to have a thoughtful discussion about new trade initiatives is to agree to have a thoughtful discussion about the problems created by the old trade policies and begin to fix them. If we are not willing to fix some of the mistakes in previous trade agreements, we are not going to get consensus to move to new issues. I told the President the best way for him to get fast-track authority from the Congress is to show a willingness to fix the problems that have existed in NAFTA, the U.S.-Canada Free Trade Agreement and GATT.

When a ship pulls up at a dock in California loaded with grain that is dumped in this country—clearly illegally—and there is no remedy to address it, our farmers say, how can grain be shipped from a European port to a dock in California and be sold for half the price of the grain that is being sold here, even after transportation is paid? How can that be? The answer is it is unfair trade and there is no remedy to deal with it and you can't stop it.

That is why producers in this country are saying to those who are pushing new trade agreements, help fix some of the trade problems we have. When that is done, we will listen. We will work with you. We will address some of these additional trade issues. It is not acceptable to simply ignore the misery, the suffering, and the difficulty that so many producers in this country experience because of unfair trade policies. It is not fair to ignore them. We must get our priorities straight.

I find it fascinating that some who have been so concerned about deficits during the years I have been in Congress are those who are the least concerned about trade deficits. Japan, $50 or $60 billion a year, every year. Want to buy a T-bone steak in Tokyo? Does anybody in this Chamber know what kind of a tariff will be imposed on a T-bone steak coming from the United States and sold in a Tokyo restaurant? Does anybody know the answer to that? I bet not. After a trade agreement with Tokyo in order to get more U.S. beef into Tokyo, we have a 50-percent tariff on all U.S. beef going into Tokyo which diminishes but snaps back if the quantity increases. Today there is a 40.5-percent tariff on every pound of American beef going into Tokyo.

That is considered a failure in any set of circumstances in any trade negotiation. But our trade negotiators, when they reached that deal, thought they won the Olympics. They were feasting and rejoicing, breaking their arms patting each other on the back. It was a big deal.

It is a failure. A 40.5-percent tariff in foreign markets for our beef is a failure. After all of this posturing and genuflecting and trade talks, the average tariff confronting our products going overseas from the agricultural sector is nearly 50 percent.

We will have some discussions in Seattle in December with our trade negotiators. We have been talking with our trade negotiators and we hope very much for once we could win. Will Rogers once said, the United States of America has never lost a war and never won a conference. He surely must have been talking about our trade negotiators.

We must start standing up for the interests of American producers and American workers not in a way that prohibits competition. We can compete; our farmers can compete. They are willing to do that. But they sure are not willing to compete when the ground rules are not fair.

We end a negotiation with Europe on the issue of grain. Let me go back to grain because I represent a farm State. We didn't even cut European grain export subsidies that are multiples of ours. We say that is fair competition. I don't think so. In my hometown, that is not fair competition. It is the best they could get. The result is a trade agreement that is unfair, a trade agreement that hurts our producers.

Senator ROTH from Delaware is managing this bill. He is a Senator for whom I have a great deal of respect. I have worked with him. I like him. We are friends. He comes to the floor and I am sure he believes strongly in this bill.

Senator MOYNIHAN, legislative giant and great thinker, comes to the floor. He believes strongly in this bill. The Senator from South Carolina believes differently. I believe differently in these issues.

The way to deal with them is to have amendments offered and have votes. One would think an elementary lesson in politics is that politics is a process of making choices. You make choices by voting. But we have this vineyard I described earlier that has been planted by the majority leader with a whole series of vines now. He has decided he is the gatekeeper of the vineyard. These are his vines. He will decide who comes through the gate and picks the fruit. His friends will be able to do that. "My friends will get in, they will offer their amendments, but I will not allow any other amendment because that's a nuisance."

That is not the way to legislate. That is not an appropriate way to do business in the Senate. It is an appropriate way to do business in the House. The majority leader served there. I served there. We understand that. In the House, you have a Rules Committee, you have a 1-minute rule, you have a 5-minute rule, and everything happens by the clock. That is the way the House works.

When the framers of the Constitution created this Senate, they created a different body. I guess they cannot jettison the habits—they die hard—the habits of those who served in the House and who now want to control the Senate in the same manner. But the Senator from South Carolina, for example, has every right, in my judgment, to come to this floor, when this bill is before the Senate, to offer amendments and say to the Members of the Senate, both Republicans and Democrats: Here are my ideas. Here is the merit I ascribe to my ideas. Here is how I feel about them. Here is my passion. Let's have a vote about it up or down, yes or no. I am not afraid of that.

What we can do, it seems to me, is have a system in this Senate where we allow full, free, and open debate. Unfortunately, that does not always happen. So we have this legislative tree.

Earlier we had a filibuster on the motion to proceed. But we had cloture the motion to proceed. We will move on. Now we have this legislative tree which is totally unacceptable. At some point, I hope we can do this in a different manner. The best way for this Senate to act is for people with ideas to come together.

This week I worked with Senator BROWNBACK on a bill we introduced dealing with wireless telephones. I have been working with Senator CRAIG on a WTO trade caucus. I have been working with a range of others on the Republican side on legislation dealing with telecommunications. That is the best way to legislate: to find good ideas and work together to get them done. But that is not the way the Senate is working these days. In many ways that is regrettable because the public is not well served by this kind of parliamentary tactic we find ourselves in now.

I yield the floor and will listen to the Senator from South Carolina.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague, the Senator from North Dakota, Mr. DORGAN. He knows this particular subject intimately. He is an expert in the field. He is right on target on the broad observation that it is very unfortunate we cannot debate trade—just generally speaking.

I am going to make a few comments in just a little while with respect to the overall idea that the software industry, computerization and otherwise, is the engine, this is the engine that has gotten America this wonderful boom of its economy. It has for the stock market, but not necessarily for the strength of the economy. We will have to get into that.

There are a few loose ends. Just recently, for example, the distinguished Senator from New York, as I understood it, questioned the matter of jobs and the statistics used. So I have the statistics from the Bureau of Labor Statistics, dated October 15, at 12:05. We have lost 17,700 textile jobs and 13,500 apparel jobs, for a total of textile and apparel jobs lost in South Carolina of 31,200, and a national loss of 424,000. That is the authority for the statistics, the facts I have been using.

Further, I have heard the debate. I want to be sure that it does not slip my memory. The distinguished Senator from Delaware came up a moment ago, the chairman of our committee, and said: "Really, the reason for the loss of jobs is high tariffs. That is why they go to get the protection of high tariffs."

I will try to get to see him later. Maybe he is joining me in my position because we certainly then do not want reduce the tariffs. I ask unanimous consent to have printed in the RECORD the text of the tariffs in the Caribbean and the text of the tariffs in Africa.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEXTILE TARIFFS IN THE CARIBBEAN (AS HIGH AS)

Dominican Republic: 43% (Includes 8% VAT).
El Salvador: 37.5% (Includes 12% VAT).
Honduras: 35% (Includes 10% VAT).
Guatemala: 40% (Includes 10% VAT).
Costa Rica: 39% (Includes 13% VAT).
Haiti: 29%.
Jamaica: 40% (Includes 15% general consumption tax).
Nicaragua: 35% (Includes 15% VAT).
Trinidad & Tobago: 40% (Includes 15% VAT).

TEXTILE TARIFFS IN AFRICA

Southern Africa Customs Union (South Africa, Botswana, Lesotho, Namibia and Swaziland): 74% (Includes 14% VAT for South Africa).
Central African Republic: 30%.
Cameroon: 30%.
Chad: 30%.
Congo: 30%.
Ethiopia: 80%.
Gabon: 30%.
Ghana: 25%.
Kenya: 80% (Includes 18% VAT).
Mauritius: 88%.
Nigeria: 55% (includes 5% VAT).
Tanzania: 40%.
Zimbabwe: 200%.

Mr. HOLLINGS. Mr. President, we have made that point. With NAFTA, we at least eliminated the tariffs. We had the side agreements on labor and environment, we had reciprocities, and we cut down on the tariffs. But here we have no reciprocity. There is no tariff elimination. According to the argument propounded by the distinguished chairman of the Finance Committee, since Zimbabwe has a 200-percent tariff, all of the textile industry should move there immediately, under his reasoning.

The truth is, with the elimination of the tariffs, the opposite is true. With the elimination of the tariffs the investment has gone south. That sucking sound, as Ross Perot talked about, I can hear it. They can't hear it but I have heard it, 31,200 textile and apparel jobs in my State since NAFTA. I continue to hear the sound. I want to emphasize that.

Further, the statement was made by the distinguished Senator from Iowa that we had a 50-year history of removing barriers. Ha. Not at all. Not at all. We have had a 50-year history of removing our barriers, using foreign trade as foreign aid. But take textiles alone—we have the book. This is "Foreign Regulations Affecting U.S. Textile and Apparel Exports"; from 1994.

Maybe it is on account of me because I used to use this book. Over at Commerce they are not putting it out, but you can get the individual countries and make up an even bigger book—because it has gone up. It has not gone down. They said "50 years of liberal trade policies eliminating or reducing tariffs." The war was over in 1945. To 1995 would be 50 years; to 1994, 49 years. That is 49 years of not reducing foreign textile tariffs and not reducing all the other tariffs and nontariff barriers.

You cannot get in and do business, still, in Japan. If you want to sell textiles or do anything about textiles in Korea, you have to get a vote of the industry. Everybody knows Korea have used the Japanese system of controlled capitalism, and it works. That was the American system under Alexander Hamilton. We point out time and again to the Brits, once we won our freedom in the earliest days—David Ricardo, the doctrine of comparative advantage; Adam Smith, open markets, let's go right now. The Brits corresponded with Hamilton saying: You fledgling colony, now that you have won your freedom, let's trade back to the mother country with what you produce best and we will trade back with you what we produce best.

Hamilton said in a book "Reports On Manufacturers"—bug off. He said: We are not going to remain your colony.

The second bill that passed this Congress, from which I stand here this evening, on July 4, 1789—the first bill being, of course, the Seal of the United States—the second bill on the 4th of July, 1789, a tariff bill of 50 percent on 60 articles. We started and built this economic giant with controlled capitalism, with protectionism. It is emulated—and I do not blame them, it has worked—in Japan.

It is not about being fair. These American politicians whine: You have to be fair, be fair.

Come on. You have to be realistic. Trade is trade—a fair price for a sound article. It is not a giveaway. Japan is working. Its system is working.

All these articles have been written. That is why I want everybody to read Eamonn Fingleton's "Hard Industry." I cannot put the whole book in the RECORD, but I will make reference to it in a minute.

Japan, with 125 million citizens and the United States with 260 million citizens, still outproduces us. They are outproducing us. They have a stronger economy. They have a better savings rate. There may be one or two banks bankrupt, but a lot of them did not go bankrupt. They readjusted. They continued to take over market share.

This past year, they have taken over, again, more of the American automobile industry than the American manufacturers. It is working. If I were there, I would run it the same way. I would not run away saying they are being unfair. We are being downright stupid.

The Senator from North Dakota pointed out the observation of Will Rogers: We win every war but lose every conference because we run around like we are fat, rich, and happy. That is exactly what we heard from the Senator from Delaware, that we have this booming economy. Not so. We have a $300 billion deficit in the balance of trade and we increased the debt again at the end of the fiscal year. We spent $127 billion more than we took in and one important economic indicator—the consumer confidence index—is falling. Chairman Greenspan is raising interest rates, and our nation has lost textile jobs to the extent that two-thirds of the clothing I am looking at is represented in imports. I am fighting today to maintain the one-third.

This industry is very productive and very competitive but cannot remain so if this bill passes. Within a 5-year period, we are going to have enough problems with respect to the phasing out of the Multifiber Arrangement. So we have to batten down the hatches now and stop putting in these giveaway programs to the Caribbean and to the sub-Sahara on the basis of helping the Caribbean and the sub-Sahara people.

I wanted to put in the book of foreign firms located in Mexico in the fabric field. They said it was too many pages. The reason I wanted to do that, of course, is the fabric field abandoned the apparel industry. Now that industry is locating jobs out of the U.S. and that sucking sound of jobs you hear I am trying to prevent from becoming a roar.

Maybe they are listening because I received a letter from ATMI. I had not seen this letter. It is dated October 1, 1999. There are two dates. September 28, 1999:

> Dear Members of Congress: On behalf of the American Textile Manufacturers Institute, I would like to share our views regarding the Caribbean Basin [Initiative] and the Africa Growth and Opportunity Act that was approved by the Senate Finance Committee . . . and to express, for the record, our position on any trade package that might include the measures.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MILLIKEN & COMPANY,
September 28, 1999.

Re CBI, Africa trade legislation.

DEAR MEMBERS OF CONGRESS: On behalf of the American Textile Manufacturers Institute (ATM), I would like to share our views regarding the Caribbean Basin trade bill (S. 1389) and the Africa Growth and Opportunity Act (S. 1387) as approved by the Senate Finance Committee, and to express, for the record, our position on any trade package that might include these measures.

On CBI, ATMI supports the yarn-forward, 807A/809 approach embodied in S. 1389. This approach, which has also been proposed by the Administration, would extend duty-free, quota-free treatment to apparel from the region only if it is made of U.S. yarn and U.S.

fabric, and U.S. thread of fabric shipped to the region in roll form. It would ensure that benefits accrue to all sectors U.S. apparel manufacturers, the CBI countries, U.S. importers and retailers, and U.S. textile and fiber producers while harming none of them. No other CBI proposal strikes such a balance. And, in the current political climate, no other CBI proposal stands a better chance of being enacted.

ATMI cannot, however, support Senate passage of the African Growth and Opportunity Act (S. 1387) in any form as a stand-alone bill or as part of a trade package because of the dangers posed by a conference with the House. While S. 1387 includes critical U.S. yarn and fiber requirements, the House-passed Africa bill (H.R. 434) will promote massive illegal transshipments of Asian and apparel products through the 48 nations of Sub-Saharan Africa to gain duty-free, quota-free access to the U.S. market. The result will be that billions of dollars of illegal Asian, particularly Chinese transshipments will enter the U.S. at zero duty, resulting in job losses for thousands of workers, many of whom are African-American, in the U.S. textile, apparel and fiber industries. The House Africa bill is so fatally flawed that any compromise other than the bill approved by the Senate Finance Committee would be extremely harmful to our industry.

Therefore, without firm assurance that the Senate Finance Committee's Africa bill will be maintained in conference without change, we remain opposed to any package containing the Africa bill, even it were also to include the Finance Committee's yarn-forward, 807A/809 CBI bill. For as beneficial as an 807A/809 CBI bill would be for all the sectors in the textile complex from fiber all the way through retail, it would not overcome the price of a bad Africa bill. Simply put, the Sub-Saharan Africa bill is a poison pill it is so badly flawed and would exact such a heavy toll on the U.S. textile industry at we must oppose it, even at the expense of a balanced and viable CBI bill.

Accordingly, ATM encourages you to oppose any trade legislation containing a Sub-Saharan Africa trade bill and support passage of the Finance Committee's CBI bill (yarn-forward, 807A/809) apart from the Africa bill.

Sincerely,

DOUG ELLIS,
President.

AMERICAN TEXTILE
MANUFACTURERS INSTITUTE,
October 4, 1999.

Re Update on trade and legislative issues.

To Chief Executive Officers of ATMI Member Companies.

DEAR MEMBERS: ATMI's Board of Directors discussed a number of key trade and legislative issues at its fall meeting last month. I want to take this opportunity to inform you of those discussions and to review ATMI's positions on these issues.

One of the key issues discussed at the meeting was the pending Caribbean enhancement legislation, often referred to as the CBI (Caribbean Basin Initiative) bill. Presentations by John Reilly of Nathan Associates and Fernando Silva of Kurt Salmon Associates indicated that the U.S. textile industry will benefit most from a bill that requires Caribbean apparel to use U.S. fabrics made of U.S. yarns in order to gain quota-free and duty-free access to the U.S. market. That approach is contained in the Senate Finance Committee's bill (S. 1389), but not in the bill reported by the House Ways and Means Committee. The Senate bill also requires that if the U.S. fabric is cut in the Caribbean the apparel must be assembled with U.S.-formed thread.

The Senate is likely to vote on this bill within the next three weeks, and it will probably be considered together with the Sub-Saharan Africa free trade bill.

The Sub-Saharan bill was also discussed by the Board and, as noted below, the Board's previous decision to oppose Sub-Saharan legislation was reiterated. Even though the Senate Finance Committee version of the Sub-Saharan bill requires U.S. yarns and fabrics, as with the Caribbean bill, the House-passed Sub-Saharan bill would be so damaging to the U.S. textile industry that ATMI's Board remains committed to opposing Sub-Saharan legislation. The risk of a compromise between the House and Senate versions that would still be damaging to the U.S. industry has made this position necessary.

After extensive discussion, the Board voted to reaffirm its support for the Senate CBI bill and opposition to the Sub-Saharan Africa bill as follows: "The Board of Directors reaffirms its current position on CBI parity and the Sub-Saharan Africa Bill and unconditionally opposes the CBI bill approved by the House ways and Means Committee".

Other trade/legislative issues discussed were reform of the trade rules governing imports from the Northern Mariana Islands, China's attempt to join the World Trade Organization (WTO), and the new round of WTO trade negotiations. Following is a summary of ATMI's positions on each, which were not changed by the Board:

The Board resolution on China's accession to the WTO approved by the Board on March 11, 1999 is as follows:

The ATMI Board holds as a pre-condition for its support for China's accession to the WTO the following:

A. The reduction or elimination of tariff and non-tariff barriers to its textile and apparel market that will result in effective market access to all WTO exporting countries.

B. China must also adhere to equitable conditions of competition regarding: 1. Worker's rights; 2. Environmental preservation; 3. Dumping, countervailing duties (subsidies); and, 4. Transparency.

C. China must go through the full ten-year integration schedule out of the quota system as every other WTO member country.

WTO Negotiations—The U.S. should seek the following as part of a new round of WTO negotiations that will be kicked off at the WTO meeting in Seattle in December:

No cuts of U.S. Textile/apparel tariffs:

Access to key textile/apparel markets, which those countries committed to provide in the previous round of WTO/GATT negotiations;

Maintain U.S. laws against foreign unfair trade practices (dumping subsidies) without any weakening;

No acceleration of the phaseout of textile/apparel quotas.

Northern Marianas—ATMI supports bills (H.R. 1621 and S. 922) that will close a loophole and prevent apparel made in the Northern Marianas from being labeled "Made in the U.S.A." and from entering the U.S. duty-free and quota-free. For more information and to contact your representatives and senators on this, please see the excellent internet site www.takepride.org.

I hope this provides you with a useful update of key trade/legislative issues. I urge each of you to continue to contact your congressional representatives in the House and Senate to support our position.

Please call me, Carlos Moore or Doug Bulcao of our staff if you have any questions or information about these issues.

Sincerely,

DOUG ELLIS,
President.

Mr. HOLLINGS. I do not want to mislead or misquote. They say they are for the CBI part of the bill. I quote from the letter in the third paragraph:

> ATMI cannot, however, support Senate passage of the African Growth and Opportunity Act in any form as a stand-alone bill or as part of a trade package because of the dangers posed by a conference with the House. While S. 1387 includes critical U.S. yarn and fiber requirements, the House-passed Africa bill will promote massive illegal transshipments of Asian and apparel products through the 48 nations of sub-Sahara Africa to gain duty-free, quota-free access to the U.S. market. The result will be that billions of dollars of illegal Asian particularly Chinese transshipments will enter the U.S. at zero duty resulting in job losses for thousands of workers, many of whom are African American, in the U.S. textile apparel and fiber industries.
>
> The House Africa bill is so fatally flawed that any compromise, other than the bill approved by the Senate Finance Committee, would be extremely harmful to our industry. Therefore, without firm assurance that the Senate Finance Committee's African bill will be maintained in conference without change, we remain opposed to any package containing the African bill even if they were to also include the Finance Committee's yarn forward 807A/809 CBI bill.

That would have saved me days in this debate because we are using the same authority. I wish we could have the sandwich board back up. They were saying the ATMI, representing all of the textile industry, will support my position.

Let's say they oppose half of my position; namely, the CBI. I at least have support from my own ATMI for the position I have taken. I am beginning to feel a little strength this afternoon where we are picking up a little speed. Maybe I can get the Senator from Florida to support me. I am going to try my best because I want everyone to understand just exactly what was being talked about by the distinguished Senator from North Dakota with respect to the overall trade.

We are finding out with respect to agriculture, where I think it would almost be an embarrassment to ask for another subsidy for agriculture—I support agriculture. Everybody knows it. But we have to be up front and lay it on the line.

We have magnificent agriculture, not on account of market forces but on account of Government forces. They are saying market forces, free market. They always give me that when I bring up my textile bill, and they have, what? The land itself.

We had our friend—Sen. Dale Bumpers—the Senator from Arkansas, talk about the leases ranchers can get for grazing lands to get their wool.

I understand the distinguished ABC announcer who lives in New Mexico has a mohair subsidy. I know the telephone is subsidized with the co-ops. Electricity is subsidized.

These producers have been getting price supports. They get export promotion, trade promotion, and everything else like that. If it rains they get help. If it dries up, they get a drought, they get help.

With durum wheat and these so-called free trade market forces, we have had an amendment introduced on this particular bill for trade adjustment assistance.

So you can see the article by Mort Zuckerman of October 18 in U.S. News & World Report states:

> We are becoming two nations. The prosperous are rapidly getting more prosperous and the poor are slowly getting poorer. George W. Bush did well to rebuke his party when House Republicans maneuvered to balance the budget by proposing to delay the earned income tax credit for the working poor—paying it in monthly installments rather than an annual lump sum. "I don't think they ought to balance the budget on the backs of the poor," Bush said. Instead, it is time for aspiring leaders to ponder how the two nations might more closely become one.
>
> The American economy is growing dramatically. But this prosperity is being distributed very unevenly. The America that is doing well is doing very well indeed. But most benefits have gone to those who work in industries where the main product is information. The losers have been the producers of tangible goods and personal services—even teachers and health care providers. The high-tech information economy has been growing at approximately 10 times the rate of the older industrial economy. It has enjoyed substantial job growth, the highest productivity gains (about 30 percent a year), and bigger profits. It can therefore afford bigger wage gains (about four times that of the older economy). And this wage gap is likely to widen for years to come.
>
> The rich get richer. The concentration of wealth is even more dramatic. New York University economist Edward Wolff points out that the top 20 percent of Americans account for more than 100 percent of the total growth in wealth from 1983 to 1997 while the bottom 80 percent lost 7 percent. Another study found that the top 1 percent saw their after-tax income jump 115 percent in the past 22 years. The top fifth have seen an after-tax increase of 43 percent during the same period while the bottom fifth of all Americans—including many working mothers—have seen their after-tax incomes fall 9 percent. The result is that 4 out of 5 households—some 217 million people—will take home a thinner slice of the economic pie than they did 22 years ago.

Mr. President, I ask unanimous consent that article be printed in its entirety in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the U.S. News & World Report, Oct. 18, 1999]

A NATION DIVIDED

(By Mortimer B. Zuckerman)

WHAT TO DO ABOUT THE EVER WIDENING GULF BETWEEN RICH AND POOR?

We are becoming two nations. The prosperous are rapidly getting more prosperous and the poor are slowly getting poorer. George W. Bush did well to rebuke his party when House Republicans maneuvered to balance the budget by proposing to delay the earned income tax credit for the working poor—paying it in monthly installments rather than an annual lump sum. "I don't think they ought to balance the budget on the backs of the poor," Bush said. Instead, it is time for aspiring leaders to ponder how the two nations might more closely become one.

The American economy is growing dramatically. But this prosperity is being distributed very unevenly. The America that is doing well is doing very well indeed. But most benefits have gone to those who work in industries where the main product is information. The losers have been the producers of tangible goods and personal services—even teachers and health care providers. The high-tech information economy has been growing at approximately 10 times the rate of the older industrial economy. It has enjoyed substantial job growth, the highest productivity gains (about 30 percent a year), and bigger profits. It can therefore afford bigger wage gains (about four times that of the older economy). And this wage gap is likely to widen for years to come.

The rich get richer. The concentration of wealth is even more dramatic. New York University economist Edward Wolff points out that the top 20 percent of Americans account for more than 100 percent of the total growth in wealth from 1983 to 1997 while the bottom 80 percent lost 7 percent. Another study found that the top 1 percent saw their after-tax income jump 115 percent in the past 22 years. The top fifth have seen an after-tax increase of 43 percent during the same period while the bottom fifth of all Americans—including many working mothers—have seen their after-tax incomes fall 9 percent. The result is that 4 out of 5 households—some 217 million people—will take home a thinner slice of the economic pie than they did 22 years ago.

There are those who point out that these income figures do not fully reflect the improvement in the standard of living and say that attention should be paid to what Americans own, what they buy, and how they live. A fair point. Two economists, W. Michael Cox and Richard Alm, have revealed that each person in the average household today has 814 square feet of living space compared with 478 square feet in 1970; that 62 percent of all households own two or more vehicles compared with 29 percent back then; that the number of gas ranges has increased sixfold, air travel four times, and the median household wealth—i.e., the familiy right in the middle—has jumped dramatically. Even given such improvements in life quality, our public policy must not exacerbate the disproportionate concentrations of wealth.

Fortunately, Americans are pragmatists. They know that what you earn depends on what you learn, especially in a digital economy; so 83 percent of our children now complete four years of high school, compared with 55 percent in 1970. This is good news. But vast numbers of people feel marginalized in an information-based economy. For too many, work no longer provides the kinds of wages and promotions that allow them to achieve economic success or security. Wage increases do not substantially increase their real income, so they have to work longer hours, get a higher-paying shift, or find another job. These are the people who are particularly concerned about the benefits they stand to gain from Medicare and Social Security. If they do manage to put together a successful strategy to survive, they should not be hit with sudden shocks—like the denial of the lump-sum tax credit.

Bush may have discomfited his Republican colleagues, but his words served to remind that they are out of touch with the realities of life for so many Americans. He later softened his criticism, but it is time, nevertheless, for a more generous leadership from the House Republicans. They should not berate Bush. Indeed, they may well find themselves in his debt should his appeal to the center of American politics provide them the coattails they will need when voters head to the polls in just over a year.

Mr. HOLLINGS. I emphasize:

> The top fifth have seen an after-tax increase of 43 percent during the same period, while the bottom fifth of all Americans—including many working mothers—have seen their after-tax incomes fall 9 percent.

Fall 9 percent? Disappear. That is the issue in the bill before us. That is why the Senator from South Carolina takes the floor, because they are going to disappear. You have seen exactly what causes that disappearance. It is so-called free trade, free trade—the CBI. We are all for liberal free trade.

We can sit around, as politicians, and we can wonderfully agree, in a bipartisan fashion, on this high standard of living. Before you can open up X manufacturing, you have to have clean air, clean water, minimum wage, Medicare, Medicaid, safe working place, safe machinery, plant closing notice, parental leave—all of these ramifications of the high standard of living that Republicans support, that Democrats support. But then when you open it up, without protection of your economic strength—your industrial backbone—you begin to hollow it out, and see free trade, free trade, you can go, for 58 cents an hour, down to—someone used the figure 82 cents an hour—to Mexico with none of those requirements.

I went down to Mexico. I crossed into Tijuana. And the mayor saw me. He said: Senator, I want you to meet with 12 people. I said: Well, yes. I am down here, and you have been nice enough to come out. I will be glad to.

I was looking at all the different industries, of course, and talking to the industrialists themselves, not politicians. But the mayor was very courteous, so I met with them in a little grouping. And in a short word, what happened was—this is about 4 years ago—they had a heavy rain at the end of the year and the beginning of the new year. And it flooded and washed down these little hovels.

There are 100,000 people out in this valley of hard dirt. For a place to live, they take five garage doors and put them together. There are no streets. There are no power lines. There is a little electric wire, but that isn't sufficient other than to hold a light. It cannot run the TV. They have a battery to operate the TV. It is a terrible, miserable existence. But they are proud people, and they work, and they try to get their children to school.

So when the rain fell, they all got bogged down—they missed a day of work. So they went to the plant the next day, trying to hold on to their garage door housing, and they found out, under the work rules in Mexico, they were going to be docked another 3 days. So they lost 4 days' pay. That sort of got them a little discouraged with this plant that had moved down from California making these plastic coat hangers.

A month passed in February. These workers did not have any protection whatsoever on the inside with the manufacturing—as we talk about with safe machinery and a safe working place—and something broke and flew into a worker's eye, which he lost. Then the workers became more concerned.

But on May 1, they had a favorite supervisor. She was expecting. She went to the front office and said: I'm sorry, I'm not doing well. I'm sick. I'm going to have to go home. They said: No, you're not. You stay in here and work or else you are not going to have a job. So she stayed, worked, and miscarried.

Then the employees said: We are going up to California, and we are going to get a union. You know what they did? They went up there and got a lawyer in Los Angeles and found out that they had a union.

These maquiladora owners are clever enough. When they move down, they fill out the papers, saying that they have a union. And the papers are there but the workers never see a shop steward. They never saw a union man, or anybody else around the plant; never met them. No one was ever there. But they swap monies amongst themselves to try to make it look official.

Mexican law says if you have a union and try to organize one, you lose your job. And the 12 I was talking to with the mayor were fired. They could not make a living anymore, could not get a job.

You wonder why illegal immigration is so high—I would have bugged out of that country, too. I would have sneaked into the United States or some other country, I can tell you now, to feed my family.

That is the kind of work conditions that we try to prevent here in the U.S., which still persist in Mexico. These are the kind of side agreements that we had to try to prevent within NAFTA. So we did that, and we don't have that at all with respect to the different companies down there, let's say, in El Salvador. I won't get into every one of them.

A Korean-owned maquila with 900-plus workers, Caribbean Apparel, S.A., American Free Trade Zone, Santa Ana, El Salvador: death threats, workers illegally fired and intimidated, pregnancy tests, forced overtime, locked bathrooms, starvation wages, workers paid 15 cents for every $16.96 pair of Kathie Lee pants they sold, cursing and screaming at the workers to go faster, denial of access to health care, workers fired and blacklisted if they tried to defend their rights. Caribbean Apparel is inaccessible to public inspection. The American Free Trade Zone is surrounded by walls topped with razor wire. Armed guards are posted at the entrance. Forced overtime, 11-hour shifts, 6 days a week, mandatory pregnancy tests, and on and on.

I have to get this in the RECORD this evening because I have been very considerate of my colleagues. Many wanted to talk about our late colleague, the Senator from Rhode Island, obviously. I will always yield for that and for other particular points they want to make.

You have another Kathie Lee (Wal-Mart) sweatshop in Guatemala, San Lucas, Santiago, Guatemala: forced overtime, 11- to 14½-hour shifts, 6 days a week, 7:30 to 6:30 p.m., sometimes they work until 10:00 p.m. The workers are at the factory between 66 and 80 hours a week. Refusal to work overtime is punished with an 8-day suspension without pay. The second or third time this offense occurs, the worker is fired. Below subsistence wages, for 44 regular hours the pay is $28.57 or 65 cents an hour. This does not meet subsistence needs. Armed security guards control access to the toilets and check the amount of time the women spend in the bathroom, hurrying them up if they think they are spending too much time. Public access to the plant is prohibited by heavily armed guards.

You can go right on down this list. I will tell you right now, if you try to organize a union, they will shoot you.

Point: You are going to hear how this is going to be so good—as the Senator from Delaware said, a win-win situation. You are going to hear another Senator now say this is the way we want to go.

Can't we stop, look, and listen and get these dreadful labor situations cleaned up before we go? Is that what we want to put the stamp of approval on, this kind of heinous conduct down there in the Caribbean? This isn't with everybody sitting on the beaches with the suntan oil waiting for the President to call us back in session this fall, maybe, if we don't pass this bill. All kind of threats made, how important the bill is.

In September, Jiovanni Fuentes, a union organizer assisting the workers at Caribbean Apparel, received a death threat from the company. He was told he and his friends should leave the work or they would be killed. He was told he was dealing with the Mafia, and in El Salvador it costs less than $15 to have someone killed.

Whoopee, let's pass the CBI bill. We want to make sure we get that kind of production. The cheap shirt they put on the floor and said, look at what we are doing, the retailers are for this bill. Sure they are because they will kill you if you don't produce for next to nothing down there in the CBI.

It is a broader problem. Let us go right to what I have heard all year long about software, software. Software is the engine that is really running this wonderful economy here in the United States of America. Of course, we have had the pleasure of meeting Microsoft's Bill Gates. I happen to be one of his admirers. I particularly admire the recent initiative with his foundation, that they gave $1 billion to our friend, Bill Gray, United Negro College Fund, to make sure every black in America could receive a college education. Gates is making maybe $2 billion. He can afford it. But that is the finest thing this Senator has heard all year of 1999.

Somehow, somewhere it is an economic situation that we face in the State of South Carolina, Georgia, the southern part of our country, where we have had, for a long time, a lack of any kind of educational facilities for the minorities. When I first came to public office, I went out and saw that little American Freedom School for the blacks. It was one big building. They had four classrooms in one room, a pot belly stove in the middle, and one teacher.

Somehow, somewhere they have been getting jobs. Do you know what? They have textile jobs: 37 percent minority employed; over 50 percent are women.

They wouldn't allow minorities to work in a textile plant when I first came to public office. I can tell you that they do now. That is why the head of the Black Caucus, the distinguished Congressman JAMES CLYBURN of South Carolina, why he is opposed to this bill. Don't give me no sandwich board of Amoco, Exxon, Citicorp, and all the money boys, for Lord's sake. Ask somebody, as they used to say with the Packard automobile, ask the man who owns one. Ask the Congressman who has worked in the vineyards, trained in the public, headed up our human affairs councils, now head of the Black Caucus in the House of Representatives of the United States of America. He is absolutely opposed to this because he is just getting jobs for his constituents. And he knows now we are going to export jobs. That is the biggest export we have. Export, export, export.

Well, back to Bill Gates. I am referring, of course, to "In Praise of Hard Industries," by Eamonn Fingleton: Mr. Gates himself exemplifies in high degree the sort of mind that succeeds in the software industry. He reportedly can recall the telephone extension numbers and car license plate numbers of countless Microsoft employees. According to the authors James Wallace and Jim Erickson, even as a child he displayed amazing memory skills. In particular, he won a local parish contest by memorizing and reciting the entire Sermon on the Mount. The passage is the equivalent of nearly four standard newspaper columns of type. Among the hundreds who participated in the contest over the years, Gates, who was then only 11, was the only challenger who ever succeeded in reciting the entire passage without stumbling or missing a line.

Now, you have to respect that. That is a fellow who deserves a billion a year or whatever it is he is making. I can't keep up with it. I do know he has done extremely well. I visited in Redmond, WA. He has the most magnificent, I don't mean ornate, I mean commonsensical approach to his employees.

I understood from Time magazine, at the close of the year, they had 22,000 employees with stock options, 22,000 millionaires. So they are all well paid, and we respect that and we don't oppose that. We don't expect this bill is going to affect that one way or the other, but it is going to affect the $8.37-an-hour textile and apparel worker in the State of South Carolina, I can tell you that; or the average is even better, about $10 an hour now. They have health care. We are all talking about those who don't have health care. A young lady can work and she can get health care so when her child is sick, they can get to a doctor. When she can save a little every month and get a health insurance policy and send the kids to college, that is a good job.

I have lost 31,200 of them; I can tell you now. The Senator from Delaware says, well, we ought to realize the trend is global competition, better jobs. Let's think on those 31,200 because I know we have had a net loss of manufacturing jobs since NAFTA. Yes, we have BMW and Hoffman-LaRoche and all these industries that are the envy of everybody. I have GE, General Electric. My trouble is, I used to have five General Electrics. I only have one left. They have all left to go to Brazil or Malaysia or elsewhere.

I can tell you now that it isn't easy to hold on to these industries. What has happened to my industry—and the reason I want to emphasize this about software is to disabuse the political minds in the National Congress that it is not the engine on the one hand, and on the other hand, they are headed the same way of textiles.

Mr. President, 1998 ratios of imports to consumption. Aircraft engines, we import 70 percent. You see, the Airbus—market forces, market forces, market forces. Well, the European, very sensibly—not saying it is unfair and just whining about fairness. Come on. That comes from silly pollsters who never ran for office. The Europeans realize that, wait a minute, out of the defense industry came the magnificent research in aerospace. Out of our space program came the magnificent research in aerospace. So we gave that to the Boeing, Lockheed, McDonnell Douglas, and all the rest of them.

We gave them Export-Import Bank financing. It was a predominant industry at one time. The engines are being made by GE, Pratt and Whitney, and the rest. But now we find out that we are importing the majority of the engines. I have seen where USAir, which I travel back to South Carolina on, bought Airbus. There is no such thing as "buy American." I remember when they used to demonstrate when they didn't "buy American." We can go down the list: Tape recorders and video tape players, 100 percent; radio transmission and reception apparatus, 58 percent; television apparatus, 68.5 percent. You can go down to electrical capacitors and resistors, 69.5 percent, and that is where I lost my GE plant. That means we have about 30 percent being produced here. It gets unproductive to produce here, uneconomical. Watches, 100 percent. Look at the watch on your hand; it came from elsewhere. I can tell you that. Footwear, 84.2 percent. Look at the shoes. If they stop working overseas, we have to go barefoot. This is the list.

Now, what about this wonderful engine with this magnificent economy that they brag about? I have stopped them bragging with some of the columns in the financial news, and otherwise.

> In his search for world-beating software talent, [Mr. Gates] has included six Japanese universities among the top twenty-five universities worldwide where he likes to concentrate Microsoft's recruiting efforts. Gates should know about Japanese software talent given that one of his closest friends and confidants in his early days was the Japanese software engineer Kazuhiko Nishi. Before they had a falling-out in the mid-1980s, Gates described Nishi as "my best guy ever."

This says:

> Thus, for a software entrepreneur in a low-wage country, the capital cost per job can be as little as $10,000, a reduction of more than 90 percent from the mainframe era. This figure is well within the reach of software subcontracting companies in low-wage countries—and far less than is needed to get started in even the least sophisticated areas of manufacture.

So we know none better than Mr. Gates himself. They have the mentality. We don't have all the Gateses in the world, because Kazuhiko Nishi will probably near equal him, according to Gates himself. What does it cost? It costs $100,000 to create a textile job when you have high-tech machinery now in these plants. They have been spending $2 billion a year. I use that quote on page 18 of this particular volume, which is authoritative. Spinning is a good example, as recounted in the Wall Street Journal. "The capital required in the state-of-the-art spinning mill these days can amount to as much as $300,000 per job."

In contrast, this requires only 10,000 in so-called software. The minds ought to flex in the Senate body because what has happened is they are blindly looking at the stock market. Maybe some of them are making a bunch of money. They don't want to see further; all they know is they are making a fortune. But they are not looking at the jobs. I have tried my best to get the figures with respect to the balance of trade in software. I am convinced we have a deficit in the balance of trade. But according to the Department of Commerce figures, the U.S. receipt in software is $3.2 billion and the payments are $.05 billion, for a net balance of $2.7 billion in software trade.

But I looked further and I found out licensing is considered exports. So as they license them in India, for example, and other places to do this computerization—like my light bill in South Carolina is made up in India out of a firm from Columbia, SC. They send it in overnight. When they close down, all that work is done for them, so when they come to work in the office in the morning, it is all a done deal and they pay, let's say, $10,000 a job over there; whereas, it costs at least $100,000 in the American software industry.

We should dwell on this particular volume, Mr. President, and take a hard look at computer software because it goes right down and shows not only the Japanese are coming in, but the Chinese also. I had in here some sections that are easily referred to about the Japanese because they have really got the balance of trade. I read that earlier today. Let me say this.

> Chinese programmers can develop software for, say, a clinic in the United States without knowing anything other than the end-user's basic requirements. Perhaps the most surprising—and for American software workers, the most ominous—aspect of IBM's Chinese affiliate is that it is pioneering a new work shift system linking several low-wage countries. When the Chinese programmers finish each evening, they pass their work on to Latvia and Belarus, where other IBM engineers continue working on the modules during the Chinese night. No wonder Bloomberg News commented: "The tilt in software design towards more basic, interchangeable products is good news for countries like China with armies of talented programmers." Given that IBM has laid off thousands of programmers in the United States and other Western countries in the last five years, the message could hardly be clearer: the software industry's spread into the Third World has already begun—and a challenge to the West's software job base is imminent.

So China is coming in. The truth of the matter is, we are going to be losing this particular industry. And we ought to have a full debate when you start losing your hand tools and machine tools. When you start losing your steel industry, when you start losing the textile industry—found to be the second most important to our national security—when you start losing finally your software industry, then this crowd will sober up and begin to debate a trade bill in the proper fashion.

This is not in the interest of the worker. It is not in the interest of the economy. It is not in the interest of the security of the United States. It is a terrible, fatal blow, final and fatal blow to the textile industry. I know from hard experience. I have been in the work of creating jobs. I know about education and technical training. I know about the best of the best coming in. And I know about the best of the best leaving.

In spite of all the jobs we have attracted to South Carolina, in the last 4 years, there has been a loss of 12,000 jobs. Don't give them the Washington solution of retraining and new skills. We had the Oneida plant. It made just T-shirts. It closed at the beginning of last year. We got it some 35 years ago making these T-shirts. They had 487 employees. The age average was 47 years. They are closed now. But where did the jobs go? They have gone to Mexico. They did not create the jobs for the Oneida workers. They lost the jobs for the Oneida workers.

Now Washington is overly smart here, telling the workers that this is the trend—global competition, engine of the economy, and all that kind of nonsense. Retrain—let's try that on for size.

Let's assume tomorrow morning we have to retrain and have new skills for computer operators. I know the distinguished Chair is an outstanding business leader. He knows business. He knows that business is not going to hire the 47-year-old computer operator. They are going to hire the 21-year old computer operator. Business in competition can't afford to take on the retirement costs of a 47-year-old or the health care costs of a 47-year-old. They are going to take on that 21-year old.

So Andrews, SC, is a ghost town. We have some other industries I helped bring there. But I can tell you, those 487 are not coming back, as the distinguished Chair of the Finance Committee says, by just retraining and new skills.

This is happening with the automobile industry, with the automobile parts industry, with the aircraft industry, Boeing, and now, according to the recent statistics, with the software industry.

This Congress and this Government has a real problem up here. It is not a problem of getting these folks, me included, reelected. It is a real problem that only we can handle, that only we can take care of. Everyone else has their government on their side. When is our Government going to get on our side?

Yes. The Secretary of Labor is not calling over here. It is unfortunate. Do you know who is calling over here? The Secretary of State. The Secretary of State has a European Desk. She has a Japanese Desk. She has a Chinese Desk. She has a Cuban Desk. When are they going to get an American Desk? She is not going to have one. That isn't her responsibility. But she is talking free trade, free trade, so that the striped-pants diplomats can run around and give away even more.

You know how wonderful, fat, rich, and happy we were after World War II. We are going broke. I can prove it. You watch it. You will see it here. It will happen—not totally broke, obviously. The economy is simmering down. Don't worry about it. We are losing that hard industry, hard-core industry in the middle class. That is the strength of the democracy, according to G.K. Chesterton. That is why we have succeeded as a fledgling democracy—the strong middle class. And instead, we are getting rid of it. As Zuckerman says, we are going into two groups of people—the haves and the have-nots. One important industry to our national security is about to bite the dust with this piece of legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Thank you, Mr. President.

PRESCRIPTION DRUG COSTS

Mr. WYDEN. Mr. President, this is the eighth time in recent days I have come to the floor to talk about the issue of prescription drugs because, frankly, I think this is a priority for this session of the Congress and one we can tackle in a bipartisan way.

Senator OLYMPIA SNOWE and I have teamed up on a bipartisan bill. We were able to get 54 votes on the floor of the Senate for a concrete funding plan for our approach.

What I have been doing, as folks can see in the poster right next to me, is urging seniors to send in copies of their prescription drug bills. The poster is very clear. We would like seniors to send copies of their prescription drug bills directly to each of us in the Senate so we can emphasize how important it is that this be tackled in a bipartisan way.

Senator SNOWE and I have heard again and again that this is an issue that just has to be put off until after the 2000 election. The Republicans and Democrats are going to just bicker about it and sort of have an ongoing finger-pointing exercise and nothing will get done.

I happen to think there are a lot of Members of the Senate who want to tackle this issue and want to tackle it in this session of Congress.

Since I have come to the floor of the Senate and brought this poster urging seniors to send their prescription drug bills in, I have heard from a number of our colleagues in the Senate. They have said we need bipartisan action. A number of them have asked for copies of the bipartisan Snowe-Wyden bill. They want to know more about it.

I am going to continue tonight to read from some of these letters, particularly from folks I am hearing from in Oregon. But I want to take a few minutes tonight to talk about some important issues relating to this question of prescription drug coverage for senior citizens and particularly ask about this issue of whether we can afford, as a nation, to cover prescription medicine.

Mr. President and colleagues, I believe America cannot afford to not cover prescription drugs. The reason that is the case is that drugs in the 21st century are going to be preventive. They are going to allow for patients to be treated on an outpatient basis and it will make part A of Medicare, the hospitalization part of Medicare, less expensive.

I mentioned a drug the other night, an important anticoagulant that helps to prevent strokes. It is a drug that would cost perhaps $1,000 a year to assist seniors. If we can prevent those strokes through the anticoagulant drugs, we can save $100,000 that might be incurred as a result of expenses associated with a disability.

There is one bipartisan bill before the Senate dealing with this prescription drug issue. It is the Snowe-Wyden legislation. My view is we can't afford to continue to pass up the opportunity to address these health care issues in a preventive way rather than incurring the extraordinary expenses for more institutional care.

I will mention a few of the drugs that will be particularly important to older people. One is Neupogen, which helps cancer patients and others with compromised immune systems boost their white blood cell counts and avoid hospital stays. Another is Glucophage, which is now being used to help those at risk for diabetes from getting that disease which causes so many other serious health problems.

My mom has had diabetes for a long time. I have seen the costs of these medicines. To think there is an opportunity with a particular drug to cover these seniors with their prescription drug bills seems to me to be an option as a nation we cannot afford to pass up.

Another drug is Vasotec, which treats high blood pressure and helps to stave off strokes and heart disease and other major problems.

These are all important medications. They do cost money, but the bottom line is we can use these medicines.

When seniors receive these medicines, they are in a position to stave off much more serious and much more expensive problems. It is sensible, in my view, to make sure seniors who need these medications—that are preventive in nature—can get them. Under the bipartisan Snowe-Wyden bill, that would be done.

As far as I am concerned, in my reading of history, there is pretty much nothing that can get accomplished in the Senate that is truly important that isn't bipartisan. Our proposal gives each senior a chance at affordable prescription medicine. It ought to be recognizable to Members of Congress because a version of this model is what ensures good health for the families of Members of this body and the Congress.

Since my days with the Gray Panthers—I have been working on this prescription drug issue for many years now—I have seen how many seniors have to walk an economic tightrope, balancing their food against their fuel costs and their fuel costs against their medical bills. We have now more than 20 percent of the Nation's older people paying more than $1,000 per year for prescription drugs. The typical senior is using 18 prescriptions a year.

One constituent from Medford, OR, wrote that from a modest income he spent more than $1,230 so far this year on prescription medicines.

The typical senior is taking 18 different prescriptions. I hope, as a result of this effort to collect these drug bills from seniors, we can actually get some relief for people in this country who are facing such serious and urgent health care needs.

Some have said we ought to wait until after the next election, we ought to wait for comprehensive Medicare reform. I know the Presiding Officer believes strongly in this. There are a lot of Members who want to see broader, more comprehensive Medicare reform. Under the Snowe-Wyden prescription drug proposal, we are using the kind of principles that make sense for Medicare in the 21st century. It is choice-oriented. It gives a lot of options to older people. We use marketplace forces to contain costs.

It has worked for Members of Congress and their families. I think it can work for my constituents at home in Oregon. I think it can work for the older people of this country. I am hopeful in the days ahead we can make the case for why it is important the Senate Act in this session.

The question of prescription drugs and will Congress tackle it now—all of the political prognosticators have said this is an issue the Congress is going to punt on. They have said this is an issue that is going to have to be put off. I don't see how, when seniors are sending copies of their prescription drug bills, a Member of this body, a Member of this Congress, can say we ought to put this issue off when there is a model that 54 Members of the Senate have voted for, that has strong bipartisan support, that uses marketplace forces as a model. Let's not say this is something that ought to be put off.

I think we know what needs to be done. I think we can do it in a cost-effective fashion. Our bill doesn't involve price controls. Some seem to think that is the way to go. What troubles me about plans to deal with prescription drug costs that involve price controls, we will have massive cost-shifting. If we have Medicare acting as the buyer for all the medicine, it may be possible for the Government to negotiate a discount. I have always said that might be possible. What troubles me about that approach is we will have the cost passed on to someone else who might be 26 or 27—maybe a divorced mom who has a couple of kids—working as hard as they can, and all of a sudden they find out their prescription drug bill shoots up because Congress adopted an approach in this area that doesn't use marketplace forces.

Under the bipartisan Snowe-Wyden plan, the only bipartisan prescription drug bill now before the Senate, we reject those cost controls. We don't advocate a one-size-fits-all Federal approach. We use marketplace forces, the kind of forces that help deliver decent and affordable care to Members of this body and our families.

I want to read briefly from a couple of the other letters I have received from Oregon. I will keep coming back to the floor of the Senate again and again until we get bipartisan action on this prescription drug issue. I think the question of prescription drugs is the kind of issue that can leave a legacy for this session. It is the kind of important question that will help folks and help families at a time when a lot have fallen between the cracks. We know the economy is strong. We know a lot of people are doing well. If they happen to be in the stock market, most of the time they are doing very well. But there are a lot of folks who don't have the stocks in the technology companies, a lot of folks are on modest incomes. A lot of the seniors I have worked with since my days with the Gray Panthers are telling me and telling other Members of the Senate they just can't afford their prescriptions. That is what this is about. They can't afford their prescriptions.

There is a right way and a wrong way to deal with that issue. The wrong way, in my view, is to have a price control regime and produce cost-shifting with intervention by Government. I don't think that will work. I think a lot of people will end up getting hurt by that approach. I think there would be a lot of unintended consequences.

The right kind of approach, the one advocated in the bipartisan Snowe-Wyden prescription drug bill, uses marketplace forces. It gives seniors the kind of bargaining power that health maintenance organizations would have. Those big organizations, the health maintenance organizations, can go out and negotiate deep discounts. They use their bargaining power in the marketplace to get discounts. What happens is seniors get shellacked twice. They get hit once because Medicare doesn't cover prescription drugs.

Medicare started out as half a loaf back in 1965. It did not cover prescriptions and eyeglasses and hearing aids and a variety of needs older people have. But as a result of the escalating costs of health care, a lot of seniors are paying more proportionately out of pocket today than when Medicare began in 1965.

So seniors are not able to afford their prescriptions, and that senior purchaser, a low-income elderly widow, in effect has to subsidize the big purchasers, the health maintenance organizations that can negotiate discounts.

There is a right way and a wrong way to deal with the issue of affordable medication. The wrong way is to create a one-size-fits-all Federal regime and put the Government in the business of trying to orchestrate this entire program. The other is to use a model that we know works. Under our proposal—we call it SPICE, the Senior Prescription Insurance Coverage Equity Act—Senator SNOWE and I, we reject this Government model. We use an approach that has private sector options and choices and gives seniors bargaining power.

We hope more older people will send us copies of their prescription drug bills. This poster really says it all to seniors and their families:

> Send us copies of your prescription drug bills.

Send them to your Senator. Write to:

> Your Senator, U.S. Senate, Washington, D.C.

I am going to wrap up tonight—because I know several of our colleagues would like to discuss matters important to them—with just a couple of other letters.

From the Oregon coast in the last few days, I received a particularly poignant letter. It is from an individual with an income of about $1,000 per month. She has to take prescription medicine, a number of prescriptions. Over the last few months, out of her $1,000-a-month income, she has had to spend almost $700. That is just over the last few months, from somebody who is on a very modest income.

Picture any one of us, or our relatives, trying to get by on an income of $1,000 a month and having to spend a significant portion of it, around $700 just in recent days, on prescriptions. We know they would not be able to do it. But that is the reality of what seniors on the Oregon coast are facing. That is the reality of what seniors all over this country are facing. That is what the bipartisan Snowe-Wyden prescription drug bill seeks to deal with. We want that person to get some real relief. We think it is time for the Senate to act on a bipartisan basis.

One other letter I received from the Willamette Valley, not far from my hometown, I thought was also particularly poignant. This was from a senior who sent me, really, all of his prescriptions. Just as we said in our poster, send us copies of your prescription drug bills, I think a lot of the seniors are doing it in a pretty detailed fashion. This is just an example of what I received from one older person in the Willamette Valley. She reports, on a very modest income, she is spending $236 a month on her prescription drugs. As she reports, that is without the over-the-counter medication she also has to take. She is 78 years old. She is concerned about whether or not the Senate is going to act. She is pretty skeptical, just the way a lot of other seniors are in our country. What we need to show is this Senate is willing to tackle these issues and do it on a bipartisan basis.

The time for finger pointing and scapegoating on this issue is over. We cannot wait for another year, another full year, for action on this matter. We ought to move now. There is one bipartisan bill before the Senate, one which I believe can bring Democrats and Republicans together. I am going to keep coming back to the floor of the Senate to talk about the SPICE Program, the Senior Prescription Insurance Coverage Equity Act. It is voluntary in nature. Nobody is required to change anything. No senior, no family, would be required to change anything in their buying practices should they choose to continue doing exactly what they are doing. But for millions of older people, the SPICE Program, the Senior Prescription Insurance Coverage Equity Act, will be a bargain. It will be a winner because it will give seniors the kind of bargaining power the big health maintenance organizations have had.

It is not right, in my view, to give those buyers significant power in the marketplace and just say seniors and families do not matter. In effect, that is what we are doing. We are telling them: You go on out and do your best, walk into a pharmacy, and even though you are subsidizing the big buyers, this Senate will not do anything about it.

I believe it is time for bipartisan action on this. I believe it is time to create an approach to cover prescription drugs under Medicare that uses the forces of the marketplace, that is bipartisan, and that helps hold costs down. I believe a lot of seniors cannot afford their prescriptions. There is a right way and a wrong way to deal with it. The bipartisan Snowe-Wyden legislation is what we think is the appropriate way to go. We are going to continue to come to this floor and talk about the need for action on it.

As this poster says, what will help is if seniors send in copies of their prescription drug bills. We urge seniors to send them to us and send them to their Senator here in the U.S. Senate, Washington, DC 20510, because that will help Members of the Senate to see how urgent is this need.

The need was great years ago, but it is getting even greater. Too many older people every week are having to make a choice between their food costs and their fuel costs and their fuel costs and their medical bills. Let us show we can deliver on this important issue. There is a bipartisan bill now before the Senate. We hope seniors, as this poster says, will be in touch with us to let us know their feelings on this important matter.

I intend to keep coming back to the floor of the Senate until we get action on this issue.

I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The majority leader.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent there now be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NURSING RELIEF FOR DISADVANTAGED AREAS ACT OF 1999

Mr. HATCH. Mr. President, on October 22, the Senate passed by unanimous consent the Nursing Relief for Disadvantaged Areas Act of 1999. The Senate agreed, also by unanimous consent, to an amendment of mine added to that legislation. My amendment made a technical clarification to the L visa program. Unfortunately, an "Interpretation of Technical Amendment" at the end of my remarks on my amendment was inadvertently left out of the CONGRESSIONAL RECORD. I ask unanimous consent it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Interpretation of Technical Amendment

"Collective" and "collectively" refer to a relationship between the accounting and management consulting firms or the elected members (partners, shareholders, members, employees) of the various accounting and management consulting firms, inclusive of both accounting service firms and management consulting service firms or the elected members (partners, shareholders, members, employees) thereof.

An entity shall be considered to be "marketing its services under the same internationally recognized name directly or indirectly under an agreement" if it engages in a trade or business and markets its trade or business under the same internationally recognized name and one of the following direct or indirect relationships apply to the entity:

(a) It has an agreement with the worldwide coordinating organization, or

(b) It is a parent, branch, subsidiary or affiliate relationship to an entity which has an agreement with a qualifying worldwide coordinating organization, or

(c) It is majority owned by members of such entity with an agreement and/or the members of its parent, subsidiary or affiliate entities, or

(d) It is indirectly party to one or more agreements connecting it to the worldwide coordinating organization, as shown by facts and circumstances.

This provision is intended to provide the basis of continued L visa program eligibility for those worldwide coordinating organizations which may in the future divide or spin-off parallel business units which may independently plan to associate with a non-collective worldwide coordinating organization.

CLOTURE VOTE ON H.R. 434

Mr. KENNEDY. Mr. President, I regret that because of a long-standing commitment, I will not be here for tomorrow's vote on cloture on H.R. 434, The Sub-Saharan Africa Free Trade Act. If I could be here, I would vote against cloture.

I strongly oppose the majority leader's decision to fill the amendment tree to prevent us from offering amendments on some of the most important issues facing working families in this country, especially the minimum wage.

Federal Reserve Board Chairman Alan Greenspan has said numerous times that increased trade has raised the standards of living and the quality of life for almost all countries involved in trade, and especially the quality of life in our own country. Chairman Greenspan believes that the number one benefit of trade is not simply jobs, but enhanced standards of living.

I can think of no more important enhancement to the standard of living of America's hardest pressed working families than to increase the minimum wage. Surely, it is appropriate to send the message on this legislation that increased trade must definitely mean a better quality of life for the working poor.

I had hoped to offer an amendment to raise the minimum wage to this bill, but the majority leader's actions prevent me from doing that. This trade bill has been offered to enhance the standards of living for workers in Africa and the Caribbean. I am certainly in favor of that, but there are honest disagreements as to whether the proposal before us effectively does so. But, while we express our concern for workers in these nations, we cannot forget about the workers in our own country.

I commend President Clinton for making trade with Africa a priority for his administration. His leadership is the driving force behind this entire debate. As the Senate debates trade with Sub-Saharan Africa and the Caribbean region, we must ensure that we take the right approach to building these vital partnerships. Clearly, we must strengthen our economic ties with these nations, but I am not convinced the proposal before us is the best way to do so.

Unfortunately, the majority leader's actions have also prevented anyone on this side of the aisle from offering germane amendments that will help us to build lasting partnerships between African and American businesses, provide strong protections for workers rights, and preserve the environment. We clearly had an opportunity to enact a bill that would make trade with Africa and the Caribbean Basin countries a win-win for all of the nations involved, but the majority leader's actions have made that impossible.

Any bill on Africa that comes before the Senate should address both trade and the other important issues facing Africa today. It must deal with the AIDS crisis. It must offer substantial debt relief. And it must restore foreign aid. Yet the proposal currently before the Senate is silent on these fundamental issues facing Africa. I am pleased that Senator FEINGOLD, Senator DURBIN, and other Senators are prepared to offer amendments that address all of these concerns, and I strongly support them.

I am also very concerned about the impact of the pending bill on our textile and apparel industries, which are often hardest hit by imports. These industries remain a critical source of employment for many American workers. In Massachusetts, many textile and apparel employees live in the Merrimack Valley and in Southeastern Massachusetts. They work hard, and they have made a lasting impact on our state's history and culture.

I believe even the proponents of this bill will admit that the short-term effect of the legislation will be an acceleration of job loss in the apparel sector. And while this bill includes a reauthorization of the Trade Adjustment Assistance Program, which I strongly support, nothing in this bill will create a single job for these displaced workers to have.

While Massachusetts continues to be a leader in exports, many small companies and workers are suffering as a result of the trade deficits caused by the economic crises in Asia and South America. In response to the needs of companies hurt by imports, the Trade Adjustment Assistance Program in general, and the New England Trade Adjustment Assistance Center in particular, exist as valuable resources. They offer vital assistance to firms and workers suffering from competition by imports. The Trade Adjustment Assistance Program is an effective initiative that has been shown to provide a return on investment of up to 348 percent.

The American people, I believe, will hold this Congress responsible for refusing to address so many issues which are critical to our families and our communities. The majority has once again turned a deaf ear to the pleas of the American people for action, and I regret this latest missed opportunity.

DRYLAND DEGRADATION AND ITS IMPACT ON TRADE RELATIONS

Mr. JEFFORDS. Mr. President, as the Senate considers the Africa Growth and Opportunity Act, I would like to draw my colleagues' attention to an important article from the President of the Corporate Council on Africa, Dr. Mima S. Nedelcovych, concerning Africa's problem of severe dryland degradation (known as "desertification") as it affects our trade relations.

The Corporate Council on Africa, CCA, includes 180 members with substantial business interests in Africa, including such industry giants as General Electric, Ford Motor Company, IBM, Citibank, ConAgra, Cargill, AGCO, 3M, Pfizer, Land O'Lakes, Chevron, Texaco, Bristol-Myers Squibb, Eli Lilly, Raytheon and Rhone-Poulenc USA. Recently Dr. Nedelcovych, who also serves as Vice President for International Business Development for F.C. Schaffer & Associates, published a short article entitled "Africa's Creeping Desert, A Problem for the U.S. Too," in the CCA's Perspectives on Africa (Fall 1999).

In it, Dr. Nedelcovych outlines clearly the extent to which the degradation of Africa's agricultural land is undermining one of the continent's most crucial natural resources, impeding economic growth, and slowing the hoped-for shift from aid to trade. Cocoa, coffee, cotton, cola nuts and spices grown in Africa end up in a myriad of everyday processed products on American store shelves, but land on which they are produced is increasingly threatened by a combination of bad management practices, drought and poverty.

As a boost to U.S. trade relations with Africa, Dr. Nedelcovych makes a strong case for full U.S. participation in the 1994 United Nations Convention to Combat Desertification, not just because it seeks to help Africa's agricultural sector grow and achieve food self-sufficiency, but because it will also open greater opportunities for U.S. sales to Africa, including seeds, agricultural machinery, irrigation equipment as well as a wide range of automobiles, pharmaceuticals, electronic equipment and other goods to more prosperous African consumers.

Dr. Nedelcovych ends with an urgent plea for the Senate to ratify this important agreement without delay. With a world population now over 6 billion and fertile farmland shrinking at an alarming rate worldwide, I heartily support Senate action on the Convention to Combat Desertification.

I ask unanimous consent that Dr. Nedelcovych's article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Published by The Corporate Council on Africa, Fall 1999]

PERSPECTIVES ON AFRICA

A QUARTERLY JOURNAL OF DIALOGUE AND OPINION

AFRICA'S CREEPING DESERT—A PROBLEM FOR THE U.S. TOO

(By Dr. Mima S. Nedelcovych, President, Corporate Council on Africa)

We Americans are well known for our ingenuity and problem-solving abilities. All too often, however, we also are noted for our inability to see crises in advance and deal with problems when they are still easily manageable.

One such issue is the world's desertification problem. In Africa, more than two-thirds of the land is dry land, and approximately 70 percent of the population lives on that land. They also grow crops such as cocoa, coffee, cotton, cola nuts and spices on that land. Moreover, rare and endangered animals—a key to tourism in African countries—currently struggle to survive on that land. Without effective land management policies in developing nations, the need for foreign aid will rise at a time when available funds are shrinking.

The United Nations Convention to Combat Desertification has been designed to deal with this problem in a cost-effective way. The Convention does not call for the creation of a major new center of bureaucracy at the UN, nor does it create a mandated contribution by the United States. The onus is placed on developing nations needing assistance to devise a comprehensive national plan to effectively deal with desertification. However, if the United States Senate doesn't ratify this convention, the U.S. will be on the outside of this process, which will directly endanger U.S. interests.

The U.S. private sector has five concerns with how the problem of desertification is handled. First, no issue is more important than that of land use. The national plans called for in the Convention will govern all land use—not just agricultural land. Oil drilling, mining and manufacturing operations, all will be affected by this convention. If the United States fails to ratify this Convention, we will have no voice in the development and implementation of national land use plans.

Second, the United States sells hundreds of millions of dollars in irrigation and related equipment to Africa each year, as well as seeds and agricultural equipment. Companies and experts in nations that ratify the Convention will be placed on a roster of service providers. While America currently has a competitive advantage, that advantage will soon disappear if U.S. firms and experts are not on the convention-generated list. Our firms will then face the prospect of losing contracts to countries such as Spain, Portugal, Italy and Greece, who will provide technology based on what we have developed earlier.

Third, U.S. firms purchase millions of dollars of agricultural goods each year from developing nations. Products such as coffee, cocoa, cotton, cola nuts and spices are grown on dry or sub-humid lands facing the impact of desertification. Many consumers products we now use would cost more if the problem of desertification is not dealt with successfully. A morning cup of coffee surely would be more expensive—so would the chocolates given on Valentine's Day. The prices for items ranging from cooking oils or soft drinks also would rise.

Fourth, it is much cheaper to work with African nations to implement effective land management plans than to send millions to implement disjointed anti-desertification efforts and hundreds of millions more to provide humanitarian assistance to combat the effects of droughts and other natural catastrophes caused by desertification after they occur. Individual taxpayers and corporations certainly would appreciate a more cost-effective approach to this problem.

Finally, developing nations—particularly African nations—see this Convention as their major international initiative. The Convention was developed with the assistance of the United States Government. To date, all but Australia and the United States have ratified this Convention. U.S. failure to ratify this Convention will leave the United States Government, U.S. corporations and American experts out of the anti-desertification process. Moreover, it will poison our relations with African and other developing nations who believe non-ratification is a lack of support of their efforts to both deal with their problem and join global markets.

It is critical that the U.S. business community let the U.S. Senate know the importance we place on the ratification of the Convention to Combat Desertification. Potentially billions of dollars—and more importantly, millions of lives—depend on what the Senate does about this issue in the next few weeks.

PROPOSED DELAY IN FUNDING FOR THE NATIONAL INSTITUTES OF HEALTH

Mr. SARBANES. Mr. President, I rise today to express my serious concern that House and Senate negotiators have agreed to delay for one year almost all of the proposed increase in the National Institutes of Health (NIH) budget for FY 2000. I strongly disagree with this approach to balancing the budget. Fully funding biomedical research at the NIH should be one of our highest priorities, and I intend to oppose proposals that would delay funding for the NIH or fail to provide sufficient funding to ensure continued advancement in the field of biomedical research.

The proposed delay in NIH's authority to use $7.5 billion of its FY 2000 funding will mean that no new grants could be made until the end of the fiscal year. Thus, a one-year freeze will be put on all new biomedical research. Moreover, some on-going grants will have to be short-funded. For those suffering from life-threatening diseases, a one-year delay could be devastating. We cannot imperil continued progress in an area as important as biomedical research.

As our Nation searches for ways to improve health care for all its citizens, the need to ensure stability and vitality in biomedical research programs is increasingly imperative. Biomedical research has fundamentally changed our approach to treating disease and illness and has revolutionized the practice of medicine. Through the NIH, the Federal government has been the single largest contributor to the recent advances made in biomedical research, and NIH research has played a major role in the key medical breakthroughs of our time.

Biomedical research at the NIH has also contributed significantly to the growth of this Nation's biotechnology, medical device, and pharmaceutical industries. Many of the new drugs and medical devices currently in use were developed based on biomedical research supported by the NIH. NIH research has paved the way for the development of pharmaceutical, biotechnology, and medical device industries that have created millions of high wage jobs.

The promise of continued breakthroughs in the eradication of disease and the overall improvement in public health are contingent upon our commitment to supporting our scientists and researchers with adequate tools and resources. However, today, only one of three approved research proposals can be funded.

We must maintain our commitment to achieving full funding for biomedical research by FY 2002. Last year, we provided NIH with a downpayment on the resources it will need to take full advantage of the overwhelming opportunities for scientific advancement currently available in the field of biomedical research. This year, again we started on the right track by including another fifteen percent increase in the NIH budget. However, the proposed one percent overall budget cut will have a dramatic impact on the grant-making capacity of the NIH. As a result of this cut, 500 to 550 fewer grants will be awarded by the NIH next year.

This most recent proposal to require that the NIH delay spending approximately $2 billion of its FY 2000 funding until FY 2001, essentially revokes the entire increase for next year and goes back on our promise to substantially increase NIH funding by 2002. This additional funding cut will disrupt and delay research fundamental to saving lives and improving public health. It will also critically undermine our progress toward securing a strong and stable funding stream needed to ensure continued advances in biomedical research.

The proposed delay in NIH funding for FY 2000 is unconscionable. I will oppose it, and I urge the President to veto any conference report that includes this proposal.

THE HUNGER RELIEF ACT OF 1999

Mr. KENNEDY. Mr. President, yesterday Senators SPECTER, LEAHY, JEFFORDS, and I introduced The Hunger Relief Act of 1999, S. 1805. Our goals in this legislation are to promote self-sufficiency and the transition from welfare to work, and to eradicate childhood hunger by increasing the availability of food stamps to low-income working families. Republicans and Democrats share these goals, and it deserves broad bipartisan support.

I ask unanimous consent that the full text of the bill and the statement of organizations supporting the bill be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 1805

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hunger Relief Act of 1999".

SEC. 2. RESTORATION OF FOOD STAMP BENEFITS FOR ALIENS.

(a) LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS.—

(1) IN GENERAL.—Section 402(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "Federal programs" and inserting "Federal program";

(ii) in subparagraph (D)—

(I) by striking clause (ii); and

(II) in clause (i)—

(aa) by striking "(i) SSI.—" and all that follows through "paragraph (3)(A)" and inserting the following:

"(i) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)";

(bb) by redesignating subclauses (II) through (IV) as clauses (ii) through (iv) and indenting appropriately;

(cc) by striking "subclause (I)" each place it appears and inserting "clause (i)"; and

(dd) in clause (iv) (as redesignated by item (bb)), by striking "this clause" and inserting "this subparagraph";

(iii) in subparagraph (E), by striking "paragraph (3)(A) (relating to the supplemental security income program)" and inserting "paragraph (3)";

(iv) in subparagraph (F);

(I) by striking "Federal programs" and inserting "Federal program";

(II) in clause (ii)(I)—

(aa) by striking "(I) in the case of the specified Federal program described in paragraph (3)(A),"; and

(bb) by striking "; and" and inserting a period; and

(III) by striking subclause (II);

(v) in subparagraph (G), by striking "Federal programs" and inserting "Federal program";

(vi) in subparagraph (H), by striking "paragraph (3)(A) (relating to the supplemental security income program)" and inserting "paragraph (3)"; and

(vii) by striking subparagraphs (I), (J), and (K); and

(B) in paragraph (3)—

(i) by striking "means any" and all that follows through "The supplemental" and inserting "means the supplemental"; and

(ii) by striking subparagraph (B).

(2) CONFORMING AMENDMENT.—Section 402(b)(2)(F) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)(F)) is amended by striking "subsection (a)(3)(A)" and inserting "subsection (a)(3)".

(b) FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT.—Section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613) is amended—

(1) in subsection (c)(2), by adding at the end the following:

"(L) Assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.)."; and

(2) in subsection (d)—

(A) by striking "not apply" and all that follows through "(1) an individual" and inserting "not apply to an individual"; and

(B) by striking "; or" and all that follows through "402(a)(3)(B)".

(c) AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS.—Section 422(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1632(b)) is amended by adding at the end the following:

"(8) Programs comparable to assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).".

(d) REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.—Section 423(d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1183a note; Public Law 104–193) is amended by adding at the end the following:

"(12) Benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), if a sponsor is unable to make the reimbursement because the sponsor experiences hardship (including bankruptcy, disability, and indigence) or if the sponsor experiences severe circumstances beyond the control of the sponsor, as determined by the Secretary of Agriculture.".

(e) DERIVATIVE ELIGIBILITY FOR BENEFITS.—Section 436 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1646) is repealed.

(f) APPLICATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section and the amendments made by this section shall apply to assistance or benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for months beginning on or after October 1, 2001.

(2) REFUGEES AND ASYLEES.—In the case of an alien described in section 402(a)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(A)), this section and the amendments made by this section shall apply to assistance or benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for months beginning on or after April 1, 2000.

SEC. 3. VEHICLE ALLOWANCE.

(a) IN GENERAL.—Section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended—

(1) in subparagraph (B)(iv)—

(A) by striking "subparagraph (C)" and inserting "subparagraphs (C) and (D)"; and

(B) by striking "to the extent that" and all that follows through the end of the clause and inserting "to the extent that the fair market value of the vehicle exceeds $4,650; and"; and

(2) by adding at the end the following:

"(D) ALTERNATIVE VEHICLE ALLOWANCE.—If the vehicle allowance standards that a State agency uses to determine eligibility for assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) would result in a lower attribution of resources to certain households than under subparagraph (B)(iv), in lieu of applying subparagraph (B)(iv), the State agency may elect to apply the State vehicle allowance standards to all households that would incur a lower attribution of resources under the State vehicle allowance standards.".

(b) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 2000.

SEC. 4. MAXIMUM AMOUNT OF EXCESS SHELTER EXPENSE DEDUCTION.

Section 5(e)(7)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)(B)) is amended by striking clauses (iii) and (iv) and inserting the following:

"(iii) for fiscal year 1999, $275, $478, $393, $334, and $203 per month, respectively;

"(iv) for fiscal year 2000, $280, $483, $398, $339, and $208 per month, respectively;

"(v) for fiscal year 2001, $340, $543, $458, $399, and $268 per month, respectively; and

"(vi) for fiscal year 2002 and each subsequent fiscal year, the applicable amount during the preceding fiscal year, as adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL COMMODITIES UNDER EMERGENCY FOOD ASSISTANCE PROGRAM.

Section 214 of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7515) is amended by adding at the end the following:

"(e) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to any other funds that are made available to carry out this section, there are authorized to be appropriated to purchase and make available additional commodities under this section $20,000,000 for each of fiscal years 2001 through 2005.

"(2) DIRECT EXPENSES.—Not less than 15 percent of the amount made available under paragraph (1) shall be used to pay direct expenses (as defined in section 204(a)(2)) incurred by emergency feeding organizations to distribute additional commodities to needy persons.".

STATEMENT OF ORGANIZATIONS SUPPORTING THE HUNGER RELIEF ACT OF 1999

Our broad coalition of anti-hunger, immigrant, religious, labor, children's, elderly, and allied groups urges passage of the Kennedy-Specter Hunger Relief Act of 1999. This crucial legislation would help to address a serious problem plaguing millions of children and adults—widespread hunger and food insecurity.

The bill would target Food Stamp Program improvements to ensure more adequate nutrition assistance for at-risk groups, especially needy legal immigrants and low-income households with children, including working families and families with children with high shelter costs. It also would provide greater resources through The Emergency Food Assistance Program (TEFAP) for those families, children, and elderly turning to food pantries and other emergency feeding sites.

Recent studies confirm that, despite a strong overall economy, hunger and food insecurity are prevalent in communities across the country. While participation in the Food Stamp Program declined by more than seven million persons over the past three years, many working parents still struggle to feed their families. A July 1999 GAO study concludes, "children's participation in the Food Stamp Program has dropped more sharply than the number of children living in poverty, indicating a growing gap between need and assistance." USDA has determined that 6.1 million adults and 3.3 million children lived in households which experienced hunger during 1998, and hunger rates are highest in households with children led by single women and minorities. An Urban Institute study of former welfare recipients finds that 33% have to skip or cut meals due to lack of food.

The toll hunger takes on individuals, families, and communities is serious. Children who lack adequate daily nutrition score lower on tests, miss school more often, have more disciplinary difficulties, and face increased health risks. Hunger diminishes adults' health and ability to concentrate as well. And hunger diminishes all of us as a society when we allow hunger in the midst of such affluence. Hunger has a cure and our nation must take steps to implement that cure.

This legislation takes several important steps in alleviating hunger. First, it builds on the bipartisan down payment the 1998 Agricultural Research Act made in restorations of benefits for needy legal immigrants. The Hunger Relief Act restores food stamp eligibility to all otherwise eligible legal immigrants. Among these are taxpayers working in low-income jobs, parents of young children, and elderly persons.

Second, the bill updates food stamp rules. Most low-income parents need a car to get to work, but families who own a vehicle worth more than $4,650 may be disqualified from receiving food stamps. This limit has risen only $150 since 1977, and is less than the amount that most states deem appropriate for allowing working parents to own a reliable car and still qualify for the Temporary Assistance for Needy Families (TANF) Program. The Hunger Relief Act allows states the option of using the same rules to count the value of a vehicle under both TANF and Food Stamp Programs.

Third, the bill helps low-income families with children with high shelter costs. In order to allow food stamp allotments to more accurately reflect actual household need, the Food Stamp Program takes into account a household's shelter expenses when determining the household's food stamp allotment. The program does this by allowing households to deduct shelter costs from their income. Current food stamp rules, however, cap the amount of shelter costs ($275 now, $300 starting in FY 2001) that non-elderly, non-disabled households may deduct, leaving many families with children forced to choose between heating and eating. The hunger Relief Act raises the food stamp shelter deduction cap to $320 per month over four years and then indexes it to inflation.

Fourth, the Hunger Relief Act bolsters TEFAP, which since 1983 has leveraged private and volunteer resources in communities across the country to meet short-term nutrition needs of families in crisis and provided an outlet for excess government-owned commodities. As many as one in ten Americans a year turn to the emergency feeding network. Last December the U.S. Conference of Mayors reported that requests for emergency food assistance had increased by an average of 14%, with 78% of the cities registering increases. According to a report released by America's Second Harvest in 1998, 39% of those who sought emergency food were employed, with half of those employed full-time. The private charitable sector cannot meet present needs alone. The Hunger Relief Act authorizes additional appropriations of $100 million over five years for commodity purchases and food distribution costs, approximately 10% more than present spending.

The Hunger Relief Act would make important progress in addressing hunger in America. Please add your voice to those leaders supporting the initiative.

NATIONAL ORGANIZATIONS

America's Second Harvest.
American Association of School Administrators.
American Ethical Union, Washington Ethical Action Office.
American Federation of State, County, and Municipal Employees (AFSCME).
American Federation of Teachers.
American Friends Service Committee.
American Jewish Committee.
American Network of Community Options and Resources.
American Protestant Health Alliance.
American School Food Service Association.
Americans for Democratic Action.
Asian & Pacific Island American Health Forum.
Bread for the World.
Catholic Charities, USA.
Center for Law and Social Policy.
Center for Women Policy Studies.
Children's Defense Fund.
Coalition on Human Needs.
Communications Workers of America.
Food and Allied Service Trades, AFL-CIO.
Food Research and Action Center.
Immigration and Refugee Services of America.
Jewish Council for Public Affairs.
Jewish Labor Committee.
Leadership Conference on Civil Rights.
Lutheran Immigration and Refugee Service.
Lutheran Office for Governmental Affairs, ELCA.
Lutheran Services in America.
MAZON: A Jewish Response to Hunger.
McCauley Institute.
Mennonite Central Committee U.S., Washington Office.
Migrant Legal Action Program.
National Asian Pacific American Legal Consortium.
National Association of Social Workers.
National Center for Youth Law.
National Center on Poverty Law.
National Coalition for the Homeless.
National Council of Churches.
National Council of La Raza.
National Council of Senior Citizens.
National Council of Women's Organizations.
National Federation of Filipino American Associations.
National Immigration Law Center.
National Korean American Service and Education Consortium.
National Urban League, Inc.
NETWORK, A National Catholic Social Justice Lobby.
Presbyterian Church (USA), Washington Office.
RESULTS.
Service Employees International Union.
The Childrenós Foundation.
The Episcopal Church.
Unitarian Universalist Association of Congregations.
UNITE.
United Auto Workers (UAW).
United Church of Christ, Office for Church in Society.
United Food and Commercial Workers Union.
United Jewish Communities.
United Methodist Church, General Board of Church and Society.
United States Catholic Conference.
U.S. Conference of Mayors.
Volunteers of America.
Welfare Law Center.
Women's International League for Peace and Freedom.
World Hunger Year.
World Relief National Immigration Resource Network.

Alabama

Alabama Coalition Against Hunger.
Alabama New South Coalition.
Bay Area Food Bank, Mobile.

Alaska

Catholic Social Services.
St. Francis House.

Arizona

Association of Arizona Food Bank.
Lutheran Advocacy Ministry in Arizona.
United Food Bank, Mesa.
Westside Food Bank, Sun City.
WHEAT (World Hunger Ecumenical Arizona Task Force).

Arkansas

Arkansas Hunger Coalition.
Food Bank of Northeast Arkansas, Jonesboro.

California

Alameda County Community Food Bank.
Asian and Pacific Islander Older Adults Task Force.
Asian Community Mental Health Services.
Asian Law Alliance.
Asian Pacific American Legal Center.
Blue Collar and South Los Angeles Housing Maintenance.
Organization for Women.
California Association of Food Banks.
California Emergency Foodlink.
California Food Policy Advocates.
California Immigrant Welfare Collaborative.
Center on Poverty Law and Economic Opporutnity.
Central American Resource Center.
Child Care Food Program Roundtable.
Clinica Para las Americas.
Coalition for Humane Immigrant Rights of Los Angeles.
Coalition to Abolish Slavery & Trafficking.
Community Food Bank, Fresno.
Desert Cities Hunger Action.
El Rescate Legal Services.
Employment Law Center/Legal Aid Society of San Francisco.
Filipino Ameican Service Group, Inc.
Foodbank of Santa Barbara County.
Food Share, Inc., Oxnard.
Fresno Metro Ministry.
Homeless Health Care Los Angeles.
Human Services Network of Los Angeles.
Jewish Community Relations Committee of The Jewish Federation of Greater Los Angeles.
Kids in Common.
Korean Resource Center.
LA's BEST After School Enrichment Program.
Los Angeles Coalition to End Hunger and Homelessness.
Los Angeles Regional Food Bank.
Marin Community Food Bank.
Mission San Jose Dominicans.
Northern California Coalition for Immigrant Rights.
Pico Union Westlake Cluster Network, Inc.
Plaza Community Center, Los Angeles.
Portals-South Central Opportunity Center.
Rakestraw Memorial Community Education Center.
Riverside County Department of Community Action.
Sacramento Hunger Commission.
Saint Margaretós Center, Catholic Charities of Los Angeles.
San Francisco Food Bank.
Second Harvest Food Bank of Orange County Senior.
Gleaners, Inc., North.
Highlands.
Sisters of the Holy Names, Justice and Peace Committee.
Sisters of the Holy Names, California Province.
Leadership.
Team.
Sisters of Saint Joseph Justice Office.
South Central Family Health Center.
The Lambda Letters Project.
Union Station Foundation.
Western Center on Law and Poverty.

Colorado

Colorado Refugee Services Program.
Community Food Share, Longmont.
Food Bank of the Rockies.
Immigrant Assistance Program.
Lutheran Office of Governmental Ministry.
Metro Caring.
Weld Food Bank.

Connecticut

End Hunger Connecticut.
Food Bank of Greater Hartford.
Hartford Food System.

Delaware

Food Bank of Delaware.
La Esperanza.

District of Columbia

Bread for the City and Zacchaeus Free Clinic.

Florida

Daily Bread Food Bank.
Florida Atlantic University Department of Social Work.
Florida Certified Organic Growers and Consumers, Inc.
Florida Immigrant Advocacy Center.
Florida Impact.
Harry Chapin Food Bank of Southwest Florida, Ft. Myers.
Lutheran Social Services of Northeast Florida, Jacksonville.
Mercy Migrant Education Ministry.
Second Harvest Food Bank of Northeastern Florida, Jacksonville.
Second Harvest Food Bank of the Big Bend, Tallahassee.

Georgia

Atlanta Community Food Bank.
Second Harvest Food Bank of Coastal Georgia, Savannah.

Hawaii

Sisters of St. Joseph, Hoomaluhia Community.
The Hawaii Food Bank, Inc.

Idaho

Idaho Foodbank Warehouse, Inc.

Illinois

Bethlehem Center Food Bank.
Chicago Anti-Hunger Federation.
Fund for Immigrants and Refugees.
Greater Chicago Food Depository.
Heartland Alliance for Human Needs and Human Rights.

Illinois Community Action Association.
Illinois Hunger Coalition.
Jewish Federation of Metropolitan Chicago.
Loaves and Fishes, Etc. Peoria Area Food Bank.
World Relief DuPage.

Indiana

North Central Indiana Food Bank, Inc., South Bend.
Proyecto Hispano (Mennonite Church).
Second Harvest Food Bank of Northwest Indiana, Gary.
Second Harvest Food Bank of East Central Indiana, Anderson.

Iowa

Cedar Valley Food Bank, Waterloo.
HACAP Food Reservoir, Cedar Rapids.
Iowa Coalition Against Domestic Violence.

Kansas

Campaign to End Childhood Hunger in Kansas.
Kansas Food Bank Warehouse, Inc.

Kentucky

Godós Pantry Food Bank, Inc.
Kentucky Hunger Task Force.

Louisiana

Bread for the World, New Orleans.
Food Bank of Central Louisiana, Alexandria.
Second Harvest Food Bank of Greater New Orleans.

Maine

Catholic Charities, Maine, Social Justice and Peace Services.
Good Shepard Food Bank, Lewiston.
Maine Association of Interdependent Neighborhoods.
Maine Center for Economic Policy.
Maine Coalition for Food Security.
Partners in Ending Hunger.
Roman Catholic Diocese of Portland.

Maryland

Baltimore Jewish Council.
Center for Poverty Solutions.
The Maryland Food Bank,.Inc.

Massachusetts

Boston Department of Neighborhood Development.
Greater Boston Food Bank.
International Institute of Boston.
Massachusetts Citizens for Children and Youth.
Massachusetts Immigrant and Refugee Advocacy, Coalition.
Mass Law Reform Institute.
Project Bread.
The Food Bank of Western Massachusetts, Inc.
Worcester County Food Bank, Inc., Shrewsbury.

Michigan

Center for Civil Justice.
Detroit Food Security Council.
Food Bank of Eastern Michigan, Flint.
Food Bank of Oakland County, Pontiac.
Michigan Migrant Legal Assistance Project, Inc.
Second Harvest Gleaners Food Bank of Western Michigan, Inc., Grand Rapids.

Minnesota

Channel One Food Bank, Inc., Rochester.
Lutheran Coalition for Public Policy in Minnesota.
Minnesota FoodShare.
Second Harvest Food Bank of the Northern Lakes, Duluth.
Second Harvest Food Bank of Greater Minneapolis.

Mississippi

Mississippi Food Network.

Missouri

Citizens for Missouriós Children.
Harvesters—The Community Food Network, Kansas City.
Missouri Assn. For Social Welfare.
Ozarks Food Harvest, Springfield.
Second Harvest Food Bank of the Missouri-Kansas Region.
St. Louis Area Food Bank.

Montana

Gallatin Valley Food Bank.
Montana Food Bank Network.
Montana Hunger Coalition.

Nebraska

Nebraska Appleseed Center for Law in Public Interest

Nevada

Food Bank of Northern Nevada, Sparks.

New Hampshire

New Hampshire Food Bank.

New Jersey

Catholic Community Services.
Center for Food Action in New Jersey.
Central New Jersey Maternal & Child Health Consortium.
Community Food Bank of New Jersey, Hillside.
Food Bank of Monmouth and Ocean Counties, Spring Lake.
Food Bank of South Jersey.
Guadalupe Family Services.
Immigration and Refugee Services, Diocese of Trenton.
Lutheran Office of Governmental Ministry in New Jersey.
Mercer Street Friends.
Mexican American Unity Council, Inc.
New Jersey Immigration Policy Network, Inc.
North Hudson Community Action Corporation.
Sisters of Charity of Saint Elizabeth.
State Emergency Food and Anti-Hunger Network.
UNITE New Jersey Council.

New Mexico

Lutheran Office of Governmental Ministry.
New Mexico Advocates for Children & Families.
New Mexico Center on Law and Poverty.

New York

Boys and Girls Club of Rochester, Inc.
Cattaraugus Community Action, Salamanca.
Center for Constitutional Rights.
Community Food Resource Center.
Council of Senior Centers and Services of New York City, Inc.
Delaware Opportunities, Inc., Delhi.
Food Bank of Central New York, East Syracuse.
Food Bank of the Southern Tier, Elmira.
Food Bank of Western New York, Buffalo.
Food For Survival, Bronx.
Health and Welfare Council of Long Island.
Hunger Action Network of New York State.
Latino Commission on AIDS.
Long Island Cares, Inc.
New York Association for New Americans, Inc. (NYANA).
New York Immigration Coalition.
Niagara Community Action Program, Inc.
Nutrition Consortium of New York State.
Regional Food Bank of Northeastern New York, Latham.
SENSES: Statewide Emergency network for Social and Economic Security.
SSEC RAICES.
The Legal Aid Society.
Utica Citizens in Action.

North Carolina

Manna Food Bank, Inc., Asheville.
North Carolina Hunger Network.
Second Harvest Food Bank of Metrolina.
The Advocacy for the Poor, Inc.
University of North Carolina Department of Nutrition.

North Dakota

Great Plains Food Bank, Fargo.

Ohio

Association of Ohio Children's.
Corryville Family Resource Center, Friars Club.
Episcopal Public Policy Network—Ohio.
Hunger Network in Ohio.
Ohio Food Policy & Anti Poverty Action Center.
Ohio Hunger Task Force.
Ohio Urban Resources System (OURS).
Public Children Services Association of Ohio.
Second Harvest Food Bank of North Central Ohio, Amherst.
Shared Harvest Foodbank, Inc., Fairfield.
Southeastern Ohio Legal Services, Athens.

Oklahoma

Tulsa Community Food Bank.

Oregon

Carpenters Food bank, Portland.
Lutheran Advocacy Ministry of Oregon.
Oregon Center for Public Policy.
Oregon Food Bank.
Oregon Hunger Relief Task Force.

Pennsylvania

Community Food Warehouse, Farrell.
Greater Berks Food Bank, Reading.
Greater Philadelphia Coalition Against Hunger.
Greater Philadelphia Food Bank.
Greater Pittsburgh Community Food Bank.
Just Community Food Systems of South Central Pennsylvania, Gettysburg.
Just Harvest, Homestead.
Lutheran Advocacy Ministry in Pennsylvania.
Northside Common Ministries.
Pennsylvania Hunger Action Center.
Philabundance.
St. John's Organic Community Garden.
Second Harvest Food Bank of Lehigh Valley and Northeast Pennsylvania; Allentown.
SHARE Food Program, Inc.
South Central Pennsylvania Food Bank, Harrisburg.
H&J Weinberg Northeast Pennsylvania Regional Food Bank, Wilkes Barre.

Rhode Island

George Wiley Center and Campaign to Eliminate Childhood Poverty.
Rhode Island Community Food Bank.

South Carolina

South Carolina Appleseed Legal Justice Center.
South Carolina Committee Against Hunger.
South Carolina Department of Social Services.

South Dakota

Black Hills Regional Food Bank, Inc., Rapid City.
Second Harvest Food Bank of South Dakota, Sioux Falls.

Tennessee

MANNA.
Second Harvest Food Bank of East Tennessee, Knoxville.

Second Harvest Food Bank of Nashville.

Second Harvest Food Bank of Northeast Tennessee, Gray.

Tennessee Justice Center.

Texas

Center for Public Policy Priorities.

Community Food Bank of Victoria.

El Buen Samaritano.

Food Bank of Corpus Christi, Inc.

High Plains Food Bank, Amarillo.

Houston Immigration Policy Team.

Mexican American Unity Council, Inc.

North Texas Food Bank, Dallas.

Parish Social Ministry St. Maryós Cathedral.

Sisters of Charity of the Incarnate Word.

South Plains Food Bank, Lubbock.

Sustainable Food Center, Austin.

Tarrant Area Food Bank, Forth Worth, TX.

Texas Alliance for Human Needs.

Texas Council on Family Violence.

Texas Immigrant and Refugee Coalition.

Texas IMPACT.

The Houston Food Bank.

The Paulos Foundation, Fort Worth.

United Way of Texas.

Utah

Coalition of Religious Communities and Crossroads Urban.

Center, Salt Lake City.

Utahns Against Hunger.

Vermont

Vermont Campaign to End Childhood Hunger.

Vermont Food Bank, Inc.

Virginia

Blue Ridge Area Food Bank, Inc., Verona.

Food Bank of Southeastern Virginia.

Fredericksburg Area Food Bank.

Virginia Interfaith Center for Public Policy.

Virginia Poverty Law Center.

Washington

Children's Alliance Food Policy Center.

Food Lifeline, Shoreline.

Lutheran Public Policy Office of Washington.

Maple Valley Food Bank and Emergency Services.

Second Harvest Food Bank of the Inland Northwest, Spokane.

South Puget Sound Hispanic Chamber of Commerce (SPSHCC).

State Representative Kip Tokuda.

Washington Alliance for Immigrant and Refugee Justice.

Washington State Anti-Hunger Coalition.

Western Region Anti-Hunger Consortium (multi-state).

West Virginia

West Virginia Coalition on Food and Nutrition.

Wisconsin

Hunger Task Force of Milwaukee.

Lutheran Office for Public Policy in Wisconsin.

Wyoming

St. Markós Episcopal Church Food Closet.

Wyoming Childrenós Action.

The Benedictine Sisters of Perpetual Adoration, Dayton.

RACISM AGAINST AMERICAN INDIANS

Mr. CAMPBELL. Mr. President, I am compelled to raise a recent, shocking example of racism in South Dakota.

An Indian woman residing on the Rosebud Sioux Reservation in South Dakota came across an "advertisement" in the local newspaper that bore the heading "State of South Dakota, Game, Fish and Parks Department". She sent me a copy of the ad along with her letter.

The "ad," which resembles a run-of-the-mill hunting and fishing season announcement, was located in the editorial section of the newspaper. The "ad" went on to outline the rules for "Indian Hunting Season" in the State of South Dakota, including a limit on the number of Indians a "hunter" was allowed to kill and the approved methods for killing them.

I cannot express to you the anger and deep disappointment I felt when I read this ad because for those who think anti-Indian sentiment and feelings is a "relic of the past," I urge them to read this product of a twisted and hateful mind.

At the turn of the millennium in the greatest nation on Earth, there are pockets of hate that continue to thrive. After my tenure in Congress, I know full well the limits of government. I know we can pass no law forcing people to respect each other or forcing them to be tolerant. But this ad goes beyond mere hurtful words and actually advocates murder, and I condemn it in the strongest possible terms.

As chairman of the Committee on Indian Affairs, an enrolled member of the Northern Cheyenne Tribe of Montana, and as an American, I am embarrassed and outraged at the same time. This is shameful.

Indian children are most affected by this kind of bile. They hear these hate-filled expressions in school, in public places like shopping malls and grocery stores, and they start to believe they are worthless, and they eventually stop trying to become or achieve anything. Many commit suicide. This is ongoing.

In a few days, the Nation will honor the contributions of generations of Native Americans by dedicating the month of November, 1999, as "American Indian Heritage Month".

Native people have fought and died for this country in every war from the Revolutionary War to WWII to Vietnam to the ongoing missions around the world.

Yet, as this ad shows, Indians are still targeted by these expressions of hate.

I condemn this and every instance of discrimination and hatred against any American—red, black, white or yellow—and call on my colleagues to do the same.

I ask unanimous consent to have a copy of the newspaper ad printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Sicangu Sun Times, Oct. 15, 1999]

CAUTION: RACIST MATERIAL

State of South Dakota

Game, Fish and Parks Department, Pierre, SD, (605) 224-0000

PROCLAMATION

RE: Indian Hunting Season hunting fees: Free to first 7,683 hunters/$1.00 thereon.

Dear South Dakota Hunters: The 1999 Big Game hunting season in the State of South Dakota has been canceled due to shortages of Deer, Turkey, Elk and Antelope. However, this does not mean there will be no hunting. In the place of the big game animals this year we will have open season on the Sioux Reservations. This will entail the hunting of Americans Worthless Siounis Pyutus, commonly known as "Worthless Red Bastards," "Dog Eaters," "Gut Eaters," "Prairie Niggers" and "F--- Indians." This year from 1999–2000 will be an open season, as the f--- Indians must be thinned out every two to three years.

It will be unlawful to: Hunt in a party of more that 150 persons. Use more than 35 bloodthirsty, rabid hunting dogs. Shoot in a public tavern (Bullet may ricochet and hit civilized white people). Shoot an Indian sleeping on the sidewalk.

Trapping regulations: Traps may not be set within 15 feet of a liquor store. Traps may not be baited with Muscatel, Lysol, rubbing alcohol or food stamps. All traps must have at least 120 lb. spring strength and have a jaw spread of at least 5′3″.

Other rules and regulations: Shooting length-wise in a welfare line is prohibited. It will be unlawful to possess a road-kill Indian, however, special road-kill permits shall be issued to people with semi-tractor trailers and one-ton pickup trucks. With such a permit you may bait the highway with Muscatel, Lysol, rubbing alcohol or food stamps.

How to know when an Indian is in your area: Disposable diapers litter the street. Large lines in front of the welfare office and for free cheese. Trails of empty wine bottles leading from the city parks to all city alleys. Empty books of food stamps thrown all over. Car-loads of Indian children waiting outside liquor stores.

Remember Limit is ten (10) per day. Possession of limit: Forty (40). Good Hunting!

Editor's Note: The flyer above is similar to one found in other states. In the last couple of years, they began cropping up in South Dakota and Nebraska. Varying versions can also be found on the Internet. Such sentiments have helped fuel tension between Indians and whites in the last year, say Indian leaders. State government officials have denied that the flyers originated in any of their departments.

DRUG COURT REAUTHORIZATION AND IMPROVEMENT ACT OF 1999

Mr. BIDEN. Mr. President, Congress created drug courts 5 years ago in the 1994 crime law as a cost-effective, innovative way to deal with nonviolent offenders in need of drug treatment. Though authorization for this program was repealed just two years later, we wisely continued to fund this program. I am pleased to join with Senator SPECTER today to cosponsor the "Drug Court Reauthorization and Improvement Act of 1999."

In just 5 years, drug courts have taken off. There are 412 drug courts currently operating in all 50 States plus the District of Columbia, Guam, Puerto Rico, and two Federal districts. An additional 280 courts are being planned.

Let me tell you why I am such an advocate for these courts. Drug courts are as much about fighting crime as they are about reducing dependence on illegal drugs.

Our Nation has about 3.2 million offenders on probation today. They stay on probation for about 2 years. Throughout those 2 years, they are subject to little, if any, supervision.

For example, almost 300,000 of these probationers had absolutely no contact with their probation officer in the past month—not in person, not over the phone, not even through the mail—none!

Drug Courts fill this "supervision gap" with regular drug testing, with the offender actually coming before a judge twice a week, and actually seeing a probation officer or treatment professional three times a week.

Nearly 100,000 people have entered drug court programs and the results have been impressive. About 70 percent of the drug court program participants have either stayed in the program or completed it successfully. That is more than twice the retention rate of most traditional treatment programs.

The other 30 percent of the participants went to jail. And I think that should be heralded as a success of the drug court program as well. Without drug courts, this 30 percent would have been unsupervised, not monitored, and unless they happened to be unlucky enough to use drugs or commit a crime near a police officer, they would still be on the streets abusing drugs and committing crimes. Drug courts provide the oversight to make sure that does not happen.

The Specter-Biden reauthorization bill calls for fully funding drug courts at the level the Attorney General and I called for in the 1994 crime law—- $200 million. Drug courts are effective and cost effective. Let's spend our money wisely and invest in what works.

There are a number of jurisdictions that want to open or expand their drug courts but are unable to do so because of lack of treatment capacity. We always talk about devolving power to State and local government. Let's put our money where our mouth is and give these jurisdictions the funds they need. The Specter-Biden reauthorization act includes $75 million a year to expand local treatment capacity so that no community that wants to start or expand a drug court is precluded from doing so due to lack of treatment slots.

Make no mistake, participating in the drug court program is not a walk in the park. If you use drugs while in the program, you go to jail. Period.

Rather than just churning people through the revolving door of the criminal justice system, drug courts help these folks to get their acts together so they won't be back. When they graduate from drug court programs they are clean and sober and more prepared to participate in society. In order to graduate, they are required to finish high school or obtain a GED, hold down a job, and keep up with financial obligations including drug court fees and child support payments. They are also required to have a sponsor who will keep them on track.

This program works. And that is not just my opinion. Columbia University's National Center on Addiction and Substance Abuse found that these courts are effective at taking offenders with little previous treatment history and keeping them in treatment; that they provide closer supervision than other community programs to which the offenders could be assigned; that they reduce crime; and that they are cost-effective.

According to the Department of Justice, drug courts save at least $5,000 per offender each year in prison costs alone. That says nothing of the cost savings associated with future crime prevention. Just as important, scarce prison beds are freed up for violent criminals.

I have saved what may be the most important statistic for last. Two-thirds of drug court participants are parents of young children. After getting sober through the coerced treatment mandated by the court, many of these individuals are able to be real parents again. More than 500 drug-free babies have been born to female drug court participants, a sizable victory for society and the budget alike.

Let me close by saying I hope the Senate takes up this legislation as soon as possible so we can reauthorize this important, effective program.

PAYNE STEWART TRIBUTE

• Mr. ASHCROFT. Mr. President, Monday was a tragic day for golf fans across the country, and especially for folks in my home town of Springfield, MO—the town where pro golfer Payne Stewart was born and raised. Today, we mourn the loss of Payne, who lost his life Monday in a plane crash. I rise to express my sympathy to Payne's family and loved ones, and to the families of the other individuals who lost their lives Monday: Robert Fraley, Van Ardan, Michael King, and Stephanie Bellegarrigue.

I would also like to take a moment to remember Payne Stewart, a man whose personality, talents, and faith are an inspiration to us.

From his early years, Payne distinguished himself as not only a golfer, but as an all-around athlete. One of my staff members from Springfield remembers tagging along as a six year-old little sister with her father, her brother, Payne, and his father on a road trip to Kansas City, where the boys competed in the state's annual Pass, Punt, and Kick contest. She also recalls the countless hours her brother was gone during the summers, playing golf—often times with Payne.

In high school, Payne excelled as an athlete in football, basketball, and of course, golf, at Greenwood High School, where he graduated in 1975. Payne then attended Southern Methodist University, where he won the Southwestern Conference Golf Championship and was named an All-American.

Payne turned professional in 1981 and embarked upon what would be a highly successful career.

Payne's flare for style and individualism soon made him one of the most recognizable golfers on the PGA tour, with his now-trademark knickers, long colorful socks, and coordinating hat.

But Payne's attire on the golf course was not the only thing that distinguished him among his colleagues. Overall, Payne won 11 PGA Tour titles, including three major championships: the PGA in 1989, the U.S. Open in 1991, and the U.S. Open again in June of this year. He was on five Ryder Cup teams and won three consecutive Skins Games. He was inducted into the Missouri Sports Hall of Fame earlier this year.

In what is now known as his final U.S. Open appearance, Stewart finished his last U.S. Open round by sinking the longest winning putt ever to win the most heralded American tournament. While Stewart always will be remembered for this clutch putt to win the 1999 U.S. Open, what he did one month later during the Ryder Cup competition speaks to his character. After a miraculous final day comeback by the American team, Stewart's opponent, Colin Montgomerie, faced a ten foot putt to win the individual match on the final hole. Although the American team already had assured itself a victory, a tie with Europe's top player would have been a tremendous individual feat for Stewart. Instead of making Montgomerie attempt the putt, Stewart told his opponent to "pick it up," conceding the putt and ensuring his own defeat. Stewart's justification for his action was that Montgomerie had been heckled all day by the American fans and he did not want to put his opponent through that if he missed.

Payne Stewart, who became a world-famous golfer, continued to be a hometown boy from the Ozarks after his success. Although Orlando had become his official home, Payne still liked to come back home to Springfield to spend time with family and friends. Those close to him say that when he came home, Payne didn't act like a celebrity, but rather more like "everyday people."

There are many words that have been used to describe Payne Stewart. Fun-loving and generous. Highly competitive. Yet Payne was also very much of a family man.

Payne was always close to his father, Bill. The father and son tandem shared the unique distinction of winning dual amateur championships, the Missouri Amateur and the Missouri Senior Amateur in 1979. After his father had died of cancer in1985, Payne donated his entire $108,000 in winnings from the 1987 Bay Hill Classic to a Florida hospital. Mr. President, I, too, had a father who had a major impact on my life, and I was touched by the reflections I heard Payne share about his father.

Payne was also recently described by the Springfield News-Leader as the "consummate family man who was as thrilled with picking up daughter Chelsea [13] and son Aaron [10] from school, or shuttling them back and forth to ball games, activities, etc., as he was picking up a first-place check." Friends say that Payne believed that family time with his children and his wife Tracey was the most important thing in his life, even if it meant canceling a tournament appearance.

In the last year or so, Payne Stewart characterized himself as an increasingly religious man. He said that watching his children grow up further strengthened his faith. Payne also attributed his success to his faith. In fact, he publicly credited this faith with giving him the strength to sink the winning 15-foot putt at this year's U.S. Open this June. A close friend, reflecting Monday on Payne's death, said, "Later on, coming to know the Lord, he was attributing his success, his talents and his blessing—he attributed it all and gave glory to Jesus Christ."

Mr. President, while it is painful to see someone in the prime of his career have his life cut short by tragedy, it is also encouraging to remember someone whose life has inspired us—through both his talents as a golf champion and through his commitment to faith and family. Today we remember Payne Stewart—a local hero from the Ozarks—a champion and a competitor, and we convey our thoughts and prayers to his family and loved ones during this time of grief. I also want to express condolences to the families and friends of those who perished with Payne, Robert Fraley, Van Ardan, Michael King, and Stephanie Bellegarrigue.

NEW YORK YANKEES WINNING THE WORLD SERIES

Mr. MOYNIHAN. Mr. President, I rise today to honor the New York Yankees on the occasion of their victory in Major League Baseball's World Series last night. In front of 56,752 fans, the Yankees defeated the Atlanta Braves 4–1 and clinched a series sweep in this best of seven series. Fittingly, "The Team of the Millennium" has staked its claim as the best franchise in the 1990's.

As the season began, few seers in the sports world could have foretold the indelible mark this team would leave behind. The adversity these young men faced would have folded a team of lesser character. Their stalwart manager Joe Torre began the year in a hospital room rather than in the dugout as he battled prostate cancer. Teammates Paul O'Neill, Luis Sojo, and Scott Brosius all lost their fathers during the past season. In addition, the Yankee family was struck by the passing of baseball legends, Joe DiMaggio and Jim "Catfish" Hunter. Yet this team endured and reached its goal, giving New York an unfathomable 25th World Championship.

For the past two seasons—and three of the last four—we have seen the Yankees go to the World Series. They emerged victorious after the minimum of four straight wins on both occasions. Starting pitchers David Cone, Orlando Hernandez, and Roger Clemens held the Braves to a meager six hits and two runs in 21⅔ innings. Reliever Mariano Rivera had saves in Games One and Two and won Game Three on his way to becoming the Series Most Valuable Player. Offensively, the team had Derek Jeter and Chuck Knoblauch getting on base, and Chad Curtis came off the bench to hit two home runs in Game Three, with the second coming in the bottom of the 10th, sealing the victory for the Bronx Bombers.

All in all, this team put forth admirable effort coupled with unmatched talent. This victory is a truly epochal moment that brings joy to the hearts of Yankee fans everywhere. An editorial appearing in today's New York Times puts it best, "We are all fans now." In closing I would like to offer a possible slogan for next year's team: Thrice would be nice.

Mr. President, I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, Oct. 29, 1999]

The Yankees Win

Maturity in sports has many looks, but right now it looks like the New York Yankees, who won their 25th World Series last night against the Atlanta Braves. Clearly, the Yankees were able to dominate the Braves, whom they swept, but just as clearly they were able to dominate themselves and their own fortunes. Patience is a word that has been much used around the Yankees dugout this season, and what it means is a privileged manner of looking at baseball. What this team seems to see is not a game where one event cascades into another as the innings slip by, the past steadily commandeering the present. To this team baseball looks like a game of constant renewal, with each pitch, each batter, each defensive out.

Baseball is, if anything, too rich in the grand themes, especially during a World Series. You expect television to turn grandeur into grandiosity, and it does. But a kind of triumphalism thrives at Yankee Stadium too, where the World Series pregame soundtrack included the theme from "Star Wars" and the "1812 Overture." But that mood is meant for the fans, not the players. There is a difference between destiny and opportunity, and the 1999 Yankees know it. They will take opportunity every time, and in this Series, take it they have.

It is easy, in the high-wattage glare of a Series game, to lose sight of the fact that baseball, even at Yankee Stadium, can still have a pleasantly smalltown feel to it. Kofi Annan, mayor of the world if not the city, throws out the first pitch in New York, which bounces halfway to the plate. Marching bands from South Jersey assemble on the warning track—the outfield grass remaining inviolate—and play "Gimme Some Lovin" and "Louie, Louie." The notes of all the instruments, except the base drums, gust away into the evening, just as they would at a local homecoming game. Hand-lettered signs rise in the stands—"Dripping Springs, Texas, Loves the Yankees"—and the stadium sparkles with camera flashes going off, snapshots of a vortex where a batter steps up to the plate.

The fans roar with emphatic, if imprecise, knowledge. They call balls and strikes from a mile away. The air is barbed with advice, with schoolyard taunts, and then with the exultation of the moment. The emotion so latent in the players, so overt in the fans, gives way at the final out, and at last, in the rejoicing, there is no distinction between players and fans. We are all fans now.

PRESIDENT'S VETO OF THE FOREIGN OPERATIONS APPROPRIATIONS BILL

Mr. ASHCROFT. Mr. President, a lack of leadership from the administration is responsible for the present difficulty in reaching an agreement on the foreign operations appropriations bill. The President says he vetoed the bill over low levels of foreign assistance in general and a lack of funding for the Wye Accord specifically. The Administration did not exert the leadership needed to secure the Wye funding, however, and did not work with Congress to find a way to provide this critical assistance to Israel, Jordan, and the Palestinians without raiding the Social Security surplus. I am a strong supporter of funding the Wye Accord if the money can be found without using Social Security surplus funds. The President should make Wye funding the priority it should be and find the money somewhere in the budget.

The lack of leadership from the administration in providing for our allies and interests in the Middle East already has had real costs, however. The President's veto of the foreign operation appropriations bill on October 18, 1999 sends a disturbing signal that our foreign policy is being held hostage to the domestic budget politics of the administration. While the President's veto was the wrong step for U.S. foreign policy around the world, the administration's rejection of the bill is particularly troubling for U.S. policy in the Middle East and strategic allies such as Israel.

The foreign operations bill passed by Congress contains $960 million in economic assistance and $1.9 billion in military assistance for Israel. The foreign operations bill also contains over $2 billion in assistance to Egypt and $225 million in aid to Jordan, both important countries in the peace process. The provision of such assistance to Israel is critically important at this juncture of the peace process, and it troubles me that the administration did not lay the groundwork for an acceptable foreign assistance package. The government of Prime Minister Ehud Barak has stated its intention to complete final status negotiations within one year. Many difficult issues must be resolved for a final settlement to be reached. Jerusalem, refugees, and water rights are just several of the monumental issues that will be topic of negotiations between Israel and the Palestinians.

It is my hope that the administration will support Israel more forcefully during these negotiations, including a clear statement of U.S. policy that Jerusalem is and should remain Israel's undivided capital. As final status negotiations proceed, the United States should defend Israel against diplomatic ambushes in international fora such as the United Nations. An unequivocal U.S. position in support of Israel in the coming months will be essential to achieve a sustainable peace settlement.

Also at stake is a potential peace settlement with Syria. I trust that Prime Minister Barak will not make territorial concessions in the Golan Heights that will jeopardize Israel's security. As a former military chief of staff, Prime Minister Barak is well aware of the security implications associated with relinquishing territory in the Golan. Any Israeli withdrawal from the Golan Heights should be met with the most reliable assurances from Syria that its hostility toward Israel and support for terrorism will cease. For the peace to be sustainable, however, and Israel-Syrian settlement will have to be based on more than words. Israel will have to be able to defend itself, and continued provision of annual U.S. military assistance is an integral part of that process.

With all that is at stake right now in the peace process, it is difficult for me to understand why the administration has not worked closely with Congress to ensure that vital assistance is provided to Irasel in a timely fashion. Mr. President, it is my hope that the administration will demonstrate better leadership in supporting Israel as the peace process enters this critical year.

HIGH SPEED RAIL INVESTMENT ACT

Mr. KERRY. Mr. President, let me begin by congratulating Senator LAUTENBERG for developing this important piece of legislation that recognizes the importance of rail in our overall transportation system as we approach the 21st century.

I am proud to be an original cosponsor of the High Speed Rail Investment Act, which will provide Amtrak with much needed resources to pay for high speed rail corridors across the country. This legislation is crucial for the country, and for my home State of Massachusetts, and I am hopeful we can move it quickly through Congress.

This bill will give Amtrak the authority to sell $10 billion in bonds over the next 10 years to finance high speed rail. Instead of interest payments, the Federal Government would provide tax credits to bondholders. Amtrak would repay the principal on the bonds after 10 years, however, the payments would come primarily from required state matching funds. I know many states will gladly participate in this matching program, as their Governors and State legislatures are eager to promote high speed rail. Amtrak would be authorized to invest this money solely for upgrading existing lines to high speed rail, constructing new high speed rail lines, purchasing high speed rail equipment, eliminating or improving grade crossings, and for capital upgrades to existing high speed rail corridors.

Let there be no mistake, this country needs to develop a comprehensive national transportation policy for the 21st century. So far, Congress has failed to address this vital issue. What we have is an ad hoc, disjointed policy that focuses on roads and air to the detriment of rail. We need to look at all of these modes of transportation to alleviate congestion and delays on the ground and in the sky and to move people across this country efficiently. Failing to do this will hamper economic growth and harm the environment.

Despite rail's proven safety, efficiency and reliability in Europe and Japan, and also in the Northeast corridor here in the United States, passenger rail is severely underfunded. We need to include rail into the transportation mix. We need more transportation choices and this bill helps to provide them.

In the Northeast corridor, Amtrak is well on its way to implementing high speed rail service. The high speed Acela service should start running in January. This will be extremely helpful in my home State of Massachusetts, where airport and highway congestion often reach frustrating levels. The more miles that are traveled on Amtrak, the fewer trips taken on crowded highways and skyways.

But new service in the Northeast corridor is only the beginning. We need to establish rail as a primary mode of transportation along with air and highways. This bill will help us achieve that goal across the country and I am proud to be an original cosponsor of such an important piece of legislation.

NATIONAL CHILDHOOD LEAD POISONING PREVENTION WEEK

Mr. TORRICELLI. Mr. President, I rise today in observance of "National Childhood Lead Poisoning Prevention Week" to highlight the problem of childhood lead poisoning and the deficiencies within the current system of detection and prevention.

Lead poisoning is the number one environmental health hazard to our children, despite a ban on the manufacture of lead paint and efforts to remove lead from gasoline and dietary sources. It is estimated that 800,000 children today suffer from elevated lead levels. Lead poisoning attacks a child's nervous system, impairing physical, mental, and behavioral development. Extreme exposure can cause seizures, brain damage, comas, and even death. And, inadequate diet and exposure to environmental hazards such as old housing make the threat greatest for those who possess the fewest resources to confront it—our Nation's poor children.

This is why in 1992 Congress required states to test every Medicaid recipient under age two for lead poisoning. Mandatory screening would enable the highest-risk children to be tested and treated before lead poisoning impairs their development. However, many Medicaid providers are not conducting the required screening. A recent GAO study found that two-thirds of the children on Medicaid have never been screened for lead. In New Jersey, only 39% of children covered by Medicaid are tested.

A report issued this past summer from the Alliance to End Childhood Lead Poisoning and the National Center for Lead-Safe Housing provides new information regarding the extent of this problem. This report, a state-by-state analysis of follow-up care provided to lead-poisoned children, found that only 29 states have standards for how to care for lead-poisoned children. The report also found that only 35 states have developed specific strategies for investigating lead hazards in poisoned children's homes. And, 22 states reported that they lack the necessary funding to make a home safe for a lead-poisoned child.

This report presents compelling evidence in support of legislation, S.1120, the Children's Lead SAFE Act of 1999, introduced by Senator REED and myself to strengthen lead screening policy. This legislation would ensure that every federal program which serves at risk kids is involved in the lead screening process. Our bill would require WIC and Head Start centers to determine if a child has been tested and ensure testing for those children who have not. As 75% of at-risk children are enrolled in federal health care programs, this would ensure that no child is overlooked.

Secondly, the Children's Lead SAFE Act of 1999 would guarantee that Medicaid contracts explicitly require health care providers to adhere to federal rules for screening and treatment. Currently, many states are having Medicaid services provided by health maintenance organizations (HMO's). These HMO's, however, either are not conducting the required lead screening tests or are only conducting one of two required tests. This legislation would effectively stop this corner cutting. Our bill would also ensure that states and federal agencies have the resources and incentives to complete mandatory screening by requiring Medicaid to reimburse WIC and Head Start for screening costs. We must create a bonus program that rewards states who screen more than 65% of their Medicaid population.

But additional testing is only a first step. Our legislation would also focus on prevention by reducing the sources of poisoning and provide for follow-up care for those children identified as at-risk. This includes expanding Medicaid coverage to include treatment for lead poisoning and for environmental investigations to determine its sources.

I am extremely pleased to tell my colleagues that in response to the efforts of the Senator from Rhode Island and myself, the Department of Health and Human Services has initiated some important steps to address the problem. Their efforts include ensuring that state Medicaid agencies comply with existing Medicaid policies requiring lead screening and requiring states to report the number of children under age six screened for lead poisoning. These measures will help us to better understand the problem and how to respond to it.

However, enhancing screening and identifying children exposed to lead is only the first step. Identification must be followed with treatment and abatement, including controlling the source of lead poisoning. For example, my own state of New Jersey has made great efforts in the area of abatement. Specifically, New Jersey requires the renovation and maintenance of older housing as well as mandating landlords to periodically test for lead. New Jersey has also initiated statewide programs to educate families on how to find and eliminate lead sources from their homes.

Similarly, on the federal level, the Department of Housing and Urban Development provides grants to states and local governments to reduce lead hazards in housing. Yet, for every application, there are nine that go unfunded. This year, the House tried to cut funding for this program by $10 million. Although conferees ultimately restored funding equal to the President's request, this attempt demonstrates the need to provide greater awareness of the need for lead prevention efforts.

As the Alliance report suggests, there is more every state must do and there is clearly more the federal government can do to protect lead-poisoned children. I encourage my colleagues to examine the Alliance report and learn about what can be done in your states to improve lead poisoning treatment and prevention efforts. Finally, I would encourage Senator ROTH and Senator JEFFORDS to begin hearings not only on our legislation but also on this issue. In 1992, Congress made a commitment to improving our children's health by reducing the prevalence of childhood lead poisoning and improving treatment. I urge my colleagues to join Senator REED and myself in fulfilling this commitment.

MESSAGES FROM THE HOUSE

At 1:48 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2260. An act to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

H.J.Res. 73. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following bills:

S. 437. An act to designate the United States courthouse under construction at 333 Las Vegas Boulevard South in Las Vegas, Nevada, as the "Lloyd D. Georges United States Courthouse."

S. 1652. An act to designate the Old Executive Office Building located at 17th Street and Pennsylvania Avenue, NW, in Washington, District of Columbia, as the "Dwight D. Eisenhower Executive Office Building."

The enrolled bills were signed subsequently by President pro tempore (Mr. THURMOND).

At 5:58 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3064) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on October 28, 1999, he had presented to the President of the United States, the following enrolled bills:

S. 437. An act to designate the United States courthouse under construction at 333 Las Vegas Boulevard South in Las Vegas, Nevada, as the "Lloyd D. Georges United States Courthouse."

S. 1652. An act to designate the Old Executive Office Building located at 17th Street and Pennsylvania Avenue NW, in Washington, District of Columbia, as the "Dwight D. Eisenhower Executive Office Building."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5889. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to notification of a proposed approval for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the United Arab Emirates; to the Committee on Foreign Relations.

EC-5890. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Canada; to the Committee on Foreign Relations.

EC-5891. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $14,000,000 or more to the Republic of Korea; to the Committee on Foreign Relations.

EC-5892. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with South Africa and Canada; to the Committee on Foreign Relations.

EC-5893. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with the Netherlands; to the Committee on Foreign Relations.

EC-5894. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Turkey; to the Committee on Foreign Relations.

EC-5895. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with the United Kingdom; to the Committee on Foreign Relations.

EC–5896. A communication from the Executive Director, Japan-United States Friendship Commission, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC–5897. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled “12 CFR Parts 701, 703, 704, 709, 712, 713, 723, 790, 791, and 792”, received October 27, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–5898. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled “Sudanese Sanctions Regulations: Libyan Sanctions Regulations; Iranian Transactions Regulations; Licensing of Commercial Sales, Exportation and Reexportation of Agricultural Commodities and Products, Medicine, and Medical Equipment; Iranian Accounts on the Books of U.S. Depository Institutions; Informational Materials; Visas” (31 CFR Parts 538, 550 and 560), received October 27, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–5899. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled “Final Regulations—Federal Perkins Loan Program and Federal Family Education Loan Program”, received October 20, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–5900. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled “Extension of Announcement 99–5” (Announcement 99–106), received October 27, 1999; to the Committee on Finance.

EC–5901. A communication from the Assistant Secretary, Water and Science, Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Offstream Storage of Colorado River Water and Development and Release of Intentionally Created Unused Apportionment in the Lower Division States” (RIN1006–AA40), received October 27, 1999; to the Committee on Energy and Natural Resources.

EC–5902. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of Maintenance Plan Revisions; Ohio” (FRL #6464–5), received October 26, 1999; to the Committee on Environment and Public Works.

EC–5903. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of State Implementation Plans; Minnesota” (FRL #6465–4), received October 26, 1999; to the Committee on Environment and Public Works.

EC–5904. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of State Implementation Plans; Minnesota” (FRL #6465–3), received October 26, 1999; to the Committee on Environment and Public Works.

EC–5905. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval of Delegation of the Accidental Release Prevention Requirements: Risk Management Programs Under Clean Air Act Section 112(r)(7): State of Ohio” (FRL #6465–7), received October 26, 1999; to the Committee on Environment and Public Works.

EC–5906. A communication from the Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Programs to Help Develop Foreign Markets for Agricultural Commodities (Foreign Market Development Cooperator Program)” (RIN0551–AA26), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5907. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs; Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Tomatoes Grown in Florida; Decreased Assessment Rate” (Docket No. FV99–966–1 IFR), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5908. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Refrigeration Requirements for Shell Eggs” (Docket No. PY99–002), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5909. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Walnuts Grown in California; Decreased Assessment Rate” (Docket No. FV99–984–3–IFR), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5910. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Domestically Produced and Imported Peanuts; Change in the Maximum Percentage of Foreign Material Allowed Under Quality Requirements” (Docket Nos. FV99–997–2–IFR, FV99–998–1–IFR and FV99–999–1–IFR), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5911. A communication from the Congressional Review Coordinator, Regulatory Analysis and Development, Policy and Program Development, Animal and Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Imported Fire Ant; Approved Treatments” (Docket #99–027–2), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5912. A communication from the Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Regulations Governing the Taking of Marine Mammals by Alaskan Natives; Marking and Reporting of Beluga Whales Harvested in Cook Inlet; Final Rule” (RIN0648–AM57), received October 27, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5913. A communication from the Deputy Assistant Administrator for Fisheries, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Fisheries of the Northeast United States; Amendment 12 to the Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan (FMP); Amendment 8 to the Atlantic Mackerel, Squid, and Butterfish FMP; and Amendment 12 to the Atlantic Surf Clam and Ocean Quahog FMP” (RIN0648–AL56), received October 27, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5914. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Atlantic Highly Migratory Species Fisheries; Bluefin Tuna; General Category Closure” (I.D. 092899G), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5915. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Atlantic Highly Migratory Species (HMS) Fisheries; Vessel Monitoring Systems” (RIN0648–AJ67) (I.D. 071698B), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5916. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Commercial Inseason Adjustments and Closures from Cape Flattery to Leadbetter Point, WA”, received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5917. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Fisheries of the Northeastern United States; Summer Flounder Fishery; Commercial Quota Harvested for New York”, received October 27, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5918. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Closure of the Commercial Fishery for Red Snapper in the Exclusive Economic Zone of the Gulf of Mexico”, received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5919. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Prohibition of Directed Fishing for Greenland Turbot in the Bering Sea Subarea of the Bering Sea and Aleutian Islands Management Area”, received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5920. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Fisheries of the Exclusive Economic Zone Off Alaska; Pollock by Vessels Catching Pollock for Processing by the Inshore Component in the Bering Sea Subarea”, received October 27, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5921. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Processors Using Trawl Gear in the Bering Sea and Aleutian Islands, received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JEFFORDS, from the Committee on Health, Education, Labor, and Pensions, with amendments:

S. 385. A bill to amend the Occupational Safety and Health Act of 1970 to further improve the safety and health of working environments, and for other purposes (Rept. No. 106–202).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

H.R. 764. A bill to reduce the incidence of child abuse and neglect, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 204. A resolution designating the week beginning November 21, 1999, and the week beginning on November 19, 2000, as 'National Family Week,' and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

S. 1750. A bill to reduce the incidence of child abuse and neglect, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1764. A bill to make technical corrections to various antitrust laws and to references to such laws.

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

S. 1769. A bill to continue reporting requirements of section 2519 of title 18, United States Code, beyond December 21, 1999, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WARNER, from the Committee on Armed Services:

John F. Potter, of Maryland, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2005.

A.J. Eggenberger, of Montana, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2003.

Jessie M. Roberson, of Alabama, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2002.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

The following named officer for appointment as Vice Chairman of the Joint Chiefs of Staff and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 154:

To be general

Gen. Richard B. Myers, 7092

The following Air National Guard of the United States officers for appointment in the Reserve of the Air Force to the grades indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Harold A. Cross, 6940
Brig. Gen. Paul J. Sullivan, 5946

To be brigadier general

Col. Dwayne A. Alons, 6536
Col. Richard W. Ash, 2052
Col. George J. Cannelos, 9758
Col. James E. Cunningham, 6429
Col. Myron N. Dobashi, 8614
Col. Juan A. Garcia, 8468
Col. John J. Hartnett, 7206
Col. Steven R. McCamy, 8048
Col. Roger C. Nafziger, 2043
Col. George B. Patrick, III, 8518
Col. Martha T. Rainville, 6388
Col. Samuel M. Shiver, 9331
Col. Robert W. Sullivan, 8075
Col. Gary H. Wilfong, 8548

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Charles H. Coolidge, Jr., 6287

The following named officer for appointment as Surgeon General of the Air Force and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601 and 8036:

To be lieutenant general

Maj. Gen. Paul K. Carlton, Jr., 8132

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Charles F. Wald, 1222

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Ronald C. Marcotte, 7848

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Thomas J. Keck, 7294

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Hal M. Hornburg, 6836

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Walter S. Hogle, Jr., 6057

The following Air National Guard of the United States officer for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Myron G. Ashcraft, 6527

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Norton A. Schwartz, 7542

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Joseph W. Ralston, 9172

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Ralph E. Eberhart, 7375

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Daniel B. Wilkins, 1631

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Raymond D. Barrett, Jr., 1758
James J. Grazioplene, 3304

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Thomas A. Schwartz, 0711

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. John W. Hendrix, 7900

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Kevin P. Byrnes, 7639

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. James C. Riley, 6688

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John A. Van Alstyne, 3328

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Anders B. Aadland, 1667

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. John T.D. Casey, 8752

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Hans A. Van Winkle, 8718

The following named officer for appointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Gary S. McKissock, 8973

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. WARNER. Mr. President, for the Committee on Armed Services, I report favorably nomination lists which were printed in the RECORDS of September 23, 1999, September 27, 1999 and October 12, 1999, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of September 23, 1999, September 27, 1999 and October 12, 1999, at the end of the Senate proceedings.)

In the Army, two nominations beginning Robert E. Wegmann, and ending Sandra K. James, which nominations were received by the Senate and appeared in the Congressional Record of September 23, 1999.

In the Army, three nominations beginning John H. Belser, Jr., and ending Thomas R. Shepard, which nominations were received by the Senate and appeared in the Congressional Record of September 23, 1999.

In the Army, three nominations beginning *Kathleen David-bajar, and ending Dean C. Pedersen, which nominations were received by the Senate and appeared in the Congressional Record of September 23, 1999.

In the Marine Corps, one nomination of Wendell A. Porth, which was received by the Senate and appeared in the Congressional Record of September 23, 1999.

In the Navy, 292 nominations beginning Robert C. Adams, and ending Daniel L. Zimmer, which nominations were received by the Senate and appeared in the Congressional Record of September 27, 1999.

In the Air Force, three nominations beginning Edwin C. Schilling, III, and ending Celinda L. Van Maren, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

In the Air Force, one nomination of Ronald J. Boomer, which was received by the Senate and appeared in the Congressional Record of October 12, 1999.

In the Army, seven nominations beginning Gary A. Benford, and ending Kenneth A. Younkin, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

In the Army, seven nominations beginning David A. Couchman, and ending Charles R. Nessmith, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

In the Army, nine nominations beginning Rex H. Cray, and ending Lawrence A. West, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

In the Army, 1510 nominations beginning *David M. Abbinanti, and ending X379, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

In the Marine Corps, one nomination of Fredric M. Olson, which was received by the Senate and appeared in the Congressional Record of October 12, 1999.

By Mr. HATCH, from the Committee on the Judiciary:

John W. Marshall, of Virginia, to be Director of the United States Marshals Service.

(The above nomination was reported with the recommendation that he be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HAGEL (for himself, Mr. ABRAHAM, Mr. DEWINE, Mr. GORTON, Mr. KERREY, Ms. LANDRIEU, and Mr. THOMAS):

S. 1816. A bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes; to the Committee on Rules and Administration.

By Mr. GRAMS:

S. 1817. A bill to validate a conveyance of certain lands located in Carlton County, Minnesota, and to provide for the compensation of certain original heirs; to the Committee on Energy and Natural Resources.

By Mr. SCHUMER:

S. 1818. A bill to amend title II of the Elementary and Secondary Education Act of 1965 to provide grants for master teacher programs; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SCHUMER:

S. 1819. A bill to amend title II of the Elementary and Secondary Education Act of 1965 to provide grants for mentor teacher programs; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY:

S. 1820. A bill to amend the Internal Revenue Code of 1986 to exclude national service educational awards from the recipient's gross income; to the Committee on Finance.

By Mr. REED (for himself and Mr. TORRICELLI):

S. 1821. A bill to authorize the United States to recover from a third party the value of any housing, education, or medical care or treatment furnished or paid for by the United States and provided to any victim of lead poisoning; to the Committee on the Judiciary.

By Mr. MCCAIN (for himself and Ms. SNOWE):

S. 1822. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that group and individual health insurance coverage and group health plans provide coverage for treatment of a minor child's congenital or developmental deformity or disorder due to trauma, infection, tumor, or disease; to the Committee on Finance.

By Mr. DEWINE (for himself, Mrs. MURRAY, Mr. ABRAHAM, and Mr. DODD):

S. 1823. A bill to revise and extend the Safe and Drug-Free Schools and Communities Act of 1994; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BREAUX (for himself and Mr. GORTON):

S. 1824. A bill to amend the Communications Act of 1934 to enhance the efficient use of spectrum by non-federal government users; to the Committee on Commerce, Science, and Transportation.

By Mr. ROCKEFELLER:

S. 1825. A bill to empower telephone consumers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI:

S. 1826. A bill to provide grants to the State of Alaska for the purpose of assisting that State in fulfilling its responsibilities under sections 803, 804, and 805 of the Alaska National Interest Lands Conservation Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GRAHAM:

S. 1827. A bill to provide funds to assist high-poverty school districts meet their teaching needs; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MOYNIHAN (by request):

S. 1828. A bill to protect and provide resources for the Social Security System, to reserve surpluses to protect, strengthen and modernize the Medicare Program, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH (for himself, Mr. LUGAR, Mr. BIDEN, Mr. KYL, Mr. HAGEL, Mr. SMITH of Oregon, Mr. LIEBERMAN, and Mr. HELMS):

S. Res. 208. A resolution expressing the sense of the Senate regarding United States policy toward the North Atlantic Treaty Organization and the European Union, in light of the Alliance's April 1999 Washington Summit and the European Union's June 1999 Cologne Summit; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HAGEL (for himself, Mr. ABRAHAM, Mr. DEWINE, Mr. GORTON, Mr. KERREY, Ms. LANDRIEU, and Mr. THOMAS):

S. 1816. A bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes; to the Committee on Rules and Administration.

THE OPEN AND ACCOUNTABLE CAMPAIGN FINANCING ACT OF 2000

• Mr. HAGEL. Mr. President, today I join several of my colleagues in introducing the "Open and Accountable Campaign Financing Act of 2000." This bill increases disclosure requirements on campaign contributions and political broadcast advertisements. It also caps "soft money" contributions to political party committees at $60,000 and adjusts individual contribution limits for inflation. I am pleased that the following Senators have joined me today in offering this bill: SPENCER ABRAHAM (R-MI), MIKE DEWINE (R-OH), SLADE GORTON (R-WA), BOB KERREY (D-NE), MARY LANDRIEU (D-LA) and CRAIG THOMAS (R-WY).

Changing the way federal campaigns are financed is inevitable, the American people will demand it. At some point, the Senate will have a full and open debate on how best to reform our campaign finance system. I was disappointed that floor procedures prevented us from doing so last week, because several of us had intended to offer amendments to the McCain-Feingold legislation.

My colleagues and I introduce this bill today as a bipartisan alternative in what has been a very polarized debate. If we are ever to move forward on this issue, we will need to look at a variety of ways to reform the campaign finance system. This bill is a combination of ideas offered by myself and a number of my colleagues. Several specific provisions in this bill have widespread support by both Republicans and Democrats, and, I believe, can form a base from which consensus can build.

Confidence in our political system is the essence of representative government. This begins with an open and accountable campaign financing system. We need to rise above partisan, ideological and personal rivalries, and find common ground on campaign finance reform.

There are several elements that must be part of any reform of our campaign finance system. One of the most important is increased disclosure for all who participate in the political process. We should not fear an educated and informed body politic. If individuals and organizations are going to participate in the election process, their participation must be revealed to the public.

To provide for fuller disclosure, this bill increases the financial reporting requirements for candidates and political parties. This legislation also takes the rules on broadcast ads that apply to candidates and extends them to all political broadcast ads. Under current federal regulations, when a candidate buys a political ad, the broadcaster is required to place information on the ad in a file that is open to the public. This includes a record of the times the spots are scheduled to air, the overall amount of time purchased and at what rates, and the names of the officers of the organization placing the ad. Under current federal regulations, when an interest group places a political ad with a broadcaster, it does not have to meet all of these requirements. This bill requires that interest-group ads related to any federal candidate or issue go into the broadcaster's public file. There would be no added burden on the broadcaster. The broadcaster would simply use the same form already used for candidate and party ads. Let me make clear one thing the bill does not do. It does not require organizations to identify individual donors or provide membership lists. It preserves a reasonable balance between the public's right to know which groups are attempting to influence an election, and the privacy rights of individual donors.

In addition to disclosure, we need to look at soft money contributions to national party committees. Most constitutional experts say that an outright ban on soft money would be unconstitutional. But this unaccountable, unlimited flood of soft money cascading over America's politics must be stopped. We need to find a middle ground between the extremes of banning soft money and leaving it unrestricted. This bill limits soft money contributions to national party committees to $60,000. This is not a ban on financial support of parties. It is a return to the original intent of the campaign finance reforms of the 1970s, which worked well until they were exploited and abused.

We also need to increase the ability of individuals to participate in the most accountable method of campaign financing. This bill adjusts and indexes contributions to inflation and indexes them for further years. For an individual, contribution limits would increase from $1,000 to $3,000 per candidate, per election. I've heard the argument that raising these limits would give the wealthy too much influence and access. If we cap or eliminate soft money and do not adjust the hard-money limits, we will chase more money into the black hole of third-party ads, where the public cannot view the flow of money. I want to bring more of that money into the sunlight where the American people have access to who is giving money and how much.

We have a great opportunity to restore some of the confidence the American people have lost in their political system. Improving our system that selects America's leaders—who formulate and implement the policies that govern our Nation—is a worthy challenge.•

• Mr. KERREY. Mr. President, today I would like to express my support for "The Open and Accountable Campaign Financing Act of 1999," which would provide this country with much needed campaign finance reform. Our Constitution lays out the requirements for someone running for office. In order to run for the Senate, the Constitution tells us that there are three requirements: you must be at least 30 years old; you must have been a U.S. citizen for nine years; and you must be a resident of the state you wish to represent.

What the Constitution doesn't tell you about is a fourth requirement: you must have an awful lot of money, or at least know how to raise it. The Constitution doesn't tell you this because when the framers drafted the Constitution, they could not have imagined the ridiculously large amounts of time and money one must spend today if he or she wants to be elected to office.

We need to change the law to give power back to working families, restore their faith in the process, and make democracy work. That's why I have been an avid supporter of the McCain-Feingold bill and the Shays-Meehan bill that recently passed the House, and that's why I am now a cosponsor of Senator HAGEL's bill.

Earlier this month, the Senate debated the McCain-Feingold bill. This year's version was a stripped down version of the McCain-Feingold bills we've debated, and I have supported, in years past. Although I prefer the more comprehensive House passed Shays-Meehan bill, I understood Senators MCCAIN and FEINGOLD's decision to purposefully strip down their bill. They knew the realities of the vote count in the Senate. We didn't have the votes to pass anything more comprehensive, so they introduced a "barebones" bill which essentially did one simple thing: ban soft money.

Unfortunately, the bill was pulled from the floor after a vote showing McCain-Feingold still didn't have the votes to pass. The good news is we picked up one vote; the bad news is we still haven't passed a campaign finance reform bill. We made progress. That is why it is important to not let this issue die on the back burner. That is why I am joining in Senator HAGEL's effort to keep this issue alive.

Currently, soft money is uncapped and unregulated—corporations, unions and wealthy individuals can contribute unlimited amounts of soft money. Senator HAGEL's bill would cap soft money at $60,000. Although I prefer a complete ban, it is clear the Senate is a few votes short of passing this ban. Senator HAGEL's new approach just might be the compromise that can muster enough votes to pass the Senate. Let me be clear—while I prefer much more comprehensive reform of our campaign financing system—I do believe Senator HAGEL's proposal is a step in the right direction. This bill, with its cap on soft money and tightening of disclosure requirements, would be a good beginning.

The American people are frustrated with the millions of dollars they see poured into campaigns. They are frustrated with out tendency to talk instead of act. I am hopeful this bill can help make that happen. In fact I want to applaud my friend, Senator HAGEL for his efforts, and urge our colleagues to support this bill.●

By Mr. KERRY:

S. 1820. A bill to amend the Internal Revenue Code of 1986 to exclude national service educational awards from the recipient's gross income; to the Committee on Finance.

AMERICORPS SCHOLARSHIP FAIRNESS ACT

Mr. KERRY. Mr. President, I rise today to introduce legislation on behalf of thousands dedicated volunteers around the country. The legislation I am offering addresses an inequity in the tax code that adversely affects AmeriCorps volunteers. I urge my colleagues to pass it immediately.

Since 1994, in 4,000 communities across the country, AmeriCorps participants have tutored and mentored more than 4 million children, developed after-school programs for over one million young people, and helped build more than 11,000 homes. Their dedication and commitment are a tribute to the American tradition of public service. Currently, at the conclusion of 1,700 hours of service, AmeriCorps members receive an education award of $4,725. The award may be used by former volunteers to pay for tuition expenses or the repayment of student loans.

Under long-established tax law, scholarships and grants are excludable from income. However, because the AmeriCorps awards are considered to represent payment for services rendered, they must be included in taxable income at the end of the year. This tax treatment creates a significant hardship for former volunteers. Because AmeriCorps education awards are sent directly to the loan agency or educational institution, they do not represent income from which a portion may be reserved by the beneficiary for the payment of tax. After serving in AmeriCorps, many former volunteers work part-time to pay for college, and the education award pushes their income above the standard income tax deduction, creating tax liability for an individual with little means to pay for it.

Mr. President, allow me to illustrate. Maleah Thorpe of Sunderland, Massachusetts, is a two-year AmeriCorps participant. Most recently, Maleah served as a volunteer with Massachusetts Campus Compact. The Massachusetts Campus Compact coordinates formal and informal assistance for students, staff, and faculty in the areas of: America Reads and early childhood literacy initiatives, America Counts and math education initiatives, and other Campus and community partnerships. Maleah's service has benefited our community and our country, while at the same time, has provided a rewarding personal experience.

Listen to what Maleah has to say about AmeriCorps:

> My experiences with AmeriCorps have been life-changing, introducing me to so many opportunities and a new appreciation of both the diversity and strength of people in our nation. I consider myself fortunate and am thankful that I will have not one, but two educational awards should I need to use them. However, I am at the same time dreading the out-of-pocket expense that will accompany their use * * *. Although I was anxious to use the educational award earned during my first year of service to reduce my undergraduate loan debt, the cost of paying taxes on the amount has prohibited me from doing so.
>
> When I entered AmeriCorps two years ago, I did so for the service. I also anticipated that approximately 75 percent of my undergraduate loan debt would be paid within three years of graduation, something that helped justify the financial cost of living on only the minimal stipend. Instead, I will enter graduate school in the fall, my undergraduate loans will continue to accrue interest and I will likely acquire additional loans to cover some expenses because I can simply not afford to use and pay taxes on my educational awards while I am a student.
>
> I know that I am not alone in this predicament. Many alumni with whom I served are either students or completing additional years of service, solely responsible for educational and living expenses. Many of us do not have additional income to pay taxes on the educational awards nor the ability to ask friends or relatives to assist us.
>
> I have given two years to serve my fellow citizens of the nation and the Commonwealth and would never give up those experiences. However, I should not now be punished for this choice by the burden of additional taxes.

Similar situations arise with other programs. Congress has recognized these inequities and acted to address them. For example, this summer's Taxpayer Refund and Relief Act would have specifically provided that scholarships received through the National Health Service Corps, the Armed Forces Health Professions program, and the National Institutes of Health Undergraduate program are tax exempt. Let's do the same for the thousands of volunteers who, through the AmeriCorps program, give up two years of their lives to make a difference in communities across our nation.

The AmeriCorps Scholarship Fairness Act clarifies that AmeriCorps education awards should receive the same tax treatment as a traditional college scholarship. Under the proposal, amounts received by an individual as part of a national service education award would be eligible for tax-free treatment as a qualified scholarship under section 117 of the tax code, without regard to the fact that the recipient of the scholarship has provided services as a condition for receiving the scholarship. The Joint Tax Committee estimates the cost in lost revenue would be $2 million the first year, $15 million over five years, and $32 million over ten years.

The government should cherish, not punish, volunteerism and public service. I hope my colleagues will join me in enacting this simple but meaningful legislation.

Mr. President, I ask unanimous consent that the text of the bill and three letters from Massachusetts constituents be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXCLUSION OF NATIONAL SERVICE EDUCATIONAL AWARDS.

(a) IN GENERAL.—Section 117 of the Internal Revenue Code of 1986 (relating to qualified scholarships) is amended by adding at the end the following:

"(e) QUALIFIED NATIONAL SERVICE EDUCATIONAL AWARDS.—

"(1) IN GENERAL.—Gross income for any taxable year shall not include any qualified national service educational award.

"(2) QUALIFIED NATIONAL SERVICE EDUCATIONAL AWARD.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified national service educational award' means any amount received by an individual in a taxable year as a national service educational award under section 148 of the National and Community Service Act of 1990 (42 U.S.C. 12604) to the extent (except as provided in subparagraph (C)) such amount does not exceed the qualified tuition and related expenses (as defined in subsection (b)(2)) of the individual for such taxable year.

"(B) DETERMINATION OF EXPENSES.—The total amount of the qualified tuition and related expenses (as so defined) which may be taken into account under subparagraph (A) with respect to an individual for the taxable year shall be reduced (after the application of the reduction provided in section 25A(g)(2)) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A with respect to such expenses.

"(C) EXCEPTION TO LIMITATION.—The limitation under subparagraph (A) shall not apply to any portion of a national service educational award used by such individual to repay any student loan described in section 148(a)(1) of such Act or to pay any interest expense described in section 148(a)(4) of such Act."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts received in taxable years beginning after December 31, 1999.

AMERICORPS,
Sunderland, MA, July 20, 1999.

Senator JOHN KERRY,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR KERRY, My name is Maleah Thorpe. I am a two year alumna of AmeriCorps, serving with City Year Rhode Island (1997—98) and most recently as a VISTA with Massachusetts Campus Compact (1998–99) working at the University of Massachusetts at Amherst.

My experiences with AmeriCorps have been life-changing, introducing me to so many opportunities and a new appreciation of both the diversity and strength of people in our nation. These past two years have left an immeasurable impact on my life, changed my perspective on many things, and even altered my future plans; in September I will begin graduate studies at UMass Amherst.

I consider myself fortunate and am thankful that I will have not one, but two, Educational Awards should I need to use them. However, I am at the same time dreading the out-of-pocket expense that will accompany their use. I had a small preview of what is to come last December when I used my Interest Payment option from my first year of AmeriCorps service. For choosing to use this "benefit" of $543, I was required to pay an unexpected $120 in state and (mostly) federal taxes. While this may seem like a small sum, I assure you that it is not to someone living on a VISTA stipend where every penny is accounted for to cover basic living expenses.

Although I was anxious to use the Educational Award earned during my first year of service to reduce my undergraduate loan debt, the cost of paying taxes on the amount has prohibited me from doing so.

When I entered AmeriCorps two years ago, I did so for the service. I also anticipated that approximately 75% of my undergraduate loan debt would be paid within three years of graduation, something that helped justify the financial cost of living on only the minimal stipend. Instead, I will enter graduate school in the fall, my undergraduate loans will continue to accrue interest and I will likely acquire additional loans to cover some expenses because I can simply not afford to use and pay taxes on my Educational Awards while I am a student.

I know that I am not alone in this predicament. Many alumni with whom I served are either students or completing additional years of service, solely responsible for educational and living expenses. Many of us do not have additional income to pay taxes on the Educational Awards nor the ability to ask friends or relatives to assist us.

I have given two years to serve my fellow citizens of the nation and the Commonwealth and would never give up those experiences. However, I should not now be punished for this choice by the burden of additional taxes. As a citizen of the Commonwealth and on behalf of those who have served and will serve in the future, I ask that you work to remove this burden of taxation of the AmeriCorps Educational Awards.

Thank you for your time and efforts.

Sincerely,

MALEAH F. THORPE.

Ware, MA, July 19, 1999.

TO WHOM IT MAY CONCERN: My name is Jamie Rutherford and I am a resident of Ware, Massachusetts. Following graduation from the University of Hartford in 1996, I entered the AmeriCorps National Civilian Community Corps. I served two 10-month terms in the program, 1996—97 in Denver, CO, and 1997–98 in Charleston, SC.

My motivation for joining AmeriCorps included my desire to travel, to learn new skills, to lend myself to the community, and to earn an educational award that I would be able to apply toward my substantial student loans. I greatly enjoyed my experience the first year in Denver, and had very little difficulty deciding to reapply for a second year in South Carolina. Over those two years I took part in fourteen separate projects pertaining to the environment, education, public safety, and unmet human needs. I traveled to nine states and enjoyed experiences ranging from inner city tutoring, to midwestern trailbuilding, to even Gulf Coast erosion control.

My experiences in AmeriCorps were wonderful, and have instilled in me a great appreciation for national service. I did, however, face several daunting challenges during my term of service. The most difficult challenges usually involved personal finance. The living stipend provided to us was minimal, and it was often quite difficult to get by on such meager funds. We did receive additional allotments for food and travel, however, and got by as well as possible. Upon completion of my first year in Denver, I applied my first award to my student loan provider here in Massachusetts. The greatest challenge for me came with the taxation of that award during my second term in South Carolina. When I discovered that I owed $350 to the Internal Revenue Service due to the taxation of the award, I was forced to go on a monthly payment plan during that second term. This was very difficult for me considering our minimal living stipend. I could not then and cannot now understand why the award was taxable as such, or why the taxed amount could not at least be subtracted from the $4,725 award initially.

Nearly a year after completing my second term and receiving my second award, I still maintain the $4,725 balance of that award. My current finances greatly necessitate the utilization of the award toward my substantial student loan bills. Nevertheless, I am reluctant to do so due to uncertainty for my future financial viability. I fear that I will not be able to afford another heavy taxation. Though the award seems to be so beneficial, it threatens to actually be somewhat detrimental to me.

My hope and request is that this taxation be abolished. It simply does not seem reasonable that young people devoting themselves to the improvement of our country should be so unjustly penalized. I greatly support AmeriCorps and all the good that it represents. I only wish that this one matter would be reconsidered in order to lift the gray cloud that has fallen over my memories of two wonderful years of national service.

Thank you.

JAMES E. RUTHERFORD.

Jamaica Plain, MA, July 20, 1999.

DEAR SENATOR: My name is Brendan Miller and I am an alumnus of AmeriCorps. I served two years, one with the Northwest Service Academy in Oregon and one with City Year in South Carolina as an AmeriCorps Leader. My AmeriCorps experience changed my life and set me on a path of public service that I now know is my calling.

I currently live in Boston, Massachusetts. As a supporter of AmeriCorps you surely know a benefit of the AmeriCorps experience is the Education Award that is granted at the end of one's service. I used approximately $6,000 of this award in January to pay off my loans from college. Unfortunately, the Ed Award is considered income for tax purposes, so I will be burdened with significantly higher taxes this year. In fact, I chose not to use my whole Award this year in order to split the tax burden between two years. If I had used the entire Award this year, my financial situation would surely have prevented me from meeting this tax without significant hardship.

I am working for the Boston Plan for Excellence in Education, which is a non-profit that is seeking to encourage lasting school reform in the Boston schools. Although I receive great satisfaction from this work, it does not pay that well. Since my AmeriCorps experience, I have committed myself to doing work that I feel is really making a difference, but this also means living on a tighter budget.

I know many of my friends in service have also made similar commitments to a life of service. However, our resolve can be tested by the need to pay our bills. As a graduate of Brown University with a degree in Computer Science, I could be making significantly more money in the for-profit sector, and I am often tempted to break my commitment to a life of service.

As a supporter of AmeriCorps and national service, I know you want to make it easy as possible for America's citizens to serve their country. I ask you to remove the tax on Education Awards to take a giant step forward in this effort.

Please don't hesitate to contact me if you have any additional questions. I look forward to hearing of your leadership on this issue.

Sincerely,

BRENDAN MILLER.

By Mr. REED (for himself and Mr. TORRICELLI):

S. 1821. A bill to authorize the United States to recover from a third party the value of any housing, education, or medical care or treatment furnished or paid for by the United States and provided to any victim of lead poisoning; to the Committee on the Judiciary.

THE LEAD POISONING EXPENSE RECOVERY ACT OF 1999

Mr. REED. Mr. President, I rise today to introduce legislation with my colleague Senator TORRICELLI that would give the federal government clear authority to recover from the manufacturers of lead-based paint, funds spent on the prevention and treatment of childhood lead poisoning.

Our knowledge of lead poisoning dates back to 200 BC, when the Greek physician Galen wrote "lead makes the mind give way." Benjamin Franklin knew about "the mischievous effects of lead" back when he wrote those words in 1786. In the late 19th century, scientific studies and medical reports began detailing the effects of lead on children. And by 1904, the source of those poisonings was identified as white lead paint used in housing. Queensland, Australia, was the first to ban certain applications of lead-based paint in 1922. Austria, Belgium, Bulgaria, Chile, Czechoslovakia, Estonia, France, Latvia, Poland, Romania, Spain, and Sweden followed suit in the mid-1920's. In 1978, more than a half of a century later, lead-based paint was banned in the United States.

Today, nearly one million preschoolers nationwide have excessive levels of lead in their blood; making lead poisoning the leading environmental health disease among children. Even low levels of lead exposure can cause serious injury to the developing brain and nervous system of children, lost IQ points, learning and reading disabilities, hyperactivity, and aggressive or delinquent behavior. At high levels of exposure, lead causes mental retardation, coma, convulsions and even death.

Lead-based paint in housing is the major remaining source of exposure and is responsible for most cases of childhood lead poisoning. Children contract lead poisoning when they come into contact with lead-based paint chips, contaminated soil, or dust generated from deteriorated paint. An estimated three million tons of lead still coats the walls and woodwork of American homes. Approximately half of America's housing stock, roughly 64 million units contain some lead-based paint. Twenty million of which are considered hazardous because they contain paint which is peeling, cracked, or chipped. My home state of Rhode Island has the fifth oldest housing stock in the country, and, as a result, has a lead poisoning rate that is three times the national average.

Sadly, this disease is particularly prevalent in those communities with the fewest resources to address the problem. Poor children are eight times more likely than kids from moderate and upper income families to contract lead poisoning. Yet, while lead poisoning is most prevalent in low-income communities, 20–25 percent of children who are poisoned live in middle- or upper-income homes. They were poisoned by exposure to lead released through renovation or repainting activities.

Taxpayers have already paid billions of dollars to deal with the tragic consequences of childhood lead exposure, including large expenditures for medical care, special education, and lead abatement in housing. However, what has been spent so far is barely a drop in the bucket. In Rhode Island alone, we are looking at a bill of $300 million to clean up just the most dangerous housing units. There are simply not enough grant or loan programs available. Last year, one federal lead abatement program had to turn down nine applicants for every grant it made.

Each year, we fight to make childhood lead poisoning a priority in Congress, in State legislatures, in cities, and in communities, knowing that the real solution is getting rid of the source of a child's exposure. At the same time we are frightfully aware that it could be decades longer, and millions of poisoned children later, until we finally "get the lead out."

The Rhode Island Attorney General recently filed a 10-count lawsuit against the manufacturers of lead paint and the industry's trade association. The lawsuit documents nearly a century-long record of industry culpability. The lead industry aggressively marketed its product as safe, despite knowledge of its harmful effects that were made apparent by continuous warnings from the medical community. To date, an industry that has over $30 billion in assets has yet to make a significant contribution to addressing the problems associated with its product.

Clearly, victims of lead poisoning were never given a chance, not even a warning. Parents were never told that the product they used to beautify their home could prevent their children from achieving their fullest potential. Instead, the industry fought regulations in California, New York, and Maryland that would have banned the use of lead-based paint or required the product to be labeled as poisonous. In 1954, the Board of Health of New York City proposed a sanitary code provision banning the sale of paints containing more than 1 percent lead, and requiring lead paint to be labeled as "poisonous" and not for interior use. The lead industry opposed the proposal as "unnecessary and unjustified" and unduly burdensome. Ultimately, the New York City Board of Health dropped the proposed ban of lead paint in 1955, and adopted a more narrow warning label requirement. This is only one example from an extensive record of industry wrongdoing which I believe the federal government should have the authority to address.

That is why Senator TORRICELLI and I are introducing legislation that will ensure that justice is served. Our legislation provides clear authority for the Federal government to recover the significant resources it has expended to mitigate childhood lead poisoning. This includes dollars spent on medical care and treatment, special education, and funds spent to make homes lead-safe for children. As cities and states stand up and say enough is enough, it is only appropriate for the federal government to join them in the effort to hold the industry responsible. The severity of childhood lead poisoning and the considerable expense borne by taxpayers to clean up the industry's mess demands action now. I urge my Senate colleagues to join me in supporting this legislation so that we can move aggressively towards our goal to end childhood lead poisoning. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Lead Poisoning Expense Recovery Act of 1999".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Lead poisoning is the number 1 environmental health threat to young children, affecting an estimated 890,000 children.

(2) Most children are poisoned in their homes through exposure to lead particles when lead-based paint deteriorates or is disturbed during home renovation or repainting.

(3) Lead paint remains in almost ⅔ of the housing stock of the United States.

(4) Lead poisoning may cause serious, long-term harm to children, including reduced intelligence and attention span, behavior problems, learning disabilities, and impaired growth.

(5) Research shows that children with elevated levels of lead in their blood are 7 times more likely to drop out of high school than children without elevated blood-lead levels.

(6) Children from low-income families are 8 times more likely to be poisoned by lead than children from high-income families.

(7) African-American children are 5 times more likely to be poisoned by lead than white children.

SEC. 3. SUITS BY THE UNITED STATES AUTHORIZED.

(a) IN GENERAL.—In any case in which the United States is authorized or required to furnish housing, education, or medical care or treatment to an individual who suffers from or is at risk of lead poisoning (or to pay for the housing, education, or medical care or treatment of such an individual) under circumstances creating liability upon any third party, the United States shall have the right to recover (independent of the rights of the injured or diseased individual) the value of the housing (including the cost of lead hazard evaluation and control), education, or medical care or treatment furnished or paid for by the United States before, on, or after the date of enactment of this Act.

(b) AMOUNTS RECOVERED.—Any amount recovered by the United States under subsection (a) shall be available, subject to authorization and appropriations Acts, to enhance childhood lead poisoning prevention and treatment activities, including lead hazard evaluation and control.

(c) THIRD PARTY DEFINED.—In this section, the term "third party" means any manufacturer of lead or lead compound for use in paint or any trade association that represents such a manufacturer.

(d) STATUTE OF LIMITATIONS.—No action may be brought under this section more than 6 years after the later of—

(1) the date of enactment of this Act; or

(2) the date on which the United States incurs the expense.

By Mr. McCAIN (for himself and Ms. SNOWE):

S. 1822. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that group and individual health insurance coverage and group health plans provide coverage for treatment of a minor child's congenital or developmental deformity or disorder due to trauma, infection, tumor, or disease; to the Committee on Finance.

TREATMENT OF CHILDREN'S DEFORMITIES ACT OF 1999

• Mr. McCAIN. Mr. PRESIDENT, TODAY I AM INTRODUCING LEGISLATION WITH MY COLLEAGUE, SENATOR SNOWE, to address the growing problem of HMOs denying insurance coverage for reconstructive surgery for children suffering from physical defects and deformities. This legislation would require medical plans to cover the medical procedures to reconstruct a child's appearance if they are born with abnormal structures of the body, including a cleft lip or palate.

Today, approximately seven percent of American children are born with pediatric deformities and congenital defects such as cleft lip, cleft palate, missing limbs including ears, and other facial deformities. Unfortunately, it has become commonplace for insurance companies to label reconstructive procedures to correct these deformities as cosmetic surgery and deny coverage to help these children eradicate or reduce deformities and acquire a normal appearance.

A recent survey of the American Society of Plastic and Reconstructive Surgeons indicated that over half the plastic surgeons questioned have had a pediatric patient in the last two years who has been denied, or experienced tremendous difficulty in obtaining, insurance coverage for reconstructive surgery.

It is disgraceful that many insurance companies claim that medical services to restore to a child some semblance of a normal appearance are superfluous and merely for vanity or cosmetic purposes. My colleagues may be wondering how such a ludicrous and cruel argument can be made when these procedures are clearly reconstructive in nature. Helping a child born without ears or with a cleft so severe it extends to her hairline is not cosmetic surgery.

The medical and developmental complications arise from these conditions are tremendous. Speech impediments, hearing difficulties and dental problems are a few of the physical side effects resulting from a child's physical deformity. In addition, the effect of a child's deformities on their personal development, confidence, and self-esteem and their future aspirations and achievements, is often very far reaching.

A healthy self image is vitally important to develop self esteem and confidence. How people see themselves, and how others see them, helps determine how a person feels about himself and whether he has the strength to cope with difficult challenges, including the taunting of peers and disengagement from school activities. As parents, we want our children to be armed with a healthy self esteem and confidence. The best way to guarantee that happens is to help them develop a strong and healthy self image.

At the same time, I recognize that we live in a society which places a high value on physical beauty and often unfairly uses it to measure a person's worth, ability or potential in society. It is unrealistic not to recognize the unfair obstacles facing children born with deformities if they are not provided access to medical services to help them attain a more normal physical appearance.

Some of my colleagues may know that my daughter, Bridget, whom Cindy and I adopted from Mother Theresa's orphanage in Bangladesh, was born with a severe cleft. We are fortunate to have had the means and opportunities to provide the expert medical care necessary to help Bridget physically and emotionally. However, we, too, encountered numerous obstacles and denials by our insurance providers who did not believe that Bridget's medical treatment was necessary. Fortunately, Cindy and I were able to afford the reconstructive services Bridget needed, despite denials by our health plan. Most hard-working American families are not so fortunate. That is why I am introducing this important bill to assist all American children.

This is not a new mandate that could cause health care premiums to escalate. What I am proposing simply prohibits plans from frivolously ruling that substantial, medically needed reconstructive surgeon for children to obtain a relatively normal appearance is cosmetic and refusing to pay for the procedures. This bill ensures that all children are afforded an opportunity to lead a more normal life and realize their full potential.

Mr. President, I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Treatment of Children's Deformities Act of 1999".

SEC. 2. COVERAGE OF MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

(a) GROUP HEALTH PLANS.—

(1) PUBLIC HEALTH SERVICE ACT AMENDMENTS.—

(A) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–4 et seq.) is amended by adding at the end the following new section:

"SEC. 2707. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual up to 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE.—A group health plan under this part shall comply with the notice requirement under section 713(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of this section as if such section applied to such plan.".

(B) CONFORMING AMENDMENT.—Section 2723(c) of the Public Health Service Act (42 U.S.C. 300gg–23(c)) is amended by striking "section 2704" and inserting "sections 2704 and 2707".

(2) ERISA AMENDMENTS.—

(A) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following new section:

"SEC. 714. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual up to 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE UNDER GROUP HEALTH PLAN.—The imposition of the requirements of this section shall be treated as a material modification in the terms of the plan described in section 102(a)(1), for purposes of assuring notice of such requirements under the plan; except that the summary description required to be provided under the last sentence of section 104(b)(1) with respect to such modification shall be provided by not later than 60 days after the first day of the first plan year in which such requirements apply.".

(B) CONFORMING AMENDMENTS.—

(i) Section 731(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191(c)) is amended by striking "section 711" and inserting "sections 711 and 714".

(ii) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711" and inserting "sections 711 and 714".

(iii) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 713 the following new item:

"Sec. 714. Standards relating to benefits for minor child's congenital or developmental deformity or disorder.".

(3) INTERNAL REVENUE CODE AMENDMENTS.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(A) in the table of sections, by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Standards relating to benefits for minor child's congenital or developmental deformity or disorder."; and

(B) by inserting after section 9812 the following:

"SEC. 9813. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual up to 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.".

(b) INDIVIDUAL HEALTH INSURANCE.—

(1) IN GENERAL.—Part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-41 et seq.) is amended by inserting after section 2752 the following new section:

"SEC. 2753. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual up to 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE.—A health insurance issuer under this part shall comply with the notice requirement under section 714(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) as if such section applied to such issuer and such issuer were a group health plan.".

(2) CONFORMING AMENDMENT.—Section 2762(b)(2) of the Public Health Service Act (42 U.S.C. 300gg-62(b)(2)) is amended by striking "section 2751" and inserting "sections 2751 and 2753".

(c) EFFECTIVE DATES.—

(1) GROUP MARKET.—The amendments made by subsection (a) shall apply with respect to group health plans for plan years beginning on or after January 1, 2000.

(2) INDIVIDUAL MARKET.—The amendment made by subsection (b) shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after such date.

(d) COORDINATED REGULATIONS.—Section 104(1) of Health Insurance Portability and Accountability Act of 1996 is amended by striking "this subtitle (and the amendments made by this subtitle and section 401)" and inserting "the provisions of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, the provisions of parts A and C of title XXVII of the Public Health Service Act, and chapter 100 of the Internal Revenue Code of 1986".●

By Mr. DEWINE (for himself, Mrs. MURRAY, Mr. ABRAHAM, and Mr. DODD):

S. 1823. A bill to revise and extend the Safe and Drug-Free Schools and Communities Act of 1994; to the Committee on Health, Education, Labor, and Pensions.

THE SAFE AND DRUG FREE SCHOOL AND COMMUNITIES ACT

Mr. DEWINE. Mr. President, it is no secret that drugs and violence destroy lives and families. They also can destroy entire neighborhoods and communities. More and more, our young people—our children—are being exposed to the evils of drugs and the dangers of violence. That is why I am introducing legislation today, along with my colleagues Senators DODD and MURRAY, that would reauthorize the Safe and Drug Free Schools program.

This program funds a wide range of drug education and prevention activities. Our bill, which was drafted with the assistance of community anti-drug organization representatives, would give states greater flexibility on targeting assistance to schools in need; increase accountability measures to ensure that assistance is targeted to programs that work; and improve coordination of Safe and Drug Free programs with other community-based anti-drug programs. •

Mr. President, I have dedicated a great deal of time, both in the House and the Senate, to fighting illegal drug use in this country. Way back in 1990, as a Member of the House of Representatives, I was on the National Commission on Drug Free Schools. From my experience on this Commission, and through my work on drug prevention when I was Lieutenant Governor of Ohio, I learned that school-based prevention efforts must be coordinated and consistent during a child's school years. Programs must not have gaps that leave our children vulnerable to the lure of drugs.

Throughout my efforts, I always have emphasized the importance of a balanced attack against drug use. We must win the fight against people who manufacture and grow drugs, we must put a stop to those who transport illegal drugs into, and through, this country, and we must fight against the dealers who their trade drugs on our streets and yes, even in our schools.

There are many fronts in the important battle against drugs. The Safe and Drug Free Schools program is one area where I think we can improve our efforts. I believe we should continue the Safe and Drug Free Schools Program, but increase the accountability of federally funded programs and focus limited resources on programs that demonstrate an actual reduction in drug use. We must provide parents, schools, and local communities with the resources and flexibility they need to reduce drug use among kids.

Every child deserves to live and go to school in a drug and violence-free community. Our bill helps ensure that our children have this opportunity. Congress first passed the Anti-Drug Abuse Act—the precursor to the Safe and Drug Free Schools and Communities Act—in 1986. This legislation was the product of "an aggressive, ambitious, and comprehensive anti-drug effort, which contributed to a 25% overall reduction in adolescent drug use from 1988 to 1992. Unfortunately, over the course of this decade, much of that success was lost. Youth drug use increased dramatically, including an 80% increase in marijuana use by high school seniors, an 80% increase in cocaine use, and a 100% increase in heroin use. We must reverse this trend. We have an obligation to our kids to reverse this trend.

I believe that our children's disturbing acceptance and experimentation of life-destroying drugs is due in large part to the Administration's national anti-drug strategy, which has been neither balanced nor comprehensive. Reinvesting in an improved Safe and Drug Free Schools and Communities program is a critical part of restoring effectiveness in and purpose to our national drug policy. Our legislation would be a major assault against drugs and violence in our schools and communities, by coordinating school-based programs with the broader community anti-drug effort.

Children spend more time at school than at any single place. A quality education starts with a quality educational environment. Congress can show its commitment to this goal by continuing—and improving—our investment in the Safe and Drug Free Schools and Communities Program. Specifically, our bill would increase the accountability within the program and ensure that only effective, researched-based programs receive federal funding. Also, it would provide States and Governors with greater flexibility in targeting their grants to prevent youth violence and drug use. Each state has unique drug prevention challenges and this bill provides the states with the flexibility to target funds to all of their schools, focus on those schools with the greatest drug/violence problems, or a combination of these two groups.

Our bill would increase community participation in the development and implementation of drug and violence prevention programs. Drug abuse and violence among young people is a community problem and requires a community-based solution. That's why when we drafted this bill, we worked closely with the Community Anti-Drug Coalition of America. Thanks to their input, this bill ensures that the entire community is involved in the creation and execution of programs to fight youth drug abuse and violence. It would maintain a viable program for all schools willing to conduct research-based violence and drug abuse prevention programs.

Mr. President, the threat of violence—and the reality of drug abuse—in our schools are all too real. If we get to our kids before the drug dealers do—if we have a policy of zero tolerance on drugs—America's children have a chance. I believe that the Safe and Drug Free Schools program empowers America's families and teachers with the information, training, and resources they need to help our children resist the temptation of drugs.

Over the coming months, we will be reauthorizing the Elementary and Secondary Education Act. The Safe and Drug Free is an important part of that legislation. I look forward to working on this bill and making this country's schools safer and drug free for our kids.

Mr. President, I ask unanimous consent that the bill be entered into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe and Drug-Free Schools and Communities Reauthorization Act".

SEC. 2. AMENDMENT TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

Title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.) is amended to read as follows:

"TITLE IV—SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES

"SEC. 4001. SHORT TITLE.

"This title may be cited as the 'Safe and Drug-Free Schools and Communities Act of 1994'.

"SEC. 4002. FINDINGS.

"Congress makes the following findings:

"(1) Every student should attend a school in a drug- and violence-free learning environment.

"(2) The widespread illegal use of alcohol and drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process. For example, data show that students who drink tend to receive lower grades and are more likely to miss school because of illness than students who do not drink.

"(3) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, positive school outcomes, and to reduce the demand for and illegal use of alcohol, tobacco and drugs throughout the Nation. Schools, local organizations, parents, students, and communities throughout the Nation have a special responsibility to work together to combat the continuing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

"(4) Drug and violence prevention programs are most effective when implemented within a research-based, drug and violence prevention framework of proven effectiveness.

"(5) Research clearly shows that community contexts contribute to substance abuse and violence.

"(6) Substance abuse and violence are intricately related and must be dealt with in a holistic manner.

"(7) Research has documented that parental behavior and environment directly influence a child's inclination to use alcohol, tobacco or drugs.

"SEC. 4003. PURPOSE.

"The purpose of this title is to support programs that prevent violence in and around schools and prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State, school, and community efforts and resources, through the provision of Federal assistance to—

"(1) States for grants to local educational agencies and educational service agencies and consortia of such agencies to establish, operate, and improve local programs of school drug and violence prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

"(2) States for grants to, and contracts with, community-based organizations and other public and private nonprofit agencies and organizations for programs of drug and violence prevention including community mobilization, early intervention, rehabilitation referral, and education;

"(3) States for grants to local educational agencies and educational service agencies and consortia for the development and implementation of policies that set clear and appropriate standards regarding the illegal use of alcohol, tobacco and drugs, and for violent behavior.

"(4) States for development, training, technical assistance, and coordination activities;

"(5) public and private nonprofit organizations to provide technical assistance, conduct training, demonstrations, and evaluation, and to provide supplementary services and community mobilization activities for the prevention of drug use and violence among students and youth; and

"(6) institutions of higher education to establish, operate, expand, and improve programs of school drug and violence prevention, education, and rehabilitation referral for students enrolled in colleges and universities.

"SEC. 4004. FUNDING.

"There are authorized to be appropriated—

"(1) $700,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years, for State grants under subpart 1 of part A;

"(2) $100,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years, for national programs under subpart 2 of part A; and

"(3) $75,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years, for the National Coordinator Initiative under section 4122.

"PART A—STATE GRANTS FOR DRUG AND VIOLENCE PREVENTION PROGRAMS

"Subpart 1—State Grants for Drug and Violence Prevention Programs

"SEC. 4011. RESERVATIONS AND ALLOTMENTS.

"(a) RESERVATIONS.—From the amount made available under section 4004(1) to carry out this subpart for each fiscal year, the Secretary—

"(1) shall reserve 1 percent of such amount for grants under this subpart to Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with the Secretary's determination of their respective needs;

"(2) shall reserve 1 percent of such amount for the Secretary of the Interior to carry out programs under this part for Indian youth;

"(3) may reserve not more than $1,000,000 for the national impact evaluation required by section 4117(a); and

"(4) shall reserve 0.2 percent of such amount for programs for Native Hawaiians under section 4118.

"(b) STATE ALLOTMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall, for each fiscal year, allocate among the States—

"(A) one-half of the remainder not reserved under subsection (a) according to the ratio between the school-aged population of each State and the school-aged population of all the States; and

"(B) one-half of such remainder according to the ratio between the amount each State received under part A of title I for the preceding year and the sum of such amounts received by all the States.

"(2) MINIMUM.—For any fiscal year, no State shall be allotted under this subsection an amount that is less than one-half of 1 percent of the total amount allotted to all the States under this subsection.

"(3) REALLOTMENT.—The Secretary may reallot any amount of any allotment to a State if the Secretary determines that the State will be unable to use such amount within 2 years of such allotment. Such reallotments shall be made on the same basis as allotments are made under paragraph (1).

"(4) DEFINITIONS.—In this subsection:

"(A) STATE.—The term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(B) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' includes educational service agencies and consortia of such agencies.

"(c) LIMITATION.—Amounts appropriated under this section for programs under this subpart shall not be used to carry out national programs under subpart 2.

"SEC. 4112. STATE APPLICATIONS.

"(a) IN GENERAL.—In order to receive an allotment under section 4111 for any fiscal year, a State shall submit to the Secretary, at such time as the Secretary may require, an application that—

"(1) contains a comprehensive plan for the use of funds by the State educational agency and the chief executive officer to provide safe, orderly, and drug-free schools and communities;

"(2) contains the results of the State's needs assessment for drug and violence prevention programs, which shall be based on the results of on-going State evaluation activities, including data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities and the prevalence of risk or protective factors, buffers or assets or other research-based variables in the school and community;

"(3) contains assurances that the sections of the application concerning the funds provided to the chief executive officer and the State educational agency were developed together, with each such officer or State representative, in consultation and coordination with appropriate State officials and others, including the chief State school officer, the chief executive officer, the head of the State alcohol and drug abuse agency, the heads of the State health and mental health agencies, the head of the State criminal justice planning agency, the head of the State child welfare agency, the head of the State board of education, or their designees, and representatives of parents, students, and community-based organizations;

"(4) contains an assurance that the State will cooperate with, and assist, the Secretary in conducting a national impact evaluation of programs required by section 4117(a);

"(5) contains assurances that the State education agency and the Governor will develop their respective applications in consultation with an advisory council that includes, to the extent practicable, representatives from school districts, businesses, parent organizations, youth, teachers, administrators, pupil services personnel, private schools, appropriate State agencies, community-based organization, the medical profession, law enforcement, the faith community and other groups with interest and expertise in alcohol, tobacco, drug, and violence prevention;

"(6) contains assurances that the State education agency and the Governor involve the representatives described in paragraph (4), on an ongoing basis, to review program evaluations and other relevant material and make recommendations to the State education agency and the Governor on how to improve their respective alcohol, tobacco, drug, and violence prevention programs;

"(7) contains a list of the State's results-based performance measures for drug and violence prevention, that shall—

"(A) be focused on student behavior and attitudes and be derived from the needs assessment;

"(B) include targets and due dates for the attainment of such performance measures; and

"(C) include a description of the procedures that the State will use to inform local educational agencies of such performance measures for assessing and publicly reporting progress toward meeting such measures or revising them as needed; and

"(8) includes any other information the Secretary may require.

"(b) STATE EDUCATIONAL AGENCY FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4113(a) by the State educational agency that includes—

"(1) a plan for monitoring the implementation of, and providing technical assistance regarding, the drug and violence prevention programs conducted by local educational agencies in accordance with section 4116

"(2) a description of how the State educational agency will use funds under section 4113(b);

"(3) a description of how the State educational agency will coordinate such agency's activities under this subpart with the chief executive officer's drug and violence prevention programs under this subpart and with the prevention efforts of other State agencies; and

"(4) a description of the procedures the State educational agency will use to review applications from and allocate funding to local educational agencies under section 4115.

"(c) GOVERNOR'S FUNDS.—A State's application under this section shall also contain a comprehensive plan for the use of funds under section 4114(a) by the chief executive officer that includes—

"(1) a description of how the chief executive officer will coordinate such officer's activities under this part with the State educational agency and other State agencies and organizations involved with drug and violence prevention efforts;

"(2) a description of how funds reserved under section 4114(a) will be used so as not to duplicate the efforts of the State educational agency and local educational agencies with regard to the provision of school-based prevention efforts and services and how those funds will be used to serve populations not normally served by the State educational agency, such as school dropouts and youth in detention centers;

"(3) a description of how the chief executive officer will award funds under section 4114(a) and a plan for monitoring the performance of, and providing technical assistance to, recipients of such funds;

"(4) a description of the special outreach activities that will be carried out to maximize the participation of community-based organizations of demonstrated effectiveness which provide services in low-income communities; and

"(5) a description of how funds will be used to support community-wide comprehensive drug and violence prevention planning and community mobilization activities.

"(d) PEER REVIEW.—The Secretary shall use a peer review process in reviewing State applications under this section.

"(e) INTERIM APPLICATION.—Notwithstanding any other provisions of this section, a State may submit for fiscal year 2000 a 1-year interim application and plan for the use of funds under this subpart that are consistent with the requirements of this section and contain such information as the Secretary may specify in regulations. The purpose of such interim application and plan shall be to afford the State the opportunity to fully develop and review such State's application and comprehensive plan otherwise required by this section. A State may not receive a grant under this subpart for a fiscal year subsequent to fiscal year 2000 unless the Secretary has approved such State's application and comprehensive plan in accordance with this subpart.

"SEC. 4113. STATE AND LOCAL EDUCATIONAL AGENCY PROGRAMS.

"(a) USE OF FUNDS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an amount equal to 80 percent of the total amount allocated to a State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section.

"(2) EXCEPTION.—

"(A) IN GENERAL.—If a State has, on or before January 1, 1994, established an independent State agency for the purpose of administering all of the funds described in section 5121 of this Act (as such section was in effect on the day preceding the date of the enactment of the Improving America's Schools Act of 1994), then—

"(i) an amount equal to 80 percent of the total amount allocated to such State under section 4111 for each fiscal year shall be used by the State educational agency and its local educational agencies for drug and violence prevention activities in accordance with this section; and

"(ii) an amount equal to 20 percent of such total amount shall be used by such independent State agency for drug and violence prevention activities in accordance with this section.

"(B) ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount reserved under subparagraph (A)(ii) may be used for administrative costs of the independent State agency incurred in carrying out the activities described in such subparagraph.

"(C) DEFINITION.—For purposes of this paragraph, the term 'independent State agency' means an independent agency with a board of directors or a cabinet level agency whose chief executive officer is appointed by the chief executive officer of the State and confirmed with the advice and consent of the senate of such State.

"(b) STATE LEVEL PROGRAMS.—

"(1) IN GENERAL.—A State educational agency shall use not more than 5 percent of the amount available under subsection (a) for activities such as—

“(A) training and technical assistance concerning drug and violence prevention for local educational agencies and educational service agencies, including teachers, administrators, coaches and athletic directors, other staff, parents, students, community leaders, health service providers, local law enforcement officials, and judicial officials;

“(B) the development, identification, dissemination, and evaluation of the most readily available, accurate, and up-to-date curriculum materials (including videotapes, software, and other technology-based learning resources), for consideration by local educational agencies;

“(C) making available to local educational agencies cost effective programs for youth violence and drug abuse prevention;

“(D) demonstration projects in drug and violence prevention;

“(E) training, technical assistance, and demonstration projects to address violence associated with prejudice and intolerance;

“(F) financial assistance to enhance resources available for drug and violence prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet other special needs consistent with the purposes of this subpart; and

“(G) the evaluation of activities carried out within the State under this part.

“(2) Special rule.—A State educational agency may carry out activities under this subsection directly, or through grants or contracts.

“(c) State Administration.—

“(1) In general.—A State educational agency may use not more than 4 percent of the amount reserved under subsection (a) for the administrative costs of carrying out its responsibilities under this part.

“(2) Uniform management information and reporting system.—In carrying out its responsibilities under this part, a State shall implement a uniform management information and reporting system that includes information on the types of curricula, programs and services provided by the State, Governor, local education agencies, and other recipients of funds under this title.

“(d) Local Educational Agency Programs.—

“(1) In general.—A State educational agency shall distribute not less than 91 percent of the amount made available under subsection (a) for each fiscal year to local educational agencies in accordance with this subsection.

“(2) Distribution.—A State educational agency shall distribute amounts under paragraph (1) in accordance with any one of the following subparagraphs:

“(A) Enrollment and baseline approach.—Of the amount distributed under paragraph (1), a State educational agency shall distribute—

“(i) at least 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

“(ii) not to exceed 30 percent of any amounts remaining after amounts are distributed under clause (i) to each local educational agency in an amount determined appropriate by the State education agency.

“(B) Enrollment and need approach.—Of the amount distributed under paragraph (1), a State educational agency shall distribute—

“(i) at least 70 percent of such amount in accordance with subparagraph (A)(i); and

“(ii) not to exceed 30 percent of any amounts remaining after amounts are distributed under clause (i) to local educational agencies that the State education agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this subpart.

“(C) Enrollment and combination approach.—Of the amount distributed under paragraph (1), a State educational agency shall distribute

“(i) at least 70 percent of such amount to local educational agencies, based on the relative enrollments in public and private nonprofit elementary and secondary schools within the boundaries of such agencies; and

“(ii) not to exceed 30 percent of any amounts remaining after amounts are distributed under clause (i)—

“(I) to each local educational agency in an amount determined appropriate by the State education agency; or

“(II) to local educational agencies that the State education agency determines have the greatest need for additional funds to carry out drug and violence prevention programs authorized by this subpart.

“(D) Competitive and need approach.—Of the amount distributed under paragraph (1), a State educational agency shall distribute

“(i) not to exceed 70 percent of such amount to local educational agencies that the State agency determines, through a competitive process, have the greatest need for funds to carry out drug and violence prevention programs based on criteria established by the State agency and authorized under this subpart; and

“(ii) at least 30 percent of any amounts remaining after amounts are distributed under clause (i) to local education agencies that the State agency determines have a need for additional funds to carry out the program authorized under this subpart.

“(3) Consideration of objective data.—For purposes of paragraph (2), in determining which local educational agencies have the greatest need for funds, the State educational agency shall consider objective data which may include—

“(A) high rates of alcohol or drug use among youth;

“(B) high rates of victimization of youth by violence and crime;

“(C) high rates of arrests and convictions of youth for violent or drug- or alcohol-related crime;

“(D) the extent of illegal gang activity;

“(E) high incidence of violence associated with prejudice and intolerance;

“(F) high rates of referrals of youths to drug and alcohol abuse treatment and rehabilitation programs;

“(G) high rates of referrals of youths to juvenile court;

“(H) high rates of expulsions and suspensions of students from schools;

“(I) high rates of reported cases of child abuse and domestic violence;

“(J) high rates of drug related emergencies or deaths; and

“(K) local fiscal capacity to fund drug use and violence prevention programs without Federal assistance.

“(e) Reallocation of Funds.—If a local educational agency chooses not to apply to receive the amount allocated to such agency under subsection (d), or if such agency's application under section 4115 is disapproved by the State educational agency, the State educational agency shall reallocate such amount to one or more of the local educational agencies.

“(f) Return of Funds to State Educational Agency; Reallocation.—

“(1) Return.—Except as provided in paragraph (2), upon the expiration of the 1-year period beginning on the date that a local educational agency or educational service agency under this title receives its allocation under this title—

“(A) such agency shall return to the State educational agency any funds from such allocation that remain unobligated; and

“(B) the State educational agency shall reallocate any such amount to local educational agencies or educational service agencies that have plans for using such amount for programs or activities on a timely basis.

“(2) Reallocation.—In any fiscal year, a local educational agency, may retain for obligation in the succeeding fiscal year—

“(A) an amount equal to not more than 25 percent of the allocation it receives under this title for such fiscal year; or

“(B) upon a demonstration of good cause by such agency or consortium, a greater amount approved by the State educational agency.

“SEC. 4114. GOVERNOR'S PROGRAMS.

“(a) Use of Funds.—

“(1) In general.—An amount equal to 20 percent of the total amount allocated to a State under section 4111(1) for each fiscal year shall be used by the chief executive officer of such State for drug and violence prevention programs and activities in accordance with this section.

“(2) Administrative costs.—A chief executive officer may use not more than 5 percent of the 20 percent of the total amount described in paragraph (1) for the administrative costs incurred in carrying out the duties of such officer under this section. The chief executive officer of a State may use amounts under this paragraph to award grants to State, county, or local law enforcement agencies, including district attorneys, in consultation with local education agencies or community-based agencies, for the purposes of carrying out drug abuse and violence prevention activities.

“(b) Programs Authorized.—

“(1) In general.—A chief executive officer shall use funds made available under subsection (a)(1) for grants to or contracts with parent groups, schools, community action and job training agencies, community-based organizations, community, anti-drug coalitions, law enforcement education partnerships, and other public entities and private nonprofit organizations and consortia thereof. In making such grants and contracts, a chief executive officer shall give priority to programs and activities described in subsection (c) for—

“(A) children and youth who are not normally served by State or local educational agencies; or

“(B) populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).

“(2) Peer review.—Grants or contracts awarded under this subsection shall be subject to a peer review process.

“(c) Authorized Activities.—Grants and contracts under subsection (b) shall be used to carry out the comprehensive State plan as required under section 4112(a)(1) through programs and activities such as—

“(1) disseminating information about drug and violence prevention;

“(2) training parents, law enforcement officials, judicial officials, social service providers, health service providers and community leaders about drug and violence prevention, comprehensive health education, early intervention, pupil services, or rehabilitation referral;

“(3) developing and implementing comprehensive, community-based drug and violence prevention programs that link community resources with schools and integrate services involving education, vocational and job skills training and placement, law enforcement, health, mental health, community service, mentoring, and other appropriate services;

“(4) planning and implementing drug and violence prevention activities that coordinate the efforts of State agencies with efforts of the State educational agency and its local educational agencies;

“(5) activities to protect students traveling to and from school;

“(6) before-and-after school recreational, instructional, cultural, and artistic programs that encourage drug- and violence-free lifestyles;

“(7) activities that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

“(8) developing and implementing activities to prevent and reduce violence associated with prejudice and intolerance;

“(9) developing and implementing strategies to prevent illegal gang activity;

“(10) coordinating and conducting school and community-wide violence and safety assessments and surveys;

“(11) service-learning projects that encourage drug- and violence-free lifestyles;

“(12) evaluating programs and activities assisted under this section;

“(13) developing and implementing community mobilization activities to undertake environmental change strategies related to substance abuse and violence; and

“(14) partnerships between local law enforcement agencies, including district attorneys, and local education agencies or community-based agencies.

“SEC. 4115. LOCAL APPLICATIONS.

“(a) Application Required.—

“(1) In general.—In order to be eligible to receive a distribution under section 4113(d) for any fiscal year, a local educational agency shall submit, at such time as the State educational agency requires, an application to the State educational agency for approval. Such an application shall be amended, as necessary, to reflect changes in the local educational agency's program.

“(2) Development.—

“(A) Consultation.—A local educational agency shall develop its application under subsection (a)(1) in consultation with a local or substate regional advisory council that includes, to the extent possible, representatives of local government, business, parents, students, teachers, pupil services personnel, appropriate State agencies, private schools, the medical profession, law enforcement, community-based organizations, and other groups with interest and expertise in drug and violence prevention.

“(B) Duties of advisory council.—In addition to assisting the local educational agency to develop an application under this section, the advisory council established or designated under subparagraph (A) shall, on an ongoing basis—

“(i) disseminate information about drug and violence prevention programs, projects, and activities conducted within the boundaries of the local educational agency;

“(ii) advise the local educational agency regarding—

“(I) how best to coordinate such agency's activities under this subpart with other related programs, projects, and activities; and

“(II) the agencies that administer such programs, projects, and activities; and

“(iii) review program evaluations and other relevant material and make recommendations on an active and ongoing basis to the local educational agency on how to improve such agency's drug and violence prevention programs.

“(b) Contents of Applications.—An application under this section shall contain—

“(1) an objective analysis of the current use (and consequences of such use) of alcohol, tobacco, and controlled, illegal, addictive or harmful substances as well as the violence, safety, and discipline problems among students who attend the schools of the applicant (including private school students who participate in the applicant's drug and violence prevention program) that is based on ongoing local assessment or evaluation activities;

“(2) an analysis, based on data reasonably available at the time, of the prevalence of risk or protective factors, buffers or assets or other research-based variables in the school and community;

“(3) a description of the research-based strategies and programs, which shall be used to prevent or reduce drug use, violence, or disruptive behavior, which shall include—

“(A) a specification of the objectively measurable goals, objectives, and activities for the program, which may include—

“(i) reductions in the use of alcohol, tobacco, and illicit drugs and violence by youth;

“(ii) specific reductions in the prevalence of identified risk factors; or

“(iii) specific increases in the prevalence of protective factors, buffers, or assets if any have been identified;

“(B) a specification for how risk factors, if any, which have been identified will be targeted through research-based programs; and

“(C) a specification for how protective factors, buffers, or assets, if any, will be targeted through research-based programs;

“(4) a specification for the method or methods by which measurements of program goals will be achieved;

“(5) a specification for how the evaluation of the effectiveness of the prevention program will be assessed and how the results will be used to refine, improve, and strengthen the program;

“(6) an assurance that the applicant has, or the schools to be served have, a comprehensive safe and drug-free schools plan that includes—

“(A) appropriate and effective discipline policies that prohibit disorderly conduct, the possession of firearms and other weapons, and the illegal use, possession, distribution, and sale of tobacco, alcohol, and other drugs by students;

“(B) security procedures at school and while students are on the way to and from school;

“(C) prevention activities that are designed to create and maintain safe, disciplined, and drug-free environments; and

“(D) a crisis management plan for responding to violent or traumatic incidents on school grounds; and

“(7) such other information and assurances as the State educational agency may reasonably require.

“(c) Review of Application.—

“(1) In general.—In reviewing local applications under this section, a State educational agency shall use a peer review process or other methods of assuring the quality of such applications.

“(2) Considerations.—

“(A) In general.—In determining whether to approve the application of a local educational agency under this section, a State educational agency shall consider the quality of the local educational agency's comprehensive plan under subsection (b)(6) and the extent to which the proposed plan provides a thorough assessment of the substance abuse and violence problem, uses objective data and the knowledge of a wide range of community members, develops measurable goals and objectives, and implements research-based programs that have been shown to be effective and meet identified needs.

“(B) Disapproval.—A State educational agency may disapprove a local educational agency application under this section in whole or in part and may withhold, limit, or place restrictions on the use of funds allotted to such a local educational agency in a manner the State educational agency determines will best promote the purposes of this part, except that a local educational agency shall be afforded an opportunity to appeal any such disapproval.

“SEC. 4116. LOCAL DRUG AND VIOLENCE PREVENTION PROGRAMS.

“(a) Program Requirements.—A local educational agency shall use funds received under this subpart to adopt and carry out a comprehensive drug and violence prevention program which shall—

“(1) be designed, for all students and employees, to—

“(A) prevent the use, possession, and distribution of tobacco, alcohol, and illegal drugs by students and to prevent the illegal use, possession, and distribution of such substances by employees;

“(B) prevent violence and promote school safety; and

“(C) create a disciplined environment conducive to learning;

“(2) include activities to promote the involvement of parents and coordination with community groups and agencies, including the distribution of information about the local educational agency's needs, goals, and programs under this subpart;

“(3) implement activities which include—

“(A) a thorough assessment of the substance abuse violence problem, using objective data and the knowledge of a wide range of community members;

“(B) the development of measurable goals and objectives; and

“(C) the implementation of research-based programs that have been shown to be effective and meet identified goals;

“(4) implement prevention programming activities within the context of a research-based prevention framework; and

“(5) include a description of the applicant's tobacco, alcohol, and other drug policies.

“(b) Authorized Activities.—A comprehensive drug and violence prevention program carried out under this subpart may include—

“(1) age-appropriate, developmentally based drug prevention and education programs for all students, from the preschool level through grade 12, that address the legal, social, personal and health consequences of the use of illegal drugs, promote a sense of individual responsibility, and provide information about effective techniques for resisting peer pressure to use illegal drugs;

“(2) programs of drug prevention, comprehensive health education, early intervention, pupil services, mentoring, or rehabilitation referral, which emphasize students' sense of individual responsibility and which may include—

“(A) the dissemination of information about drug prevention;

“(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, health service providers and community leaders in prevention, education, early intervention, pupil services or rehabilitation referral; and

“(C) the implementation of strategies, including strategies to integrate the delivery of services from a variety of providers, to combat illegal alcohol, tobacco and drug use, such as—

“(i) family counseling;

“(ii) early intervention activities that prevent family dysfunction, enhance school performance, and boost attachment to school and family; and

“(iii) activities, such as community service and service-learning projects, that are designed to increase students' sense of community;

“(3) age-appropriate, developmentally based violence prevention and education programs for all students, from the preschool level through grade 12, that address the legal, health, personal, and social consequences of violent and disruptive behavior, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, and that include activities designed to help students develop a sense of individual responsibility and respect for the rights of others, and to resolve conflicts without violence, or otherwise decrease the prevalence of risk factors or increase the prevalence of protective factors, buffers, or assets in the community;

“(4) violence prevention programs for school-aged youth, which emphasize students' sense of individual responsibility and may include—

“(A) the dissemination of information about school safety and discipline;

“(B) the professional development of school personnel, parents, students, law enforcement officials, judicial officials, and community leaders in designing and implementing strategies to prevent school violence;

“(C) the implementation of strategies, such as conflict resolution and peer mediation, student outreach efforts against violence, anti-crime youth councils (which work with school and community-based organizations to discuss and develop crime prevention strategies), and the use of mentoring programs, to combat school violence and other forms of disruptive behavior, such as sexual harassment and abuse; and

“(D) the development and implementation of character education programs, as a component of a comprehensive drug or violence prevention program, that are tailored by communities, parents and schools; and

“(E) comprehensive, community-wide strategies to prevent or reduce illegal gang activities and drug use;

“(5) supporting 'safe zones of passage' for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols;

“(6) acquiring and installing metal detectors and hiring security personnel;

“(7) professional development for teachers and other staff and curricula that promote the awareness of and sensitivity to alternatives to violence through courses of study that include related issues of intolerance and hatred in history;

“(8) the promotion of before-and-after school recreational, instructional, cultural, and artistic programs in supervised community settings;

“(9) other research-based prevention programming that is—

“(A) effective in reducing the prevalence of alcohol, tobacco or drug use, and violence in youth;

“(B) effective in reducing the prevalence of risk factors predictive of increased alcohol, tobacco or drug use, and violence; or

“(C) effective in increasing the prevalence of protective factors, buffers, and assets predictive of decreased alcohol, tobacco or drug use and violence among youth;

“(10) the collection of objective data used to assess program needs, program implementation, or program success in achieving program goals and objectives;

“(11) community involvement activities including community rehabilitation;

“(12) parental involvement and training; and

“(13) the evaluation of any of the activities authorized under this subsection.

“(c) LIMITATIONS.—

“(1) IN GENERAL.—Not more than 20 percent of the funds made available to a local educational agency under this subpart may be used to carry out the activities described in paragraphs (5) and (6) of subsection (b).

“(2) SPECIAL RULE.—A local educational agency shall only be able to use funds received under this subpart for activities described in paragraphs (5) and (6) of subsection (b) if funding for such activities is not received from other Federal agencies.

“(d) ADMINISTRATIVE PROVISIONS.—Notwithstanding any other provisions of law, any funds expended prior to July 1, 1995, under part B of the Drug-Free Schools and Communities Act of 1986 (as in effect prior to enactment of the Improving America's Schools Act) for the support of a comprehensive school health program shall be deemed to have been authorized by part B of such Act.

“SEC. 4117. EVALUATION AND REPORTING.

“(a) NATIONAL IMPACT EVALUATION.—

“(1) BIENNIAL EVALUATION.—The Secretary, in consultation with the National Advisory Committee, shall conduct an independent biennial evaluation of the national impact of programs assisted under this subpart and of other recent and new initiatives to combat violence in schools. The evaluation shall report on—

“(A) whether funded community and local education agency programs—

“(i) provided a thorough assessment of the substance abuse and violence problem;

“(ii) used objective data and the knowledge of a wide range of community members;

“(iii) developed measurable goals and objectives; and

“(iv) implemented a research-based program that has been show to be effective and meet identified needs;

“(B) whether funded community and local education agency programs have been designed and implemented in a manner that specifically targets, if relevant to the program—

“(i) research-based variables that are predictive of drug use or violence;

“(ii) risk factors that are predictive of an increased likelihood that young people will use drugs, alcohol or tobacco or engage in violence or drop out of school; or

“(iii) protective factors, buffers, or assets that are known to protect children and youth from exposure to risk, either by reducing the exposure to risk factors or by changing the way the young person responds to risk, and to increase the likelihood of positive youth development; and

“(C) whether funded community and local education agency programs have appreciably reduced the level of drug, alcohol and tobacco use and school violence and the presence of firearms at schools.

“(2) DATA COLLECTION.—The National Center for Education Statistics shall collect data to determine the frequency, seriousness, incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence in elementary and secondary schools in the States. The Secretary shall collect the data using, wherever appropriate, data submitted by the States pursuant to subsection (b)(2)(B).

“(3) BIENNIAL REPORT.—Not later than January 1, 2002, and every 2 years thereafter, the Secretary shall submit to the President and Congress a report on the findings of the evaluation conducted under paragraph (1) together with the data collected under paragraph (2).

“(b) STATE REPORT.—

“(1) IN GENERAL.—By October 1, 2001, and every 2 years thereafter, the chief executive officer of the State, in cooperation with the State educational agency, shall submit to the Secretary a report—

“(A) on the implementation and outcomes of State programs under section 4114 and section 4113(b) and local educational agency programs under section 4113(d), as well as an assessment of their effectiveness; and

“(B) on the State's progress toward attaining its goals for drug and violence prevention under subsections (b)(1) and (c)(1) of section 4112.

“(2) SPECIAL RULE.—The report required by this subsection shall be—

“(A) in the form specified by the Secretary;

“(B) based on the State's ongoing evaluation activities, and shall include data on the incidence and prevalence, age of onset, perception of health risk, and perception of social disapproval of drug use and violence by youth in schools and communities; and

“(C) made readily available to the public.

“(c) LOCAL EDUCATIONAL AGENCY REPORT.—

“(1) IN GENERAL.—Each local educational agency receiving funds under this subpart shall submit to the State educational agency such information that the State requires to complete the State report required by subsection (b).

“(2) AVAILABILITY.—Information under paragraph (1) shall be made readily available to the public.

“(3) PROVISION OF DOCUMENTATION.—Not later than January 1 of each year that a State is required to report under subsection (b), the Secretary shall provide to the State education agency all of the necessary documentation required for compliance with this section.

“SEC. 4118. PROGRAMS FOR NATIVE HAWAIIANS.

“(a) GENERAL AUTHORITY.—From the funds made available pursuant to section 4111(a)(4) to carry out this section, the Secretary shall make grants to or enter into cooperative agreements or contracts with organizations primarily serving and representing Native Hawaiians which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Native Hawaiians.

"(b) DEFINITION OF NATIVE HAWAIIAN.—For the purposes of this section, the term 'Native Hawaiian' means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

"Subpart 2—National Programs

"SEC. 4121. FEDERAL ACTIVITIES.

"(a) PROGRAM AUTHORIZED.—From funds made available to carry out this subpart under section 4004(2), the Secretary, in consultation with the Secretary of Health and Human Services, the Director of the Office of National Drug Control Policy, and the Attorney General, shall carry out programs to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels from preschool through the postsecondary level. The Secretary shall carry out such programs directly, or through grants, contracts, or cooperative agreements with public and private nonprofit organizations and individuals, or through agreements with other Federal agencies, and shall coordinate such programs with other appropriate Federal activities. Such programs may include—

"(1) the development and demonstration of innovative strategies for training school personnel, parents, and members of the community, including the demonstration of model preservice training programs for prospective school personnel;

"(2) demonstrations and rigorous evaluations of innovative approaches to drug and violence prevention;

"(3) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 501(d)(16) of the Public Health Service Act;

"(4) the development of curricula related to child abuse prevention and education and the training of personnel to teach child abuse education and prevention to elementary and secondary schoolchildren;

"(5) program evaluations in accordance with section 14701 that address issues not addressed under section 4117(a);

"(6) direct services to schools and school systems afflicted with especially severe drug and violence problems or to support crisis situations and appropriate response efforts;

"(7) activities in communities designated as empowerment zones or enterprise communities that will connect schools to community-wide efforts to reduce drug and violence problems;

"(8) developing and disseminating drug and violence prevention materials, including video-based projects and model curricula;

"(9) developing and implementing a comprehensive violence prevention strategy for schools and communities, that may include conflict resolution, peer mediation, the teaching of law and legal concepts, and other activities designed to stop violence;

"(10) the implementation of innovative activities, such as community service projects, designed to rebuild safe and healthy neighborhoods and increase students' sense of individual responsibility;

"(11) grants to noncommercial telecommunications entities for the production and distribution of national video-based projects that provide young people with models for conflict resolution and responsible decisionmaking;

"(12) the development of education and training programs, curricula, instructional materials, and professional training and development for preventing and reducing the incidence of crimes and conflicts motivated by hate in localities most directly affected by hate crimes; and

"(13) other activities that meet unmet national needs related to the purposes of this title.

"(b) PEER REVIEW.—The Secretary shall use a peer review process in reviewing applications for funds under this section.

"SEC. 4122. NATIONAL COORDINATOR PROGRAM.

"(a) IN GENERAL.—The Secretary shall provide for the establishment of a National Coordinator Program under which the Secretary shall award grants to local education agencies for the hiring of drug prevention and school safety program coordinators.

"(b) USE OF FUNDS.—Amounts received under a grant under subsection (a) shall be used by local education agencies to recruit, hire, and train individuals to serve as drug prevention and school safety program coordinators in schools with significant drug and school safety problems. Such coordinators shall be responsible for developing, conducting, and analyzing assessments of drug and crime problems at their schools, and administering the safe and drug free grant program at such schools.

"SEC. 4123. SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is hereby established an advisory committee to be known as the 'Safe and Drug Free Schools and Communities Advisory Committee' (referred to in this section as the 'Advisory Committee') to—

"(A) consult with the Secretary under subsection (b);

"(B) coordinate Federal school- and community-based substance abuse and violence prevention programs and reduce duplicative research or services;

"(C) develop core data sets and evaluation protocols for safe and drug free school- and community-based programs;

"(D) provide technical assistance and training for safe and drug free school- and community-based programs;

"(E) provide for the diffusion of research-based safe and drug free school- and community-based programs, and

"(F) review other regulations and standards developed under this title.

"(2) COMPOSITION.—The Advisory Committee shall be composed of representatives from—

"(A) the Department of Education,

"(B) the Centers for Disease Control and Prevention;

"(C) the National Institute on Drug Abuse;

"(D) the National Institute on Alcoholism and Alcohol Abuse;

"(E) the Center for Substance Abuse Prevention;

"(F) the Center for Mental Health Services;

"(G) the Office of Juvenile Justice and Delinquency Prevention;

"(H) the Office of National Drug Control Policy; and

"(I) State and local governments, including education agencies.

"(3) CONSULTATION.—In carrying out its duties under this section, the Advisory Committee shall annually consult with interested State and local coordinators of school- and community-based substance abuse and violence prevention programs and other interested groups.

"(b) PROGRAMS.—

"(1) IN GENERAL.—From funds made available to carry out this subpart, the Secretary, in consultation with the Advisory Committee, shall carry out research-based programs to strengthen the accountability and effectiveness of the State, Governor's, and national programs under this title.

"(2) GRANTS, CONTRACTS OR COOPERATIVE AGREEMENTS.—The Secretary shall carry out paragraph (1) directly or through grants, contracts, or cooperative agreements with public and nonprofit private organizations and individuals or through agreements with other Federal agencies.

"(3) COORDINATION.—The Secretary shall coordinate programs under this section with other appropriate Federal activities.

"(4) ACTIVITIES.—Activities that may be carried out under programs funded under this section may include—

"(A) the provision of technical assistance and training, in collaboration with other Federal agencies utilizing their expertise and national and regional training systems, for Governors, State education agencies and local education agencies to support high quality, effective programs that—

"(i) provide a thorough assessment of the substance abuse and violence problem;

"(ii) utilize objective data and the knowledge of a wide range of community members;

"(iii) develop measurable goals and objectives; and

"(iv) implement research-based activities that have been shown to be effective and that meet identified needs;

"(B) the provision of technical assistance and training to foster program accountability;

"(C) the diffusion and dissemination of best practices and programs;

"(D) the development of core data sets and evaluation tools;

"(E) program evaluations;

"(F) the provision of information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the Clearinghouse for Alcohol and Drug Abuse Information established under section 501(d)(16) of the Public Health Service Act; and

"(G) other activities that meet unmet needs related to the purposes of this title and that are undertaken in consultation with the Advisory Committee.

"SEC. 4124. HATE CRIME PREVENTION.

"(a) GRANT AUTHORIZATION.—From funds made available to carry out this subpart under section 4004(1) the Secretary may make grants to local educational agencies and community-based organizations for the purpose of providing assistance to localities most directly affected by hate crimes.

"(b) USE OF FUNDS.—

"(1) PROGRAM DEVELOPMENT.—Grants under this section may be used to improve elementary and secondary educational efforts, including—

"(A) development of education and training programs designed to prevent and to reduce the incidence of crimes and conflicts motivated by hate;

"(B) development of curricula for the purpose of improving conflict or dispute resolution skills of students, teachers, and administrators;

"(C) development and acquisition of equipment and instructional materials to meet the needs of, or otherwise be part of, hate crime or conflict programs; and

"(D) professional training and development for teachers and administrators on the causes, effects, and resolutions of hate crimes or hate-based conflicts.

"(2) IN GENERAL.—In order to be eligible to receive a grant under this section for any fiscal year, a local educational agency, or a local educational agency in conjunction with a community-based organization, shall submit an application to the Secretary in such form and containing such information as the office may reasonably require.

"(3) REQUIREMENTS.—Each application under paragraph (2) shall include—

"(A) a request for funds for the purposes described in this section;

"(B) a description of the schools and communities to be served by the grants; and

"(C) assurances that Federal funds received under this section shall be used to supplement, not supplant, non-Federal funds.

"(4) COMPREHENSIVE PLAN.—Each application shall include a comprehensive plan that contains—

"(A) a description of the hate crime or conflict problems within the schools or the community targeted for assistance;

"(B) a description of the program to be developed or augmented by such Federal and matching funds;

"(C) assurances that such program or activity shall be administered by or under the supervision of the applicant;

"(D) proper and efficient administration of such program; and

"(E) fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this section.

"(c) AWARD OF GRANTS.—

"(1) SELECTION OF RECIPIENTS.—The Secretary shall consider the incidence of crimes and conflicts motivated by bias in the targeted schools and communities in awarding grants under this section.

"(2) GEOGRAPHIC DISTRIBUTION.—The Secretary shall attempt, to the extent practicable, to achieve an equitable geographic distribution of grant awards.

"(3) DISSEMINATION OF INFORMATION.—The Secretary shall attempt, to the extent practicable, to make available information regarding successful hate crime prevention programs, including programs established or expanded with grants under this section.

"(d) REPORTS.—The Secretary shall submit to the Congress a report every two years which shall contain a detailed statement regarding grants and awards, activities of grant recipients, and an evaluation of programs established under this section.

"Subpart 3—General Provisions

"SEC. 4131. DEFINITIONS.

"In this part:

"(1) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

"(2) DRUG AND VIOLENCE PREVENTION.—The term 'drug and violence prevention' means—

"(A) with respect to drugs, prevention, early intervention, rehabilitation referral, or education related to the illegal use of alcohol and the use of controlled, illegal, addictive, or harmful substances, including inhalants and anabolic steroids;

"(B) prevention, early intervention, smoking cessation activities, or education, related to the use of tobacco by children and youth eligible for services under this title; and

"(C) with respect to violence, the promotion of school safety, such that students and school personnel are free from violent and disruptive acts, including sexual harassment and abuse, and victimization associated with prejudice and intolerance, on school premises, going to and from school, and at school-sponsored activities, through the creation and maintenance of a school environment that is free of weapons and fosters individual responsibility and respect for the rights of others.

"(3) HATE CRIME.—The term 'hate crime' means a crime as described in section 1(b) of the Hate Crime Statistics Act of 1990.

"(4) NONPROFIT.—The term 'nonprofit', as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(5) OBJECTIVELY MEASURABLE GOALS.—The term 'objectively measurable goals' means prevention programming goals defined through use of quantitative epidemiological data measuring the prevalence of alcohol, tobacco, and other drug use, violence, and the prevalence of risk and protective factors predictive of these behaviors, collected through a variety of methods and sources known to provide high quality data.

"(6) PROTECTIVE FACTOR, BUFFER, OR ASSET.—The terms 'protective factor', 'buffer', and 'asset' mean any one of a number of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, or which are grounded in a well-established theoretical model of prevention, and have been shown to prevent alcohol, tobacco, or illicit drug use, as well as violent behavior, by youth in the community, and which promote positive youth development.

"(7) RISK FACTOR.—The term 'risk factor' means any one of a number of characteristics of the community, school, family, or peer-individual domains that are known, through prospective, longitudinal research efforts, to be predictive of alcohol, tobacco, and illicit drug use, as well as violent behavior, by youth in the school and community.

"(8) SCHOOL-AGED POPULATION.—The term 'school-aged population' means the population aged five through 17, as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

"(9) SCHOOL PERSONNEL.—The term 'school personnel' includes teachers, administrators, guidance counselors, social workers, psychologists, nurses, librarians, and other support staff who are employed by a school or who perform services for the school on a contractual basis.

"SEC. 4132. MATERIALS.

"(a) 'ILLEGAL AND HARMFUL' MESSAGE.—Drug prevention programs supported under this part shall convey a clear and consistent message that the illegal use of alcohol and other drugs is illegal and harmful.

"(b) CURRICULUM.—The Secretary shall not prescribe the use of specific curricula for programs supported under this part, but may evaluate the effectiveness of such curricula and other strategies in drug and violence prevention.

"SEC. 4133. PROHIBITED USES OF FUNDS.

"No funds under this part may be used for—

"(1) construction (except for minor remodeling needed to accomplish the purposes of this part); and

"(2) medical services, drug treatment or rehabilitation, except for pupil services or referral to treatment for students who are victims of or witnesses to crime or who use alcohol, tobacco, or drugs.

"SEC. 4134. QUALITY RATING.

"(a) IN GENERAL.—The chief executive officer of each State, or in the case of a State in which the constitution or law of such State designates another individual, entity, or agency in the State to be responsible for education activities, such individual, entity, or agency, is authorized and encouraged—

"(1) to establish a standard of quality for drug, alcohol, and tobacco prevention programs implemented in public elementary schools and secondary schools in the State in accordance with subsection (b); and

"(2) to identify and designate, upon application by a public elementary school or secondary school, any such school that achieves such standard as a quality program school.

"(b) CRITERIA.—The standard referred to in subsection (a) shall address, at a minimum—

"(1) a comparison of the rate of illegal use of drugs, alcohol, and tobacco by students enrolled in the school for a period of time to be determined by the chief executive officer of the State;

"(2) the rate of suspensions or expulsions of students enrolled in the school for drug, alcohol, or tobacco-related offenses;

"(3) the effectiveness of the drug, alcohol, or tobacco prevention program as proven by research;

"(4) the involvement of parents and community members in the design of the drug, alcohol, and tobacco prevention program; and

"(5) the extent of review of existing community drug, alcohol, and tobacco prevention programs before implementation of the public school program.

"(c) REQUEST FOR QUALITY PROGRAM SCHOOL DESIGNATION.—A school that wishes to receive a quality program school designation shall submit a request and documentation of compliance with this section to the chief executive officer of the State or the individual, entity, or agency described in subsection (a), as the case may be.

"(d) PUBLIC NOTIFICATION.—Not less than once a year, the chief executive officer of each State or the individual, entity, or agency described in subsection (a), as the case may be, shall make available to the public a list of the names of each public school in the State that has received a quality program school designation in accordance with this section.".

Mrs. MURRAY. Mr. President, today I join with Senators DEWINE, DODD, and ABRAHAM to introduce a bill to reauthorize the Safe and Drug-Free Schools and Communities Act. This bill sends a strong signal to American schools and communities about the importance of creating a safe learning environment in the wake of recent tragedies in Littleton, Colorado; Springfield, Oregon; Paducah, Kentucky; and Moses Lake, Washington. It serves as a reminder that we haven't forgotten these and many other tragedies, and that the Senate recognizes all communities need funding and tools to effectively reduce violence and drug use.

The hallmark of the bill is a new emphasis on accountability for results in creating safer schools and using research-proven prevention strategies. The bill reauthorizes the Safe and Drug-Free Schools and Communities Act, and authorizes funding of $875 million to local school districts that they can use flexibly to address local needs for the prevention of violence and drug use.

In exchange, schools must invest in strategies that are shown to be effective in reducing drug use, discipline problems, and school violence.

What we've learned from recent school tragedies is that this can happen anywhere in America. No school is immune from problems, so every school community must take steps to prevent them.

We know that local educators know best how to prevent these problems, whether through offering after-school programs, or working with parent groups and law enforcement to reduce gang activity, or getting young people more involved in their community activities. This bill gives communities the tools to make a measurable difference—and recognizes that we won't prevent violence unless we all work together in partnership.

Our legislation is based on more than a year of conversations with local educators in Washington state and around the country. I have worked closely with Senators DODD, DEWINE, ABRAHAM and other Senators from both sides of the aisle to assure that we find areas of agreement early, so that we can make real progress in our discussions as we move forward. The bill emphasizes results and accountability, but gives communities flexibility to get there. Recognizing that no efforts can succeed to make young people safe and drug free—inside or outside of the classroom—without all elements of the community working together. The bill assumes collaboration and communication at all levels and across all barriers.

There are several areas where this bill does not yet reflect a full vision of how we can help schools and communities prevent violence and drug use. We need to continue working on national activities, on school safety planning, on coordination, and on other areas. We need to address the concerns of other Members who have not yet participated in the debate. However, this bill is a good, bipartisan start to the discussion, and represents Senators looking for common goals—something that needs to be brought back into the larger debate on education and our public schools.

I want to thank Senators DODD, DEWINE, and ABRAHAM and Suzanne Day from Senator DODD's office and Paul Palagyi from Senator DEWINE's office for their great work on this so far. I look forward to making continued progress in this discussion.

Mr. DODD. Mr. President, I rise today with the distinguished senior Senator from Ohio, MIKE DEWINE, to introduce legislation that will help create safe, orderly and drug-free schools for our nation's youth through the reauthorization of the Safe and Drug-Free Schools and Communities Act.

Mr. President, the need for this legislation could not be more clear. Littleton, Colorado; Paduka, Kentucky; Springfield, Oregon; Pearl, Mississippi, and Jonesboro, Arkansas—up until a year or two ago, these towns were likely to appear on a list of nice small towns in America. Today, instead, they have been inscribed on our collective memory for the horrors of what happened at each school—children shooting down other children, families in crisis and communities and a nation shattered by grief.

In the wake of each of these incidents, our nation has struggled to come to terms with the tragedies at these schools. And while many questions will never be answered, we must rededicate ourselves to making our schools safe for learning and to reassuring parents and students that schools are a safe haven. We clearly have a long way to go in this effort.

Statistics suggest that there has been some improvement in many areas in recent years, but clearly violence and drug and alcohol abuse remain all too pervasive in our children's lives.

Nationwide, from 1992–1994, 63 students ages 5 through 19 were murdered at school in 25 different states in communities of all sizes. In my own state of Connecticut alone, there were 1,532 juvenile (ages 10–17) crime arrests made from 1993–1994, illustrating the large number of youth involved in some form of crime.

With regard to substance abuse, by 12th grade, more than three-fourths of students have used alcohol in their lifetime and more than 50% have tried an illicit drug. At any given time, 52% of 12th graders report being current drinkers and 25% report being current illicit drug users. In Connecticut, in 1993, 31% of eighth and tenth grade students reported having used alcohol in the past 30 days. Not only do youth substance abuse and violence harm our children, but they also drain our communities' valuable resources. According to some analyses, the total economic costs related to substance abuse added up to $377 billion in 1995, and the costs of crime directly attributed to drug abuse added up to $59 billion.

These are all alarming statistics, and even more so when the interplay between violence and substance abuse is considered. For instance, there is compelling evidence that aggressive behavior is linked to frequency of marijuana use. Both youth violence and youth substance abuse are pressing matters in need of our attention.

The Safe and Drug-Free Schools and Communities Act is the leading federal program in this area. This program, funded at $566 million for FY1999, currently reaches 97 percent of school districts and provides flexible support for primary prevention activities like conflict resolution, peer mediation, and after school activities, as well as assistance in purchasing security equipment that has become so common in our schools. This program also supports prevention activities aimed at substance abuse among our youth. There have been some who have raised concerns that this program has not adequately accomplished its goals, in that youth violence and substance abuse rates remain high. I agree that those rates are still too high. But the proper response is to strengthen, no diminish, our commitment to assisting local schools in their efforts.

And let me hasten to add that there has, in fact, been progress. For instance, in the area of youth substance abuse, a 1998 national survey of student drug use in grades 8, 10, and 12 demonstrated that alcohol use slightly declined in grades 8 and 10, from prior years. And, after six years of steady increases, drug use among students was found to have declined and student opposition to drug use has increased. The proportion of students who reported use of illicit drugs during the 12 months prior to the survey declined at all three grade levels.

With regard to violence, a 1997 study found that 90 percent of public schools reported no incidents of serious violent crime to the police and less than half (43 percent) reported no crime at all. Over the past five years, school crime generally has decreased, as has the number of students being expelled for bringing a firearm to school. Fewer kids, in fact, brought weapons to school in 1997 than in 1993. The Centers for Disease Control report that between 1991 and 1997, the number of students involved in a physical fight decreased by 14 percent, and the number of kids carrying a weapon to school decreased by 30 percent.

Thus, the SDFSCA has made gains in providing students with safe and drug-free learning environments. The legislation we have introduced today will build on these successes. The program will continue to offer states and local districts significant flexibility. We have also added strong new accountability measures. States will have the option of targeting dollars to areas of greater need, providing them with a higher concentration of resources. State and school districts will work together in the development of a common plan with shared goals and measures of progress. Funded activities will be tied to these plans and will be required to be based on community needs assessments and to follow strategies found to demonstrate success through rigorous study. In addition, districts and schools participating in SDFSCA will be guided by a school safety plan to ensure coordinated, effective programs.

Clearly, this legislation is just the first step. Senator DEWINE and I, along with Senators MURRAY and ABRAHAM, will work with the other members of the Health, Education, Labor and Pensions Committee, other colleagues, and other interested in this important effort to continue to improve this bill as we craft the reauthorization of the Elementary and Secondary Education Act. I am interested in particular in looking more closely at the idea of a National School Safety Center, which I believe could provide districts and schools with invaluable advice and services as they struggle to confront violence in their schools. A related idea is the one proposed by the Administration to authorize Project SERV to assist schools when there is a sudden and serious event at the school. In addition, I think we should work at additional ways to strengthen interagency cooperation, including developing and funding initiatives like the Safe Schools/Healthy Students program that is making such a difference in my state and so many others. Finally, I am very interested in considering ways to support prevention very early on in children's life through character education and training of parents, preschool teachers and other professionals in violence prevention.

Mr. President, I want to thank Senator DEWINE for his leadership, commitment and involvement in this issue, as well as Senator MURRAY with whom we have worked very closely over the past few months. I am very pleased to co-sponsor this bill with such dedicated leaders, and I look forward to working with them and other of our colleauges for its enactment.

By Mr. BREAUX (for himself and Mr. GORTON):

S. 1824. A bill to amend the Communications Act of 1934 to enhance the efficient use of spectrum by non-federal government users; to the Committee on Commerce, Science, and Transportation.

PRIVATE WIRELESS SPECTRUM USE ACT

- Mr. BREAUX. Mr. President, I am pleased to join the Senator from Washington, Mr. GORTON, in introducing the Private Wireless Spectrum Use Act. This legislation will help the more than 300,000 U.S. companies, both large and small, that have invested $25 billion in internally owned and operated wireless communications systems. It will provide these companies with critically needed spectrum and will do so through an equitable lease fee system.

The private wireless communications community includes industrial, land transportation, business, educational, and philanthropic organizations that own and operate communications systems for their internal use. The top 10 U.S. industrial companies have more than 6,000 private wireless licenses. Private wireless systems also serve America's small businesses in the utility, contracting, taxi, and livery industries.

These internal-use communications facilities greatly enhance the quality of American life. They also support global competitiveness for American firms. For example, private wireless systems support: the efficient production of goods and services; the safe transportation of passengers and products by land and air; the exploration, production, and distribution of energy; agricultural enhancement and production; the maintenance and development of America's infrastructure; and compliance with various local, State, and Federal operational government statutes.

Current regulatory policy inadequately recognizes the public interest benefits which private wireless licensees provide to the American public. Consequently, allocations of spectrum to these private wireless users have been deficient. Private wireless entities received spectrum in 1974 and 1986 when the FCC allocated channels in the 800 megahertz and 900 megahertz bands. Over time, however, the FCC has significantly reduced the number of channels available to industrial and business entities in those allocations. Private wireless entities now have access to only 299 channels, or 32 percent of the channels of the original allocation.

Spectrum auctions have done a great job of speeding up the licensing of interpersonal communications services and have generated significant revenues for the U.S. Treasury. They have also unfortunately skewed the spectrum allocation process toward subscriber-based services and away from critical radio services such as private wireless which are exempted from auctions. Nearly 200 megahertz of spectrum has been allocated for the provision of commercial telecommunications services, virtually all of which has been assigned by the FCC through competitive bidding.

Competitive bidding is not the proper assignment methodology for private wireless telecommunications users. Private wireless operations are site-specific systems which vary in size based on a user's particular needs, and are seldom mutually exclusive from other private wireless applicants. Auctions, which depend on mutually exclusive applications and use market areas based on population, simply cannot be designed for private wireless systems.

Under this legislation, the FCC would allocate no less than 12 megahertz of new spectrum for private wireless use as a measure to maintain our industrial and business competitiveness in the global arena, as well as to protect the welfare of the employees in the American workplace. Research indicates that private wireless companies are willing to pay a reasonable fee in return for use of spectrum. They recognize that their access to spectrum increases with their willingness to pay fair value for the use of this national asset.

This bill grants the FCC legislative authority to charge efficiency-based spectrum lease fees in this new spectrum allocation. These lease fees should encourage the efficient use of spectrum by the private wireless industry, generate recurring annual revenues as compensation for the use of spectrum, and retain spectrum ownership by the public. Furthermore, the fee should be easy for private frequency advisory committees to calculate and collect.

Mr. President, there may be some who believe this bill does not adequately address all their concerns. I assure all interested parties that I will work with them through the legislative process to address their concerns. I urge my colleagues to join me in supporting this bill and ask that the full text of the bill be printed in the RECORD.

The bill follows:

S. 1824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Private Wireless Spectrum Use Act.".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Competent management of the electromagnetic radio spectrum includes continued availability of spectrum for private wireless entities because of such entities' unique ability to achieve substantial efficiencies in their use of this important and finite public resource. A private wireless system licensee or entity is able to customize communications systems to meet the individual needs of that licensee or end user while using engineering solutions and other cooperative arrangements to share spectrum with other private system licensees and entities without causing harmful interference or other degradation of quality or reliability to such other licensees or entities. Accordingly, spectrum allocations for the shared use of private wireless systems achieve a high level of spectrum use efficiency and contribute to the economic and social welfare of the United States.

(2) Wireless communication systems dedicated to the internal communication needs of America's industrial, land transportation, energy (including utilities and pipelines), and other business enterprises are critical to the competitiveness of American industry and business in international commerce; increase corporate productivity; enhance the safety and welfare of employees; and improve the delivery of products and services to consumers in the United States and abroad.

(3) During the past decade, the Federal Communications Commission allocation and licensing policies have led to dramatic increases in spectrum available for commercial mobile radio services while the spectrum available for private mobile radio systems has decreased, even though the Commission recognizes the spectrum use efficiencies and other public benefits of such private systems and the substantial increases in the use of such systems.

(4) Spectrum auctions are designed to select among competing applications for spectrum licenses when engineering solutions,

negotiation, threshold qualifications, service regulations, and other cooperative means employed by the Commission are not able to prevent mutual exclusivity among such applications. Private wireless systems, on the other hand, avoid mutual exclusivity through cooperative, multiple uses generally achieved by the Commission, the users, or the frequency advisory committees. Accordingly, the requirements of such private wireless systems are accommodated within the spectrum bands allocated for private uses. Since there is no mutual exclusivity among private wireless system applications, there is no need for the Commission to employ a mechanism, such as auctions, to select among applications. Auction valuation principles also do not apply to the private wireless licensing process because the private wireless spectrum is not used on a commercial, interconnected basis. Rather, such private allocations are used for internal communications applications to enhance safety, efficiency and productivity. Nonetheless, there should be some payment associated with the assignment of new private wireless spectrum, and the Commission can and should develop a payment mechanism for this purpose.

SEC. 3. DEFINITIONS.

Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended—

(1) by redesignating paragraphs (33) through (52) as paragraph (35) through (54); and

(2) by inserting after paragraph (32) the following:

"(33) Private Wireless System.—The term 'private wireless system' means an infrastructure of telecommunications equipment and customer premises equipment that is owned by, and operated solely to meet the internal wireless communication needs of, an industrial, business, transportation, education, or energy (including utilities and pipelines) entity, or other licensee.

"(34) Private Wireless Provider.—The term 'private wireless provider' means an entity that owns, operates, or manages an infrastructure of telecommunications equipment and customer premises equipment that is—

"(A) used solely for the purpose of meeting the internal communications needs of another entity that is an industrial, business, transportation, education, or energy (including utilities and pipelines) entity, or similar end-user;

"(B) neither a commercial mobile service (as defined in section 332(d)(1)) nor used to provide public safety services (as defined in section 337(f)(1)); and

"(C) not interconnected with the public switched network.".

SEC. 4. ALLOCATION AND ASSIGNMENT OF ADDITIONAL SPECTRUM.

Part I of title III of the Communications Act of 1934 (47 U.S.C. 301) is amended by inserting after section 337 the following:

"SEC. 338. ALLOCATION AND ASSIGNMENT OF SPECTRUM FOR PRIVATE WIRELESS USES.

"(a) Rulemaking Required.—Within 120 days after the date of enactment of the Private Wireless Spectrum Use Act, the Commission shall initiate a rulemaking designed to identify and allocate at least 12 megahertz of electromagnetic spectrum located between 150 and 2,000 megahertz for use by private wireless licensees on a shared-use basis. The new spectrum proposed to be reallocated shall be available and appropriate for use by private wireless communications systems and shall accommodate the need for paired allocations and for proximity to existing private wireless spectrum allocations. In accommodating the various private wireless system needs in this rulemaking, the Commission shall reserve at least 50 percent of the reallocated spectrum for the use of private wireless systems. The remaining reallocated spectrum shall be available for use by private wireless providers solely for the purpose described in section 3(34)(A).

"(b) Order Required.—Within 180 days after the Commission initiates the rulemaking required by subsection (a), the Commission, in consultation with its frequency advisory committees, shall—

"(1) issue an order reallocating spectrum in accordance with subsection (a); and

"(2) issue licenses for the reallocated spectrum in a timely manner.".

SEC. 5. REIMBURSEMENT FOR ADDITIONAL SPECTRUM ALLOCATED FOR PRIVATE WIRELESS SYSTEM USE.

Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309 (j)) is amended by inserting after paragraph (14) the following:

"(15) Spectrum efficiency for shared spectrum.—

"(A) Within 120 days after the date of enactment of the Private Wireless Spectrum Use Act, the Commission shall initiate a rulemaking to devise a schedule of payment to the Treasury by private wireless systems, and by private wireless providers for the purpose described in section 3(34)(A), in return for a license or other ability to use a portion of the spectrum reallocated under section 338. The schedule shall be designed to promote the efficient use of those frequencies.

"(B) Within 180 days after the Commission initiates the rulemaking required by subparagraph (A), the Commission, after consultation with its frequency advisory committees and after opportunity for comment, shall adopt a schedule of payment in accordance with subparagraph (A) and which it determines to be in the public interest.

"(C) In adopting the schedule of payments referred to in subparagraph (A), the Commission—

"(i) may not base a finding of public interest, convenience, and necessity on the expectation of Federal revenues for the use of such schedule of payment; and

"(ii) shall take into account the private nature of the systems, the safety and efficiencies realized by the public as a result of these private uses, the amount of bandwidth and coverage area and geographic location of the license, and the degree of frequency-sharing.".

SEC. 6. SPECTRUM SHARING

Section 309(j)(6) of the Communications Act of 1934 (47 U.S.C. 309(j)(6)) is amended—

(1) by striking "or" at the end of subparagraph (G);

(2) by striking "Act." in subparagraph (H) and inserting "Act; or"; and

(3) by adding at the end the following:

"(I) be construed to permit the Commission to take any action to create mutual exclusivity where it does not already exist."

SEC. 7. CONFORMING AND TECHNICAL AMENDMENTS.

(a) Private Mobile Service.—Section 332(d) of the Communications Act of 1934 (47 U.S.C. 332(d)) is amended—

(1) by inserting "and" after the semicolon in paragraph (1);

(2) by striking "(c)(1)(B); and" in paragraph (2) and inserting "(c)(1)(B)."; and

(3) by striking paragraph (3).

(b) Application of Spectrum-use Payment Schedule to New Licenses.—Section 337(a)(2) of the Communications Act of 1934 (47 U.S.C. 337(a)(2)) is amended by inserting "or spectrum use payment schedule" after "competitive bidding".

(c) Exemption from Competitive Bidding.—Section 309(j)(2) of the Communications Act of 1934 (47 U.S.C. 309(j)(2)) is amended—

(1) by striking "or" at the end of subparagraph (B);

(2) by striking "Act." in subparagraph (C) and inserting "Act; or"; and

(3) by adding at the end thereof the following:

"(D) for private wireless systems, and for private wireless providers for the purpose described in section 3(34)(A), that—

"(i) are used to enhance the productivity or safety of business or industry; and

"(ii) are not made commercially available to the public, except for that purpose.".

(d) Technical Amendment.—Section 271(c)(1)(A) of the Communications Act of 1934 (47 U.S.C. 271(c)(1)(A)) is amended by striking "3(47)(A)," and inserting "3(49)(A),".●

● Mr. GORTON. Mr. President, I am pleased to join my colleague from Louisiana, Senator Breaux, in introducing a bill to rationalize the federal management of spectrum that is used by entities for their internal wireless communication needs. The legislation does essentially three things. First, it recognizes that auctions are not an appropriate means of allocating spectrum for these private users, and so exempts from auction that spectrum that is used for private wireless applications. Second, it directs the FCC to reallocate an additional 12 megahertz of spectrum to private wireless users, who, over the years, and despite the efficiencies they have obtained through shared use, have lost spectrum and currently do not have enough to meet demands in some areas. Third, the legislation authorizes the FCC to collect lease fees for the use of the 12 MHZ to be reallocated.

One of the biggest challenges in preparing this bill, Mr. President, has been to define the class of beneficiaries, that is, to identify what is a "private wireless" system. The definition in the measure we are introducing today may not be perfect, and I look forward to working with all interested parties to ensure that the definition covers the appropriate class of users. The intent, however, and one that I believe is captured in the current definition, is that we recognize that there are thousands of corporations, utilities, farmers, and other entities, that use spectrum purely for their internal communication needs, with applications that range from reading utility meters from a distance, to operating sprinkler or irrigation systems, to communicating over hand-held radios in the middle of the woods, a factory floor, or a construction site. This use of the spectrum, Mr. President, is economically vital to our economy, as it enhances the productivity of all of these users and, in many cases, makes their operations possible.

A distinguishing characteristic of private wireless users, and a reason that we are proposing that they be treated differently than other spectrum users, is that the private wireless users' application of the spectrum is often specifically tailored to the needs of that user, that is, it is a unique application that is not offered by commercial wireless providers.

Currently, private wireless users are licensed on a site-by-site basis by the FCC. Their license applications are coordinated by spectrum managers who attempt to maximize the efficiency of the spectrum and eliminate mutually exclusive applications by requiring that the spectrum be shared by multiple users. In this way, hundreds of different users can and do operate their internal wireless communications systems within a given geographic area. When the users' needs change, as they frequently do, as companies open new production facilities, begin work at new construction sites, or extend their service area, the spectrum coordinators, (spectrum allowing), will propose a new sharing arrangement and obtain a new site-specific license for the user.

The geographic based auction concept that the FCC is currently proposing for some of the spectrum now being used by private wireless, makes little sense for these private users. Unlike a commercial wireless provider, whose service must be operational within the entirety of a broad geographical license area, an individual private wireless user may require use of the spectrum only at single site within the area proposed to be auctioned. Moreover, private wireless system users are not in the business of providing communications services, and don't want to be—so it is not in their interest to acquire, through auction, exclusive rights to the use of spectrum in a large fixed geographic area, when they will use only a small fraction of it, their site may change, and they lack both the expertise or the desire to rent out what they do not need.

Recognizing that auctions are ill-suited as a means of allocating spectrum to private wireless users, however, is not to say that the public should receive no compensation for the use of this public resource. Unfortunately, the desire to raise revenue from the sale of spectrum appears to have overtaken the need to ensure that spectrum is used efficiently and that current, economically valuable applications, are not disrupted by a rush to sell in order to raise revenue. The proposal in this measure to allow the Federal Communications Commission to collect lease fees for the use of private wireless spectrum is, I believe, a way to reintroducing some rationality into our spectrum management policies, while ensuring a return for the taxpayer.

The legislation we are introducing today, Mr. President, is not a final product. It stakes out, however, a very important claim, and that is the importance of the private wireless spectrum users to the smooth and efficient operation of our economy. I look forward to working with all interested parties to improve, and pass swiftly, this important measure.●

By Mr. ROCKEFELLER:

S. 1825. A bill to empower telephone consumers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE PHONE BILL FAIRNESS ACT

Mr. ROCKEFELLER. Mr. President, I rise today to introduce the Phone Bill Fairness Act. I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Phone Bill Fairness Act".

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Customer bills for telecommunications services are unreasonably complicated, and many Americans are unable to understand the nature of services provided to them and the charges for which they are responsible.

(2) One of the purposes of the Telecommunications Act of 1996 (Public Law 104–104) was to unleash competitive and market forces for telecommunications services.

(3) Unless customers can understand their telecommunications bills they cannot take advantage of the newly competitive market for telecommunications services.

(4) Confusing telecommunications bills allow a small minority of providers of telecommunications services to commit fraud more easily. The best defense against telecommunications fraud is a well informed consumer. Consumers cannot be well informed when their telecommunications bills are incomprehensible.

(5) Certain providers of telecommunications services have established new, specific charges on customer bills commonly known as "line-item charges".

(6) These line-item charges have proliferated and are often described with inaccurate and confusing names.

(7) These line-item charges have generated significant confusion among customers regarding the nature and scope of universal service and of the fees associated with universal service.

(8) The National Association of Regulatory Utility Commissioners adopted a resolution in February 1998 supporting action by the Federal Communications Commission to require interstate telecommunications carriers to provide accurate customer notice regarding the implementation and purpose of end-user charges for telecommunications services.

(b) PURPOSE.—It is the purpose of this Act to require the Federal Communications Commission and the Federal Trade Commission to protect and empower consumers of telecommunications services by assuring that telecommunications bills, including line-item charges, issued by telecommunications carriers nationwide are both accurate and comprehensible.

SEC. 3. INVESTIGATION OF TELECOMMUNICATIONS CARRIER BILLING PRACTICES.

(a) INVESTIGATION.—

(1) REQUIREMENT.—The Federal Communications Commission and the Federal Trade Commission shall jointly conduct an investigation of the billing practices of telecommunications carriers.

(2) PURPOSE.—The purpose of the investigation is to determine whether the bills sent by telecommunications carriers to their customers accurately assess and correctly characterize the services received and fees charged for such services, including any fees imposed as line-item charges.

(b) DETERMINATIONS.—In carrying out the investigation under subsection (a), the Federal Communications Commission and the Federal Trade Commission shall determine the following:

(1) The prevalence of incomprehensible or confusing telecommunications bills.

(2) The most frequent causes for confusion on telecommunications bills.

(3) Whether or not any best practices exist, which, if utilized as an industry standard, would reduce confusion and improve comprehension of telecommunications bills.

(4) Whether or not telecommunications bills that impose fees through line-item charges characterize correctly the nature and basis of such fees, including, in particular, whether or not such fees are required by the Federal Government or State governments.

(c) REVIEW OF RECORDS.—

(1) AUTHORITY.—For purposes of the investigation under subsection (a), the Federal Communications Commission and the Federal Trade Commission may obtain from any telecommunications carrier any record of such carrier that is relevant to the investigation, including any record supporting such carrier's basis for setting fee levels or percentages.

(2) USE.—The Federal Communications Commission and the Federal Trade Commission may use records obtained under this subsection only for purposes of the investigation.

(d) DISCIPLINARY ACTIONS.—

(1) IN GENERAL.—If the Federal Communications Commission or the Federal Trade Commission determines as a result of the investigation under subsection (a) that the bills sent by a telecommunications carrier to its customers do not accurately assess or correctly characterize any service or fee contained in such bills, the Federal Communications Commission or the Federal Trade Commission, as the case may be, may take such action against such carrier as such Commission is authorized to take under law.

(2) CHARACTERIZATION OF FEES.—If the Federal Communications Commission or the Federal Trade Commission determines as a result of the investigation under subsection (a) that a telecommunications carrier has characterized a fee on bills sent to its customers as mandated or otherwise required by the Federal Government or a State and that such characterization is incorrect, the Federal Communications Commission or the Federal Trade Commission, as the case may be, may require the carrier to discontinue such characterization.

(3) ADDITIONAL ACTIONS.—If the Federal Communications Commission or the Federal Trade Commission determines that such Commission does not have authority under

law to take actions under paragraph (1) that would be appropriate in light of a determination described in paragraph (1), the Federal Communications Commission or the Federal Trade Commission, as the case may be, shall notify Congress of the determination under this paragraph in the report under subsection (e).

(e) REPORT.—Not later than one year after the date of the enactment of this Act, the Federal Communications Commission and the Federal Trade Commissions shall jointly submit to Congress a report on the results of the investigation under subsection (a). The report shall include the determination, if any, of either Commission under subsection (d)(3) and any recommendations for further legislative action that such Commissions consider appropriate.

SEC. 4. TREATMENT OF MISLEADING TELECOMMUNICATIONS BILLS AND TELECOMMUNICATIONS RATE PLANS.

(a) FEDERAL TRADE COMMISSION.—The Federal Trade Commission shall treat any telecommunications billing practice or telecommunications rate plan that the Commission determines to be intentionally misleading as an unfair business practice under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(b) FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall, upon finding that any holder of a license under the Commission has repeatedly and intentionally engaged in a telephone billing practice, or has repeatedly and intentionally utilized a telephone rate plan, that is misleading, treat such holder as acting against the public interest for purposes of the Communications Act of 1934 (47 U.S.C. 151 et seq.).

SEC. 5. REQUIREMENTS FOR ALL BILLS FOR TELECOMMUNICATIONS SERVICES.

(a) AVERAGE PER MINUTE RATE CALCULATION.—Each telecommunications carrier shall display on the first page of each customer bill for telecommunications services the average per-minute charge of telecommunications services of such customer for the billing period covered by such bill.

(b) CALLING PATTERNS.—Each telecommunications carrier shall display on the first page of each customer bill for telecommunications services the percentage of the total number of telephone calls of such customer for the billing period covered by such bill as follows:

(1) That began on a weekday.

(2) That began on a weekend.

(3) That began from 8 a.m. to 8 p.m..

(4) That began from 8:01 p.m. to 7:59 a.m..

(5) That were billed to a calling card.

(c) AVERAGE PER-MINUTE CHARGE DEFINED.—In this section, the term "average per-minute charge", in the case of a bill of a customer for a billing period, means—

(1) the sum of—

(A) the aggregate amount of monthly or other recurring charges, if any, for telecommunications services imposed on the customer by the bill for the billing period; and

(B) the total amount of all per-minute charges for telecommunications services imposed on the customer by the bill for the billing period; divided by

(2) the total number of minutes of telecommunications services provided to the customer during the billing period and covered by the bill.

SEC. 6. REQUIREMENTS FOR TELECOMMUNICATIONS CARRIERS IMPOSING CERTAIN CHARGES FOR SERVICES.

(a) BILLING REQUIREMENTS.—Any telecommunications carrier shall include on the bills for telecommunications services sent to its customers the following:

(1) An accurate name and description of any covered charge.

(2) The recipient or class of recipients of the monies collected through each such charge.

(3) A statement whether each such charge is required by law or collected pursuant to a requirement imposed by a governmental entity under its discretionary authority.

(4) A specific explanation of any reduction in charges or fees to customers, and the class of telephone customer that such reduction, that are related to each such charge.

(b) UNIVERSAL SERVICE CONTRIBUTIONS AND RECEIPTS.—Not later than January 31 each year, each telecommunications carrier required to contribute to universal service during the previous year under section 254(d) of the Communications Act of 1934 (47 U.S.C. 254(d)) shall submit to the Federal Communications Commission a report on following:

(1) The total contributions of the carrier to the universal service fund during the previous year.

(2) The total receipts from customers during such year designed to recover contributions to the fund.

(c) ACTION ON UNIVERSAL SERVICE CONTRIBUTIONS AND RECEIPTS DATA.—

(1) REVIEW.—The Federal Communications Commission shall review the reports submitted to the Commission under subsection (b) in order to determine whether or not the amount of the contributions of a telecommunications carrier to the universal service fund in any year is equal to the amount of the receipts of the telecommunications carrier from its customers in such year for purposes of contributions to the fund.

(2) ADDITIONAL CONTRIBUTIONS.—If the Commission determines as a result of a review under paragraph (1) that the amount of the receipts of a telecommunications carrier from its customers in a year for purposes of contributions to the universal service fund exceeded the amount contributed by the carrier in such year to the fund, the Commission shall have the authority to require the carrier to deposit in the fund an amount equal to the amount of such excess.

(d) COVERED CHARGES.—For purposes of subsection (a), a covered charge shall include any charge on a bill for telecommunications services that is separate from a per-minute rate charge, including a universal service charge, a subscriber line charge, and a presubscribed interexchange carrier charge.

SEC. 7. TELECOMMUNICATIONS CARRIER DEFINED.

In this Act, the term "telecommunications carrier" has the meaning given that term in section 3(44) of the Communications Act of 1934 (47 U.S.C. 153(44)).

By Mr. MURKOWSKI:

S. 1826. A bill to provide grants to the State of Alaska for the purpose of assisting that State in fulfilling its responsibilities under sections 803, 804, and 805 of the Alaska National Interest Lands Conservation Act, and for other purposes; to the Committee on Energy and Natural Resources.

● Mr. MURKOWSKI. Mr. President, today I rise to introduce legislation regarding the State of Alaska's sovereign right to manage its fish and game resources. It is a sad day that I come to the floor of the United States Senate to inform my colleagues that for the first time since Alaska became a state it no longer has sole authority to manage its fisheries on federal lands.

For everyone of my colleagues their respective states right to manage fish and game is absolute—every state but Alaska manages all its own fish and game. As of October 1, in Alaska, this is not the case, and therefore, action must be taken to try and provide the opportunity for the state to regain this authority back as swiftly as possible.

Some background is in order here.

When Congress passed the Alaska National Interest Lands Conservation Act (ANILCA) in 1980, Title VIII required the State of Alaska to provide a rural subsistence hunting and fishing preference on federal "public lands." If the State fails to provide the required preference by State statute, the law provided that the federal government would step in to manage the subsistence uses of fish and game resources on federal lands.

The Alaska State Legislature passed such a subsistence preference law in 1978 which was upheld by referendum in 1982. The law was slightly revised in 1986, and remained on the books until it was struck down by the Alaska Supreme Court in 1989 as unconstitutional because of the Alaska Constitution's common use of fish and game clause. It is easy to see how there would be a conflict between a federal law that requires the state to provide a preference for rural Alaskans for fish and game resources and a state constitution that provides for equal access. When the state statutes were struck down, the Secretary of the Interior and the Secretary of Agriculture, for Forest Service lands, took over management of fish and game resources on federal public lands in Alaska.

For the most part the early focus was on game management and little was done to impact Alaska's fisheries. That all changed in 1995 when a decision by the Ninth Circuit Court of Appeals in Katie John v. United States extended the law far beyond its original scope to apply not just to "federal lands" but to navigable waters owned by the State of Alaska. Hence State and private lands were impacted too. The theory espoused by the Court was that the "public lands" includes navigable waters in which the United States has reserved water rights. If implemented, the courts decision would mean all fisheries in Alaska could effectively be managed by the federal government. In April of 1996, the Departments of the Interior and Agriculture published an "Advance Notice of Proposed Rulemaking" which identified about half of the state as subject to federal authority to regulate fishing activities.

These regulations were so broad they could have affected not only fishing activities, but virtually all activities on state and federal lands that may have an impact on subsistence uses. There is no precedent in any other State in the Union for this kind of overreaching into State management prerogatives. For that reason Congress acted in 1996 to place a moratorium on the federal government from implementing those regulations and assuming control of Alaska's fisheries. This moratorium was provided mainly to allow the State time to make appropriate changes to the constitution and relevant statutes in order to comply with the federal law. The moratorium was extended three times by Congress and just recently expired October 1, 1999.

The Governor, and the majority of the State legislators have worked to try and resolve this issue by adopting an amendment to the State constitution that would allow them to pass State statutes to come into compliance with the federal law and provide a subsistence priority. Unfortunately, the State of Alaska's Constitution is not easily amended and these efforts have fallen short of the necessary votes needed to place the issue before the Alaska voters. In fact, in the most recent special session a majority of the legislators voted to do just this. Unfortunately they were just two votes shy in the State Senate of the 2/3 majority needed to place the necessary amendment before the voters.

With the failure of the legislature to place a constitutional amendment on the ballot prior to October 1, 1999, we now find ourselves in a situation where the federal government has assumed control of subsistence fisheries in Alaska. Therefore, absent a lawsuit or major change to federal law, the only way the State can now regain management of the subsistence fisheries is if the Secretary were to certify that the citizens of Alaska voted on, and approved, a constitutional amendment and the State Legislature had approved appropriate State statutes to conform with ANILCA. Under the most optimistic circumstances, the absolute earliest this could occur would be after the general election in November of 2000—and more likely it would not occur until 2001 or 2002. This just cannot be allowed to continue without some effort to return management to Alaska as soon as possible.

The proposal I am introducing today would minimize the duration of federal control if the State legislature passes a constitutional amendment that would allow them to adopt laws to come into compliance with the federal law. This would continue to make sure the focus of a resolve remains on State action and not in the ill-placed hopes of some action by Congress.

Specifically, the proposal would do the following:

Provide that the State can regain management authority as soon as the Secretary certifies the State legislature has approved a constitutional amendment that would allow the State to comply with ANILCA.

As soon as the Secretary certifies the amendment, any unexpended funds that were provided to the Secretary as a result of the legislature's failure to act by October 1, 1999 are turned over to the State.

In order to continue to retain management the State must place the amendment on the ballot at the earliest date possible under State law.

The Secretary could manage subsistence again if the amendment is not adopted by the voters or if it is adopted but the State fails to adopt the needed state statutes at the end of the first legislative session after passage of the constitutional amendment.

At any time that the Secretary is managing subsistence fisheries in Alaska, he must comply with section 1308 of ANILCA which requires local hire.

Mr. President, I along with most Alaskans, believe that subsistence uses of fish and game should have a priority over other uses in the State. We have provided for such uses in the past, I have hunted and fished under those regulations and I respected and supported them and continue to do so now. I believe the State can again provide for such uses without significant interruption to the sport or commercial fisherman.

I also believe that Alaska's rural residents should play a greater role in the management and enforcement of fish and game laws in Alaska. They understand and live with the resources in rural Alaska. They see and experience the fish and game resources day in and day out. And, they are most directly impacted by the decisions made about use of those resources. They should bear their share of the responsibility for formulating fish and game laws as well as enforcing them.

It is my intention to ensure that at anytime the Secretary is managing any of Alaska's wildlife resources that he maximize the expertise of Alaska's Native people. I also hope the State would provide Alaska's rural residents a greater role as it seeks to resolve the subsistence dilemma once and for all. But until that happens, I cannot stand by and watch the federal government move into the State and assume control of the Alaska fish and game resources for an extended period of time. That is why I am providing for the earliest opportunity for the State to regain management.

I've lived under federal management during Alaska's territorial days and it does not work. In 1959 Alaskan's caught just 25.1 million salmon. Under State management we caught 218 million salmon in 1995.

Federal control would again be a disaster for the resource and those that depend on it.●

By Mr. GRAHAM:

S. 1827. A bill to provide funds to assist high-poverty school districts meet their teaching needs; to the Committee on Health, Education, Labor, and Pensions.

TRANSITION TO TEACHING ACT

Mr. GRAHAM. Mr. President, today I introduce legislation which is entitled "Transition to Teaching. This legislation starts from a personal experience.

Bill Aradine is a first-year teacher. He tells me he is greatly enjoying his experience in the classroom. He has 150 students from the 9th to the 12th grade at North Marion High School near Ocala, FL. Mr. Aradine teaches automobile mechanics. He has sparked an interest in students that may lead many of them to rewarding, lucrative, and challenging careers. I know Mr. Aradine because I did one of my workdays—in fact, my most recent workday—at North Marion High School. It is the story I learned that day at North Marion that brings me to the Senate floor today.

Up to this point, it may not seem that unusual of a story—a beginning teacher facing new challenges—but Mr. Aradine brings something else to his first year at North Marion High School. He brings a previous career of 11 years on-the-job experience. He has years of experience in a local Chevrolet car dealership. He is now starting a second career as a teacher. The students look to him with a different perspective. When he says, you will need to know this if you are going to get the job done, they know he knows what he is talking about. Having just come directly from the industry, he teaches at the cutting edge.

The information he brings to his students is what he was actually doing in the workplace not that long ago. Mr. Aradine is also a bridge. He is a bridge between North Marion High School students and the world of employment. He offers them advice, counsel, and real-life connections to future jobs.

Mr. Aradine learned of the opening at the high school when one of the automobile mechanic's teachers retired. He applied for the job. He was allowed to obtain a temporary teaching certificate based on his prior work experience. He will take four courses over the next 3 years to obtain a permanent teaching certificate. North Marion High School principal, Walter Miller, could not be more pleased with the situation. Mr. Aradine is doing an excellent job with the students. North Marion High School was able to fill a vacancy and ease its teacher shortage.

More and more schools will be turning to teachers who are in their second career. The Washington Post of October 4 of this year remarks on the trend of professionals entering teaching after years of work in a nonacademic job.

Mr. President, I ask unanimous consent that at the end of my remarks, a copy of an article entitled, "Disillusioned Find Renewal in Classroom," be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. GRAHAM. Every August and September, another school year begins. Thousands of young Americans enter the classroom. Almost every year at this time, I hear from school districts throughout Florida about teacher shortages. What did I hear in 1999? I heard from Miami Dade that they had hired 1,700 new teachers for the 1999 school year but still had 300 vacancies to fill on the first day of classes. Hillsborough County, Tampa, hired 1,493 teachers for the start of the school year. They were still 238 teachers short when the first school bell rang. Orange County, Orlando, needed 1,300 teachers for the new year and still had 50 vacancies a month after school started.

These concerns will only get worse. Forty percent of current schoolteachers are over the age of 50. They are nearing retirement. Who will be the future role models to the next generation of Americans? Who will take their places in the classroom? The importance of having high quality teachers in sufficient numbers is crucial, if we are to look at the challenges facing education in the future.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Dr. Robert McCabe entitled, "A Twenty-First Century Challenge: Underprepared Americans."

There being no objection, the material was ordered to be printed in the RECORD, as follows: .

A TWENTY FIRST CENTURY CHALLENGE: UNDERPREPARED AMERICANS

(By Robert H. McCabe)

The essential mission for higher education in the new America of the 21st Century will be creating opportunity for new populations. Higher education will be more important than every before, but the scope of services will be very different and should be dramatically expanded to match the changed environment. In short, the current emphasis on exclusion must shift to inclusion.

In the new America, we will be older, less white, and more diverse. Our workforce will shrink. Information technology will impact everything and everybody. Business will function in a global economy and unskilled jobs will be exported to low wage developing nations. The gap between the skills and competencies of Americans, and those required for an Information Age workforce will continue to widen, threatening the very well being of our nation.

As we enter the 21st Century we face three critical challenges: remaining competitive in a global economy; reversing the growth of a seemingly permanent and disenfranchised underclass; and developing a broad based workforce possessing Information Age skills. Whether or not we successfully meet these challenges will depend on the achievement of our educational system. The public schools, however, face ever greater difficulties. Increasing numbers of diverse children will enter the schools with significant educational and life deficiencies. Despite the school reforms that are sweeping the nation, it is virtually certain that increasing numbers of individuals will reach adulthood unprepared for 21st Century life and employment. Failure to educate these individuals would result in a catastrophic decline in our economy and standard of living. The role of higher education is critical. It must provide leadership in reshaping an educational system that is significantly more successful at all levels. Colleges will experience extraordinary enrollment growth from previously undeserved and underprepared populations. They must assist these Americans in achieving the higher order competencies necessary to succeed in the Information Age. To reach this goal, colleges must partner with public schools to participate in school reform. They must also insure that strengthened and well-supported college remedial education programs are available, primarily in community colleges, to rescue underprepared adults for their own benefit and to the benefit of the nation as a whole.

The following is a review of factors that will redefine the mission of higher education in the new America of the 21st Century.

BUSINESS/INDUSTRY AND WORK

In a global economy, business and industry will get its work done where it is least costly. Manufacturing is already moving from the United States to less developed nations where wages are lower. This trend will continue. Sustaining America's current prosperity will depend on its ability to lead and develop knowledge industries, which are based on a highly skilled and a more productive workforce. Brainpower and technology can multiply individual productivity, thus, compensating for higher wages and helping America to retain global competitiveness.

Experts believe—judging from successful economies already functioning in the new global environment—the countries that remain competitive in the next century are those with the highest overall literacy and educational levels—that is, nations, such as Germany and Japan, that have a strong "bottom third." This should be a compelling wake up call for America because demographic trends indicate that the future U.S. work force will be increasingly composed of groups such as minorities and immigrants, who have disproportionately high rates of illiteracy and educational underachievement (Immerwahr et al. 1991 p. 15).

Beyond the basics, workers need additional skills to meet workforce demands—even if they hold the same job. Regardless of the product or service offered, the competitive workplace of today is a high-skill environment designed around technology and people who are technically competent.

A 1997 National Alliance of Business report, "Job Cuts Out, High Skills In," states: "With the explosion of technology in the workplace, skill level requirements are being ratcheted up by employers. Inventory, sales, marketing, expense analysis, communications, and correspondence are being one faster, better and cheaper, and with greater efficiency in the workplace" (National Alliance of Business, p. 1).

Through turbulent years of reorganization, companies have raised skill requirements in order to hire employees with the competencies they need to be more competitive. More highly skilled workers have replaced employees with lower or outdated skills. Job elimination and downsizing have declined to their lowest levels in the decade, as companies are prepared for increased productivity and profitability. "We're seeing the payoff after a decade of pain," says Eric Greenberg, director of management studies for the American Management association. "The same forces that were costing jobs in the earlier years, such as restructuring, re-engineering and automation are now creating jobs that demand high skill levels. The people going out the door don't have them, the people coming in do" (National Alliance of Business, 1997, p. 6).

At the same time that necessary skill levels are rising, the skills of American workers are declining—a bleak picture indeed. In 1995, The National Workforce Collabative estimated that the incidence of low basic workplace skills among U.S. workers ranging from 20 to 40 percent.

Business and Industry estimates that 80 percent of the 21st Century workforce will need some post-secondary education. In addition, they will need higher order information competencies as a base for life long continuing education. Today, fewer than half of Americans have achieved this level of competence and demographic changes indicate that in the future even fewer will be as well prepared.

DEMOGRAPHIC CHANGES

As the millennium approaches, stores analyzing the state of the nation and predicting its future fill the public discourse. Demographers can accurately describe what Newsweek magazine termed the "face of the future" (Morganthau 1997). In the 21st Century, the United States will become more ethnically diverse, more crowded and much older.

The greatest changes will occur in the Hispanic population. Today, Hispanics make up nearly 30 million people and 11 percent of the population. With high birthrates and high legal and illegal immigration, this share will continue to increase. Hispanic Americans average 2.4 to 2.9 children per couple, compared to white Americans average of just under two children per couple (Sivy 1997). In addition, the majority of today's immigrants are Hispanic, a trend that is expected to continue. Within the next seven years, Hispanics will overtake African Americans as the nation's largest minority. By 2005, Hispanics will number more than 36 million people compared to a projected 35.5 million African Americans. (Holmes 1998). By 2050, they are expected to comprise nearly one quarter of the total population, almost 96 million people. (Morganthau 1997). This growth is remarkable considering that in 1970 Hispanic accounted for just nine million citizens or roughly four percent of the national population (Population Reference Bureau 1999).

Virtually all of our growth will be from minorities, principally Hispanics. These groups are disproportionately poor, and thus, disproportionately educationally underprepared. To illustrate, African Americans are 13 percent of the general population and 40 percent of welfare recipients while Hispanics are 11 percent of the population and 22 percent of welfare recipients.

IMMIGRATION

Changing patterns of immigration are rearranging the face of America. Immigrants make up a significant portion of population growth. These new Americans differ in origin from those of earlier years. Between 1820 and 1967, 40 million of America's 44 million immigrants came from European countries. From 1968 to 1994, only three million of the 18 million immigrants came from Europe—a decrease from 90 percent to 17 percent. Today's immigrants come primarily from Latin

America and Asia, and most importantly, from underdeveloped nations. Unfortunately, the immigrant population that is a major source of future workers also adds to our underprepared population. In the early 20th Century, most European immigrants were also unskilled. At that time, however, work was predominantly unskilled, and the immigrants provided much needed unskilled manpower. Circumstances are now quite different. Less than 20 percent of today's jobs are unskilled. Few new immigrants arrive on our shores with the job skills that business and industry need, yet these "new workers" represent a key source of potential employees needed to fill the void created by retiring "Baby Boomers".

THE AGING OF AMERICA

In 1900, the average life expectancy was 48. Today it is 76. In addition, America's fertility rate has dropped below the 2.1 children per woman population replacement rate. In 1950, the average age of Americans was 21 while today it is 37. Demographer Samuel Preston reports that the population is rapidly growing older and will continue to do so in the next half century (1996). Between 1995 and 2010, the number of people 65 and older will grow slowly from 33.5 million to 39.4 million, as people born in the 1930s and early 1940s (when fertility was low) grow older. By contrast, between 2010 and 2030, with the "Baby Boomers" aging, the number will soar from 39.4 million to 69.3 million. Meanwhile, the population in the prime working ages of 20 to 59 will remain stationary at about 160 million. In 1900, there were 10 times as many children below 18 as there were adults over 65. By 2030, there will be slightly more people over 65 than under 18.

Most discussion about the aging of Americans has focused on the viability of Social Security and Medicare. The Social Security system uses a pay-as-you-go model whereby payments by current workers are used to pay benefits to retirees. The concept was that when current workers retire, new workers would be available to pay into the system to support their retirement. That is history. In the future, it will simply no longer be the case. When the system began, 17 to 20 workers paid in for each retired worker receiving benefits. By 1960, the ratio had fallen to five workers for each retiree. Today it is 3.4 to one and by 2020 there will only be two workers for each retiree. While this forecasts serious problems, they are not nearly as severe as the problem of a declining percentage of the population in the workforce. Quite simply, to sustain our economy, everyone in their prime work years will need to be in the workforce. They must be highly skilled and extremely productive to support more retirees.

POVERTY

With our high standard of living and prosperity, America continues to have a persistent underclass with more individuals living in poverty than other developed nations. This is an unacceptable, deeply imbedded and seemingly unresolvable American problem. In the 1950s and 1960s, a near national consensus believed that the problem of poverty and equal opportunity for all could and should be resolved. Today, cynicism has replaced optimism. People living in poverty feel there is no way out and that the system is rigged against them. Those supporting the dependent population are frustrated and angry and increasingly blame those who live in poverty for their own poor circumstances.

Politicans applaud the apparent successes of welfare reform efforts intended to quickly remove individuals from the welfare rolls. A closer look, however, reveals that the successes are more a result of a robust economy than successful reform programs. Many have only progressed from poverty to joining the working poor. Persistent poverty appears to be impervious to every attempt at improvement.

From kindergarten to college, poverty correlates more closely with academic deficiency than any other factor. The strong relationship between socio-economic status and educational achievement and the rising skill levels required for employment result in growing numbers from impoverished neighborhoods being undereducated for 21st Century jobs. These underprepared individuals add to the nation's unemployed, are dependent on the society and expand the gap between the hayes and have nots—a destructive and dangerous situation.

THE NEW AMERICAN FAMILY

Today, nearly half of all American children experience the breakup of their parents' marriage. Family arrangements are diverse, and increasingly, do not involve a full-time father. In 1963, 77 percent of white children, 65 percent of Hispanic children, and 36 percent of African American children lived in two-parent families. By 1991, only half of the United States' children and teens lived in a traditional nuclear family. Fifth percent of white children live with a divorced mother; while 54 percent of African American children and 33 percent of Hispanic children have mothers who have never married (McCabe and Day 1998, p. 7). More children are born to unmarried women, 33 percent in 1994 compared with 5 percent in 1960 (Preston 1996). Even those children from a two-parent household spend less family time together. About 70 percent of mothers with children at home are working (Edmondson 1997). Children are often shuttled between day care centers, baby sitters, and extended family members.

According to Prather (1995), "There are three problems that impact the learning abilities of young children that are exacerbated by the changing structures of families: Insufficient parenting, poor prenatal care, and inadequate health care." One-fourth of the pregnant women in America, particularly those who live in poverty, receive no prenatal care. Problems in the womb often lead to learning disabilities and other cognitive disorders.

Recent brain development research indicate that "wiring" of neurons occurs after birth, and that experience during infancy and early childhood plays a critical role in defining an individual's capacity to learn. The child's brain and central nervous system develop rapidly during the first three years of life in response to parental attention and stimulation, such as talking, seeing and playing. Absence of these critical early child care experiences, can result in permanent loss of learning capacity. This obviously occurs more frequently in single parent families because there is less time available for the children.

Children who suffer from inadequate economic resources and parental attention are children at risk of school failure. When these students progress into secondary schools, they are often tucked away in a holding pattern in general studies programs, and other programs that set lower expectations and develop less information competency. These students are destined to become underprepared adults.

The decline in the traditional family and the rising percentage of children born into poverty raises the question of whether children of the 21st Century will be sufficiently nurtured and prepared to mature to the productive adults that America needs.

At the heart of the United States' future will be the changing concept of family—a kind of new social demographics. Tomorrow's family will be less traditional and more complex. The 1950s nuclear family with the father as the sole breadwinner will be a distant memory. Instead, family life will be plagued by much of the same problems it suffers from today—divorce, single parenting, and a fractured and harried household.

Taken together—an analysis of demographics and family structure—we have a clear picture of the 21st Century. The United States will be crowded, diverse, older, and Americans will be less well prepared for employment. But what then does all this really mean? How will these changes influence everyday life? How well will we prepare our children for the future? What challenges will they face? How will we care for our elderly, infirm, and needy?

EDUCATING A MAJORITY MINORITY NATION

The demographic realities—particularly the growing diversity—will have the greatest impact on our education system. We know that by 2020 half of the nation's youth will be "minority." But what is most striking about this statistic is the shifting concept of minority. Demographer Hodgkinson explains that educating tomorrow's minority will be more complicated because of who they are. Between 1820 and 1945, the nations that sent us the largest numbers of immigrants were (in rank order): Germany, Italy, Ireland, United Kingdom, Soviet Union, Canada, and Sweden. The nations that send us the most immigrants now and through the year 2000 are (in rank order): Mexico, Philippines, Korea, China/Taiwan, India, Cuba, Dominican Republic, Jamaica, Canada, Vietnam, United Kingdom, and Iran (Hodgkinson 1993).

This shift indicates a clear transformation. The United States has gone from a nation of Europeans with a common European culture to a nation of the world. Students from all over the world will be in the same classrooms—making our schools truly international in composition (Hodgkinson 1993). The change brings with it a set of unique instructional problems. In the past, schools could use the European commonality to socialize immigrant children. Today, children come to classrooms with different diets, different religions, different individual and group loyalties, different music, and different languages.

Tommorrow's students will be problematic for an even more profound reason—their lack of academic skills. Teachers will not only struggle with their diversity but also with their poor language skills and lack of educational attainment. Minorities have traditionally lagged behind academically. Educational policy makers often view them as an afterthought—gearing their decisions to the more successful white majority. As the demographics shift, however, educators will face a nation dominated by struggling students, at the same time more must complete their education with higher order skills.

The statistics illustrate a wide educational gap between minorities and non-minorities. In 1996, 30 percent of Hispanics had less than a ninth grade education, compared with 10 percent of African Americans and only about five percent of whites. Little more than one-half (53 percent) of Hispanics ages 25 or older had completed high school, and less than 10 percent had at least a bachelor's degree. Nearly 85 percent of non-Hispanic adults were high school graduates, and nearly 25 percent were college graduates (del Pinal 1997). The high school dropout rate—the percentage of people, ages 16 to 24, who do not have a high school diploma—reflects a similar disparity. In 1993, 27.5 percent of Hispanic students, 13.6 percent of African American students, and 7.9 percent of white students fell into this category (Coley 1995).

Minority children start two or three steps behind their white counterparts. They start elementary school with fewer social skills and lower language skills than their white counterparts (del Pinal 1997). Their path of underachievement then continues throughout their academic career.

SUMMARY

A series of circumstances are converging to create a 21st Century American dilemma that threatens the nation's economic and societal well being. The global economy is forcing manufacturing and businesses that utilize less skilled labor out of the country. The nation's hope for continued prosperity is to be the leader of the world's knowledge industries. This requires a highly skilled, highly productive workforce. Formidable obstacles must be overcome to reach that goal. With the aging population, the percentage of individuals in their primary work years will decline. It is, therefore, necessary to insure that the maximum number of Americans are well prepared and in the workforce. They will have to be more productive both to offset the competitive low salaries in less developed countries and to support the growing number of elderly. America does not have any one to waste!

Virtually all of our population growth will be from groups that are disproportionately underprepared—immigrants mostly from Third World countries, and minorities, principally Hispanic, who are disproportionately poor. Changes in the American family will also contribute to underpreparation. Changing family and work circumstances result in poor parenting practices that are linked to early children sensory deprivation and learning disabilities. Due to the hardships of growing numbers of single parent families, children's social, physical and educational progress is impeded.

The workforce could be both undersized and disproportionately underskilled. It would be unable to sustain a knowledge based economy and our quality of life.

America must depend on education to avert this pending national crisis. Despite reforms and hoped for improvements in the public schools, more Americans will reach adulthood underprepared. States are now taking school reform seriously and there is evidence of some improvement. The task, however, is monumental. The public schools cannot be expected to solve it alone.

The following graph dramatically demonstrates the scope of the problem. Currently, 85 percent of young Americans graduate from high school, 56 percent enter college and, unfortunately, only 39 percent are prepared for college work. This means that unless there is tremendous improvement, less than 40 percent of young Americans will be prepared for the 80 percent of high skill jobs. Sixty percent will only be prepared for the 20 percent of low skill jobs. It will be the essential and daunting task of public schools and college remedial programs to raise the 39 percent prepared to 80 percent. Substantially more students need to achieve higher skills at the same time large numbers of children will enter the educational system with serious life and educational deficiencies.

The great strength of America is the belief in the value of every individual and the commitment to equal opportunity for all. Higher education can do nothing more important and more difficult than helping the underprepared achieve educational parity. Higher education leadership is essential in meeting this challenge. Colleges must join with public schools in unified efforts to raise the educational achievements of all children. They must also insure the availability of quality remedial education programs, primarily in community colleges. This will assure that the critical final bridge to full participants in our society is available to everyone.

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Mr. GRAHAM. Dr. McCabe raises several crucial demographic and societal changes that will affect American education in the coming years. Let me mention two of these issues.

First, the American family structure will change in the coming decades. Half of all children will spend some of their childhood in single-parent homes and are more likely to live in poverty.

Of the children who grow up in a nuclear family, very often both of their parents will work; thus, they will be less able to be involved in the child's school and schoolwork. That is what is happening to American families. That is what will increasingly in the family environment from which American schoolchildren will enter the classroom. But as they exit the classroom, societal expectations for students upon graduation will be greater.

In the middle of this century, 50 years ago, 20 percent of American jobs required a specific skill. At the end of this century, today, 80 percent of jobs need skilled workers. Thus, the American student will need to graduate from school better prepared for the high-tech world than ever before; but single-parent families and dual-income families, in general, will face more challenges in being able to be actively involved in the support of that child's education.

These challenges, and others, will face the American educational system. I rise today to take one step forward in easing the nationwide teacher shortage and offering challenging new opportunities for America's professional working people by introducing the Transition to Teaching Act of 1999.

Senator KENNEDY is to be commended for his work in including similar language in the Elementary and Secondary Education Reauthorization Bill. Representatives JIM DAVIS of Florida and TIM ROEMER of Indiana have taken the lead in the House of Representatives on this issue.

We have a very successful model on which to build the Transition to Teaching program. Since 1994, the Troops to Teachers program has brought more than 3,000 retired military personnel to our classrooms, particularly as math, science, and technology teachers.

Schools in my State of Florida have benefitted by more than 270 individuals who have successfully completed the Troops to Teachers program, and are bringing their life experience to the classroom today.

Troops to Teachers, and now Transition to Teaching, assist in overcoming two of the main obstacles that mid-career professionals face when they want to become a teacher. It is not impossible to do this now, as Mr. Aradine has shown; but this legislation will assist with and simplify the process.

The first issue that is addressed involves teaching colleges within universities. These teaching colleges are often set up for the traditional students in their early twenties, right out of high school, just starting their new lives.

These programs are generally taken over a multiyear period as a full-time college student. This legislation encourages teaching colleges to develop curriculum suitable for an individual who already has many years of experience. These programs are more streamlined, more flexible in school hours, and recognize that the mid-career student brings more life and work experience than does a traditional college student.

By developing such programs, teaching colleges can maintain high standards, but allow a mid-career worker, making the change into teaching to become certified in a more efficient, streamlined manner.

Teaching colleges are also asked to develop programs to maintain contact with and support for these new teachers during at least their first year in the classroom.

Second, Transition to Teaching will assist teachers who come to the profession in mid-career in a very tangible way.

Grants will be awarded, up to $5,000 per participant, to offset the costs of becoming a certified teacher. Why are these grants appropriate? The traditional college student comes directly from a family setting. They typically have limited personal or family financial obligations. In contrast, people like Mr. Aradine have their own families, spouses, children, and they have a house and car payments. They have the kind of financial obligations that would be typical of any mid-career adult. They would need this financial assistance in order to give them that little degree of support and help that will allow them to make this transition to become a certified teacher and move into a second career in the classroom.

Thus, this legislation deals with two of the biggest obstacles to becoming a teacher in mid-career. The certification process is streamlined, and stipends are provided to offset the cost of this additional education.

The success can be highlighted best with a personal story—a personal story, not like Mr. Aradine who is in his first year, but the personal story of a man who is already well into his second career. Ronald Dyches grew up in a military family. His father was a noncommissioned officer. When Mr. Dyches attended college at Sam Houston State, he followed in his family's military footsteps and enrolled in the ROTC.

When he graduated, he became a commissioned officer in the U.S. Army. For more than 21 years, Mr. Dyches served our Nation as an Army intelligence officer, living throughout the United States and Europe. He feels the highlight of his career were the three years he spent on General Norman Schwartzkopf's staff at MacDill Air Force Base in Tampa during the Gulf war. Mr. Dyches retired from the Army in 1995. But you can say his service to the country did not end.

With the help of the Troops to Teachers program, Mr. Dyches began a second career teaching social studies at Bloomingdale High School in Brandon, FL. He has been on the faculty at Bloomingdale since 1995—and this year he is teaching three periods of Honors World History and two periods of an elective class that he created: The History of the Vietnam War.

Mr. Dyches' military experiences are an integral part of his classroom teaching. In addition to developing new elective courses, such as the one on the Vietnam war, Mr. Dyches uses the wealth of knowledge acquired living and working twelve years in Europe with the military to enliven his World History class. With his background, he offers advice and counsel to students including those considering a military career or wishing to attend one of the Nation's service academies.

Mr. Dyches feels that this classroom experience would not have been possible without the Troops to Teachers program. It rekindled his interest in teaching from his college days, and it opened doors to certification that would have been closed to him.

In some sense, Troops to Teachers helps make "perfect marriages." Bloomingdale High School needed a social studies teacher. Ron Dyches needed a challenging, rewarding second career. He, the school, and all of Bloomingdale's students have benefited from this perfect marriage.

Other professionals, other workers, should be allowed to follow in the footsteps of the retired military personnel like Mr. Dyches, who have set such a shining example for us and the students that they serve.

Law enforcement, attorneys, business leaders, scientists, entrepreneurs, technically competent men and women, and others in the private sector should be encouraged to share their wisdom with students.

As I mentioned, under the Transition to Teaching Act, colleges and universities would be awarded grants to design educational programs modeled after Troops to Teachers to train mid-career professionals, and others, to become teachers.

Individuals would be eligible for grants of up to $5,000 to pay for the courses and training they need to become qualified teachers.

In return for the training, the new teachers would agree to teach in low-income schools, determined by the percentage of title I students in the school population, for three years.

This legislation is timely. We are on the cusp of retirement of millions of baby boomers.

By encouraging recent retirees, or mid-career professionals, to become certified through Transition To Teaching and spend a few years in the classroom, we will bring the life skills of experienced professionals to our youngest citizens.

I encourage my colleagues to support this legislation.

Our nation's children deserve our best efforts to provide them with a world class education that they will need in the 21st century.

EXHIBIT 1

DISILLUSIONED FIND RENEWAL IN CLASSROOM—NEW TEACHERS COMING FROM OTHER PROFESSIONS

(By Liz Seymour)

To become a teacher, Mary Ann Richardson left a $113,000-a-year job lobbying Congress as a U.S. deputy assistant secretary in the Labor Department.

Now she's a 46-year-old intern at Falls Church High School, a substitute teacher in history, government and civics without her own classroom or even her own desk. Next year, after she receives her master's degree in education, she will be applying for teaching jobs that pay about $80,000 a year less than what she used to earn.

She grapples with a new identity and the loss of family income that she worked 16 years to get and will never see again. But, she said, "when those kids look up to you or they're having a crisis and you can help . . . I can tell you right now, I have found a purpose."

The teaching profession, shunned for decades by college graduates in search of higher pay and prestige, is attracting a growing number of people who started their careers in another field. Some are downsized corporate executives who've heard about the national teacher shortage and are enticed by the job security. Others, like Richardson, are disenchanted lawyers and lobbyists who found that their high salaries did not make up for job pressures.

They are being lured, too, by an easing of teacher licensing requirements for career-switchers in many states and school districts, a trend that is likely to continue as the national teacher shortage worsens.

About 55 percent of the students currently enrolled in post-undergraduate teaching programs started their careers in another field, according to a study to be released this week by the National Center for Education Information, a Washington-based think tank. The study also found that 27 percent of universities have programs solely for second-career teachers, up from 3 percent in 1984.

Officials in several Washington area school districts said they are seeing more people like Richardson, although they do not keep such figures.

"People used to be driven by the financial rewards of their career," said Kevin North, the director of employment for Fairfax County schools. "People are starting to step back and say, 'Other things are more important to me, and I want something more fulfilling.'"

Second-career teachers are appealing job candidates in several respects, said Linda Darling-Hammond, a professor of education at Stanford University and director of the National Commission on Teaching & America's Future. They are more mature than first-career teachers and often have experience with children through parenting. And because their decision to teach usually requires a substantial pay cut, they tend to have a deeper commitment to public education, she said.

Jerome "Rick" Peck, 55, a first-year science teacher at Loudoun County's Seneca Ridge Middle School, said the biggest attribute he brings to the classroom is "the ability to say to the kids—and to mean it and to know it—'Hey, this is something you're going to need later in life.'"

A certified public accountant with a master's degree in business administration from the Wharton School, Peck was earning a six-figure salary as chief financial officer of a magazine publishing company until it was sold a few years ago. He was financially secure and his decision to teach was "really selfish," Peck insists, because he saw it as something he would enjoy.

Five weeks into the school year, he still feels that way. But the transition hasn't been easy. He is mired in more paperwork than he expected. Many of his students fared poorly on the first test he gave, about the metric system, and some complained that he was lecturing too fast.

"When it comes to teaching, I'm definitely still learning," Peck said.

James R. Fields, 38, a former supervisor at United Parcel Service, is studying for his master's degree in education at George Washington University and substitute teaching at Sligo Middle School in Silver Spring.

Fields was earning $59,000 a year after 14 years at UPS. But when he moved from the Miami area to Montgomery County to get married, the company wouldn't transfer him.

He probably won't earn more than $35,000 a year when he gets a full-time teaching job next year. Fields said he is lucky that his wife, a gynecologist, has a salary that allows him to pursue teaching.

Fields, who is African American, said he hopes to be a strong influence on young black males. But right now, his main goal is to learn the routines of running a classroom. He said it's a challenge sometimes just to get his students to settle down—never mind actually paying attention and comprehending his lessons.

"It's kind of tough as a sub—[the students] think it's a field day," Fields said. "In a sense I see that as a plus; you quickly develop some classroom management skills."

Tom Brannan, 52, quit his $83,000-a-year job as an assistant city manager in Alexandria to enroll in the master's degree program at George Washington. He enjoyed many aspects of his job but not the long hours and frenetic pace. Time with his family was often cut short, he said.

In just a few weeks as a substitute teacher at Fairfax's George Marshall High School, Brannan already has seen rewards. One day, he was assigned on short notice to teach a history class, with little time to prepare a lesson. After sweating out the period, the bell rang and the students filed out. One stopped to ask him: "Are you gonna be back any time soon?"

Career-switchers typically take fewer education courses than students who go into teaching as a first career but often get more field work in schools.

Despite the growing calls from politicians and school officials to streamline the certification process for second-career teachers, they may still face challenges getting hired, said C. Emily Feistritzer, president of the National Center for Education Information.

Some may possess several advanced degrees, which would put them at a higher pay scale than most beginning teachers. Feistritzer said she has spotted another hurdle: Principals are sometimes less inclined to put older adults on their teaching staff because they won't be as easy to supervise as a 22-year-old college graduate.

Amy Harris is 26, younger than many of the other teachers who started in a different profession. She gave up a job at a brokerage firm in Minneapolis to lead 27 fifth-graders at Loudoun's Cool Spring Elementary School. Although she didn't take much of a pay cut to become a teacher, she eventually would have earned far more if she'd stayed in financial services.

She acknowledges that she second-guesses her decision once a month, when she writes a check to pay down $25,000 in debt from graduate school loans. But she is energized by her students. "I really enjoy their wit and their cleverness," she said.

Richardson's journey toward teaching began last year, when her mother was dying. She came to live with Richardson for the last four months of her life, during which mother and daughter had many soul-searching talks about careers, family and, above all, happiness.

"She said, 'Look, you've got about 20 years [of working] left—you need to do what you think is important and what you want to do.'" Richardson recalled.

Richardson, whose husband is an archivist, has put her two children on strict allowances to reduce household expenses since she quit her high-paying Labor Department job.

The worst of it, she said, is being viewed as an inexperienced newcomer at age 46.

"I worry that when I get done with this program, I have to start over and sell myself again," she said. "If I get through this, they should want me!"

Mr. GRAHAM. Mr. President, I send to the desk the legislation and ask for its appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

By Mr. MOYNIHAN (by request):

S. 1828. A bill to protect and provide resources for the Social Security System, to reserve surpluses to protect, strengthen and modernize the Medicare Program, and for other purposes; to the Committee on Finance.

THE STRENGTHEN SOCIAL SECURITY AND MEDICARE ACT OF 1999

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the following letter of transmittal from the White House be printed in the RECORD, following the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1828

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Strengthen Social Security and Medicare Act of 1999."

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) The Social Security system is one of the cornerstones of American national policy and has allowed a generation of Americans to retire with dignity. For 30 percent of all senior citizens, Social Security benefits provide almost 90 percent of their retirement income. For 66 percent of all senior citizens, Social Security benefits provide over half of their retirement income. Poverty rates among the elderly are at the lowest level since the United States began to keep poverty statistics, due in large part to the Social Security system. The Social Security system, together with the additional protections afforded by the Medicare system, have been an outstanding success for past and current retirees and must be preserved for future retirees.

(2) The long-term solvency of the Social Security and Medicare trust funds is not assured. There is an estimated long-range actuarial deficit in the Social Security trust funds. According to the 1999 report of the Board of Trustees of the Social Security trust funds, the accumulated balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are currently projected to become unable to pay benefits in full on a timely basis starting in 2034. The Medicare system faces more immediate financial shortfalls, with the Hospital Insurance Trust Fund projected to become exhausted in 2015.

(3) In addition to preserving Social Security and Medicare, the Congress and the President have a responsibility to future generations to reduce the Federal debt held by the public. Significant debt reduction will contribute to the economy and improve the Government's ability to fulfill its responsibilities and to face future challenges, including preserving and strengthening Social Security and Medicare.

(4) The Federal Government is now in sound financial condition. The Federal budget is projected to generate significant surpluses. In fiscal years 1998 and 1999, there were unified budget surpluses—the first consecutive surpluses in more than 40 years. Over the next 15 years, the Government projects the on-budget surplus, which excludes Social Security, to total $2.9 trillion. The unified budget surplus (including Social Security) is projected by the Government to total $5.9 trillion over the next 15 years.

(5) The surplus, excluding Social Security, offers an unparalleled opportunity to: preserve Social Security; protect, strengthen, and modernize Medicare; and significantly reduce the Federal debt held by the public, for the future benefit of all Americans.

(b) PURPOSE.—It is the purpose of this Act to protect the Social Security surplus for debt reduction, to extend the solvency of Social Security, and to set aside a reserve to be used to protect, strengthen, and modernize Medicare.

SEC. 3. ADDITIONAL APPROPRIATIONS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND FEDERAL DISABILITY INSURANCE TRUST FUND.

(a) PURPOSE.—The purpose of this section is to assure that the interest savings on the debt held by the public achieved as a result of Social Security surpluses from 2000 to 2015 are dedicated to Social Security solvency.

(b) ADDITIONAL APPROPRIATION TO TRUST FUNDS.—Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

"(n) ADDITIONAL APPROPRIATION TO TRUST FUNDS.

"(1) In addition to the amounts appropriated to the Trust Funds under subsections (a) and (b), there is hereby appropriated to the Trust Funds, out of any moneys in the Treasury not otherwise appropriated—

"(A) for the fiscal year ending September 30, 2011, and for each fiscal year thereafter through the fiscal year ending September 30, 2016, an amount equal to the prescribed amount for the fiscal year; and

"(B) for the fiscal year ending September 30, 2017, and for each fiscal year thereafter through the fiscal year ending September 30, 2044, and amount equal to the prescribed amount for the fiscal year ending September 30, 2016.

"(2) The amount appropriated by paragraph (1) in fiscal year shall be transferred in equal monthly installments.

"(3) The amount appropriated by paragraph (1) in each fiscal year shall be allocated between the Trust Funds in the same proportion as the taxes imposed by chapter 21 (other than sections 3101(b) and 3111(b)) of Title 26 with respect to wages (as defined in section 3121 of Title 26) reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of Title 26, and the taxes imposed by chapter 2 (other than section 1401(b)) of Title 26 with respect to self-employment income (as defined in section 1402 of Title 26) reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of Title 26, are allocated between the Trust

Funds in the calendar year that begins in the fiscal year.

"(4) For purposes of this subsection, the "prescribed amount" for any fiscal year shall be determined by multiplying:

"(a) the excess of:

"(i) the sum of:

"(I) the face amount of all obligations of the United States held by the Trust Funds on the last day of the fiscal year immediately preceding the fiscal year of determination purchased with amounts appropriated or credited to the Trust Funds other than any amount appropriated under paragraph (1); and

"(II) the sum of the amounts appropriated under paragraph (1) and transferred under paragraph (2) through the last day of the fiscal year immediately preceding the fiscal year of determination, and an amount equal to the interest that would have been earned thereon had those amounts been invested in obligations of the United States issued directly to the Trust Funds under subsections (d) and (f)

"over—

"(ii) the face amount of all obligations of the United Sates held by the Trust Funds on September 30, 1999,

"times—

"(B) a rate of interest determined by the Secretary of the Treasury, at the beginning of the fiscal year of determination, as follows:

"(i) if there are any marketable interest-bearing obligations of the United States then forming a part of the pubic debt, a rate of interest determined by taking into consideration the average market yield (computed on the basis of daily closing market bid quotations or prices during the calendar month immediately preceding the determination of the rate of interest) on such obligations; and

"(ii) if there are no marketable-interest-bearing obligations of the United States then forming a part of the public debt, a rate of interest determined to be the best approximation of the rate of interest described in clause (i), taking into consideration the average market yield (computed on the basis of daily closing market bid quotations or prices during the calendar month immediately preceding the determination of the rate of interest) on investment grade corporate obligations selected by the Secretary of the Treasury, less an adjustment made by the Secretary of the Treasury to take into account the difference between the yields on corporate obligations comparable to the obligations selected by the Secretary of the Treasury and yields on obligations of comparable maturities issued by risk-free government issuers selected by the Secretary of the Treasury.".

SEC. 4. PROTECTION OF SOCIAL SECURITY SURPLUSES.

(a) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(g) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—

"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would set forth an on-budget deficit for any fiscal year.

"(2) SUBSEQUENT LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(A) the enactment of that bill or resolution as reported;

"(B) the adoption and enactment of that amendment; or

"(C) the enactment of that bill or resolution in the form recommended in that conference report,

would cause or increase an on-budget deficit for any fiscal year.

"(3) BUDGET RESOLUTION BASELINE.—(A) For purposes of this section, "set forth an on-budget deficit", with respect to a budget resolution, means the resolution set forth an on-budget deficit for a fiscal year and the baseline budget project of the surplus or deficit for such fiscal year on which such resolution is based projects an on-budget surplus, on-budget balance, or an on-budget deficit that is less than the deficit set forth in the resolution.

"(B) For purposes of this section, "cause or increase an on-budget deficit" with respect to legislation means causes or increases an on-budget deficit relative to the baseline budget project.

"(C) For purposes of this section, the term "baseline budget projection" means the projection described in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 of current year levels of outlays, receipts, and the surplus or deficit into the budget year and future years, except that—

"(i) if outlays for programs subject to discretionary appropriations are subject to discretionary statutory spending limits, such outlays shall be projected at the level of any applicable current adjusted statutory discretionary spending limits;

"(ii) if outlays for programs subject to discretionary appropriations are not subject to discretionary spending limits, such outlays shall be projected as required by section 257 beginning in the first fiscal year following the last fiscal year in which such limits applied; and

"(iii) with respect to direct spending or receipts legislation previously enacted during the current calendar year and after the most recent baseline estimate pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1995, the net extent (if any) by which all such legislation is more than fully paid for in one of the applicable time periods shall count as a credit for that time period against increases in direct spending or reductions in net revenue.".

(b) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) the receipts, outlays, and surplus or deficit in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, combined, established by title II of the Social Security Act;".

(c) SUPER MAJORITY REQUIREMENT.—

(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

SEC. 5. PROTECTION OF MEDICARE.

(a) POINTS OF ORDER TO PROTECT MEDICARE.—

(1) Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(j) POINT OF ORDER TO PROTECT MEDICARE.—

(1) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would decrease the on-budget surplus for the total of the period of fiscal years 2000 through 2009 below the level of the Medicare surplus reserve for those fiscal years as calculated in accordance with section 3(11).

"(2) INAPPLICABILITY.—This subsection shall not apply to legislation that—

"(A) appropriates a portion of the Medicare reserve for new amounts for prescription drug benefits under the Medicare program as part of or subsequent to legislation extending the solvency of the Medicare Hospital Insurance Trust Fund; or

"(B) appropriates new amounts from the general fund to the Medicare Hospital Insurance Trust Fund.".

(2) Section 311(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(4) ENFORCEMENT OF THE MEDICARE SURPLUS RESERVE.—

"(A) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report that together with associated interest costs would decrease the on-budget surplus for the total of the period of fiscal years 2000 through 2009 below the level of the Medicare surplus reserve for those fiscal years as calculated in accordance with section 3(11).

"(B) INAPPLICABILITY.—This paragraph shall not apply to legislation that—

"(i) appropriates a portion of the Medicare reserve for new amounts for prescription drug benefits under the Medicare program as part of or subsequent to legislation extending the solvency of the Medicare Hospital Insurance Trust Fund; or

"(ii) appropriates new amounts from the general fund to the Medicare Hospital Insurance Trust Fund.".

(b) DEFINITION.—Section 3 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(11) The term 'Medicare surplus reserve' means one-third of any on-budget surplus for the total of the period of the fiscal years 2000 through 2009, as estimated by the Congressional Budget Office in the most recent initial report for a fiscal year pursuant to section 202(e).".

(c) SUPER MAJORITY REQUIREMENT.—

(1) Section 904(c)(2) of the Congressional Budget Act of 1974 is amended by inserting "301(j)," after "301(i),".

(2) Section 904(d)(3) of the Congressional Budget Act of 1974 is amended by inserting "301(j)," after "301(i),".

SEC. 6. EXTENSION OF DISCRETIONARY SPENDING LIMITS.

(a) EXTENSION OF LIMITS.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended, in the matter before paragraph (A), by deleting "2002", and inserting "2014".

(b) EXTENSION OF AMOUNTS.—Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking paragraphs (4), (5), (6) and (7), and inserting the following:

"(4) With respect to fiscal year 2000,

"(A) for the discretionary category: $535,368,000,000 in new budget authority and $543,257,000,000 in outlays;

"(B) for the highway category: $24,574,000,000 in outlays;

"(C) for the mass transit category: $4,117,000,000 in outlays; and

"(D) for the violent crime reduction category: $4,500,000,000 in new budget authority and $5,564,000,000 in outlays;

"(5) With respect to fiscal year 2001,

"(A) for the discretionary category: $573,004,000,000 in new budget authority and $564,931,000,000 in outlays;

"(B) for the highway category: $26,234,000,000 in outlays; and

"(C) for the mass transit category: $4,888,000,000 in outlays;

"(6) With respect to fiscal year 2002,

"(A) for the discretionary category: $584,754,000,000 in new budget authority and $582,516,000,000 in outlays;

"(B) for the highway category: $26,655,000,000 in outlays; and

"(C) for the mass transit category: $5,384,000,000 in outlays;

"(7) With respect to fiscal year 2003,

"(A) for the discretionary category: $590,800,000,000 in new budget authority and $587,642,000,000 in outlays;

"(B) for the highway category: $27,041,000,000 in outlays; and

"(C) for the mass transit category: $6,124,000,000 in outlays;

"(8) With respect to fiscal year 2004, for the discretionary category: $604,319,000,000 in new budget authority and $634,039,000,000 in outlays;

"(9) With respect to fiscal year 2005, for the discretionary category: $616,496,000,000 in new budget authority and $653,530,000,000 in outlays;

"(10) With respect to fiscal year 2006, for the discretionary category: $630,722,000,000 in new budget authority and $671,530,000,000 in outlays;

"(11) With respect to fiscal year 2007, for the discretionary category: $644,525,000,000 in new budget authority and $687,532,000,000 in outlays;

"(12) With respect to fiscal year 2008, for the discretionary category: $663,611,000,000 in new budget authority and $704,534,000,000 in outlays; and

"(13) With respect to fiscal year 2009, for the discretionary category: $678,019,000,000 in new budget authority and $721,215,000,000 in outlays, "as adjusted in strict conformance with subsection (b).

"With respect to fiscal year 2010 and each fiscal year thereafter, the term "discretionary spending limit" means, for the discretionary category, the baseline amount calculated pursuant to the requirements of Section 257(c), as adjusted in strict conformance with subsection (b).".

SEC. 7. EXTENSION AND CLARIFICATION OF PAY-AS-YOU-GO REQUIREMENT.

Section 252 of the Balanced Budget And Emergency Deficit Control Act of 1985 is amended—

(a) in subsection (a), by striking "October 1, 2002" and inserting "October 1, 2014" and by adding "or decreases the surplus" after "increases the deficit";

(b)(1) in paragraph (1) of subsection (b), by striking "October 1, 2002" and inserting "October 1, 2014" and by adding "or any net surplus decrease" after "any net deficit increase";

(2) in paragraph (2) of subsection (b),

(i) in the header by adding "or surplus decrease" after "deficit increase";

(ii) in the matter before subparagraph (A), by adding "or surplus" after "deficit"; and

(iii) in subparagraph (C), by adding "or surplus" after "net deficit"; and

(3) in the header of subsection (c), by adding "or surplus decrease" after "deficit increase".

SEC. 8. EXTENSION OF BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT.—

Section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "September 30, 2002" and inserting "September 30, 2014" and by striking "September 30, 2006" and inserting "September 30, 2018".

SEC. 9. EXTENSION OF SOCIAL SECURITY FIREWALL IN CONGRESSIONAL BUDGET ACT.—

Section 904(e) of the Congressional Budget Act of 1974 is amended by striking "September 30, 2002" and inserting "September 30, 2014".

SEC. 10. PROTECTION OF SOCIAL SECURITY INTEREST SAVINGS TRANSFERS.

(a) DEFINITION OF DEFICIT AND SURPLUS UNDER BUDGET ENFORCEMENT ACT.—Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended in paragraph (1) by adding "'surplus'," before "and 'deficit'".

(b) REDUCTION OR REVERSAL OF SOCIAL SECURITY TRANSFERS NOT TO BE COUNTED AS PAY-AS-YOU-GO OFFSET.—Any legislation that would reduce, reverse or repeal the transfers to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund made by Section 201(n) of the Social Security Act, as added by Section 3 of this Act, shall not be counted on the pay-as-you-go scorecard and shall not be included in any pay-as-you-go estimates made by the Congressional Budget Office or the Office of Management and Budget under Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) CONFORMING CHANGE.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended, in paragraph (4) of subsection (d), by—

(1) striking "and" after subparagraph (A),

(2) striking the period after the subparagraph (B) and inserting "; and", and

(3) adding the following:

"(C) provisions that reduce, reverse or repeal transfers under Section 201(n) of the Social Security Act.".

SEC. 11. CONFORMING CHANGES.

(a) REPORTS.—Section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (3) of subsection (c)—

(A) in subparagraph (A), by adding "or surplus" after "deficit";

(B) in subparagraph (B), by adding "or surplus" after "deficit"; and

(C) in subparagraph (C), by adding "or surplus decrease" after "deficit increase";

(2) in paragraph (4) of subsection (f), by adding "or surplus" after "deficit"; and

(3) in subparagraph A of paragraph (2) of subsection (f), by striking "2002" and inserting "2009".

(b) ORDERS.—Section 258A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended in the first sentence by adding "or increase the surplus" after "deficit".

(c) PROCESS.—Section 258(C)(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (2), by adding "or surplus increase" after "deficit reduction";

(2) in paragraph (3), by adding "or increase in the surplus" after "reduction in the deficit"; and

(3) in paragraph (4), by adding "or surplus increase" after "deficit reduction".

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
October 26, 1999.

To the Congress of the United States:

I transmit herewith for your immediate consideration a legislative proposal entitled the "Strengthen Social Security and Medicare Act of 1999."

The Social Security system is one of the cornerstones of American national policy and together with the additional protections afforded by the Medicare system, has helped provide retirement security for millions of Americans over the last 60 years. However, the long-term solvency of the Social Security and Medicare trust funds is not guaranteed. The Social Security trust fund is currently expected to become insolvent starting in 2034 as the number of retired workers doubles. The Medicare system also faces significant financial shortfalls, with the Hospital Insurance Trust Fund projected to become exhausted in 2015. We need to take additional steps to strengthen Social Security and Medicare for future generations of Americans.

In addition to preserving Social Security and Medicare, the Congress and the President have a responsibility to future generations to reduce the debt held by the public. Paying down the debt will produce substantial interest savings, and this legislation proposes to devote these entirely to Social Security after 2010. At the same time, by contributing to the growth of the overall economy debt reduction will improve the Government's ability to fulfill its responsibilities and to face future challenges, including preserving and strengthening Social Security and Medicare.

The enclosed bill would help achieve these goals by devoting the entire Social Security surpluses to debt reduction, extending the solvency of Social Security to 2050, protecting Social Security and Medicare funds in the budget process, reserving one-third of the non-Social Security surplus to strengthen and modernize Medicare, and paying down the debt by 2015. It is clear and straightforward legislation that would strengthen and preserve Social Security and Medicare for our children and grandchildren. The bill would:

Extend the life of Social Security from 2034 to 2050 by reinvesting the interest savings from the debt reduction resulting from Social Security surpluses.

Establish a Medicare surplus reserve equal to one-third of any on-budget surplus for the total of the period of fiscal years 2000 through 2009 to strengthen and modernize Medicare.

Add a further protection for Social Security and Medicare by extending the budget enforcement rules that have provided the foundation for our fiscal discipline, including the discretionary caps and pay-as-you-go budget rules.

I urge the prompt and favorable consideration of this proposal.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 26, 1999.*

ADDITIONAL COSPONSORS

S. 345

At the request of Mr. ALLARD, the names of the Senator from Maryland (Mr. SARBANES) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 391

At the request of Mr. KERREY, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 391, a bill to provide for payments to children's hospitals that operate graduate medical education programs.

S. 505

At the request of Mr. GRASSLEY, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 505, a bill to give gifted and talented students the opportunity to develop their capabilities.

S. 607

At the request of Mr. CRAIG, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 607, a bill reauthorize and amend the National Geologic Mapping Act of 1992.

S. 909

At the request of Mr. CONRAD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 909, a bill to provide for the review and classification of physician assistant positions in the Federal Government, and for other purposes.

S. 961

At the request of Mr. BURNS, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 961, a bill to amend the Consolidated Farm And Rural Development Act to improve shared appreciation arrangements.

S. 978

At the request of Mr. WARNER, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 978, a bill to specify that the legal public holiday known as Washington's Birthday be called by that name.

S. 1020

At the request of Mr. GRASSLEY, the names of the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Nevada (Mr. REID), the Senator from Louisiana (Mr. BREAUX), and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1099

At the request of Mr. BAUCUS, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1099, a bill to establish a mechanism for using the duties imposed on products of countries that fail to comply with WTO dispute resolution decision to provide relief to injured domestic producers.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1131

At the request of Mr. EDWARDS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1131, a bill to promote research into, and the development of an ultimate cure for, the disease known as Fragile X.

S. 1158

At the request of Mr. HUTCHINSON, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1158, a bill to allow the recovery of attorney's fees and costs by certain employers and labor organizations who are prevailing parties in proceedings brought against them by the National Labor Relations Board or by the Occupational Safety and Health Administration.

S. 1159

At the request of Mr. STEVENS, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1159, a bill to provide grants and contracts to local educational agencies to initiate, expand, and improve physical education programs for all kindergarten through 12th grade students.

S. 1185

At the request of Mr. ABRAHAM, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1185, a bill to provide small business certain protections from litigation excesses and to limit the product liability of non-manufacturer product sellers.

S. 1211

At the request of Mr. BENNETT, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1211, a bill to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner.

S. 1232

At the request of Mr. COCHRAN, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1232, a bill to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code.

S. 1364

At the request of Mr. BAYH, the names of the Senator from Nebraska (Mr. KERREY) and the Senator from Michigan (Mr. ABRAHAM) were added as cosponsors of S. 1364, a bill to amend title IV of the Social Security Act to increase public awareness regarding the benefits of lasting and stable marriages and community involvement in the promotion of marriage and fatherhood issues, to provide greater flexibility in the Welfare-to-Work grant program for long-term welfare recipients and low income custodial and noncustodial parents, and for other purposes.

S. 1384

At the request of Mr. ABRAHAM, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1442

At the request of Mr. REED, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1442, a bill to provide for the professional development of elementary and secondary school teachers.

S. 1453

At the request of Mr. FRIST, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1453, a bill to facilitate relief efforts and a comprehensive solution to the war in Sudan.

S. 1487

At the request of Mr. AKAKA, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1487, a bill to provide for excellence in economic education, and for other purposes.

S. 1528

At the request of Mr. LOTT, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. DODD), the Senator from Illinois (Mr. FITZGERALD), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1547

At the request of Mr. BURNS, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1547, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

S. 1619

At the request of Mr. DEWINE, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Florida (Mr. MACK), and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 1619, a bill to amend the Trade Act of 1974 to provide for periodic revision of retaliation lists or other remedial action implemented under section 306 of such Act.

S. 1673

At the request of Mr. DEWINE, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1673, a bill to amend titles 10 and 18, United States Code, to protect unborn victims of violence.

S. 1718

At the request of Mr. KERRY, the names of the Senator from Washington (Mrs. MURRAY), the Senator from California (Mrs. FEINSTEIN), and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 1718, a bill to amend the Internal Revenue Code of 1986 to provide a credit for medical research related to developing vaccines against widespread diseases.

S. 1729

At the request of Mr. CRAIG, his name was added as a cosponsor of S. 1729, a bill to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails, and for other purposes.

S. 1745

At the request of Mr. REED, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1745, a bill to establish and expand child opportunity zone family centers in elementary schools and secondary schools, and for other purposes.

S. 1771

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1771, a bill to provide stability in the United States agriculture sector and to promote adequate availability of food and medicine for humanitarian assistance abroad by requiring congressional approval before the imposition of any unilateral agricultural medical sanction against a foreign country or foreign entity.

S. 1791

At the request of Mr. ROBB, his name was added as a cosponsor of S. 1791, a bill to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

S. 1810

At the request of Mrs. MURRAY, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1813

At the request of Mr. KENNEDY, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1813, a bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. CONRAD, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution expressing the sense of Congress regarding the guaranteed coverage of chiropractic services under the Medicare+Choice program.

SENATE CONCURRENT RESOLUTION 60

At the request of Mr. FEINGOLD, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of Senate Concurrent Resolution 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. SESSIONS, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Missouri (Mr. ASHCROFT), and the Senator from Idaho (Mr. CRAPO) were added as cosponsors of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress regarding a continued United States security presence in Panama and a review of the contract bidding process for the Balboa and Cristobal port facilities on each end of the Panama Canal.

SENATE RESOLUTION 118

At the request of Mr. REID, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of Senate Resolution 118, a resolution designating December 12, 1999, as "National Children's Memorial Day."

SENATE RESOLUTION 185

At the request of Mr. MACK, his name was added as a cosponsor of Senate Resolution 185, a resolution recognizing and commending the personnel of Eglin Air Force Base, Florida, for their participation and efforts in support of the North Atlantic Treaty Organization's (NATO) Operation Allied Force in the Balkan Region.

SENATE RESOLUTION 196

At the request of Mr. WARNER, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Nebraska (Mr. HAGEL), and the Senator from Maine (Ms. SNOWE) were added as cosponsors of Senate Resolution 196, a resolution commending the submarine force of the United States Navy on the 100th anniversary of the force.

SENATE RESOLUTION 204

At the request of Mr. HATCH, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of Senate Resolution 204, a resolution designating the week beginning November 21, 1999, and the week beginning on November 19, 2000, as "National Family Week," and for other purposes.

* * *

SENATE RESOLUTION 208—EXPRESSING THE SENSE OF THE SENATE REGARDING UNITED STATES POLICY TOWARD THE NORTH ATLANTIC TREATY ORGANIZATION AND THE EUROPEAN UNION, IN LIGHT OF THE ALLIANCE'S APRIL 1999 WASHINGTON SUMMIT AND THE EUROPEAN UNION'S JUNE 1999 COLOGNE SUMMIT

Mr. ROTH (for himself, Mr. LUGAR, Mr. BIDEN, Mr. KYL, Mr. HAGEL, Mr. SMITH of Oregon, Mr. LIEBERMAN, and Mr. HELMS) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 208

Whereas NATO is the only military alliance with both real defense capabilities and a transatlantic membership;

Whereas NATO is the only institution that promotes a uniquely transatlantic perspective and approach to issues concerning the security of North America and Europe;

Whereas NATO's military force structure, defense planning, command structures, and force goals must be sufficient for the collective self-defense of its members, capable of projecting power when the security of a NATO member is threatened, and provide a basis for ad hoc coalitions of willing partners among NATO members to defend common values and interests;

Whereas these requirements dictate that European NATO members possess national military capabilities to rapidly deploy forces over long distances, sustain operations for extended periods of time, and operate jointly with the United States in high-intensity conflicts;

Whereas NATO's military operations against the Federal Republic of Yugoslavia (Serbia and Montenegro) in 1999 highlighted (1) the significant shortcomings of European allies in command, control, communication, and intelligence resources; combat aircraft; precision-guided munitions; airlift; deployability; and logistics; and (2) the overall imbalance between United States and European defense capabilities;

Whereas this imbalance in United States and European NATO defense capabilities undercuts the Alliance's goal of equitable transatlantic burden-sharing;

Whereas NATO has undertaken great efforts to facilitate the emergence of a stronger European pillar within NATO through the European Security and Defense Identity, including the identification of NATO's Deputy Supreme Allied Commander as the commander of operations led by the Western European Union (WEU); the creation of a NATO Headquarters for WEU-led operations; and the establishment of close linkages between NATO and the WEU, including planning, exercises, and regular consultations;

Whereas in promulgating NATO's Defense Capabilities Initiative Alliance members committed themselves to improving their respective forces in five areas: (1) effective engagement; (2) deployability and mobility; (3) sustainability and logistics; (4) survivability; and (5) command, control and communications.

Whereas on June 3, 1999, the European Union, in the course of its Cologne Summit, agreed to absorb the functions and structures of the Western European Union, including its command structures and military forces, and established within it the post of High Representative for Common Foreign and Security Policy; and

Whereas the European Union's decisions at its June 3, 1999 Cologne Summit indicate a new determination of its member states to develop a European Security and Defense Identity with strengthened defense capabilities to address regional conflicts and crisis management: Now, therefore, be it

Resolved,

SECTION 1. UNITED STATES POLICY TOWARD NATO.

(a) SENSE OF THE SENATE.—The Senate—

(1) believes NATO should remain the primary institution through which European and North American allies address security issues of transatlantic concern;

(2) believes all NATO members should commit to improving their respective defense capabilities so that NATO can project power decisively with equitable burden-sharing;

(3) endorses NATO's decision to launch the Defense Capabilities Initiative, which is intended to improve the defense capabilities of the European Allies, particularly the deployability, mobility, sustainability, and interoperability of these European forces;

(4) acknowledges the resolve of the European Union to have the capacity for autonomous action so that it can take decisions and approve military action where the Alliance as a whole is not engaged; and

(5) calls upon the member states of NATO and the European Union to promulgate together during their respective meetings, ministerials, and summits in the course of 1999 principles that will strengthen the transatlantic partnership, reinforce unity within NATO, and harmonize their roles in transatlantic affairs.

(b) FURTHER SENSE OF THE SENATE.—It is further the sense of the Senate that—

(1) on matters of trans-Atlantic concern the European Union should make clear that it would undertake an autonomous mission through its European Security and Defense Identity only after the North Atlantic Treaty Organization had been offered the opportunity to undertake that mission but had referred it to the European Union for action;

(2) improved European military capabilities, not new institutions outside of the Alliance, are the key to a vibrant and more influential European Security and Defense Identity within NATO;

(3) failure of the European allies of the United States to achieve the goals established through the Defense Capabilities Initiative would weaken support for the Alliance in the United States;

(4) the President, the Secretary of State, and the Secretary of Defense should fully use their offices to encourage the NATO allies of the United States to commit the resources necessary to upgrade their capabilities to rapidly deploy forces over long distances, sustain operations for extended periods of time, and operate jointly with the United States in high-intensity conflicts, thus making them effective partners of the United States in supporting mutual interests;

(5) the European Union must implement its Cologne Summit decisions concerning its Common Foreign and Security Policy in a manner that will ensure that non-WEU NATO allies, including Canada, the Czech Republic, Denmark, Hungary, Iceland, Norway, Poland, Turkey, and the United States, will not be discriminated against, but will be fully involved when the European Union addresses issues affecting their security interests;

(6) the European Union's implementation of the Cologne Summit decisions should not promote a strategic perspective on transatlantic security issues that conflicts with that promoted by the North Atlantic Treaty Organization;

(7) the European Union's implementation of its Cologne Summit decisions should not promote unnecessary duplication of the resources and capabilities provided by NATO; and

(8) the European Union's implementation of its Cologne Summit decisions should not promote a decline in the military resources that European allies contribute to NATO, but should instead promote the complete fulfillment of their respective force commitments to the Alliance.

Mr. BIDEN. Mr. President, I rise today to introduce, with Senator ROTH, Senator LUGAR and other colleagues, a resolution that attempts to clarify the relationship between the European Union's new European Security and Defense Identify, popularly known by its acronym ESDI, and the North Atlantic Treaty Organization.

Mr. President, as my colleagues will remember, ESDI has been gathering momentum since last December's meeting in St. Malo, France between French President Chirac and British Prime Minister Blair. It is part of the European Union's Common Foreign and Security Policy, which the EU sees as essential to its development as "an ever closer union."

ESDI was discussed in the communique of the April 1999 NATO Washington Summit, and it was elaborated on in the communique of the June 1999 EU Cologne Summit.

Let me say up front that I believe that ESDI—if it is developed in proper coordination with NATO—can serve the national interest of the United States by becoming a valuable vehicle for strengthening the European military contribution to NATO. Put another way, ESDI, if handled correctly, can at long last create more equitable burden-sharing between our European NATO allies and the United States.

NATO must and will remain the preeminent organization to defend the territory of the North Atlantic area against all external threats, as envisioned in Article 5 of the North Atlantic Treaty of April 4, 1949 and restated on April 30, 1998 by the United States Senate in its Resolution of Ratification of the enlargement of the Alliance to include Poland, the Czech Republic, and Hungary.

NATO may also, pursuant to Article 4 of the North Atlantic Treaty, on a case-by-case basis, engage in other missions when there is consensus among its members that there is a threat to the security and interests of NATO members. These missions have become known as non-Article 5 missions and were also reaffirmed by the Senate in the April 30, 1998 Resolution of Ratification of NATO enlargement.

ESDI's field of action should be restricted to those non-Article 5 missions in which NATO as an organization does not wish to involve itself. In practice, Mr. President, this would mean that at some future date if the need for military action arose in non-NATO Europe and the United States did not wish to become involved, the European Union could undertake the effort, utilizing, in part, NATO assets.

Mr. President, I believe that such a situation with a rejuvenated European pillar of the alliance could free up forces of this country for possible action elsewhere.

Let me emphasize, however, that in order for ESDI to accomplish both the goals of the European Union and of NATO, it must be clearly designed in a way that gives NATO the "right of first refusal" on non-Article 5 missions. To repeat—if NATO would not wish to become involved, then the European Union would have the option of leading the mission.

In addition, Mr. President, we must be sure that ESDI does not duplicate resources or discriminate against non-EU European NATO members (Norway, Turkey, Iceland, Poland, Czech Republic, and Hungary).

Mr. President, in my opinion the biggest danger is that ESDI could be constructed as an alternative to NATO for non-Article 5 missions. If this would happen, it could lead to an estrangement of the United States from its European allies.

Unfortunately, the June 1999 Cologne EU Summit communique subtly modified the language of the April 1999 Washington NATO Summit communique in the direction of ESDI as an autonomous EU military organ, using NATO assets, without giving NATO this necessary "right of first refusal" for non-Article 5 missions.

The European Union is currently involved in internal negotiations on a further elaboration of ESDI at the December EU Summit in Helsinki. The Sense of the Senate resolution that we are introducing serves as a clear message to our friends in the European Union that while we recognize their aspirations for a European Security and Defense Identity, it must complement NATO, not be in competition with, or duplicative of it.

With that in mind, our Resolution traces the development of ESDI, citing both the Washington NATO Summit and the Cologne EU Summit. It stresses that the Yugoslav air campaign demonstrated the military shortcomings of the European allies and the imbalance with the United States, both of which the allies have pledged to address through the NATO Defense Capabilities Initiative.

The Resolution then expresses several items that are the Sense of the Senate.

NATO should remain the primary institution for security issues of trans-Atlantic concern;

All NATO members should commit to improving their defense capabilities so that the Alliance can project power decisively with equitable burden-sharing;

The Defense Capabilities Initiative adopted at the Washington NATO Summit is specifically endorsed;

The resolve of the EU to have the capacity for autonomous action where the Alliance as a whole is not engaged is acknowledged;

The member states of NATO and the EU should promulgate principles that will strengthen the trans-Atlantic partnership and reinforce unity within NATO.

Then, Mr. President, cutting directly to the heart of preventing ESDI's becoming an alternative to NATO for non-Article 5 missions, the Resolution offers the Further Sense of the Senate that "on matters of trans-Atlantic concern the European Union should make clear that it would undertake an autonomous mission through its European Security and Defense Identity only after the North Atlantic Treaty Organization had been offered the opportunity to undertake that mission but had referred it to the European Union for action."

Further, and directly relevant to the issue of more equitable burden-sharing, the Resolution states the Sense of the Senate that "failure of the European allies of the United States to achieve the goals established through the Defense Capabilities Initiative would weaken support for the Alliance in the United States."

Addressing the issue of non-discrimination by the EU against non-EU NATO members, the Resolution states the Sense of the Senate that "the European Union must implement its Cologne Summit decisions concerning its Common Foreign and Security Policy in a manner that will ensure that non-WEU NATO allies, including Canada, the Czech Republic, Denmark, Hungary, Iceland, Norway, Poland, Turkey, and the United States, will not be discriminated against, but will be fully involved when the European Union addresses issues affecting their security interests."

Finally, the Resolution expresses the Sense of the Senate that the EU's implementation of its Cologne Summit decisions should not promote a strategic perspective on trans-Atlantic security issues that conflicts with that promoted by NATO and should not promote unnecessary duplication of the resources and capabilities provided by NATO.

Mr. President, the North Atlantic Treaty Organization remains the cornerstone of our engagement with Europe. The resolution we have introduced makes clear to our partners that we support the European Union's European Security and Defense Identity as long as it is developed in a manner to strengthen NATO, not weaken it.

I thank the Chair and yield the floor.

AMENDMENTS SUBMITTED

THE AFRICAN GROWTH AND OPPORTUNITY ACT

BINGAMAN AMENDMENT NO. 2345

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

At the appropriate place, insert the following new section:

SEC. . REPORT.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of this section, the Comptroller General of the United States shall submit a report to Congress regarding the efficiency and effectiveness of Federal and State coordination of unemployment and retraining activities associated with the following programs and legislation:

(1) trade adjustment assistance (including NAFTA trade adjustment assistance) provided for under title II of the Trade Act of 1974;

(2) the Job Training Partnership Act;

(3) the Workforce Investment Act; and

(4) unemployment insurance.

(b) PERIOD COVERED.—The report shall cover the activities involved in the programs and legislation listed in subsection (a) from January 1, 1994 to December 31, 1999.

(c) DATA AND RECOMMENDATIONS.—The report shall at a minimum include specific data and recommendations regarding—

(1) the compatibility of program requirements related to the employment and retraining of dislocated workers in the United States, with particular emphasis on the trade adjustment assistance programs provided for under title II of the Trade Act of 1974;

(2) the compatibility of application procedures related to the employment and retraining of dislocated workers in the United States;

(3) the capacity of these programs to assist workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(4) the capacity of these programs to assist secondary workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(5) how the impact of foreign trade and the transfer of production to other countries would have changed the number of beneficiaries covered under the trade adjustment assistance program if the trade adjustment assistance program covered secondary workers in the United States; and

(6) the effectiveness of the programs described in subsection (a) in achieving reemployment of United States workers and maintaining wage levels of United States workers who have been dislocated as a result of foreign trade and the transfer of production to other countries.

SANTORUM (AND BYRD) AMENDMENT NO. 2346

(Ordered to lie on the table.)

Mr. SANTORUM (for himself and Mr. BYRD) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. MORATORIUM ON ANTIDUMPING AND COUNTERVAILING DUTY AGREEMENTS.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Senate is deeply concerned that, in connection with the World Trade Organization ("WTO") Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiating topics and reopen debate over the WTO's antidumping and antisubsidy rules.

(2) Strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States.

(3) It has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations.

(4) The WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective.

(5) Opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States.

(6) Conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members.

(7) It is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should—

(1) not participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) refrain from submitting for congressional approval agreements that require weakening changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

SPECTER (AND OTHERS) AMENDMENT NO. 2347

(Ordered to lie on the table.)

Mr. SPECTER (for himself, Mr. HOLLINGS, Mr. HATCH, Mr. SANTORUM, Mr. BYRD, and Mr. HELMS) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new title:

TITLE —PRIVATE RIGHT OF ACTION FOR DUMPED AND SUBSIDIZED MERCHANDISE

SEC. 01. SHORT TITLE.

This title may be cited as the "Unfair Foreign Competition Act of 1999".

SEC. 02. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) Clayton Act.—Section 1(a) of the Clayton Act (15 U.S.C. 12) is amended by inserting "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);" after "nineteen hundred and thirteen;".

(b) Action for Dumping Violations.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801. IMPORTATION OR SALE OF ARTICLES AT LESS THAN FOREIGN MARKET VALUE OR CONSTRUCTED VALUE.

"(a) Prohibition.—No person shall import into, or sell within, the United States an article manufactured or produced in a foreign country if—

"(1) the article is imported or sold within the United States at a United States price that is less than the foreign market value or constructed value of the article; and

"(2) the importation or sale—

"(A) causes or threatens to cause material injury to industry or labor in the United States; or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Civil Action.—An interested party whose business or property is injured by reason of an importation or sale of an article in violation of this section may bring a civil action in the Court of International Trade against any person who—

"(1) manufactures, produces, or exports the article; or

"(2) imports the article into the United States if the person is related to the manufacturer or exporter of the article.

"(c) Relief.—

"(1) In general.—Upon an affirmative determination by the Court of International Trade in an action brought under subsection (b), the court shall issue an order that includes a description of the subject article in such detail as the court deems necessary and shall—

"(A) direct the Customs Service to assess an antidumping duty on the article covered by the determination in accordance with section 736(a) of the Tariff Act of 1930 (19 U.S.C. 1673e); and

"(B) require the deposit of estimated antidumping duties pending liquidation of entries of the article at the same time as estimated normal customs duties on that article are deposited.

"(d) Standard of Proof.—

"(1) Preponderance of evidence.—The standard of proof in an action brought under subsection (b) is a preponderance of the evidence.

"(2) Shift of burden of proof.—Upon—

"(A) a prima facie showing of the elements set forth in subsection (a), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

"(e) Other Parties.—

"(1) In general.—Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

"(2) Service on district director of customs service.—A foreign manufacturer, producer, or exporter that sells articles, or for whom articles are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service for the port through which the article that is the subject of the action is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, and all lawful process may be served on the District Director in any action brought under subsection (b) against the manufacturer, producer, or exporter.

"(f) Limitation.—

"(1) Statute of limitation.—An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrues.

"(2) Suspension.—The 4-year period provided for in paragraph (1) shall be suspended—

"(A) while there is pending an administrative proceeding under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.) relating to the article that is the subject of the action or an appeal of a final determination in such a proceeding; and

"(B) for 1 year thereafter.

"(g) Noncompliance With Court Order.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h) Confidentiality and Privileged Status.—

"(1) In general.—Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be maintained in any action brought under subsection (b).

"(2) Exception.—In an action brought under subsection (b) the court may—

"(A) examine, in camera, any confidential or privileged material;

"(B) accept depositions, documents, affidavits, or other evidence under seal; and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Expedition of Action.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) Definitions.—In this section, the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', 'interested party', and 'material injury', have the meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

"(k) Intervention by the United States.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Nullification of Order.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(c) Action for Subsidies Violations.—Title VIII of the Act of September 8, 1916 (39 U.S.C. 798; 15 U.S.C. 71 et seq.) is amended by adding at the end the following new section:

"SEC. 807. IMPORTATION OR SALE OF SUBSIDIZED ARTICLES.

"(a) Prohibition.—No person shall import into, or sell within, the United States an article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of the article; and

"(2) the importation or sale—

"(A) causes or threatens to cause material injury to industry or labor in the United States; or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Civil Action.—An interested party whose business or property is injured by reason of the importation or sale of an article in violation of this section may bring a civil action in the Court of International Trade against any person who—

"(1) manufactures, produces, or exports the article; or

"(2) imports the article into the United States if the person is related to the manufacturer, producer, or exporter of the article.

"(c) Relief.—

"(1) In general.—Upon an affirmative determination by the Court of International Trade in an action brought under subsection (b), the court shall issue an order that includes a description of the subject article in such detail as the court deems necessary and shall—

"(A) direct the Customs Service to assess a countervailing duty on the article covered by the determination in accordance with section 706(a) of the Tariff Act of 1930 (19 U.S.C. 1671e); and

"(B) require the deposit of estimated countervailing duties pending liquidation of entries of the article at the same time as estimated normal customs duties on that article are deposited.

"(d) Standard of Proof.—

"(1) Preponderance of evidence.—The standard of proof in an action filed under subsection (b) is a preponderance of the evidence.

"(2) Shift of burden of proof.—Upon—

"(A) a prima facie showing of the elements set forth in subsection (a), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question from the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

"(e) Other Parties.—

"(1) In general.—Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

“(2) Service on district director of customs service.—A foreign manufacturer, producer, or exporter that sells articles, or for which articles are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service for the port through which the article that is the subject of the action is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, and all lawful process may be served on the District Director in any action brought under subsection (b) against the manufacturer, producer, or exporter.

“(f) Limitation.—

“(1) Statute of limitations.—An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrues.

“(2) Suspension.—The 4-year period provided for in paragraph (1) shall be suspended—

“(A) while there is pending an administrative proceeding under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) relating to the article that is the subject of the action or an appeal of a final determination in such a proceeding; and

“(B) for 1 year thereafter.

“(g) Noncompliance With Court Order.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

“(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

“(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

“(h) Confidentiality and Privileged Status.—

“(1) In general.—Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be maintained in any action brought under subsection (b).

“(2) Exception.—In an action brought under subsection (b) the court may—

“(A) examine, in camera, any confidential or privileged material;

“(B) accept depositions, documents, affidavits, or other evidence under seal; and

“(C) disclose such material under such terms and conditions as the court may order.

“(i) Expedition of Action.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

“(j) Definitions.—In this section, the terms ‘subsidy’, ‘material injury’, and ‘interested party’ have the meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

“(k) Intervention by the United States.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

“(l) Nullification of Order.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).”.

(d) Action for Customs Fraud.—

(1) Amendment of title 28, United States code.—Chapter 95 of title 28, United States Code, is amended by adding at the end the following new section:

“§ 1586. Private enforcement action for customs fraud

“(a) Civil Action.—An interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)) may bring a civil action in the Court of International Trade, without respect to the amount in controversy.

“(b) Relief.—Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, the interested party shall—

“(1)(A) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the merchandise in question; or

“(B) if injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

“(2) recover the costs of suit, including reasonable attorney’s fees.

“(c) Definitions.—For purposes of this section:

“(1) Interested party.—The term ‘interested party’ means—

“(A) a manufacturer, producer, or wholesaler in the United States of like or competing merchandise; or

“(B) a trade or business association a majority of whose members manufacture, produce, or wholesale like merchandise or competing merchandise in the United States.

“(2) Like merchandise.—The term ‘like merchandise’ means merchandise that is like, or in the absence of like, most similar in characteristics and users with, merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

“(3) Competing merchandise.—The term ‘competing merchandise’ means merchandise that competes with or is a substitute for merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

“(d) Intervention by the United States.—The court shall permit the United States to intervene in an action brought under this section, as a matter of right. The United States shall have all the rights of a party.

“(e) Nullification of Order.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).”.

(2) Technical amendment.—The chapter analysis for chapter 95 of title 28, United States Code, is amended by adding at the end the following new item:

“1586. Private enforcement action for customs fraud.”.

SEC. 03. AMENDMENTS TO THE TARIFF ACT OF 1930.

(a) In General.—Title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) is amended by inserting after section 753 the following new section:

“SEC. 754. CONTINUED DUMPING AND SUBSIDY OFFSET.

“(a) In General.—Duties assessed pursuant to a countervailing duty order, an antidumping duty order, or a finding under the Antidumping Act of 1921 shall be distributed on an annual basis under this section to workers for damages sustained for loss of wages resulting from the loss of jobs, and to the affected domestic producers for qualifying expenditures. Such distribution shall be known as the ‘continued dumping and subsidy offset’.

“(b) Definitions.—As used in this section:

“(1) Affected domestic producer.—The term ‘affected domestic producer’ means any manufacturer, producer, farmer, rancher, or worker representative (including associations of such persons) that—

“(A) was a petitioner or interested party in support of the petition with respect to which an antidumping duty order, a finding under the Antidumping Act of 1921, or a countervailing duty order has been entered, and

“(B) remains in operation.

Companies, businesses, or persons that have ceased the production of the product covered by the order or finding or who have been acquired by a company or business that is related to a company that opposed the investigation shall not be an affected domestic producer.

“(2) Commissioner.—The term ‘Commissioner’ means the Commissioner of Customs.

“(3) Commission.—The term ‘Commission’ means the United States International Trade Commission.

“(4) Qualifying expenditure.—The term ‘qualifying expenditure’ means an expenditure incurred after the issuance of the antidumping duty finding or order or countervailing duty order in any of the following categories:

“(A) Plant.

“(B) Equipment.

“(C) Research and development.

“(D) Personnel training.

“(E) Acquisition of technology.

“(F) Health care benefits to employees paid for by the employer.

“(G) Pension benefits to employees paid for by the employer.

“(H) Environmental equipment, training, or technology.

“(I) Acquisition of raw materials and other inputs.

“(J) Borrowed working capital or other funds needed to maintain production.

“(5) Related to.—A company, business, or person shall be considered to be ‘related to’ another company, business, or person if—

“(A) the company, business, or person directly or indirectly controls or is controlled by the other company, business, or person,

“(B) a third party directly or indirectly controls both companies, businesses, or persons,

“(C) both companies, businesses, or persons directly or indirectly control a third party and there is reason to believe that the relationship causes the first company, business, or persons to act differently than a nonrelated party.

For purposes of this paragraph, a party shall be considered to directly or indirectly control another party if the party is legally or operationally in a position to exercise restraint or direction over the other party.

“(6) Workers.—The term ‘workers’ refers to persons who sustained damages for loss of wages resulting from loss of jobs. The Secretary of Labor shall determine eligibility for purposes of this section.

“(c) Distribution Procedures.—The Commissioner in consultation with the Secretary of Labor shall prescribe procedures for distribution of the continued dumping or subsidies offset required by this section. Such distribution shall be made not later than 60 days after the first day of a fiscal year from duties assessed during the preceding fiscal year.

"(d) PARTIES ELIGIBLE FOR DISTRIBUTION OF ANTIDUMPING AND COUNTERVAILING DUTIES ASSESSED.—

"(1) LIST OF WORKERS AND AFFECTED DOMESTIC PRODUCERS.—The Commission shall forward to the Commissioner within 60 days after the effective date of this section in the case of orders or findings in effect on such effective date, or in any other case, within 60 days after the date an antidumping or countervailing duty order or finding is issued, a list of petitioners and persons with respect to each order and finding and a list of persons that indicate support of the petition by letter or through questionnaire response. In those cases in which a determination of injury was not required or the Commission's records do not permit an identification of those in support of a petition, the Commission shall consult with the administering authority to determine the identity of the petitioner and those domestic parties who have entered appearances during administrative reviews conducted by the administering authority under section 751.

"(2) PUBLICATION OF LIST; CERTIFICATION.—The Commissioner shall publish in the Federal Register at least 30 days before the distribution of a continued dumping and subsidy offset, a notice of intention to distribute the offset and the list of workers and affected domestic producers potentially eligible for the distribution based on the list obtained from the Commission under paragraph (1). The Commissioner shall request a certification from each potentially eligible affected domestic producer—

"(A) that the producer desires to receive a distribution;

"(B) that the producer is eligible to receive the distribution as an affected domestic producer; and

"(C) the qualifying expenditures incurred by the producer since the issuance of the order or finding for which distribution under this section has not previously been made.

"(3) DISTRIBUTION OF FUNDS.—The Commissioner in consultation with the Secretary of Labor shall distribute all funds (including all interest earned on the funds) from assessed duties received in the preceding fiscal year to workers and to the affected domestic producers based on the certifications described in paragraph (2). The distributions shall be made on a pro rata basis based on new and remaining qualifying expenditures.

"(e) SPECIAL ACCOUNTS.—

"(1) ESTABLISHMENTS.—Within 14 days after the effective date of this section, with respect to antidumping duty orders and findings and countervailing duty orders in effect on the effective date of this section, and within 14 days after the date an antidumping duty order or finding or countervailing duty order issued after the effective date takes effect, the Commissioner shall establish in the Treasury of the United States a special account with respect to each such order or finding.

"(2) DEPOSITS INTO ACCOUNTS.—The Commissioner shall deposit into the special accounts, all antidumping or countervailing duties (including interest earned on such duties) that are assessed after the effective date of this section under the antidumping order or finding or the countervailing duty order with respect to which the account was established.

"(3) TIME AND MANNER OF DISTRIBUTIONS.—Consistent with the requirements of subsections (c) and (d), the Commissioner shall by regulation prescribe the time and manner in which distribution of the funds in a special account shall made.

"(4) TERMINATION.—A special account shall terminate after—

"(A) the order or finding with respect to which the account was established has terminated;

"(B) all entries relating to the order or finding are liquidated and duties assessed collected;

"(C) the Commissioner has provided notice and a final opportunity to obtain distribution pursuant to subsection (c); and

"(D) 90 days has elapsed from the date of the notice described in subparagraph (C).

Amounts not claimed within 90 days of the date of the notice described in subparagraph (C), shall be deposited into the general fund of the Treasury.".

(b) CONFORMING AMENDMENT.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting the following new item after the item relating to section 753:

"Sec. 754. Continued dumping and subsidy offset.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to all antidumping and countervailing duty assessments made on or after October 1, 1996.

TORRICELLI AMENDMENTS NOS. 2348–2349

(Ordered to lie on the table.)

Mr. TORRICELLI submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2348

At the appropriate place, insert the following new section:

SEC. . MODIFICATIONS TO CASUALTY LOSS DEDUCTION FOR 1999 TAXABLE YEAR.

(a) LOWER ADJUSTED GROSS INCOME THRESHOLD.—Paragraph (2) of section 165(h) of the Internal Revenue Code of 1986 (relating to treatment of casualty gains and losses) is amended—

(1) by striking "10 percent of the adjusted gross income of the individual" in subparagraph (A)(ii) and inserting "5 percent of the adjusted gross income of the individual (determined without regard to any deduction allowable under subsection (c)(3))", and

(2) by striking "10 PERCENT" in the heading and inserting "5 PERCENT".

(b) ABOVE-THE-LINE DEDUCTION.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (17) the following:

"(18) CERTAIN DISASTER LOSSES.—The deduction allowed by section 165(c)(3)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to losses sustained in taxable years beginning in 1999.

AMENDMENT NO. 2349

At the appropriate place, insert the following new section:

SEC. . TREATMENT OF CERTAIN STATE AND LOCAL DISASTER RELIEF.

(a) IN GENERAL.—With respect to a major disaster described in subsection (b), no person, business concern, or other entity shall be denied financial assistance (or required to repay financial assistance) under section 312 of the Robert T. Stafford Disaster Relief and Assistance Act (42 U.S.C. 5155) as a result of the receipt of financial assistance from a State or local government with respect to such disaster, except that such assistance may be denied (or required to be repaid) to the extent that the total assistance from all sources to the person, business concern, or other entity, exceeds the loss suffered by the person, business concern, or other entity.

(b) APPLICABILITY.—This section shall apply only to major disasters occurring after September 14, 1999, and before September 20, 1999.

DURBIN (AND SCHUMER) AMENDMENTS NOS. 2350-2351

(Ordered to lie on the table.)

Mr. DURBIN (for himself, and Mr. SCHUMER) submitted two amendments intended to be proposed by them to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2350

On page , line , strike "2 years" and insert "5 years".

AMENDMENT NO. 2351

At the appropriate place, insert the following new section:

SEC. . LIMITATIONS ON PREFERENTIAL TREATMENT.

The President may not exercise the authority to extend preferential tariff treatment to any country in sub-Saharan Africa provided for in this Act, unless the President certifies to Congress, using existing authority, that the President does not need additional authority to save American jobs in the garment, textile, and wool growing industries. For purposes of the preceding sentence, "additional authority" includes authority to implement preferential tariff treatment for fabrics of carded or combed wool, certified by the importer as intended for use in making suits, suit-type jackets, or trousers provided for in subheading 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90 of the Harmonized Tariff Schedule of the United States.

DURBIN AMENDMENTS NOS. 2352–2353

(Ordered to lie on the table.)

Mr. DURBIN submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2352

At the end of the bill, insert the following new title:

TITLE —STEEL IMPORT NOTIFICATION

SEC. 01. STEEL IMPORT NOTIFICATION AND MONITORING PROGRAM.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of the Treasury, shall establish and implement a steel import notification and monitoring program. The program shall include a requirement that any person importing a product classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States obtain an import notification certificate before such products are entered into the United States.

(b) STEEL IMPORT NOTIFICATION CERTIFICATES.—

(1) IN GENERAL.—In order to obtain a steel import notification certificate, an importer shall submit to the Secretary of Commerce an application containing—

(A) the importer's name and address;

(B) the name and address of the supplier of the goods to be imported;

(C) the name and address of the producer of the goods to be imported;

(D) the country of origin of the goods;

(E) the country from which the goods are to be imported;

(F) the United States Customs port of entry where the goods will be entered;

(G) the expected date of entry of the goods into the United States;

(H) a description of the goods, including the classification of such goods under the Harmonized Tariff Schedule of the United States;

(I) the quantity (in kilograms and net tons) of the goods to be imported;

(J) the cost insurance freight (CIF) and free alongside ship (FAS) values of the goods to be entered;

(K) whether the goods are being entered for consumption or for entry into a bonded warehouse or foreign trade zone;

(L) a certification that the information furnished in the certificate application is correct; and

(M) any other information the Secretary of Commerce determines to be necessary and appropriate.

(2) ENTRY INTO CUSTOMS TERRITORY.—In the case of merchandise classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States that is initially entered into a bonded warehouse or foreign trade zone, a steel import notification certificate shall be required before the merchandise is entered into the customs territory of the United States.

(3) ISSUANCE OF STEEL IMPORT NOTIFICATION CERTIFICATE.—The Secretary of Commerce shall issue a steel import notification certificate to any person who files an application that meets the requirements of this section. Such certificate shall be valid for a period of 30 days from the date of issuance.

(c) STATISTICAL INFORMATION.—

(1) IN GENERAL.—The Secretary of Commerce shall compile and publish on a weekly basis information described in paragraph (2).

(2) INFORMATION DESCRIBED.—Information described in this paragraph means information obtained from steel import notification certificate applications concerning steel imported into the United States and includes with respect to such imports the Harmonized Tariff Schedule of the United States classification (to the tenth digit), the country of origin, the port of entry, quantity, value of steel imported, and whether the imports are entered for consumption or are entered into a bonded warehouse or foreign trade zone. Such information shall also be compiled in aggregate form and made publicly available by the Secretary of Commerce on a weekly basis by public posting through an Internet website. The information provided under this section shall be in addition to any information otherwise required by law.

(d) FEES.—The Secretary of Commerce may prescribe reasonable fees and charges to defray the costs of carrying out the provisions of this section, including a fee for issuing a certificate under this section.

(e) SINGLE PRODUCER AND EXPORTER COUNTRIES.—Notwithstanding any other provision of law, the Secretary of Commerce shall make publicly available all information required to be released pursuant to subsection (c), including information obtained regarding imports from a foreign producer or exporter that is the only producer or exporter of goods subject to this section from a foreign country.

(f) REGULATIONS.—The Secretary of Commerce may prescribe such rules and regulations relating to the steel import notification and monitoring program as may be necessary to carry out the provisions of this section.

AMENDMENT NO. 2353

At the end of the bill, insert the following new title:

TITLE —IMPORT SURGES

SEC. 01. SHORT TITLE.

This title may be cited as the "Fair Trade Law Enhancement Act of 1999".

Subtitle A—Safeguard Amendments

SEC. 11. CAUSATION STANDARD.

(a) CHANGE IN CAUSATION STANDARD.—(1) Section 201(a) of the Trade Act of 1974 (19 U.S.C. 2251(a)) is amended by striking "substantial".

(2) Section 202 of the Trade Act of 1974 (19 U.S.C. 2252) is amended—

(A) in subsection (b)(1)(A), by striking "substantial";

(B) by amending subsection (b)(1)(B) to read as follows:

"(B) Imports are a cause of serious injury, or the threat thereof, when a causal link can be established between imports and the domestic industry's injury.";

(C) in subsection (c)(1)(C), by striking "substantial cause" and inserting "the causal link";

(D) in subsection (c)(3), by striking "substantial"; and

(E) in subsection (d)(2)(A)(i), by striking "substantial".

(b) CONFORMING AMENDMENT.—Section 264(c) of the Trade Act of 1974 (19 U.S.C. 2354(c)) is amended by striking "substantial".

SEC. 12. CAPTIVE PRODUCTION.

Section 202(c)(4) of the Trade Act of 1974 (19 U.S.C. 2252(c)(4)) is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(3) by adding after subparagraph (C) the following:

"(D) shall, in cases in which domestic producers transfer internally, including to related parties, significant production of the like or directly competitive article for the production of a downstream article and sell significant production of the like or directly competitive article in the merchant market, focus on the merchant market when determining the domestic industry's market share and other relevant factors.

For purposes of this section, a party is related to another party if the first party controls, is controlled by, or is under common control with, that other party.".

SEC. 13. PRESUMPTION OF THREAT AND OF CRITICAL CIRCUMSTANCES.

Section 202 of the Trade Act of 1974 (19 U.S.C. 2252) is amended—

(1) in subsection (c)(1), by inserting at the end the following flush sentences:

"Notwithstanding subparagraph (B), if the Commission finds that, at any time during the 12-month period preceding the initiation of an investigation, there has been a rapid decline in domestic prices for the like or directly competitive article and a rapid increase in imports of the imported article, the Commission shall apply a rebuttable presumption that the domestic industry is threatened with serious injury by reason of such imports. For purposes of the preceding sentence, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a threat of serious injury analysis as if no such presumption applied."; and

(2) in subsection (d)(2)(A), by adding at the end the following flush sentences:

"If the Commission finds that, at any time during the 12-month period preceding the initiation of an investigation, there has been a rapid decline in domestic prices for the like or directly competitive article and a rapid increase in imports of the imported article, the Commission shall apply a rebuttable presumption that the criteria in clauses (i) and (ii) are met. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a critical circumstances analysis as if no such presumption applied.".

SEC. 14. INJURY FACTORS.

Section 202(c)(1)(A) of the Trade Act of 1974 (19 U.S.C. 2252(c)(1)(A)) is amended to read as follows:

"(A) with respect to serious injury—

"(i) the rate and amount of the increase in imports of the product concerned in absolute and relative terms;

"(ii) the share of the domestic market taken by increased imports;

"(iii) changes in the level of sales;

"(iv) production;

"(v) productivity;

"(vi) capacity utilization;

"(vii) profits and losses; and

"(viii) employment;".

Subtitle B—Amendments to Title VII of the Tariff Act of 1930

SEC. 21. CAPTIVE PRODUCTION.

Section 771(7)(C)(iv) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(C)(iv)) is amended to read as follows:

"(iv) CAPTIVE PRODUCTION.—If domestic producers transfer internally, including to affiliated persons as defined in section 771(33), significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, then the Commission, in determining market share and the factors affecting financial performance set forth in clause (iii), shall focus on the merchant market.".

SEC. 22. CUMULATION.

Section 771(7)(G)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(G)(i)) is amended to read as follows:

"(i) IN GENERAL.—For purposes of clauses (i) and (ii) of subparagraph (C), and subject to clause (ii), the Commission shall cumulatively assess the volume and effect of imports of the subject merchandise from all countries subject to petitions filed under section 702(b) or 732(b), or subject to investigations initiated under 702(a) or 732(a), if such petitions were filed, or such investigations were initiated, within 90 days before the date on which the Commission is required to make its final injury determination, and if such imports compete with each other and with the domestic like products in the United States market.".

SEC. 23. CAUSAL RELATIONSHIP BETWEEN IMPORTS AND INJURY.

Section 771(7)(C) of the Tariff act of 1930 (19 U.S.C. 1677(7)(C)), as amended by section

21, is amended by adding at the end the following new clause:

"(v) Imports; basis for affirmative determination.—The Commission shall not weigh against other factors the injury caused by imports found by the administering authority to be dumped or provided a countervailable subsidy. Rather, if the imports are a contributing cause of injury to the domestic industry, the Commission shall make an affirmative determination, unless the injury caused by the imports is inconsequential, immaterial, or unimportant.".

SEC. 24. PRESUMPTION OF THREAT OF MATERIAL INJURY.

Section 771(7)(F) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(F)) is amended by redesignating clause (iii) as clause (iv) and inserting after clause (ii) the following new clause:

"(iii) Presumption of threat of material injury.—Notwithstanding clauses (i) and (ii), if the Commission finds that, at any time during the 12-month period preceding the initiation of an investigation, there has been a rapid decline in domestic prices for the domestic like product and a rapid increase in imports of the subject merchandise, the Commission shall apply a rebuttable presumption that the domestic industry is threatened with material injury by reason of such imports. For purposes of this clause, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a threat of injury analysis as if no such presumption applied.".

SEC. 25. PRESUMPTION OF CRITICAL CIRCUMSTANCES.

(a) Initial Finding by Commission.—

(1) Countervailable subsidy.—Section 703(a) of the Tariff Act of 1930 (19 U.S.C. 1671b(a)) is amended by adding at the end the following:

"(3) Determination of rapid decline.—Any preliminary determination by the Commission under this subsection shall include a determination of whether at any time during the 12-month period preceding the initiation of the investigation there has been a rapid decline in domestic prices for the domestic like product. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next.".

(2) Dumping.—Section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) is amended by adding at the end the following:

"(3) Determination of rapid decline.—Any preliminary determination by the Commission under this subsection shall include a determination of whether at any time during the 12-month period preceding the initiation of the investigation there has been a rapid decline in domestic prices for the domestic like product. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next.".

(b) Countervailing Duty Cases.—

(1) Preliminary determinations by administering authority.—Section 703(e) of the Tariff Act of 1930 (19 U.S.C. 1671b(e)) is amended by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following:

"(2) Presumption of critical circumstances.—Notwithstanding paragraph (1), if the Commission has found under subsection (a)(3) a rapid decline in domestic prices during a 12-month period and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.".

(2) Final determinations by administering authority.—Section 705(a) of the Tariff Act of 1930 (19 U.S.C. 1671d(a)) is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following new paragraph:

"(3) Critical circumstances determinations; special rule.—Notwithstanding paragraph (2), if the Commission has found under section 703(a)(3) a rapid decline in domestic prices during a 12-month period, and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.".

(3) Final determinations by commission.—Section 705(b)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1671d(b)(4)(A)) is amended by inserting after clause (ii) the following new clause:

"(iii) Presumption that standard for retroactive application is met.—Notwithstanding clause (ii), if the Commission determines that, at any time during the 12-month period since the initiation of the investigation, there has been a rapid decline in domestic prices for the domestic like product and a rapid increase in imports of the subject merchandise, the Commission shall apply a rebuttable presumption that the imports subject to the affirmative determination under subsection (a)(2) are likely to undermine seriously the remedial effect of the countervailing duty order to be issued under section 706. For purposes of this clause, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a critical circumstances analysis as if no such presumption applied.".

(c) Antidumping Cases.—

(1) Preliminary determinations by administering authority.—Section 733(e) of the Tariff Act of 1930 (19 U.S.C. 1673b(e)) is amended by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) Presumption of critical circumstances.—Notwithstanding paragraph (1), if the Commission has found under subsection (a)(3) a rapid decline in domestic prices during a 12-month period and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.".

(2) Final determinations by administering authority.—Section 735(a) of the Tariff Act of 1930 (19 U.S.C. 1673d(a)) is amended by redesignating paragraph (4) as paragraph (5) and inserting after paragraph (3) the following:

"(4) Critical circumstances determinations; special rule.—Notwithstanding paragraph (3), if the Commission has found under section 733(a)(3) a rapid decline in domestic prices during a 12-month period, and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.".

(3) Final determinations by commission.—Section 735(b)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)(4)(A)) is amended by adding after clause (ii) the following:

"(iii) Presumption that standard for retroactive application is met.—Notwithstanding clause (ii), if the Commission determines that, at any time during the 12-month period since the initiation of the investigation, there has been a rapid decline in domestic prices for the domestic like product and a rapid increase in imports of the subject merchandise, the Commission shall apply a rebuttable presumption that the imports subject to the affirmative determination under subsection (a)(3) are likely to undermine seriously the remedial effect of the antidumping duty order to be issued under section 736. For purposes of this clause, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a critical circumstances analysis as if no such presumption applied.".

SEC. 26. PREVENTION OF CIRCUMVENTION.

Section 781(c) of the Tariff Act of 1930 (19 U.S.C. 1677j(c)) is amended to read as follows:

"(c) Minor Alterations of Merchandise.—The class or kind of merchandise subject to—

"(1) an investigation under this subtitle,

"(2) an antidumping duty order issued under section 736,

"(3) a finding issued under the Antidumping Act, 1921, or

"(4) a countervailing duty order issued under section 706 or section 303, shall include articles whose form or appearance has been altered in minor respects by changes in production process (including raw agricultural products that have undergone minor processing), regardless of any change in tariff classification and regardless of whether the merchandise description used in the investigation, order, or finding would otherwise exclude the altered article.".

SEC. 27. DOMESTIC INDUSTRY SUPPORT FOR SUSPENSION AGREEMENTS.

(a) COUNTERVAILING DUTY CASES.—Section 704(d) of the Tariff Act of 1930 (19 U.S.C. 1671c(d)(1)) is amended—

(1) in paragraph (1)—

(A) by striking "and" at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B), and inserting ", and"; and

(C) by inserting after subparagraph (B) the following new subparagraph:

"(C) the domestic producers or workers who support the agreement account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement."; and

(2) by adding at the end the following new paragraph:

"(4) SPECIAL RULES RELATING TO DOMESTIC PRODUCER AND WORKER SUPPORT.—

"(A) DETERMINATION OF INDUSTRY SUPPORT.—

"(i) CERTAIN POSITIONS DISREGARDED.—

"(I) PRODUCERS RELATED TO FOREIGN PRODUCERS.—In determining industry support under paragraph (1)(C), the administering authority shall disregard the position of domestic producers who support the agreement, if such producers are related to foreign producers, as defined in section 771(4)(B)(ii), unless such domestic producers demonstrate that their interests as domestic producers would be adversely affected if the agreement is not accepted.

"(II) PRODUCERS WHO ARE IMPORTERS.—The administering authority may disregard the position of domestic producers of a domestic like product who are importers of the subject merchandise.

"(ii) SPECIAL RULE FOR REGIONAL INDUSTRIES.—If the petition which led to the proposed suspension agreement alleges that the industry is a regional industry, the administering authority shall determine whether the agreement is supported by or on behalf of the industry by applying paragraph (1)(C) on the basis of production in the region.

"(B) NATIONAL SECURITY EXCEPTION.—In any case in which the administering authority determines that the domestic producers or workers who support the agreement do not account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement, the administering authority may accept the agreement, notwithstanding the provisions of paragraph (1)(C), if the President determines and certifies to the administering authority that failure to accept the agreement would undermine the national security interests of the United States or pose an extraordinary threat to the economy of the United States.".

(b) ANTIDUMPING DUTY CASES.—Section 734(d) of the Tariff Act of 1930 (19 U.S.C. 1673c(d)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking "The administering authority" and inserting:

"(1) IN GENERAL.—The administering authority";

(3) by striking "and" at the end of subparagraph (A), as redesignated;

(4) by striking the period at the end of subparagraph (B), as redesignated, and inserting ", and";

(5) by inserting after subparagraph (B), as redesignated, the following new subparagraph:

"(C) the domestic producers or workers who support the agreement account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement."; and

(6) by adding at the end the following new paragraph:

"(2) SPECIAL RULES RELATING TO DOMESTIC PRODUCER AND WORKER SUPPORT.—

"(A) DETERMINATION OF INDUSTRY SUPPORT.—

"(i) CERTAIN POSITIONS DISREGARDED.—

"(I) PRODUCERS RELATED TO FOREIGN PRODUCERS.—In determining domestic producer or worker support for purposes of paragraph (1)(C), the administering authority shall disregard the position of domestic producers who support the agreement, if such producers are related to foreign producers, as defined in section 771(4)(B)(ii), unless such domestic producers demonstrate that their interests as domestic producers would be adversely affected if the agreement is not accepted.

"(II) PRODUCERS WHO ARE IMPORTERS.—The administering authority may disregard the position of domestic producers of a domestic like product who are importers of the subject merchandise.

"(ii) SPECIAL RULE FOR REGIONAL INDUSTRIES.—If the petition which led to the proposed suspension agreement alleges the industry is a regional industry, the administering authority shall determine whether the agreement is supported by or on behalf of the industry by applying paragraph (1)(C) on the basis of production in the region.

"(B) NATIONAL SECURITY EXCEPTION.—In any case in which the administering authority determines that the domestic producers or workers who support the agreement do not account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement, the administering authority may accept the agreement, notwithstanding the provisions of paragraph (1)(C), if the President determines and certifies to the administering authority that failure to accept the agreement would undermine the national security interests of the United States or pose an extraordinary threat to the economy of the United States.".

SEC. 28. IMPACT OF SAFEGUARD DETERMINATIONS ON 5-YEAR REVIEW DETERMINATIONS.

Section 752(a) of the Tariff Act of 1930 (19 U.S.C. 1675a(a)) is amended by adding at the end the following new paragraph:

"(9) IMPACT OF PRIOR SERIOUS INJURY DETERMINATIONS.—

"(A) AFFIRMATIVE SERIOUS INJURY DETERMINATIONS.—If the Commission has recently determined, under chapter 1 of title II of the Trade Act of 1974, that the domestic industry producing particular merchandise suffers from or is threatened with serious injury by reason of increased imports, the Commission shall apply a rebuttable presumption that material injury is ongoing for purposes of any 5-year review under section 751(c) involving the same merchandise. The Commission shall not treat the imposition of measures under chapter 1 of title II of the Trade Act of 1974 resulting from such an affirmative determination as reducing the likelihood of continuation or recurrence of material injury for purposes of the 5-year review. For purposes of this subparagraph, the term 'recently' means within the 48-month period ending on the date on which the 5-year review is initiated.

"(B) NEGATIVE SERIOUS INJURY DETERMINATIONS.—If the Commission has previously determined, under chapter 1 of title II of the Trade Act of 1974, that a domestic industry is not suffering from or threatened with serious injury by reason of increased imports, the Commission shall treat that determination as having no impact on the Commission's determination in a subsequent 5-year review under section 751(c) involving the same merchandise as to whether material injury is likely to continue or recur if an antidumping or countervailing duty order is lifted.".

SEC. 29. REIMBURSEMENT OF DUTIES.

Section 772(d) of the Tariff Act of 1930 (19 U.S.C. 1677a(d)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(4) if the importer is the producer or exporter, or the importer and the producer or exporter are affiliated persons, an amount equal to the dumping margin calculated under section 771(35)(A), unless the producer or exporter is able to demonstrate that the importer was in no way reimbursed for any antidumping duties paid; and

"(5) if the importer is the producer or exporter, or the importer and the producer or exporter are affiliated persons, an amount equal to the net countervailable subsidy calculated under section 771(6), unless the producer or exporter is able to demonstrate that the importer was in no way reimbursed for any antidumping duties paid.".

SEC. 30. TRANSACTIONS BETWEEN AFFILIATED PARTIES.

Section 773(f) of the Tariff Act of 1930 (19 U.S.C. 1677b(f)) is amended—

(1) in paragraph (2), by striking "A transaction" and inserting "Regardless of whether the administering authority determines to treat affiliated persons as a single entity for other purposes, a transaction"; and

(2) in paragraph (3), by striking "If" and inserting "Regardless of whether the administering authority determines to treat affiliated persons as a single entity for other purposes, if".

SEC. 31. PERISHABLE AGRICULTURAL PRODUCTS.

(a) DEFINITION OF INDUSTRIES.—Section 771(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1677(4)(A)) is amended by adding at the end the following: "If the Commission determines that an agricultural product has a short shelf life and is a perishable product, the Commission shall treat the producers of the product in a defined period or season as the domestic industry. If the subheading under the Harmonized Tariff Schedule of the United States for an agricultural product has a 6- or 8-digit classification based on the period of time during the calendar year in which the product is harvested or imported, such periods of time constitute a defined period or season for purposes of this paragraph.".

(b) DETERMINATION OF INJURY.—Section 771(7)(D) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(D)) is amended by adding at the end the following new clauses:

"(iii) In the case of an agricultural industry involving a perishable product with a short shelf life, if a request for seasonal evaluation has been made by the petitioners, the Commission shall consider the factors in subparagraph (C) on a seasonal basis during the period identified as relevant.

"(iv) In the case of agricultural products, partially picked or unpicked crops and abandoned acreage may be considered in lieu of other measures of capacity and capacity utilization.

"(v) The impact of other factors, such as weather, on agricultural production and producers shall not be weighed against the contribution of the imported subject merchandise to the condition of the domestic industry.".

SEC. 32. FULL RECOGNITION OF SUBSIDY CONFERRED THROUGH PROVISION OF GOODS AND SERVICES AND PURCHASE OF GOODS.

Section 771(5)(E) of the Tariff Act of 1930 (19 U.S.C. 1677(5)(E)) is amended by adding at the end the following: "If transactions in the country which is the subject of the investigation or review do not reflect market conditions due to government action associated with provision of the goods or service or purchase of the goods, determination of the adequacy of remuneration shall be through comparison with the most comparable market price elsewhere in the world.".

Subtitle C—Steel Import Notification

SEC. 41. STEEL IMPORT NOTIFICATION AND MONITORING PROGRAM.

(a) In General.—Not later than 30 days after the date of enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of the Treasury, shall establish and implement a steel import notification and monitoring program. The program shall include a requirement that any person importing a product classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States obtain an import notification certificate before such products are entered into the United States.

(b) Steel Import Notification Certificates.—

(1) In general.—In order to obtain a steel import notification certificate, an importer shall submit to the Secretary of Commerce an application containing—

(A) the importer's name and address;

(B) the name and address of the supplier of the goods to be imported;

(C) the name and address of the producer of the goods to be imported;

(D) the country of origin of the goods;

(E) the country from which the goods are to be imported;

(F) the United States Customs port of entry where the goods will be entered;

(G) the expected date of entry of the goods into the United States;

(H) a description of the goods, including the classification of such goods under the Harmonized Tariff Schedule of the United States;

(I) the quantity (in kilograms and net tons) of the goods to be imported;

(J) the cost insurance freight (CIF) and free alongside ship (FAS) values of the goods to be entered;

(K) whether the goods are being entered for consumption or for entry into a bonded warehouse or foreign trade zone;

(L) a certification that the information furnished in the certificate application is correct; and

(M) any other information the Secretary of Commerce determines to be necessary and appropriate.

(2) Entry into customs territory.—In the case of merchandise classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States that is initially entered into a bonded warehouse or foreign trade zone, a steel import notification certificate shall be required before the merchandise is entered into the customs territory of the United States.

(3) Issuance of steel import notification certificate.—The Secretary of Commerce shall issue a steel import notification certificate to any person who files an application that meets the requirements of this section. Such certificate shall be valid for a period of 30 days from the date of issuance.

(c) Statistical Information.—

(1) In general.—The Secretary of Commerce shall compile and publish on a weekly basis information described in paragraph (2).

(2) Information described.—Information described in this paragraph means information obtained from steel import notification certificate applications concerning steel imported into the United States and includes with respect to such imports the Harmonized Tariff Schedule of the United States classification (to the tenth digit), the country of origin, the port of entry, quantity, value of steel imported, and whether the imports are entered for consumption or are entered into a bonded warehouse or foreign trade zone. Such information shall also be compiled in aggregate form and made publicly available by the Secretary of Commerce on a weekly basis by public posting through an Internet website. The information provided under this section shall be in addition to any information otherwise required by law.

(d) Fees.—The Secretary of Commerce may prescribe reasonable fees and charges to defray the costs of carrying out the provisions of this section, including a fee for issuing a certificate under this section.

(e) Single Producer and Exporter Countries.—Notwithstanding any other provision of law, the Secretary of Commerce shall make publicly available all information required to be released pursuant to subsection (c), including information obtained regarding imports from a foreign producer or exporter that is the only producer or exporter of goods subject to this section from a foreign country.

(f) Regulations.—The Secretary of Commerce may prescribe such rules and regulations relating to the steel import notification and monitoring program as may be necessary to carry out the provisions of this section.

LEVIN AMENDMENT NO. 2354

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

The amendment in the nature of a substitute is amended in subtitle B of Title II thereof as follows:

At page 36 between lines 19 and 20 insert the following:

"(VI) undertake its obligations it has already undertaken in treaties and conventions it has freely entered into relative to child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights."

FEINSTEIN (AND FEINGOLD) AMENDMENT NO. 2355

(Ordered to lie on the table.)

Mrs. FEINSTEIN (for herself and Mr. Feingold) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the end of title I, insert the following:

SEC. . INTELLECTUAL PROPERTY AND COMPETITION LAWS AND POLICIES DESIGNED TO PROMOTE ACCESS TO PHARMACEUTICALS AND OTHER MEDICAL TECHNOLOGIES.

(a) Findings.—Congress finds that—

(1) since the onset of the worldwide HIV/AIDS epidemic, approximately 34,000,000 people living in sub-Saharan Africa have been infected with the disease;

(2) of those infected, approximately 11,500,000 have died; and

(3) the deaths represent 83 percent of the total HIV/AIDS-related deaths worldwide.

(b) Sense of Congress.—It is the sense of Congress that—

(1) it is in the interest of the United States to take all necessary steps to prevent further spread of infectious disease, particularly HIV/AIDS; and

(2) individual countries should have the ability to determine the availability of pharmaceuticals and health care for their citizens in general, and particularly with respect to the HIV/AIDS epidemic.

(c) Limitation on Use of Funds.—Funds appropriated or otherwise made available to any department or agency of the United States may not be obligated or expended to seek, through negotiation or otherwise, the revocation or revision of any intellectual property or competition law or policy of a beneficiary developing country or beneficiary sub-Saharan African country if the law or policy is designed to promote access to pharmaceuticals or other medical technologies and the law or policy, as the case may be, complies with the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act. For purposes of the preceding sentence, the terms "beneficiary developing country" and "beneficiary sub-Saharan African country" mean any country with respect to which there is in effect an Executive order or Presidential proclamation by the President designating such country as a beneficiary developing country for purposes of title V of the Trade Act of 1974 or the African Growth and Opportunity Act.

FEINSTEIN AMENDMENT NO. 2356

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill, H.R. 434, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . TAX CREDIT FOR DOMESTIC GARMENT MANUFACTURERS.

(a) In General.—Subpart F of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to rules for computing work opportunity credit) is amended by inserting after section 51A the following new section:

"SEC. 51B. GARMENT MANUFACTURER HIRING CREDIT.

"(a) Determination of Amount.—For purposes of section 38, the amount of garment manufacturer hiring credit determined under this section for the taxable year shall be equal to—

"(1) 30 percent of the qualified first-year wages for such year,

"(2) 35 percent of the qualified second-year wages for such year,

"(3) 40 percent of the qualified third-year wages for such year,

"(4) 45 percent of the qualified fourth-year wages for such year, and

"(5) 50 percent of the qualified employment wages for such year.

"(b) QUALIFIED WAGES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified wages' means the wages paid or incurred by a domestic garment manufacturer or sewn product manufacturer during the taxable year to individuals who are low-income workers for services rendered in the United States.

"(2) QUALIFIED FIRST-YEAR WAGES.—The term 'qualified first-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day the individual begins work for the employer.

"(3) QUALIFIED SECOND-YEAR WAGES.—The term 'qualified second-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such individual determined under paragraph (2).

"(4) QUALIFIED THIRD-YEAR WAGES.—The term 'qualified third-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day after the last day of the 1-year period with respect to such individual determined under paragraph (3).

"(5) QUALIFIED FOURTH-YEAR WAGES.—The term 'qualified fourth-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day after the last day of the 1-year period with respect to such individual determined under paragraph (4).

"(6) QUALIFIED EMPLOYMENT WAGES.—The term 'qualified employment wages' means, with respect to any individual, qualified wages attributable to service rendered during any 1-year period beginning after the last day of the 1-year period with respect to such individual determined under paragraph (5).

"(7) WAGES.—The term 'wages' has the meaning given such term by section 51A(b)(5), without regard to subparagraph (C) thereof.

"(c) LOW-INCOME WORKER.—

"(1) IN GENERAL.—The term 'low-income worker' means any individual who is certified by the designated local agency (as defined in section 51(d)(11)) as being at or below the poverty line (as defined by the Office of Management and Budget) for the taxable year ending immediately prior to the hiring date.

"(2) HIRING DATE.—The term 'hiring date' has the meaning given such term by section 51(d).

"(d) CERTAIN RULES TO APPLY.—

"(1) IN GENERAL.—Rules similar to the rules of section 52, and subsections (d)(12), (f), (g), (i) (without regard to paragraph (3) thereof), (j), and (k) of section 51, shall apply for purposes of this section.

"(2) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—References to sections 51 in section 38(b), 280C(a), and 1396(c)(3) shall be treated as including references to this section.

"(e) COORDINATION WITH OTHER PROVISIONS.—If a credit is allowed under this section to an employer with respect to an individual for any taxable year, then—

"(1) for purposes of applying section 51 to such employer, such individual shall not be treated as a member of a targeted group for such taxable year, and

"(2) for purposes of applying section 51A to such employer, such individual shall not be treated as a long-term family assistance recipient for such taxable year.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart F of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 51A the following:

"Sec. 51B. Garment manufacturer hiring credit."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999, and to individuals who begin work for an employer after such date.

BYRD AMENDMENT NO. 2357

(Ordered to lie on the table.)

Mr. BYRD submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF CONGRESS; REPORT ON ANTIDUMPING AND COUNTERVAILING DUTY NEGOTIATIONS.

(a) SENSE OF CONGRESS.—Congress recognizes the importance of the new round of international trade negotiations that will be launched at the World Trade Organization (WTO) Ministerial Conference in Seattle, Washington, from November 30 to December 3, 1999.

(b) REPORT.—Not later than February 3, 2000, the United States Trade Representative shall submit a report to Congress regarding discussions on antidumping and countervailing duty laws during the Seattle Ministerial Conference. The report shall include a complete description of such discussions, including proposals made to renegotiate antidumping and countervailing duty laws, the member government making the proposal, and the United States Trade Representative's response to the proposal, with a description as to how the response achieves United States trade goals.

MACK (AND SARBANES) AMENDMENT NO. 2358

(Ordered to lie on the table.)

Mr. MACK (for himself and Mr. SARBANES) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF CONGRESS REGARDING COMPREHENSIVE DEBT RELIEF FOR THE WORLD'S POOREST COUNTRIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The burden of external debt has become a major impediment to economic growth and poverty reduction in many of the world's poorest countries.

(2) Until recently, the United States Government and other official creditors sought to address this problem by rescheduling loans and in some cases providing limited debt reduction.

(3) Despite such efforts, the cumulative debt of many of the world's poorest countries continued to grow beyond their capacity to repay.

(4) In 1997, the Group of Seven, the World Bank, and the International Monetary Fund adopted the Heavily Indebted Poor Countries Initiative (HIPC), a commitment by the international community that all multilateral and bilateral creditors, acting in a coordinated and concerted fashion, would reduce poor country debt to a sustainable level.

(5) The HIPC Initiative is currently undergoing reforms to address concerns raised about country conditionality, the amount of debt forgiven, and the allocation of savings realized through the debt forgiveness program to ensure that the Initiative accomplishes the goals of economic growth and poverty alleviation in the world's poorest countries.

(6) Recently, the President requested Congress to provide additional resources for bilateral debt forgiveness and additional United States contributions to the HIPC Trust Fund.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Congress and the President should work together, without undue delay and in concert with the international community, to make comprehensive debt relief available to the world's poorest countries in a manner that promotes economic growth and poverty alleviation;

(2) this program of bilateral and multilateral debt relief should be designed to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth in benficiary countries;

(3) this program of debt relief should also support the adoption of policies to alleviate poverty and to ensure that benefits are shared widely among the population, such as through initiatives to advance education, improve health, combat AIDS, and promote clean water and environmental protection;

(4) these debt relief agreements should be designed and implemented in a transparent manner and with the broad participation of the citizenry of the debtor country and should ensure that country circumstances are adequately taken into account;

(5) no country should receive the benefits of debt relief if that country does not cooperate with the United States on terrorism or narcotics enforcement, is a gross violator of the human rights of its citizens, or is engaged in conflict or spends excessively on its military; and

(6) in order to prevent adverse impact on a key industry in many developing countries, the International Monetary Fund must mobilize its own resources for providing debt relief to eligible countries without allowing gold to reach the open market, or otherwise adversely affecting the market price of gold.

CONRAD (AND GRASSLEY) AMENDMENTS NOS. 2359–2360

(Ordered to lie on the table.)

Mr. CONRAD (for himself and Mr. GRASSLEY) submitted two amendments intended to be proposed by them to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2359

At the end, insert the following new title:

TITLE —TRADE ADJUSTMENT ASSISTANCE FOR FARMERS AND FISHERMEN

Subtitle A—Amendments to the Trade Act of 1974

SEC. 01. SHORT TITLE.

This title may be cited as the "Trade Adjustment Assistance for Farmers and Fishermen Act".

SEC. 02. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.

(a) IN GENERAL.—Title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end the following new chapter:

“CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

“SEC. 291. DEFINITIONS.

“In this chapter:

“(1) AGRICULTURAL COMMODITY PRODUCER.—The term ‘agricultural commodity producer’ means any person who is engaged in the production and sale of an agricultural commodity in the United States and who owns or shares the ownership and risk of loss of the agricultural commodity.

“(2) AGRICULTURAL COMMODITY.—The term ‘agricultural commodity’ means any agricultural commodity (including livestock, fish, or harvested seafood) in its raw or natural state.

“(3) DULY AUTHORIZED REPRESENTATIVE.—The term ‘duly authorized representative’ means an association of agricultural commodity producers.

“(4) NATIONAL AVERAGE PRICE.—The term ‘national average price’ means the national average price paid to an agricultural commodity producer for an agricultural commodity in a marketing year as determined by the Secretary of Agriculture.

“(5) CONTRIBUTED IMPORTANTLY.—

“(A) IN GENERAL.—The term ‘contributed importantly’ means a cause which is important but not necessarily more important than any other cause.

“(B) DETERMINATION OF CONTRIBUTED IMPORTANTLY.—The determination of whether imports of articles like or directly competitive with an agricultural commodity with respect to which the petition under this chapter was filed contributed importantly to a decline in the price of the agricultural commodity shall be made by the Secretary of Agriculture.

“(6) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“SEC. 292. PETITIONS; GROUP ELIGIBILITY.

“(a) IN GENERAL.—A petition for a certification of eligibility to apply for adjustment assistance under this chapter may be filed with the Secretary by a group of agricultural commodity producers or by their duly authorized representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that the Secretary has received the petition and initiated an investigation.

“(b) HEARINGS.—If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

“(c) GROUP ELIGIBILITY REQUIREMENTS.—The Secretary shall certify a group of agricultural commodity producers as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

“(1) that the national average price for the agricultural commodity, or a class of goods within the agricultural commodity, produced by the group for the most recent marketing year for which the national average price is available is less than 80 percent of the average of the national average price for such agricultural commodity, or such class of goods, for the 5 marketing years preceding the most recent marketing year; and

“(2) that either—

“(A) increases in imports of articles like or directly competitive with the agricultural commodity, or class of goods within the agricultural commodity, produced by the group contributed importantly to the decline in price described in paragraph (1); or

“(B) imports of articles like or directly competitive with the agricultural commodity, or class of goods within the agricultural commodity, produced by the group account for a significant percentage of the domestic market for the agricultural commodity (or class of goods) and have contributed importantly to the decline in price described in paragraph (1).

“(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT YEARS.—A group of agricultural commodity producers certified as eligible under section 293 shall be eligible to apply for assistance under this chapter in any qualified year after the year the group is first certified, if the Secretary determines that—

“(1) the national average price for the agricultural commodity, or class of goods within the agricultural commodity, produced by the group for the most recent marketing year for which the national average price is available is equal to or less than the price determined under subsection (c)(1); and

“(2) the requirements of subsection (c)(2) (A) or (B) are met.

“(e) DETERMINATION OF QUALIFIED YEAR AND COMMODITY.—In this chapter:

“(1) QUALIFIED YEAR.—The term ‘qualified year’, with respect to a group of agricultural commodity producers certified as eligible under section 293, means each consecutive year after the year in which the group is certified that the Secretary makes the determination under subsection (c) or (d), as the case may be.

“(2) CLASSES OF GOODS WITHIN A COMMODITY.—In any case in which there are separate classes of goods within an agricultural commodity, the Secretary shall treat each class as a separate commodity in determining group eligibility, the national average price, and level of imports under this section and section 296.

“SEC. 293. DETERMINATIONS BY SECRETARY.

“(a) IN GENERAL.—As soon as possible after the date on which a petition is filed under section 292, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning group meets the requirements of section 292(c) (or (d), as the case may be) and shall, if so, issue a certification of eligibility to apply for assistance under this chapter covering agricultural commodity producers in any group that meet the requirements. Each certification shall specify the date on which eligibility under this chapter begins.

“(b) NOTICE.—Upon making a determination on a petition, the Secretary shall promptly publish a summary of the determination in the Federal Register together with the Secretary's reasons for making the determination.

“(c) TERMINATION OF CERTIFICATION.—Whenever the Secretary determines, with respect to any certification of eligibility under this chapter, that the decline in price for the agricultural commodity covered by the certification is no longer attributable to the conditions described in section 292, the Secretary shall terminate such certification and promptly cause notice of such termination to be published in the Federal Register together with the Secretary's reasons for making such determination.

“SEC. 294. STUDY BY SECRETARY WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION.

“(a) IN GENERAL.—Whenever the International Trade Commission (in this chapter referred to as the ‘Commission’) begins an investigation under section 202 with respect to an agricultural commodity, the Commission shall immediately notify the Secretary of the investigation. Upon receipt of the notification, the Secretary shall immediately begin a study of—

“(1) the number of agricultural commodity producers producing a like or directly competitive agricultural commodity who have been or are likely to be certified as eligible for adjustment assistance under this chapter, and

“(2) the extent to which the adjustment of such producers to the import competition may be facilitated through the use of existing programs.

“(b) REPORT.—The report of the Secretary of the study under subsection (a) shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 202(f). Upon making his report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

“SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL COMMODITY PRODUCERS.

“(a) IN GENERAL.—The Secretary shall provide full information to producers about the benefit allowances, training, and other employment services available under this title and about the petition and application procedures, and the appropriate filing dates, for such allowances, training, and services. The Secretary shall provide whatever assistance is necessary to enable groups to prepare petitions or applications for program benefits under this title.

“(b) NOTICE OF BENEFITS.—

“(1) IN GENERAL.—The Secretary shall mail written notice of the benefits available under this chapter to each agricultural commodity producer that the Secretary has reason to believe is covered by a certification made under this chapter.

“(2) OTHER NOTICE.—The Secretary shall publish notice of the benefits available under this chapter to agricultural commodity producers that are covered by each certification made under this chapter in newspapers of general circulation in the areas in which such producers reside.

“SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICULTURAL COMMODITY PRODUCERS.

“(a) IN GENERAL.—Payment of a trade adjustment allowance shall be made to an adversely affected agricultural commodity producer covered by a certification under this chapter who files an application for such allowance within 90 days after the date on which the Secretary makes a determination and issues a certification of eligibility under section 293, if the following conditions are met:

“(1) The producer submits to the Secretary sufficient information to establish the amount of agricultural commodity covered by the application filed under subsection (a), that was produced by the producer in the most recent year.

“(2) The producer certifies that the producer has not received cash benefits under any provision of this title other than this chapter.

“(3) The producer's net farm income (as determined by the Secretary) for the most recent year is less than the producer's net farm income for the latest year in which no adjustment assistance was received by the producer under this chapter.

"(4) The producer certifies that the producer has met with an Extension Service employee or agent to obtain, at no cost to the producer, information and technical assistance that will assist the producer in adjusting to import competition with respect to the adversely affected agricultural commodity, including—

"(A) information regarding the feasibility and desirability of substituting 1 or more alternative commodities for the adversely affected agricultural commodity; and

"(B) technical assistance that will improve the competitiveness of the production and marketing of the adversely affected agricultural commodity by the producer, including yield and marketing improvements.

"(b) Amount of Cash Benefits.—

"(1) In general.—Subject to the provisions of section 298, an adversely affected agricultural commodity producer described in subsection (a) shall be entitled to adjustment assistance under this chapter in an amount equal to the product of—

"(A) one-half of the difference between—

"(i) an amount equal to 80 percent of the average of the national average price of the agricultural commodity covered by the application described in subsection (a) for the 5 marketing years preceding the most recent marketing year, and

"(ii) the national average price of the agricultural commodity for the most recent marketing year, and

"(B) the amount of the agricultural commodity produced by the agricultural commodity producer in the most recent marketing year.

"(2) Special rule for subsequent qualified years.—The amount of cash benefits for a qualified year shall be determined in the same manner as cash benefits are determined under paragraph (1) except that the average national price of the agricultural commodity shall be determined under paragraph (1)(A)(i) by using the 5-marketing-year period used to determine the amount of cash benefits for the first certification.

"(c) Maximum Amount of Cash Assistance.—The maximum amount of cash benefits an agricultural commodity producer may receive in any 12-month period shall not exceed $10,000.

"(d) Limitations on Other Assistance.—An agricultural commodity producer entitled to receive a cash benefit under this chapter—

"(1) shall not be eligible for any other cash benefit under this title, and

"(2) shall be entitled to employment services and training benefits under sections 235 and 236.

"SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.

"(a) In General.—

"(1) Repayment.—If the Secretary, or a court of competent jurisdiction, determines that any person has received any payment under this chapter to which the person was not entitled, such person shall be liable to repay such amount to the Secretary, except that the Secretary may waive such repayment if the Secretary determines, in accordance with guidelines prescribed by the Secretary that—

"(A) the payment was made without fault on the part of such person, and

"(B) requiring such repayment would be contrary to equity and good conscience.

"(2) Recovery of overpayment.—Unless an overpayment is otherwise recovered, or waived under paragraph (1), the Secretary shall recover the overpayment by deductions from any sums payable to such person under this chapter.

"(b) False Statements.—If the Secretary, or a court of competent jurisdiction, determines that a person—

"(1) knowingly has made, or caused another to make, a false statement or representation of a material fact, or

"(2) knowingly has failed, or caused another to fail, to disclose a material fact,

and as a result of such false statement or representation, or of such nondisclosure, such person has received any payment under this chapter to which the person was not entitled, such person shall, in addition to any other penalty provided by law, be ineligible for any further payments under this chapter.

"(c) Notice and Determination.—Except for overpayments determined by a court of competent jurisdiction, no repayment may be required, and no deduction may be made, under this section until a determination under subsection (a)(1) by the Secretary has been made, notice of the determination and an opportunity for a fair hearing thereon has been given to the person concerned, and the determination has become final.

"(d) Payment to Treasury.—Any amount recovered under this section shall be returned to the Treasury of the United States.

"(e) Penalties.—Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment authorized to be furnished under this chapter shall be fined not more than $10,000 or imprisoned for not more than 1 year, or both.

"SEC. 298. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There are authorized to be appropriated and there are appropriated to the Department of Agriculture for fiscal years 2000 through 2001, such sums as may be necessary to carry out the purposes of this chapter not to exceed $100,000,000 for each fiscal year.".

"(b) Proportionate Reduction.—If in any year, the amount appropriated under this chapter is insufficient to meet the requirements for adjustment assistance payable under this chapter, the amount of assistance payable under this chapter shall be reduced proportionately.".

(b) Conforming Amendment.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the items relating to chapter 5, the following:

"Chapter 6—Adjustment Assistance for Farmers

"Sec. 291. Definitions.
"Sec. 292. Petitions; group eligibility.
"Sec. 293. Determinations by Secretary.
"Sec. 294. Study by Secretary when International Trade Commission begins investigation.
"Sec. 295. Benefit information to agricultural commodity producers.
"Sec. 296. Qualifying requirements for agricultural commodity producers.
"Sec. 297. Fraud and recovery of overpayments.
"Sec. 298. Authorization of appropriations.".

Subtitle B—Revenue Provisions Relating to Trade Adjustment Assistance

SEC. 10. REFERENCE.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 11. MODIFICATIONS TO ASSET DIVERSIFICATION TEST.

(a) In General.—Subparagraph (B) of section 856(c)(4) is amended to read as follows:

"(B)(i) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)), and

"(ii) except with respect to a taxable REIT subsidiary and securities includible under subparagraph (A)—

"(I) not more than 5 percent of the value of its total assets is represented by securities of any one issuer,

"(II) the trust does not hold securities possessing more than 10 percent of the total voting power of the outstanding securities of any one issuer, and

"(III) the trust does not hold securities having a value of more than 10 percent of the total value of the outstanding securities of any one issuer.".

(b) Exception for Straight Debt Securities.—Subsection (c) of section 856 is amended by adding at the end the following new paragraph:

"(7) Straight debt safe harbor in applying paragraph (4).—Securities of an issuer which are straight debt (as defined in section 1361(c)(5) without regard to subparagraph (B)(iii) thereof) shall not be taken into account in applying paragraph (4)(B)(ii)(III) if—

"(A) the issuer is an individual, or

"(B) the only securities of such issuer which are held by the trust or a taxable REIT subsidiary of the trust are straight debt (as so defined), or

"(C) the issuer is a partnership and the trust holds at least a 20 percent profits interest in the partnership.".

SEC. 12. TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES.

(a) Income From Taxable REIT Subsidiaries Not Treated as Impermissible Tenant Service Income.—Clause (i) of section 856(d)(7)(C) (relating to exceptions to impermissible tenant service income) is amended by inserting "or through a taxable REIT subsidiary of such trust" after "income".

(b) Certain Income From Taxable REIT Subsidiaries Not Excluded From Rents From Real Property.—

(1) In general.—Subsection (d) of section 856 (relating to rents from real property defined) is amended by adding at the end the following new paragraphs:

"(8) Special rule for taxable REIT subsidiaries.—For purposes of this subsection, amounts paid to a real estate investment trust by a taxable REIT subsidiary of such trust shall not be excluded from rents from real property by reason of paragraph (2)(B) if the requirements of either of the following subparagraphs are met:

"(A) Limited rental exception.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in section 856(d)(2)(B). The preceding sentence shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents made by the other tenants of the trust's property for comparable space.

“(B) EXCEPTION FOR CERTAIN LODGING FACILITIES.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor.

“(9) ELIGIBLE INDEPENDENT CONTRACTOR.—For purposes of paragraph (8)(B)—

“(A) IN GENERAL.—The term ‘eligible independent contractor’ means, with respect to any qualified lodging facility, any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate the facility, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

“(B) SPECIAL RULES.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility by reason of any of the following:

“(i) The taxable REIT subsidiary bears the expenses for the operation of the facility pursuant to the management agreement or other similar service contract.

“(ii) The taxable REIT subsidiary receives the revenues from the operation of such facility, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

“(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

“(I) January 1, 1999, or

“(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility.

“(C) RENEWALS, ETC., OF EXISTING LEASES.—For purposes of subparagraph (B)(iii)—

“(i) a lease shall be treated as in effect on January 1, 1999, without regard to its renewal after such date, so long as such renewal is pursuant to the terms of such lease as in effect on whichever of the dates under subparagraph (B)(iii) is the latest, and

“(ii) a lease of a property entered into after whichever of the dates under subparagraph (B)(iii) is the latest shall be treated as in effect on such date if—

“(I) on such date, a lease of such property from the trust was in effect, and

“(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

“(D) QUALIFIED LODGING FACILITY.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘qualified lodging facility’ means any lodging facility unless wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility.

“(ii) LODGING FACILITY.—The term ‘lodging facility’ means a hotel, motel, or other establishment more than one-half of the dwelling units in which are used on a transient basis.

“(iii) CUSTOMARY AMENITIES AND FACILITIES.—The term ‘lodging facility’ includes customary amenities and facilities operated as part of, or associated with, the lodging facility so long as such amenities and facilities are customary for other properties of a comparable size and class owned by other owners unrelated to such real estate investment trust.

“(E) OPERATE INCLUDES MANAGE.—References in this paragraph to operating a property shall be treated as including a reference to managing the property.

“(F) RELATED PERSON.—Persons shall be treated as related to each other if such persons are treated as a single employer under subsection (a) or (b) of section 52.”.

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 856(d)(2) is amended by inserting “except as provided in paragraph (8),” after “(B)”.

(3) DETERMINING RENTS FROM REAL PROPERTY.—

(A)(i) Paragraph (1) of section 856(d) is amended by striking “adjusted bases” each place it occurs and inserting “fair market values”.

(ii) The amendment made by this subparagraph shall apply to taxable years beginning after December 31, 2000.

(B)(i) Clause (i) of section 856(d)(2)(B) is amended by striking “number” and inserting “value”.

(ii) The amendment made by this subparagraph shall apply to amounts received or accrued in taxable years beginning after December 31, 2000, except for amounts paid pursuant to leases in effect on July 12, 1999, or pursuant to a binding contract in effect on such date and at all times thereafter.

SEC. 13. TAXABLE REIT SUBSIDIARY.

(a) IN GENERAL.—Section 856 is amended by adding at the end the following new subsection:

“(l) TAXABLE REIT SUBSIDIARY.—For purposes of this part—

“(1) IN GENERAL.—The term ‘taxable REIT subsidiary’ means, with respect to a real estate investment trust, a corporation (other than a real estate investment trust) if—

“(A) such trust directly or indirectly owns stock in such corporation, and

“(B) such trust and such corporation jointly elect that such corporation shall be treated as a taxable REIT subsidiary of such trust for purposes of this part.

Such an election, once made, shall be irrevocable unless both such trust and corporation consent to its revocation. Such election, and any revocation thereof, may be made without the consent of the Secretary.

“(2) 35 PERCENT OWNERSHIP IN ANOTHER TAXABLE REIT SUBSIDIARY.—The term ‘taxable REIT subsidiary’ includes, with respect to any real estate investment trust, any corporation (other than a real estate investment trust) with respect to which a taxable REIT subsidiary of such trust owns directly or indirectly—

“(A) securities possessing more than 35 percent of the total voting power of the outstanding securities of such corporation, or

“(B) securities having a value of more than 35 percent of the total value of the outstanding securities of such corporation.

The preceding sentence shall not apply to a qualified REIT subsidiary (as defined in subsection (i)(2)). The rule of section 856(c)(7) shall apply for purposes of subparagraph (B).

“(3) EXCEPTIONS.—The term ‘taxable REIT subsidiary’ shall not include—

“(A) any corporation which directly or indirectly operates or manages a lodging facility or a health care facility, and

“(B) any corporation which directly or indirectly provides to any other person (under a franchise, license, or otherwise) rights to any brand name under which any lodging facility or health care facility is operated.

Subparagraph (B) shall not apply to rights provided to an eligible independent contractor to operate or manage a lodging facility if such rights are held by such corporation as a franchisee, licensee, or in a similar capacity and such lodging facility is either owned by such corporation or is leased to such corporation from the real estate investment trust.

“(4) DEFINITIONS.—For purposes of paragraph (3)—

“(A) LODGING FACILITY.—The term ‘lodging facility’ has the meaning given to such term by paragraph (9)(D)(ii).

“(B) HEALTH CARE FACILITY.—The term ‘health care facility’ has the meaning given to such term by subsection (e)(6)(D)(ii).”.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 856(i) is amended by adding at the end the following new sentence: “Such term shall not include a taxable REIT subsidiary.”.

SEC. 14. LIMITATION ON EARNINGS STRIPPING.

Paragraph (3) of section 163(j) (relating to limitation on deduction for interest on certain indebtedness) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following new subparagraph:

“(C) any interest paid or accrued (directly or indirectly) by a taxable REIT subsidiary (as defined in section 856(l)) of a real estate investment trust to such trust.”.

SEC. 15. 100 PERCENT TAX ON IMPROPERLY ALLOCATED AMOUNTS.

(a) IN GENERAL.—Subsection (b) of section 857 (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following new paragraph:

“(7) INCOME FROM REDETERMINED RENTS, REDETERMINED DEDUCTIONS, AND EXCESS INTEREST.—

“(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year of the real estate investment trust a tax equal to 100 percent of redetermined rents, redetermined deductions, and excess interest.

“(B) REDETERMINED RENTS.—

“(i) IN GENERAL.—The term ‘redetermined rents’ means rents from real property (as defined in subsection 856(d)) the amount of which would (but for subparagraph (E)) be reduced on distribution, apportionment, or allocation under section 482 to clearly reflect income as a result of services furnished or rendered by a taxable REIT subsidiary of the real estate investment trust to a tenant of such trust.

“(ii) EXCEPTION FOR CERTAIN SERVICES.—Clause (i) shall not apply to amounts received directly or indirectly by a real estate investment trust for services described in paragraph (1)(B) or (7)(C)(i) of section 856(d).

“(iii) EXCEPTION FOR DE MINIMIS AMOUNTS.—Clause (i) shall not apply to amounts described in section 856(d)(7)(A) with respect to a property to the extent such amounts do not exceed the one percent threshold described in section 856(d)(7)(B) with respect to such property.

“(iv) EXCEPTION FOR COMPARABLY PRICED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) such subsidiary renders a significant amount of similar services to persons other than such trust and tenants of such trust who are unrelated (within the meaning of section 856(d)(8)(F)) to such subsidiary, trust, and tenants, but

"(II) only to the extent the charge for such service so rendered is substantially comparable to the charge for the similar services rendered to persons referred to in subclause (I).

"(v) Exception for certain separately charged services.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) the rents paid to the trust by tenants (leasing at least 25 percent of the net leasable space in the trust's property) who are not receiving such service from such subsidiary are substantially comparable to the rents paid by tenants leasing comparable space who are receiving such service from such subsidiary, and

"(II) the charge for such service from such subsidiary is separately stated.

"(vi) Exception for certain services based on subsidiary's income from the services.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if the gross income of such subsidiary from such service is not less than 150 percent of such subsidiary's direct cost in furnishing or rendering the service.

"(vii) Exceptions granted by Secretary.—The Secretary may waive the tax otherwise imposed by subparagraph (A) if the trust establishes to the satisfaction of the Secretary that rents charged to tenants were established on an arms' length basis even though a taxable REIT subsidiary of the trust provided services to such tenants.

"(C) Redetermined deductions.—The term 'redetermined deductions' means deductions (other than redetermined rents) of a taxable REIT subsidiary of a real estate investment trust if the amount of such deductions would (but for subparagraph (E)) be decreased on distribution, apportionment, or allocation under section 482 to clearly reflect income as between such subsidiary and such trust.

"(D) Excess interest.—The term 'excess interest' means any deductions for interest payments by a taxable REIT subsidiary of a real estate investment trust to such trust to the extent that the interest payments are in excess of a rate that is commercially reasonable.

"(E) Coordination with section 482.—The imposition of tax under subparagraph (A) shall be in lieu of any distribution, apportionment, or allocation under section 482.

"(F) Regulatory authority.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph. Until the Secretary prescribes such regulations, real estate investment trusts and their taxable REIT subsidiaries may base their allocations on any reasonable method.".

(b) Amount Subject to Tax Not Required To Be Distributed.—Subparagraph (E) of section 857(b)(2) (relating to real estate investment trust taxable income) is amended by striking "paragraph (5)" and inserting "paragraphs (5) and (7)".

SEC. 16. EFFECTIVE DATE.

(a) In General.—The amendments made by sections 11 through 15 shall apply to taxable years beginning after December 31, 2000.

(b) Transitional Rules Related to Section 11.—

(1) Existing arrangements.—

(A) In general.—Except as otherwise provided in this paragraph, the amendment made by section 11 shall not apply to a real estate investment trust with respect to—

(i) securities of a corporation held directly or indirectly by such trust on July 12, 1999,

(ii) securities of a corporation held by an entity on July 12, 1999, if such trust acquires control of such entity pursuant to a written binding contract in effect on such date and at all times thereafter before such acquisition,

(iii) securities received by such trust (or a successor) in exchange for, or with respect to, securities described in clause (i) or (ii) in a transaction in which gain or loss is not recognized, and

(iv) securities acquired directly or indirectly by such trust as part of a reorganization (as defined in section 368(a)(1) of the Internal Revenue Code of 1986) with respect to such trust if such securities are described in clause (i), (ii), or (iii) with respect to any other real estate investment trust.

(B) New trade or business or substantial new assets.—Subparagraph (A) shall cease to apply to securities of a corporation as of the first day after July 12, 1999, on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than—

(i) pursuant to a binding contract in effect on such date and at all times thereafter before the acquisition of such asset,

(ii) in a transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Internal Revenue Code of 1986, or

(iii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(C) Limitation on transition rules.—Subparagraph (A) shall cease to apply to securities of a corporation held, acquired, or received, directly or indirectly, by a real estate investment trust as of the first day after July 12, 1999, on which such trust acquires any additional securities of such corporation other than—

(i) pursuant to a binding contract in effect on July 12, 1999, and at all times thereafter, or

(ii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(2) Tax-free conversion.—If—

(A) at the time of an election for a corporation to become a taxable REIT subsidiary, the amendment made by section 11 does not apply to such corporation by reason of paragraph (1), and

(B) such election first takes effect before January 1, 2004,

such election shall be treated as a reorganization qualifying under section 368(a)(1)(A) of such Code.

SEC. 17. HEALTH CARE REITS.

(a) Special Foreclosure Rule for Health Care Properties.—Subsection (e) of section 856 (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

"(6) Special rule for qualified health care properties.—For purposes of this subsection—

"(A) Acquisition at expiration of lease.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease).

"(B) Grace period.—In the case of a qualified health care property which is foreclosure property solely by reason of subparagraph (A), in lieu of applying paragraphs (2) and (3)—

"(i) the qualified health care property shall cease to be foreclosure property as of the close of the second taxable year after the taxable year in which such trust acquired such property, and

"(ii) if the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in clause (i) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property.

Any such extension shall not extend the grace period beyond the close of the 6th year after the taxable year in which such trust acquired such qualified health care property.

"(C) Income from independent contractors.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property by reason of subparagraph (A) or paragraph (1), income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

"(i) any lease of property in effect on the date the real estate investment trust acquired the qualified health care property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date), or

"(ii) any lease of property entered into after such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) Qualified health care property.—

"(i) In general.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

"(I) is a health care facility, or

"(II) is necessary or incidental to the use of a health care facility.

"(ii) Health care facility.—For purposes of clause (i), the term 'health care facility' means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility (as defined in section 7872(g)(4)), or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 18. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.

(a) Distribution Requirement.—Clauses (i) and (ii) of section 857(a)(1)(A) (relating to requirements applicable to real estate investment trusts) are each amended by striking "95 percent (90 percent for taxable years beginning before January 1, 1980)" and inserting "90 percent".

(b) IMPOSITION OF TAX.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking "95 percent (90 percent in the case of taxable years beginning before January 1, 1980)" and inserting "90 percent".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 19. CLARIFICATION OF EXCEPTION FOR INDEPENDENT OPERATORS.

(a) IN GENERAL.—Paragraph (3) of section 856(d) (relating to independent contractor defined) is amended by adding at the end the following flush sentence:

"In the event that any class of stock of either the real estate investment trust or such person is regularly traded on an established securities market, only persons who own, directly or indirectly, more than 5 percent of such class of stock shall be taken into account as owning any of the stock of such class for purposes of applying the 35 percent limitation set forth in subparagraph (B) (but all of the outstanding stock of such class shall be considered outstanding in order to compute the denominator for purpose of determining the applicable percentage of ownership).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 20. MODIFICATION OF EARNINGS AND PROFITS RULES.

(a) RULES FOR DETERMINING WHETHER REGULATED INVESTMENT COMPANY HAS EARNINGS AND PROFITS FROM NON-RIC YEAR.—Subsection (c) of section 852 is amended by adding at the end the following new paragraph:

"(3) DISTRIBUTIONS TO MEET REQUIREMENTS OF SUBSECTION (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

"(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from the earliest earnings and profits accumulated in any taxable year to which the provisions of this part did not apply rather than the most recently accumulated earnings and profits, and

"(B) to the extent treated under subparagraph (A) as made from accumulated earnings and profits, shall not be treated as a distribution for purposes of subsection (b)(2)(D) and section 855.".

(b) CLARIFICATION OF APPLICATION OF REIT SPILLOVER DIVIDEND RULES TO DISTRIBUTIONS TO MEET QUALIFICATION REQUIREMENT.—Subparagraph (B) of section 857(d)(3) is amended by inserting before the period "and section 858".

(c) APPLICATION OF DEFICIENCY DIVIDEND PROCEDURES.—Paragraph (1) of section 852(e) is amended by adding at the end the following new sentence: "If the determination under subparagraph (A) is solely as a result of the failure to meet the requirements of subsection (a)(2), the preceding sentence shall also apply for purposes of applying subsection (a)(2) to the non-RIC year.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2000.

SEC. 21. MODIFICATION OF ESTIMATED TAX RULES FOR CLOSELY HELD REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Subsection (e) of section 6655 (relating to estimated tax by corporations) is amended by adding at the end the following new paragraph:

"(5) TREATMENT OF CERTAIN REIT DIVIDENDS.—

"(A) IN GENERAL.—Any dividend received from a closely held real estate investment trust by any person which owns (after application of subsections (d)(5) and (l)(3)(B) of section 856) 10 percent or more (by vote or value) of the stock or beneficial interests in the trust shall be taken into account in computing annualized income installments under paragraph (2) in a manner similar to the manner under which partnership income inclusions are taken into account.

"(B) CLOSELY HELD REIT.—For purposes of subparagraph (A), the term 'closely held real estate investment trust' means a real estate investment trust with respect to which 5 or fewer persons own (after application of subsections (d)(5) and (l)(3)(B) of section 856) 50 percent or more (by vote or value) of the stock or beneficial interests in the trust."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to estimated tax payments due on or after November 15, 1999.

SEC. 22. CONTROLLED ENTITIES INELIGIBLE FOR REIT STATUS.

(a) IN GENERAL.—Subsection (a) of section 856 (relating to definition of real estate investment trust) is amended by striking "and" at the end of paragraph (6), by redesignating paragraph (7) as paragraph (8), and by inserting after paragraph (6) the following new paragraph:

"(7) which is not a controlled entity (as defined in subsection (l)); and".

(b) CONTROLLED ENTITY.—Section 856 is amended by adding at the end the following new subsection:

"(l) CONTROLLED ENTITY.—

"(1) IN GENERAL.—For purposes of subsection (a)(7), an entity is a controlled entity if, at any time during the taxable year, one person (other than a qualified entity)—

"(A) in the case of a corporation, owns stock—

"(i) possessing at least 50 percent of the total voting power of the stock of such corporation, or

"(ii) having a value equal to at least 50 percent of the total value of the stock of such corporation, or

"(B) in the case of a trust, owns beneficial interests in the trust which would meet the requirements of subparagraph (A) if such interests were stock.

"(2) QUALIFIED ENTITY.—For purposes of paragraph (1), the term 'qualified entity' means—

"(A) any real estate investment trust, and

"(B) any partnership in which one real estate investment trust owns at least 50 percent of the capital and profits interests in the partnership.

"(3) ATTRIBUTION RULES.—For purposes of this paragraphs (1) and (2)—

"(A) IN GENERAL.—Rules similar to the rules of subsections (d)(5) and (h)(3) shall apply; except that section 318(a)(3)(C) shall not be applied under such rules to treat stock owned by a qualified entity as being owned by a person which is not a qualified entity.

"(B) STAPLED ENTITIES.—A group of entities which are stapled entities (as defined in section 269B(c)(2)) shall be treated as one person.

"(4) EXCEPTION FOR CERTAIN NEW REITS.—

"(A) IN GENERAL.—The term 'controlled entity' shall not include an incubator REIT.

"(B) INCUBATOR REIT.—A corporation shall be treated as an incubator REIT for any taxable year during the eligibility period if it meets all the following requirements for such year:

"(i) The corporation elects to be treated as an incubator REIT.

"(ii) The corporation has only voting common stock outstanding.

"(iii) Not more than 50 percent of the corporation's real estate assets consist of mortgages.

"(iv) From not later than the beginning of the last half of the second taxable year, at least 10 percent of the corporation's capital is provided by lenders or equity investors who are unrelated to the corporation's largest shareholder.

"(v) The corporation annually increases the value of its real estate assets by at least 10 percent.

"(vi) The directors of the corporation adopt a resolution setting forth an intent to engage in a going public transaction.

No election may be made with respect to any REIT if an election under this subsection was in effect for any predecessor of such REIT.

"(C) ELIGIBILITY PERIOD.—

"(i) IN GENERAL.—The eligibility period (for which an incubator REIT election can be made) begins with the REIT's second taxable year and ends at the close of the REIT's third taxable year, except that the REIT may, subject to clauses (ii), (iii), and (iv), elect to extend such period for an additional 2 taxable years.

"(ii) GOING PUBLIC TRANSACTION.—A REIT may not elect to extend the eligibility period under clause (i) unless it enters into an agreement with the Secretary that if it does not engage in a going public transaction by the end of the extended eligibility period, it shall pay Federal income taxes for the 2 years of the extended eligibility period as if it had not made an incubator REIT election and had ceased to qualify as a REIT for those 2 taxable years.

"(iii) RETURNS, INTEREST, AND NOTICE.—

"(I) RETURNS.—In the event the corporation ceases to be treated as a REIT by operation of clause (ii), the corporation shall file any appropriate amended returns reflecting the change in status within 3 months of the close of the extended eligibility period.

"(II) INTEREST.—Interest shall be payable on any tax imposed by reason of clause (ii) for any taxable year but, unless there was a finding under subparagraph (D), no substantial underpayment penalties shall be imposed.

"(III) NOTICE.—The corporation shall, at the same time it files its returns under subclause (I), notify its shareholders and any other persons whose tax position is, or may reasonably be expected to be, affected by the change in status so they also may file any appropriate amended returns to conform their tax treatment consistent with the corporation's loss of REIT status.

"(IV) REGULATIONS.—The Secretary shall provide appropriate regulations setting forth transferee liability and other provisions to ensure collection of tax and the proper administration of this provision.

"(iv) Clauses (ii) and (iii) shall not apply if the corporation allows its incubator REIT status to lapse at the end of the initial 2-year eligibility period without engaging in a going public transaction if the corporation is not a controlled entity as of the beginning of its fourth taxable year. In such a case, the corporation's directors may still be liable for the penalties described in subparagraph (D) during the eligibility period.

"(D) SPECIAL PENALTIES.—If the Secretary determines that an incubator REIT election was filed for a principal purpose other than as part of a reasonable plan to undertake a going public transaction, an excise tax of $20,000 shall be imposed on each of the corporation's directors for each taxable year for which an election was in effect.

"(E) GOING PUBLIC TRANSACTION.—For purposes of this paragraph, a going public transaction means—

"(i) a public offering of shares of the stock of the incubator REIT;

"(ii) a transaction, or series of transactions, that results in the stock of the incubator REIT being regularly traded on an established securities market and that results in at least 50 percent of such stock being held by shareholders who are unrelated to persons who held such stock before it began to be so regularly traded; or

"(iii) any transaction resulting in ownership of the REIT by 200 or more persons (excluding the largest single shareholder) who in the aggregate own at least 50 percent of the stock of the REIT.

For the purposes of this subparagraph, the rules of paragraph (3) shall apply in determining the ownership of stock.

"(F) DEFINITIONS.—The term 'established securities market' shall have the meaning set forth in the regulations under section 897."

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 856(h) is amended by striking "and (6)" each place it appears and inserting ", (6), and (7)".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after July 14, 1999.

(2) EXCEPTION FOR EXISTING CONTROLLED ENTITIES.—The amendments made by this section shall not apply to any entity which is a controlled entity (as defined in section 856(l) of the Internal Revenue Code of 1986, as added by this section) as of July 14, 1999, which is a real estate investment trust for the taxable year which includes such date, and which has significant business assets or activities as of such date. For purposes of the preceding sentence, an entity shall be treated as such a controlled entity on July 14, 1999, if it becomes such an entity after such date in a transaction—

(A) made pursuant to a written agreement which was binding on such date and at all times thereafter, or

(B) described on or before such date in a filing with the Securities and Exchange Commission required solely by reason of the transaction.

SEC. 23. MODIFICATION OF INDIVIDUAL ESTIMATED TAX SAFE HARBOR.

(a) IN GENERAL.—The table contained in clause (i) of section 6654(d)(1)(C) (relating to limitation on use of preceding year's tax) is amended by striking all matter beginning with the item relating to 1999 or 2000 and inserting the following new items:

"1999	106.5
2000	106
2001	112
2002 or thereafter	110".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any installment payment for taxable years beginning after December 31, 1999.

AMENDMENT NO. 2360

At the appropriate place, insert the following new section:

SEC. . AGRICULTURE TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) United States agriculture contributes positively to the United States balance of trade and United States agricultural exports support in excess of 1,000,000 United States jobs;

(2) United States agriculture competes successfully worldwide despite the fact that United States producers are at a competitive disadvantage because of the trade distorting support and subsidy practices of other countries and despite the fact that significant tariff and nontariff barriers exist to United States exports; and

(3) a successful conclusion of the next round of World Trade Organization negotiations is critically important to the United States agricultural sector.

(b) OBJECTIVES.—The agricultural trade negotiating objectives of the United States with respect to the World Trade Organization negotiations include—

(1) immediately eliminating all export subsidies worldwide while maintaining bona fide food aid and preserving United States market development and export credit programs that allow the United States to compete with other foreign export promotion efforts;

(2) leveling the playing field for United States producers of agricultural products by eliminating blue box subsidies and disciplining domestic supports in a way that forces producers to face world prices on all production in excess of domestic food security needs while allowing the preservation of non-trade distorting programs to support family farms and rural communities;

(3) disciplining state trading enterprises by insisting on transparency and banning discriminatory pricing practices that amount to de facto export subsidies so that the enterprises do not (except in cases of bona fide food aid) sell in foreign markets at prices below domestic market prices or prices below the full costs of acquiring and delivering agricultural products to the foreign markets;

(4) insisting that the Sanitary and Phytosanitary Accord agreed to in the Uruguay Round applies to new technologies, including biotechnology, and clarifying that labeling requirements to allow consumers to make choices regarding biotechnology products or other regulatory requirements cannot be used as disguised barriers to trade;

(5) increasing opportunities for United States exports of agricultural products by first reducing tariff and nontariff barriers to trade to the same or lower levels than exist in the United States and then eliminating barriers, such as—

(A) restrictive or trade distorting practices that adversely impact perishable or cyclical products;

(B) restrictive rules in the administration of tariff-rate quotas; and

(C) unjustified sanitary and phytosanitary restrictions or other unjustified technical barriers to agricultural trade;

(6) encouraging government policies that avoid price-depressing surpluses; and

(7) strengthening dispute settlement procedures so that countries cannot maintain unjustified restrictions on United States exports in contravention of their commitments.

(c) CONSULTATION WITH CONGRESSIONAL COMMITTEES.—

(1) CONSULTATION BEFORE OFFER MADE.—Before the United States Trade Representative negotiates a trade agreement that would reduce tariffs on agricultural products or require a change in United States agricultural law, the United States Trade Representative shall consult with the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate and the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives.

(2) CONSULTATION BEFORE AGREEMENT INITIALED.—Not less than 48 hours before initialing an agreement relating to agricultural trade negotiated under the auspices of the World Trade Organization, the United States Trade Representative shall consult closely with the committees referred to in paragraph (1) regarding—

(A) the details of the agreement;

(B) the potential impact of the agreement on United States agricultural producers; and

(C) any changes in United States law necessary to implement the agreement.

(3) NO SECRET SIDE DEALS.—Any agreement or other understanding (whether verbal or in writing) that relates to agricultural trade that is not disclosed to the Congress before legislation implementing a trade agreement is introduced in either house of Congress shall not be considered to be part of the agreement approved by Congress and shall have no force and effect under United States law or in any dispute settlement body.

(d) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) reaching a successful agreement on agriculture should be the top priority of United States negotiators; and

(2) if the primary competitors of the United States do not reduce their trade distorting domestic supports and export subsidies in accordance with the negotiating objectives expressed in this section, the United States should increase its support and subsidy levels to level the playing field in order to improve United States farm income and to encourage United States competitors to eliminate export subsidies and domestic supports that are harmful to United States farmers and ranchers.

CONRAD AMENDMENT NO. 2361

(Ordered to lie on the table.)

Mr. CONRAD submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end, insert the following new title:

TITLE —CONGRESSIONAL APPROVAL FOR UNILATERAL SANCTIONS

SEC. 01. SHORT TITLE.

This title may be cited as the "Food and Medicine for the World Act".

SEC. 02. REQUIREMENT OF CONGRESSIONAL APPROVAL OF ANY UNILATERAL AGRICULTURAL OR MEDICAL SANCTION.

(a) DEFINITIONS.—In this section:

(1) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) AGRICULTURAL PROGRAM.—The term "agricultural program" means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et. seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et. seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a-14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) JOINT RESOLUTION.—The term "joint resolution" means—

(A) in the case of subsection (b)(1)(B), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (b)(1)(A) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 02(b)(1)(A) of the Food and Medicine for the World Act, transmitted on .", with the blank completed with the appropriate date; and

(B) in the case of subsection (e)(2), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (e)(1) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 02(e)(1) of the Food and Medicine for the World Act, transmitted on .", with the blank completed with the appropriate date.

(4) MEDICAL DEVICE.—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) MEDICINE.—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) UNILATERAL AGRICULTURAL SANCTION.—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) UNILATERAL MEDICAL SANCTION.—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(b) RESTRICTION.—

(1) NEW SANCTIONS.—Except as provided in subsections (c) and (d) and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(A) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(i) describes the activity proposed to be prohibited, restricted, or conditioned; and

(ii) describes the actions by the foreign country or foreign entity that justify the sanction; and

(B) Congress enacts a joint resolution stating the approval of Congress for the report submitted under subparagraph (A).

(2) EXISTING SANCTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, the President shall terminate the sanction.

(B) EXEMPTIONS.—Subparagraph (A) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed with respect to—

(i) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(ii) the Export Credit Guarantee Program (GSM-102) or the Intermediate Export Credit Guarantee Program (GSM-103) established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(iii) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14).

(c) EXCEPTIONS.—Subsection (b) shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in subsection (b)—

(1) against a foreign country or foreign entity with respect to which Congress has enacted a declaration of war that is in effect on or after the date of enactment of this Act; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

(d) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—Subsection (b) shall not affect the prohibitions in effect on or after the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

(e) TERMINATION OF SANCTIONS.—Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in subsection (b)(1) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years and the request of the President for approval by Congress of the recommendation; and

(2) Congress enacts a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(f) CONGRESSIONAL PRIORITY PROCEDURES.—

(1) REFERRAL OF REPORT.—A report described in subsection (b)(1)(A) or (e)(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(2) REFERRAL OF JOINT RESOLUTION.—

(A) IN GENERAL.—A joint resolution shall be referred to the committees in each House of Congress with jurisdiction.

(B) REPORTING DATE.—A joint resolution referred to in subparagraph (A) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

(3) DISCHARGE OF COMMITTEE.—If the committee to which is referred a joint resolution has not reported the joint resolution (or an identical joint resolution) at the end of 30 session days of Congress after the date of introduction of the joint resolution—

(A) the committee shall be discharged from further consideration of the joint resolution; and

(B) the joint resolution shall be placed on the appropriate calendar of the House concerned.

(4) FLOOR CONSIDERATION.—

(A) MOTION TO PROCEED.—

(i) IN GENERAL.—When the committee to which a joint resolution is referred has reported, or when a committee is discharged under paragraph (3) from further consideration of, a joint resolution—

(I) it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any member of the House concerned to move to proceed to the consideration of the joint resolution; and

(II) all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(ii) PRIVILEGE.—The motion to proceed to the consideration of the joint resolution—

(I) shall be highly privileged in the House of Representatives and privileged in the Senate; and

(II) not debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—The motion to proceed to the consideration of the joint resolution shall not be subject to—

(I) amendment;

(II) a motion to postpone; or

(III) a motion to proceed to the consideration of other business.

(iv) MOTION TO RECONSIDER NOT IN ORDER.—A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(v) BUSINESS UNTIL DISPOSITION.—If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the House concerned until disposed of.

(B) LIMITATIONS ON DEBATE.—

(i) IN GENERAL.—Debate on the joint resolution, and on all debatable motions and appeals in connection with the joint resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution.

(ii) FURTHER DEBATE LIMITATIONS.—A motion to limit debate shall be in order and shall not be debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—An amendment,to, a motion to postpone, a motion to proceed to the consideration of other business, a motion to recommit the joint resolution, or a motion to reconsider the vote by which the joint resolution is agreed to or disagreed to shall not be in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the House concerned, the vote on final passage of the joint resolution shall occur.

(D) RULINGS OF THE CHAIR ON PROCEDURE.—An appeal from a decision of the Chair relating to the application of the rules of the Senate or House of Representatives, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(5) COORDINATION WITH ACTION BY OTHER HOUSE.—If, before the passage by 1 House of a joint resolution of that House, that House receives from the other House a joint resolution, the following procedures shall apply:

(A) NO COMMITTEE REFERRAL.—The joint resolution of the other House shall not be referred to a committee.

(B) FLOOR PROCEDURE.—With respect to a joint resolution of the House receiving the joint resolution—

(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(ii) the vote on final passage shall be on the joint resolution of the other House.

(C) DISPOSITION OF JOINT RESOLUTIONS OF RECEIVING HOUSE.—On disposition of the joint resolution received from the other House, it shall no longer be in order to consider the joint resolution originated in the receiving House.

(6) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If a House receives a joint resolution from the other House after the receiving House has disposed of a joint resolution originated in that House, the action of the receiving House with regard to the disposition of the joint resolution originated in that House shall be deemed to be the action of the receiving House with regard to the joint resolution originated in the other House.

(7) RULEMAKING POWER.—This paragraph is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such this paragraph—

(i) is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution; and

(ii) supersedes other rules only to the extent that this paragraph is inconsistent with those rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section takes effect on the date of enactment of this Act.

(2) EXISTING SANCTIONS.—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this section takes effect 180 days after the date of enactment of this Act.

WELLSTONE AMENDMENTS NOS. 2362–2366

(Ordered to lie on the table.)

Mr. WELLSTONE submitted five amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2362

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

AMENDMENT NO. 2363

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

AMENDMENT NO. 2364

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

AMENDMENT NO. 2365

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

AMENDMENT NO. 2366

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

DODD (AND OTHERS) AMENDMENT NO. 2367

(Ordered to lie on the table.)

Mr. DODD (for himself, Mr. LIEBERMAN, Mr. ASHCROFT, and Mr. BOND) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. RELIQUIDATION OF CERTAIN NUCLEAR FUEL ASSEMBLIES.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Secretary of the Treasury not later than 90 days after the date of the enactment of this Act, the Secretary shall—

(1) reliquidate as free of duty the entries listed in subsection (b); and

(2) refund any duties paid with respect to such entries as shown on Customs Service Collection Receipt Number 527006753.

(b) ENTRIES.—The entries referred to in subsection (a) are as follows:

Entry Number	Date of Entry
062-2320014-5	January 16, 1996
062-2320085-5	February 13, 1996
839-4030989-7	January 25, 1996
839-4031053-1	December 2, 1996
839-4031591-0	January 21, 1997.

BAUCUS (AND OTHERS) AMENDMENT NO. 2368

(Ordered to lie on the table.)

Mr. BAUCUS (for himself, Mr. BINGAMAN, and Mrs. MURRAY) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, add the following new title:

TITLE ___—FOREIGN AGRICULTURAL EXPORT SUBSIDIES

SEC. __01. SHORT TITLE.

This title may be cited as the "Agricultural Trade Fairness Act of 1999".

SEC. __02. FINDINGS.

Congress finds that—

(1) United States agricultural producers are facing financial ruin due to unanticipated declines in prices for agricultural commodities;

(2) foreign export subsidies of agricultural commodities depress prices further and prevent access to export markets by United States agricultural producers;

(3) the European Union, the entity that provides by far the largest agricultural export subsidies, provides 84 percent of the agricultural export subsidies provided in the world;

(4) the export enhancement program carried out by the United States under section 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5651) is authorized to be funded at over $500,000,000 for each of fiscal years 1998 through 2000 (consistent with the Uruguay Round reduction commitments), but has been funded at well below the authorized levels; and

(5) the European Union continues to use agricultural export subsidies to bridge the gap between high domestic support prices and lower world prices, resulting in extreme market distortions.

SEC. 03. RESPONSE TO UNFAIR TRADE PRACTICES BY EUROPEAN UNION.

Title III of the Agricultural Trade Act of 1978 (7 U.S.C. 5651 et seq.) is amended by adding at the end the following:

"SEC. 304. RESPONSE TO UNFAIR TRADE PRACTICES BY EUROPEAN UNION.

"(a) REDUCTION OF AGRICULTURAL EXPORT SUBSIDIES.—

"(1) IN GENERAL.—If by January 1, 2002, the European Union does not reduce agricultural export subsidies by at least 50 percent of the level of agricultural export subsidies provided as of October 1, 1999 (as determined by the Secretary), the Secretary shall take appropriate measures to protect the interests of producers of United States agricultural commodities and ensure the international competitiveness of United States agriculture.

"(2) MEASURES.—In carrying out paragraph (1), the Secretary shall, to the maximum extent practicable—

"(A) target the European Union's most sensitive export markets for feed grains; and

"(B) make available to carry out the export enhancement program under section 301(e)(1) not more than $1,000,000,000 to encourage the commercial sale of United States agricultural commodities in the chief export markets of the European Union.

"(b) ELIMINATION OF AGRICULTURAL EXPORT SUBSIDIES.—

"(1) IN GENERAL.—If by January 1, 2003, the European Union and the United States do not enter into an agricultural trade agreement under which the European Union agrees to eliminate agricultural export subsidies (as determined by the Secretary), the Secretary shall take appropriate measures to protect the interests of producers of United States agricultural commodities and ensure the international competitiveness of United States agriculture.

"(2) MEASURES.—In carrying out paragraph (1), the Secretary shall, to the maximum extent practicable—

"(A) target the European Union's most sensitive export markets for feed grains;

"(B) make available to carry out the export enhancement program under section 301(e)(1) not more than $2,000,000,000 to encourage the commercial sale of United States agricultural commodities in the chief export markets of the European Union;

"(C) increase the amount of funds made available to carry out direct credit programs and export credit guarantee programs under subsections (a) and (b) of section 211 to promote the commercial export sale of United States agricultural commodities in the chief export markets of the European Union; and

"(D) increase the amount of funds made available to carry out the market access program under section 211(c)(1) to encourage the development, maintenance, and expansion of commercial export markets for United States agricultural commodities in the chief export markets of the European Union.".

BAUCUS (AND OTHERS) AMENDMENT NO. 2369

(Ordered to lie on the table.)

Mr. BAUCUS (for himself, Mr. GRAMS, Mrs. MURRAY, and Mr. WYDEN) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . ENVIRONMENTAL GOODS.

(a) FINDINGS.—Congress makes the following findings:

(1) United States trade policy should facilitate export of American products which improve the quality of life.

(2) United States firms possess a variety of technologies which can measure, limit, and prevent environmental damage.

(3) The World Trade Organization is considering a proposal generated in the Asia Pacific Economic Cooperation (APEC) to reduce barriers to trade in environmental products. The proposal includes the elimination of tariff barriers on such products.

(4) Eliminating such tariffs would benefit both the environment and United States exporters.

(5) The President, after consultation with Congress, should have the authority to enter into a broad-based agreement to eliminate tariff barriers with respect to environmental products under the auspices of the World Trade Organization.

(b) PURPOSE.—The purpose of this section is to reduce barriers to international trade in environmental products.

(c) PROCLAMATION AUTHORITY.—

(1) IN GENERAL.—If the President determines that any existing duty or other import restriction of any foreign country or the United States is unduly burdening or restricting the foreign trade of the United States with respect to an environmental product described in paragraph (2) and the United States enters into an agreement to eliminate or reduce the duty or remove the burden or restriction with respect to such product as part of a multilateral negotiation under the auspices of the World Trade Organization, the President may proclaim the elimination or staged rate reductions of any duty on such environmental product.

(2) ENVIRONMENTAL PRODUCT DESCRIBED.—An environmental product described in this paragraph means—

(A) any product used to measure, prevent, limit, or correct environmental damage to water, air, and soil;

(B) any product used to address environmental problems related to waste, noise, and ecosystems; and

(C) any technology, process, and product which reduces environmental risk and minimizes pollution or use of materials.

(3) CONSULTATION AND LAYOVER.—Any duty elimination or staged rate reduction provided for in this section may be proclaimed only if the President—

(A) has obtained advice regarding the proposed action from the appropriate advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) and the International Trade Commission;

(B) has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth—

(i) the action proposed to be proclaimed;

(ii) the reasons for such action; and

(iii) the advice obtained under subparagraph (A); and

(C) has consulted with the committees regarding the proposed action during the 60-calendar day period, beginning on the first day after the day on which the President has met the requirements of subparagraphs (A) and (B).

KERRY AMENDMENT NO. 2370

(Ordered to lie on the table.)

Mr. KERRY submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert:

SEC. . CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45D. CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

"(a) GENERAL RULE.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year is an amount equal to 30 percent of the qualified vaccine research expenses for the taxable year.

"(b) QUALIFIED VACCINE RESEARCH EXPENSES.—For purposes of this section—

"(1) QUALIFIED VACCINE RESEARCH EXPENSES.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term 'qualified vaccine research expenses' means the amounts which are paid or incurred by the taxpayer during the taxable year which would be described in subsection (b) of section 41 if such subsection were applied with the modifications set forth in subparagraph (B).

"(B) MODIFICATIONS.—For purposes of subparagraph (A), subsection (b) of section 41 shall be applied—

"(i) by substituting 'vaccine research' for 'qualified research' each place it appears in paragraphs (2) and (3) of such subsection, and

"(ii) by substituting '75 percent' for '65 percent' in paragraph (3)(A) of such subsection.

"(C) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified vaccine research expenses' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(2) VACCINE RESEARCH.—The term 'vaccine research' means research to develop vaccines and microbicides for—

"(A) malaria,

"(B) tuberculosis, or

"(C) HIV.

"(c) COORDINATION WITH CREDIT FOR INCREASING RESEARCH EXPENDITURES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any qualified vaccine research expenses for a taxable year to which an election under this section applies shall not be taken into account for purposes of determining the credit allowable under section 41 for such taxable year.

"(2) EXPENSES INCLUDED IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any qualified vaccine research expenses for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

"(d) SPECIAL RULES.—

"(1) LIMITATIONS ON FOREIGN TESTING.—No credit shall be allowed under this section with respect to any vaccine research (other than human clinical testing) conducted outside the United States by any entity which is not registered with the Secretary.

"(2) Certain rules made applicable.—Rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply for purposes of this section.

"(3) Election.—This section (other than subsection (e)) shall apply to any taxpayer for any taxable year only if such taxpayer elects to have this section apply for such taxable year.

"(e) Shareholder Equity Investment Credit in Lieu of Research Credit.—

"(1) In general.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year shall include an amount equal to 20 percent of the amount paid by the taxpayer to acquire qualified research stock in a corporation if—

"(A) the amount received by the corporation for such stock is used within 18 months after the amount is received to pay qualified vaccine research expenses of the corporation for which a credit would (but for subparagraph (B) and subsection (d)(3)) be determined under this section, and

"(B) the corporation waives its right to the credit determined under this section for the qualified vaccine research expenses which are paid with such amount.

"(2) Qualified research stock.—For purposes of paragraph (1), the term 'qualified research stock' means any stock in a C corporation—

"(A) which is originally issued after the date of the enactment of the Lifesaving Vaccine Technology Act of 1999,

"(B) which is acquired by the taxpayer at its original issue (directly or through an underwriter) in exchange for money or other property (not including stock), and

"(C) as of the date of issuance, such corporation meets the gross assets tests of subparagraphs (A) and (B) of section 1202(d)(1)."

(b) Inclusion in General Business Credit.—

(1) In general.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following new paragraph:

"(13) the vaccine research credit determined under section 45D.".

(2) Transition rule.—Section 39(d) of such Code (relating to transitional rules) is amended by adding at the end the following new paragraph:

"(9) No carryback of section 45D credit before enactment.—No portion of the unused business credit for any taxable year which is attributable to the vaccine research credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D.".

(c) Denial of Double Benefit.—Section 280C of the Internal Revenue Code of 1986 (relating to certain expenses for which credits are allowable) is amended by adding at the end the following new subsection:

"(d) Credit for Qualified Vaccine Research Expenses.—

"(1) In general.—No deduction shall be allowed for that portion of the qualified vaccine research expenses (as defined in section 45D(b)) otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45D(a).

"(2) Certain rules to apply.—Rules similar to the rules of paragraphs (2), (3), and (4) of subsection (c) shall apply for purposes of this subsection.".

(d) Deduction for Unused Portion of Credit.—Section 196(c) of the Internal Revenue Code of 1986 (defining qualified business credits) is amended by striking "and" at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting ", and", and by adding at the end the following new paragraph:

"(9) the vaccine research credit determined under section 45D(a) (other than such credit determined under the rules of section 280C(d)(2)).".

(e) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 45D. Credit for medical research related to developing vaccines against widespread diseases.".

(f) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 1999, in taxable years ending after such date.

(g) Distribution of Vaccines Developed Using Credit.—It is the sense of Congress that if a tax credit is allowed under section 45D of the Internal Revenue Code of 1986 (as added by subsection (a)) to any corporation or shareholder of a corporation by reason of vaccine research expenses incurred by the corporation in the development of a vaccine, such corporation should certify to the Secretary of the Treasury that, within 1 year after that vaccine is first licensed, such corporation will establish a good faith plan to maximize international access to high quality and affordable vaccines.

(h) Study.—The Secretary of the Treasury, in consultation with the Institute of Medicine, shall conduct a study of the effectiveness of the credit under section 45D of the Internal Revenue Code of 1986 (as so added) in stimulating vaccine research. Not later than the date which is 4 years after the date of the enactment of this Act, the Secretary shall submit to the Congress the results of such study together with any recommendations the Secretary may have to improve the effectiveness of such credit in stimulating vaccine research.

(i) Acceleration of Introduction of Priority Vaccines.—It is the sense of Congress that the President and Federal agencies (including the Department of State, the Department of Health and Human Services, and the Department of the Treasury) should work together in vigorous support of the creation and funding of a multi-lateral, international effort, such as a vaccine purchase fund, to accelerate the introduction of vaccines to which the tax credit under section 45D of the Internal Revenue Code of 1986 (as so added) applies and of other priority vaccines into the poorest countries in the world.

(j) Flexible Pricing.—It is the sense of Congress that flexible or differential pricing for vaccines, providing lowered prices for the poorest countries, is one of several valid strategies to accelerate the introduction of vaccines in developing countries.

HARKIN AMENDMENT NO. 2371

(Ordered to lie on the table.)

Mr. HARKIN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . GOODS MADE WITH FORCED OR INDENTURED LABOR.

(a) In General.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended—

(1) in the second sentence, by striking "; but in no case" and all that follows to the end period; and

(2) by adding at the end the following new sentence: "For purposes of this section, the term 'forced labor or/and indentured labor' includes forced or indentured child labor.".

(b) Effective Dates.—

(1) In general.—The amendment made by subsection (a)(1) applies to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

(2) Child labor.—The amendment made by subsection (a)(2) takes effect on the date of enactment of this Act.

SANTORUM AMENDMENT NO. 2372

(Ordered to lie on the table.)

Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

On page 22, between lines 5 and 6, insert the following new section:

SEC. 116. STUDY ON IMPROVING AFRICAN AGRICULTURAL PRACTICES.

(a) In general.—The United States Department of Agriculture, in consultation with American Land Grant Colleges and Universities and not-for-profit international organizations, is authorized to conduct a two-year study on ways to improve the flow of American farming techniques and practices to African farmers. The study conducted by the Department of Agriculture shall include an examination of ways of improving or utilizing—

(1) knowledge of insect and sanitation procedures;

(2) modern farming and soil conservation techniques;

(3) modern farming equipment (including maintaining the equipment);

(4) marketing crop yields to prospective purchasers; and

(5) crop maximization practices.

The study shall be submitted to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives not later than September 30, 2001.

(b) Land Grant Colleges and Not-for-Profit Institutions.—The Department of Agriculture is encouraged to consult with American Land Grant Colleges and not-for-profit international organizations that have firsthand knowledge of current African farming practices.

(c) Authorization of Funding.—There is authorized to be appropriated $2,000,000 to conduct the study described in subsection (a).

COVERDELL AMENDMENT NO. 2373

(Ordered to lie on the table.)

Mr. COVERDELL submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATION ON BENEFITS.

Notwithstanding any other provision of law, a country that is otherwise entitled to receive beneficial trade preferences or treatment with the United States under this Act shall not be entitled to such benefits unless and until the President certifies to Congress that such country has in place, and enforces, laws adequate to prevent their country's financial systems from being used to circumvent the criminal laws of the United States relating to money laundering and other illegal financial activities.

HOLLINGS AMENDMENT NOS. 2374–2391

(Ordered to lie on the table.)

Mr. HOLLINGS submitted 18 amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2374

Strike all after the first word and insert the following:

SEC. . MINIMUM WAGE.

(a) INCREASE.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $5.65 an hour during the year beginning on December 1, 2000; and

"(B) $6.15 an hour beginning on January 1, 2001;".

(b) APPLICATION TO COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 2375

Strike all after the first word and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Campaign Finance Reform Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Express advocacy determined without regard to background music.
Sec. 203. Civil penalty.
Sec. 204. Reporting requirements for certain independent expenditures.
Sec. 205. Independent versus coordinated expenditures by party.
Sec. 206. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Codification of Beck decision.
Sec. 502. Use of contributed amounts for certain purposes.
Sec. 503. Limit on congressional use of the franking privilege.
Sec. 504. Prohibition of fundraising on Federal property.
Sec. 505. Penalties for violations.
Sec. 506. Strengthening foreign money ban.
Sec. 507. Prohibition of contributions by minors.
Sec. 508. Expedited procedures.
Sec. 509. Initiation of enforcement proceeding.
Sec. 510. Protecting equal participation of eligible voters in campaigns and elections.
Sec. 511. Penalty for violation of prohibition against foreign contributions.
Sec. 512. Expedited court review of certain alleged violations of Federal Election Campaign Act of 1971.
Sec. 513. Conspiracy to violate presidential campaign spending limits.
Sec. 514. Deposit of certain contributions and donations in Treasury account.
Sec. 515. Establishment of a clearinghouse of information on political activities within the Federal Election Commission.
Sec. 516. Enforcement of spending limit on presidential and vice presidential conditions who received public financing.
Sec. 517. Clarification of right of nationals of the United States to make political contributions.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

Sec. 601. Establishment and purpose of Commission.
Sec. 602. Membership of Commission.
Sec. 603. Powers of Commission.
Sec. 604. Administrative provisions.
Sec. 605. Report and recommended legislation.
Sec. 606. Expedited congressional consideration of legislation.
Sec. 607. Termination.
Sec. 608. Authorization of appropriations.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

Sec. 701. Prohibiting use of White House means and accommodations for political fundraising.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

Sec. 801. Sense of the Congress regarding applicability of controlling legal authority of fundraising on Federal government property.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

Sec. 901. Prohibition against acceptance or solicitation to obtain access to certain Federal government property.

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

Sec. 1001. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

Sec. 1101. Prohibiting campaigns from providing currently to individuals for purposes of encouraging turnout on date of election.

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

Sec. 1201. Enhancing enforcement of campaign finance law.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

Sec. 1301. Ban on coordination of soft money for issue advocacy by presidential candidates receiving public financing.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

Sec. 1401. Requirement that names of passengers on Air Force One and Air Force Two be made available through the Internet.

TITLE XV—EXPLUSION PROCEEDINGS FOR HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

Sec. 1501. Permitting consideration of privileged motion to expel House member accepting illegal foreign contribution.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 1601. Severability.
Sec. 1602. Review of constitutional issues.
Sec. 1603. Effective date.
Sec. 1604. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section.—

"SOFT MONEY OF POLITICAL PARTIES

"SEC. 323. (a) NATIONAL COMMITTEE.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.— This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee and an officer or agent acting on behalf of any such committee or entity.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

"(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

"(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

"(B) Excluded activity.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

"(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

"(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

"(c) Fundraising Costs.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) Tax-Exempt Organizations.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

"(e) Candidates.—

"(1) In general.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

"(2) State law.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

"(3) Fundraising events.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fund raising event for a State, district, or local committee of a political party.".

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) Contribution Limit for State Committees of Political Parties.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following—

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000".

(b) Aggregate Contribution Limit for Individual.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$30,000".

SEC. 103. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (d) the following.—

"(e) Political Committees.—

"(1) National and congressional political committees.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) Other political committees to which section 323 applies: In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

"(3) Itemization.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

"(4) Reporting periods.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)".

(b) Building Fund Exception to the Definition of Contribution.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) Definition of Independent Expenditure.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17) Independent expenditure.—

"(A) In general.—The term 'independent expenditure' means an expenditure by a person—

"(i) for a communication that is express advocacy; and

"(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.".

(b) Definition of Express Advocacy.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) Express advocacy.—

"(A) In general.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

"(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

"(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

"(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

"(B) Voting record and voting guide exception.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

"(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

"(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

"(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.".

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking "and" at the end;

(2) in clause (ii), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(iii) a payment made by a political committee for a communication that—

"(I) refers to a clearly identified candidate; and

"(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).".

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

"(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.".

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking "clause (ii)" and inserting "clauses (ii) and (iii)"; and

(ii) by adding at the end the following:

"(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A)."; and

(B) in paragraph (6)(B), by inserting "(except an action instituted in connection with a knowing and willful violation of section 304(c))' after 'subparagraph (A)"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking "Any person" and inserting "Except as provided in subparagraph (D), any person"; and

(B) by adding at the end the following.—

"(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.".

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (f); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following.—

"(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

"(1) EXPENDITURES AGGREGATING $1,000.—

"(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) EXPENDITURES AGGREGATING $10,000.—

"(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

"(A) shall be filed with the Commission; and

"(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.".

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting, "(3), and (4)"; and

(2) by adding at the end the following:

"(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

"(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

"(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

"(C) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

"(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.".

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking "or" at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting "; or"; and

(iii) by adding at the end the following:

"(iii) coordinated activity (as defined in subparagraph (C))."; and

(B) by adding at the end the following.—

"(C) "Coordinated activity" means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following.—

"(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

"(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

"(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

"(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

"(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

"(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

"(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

"(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resource, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

"(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

"(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidate's election (regardless of whether the communication is express advocacy).

"(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

"(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.".

(2) Section 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following—

"(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

"(b) Meaning of Contribution or Expenditure for the Purposes of Section 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking shall include' and inserting 'includes a contribution or expenditure, as those terms are defined in section 301, and also includes' ".

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following—

"(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

"(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

"(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

"(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

"(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.".

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

"(j) Deposit of Contributions.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.'.

SEC. 303. AUDITS.

(a) Random Audits.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1) In general.—" before "The Commission";

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

"(2) Random audits.—

"(A) In general.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

"(B) Limitation.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

"(C) Applicability.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.".

(b) Extension of Period During Which Campaign Audits May Be Begun.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking '6 months' and inserting "12 months".

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking "$200" and inserting "$50"; and

(2) by striking the semicolon and inserting ", except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;".

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name; or

"(ii) except in the case of a national, State, or local party committee; use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after "Sec. 322." the following: "(a) In General:"; and

(2) by adding at the end the following:

"(b) Solicitation of Contributions.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

"(g) Disbursements of Persons Other Than Political Parties.—

"(1) In general.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

"(A) on a monthly basis as described in subsection (a)(4)(B); or

"(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursement are made.

"(2) Activity.—The activity described in this paragraph is—

"(A) Federal election activity;

"(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

"(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

"(3) Applicability.—This subsection does not apply to—

"(A) a candidate or a candidate's authorized committees; or

"(B) an independent expenditure.

"(4) Contents.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

"(A) the aggregate amount of disbursements made;

"(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

"(C) the date made, amount, and purpose of the disbursement; and

"(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.".

(b) Definition of Generic Campaign Activity.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

"(21) Generic campaign activity.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate."

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(B) in paragraph (3), by inserting "and permanent street address" and "name"; and

(2) by adding at the end the following:

"(c) Any printed communication described in subsection (a) shall—

"(1) be of sufficient type size to be clearly readable by the recipient of the communication;

"(2) be contained in a printed box set apart from the other contents of the communication; and

"(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

"(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: 'XXXXXXX is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds."

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

Sec. 324. (a) Eligible Congressional Candidate.—

(1) Primary election.—

"(A) Declaration.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

"(B) Time to file.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

"(2) General election.—

"(A) Declaration.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

"(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

"(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

"(B) Time to file.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

"(i) the date on which the candidate qualifies for the general election ballot under State law; or

"(ii) if under State law, a primary or runoff election to qualify for the general ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

"(b) Personal Funds Expenditure Limit.—

"(1) In general.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

"(2) Sources.—A source is described in this paragraph if the source is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

"(C) Certification by the Commission.—

"(1) In general.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

"(2) Time for certification.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

"(3) Revocation.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

"(4) Determinations by commission.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

"(d) Penalty.—If the Commission revokes the certification of an eligible Congressional candidate—

"(1) the Commission shall notify the candidate of the revocation; and

"(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).".

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

"(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).".

TITLE V—MISCELLANEOUS

SEC. 501 CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following new subsection:

"(h) Nonunion Member Payments to Labor Organization.—

"(1) In general.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

"(2) Objection procedure:—The objection procedure required under paragraph (1) shall meet the following requirements:

"(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

"(i) reasonable personal notice of the objection procedure, a list of the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

"(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

"(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

"(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures; and

"(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

"(3) Definition.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.".

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"Sec. 313. (a) Permitted Uses.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

"(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

"(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

"(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

"(4) for transfers to a national, State, or local committee of a political party.

"(b) Prohibited Use.—

"(1) In general.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

"(2) Conversion.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

"(A) a home mortgage, rent, or utility payment;

"(B) a clothing purchase;

"(C) a noncampaign-related automobile expense;

"(D) a country club membership;

"(E) a vacation or other noncampaign-related trip;

"(F) a household food item;

"(G) a tuition payment;

"(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

"(I) dues, fees, and other payments to a health club or recreational facility.".

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

"(A) A Member of Congress shall not mail any mass mailing as franked mail during the 180-day period which ends on the date of the general election for the office held by the Member or during the 90-day period which ends on the date of any primary election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection during that year or for election to any other Federal office.".

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) Prohibition.—

"(1) In general.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

"(2) Penalty.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both."; and

(2) in subsection (b), by inserting "or Executive Office of the President" after "Congress".

SEC. 505. PENALTIES FOR VIOLATIONS.

(a) Increased Penalties.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking "$5,000" and inserting "$10,000"; and

(2) in paragraphs (5)(B) and (6)(C), by striking "$10,000 or an amount equal to 200 percent" and inserting "$20,000 or an amount equal to 300 percent".

(b) Equitable Remedies.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting ", and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).".

(c) Automatic Penalty for Late Filing.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

"(13) Penalty for late filing.—

"(A) In general.—

"(i) Monetary penalties.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

"(ii) Required filing.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by specific date.

"(iii) Procedure.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

"(B) Filing an exception.—

"(i) Time to file.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

"(ii) Time for commission to rule.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.";

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: "In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A)."; and

(B) by inserting before the period at the end of the last sentence the following: "or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)"; and

(3) in paragraph (6)(A), by striking "paragraph (4)(A)" and inserting "paragraph (4)(A) or (13)".

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

(a) In General.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) Prohibition.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

"(B) a contribution or donation to a committee of a political party; or

"(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.".

(b) Prohibiting Use of Willful Blindness as Defense Against Charge of Violating Foreign Contribution Ban.—

(1) In general.—Section 319 of such Act (2 U.S.C. 441(e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection.—

"(b) Prohibiting Use of Willful Blindness Defense.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.".

(2) Effective date.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section.—

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"Sec. 325. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

SEC. 508. EXPEDITED PROCEDURES.

(a) In General.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following.—

"(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

"(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

"(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

"(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.".

(b) Referral to Attorney General.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following.—

"(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.".

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking "reason to believe that" and inserting "reason to investigate whether".

SEC. 510. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section.—

"PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

"Sec. 326. (a) In General.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

"(b) No Effect on Geographic Restrictions on Contributions.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.".

SEC. 511. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) In General.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 506(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Penalty.—

"(1) In general.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

"(2) Exception.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

(b) Effective Date.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 512. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) In General.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

"(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

"(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

"(B) whether an expenditure is an independent expenditure under section 301(17).".

(b) Effective Date.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 513. CONSPIRACY TO VIOLATE PRESIDENTIAL CAMPAIGN SPENDING LIMITS.

(a) In General.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

"(g) Prohibiting Conspiracy To Violate Limit.—

"(1) Violation of limits described.—If a candidate for election to the office of President or Vice President who receives amounts from the Presidential Election Campaign Fund under chapter 95 or 96 of the Internal Revenue Code of 1986, or the agent of such a candidate, seeks to avoid the spending limits applicable to the candidate under such chapter or under the Federal Election Campaign Act of 1971 by soliciting, receiving, transferring, or directing funds from any source other than such Fund for the direct or indirect benefit of such candidate's campaign, such candidate or agent shall be fined not more than $1,000,000, or imprisoned for a term of no more than 3 years, or both.

"(2) Conspiracy to violate limits defined.—If two or more persons conspire to violate paragraph (1), and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $1,000,000, or imprisoned for a term of not more than 3 years, or both.".

Effective Date.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 514. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

"(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, and 510, is further amended by adding at the end the following new section:

"TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

"Sec. 327. (a) Transfer to Commission.—

"(1) In general.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

"(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

"(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

"(2) Information included with transferred contribution or donation.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

"(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

"(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

"(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

"(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

"(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

"(i) deposit the amount in the escrow account established under subparagraph (A); and

"(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

"(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

"(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

"(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

"(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

"(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

"(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2). that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

"(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

"(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

"(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation."

"(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph.—

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved."

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.".

"(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 515. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and coping, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term "foreign principal" shall have the same meaning given the term "foreign national" under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 516. ENFORCEMENT OF SPENDING LIMIT ON PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.—

"(f) ILLEGAL SOLICITATION OF SOFT MONEY.—No candidate for election to the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless the candidate certifies that the candidate shall not solicit any funds for the purposes of influencing such election, including any funds used for an independent expenditure under the Federal Election Campaign Act of 1971, unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 517. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 506(b) and 511(a), is further amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the "Independent Commission on Campaign Finance Reform" (referred to in this title as the "Commission"). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) Composition.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) Appointment.—

(1) In general.—Members shall be appointed as follows.—

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) Failure to submit list of nominees.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) Political independent defined.—In this subsection, the term "political independent" means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) Chairman.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) Terms.—The members of the Commission shall serve for the life of the Commission.

(e) Vacancies.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) Political Affiliation.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) Hearings.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) Quorum.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. ADMINISTRATIVE PROVISIONS.

(a) Pay and Travel Expenses of Members.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) Staff Director.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) Staff of Commission; Service.—

(1) In general.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) Experts and consultants.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 605. REPORT AND RECOMMENDED LEGISLATION.

(a) Report.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) Recommendations; Draft of Legislation.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) Goals of Recommendations and Legislation.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 606. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) In General.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 605(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) Special Rules.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 605(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion of appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 607. TERMINATION

The Commission shall cease to exist 90 days after the date of the submission of its report under section 605.

SEC. 608. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) In General.—Chapter 29 of title 18, United States code, is amended by adding at the end the following new section:

"612. Prohibiting use of meals and accommodations at White House for political fundraising

"(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party of the campaign for electoral office of any candidate.

"(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

"(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.".

(b) Clerical Amendment.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

"612. Prohibiting use of meals and accommodations at White House for political fundraising.".

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that 'controlling' legal authority' under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

SEC. 901. PROHIBITION AGAINST ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY.

(a) In General.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following new section:

"226. Acceptance or solicitation to obtain access to certain Federal Government property

"Whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence, shall be fined under this title, or imprisoned not more than one year, or both.".

(b) Clerical Amendment.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

"226. Acceptance or solicitation to obtain access to certain Federal Government property.".

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 1001. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), an amended by sections 101, 401, 507, 510, and 515, is further amended by adding at the end the following new section:

"REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"Sec. 328. (a) In General. If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

"(b) Air Force One Defined.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.".

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1101. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, 510, 515, and 1001, is further amended by adding at the end the following new section:

"PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

"Sec. 329. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.".

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1201. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) Mandatory Imprisonment for Criminal Conduct.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971" (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking "shall be fined, or imprisoned for not more than one year, or both" and inserting "shall be imprisoned for not fewer than 1 year and not more than 10 years"; and

(2) by striking the second sentence.

(b) Concurrent Authority of Attorney General To Bring Criminal Actions.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

"(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 chapter 96 of the Internal Revenue Code of 1986.".

(c) Effective Date.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

SEC. 1301. BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY BY PRESIDENTIAL CANDIDATES RECEIVING PUBLIC FINANCING.

(a) In General.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.

"(f) Ban on Coordination of Soft Money for Issue Advocacy.—

"(1) In general.—No candidate for election to the office of President or Vice President who is certified to receive amounts from the Presidential Election Fund under this chapter or chapter 96 may coordinate the expenditure of any funds for issue advocacy with any political party unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.

"(2) Issue advocacy defined.—In this section, the term 'issue advocacy' means any activity carried out for the purpose of influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations (without regard to whether the activity is carried out for the purpose of influencing any election for Federal office).".

Effective Date.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

SEC. 1401. REQUIREMENT THAT NAMES OF PASSENGERS ON AIR FORCE ONE AND AIR FORCE TWO BE MADE AVAILABLE THROUGH THE INTERNET.

(a) In General.—The President shall make available through the Internet the name of any non-Government person who is a passenger on an aircraft designated as Air Force One or Air Force Two not later than 30 days after the date that the person is a passenger on such aircraft.

(b) Exception.—Subsection (a) shall not apply in a case in which the President determines that compliance with such subsection would be contrary to the national security interests of the United States. In any such case, not later than 30 days after the date that the person whose name will not be made available through the Internet was a passenger on the aircraft, the President shall submit to the chairman and ranking member of the Permanent Select Committee on Intelligence of the House of Representatives and of the Select Committee on Intelligence of the Senate—

(1) the name of the person; and

(2) the justification for not making such name available through the Internet.

(c) Definition of Person.—As used in this Act, the term "non-Government person" means a person who is not an officer or employee of the United States, a member of the Armed Forces, or a Member of Congress.

TITLE XV—EXPULSION PROCEEDINGS F0R HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

SEC. 1501. PERMITTING CONSIDERATION OF PRIVILEGED MOTION TO EXPEL HOUSE MEMBER ACCEPTING ILLEGAL FOREIGN CONTRIBUTION.

(a) In General.—If a Member of the House of Representatives is convicted of a violation of section 319 of the Federal Election Campaign Act of 1971 (or any successor provision prohibiting the solicitation, receipt, or acceptance of a contribution from a foreign national), the Committee on Standards of Official Conduct, shall immediately consider the conduct of the Member and shall make a report and recommendations to the House forthwith concerning that Member which may include a recommendation for expulsion.

(b) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House of Representatives, and it supersedes other rules only to the extent that it is inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any Court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

SEC. DISCLOSURE REQUIREMENTS FOR CERTAIN MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking "and" at the end of subparagraph (H);

(2) by adding "and" at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

"(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;".

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION, REPORTED UNDER STATE LAW.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 4, is amended by adding at the end the following:

"(e) If a political committee of a State or local political party is required under a State or local law to submit a report to an entity of State or local government regarding its disbursements, the committee shall file a copy of the report with the Commission at the same time it submits the report to such entity.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. . PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking "permit reports required by" and inserting "require reports under."

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended to read as follows:

"(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

"(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.".

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)), as amended by section 6(b), is amended by adding at the end the following:

"(f) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.".

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 2, 2001.

AMENDMENT NO. 2376

At the appropriate place insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Campaign Finance Reform Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Express advocacy determined without regard to background music.
Sec. 203. Civil penalty.
Sec. 204. Reporting requirements for certain independent expenditures.
Sec. 205. Independent versus coordinated expenditures by party.
Sec. 206. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Codification of Beck decision.
Sec. 502. Use of contributed amounts for certain purposes.
Sec. 503. Limit on congressional use of the franking privilege.
Sec. 504. Prohibition of fundraising on Federal property.
Sec. 505. Penalties for violations.
Sec. 506. Strengthening foreign money ban.
Sec. 507. Prohibition of contributions by minors.
Sec. 508. Expedited procedures.
Sec. 509. Initiation of enforcement proceeding.
Sec. 510. Protecting equal participation of eligible voters in campaigns and elections.
Sec. 511. Penalty for violation of prohibition against foreign contributions.
Sec. 512. Expedited court review of certain alleged violations of Federal Election Campaign Act of 1971.
Sec. 513. Conspiracy to violate presidential campaign spending limits.
Sec. 514. Deposit of certain contributions and donations in Treasury account.
Sec. 515. Establishment of a clearinghouse of information on political activities within the Federal Election Commission.
Sec. 516. Enforcement of spending limit on presidential and vice presidential conditions who received public financing.
Sec. 517. Clarification of right of nationals of the United States to make political contributions.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

Sec. 601. Establishment and purpose of Commission.
Sec. 602. Membership of Commission.
Sec. 603. Powers of Commission.
Sec. 604. Administrative provisions.
Sec. 605. Report and recommended legislation.
Sec. 606. Expedited congressional consideration of legislation.
Sec. 607. Termination.
Sec. 608. Authorization of appropriations.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

Sec. 701. Prohibiting use of White House means and accommodations for political fundraising.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

Sec. 801. Sense of the Congress regarding applicability of controlling legal authority of fundraising on Federal government property.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

Sec. 901. Prohibition against acceptance or solicitation to obtain access to certain Federal government property.

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

Sec. 1001. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

Sec. 1101. Prohibiting campaigns from providing currently to individuals for purposes of encouraging turnout on date of election.

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

Sec. 1201. Enhancing enforcement of campaign finance law.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

Sec. 1301. Ban on coordination of soft money for issue advocacy by presidential candidates receiving public financing.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

Sec. 1401. Requirement that names of passengers on Air Force One and Air Force Two be made available through the Internet.

TITLE XV—EXPLUSION PROCEEDINGS FOR HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

Sec. 1501. Permitting consideration of privileged motion to expel House member accepting illegal foreign contribution.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 1601. Severability.
Sec. 1602. Review of constitutional issues.
Sec. 1603. Effective date.
Sec. 1604. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section.—

"SOFT MONEY OF POLITICAL PARTIES

"Sec.—323. (a) National Committee.—

"(1) In general: A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Applicability.— This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee and an officer or agent acting on behalf of any such committee or entity.

"(b) State, District, and Local Committees.—

"(1) In general.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Federal election activity.—

"(A) In general.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

"(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

"(B) Excluded activity.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

"(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

"(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

"(c) Fundraising Costs.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) Tax-Exempt Organizations.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

"(e) Candidates.—

"(1) In general.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

"(2) State law.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

"(3) Fundraising events.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fund raising event for a State, district, or local committee of a political party.".

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) Contribution Limit for State Committees of Political Parties.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following.—

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000".

(b) Aggregate Contribution Limit for Individual.—Section 315(a)(3) of the Federal

Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$30,000".

SEC. 103. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (d) the following.—

"(e) Political Committees.—

"(1) National and congressional political committees.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) Other political committees to which section 323 applies: In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

"(3) Itemization.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

"(4) Reporting periods.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)".

(b) Building Fund Exception to the Definition of Contribution.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) Definition of Independent Expenditure.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17) Independent expenditure.—

"(A) In general.—The term 'independent expenditure' means an expenditure by a person—

"(i) for a communication that is express advocacy; and

"(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.".

(b) Definition of Express Advocacy.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) Express advocacy.—

"(A) In general.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

"(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

"(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

"(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

"(B) Voting record and voting guide exception.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

"(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

"(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

"(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.".

(c) Definition of Expenditure.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking "and" at the end;

(2) in clause (ii), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(iii) a payment made by a political committee for a communication that—

"(I) refers to a clearly identified candidate; and

"(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).".

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

"(C) Background music.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.".

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking "clause (ii)" and inserting "clauses (ii) and (iii)"; and

(ii) by adding at the end the following:

"(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A)."; and

(B) in paragraph (6)(B), by inserting "(except an action instituted in connection with a knowing and willful violation of section 304(c))' after 'subparagraph (A)"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking "Any person" and inserting "Except as provided in subparagraph (D), any person"; and

(B) by adding at the end the following.—

"(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.".

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (f); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following.—

"(d) Time for Reporting Certain Expenditures.—

"(1) Expenditures aggregating $1,000.—

"(A) Initial report.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

"(B) Additional reports.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) Expenditures aggregating $10,000.—

"(A) Initial report.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

"(B) Additional reports.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) Place of filing; contents.—A report under this subsection—

"(A) shall be filed with the Commission; and

"(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.".

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting, "(3), and (4)"; and

(2) by adding at the end the following:

"(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

"(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

"(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

"(C) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

"(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.".

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking "or" at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting "; or"; and

(iii) by adding at the end the following:

"(iii) coordinated activity (as defined in subparagraph (C))."; and

(B) by adding at the end the following.—

"(C) "Coordinated activity" means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following.—

"(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

"(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

"(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

"(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

"(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

"(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

"(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

"(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resource, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

"(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

"(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidate's election (regardless of whether the communication is express advocacy).

"(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

"(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.".

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following—

"(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

"(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking shall include' and inserting 'includes a contribution or expenditure, as those terms are defined in section 301, and also includes' ".

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following—

"(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

"(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

"(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

"(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

"(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.".

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

"(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.'.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1) IN GENERAL.—" before "The Commission";

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

"(2) RANDOM AUDITS.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

"(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

"(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.".

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking '6 months' and inserting "12 months".

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking "$200" and inserting "$50"; and

(2) by striking the semicolon and inserting ", except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;".

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name; or

"(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after "SEC. 322." the following: "(a) IN GENERAL:"; and

(2) by adding at the end the following:

"(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

"(g) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

"(1) IN GENERAL.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

"(A) on a monthly basis as described in subsection (a)(4)(B); or

"(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursement are made.

"(2) ACTIVITY.—The activity described in this paragraph is—

"(A) Federal election activity;

"(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

"(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

"(3) APPLICABILITY.—This subsection does not apply to—

"(A) a candidate or a candidate's authorized committees; or

"(B) an independent expenditure.

"(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

"(A) the aggregate amount of disbursements made;

"(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

"(C) the date made, amount, and purpose of the disbursement; and

"(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.".

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

"(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate."

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(B) in paragraph (3), by inserting "and permanent street address" and "name"; and

(2) by adding at the end the following:

"(c) Any printed communication described in subsection (a) shall—

"(1) be of sufficient type size to be clearly readable by the recipient of the communication;

"(2) be contained in a printed box set apart from the other contents of the communication; and

"(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

"(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: 'XXXXXXX is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds."

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

Sec. 324. (a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

(1) PRIMARY ELECTION.—

"(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

"(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

"(2) GENERAL ELECTION.—

"(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

"(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

"(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

"(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

"(i) the date on which the candidate qualifies for the general election ballot under State law; or

"(ii) if under State law, a primary or runoff election to qualify for the general ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

"(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

"(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

"(2) SOURCES.—A source is described in this paragraph if the source is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

"(C) CERTIFICATION BY THE COMMISSION.—

"(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

"(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

"(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

"(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

"(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

"(1) the Commission shall notify the candidate of the revocation; and

"(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).".

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

"(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).".

TITLE V—MISCELLANEOUS

SEC. 501 CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following new subsection:

"(h) NONUNION MEMBER PAYMENTS TO LABOR ORGANIZATION.—

"(1) IN GENERAL.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

"(2) OBJECTION PROCEDURE:—The objection procedure required under paragraph (1) shall meet the following requirements:

"(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

"(i) reasonable personal notice of the objection procedure, a list of the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

"(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

"(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

"(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures; and

"(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

"(3) DEFINITION.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.".

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

"(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

"(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

"(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

"(4) for transfers to a national, State, or local committee of a political party.

"(b) PROHIBITED USE.—

"(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

"(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

"(A) a home mortgage, rent, or utility payment;

"(B) a clothing purchase;

"(C) a noncampaign-related automobile expense;

"(D) a country club membership;

"(E) a vacation or other noncampaign-related trip;

"(F) a household food item;

"(G) a tuition payment;

"(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

"(I) dues, fees, and other payments to a health club or recreational facility.".

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

"(A) A Member of Congress shall not mail any mass mailing as franked mail during the 180-day period which ends on the date of the general election for the office held by the Member or during the 90-day period which ends on the date of any primary election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection during that year or for election to any other Federal office.".

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—

"(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

"(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both."; and

(2) in subsection (b), by inserting "or Executive Office of the President" after "Congress".

SEC. 505. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking "$5,000" and inserting "$10,000"; and

(2) in paragraphs (5)(B) and (6)(C), by striking "$10,000 or an amount equal to 200 percent" and inserting "$20,000 or an amount equal to 300 percent".

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting ", and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).".

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

"(13) PENALTY FOR LATE FILING.—

"(A) IN GENERAL.—

"(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

"(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by specific date.

"(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

"(B) FILING AN EXCEPTION.—

"(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

"(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.";

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: "In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A)."; and

(B) by inserting before the period at the end of the last sentence the following: "or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)"; and

(3) in paragraph (6)(A), by striking "paragraph (4)(A)" and inserting "paragraph (4)(A) or (13)".

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

"(B) a contribution or donation to a committee of a political party; or

"(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.".

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441(e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection.—

"(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section.—

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"SEC. 325. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following.—

"(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

"(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

"(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

"(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.".

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following.—

"(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.".

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking "reason to believe that" and inserting "reason to investigate whether".

SEC. 510. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section.—

"PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

"SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

"(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.".

SEC. 511. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 506(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) PENALTY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

"(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 512. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

"(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

"(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

"(B) whether an expenditure is an independent expenditure under section 301(17).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 513. CONSPIRACY TO VIOLATE PRESIDENTIAL CAMPAIGN SPENDING LIMITS.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

"(g) PROHIBITING CONSPIRACY TO VIOLATE LIMIT.—

"(1) VIOLATION OF LIMITS DESCRIBED.—If a candidate for election to the office of President or Vice President who receives amounts from the Presidential Election Campaign Fund under chapter 95 or 96 of the Internal Revenue Code of 1986, or the agent of such a candidate, seeks to avoid the spending limits applicable to the candidate under such chapter or under the Federal Election Campaign Act of 1971 by soliciting, receiving, transferring, or directing funds from any source other than such Fund for the direct or indirect benefit of such candidate's campaign, such candidate or agent shall be fined not more than $1,000,000, or imprisoned for a term of no more than 3 years, or both.

"(2) CONSPIRACY TO VIOLATE LIMITS DEFINED.—If two or more persons conspire to violate paragraph (1), and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $1,000,000, or imprisoned for a term of not more than 3 years, or both.".

EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 514. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

"(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, and 510, is further amended by adding at the end the following new section:

"TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

"SEC. 327. (a) TRANSFER TO COMMISSION.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

"(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

"(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

"(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

"(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

"(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

"(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

"(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

"(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

"(i) deposit the amount in the escrow account established under subparagraph (A); and

"(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

"(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

"(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

"(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

"(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

"(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

"(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

"(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

"(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

"(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation."

"(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph.—

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved."

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.".

"(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 515. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and coping, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) Appointment.—The Director shall be appointed by the Federal Election Commission.

(3) Term of service.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) Penalties for Disclosure of Information.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) Foreign Principal.—In this section, the term "foreign principal" shall have the same meaning given the term "foreign national" under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 516. ENFORCEMENT OF SPENDING LIMIT ON PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FINANCING.

(a) In General.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.—

"(f) Illegal Solicitation of Soft Money.—No candidate for election to the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless the candidate certifies that the candidate shall not solicit any funds for the purposes of influencing such election, including any funds used for an independent expenditure under the Federal Election Campaign Act of 1971, unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.".

(b) Effective Date.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 517. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 506(b) and 511(a), is further amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the "Independent Commission on Campaign Finance Reform" (referred to in this title as the "Commission"). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) Composition.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) Appointment.—

(1) In general.—Members shall be appointed as follows.—

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) Failure to submit list of nominees.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) Political independent defined.—In this subsection, the term "political independent" means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) Chairman.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) Terms.—The members of the Commission shall serve for the life of the Commission.

(e) Vacancies.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) Political Affiliation.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) Hearings.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) Quorum.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. ADMINISTRATIVE PROVISIONS.

(a) Pay and Travel Expenses of Members.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) Staff Director.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) Staff of Commission; Service.—

(1) In general.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) Experts and consultants.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 605. REPORT AND RECOMMENDED LEGISLATION.

(a) Report.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the

House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) Recommendations; Draft of Legislation.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) Goals of Recommendations and Legislation.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 606. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) In General.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 605(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) Special Rules.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 605(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion of appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 607. TERMINATION

The Commission shall cease to exist 90 days after the date of the submission of its report under section 605.

SEC. 608. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) In General.—Chapter 29 of title 18, United States code, is amended by adding at the end the following new section:

"612. Prohibiting use of meals and accommodations at White House for political fundraising

"(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party of the campaign for electoral office of any candidate.

"(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

"(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.".

(b) Clerical Amendment.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

"612. Prohibiting use of meals and accommodations at White House for political fundraising.".

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that 'controlling legal authority' under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

SEC. 901. PROHIBITION AGAINST ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY.

(a) In General.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following new section:"

ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

"Sec. 226. Whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence, shall be fined under this title, or imprisoned not more than one year, or both.".

(b) Clerical Amendment.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

"226. Acceptance or solicitation to obtain access to certain Federal Government property.".

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 1001. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), an amended by sections 101, 401, 507, 510, and 515, is further amended by adding at the end the following new section:

"REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"Sec. 328. (a) In General. If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

"(b) Air Force One Defined.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.".

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1101. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, 510, 515, and 1001, is further amended by adding at the end the following new section:

"PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

"Sec. 329. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.".

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1201. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) Mandatory Imprisonment for Criminal Conduct.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971" (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking "shall be fined, or imprisoned for not more than one year, or both" and inserting "shall be imprisoned for not fewer than 1 year and not more than 10 years"; and

(2) by striking the second sentence.

(b) Concurrent Authority of Attorney General To Bring Criminal Actions.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

"(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 chapter 96 of the Internal Revenue Code of 1986.".

(c) Effective Date.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

SEC. 1301. BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY BY PRESIDENTIAL CANDIDATES RECEIVING PUBLIC FINANCING.

(a) In General.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.

"(f) Ban on Coordination of Soft Money for Issue Advocacy.—

"(1) In general.—No candidate for election to the office of President or Vice President who is certified to receive amounts from the Presidential Election Fund under this chapter or chapter 96 may coordinate the expenditure of any funds for issue advocacy with any political party unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.

"(2) Issue advocacy defined.—In this section, the term 'issue advocacy' means any activity carried out for the purpose of influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations (without regard to whether the activity is carried out for the purpose of influencing any election for Federal office).".

(b) Effective Date.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

SEC. 1401. REQUIREMENT THAT NAMES OF PASSENGERS ON AIR FORCE ONE AND AIR FORCE TWO BE MADE AVAILABLE THROUGH THE INTERNET.

(a) In General.—The President shall make available through the Internet the name of any non-Government person who is a passenger on an aircraft designated as Air Force One or Air Force Two not later than 30 days after the date that the person is a passenger on such aircraft.

(b) Exception.—Subsection (a) shall not apply in a case in which the President determines that compliance with such subsection would be contrary to the national security interests of the United States. In any such case, not later than 30 days after the date that the person whose name will not be made available through the Internet was a passenger on the aircraft, the President shall submit to the chairman and ranking member of the Permanent Select Committee on Intelligence of the House of Representatives and of the Select Committee on Intelligence of the Senate—

(1) the name of the person; and

(2) the justification for not making such name available through the Internet.

(c) Definition of Person.—As used in this Act, the term "non-Government person" means a person who is not an officer or employee of the United States, a member of the Armed Forces, or a Member of Congress.

TITLE XV—EXPULSION PROCEEDINGS F0R HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

SEC. 1501. PERMITTING CONSIDERATION OF PRIVILEGED MOTION TO EXPEL HOUSE MEMBER ACCEPTING ILLEGAL FOREIGN CONTRIBUTION.

(a) In General.—If a Member of the House of Representatives is convicted of a violation of section 319 of the Federal Election Campaign Act of 1971 (or any successor provision prohibiting the solicitation, receipt, or acceptance of a contribution from a foreign national), the Committee on Standards of Official Conduct, shall immediately consider the conduct of the Member and shall make a report and recommendations to the House forthwith concerning that Member which may include a recommendation for expulsion.

(b) Exercise of Rulemaking Authority.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House of Representatives, and it supersedes other rules only to the extent that it is inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme court of the United States from any final judgment, decree, or order issued by any Court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

SEC. DISCLOSURE REQUIREMENTS FOR CERTAIN MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) Transfers of Funds by National Political Parties.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking "and" at the end of subparagraph (H);

(2) by adding "and" at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph.:

"(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;".

(b) Disclosure by State and Local Political Parties of Information, Reported Under State Law.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 4, is amended by adding at the end the following:—

"(e) If a political committee of a State or local political party is required under a State or local law to submit a report to an entity of State or local government regarding its disbursements, the committee shall file a copy of the report with the Commission at the same time it submits the report to such entity.".

(c) Effective Date.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. . PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) Mandatory Electronic Filing.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking "permit reports required by" and inserting "require reports under."

(b) Requiring Reports for All Contributions Made to Any Political Committee Within 90 Days of Election; Requiring Reports To Be Made Within 24 Hours.—Section 304(a)(6) of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended to read as follows:

"(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

"(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.".

(c) Increasing Electronic Disclosure.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)), as amended by section 6(b), is amended by adding at the end the following:

"(f) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.".

(d) Effective Date.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 2, 2001.

Amendment No. 2377

At the appropriate place, insert the following:

SEC. . MINIMUM WAGE.

(a) Increase.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $5.65 an hour during the year beginning on January 1, 2000; and

"(B) $6.15 an hour beginning on January 1, 2001;".

(b) APPLICATION TO COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

Amendment No. 2378

On page 41, between lines 21 and 22, insert the following:

"(iii) LABOR AGREEMENT REQUIRED.—The President may not designate a country as a CBTEA beneficiary country until the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreement Act of 1979 (19 U.S.C. 3471(b)(2)), and submitted the agreement to the Congress.

Amendment No. 2379

At the appropriate place, insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

Amendment No. 2380

On page 13, strike lines 1 through 7 and insert the following:

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

"(d) LABOR REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) until the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)), and submitted those agreements to the Congress.".

Amendment No. 2381

At the appropriate place in the bill, insert the following:

SEC. . LABOR AND ENVIRONMENTAL AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning—

(1) labor standards similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)), and

(2) the environment similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(c)(1)), and submitted those agreements to the Congress.

Amendment No. 2382

At the appropriate place insert the following:

SEC. . TERMINATION OF BENEFITS IF DOMESTIC INDUSTRY SUFFERS.

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if the Bureau of Labor Statistics determines that United States textile and apparel industries have lost 50,000 or more jobs at any time during the first 24 months after the date of enactment of this Act.

Amendment No. 2383

At the appropriate place insert the following:

SEC. . TERMINATION OF BENEFITS IF DOMESTIC INDUSTRY SUFFERS.

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if the Bureau of Labor Statistics determines that United States textile and apparel industries have lost 100,000 or more jobs at any time during the first 24 months after the date of enactment of this Act.

Amendment No. 2384

On page 41, between lines 21 and 22, insert the following:

"(iii) ENVIRONMENTAL AGREEMENT REQUIRED.—The President may not designate a country as a CBTEA beneficiary country until the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(e)(1)), and submitted that agreement to the Congress.

Amendment No. 2385

At the appropriate place in the bill, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until—

(1) the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(e)(1)); and

(2) submitted that agreement to the Congress.

Amendment No. 2386

On page 13, strike lines 1 through 7 and insert the following:

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

"(d) ENVIRONMENT REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) until the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(c)(1)), and submitted the agreement to the Congress.".

Amendment No. 2387

At the appropriate place in the bill, insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with that country providing tariff concessions for the importation of United States-made goods that reduces any such import tariffs to a rate that is within 20 percent of the rates applicable to Mexico under the North American Free Trade Agreement for imports of United States-made goods.

Amendment No. 2388

On page 13, strike lines 1 through 7 and insert the following:

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

"(d) MINIMUM WAGE REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) unless the President determines that—

"(1) the country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than one dollar per hour; and

"(2) the goods imported from that country under subsection (b) are produced in accordance with that law.".

Amendment No. 2389

At the appropriate place, insert the following:

SEC. . MINIMUM WAGE REQUIREMENT.

The benefits provided by the amendments made by this Act shall not be available to any country unless the President determines that—

(1) the country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than $1 per hour; and

(2) the goods imported from that country that are eligible for such benefits are produced in accordance with that law.

Amendment No. 2390

On page 13, strike lines 1 through 7 and insert the following:

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

"(d) CHILD LABOR REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) unless the President determines that—

"(1) the country prohibits by law the employment of children under the age of 14 in the manufacture and production of goods; and

"(2) no goods exported from that country to the United States produced in violation of that law receive those benefits.".

AMENDMENT NO. 2391

At the appropriate place, insert the following:

SEC. . CHILD LABOR LAW REQUIREMENT.

The benefits provided by the amendments made by this Act shall not be available to any country unless the President determines that—

(1) the country prohibits by law the employment of children under the age of 14 in the manufacture and production of goods; and

(2) no goods exported from that country to the United States produced in violation of that law receive those benefits.

LEVIN (AND MOYNIHAN) AMENDMENT NO. 2392

(Ordered to lie on the table.)

Mr. LEVIN (for himself and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

On page 36, beginning on line 3, strike all through page 41, line 21, and insert the following:

"(B) CBTEA BENEFICIARY COUNTRY.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President designates as a CBTEA beneficiary country, taking into account the following criteria:

"(i) Whether a beneficiary country has demonstrated a commitment to—

"(I) undertake its obligations under the WTO on or ahead of schedule;

"(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

"(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

"(ii) The extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act.

"(iii) The extent to which the country provides protection of intellectual property rights—

"(I) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

"(II) in accordance with standards established in chapter 17 of the NAFTA; and

"(III) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border.

"(iv) The extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA.

"(v) The extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President.

"(vi) The extent to which the country provides internationally recognized worker rights, including—

"(I) the right of association,

"(II) the right to organize and bargain collectively,

"(III) prohibition on the use of any form of coerced or compulsory labor,

"(IV) a minimum age for the employment of children, and

"(V) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(vii) Whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance.

"(viii) The extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals.

"(ix) The extent to which the country—

"(I) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996; and

"(II) applies transparent and competitive procedures in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act).

"(x) The extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act).

"(xi) The extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

BOXER (AND JEFFORDS) AMENDMENT NO. 2393

(Ordered to lie on the table.)

Mrs. BOXER (for herself and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, add the following:

SEC. . (a) FINDINGS.—Congress finds that:

(1) Decertification affects approximately one-sixth of the world's population and one-quarter of the total land area;

(2) Over one million hectares of Africa are affected by desertification;

(3) Dryland degradation is an underlying cause of recurrent famine in Africa;

(4) The United Nations Environment Programme estimates that desertification costs the world $42 billion a year, not including incalculable costs in human suffering; and

(5) The United States can strengthen its partnerships throughout Africa and other nations affected by desertification, help alleviate social and economic crises caused by misuse of natural resources, and reduce dependence on foreign aid, by taking a leading role to combat desertification.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the United States should expeditiously work with the international community, particularly Africa and other nations affected by desertification, to:

(1) strengthen international cooperation to combat desertification;

(2) promote the development of national and regional strategies to address desertification;

(3) develop and implement national action programs that identify the causes of desertification and measures to address it; and

(4) recognize the essential role of local governments and non-governmental organizations in developing and implementing measures to address by desertification.

JOHNSON AMENDMENT NO. 2394

(Ordered to lie on the table.)

Mr. JOHNSON submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

(a) DEFINITIONS.—Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

"(w) BEEF.—The term 'beef' means meat produced from cattle (including veal).

"(x) IMPORTED BEEF.—The term 'imported beef' means beef that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

"(y) IMPORTED LAMB.—The term 'imported lamb' means lamb that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

"(z) IMPORTED PORK.—The term 'imported pork' means pork that is not United States pork.

"(aa) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

"(bb) PORK.—The term 'pork' means meat produced from hogs.

"(cc) UNITED STATES BEEF.—

"(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

"(2) EXCLUSION.—The term 'United States beef' does not include beef produced from cattle imported into the United States in sealed trucks for slaughter.

"(dd) UNITED STATES LAMB.—

"(1) IN GENERAL.—The term 'United States lamb' means lamb produced from sheep slaughtered in the United States.

"(2) EXCLUSION.—The term 'United States lamb' does not include lamb produced from sheep imported into the United States in sealed trucks for slaughter.

"(ee) UNITED STATES PORK.—

"(1) In general.—The term 'United States pork' means pork produced from hogs slaughtered in the United States.

"(2) Exclusion.—The term 'United States pork' does not include pork produced from hogs imported into the United States in sealed trucks for slaughter.".

(b) Misbranding.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(1) in paragraph (11), by striking "or" at the end;

(2) in paragraph (12), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(13)(A) if it is imported beef, imported lamb, or imported pork offered for retail sale as muscle cuts of beef, lamb, or pork and does not bear a label that identifies its country of origin;

"(B) if it is United States beef, United States lamb, or United States pork offered for retail sale as muscle cuts of beef, lamb, or pork, and does not bear a label that identifies its country of origin; or

"(C) if it is United States or imported ground beef, ground lamb, or ground pork and is not accompanied by labeling that identifies it as United States beef, United States lamb, United States pork, imported beef, imported lamb, imported pork, or other designation that identifies the content of United States beef, imported beef, United States lamb, imported lamb, United States pork, and imported pork contained in the product, as determined by the Secretary.".

(c) Labeling.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

"(g) Mandatory Labeling.—The Secretary shall provide by regulation that the following offered for retail sale bear a label that identifies its country of origin:

"(1) Muscle cuts of United States beef, United States lamb, United States pork, imported beef, imported lamb, and imported pork.

"(2) Ground beef, ground lamb, and ground pork.

"(h) Audit Verification System for United States and Imported Muscle Cuts of Beef, Lamb, and Pork and Ground Beef, Lamb, and Pork.—The Secretary may require by regulation that any person that prepares, stores, handles, or distributes muscle cuts of United States beef, imported beef, United States lamb, imported lamb, United States pork, imported pork, ground beef, ground lamb, or ground pork for retail sale maintain a verifiable recordkeeping audit trail that will permit the Secretary to ensure compliance with the regulations promulgated under subsection (g).".

(d) Regulations.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this section.

(e) Effective Date.—The amendments made by this section take effect 60 days after the date on which final regulations are promulgated under subsection (e).

SANTORUM (AND BYRD)
AMENDMENT NO. 2395

(Ordered to lie on the table.)

Mr. SANTORUM (for himself, and Mr. Byrd) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . MORATORIUM ON ANTIDUMPING AND COUNTERVAILING DUTY AGREEMENTS.

(a) Findings.—The Senate makes the following findings:

(1) The Senate is deeply concerned that, in connection with the World Trade Organization ("WTO") Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiating topics and reopen debate over the WTO's antidumping and antisubsidy rules.

(2) Strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States.

(3) It has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations.

(4) The WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective.

(5) Opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States.

(6) Conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members.

(7) It is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise.

(b) Sense of the Senate.—It is the sense of the Senate that the President should—

(1) not participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

BROWNBACK AMENDMENT NO. 2396

(Ordered to lie on the table.)

Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end of the bill, insert the following new title:

TITLE —RECIPROCAL TRADE AGREEMENTS

SEC. 01. SHORT TITLE.

This title may be cited as the "Reciprocal Trade Agreements Act of 1999".

SEC. 02. TRADE NEGOTIATING OBJECTIVES OF THE UNITED STATES.

(a) Statement of Purposes.—The purposes of this title are to achieve, through trade agreements affording mutual benefits—

(1) more open, equitable, and reciprocal market access for United States goods, services, and investment;

(2) the reduction or elimination of barriers and other trade-distorting policies and practices;

(3) a more effective system of international trading disciplines and procedures; and

(4) economic growth, higher living standards, and full employment in the United States, and economic growth and development among United States trading partners.

(b) Principal Trade Negotiating Objectives.—The principal trade negotiating objectives of the United States for agreements subject to the provisions of section 03 include the following:

(1) Reduction of barriers to trade in goods.—The principal negotiating objective of the United States regarding barriers to trade in goods is to obtain competitive opportunities for United States exports in foreign markets substantially equivalent to the opportunities afforded foreign exports to United States markets, including the reduction or elimination of tariff and nontariff trade barriers, including—

(A) tariff and nontariff disparities remaining from previous rounds of multilateral trade negotiations that have put United States exports at a competitive disadvantage in world markets;

(B) measures identified in the annual report prepared under section 181 of the Trade Act of 1974 (19 U.S.C. 2241); and

(C) tariff elimination for products identified in section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b)) and the accompanying Statement of Administrative Action related to that section.

(2) Trade in services.—

(A) The principal negotiating objectives of the United States regarding trade in services are—

(i) to reduce or eliminate barriers to, or other distortions of, international trade in services, including regulatory and other barriers that deny national treatment or unreasonably restrict the establishment and operation of service suppliers in foreign markets; and

(ii) to develop internationally agreed rules, including dispute settlement procedures, that—

(I) are consistent with the commercial policies of the United States, and

(II) will reduce or eliminate such barriers or distortions, and help ensure fair, equitable opportunities for foreign markets.

(B) In pursuing the negotiating objectives described in subparagraph (A), United States negotiators shall take into account legitimate United States domestic objectives, including protection of legitimate health, safety, essential security, environmental, consumer, and employment opportunity interests. The preceding sentence shall not be construed to authorize any modification of United States law.

(3) Foreign investment.—

(A) The principal negotiating objectives of the United States regarding foreign investment are—

(i) to reduce or eliminate artificial or trade-distorting barriers to foreign investment, to expand the principle of national treatment, and to reduce unreasonable barriers to establishment; and

(ii) to develop internationally agreed rules through the negotiation of investment agreements, including dispute settlement procedures, that—

(I) will help ensure a free flow of foreign investment, and

(II) will reduce or eliminate the trade distortive effects of certain trade-related investment measures.

(B) In pursuing the negotiating objectives described in subparagraph (A), United States negotiators shall take into account legitimate United States domestic objectives, including protection of legitimate health, safety, essential security, environmental, consumer, and employment opportunity interests. The preceding sentence shall not be construed to authorize any modification of United States law.

(4) INTELLECTUAL PROPERTY.—The principal negotiating objectives of the United States regarding intellectual property are—

(A) to further promote adequate and effective protection of intellectual property rights, by—

(i) seeking the enactment and effective enforcement by foreign countries of laws that—

(I) recognize and adequately protect intellectual property, including copyrights, patents, trademarks, semiconductor chip layout designs, and trade secrets, and

(II) provide protection against unfair competition;

(ii) accelerating and ensuring the full implementation of the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)), and achieving improvements in the standards of that Agreement;

(iii) providing strong protection for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property;

(iv) preventing or eliminating discrimination with respect to matters affecting the availability, acquisition, scope, maintenance, use, and enforcement of intellectual property rights; and

(v) providing for strong enforcement of intellectual property rights through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms;

(B) to secure fair, equitable, and nondiscriminatory market access opportunities for United States persons that rely on intellectual property protection; and

(C) to recognize that the inclusion in the WTO of—

(i) adequate and effective substantive norms and standards for the protection and enforcement of intellectual property rights, and

(ii) dispute settlement provisions and enforcement procedures,

is without prejudice to other complementary initiatives undertaken in other international organizations.

(5) AGRICULTURE.—The principal negotiating objectives of the United States with respect to agriculture are, in addition to those set forth in section 1123(b) of the Food Security Act of 1985 (7 U.S.C. 1736r(b)), to achieve, on an expedited basis to the maximum extent feasible, more open and fair conditions of trade in agricultural commodities by—

(A) developing, strengthening, and clarifying rules for agricultural trade, including disciplines on restrictive or trade-distorting import and export practices such as those that would impact perishable or cyclical products;

(B) increasing United States agricultural exports by eliminating barriers to trade (including transparent and nontransparent barriers) and reducing or eliminating the subsidization of agricultural production consistent with the United States policy of agricultural stabilization in cyclical and unpredictable markets;

(C) creating a free and more open world agricultural trading system by resolving questions pertaining to export and other trade-distorting subsidies, market pricing, and market access;

(D) eliminating or reducing substantially other specific constraints to fair trade and more open market access, such as tariffs, quotas, and other nontariff practices; and

(E) developing, strengthening, and clarifying rules that address practices that unfairly decrease United States market access opportunities or distort agricultural markets to the detriment of the United States, including—

(i) unfair or trade-distorting activities of state trading enterprises and other administrative mechanisms, including lack of price transparency;

(ii) unjustified restrictions or commercial requirements affecting new technologies, including biotechnology;

(iii) unjustified sanitary or phytosanitary restrictions;

(iv) other unjustified technical barriers to trade; and

(v) restrictive rules in the administration of tariff-rate quotas.

(6) UNFAIR TRADE PRACTICES.—The principal negotiating objectives of the United States with respect to unfair trade practices are—

(A) to enhance the operation and effectiveness of the relevant Uruguay Round Agreements and any other agreements designed to define, deter, discourage the persistent use of, and otherwise discipline, unfair trade practices having adverse trade effects, including forms of subsidy and dumping not adequately disciplined, such as resource input subsidies, diversionary dumping, dumped or subsidized inputs, third country dumping, circumvention of antidumping or countervailing duty orders, and export targeting practices; and

(B) to obtain the enforcement of WTO rules against—

(i) trade-distorting practices of state trading enterprises, and

(ii) the acts, practices, or policies of any foreign government which, as a practical matter, unreasonably require that—

(I) substantial direct investment in the foreign country be made,

(II) intellectual property be licensed to the foreign country or to any firm of the foreign country, or

(III) other collateral concessions be made, as a condition for the importation of any product or service of the United States into the foreign country or as a condition for carrying on business in the foreign country.

(7) SAFEGUARDS.—The principal negotiating objectives of the United States regarding safeguards are—

(A) to improve and expand rules and procedures covering safeguard measures;

(B) to ensure that safeguard measures are—

(i) transparent,

(ii) temporary,

(iii) degressive, and

(iv) subject to review and termination when no longer necessary to remedy injury and to facilitate adjustment; and

(C) to require notification of, and to monitor the use by, WTO members of import relief actions for their domestic industries.

(8) IMPROVEMENT OF THE WTO AND MULTILATERAL TRADE AGREEMENTS.—The principal negotiating objectives of the United States regarding the improvement of the WTO and other multilateral trade agreements are—

(A) to improve the operation and extend the coverage of the WTO and such agreements to products, sectors, and conditions of trade not adequately covered; and

(B) to expand country participation in particular agreements, where appropriate.

(9) DISPUTE SETTLEMENT.—The principal negotiating objectives of the United States with respect to dispute settlement are—

(A) to provide for effective and expeditious dispute settlement mechanisms and procedures in any trade agreement entered into under this authority; and

(B) to ensure that such mechanisms within the WTO and agreements concluded under the auspices of the WTO provide for more effective and expeditious resolution of disputes and enable better enforcement of United States rights.

(10) TRANSPARENCY.—The principal negotiating objective of the United States regarding transparency is to obtain broader application of the principle of transparency through increased public access to information regarding trade issues, clarification of the costs and benefits of trade policy actions, and the observance of open and equitable procedures by United States trading partners and within the WTO.

(11) DEVELOPING COUNTRIES.—The principal negotiating objectives of the United States regarding developing countries are—

(A) to ensure that developing countries promote economic development by assuming the fullest possible measure of responsibility for achieving and maintaining an open international trading system by providing reciprocal benefits and assuming equivalent obligations with respect to their import and export practices; and

(B) to establish procedures for reducing nonreciprocal trade benefits for the more advanced developing countries.

(12) CURRENT ACCOUNT SURPLUSES.—The principal negotiating objective of the United States regarding current account surpluses is to promote policies to address large and persistent global current account imbalances of countries (including imbalances which threaten the stability of the international trading system), by imposing greater responsibility on such countries to undertake policy changes aimed at restoring current account equilibrium through expedited implementation of trade agreements where feasible and appropriate.

(13) ACCESS TO HIGH TECHNOLOGY.—

(A) The principal negotiating objective of the United States regarding access to high technology is to obtain the elimination or reduction of foreign barriers to, and acts, policies, or practices by foreign governments which limit, equitable access by United States persons to foreign-developed technology, including barriers, acts, policies, or practices which have the effect of—

(i) restricting the participation of United States persons in government-supported research and development projects;

(ii) denying equitable access by United States persons to government-held patents;

(iii) requiring the approval of government entities, or imposing other forms of government intervention, as a condition of granting licenses to United States persons by foreign persons (other than approval which may be necessary for national security purposes to control the export of critical military technology); and

(iv) otherwise denying equitable access by United States persons to foreign-developed technology or contributing to the inequitable flow of technology between the United States and its trading partners.

(B) In pursuing the negotiating objective described in subparagraph (A), the United States negotiators shall take into account United States Government policies in licensing or otherwise making available to foreign persons technology and other information developed by United States laboratories.

(14) BORDER TAXES.—The principal negotiating objective of the United States regarding border taxes is, within the WTO, to obtain a revision of the treatment of border adjustments for internal taxes in order to redress the disadvantage to countries that rely primarily on direct taxes rather than indirect taxes for revenue.

(15) REGULATORY COMPETITION.—The principal trade negotiating objectives of the United States regarding the use of government regulation or other practices by foreign governments to provide a competitive advantage to their domestic producers, service providers, or investors and thereby reduce market access for United States goods, services, and investment are—

(A) to ensure that government regulation and other government practices do not unfairly discriminate against United States goods, services, or investment; and

(B) to prevent the use of foreign government regulation and other government practices, including the lowering of, or derogation from, existing labor (including child labor), health and safety, or environmental standards, for the purpose of attracting investment or inhibiting United States exports.

Nothing in subparagraph (B) shall be construed to authorize in an implementing bill, or in an agreement subject to an implementing bill, the inclusion of provisions that would restrict the autonomy of the United States in these areas.

(c) INTERNATIONAL ECONOMIC POLICY OBJECTIVES DESIGNED TO REINFORCE THE TRADE AGREEMENTS PROCESS.—

(1) IN GENERAL.—It is the policy of the United States to reinforce the trade agreements process by—

(A) fostering stability in international currency markets and developing mechanisms to assure greater coordination, consistency, and cooperation between international trade and monetary systems and institutions in order to protect against the trade consequences of significant and unanticipated currency movements;

(B) supplementing and strengthening standards for protection of intellectual property rights under conventions designed to protect such rights that are administered by international organizations other than the WTO, expanding the conventions to cover new and emerging technologies, and eliminating discrimination and unreasonable exceptions or preconditions to such protection;

(C) promoting respect for workers' rights, by—

(i) reviewing the relationship between workers' rights and the operation of international trading systems and specific trade arrangements; and

(ii) seeking to establish in the International Labor Organization (referred to in this title as the "ILO") a mechanism for the systematic examination of, and reporting on, the extent to which ILO members promote and enforce the freedom of association, the right to organize and bargain collectively, a prohibition on the use of forced labor, a prohibition on exploitative child labor, and a prohibition on discrimination in employment; and

(D) expanding the production of goods and trade in goods and services to ensure the optimal use of the world's resources, while seeking to protect and preserve the environment and to enhance the international means for doing so.

(2) APPLICATION OF PROCEDURES.—Nothing in this subsection shall be construed to authorize the use of the trade agreement approval procedures described in section 03 to modify United States law.

SEC. 03. TRADE AGREEMENT NEGOTIATING AUTHORITY.

(a) AGREEMENTS REGARDING TARIFF BARRIERS.—

(1) IN GENERAL.—Whenever the President determines that 1 or more existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes, policies, and objectives of this title will be promoted thereby, the President—

(A) may enter into trade agreements with foreign countries before—

(i) October 1, 2001, or

(ii) October 1, 2005, if the authority provided by this title is extended under subsection (c); and

(B) may, consistent with paragraphs (2) through (5), proclaim—

(i) such modification or continuance of any existing duty,

(ii) such continuance of existing duty-free or excise treatment, or

(iii) such additional duties,

as the President determines to be required or appropriate to carry out any such trade agreement.

(2) LIMITATIONS.—No proclamation may be made under paragraph (1) that—

(A) reduces any rate of duty (other than a rate of duty that does not exceed 5 percent ad valorem on the date of enactment of this Act) to a rate which is less than 50 percent of the rate of such duty that applies on such date of enactment;

(B) provides for a reduction of duty on an article to take effect on a date that is more than 10 years after the first reduction that is proclaimed to carry out a trade agreement with respect to such article; or

(C) increases any rate of duty above the rate that applied on the date of enactment of this Act.

(3) AGGREGATE REDUCTION; EXEMPTION FROM STAGING.—

(A) AGGREGATE REDUCTION.—Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if—

(i) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of the first reduction proclaimed under paragraph (1) to carry out such agreement with respect to such article; and

(ii) a reduction equal to the amount applicable under clause (i) had taken effect at 1-year intervals after the effective date of such first reduction.

(B) EXEMPTION FROM STAGING.—No staging under subparagraph (A) is required with respect to a rate reduction that is proclaimed under paragraph (1) for an article of a kind that is not produced in the United States. The United States International Trade Commission shall advise the President of the identity of articles that may be exempted from staging under this subparagraph.

(4) ROUNDING.—If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by the lesser of—

(A) the difference between the reduction without regard to this paragraph and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(5) OTHER LIMITATIONS.—A rate of duty reduction or increase that may not be proclaimed by reason of paragraph (2) may take effect only if a provision authorizing such reduction or increase is included within an implementing bill provided for under section 05 and that bill is enacted into law.

(6) EXPANDED TARIFF PROCLAMATION AUTHORITY.—

(A) IN GENERAL.—Notwithstanding the provisions of paragraphs (1) through (5), before October 1, 2001 (or before October 1, 2005, if the authority provided by this title is extended under subsection (c)), and subject to the consultation and layover requirements of section 115 of the Uruguay Round Agreements Act (19 U.S.C. 3524) and the notification and consultation requirements of section 04(a) of this title, the President may proclaim the modification of any duty or staged rate reduction of any duty set forth in Schedule XX, as defined in section 2(5) of the Uruguay Round Agreements Act, if the United States has agreed to such modification or staged rate reduction in a negotiation for the reciprocal elimination or harmonization of duties, within the same tariff categories, under the auspices of the World Trade Organization or as part of an interim agreement leading to the formation of a regional free-trade area.

(B) NOTICE REQUIRED.—The modification or staged rate reduction authorized under subparagraph (A) with respect to any negotiation initiated after the date of enactment of this Act may be proclaimed only on articles in tariff categories with respect to which the President has provided notice in accordance with section 04(a).

(7) TARIFF MODIFICATIONS UNDER URUGUAY ROUND AGREEMENTS ACT.—Nothing in this subsection shall limit the authority provided to the President under section 111(b) of the Uruguay Round Agreements Act.

(b) AGREEMENTS REGARDING TARIFF AND NONTARIFF BARRIERS.—

(1) IN GENERAL.—

(A) DETERMINATION BY PRESIDENT.—Whenever the President determines that—

(i) any duty or other import restriction imposed by any foreign country or the United States or any other barrier to, or other distortion of, international trade—

(I) unduly burdens or restricts the foreign trade of the United States or adversely affects the United States economy, or

(II) is likely to result in such a burden, restriction, or effect, and

(ii) the purposes, policies, and objectives of this title will be promoted thereby,

the President may, before October 1, 2001 (or before October 1, 2005, if the authority provided under this title is extended under subsection (c)) enter into a trade agreement described in subparagraph (B).

(B) TRADE AGREEMENT DESCRIBED.—A trade agreement described in this subparagraph means an agreement with a foreign country that provides for—

(i) the reduction or elimination of such duty, restriction, barrier, or other distortion; or

(ii) the prohibition of, or limitation on the imposition of, such barrier or other distortion.

(2) CONDITIONS.—A trade agreement may be entered into under this subsection only if—

(A) such agreement makes progress in meeting the applicable objectives described in section 02(b); and

(B) the President satisfies the conditions set forth in section 04 with respect to such agreement.

(3) Bills qualifying for trade agreement approval procedures.—The provisions of section 151 of the Trade Act of 1974 (in this title referred to as "trade agreement approval procedures") apply to implementing bills submitted with respect to trade agreements entered into under this subsection, except that, for purposes of applying section 151(b)(1), such implementing bills shall contain only—

(A) provisions that approve a trade agreement entered into under this subsection that achieves one or more of the principal negotiating objectives set forth in section 02(b) and the statement of administrative action (if any) proposed to implement such trade agreement;

(B) provisions that are—

(i) necessary to implement such agreement; or

(ii) otherwise related to the implementation, enforcement, and adjustment to the effects of such trade agreement and are directly related to trade; and

(C) provisions necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the applicable trade agreement.

(c) Extension Procedures.—

(1) In general.—Except as provided in section 05(b)—

(A) subsections (a) and (b) shall apply with respect to agreements entered into before October 1, 2001; and

(B) subsections (a) and (b) shall be extended to apply with respect to agreements entered into on or after October 1, 2001, and before October 1, 2005, if (and only if)—

(i) the President requests such extension under paragraph (2); and

(ii) neither House of Congress adopts an extension disapproval resolution under paragraph (5) before October 1, 2001.

(2) Report to congress by the president.—If the President is of the opinion that the authority under subsections (a) and (b) should be extended, the President shall submit to Congress, not later than July 1, 2001, a written report that contains a request for such extension, together with—

(A) a description of all trade agreements that have been negotiated under subsections (a) and (b) and, where applicable, the anticipated schedule for submitting such agreements to Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives set out in section 02 (a) and (b) of this title, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) Report to congress by the advisory committee.—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of the President's decision to submit a report to Congress under paragraph (2). The Advisory Committee shall submit to Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) its views regarding the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title; and

(B) a statement of its views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(4) Reports may be classified.—The reports submitted to Congress under paragraphs (2) and (3), or any portion of the reports, may be classified to the extent the President determines appropriate.

(5) Extension disapproval resolutions.—

(A) In general.—For purposes of this subsection, the term "extension disapproval resolution" means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: "That the disapproves the request of the President for an extension, under section 03(c) of the Reciprocal Trade Agreements Act of 1999, of after September 30, 2001.", with the first blank space being filled with the name of the resolving House of Congress and the second blank space being filled with one or both of the following phrases: "the tariff proclamation authority provided under section 03(a) of the Reciprocal Trade Agreements Act of 1999" or "the trade agreement approval procedures provided under section 03(b) of the Reciprocal Trade Agreements Act of 1999".

(B) Introduction and referral.—Extension disapproval resolutions—

(i) may be introduced in either House of Congress by any member of such House;

(ii) shall be jointly referred, in the House of Representatives, to the Committee on Ways and Means and the Committee on Rules; and

(iii) shall be referred, in the Senate, to the Committee on Finance.

(C) Floor consideration.—The provisions of sections 152(d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192(d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to extension disapproval resolutions.

(D) Committee action required.—It is not in order for—

(i) the Senate to consider any extension disapproval resolution not reported by the Committee on Finance;

(ii) the House of Representatives to consider any extension disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules; or

(iii) either House of Congress to consider an extension disapproval resolution after September 30, 2001.

SEC. 04. NOTICE AND CONSULTATIONS.

(a) Notice and Consultation Before Negotiation.—With respect to any agreement subject to the provisions of section 03 (a) or (b), the President shall—

(1) not later than 90 calendar days before initiating negotiations, provide written notice to Congress regarding—

(A) the President's intent to initiate the negotiations;

(B) the date the President intends to initiate such negotiations;

(C) the specific United States objectives for the negotiations; and

(D) whether the President intends to seek an agreement or changes to an existing agreement;

(2) consult regarding the negotiations—

(A) before and promptly after submission of the notice described in paragraph (1), with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and such other committees of the House and Senate as the President deems appropriate; and

(B) with any other committee that requests consultations in writing; and

(3) consult with the appropriate industry sector advisory groups established under section 135 of the Trade Act of 1974 before initiating negotiations.

(b) Consultation With Congress Before Agreement Entered Into.—

(1) Consultation.—Before entering into any trade agreement under section 03 (a) or (b), the President shall consult with—

(A) the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate; and

(B) each other committee of the House and the Senate, and each joint committee of Congress, which has jurisdiction over legislation involving subject matters that would be affected by the trade agreement.

(2) Scope.—The consultation described in paragraph (1) shall include consultation with respect to—

(A) the nature of the agreement;

(B) how and to what extent the agreement will achieve the applicable purposes, policies, and objectives of this title;

(C) where applicable, the implementation of the agreement under section 05, including whether the agreement includes subject matter for which supplemental implementing legislation may be required which is not subject to trade agreement approval procedures; and

(D) any other agreement the President has entered into or intends to enter into with the country or countries in question.

(c) Advisory Committee Reports.—The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement entered into under section 03(b) of this title shall be provided to the President, Congress, and the United States Trade Representative not later than 30 calendar days after the date on which the President notifies Congress under section 05(a)(1)(A) of the President's intention to enter into the agreement.

(d) Consultation Before Agreement Initialed.—In the course of negotiations conducted under this title, the United States Trade Representative shall consult closely and on a timely basis (including immediately before initialing an agreement) with, and keep fully apprised of the negotiations, the congressional advisers for trade policy and negotiations appointed under section 161 of the Trade Act of 1974 (19 U.S.C. 2211), the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives.

SEC. 05. IMPLEMENTATION OF TRADE AGREEMENTS.

(a) In General.—

(1) Notification and submission.—Any agreement entered into under section 03(b) shall enter into force with respect to the United States if (and only if)—

(A) the President, at least 90 calendar days before the day on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

(B) within 60 calendar days after entering into the agreement, the President submits to Congress a description of those changes to existing laws that the President considers would be required in order to bring the United States into compliance with the agreement;

(C) after entering into the agreement, the President submits a copy of the final legal text of the agreement, together with—

(i) a draft of an implementing bill described in section 03(b)(3);

(ii) a statement of any administrative action proposed to implement the trade agreement; and

(iii) the supporting information described in paragraph (2); and

(D) the implementing bill is enacted into law.

(2) SUPPORTING INFORMATION.—The supporting information required under paragraph (1)(C)(iii) consists of—

(A) an explanation as to how the implementing bill and proposed administrative action will change or affect existing law; and

(B) a statement—

(i) asserting that the agreement makes progress in achieving the applicable purposes, policies, and objectives of this title; and

(ii) setting forth the reasons of the President regarding—

(I) how and to what extent the agreement makes progress in achieving the applicable purposes, policies, and objectives referred to in clause (i), and why and to what extent the agreement does not achieve other applicable purposes, policies, and objectives;

(II) whether and how the agreement changes provisions of an agreement previously negotiated;

(III) how the agreement serves the interests of United States commerce;

(IV) why the implementing bill qualifies for trade agreement approval procedures under section 03(b)(3); and

(V) any proposed administrative action.

(3) RECIPROCAL BENEFITS.—To ensure that a foreign country which receives benefits under a trade agreement entered into under section 03 (a) or (b) is subject to the obligations imposed by such agreement, the President shall recommend to Congress in the implementing bill and statement of administrative action submitted with respect to such agreement that the benefits and obligations of such agreement apply solely to the parties to such agreement, if such application is consistent with the terms of such agreement. The President may also recommend with respect to any such agreement that the benefits and obligations of such agreement not apply uniformly to all parties to such agreement, if such application is consistent with the terms of such agreement.

(b) LIMITATIONS ON TRADE AGREEMENT APPROVAL PROCEDURES.—

(1) DISAPPROVAL OF THE NEGOTIATION.—The trade agreement approval procedures shall not apply to any implementing bill that contains a provision approving any trade agreement that is entered into under section 03(b) with any foreign country if the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives disapprove of the negotiation of the agreement before the close of the 90-calendar day period that begins on the date notice is provided under section 04(a)(1) with respect to the negotiation of such agreement.

(2) FOR LACK OF NOTICE OR CONSULTATIONS.—

(A) IN GENERAL.—The trade agreement approval procedures shall not apply to any implementing bill submitted with respect to a trade agreement entered into under section 03(b) if during the 60-day period beginning on the date that one House of Congress agrees to a procedural disapproval resolution for lack of notice or consultations with respect to that trade agreement, the other House separately agrees to a procedural disapproval resolution with respect to that agreement.

(B) PROCEDURAL DISAPPROVAL RESOLUTION.—For purposes of this paragraph, the term "procedural disapproval resolution" means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: "That the President has failed or refused to notify or consult (as the case may be) with Congress in accordance with sections 04 and 05 of the Reciprocal Trade Agreements Act of 1999 with respect to and, therefore, the trade agreement approval procedures set forth in section 03(b) of that Act shall not apply to any implementing bill submitted with respect to that trade agreement.", with the blank space being filled with a description of the trade agreement with respect to which the President is considered to have failed or refused to notify or consult.

(C) COMPUTATION OF CERTAIN PERIODS OF TIME.—The 60-day period of time described in subparagraph (A) shall be computed without regard to—

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

(3) PROCEDURES FOR CONSIDERING PROCEDURAL DISAPPROVAL RESOLUTIONS.—

(A) PROCEDURAL DISAPPROVAL RESOLUTIONS.—Procedural disapproval resolutions—

(i) in the House of Representatives—

(I) shall be introduced by the chairman or ranking minority member of the Committee on Ways and Means or the chairman or ranking minority member of the Committee on Rules;

(II) shall be jointly referred to the Committee on Ways and Means and the Committee on Rules; and

(III) may not be amended by either Committee; and

(ii) in the Senate shall be original resolutions of the Committee on Finance.

(B) FLOOR CONSIDERATION.—The provisions of section 152 (d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to procedural disapproval resolutions.

(C) COMMITTEE ACTION REQUIRED.—

(i) HOUSE OF REPRESENTATIVES.—It is not in order for the House of Representatives to consider any procedural disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules.

(ii) SENATE.—It is not in order for the Senate to consider any procedural disapproval resolution not reported by the Committee on Finance.

(c) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—Subsection (b) of this section and section 03(c) are enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such are deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

SEC. 06. TREATMENT OF CERTAIN TRADE AGREEMENTS.

(a) IN GENERAL.—Notwithstanding section 03(a)(6)(B) and section 03(b)(2), the provisions of section 04(a) shall not apply with respect to agreements that result from—

(1) negotiations under the auspices of the World Trade Organization regarding trade in information technology products;

(2) negotiations or work programs initiated pursuant to a Uruguay Round Agreement, as defined in section 2 of the Uruguay Round Agreements Act; or

(3) negotiations with Chile,

that were commenced before the date of enactment of this Act, and the applicability of trade agreement approval procedures with respect to such agreements shall be determined without regard to the requirements of section 04(a).

(b) PROCEDURAL DISAPPROVAL RESOLUTION NOT IN ORDER.—A procedural disapproval resolution under section 05(b) shall not be in order with respect to an agreement described in subsection (a) of this section based on a failure or refusal to comply with section 04(a).

SEC. 07. CONFORMING AMENDMENTS.

(a) IN GENERAL.—Title I of the Trade Act of 1974 (19 U.S.C. 2111 et seq.) is amended as follows:

(1) IMPLEMENTING BILL.—

(A) Section 151(b)(1) (19 U.S.C. 2191(b)(1)) is amended—

(i) by striking "section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988, or section 282 of the Uruguay Round Agreements Act" and inserting "section 282 of the Uruguay Round Agreements Act, or section 05(a)(1) of the Reciprocal Trade Agreements Act of 1999"; and

(ii) by adding after subparagraph (C) the following flush sentence:

"For purposes of applying this paragraph to implementing bills submitted with respect to trade agreements entered into under section 03(b) of the Reciprocal Trade Agreements Act of 1999, subparagraphs (A), (B), and (C) of section 03(b)(3) of such Act shall be substituted for subparagraphs (A), (B), and (C) of this paragraph.".

(B) Section 151(c)(1) (19 U.S.C. 2191(c)(1)) is amended by striking "or section 282 of the Uruguay Round Agreements Act" and inserting ", section 282 of the Uruguay Round Agreements Act, or section 05(a)(1) of the Reciprocal Trade Agreements Act of 1999".

(2) ADVICE FROM INTERNATIONAL TRADE COMMISSION.—Section 131 (19 U.S.C. 2151) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking "section 123 of this Act or section 1102 (a) or (c) of the Omnibus Trade and Competitiveness Act of 1988," and inserting "section 123 of this Act or section 03 (a) or (b) of the Reciprocal Trade Agreements Act of 1999,"; and

(ii) in paragraph (2), by striking "section 1102 (b) or (c) of the Omnibus Trade and Competitiveness Act of 1988" and inserting "section 03(b) of the Reciprocal Trade Agreements Act of 1999";

(B) in subsection (b), by striking "section 1102(a)(3)(A)" and inserting "section 03(a)(3)(A) of the Reciprocal Trade Agreements Act of 1999" before the end period; and

(C) in subsection (c), by striking "section 1102 of the Omnibus Trade and Competitiveness Act of 1988," and inserting "section 03 of the Reciprocal Trade Agreements Act of 1999,".

(3) HEARINGS AND ADVICE.—Sections 132, 133(a), and 134(a) (19 U.S.C. 2152, 2153(a), and 2154(a)) are each amended by striking "section 1102 of the Omnibus Trade and Competitiveness Act of 1988," each place it appears and inserting "section 03 of the Reciprocal Trade Agreements Act of 1999,".

(4) PREREQUISITES FOR OFFERS.—Section 134(b) (19 U.S.C. 2154(b)) is amended by striking "section 1102 of the Omnibus Trade and

Competitiveness Act of 1988'' and inserting ``section 03 of the Reciprocal Trade Agreements Act of 1999''.

(5) ADVICE FROM PRIVATE AND PUBLIC SECTORS.—Section 135 (19 U.S.C. 2155) is amended—

(A) in subsection (a)(1)(A), by striking ``section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ``section 03 of the Reciprocal Trade Agreements Act of 1999'';

(B) in subsection (e)(1)—

(i) by striking ``section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' each place it appears and inserting ``section 03 of the Reciprocal Trade Agreements Act of 1999''; and

(ii) by striking ``section 1103(a)(1)(A) of such Act of 1988'' and inserting ``section 05(a)(1)(A) of the Reciprocal Trade Agreements Act of 1999''; and

(C) in subsection (e)(2), by striking ``the applicable overall and principal negotiating objectives set forth in section 1101 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ``the purposes, policies, and objectives set forth in section 02 (a) and (b) of the Reciprocal Trade Agreements Act of 1999''.

(6) TRANSMISSION OF AGREEMENTS TO CONGRESS.—Section 162(a) (19 U.S.C. 2212(a)) is amended by striking ``or under section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ``or under section 03 of the Reciprocal Trade Agreements Act of 1999''.

(b) APPLICATION OF CERTAIN PROVISIONS.—For purposes of applying sections 125, 126, and 127 of the Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and 2137)—

(1) any trade agreement entered into under section 03 shall be treated as an agreement entered into under section 101 or 102, as appropriate, of the Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

(2) any proclamation or Executive order issued pursuant to a trade agreement entered into under section 03 shall be treated as a proclamation or Executive order issued pursuant to a trade agreement entered into under section 102 of the Trade Act of 1974.

SEC. 08. DEFINITIONS.

In this title:

(1) DISTORTION.—The term ``distortion'' includes, but is not limited to, a subsidy.

(2) TRADE.—The term ``trade'' includes, but is not limited to—

(A) trade in both goods and services; and

(B) foreign investment by United States persons, especially if such investment has implications for trade in goods and services.

(3) URUGUAY ROUND AGREEMENTS.— The term ``Uruguay Round Agreements'' has the meaning given such term in section 2(7) of the Uruguay Round Agreements Act (19 U.S.C. 3501(7).

(4) WORLD TRADE ORGANIZATION.—The term ``World Trade Organization'' means the organization established pursuant to the WTO Agreement.

(5) WTO AGREEMENT.—The term ``WTO Agreement'' means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

(6) WTO AND WTO MEMBER.—The terms ``WTO'' and ``WTO member'' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

DEWINE AMENDMENT NO. 2397

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed by him to amendment No. 2325 proposed by Mr. ROTH to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new title:

TITLE —DUMPING AND SUBSIDY OFFSET

SEC. 01. SHORT TITLE.

This title may be cited as the ``Continued Dumping and Subsidy Offset Act of 1999''.

SEC. 02. FINDINGS OF CONGRESS.

Congress makes the following findings:

(1) Consistent with the rights of the United States under the World Trade Organization, injurious dumping is to be condemned and actionable subsidies which cause injury to domestic industries must be effectively neutralized.

(2) United States unfair trade laws have as their purpose the restoration of conditions of fair trade so that jobs and investment that should be in the United States are not lost through the false market signals.

(3) The continued dumping or subsidization of imported products after the issuance of antidumping orders or findings or countervailing duty orders can frustrate the remedial purpose of the laws by preventing market prices from returning to fair levels.

(4) Where dumping or subsidization continues, domestic producers will be reluctant to reinvest or rehire and may be unable to maintain pension and health care benefits that conditions of fair trade would permit. Similarly, small businesses and American farmers and ranchers may be unable to pay down accumulated debt, to obtain working capital, or to otherwise remain viable.

(5) United States trade laws should be strengthened to see that the remedial purpose of those laws is achieved.

SEC. 03. AMENDMENTS TO THE TARIFF ACT OF 1930.

(a) IN GENERAL.—Title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) is amended by inserting after section 753 following new section:

``SEC. 754. CONTINUED DUMPING AND SUBSIDY OFFSET.

``(a) IN GENERAL.—Duties assessed pursuant to a countervailing duty order, an antidumping duty order, or a finding under the Antidumping Act of 1921 shall be distributed on an annual basis under this section to the affected domestic producers for qualifying expenditures. Such distribution shall be known as the 'continued dumping and subsidy offset'.

``(b) DEFINITIONS.—As used in this section:

``(1) AFFECTED DOMESTIC PRODUCER.—The term 'affected domestic producer' means any manufacturer, producer, farmer, rancher, or worker representative (including associations of such persons) that—

``(A) was a petitioner or interested party in support of the petition with respect to which an antidumping duty order, a finding under the Antidumping Act of 1921, or a countervailing duty order has been entered, and

``(B) remains in operation.

Companies, businesses, or persons that have ceased the production of the product covered by the order or finding or who have been acquired by a company or business that is related to a company that opposed the investigation shall not be an affected domestic producer.

``(2) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Customs.

``(3) COMMISSION.—The term 'Commission' means the United States International Trade Commission.

``(4) QUALIFYING EXPENDITURE.—The term 'qualifying expenditure' means an expenditure incurred after the issuance of the antidumping duty finding or order or countervailing duty order in any of the following categories:

``(A) Plant.

``(B) Equipment.

``(C) Research and development.

``(D) Personnel training.

``(E) Acquisition of technology.

``(F) Health care benefits to employees paid for by the employer.

``(G) Pension benefits to employees paid for by the employer.

``(H) Environmental equipment, training, or technology.

``(I) Acquisition of raw materials and other inputs.

``(J) Borrowed working capital or other funds needed to maintain production.

``(5) RELATED TO.—A company, business, or person shall be considered to be 'related to' another company, business, or person if—

``(A) the company, business, or person directly or indirectly controls or is controlled by the other company, business, or person,

``(B) a third party directly or indirectly controls both companies, businesses, or persons,

``(C) both companies, businesses, or persons directly or indirectly control a third party and there is reason to believe that the relationship causes the first company, business, or persons to act differently than a nonrelated party.

For purposes of this paragraph, a party shall be considered to directly or indirectly control another party if the party is legally or operationally in a position to exercise restraint or direction over the other party.

``(c) DISTRIBUTION PROCEDURES.—The Commissioner shall prescribe procedures for distribution of the continued dumping or subsidies offset required by this section. Such distribution shall be made not later than 60 days after the first day of a fiscal year from duties assessed during the preceding fiscal year.

``(d) PARTIES ELIGIBLE FOR DISTRIBUTION OF ANTIDUMPING AND COUNTERVAILING DUTIES ASSESSED.—

``(1) LIST OF AFFECTED DOMESTIC PRODUCERS.—The Commission shall forward to the Commissioner within 60 days after the effective date of this section in the case of orders or findings in effect on such effective date, or in any other case, within 60 days after the date an antidumping or countervailing duty order or finding is issued, a list of petitioners and persons with respect to each order and finding and a list of persons that indicate support of the petition by letter or through questionnaire response. In those cases in which a determination of injury was not required or the Commission's records do not permit an identification of those in support of a petition, the Commission shall consult with the administering authority to determine the identity of the petitioner and those domestic parties who have entered appearances during administrative reviews conducted by the administering authority under section 751.

``(2) PUBLICATION OF LIST; CERTIFICATION.—The Commissioner shall publish in the Federal Register at least 30 days before the distribution of a continued dumping and subsidy offset, a notice of intention to distribute the offset and the list of affected domestic producers potentially eligible for the distribution based on the list obtained from the Commission under paragraph (1). The Commissioner shall request a certification from each potentially eligible affected domestic producer—

"(A) that the producer desires to receive a distribution;

"(B) that the producer is eligible to receive the distribution as an affected domestic producer; and

"(C) the qualifying expenditures incurred by the producer since the issuance of the order or finding for which distribution under this section has not previously been made.

"(3) DISTRIBUTION OF FUNDS.—The Commissioner shall distribute all funds (including all interest earned on the funds) from assessed duties received in the preceding fiscal year to affected domestic producers based on the certifications described in paragraph (2). The distributions shall be made on a pro rata basis based on new and remaining qualifying expenditures.

"(e) SPECIAL ACCOUNTS.—

"(1) ESTABLISHMENTS.—Within 14 days after the effective date of this section, with respect to antidumping duty orders and findings and countervailing duty orders in effect on the effective date of this section, and within 14 days after the date an antidumping duty order or finding or countervailing duty order issued after the effective date takes effect, the Commissioner shall establish in the Treasury of the United States a special account with respect to each such order or finding.

"(2) DEPOSITS INTO ACCOUNTS.—The Commissioner shall deposit into the special accounts, all antidumping or countervailing duties (including interest earned on such duties) that are assessed after the effective date of this section under the antidumping order or finding or the countervailing duty order with respect to which the account was established.

"(3) TIME AND MANNER OF DISTRIBUTIONS.—Consistent with the requirements of subsections (c) and (d), the Commissioner shall by regulation prescribe the time and manner in which distribution of the funds in a special account shall made.

"(4) TERMINATION.—A special account shall terminate after—

"(a) the order or finding with respect to which the account was established has terminated;

"(B) all entries relating to the order or finding are liquidated and duties assessed collected;

"(C) the Commissioner has provided notice and a final opportunity to obtain distribution pursuant to subsection (c); and

"(D) 90 days has elapsed from the date of the notice described in subparagraph (C).

Amounts not claimed within 90 days of the date of the notice described in subparagraph (C), shall be deposited into the general fund of the Treasury.".

(b) CONFORMING AMENDMENT.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting the following new item after the item relating to section 753:

"Sec. 754. Continued dumping and subsidy offset.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to all antidumping and countervailing duty assessments made on or after October 1, 1996.

DEWINE (AND OTHERS) AMENDMENT NO. 2398

(Ordered to lie on the table.)

Mr. DEWINE (for himself, Mr. INOUYE, Mr. LOTT, Mr. CONRAD, Mr. CRAIG, Mr. MCCONNELL, Mr. DURBIN, Mr. BURNS, Mr. DORGAN, Mr. ABRAHAM, Mr. MACK, Mrs. HUTCHISON, Mr. VOINOVICH, Mr. ALLARD, and Mr. ASHCROFT) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . REVISION OF RETALIATION LIST OR OTHER REMEDIAL ACTION.

Section 306(b)(2) of the Trade Act of 1974 (19 U.S.C. 2416(b)(2)) is amended—

(1) by striking "If the" and inserting the following:

"(A) FAILURE TO IMPLEMENT RECOMMENDATION.—If the"; and

(2) by adding at the end the following:

"(B) REVISION OF RETALIATION LIST AND ACTION.—

"(i) IN GENERAL.—Except as provided in clause (ii), in the event that the United States initiates a retaliation list or takes any other action described in section 301(c)(1) (A) or (B) against the goods of a foreign country or countries because of the failure of such country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trade Organization, the Trade Representative shall periodically revise the list or action to affect other goods of the country or countries that have failed to implement the recommendation.

"(ii) EXCEPTION.—The Trade Representative is not required to revise the retaliation list or the action described in clause (i) with respect to a country, if—

"(I) the Trade Representative determines that implementation of a recommendation made pursuant to a dispute settlement proceeding described in clause (i) by the country is imminent; or

"(II) the Trade Representative together with the petitioner involved in the initial investigation under this chapter (or if no petition was filed, the affected United States industry) agree that it is unnecessary to revise the retaliation list.

"(C) SCHEDULE FOR REVISING LIST OR ACTION.—The Trade Representative shall, 120 days after the date the retaliation list or other section 301(a) action is first taken, and every 180 days thereafter, review the list or action taken and revise, in whole or in part, the list or action to affect other goods of the subject country or countries.

"(D) STANDARDS FOR REVISING LIST OR ACTION.—In revising any list or action against a country or countries under this subsection, the Trade Representative shall act in a manner that is most likely to result in the country or countries implementing the recommendations adopted in the dispute settlement proceeding or in achieving a mutually satisfactory solution to the issue that gave rise to the dispute settlement proceeding. The Trade Representative shall consult with the petitioner, if any, involved in the initial investigation under this chapter.

"(E) RETALIATION LIST.—The term 'retaliation list' means the list of products of a foreign country or countries that have failed to comply with the report of the panel or Appellate Body of the WTO and with respect to which the Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States.".

NICKLES AMENDMENT NO. 2399

(Ordered to lie on the table.)

Mr. NICKLES submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . WAIVER OF DENIAL OF FOREIGN TAX CREDIT.

(a) IN GENERAL.—Section 901(j) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., with respect to certain foreign countries) is amended by adding at the end the following new paragraph:

"(5) WAIVER OF DENIAL.—

"(A) IN GENERAL.—Paragraph (1) shall not apply with respect to taxes paid or accrued to a country if the President—

"(i) determines that a waiver of the application of such paragraph is in the national interest of the United States, and

"(ii) reports such waiver under subparagraph (B).

"(B) REPORT.—Not less than 30 days before the date on which a waiver is granted under this paragraph, the President shall report to Congress—

"(i) the intention to grant such waiver, and

"(ii) the reason for the determination under subparagraph (A)(i).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on or after February 1, 2001.

WELLSTONE AMENDMENT NO. 2400

(Ordered to lie on the table.)

Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end insert the following:

DIVISION 2—AGRIBUSINESS MERGER MORATORIUM AND ANTITRUST REVIEW ACT OF 1999

SEC. 1. SHORT TITLE.

This division may be cited as the "Agribusiness Merger Moratorium and Antitrust Review Act of 1999".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Concentration in the agricultural economy including mergers, acquisitions, and other combinations and alliances among suppliers, producers, packers, other food processors, and distributors has been accelerating at a rapid pace in the 1990's.

(2) The trend toward greater concentration in agriculture has important and far-reaching implications not only for family-based farmers, but also for the food we eat, the communities we live in, and the integrity of the natural environment upon which we all depend.

(3) In the past decade and a half, the top 4 largest pork packers have seized control of some 57 percent of the market, up from 36 percent. Over the same period, the top 4 beef packers have expanded their market share from 32 percent to 80 percent, the top 4 flour millers have increased their market share from 40 percent to 62 percent, and the market share of the top 4 soybean crushers has jumped from 54 percent to 80 percent.

(4) Today the top 4 sheep, poultry, wet corn, and dry corn processors now control 73 percent, 55 percent, 74 percent, and 57 percent of the market, respectively.

(5) A handful of firms dominate the processing of every major commodity. Many of

them are vertically integrated, which means that they control successive stages of the food chain, from inputs to production to distribution.

(6) Growing concentration of the agricultural sector has restricted choices for farmers trying to sell their products. As the bargaining power of agribusiness firms over farmers increases, agricultural commodity markets are becoming stacked against the farmer.

(7) The farmer's share of every retail dollar has plummeted from around 50 percent in 1952, to less than 25 percent today, while the profit share for farm input, marketing, and processing companies has risen.

(8) While agribusiness conglomerates are posting record earnings, farmers are facing desperate times. The commodity price index is the lowest since 1987. Hog prices are at their lowest since 1972. Cotton and soybean prices are the lowest they have been since the early 1970's.

(9) The benefits of low commodity prices are not being passed on to American consumers. The gap between what shoppers pay for food and what farmers are paid is growing wider. From 1984 to 1998, prices paid to farmers fell 36 percent, while consumer food prices actually increased by 3 percent.

(10) Concentration, low prices, anticompetitive practices, and other manipulations and abuses of the agricultural economy are driving family-based farmers out of business. Farmers are going bankrupt or giving up, and few are taking their places; more farm families are having to rely on other jobs to stay afloat; and the number of farmers leaving the land will continue to increase unless and until these trends are reversed.

(11) The decline of family-based agriculture undermines the economies of rural communities across America; it has pushed Main Street businesses, from equipment suppliers to insurance sales people, out of business or to the brink of insolvency.

(12) Increased concentration in the agribusiness sector has a harmful effect on the environment; corporate hog farming, for example, threatens the integrity of local water supplies and creates noxious odors in neighboring communities. Concentration also can increase the risks to food safety and limit the biodiversity of plants and animals.

(13) The decline of family-based farming poses a direct threat to American families and family values, by subjecting farm families to turmoil and stress.

(14) The decline of family-based farming causes the demise of rural communities, as stores lose customers, churches lose congregations, schools and clinics become under-used, career opportunities for young people dry up, and local inequalities of wealth and income grow wider.

(15) These developments are not the result of inevitable market forces. They are the consequence of policies made in Washington, including farm, antitrust, and trade policies.

(16) To restore competition in the agricultural economy, and to increase the bargaining power and enhance economic prospects for family-based farmers, the trend toward concentration must be reversed.

SEC. 3. DEFINITIONS.

In this division:

(1) AGRICULTURAL INPUT SUPPLIER.—The term "agricultural input supplier" means any person (excluding agricultural cooperatives) engaged in the business of selling, in interstate or foreign commerce, any product to be used as an input (including seed, germ plasm, hormones, antibiotics, fertilizer, and chemicals, but excluding farm machinery) for the production of any agricultural commodity, except that no person shall be considered an agricultural input supplier if sales of such products are for a value less than $10,000,000 per year.

(2) BROKER.—The term "broker" means any person (excluding agricultural cooperatives) engaged in the business of negotiating sales and purchases of any agricultural commodity in interstate or foreign commerce for or on behalf of the vendor or the purchaser, except that no person shall be considered a broker if the only sales of such commodities are for a value less than $10,000,000 per year.

(3) COMMISSION MERCHANT.—The term "commission merchant" means any person (excluding agricultural cooperatives) engaged in the business of receiving in interstate or foreign commerce any agricultural commodity for sale, on commission, or for or on behalf of another, except that no person shall be considered a commission merchant if the only sales of such commodities are for a value less than $10,000,000 per year.

(4) DEALER.—The term "dealer" means any person (excluding agricultural cooperatives) engaged in the business of buying, selling, or marketing agricultural commodities in interstate or foreign commerce, except that—

(A) no person shall be considered a dealer with respect to sales or marketing of any agricultural commodity of that person's own raising; and

(B) no person shall be considered a dealer if the only sales of such commodities are for a value less than $10,000,000 per year.

(5) PROCESSOR.—The term "processor" means any person (excluding agricultural cooperatives) engaged in the business of handling, preparing, or manufacturing (including slaughtering) of an agricultural commodity, or the products of such agricultural commodity, for sale or marketing for human consumption, except that no person shall be considered a processor if the only sales of such products are for a value less than $10,000,000 per year.

TITLE I—MORATORIUM ON LARGE AGRIBUSINESS MERGERS

SEC. 101. MORATORIUM ON LARGE AGRIBUSINESS MERGERS.

(a) IN GENERAL.—

(1) MORATORIUM.—Until the date referred to in paragraph (2) and except as provided in subsection (b)—

(A) no dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $100,000,000 shall merge or acquire, directly or indirectly, any voting securities or assets of any other dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $10,000,000; and

(B) no dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $10,000,000 shall merge or acquire, directly or indirectly, any voting securities or assets of any other dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $100,000,000 if the acquiring person would hold—

(i) 15 percent or more of the voting securities or assets of the acquired person; or

(ii) an aggregate total amount of the voting securities and assets of the acquired person in excess of $15,000,000.

(2) DATE.—The date referred to in this paragraph is the earlier of—

(A) the effective date of comprehensive legislation—

(i) addressing the problem of market concentration in the agricultural sector; and

(ii) containing a section stating that the legislation is comprehensive legislation as provided in section 101 of the Agribusiness Merger Moratorium and Antitrust Review Act of 1999; or

(B) the date that is 18 months after the date of enactment of this division.

(3) EXEMPTIONS.—The following classes of transactions are exempt from the requirements of this section—

(1) acquisitions of goods or realty transferred in the ordinary course of business;

(2) acquisitions of bonds, mortgages, deeds of trust, or other obligations which are not voting securities;

(3) acquisitions of voting securities of an issuer at least 50 per centum of the voting securities of which are owned by the acquiring person prior to such acquisition;

(4) transfers to or from a Federal agency or a State or political subdivision thereof; and

(5) acquisitions of voting securities, if, as a result of such acquisition, the voting securities acquired do not increase, directly or indirectly, the acquiring person's per centum share of outstanding voting securities of the issuer.

(b) WAIVER AUTHORITY.—The Attorney General shall have authority to waive the moratorium imposed by subsection (a) only under extraordinary circumstances, such as insolvency or similar financial distress of 1 of the affected parties.

TITLE II—AGRICULTURE CONCENTRATION AND MARKET POWER REVIEW COMMISSION

SEC. 201. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Agriculture Concentration and Market Power Review Commission (hereafter in this title referred to as the "Commission").

(b) PURPOSES.—The purpose of the Commission is to—

(1) study the nature and consequences of concentration in America's agricultural economy; and

(2) make recommendations on how to change underlying antitrust laws and other Federal laws and regulations to keep a fair and competitive agriculture marketplace for family farmers, other small and medium sized agriculture producers, generally, and the communities of which they are a part.

(c) MEMBERSHIP OF COMMISSION.—

(1) COMPOSITION.—The Commission shall be composed of 12 members as follows:

(A) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate, after consultation with the Chairman of the Committee on Agriculture, Nutrition, and Forestry.

(B) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate, after consultation with the ranking minority member of the Committee on Agriculture, Nutrition, and Forestry.

(C) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the Speaker of the House of Representatives, after consultation with the Chairman of the Committee on Agriculture.

(D) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the Minority Leader of the House of Representatives, after consultation with the ranking minority member of the Committee on Agriculture.

(2) QUALIFICATIONS OF MEMBERS.—

(A) APPOINTMENTS.—Persons who are appointed under paragraph (1) shall be persons who—

(i) have experience in farming or ranching, expertise in agricultural economics and antitrust, or have other pertinent qualifications or experience relating to agriculture and agriculture industries; and

(ii) are not officers or employees of the United States.

(B) OTHER CONSIDERATION.—In appointing Commission members, every effort shall be made to ensure that the members—

(i) are representative of a broad cross sector of agriculture and antitrust perspectives within the United States; and

(ii) provide fresh insights to analyzing the causes and impacts of concentration in agriculture industries and sectors.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members shall be appointed not later than 60 days after the date of enactment of this division and the appointment shall be for the life of the Commission.

(2) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Commission shall elect a chairperson and vice chairperson from among the members of the Commission.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(i) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

SEC. 202. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall be responsible for examining the nature, the causes, and consequences concentration in America's agricultural economy in the broadest possible terms.

(b) ISSUES TO BE ADDRESSED.—The study shall include an examination of the following matters:

(1) The nature and extent of concentration in the agricultural sector, including food production, transportation, processing, distribution and marketing, and farm inputs such as machinery, fertilizer, and seeds.

(2) Current trends in concentration of the agricultural sector and what this sector is likely to look like in the near and longer term future.

(3) The effect of this concentration on farmer income.

(4) The impacts of this concentration upon rural communities, rural economic development, and the natural environment.

(5) The impacts of this concentration upon food shoppers, including the reasons that Depression-level farm prices have not resulted in corresponding drops in supermarket prices.

(6) The productivity of family-based farm units, compared with corporate based agriculture, and whether farming is approaching a scale that is larger than necessary from the standpoint of productivity.

(7) The effect of current laws and administrative practices in supporting and encouraging this concentration.

(8) Whether the existing antitrust laws provide adequate safeguards against, and remedies for, the impacts of concentration upon family-based agriculture, the communities they comprise, and the food shoppers of this Nation.

(9) Accurate and reliable data on the national and international markets shares of multinational agribusinesses, and the portion of their sales attributable to exports.

(10) Barriers that inhibit entry of new competitors into markets for the processing of agricultural commodities, such as the meat packing industry.

(11) The extent to which developments, such as formula pricing, marketing agreements, and forward contracting tend to give processors, agribusinesses, and other buyers of agricultural commodities additional market power over producers and suppliers in local markets.

(12) Such related matters as the Commission determines to be important.

SEC. 203. FINAL REPORT.

(a) IN GENERAL.—Not later than 12 months after the date of the initial meeting of the Commission, the Commission shall submit to the President and Congress a final report which contains—

(1) the findings and conclusions of the Commission described in section 202; and

(2) recommendations for addressing the problems identified as part of the Commission's analysis.

(b) SEPARATE VIEWS.—Any member of the Commission may submit additional findings and recommendations as part of the final report.

SEC. 204. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may find advisable to fulfill the requirements of this title. The Commission shall hold at least 1 or more hearings in Washington, D.C., and 4 in different agriculture regions of the United States.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

SEC. 205. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee shall be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 206. SUPPORT SERVICES.

The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 to the Commission as required by this title to carry out the provisions of this title.

ASHCROFT (AND OTHERS) AMENDMENT NO. 2401

(Ordered to lie on the table.)

Mr. ASHCROFT (for himself Mr. HAGEL, Mr. BAUCUS, Mr. DODD, Mr. DORGAN, Mr. BROWNBACK, Mr. KERREY, Mr. ROBERTS, Mr. ABRAHAM, Mr. ALLARD, Mr. BENNETT, Mr. BINGAMAN, Mr. BOND, Mr. BURNS, Mr. CONRAD, Mr. CRAIG, Mr. CRAPO, Mr. DASCHLE, Mr. DURBIN, Mrs. FEINSTEIN, Mr. FITZGERALD, Mr. GORTON, Mr. GRAMS, Mr. HARKIN, Mr. HUTCHINSON, Mr. INHOFE, Mr. JEFFORDS, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mrs. LINCOLN, Mr. THOMAS, Mr. WARNER, Mr. SESSIONS, and Ms. LANDRIEU) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra: as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food and Medicine for the World Act".

SEC. 2. REQUIREMENT OF CONGRESSIONAL APPROVAL OF ANY UNILATERAL AGRICULTURAL OR MEDICAL SANCTION.

(a) Definitions.—In this section:

(1) Agricultural commodity.—The term "agricultural commodity" has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) Agricultural program.—The term "agricultural program" means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et. seq.); .

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et. seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) Joint resolution.—The term "joint resolution" means—

(A) in the case of subsection (b)(1)(B), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (b)(1)(A) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 2(b)(1)(A) of the Food and Medicine for the World Act, transmitted on   .", with the blank completed with the appropriate date; and

(B) in the case of subsection (e)(2), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (e)(1) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 2(e)(1) of the Food and Medicine for the World Act, transmitted on   .", with the blank completed with the appropriate date.

(4) Medical device.—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) Medicine.—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) Unilateral agricultural sanction.—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) Unilateral medical sanction.—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(b) Restriction.—

(1) New sanctions.—Except as provided in subsections (c) and (d) and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(A) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(i) describes the activity proposed to be prohibited, restricted, or conditioned; and

(ii) describes the actions by the foreign country or foreign entity that justify the sanction; and

(B) Congress enacts a joint resolution stating the approval of Congress for the report submitted under subparagraph (A).

(2) Existing sanctions.—

(A) In general.—Except as provided in subparagraph (B), with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, the President shall terminate the sanction.

(B) Exemptions.—Subparagraph (A) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed with respect to—

(i) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(ii) the Export Credit Guarantee Program (GSM-102) or the Intermediate Export Credit Guarantee Program (GSM-103) established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(iii) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14).

(c) Exceptions.—Subsection (b) shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in subsection (b)—

(1) against a foreign country or foreign entity with respect to which Congress has enacted a declaration of war that is in effect on or after the date of enactment of this Act; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

(d) Countries Supporting International Terrorism.—Subsection (b) shall not affect the prohibitions in effect on or after the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

(e) Termination of Sanctions.—Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in subsection (b)(1) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years and the request of the President for approval by Congress of the recommendation; and

(2) Congress enacts a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(f) Congressional Priority Procedures.—

(1) Referral of report.—A report described in subsection (b)(1)(A) or (e)(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(2) Referral of joint resolution.—

(A) In general.—A joint resolution shall be referred to the committees in each House of Congress with jurisdiction.

(B) Reporting date.—A joint resolution referred to in subparagraph (A) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

(3) Discharge of committee.—If the committee to which is referred a joint resolution has not reported the joint resolution (or an identical joint resolution) at the end of 30 session days of Congress after the date of introduction of the joint resolution—

(A) the committee shall be discharged from further consideration of the joint resolution; and

(B) the joint resolution shall be placed on the appropriate calendar of the House concerned.

(4) Floor consideration.—

(A) Motion to proceed.—

(i) In general.—When the committee to which a joint resolution is referred has reported, or when a committee is discharged under paragraph (3) from further consideration of, a joint resolution—

(I) it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any member of the House concerned to move to proceed to the consideration of the joint resolution; and

(II) all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(ii) Privilege.—The motion to proceed to the consideration of the joint resolution—

(I) shall be highly privileged in the House of Representatives and privileged in the Senate; and

(II) not debatable.

(iii) Amendments and motions not in order.—The motion to proceed to the consideration of the joint resolution shall not be subject to—

(I) amendment;

(II) a motion to postpone; or

(III) a motion to proceed to the consideration of other business.

(iv) Motion to reconsider not in order.—A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(v) Business until disposition.—If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the House concerned until disposed of.

(B) Limitations on debate.—

(i) In general.—Debate on the joint resolution, and on all debatable motions and appeals in connection with the joint resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution.

(ii) Further debate limitations.—A motion to limit debate shall be in order and shall not be debatable.

(iii) Amendments and motions not in order.—An amendment to, a motion to postpone, a motion to proceed to the consideration of other business, a motion to recommit the joint resolution, or a motion to reconsider the vote by which the joint resolution is agreed to or disagreed to shall not be in order.

(C) Vote on final passage.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the House concerned, the vote on final passage of the joint resolution shall occur.

(D) Rulings of the chair on procedure.—An appeal from a decision of the Chair relating to the application of the rules of the Senate or House of Representatives, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(5) Coordination with action by other house.—If, before the passage by 1 House of a joint resolution of that House, that House receives from the other House a joint resolution, the following procedures shall apply:

(A) No committee referral.—The joint resolution of the other House shall not be referred to a committee.

(B) Floor procedure.—With respect to a joint resolution of the House receiving the joint resolution—

(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(ii) the vote on final passage shall be on the joint resolution of the other House.

(C) Disposition of joint resolutions of receiving house.—On disposition of the joint resolution received from the other House, it shall no longer be in order to consider the joint resolution originated in the receiving House.

(6) Procedures after action by both the house and senate.—If a House receives a joint resolution from the other House after the receiving House has disposed of a joint resolution originated in that House, the action of the receiving House with regard to the disposition of the joint resolution originated in that House shall be deemed to be the action of the receiving House with regard to the joint resolution originated in the other House.

(7) Rulemaking power.—This paragraph is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such this paragraph—

(i) is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution; and

(ii) supersedes other rules only to the extent that this paragraph is inconsistent with those rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(g) Effective Date.—

(1) In general.—Except as provided in paragraph (2), this section takes effect on the date of enactment of this Act.

(2) Existing sanctions.—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this section takes effect 180 days after the date of enactment of this Act.

DORGAN AMENDMENT NO. 2402

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . UNREASONABLE ACTS, POLICIES, AND PRACTICES.

Section 301(d)(3)(B)(i) of the Trade Act of 1974 (19 U.S.C. 2411(d)(3)(B)(i)) is amended by striking subclause (IV) and inserting the following:

"(IV) market opportunities, including the toleration by a foreign government of systematic anticompetitive activities, which include predatory pricing, discriminatory pricing, or pricing below cost of production by enterprises or among enterprises in the foreign country (including state trading enterprises and state corporations) if the acts, policies, or practices are inconsistent with commercial practices and have the effect of restricting access of United States goods or services to the foreign market or third country markets,".

HARKIN AMENDMENTS NOS. 2403–2404

(Ordered to lie on the table.)

Mr. HARKIN submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

Amendment No. 2403

At the appropriate place, insert the following new section:

SEC. . LIMITATIONS ON BENEFITS.

(a) In General.—Notwithstanding any other provision of this Act, no benefits under this Act shall be granted to any country (or to any designated zone in that country) that does not meet and effectively enforce the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

(b) Report.—Not later than 12 months after the date of enactment of this Act and annually thereafter, the President, after consultation with the Trade Policy Review Committee, shall submit a report to Congress on the enforcement of, and compliance with, the standards described in subsection (a).

Amendment No. 2404

At the appropriate place, insert the following new section:

SEC. . LIMITATIONS ON BENEFITS.

(a) In General.—Notwithstanding any other provision of this Act, no benefits under this Act shall be granted to any country (or to any designated zone in that country) that does not meet and effectively enforce the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

FEINGOLD AMENDMENTS NOS. 2405–2409

(Ordered to lie on the table.)

Mr. FEINGOLD submitted five amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

Amendment No. 2405

Strike secs. 111 and 112, and insert:

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) In General.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) Authority To Designate.—

"(1) In general.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

"(C) is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (c) of sec 112.

"(D) is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

"(E) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

"(2) Monitoring and review of certain countries.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

"(3) Continuing compliance.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 505 the following new section:

"SEC. 505A. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended—

(1) by inserting after the item relating to section 505 the following new item:

"505A. Termination of benefits for sub-Saharan African countries.";

and

(2) by inserting after the item relating to section 506 the following new item:

"506A. Designation of sub-Saharan African countries for certain benefits.".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) The country is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (c).

(2) The country is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) OBLIGATIONS OF IMPORTERS AND PARTIES ON WHOSE BEHALF APPAREL AND TEXTILES ARE IMPORTED.—

(A) IN GENERAL.—Notwithstanding any other provision of law, all imports to the United States of textile and apparel goods pursuant to this Act shall be accompanied by—

(i)(I) the name and address of the manufacturer or producer of the goods, and any other information with respect to the manufacturer or producer that the Customs Service may require; and

(II) if there is more than one manufacturer or producer, or if there is a contractor or subcontractor of the manufacturer or producer with respect to the manufacture or production of the goods, the information required under subclause (I) with respect to each such manufacturer, producer, contractor, or subcontractor, including a description of the process performed by each such entity;

(ii) a certification by the importer of record that the importer has exercised reasonable care to ascertain the true country of origin of the textile and apparel goods and the accuracy of all other information provided on the documentation accompanying the imported goods, as well as a certification of the specific action taken by the importer to ensure reasonable care for purposes of this paragraph; and

(iii) a certification by the importer that the goods being entered do not violate applicable trademark, copyright, and patent laws.

(B) LIABILITY.—The importer of record and the final retail seller of the merchandise shall be jointly liable for any material false statement, act, or omission made with the intention or effect of—

(i) circumventing any quota that applies to the merchandise; or

(ii) avoiding any duty that would otherwise be applicable to the merchandise.

(2) OBLIGATIONS OF COUNTRIES TO TAKE ACTION AGAINST TRANSSHIPMENT AND CIRCUMVENTION.—The President shall ensure that any country in sub-Saharan Africa that intends to import textile and apparel goods into the United States—

(A) has in place adequate measures to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) will cooperate fully with the United States to address and take action necessary to prevent circumvention of any provision of this section or of any agreement regulating trade in apparel and textiles between that country and the United States.

(3) STANDARDS OF PROOF.—

(A) FOR IMPORTERS AND RETAILERS.—

(i) IN GENERAL.—The United States Customs Service (in this Act referred to as the "Customs Service") shall seek imposition of a penalty against an importer or retailer for a violation of any provision of this section if the Customs Service determines, after appropriate investigation, that there is a substantial likelihood that the violation occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there has been a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

(B) FOR COUNTRIES.—

(i) IN GENERAL.—The President may determine that a country is not taking adequate measures to prevent illegal transshipment of goods or to prevent being used as a transit point for the shipment of goods in violation of this section if the Customs Service determines, after consultations with the country concerned, that there is a substantial likelihood that a violation of this section occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—

(I) IN GENERAL.—If a country fails to cooperate with the Customs Service in an investigation to determine if an illegal transshipment has occurred, the Customs Service shall base its determination on the best available information.

(II) EXAMPLES.—Actions indicating failure of a country to cooperate under subclause (I) include—

(aa) denying or unreasonably delaying entry of officials of the Customs Service to investigate violations of, or promote compliance with, this section or any textile agreement;

(bb) providing appropriate United States officials with inaccurate or incomplete information, including information required under the provisions of this section; and

(cc) denying appropriate United States officials access to information or documentation relating to production capacity of, and outward processing done by, manufacturers, producers, contractors, or subcontractors within the country.

(4) Penalties.—

(A) For importers and retailers.—The penalty for a violation of any provision of this section by an importer or retailer of textile and apparel goods—

(i) for a first offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 200 percent of the declared value of the merchandise, plus forfeiture of the merchandise;

(ii) for a second offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 400 percent of the declared value of the merchandise, plus forfeiture of the merchandise, and, shall be punishable by a fine of not more than $100,000, imprisonment for not more than 1 year, or both; and

(iii) for a third or subsequent offense, or for a first or second offense if the violation of the provision of this section is committed knowingly and willingly, shall be punishable by a fine of not more than $1,000,000, imprisonment for not more than 5 years, or both, and, in addition, shall result in forfeiture of the merchandise.

(B) For countries.—If a country fails to undertake the measures or fails to cooperate as required by this section, the President shall impose a quota on textile and apparel goods imported from the country, based on the volume of such goods imported during the first 12 of the preceding 24 months, or shall impose a duty on the apparel or textile goods of the country, at a level designed to secure future cooperation.

(5) Applicability of United States laws and procedures.—All provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws, shall apply to imports of textiles and apparel from sub-Saharan African countries, in addition to the specific provisions of this section.

(6) Monitoring and reports to Congress.—Not later than March 31 of each year, the Customs Service shall monitor and the Commissioner of Customs shall submit to Congress a report on the measures taken by each country in sub-Saharan Africa that imports textiles or apparel goods into the United States—

(A) to prevent transshipment; and

(B) to prevent circumvention of this section or of any agreement regulating trade in textiles and apparel between that country and the United States.

(d) Additional Enforcement.—A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under subparagraphs (C) and (D) of section 111 and section 112(c), of this Act with respect to any sub-Saharan African country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek three times the value of any damages caused by the failure of a country or company to comply. The amount of damages described in the preceding sentence shall be paid by the business enterprise (or business enterprises) the operations or conduct of which is responsible for the failure to meet the standards set forth under subparagraphs (A) through (G) of section 201(b)(1), section 201(c), and section 201(d) of this Act.

(e) Definitions.—In this section, the term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(h) Effective Date.—The amendments made by this section take effect on October 1, 1999 and shall remain in effect through September 30, 2006.

Amendment No. 2406

Strike Sec. 111 and insert the following:

SEC. 111 ELIGIBILITY FOR CERTAIN BENEFITS.

(a) In General.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) Authority To Designate.—

"(1) In general.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities;

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502;

"(D) has established that the cost or value of the textile or apparel product produced in the country, or by companies in any 2 or more sub-Saharan African countries, plus the direct costs of processing operations performed in the country or such countries, is not less than 60 percent of the appraised value of the product at the time it is entered into the customs territory of the United States; and

"(E) has established that not less than 90 percent of employees in business enterprises producing the textile and apparel goods are citizens of that country, or any 2 or more sub-Saharan African countries.

"(2) Monitoring and review of certain countries.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

"(3) Continuing compliance.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) Preferential Tariff Treatment for Certain Articles.—

"(1) In general.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) Rules of origin.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) Beneficiary Sub-Saharan African Countries, etc.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

"(c) Beneficiary Sub-Saharan African Countries, etc.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) Waiver of Competitive Need Limitation.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) Least-developed beneficiary developing countries and beneficiary sub-Saharan African countries.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.''.

(c) Termination.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

''In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.''.

(d) Clerical Amendments.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

''506A. Designation of sub-Saharan African countries for certain benefits.

''506B. Termination of benefits for sub-Saharan African countries.''.

(e) Effective Date.—The amendments made by this section take effect on October 1, 2000.

Amendment No. 2407

At the appropriate place, insert the following new title:

TITLE —HIV/AIDS EPIDEMIC IN SUB-SAHARAN AFRICA

SEC. 01. FINDINGS AND POLICY.

(a) In General.—Congress finds that, in addition to drought and famine, the HIV/AIDS epidemic has caused countless deaths and untold suffering among the people of sub-Saharan Africa.

(b) Policy.—It is the policy of Congress, in developing new economic relations with sub-Saharan Africa, to assist sub-Saharan African countries in efforts to make safe and efficacious pharmaceuticals and medical technologies as widely available to their populations as possible.

(c) Amendments to Foreign Assistance Act of 1961.—

(1) Section 496(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(a)(1)) is amended by striking ''drought and famine'' and inserting ''drought, famine, and the HIV/AIDS epidemic''.

(2) Section 496(i)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended by striking ''(including displaced children)'' and inserting ''(including displaced children and improving HIV/AIDS prevention and treatment programs)''.

SEC. 02. REQUIREMENTS RELATING TO SUB-SAHARAN AFRICAN INTELLECTUAL PROPERTY AND COMPETITION LAW.

(a) Findings.—Congress finds that—

(1) since the onset of the worldwide HIV/AIDS epidemic, approximately 34,000,000 people living in sub-Saharan Africa have been infected with the disease;

(2) of those infected, approximately 11,500,000 have died; and

(3) the deaths represent 83 percent of the total HIV/AIDS-related deaths worldwide.

(b) Sense of Congress.—It is the sense of Congress that—

(1) it is in the interest of the United States to take all necessary steps to prevent further spread of infectious disease, particularly HIV/AIDS; and

(2) individual countries should have the ability to determine the availability of pharmaceuticals and health care for their citizens in general, and particularly with respect to the HIV/AIDS epidemic.

(c) Limitations on Funding.—Funds appropriated or otherwise made available to any department or agency of the United States may not be obligated or expended to seek, through negotiation or otherwise, the revocation or revisions of any sub-Saharan African intellectual property or competition law or policy that is designed to promote access to pharmaceuticals or other medical technologies if the law or policy, as the case may be, complies with the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act.

Amendment No. 2408

At the appropriate place, insert the following new section:

SEC. . ANTICORRUPTION EFFORTS.

(a) Findings.—Congress makes the following findings:

(1) Corruption and bribery of public officials is a major problem in many African countries and represents a serious threat to the development of a functioning domestic private sector, to United States business and trade interests, and to prospects for democracy and good governance in African countries.

(2) Of the 17 countries in sub-Saharan Africa rated by the international watchdog group, Transparency International, as part of the 1998 Corruption Perception Index, 13 ranked in the bottom half.

(3) The Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which has been signed by all 29 members of the OECD plus Argentina, Brazil, Bulgaria, Chile, and the Slovak Republic and which entered into force on February 15, 1999, represents a significant step in the elimination of bribery and corruption in international commerce.

(4) As a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the United States should encourage the highest standards possible with respect to bribery and corruption.

(b) Sense of Congress.—It is the sense of Congress that the United States should encourage at every opportunity the accession of sub-Saharan African countries, as defined in section 6, to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Amendment No. 2409

At the appropriate place, insert the following new title:

TITLE —DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICAN COUNTRIES

SEC. 01. FINDINGS.

(a) In General.—Congress makes the following findings:

(1) In addition to drought and famine, the HIV/AIDS epidemic has caused countless deaths and untold suffering among the people of sub-Saharan Africa.

(2) The Food and Agricultural Organization estimates that 543,000,000 people, representing nearly 40 percent of the population of sub-Saharan Africa, are chronically undernourished.

(b) Amendment to Foreign Assistance Act of 1961.—Section 496(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(a)(1)) is amended by striking ''drought and famine'' and inserting ''drought, famine, and the HIV/AIDS epidemic''.

SEC. 02. PRIVATE AND VOLUNTARY ORGANIZATIONS.

Section 496(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(e)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

''(2) Capacity building.—In addition to assistance provided under subsection (h), the United States Agency for International Development shall provide capacity building assistance through participatory planning to private and voluntary organizations that are involved in providing assistance for sub-Saharan Africa under this chapter.''.

SEC. 03. TYPES OF ASSISTANCE.

Section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) is amended by adding at the end the following:

''(4) Prohibition on military assistance.—Assistance under this section—

''(A) may not include military training or weapons; and

''(B) may not be obligated or expended for military training or the procurement of weapons.''.

SEC. 04. CRITICAL SECTORAL PRIORITIES.

(a) Agriculture, Food Security and Natural Resources.—Section 496(i)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(1)) is amended—

(1) in the heading, to read as follows:

''(1) Agriculture, food security and natural resources.—'';

(2) in subparagraph (A)—

(A) in the heading, to read as follows:

''(A) Agriculture and food security.—'';

(B) in the first sentence—

(i) by striking ''agricultural production in ways'' and inserting ''food security by promoting agriculture policies''; and

(ii) by striking '', especially food production,''; and

(3) in subparagraph (B), in the matter preceding clause (i), by striking ''agricultural production'' and inserting ''food security and sustainable resource use''.

(b) Health.—Section 496(i)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended by striking ''(including displaced children)'' and inserting ''(including displaced children and improving HIV/AIDS prevention and treatment programs)''.

(c) Voluntary Family Planning Services.—Section 496(i)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(3)) is amended by adding at the end before the period the following: ''and access to prenatal healthcare''.

(d) Education.—Section 496(i)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(4)) is amended by adding at the end before the period the following: ''and vocational education, with particular emphasis on primary education and vocational education for women''.

(e) Income-Generating Opportunities.—Section 496(i)(5) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(5)) is amended—

(1) by striking ''labor-intensive''; and

(2) by adding at the end before the period the following: '', including development of manufacturing and processing industries and microcredit projects''.

SEC. 05. REPORTING REQUIREMENTS.

Section 496 of the Foreign Assistance Act of 1961 (22 U.S.C. 2293) is amended by adding at the end the following:

''(p) Reporting Requirements.—The Administrator of the United States Agency for International Development shall, on a semiannual basis, prepare and submit to Congress a report containing—

''(1) a description of how, and the extent to which, the Agency has consulted with nongovernmental organizations in sub-Saharan Africa regarding the use of amounts made available for sub-Saharan African countries under this chapter;

"(2) the extent to which the provision of such amounts has been successful in increasing food security and access to health and education services among the people of sub-Saharan Africa;

"(3) the extent to which the provision of such amounts has been successful in capacity building among local nongovernmental organizations; and

"(4) a description of how, and the extent to which, the provision of such amounts has furthered the goals of sustainable economic and agricultural development, gender equity, environmental protection, and respect for workers' rights in sub-Saharan Africa.".

SEC. 06. SEPARATE ACCOUNT FOR DEVELOPMENT FUND FOR AFRICA.

Amounts appropriated to the Development Fund for Africa shall be appropriated to a separate account under the heading "Development Fund for Africa" and not to the account under the heading "Development Assistance".

THURMOND AMENDMENT NO. 2410

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . TRADE ADJUSTMENT ASSISTANCE FOR TEXTILE AND APPAREL WORKERS.

Notwithstanding any other provision of law, workers in textile and apparel firms who lose their jobs or are threatened with job loss as a result of either (1) a decrease in the firm's sales or production; or (2) a firm's plant or facility closure or relocation, shall be certified by the Secretary of Labor as eligible to receive adjustment assistance at the same level of benefits as workers certified under subchapter D of chapter 2 of title II of the Trade Act of 1974 not later than 30 days after the date a petition for certification is filed under such title II.

DURBIN AMENDMENT NOS. 2411–4212

(Ordered to lie on the table.)

Mr. DURBIN submitted two amendments intended to be proposed by him to amendment No. 2325 proposed by Mr. ROTH to the bill, H.R. 434, supra, as follows:

AMENDMENT NO. 2411

On page 20, line 10, after "Africa", insert the following: "and to encourage sub-Saharan African countries to sign the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions".

AMENDMENT NO. 2412

On page 10, strike lines 3 through 12, and insert the following:

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes;

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise; and

"(v) a system to combat corruption and bribery, such as signing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Thursday, November 4, 1999 at 9:30 a.m. to conduct a Joint Hearing with the House Committee on Resources on S. 1586, the Indian Land Consolidation Act Amendments of 1996; and S. 1315, to permit the leasing of oil and gas rights on Navajo allotted lands.

The hearing will be held in room 106, Dirksen Senate Building.

Please direct any inquiries to Committee staff at 202/224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MACK. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Thursday, October 28, 1999, in open session, to receive testimony on U.S. National Security Implications of the 1999 NATO Strategic Concept.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MACK. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, October 28, 1999 at 10:30 and 3:00 p.m. to hold two hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MACK. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be permitted to meet on Thursday, October 28, 1999 at 10:00 a.m. for a hearing on the nomination of Joshua Gotbaum to be Controller, Office of Management and Budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MACK. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, October 28, 1999 at 2:00 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS, AND COMPETITION

Mr. MACK. Mr. President, the Committee on the Judiciary Subcommittee on Antitrust, Business Rights, and Competition requests unanimous consent to conduct a hearing on Thursday, October 28, 1999 beginning at 1:30 p.m. in Dirksen Room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANUFACTURING AND COMPETITIVENESS

Mr. MACK. Mr. President, I ask unanimous consent that the Manufacturing and Competitiveness Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, October 28, 1999, at 2:00 p.m. on challenges confronting machine tool industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. MACK. Mr. President, I ask unanimous consent that the Science, Technology and Space Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, October 28, 1999, at 10:00 a.m. on E-Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. MACK. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, October 28, for purposes of conducting a Water and Power Subcommittee hearing which is scheduled to begin at 2:30 p.m. The purpose of this oversight hearing is to receive testimony on the Federal hydroelectric licensing process.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

150TH ANNIVERSARY OF PFIZER, INC.

• Mr. DODD. Mr. President, I rise today to congratulate Pfizer, Inc., on its 150th anniversary and to applaud the company for its many innovations in the pharmaceutical industry. The history of Pfizer is one of risk-taking, confident decision-making, and dramatic medical advances. It is the story of a small chemical company founded in Brooklyn, New York, which over 150 years has evolved into one of the world's premier pharmaceutical enterprises.

Cousins Charles Pfizer and Charles Erhart emigrated to the United States from Germany in the mid-1840s. In New York City, the young cousins combined their skills and in 1849 founded a small chemical firm. Charles Pfizer & Company improved the American chemical market by manufacturing specialty chemicals that had not yet been produced in America. During its first 75 years, the company made many important discoveries and marketed popular and effective drug treatments. Union soldiers used Pfizer drugs extensively during the Civil War.

However, Pfizer's real emergence as an industry leader was the result of a daring risk taken by Pfizer executives in the 1940s. In 1928, when Alexander Fleming discovered the germ-killing properties of penicillin, he knew that it could have a profound medical value. Yet, Fleming could not figure out a way to mass-produce the drug. In 1941, following new discoveries relating to this "wonder drug", Pfizer executives put their own stocks at stake and invested millions of dollars in finding a way to mass-produce penicillin. Eventually, they succeeded. The breakthrough came just in time to send penicillin to the front lines of World War II.

From that point forward, Pfizer evolved into an international leader in the pharmaceutical industry, opening facilities around the globe and developing new and effective antibiotics to combat deadly infectious diseases. Pfizer's products, which treat a variety of diseases and disorders, are now available in 150 countries. The company also has thriving consumer health care and animal health care divisions. Pfizer now employs close to 50,000 people in 85 countries, including 4,939 employees in their Groton research facility, which lies in my home state of Connecticut.

The desire to live a healthy life is universal. But for millions of people around the world, access to high quality health care remains out of reach. Pfizer is committed to bringing its medicines to those in need. Through Sharing the Care, a program started in 1993, Pfizer has filled more than 3.0 million prescriptions—valued at over $170 million—for more than one million uninsured patients in the United States. The program was cited by American Benefactor, a leading philanthropy journal, in selecting Pfizer as one of America's 25 most generous companies for 1998.

Pfizer today is renowned as one of the world's most admired corporations for the many contributions it has made to our society. I applaud Pfizer on its 150th anniversary for its continued efforts to making this nation and this world a healthier place.•

RESIGNATION OF WALLY BEYER

• Mr. CONRAD. Mr. President, I rise today to recognize the achievements of a true public servant, a fellow North Dakotan, and a man I am proud to call my friend.

Wally Beyer has served this nation as Administrator of the Rural Utilities Service, the former Rural Electric Administration, for 6 years now.

Wally is the 12th administrator of the agency originally created by Franklin Roosevelt; an agency that has developed as we've developed as a nation: from providing basic electric and telecommunications needs for America's rural areas, to making sure rural America takes its rightful place in the new communication age.

Wally has helped steer the RUS toward not only providing the critical continuing need for clean water and waste water facilities, but into new territory of critical distance-learning and medical links for areas that otherwise might not have access to these important services.

Since he was first nominated by President Clinton and confirmed by the Senate in late 1993, Wally's steady hand, professional skill and patience has served our Nation well.

Whether it was to guide the refinancing of electric borrowers through the high interest years of the 1970's and 80's, or to lead the modernization and stream-lining of rules and regulations at the RUA, Wally Beyer managed the agency with a careful balancing of the needs of rural America and the needs of the American taxpayer.

Wally Beyer has served this nation well. As a crew chief for the U.S. Air Force air rescue squadron in the Caribbean in the 50's, as an engineer for the Verendrye Electric Cooperative bringing electricity to north central North Dakota, and as head of the reinvigorated RUS.

Wally plans to return to our native North Dakota, along with his wife Pat. With three married children and three growing grandchildren, he says he will stay active and involved in public service. Washington's loss will be North Dakota's gain as Wally Beyer returns home to the land we both love.

In a recent speech announcing those plans, Wally said, "My season has come. I feel good about it. I've got to get back to North Dakota where the air is sweet. You won't miss me when I'm gone."

Well Wally. Your legacy at the RUS is in tact, and thanks to your hard work is, as you said, "humming along."

But you are wrong to say you won't be missed. Your selfless service to the public good will be missed by many, who will have to continue the restructuring of the electric utility industry without your sure hand.

You will be missed by those electric consumers in 46 States that were well aware that you, as a rural resident, understood their needs.

And you will be missed by those who relied on your friendship and good judgement when seeking to solve the long term problems continuing to plague rural America.

So, as you take your leave, I know my colleagues in the Senate join me in wishing you and your family the very best in what ever path you choose.

You have made a lasting impact and a worthwhile contribution to your country. Wally Beyer, you have made a difference and we are all better for it. Thank you, Mr. Administrator.•

IN RECOGNITION OF CAMIE OGREN

• Mr. HOLLINGS. Mr. President, it is my pleasure today to recognize an outstanding South Carolina athlete, Camie Ogren. In August, Camie brought home gold medals in the tricks event, the jump event and the team overall competition in the 1999 World Disabled Water Ski Championships in Windsor, England. This was her fifth trip to the international competition representing the U.S. Disabled Water Ski Team. In 1998, Camie broke the women's world record for slalom at the National Disabled Championships in Birmingham, Ala., where she also won four gold medals in the leg amputee division.

Skiing has been an important part of Camie's life since her childhood in Windermere, Florida near Orlando, and in the finest athletic spirit, she continued to pursue the sport after bone cancer claimed her right leg more than 10 years ago when she was 15. Two weeks after her leg was amputated, Camie was back in the water and a few months later she competed in her first world championship in Australia where she earned second and third place honors.

She moved to Charleston, S.C. a year and a half ago to work with the Medical University of South Carolina's Anchors Away program. Operated through the Department of Physical Medicine and Rehabilitation, Anchors Away allows people with disabilities and their families access to boats and other recreational activities, mostly on the water. With her expertise, Camie helped Anchors Away form a disabled water ski team that competes in national competitions and has also conducted out-of-town ski clinics in South and North Carolina.

Camie is a remarkable person and athlete whose warmth and dedication to the sport of water-skiing has endeared her to the Charleston community. She serves as a powerful example to persons with disabilities of what they can achieve in the realm of competition. South Carolina is lucky to have Camie Ogren and her limitless energy in advancing her sport and its athletes.•

TRIBUTE TO COLONEL BERNT BALCHEN

• Mr. STEVENS. Mr. President, Col. Bernt Balchen, A Norwegian-born pilot, became one of America's great Arctic experts of the 20th Century. A patriotic American, he was also a great friend of the State of Alaska.

Born in Norway on October 23, 1899. Colonel Balchen served in the French Foreign Legion, and both the Finnish and Norwegian Armies in World War I; and became a pilot in the Norwegian Naval Air Corps in 1921.

Throughout the 1920's and 1930's Colonel Balchen participated in numerous trans-Atlantic and Arctic expeditions. During 1928–1930, Balchen was chief pilot on Admiral Byrd's Atlantic expedition and on November 29, 1929, he piloted the first airplane, a Ford trimotor "Floyd Bennett" across the South Pole. Congress conferred United States citizenship of Colonel Balchen in 1931.

When World War II started in 1939, Colonel Balchen began ferrying airplanes to England and Singapore for the British. In 1941, he joined the United States Army Air Corps at the request of General "Hap" Arnold, and was assigned to Greenland to Supervise the Construction of, and later command, our famous airbase known as "Bluie West 8". His command is credited with numerous rescue missions saving many pilots whose planes had gone down on the icecap.

In 1943, Balchen became chief of allied transportation command for Norway, Sweden, Denmark, Finland, and the Soviet Union, operating out of a secret base in Scotland. During that period, his command regularly flew across enemy-occupied territory to rescue downed allied airmen and insert commandos and intelligence agents behind enemy lines. He also led highly secret missions into Norway to resupply underground resistance forces for their operations against the German army of occupation.

After the war, Balchen was recalled to active duty with the United States Air Force in 1948 and assigned to command the 10th rescue squadron at Elemendorf Air Force Base, Alaska. The techniques of Arctic Rescue that Colonel Balchen developed during this assignment continue to save the lives of civilian and military personnel to this day. In May 1949, he flew a Douglas C–54 from Fairbanks, Alaska over the North Pole to Oslo, Sweden, becoming the first pilot to fly over both Poles.

Colonel Balchen was transferred to headquarters, United States Air Force in 1951 to participate in developing the Ballistic missile early warning system (BMEWS). Also, he was instrumental in the establishment of Thule Air Force base in Greenland and blazed airborne trails to assist both commercial and military aviation in the Arctic region. After retiring from the Air Force in 1956, Balchen continued to serve on special assignment and as a consultant to the military.

Col. Bernt Balchen died on October 23, 1973, and is buried in Arlington National Cemetery. His lifetime achievements influenced the course of Aviation, arctic, and military history. His legacy to this country and to my State of Alaska is a strong northern defense, an established transpolar aviation system, a better understanding of the world's polar regions, and, of course, the lives of those rescued by Colonel Balchen and the men and women who continue his work with the United States Air Force Rescue Service.●

MAKING FURTHER CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 2000

Mr. LOTT. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of H.J. Res. 73, the continuing resolution, which is at the desk. I further ask consent the joint resolution be read a third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 73) was read the third time and passed.

UNANIMOUS CONSENT REQUEST—EXECUTIVE CALENDAR

Mr. LOTT. I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar:

No. 98, Cheryl Shavers, to be Under Secretary of Commerce for Technology; No. 99, Kelly Carnes, to be Assistant Secretary of Commerce for Technology Policy; No. 133, Lawrence Harrington, to serve on the Inter-American Development Bank; Nos. 244, 245, and 246, three Mississippi River Commissioners; No. 253, Thomas Leary, to be a Federal Trade Commissioner; No. 254, Stephen Van Beek, to be Associate Deputy Secretary of Transportation; No. 255, Michael Frazier, for the position of Assistant Secretary of Transportation; No. 256, Gregory Rohde, to be Assistant Secretary of Commerce for Communications; No. 270, Florence-Marie Cooper, to be a U.S. district judge in the Central District of California; No. 274, Barbara Lynn, to be a U.S. district judge for the Northern District of Texas; No. 277, Gerald Poje, to serve on the Chemical Safety and Hazard Investigation Board; No. 278, Skila Harris, to be on the TVA Board of Directors; No. 279, Glenn McCullough, to be on the TVA Board of Directors; No. 238, Dorian Vanessa Weaver, for the Export-Import Bank; and No. 239, Dan Renberg, to be on the Export-Import Bank; and then Nos. 281 through 290, ten sentencing commissioners; and No. 293, Paul Seave, to be U.S. Attorney for the Eastern District of California.

The PRESIDING OFFICER. Is there objection?

Mr. GRAHAM. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. I have a question of the leader. Will the majority leader agree to delete No. 279 from the list of nominations?

Mr. LOTT. Mr. President, I inquire of the Senator, is that Glenn McCullough of Mississippi, my home State, to be a member of the Tennessee Valley Authority board of directors?

Mr. GRAHAM. Yes.

Mr. LOTT. No, I will not agree to that. I should point out there are some 27 nominations—25 nominations plus 2 more on which I was going to ask for agreement on a time limit and a vote, the nomination of Linda Morgan to be a member of the Surface Transportation Board—her nomination has been held up quite sometime, but I have agreement now to proceed to a recorded vote on that one, and also No. 271, the nomination of Ronald Gould of Washington to be a U.S. judge for the Ninth Circuit. We need to request 1 hour of debate and a recorded vote. There are a total of 27 nominations here, including 2 that will have to have a recorded vote. It is a package. They all go or none go.

Mr. GRAHAM. In light of that, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, if I can be heard briefly on that. I want to emphasize this is a very large package of 27 nominations. Most of them are people who are supported by Democrats, I guess 23, 24, 25 of those. There are two or three that are Republican positions. One of them is for the Tennessee Valley Authority, which I presume is being objected to for an unrelated reason because, clearly, there is no problem with this nominee.

I will be back early next week with additional nominations that will run this package up to, I presume, between 34 and 40 nominations. All I can do is get them cleared and then offer them to the Democrats. If they object, then that is their problem.

I should also note that included in this group was not one, not two, but three judges, two of them women. One of the women is from California and one of them is from Texas. So for one 6-year appointment—I believe it is a 6-year term—to the Tennessee Valley Authority where there is a need for these two directors, they are willing to hold up 27 nominations, including two women nominated to U.S. district courts.

That is not real smart. I do not quite understand it, and I hope the leadership and the President will speak to those who object in this way because I have heard all kinds of rhetoric today about how it is difficult if you are a woman or minority to get your nomination approved. In fact, I believe the record will show over the last 3 years this Congress and the previous Congress has confirmed a higher percentage of women and minorities than any Congress in history.

I do note it is pretty hard to go back and look at all the nominations and determine exactly how many minorities were approved because there is no record. We do not check whether you are a minority—African American or Hispanic or Asian. You are a person. All we can tell by your name is if you are a man or woman. Based on just the gender statistic, in fact, since I have been majority leader, I believe the record will show we have approved a lot more women than George Mitchell did when he was majority leader.

These accusations that were made today ring hollow. I hate to see the Senate stoop to that level. I met with White House officials today and told them we were going to try to clear these 27 nominations, and we will keep trying to move them all. I do not think it is reasonable to try to hold up one 6-year-term nominee to try to get two lifetime nominees to the Ninth Circuit Court of Appeals, a circuit that already has too many activist judges in it, a circuit that is the most liberal in this country, a circuit that is overruled more than any other circuit in the country by the Supreme Court, a circuit basically that is out of control. The nominees for these two positions have given rise to a great deal of controversy, to serious questions about whether they would be activists on the court, and to grave concerns about their records.

I understand the objection, and hopefully we can clear it up early tomorrow or next week. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

IN HONOR OF JOHN CHAFEE

Mr. BENNETT. Mr. President, I was in New York on Monday to hold a hearing of the Y2K Committee when Senator MOYNIHAN, a member of that committee, joined me. I greeted him with the normal good humor that we greet one of our colleagues, but he did not respond in good humor. Instead, he said to me: I have very sad news. I was a little surprised at that and asked him what was so significant as to cause him to be so downcast. He said: John Chafee died. That was very sad news, indeed.

I was stunned, along with my colleague from New York, and had to reflect on how recently I had seen John Chafee, spoken with him, found him in good spirits, if not in good health. Indeed, I thought he was in good health.

On Friday of last week, I was addressing a group of students from the State of Utah answering their questions about the Senate and Senate procedure and Senate life and was interested when I got a question that I often get from people outside of the political arena. It was: Tell us about life as a Senator. And specifically this question was: Tell us about the Senators. Then the questioner said: Tell us who your friends are.

That is always an interesting question. You want to be careful about the answer because you do not want to offend anyone by leaving them out. But I said to that group on Friday: I have many friends in the Senate, but one of my closest friends is John Chafee.

I put those two incidents over the weekend together. On Friday, I am citing the name of John Chafee as one of my closest friends, and on Monday, one of my other friends in this body tells me of John's passing.

I have waited until now to take the floor to pay tribute to John Chafee, partly because of the press of business and partly because I was afraid I could not keep my composure. Those who know me well know my emotions sometimes run very close to the surface. I get dewy-eyed at the dedication of a parking lot. For that reason, an occasion such as this one can be a difficult one. At the same time, however, I want to look at the death of John Chafee from a slightly different perspective.

We mourn his passing. We become emotional at the thought of his loss. But we should recognize in many ways this is a time for rejoicing.

I have had the experience, along with many others, of dealing with aging parents. My father was 95, my mother 96, when they passed away—neither one of them in good health.

My mother dealt with an aging parent in her lifetime, a father who had a stroke and then lingered for a number of years thereafter. Mother used to say to us: If I'm killed in an automobile accident, rejoice. I don't look forward to going through old age.

When people retire, very often they go downhill rapidly. John showed no signs of that, but his health was failing. He had been in the hospital for a back problem. He was not an old man by my standards. Seventy-seven seems increasingly younger as I get closer to it myself. But I think of the possibility of John Chafee running downhill in old age. I think we might rejoice that he was spared that.

John Chafee left at the top of his game, at the top of his form. He was a Senator's Senator. He was involved in everything. We did not vote together very often, but when we did, he was always grateful; and when we did not, he was always understanding. I never had an occasion where John Chafee was disapproving.

We stood together on one issue where we were two of four Republicans—one of the occasions where we crossed the line; John did that more often than I—to join with a group of Democrats. That was the flag amendment. John and I both had great reverence for the flag of the United States, but we felt our reverence for the Constitution outweighed that and that the Constitution should not be amended to deal with a nonexistent problem because flag burning is no longer going on in the United States, except by those who want to goad us into attempting to amend the Constitution. At least that is the way I saw it and that is the way John saw it. He was always friendly and supportive when we had those kinds of problems.

The thing I will remember the most about John Chafee, as a Senator's Senator, was the way he would go after problems and not people, the way he would tackle challenges and not the challengers, the way he would maintain a constant good humor, even in the face of difficulties within his own party or difficulties from across the aisle.

It is a time for rejoicing, rejoicing because we had the privilege of dealing with this man, right up to the end of his life, and then seeing him spared the long good-bye that we are seeing in others—Ronald Reagan, for example. I think if John Chafee were given the choice, he would take the choice the Good Lord has given him rather than lingering on in some crippled fashion. He had a weak heart, weaker than any of us knew. The possibility of that kind of situation was perhaps there, but I am following the advice of my mother, who, looking at the possibility of an old age, said: If I'm taken suddenly, don't mourn. Rejoice.

There is very little I think we can add to the accomplishments of John Chafee's life. We can rejoice that we knew him, served with him, and we were with him right up to the moment where he left, as I say, at the top of his game.

I extend my deepest sympathies and condolences to his family. I have met both his wife and his son. I know what fine people they are. I know how desperately they feel this loss.

ORDERS FOR FRIDAY, OCTOBER 29, 1999

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Friday, October 29. I further ask consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin 30 minutes of debate equally divided between the two leaders on H.R. 434, the African trade bill. I further ask consent that the cloture vote occur at 10 a.m. on Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BENNETT. For the information of all Senators, the Senate will begin debate on the African trade bill at 9:30 a.m. Following 30 minutes of debate, the Senate will proceed to a cloture vote on the Roth substitute amendment to the trade bill. Therefore, the first vote will occur at approximately 10 a.m.

If cloture is not invoked on the trade bill, it is the majority leader's intention to move on to other legislative items. This trade bill has been the pending business for 1 week, as of tomorrow's date. One week is precious time when the end of a congressional session is near. The majority leader will, of course, notify the minority leader as to the next legislative item that he intends to bring up.

The Senate may also begin consideration of the conference report to accompany the D.C./Labor-HHS bill, with the vote anticipated early next week.

ORDER FOR ADJOURNMENT

Mr. BENNETT. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of the Senator from Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida.

COMMENDING SENATOR BENNETT

Mr. GRAHAM. Mr. President, I have a statement to make on legislation which I will introduce this evening. But prior to that, I express my gratitude for the eloquence of the remarks the Senator from Utah has just delivered on behalf of our friend, John Chafeel. Many of us have attempted to reach into our souls and express the depth of our affection for this special man. The Senator from Utah has succeeded in that effort. I commend him and thank him for sharing those emotions.

Mr. President, I have a second item before I turn to my remarks for purposes of an introduction.

THE TAX EXTENDER BILL

Mr. GRAHAM. Mr. President, I have exercised the prerogative, which is each Senator's, to place a hold, which means legislation cannot be brought up without at least referring to and discussing it with the Senator who has placed the hold. In this case, I did so on the legislation which is commonly referred to as the tax extender bill. This is legislation which extends the life of a number of current tax provisions. As a member of the Finance Committee, I support this legislation and I will vote for this legislation. I am going to announce publicly that I am withdrawing the hold I had on that legislation. I will give a brief explanation.

First, I am doing so because I think, in the spirit of comity and the effort to get important work accomplished during what I hope will be the relatively few days remaining in this first session of the 106th Congress, it is appropriate to allow the Senate to take up this legislation without further delay insofar as it is the product of my action.

Second, an explanation of why I imposed the hold in the first instance: I supported this legislation. I supported it in large part because it meets what I think is a fundamental test—it is paid for. This legislation contains increases in certain taxes sufficient to cover the cost of the tax relief which will be made available through the extenders. Not to do that would have had the effect of dipping into the surplus. Now that means dipping into the Social Security surplus, since we have already spent the non-Social Security surplus. This bill meets the test of being fiscally prudent.

However, I alert the Senate that there was another bill, which in many ways was a companion of the tax extender legislation, voted out of the Finance Committee almost simultaneously with the tax extender legislation. That is legislation which will provide for increases in the reimbursement level to providers of various health care services under the Medicare program. Again, I support the concept that there is a justifiable case for increasing those reimbursements. We have done so, in this legislation that the Senate will possibly soon be considering, in the amount of approximately $1 billion in fiscal year 2000, $5 billion in fiscal year 2001, and an additional $9 billion over the next 8 years, for a total of $15 billion.

My criticism of that legislation is, unlike the tax extender bill, it is not paid for. Therefore, we will be asked to vote for $15 billion of additional spending, which will have to come directly out of the Social Security surplus. It had been my intention, by holding the tax extender bill, to propose an amendment to the tax extender bill which would have been the additional reimbursement for Medicare providers but with an appropriate offset so that there would be $15 billion either of reduced spending elsewhere or additional taxes to pay for the additional reimbursement for Medicare providers. It had been my thought that by merging these two bills together and using this as an opportunity to provide the offsets for the Medicare reimbursement increases, we would be able to send to the House of Representatives legislation which it might both consider and favorably vote upon.

It now appears that, in fact, we are not going to take up the increased reimbursement to Medicare providers, at least not take it up as separate legislation. Rather, it will be either delayed to some future date or taken up as part of the likely end-of-session major financial compromise.

It appears as if there is no purpose to be gained by holding the tax extender bill for purposes of offering an amendment to a bill which is not going to be taken up anyway. For those somewhat convoluted reasons, but reasons which I hope will be satisfactory to the Members of the body, my colleagues, I am announcing that I am lifting the hold on the tax extender bill. It is my hope that we will soon pass it and that it will serve as a model for other legislation when we decide that it is important enough to extend a tax benefit to a certain class of taxpayers, or important enough to increase spending in the form of additional appropriations to certain citizens of this country, that we will have the fortitude to make the judgment as to how we are going to pay for either those reductions in revenue from one source or increase in appropriations to another.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 1827 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I ask unanimous consent I be allowed to proceed as in morning business for 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I thank the Chair because I know it is extending beyond the time which the Senate was to be in session, and as always I appreciate his courtesy.

COMMENDATION OF SENATOR GRAHAM

Mr. LEVIN. Mr. President, before the Senator from Florida leaves the floor, let me commend him for a very visionary statement about education, the need for an additional large number of teachers, and the vast source of knowledge which we can tap if we utilize people who have had a previous occupation and then are willing to go into teaching, which surely is as high a calling as exists, I believe, anywhere in the world. Teachers should be placed way up there on a pedestal, as far as I am concerned, because of the responsibilities they are given and the commitment so many of them have shown.

I want to extend my congratulations to the Senator from Florida for selecting an area where we can really make a contribution through legislation to not only our children but to students at whatever age through the use of these great pools of talent he has identified.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. LEVIN. Mr. President, every Member of our Senate family was gripped in sadness and grief when we heard of the death of John Chafee.

John Chafee was a giant for many reasons. He was a kind man. He was a truly gentle and a magnificently decent Senator.

Time and time again, as towering Senators of the past, John Chafee, a pragmatist, a moderate, a man of sound judgment and good sense, worked to cool the partisan passions in this body and led his colleagues of both parties toward common ground.

He was one of those Members to whom Senators looked for advice and for leadership on the host of issues in which he was an expert—health issues, environmental issues, transportation, and many issues where he was one of the most knowledgeable and effective leaders of this body.

He brought to this body an experience which was invaluable, as a marine, a war hero in two wars, and in the legislative battles of the Senate. One frequently sensed in John Chafee the kind of quiet self-confidence and steady determination of somebody who had survived real combat.

John Chafee was direct. He was without guile. He did not posture as he ambled about this body. He just talked straight and let his friends and his colleagues know what was on his mind and asked how he might be helpful.

There were no hidden agendas with John Chafee—just a straightforward, good-natured, decent and kind human being who cared deeply about the people of Rhode Island and of this Nation and who shared everything he had with us and with this Nation.

I visited often with John Chafee in his office, going there for advice to try to gather from him some of the wisdom which he had gathered over the years..

I shall miss, as will every Member of this body, his shy smile, his special integrity. He left an indelible mark on our hearts. I don't know whether his name is carved yet in that desk which has the flowers upon it. But he left a very deep mark on all of our hearts, on all of our souls, and on all of our spirits.

We can only hope his family takes comfort in the certain knowledge that John Chafee will be missed by a legion of friends, by all of his colleagues, and we will be sustained by his memory, by his integrity, by his character, and by his good nature.

As long as we serve in the Senate, every one of us who had the honor and privilege of serving with John Chafee will remember him in a very special way.

Again, I thank the Chair.

I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until the hour of 9:30 a.m. on Friday, October 29, 1999.

Thereupon, the Senate, at 7:55 p.m., adjourned until Friday, October 29, 1999, at 9:30 a.m.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE STRENGTHEN SOCIAL SECURITY AND MEDICARE ACT OF 1999

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. GEPHARDT. Mr. Speaker, today I am proud to join Representatives RANGEL, MATSUI, POMEROY, BONIOR, FROST, DELAURO and a number of other Democrats in introducing the "Strengthen Social Security and Medicare Act of 1999." This bill represents President Clinton's proposal to protect Social Security by locking up the Social Security surplus so that it will not be available to be spent on other things and to strengthen Social Security by extending the solvency of the Trust Fund to 2050. Of equal importance, we will reserve by law one-third of the projected on-budget surpluses over the next ten years to strengthen Medicare.

This is a simple proposal that takes the first step in the direction of preserving and strengthening Social Security and Medicare so that they will have the financial resources to provide the benefits that America's senior citizens have come to rely on. Democrats created Social Security and Medicare to provide not just a retirement program, but a true safety net for senior citizens, their survivors and the disabled. Social Security is the most successful Federal government program, lifting nearly 15 million seniors out of poverty. It is the cornerstone of the entire retirement system and is the principal source of retirement income for two-thirds of the elderly. The baby-boomers and their children have been promised the support that they see their parents getting today. We have a responsibility to keep those promises.

This bill saves 100 percent of the Social Security surpluses, and ensures that the Social Security surplus will be saved to reduce the debt that was created by the profligate fiscal policies of the 1980's. Beginning in 2011 the interest payments that will not have to be made on that debt will be reinvested in the Social Security Trust Fund through 2044. The Social Security Actuary has analyzed the proposal and found that it will extend the solvency of the Trust Fund until 2050, an additional 16 years beyond current projections.

Medicare also faces a financial squeeze as the baby-boomers retire. This bill creates a special reserve fund equal to one-third of the on-budget—non-Social Security—surplus over the next ten years that can only be used for extending the solvency of Medicare or providing a prescription drug benefit to Medicare beneficiaries.

This is not the final word on either Social Security or Medicare, but it does lay the foundation on which long-term solutions to ensure long-term solvency can be built. In this respect it stands in sharp contrast to the Republican proposals which neither add a single day to the solvency of Social Security nor make any provision for using the surplus to strengthen Medicare.

Finally, the Republican proposals have an escape hatch that would allow Social Security money to be used for anything that the Republicans want to call "reform"; even a plan that could lead to cuts in benefits or the ultimate conversion of Social Security into a privatized plan that gives little protection to average workers and their families. We reject that false promise in favor of keeping the commitments to Americans of all ages that have been the touchstone of Democratic policies for more than 60 years.

IN MEMORY OF MELISSA EMERY LANIER

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to pay tribute to the memory of Melissa Emery Lanier, a dear friend, community leader and constituent who passed away yesterday.

Melissa brought extraordinary warmth and grace to everyone and everything she touched. Known for the groups, individuals and causes she helped, she was active in numerous organizations as diverse as the College of Mount St. Joseph, the Caracole AIDS Hospice, the Fine Arts Fund, the Taft Museum, the American Negro Spiritual Festival, Hebrew Union College Academy for Interfaith Studies, the Babies Milk Fund Association, Xavier University, Stepping Stones Center for the Handicapped, the Council on Aging, and the May Festival.

She has been described as inclusive, perceptive, generous, effective, caring and gracious. And she was well known for seeking recognition for everyone but herself.

Melissa Lanier was a Cincinnati native. Her family has deep roots in our city and a strong tradition of community service. This is the legacy she continued.

She attended Bryn Mawr College, and earned her bachelor's and master's degrees from Xavier University in Cincinnati.

She was devoted to her loving family, and is survived by her husband, Addison, a daughter, Melissa Murphy, three sons, Addison II, John, and Mark, and eleven grandchildren. They have suffered a great loss. Indeed, all of us in the Greater Cincinnati area have suffered a loss with Melissa Lanier's passing, just as all of us benefited so from her rich and full life.

TRIBUTE TO PAM WOOLSEY, A WOMAN WITH A POET'S HEART

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. MCINNIS. Mr. Speaker, every so often I hear a story of a constituent that touches me and makes me proud to be a Representative of the people. Recently, I heard one such story: the story of Pam Woolsey.

Pam works at Kathryn Senor Elementary School in Glenwood Springs, CO in the cafeteria. She is known for her good food, especially her chicken noodle soup. But it is the lessons that she instills in the kids that is really impressive.

As a poet, Pam is very accomplished. She has authored dozens of poems and short stories. Recently, she entered an international poetry contest and ended up traveling to Washington, DC where she was a nominee for the 1999 Poet of Year. Only a month ago she was honored at the Capitol by the International Society of Poets. For her work she received several plaques, ribbons, and medals as one of 100 semi-finalists in a field of 1,000 entries from around the world. The accolades did not stop there. One of her poems was professionally recorded and published in a book of international poetry.

The more I inquired into this woman's amazing story, the more I hear of her taking the time to inspire children to accomplish more and live their dreams. That hard work and dedication will take you where ever you want to go. She is touching the lives of so many children and making a difference in her community.

It is with this, Mr. Speaker, that I say thank you to this woman on behalf of the people of western Colorado for her dedication to the future of our children. She realized that one person can make a difference and she has. I wish her all the best in attaining the dream of publishing her collection of poems and continued success and happiness in life.

DR. SYDNEY E. SALMON ACCESS TO CANCER CLINICAL TRIALS ACT

HON. MATT SALMON

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. SALMON. Mr. Speaker, I rise to pay tribute to Dr. Sydney Salmon, who passed away recently after a three year bout with pancreatic cancer. Dr. Salmon served as the Director of the Arizona Cancer Center at the University of Arizona from its founding in 1976 until last year. During that time, he built the Center into one of the pre-eminent research

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

facilities in the world and emerged as a national figure in cancer clinical research. A noted innovator and academic, Dr. Salmon invented numerous medical techniques that have had a major impact on biology, and he authored nearly 400 scholarly papers.

Although ailing with cancer, Dr. Salmon set aside time to educate me about a fatal flaw—literally—in our health care system that contributes to cancer's carnage. He informed me that our system discourages patients eligible for cancer clinical trials, the most effective type of care for many with cancer, from enrolling. I learned that if it were not for clinical trials, we wouldn't have the successful treatments that we enjoy today.

Dr. Salmon inspired me to develop the Access to Cancer Clinical Trials Act, which today I rename the "Dr. Sydney E. Salmon Access to Cancer Clinical Trials Act" in his memory. I am both proud and duty bound to honor a great man with this legislation. The act guarantees cancer patients access to any federally approved cancer clinical trial by requiring insurers to pay the routine patient costs—blood work, physician visits, etc.—that would be covered if the patient was in the standard treatment of care. The measure would not require health insurers to pay for the cost of new drugs, securing informed consent, collecting and managing data or complying with research-related paperwork. All of these costs would be paid by the sponsor of the clinical trial.

For many cancer patients, cancer clinical trials are not only the best option, they are the only option. If we increase participation in cancer clinical trials we increase the survival rate and provide hope for those afflicted with this horrible disease.

Unlike the managed care bill that recently passed the House, the Sydney Salmon Clinical Trials Act isn't limited to trials sponsored by government agencies, but also covers FDA trials. Coverage of FDA trials is a critical component of anti-cancer legislation. Two-thirds of trials are FDA-approved trials. Moreover, it is not enough to only cover trials conducted by government agencies when we know that many of the most important advances occur in private trials. The proper policy is to encourage participation in all trials that meet stringent guidelines, not just those sponsored by government agencies. I will urge the House-Senate Conference that ultimately develops the final managed care reform package to include language guaranteeing all cancer patients access to safe and federally approved clinical trials.

Participation in cancer clinical trials is dangerously low. Twenty percent of cancer patients are qualified candidates for clinical trials, yet only 3 percent participate in them. One of the major reasons for this disparity is the uncertainty regarding whether routine patient care costs will be covered by managed care companies.

The decline in enrollment in trials at the Arizona Cancer Center corresponds with the rise of managed care. In 1995, the Center enrolled 398 cancer patients in 169 different clinical trials. In 1998, the numbers dropped to 246 patients enrolled in 158 studies.

Managed care companies might be excused for their policy on cancer clinical trials if studies suggested that the cost of covering routine expenses were prohibitive and would increase the ranks of the uninsured. This is not the case. A Mayo Clinic study revealed that the costs of clinical trials averaged a trivial five percent more than standard therapy.

But not trivial are the costs of not permitting patients to enroll in clinical trials. Research is thwarted, the war on cancer is hindered and patients who have no other hope for treatment needlessly suffer. The advances in treatment that clinical trials develop—virtually all standard therapies evolved from clinical trials—ultimately reduce the cost of providing care by reducing treatment costs. As evidence of the effectiveness of clinical trials, consider that for most childhood cancers the survival rate is nearly 75 percent, in large part because 80 percent of children participate in clinical trials. Insurance companies seem to be suffering from an acute case of myopia when it comes to covering these state-of-the-art treatments.

As a conservative Republican, I've always been opposed to mandates. But the federal government has an obligation to support research and development. Unless Congress acts, and acts decisively, vital research opportunities will be lost. Some 40 major cancer groups support the approach taken in the Dr. Sydney E. Salmon Access to Cancer Clinical Trials Act. Congress should listen to the cancer community and ratify this approach.

LEASING RIGHTS FOR THE NAVAJO NATION

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. UDALL of New Mexico. Mr. Speaker, today I introduce legislation, which is being cosponsored by my colleagues J.D. HAYWORTH of Arizona and CHRIS CANNON of Utah, that provides for the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation. This legislation would correct a serious problem facing the Navajo people in Arizona, Utah and New Mexico—the issue of "fractionated lands."

From the late 1800's through the early 1900's, the Federal Government attempted to force Indian people to assimilate by allocating parcels of traditional tribal lands to individual tribal members. This practice resulted in alternating parcels of lands being owned by individual tribal members, the state, the federal government, or other private landowners. Navajo owners were granted an undivided interest of their entire allotment as were their heirs. An undivided interest meant that the heirs received an interest in the entire original allotment rather than a portion of the original land. For example, if four heirs were to receive equal interest to a 160 acre parcel, each heir would recieve a 25 percent interest in the entire original allotment—not 40 acres. Over time the number of owners with an interest in an allotment is compounded or fractionated.

This unique system has not served the Navajo people well. After nearly a century, this allotment policy has become a nightmare for the Navajo people. Keeping records straight has become an impossible task. In many cases, owners can no longer be located while some individuals are completely unaware that they are heirs to an interest in a parcel. Many times, title to a parcel is clouded when just one owner dies without a legal will.

Over the years, Congress has tried to deal with fractionated lands and other issues governing Indian land ownership without success. These issues are complex and will not fully resolved overnight. In the mean time, I believe it is appropriate to consider a stop-gap measure aimed at stimulating near-term economic development on fractionated Navajo lands. The bill I am introducing today will facilitate the leasing of Navajo allotted land for oil and gas development by authorizing the Secretary of the Interior to approve oil and gas leases on Navajo allotted lands when less then 100 percent of the owners agree to such lease—a mechanism that is already available to non-Indians in most states.

Mr. Speaker, this is a companion bill to a bill that has already been introduced in the other chamber on July 1, 1999, by Senator BINGAMAN of New Mexico and co-sponsored by Senators HATCH and BENNETT of Utah, and Senator MCCAIN of Arizona.

IN HONOR OF THE WOODBRIDGE-PERTH AMBOY ROTARY CLUB ON ITS 75TH ANNIVERSARY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize the Woodbridge-Perth Amboy Rotary Club for seventy-five years of dedication and service to the community.

With more than 2,500 local clubs in 174 countries, Rotary International's membership surpasses 1.2 million members, and the organization is world renowned for its efforts in serving the needs of its communities. Made up of men and women with diverse professional backgrounds, the Rotary Club was created so that its members could come together to donate their time and talent to benefit the communities in which they live and work.

The Woodbridge-Perth Amboy Rotary Club joined in this honorable cause in 1923 with the efforts of 17 members. Over the years, this club has distinguished itself through a strong tradition of member participation and active involvement in worthy community activities, focusing on humanitarian efforts and youth issues.

From remodeling homes that provide low-income housing and pledging funds that benefit senior residents, to working with the World Health Organization to eradicate illnesses such as polio in impoverished nations and providing relief for earthquake victims in Europe, members of the Woodbridge-Perth Amboy Rotary Club have remained committed not only to the people of the 13th Congressional District of New Jersey, but have extended their compassion throughout the world.

The Rotarians also have an unwavering commitment to improving their communities by concentrating on youth programs. Since the Club's inception, it has supported programs such as Scouting, elementary school mentoring, high school career day, and children's concerts. Each year, the Woodbridge-Perth Amboy chapter sponsors and hosts an educational and cultural student exchange and encourages students to pursue education by funding student loans.

The Woodbridge-Perth Amboy chapter has been a leader and a model for other Rotary clubs in addressing local and worldwide social concerns. For its members' tireless efforts in living up to the Rotary motto "Service above Self" in the Woodbridge-Perth Amboy communities, I ask my colleagues to join me in honoring the Woodbridge-Perth Amboy Rotary Club on this occasion, its 75th anniversary.

RICKY RAY HEMOPHILIA RELIEF FUND

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. BARCIA. Mr. Speaker, I rise today to bring to the attention of my colleagues an issue that we have let fall through the cracks and as a result have further devastated an innocent group of people. In the 105th Congress this body passed the Ricky Ray Hemophilia Relief Fund Act by an overwhelming margin. The Ricky Ray Hemophilia Relief Fund provides a one time payment of $100,000 as compensation to individuals with blood-clotting disorders, such as hemophilia, who contracted the Human Immunodeficiency Virus (HIV) through contaminated blood products. To date not a single dollar has been allocated to fund the Ricky Ray Hemophilia Relief Fund Act.

Despite assurances from the government that these blood products were safe, nearly 7,500 hemophiliacs were infected during the 1980's. These tainted blood products being given to innocent people have resulted in the destruction of many families. Children grow up without a parent, husbands are left without their wives, and in the case of one of my constituents, a mother loses her son and her husband, and must endure the further pain of watching her daughter suffer from the same horrible disease. Human life is too precious not to recognize this devastating tragedy. One life lost is one life too many.

When other disasters arise, floods, hurricanes, earthquakes, we are quick to offer assistance. This body has been committed to helping people get back on their feet after they have experienced adversity. One hundred thousand dollars do not even begin to address the costs that individuals who must live with this disease face. One hundred thousand dollars do not justly compensate a family who has lost a loved one. But what the Ricky Ray Hemophilia Relief Fund will do is help pay for the astronomical expenses associated with the prescription drugs needed to treat this disease. It will help family members who are left behind pay for funeral expenses. It will help children who are left behind to plan for future education.

Members of the hemophilia community have been neglected by the government. I realize this bill allocates $20 million for the Ricky Ray Hemophilia Relief Fund, but that is not nearly enough to fulfill our promises. I rise today to ask this House for a one time appropriation of $750 million so that we may begin to address the suffering endured by 7,500 members of the hemophilia community. As was so eloquently expressed to me by my constituent, "there is no amount of money that can bring my loved ones back, but perhaps the Ricky Ray Hemophilia Relief Fund Act will bring some closure to this chapter of my life and restore my faith in the belief that the little people do matter."

HONORING EDYTH AND CARL LINDNER ON THE OCCASION OF THE TEN YEAR ANNIVERSARY OF CINICINNATI HILLS CHRISTIAN ACADEMY

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to honor my distinguished constituents, Edyth and Carl Lindner, who will be recognized at a gala dinner and pageant on Saturday, October 30, 1999 for their many contributions to the prestigious Cincinnati Hills Christian Academy (CHCA) located in Mason, Ohio.

CHCA is one of the fastest-growing schools in the country and has earned a reputation for excellent academics, competitive sports and extracurricular activities. In 1997, I had the privilege of presenting the U.S. Department of Education's Blue Ribbon School Award to CHCA Elementary. CHCA's goal is to nurture and support each student toward individual growth. The school embraces students parents and faculty within the care of a Christian community.

Mr. and Mrs. Lindner are among Cincinnati's most prominent and generous citizens, and they have been strong supporters of CHCA since its inception 10 years ago. Their devotion to the school is evidenced by the Edyth B. Lindner Elementary School and the Lindner Fine Arts Center.

In addition to raising a family that now consists of three sons, three daughters-in-law and eleven grandchildren, the Lindners give countless hours to many charitable causes in our community. Through her work on the highly successful fundraiser, the Greater Cincinnati Classic Horse Show, Edyth has assured significant contributions to the Shriners' Burn Institute and has built the endowed scholarship fund at CHCA to one million dollars.

The fact that the Lindner family calls Cincinnati "home" is a true blessing to our entire community. Edyth and Carl Lindner continue to make Cincinnati a better place for our children and we owe them much gratitude. I congratulate them on this well-deserved honor.

IN HONOR OF CLARENCE KAILIN AND THE WISCONSIN VOLUNTEERS OF THE ABRAHAM LINCOLN BRIGADE ON THE DEDICATION OF THEIR MEMORIAL IN JAMES MADISON PARK, MADISON, WISCONSIN

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Ms. BALDWIN. Mr. Speaker, I rise to honor Mr. Clarence Kailin of Madison, and the brave men and women who volunteered to serve in the Abraham Lincoln Brigade during the Spanish Civil War, especially those courageous volunteers from my home state of Wisconsin.

They, along with 45,000 volunteers from over 50 different countries, fought side by side during the early struggle against fascism. Their foresight in recognizing the rising tyranny of fascism was a call to arms that went unheeded by the free world, and resulted in the long and bloody conflict that became World War II.

Mr. Speaker, I want to express my gratitude to these men and women who helped to defend the democratic Spanish Republic from fascist aggression, at a time when the fate of democracy in Europe was being threatened by all sides of the political spectrum.

On October 31st, in James Madison Park, in the state capitol of Wisconsin, a memorial will be dedicated to those sons and daughters of the "Badger State" that joined the Abraham Lincoln Brigade. A volunteer unit comprised of American citizens from all ethnic and religious backgrounds and walks of life, were all equal in their resolve to stem the tide of fascism. Our country's reluctance to aid the Spanish Republican government did not deter these brave people who understood what the consequences were if a legitimately elected government were to fall.

Mr. Speaker, for the first time in our country's long history of isolationism, United State's citizens were reacting to threats to liberty and freedom on the international level more passionately than ever before. Mr. Kailin was one of those citizens, had it not been for him and other brave volunteers in the Lincoln Brigade, the tide of fascism would have swept over Europe unchecked. The corps of international volunteers who came together in Spain would be the same volunteers to comprise the victorious armies of the allied forces that triumphed over the fascists dictators Adolf Hitler and Benito Mussolini.

Mr. Speaker, I ask you and my colleagues to honor these dedicated men and women in the same rightful fashion as my state. The strength of character of Clarence Kailin and others from Wisconsin who volunteered in the Abraham Lincoln Brigade are the qualities which we all can take pride in and celebrate in this Congress.

IN RECOGNITION OF MR. PERCY JULIEN FOR 36 OUTSTANDING YEARS OF SERVICE TO THE OAKLAND UNIFIED SCHOOL DISTRICT

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Ms. LEE. Mr. Speaker, I rise today in honor of Mr. Percy Julien, a resident of the Ninth Congressional District. After 36 years of distinguished service with the Oakland Unified School District, Mr. Julien is retiring.

For the past 11 years, Mr. Julien has served as the Director of the Oakland Unified School District's Office of Adult Education. As Director of Adult Education, he was responsible for over 26,000 students per year and a budget of approximately $10 million. Mr. Julien had jurisdiction over 5 administrative sites and 140 satellite sites throughout the city of Oakland. His agency was responsible for the educational development of persons ranging from young adults to senior citizens. His most recent accomplishment was the creation, development and building of the Oakland Adult Education and Technology Center, which hosted its grand opening in April of this year. This facility includes a state-of-the-art computer center, and houses many other vocational classes which help students prepare for their future.

Throughout his brilliant career, Mr. Julien has served the Oakland Unified School District in many capacities. These roles have included teacher, counselor, work experience coordinator, leader in the career opportunities program, vice principal, principal, and lastly an administrator. In addition, he was the first elementary school counselor in the Oakland Schools.

Mr. Julien has been recognized and received countless awards from organizations across the State of California. These awards include the Oakland Alliance of Black Educators—the Personal Achievement Award; St. Columba's Church—the Ujima Award for Community Service; and the Baha'i—Annual Human Rights Award.

As an active member of his community, Mr. Julien has served on various boards and committees throughout the city including the Mercy Retirement and Care Center Board of Education; State of California Adult Education Master Plan Strategies Committee; and the St. Paschal Baylon's Board of Education.

The City of Oakland and its surrounding environs owe a great deal of appreciation and gratitude to Mr. Julien for his 36 years of committed service to education. It is for this reason that I take great pride and honor in saluting this education hero and thanking him for his many years of commitment to educating Oakland's students.

TRIBUTE TO KATIE BUFFHAM

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. MCINNIS. Mr. Speaker, it is with great pleasure that I take this time to honor a woman who has given her time in order to make the community of Maybell, Colorado a better place. For 24 years, Katie Buffham has worked tirelessly as the librarian of the Maybell Public Library.

Katie's story begins in Sterling, CO where she was born, in 1916. Not long after that her family loaded up their Model T, a wagon and saddle horse and headed off for Three Springs, CO. Several years later she and her husband decided to raise their family in Maybell, CO. It was there that this story of a woman's dedication to the community takes shape.

In 1975, the Maybell Public Library was moved from the inside of a bank to a trailer where, shortly after, it was scheduled for closure. Katie Buffham, upon hearing this, took on the amazing responsibility of keeping the library up and running. She did exactly that and more. Just 1 month after she took it over there were 72 people visits to the library. For nearly 22 years she worked tirelessly, all the while earning nothing. Her days were spent going from the farm to the library and back taking advantage of every hour.

Today the library is a modular school house which was brought in from another city. It has modern conveniences and a few employees. They have become interactive with other cities and technologically efficient.

For years Katie Buffham has had the dream of making her community a better place. Thankfully, she fulfilled this dream. The area would have suffered greatly without this institution. So, it is with this Mr. Speaker, that I say thank you to Katie Buffham for her dedication and hard work. She is a great American and I wish her all the best in her well deserved retirement.

MOTHER PEARLIE MAE BROWN

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. HOYER. Mr. Speaker, I rise today to recognize the extraordinary service of Mother Pearlie Mae Brown, a woman of strong devotion and commitment to her community and our Nation. Pearlie Mae Brown is currently the First Lady of the Greater Bible Way Church in Prince Frederick, Maryland, where she is the most active and most cherished member of its congregation. Her talents have her serving as President of the Field Missionary Board, the New Members Club, as advisor to the all Women's Auxiliaries and President of the newly formed Evangelistic Board.

Her tireless energy and determination in bringing the word of God to all have also taken beyond the boundaries of her own community to the National level where she was the President of the Clergy Wives and Widows for 19 years and currently the President of the International Women's Council. She is also the First Lady of the Maryland-Washington Metropolitan Diocese, the Vice Chair of the Board of the Interdenominational Council of Ministers' Wives and Ministers' Widows of Washington, D.C. and Vicinity and is also involved in the numerous other comprehensive programs throughout the region.

While Pearlie Mae Brown takes part in all of these wonderful service organizations, she takes the most pride in being the First Lady of the Greater Bible Way Church in Prince Frederick and the proud wife of First Vice President Bishop Joseph N. Brown, D.D. Together they have four children and five grandchildren who are all an integral part of their life. It is through the strength of her family that she gains the true inspiration to carry on her mission to serve God and her community.

We recognize all of these many achievements on the eve of the 40th Annual Women's Convention being hosted by the Greater Bible Way Church under the direction of Pearlie Mae from November 10th through November 12th in Prince Frederick, Maryland. This convention, which is held in Prince Frederick every ten years, celebrates women's participation in religious affairs and explores the "total man and women—body, spirit, and soul. This year's convention is expected to include around 800 participants from throughout the Nation in addition to people from Trinidad, England, Africa, and Jamaica.

Pearlie Mae's life has been punctuated with zeal and enthusiasm, commitment and servitude, honor and distinction. She is an example for all to follow and the people of communities far and wide have benefitted from her determination, tremendous dedication and hard work. As she embarks on the 40th annual Women's Convention may she have strength in accomplishing her mission and satisfaction in knowing she has touched the lives of thousands.

HONORING MARTHA AND CARL LINDNER III ON THE OCCASION OF THE TEN YEAR ANNIVERSARY OF CINCINNATI HILLS CHRISTIAN ACADEMY

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to honor Martha and Carl Lindner III, friends and constituents who will be recognized at a gala dinner and pageant on Saturday, October 30, 1999 for their leadership as one of the founding families of the prestigious Cincinnati Hills Christian Academy (CHCA) located in Mason, Ohio.

CHCA is one of the fastest-growing schools in the country, and has earned a reputation for excellent academics, competitive sports and extracurricular activities. In 1997, I had the privilege of presenting the U.S. Department of Education's Blue Ribbon School Award to CHCA Elementary. CHCA's goal is to nurture and support each student toward individual growth. The school embraces students, parents and faculty within the care of a Christian community.

Martha and Carl's involvement with CHCA began twelve years ago when they worked to develop a vision for the school, and their deep commitment to CHCA has never wavered.

Carl was instrumental in developing the curriculum, particularly in the area of Biblical Integration. He established the Carl H. Lindner III

Chair of Biblical Studies in 1993, which brings a speaker to the school each year for Spiritual Life Emphasis Week. He was a member of the founding Board of Trustees and Education Committee.

Martha has participated in and led Bible studies at CHCA, served on the Visioning Committee, helped develop plans for the tennis complex and been very involved in numerous PTF and classroom activities. In addition to all this, Martha and Carl are enthusiastic supporters of the activities of their four children—all of whom attended CHCA.

Martha and Carl Lindner are committed community leaders, and I congratulate them on this much deserved honor.

TELEMARKETING VICTIMS PROTECTION ACT OF 1999

HON. MATT SALMON

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. SALMON. Mr. Speaker, I rise to introduce the Telemarketing Victims Protection Act of 1999. The bill directs the Federal Trade Commission (FTC) to promulgate rules and regulations which require telemarketing firms to notify consumers that they are eligible to be placed on national and state do-not-call lists. If a consumer elects not to be called, the telemarketing firm must report that request to the appropriate state or national authority. Additionally, the legislation prohibits telemarketing firms from blocking the identity of their phone number in order to evade caller ID devices. Furthermore, it requires telemarketing firms to obtain (and reconcile with their own lists) the appropriate do-not-call list. It also amends the time of day telemarketers are allowed to call consumers. Under current law, telemarketers are prohibited from calling consumers before 8 a.m. or after 9 p.m. My bill would amend current law to prohibit pesky telemarketers from disturbing families during dinner hours. And finally, it requires the FTC to study appropriate penalties for telemarketers who repeatedly violate the law. My legislation does not affect organizations already exempt from current law.

As you know, Congress has spent the last decade trying to help consumers cope with an industry that is out of control. Despite Congress' efforts, great advances in technology have enabled bad telemarketers to continue to flourish. According to numerous sources, it is estimated that consumers lose $40 billion a year to fraudulent telemarketers. As telemarketing operations become more sophisticated, so must our laws governing the industry.

In my home state of Arizona, many consumers—especially seniors—fall prey to fraudulent telemarketers. The Federal Bureau of Investigations (FBI) estimates that Arizonans have lost roughly $100 million to fraud during the last five years. And, according to the Arizona Republic and Daniel Drake, Executive Assistant U.S. Attorney, victims from Arizona are lucky if they recover five percent of what they lose. According to FBI Special Agent Jim Whalen, "Arizona continues to be a high target area for illegal telemarketers due to the State's significant number of elderly residents." Agent Whalen recently reported to the Arizona Republic that the average Arizonan loses $20,000 to $100,000, including one man who lost roughly $1.8 million. In another extreme case, the Arizona Republic reported that one family lost $2 million of its inheritance to fraudulent investment scams. And, Mr. Drake reported that the last three cases his agency prosecuted involved scams of $17 million.

Many other states besides Arizona are beginning to recognize the problem. Georgia, Indiana, Maryland, and Pennsylvania (to name a few) have or are considering legislation to set up a do-not-call list. The Direct Marketing Association (DMA) currently maintains a national do-not-call list for the industry. But, too often, fraudulent and pernicious telemarketers target the most vulnerable who are unaware of their right to be placed on these lists. Currently, telemarketing companies are not required to subscribe to the DMA's list and simply putting your name on the list does not guarantee that you won't be called. Besides, most consumers are not even aware of their current rights dealing with professional telemarketers.

Telemarketing fraud seems to be alive and well. That is why I believe that my legislation, particularly the consumer information section, is desperately needed. The FTC has repeatedly reported that the elderly are disproportionately represented among victims of telemarketing fraud. And, a survey by the American Association of Retired Persons (AARP) found that seniors, on the whole, were less familiar with their consumer rights than younger people, and they were less suspecting of deceptive sales practices. For consumers who know their rights and ask to be placed on a do-not-call list, it usually takes three months before their request is honored—if at all.

The issue is neither partisan nor political. Leaders on all sides of the political spectrum have joined in the fight to help protect consumers against telemarketing fraud. In his national radio address of April 17, 1999 President Clinton declared war on telemarketing fraud. He said that "we must fight telemarketing fraud that robs people of their life savings and endangers their well-being. Every single year illegal telemarketing operations bilk the American people out of an estimated $40 billion. More than half of the victims are over 50. That's like a fraud tax aimed directly at senior citizens." And, in a speech declaring the first week of May in Texas as Telemarketing Fraud Prevention Awareness Week, Governor George W. Bush said, "Armed with the right information, elderly Texans can take steps to avoid becoming a victim of telemarketing fraud."

I urge my colleagues to join me in the fight against telemarketing fraud.

HONORING RUTH HARTWICK ON THE OCCASION OF HER RECEIVING THE WALTER P. REUTHER DISTINGUISHED SERVICE AWARD

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. STUPAK. Mr. Speaker, let me say from the outset that the woman whose community service I wish to recognize here today, Ruth Hartwick of Boyne City, Michigan, understands as well as anyone I know the right and need for workers to organize into unions.

It is Ruth's commitment to that cause that is earning her the Walter P. Reuther Distinguished Service Award, and I rise to pay tribute to her today.

Ruth has served on the organizing committee for UAW Local Union 1403, and she has put in more than 20 years of service to the United Auto Workers.

Ruth was on the bargaining committee and later served as chairperson. She has held the position to president and steward. She has been active with the retirees and was their financial secretary.

Ruth served on the Pension Committee and helped several people with workers compensation problems. She was active on the Community Services Committee and she served on the Local United Way Board. Her union work and her community involvement have earned her the respect of her peers and associates throughout northwestern Lower Michigan.

There are many volunteers who understand the gift of giving and sharing and helping is truly its own reward. I sometimes think, Mr. Speaker, that my northern Michigan congressional district is richer than most in having so many volunteers, people who step up to meet needs and challenges with services not provided by government agencies or chartered organizations.

Among these, I must acknowledge Ruth Hartwick with special affection. She has helped me in many ways since I first ran for this House seat, and I value her close personal friendship and her dedication to organized labor.

I can't think of anyone more deserving of the Walter P. Reuther Distinguished Service Award.

A TRIBUTE TO THE HONORABLE THOMAS R. LOCK

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. BARCIA. Mr. Speaker, I rise today to congratulate a good friend, Mr. Tom Lock of my home town of Bay City, Michigan on the occasion of his retirement from the Bay City Commission. In terms of Tom's civic contributions to our community, I can unequivocally state that there are very few individuals who have had such an impact on the quality of life for residents of Bay City. And in terms of friendship, I can say that Tom is much loved in our community because, quite simply, he is a friend that can be counted on at all times.

Tom's entire life has been devoted to public service, even as a student at Bay City Central High School, where in his spare time he managed the Essexville/Hampton Little League team. After graduation in 1961, he joined the United States Navy, and in 1964, he married Ms. Lois Carol Genow. The Locks went on to have a wonderful family, and on July 18th of this year, they celebrated their 35th anniversary.

Tom's distinguished service in the Navy can be seen as a blueprint for his many civic accomplishments. He received numerous citations and awards during the six years he served for our country. Among these are the Good Conduct Award, the National Defense Ribbon, the Certification of Accommodation for service in the Arctic Circle, Certification of Accommodation for work with Cuban Refugees. He was also recognized as Sailor of the Month, Service Force of the Atlantic Fleet.

Following his discharge Tom returned to our home town to begin his many years of public service by becoming involved in several different area schools. For four years he was P.T.A. President at MacGregor Elementary School. He was instrumental in helping Central High School resolve their millage, and later he served on the Bay City Public School Housing and Boundaries Committee. From all of his activities during this period, one can see Tom's deep commitment to the youth of Bay County.

Tom's commitment to the less fortunate among us can be seen in his involvement with social service organizations in the area. He served on the Board of Directors of the Bay Area Social Intervention Services, and on the Bay County Substance Abuse Advisory Committee. Representing Bay County, he served on the Saginaw/Bay Substance Abuse Services Commission.

Tom continued his service to our community through local government. He served on the Bay City Planning Commission from 1985 to 1993, and for several years he was the Chairperson of the Commission. He resigned in 1993 to take a seat on the Bay City Commission. Tom served three terms, and as a symbol of the esteem his colleagues had for him, he was elected President twice.

Tom's service as Fourth Ward Commissioner is noteworthy for his many accomplishments. In short, Tom changed the dynamics of our city through his demonstrated philosophy of individual duty for the greater benefit of the community. Tom was responsible for a great many changes, but time allows me to only list but a few. Using his influence with his colleagues, Tom helped pass a resolution allowing the Bay City staff and elected officials the opportunity of attending a team building training meeting. He sponsored a resolution which allowed the city charter to be placed on the ballot in order that it be revised and modernized. He was heavily involved in the middlegrounds landfill clean-up, and the eastside riverfront clean-up. Privately, he was responsible for a fund-raising effort to modernize the Bay City Fire Department, by purchasing equipment which makes it easier to find individuals during a fire.

As you can see, Mr. Speaker, Tom's contributions to our community are many and are not limited to only one sphere of accomplishment. Tom volunteered for the Navy because he wanted to serve our country. He was involved in our schools because of his concern for our children. Tom was involved in city government because he wanted to make our home, Bay City, a place to be proud of. And, Mr. Speaker, I can say with all confidence that the residents of Bay City are proud and grateful to Tom.

It is my understanding, Mr. Speaker, that in Tom's retirement he intends to spend much time with his wife, Lois, and their three children—Marcie, and her husband Bernie LaBerge and their three children Jessica, Brandon, and Danielle; Cindy-Sue Hernden and her two children Alyssa and Ryan; and Tammi-Rae, and her husband Tom Stein and their child Brittney. It is also my understanding that he will continue his long list of public service by serving on the Board of the Boys and Girls Clubs of Bay County.

Mr. Speaker, I invite you and our colleagues to join me today in honoring Mr. Tom Lock for his many contributions to our community. He truly is an example of exemplary civic duty, and as such, serves as a model to all of those in our country who desire to help others in their communities. Please join me in congratulating Tom, and in wishing him many productive years with his family and his many activities in our community.

TRIBUTE TO AL AND EILEEN FLORES

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. MILLER of California. Mr. Speaker, I rise today to honor two exemplary citizens in my district who will celebrate their 40th wedding anniversary on October 31.

Al and Eileen Flores have shared many years and experiences as they traveled around the world and throughout our nation. Since meeting in England in 1958, Mr. and Mrs. Flores have demonstrated their patriotism by their connection to our armed forces, their refreshing commitment to family values as they raised six daughters, and a continuous and active participation in grassroots community organizations. Mr. and Mrs. Flores have fourteen grandchildren, and when asked who his hero is Mr. Flores answers, "My wife Eileen."

Not only do Mr. and Mrs. Flores embody the endless potential available to each American citizen, but also the wondrous result of a happy and fruitful life. Forty years of marriage is an accomplishment worthy of our respect and honor. Al and Eileen Flores, thank you for your example to our community, and happy 40th anniversary.

IN HONOR OF REV. RALPH A. BODZIONY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Rev. Ralph A. Bodziony for his contributions to Saint John Cantius of Cleveland, Ohio. Father Ralph has spent thirty years at St. John Cantius and is retiring after forty years of priesthood. His family and friends will honor his years of service with a celebration on November 28, 1999.

In his thirty years of service to St. John Cantius, Father Ralph has gone to great lengths to help the parish grow and revitalize. Years ago, when it was not economically feasible to maintain the parish's old convent, Father Ralph helped turn it into The Malt Talbot Inn, an alcoholic rehabilitation center and halfway house. He also was heavily involved in the old elementary school being used for the Positive Education Program. In 1984, under Father Ralph, the parish held its first Polish Heritage Festival. It proved to be a very popular event and is now an annual celebration for parishioners and friends from all over to come and enjoy themselves.

Father Ralph has also led the church to a major facelift recently. In 1992, a beautiful Gothic altar was installed in the sanctuary; in 1994, the church organ was refurbished; and in 1997, the church was painted in anticipation of the one hundredth anniversary. St. John Cantius has come a long way in its one hundred years and, through projects like these, Father Ralph has been able to revitalize the parish alongside the redevelopment of the Tremont area.

St. John Cantius, through the leadership of pastors such as Father Ralph, has served the community for one hundred years. The parishioners, who value their ethnicity and beliefs, have developed new traditions while passing on their Polish ancestry to each new generation in the parish. Father Ralph's leadership and commitment to the parish has helped contribute to its rich and colorful history.

Mr. Speaker, please join me in honoring the beloved Rev. Ralph Bodziony for his dedication to the church and his extraordinary works in the Tremont area. His life and efforts towards a better community have inspired us all.

HONORING JOAN AND RAY CONN ON THE OCCASION OF THE TEN YEAR ANNIVERSARY OF CINCINNATI HILLS CHRISTIAN ACADEMY

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to honor my constituents, Joan and Ray Conn, who will be recognized at a gala dinner and pageant on Saturday, October 30, 1999 for their leadership as one of the founding families of the prestigious Cincinnati Hills Christian Academy (CHCA) located in Mason, Ohio.

CHCA is one of the fastest-growing schools in the country and has earned a reputation for excellent academics, competitive sports and extracurricular activities. In 1997, I had the privilege of presenting the U.S. Department of Education's Blue Ribbon School Award to CHCA Elementary. CHCA's goal is to nurture and support each student toward individual growth. The school embraces students, parents and faculty within the care of a Christian community.

Joan and Ray Conn worked together on many important initiatives for CHCA, including helping to form the vision for the school and spearheading fund raising efforts. They have three children, all of whom have attended CHCA.

Ray was a member of the founding Board of Trustees and provided strong leadership in the school's early years by drafting CHCA's constitution, serving as chair for the first Education Committee and working on the Advancement Committee.

Joan chaired the school's first silent auction, was enrollment chair for the Advancement Committee and served as a consultant on interior design decisions for all three CHCA buildings. Before the school opened, Joan came up with the idea to hold home parties to spread the word about CHCA and helped to interview prospective faculty. She has been very involved with the tennis program and the Joan Davis Conn Tennis Complex was dedicated last Spring.

Joan and Ray Conn are to be commended for their tireless devotion to the community as a whole and for the important role they played in making the dream of Cincinnati Hills Christian Academy a reality.

THE EMPLOYMENT SECURITY ADMINISTRATIVE FINANCING ACT OF 1999

HON. JIM McCRERY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. MCCRERY. Mr. Speaker, I rise today, on behalf of myself and Representatives BOEHNER, SHAW, HERGER, BAKER, RAMSTAD, SUNUNU, BACHUS, LATOURETTE, OXLEY, COLLINS, PORTMAN, WATKINS, HAYWORTH, MCINNIS, LEWIS, PRYCE, TRAFICANT, SESSIONS, CHAMBLISS, DICKEY, CUBIN, and HANSEN, to introduce the Employment Security Administrative Financing Act of 1999.

As you know, the employment security system, established as a federal-state partnership more than 60 years ago, is the system employers use to provide unemployment insurance and a public labor exchange for workers. Since its inception, major structural changes to our country's economy have taken place as a result of rapid technological advances and the growth of globalized trade and investment. Adjusting to meet the demands of our changing economy, our nation's labor market has fundamentally changed as well. Therefore, the employment security system should be reformed to meet the demands of the changing labor market and to ensure that states are able to provide the services necessary for employment and re-employment services aimed at matching employers and qualified job-seekers.

Mr. Speaker, a major focus of reform should be to improve the efficiency of the current administrative financing mechanism and to reduce the tax burden imposed on employers. Administration of the employment security system is financed by employers through the Federal Unemployment Tax Act (FUTA) payroll tax. Currently collected by the IRS, FUTA revenue is returned to the states through an annual appropriation allocated by the Department of Labor. Unfortunately, states aren't receiving a proportionate return on the FUTA dollars contributed by their employers. Since 1990, less than 59 cents of every FUTA dollar has been sent back to the states for the purpose of administering their unemployment system, and the percentage is shrinking. Now less than 52 cents is returned. As a result, states are being forced to either make up for the shortfall from their own general funds, impose new payroll taxes, or cut back on services provided to workers.

Mr. Speaker, the Employment Security Administrative Financing Act is designed to address the problems that the current system continues to impose on the states and the FUTA taxpayers, while preserving and strengthening protections for workers. Specifically, the bill would: reduce the tax burden on large and small businesses by repealing the unnecessary, "temporary" 0.2% FUTA surtax imposed in the 1970's; eliminate inefficiencies experienced by employers by transferring responsibility for collection of the FUTA tax to the states; strengthen administration of the system by ensuring that states get a greater return on their employers' FUTA tax dollars and ensure greater accountability for the use of these funds; improve employment services with an emphasis on re-employing dislocated workers; combat fraud and abuse in the present system; and, increase state flexibility to administer their unemployment insurance and employment services programs to serve local needs.

Mr. Speaker, without these reforms, the current system will continue to overtax and overburden employers, shortchange states, and, most importantly, underserve those who need it most—the involuntarily unemployed and those striving to move up the career ladder.

Mr. Speaker, this is an important issue that Congress should consider. I look forward to working with others to bring about these much-needed, common sense reforms to the current system that will bring our employment security system into the 21st Century.

AMERICA NEEDS A PERMANENT AGRICULTURE TRADE REPRESENTATIVE

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. WATKINS. Mr. Speaker, today I am proudly introducing legislation to establish a permanent position of Chief Agricultural Negotiator within the Office of the United States Trade Representative (USTR). I do so with my colleagues, the gentleman from Missouri, Mr. HULSHOF, and the gentleman from Idaho, Mr. SIMPSON.

Since 1997, this position has been designated as "Special Trade Ambassador for Agriculture." Our legislation will create a permanent office at USTR to negotiate on behalf of America's farmers, ranchers and other agricultural interests. Unfortunately, the news from rural America is not good. Farm families are tired and frustrated with the level of attention that has been paid to their livelihood by our government. Additionally, global economic recessions have led to decreased exports by our producers, thus leaving them with a negative impression of what international trade has done for them.

American agriculture is at a crossroads and if we continue to ignore it, farm life as we know it will become extinct. The best way for America to sustain our agricultural backbone is by opening and accessing a new global marketplace. That marketplace can best be reached if we have someone in a permanent role, who has an agricultural background, working on behalf of our farmers and ranchers.

Finally, in one month representatives from all of the world's trading partners will attend the World Trade Organization Ministerial in Seattle to designate the parameters for the upcoming round of global trade talks and negotiations. Many people, including a large portion of the Congress, believe agriculture should be the number one priority for our negotiating team. However, as we host the trade world here in the United States, we do not have a permanent, designated negotiator for agricultural interests.

I urge all of my colleagues to lend their support to this legislation by cosponsoring this important and timely legislation.

SENATE—*Friday, October 29, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

O God, we need You. The Senate schedule is full of debate, deliberations, and decisions. There are votes to cast, and inevitably the Senators and their staffs will deal with winning and losing. Lord of the loose ends, grant us Your strength. May we do all we can for everyone we can. Help us to keep our relationships in good working order, oiled with the lubricants of mutual esteem and trust. Particularly we ask You to bless the working relationship between the parties. Thank You for enabling negotiation without negativism, compromise without contradiction of truth. Keep the Senators calm as they trust You and relaxed as You replenish their reserves. You have promised never to leave nor forsake us. We are grateful for the assurance of Your presence, dependable at all times, available whatever our needs, bracing when we need correction, and inspiring when we need courage. So Lord, lead on as we press on. In Your all powerful name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE DEWINE, a Senator from the State of Ohio, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. DEWINE). The acting majority leader is recognized.

SCHEDULE

Mr. CAMPBELL. Mr. President, this morning the Senate will begin 30 minutes of debate on H.R. 434, the African-CBI trade bill. By previous consent, the Senate will proceed to a cloture vote on the Roth substitute amendment at 10 a.m.

ORDER TO FILE SECOND-DEGREE AMENDMENTS

Under the provisions of rule XXII, I now ask unanimous consent that Senators have until 10 a.m. today in order to file second-degree amendments to the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, following the vote, the Senate will continue consideration of the African trade bill or any other legislative or executive business. The Senate may also begin consideration of the conference report to accompany the D.C./Labor-HHS bill during today's session.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

AFRICAN GROWTH AND OPPORTUNITY ACT

The PRESIDING OFFICER. Also under the previous order, the Senate will now resume consideration of H.R. 434, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 434) to authorize a new trade and investment policy for sub-Saharan Africa.

Pending:

Lott (for Roth/Moynihan) amendment No. 2325, in the nature of a substitute.

Lott amendment No. 2332 (to amendment No. 2325), of a perfecting nature.

Lott amendment No. 2333 (to amendment No. 2332), of a perfecting nature.

Lott motion to commit with instructions (to amendment No. 2333), of a perfecting nature.

Lott amendment No. 2334 (to the instructions of the motion to commit), of a perfecting nature.

Lott (for Ashcroft) amendment No. 2340 (to amendment No. 2334), to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative.

The PRESIDING OFFICER. There will now be 30 minutes of debate equally divided between the two leaders.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I might ask my colleague to yield 5 minutes.

Mr. HOLLINGS. I yield 5 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator is recognized.

Mr. WELLSTONE. I thank the Chair and I thank my colleague from South Carolina. I thank him for all his fine work in this Chamber.

Mr. President, I want to divide my remarks in 5 minutes and deliver them in two parts. In the first part, I will talk about the African-Caribbean trade bill. I want to repeat two points I made during the course of this debate. There are some very good Senators who in very good conscience can have different viewpoints on this legislation.

For my own part, the first point I will make is that I actually do not believe this is about whether or not we as a nation are in an international economy; we are. And I don't think it is about whether or not we are actively involved in trade; we are. It is more about the terms of the trade. I do believe it is a flaw, a fundamental flaw, of this legislation that, again, we have trade legislation that does not have any enforceable labor protections or enforceable environmental protections. At the very minimum, it would seem to me we have to get serious about having clear language in these agreements which gives people the right in countries with which we are trading to be able to organize and bargain collectively for themselves and their families. The same thing can be said for the environment, the same thing can be said for child labor, and the same thing can be said for human rights as a part of these labor agreements.

I think basically what this African and Caribbean trade agreement says is two things. It says to workers, to wage earners in our country: If you should decide you want to organize to be able to bargain collectively and get a better wage and better working conditions for yourself so you can do better for your family, then just understand that these companies, these businesses, will just go to other parts of the world where they don't have to deal with you at all. They don't have to deal with the right of the workers to be able to organize. What it says to poor people and what it says to working people in African countries and Caribbean countries is, the way you get the investment is to be willing to work for jobs that pay less than 30 cents an hour, or whatever the case might be, because that is the only way it is going to happen because there are in these agreements no protections, no enforceable labor code—child labor, right to organize, right to bargain collectively—no enforceable environmental code. That is the first point.

The second point I will make about this legislation is that I think it is a terrible message to send as we move to the WTO gathering in Seattle. I am in profound disagreement with the administration on this. They think we should pass this and that would be important. To me, I hear the administration, Democrats—I am a Democrat—saying to labor, and saying to environmentalists, and saying to nongovernmental organizations, and saying to a whole lot of other people: Listen, we have a real chance at this WTO gathering of moving toward enforceable labor codes, enforceable environmental protection. Well, if you can't do it in a bilateral agreement, how in the world are you going to do it in a multilateral agreement, multinational agreement? It is not going to happen. So I oppose this legislation on substantive grounds.

I hope my colleagues, especially Democrats, will vote against cloture because we have again been shut out of the opportunity to introduce amendments that really go to the heart of whether we can represent people in our States.

I have talked about the right to fight for family farmers for 8 weeks. The majority leader said the other day he filled up the tree one time. I said I thought the record would show more than that. I think in the last year it has been 9 or 10 times we have been shut out of the opportunity to even have an up-or-down vote. What is relevant to me is the pain and agony of the family farmers and all the producers who are being driven off the land, and to not have the opportunity to consider amendments, to have a debate and up-or-down votes, and to fight for people back in my state to try to make a difference for family farmers. And other Senators feel the same way.

I also said I do not think the debate about campaign finance reform is over. To me, the energy is at the State level. To me, the energy is toward clean money and clean elections, and I want an opportunity to offer an amendment that would give States the authority to have a clean-money, clean-election initiative that would apply not only to State races but to House and Senate races as well.

This debate is not over. Just because there are Senators here who block reform, we will not go away. I want to offer an amendment which gives States the ability to pass sweeping campaign finance reform and that would apply to our elections as well. I think that is where the energy is going to be.

If we are not going to do it here, if the powerful financial interests are going to block reform, let the States do it. I have an amendment on that. I want to be able to bring up the amendment for debate. That is what the Senate is all about. We are not the House of Representatives. Therefore, I hope Senators will vote against cloture around this fundamental principle that the Senate should be the Senate and we debate and fight for the people in our States.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I rise in strong opposition to H.R. 434, the African Growth and Opportunity Act and Caribbean Basin Trade Enhancement Act and urge my colleagues to reject the cloture motion to end debate on this ill-advised legislation.

Today's proposal offers a unilateral opening of the U.S. market in exchange for no market access commitments from the countries affected. Unlike NAFTA, no negotiations are required for these benefits contained within the legislation to take effect. It is no wonder that the governments of the impacted countries argue in favor of this legislation.

This legislation contains limited protections for Caribbean and African workers and offer no protections for the environments in either region. It is essentially an invitation for companies to leave the United States and exploit African and Caribbean workers and the environment.

Moreover, today's proposal disrupts a carefully balanced transition in textile and apparel manufacturing industries from a quota system to a less regulated market.

Five years ago, in adopting NAFTA and the WTO we established a textile and apparel policy that was designed to be implemented over a 10-year period. We are now halfway through that implementation.

Manufacturers, workers, and families made investments and planned their future based on that scheme. It is grossly unfair to all involved to alter that plan in the middle of its implementation.

Specifically, the Africa portion of the legislation alters the generalized system of preferences program by permitting increased access to imports from Africa into areas that have traditionally been limited because they are import sensitive.

Let me restate that.

This package essentially lifts the protections for the most import sensitive products. In short, that means that U.S. workers will lose jobs as a result of this legislation.

The protections that this legislation will erase have long been recognized in U.S. trade policy. Proponents of this bill will argue that the ITC has conducted a study that suggests that U.S. job loss will be less than 1,000 jobs. I do not believe the study and will offer an amendment to this legislation that would suspend benefits when textile and apparel job loss exceed 1,000 workers.

Moreover, this legislation contains few assurances that the products coming from Africa be made in Africa. In fact, for most products, a minimum of 20 percent of the work can be done in Africa and the benefits of the legislation will still apply to the product.

Traditionally, I have expressed concern on a variety of trade initiatives and most particularly with regard to those impacting the textile and apparel complex.

South Carolina has 93,000 workers in our textile and apparel industries including 73,000 in the textile industries and 20,500 in the apparel industries.

The proposal before the Senate today would essentially condemn the 20,500 employees in the apparel industry (and the 666,000 apparel workers nationally) to unemployment by permitting the duty-free entry, quota free entry of apparel products from Africa and the Caribbean that are made from American fabric—the so-called 807-a, 809 exception.

Many will claim that such a provision aids the U.S. textile industry and for a brief time it may. Unfortunately, it decimates the U.S. apparel sector. If the apparel sector is undermined, eventually the textile industry will erode as well, because manufacturers will always move to be near their customers.

Moreover, it is unlikely that the strict provisions that exist in the legislation will remain, once the conference committee completes a reconciliation of this bill with the much more expansive proposal from the House of Representatives.

In addition, the principles underlying this legislation assumes that the current tariff situation remains unchanged as result of the new WTO Seattle Round negotiations. Such an outcome is unlikely.

This legislation merely continues the ongoing assault by the current administration on America's strong manufacturing base. It will further weaken an already besieged U.S. textile and apparel industry and cost the jobs of countless American workers.

This administration has become enchanted by the false promise of "free trade," to the detriment of numerous U.S. industries. While expanding global commerce and benefiting less developed nations are admirable goals, we cannot afford to pursue them if it means dangerously weakening our industrial complex and putting American laborers out of work.

I have often spoken on behalf of the beleaguered textile and apparel industry, one that is critical to maintaining a strong U.S. manufacturing base. Currently the United States imports $21 million worth of apparel and fabric for every $6 million that it exports. This margin will likely increase substantially with the implementation of S. 1387.

American textile companies cannot compete with the increasing amount of cheap imports that are flooding our markets. Just in the past 17 months, 50 plants have been forced to close their doors, displacing 30,000 workers. And as disturbing as they are, these are just the most recent figures. I use them to underscore the seriousness of a much larger, longer-term problem.

In large part it is our previous free trade agreements that are to blame for the losses in textile jobs. During the 36 months prior to implementation of the NAFTA agreement, just 2,000 jobs were lost in the American textile sector. The ensuing 56 months saw job losses rise to 305,000. To put these numbers in perspective, that is over 300,000 families who have lost their major source of income in just the past year and a half.

The deterioration of the textile and apparel job market is not only harmful to South Carolina, but is devastating for many parts of the United States. In my State, the past 10 years has seen the number of jobs in the apparel sectors drop from 45,000 to 20,500, a decrease of more than 50 percent. Similarly, Pennsylvania's textile and apparel jobs have dipped from 80,000 jobs to 34,800 since 1989.

Some might argue that in place of these jobs, many comparable new jobs have been created through the growth of the retail industry. This fact appears to be true on the surface, but closer examination shows it to be deceiving. Textile jobs pay 63 percent more than retail jobs. While the average mill worker receives wages of $440.59 a week, retail positions pay only $270.90.

Furthermore, as an indication of the value of textile sector jobs, one can look at the increase in wages earned by mill workers over the past ten years. The $440.59 figure is up from $308.15 in 1989.

In effect, well-paying jobs are being replaced with significantly lower paying jobs. This is a serious problem, particularly when many of these workers provide the only source of income for their families.

Considering the difficulties of the domestic textile market, the last thing America needs is to increase the amount of cheap imports coming into our country. Yet this is exactly what S. 1387 does. It provides the perfect loophole for Asian countries to circumvent U.S. import restrictions.

With the implementation of the Africa trade bill and the Caribbean Basin initiative, Asian companies will be able to easily conduct illegal textile transshipments from both African and Caribbean nations. Once they build manufacturing plants on the Caribbean islands, their products will be automatically accepted into the U.S. with low duties and no quotas. The restrictions contained in the Africa trade legislation will be subverted in a similar manner. Illegal transshipments already hurt American textile companies, and making them easier will just exacerbate the problem.

This decimation of one of America's most important manufacturing sectors is unacceptable. I agree, as most of us do, that increased economic development in Africa and the Caribbean Basin is an important international objective, and is ultimately in America's best interest. Further, it is important that we assist these regions in implementing effective policies for this development. However, to do so at the expense of the textile and apparel industries and the American workers in those industries is irresponsible and foolhardy.

The opportunity we are offering to the countries covered by this legislation is enormous. We are allowing them open access to our markets, giving them the opportunity to export their products to the United States at will. Meanwhile, more American workers will lose their jobs because foreign laborers are willing to work for much lower wages. Effectively, we are opening our doors to cheap imports and unemployment, all in the name of helping these poor nations to establish a firmer economic footing.

In return for this favor we ask for nothing. We are agreeing to give away our employment and our money, and yet we want nothing in exchange. This is bad economics and poor policy-making.

It seems clear to me that we should ask for something in return. We should ask that, at the very least, these nations treat their citizens decently and with respect. The human rights records of the countries included in this trade bill range from marginal to abominable. It should not be too much to expect for their governments to take steps to improve the living conditions of their people.

Women suffer unequal and often violent treatment in many of the African countries and Caribbean nations. It is common in these societies to accept physical violence as a means of resolving domestic disputes. The result of this toleration is that women are routinely battered, raped, and assaulted. For example, human rights workers estimate that 20 percent of the female population in Nigeria has been subjected to physical abuse in the home. Furthermore, many African tribes force their female members to undergo rituals of severe violence, which are often life-threatening. In some countries, such as Sierra Leone, such brutal acts have been practiced on almost 100 percent of females.

Obviously, these women are considered inferior citizens. That inequality is clear in the labor laws of many of these countries. If they are allowed to work at all, women make far lower wages than their male counterparts. In Kenya, women's average monthly wages were a striking 37 percent below those of men in 1998.

Many of the children of these nations suffer similarly dismal fates. Street children, often orphaned by the loss of their parents to the AIDS virus, are sold into prostitution or, in some cases, into slavery. In El Salvador, as many as 270,000 children fit into this category. More "fortunate" minors are put to work as street vendors or domestic servants to help support their families financially. Most of these countries maintain the pretense of compulsory education and child labor laws, but few conscientiously enforce them.

The plight of unskilled laborers in Africa and the Caribbean is also problematic. Only a handful of the countries covered by S. 1387 have established minimum wages that are sufficient to allow workers to support their families. To state one example, unskilled and agricultural laborers in Burundi are forced to survive on an astonishingly low 35 cents per day! Not surprisingly, this amount has been deemed inadequate for a worker and his family to maintain a decent standard of living.

Clearly, the citizens of African and Caribbean countries are being subjected to numerous and often brutal human rights abuses. It is absurd that we are proposing to help these nations economically while turning a blind eye to the violence and inequality that goes on within their borders. If Congress and the administration insist on expanding "free trade" and granting open access to our markets to developing states, let us at least make such action contingent upon the equitable and decent treatment of their people. We have a powerful tool at our disposal, and we would be foolish not to use it.

This legislation defies common sense. By passing it, we would further erode our manufacturing base and sacrifice important jobs, while receiving nothing in return. To you who represent farmers, I ask that you join me today in opposing this legislation, just as I and the textile workers have stood with you during the current crisis. To those who represent steel, I remind you that we supported you during your crisis as well. Please stand with me in voting against this proposal.

Mr. President, to sum up:

The bill decimates the apparel sector. It permits duty-free, quota-free imports from the CBI/Africa when made from United States fabric.

It targets import-sensitive sectors by altering the rules for the imports of products from Africa.

It provides limited protections for African workers and limited protections for Caribbean workers.

Unilateral action requiring that countries benefiting take no real action to obtain the benefits.

It provides no protection for the environment. Unlike the NAFTA side agreement, there are no side agreements to protect labor.

It undermines the textile and apparel policy adopted as part of GATT.

This Congress has no continuity of mind and attention. We passed a 10-year phaseout in the GATT agreement on textile quotas. Now, 5 years into the agreement, we want to cut it out. Investments made on the national policy of a 10-year phaseout are cut short. How do we pay for the machinery?

Since we have a limited time, I will bring the issue into focus. This could be called the Fruit of the Loom job flight bill or the campaign finance bill because this proves the efficacy of soft money.

I have an article from today, Friday, October 29, from the Washington Post, entitled "Will Capitol Crusade Bear Fruit? Ailing Underwear Maker Gives Freely as Senate Mulls Tariff Cut."

> Fruit of the Loom Inc. is feeling deep pain these days. The company whose name has long been synonymous with underwear has lost money in the last three quarters. Its stock has dropped from $40 in 1997 to below $3 yesterday.
>
> So a bill that would eliminate tariffs that it and other companies pay to bring in certain garments from their factories in the Caribbean looks awfully attractive.

That is what we will be voting on.

> On Capitol Hill, the company that industry people simply call Fruit has emerged as a prime promoter of the Senate bill, which is part of the United States' Caribbean Basin Initiative. The company also has become a big contributor to Republican causes.
>
> Contribution records show that Fruit gave $350,000 in "soft money" to GOP groups, $265,000 of it to the National Republican Senatorial Committee, in the 1997–98 election cycle. That placed the company in the same league as the National Rifle Association and much bigger companies, such as drugmaker Novartis Corp. and Atlantic Richfield Co.
>
> Fruit also gave almost $90,000 in "soft money to the Democratic cause, all of it to the Democratic Senate Campaign Committee.
>
> Contributions have continued in 1999. Records show an additional $73,000, all of it to Republicans.
>
> At the same time, Fruit's chairman, William Farley, has been an active donor to key Republicans, giving $2,000 in May to the group Trent Lott for Mississippi, which supports the Senate majority leader, and $2,000 to the Keep Our Majority Political Action Committee, which supports GOP candidates.

Mr. President, we are not dealing with jobs and dealing with trade. We are dealing with campaign finance.

I continue:

> "It's a company in bad shape giving money fairly lavishly to the [political] process, with incredible things to gain," said Charles Lewis, executive director of the Center for Public Integrity.
>
> Fruit doesn't deny the bill would help it—a spokesman said it expects to gain $25 million to $50 million a year if the Senate bill is enacted—but argues it will also help American industry and jobs.
>
> "We don't look on this bill as corporate welfare," said Ronald J. Sorini, Fruit senior vice president for government affairs.
>
> Sorini said that his company and the industry are "getting hammered" by imports from Asia and that the Senate version of the bill, which limits import benefits to clothes made abroad from U.S.-produced textiles, would help the company compete by helping team its U.S. textile workers with its low-cost garment stitchers overseas. The House bill does not require use of American cloth.

Mr. President, as an aside, the ATMI disapproves this particular bill because it marries the House bill with the Senate bill and does not require the Senate language.

Reading on:

> He denied the contributions are targeted at the Caribbean bill, saying Fruit has more issues than that to worry about in Congress. "We support those who generally support our industry," he said.
>
> The Clinton administration also backs the Senate bill, as does the American Textile Manufacturers Institute, which represents companies that make cloth.
>
> The Senate bill, along with one to offer similar tariff benefits to Africa, was caught up in maneuvering last night, with a vote to limit debate set for today. The measure is opposed by a coalition of labor groups and companies that still make garments in the United States. They contend it will further erode U.S. garment jobs and unfairly reward companies like Fruit that have sent garment jobs overseas.
>
> Fruit's U.S. employment has fallen from 33,000 to 17,000 people, the company says. About 3,500 Fruit employees are based in Kentucky, and the bill has caused a split between the state's two senators, Mitch McConnell and Jim Bunning, both Republicans.
>
> McConnell favors it. "It's not unusual for a senator to support the interests of a major employer in his or her state," said Kyle Simmons, his chief of staff.
>
> McConnell heads the Republican committee that has been the beneficiary of Fruit's soft-money contributions. Simmons said the money has no connection to McConnell's position, adding that he has always been a "free-trader."
>
> Bunning has spoken out against the bill, on the grounds that too many jobs are going abroad.
>
> All in all, the bill would cost the Treasury about $1 billion in lost tariff revenue over five years.

Mr. President, if there is any pride in being a Senator, they would withdraw this bill.

I yield the floor and I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself 10 minutes.

Mr. President, I rise one last time to implore my colleagues on both sides of the aisle to support the motion to invoke cloture. Frankly, it would be unconscionable to block progress on a bill that enjoys the support of at least 80 Senators from both sides of the aisle. It would be unconscionable to block progress on what the President has described as one of the most significant initiatives of his presidency. It would be unconscionable to block progress on a bill that enjoys the support of the vast majority of political, civic and religious leaders in this country and the support of each of the nations that would benefit from its passage.

But, most importantly, it would be unconscionable to block progress on a bill that would create 121,000 jobs in the American textile industry over the next 5 years. I have emphasized again and again in this debate that this is not a bill that is good just for our neighbors in the Caribbean and Central America or our partners in Africa. This is a bill that is good for our workers here at home!

Let me remind my colleagues that it is no benefit to workers in the textile industry if you raise the minimum wage when they don't have a job. It is of no use to American textile workers if you debate mergers and acquisitions in the agribusiness sector if we do not open markets for their products. It is of no use to the American textile workers if we debate, yet again, reform of campaign finance laws when they headed for the unemployment line.

I was not elected by my constituents in Delaware to look out for the short-term political advantage. I was not elected by my constituents in Delaware to win debating points and I have never sought the floor for that purpose.

I have drafted a bill here that is a benefit to workers and industry here in the United States, as well as neighbors in the Caribbean, Central America, and Africa. It is a "win-win" situation economically for American workers and our friends abroad.

The bill is also a victory for an outward looking foreign policy. It is a statement about American leadership in an age that cries out for us to lead in positive ways that ensure peace and stability around the world.

Let me remind my colleagues that no state in Africa or the Caribbean or Central America is politically stable if people cannot feed themselves!

In recent weeks, I have heard an unending cavalcade of criticism about the Senate's vote on the Comprehensive Test Ban Treaty. Isolationists! That's what the opponents of this bill called those of us who thought more about our national security than we thought of our political expediency.

Where are those voices now? Where is the one or two voices that would argue now for an outward looking foreign policy agenda? Where are those one or two votes in favor of engagement with the world, rather than a sterile debate about senatorial privileges?

This is not a debate about the minority party's rights. This is a tyranny of the small minority on each side of the aisle that wants to kill this bill. We must see our way clear to a vote against partisanship. We must rise above the parochial and focus on our national interest and the world around us.

Let me remind my colleagues that this bill enjoys the support of one of the strongest bipartisan majorities I have seen in the Senate. The cloture vote on the motion to proceed was 90–8.

This is a measure that the distinguished minority leader himself initiated in 1994. This is a measure that the distinguished majority leader has fought for and made room for at a time on the legislative calendar when the hours are precious. This is a measure that the President has indicated in his State of the Union Address is at the top of his agenda.

This bill has the support of the strongest coalition of political, civic, and religious leaders of any measure I have seen in years.

That said, I want to give credit where credit is due. Those who want to kill this bill—those who have appeared so frequently on the floor of the Senate this week to talk about anything but this bill—have done a masterful job.

Does it strike anyone as an odd coincidence that Time magazine runs an article during the week of this debate that suggests that this bill, which would do so much for both Africa and the Caribbean and for workers in the United States, is the work of a single company? Does it strike anyone as an odd coincidence that someone named John Burgess in the Washington Post, who erroneously reported last week that Nelson Mandela opposed this legislation, regurgitates that Time magazine article in this morning's edition of the Post?

Those articles ignore the bipartisan push that has brought this bill to the floor of the Senate. A bipartisan push in the House of Representatives led by the chairman and ranking member of the Ways and Means Committee. And, the strong bipartisan push in the Senate as well.

My friends, each day this week, the Ambassadors of the 47 African countries that would benefit from this bill have watched this debate from the Senate gallery. Each day this week, members of the American public have looked on as we discussed our privileges, rather than their business. They have read the misreporting of the bill in the popular press. They have seen the pleas of the President to vindicate his foreign policy initiatives in Africa and the Caribbean go unheeded as the discussion of process, rather than substance, has dragged on.

The real question before us is whether we can look up into the Senate gallery and look those people in the eye if we fail to move this bill. There will be a time to debate an increase in the minimum wage. There will be a time to debate consolidation in the food processing industry.

There will be—and there has been—ample time devoted to the issue of campaign finance reform. A vote for cloture does not preclude that debate.

What would it do? It would leave us with a solid bill that is good for Africa and the Caribbean and good for the United States. It would also leave us with another two days to debate the merits of this bill and offer any germane amendments that would improve the legislation before us.

What is wrong with that? What is wrong with sticking to the subject at hand and getting our job done?

I implore my colleagues to vote for cloture on this bill. I implore my colleagues to vote in favor of an open engagement with the world around us, rather than a fearful isolationism that hides behind protective walls. I implore my colleagues to support this initiative with a vote in favor of the motion before us.

Make your stand here. Vote for the motion.

Thank you. I yield the floor.

The PRESIDING OFFICER (Mr. SANTORUM). Who yields time? The Senator from West Virginia.

Mr. BYRD. Mr. President, much of the controversy surrounding U.S. trade policy arises from differences in opinion about the economic benefits achieved from trade agreements. Trade agreements, in principle, have winners and losers. In recent years, regrettably, U.S. trade agreements seem to be pitting U.S. conglomerates and foreign policy interests against the traditional American workers. By traditional worker, I mean craftsmen, artisans, and laborers who, in this information age, still actually make things. Man cannot live on information alone—we still need clothes, shoes, dishes to eat from, watches, and tangible items. I believe the underlying issue for the traditional American worker is the question of who benefits from our trade negotiations. I believe that the traditional American worker perceives that a selected few U.S. industries keep winning, while other domestic industries keep losing, and that the promised trickle down of benefits from the winners to the losers never happens.

Certainly, this is the case with the trade legislation now before the Senate. The same industries keep losing. Under the African and Caribbean provisions in the bill, the losers will likely be textile and apparel, footwear, glass, electronics, handbags, along with canned tuna and petroleum. In this decade alone, the Senate approved two major trade bills, the North American Free Trade Agreement (NAFTA), and the General Agreement on Tariffs and Trade (GATT), and in each of these bills the losers were many of the same players. The deemed "losers" were workers in traditional industries such as textile and apparel production, footwear, glass, electronics, watches, and handbags.

I believe that many in the textile and apparel industry understand only too well about the stigma of losing so often in trade agreements. I am bothered by the "loser" sign that has been placed on the traditional U.S. workers, and the lack of concern about workers who lose their jobs as a result of a trade agreement. I believe that the so-called "losers" in U.S. trade policy ought not to be thoughtlessly discarded.

In the U.S. trade policy process, we have become heartless, insensitive, merciless, and numb to the potential pain that these trade agreements can inflict on Americans—on mothers, fathers, brothers, sisters, and children. The so-called Trade Adjustment Assistance program falls woefully short in providing meaningful benefits to the workers who lose their jobs as a result of trade agreements, and I hope that members are not fooling themselves about the true hardships that are ahead for many workers as a result of the trade legislation that we are considering today. Yes, today the economy is booming, in most parts of the United States. I hope this state of well-being lasts forever. However, we know it will not.

Many of my colleagues eagerly point toward the benefits in the Trade Adjustment Assistance (TAA) program. TAA is touted as the sure thing to make a winner out of the loser from a trade agreement. Under TAA, in return for their years of contributions to the local and national tax bases, workers who can prove that their company went under as a result of foreign trade might get a federal extension of unemployment checks, which is approximately $250 a week in West Virginia, and two years of "approved" retraining. Possibly, if no "approved" jobs are available in the area, these workers might also be eligible for a one-way ticket to another region or state, with a whopping $800 from the federal government to start them off in their new lives. With good reason, most workers do not want TAA. They want to earn full wages, with benefits, and two years of unemployment does not cut it.

Advocates of the trade bill proclaim that we have to think about the future U.S. relations with Africa and the Caribbean basin, and that we have to accept the fact that many traditional industries are a thing of the past in the United States. There are numbers of members who dismiss the textile and apparel industries, as sure to go the way of covered wagons or the steam locomotive. Advocates want to make the case that you are either for the trade bill before us, or against U.S. relations with Africa and the Caribbean. I support meaningful economic development in Africa and the Caribbean, but I also care about what happens to the traditional worker here in the United States that might lose his or her job as a result of this bill, and I simply have not received any reasonable assurance that these workers will receive the support they deserve.

From my years in the Senate, I have a very strong viewpoint on accepting winners and losers as deemed by the Administration—any administration—or by the committee of jurisdiction. I can tell you that there are many, many industries that would be at risk, if certain special tax or procurement provisions failed to exist. In my view, the main reason that textile and apparel workers are so-called "losers" is because decade after decade we have chipped the tariffs away, allowing our trading partners to enter the U.S. market under very advantageous conditions. This strategy was called free trade, but, in reality, I believe that it was mostly a heyday for our trading partners who had no labor or environmental standards. Regardless, decade after decade, this country has relentlessly chipped away at the textile and apparel manufacturing base, mostly on the grounds that this is a natural procession of development, like the demise of the covered wagon and steam locomotive. My staff informs me that advocates of the African and Caribbean trade provisions actually use the metaphor of the covered wagon and steam locomotive as evidence that this is just the way the world works. I guess someone forgot to educate this group that, unlike covered wagons and steam locomotives, Americans will likely continue to wear and use textile and apparel products!

I wonder if members supporting this legislation recall that during debate on GATT only five years ago, we implemented drastic cuts in the textile and apparel tariff rates. We told the textile and apparel industry that they would have to swallow the cuts, but that we would phase the tariff reductions in over ten years to help them make business decisions and adjust to the new rules. Let me repeat that: five years ago this body implemented deep tariff cuts on textile and apparel with the understanding that the cuts would be phased in over ten years. Well, it is 1999, and here we are again, chipping relentlessly away at the nominal base that the textile and apparel industry has left. Does the word of this body have no meaning?

Under the African and Caribbean trade provisions, there are U.S. industry "winners," mostly retailers, most notably apparel retail companies, and the bill would help U.S. fabric manufacturers and growers. To those winners, I say "good for you." I know the value of a dollar. I spend my money carefully. I like the benefit of consumer savings from our free-market economy. I have never been against trade agreements on fair trade.

I am here to tell you, however, that the consideration of trade agreements should be completed in a serious, deliberative, and scrutinizing manner, as trade agreements have broad impacts, and negative consequences. There has been only one relevant hearing held on this legislation, and that hearing pertained solely to the Africa Growth and Opportunity Act. There were no hearings on the Carribean Basin Initiative, the Generalized System of Preferences, or on Trade Adjustment Assistance during this Congress.

While the proponents argue in behalf of the potential long-term benefits that the bill might provide to the United States, the fact remains that this bill lacks real reciprocal benefits for the United States. This bill is generally a foreign aid package financed on the backs of a few industries, such as the textile and apparel industry. Is that fair?

It is time for the Senate to be sensitive to the costs of trade agreements. We are preparing to approve a bill that imposes enormous costs on direct segments of our economy. TAA is a start, but it is not the whole answer. I urge my colleagues to put a human face on workers in industries such as textile and apparel, footwear, glass, electronics, watches, and handbags. I can put a human face on these workers, and I put a value on their hopes and dreams, and on their future prosperity.

I am a product of the coal fields of West Virginia. I have seen what it is to work hard, physically hard, to sweat, and to toil. American workers, traditional workers, are the soul of America. They are the essence of our values. They bleed and hurt as U.S. trade policy tightens around their necks. With proper review, hearings, and consideration, I am convinced that we could find a better way to achieve U.S. foreign policy goals for the fine people of Africa and the Caribbean nations. I support a long and prosperous relationship with our friends in the sub-Saharan African and the Caribbean Basin nations.

We need to restore the average American worker's faith in our trade policy. We need to move forward on a trade process that provides fair and equitable treatment to all Americans. We need to recognize that all American workers should be able to depend upon our understanding and regard for their position upon enactment of trade law. This bill is not what we are looking for. It does not do these things. For these reasons, I cannot support this bill. I urge my colleagues to vote against this bill.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the distinguished chairman talked of a short-term political advantage. I have debated this issue for 33 years in the Senate. When I started, I was not successful. We had 90 percent of the production of textiles. We are down to one-third or less of the critical mass. If we preempt the 10-year phaseout of the Multifiber Arrangement, I can tell you right now, the industry is gone. The jobs are gone.

He talks about the tyranny of the minority. He has not seen me. If I could be a tyrant, I would be. The White House and an overwhelming majority of Republicans and Democrats are all in favor of soft money.

The morning headline: "Will Capitol Crusade Bear Fruit?" "Ailing Underwear Maker Gives Freely as Senate Mulls Tariff Cut."

It is not the jobs. The jobs have left Kentucky. Senator BUNNING has to protect the jobs so that no more of them leave. 7,000 have already left Louisiana. The gentleman, Mr. William Farley, has moved his headquarters to the Cayman Islands; so we can call this the Fruit of the Loom job flight bill.

Ms. COLLINS. Mr. President, I rise today to explain my opposition to the African Growth and Opportunity Act. My decision was difficult because I wholeheartedly support provisions of the bill that would reauthorize of two important trade-related programs—the Trade Adjustment Assistance (TAA) and the Generalized System of Preferences (GSP). These programs provide vital benefits to the state of Maine and the nation. Although on balance, I believe that H.R. 434 unfairly damages Maine's economy, I take solace in the fact that the TAA and GSP programs are one step closer to being reauthorized. I would like to focus for a moment on these two programs.

The TAA aids workers and firms in global economic readjustments. By providing funds to retrain workers, TAA's program offers both opportunity and a lifeline to workers displaced by market changes caused by imports. It helps firms threatened by increased imports through grants to explore new technology, manufacturing methods, and marketing techniques. I have seen the effectiveness and efficiency of the TAA program firsthand in my state of Maine and strongly support both its goal and methods.

Mr. President, I would like to recount just one TAA success story of the many in Maine and the nation. Four years ago, when a shoe factory in Old Town, Maine closed, one of the employees laid off was a woman in her fifties. She had worked in shoe factories all of her working life. With no high school degree, unemployed, and no skills other than making shoes in an economy with few shoe-making jobs, this woman was in dire straits until she qualified for TAA assistance. Fortunately, she seized the retraining opportunity to earn her GED and then trained as a nursing assistant. She recently proudly stopped by the local retraining office to let them know of her new job as a nursing assistant. She now works in home health care, making more money and enjoying greater flexibility than when she worked in a shoe factory. In a true tribute to the effectiveness of the TAA program, she told the retraining officials, "I wish I had been laid off sooner." This story exemplified why the TAA program must be expeditiously reauthorized.

Similarly, the GSP program deserves swift reauthorization. It establishes a mechanism for extending duty-free treatment of certain products imported from designated developing countries. The GSP program allows for participation by only those countries that adequately protect intellectual and property rights, observe international standards of labor rights, employ certain economic policies, and satisfy other important criteria. Moreover, the GSP program is limited to products that are non-import sensitive, meaning American jobs are not threatened.

In fact, the GSP program helps create jobs in America. The Foreside Company based on Gorham, Maine, depends on the GSP program to be able to import product necessary to create jobs in Maine. The Foreside Company, with over 150 employees, is one of the fastest growing companies in Maine. The energetic entrepreneur who runs this company tells me that if GSP is not renewed, it would harm this Maine business to the point that it would jeopardize dozens of jobs.

I am disappointed that legislation reauthorizing the TAA and GSP programs were incorporated in H.R. 434, and not passed as independent bills. Unfortunately, H.R. 434 includes measures that I cannot support. The African Growth and Opportunity Act and the Carribean Basin Initiative are both deeply flawed proposals that would hurt Maine workers and companies.

I want the record to clearly show, however, that in spite of my votes against H.R. 434, I remain strongly supportive of both the Generalized System of Preferences Extension Act and the Trade Adjustment Assistance Reauthorization Act and strongly advocate for reauthorization of both programs.

Mr. GORTON. Mr. President, on few occasions is this body faced with a bill that is supported by such a vast, diverse, and a broad based list of industries and organizations, such as the NAACP, the U.S. Chamber of Commerce, the Corporate Council on Africa, and the National Retail Federation. The African Growth and Opportunity Act provides a real chance for the U.S. to engage in new trading partnèrships with the sub-Sahara Africa, but also provides a mechanism to assist those countries to bolster their own economies.

This bill is important not only because of the African Growth and Opportunity Act, but for the Caribbean Basin Initiative (CBI), the Generalized System of Preferences Program (GSP), and the Trade Adjustment Assistance (TAA) programs contained therein. It is essential that the Senate reauthorize the GSP and TAA and discontinue the practice of simply extending these programs year by year. This all encompassing trade package, the result of three years of negotiation, deserves passage.

What is also essential about this trade bill, is the manner in which the United States can give a hand-up to the Caribbean Basin and sub-Sahara Africa. After the death and destruction caused by Hurricane Mitch, the Caribbean nations have been struggling to regain the economic hold necessary not only to sustain their inhabitants, but to continue to prosper in the world economy. Instead of providing blanket financial assistance, the Caribbean Basin Initiative provides a mechanism and an avenue for these nations to begin rebuilding their economies. The tariff preferences provided in this bill, on products not previously covered by the 1990 CBI, will allow this region to expand economically, and integrate them into the international trading system.

In addition, these Caribbean nations have asked and desire similar treatment to those afforded Mexico in the North American Free Trade Agreement. These nations aspire to have the ability to broker trade deals with the United States in order to ensure their economic longevity in the region.

Trade with Africa is just as significant. According to the Department of Commerce, U.S. exports to sub-Saharan Africa in 1998 was approximately $6.7 billion, or 1% of total U.S. exports. Conversely, the U.S. imported approximately $13.1 billion from sub-Saharan Africa. The African Growth and Opportunity Act establishes the protocol and trade mechanisms necessary to engage in future endeavors with these countries. The bill provides for benefits under the GSP for sub-Sahara Africa as well as benefits for the textile and apparel industries. As my colleagues know, these benefits were constructed not to inhibit, but to enhance these industries in the United States. All garments and apparel manufactured in Sub-Sahara Africa must consist of U.S. thread, yarn, and other components.

For my own State of Washington, passage of this bill means additional export markets for our highly sought after wheat, world-renowned aircraft, and the various other commodities and goods and services that has made Washington the most highly trade dependent state in the nation. For example, the leading exports to sub-Saharan Africa include aircraft, wheat, and aircraft parts. Incidentally, 68% of the aircraft utilized in sub-Saharan Africa is produced by the Boeing Company. Boeing estimates that these nations will eventually require at least 270 new aircraft valued at approximately $20 billion. Naturally, the 330 in the current fleet will require new parts and services. I cannot over emphasize the importance of these numbers alone, not only to Washington state, but to all the Boeing employees nationwide.

But free trade does not exist for the soul purpose of exports. Through the mechanisms and tariff reductions provided in the CBI, Northwest companies such as Nordstrom and Eddie Bauer have an opportunity to expand and import new materials and apparel.

Mr. President, again I reiterate the importance not only of the content of this trade bill, but of the far-reaching support for its passage. Senators ROTH and MOYNIHAN have repeatedly reminded our colleagues of the many, many organizations and entities that support this bill. Religious leaders coupled with business, and agriculture working with the apparel industry—these partnerships emphasize the importance of expanding and enhancing free trade to sub-Saharan Africa and the Caribbean. I urge my colleagues to support passage of this omnibus trade bill.

Mr. THURMOND. Mr. President, as we consider the African Growth and Opportunity Act, I rise to speak about the status of the United States textile and apparel industry. During my time in the Senate, there has been an ever increasing effort to give away our textile and apparel industry. This is done in the name of free trade, under the guise of promoting market-based economies and democratic governments in developing countries. In spite of all this, the textile and apparel industry still ranks second among United States manufacturing industries. Notwithstanding downsizing, automation, and unfair import competition, this industry provides jobs for over one million two hundred thousand American workers, and contributes nearly sixty billion dollars per year to the Nation's Gross Domestic product.

Back in 1983 we passed the Caribbean Basin Economic Recovery Act. This was an attempt to provide free market economic and democratic political incentives to twenty-four Caribbean Basin countries. In 1994, the North American Free Trade Agreement (NAFTA) went into effect, lowering our quotas and tariffs for imports of textiles and apparel from Canada and Mexico. The following year, the United States made further concessions upon joining the World Trade Organization. Now the Senate is considering legislation, which, in my view, will further impair the textile and apparel industry.

What has been the result of these trade agreements on the textile and apparel industry in the United States? During the five-year period from 1994 to 1998, the trade imbalance (imports over exports) for textiles increased an annual average rate of 17.5 percent. For apparel, the trade deficit increased at an annual average rate of 9.8 percent. During this time period, textile and apparel imports from Mexico rose by 288 percent. Apparel imports from the Northern Marianas jumped by 300 percent. Additionally, the United States has endured a flood of textile and apparel imports from Asia.

This flood of imports has had a significant impact on employment. Since 1981, just prior to the initial Caribbean Basin trade legislation, 874,400 American textile and apparel jobs have been lost. In the five years since NAFTA, which supporters argued would create more jobs in the United States, the domestic textile and apparel industry has lost 437,000 jobs. While some of these jobs have been lost as a result of restructuring and automation, major reductions in employment levels are due to the elimination of our quotas and tariffs.

The textile and apparel industry is very important to my State of South Carolina. Unfortunately, the loss of textile and apparel jobs in South Carolina has been particularly devastating. Since 1987, textile employment has decreased from a high of 108,000 to 73,000 this year. This is a loss of almost 35,000 jobs, a reduction of nearly one-third of all textile jobs in South Carolina.

During this same period, my State has also endured the elimination of over 50 percent of all its apparel jobs. Apparel employment is down from a high of 46,000 jobs in 1987 to 20,000 jobs today. This means almost 26,000 apparel jobs have disappeared in South Carolina.

The employment impact has been felt in other States as well. More recently, from 1993 to 1998, North Carolina lost over 70,000 textile and apparel jobs; Tennessee nearly 35,000; Georgia almost 29,000; Virginia and Alabama 18,000 each; Mississippi over 17,000; and in Texas about 15,000 jobs have been lost. In Oklahoma, the entire textile and apparel industry has been lost—8,300 jobs no longer exist.

What is the outlook for future employment in the textile and apparel sector? There is great uncertainty, and a wide range of estimates. What is known, Mr. President, is that by the year 2005, the Agreement on Textiles and Clothing will expire, and all quota restrictions will lapse. The Congressional Budget Office has estimated the impact of this development to be at least 200,000 jobs. The American Textiles Manufacturers Institute predicts employment losses as high as 650,000. Mr. President, it does not make sense to give away American jobs. The policy of the Federal Government should be to preserve and promote job growth for Americans, not make them unemployed. I do not think that we went through the process of reforming welfare just to add to the ranks of the unemployed.

The loss of textile and apparel jobs is more than just numbers, Mr. President. It affects the living conditions, health, and welfare of individuals, families and the communities in which they live. In many rural counties in South Carolina, where the textile plant or sewing factory is (or was) the only source of employment, unemployment rates range from 8 to 16 percent. Textile and apparel industries have been the economic backbone of many of these rural Southern counties. These communities have limited job opportunities. Furthermore, for a variety of reasons, the residents of these communities cannot just pick up and leave, nor is retraining a viable option in many cases.

Earlier during the floor debate on this bill, a report by the Congressional Research Service (CRS) was referenced during a discussion of labor productivity in the textile industry. The CRS Report notes that there has been productivity in the industry because of capital investment in labor-saving machinery. The report states, "Rapid employment losses combined with stable output necessarily implies gains in labor productivity." Furthermore, it concludes that "Many textiles factories have become almost completely machine-driven, leaving little room for further labor-savings, and the apparel industry seems ill-suited to such mechanization." So I wanted to clarify the record on productivity in the industry. It has come at the expense of employment.

Let me now turn to a more general issue. We must consider trade legislation in the context of our broader foreign policy objectives. To a great degree, this is made more difficult given this Administration's lack of clear foreign policy objectives. Nevertheless, let me discuss a few items which I believe deserve closer review before final action on this legislation is taken.

First, our foreign policy regarding Latin America and the Caribbean is basically running on empty. The United States is suffering in its own hemisphere strategically, politically, and economically. A good example is our relationship with Haiti. Despite our intervention, Haiti has advanced little toward establishing a minimally effective government. After spending tens of millions of taxpayer dollars, United States and Canadian troops are being pulled out.

Second, this Administration apparently cannot frame a coherent drug policy. Currently, the United States spends $289 million on security assistance to Colombia, the third-largest recipient of such aid. Aid for Colombia and its Andean neighbors, Bolivia and Peru, was meant to begin eliminating the sources which fuel the Caribbean drug trade. Yet, according to the Drug Enforcement Administration, Colombian traffickers have taken over a major chunk of the United States heroin market from Southeast Asian dealers. This is in addition to their dominance in the cocaine market. It is no secret the drug criminal organizations look for the easiest route of movement—which is through the Caribbean.

The closing of United States military bases in Panama this year has severely reduced America's ability to monitor the byways traffickers use to ferry drugs into the country. The biggest blow came with the closing of Howard Air Force Base, the U.S. center for anti-drug operations. Retired General George Joulwan, former commander of U.S. military forces in Latin America, testified that Howard was the "crown jewel" in our counter-drug operations because of its strategic location and infrastructure. Since being booted out of Panama, Administration officials have been scrambling for alternative sites to use to monitor and intercept drug traffic through the Caribbean.

I am concerned that as we propose to drastically increase container shipping through the Caribbean, we will be exposing our Nation to the potential for a tremendous increase in illicit drug imports. Other Senators have addressed the issue of how Custom Agents are presently unable to adequately monitor imports. This situation is aggravated by the movement toward paperless entry, where Customs forms are electronically cleared after the foreign goods move through our ports.

Mr. President, the key to resolving many of our hemispheric problems is coordinating our criminal justice efforts, defense requirements, foreign policy, and economic and trade strategy toward Latin American countries. We cannot afford to look at these in isolation of one another.

Finally, let me highlight some of the more dangerous elements of legislation which some in Congress are proposing. While the Senate bill alleviates some of the worst of these issues, I want the record to be clear on why these provisions must never become law. If, by some chance, this bill moves to a conference with the House, there may be an effort to incorporate some of these proposals. This would be a terrible mistake.

There are some in Congress who would favor the quota-free entry into the United States for apparel made in the Caribbean Basin countries from fabric produced anywhere in the world. Such a provision would void the Uruguay Round Agreement on Textiles and Clothing.

Another flawed proposal is the scheme to use Tariff Preference Levels, whereby fabric produced anywhere in the world may be used in apparel sewn in the Caribbean Basin countries and imported duty-free and quota-free into the United States. Such preferences are permitted under NAFTA. Canada has used its preferences to export into the United States textile and apparel products made of non-North American yarns and fabrics. This violation of NAFTA has permitted $300 million from textile mills in Europe and Asia to severely damage U.S. manufacturers of wool suits and wool fabrics as well as other U.S. producers. Likewise, Mexico is now sending textiles and apparel made from cheap Asian yarns and fabrics into the United States. Tariff Preference Levels are bad for the American textile and apparel industry and for its workers. They must not be permitted to be extended further.

Perhaps the worst provisions proposed in the House bill are those related to transshipment. Transshipment is the practice of producing textile and apparel goods in one country, and shipping it to the United States using the quota and tariff preferences reserved for a third country. The most egregious part of the House bill is that it fails to include provisions for origin verification identical to those in Article 506 of the North American Free Trade Act. This could lead to Africa and the Caribbean Basin being used as an illegal transshipment point by Asian manufacturers. It would encourage the use of non-U.S. produced fiber and fabric in apparel goods entering the United States duty-free.

Finally, the House bill grants overly generous privileges and preferences to African and the Caribbean Basin countries in a unilateral fashion. There is little incentive for these countries to grant reciprocal access for products made in the United States.

I have outlined the current economic standing of the United States textile and apparel industry. There is no question that unfair trade policies have negatively impacted employment levels in this important sector of our economy. There is no reason to believe the trade bills we are debating will lead to a different result. Furthermore, these bills raise serious national defense and foreign policy questions. Finally, many provisions, which unfortunately might be included in the final legislative product, would cause unnecessary harm to the textile and apparel industry in the United States. The textile and apparel firms may survive as they adapt to our legislative actions and changing economic conditions. American textile workers may not be so fortunate. This is my main concern—for those textile and apparel workers who work hard, pay their taxes and raise their families. This is why I have reservations about this bill.

Mr. FRIST. Mr. President, the question before the Senate now—the Africa trade package and enhancement of the Caribbean Basin Initiative (CBI)—is a simple question of recognizing and seizing opportunities for America.

As the world continues to open trade and reduce barriers with GATT and various regional groupings and agreements the opportunity to gain competitive advantage over Europe and the industrialized countries of Asia could not be more starkly presented than with this package.

In terms of the Caribbean and Central America that opportunity begins almost right off our Atlantic and Gulf Coasts. The mutual benefit of those relationships is recognized across the board in both the United States and in the region.

The American textiles industry, which has taken such a hit in the past two decades, recognize the potential that CBI has with respect to competing with Europe and Asia in the next 10 years. Many of the companies see the future of the industry in America dependent on gaining that advantage through CBI and other trade agreements. We should recognize and seize that opportunity.

Sub-Saharan Africa presents an entirely different set of opportunities and considerations.

We have also heard a great deal of concern about what this bill will or will not do for Africa.

Much of that concern is because Africa truly sits on the margins of our external trade relationships. It also sits on the margins of our national interests. But it's not just us. Africa sits on the margins of the global economy, where the gap between it and the developed world continues to grow wider at a disturbing rate.

In the minds of many people it is a lost continent, typified by extreme poverty and horrific brutality. The number of countries is confusing, as are the fluid alliances and corrupt bases of power which dictate the continent's life.

As Chairman of the Subcommittee on African Affairs, I must admit that it is very difficult to associate the names of Somalia, Rwanda, Congo, Angola, Burundi, Sierra Leone, and even Sudan with opportunity and potential benefits to the United States. But the continent cannot be viewed as a single entity, and, even in the midst of tragedy and suffering, they still have such great untapped potential.

Sub-Saharan Africa has—depending on whom you ask—a collective population approaching 700 million people. They are overwhelmingly poor and quite often isolated. But take even half that number and view them as potential consumers of American goods, and the opportunities for beneficial trade look better.

In July I held roundtable discussion in the Africa Subcommittee with some of the top fund managers, past and current Administration officials, and economists, regarding the barriers to investment in Africa. This group brought together very disparate interests and somewhat differing views of how to address those barriers, but a single, profound view was shared by all: Africa is truly the final frontier for American investment and trade, and that the potential is great enough that it must be given immediate and higher priority by policy makers.

Although the continent is troubled and presents less immediate returns than our expanded trade relationships with Latin America, Asia, and Europe, the potential benefits to the United States 10 to 20 years from now are so great that we would be remiss if we did not act now. We have before us an opportunity to start diversifying and nurturing that growth outside of the extractive industries, and to profoundly influence the future of Africa.

The Africa trade legislation is not a comprehensive set of tools to address those barriers and gain advantage in that last frontier—it has never been billed as such and Senators should not consider it such when they vote. But it is a good start. And, remarkably, it is a beginning point upon which both Americans and Africans have agreed.

That is a remarkable opportunity in what has otherwise been a troubled and neglected relationship.

But I differ with the ranking member of the Africa Subcommittee and the other well-meaning opponents that this effort is fatally flawed. I differ as well on the idea that we must do all or nothing with respect to our potential trade relationships and policies toward Africa on this piece of legislation. That will be a long and difficult process and one which will require much more than legislation.

The Africa trade bill also has virtues beyond the expansion of trade.

The United States' national interests in Africa are not clearly understood, and, as a consequence, our policy goals are often ill-defined. Even as the Secretary of State completed her trip to the continent last week, we find a lack of a consensus on the security, economic and humanitarian interests we have there.

One point that is clearly understood and agreed upon on both sides of the aisle and throughout policy circles in the United States and the entire developed world, is that our actions must promote greater freedom and opportunity for Africans who suffer under some of the most incompetent, corrupt and sadistic regimes on the face of the earth.

These regimes also affect our lives when organized crime, terrorists, drug traffickers and disease have found fertile ground and purchase on a continent that has been so ravaged.

In the post-cold-war era, the United States; approach to Africa has been driven almost exclusively by foreign assistance packages. During the cold war, the same was true, but we added the dimension of proxy wars against Soviet and Cuban aggression. That approach was reasonable at the time, considering what was at stake for us, but it did not leave a good legacy on the continent.

We now have what is a tremendous opportunity to begin fundamentally changing that legacy and, as I noted in the opening sentences of my remarks, to seize opportunities.

If you consider the effectiveness of aid to Africa in achieving those goals a continent-wide scale, the record is not good. Almost all of Africa has seen a reduction in income and, now, life expectancy, since we began direct assistance programs in the late 1950s to mid 1960s. Regardless of that record, it is clear that monetary assistance alone is not an acceptable foundation for our relations with an entire continent.

This initiative, though, is quite different and it represents much more than simply a "trade not aid" approach. Not only does it potentially benefit us as well, it contains incentives for simple yet critical changes in governance in Africa.

Those incentives and mutual benefits have the added and rather dramatic quality of being backed by (literally) every single potential participant on the continent. Every single one.

That includes former South African President Nelson Mandela, who has been erroneously portrayed as opposing this bill.

I think it is paternalistic to assert that African nations do not understand the effects this bill would have on them. And I do not believe that these nations have unrealistic expectations of its potential benefits.

Africans widely view their interaction with the outside world as one that has been anything from exploitative at worst to unequal at best. From the time of the first penetration of the African interior by slavers and ivory hunters until today, that has been the case—regardless of intent. Even benevolent missions were viewed as unintentional but nonetheless effective entrees for colonial powers' exploitation of the continent.

Interestingly, our own foreign assistance to the continent—which is viewed as a product of goodwill and of shared goals with reformers—does not escape that stigma.

As with any donor/recipient relationship, the recipient will always be viewed as "less equal" than the donor. That fact is unavoidable and, indeed, universal.

Although cash-strapped and desperately needy, Africans rightfully view a purely donor/recipient relationship between us and them as another manifestation of the treatment of Africans as less than equal—again, that is regardless of intent.

This legislation is clearly viewed differently by Africans, and that's why I am puzzled and unimpressed with the accusations by opponents of this effort that it is "exploitative." That somehow American corporations are simply going to reinvent that age-old relationship of Africa to the world and this will be their vehicle to do so. This effort is about realizing opportunities to build new mutually beneficial ties between the United States and Africa.

That is the Africans' view, at least. And that is why they bristle at the idea that this effort is not in their best interest, that they must be protected from something which they see as beneficial and positive.

In effect, it says to them that they must be protected from beginning to build relationships with America where they can be equals, where they are not simply something to pity and to patronize.

This bill will not change that attitude nor the continent overnight. As I said earlier, it is neither comprehensive trade legislation for Africa, nor is it a comprehensive policy toward Africa. It is a beginning, though. An important beginning. And, despite its potential flaws, it is critically important to pass this bill if we ever want to help bring Africa away from the margins, away from the suffering and human and environmental disasters and into the fold of developed and free nations.

That effort will require American leadership, and that leadership requires a first step. This effort is just such a first step, and I strongly urge my colleagues to support it and to defend it from those who would kill it, obstruct it or otherwise defeat it, either out of protectionist or other outmoded sentiments.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Delaware has 4 minutes remaining.

Mr. ROTH. Mr. President, I yield back the remainder of my time.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The bill clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa.

Trent Lott, Bill Roth, Mike DeWine, Rod Grams, Mitch McConnell, Judd Gregg, Larry E. Craig, Chuck Hagel, Chuck Grassley, Pete Domenici, Don Nickles, Connie Mack, Paul Coverdell, Phil Gramm, R.F. Bennett, and Richard G. Lugar.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on amendment No. 2325 to H.R. 434, an act to authorize a new trade and investment policy for sub-Saharan Africa, shall be brought to a close? The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN), the Senator from Utah (Mr. HATCH), and the Senator from North Carolina (Mr. HELMS), are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. HATCH) would vote "yes."

Mr. REID. I announce that the Senator from California (Mrs. BOXER), the Senator from North Dakota (Mr. DORGAN), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from New Jersey (Mr. LAUTENBERG) are necessarily absent.

The yeas and nays resulted—yeas 45, nays 46, as follows:

[Rollcall Vote No. 342 Leg.]

YEAS—45

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Cochran
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (OR)
Specter
Stevens
Thomas
Thompson
Voinovich
Warner

NAYS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Breaux
Bryan
Bunning
Byrd
Campbell
Cleland
Collins
Conrad
Daschle
Dodd
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Johnson
Kerrey
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Smith (NH)
Snowe
Thurmond
Torricelli
Wellstone
Wyden

NOT VOTING—8

Boxer
Dorgan
Hatch
Helms
Inouye
Kennedy
Lautenberg
McCain

The PRESIDING OFFICER. On this vote, the yeas are 45, the nays 46. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, may we have order. The chairman is about to speak.

The PRESIDING OFFICER. The Senate will please come to order.

UNANIMOUS CONSENT AGREEMENT—D.C./LABOR-HHS APPROPRIATIONS CONFERENCE REPORT

Mr. ROTH. Mr. President, I ask unanimous consent that today at a time determined by the majority leader, after consultation with the Democratic leader, the Senate begin consideration of the conference report to accompany the D.C./Labor-HHS Appropriations bill and the conference report be considered read. I further ask consent that on Monday, November 1, the Senate resume consideration of the conference report. I finally ask consent that at 9:30 a.m. on Tuesday, November 2, the Senate proceed to consider the conference report and that there be 30 minutes equally divided between the two leaders, to be followed by a vote on the adoption of the conference report, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, in light of this agreement, there will be no further votes today. The Senate will continue debate on the CBI/African trade bill and may begin consideration of the conference report to accompany the D.C./Labor-HHS bill.

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

Mr. ROTH. Mr. President, I will make a few comments because I have to say the vote just taken represents a sad day for America because it gives the wrong signal both to our people here at home and to those who were looking forward to this legislation as a means of beginning their country on a road of success and development.

I have to say there is something wrong with the way this Senate operates when a majority on both sides of the aisle, Republicans and Democrats, are in support of these significant treaties.

Mr. MOYNIHAN. Will the revered chairman yield for a question?

Mr. ROTH. Yes.

Mr. MOYNIHAN. Would he not estimate there are 75 votes for this measure in the Senate?

Mr. ROTH. Absolutely, I say to my distinguished friend, at least 75.

Mr. MOYNIHAN. At least 75.

Mr. ROTH. At least 75.

Mr. MOYNIHAN. And here we are.

Mr. ROTH. What kind of signal are we giving to the rest of the world? People are talking about isolationism. What does this vote represent? Does it mean we can't act effectively when the welfare of thousands of people both here and abroad is at stake? I say to my distinguished colleague and ranking member of the Finance Committee, for whom I have the greatest respect, that we will not consider this to be a dead issue.

Mr. MOYNIHAN. No.

Mr. ROTH. We shall continue to fight and assure that the opportunity arises for this Senate to take appropriate action, to have the opportunity to vote on this important matter. I lament we have spent more than a week of debate on this bill. We are ready to deal with the subject matter of this bill and relevant amendments. The vote, to be candid, is a victory for the few who oppose the bill and a vote against the interests of American workers who would benefit from this bill.

I regret it, as I said before, because this vote blocks progress—progress by the House, which passed this bill with a strong bipartisan majority. This vote blocks progress by the President, and this was one of his most important initiatives. This vote blocks progress by the Senate, which I know enjoys the support of strong majorities, as I have already said, on both sides of the aisle. Most importantly, this vote blocks progress that would mean new markets. I can't emphasize that too much. It would mean new markets for the American textile industry. It creates approximately 121,000 new jobs. It would have meant roughly $8.8 billion in enhanced business for the industry.

I deeply regret the effort to say this is just the result of campaign contributions, or whatever. Nothing could be further from the truth. I don't know whether or not we have upstairs now the Ambassadors of the 47 countries in Africa who would have benefited. They have been here day in and day out watching the developments; they are concerned about this legislation, which held out promise and hopes for them. As I said, this legislation is critically important because it promised jobs here at home. It promised the opportunity for the textile industry to better keep competitive in the local market. But not only here, I say to my distinguished friend from New York, isn't it true it would also help develop markets abroad?

Mr. MOYNIHAN. That do not now exist.

Mr. ROTH. That do not now exist. Exactly.

So that, as I say, this is a sad day for the country, and it is a sad for Delaware as well.

Let me say to the American workers, to our friends abroad, and our many supporters in the Senate gallery—I think I can include Senator MOYNIHAN—that I will continue to fight for this bill.

Mr. MOYNIHAN. Yes, sir.

Mr. ROTH. Senator MOYNIHAN and I will continue to fight for the benefits of this bill that extends to American workers and American industry. We will continue to resist the instincts of some who have fought to maintain protective walls and isolate America from the outside world.

The thing that bothers me so much is that in addition to the negative impact it has on this industry and on American workers, it sends the wrong signal just as we are on the verge of a multilateral meeting in Seattle—a historic occasion that would enable us to provide the kind of leadership that is needed if we are to continue the direction of liberal trade policy.

Yesterday, Senator MOYNIHAN pointed out so eloquently how liberal trade policies from way back in the 1930s have benefited this country, have benefited American workers, and, indeed, have benefited the entire world. We cannot turn our backs on this record.

We shall continue to fight and seek the opportunity to move forward.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, there are more than just prospective benefits for American workers in this legislation, on this Trade and Development Act of 1999. We now have 7 days before the Trade Adjustment Assistance program is ended, a program that goes back 37 years to the Trade Expansion Act that President Kennedy obtained in his first term—the only real measure he did in his first term—37 years and as many Presidents as you can count, with 200,000 persons and their families eligible for benefits. The funding ends on Friday.

More than that, we have put in jeopardy this morning—and it remains in jeopardy—trade policies of the last two-thirds of a century. In that two-thirds of a century, we have seen America rise to unknown and previously inconceivable levels of economic growth and stability.

This very morning the press reports, I will read from the New York Times:

> Headline: "Strong summer is likely to propel the economic boom to a record." The story: "The American economy turned in its best quarterly performance of the year this summer, virtually guaranteeing enough momentum to carry the nation to its longest economic expansion in history early next year."

By February—that is not very long—we shall have had the longest expansion in the history of the Nation.

Sir, I want to stand alongside my chairman and say this is not over. It cannot be over.

Do we have any idea what is at stake? Can you imagine going to Seattle having denied the President—not this President, whoever, the next President—having denied the Executive the power to negotiate trade agreements at the Seattle Round—as it could be commonly called—and the fast track is not in the President's court?

And then the matter that we took up today. It is a great effort on sub-Saharan Africa. We had the President of Nigeria here yesterday. We have had ambassadors from all over sub-Saharan Africa. The Caribbean Basin Initiative, President Reagan's initiative, sir—the new benefits that we ought to put in place—are gone. The representatives of at last democratic regimes in Central America came up, sir, at your invitation—gone. Trade Adjustment Assistance is gone. The Generalized System of Preferences—how old is that? A quarter of a century of the Generalized System of Preferences is gone, empty-handed.

The chairman and I were planning to spend a few days in Seattle just meeting with people. We were not going to speak. Dare we go? I suppose Ambassador Barshefsky is required to go. I don't want to show my face. But that need not be. We are still in session. The bill is still on the calendar.

Let us hope what we have done this weekend we can move to change it, and move on as we were moving.

I thank you, sir. No one could lead it better than the chairman did—events over which he has no control. The tangle we can get into with people who sometimes think one issue is more important than others.

We have to rise to this, sir. I hope we will.

I yield the floor.

Mr. ROTH. I thank the Senator for the gracious remarks. I assure him I will work closely with him to make certain this matter is acted upon by this Senate.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I hope—from the exchange we have just witnessed—that the two wise men will take their trip to Seattle without government gifts. But as they say, the fight will continue.

I am not at all sanguine about the recent vote. Be that as it may, it was a majority vote.

The Senator from Delaware says he knows—rather he estimated, estimated. The bipartisan majority has just stated what they would like to do, and that is to discuss this further because we are reading in the morning paper exactly what is going on. You know and I know what is going on in this country. The money boys have taken over.

For the distinguished Presiding Officer, mark it down. The money boys said this Christian right fundamentalist crowd, Gary Bauer, be gone. Mr. Buchanan, with your abortion, be gone. The rest of you with your fundamentalist stuff, be gone. We have taken over the party, and we are putting $60 million in with George Bush, and the selection process is over. They don't even have to attend the debates. That is what is expected in politics. Otherwise, they have a good friend in the White House—the soft money President, and he is on the money side. I had to fight him with NAFTA. And I am fighting him now, and I will continue to fight and to speak for jobs.

Don't give me anything about jobs. How can they talk? It ought to be ashes in their mouths.

Since they passed NAFTA promising 200,000 jobs, the textile industry alone has lost 420,000. We know about their promises. We put it in the RECORD. ATMI, and everybody else who said they wouldn't move, they all moved. They have to move. We are the ones who have caused the problem. We put in clean air, clean water, Social Security, Medicare, Medicaid, plant closing notices, parental leave, and safe machinery. Before you open up your manufacturing you have to comply with the high standard of American living, bipartisan agreement on both sides. Instead, now you can go down to Mexico for 58 cents. Maybe it is up to one dollar in some places. And you don't have to have any of those requirements. If the competition leaves, other companies have to leave to stay in business.

They say: Let's spread it to the African nations; we have the ambassadors in town. I have been in Africa. Don't tell me about sympathy for Africa. I lost friends in North Africa during the War who were helping to bring freedom there. We finally helped Mandela get out of prison. We have been the friends of Africa. We traveled there and we helped.

If we have so much to give, why don't the other industries give to Africa? The textile industry has given at the store, so to speak. Now we have lost two-thirds of our industry. We have a competitive one-third left, but it is going away. That is why I stand here.

It is a dark day. I am reminded of Jesse Jackson, who said keep hope alive. We still have hope as long as we can get the attention of a majority of Republicans and Democrats. Several Republican friends came over and said: I agree with you; I'm going to vote with you. Look at the record. I don't know how many Republicans, but it was a bipartisan vote. They are embarrassed with the Farley escapade. It is a one-way street.

Come on, trade is trade. Don't give me this whine and fail stuff.

We need not just a new agricultural assistance over there with the special Trade Representative. We need Nancy Reagan to replace Barshefsky—"Just say no." That is what we need. We know how to bargain. This is not foreign trade; this is foreign aid. It was good for 50 years to revive the different economies of the world, but it isn't any longer. We are in trouble. This boom they are talking about in the stock market is the information society; it doesn't create the jobs. Farley has already transferred nearly as many jobs offshore as Bill Gates has created with Microsoft. The Time magazine article says Microsoft has created 22,000 jobs. We already shipped off, job-wise, Microsoft. We have gotten rid of it, and we want to give them a $50 million prize for doing it, according to the Washington Post this morning.

Talk about a dark day. Maybe someday we will simmer down in this body and forget about the Presidential election and act like Senators—work on the minimum wage, health care, the Patients' Bill of Rights, bankruptcy bill, and other bills we have been trying to bring up.

My caucus is meeting now. I know I belong in there to try to protect my rights, but I will object to anything other than the regular order of business. Regular order is my vote. We can keep on moving. Let them vote against the minimum wage. They couldn't care less about the workers; they just want the vote. It is all politics. It is all applesauce, as Will Rogers said.

We cannot break the syndrome around here. The media is just pell-mell and fancy-free with the politicians. We got a break this morning. I bless whoever wrote that story and the one in Time magazine because I have been alone in this situation.

I am tired of this berating, when we are trying to do the work of the voters and the middle class people of America—the economic strength of this democracy—and the money guys are trying get rid of the middle class. Money is taking over the Republican Party, and now money is taking over the Democratic Party. That is what it is. It is just money. That is all.

When we started the leadership council—that crowd, our own friends—I remember it well, it was after the 1984 race. We got together all of the southern Senators, save one. We found out that the trouble was we had too many caucuses. We had the NAACP, the AFL–CIO, the women's caucus, this rights caucus and that rights caucus. So their solution was to form a caucus. They had the arrogance to call them the leadership council. They talked at the caucus yesterday, everybody bowing and scraping. They said: HOLLINGS, you got out of the Presidential race, but you head it up. I said I can't in good faith ask the Democratic Party to be there for me and then, when I get beat, say the trouble is with the party, not me. I supported Paul Kirk, and we worked and stayed in the party.

I have never been to a meeting in the leadership thing. I watched the money take over. A lot of what Buchanan said about the parties is right, there is not a dime's worth of difference. You can't get anything here for working America. It is money, money, money. They ought to be ashamed to say I am continuing to fight for this. It would shame me with those contributions.

I was looking for the distinguished leader, and I was going to tell him confidentially as a friend: Let the bill die; you don't want to bring it up. I have done you a favor.

We were headed with a symbol to the world. I am worried about the country. Don't give me symbols about Seattle and ambassadors in the gallery. We should stay here to do our work. They can make any agreement, but it had better not be unanimous because I object. I expect the regular order.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I don't intend to get involved in the debate involving the merits of this bill, but the problem with this legislation is not the legislation itself; the problem is the majority has not allowed the minority, the Republicans have not allowed the Democrats, to treat this bill as the Senate should treat any bill.

We started this bill last Thursday. It is now Friday. Eight days we have spent on this legislation. We have spent no time on a single amendment on this legislation.

The proper way to handle this is to allow the Senator from South Carolina, the Senator from Minnesota, and others to bring their amendments forward and have a debate. The Senators who want to offer amendments have all agreed to time agreements. The Senator from South Carolina desired 10 minutes on an amendment, 5 minutes per side.

Our leader, the minority leader, has also agreed, even though it is probably not in his best interest, but he believes in this legislation. He knows how important it is to the President. He has said he will offer to go along with the majority leader and table amendments not germane.

We should treat this body as it has been treated for over two hundred years: Bring a measure before the floor and let the debate proceed. We would have completed this legislation some time ago. There is no question this legislation now before this body has at least 75 supporters, maybe 80. I think this should give the majority all the backing they need for this legislation. I think it is a shame we are to the point we have not had a good debate on this legislation; in fact, probably the legislation will be pulled down. That is too bad.

We as the minority will have to continue protecting our rights, whether it is the CBI, this bill now before us, whether it is bankruptcy. Whatever the legislation that is going to be brought forward, we must have our input. That is all we are asking. We are not asking we win every amendment. Some amendments we recognize the majority does not want to vote upon. But that is not the way you conduct a legislative body, just avoid all issues that are tough votes.

We need more tough votes. We would all be better off, individually, in our respective States and the country, if we had more tough votes.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. REED. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRIST). Without objection, it is so ordered.

ARMENIA

Mr. REED. Mr. President, I rise to express my regret over the tragic situation in Armenia. As we all know, a few days ago gunmen broke into their Parliament and killed the Prime Minister and several other officials of the Armenian Government. Later today Senator ABRAHAM will introduce a resolution which will express our condolences to the people of Armenia and our expression of support for their continued struggle to create a viable and strong democratic tradition in their country.

As I said, late yesterday afternoon in Yerevan, the capital of Armenia, several gunmen broke into their Parliament and killed eight Government officials and wounded seven others. They then held hostages for 24 hours, and only after the intercession of the President of Armenia in negotiations did they relent, release the hostages, and then surrender to the authorities.

Among those killed were Prime Minister Vazgen Sarkisian, Parliament speaker Karen Demirchian, deputy speakers Yuri Bakhshian and Ruben Miroian, Energy Minister Leonard Petrosian, senior economic official Mikhail Kotanian and lawmakers Genrikh Abramian and Armenak Armenakian. These gentlemen gave their lives as they were pursuing a democratic future for the people of Armenia.

It appears the gunmen were not part of any larger conspiracy. They were family members who were bent on a path of individual retribution and revenge. But the tragic incident reminds us of the fragility of constitutional government and democracy around the world, particularly in Armenia.

Armenia declared its independence in September of 1991. It has been struggling to ensure a free and fair electoral process. Today, Armenians continue to be determined to ensure democracy will be the rule in their country. I had the occasion to travel there two years ago.

We all know one of the great points of friction in the area is the area of Nagorno-Karabakh, an ethnically Armenian territory which was controlled for years by Azerbaijan. Recently, we have seen progress. Indeed, the Prime Minister was one of the key figures in forging a dialogue between the Government of Azerbaijan and the Government of Armenia. His tragic loss, I hope, is not a setback for that process.

Deputy Secretary of State Strobe Talbott had just left Armenia in his efforts to try to prompt further discussions between Azerbaijan and Armenia. He has now returned there to ensure it is clear to the Government and people of Armenia that America will stand with them.

Today is an opportunity to send our message of support, our message of condolence; also, our message of further support for the people of Armenia as they confront the challenges of democracy.

I join my colleague, Senator ABRAHAM, and others supporting this legislation to, once again, signal to the world and the people of Armenia that we stand with them in this time of tragedy, and will in the future on more hopeful days.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000—CONFERENCE REPORT

Mrs. HUTCHISON. Mr. President, I ask that the Chair lay before the Senate the conference report to accompany the D.C./Labor-HHS appropriations bill.

The PRESIDING OFFICER. The report will be stated.

The legislative assistant read as follows:

> The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H.R. 3064, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 27, 1999.)

Mrs. HUTCHISON. Mr. President, I want to talk a little bit about the bill as a whole. There is going to be a joint effort between two subcommittees on the Appropriations Committee—my subcommittee, the D.C. appropriations subcommittee, on which Senator DURBIN is the ranking member, and then the Labor-HHS spending bill, which has Senator SPECTER as the chairman and Senator HARKIN as the ranking member. In addition, this bill contains the 1-percent across-the-board spending cut that is necessary for us to come into our budget caps and save the Social Security surplus intact.

First, I want to talk about the bigger bill because I think we should understand this is a very important achievement that we will make if Congress passes this bill and sends it to the President.

This bill marks, for the first time in 30 years, that we will pass all of our spending bills, and there will be no raid on the Social Security trust funds. The Social Security trust funds will be left intact so that people who have paid in will get back not only what they have paid in, but they will be given Social Security benefits after they are eligible. No longer will we dip into the Nation's retirement fund to pay for today's spending needs. This is a significant achievement.

For the record, this bill will be voted on on Tuesday. We will debate today and Monday. On Tuesday, I hope we will send this bill to the President, and I hope the President will sign it.

Some have complained about the across-the-board spending cuts. I think we can afford one penny of savings on every dollar to preserve the retirement needs of America. I do not think that is too much to ask of this Congress. After all, there is a little waste in Federal Government.

The inspectors general within the Departments across Government have already identified $16 billion in funds that have been misspent. The Governmental Affairs Committee, working with the General Accounting Office, has identified nearly $200 billion in savings in Federal overpayments, erroneous payments, and wasteful practices.

With this waste, I believe we can take a 1-percent cut to preserve the integrity of Social Security to cover the programs that are worthy and use our taxpayer dollars more efficiently. With $216 billion in waste, we can cover the programs that need to be covered if our administrators have any integrity and if they are, in fact, competent. I hope they are. I do not think it is too much to ask. After all, when any family sees it is not going to meet its income and its spending needs, what does it do? It does not just spend anyway. Hopefully, it does not borrow. It sits down and determines where it can cut. I wager most families in America have had to make more than a 1-percent cut in their budgets when they have run into an emergency and do not have the funds to spend.

I now turn to the provisions in the District of Columbia portion of this bill. This is our second attempt to get a District of Columbia funding bill the President will sign. I believe we have reached a solution that is acceptable to all the relevant parties.

Senator DURBIN has been very productive; he has been responsible; he has been a real player in this process. In our negotiation, we came to terms that allowed both of us to be comfortable that we are doing the right thing for the District and that everyone has given a little bit without sacrificing principle.

No bill is perfect. I am the first to say that. We all have had to sacrifice a little, but this is a bill the President will sign and it is important we have a bill the President will sign because every day this bill is not signed is a day our Nation's Capital is without important new initiatives that will make this a better city for our citizens and visitors. Despite our differences on other issues, let's look at what is good in this bill.

We have provided $17 million for college scholarships for D.C. students. We have provided funds to fight the war on drugs in the District of Columbia, including money to combat open-air drug markets. We have $5 million for commercial revitalization. We have funds to clean up the Anacostia River, to promote adoptions, and to help the Children's Hospital.

On marijuana legalization, the ban is retained. Medical marijuana use will not become law in the Nation's Capital.

On needle exchanges, there has been a great deal of misinformation. In this bill, we continue the ban on Federal and local funding for needle exchanges. I believe needle exchanges do not work. The drug czar of the United States, who represents the President of the United States, believes needle exchanges do not work, and not one penny of tax dollars will be used to support needle exchanges in the District of Columbia.

Any suggestion that tax dollars from the Federal Government or D.C. Government are being used is simply wrong. What the bill does allow is for clinics that have privately funded needle exchanges and do other worthy projects will not be prohibited from Federal funding for other worthy projects. But it is very clear there will be no Federal and no local money spent on needle exchanges in the District of Columbia.

On the voting rights lawsuit, I believe strongly this is a constitutional issue. It is a legislative prerogative to deal with it. This lawsuit has named officers of the Senate, the House, and even the President as defendants. The taxpayers of our country are spending money to defend against the lawsuit. We provide the District with 2 billion Federal dollars. Those funds should not be used to sue the Federal Government on an issue that is squarely a legislative prerogative.

In my view, no public money should be used for this suit—not local money, not Federal money. Our bill permits the D.C. Corporation City Counsel to review and comment on legal briefs in private lawsuits. This is a limited role for their attorneys, but that is as far as this bill goes. There will be no public money spent on the D.C. voting rights lawsuit or to provide statehood for the District of Columbia.

Finally, on legal fees in school disability cases, we retain the $60 cap, up $10 from a $50 cap, but the cap will be removed if local officials develop a joint agreement—the school superintendent, the Mayor, and the control board—on a new cap.

These are the changes we have made to our bill since it went through the Senate. We have White House support for these changes, and we have the support of the Democratic side for these changes.

I want to mention one other very important part of the bill that has remained intact, and that is the Mayor asked for the ability to spend more of the D.C. funds. The District does have quite stringent requirements for a surplus as well as a rainy day fund. That is sound because we are just beginning to get investment grade bonds for the city which lowers the interest rate they will have to pay, and that, of course, means it lowers the cost of borrowing for the city.

I thought it important to keep the reserve requirements intact. That will keep the city on a secure basis. I believed if they were going to spend money out of the surplus, that half of the surplus above the basic reserve requirement should be spent only for paying down debt, while the other half could go to new programs. That was a compromise the Mayor welcomed. He believes they will be able to address some of the infrastructure issues that they have not been able to address in their budget, while at the same time I will be satisfied that they will begin to pay down their long-term debt so they will have a more correct debt-income ratio. That will give them a higher bond rating. It will lower the amount of debt they are carrying and I think will put the city on a very firm financial footing in the very near future, which, of course, would then allow the city to go forward with a lower interest rate, a higher bond rating; and our capital city, I hope, will be able to flourish.

So this is an excellent bill. I hope the President will sign it.

With respect to the Labor-HHS part of the bill, I think this also contains a number of positive provisions and should not be vetoed. Senator SPECTER and Senator HARKIN have worked very hard on this bill. No one should be led to believe this bill is underfunded. It is $6 billion higher than last year's bill. In fact, it is $600 million above the President's request. This bill contains $2 billion more for education than last year; $300 million more in funding for the Department of Education than the President even requested. So if anyone tries to say we have underfunded education, the facts do not bear that argument out.

The National Institutes of Health will receive nearly $18 billion. This is the funding for research, for medical research, for quality-of-life improvements in our country. It is a $2 billion increase over last year's bill and $2 billion above the President's request.

The Head Start program is increased by $600 million.

So despite our goal of keeping funds intact for Social Security, we have still funded important priorities. If the bill is vetoed, it will not be vetoed because we have not addressed the correct priorities.

With that, Mr. President, I conclude and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I thank the Chair.

Mr. President, we come today to begin the debate on the appropriations bill for the District of Columbia. I am not certain, but I believe, of the 13 appropriations bills considered by the House and Senate, this is probably the smallest bill. Yet if you looked at the controversy that has preceded this debate, it would be a surprise to realize it is a small bill in comparison to other spending bills.

I say at the outset, my colleague and my friend, the Senator from Texas, Mrs. HUTCHISON, has been a pleasure to work with. Oh, we disagree on some things, and we have had some pretty hot debates, but I have the highest respect for her ability and her hard work and her willingness to sit down to try to work out our differences. I think it is because of that that we come today with the underlying D.C. appropriations bill—once vetoed by President Clinton—considerably improved over the original version.

The Senator from Texas has outlined several elements that we have changed or improved, and I would like to note them as well for the record.

I think it is important we follow the lead of the public health experts, who tell us the incidence of HIV and AIDS in the District of Columbia is a national disaster. It is seven times the rate of the rest of the United States. If we do not acknowledge this health care crisis, and respond to it with aggressive and creative programs, we are going to doom generations of D.C. residents and others who come into contact with them. It is that serious. That is why I applaud the Senator from Texas.

The needle exchange program no longer receives any Federal funds or any local funds, but if the program is offered by a clinic, in the District of Columbia, they will not be disqualified from other public health programs. That, then, leaves it to the individual clinics to make the decision. It does not ban the program, it merely says there will not be governmental funds used for these purposes. That is not the compromise I was looking for, but I think it is a reasonable one. I support it.

On the question of voting rights, it retains the ban on local and Federal funds on the voting rights case. But the D.C. corporation counsel, the city's attorney, is permitted to review and comment on legal briefs and private lawsuits.

This is what it is all about. There is a fear on the Republican side of the aisle that if the District of Columbia ever achieves statehood, it will elect Democrats. So they have historically opposed any efforts toward statehood; and they have tried to stop or slow it down in a variety of ways throughout history. It is a very clear political decision. But I think we have done the best we can and said that the D.C. corporation counsel can at least review and comment on the status of lawsuits moving in that direction with the city council.

The cap on city council salaries of 5 percent is not something I would vote for were it not part of a package that I think is important to pass. I do not believe we should try to inject ourselves in the decisions of the D.C. City Council—even bad decisions. This is a questionable decision. The pay raise they are envisioning, I believe, is in the neighborhood of 15 percent, if I am not mistaken—a pretty substantial increase. And the Senator from Texas believes it should be no more than 5 percent.

I am not certain I would even weigh in on that debate since it is a local decision. If we are going to weigh in on local decisions, I certainly would like to weigh in on what I consider the absolute foolishness of the D.C. City Council in announcing a tax cut of $57 million at a time when the District of Columbia still lacks the most basic in public services.

You can leave this Capitol Building right here, that is well known around the world, and go four or five blocks away, at night, and run the risk of being shot and killed. Of course, that happens in some other cities, including in my State of Illinois. But the fact is, the District of Columbia is not safe for visitors or residents. And to declare a tax cut under these circumstances is absolutely foolish. To ignore the public health needs of the District of Columbia and to say we have so much money in our till that we can give away $57 million in tax cuts is ridiculous.

The HIV/AIDS crisis alone would argue that the District should take this public health issue more seriously. There was a program on television the other day, on CNN, which reported the ratio of students to computers in the United States of America: Dead last—and no surprise—the District of Columbia, 1 computer for every 31 kids. That is as good as it gets if you happen to be a child in the District of Columbia.

Did the D.C. City Council decide to buy more computers so the kids could learn and become proficient in the use of computers to be able to compete and get good jobs? No; no way. They want to give a tax cut of $100 or $200 a year.

Oh, there is applause among some quarters. You can say: I'm a politician. I'm giving away a tax cut. Then you look around and say: Wait a minute. It's not safe to live in my neighborhood. There's an HIV epidemic going on. And the schools are the most disgraceful in the Nation. That is what it comes down to. I think it is a bad decision, but it is a decision they have made.

When you come down to other questions, such as attorneys fees and special education, we have made a concession in terms of the amount of money that will be allowed to attorneys representing families of special ed kids.

I would like to finish my comments on this bill related to the D.C. Appropriations bill and the Labor-HHS Appropriations bill which is before us, but I see our minority leader has come to the floor.

Mr. President, I ask unanimous consent to yield to the minority leader for such time as he may consume, and then resume my comments on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The minority leader.

Mr. DASCHLE. I appreciate very much the courtesy of the distinguished Senator from Illinois. I came to the floor to have a personal conversation with him on another matter. So I will yield the floor at this time to allow that opportunity, and appreciate, again, his courtesy.

Mr. DURBIN. Thank you very much, Mr. President. I was trying to do my duty as a member of Senator DASCHLE's team.

Let me say that having said earlier that Senator HUTCHISON has done such an extraordinary job in trying to find a compromise, I would have to tell you that the District of Columbia deserves better. They deserve better than a process where every Member of the House or the Senate would decide that they might add a rider to a bill to override local decisions by the D.C. City Council.

The District of Columbia certainly deserves better than to be in the predicament they are in today, where they have been appended as an afterthought to a huge spending bill, the Labor-HHS and Education bill, and, frankly, have bought a ticket on the Titanic. This bill is going to be vetoed, just as sure as I am standing here. So D.C. is about to see its third incarnation as an appropriations bill even later in the session.

I would like to yield, if I might, to the Senator from——

Mrs. HUTCHISON. Mr. President, reserving the right to object, I think Senator SPECTER, the chairman of the Labor-HHS committee, was going to make the next presentation. That was the order. Is that acceptable?

Mr. DURBIN. I find no problem with that. I would be glad to yield to Senator SPECTER in one moment.

Let me just finish on the D.C. bill, if I might, very quickly, and then yield to Senator SPECTER. Then we can come back to our side of the aisle for further comment. Let me tell Senators, for perspective, we are talking about a $429 million Federal appropriations bill for the District. The District of Columbia has its own budget of $6.8 billion. That budget is twisted in knots by Members of the House and Senate who have their own political agenda they want to inject into the appropriation for the District of Columbia. They impose standards and restrictions on the District of Columbia they would never consider even suggesting in their home States. The evidence is obvious. Some of the more controversial issues in which we get involved in the D.C. appropriations bill turn out to be programs these Congressmen and Senators don't even talk about in their home States. I think that really tells the whole story about what has happened with the District of Columbia in its spending bill.

I have a number of comments I would like to make about the underlying bill, the Labor-HHS appropriations bill. But in the interest of continuing this debate and acknowledging the presence of the chairman of that Appropriations subcommittee, I yield the floor to Senator HUTCHISON, if she would like to yield to Senator SPECTER.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, it is now my intention to allow Senator SPECTER to take the floor. As I said, we have two bills together—the D.C. bill, which I chair, and the Labor-HHS bill, which Senator SPECTER chairs. Senator

SPECTER has been very helpful, very cooperative to allow his very major bill to be put together with mine. He is very much a greater than equal partner in this bill. I have to admit, his bill is much bigger and much more important from a national standpoint, although the District of Columbia is very important. Nevertheless, Senator SPECTER's bill affects the lives of people all over our country.

It is my pleasure to yield the floor to Senator SPECTER for such time as he may consume.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Texas for yielding. I know there are other Senators on the floor waiting to speak, so I shall be relatively brief.

I do chair the Subcommittee on Labor, Health and Human Services, and Education. We thank the managers of the District of Columbia bill for allowing us to participate in their conference and for bringing our bill along.

The distinguished Senator from Iowa, Mr. HARKIN, and I had worked through, in our subcommittee, a bill to finance the Department of Education, the Department of Labor, and the Department of Health and Human Services which received a vote of 73 to 25. It is a very solid bill.

We then proceeded in a rather unusual way, because the House of Representatives had not passed a bill, to have an informal conference where Senator HARKIN and I represented the Senate and Congressman PORTER, chairman of the subcommittee on the House side, represented the House. Congressman OBEY, the ranking Democrat on the subcommittee, declined to participate because there had not been a House bill.

We are trying to make the best of a very difficult situation. As I noted, I will speak relatively briefly because I came to the floor on Wednesday, October 27, and spoke at some length when we had just finished the conference. Those remarks appear in the CONGRESSIONAL RECORD for October 27.

In substance, the portion of this bill on Labor, Health and Human Services is a $93.7 billion bill. It is an increase of $6 billion over fiscal year 1999, an increase of some $600 million over the President's figure. On education, which is a very high priority in America, priority second to none, this bill has appropriations totaling some $35 billion, and it is a $300 million increase over what the President had recommended.

We have sought to accommodate the President's interests and recognize his priorities. On Head Start, we had an increase of some $608.5 million, bringing the total funding for Head Start in excess of $5 billion. On GEAR UP, we had a 50-percent increase, from $120 million to $180 million. The President wanted a doubling. We could not find that much money. It is a good program, but we think a 50-percent increase was very substantial.

There is a point of controversy on the question of teacher classroom size. We have funded that at $1.2 billion. The President wanted $200 million extra. We anticipate that in negotiations that figure could be raised. Mr. Jack Lew, head of the Office of Management and Budget, has some add-ons he wants to make when the negotiations finally do occur, and they have some additional offsets to talk about at that time.

There has been a disagreement over whether there ought to be a mandate for those funds to be used for classroom size reduction or whether there ought to be some flexibility on the school districts. On this matter, we have specified that classroom size is the first item on the agenda, but we have given the local districts the option of using them for teacher training or some other local purpose.

We do not believe there ought to be a straitjacket coming out of Washington, if the local districts have some other need and can demonstrate that. I know this causes some heartburn to the administration. I talked to the President about it personally and talked to Jack Lew about it. It seems to us this is a matter where there ought to be some significant congressional input. The primary responsibility on appropriations comes to the Congress. That is what the Constitution says. Of course, the President has to sign the bill, and we are always concerned and take into consideration the President's priorities. But as a matter of public policy, it makes a lot of sense to allow local school districts to make a different allocation from classroom size reduction if they don't have a problem on classroom size. So that is one issue where there is disagreement.

One aspect of the final bill, which came out of the conference, provides for a 1-percent across-the-board cut, with which, as I noted 2 days ago, I am personally not in agreement. My preference would have been to go through the bill and itemize various programs to make those reductions without a 1-percent across-the-board cut. There was a very strenuous effort made by the leadership of the House and Senate and the representatives of the subcommittee and the full committee to find another way out, to have this bill come in without touching Social Security. Simply stated, this was the least of all the undesirable alternatives.

It is my hope the President will sign this bill. He has already stated he will veto it. This is another step in the process of the appropriations procedures to come back to negotiations and to try to find a bill which will be acceptable to the President and to the Congress.

I note that when we talk about a 1-percent across-the-board cut on a program such as Head Start, there will still be an increase of some $569 million, not as much as the $608 million we had hoped for but still a very substantial increase. When it comes to a variety of other programs, we have added very substantial increases, so even when there is a 1-percent across-the-board cut, there is still a net advance.

Two more items are worthy of brief mention. We have added very substantially to the National Institutes of Health, some $2.3 billion. That is the crown jewel of the Federal Government. They are making enormous strides. The expert testimony specifies that the cure for Parkinson's may be only 5 years away; great advances on Alzheimer's, great advances on cancer—cervical cancer, breast cancer, prostate cancer—heart disease, the entire range of problems.

We have in this bill an allocation of some $800 million for a program directed at youth violence. The actual figure is $733.8 million, where no additional funds were added, but there is a redirection to try to deal with that major problem in America.

In essence, I think the bill that passed the Senate was a really good bill which would have clearly merited the President's signature, even though some differences have existed with the 1 percent across-the-board cut. I understand the problems there. But if somebody has a suggestion on how to have offsets or cuts to protect Social Security, we are prepared to sit down and meet with the officers of the executive branch and the President to try to work out a bill that is acceptable to both the administration and the Congress, to be sure there is adequate funding for these three very important Departments.

I thank the Chair and yield the floor.

Mr. ABRAHAM. Mr. President, recently the Senate passed the last of the Fiscal Year 2000 appropriations bills, the Labor, Health & Human Services, Education appropriations bill. Despite tight budgetary constraints, the Senate has passed a bill which embodies the basic principles of our democratic society—all of our citizens deserve an equal opportunity to reach one's highest potential—by providing access to a good education, jobs skills training and protection from illness.

While I believe that this is a well balanced bill which appropriately reflects the priorities of the Senate, many of the votes that we cast in relation to the this bill challenged these priorities as well as our commitment to protecting the Social Security surplus from careless government over-spending. Therefore, please allow me to address some of the specifics of individual amendments which touch upon these issues.

As I stated before, this legislation rightly embodies the ideals of responsibility, accountability and flexibility.

No greater are these ideals highlighted than in the areas of education. This legislation provides for $37.6 billion for the Department of Education; $6 billion for special education; and $892 million in education impact aid. In fact, the Committee exceeded the President's funding level requests by $537 million, $586 million and $156 million respectively. This support will provide the foundation by which we can continue to strengthen and improve the education system for all of our children.

In addition, this legislation respects the right of the states and local districts to make appropriate decisions regarding education.

However, some of my colleagues would jeopardize the jurisdiction of states, schools and parents to decide the most appropriate means by which to address the specific concerns of their children.

Senator MURRAY offered an amendment (No. 1804) which would have increased the levels for the class-size reduction program from $1.2 billion to $1.4 billion. This increase would be coupled to a mandate which requires that the funding must be used to reduce class size. Now, I agree that smaller class size is preferable to a larger class-size, just about anyone would; children receive more individual attention from the teacher when there are fewer children in the classroom. However, not all schools have the need for smaller class-sizes—42 states have already met the goal of 18 students per teacher. Thus, not all districts place priority on smaller class-sizes. Why would the federal government force districts and states to spend limited resources on a program which is unnecessary? What right does the federal government have to decide for the schools and the parents what their priorities should be? Forcing schools to spend funding on one particular program, simply takes valuable resources from other programs which might better address the needs of their students. Although this amendment failed, the funding itself is still available to schools; to reduce the number of children in each classroom if they so choose or, if further class-size reduction is unnecessary, to fund a more appropriate program such as technology-related training for teachers, dropout or drug abuse prevention programs and building new school facilities.

It is for similar reasons that I could not support an amendment (No. 1809) to increase funding for 21st Century Community Learning Centers. Again, I do not doubt that after-school programs offer structural, educational, and health services to children and the families of communities. However, the funding for this program had already been increased $200 million over FY99 funding levels by the Committee. I cannot justify forcing states and localities to spend additional funding on specific programs which might not be appropriate for their communities.

As we continue to raise the bar on the quality of education provided to our children, we have also increased state and local accountability for reaching these high standards. Accountability is a key component of a successful education policy, without it there is less incentive to succeed or exceed goals. Earlier this session, we passed the Education Flexibility Partnership Act (Public Law 106-25), which in exchange for greater accountability, provides states with expanded flexibility to choose which education initiatives best fit the needs of their children. In the five years the Ed-Flex program was in effect, prior to its expansion, to all states with the passage of this bill, it has realized modest to spectacular results, and in no case has performance declined or has a state abused its increased flexibility by diverting or misrepresenting funds. I am proud to have voted for Ed-Flex and the principles it upholds.

Unfortunately, some of my colleagues, while espousing the virtues of accountability, would at the same time take away the flexibility states need to respond quickly and effectively to the needs of their students and schools. This is why I opposed an amendment (No. 1861) offered by Senator BINGAMAN, which purported to increase accountability for states. This amendment undermined the principles of responsibility, accountability and flexibility. While the amendment would increase funding for disadvantaged students by $49 million, it specifically mandated that $70 million in funding must be used for state accountability programs. This represents a net loss of $21 million in funding which could have gone directly to the classrooms—funding which could have directly and positively impacted the quality of education provided for economically disadvantaged students. This amendment represents accountability, or at least requires the implementation of an accountability program, without the accompanying flexibility states need to effectively address education issues.

Mr. President, there is another side to responsibility as well. Earlier this year, we made a promise to the American people that we would not raid the Social Security surplus. Even as the President's budget proposal threatened drain the Social Security surplus by $158 billion over five years and the Democrats continued to filibuster my Social Security Lockbox legislation, we still held true to our commitment not to spend a single penny of the Social Security trust fund. Now, as we are nearing the end of the appropriations process, it is vital that we uphold our responsibility to the American people and keep this promise.

Senator NICKLES offered an amendment (No. 1889) which rightly expressed the sense of the Senate regarding the importance of protecting the Social Security surplus. Recognizing the possibility that the amount of funding appropriated through the 13 appropriations bills could exceed budgetary restraints, the Senate agreed that a solution could be an across-the-board reduction in discretionary funding in an amount equal to that needed to stay within budget constraints, thereby protecting Social Security. My vote reflects my unwavering belief that the social security surplus must be protected from wanton government spending. It also highlights my continuing opposition to rasing taxes on America's working families, especially when cutting wasteful Washington spending is certainly a viable alternative.

Some of my colleagues, many of whom are the same individuals who have continued to vote against a Social Security Lockbox, denounced the across-the-board proposal. Although they could have offered a substantial and realistic alternative to across-the-board reductions in reductions, instead they choose to introduce an amendment (No. 2267) which merely denounces the proposal for a reduction in discretionary funding and offers vague support for paying for the budget shortfall by raising taxes and using other offsets.

When my colleagues were pressed about details, they stated that there is currently $4 trillion in tax expenditures which could be examined and possibly eliminated to raise revenue for excess spending: that "there may very well be an opportunity to squeeze some resources out of tax expenditures * * *". Another term for tax expenditure is tax relief. And when my colleagues talk about squeezing out resources, this includes "squeezing" relief measures such as the tax credit for post-secondary education, the $500 per child tax credit, estate tax relief and the home interest deduction, among many other provisions which allow families to save and invest in their own and their children's futures. Without a clear explanation of exactly how enough revenue would be raised to fill the budget shortfall, thereby avoiding spending the Social Security surplus, I could not support the alternative amendment to the across-the-board reduction in discretionary spending levels and I will not support any proposal which would increase the already excessive tax burden on American families.

In addition, some of my colleagues offered an amendment (No. 2268) which would reduce the level of fairness inherent in an across-the-board reduction by insisting on an exemption for specific programs from the resulting decreases in discretionary funding, specifically education funding. While I believe that education is a top national priority, this amendment primarily highlights a general lack of understanding about the actual education funding levels in this appropriations bill.

My votes on these Sense of the Senate amendments simply express my preference for spending reductions versus raising taxes or spending the Social Security surplus. In that there are many specific areas of federal spending that in my view can and should be cut back, I would prefer to see us balance the budget with reductions of that type. Unfortunately, gaining consensus on such reductions will be difficult, although I will continue to press for this type of approach. Failing that, some type of across-the-board reductions may be the last resort.

As I mentioned earlier, the education funding in this bill exceeds the levels requested by the Administration on many fronts. While it is impossible at this point to know exactly what the final spending level will be at the end of the day, even after including all of the President's emergency spending and a possible Balanced Budget Act of 1997 (BBA) pay-back bill, an across-the-board reduction, designed to protect Social Security, would result in approximately a 1.4 percent decrease.

Mr. President, even with a 1.4 percent reduction in discretionary funding, I would further note that special education and education impact aid would have funding levels $521 million and $143 million above the President's request levels, respectively. In addition, the Department of Education would be funded $10.6 million over that which the President requested. Far from under-funding education, this bill continues to provide strong support for our schools and our students.

We have almost completed our appropriations work this year, and I applaud the effort and dedication demonstrated by my colleagues on the Senate Appropriations Committee and in the Senate as whole. I hope, as we go into the final stages of this process, we will continue to abide by the ideals of responsibility, accountability and flexibility by upholding our promise to protect Social Security and by producing a final package which will serve Americans well.

I yield the floor.

TAX RELIEF EXTENSION ACT OF 1999

Mr. LOTT. Mr. President, we have some very important extenders in the Tax Code that need to be acted on before the end of this year or they will expire. The Finance Committee, in a broad bipartisan way, reported out the bill. We have now cleared it on both sides. So this is very important to get it into conference with the House quickly so we can get this legislation completed before the year's legislative end.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 346, S. 1792, the so-called Finance Committee extenders bill, and there be 10 minutes for debate, with no amendments or motions in order.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1792) to amend the Internal Revenue Code of 1986 to extend expiring provisions, to fully allow the nonrefundable personal credits against regular tax liability, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. BAUCUS. Mr. President, I express my support for this bill.

This bill is not perfect. There are many of us in the Senate who have hoped we could have done more. I have argued that the Research and Development tax credit should be made permanent for many years. Companies plan their research many years in advance, and we don't get the full benefit of the R&D credit by allowing it to expire so frequently.

I also support making the AMT exclusion in the bill permanent. Taxpayers should be assured they will receive the full benefits of the personal credits that we enacted with such fanfare just last session.

There are other credits in this bill that should be made permanent, such as the Work Opportunities and Welfare to Work tax credits. These credits help compensate companies for hiring those employees that are the hardest to employ and train—those coming off the welfare rolls.

But we cannot allow the perfect to be the enemy of the good. We stand here in the waning days of this session, and it appears as though enacting legislation that would make these credits permanent is simply not in the cards. They are expensive, and it is not possible to enact major tax legislation that uses a substantial portion of the surplus unless it is in the context of a comprehensive bill.

Above all, we must be fiscally responsible, and protect the surplus for our children and grandchildren.

This bill has been reviewed by all Senators and has received unanimous consent to proceed. I hope the Conferees on the bill will work out the differences between the House and Senate quickly, and send us back a bill the President can sign into law. Doing otherwise risks getting nothing at all, and allowing the gap since these important credits lapsed to grow. This would further undermine their effectiveness, and leave thousands of businesses and individuals with tremendous uncertainty about their tax liabilities for this year.

We cannot and should not leave this important work undone. We should restore these credits as soon as possible, even if that means leaving the debate about permanence for these credits for another day.

Mr. LOTT. Mr. President, I ask consent that following the conclusion or yielding back of time, the bill be advanced to third reading and passed and the motion to reconsider be laid upon the table. I further ask consent that the bill remain at the desk, and once the Senate receives the House companion bill, the Senate proceed to its immediate consideration and all after the enacting clause be stricken, the text of the Senate bill be inserted, the bill be advanced to third reading and passed. I further ask consent that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, and passage of the Senate bill be vitiated and it be placed back on the calendar.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The bill (S. 1792) was read the third time and passed, as follows:

S. 1792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Tax Relief Extension Act of 1999".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—EXTENSION OF EXPIRED AND EXPIRING PROVISIONS

Sec. 101. Extension of minimum tax relief for individuals.
Sec. 102. Extension of exclusion for employer-provided educational assistance.
Sec. 103. Extension of research and experimentation credit and increase in rates for alternative incremental research credit.
Sec. 104. Extension of exceptions under subpart F for active financing income.
Sec. 105. Extension of suspension of net income limitation on percentage depletion from marginal oil and gas wells.
Sec. 106. Extension of work opportunity tax credit and welfare-to-work tax credit.
Sec. 107. Extension and modification of tax credit for electricity produced from certain renewable resources.
Sec. 108. Expansion of brownfields environmental remediation.
Sec. 109. Temporary increase in amount of rum excise tax covered over to Puerto Rico and Virgin Islands.
Sec. 110. Delay requirement that registered motor fuels terminals offer dyed fuel as a condition of registration.
Sec. 111. Extension of production credit for fuel produced by certain gasification facilities.

TITLE II—REVENUE OFFSET PROVISIONS

Subtitle A—General Provisions

Sec. 201. Modification of individual estimated tax safe harbor.
Sec. 202. Modification of foreign tax credit carryover rules.
Sec. 203. Clarification of tax treatment of income and losses on derivatives.
Sec. 204. Inclusion of certain vaccines against streptococcus pneumoniae to list of taxable vaccines.
Sec. 205. Expansion of reporting of cancellation of indebtedness income.
Sec. 206. Imposition of limitation on prefunding of certain employee benefits.
Sec. 207. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.
Sec. 208. Limitation on conversion of character of income from constructive ownership transactions.
Sec. 209. Treatment of excess pension assets used for retiree health benefits.
Sec. 210. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 211. Limitation on use of nonaccrual experience method of accounting.
Sec. 212. Denial of charitable contribution deduction for transfers associated with split-dollar insurance arrangements.
Sec. 213. Prevention of duplication of loss through assumption of liabilities giving rise to a deduction.
Sec. 214. Consistent treatment and basis allocation rules for transfers of intangibles in certain nonrecognition transactions.
Sec. 215. Distributions by a partnership to a corporate partner of stock in another corporation.
Sec. 216. Prohibited allocations of stock in S corporation ESOP.

Subtitle B—Provisions Relating to Real Estate Investment Trusts

PART I—TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES

Sec. 221. Modifications to asset diversification test.
Sec. 222. Treatment of income and services provided by taxable REIT subsidiaries.
Sec. 223. Taxable REIT subsidiary.
Sec. 224. Limitation on earnings stripping.
Sec. 225. 100 percent tax on improperly allocated amounts.
Sec. 226. Effective date.

PART II—HEALTH CARE REITS

Sec. 231. Health care REITs.

PART III—CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

Sec. 241. Conformity with regulated investment company rules.

PART IV—CLARIFICATION OF EXCEPTION FROM IMPERMISSIBLE TENANT SERVICE INCOME

Sec. 251. Clarification of exception for independent operators.

PART V—MODIFICATION OF EARNINGS AND PROFITS RULES

Sec. 261. Modification of earnings and profits rules.

PART VI—MODIFICATION OF ESTIMATED TAX RULES

Sec. 271. Modification of estimated tax rules for closely held real estate investment trusts.

PART VIII—MODIFICATION OF TREATMENT OF CLOSELY-HELD REITS

Sec. 281. Controlled entities ineligible for REIT status.

TITLE III—BUDGET PROVISION

Sec. 301. Exclusion from paygo scorecard.

TITLE I—EXTENSION OF EXPIRED AND EXPIRING PROVISIONS

SEC. 101. EXTENSION OF MINIMUM TAX RELIEF FOR INDIVIDUALS.

(a) IN GENERAL.—The second sentence of section 26(a) (relating to limitations based on amount of tax) is amended by striking "1998" and inserting "calendar year 1998, 1999, or 2000".

(b) CHILD CREDIT.—Section 24(d)(2) (relating to reduction of credit to taxpayer subject to alternative minimum tax) is amended by striking "December 31, 1998" and inserting "December 31, 2000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 102. EXTENSION OF EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Section 127(d) (relating to termination) is amended by striking "May 31, 2000" and inserting "December 31, 2000".

(b) REPEAL OF LIMITATION ON GRADUATE EDUCATION.—

(1) IN GENERAL.—The last sentence of section 127(c)(1) (defining educational assistance) is amended by striking ", and such term also does not include any payment for, or the provision of any benefits with respect to, any graduate level course of a kind normally taken by an individual pursuing a program leading to a law, business, medical, or other advanced academic or professional degree".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to expenses relating to courses beginning after December 31, 1999.

SEC. 103. EXTENSION OF RESEARCH AND EXPERIMENTATION CREDIT AND INCREASE IN RATES FOR ALTERNATIVE INCREMENTAL RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h) (relating to termination) is amended—

(A) by striking "June 30, 1999" and inserting "December 31, 2000",

(B) by striking "36-month" and inserting "54-month", and

(C) by striking "36 months" and inserting "54 months".

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) is amended by striking "June 30, 1999" and inserting "December 31, 2000".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) is amended—

(A) by striking "1.65 percent" and inserting "2.65 percent",

(B) by striking "2.2 percent" and inserting "3.2 percent", and

(C) by striking "2.75 percent" and inserting "3.75 percent".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1999.

(c) EXTENSION OF RESEARCH CREDIT TO RESEARCH IN PUERTO RICO AND THE POSSESSIONS OF THE UNITED STATES.—

(1) IN GENERAL.—Section 41(d)(4)(F) (relating to foreign research) is amended by inserting ", the Commonwealth of Puerto Rico, or any possession of the United States" after "United States".

(2) DENIAL OF DOUBLE BENEFIT.—Section 280C(c)(1) is amended by inserting "or credit" after "deduction" each place it appears.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

SEC. 104. EXTENSION OF EXCEPTIONS UNDER SUBPART F FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) (relating to application) are each amended—

(1) by striking "the first taxable year" and inserting "taxable years",

(2) by striking "January 1, 2000" and inserting "January 1, 2001", and

(3) by striking "within which such" and inserting "within which any such".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 105. EXTENSION OF SUSPENSION OF NET INCOME LIMITATION ON PERCENTAGE DEPLETION FROM MARGINAL OIL AND GAS WELLS.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) (relating to temporary suspension of taxable limit with respect to marginal production) is amended by striking "January 1, 2000" and inserting "January 1, 2001".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 106. EXTENSION OF WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK TAX CREDIT.

(a) TEMPORARY EXTENSION.—Sections 51(c)(4)(B) and 51A(f) (relating to termination) are each amended by striking "June 30, 1999" and inserting "December 31, 2000".

(b) CLARIFICATION OF FIRST YEAR OF EMPLOYMENT.—Paragraph (2) of section 51(i) is amended by striking "during which he was not a member of a targeted group".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after June 30, 1999.

SEC. 107. EXTENSION AND MODIFICATION OF TAX CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—Paragraph (3) of section 45(c) is amended to read as follows:

"(3) QUALIFIED FACILITY.—

"(A) WIND FACILITY.—In the case of a facility using wind to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after December 31, 1993, and before January 1, 2001.

"(B) CLOSED-LOOP BIOMASS FACILITY.—In the case of a facility using closed-loop biomass to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is—

"(i) originally placed in service after December 31, 1992, and before January 1, 2001, or

"(ii) originally placed in service before December 31, 1992, and modified to use closed-loop biomass to co-fire with coal after such date and before January 1, 2001.

"(C) BIOMASS FACILITY.—In the case of a facility using biomass (other than closed-loop biomass) to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service before January 1, 2001.

"(D) LANDFILL GAS OR POULTRY WASTE FACILITY.—

"(i) IN GENERAL.—In the case of a facility using landfill gas or poultry waste to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after December 31, 1999, and before January 1, 2001.

"(ii) Landfill gas.—In the case of a facility using landfill gas, such term shall include equipment and housing (not including wells and related systems required to collect and transmit gas to the production facility) required to generate electricity which are owned by the taxpayer and so placed in service.

"(E) Special rule.—In the case of a qualified facility described in subparagraph (B) or (C) using coal to co-fire with biomass, the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than January 1, 2000."

(b) Expansion of Qualified Energy Resources.—

(1) In general.—Section 45(c)(1) (defining qualified energy resources) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

"(C) biomass (other than closed-loop biomass),

"(D) landfill gas, and

"(E) poultry waste."

(2) Definitions.—Section 45(c), as amended by subsection (a), is amended by redesignating paragraph (3) as paragraph (6) and inserting after paragraph (2) the following new paragraphs:

"(3) Biomass.—The term 'biomass' means any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which is derived from—

"(A) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

"(B) urban sources, including waste pallets, crates, and dunnage, manufacturing and construction wood wastes, and landscape or right-of-way tree trimmings, but not including unsegregated municipal solid waste (garbage) or paper that is commonly recycled, or

"(C) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues.

"(4) Landfill gas.—The term 'landfill gas' means gas from the decomposition of any household solid waste, commercial solid waste, and industrial solid waste disposed of in a municipal solid waste landfill unit (as such terms are defined in regulations promulgated under subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).

"(5) Poultry waste.—The term 'poultry waste' means poultry manure and litter, including wood shavings, straw, rice hulls, and other bedding material for the disposition of manure."

(c) Special Rules.—Section 45(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraphs:

"(6) Credit eligibility in the case of government-owned facilities using poultry waste.—In the case of a facility using poultry waste to produce electricity and owned by a governmental unit, the person eligible for the credit under subsection (a) is the lessor or the operator of such facility.

"(7) Proportional credit for facility using coal to co-fire with biomass.—In the case of a qualified facility described in subparagraph (B) or (C) of subsection (c)(6) using coal to co-fire with biomass, the amount of the credit determined under subsection (a) for the taxable year shall be reduced by the percentage coal comprises (on a Btu basis) of the average fuel input of the facility for the taxable year.

"(8) Denial of double benefit.—No credit shall be allowed under this section with respect to a facility for any taxable year if the credit under section 29 is allowed in such year or has been allowed in any preceding taxable year with respect to any fuel produced from such facility."

(d) Conforming Amendment.—Section 29(d) (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(9) Denial of double benefit.—No credit shall be allowed under this section with respect to any fuel produced from a facility for any taxable year if the credit under section 45 is allowed in such year or has been allowed in any preceding taxable year with respect to such facility."

(e) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 108. EXPANSION OF BROWNFIELDS ENVIRONMENTAL REMEDIATION.

(a) In General.—Section 198(c) is amended to read as follows:

"(c) Qualified Contaminated Site.—For purposes of this section—

"(1) In general.—The term 'qualified contaminated site' means any area—

"(A) which is held by the taxpayer for use in a trade or business or for the production of income, or which is property described in section 1221(1) in the hands of the taxpayer, and

"(B) at or on which there has been a release (or threat of release) or disposal of any hazardous substance.

"(2) National priorities listed sites not included.—Such term shall not include any site which is on, or proposed for, the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as in effect on the date of the enactment of this section).

"(3) Taxpayer must receive statement from state environmental agency.—An area shall be treated as a qualified contaminated site with respect to expenditures paid or incurred during any taxable year only if the taxpayer receives a statement from the appropriate environmental agency of the State in which such area is located that such area meets the requirement of paragraph (1)(B).

"(4) Appropriate state agency.—For purposes of paragraph (3), the chief executive officer of each State may, in consultation with the Administrator of the Environmental Protection Agency, designate the appropriate State environmental agency within 60 days of the date of the enactment of this section. If the chief executive officer of a State has not designated an appropriate State environmental agency within such 60-day period, the appropriate environmental agency for such State shall be designated by the Administrator of the Environmental Protection Agency."

(b) Effective Date.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 1999.

SEC. 109. TEMPORARY INCREASE IN AMOUNT OF RUM EXCISE TAX COVERED OVER TO PUERTO RICO AND VIRGIN ISLANDS.

(a) In General.—Section 7652(f)(1) (relating to limitation on cover over of tax on distilled spirits) is amended to read as follows:

"(1) $10.50 ($13.50 in the case of distilled spirits brought into the United States after June 30, 1999, and before January 1, 2001), or".

(b) Effective Date.—

(1) In general.—The amendment made by this section shall take effect on July 1, 1999.

(2) Special rule.—

(A) In general.—For the period beginning after June 30, 1999, and before January 1, 2001, the treasury of Puerto Rico shall make a Conservation Trust Fund transfer within 30 days from the date of each cover over payment made during such period to such treasury under section 7652(e) of the Internal Revenue Code of 1986.

(B) Conservation trust fund transfer.—

(i) In general.—For purposes of this paragraph, the term "Conservation Trust Fund transfer" means a transfer to the Puerto Rico Conservation Trust Fund of an amount equal to 50 cents per proof gallon of the taxes imposed under section 5001 or section 7652 of such Code on distilled spirits that are covered over to the treasury of Puerto Rico under section 7652(e) of such Code.

(ii) Treatment of transfer.—Each Conservation Trust Fund transfer shall be treated as principal for an endowment, the income from which to be available for use by the Puerto Rico Conservation Trust Fund for the purposes for which the Trust Fund was established.

(iii) Result of nontransfer.—

(I) In general.—Upon notification by the Secretary of the Interior that a Conservation Trust Fund transfer has not been made by the treasury of Puerto Rico during the period described in subparagraph (A), the Secretary of the Treasury shall, except as provided in subclause (II), deduct and withhold from the next cover over payment to be made to the treasury of Puerto Rico under section 7652(e) of such Code an amount equal to the appropriate Conservation Trust Fund transfer and interest thereon at the underpayment rate established under section 6621 of such Code as of the due date of such transfer. The Secretary of the Treasury shall transfer such amount deducted and withheld, and the interest thereon, directly to the Puerto Rico Conservation Trust Fund.

(II) Good cause exception.—If the Secretary of the Interior finds, after consultation with the Governor of Puerto Rico, that the failure by the treasury of Puerto Rico to make a required transfer was for good cause, and notifies the Secretary of the Treasury of the finding of such good cause before the due date of the next cover over payment following the notification of nontransfer, then the Secretary of the Treasury shall not deduct the amount of such nontransfer from any cover over payment.

(C) Puerto Rico conservation trust fund.—For purposes of this paragraph, the term "Puerto Rico Conservation Trust Fund" means the fund established pursuant to a Memorandum of Understanding between the United States Department of the Interior and the Commonwealth of Puerto Rico, dated December 24, 1968.

SEC. 110. DELAY REQUIREMENT THAT REGISTERED MOTOR FUELS TERMINALS OFFER DYED FUEL AS A CONDITION OF REGISTRATION.

Subsection (f)(2) of section 1032 of the Taxpayer Relief Act of 1997, as amended by section 9008 of the Transportation Equity Act for the 21st Century, is amended by striking "July 1, 2000" and inserting "January 1, 2001".

SEC. 111. EXTENSION OF PRODUCTION CREDIT FOR FUEL PRODUCED BY CERTAIN GASIFICATION FACILITIES.

(a) In General.—Section 29(g)(1)(A) (relating to extension for certain facilities) is amended by striking "July 1, 1998" and inserting "July 1, 2000".

(b) Effective Date.—The amendment made by this section shall apply to fuels produced on and after July 1, 1998.

(c) Special Rule.—

(1) In general.—For purposes of the Internal Revenue Code of 1986, the credit determined under section 29 of such Code which is otherwise allowable under such Code by reason of the amendment made by subsection (a) and which is attributable to the suspension period shall not be taken into account prior to October 1, 2004. On or after such date, such credit may be taken into account through the filing of an amended return, an application for expedited refund, an adjustment of estimated taxes, or other means allowed by such Code. Interest shall not be allowed under section 6511(a) of such Code on any overpayment attributable to such credit for any period before the 45th day after the credit is taken into account under the preceding sentence.

(2) Suspension period.—For purposes of this subsection, the suspension period is the period beginning on July 1, 1998, and ending on September 30, 2004.

(3) Expedited refunds.—

(A) In general.—If there is an overpayment of tax with respect to a taxable year by reason of paragraph (1), the taxpayer may file an application for a tentative refund of such overpayment. Such application shall be in such manner and form, and contain such information, as the Secretary may prescribe.

(B) Deadline for applications.—Subparagraph (A) shall apply only to applications filed before October 1, 2005.

(C) Allowance of adjustments.—Not later than 90 days after the date on which an application is filed under this paragraph, the Secretary shall—

(i) review the application,

(ii) determine the amount of the overpayment, and

(iii) apply, credit, or refund such overpayment,

in a manner similar to the manner provided in section 6411(b) of such Code.

(D) Consolidated returns.—The provisions of section 6411(c) of such Code shall apply to an adjustment under this paragraph in such manner as the Secretary may provide.

(4) Credit attributable to suspension period.—For purposes of this subsection, in the case of a taxable year which includes a portion of the suspension period, the amount of credit determined under section 29 of such Code for such taxable year which is attributable to such period is the amount which bears the same ratio to the amount of credit determined under such section 29 for such taxable year as the number of months in the suspension period which are during such taxable year bears to the number of months in such taxable year.

(5) Waiver of statute of limitations.—If, on October 1, 2004 (or at any time within the 1-year period beginning on such date) credit or refund of any overpayment of tax resulting from the provisions of this subsection is barred by any law or rule of law, credit or refund of such overpayment shall, nevertheless, be allowed or made if claim therefore is filed before the date 1 year after October 1, 2004.

(6) Secretary.—For purposes of this subsection, the term "Secretary" means the Secretary of the Treasury (or such Secretary's delegate).

TITLE II—REVENUE OFFSET PROVISIONS

Subtitle A—General Provisions

SEC. 201. MODIFICATION OF INDIVIDUAL ESTIMATED TAX SAFE HARBOR.

(a) In General.—The table contained in clause (i) of section 6654(d)(1)(C) (relating to limitation on use of preceding year's tax) is amended by striking all matter beginning with the item relating to 1999 or 2000 and inserting the following new items:

"1999	110.5
2000	106
2001	112
2002	110
2003	112
2004 or thereafter	110".

(b) Effective Date.—The amendment made by this section shall apply with respect to any installment payment for taxable years beginning after December 31, 1999.

SEC. 202. MODIFICATION OF FOREIGN TAX CREDIT CARRYOVER RULES.

(a) In General.—Section 904(c) (relating to limitation on credit) is amended—

(1) by striking "in the second preceding taxable year,", and

(2) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(b) Effective Date.—The amendment made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 1999.

SEC. 203. CLARIFICATION OF TAX TREATMENT OF INCOME AND LOSS ON DERIVATIVES.

(a) In General.—Section 1221 (defining capital assets) is amended—

(1) by striking "For purposes" and inserting the following:

"(a) In General.—For purposes",

(2) by striking the period at the end of paragraph (5) and inserting a semicolon, and

(3) by adding at the end the following:

"(6) any commodities derivative financial instrument held by a commodities derivatives dealer, unless—

"(A) it is established to the satisfaction of the Secretary that such instrument has no connection to the activities of such dealer as a dealer, and

"(B) such instrument is clearly identified in such dealer's records as being described in subparagraph (A) before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may by regulations prescribe);

"(7) any hedging transaction which is clearly identified as such before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may by regulations prescribe); or

"(8) supplies of a type regularly used or consumed by the taxpayer in the ordinary course of a trade or business of the taxpayer.

"(b) Definitions and Special Rules.—

"(1) Commodities derivative financial instruments.—For purposes of subsection (a)(6)—

"(A) Commodities derivatives dealer.—The term 'commodities derivatives dealer' means a person which regularly offers to enter into, assume, offset, assign, or terminate positions in commodities derivative financial instruments with customers in the ordinary course of a trade or business.

"(B) Commodities derivative financial instrument.—

"(i) In general.—The term 'commodities derivative financial instrument' means any contract or financial instrument with respect to commodities (other than a share of stock in a corporation, a beneficial interest in a partnership or trust, a note, bond, debenture, or other evidence of indebtedness, or a section 1256 contract (as defined in section 1256(b)), the value or settlement price of which is calculated by or determined by reference to a specified index.

"(ii) Specified index.—The term 'specified index' means any one or more or any combination of—

"(I) a fixed rate, price, or amount, or

"(II) a variable rate, price, or amount,

which is based on any current, objectively determinable financial or economic information with respect to commodities which is not within the control of any of the parties to the contract or instrument and is not unique to any of the parties' circumstances.

"(2) Hedging transaction.—

"(A) In general.—For purposes of this section, the term 'hedging transaction' means any transaction entered into by the taxpayer in the normal course of the taxpayer's trade or business primarily—

"(i) to manage risk of price changes or currency fluctuations with respect to ordinary property which is held or to be held by the taxpayer,

"(ii) to manage risk of interest rate or price changes or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, by the taxpayer, or

"(iii) to manage such other risks as the Secretary may prescribe in regulations.

"(B) Treatment of nonidentification or improper identification of hedging transactions.—Notwithstanding subsection (a)(7), the Secretary shall prescribe regulations to properly characterize any income, gain, expense, or loss arising from a transaction—

"(i) which is a hedging transaction but which was not identified as such in accordance with subsection (a)(7), or

"(ii) which was so identified but is not a hedging transaction.

"(3) Regulations.—The Secretary shall prescribe such regulations as are appropriate to carry out the purposes of paragraph (6) and (7) of subsection (a) in the case of transactions involving related parties.".

(b) Management of Risk.—

(1) Section 475(c)(3) is amended by striking "reduces" and inserting "manages".

(2) Section 871(h)(4)(C)(iv) is amended by striking "to reduce" and inserting "to manage".

(3) Clauses (i) and (ii) of section 988(d)(2)(A) are each amended by striking "to reduce" and inserting "to manage".

(4) Paragraph (2) of section 1256(e) is amended to read as follows:

"(2) Definition of hedging transaction.—For purposes of this subsection, the term 'hedging transaction' means any hedging transaction (as defined in section 1221(b)(2)(A)) if, before the close of the day on which such transaction was entered into (or such earlier time as the Secretary may prescribe by regulations), the taxpayer clearly identifies such transaction as being a hedging transaction.".

(c) Conforming Amendments.—

(1) Each of the following sections are amended by striking "section 1221" and inserting "section 1221(a)":

(A) Section 170(e)(3)(A).

(B) Section 170(e)(4)(B).

(C) Section 367(a)(3)(B)(i).

(D) Section 818(c)(3).

(E) Section 865(i)(1).

(F) Section 1092(a)(3)(B)(ii)(II).

(G) Subparagraphs (C) and (D) of section 1231(b)(1).

(H) Section 1234(a)(3)(A).

(2) Each of the following sections are amended by striking "section 1221(1)" and inserting "section 1221(a)(1)":

(A) Section 198(c)(1)(A)(i).

(B) Section 263A(b)(2)(A).

(C) Clauses (i) and (iii) of section 267(f)(3)(B).

(D) Section 341(d)(3).

(E) Section 543(a)(1)(D)(i).

(F) Section 751(d)(1).

(G) Section 775(c).

(H) Section 856(c)(2)(D).

(I) Section 856(c)(3)(C).

(J) Section 856(e)(1).

(K) Section 856(j)(2)(B).

(L) Section 857(b)(4)(B)(i).

(M) Section 857(b)(6)(B)(iii).

(N) Section 864(c)(4)(B)(iii).

(O) Section 864(d)(3)(A).

(P) Section 864(d)(6)(A).

(Q) Section 954(c)(1)(B)(iii).

(R) Section 995(b)(1)(C).

(S) Section 1017(b)(3)(E)(i).

(T) Section 1362(d)(3)(C)(ii).

(U) Section 4662(c)(2)(C).

(V) Section 7704(c)(3).

(W) Section 7704(d)(1)(D).

(X) Section 7704(d)(1)(G).

(Y) Section 7704(d)(5).

(3) Section 818(b)(2) is amended by striking "section 1221(2)" and inserting "section 1221(a)(2)".

(4) Section 1397B(e)(2) is amended by striking "section 1221(4)" and inserting "section 1221(a)(4)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any instrument held, acquired, or entered into, any transaction entered into, and supplies held or acquired on or after the date of the enactment of this Act.

SEC. 204. INCLUSION OF CERTAIN VACCINES AGAINST STREPTOCOCCUS PNEUMONIAE TO LIST OF TAXABLE VACCINES.

(a) INCLUSION OF VACCINES.—

(1) IN GENERAL.—Section 4132(a)(1) (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

"(L) Any conjugate vaccine against streptococcus pneumoniae."

(2) EFFECTIVE DATE.—

(A) SALES.—The amendment made by this subsection shall apply to vaccine sales beginning on the day after the date on which the Centers for Disease Control makes a final recommendation for routine administration to children of any conjugate vaccine against streptococcus pneumoniae, but shall not take effect if subsection (b) does not take effect.

(B) DELIVERIES.—For purposes of subparagraph (A), in the case of sales on or before the date described in such subparagraph for which delivery is made after such date, the delivery date shall be considered the sale date.

(b) VACCINE TAX AND TRUST FUND AMENDMENTS.—

(1) Sections 1503 and 1504 of the Vaccine Injury Compensation Program Modification Act (and the amendments made by such sections) are hereby repealed.

(2) Subparagraph (A) of section 9510(c)(1) is amended by striking "August 5, 1997" and inserting "October 21, 1998".

(3) The amendments made by this subsection shall take effect as if included in the provisions of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 to which they relate.

(c) REPORT.—Not later than January 31, 2000, the Comptroller General of the United States shall prepare and submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the operation of the Vaccine Injury Compensation Trust Fund and on the adequacy of such Fund to meet future claims made under the Vaccine Injury Compensation Program.

SEC. 205. EXPANSION OF REPORTING OF CANCELLATION OF INDEBTEDNESS INCOME.

(a) IN GENERAL.—Paragraph (2) of section 6050P(c) (relating to definitions and special rules) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by inserting after subparagraph (C) the following new subparagraph:

"(D) any organization a significant trade or business of which is the lending of money."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to discharges of indebtedness after December 31, 1999.

SEC. 206. IMPOSITION OF LIMITATION ON PREFUNDING OF CERTAIN EMPLOYEE BENEFITS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide directly or indirectly for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 207. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) IN GENERAL.—Section 3405(b)(1) (relating to withholding) is amended by striking "10 percent" and inserting "15 percent".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions after December 31, 2000.

SEC. 208. LIMITATION ON CONVERSION OF CHARACTER OF INCOME FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

"SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

"(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

"(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

"(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

"(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

"(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

"(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

"(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

"(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

"(c) FINANCIAL ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'financial asset' means—

"(A) any equity interest in any pass-thru entity, and

"(B) to the extent provided in regulations—

"(i) any debt instrument, and

"(ii) any stock in a corporation which is not a pass-thru entity.

"(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) a trust,

"(F) a common trust fund,

"(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

"(H) a foreign personal holding company,

"(I) a foreign investment company (as defined in section 1246(b)), and

"(J) a REMIC.

"(d) CONSTRUCTIVE OWNERSHIP TRANSACTION.—For purposes of this section—

"(1) IN GENERAL.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

"(A) holds a long position under a notional principal contract with respect to the financial asset,

"(B) enters into a forward or futures contract to acquire the financial asset,

"(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

"(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

"(2) EXCEPTION FOR POSITIONS WHICH ARE MARKED TO MARKET.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

"(3) LONG POSITION UNDER NOTIONAL PRINCIPAL CONTRACT.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

"(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

"(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

"(4) FORWARD CONTRACT.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

"(e) NET UNDERLYING LONG-TERM CAPITAL GAIN.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

"(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

"(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

"(f) SPECIAL RULE WHERE TAXPAYER TAKES DELIVERY.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

"(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset."

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 is amended by adding at the end the following new item:

"Sec. 1260. Gains from constructive ownership transactions."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 209. TREATMENT OF EXCESS PENSION ASSETS USED FOR RETIREE HEALTH BENEFITS.

(a) EXTENSION.—

(1) IN GENERAL.—Paragraph (5) of section 420(b) (relating to expiration) is amended by striking "in any taxable year beginning after December 31, 2000" and inserting "made after September 30, 2009".

(2) CONFORMING AMENDMENTS.—

(A) Section 101(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)(3)) is amended by striking "January 1, 1995" and inserting "the date of the enactment of the Tax Relief Extension Act of 1999".

(B) Section 403(c)(1) of such Act (29 U.S.C. 1103(c)(1)) is amended by striking "January 1, 1995" and inserting "the date of the enactment of the Tax Relief Extension Act of 1999".

(C) Paragraph (13) of section 408(b) of such Act (29 U.S.C. 1108(b)(13)) is amended—

(i) by striking "in a taxable year beginning before January 1, 2001" and inserting "made before October 1, 2009", and

(ii) by striking "January 1, 1995" and inserting "the date of the enactment of the Tax Relief Extension Act of 1999".

(b) APPLICATION OF MINIMUM COST REQUIREMENTS.—

(1) IN GENERAL.—Paragraph (3) of section 420(c) is amended to read as follows:

"(3) MINIMUM COST REQUIREMENTS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if each group health plan or arrangement under which applicable health benefits are provided provides that the applicable employer cost for each taxable year during the cost maintenance period shall not be less than the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the qualified transfer.

"(B) APPLICABLE EMPLOYER COST.—For purposes of this paragraph, the term 'applicable employer cost' means, with respect to any taxable year, the amount determined by dividing—

"(i) the qualified current retiree health liabilities of the employer for such taxable year determined—

"(I) without regard to any reduction under subsection (e)(1)(B), and

"(II) in the case of a taxable year in which there was no qualified transfer, in the same manner as if there had been such a transfer at the end of the taxable year, by

"(ii) the number of individuals to whom coverage for applicable health benefits was provided during such taxable year.

"(C) ELECTION TO COMPUTE COST SEPARATELY.—An employer may elect to have this paragraph applied separately with respect to individuals eligible for benefits under title XVIII of the Social Security Act at any time during the taxable year and with respect to individuals not so eligible.

"(D) COST MAINTENANCE PERIOD.—For purposes of this paragraph, the term 'cost maintenance period' means the period of 5 taxable years beginning with the taxable year in which the qualified transfer occurs. If a taxable year is in two or more overlapping cost maintenance periods, this paragraph shall be applied by taking into account the highest applicable employer cost required to be provided under subparagraph (A) for such taxable year.".

(2) CONFORMING AMENDMENTS.—

(A) Clause (iii) of section 420(b)(1)(C) is amended by striking "benefits" and inserting "cost".

(B) Subparagraph (D) of section 420(e)(1) is amended by striking "and shall not be subject to the minimum benefit requirements of subsection (c)(3)" and inserting "or in calculating applicable employer cost under subsection (c)(3)(B)".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to qualified transfers occurring after the date of the enactment of this Act.

(2) TRANSITION RULE.—If the cost maintenance period for any qualified transfer after the date of the enactment of this Act includes any portion of a benefit maintenance period for any qualified transfer on or before such date, the amendments made by subsection (b) shall not apply to such portion of the cost maintenance period (and such portion shall be treated as a benefit maintenance period).

SEC. 210. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2)."

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) (relating to pledges, etc., of installment obligations) is amended by adding at the end the following:

"A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation."

(c) Effective Date.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 211. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) In General.—Section 448(d)(5) (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) Change in method of accounting.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 212. DENIAL OF CHARITABLE CONTRIBUTION DEDUCTION FOR TRANSFERS ASSOCIATED WITH SPLIT-DOLLAR INSURANCE ARRANGEMENTS.

(a) In General.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding at the end the following new paragraph:

"(10) Split-dollar life insurance, annuity, and endowment contracts.—

"(A) In general.—Nothing in this section or in section 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 shall be construed to allow a deduction, and no deduction shall be allowed, for any transfer to or for the use of an organization described in subsection (c) if in connection with such transfer—

"(i) the organization directly or indirectly pays, or has previously paid, any premium on any personal benefit contract with respect to the transferor, or

"(ii) there is an understanding or expectation that any person will directly or indirectly pay any premium on any personal benefit contract with respect to the transferor.

"(B) Personal benefit contract.—For purposes of subparagraph (A), the term 'personal benefit contract' means, with respect to the transferor, any life insurance, annuity, or endowment contract if any direct or indirect beneficiary under such contract is the transferor, any member of the transferor's family, or any other person (other than an organization described in subsection (c)) designated by the transferor.

"(C) Application to charitable remainder trusts.—In the case of a transfer to a trust referred to in subparagraph (E), references in subparagraphs (A) and (F) to an organization described in subsection (c) shall be treated as a reference to such trust.

"(D) Exception for certain annuity contracts.—If, in connection with a transfer to or for the use of an organization described in subsection (c), such organization incurs an obligation to pay a charitable gift annuity (as defined in section 501(m)) and such organization purchases any annuity contract to fund such obligation, persons receiving payments under the charitable gift annuity shall not be treated for purposes of subparagraph (B) as indirect beneficiaries under such contract if—

"(i) such organization possesses all of the incidents of ownership under such contract,

"(ii) such organization is entitled to all the payments under such contract, and

"(iii) the timing and amount of payments under such contract are substantially the same as the timing and amount of payments to each such person under such obligation (as such obligation is in effect at the time of such transfer).

"(E) Exception for certain contracts held by charitable remainder trusts.—A person shall not be treated for purposes of subparagraph (B) as an indirect beneficiary under any life insurance, annuity, or endowment contract held by a charitable remainder annuity trust or a charitable remainder unitrust (as defined in section 664(d)) solely by reason of being entitled to any payment referred to in paragraph (1)(A) or (2)(A) of section 664(d) if—

"(i) such trust possesses all of the incidents of ownership under such contract, and

"(ii) such trust is entitled to all the payments under such contract.

"(F) Excise tax on premiums paid.—

"(i) In general.—There is hereby imposed on any organization described in subsection (c) an excise tax equal to the premiums paid by such organization on any life insurance, annuity, or endowment contract if the payment of premiums on such contract is in connection with a transfer for which a deduction is not allowable under subparagraph (A), determined without regard to when such transfer is made.

"(ii) Payments by other persons.—For purposes of clause (i), payments made by any other person pursuant to an understanding or expectation referred to in subparagraph (A) shall be treated as made by the organization.

"(iii) Reporting.—Any organization on which tax is imposed by clause (i) with respect to any premium shall file an annual return which includes—

"(I) the amount of such premiums paid during the year and the name and TIN of each beneficiary under the contract to which the premium relates, and

"(II) such other information as the Secretary may require.

The penalties applicable to returns required under section 6033 shall apply to returns required under this clause. Returns required under this clause shall be furnished at such time and in such manner as the Secretary shall by forms or regulations require.

"(iv) Certain rules to apply.—The tax imposed by this subparagraph shall be treated as imposed by chapter 42 for purposes of this title other than subchapter B of chapter 42.

"(G) Special rule where state requires specification of charitable gift annuitant in contract.—In the case of an obligation to pay a charitable gift annuity referred to in subparagraph (D) which is entered into under the laws of a State which requires, in order for the charitable gift annuity to be exempt from insurance regulation by such State, that each beneficiary under the charitable gift annuity be named as a beneficiary under an annuity contract issued by an insurance company authorized to transact business in such State, the requirements of clauses (i) and (ii) of subparagraph (D) shall be treated as met if—

"(i) such State law requirement was in effect on February 8, 1999,

"(ii) each such beneficiary under the charitable gift annuity is a bona fide resident of such State at the time the obligation to pay a charitable gift annuity is entered into, and

"(iii) the only persons entitled to payments under such contract are persons entitled to payments as beneficiaries under such obligation on the date such obligation is entered into.

"(H) Member of family.—For purposes of this paragraph, an individual's family consists of the individual's grandparents, the grandparents of such individual's spouse, the lineal descendants of such grandparents, and any spouse of such a lineal descendant.

"(I) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations to prevent the avoidance of such purposes."

(b) Effective Date.—

(1) In general.—Except as otherwise provided in this section, the amendment made by this section shall apply to transfers made after February 8, 1999.

(2) Excise tax.—Except as provided in paragraph (3) of this subsection, section 170(f)(10)(F) of the Internal Revenue Code of 1986 (as added by this section) shall apply to premiums paid after the date of the enactment of this Act.

(3) Reporting.—Clause (iii) of such section 170(f)(10)(F) shall apply to premiums paid after February 8, 1999 (determined as if the tax imposed by such section applies to premiums paid after such date).

SEC. 213. PREVENTION OF DUPLICATION OF LOSS THROUGH ASSUMPTION OF LIABILITIES GIVING RISE TO A DEDUCTION.

(a) In General.—Section 358 (relating to basis to distributees) is amended by adding at the end the following new subsection:

"(h) Special Rules for Assumption of Liabilities To Which Subsection (d) Does Not Apply.—

"(1) In general.—If, after application of the other provisions of this section to an exchange or series of exchanges, the basis of property to which subsection (a)(1) applies exceeds the fair market value of such property, then such basis shall be reduced (but not below such fair market value) by the amount (determined as of the date of the exchange) of any liability—

"(A) which is assumed in exchange for such property, and

"(B) with respect to which subsection (d)(1) does not apply to the assumption.

"(2) Exception.—Paragraph (1) shall not apply to any liability if the trade or business giving rise to the liability is transferred to the person assuming the liability as part of the exchange.

"(3) Liability.—For purposes of this subsection, the term 'liability' shall include any obligation to make payment, without regard to whether the obligation is fixed or contingent or otherwise taken into account for purposes of this title.

"(4) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this subsection."

(b) APPLICATION OF COMPARABLE RULES TO PARTNERSHIPS.—The Secretary of the Treasury or his delegate shall prescribe rules which provide appropriate adjustments under subchapter K of chapter 1 of the Internal Revenue Code of 1986 to prevent the acceleration or duplication of losses through the assumption of (or transfer of assets subject to) liabilities described in section 358(h)(3) of such Code (as added by subsection (a)) in transactions involving partnerships.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to assumptions of liability after October 18, 1999.

(2) RULES.—The rules prescribed under subsection (b) shall apply to assumptions of liability after October 18, 1999, or such later date as may be prescribed in such rules.

SEC. 214. CONSISTENT TREATMENT AND BASIS ALLOCATION RULES FOR TRANSFERS OF INTANGIBLES IN CERTAIN NONRECOGNITION TRANSACTIONS.

(a) TRANSFERS TO CORPORATIONS.—Section 351 (relating to transfer to corporation controlled by transferor) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) TREATMENT OF TRANSFERS OF INTANGIBLE PROPERTY.—

"(1) TRANSFERS OF LESS THAN ALL SUBSTANTIAL RIGHTS.

"(A) IN GENERAL.—A transfer of an interest in intangible property (as defined in section 936(h)(3)(B)) shall be treated under this section as a transfer of property even if the transfer is of less than all of the substantial rights of the transferor in the property.

"(B) ALLOCATION OF BASIS.—In the case of a transfer of less than all of the substantial rights of the transferor in the intangible property, the transferor's basis immediately before the transfer shall be allocated among the rights retained by the transferor and the rights transferred on the basis of their respective fair market values.

"(2) NONRECOGNITION NOT TO APPLY TO INTANGIBLE PROPERTY DEVELOPED FOR TRANSFEREE.—This section shall not apply to a transfer of intangible property developed by the transferor or any related person if such development was pursuant to an arrangement with the transferee."

(b) TRANSFERS TO PARTNERSHIPS.—Subsection (d) of section 721 is amended to read as follows:

"(d) TRANSFERS OF INTANGIBLE PROPERTY.—

"(1) IN GENERAL.—Rules similar to the rules of section 351(h) shall apply for purposes of this section.

"(2) TRANSFERS TO FOREIGN PARTNERSHIPS.—For regulatory authority to treat intangibles transferred to a partnership as sold, see section 367(d)(3)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers on or after the date of the enactment of this Act.

SEC. 215. DISTRIBUTIONS BY A PARTNERSHIP TO A CORPORATE PARTNER OF STOCK IN ANOTHER CORPORATION.

(a) IN GENERAL.—Section 732 (relating to basis of distributed property other than money) is amended by adding at the end the following new subsection:

"(f) CORRESPONDING ADJUSTMENT TO BASIS OF ASSETS OF A DISTRIBUTED CORPORATION CONTROLLED BY A CORPORATE PARTNER.—

"(1) IN GENERAL.—If—

"(A) a corporation (hereafter in this subsection referred to as the 'corporate partner') receives a distribution from a partnership of stock in another corporation (hereafter in this subsection referred to as the 'distributed corporation'),

"(B) the corporate partner has control of the distributed corporation immediately after the distribution or at any time thereafter, and

"(C) the partnership's adjusted basis in such stock immediately before the distribution exceeded the corporate partner's adjusted basis in such stock immediately after the distribution,

then an amount equal to such excess shall be applied to reduce (in accordance with subsection (c)) the basis of property held by the distributed corporation at such time (or, if the corporate partner does not control the distributed corporation at such time, at the time the corporate partner first has such control).

"(2) EXCEPTION FOR CERTAIN DISTRIBUTIONS BEFORE CONTROL ACQUIRED.—Paragraph (1) shall not apply to any distribution of stock in the distributed corporation if—

"(A) the corporate partner does not have control of such corporation immediately after such distribution, and

"(B) the corporate partner establishes to the satisfaction of the Secretary that such distribution was not part of a plan or arrangement to acquire control of the distributed corporation.

"(3) LIMITATIONS ON BASIS REDUCTION.—

"(A) IN GENERAL.—The amount of the reduction under paragraph (1) shall not exceed the amount by which the sum of the aggregate adjusted bases of the property and the amount of money of the distributed corporation exceeds the corporate partner's adjusted basis in the stock of the distributed corporation.

"(B) REDUCTION NOT TO EXCEED ADJUSTED BASIS OF PROPERTY.—No reduction under paragraph (1) in the basis of any property shall exceed the adjusted basis of such property (determined without regard to such reduction).

"(4) GAIN RECOGNITION WHERE REDUCTION LIMITED.—If the amount of any reduction under paragraph (1) (determined after the application of paragraph (3)(A)) exceeds the aggregate adjusted bases of the property of the distributed corporation—

"(A) such excess shall be recognized by the corporate partner as long-term capital gain, and

"(B) the corporate partner's adjusted basis in the stock of the distributed corporation shall be increased by such excess.

"(5) CONTROL.—For purposes of this subsection, the term 'control' means ownership of stock meeting the requirements of section 1504(a)(2).

"(6) INDIRECT DISTRIBUTIONS.—For purposes of paragraph (1), if a corporation acquires (other than in a distribution from a partnership) stock the basis of which is determined in whole or in part by reference to subsection (a)(2) or (b), the corporation shall be treated as receiving a distribution of such stock from a partnership.

"(7). SPECIAL RULE FOR STOCK IN CONTROLLED CORPORATION.—If the property held by a distributed corporation is stock in a corporation which the distributed corporation controls, this subsection shall be applied to reduce the basis of the property of such controlled corporation. This subsection shall be reapplied to any property of any controlled corporation which is stock in a corporation which it controls.

"(8) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including regulations to avoid double counting and to prevent the abuse of such purposes."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to distributions made after July 14, 1999.

(2) PARTNERSHIPS IN EXISTENCE ON JULY 14, 1999.—In the case of a corporation which is a partner in a partnership as of July 14, 1999, the amendment made by this section shall apply to distributions made to such partner from such partnership after the date of the enactment of this Act.

SEC. 216. PROHIBITED ALLOCATIONS OF STOCK IN S CORPORATION ESOP.

(a) IN GENERAL.—Section 409 (relating to qualifications for tax credit employee stock ownership plans) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

"(p) PROHIBITED ALLOCATIONS OF SECURITIES IN AN S CORPORATION.—

"(1) IN GENERAL.—An employee stock ownership plan holding employer securities consisting of stock in an S corporation shall provide that no portion of the assets of the plan attributable to (or allocable in lieu of) such employer securities may, during a nonallocation year, accrue (or be allocated directly or indirectly under any plan of the employer meeting the requirements of section 401(a)) for the benefit of any disqualified person.

"(2) FAILURE TO MEET REQUIREMENTS.—

"(A) IN GENERAL.—If a plan fails to meet the requirements of paragraph (1), the plan shall be treated as having distributed to any disqualified person the amount allocated to the account of such person in violation of paragraph (1) at the time of such allocation.

"(B) CROSS REFERENCE.—

"For excise tax relating to violations of paragraph (1) and ownership of synthetic equity, see section 4979A.

"(3) NONALLOCATION YEAR.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'nonallocation year' means any plan year of an employee stock ownership plan if, at any time during such plan year—

"(i) such plan holds employer securities consisting of stock in an S corporation, and

"(ii) disqualified persons own at least 50 percent of the number of shares of stock in the S corporation.

"(B) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The rules of section 318(a) shall apply for purposes of determining ownership, except that—

"(I) in applying paragraph (1) thereof, the members of an individual's family shall include members of the family described in paragraph (4)(D), and

"(II) paragraph (4) thereof shall not apply.

"(ii) DEEMED-OWNED SHARES.—Notwithstanding the employee trust exception in section 318(a)(2)(B)(i), individual shall be treated as owning deemed-owned shares of the individual.

Solely for purposes of applying paragraph (5), this subparagraph shall be applied after the attribution rules of paragraph (5) have been applied.

"(4) DISQUALIFIED PERSON.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'disqualified person' means any person if—

"(i) the aggregate number of deemed-owned shares of such person and the members of such person's family is at least 20 percent of the number of deemed-owned shares of stock in the S corporation, or "(ii) in the case of a person not described in clause (i), the number of deemed-owned shares of such person is at least 10 percent of the number of deemed-owned shares of stock in such corporation.

"(B) TREATMENT OF FAMILY MEMBERS.—In the case of a disqualified person described in subparagraph (A)(i), any member of such person's family with deemed-owned shares shall be treated as a disqualified person if not otherwise treated as a disqualified person under subparagraph (A).

"(C) DEEMED-OWNED SHARES.—

"(i) IN GENERAL.—The term 'deemed-owned shares' means, with respect to any person—

"(I) the stock in the S corporation constituting employer securities of an employee stock ownership plan which is allocated to such person under the plan, and

"(II) such person's share of the stock in such corporation which is held by such plan but which is not allocated under the plan to participants.

"(ii) PERSON'S SHARE OF UNALLOCATED STOCK.—For purposes of clause (i)(II), a person's share of unallocated S corporation stock held by such plan is the amount of the unallocated stock which would be allocated to such person if the unallocated stock were allocated to all participants in the same proportions as the most recent stock allocation under the plan.

"(D) MEMBER OF FAMILY.—For purposes of this paragraph, the term 'member of the family' means, with respect to any individual—

"(i) the spouse of the individual,

"(ii) an ancestor or lineal descendant of the individual or the individual's spouse,

"(iii) a brother or sister of the individual or the individual's spouse and any lineal descendant of the brother or sister, and

"(iv) the spouse of any individual described in clause (ii) or (iii).

A spouse of an individual who is legally separated from such individual under a decree of divorce or separate maintenance shall not be treated as such individual's spouse for purposes of this subparagraph.

"(5) TREATMENT OF SYNTHETIC EQUITY.—For purposes of paragraphs (3) and (4), in the case of a person who owns synthetic equity in the S corporation, except to the extent provided in regulations, the shares of stock in such corporation on which such synthetic equity is based shall be treated as outstanding stock in such corporation and deemed-owned shares of such person if such treatment of synthetic equity of 1 or more such persons results in—

"(A) the treatment of any person as a disqualified person, or

"(B) the treatment of any year as a nonallocation year.

For purposes of this paragraph, synthetic equity shall be treated as owned by a person in the same manner as stock is treated as owned by a person under the rules of paragraphs (2) and (3) of section 318(a). If, without regard to this paragraph, a person is treated as a disqualified person or a year is treated as a nonallocation year, this paragraph shall not be construed to result in the person or year not being so treated.

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) EMPLOYEE STOCK OWNERSHIP PLAN.—The term 'employee stock ownership plan' has the meaning given such term by section 4975(e)(7).

"(B) EMPLOYER SECURITIES.—The term 'employer security' has the meaning given such term by section 409(l).

"(C) SYNTHETIC EQUITY.—The term 'synthetic equity' means any stock option, warrant, restricted stock, deferred issuance stock right, or similar interest or right that gives the holder the right to acquire or receive stock of the S corporation in the future. Except to the extent provided in regulations, synthetic equity also includes a stock appreciation right, phantom stock unit, or similar right to a future cash payment based on the value of such stock or appreciation in such value.

"(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(b) COORDINATION WITH SECTION 4975(e)(7).—The last sentence of section 4975(e)(7) (defining employee stock ownership plan) is amended by inserting ", section 409(p)," after "409(n)".

(c) EXCISE TAX.—

(1) APPLICATION OF TAX.—Subsection (a) of section 4979A (relating to tax on certain prohibited allocations of employer securities) is amended—

(A) by striking "or" at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting a comma, and

(C) by striking all that follows paragraph (2) and inserting the following:

"(3) there is any allocation of employer securities which violates the provisions of section 409(p), or a nonallocation year described in subsection (c)(2)(C) with respect to an employee stock ownership plan, or

"(4) any synthetic equity is owned by a disqualified person in any nonallocation year,

there is hereby imposed a tax on such allocation or ownership equal to 50 percent of the amount involved."

(2) LIABILITY.—Section 4979A(c) (defining liability for tax) is amended to read as follows:

"(c) LIABILITY FOR TAX.—The tax imposed by this section shall be paid—

"(1) in the case of an allocation referred to in paragraph (1) or (2) of subsection (a), by—

"(A) the employer sponsoring such plan, or

"(B) the eligible worker-owned cooperative,

which made the written statement described in section 664(g)(1)(E) or in section 1042(b)(3)(B) (as the case may be), and

"(2) in the case of an allocation or ownership referred to in paragraph (3) or (4) of subsection (a), by the S corporation the stock in which was so allocated or owned."

(3) DEFINITIONS.—Section 4979A(e) (relating to definitions) is amended to read as follows:

"(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) DEFINITIONS.—Except as provided in paragraph (2), terms used in this section have the same respective meanings as when used in sections 409 and 4978.

"(2) SPECIAL RULES RELATING TO TAX IMPOSED BY REASON OF PARAGRAPH (3) OR (4) OF SUBSECTION (a).—

"(A) PROHIBITED ALLOCATIONS.—The amount involved with respect to any tax imposed by reason of subsection (a)(3) is the amount allocated to the account of any person in violation of section 409(p)(1).

"(B) SYNTHETIC EQUITY.—The amount involved with respect to any tax imposed by reason of subsection (a)(4) is the value of the shares on which the synthetic equity is based.

"(C) SPECIAL RULE DURING FIRST NONALLOCATION YEAR.—For purposes of subparagraph (A), the amount involved for the first nonallocation year of any employee stock ownership plan shall be determined by taking into account the total value of all the deemed-owned shares of all disqualified persons with respect to such plan.

"(D) STATUTE OF LIMITATIONS.—The statutory period for the assessment of any tax imposed by this section by reason of paragraph (3) or (4) of subsection (a) shall not expire before the date which is 3 years from the later of—

"(i) the allocation or ownership referred to in such paragraph giving rise to such tax, or

"(ii) the date on which the Secretary is notified of such allocation or ownership."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2000.

(2) EXCEPTION FOR CERTAIN PLANS.—In the case of any—

(A) employee stock ownership plan established after July 14, 1999, or

(B) employee stock ownership plan established on or before such date if employer securities held by the plan consist of stock in a corporation with respect to which an election under section 1362(a) of the Internal Revenue Code of 1986 is not in effect on such date,

the amendments made by this section shall apply to plan years ending after July 14, 1999.

Subtitle B—Provisions Relating to Real Estate Investment Trusts

PART I—TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES

SEC. 221. MODIFICATIONS TO ASSET DIVERSIFICATION TEST.

(a) IN GENERAL.—Subparagraph (B) of section 856(c)(4) is amended to read as follows:

"(B)(i) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)),

"(ii) not more than 20 percent of the value of its total assets is represented by securities of 1 or more taxable REIT subsidiaries, and

"(iii) except with respect to a taxable REIT subsidiary and securities includible under subparagraph (A)—

"(I) not more than 5 percent of the value of its total assets is represented by securities of any one issuer,

"(II) the trust does not hold securities possessing more than 10 percent of the total voting power of the outstanding securities of any one issuer, and

"(III) the trust does not hold securities having a value of more than 10 percent of the total value of the outstanding securities of any one issuer.".

(b) EXCEPTION FOR STRAIGHT DEBT SECURITIES.—Subsection (c) of section 856 is amended by adding at the end the following new paragraph:

"(7) STRAIGHT DEBT SAFE HARBOR IN APPLYING PARAGRAPH (4).—Securities of an issuer which are straight debt (as defined in section 1361(c)(5) without regard to subparagraph (B)(iii) thereof) shall not be taken into account in applying paragraph (4)(B)(ii)(III) if—

"(A) the issuer is an individual, or

"(B) the only securities of such issuer which are held by the trust or a taxable REIT subsidiary of the trust are straight debt (as so defined), or

"(C) the issuer is a partnership and the trust holds at least a 20 percent profits interest in the partnership.".

SEC. 222. TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES.

(a) INCOME FROM TAXABLE REIT SUBSIDIARIES NOT TREATED AS IMPERMISSIBLE TENANT SERVICE INCOME.—Clause (i) of section 856(d)(7)(C) (relating to exceptions to impermissible tenant service income) is amended by inserting "or through a taxable REIT subsidiary of such trust" after "income".

(b) CERTAIN INCOME FROM TAXABLE REIT SUBSIDIARIES NOT EXCLUDED FROM RENTS FROM REAL PROPERTY.—

(1) IN GENERAL.—Subsection (d) of section 856 (relating to rents from real property defined) is amended by adding at the end the following new paragraphs:

"(8) SPECIAL RULE FOR TAXABLE REIT SUBSIDIARIES.—For purposes of this subsection, amounts paid to a real estate investment trust by a taxable REIT subsidiary of such trust shall not be excluded from rents from real property by reason of paragraph (2)(B) if the requirements of either of the following subparagraphs are met:

"(A) LIMITED RENTAL EXCEPTION.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in section 856(d)(2)(B). The preceding sentence shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents made by the other tenants of the trust's property for comparable space.

"(B) EXCEPTION FOR CERTAIN LODGING FACILITIES.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor.

"(9) ELIGIBLE INDEPENDENT CONTRACTOR.—For purposes of paragraph (8)(B)—

"(A) IN GENERAL.—The term 'eligible independent contractor' means, with respect to any qualified lodging facility, any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate the facility, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

"(B) SPECIAL RULES.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility by reason of any of the following:

"(i) The taxable REIT subsidiary bears the expenses for the operation of the facility pursuant to the management agreement or other similar service contract.

"(ii) The taxable REIT subsidiary receives the revenues from the operation of such facility, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

"(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

"(I) January 1, 1999, or

"(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility.

"(C) RENEWALS, ETC., OF EXISTING LEASES.—For purposes of subparagraph (B)(iii)—

"(i) a lease shall be treated as in effect on January 1, 1999, without regard to its renewal after such date, so long as such renewal is pursuant to the terms of such lease as in effect on whichever of the dates under subparagraph (B)(iii) is the latest, and

"(ii) a lease of a property entered into after whichever of the dates under subparagraph (B)(iii) is the latest shall be treated as in effect on such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) QUALIFIED LODGING FACILITY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified lodging facility' means any lodging facility unless wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility.

"(ii) LODGING FACILITY.—The term 'lodging facility' means a hotel, motel, or other establishment more than one-half of the dwelling units in which are used on a transient basis.

"(iii) CUSTOMARY AMENITIES AND FACILITIES.—The term 'lodging facility' includes customary amenities and facilities operated as part of, or associated with, the lodging facility so long as such amenities and facilities are customary for other properties of a comparable size and class owned by other owners unrelated to such real estate investment trust.

"(E) OPERATE INCLUDES MANAGE.—References in this paragraph to operating a property shall be treated as including a reference to managing the property.

"(F) RELATED PERSON.—Persons shall be treated as related to each other if such persons are treated as a single employer under subsection (a) or (b) of section 52.".

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 856(d)(2) is amended by inserting "except as provided in paragraph (8)," after "(B)".

(3) DETERMINING RENTS FROM REAL PROPERTY.—

(A)(i) Paragraph (1) of section 856(d) is amended by striking "adjusted bases" each place it occurs and inserting "fair market values".

(ii) The amendment made by this subparagraph shall apply to taxable years beginning after December 31, 2000.

(B)(i) Clause (i) of section 856(d)(2)(B) is amended by striking "number" and inserting "value".

(ii) The amendment made by this subparagraph shall apply to amounts received or accrued in taxable years beginning after December 31, 2000, except for amounts paid pursuant to leases in effect on July 12, 1999, or pursuant to a binding contract in effect on such date and at all times thereafter.

SEC. 223. TAXABLE REIT SUBSIDIARY.

(a) IN GENERAL.—Section 856 is amended by adding at the end the following new subsection:

"(l) TAXABLE REIT SUBSIDIARY.—For purposes of this part—

"(1) IN GENERAL.—The term 'taxable REIT subsidiary' means, with respect to a real estate investment trust, a corporation (other than a real estate investment trust) if—

"(A) such trust directly or indirectly owns stock in such corporation, and

"(B) such trust and such corporation jointly elect that such corporation shall be treated as a taxable REIT subsidiary of such trust for purposes of this part.

Such an election, once made, shall be irrevocable unless both such trust and corporation consent to its revocation. Such election, and any revocation thereof, may be made without the consent of the Secretary.

"(2) 35 PERCENT OWNERSHIP IN ANOTHER TAXABLE REIT SUBSIDIARY.—The term 'taxable REIT subsidiary' includes, with respect to any real estate investment trust, any corporation (other than a real estate investment trust) with respect to which a taxable REIT subsidiary of such trust owns directly or indirectly—

"(A) securities possessing more than 35 percent of the total voting power of the outstanding securities of such corporation, or

"(B) securities having a value of more than 35 percent of the total value of the outstanding securities of such corporation.

The preceding sentence shall not apply to a qualified REIT subsidiary (as defined in subsection (i)(2)). The rule of section 856(c)(7) shall apply for purposes of subparagraph (B).

"(3) EXCEPTIONS.—The term 'taxable REIT subsidiary' shall not include—

"(A) any corporation which directly or indirectly operates or manages a lodging facility or a health care facility, and

"(B) any corporation which directly or indirectly provides to any other person (under a franchise, license, or otherwise) rights to any brand name under which any lodging facility or health care facility is operated.

Subparagraph (B) shall not apply to rights provided to an eligible independent contractor to operate or manage a lodging facility if such rights are held by such corporation as a franchisee, licensee, or in a similar capacity and such lodging facility is either owned by such corporation or is leased to such corporation from the real estate investment trust.

"(4) DEFINITIONS.—For purposes of paragraph (3)—

"(A) LODGING FACILITY.—The term 'lodging facility' has the meaning given to such term by paragraph (9)(D)(ii).

"(B) HEALTH CARE FACILITY.—The term 'health care facility' has the meaning given to such term by subsection (e)(6)(D)(ii).".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 856(i) is amended by adding at the end the following new sentence: "Such term shall not include a taxable REIT subsidiary.".

SEC. 224. LIMITATION ON EARNINGS STRIPPING.

Paragraph (3) of section 163(j) (relating to limitation on deduction for interest on certain indebtedness) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) any interest paid or accrued (directly or indirectly) by a taxable REIT subsidiary (as defined in section 856(l)) of a real estate investment trust to such trust.".

SEC. 225. 100 PERCENT TAX ON IMPROPERLY ALLOCATED AMOUNTS.

(a) IN GENERAL.—Subsection (b) of section 857 (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following new paragraph:

"(7) INCOME FROM REDETERMINED RENTS, REDETERMINED DEDUCTIONS, AND EXCESS INTEREST.—

"(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year of the real estate investment trust a tax equal to 100 percent of redetermined rents, redetermined deductions, and excess interest.

"(B) REDETERMINED RENTS.—

"(i) IN GENERAL.—The term 'redetermined rents' means rents from real property (as defined in subsection 856(d)) the amount of which would (but for subparagraph (E)) be reduced on distribution, apportionment, or allocation under section 482 to clearly reflect income as a result of services furnished or rendered by a taxable REIT subsidiary of the real estate investment trust to a tenant of such trust.

"(ii) EXCEPTION FOR CERTAIN SERVICES.—Clause (i) shall not apply to amounts received directly or indirectly by a real estate investment trust for services described in paragraph (1)(B) or (7)(C)(i) of section 856(d).

"(iii) EXCEPTION FOR DE MINIMIS AMOUNTS.—Clause (i) shall not apply to amounts described in section 856(d)(7)(A) with respect to a property to the extent such amounts do not exceed the one percent threshold described in section 856(d)(7)(B) with respect to such property.

"(iv) EXCEPTION FOR COMPARABLY PRICED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) such subsidiary renders a significant amount of similar services to persons other than such trust and tenants of such trust who are unrelated (within the meaning of section 856(d)(8)(F)) to such subsidiary, trust, and tenants, but

"(II) only to the extent the charge for such service so rendered is substantially comparable to the charge for the similar services rendered to persons referred to in subclause (I).

"(v) EXCEPTION FOR CERTAIN SEPARATELY CHARGED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) the rents paid to the trust by tenants (leasing at least 25 percent of the net leasable space in the trust's property) who are not receiving such service from such subsidiary are substantially comparable to the rents paid by tenants leasing comparable space who are receiving such service from such subsidiary, and

"(II) the charge for such service from such subsidiary is separately stated.

"(vi) EXCEPTION FOR CERTAIN SERVICES BASED ON SUBSIDIARY'S INCOME FROM THE SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if the gross income of such subsidiary from such service is not less than 150 percent of such subsidiary's direct cost in furnishing or rendering the service.

"(vii) EXCEPTIONS GRANTED BY SECRETARY.—The Secretary may waive the tax otherwise imposed by subparagraph (A) if the trust establishes to the satisfaction of the Secretary that rents charged to tenants were established on an arms' length basis even though a taxable REIT subsidiary of the trust provided services to such tenants.

"(C) REDETERMINED DEDUCTIONS.—The term 'redetermined deductions' means deductions (other than redetermined rents) of a taxable REIT subsidiary of a real estate investment trust if the amount of such deductions would (but for subparagraph (E)) be decreased on distribution, apportionment, or allocation under section 482 to clearly reflect income as between such subsidiary and such trust.

"(D) EXCESS INTEREST.—The term 'excess interest' means any deductions for interest payments by a taxable REIT subsidiary of a real estate investment trust to such trust to the extent that the interest payments are in excess of a rate that is commercially reasonable.

"(E) COORDINATION WITH SECTION 482.—The imposition of tax under subparagraph (A) shall be in lieu of any distribution, apportionment, or allocation under section 482.

"(F) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph. Until the Secretary prescribes such regulations, real estate investment trusts and their taxable REIT subsidiaries may base their allocations on any reasonable method.".

(b) AMOUNT SUBJECT TO TAX NOT REQUIRED TO BE DISTRIBUTED.—Subparagraph (E) of section 857(b)(2) (relating to real estate investment trust taxable income) is amended by striking "paragraph (5)" and inserting "paragraphs (5) and (7)".

SEC. 226. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this part shall apply to taxable years beginning after December 31, 2000.

(b) TRANSITIONAL RULES RELATED TO SECTION 221.—

(1) EXISTING ARRANGEMENTS.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendment made by section 221 shall not apply to a real estate investment trust with respect to—

(i) securities of a corporation held directly or indirectly by such trust on July 12, 1999,

(ii) securities of a corporation held by an entity on July 12, 1999, if such trust acquires control of such entity pursuant to a written binding contract in effect on such date and at all times thereafter before such acquisition,

(iii) securities received by such trust (or a successor) in exchange for, or with respect to, securities described in clause (i) or (ii) in a transaction in which gain or loss is not recognized, and

(iv) securities acquired directly or indirectly by such trust as part of a reorganization (as defined in section 368(a)(1) of the Internal Revenue Code of 1986) with respect to such trust if such securities are described in clause (i), (ii), or (iii) with respect to any other real estate investment trust.

(B) NEW TRADE OR BUSINESS OR SUBSTANTIAL NEW ASSETS.—Subparagraph (A) shall cease to apply to securities of a corporation as of the first day after July 12, 1999, on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than—

(i) pursuant to a binding contract in effect on such date and at all times thereafter before the acquisition of such asset,

(ii) in a transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Internal Revenue Code of 1986, or

(iii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(C) LIMITATION ON TRANSITION RULES.—Subparagraph (A) shall cease to apply to securities of a corporation held, acquired, or received, directly or indirectly, by a real estate investment trust as of the first day after July 12, 1999, on which such trust acquires any additional securities of such corporation other than—

(i) pursuant to a binding contract in effect on July 12, 1999, and at all times thereafter, or

(ii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(2) TAX-FREE CONVERSION.—If—

(A) at the time of an election for a corporation to become a taxable REIT subsidiary, the amendment made by section 221 does not apply to such corporation by reason of paragraph (1), and

(B) such election first takes effect before January 1, 2004,

such election shall be treated as a reorganization qualifying under section 368(a)(1)(A) of such Code.

PART II—HEALTH CARE REITS

SEC. 231. HEALTH CARE REITS.

(a) SPECIAL FORECLOSURE RULE FOR HEALTH CARE PROPERTIES.—Subsection (e) of section 856 (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULE FOR QUALIFIED HEALTH CARE PROPERTIES.—For purposes of this subsection—

"(A) ACQUISITION AT EXPIRATION OF LEASE.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease).

"(B) GRACE PERIOD.—In the case of a qualified health care property which is foreclosure property solely by reason of subparagraph (A), in lieu of applying paragraphs (2) and (3)—

"(i) the qualified health care property shall cease to be foreclosure property as of the close of the second taxable year after the taxable year in which such trust acquired such property, and

"(ii) if the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in clause (i) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property.

Any such extension shall not extend the grace period beyond the close of the 6th year after the taxable year in which such trust acquired such qualified health care property.

"(C) INCOME FROM INDEPENDENT CONTRACTORS.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property by reason of subparagraph (A) or paragraph (1), income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

"(i) any lease of property in effect on the date the real estate investment trust acquired the qualified health care property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date), or

"(ii) any lease of property entered into after such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) QUALIFIED HEALTH CARE PROPERTY.—

"(i) IN GENERAL.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

"(I) is a health care facility, or

"(II) is necessary or incidental to the use of a health care facility.

"(ii) HEALTH CARE FACILITY.—For purposes of clause (i), the term 'health care facility' means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility (as defined in section 7872(g)(4)), or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

PART III—CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

SEC. 241. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.

(a) DISTRIBUTION REQUIREMENT.—Clauses (i) and (ii) of section 857(a)(1)(A) (relating to requirements applicable to real estate investment trusts) are each amended by striking "95 percent (90 percent for taxable years beginning before January 1, 1980)" and inserting "90 percent".

(b) IMPOSITION OF TAX.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking "95 percent (90 percent in the case of taxable years beginning before January 1, 1980)" and inserting "90 percent".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

PART IV—CLARIFICATION OF EXCEPTION FROM IMPERMISSIBLE TENANT SERVICE INCOME

SEC. 251. CLARIFICATION OF EXCEPTION FOR INDEPENDENT OPERATORS.

(a) IN GENERAL.—Paragraph (3) of section 856(d) (relating to independent contractor defined) is amended by adding at the end the following flush sentence:

"In the event that any class of stock of either the real estate investment trust or such person is regularly traded on an established securities market, only persons who own, directly or indirectly, more than 5 percent of such class of stock shall be taken into account as owning any of the stock of such class for purposes of applying the 35 percent limitation set forth in subparagraph (B) (but all of the outstanding stock of such class shall be considered outstanding in order to compute the denominator for purpose of determining the applicable percentage of ownership).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

PART V—MODIFICATION OF EARNINGS AND PROFITS RULES

SEC. 261. MODIFICATION OF EARNINGS AND PROFITS RULES.

(a) RULES FOR DETERMINING WHETHER REGULATED INVESTMENT COMPANY HAS EARNINGS AND PROFITS FROM NON-RIC YEAR.—Subsection (c) of section 852 is amended by adding at the end the following new paragraph:

"(3) DISTRIBUTIONS TO MEET REQUIREMENTS OF SUBSECTION (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

"(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from the earliest earnings and profits accumulated in any taxable year to which the provisions of this part did not apply rather than the most recently accumulated earnings and profits, and

"(B) to the extent treated under subparagraph (A) as made from accumulated earnings and profits, shall not be treated as a distribution for purposes of subsection (b)(2)(D) and section 855.".

(b) CLARIFICATION OF APPLICATION OF REIT SPILLOVER DIVIDEND RULES TO DISTRIBUTIONS TO MEET QUALIFICATION REQUIREMENT.—Subparagraph (B) of section 857(d)(3) is amended by inserting before the period "and section 858".

(c) APPLICATION OF DEFICIENCY DIVIDEND PROCEDURES.—Paragraph (1) of section 852(e) is amended by adding at the end the following new sentence: "If the determination under subparagraph (A) is solely as a result of the failure to meet the requirements of subsection (a)(2), the preceding sentence shall also apply for purposes of applying subsection (a)(2) to the non-RIC year.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2000.

PART VI—MODIFICATION OF ESTIMATED TAX RULES

SEC. 271. MODIFICATION OF ESTIMATED TAX RULES FOR CLOSELY HELD REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Subsection (e) of section 6655 (relating to estimated tax by corporations) is amended by adding at the end the following new paragraph:

"(5) TREATMENT OF CERTAIN REIT DIVIDENDS.—

"(A) IN GENERAL.—Any dividend received from a closely held real estate investment trust by any person which owns (after application of subsections (d)(5) and (l)(3)(B) of section 856) 10 percent or more (by vote or value) of the stock or beneficial interests in the trust shall be taken into account in computing annualized income installments under paragraph (2) in a manner similar to the manner under which partnership income inclusions are taken into account.

"(B) CLOSELY HELD REIT.—For purposes of subparagraph (A), the term "closely held real estate investment trust' means a real estate investment trust with respect to which 5 or fewer persons own (after application of subsections (d)(5) and (l)(3)(B) of section 856) 50 percent or more (by vote or value) of the stock or beneficial interests in the trust."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to estimated tax payments due on or after November 15, 1999.

PART VII—MODIFICATION OF TREATMENT OF CLOSELY-HELD REITS

SEC. 281. CONTROLLED ENTITIES INELIGIBLE FOR REIT STATUS.

(a) IN GENERAL.—Subsection (a) of section 856 (relating to definition of real estate investment trust) is amended by striking "and" at the end of paragraph (6), by redesignating paragraph (7) as paragraph (8), and by inserting after paragraph (6) the following new paragraph:

"(7) which is not a controlled entity (as defined in subsection (l)); and".

(b) CONTROLLED ENTITY.—Section 856 is amended by adding at the end the following new subsection:

"(l) CONTROLLED ENTITY.—

"(1) IN GENERAL.—For purposes of subsection (a)(7), an entity is a controlled entity if, at any time during the taxable year, one person (other than a qualified entity)—

"(A) in the case of a corporation, owns stock—

"(i) possessing at least 50 percent of the total voting power of the stock of such corporation, or

"(ii) having a value equal to at least 50 percent of the total value of the stock of such corporation, or

"(B) in the case of a trust, owns beneficial interests in the trust which would meet the requirements of subparagraph (A) if such interests were stock.

"(2) QUALIFIED ENTITY.—For purposes of paragraph (1), the term 'qualified entity' means—

"(A) any real estate investment trust, and

"(B) any partnership in which one real estate investment trust owns at least 50 percent of the capital and profits interests in the partnership.

"(3) ATTRIBUTION RULES.—For purposes of this paragraphs (1) and (2)—

"(A) IN GENERAL.—Rules similar to the rules of subsections (d)(5) and (h)(3) shall apply; except that section 318(a)(3)(C) shall not be applied under such rules to treat stock owned by a qualified entity as being owned by a person which is not a qualified entity.

"(B) STAPLED ENTITIES.—A group of entities which are stapled entities (as defined in section 269B(c)(2)) shall be treated as one person.

"(4) EXCEPTION FOR CERTAIN NEW REITS.—

"(A) IN GENERAL.—The term 'controlled entity' shall not include an incubator REIT.

"(B) INCUBATOR REIT.—A corporation shall be treated as an incubator REIT for any taxable year during the eligibility period if it meets all the following requirements for such year:

"(i) The corporation elects to be treated as an incubator REIT.

"(ii) The corporation has only voting common stock outstanding.

"(iii) Not more than 50 percent of the corporation's real estate assets consist of mortgages.

"(iv) From not later than the beginning of the last half of the second taxable year, at least 10 percent of the corporation's capital is provided by lenders or equity investors who are unrelated to the corporation's largest shareholder.

"(v) The corporation annually increases the value of its real estate assets by at least 10 percent.

"(vi) The directors of the corporation adopt a resolution setting forth an intent to engage in a going public transaction.

No election may be made with respect to any REIT if an election under this subsection was in effect for any predecessor of such REIT. The requirement of clause (ii) shall not fail to be met merely because a going public transaction is accomplished through a transaction described in section 368(a)(1) with another corporation which had another class of stock outstanding prior to the transaction.

"(C) ELIGIBILITY PERIOD.—

"(i) IN GENERAL.—The eligibility period (for which an incubator REIT election can be made) begins with the REIT's second taxable year and ends at the close of the REIT's third taxable year, except that the REIT may, subject to clauses (ii), (iii), and (iv), elect to extend such period for an additional 2 taxable years.

"(ii) GOING PUBLIC TRANSACTION.—A REIT may not elect to extend the eligibility period under clause (i) unless it enters into an agreement with the Secretary that if it does not engage in a going public transaction by the end of the extended eligibility period, it shall pay Federal income taxes for the 2 years of the extended eligibility period as if it had not made an incubator REIT election and had ceased to qualify as a REIT for those 2 taxable years.

"(iii) RETURNS, INTEREST, AND NOTICE.—

"(I) RETURNS.—In the event the corporation ceases to be treated as a REIT by operation of clause (ii), the corporation shall file any appropriate amended returns reflecting the change in status within 3 months of the close of the extended eligibility period.

"(II) INTEREST.—Interest shall be payable on any tax imposed by reason of clause (ii) for any taxable year but, unless there was a finding under subparagraph (D), no substantial underpayment penalties shall be imposed.

"(III) NOTICE.—The corporation shall, at the same time it files its returns under subclause (I), notify its shareholders and any other persons whose tax position is, or may reasonably be expected to be, affected by the change in status so they also may file any appropriate amended returns to conform their tax treatment consistent with the corporation's loss of REIT status.

"(IV) REGULATIONS.—The Secretary shall provide appropriate regulations setting forth transferee liability and other provisions to ensure collection of tax and the proper administration of this provision.

"(iv) Clauses (ii) and (iii) shall not apply if the corporation allows its incubator REIT status to lapse at the end of the initial 2-year eligibility period without engaging in a going public transaction if the corporation is not a controlled entity as of the beginning of its fourth taxable year. In such a case, the corporation's directors may still be liable for the penalties described in subparagraph (D) during the eligibility period.

"(D) SPECIAL PENALTIES.—If the Secretary determines that an incubator REIT election was filed for a principal purpose other than as part of a reasonable plan to undertake a going public transaction, an excise tax of $20,000 shall be imposed on each of the corporation's directors for each taxable year for which an election was in effect.

"(E) GOING PUBLIC TRANSACTION.—For purposes of this paragraph, a going public transaction means—

"(i) a public offering of shares of the stock of the incubator REIT;

"(ii) a transaction, or series of transactions, that results in the stock of the incubator REIT being regularly traded on an established securities market and that results in at least 50 percent of such stock being held by shareholders who are unrelated to persons who held such stock before it began to be so regularly traded; or

"(iii) any transaction resulting in ownership of the REIT by 200 or more persons (excluding the largest single shareholder) who in the aggregate own at least 50 percent of the stock of the REIT.

For the purposes of this subparagraph, the rules of paragraph (3) shall apply in determining the ownership of stock.

"(F) DEFINITIONS.—The term 'established securities market' shall have the meaning set forth in the regulations under section 897."

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 856(h) is amended by striking "and (6)" each place it appears and inserting ", (6), and (7)".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after July 14, 1999.

(2) EXCEPTION FOR EXISTING CONTROLLED ENTITIES.—The amendments made by this section shall not apply to any entity which is a controlled entity (as defined in section 856(l) of the Internal Revenue Code of 1986 as added by this section) as of July 14, 1999, which is a real estate investment trust for the taxable year which includes such date, and which has significant business assets or activities as of such date. For purposes of the preceding sentence, an entity shall be treated as such a controlled entity on July 14, 1999, if it becomes such an entity after such date in a transaction—

(A) made pursuant to a written agreement which was binding on such date and at all times thereafter, or

(B) described on or before such date in a filing with the Securities and Exchange Commission required solely by reason of the transaction.

TITLE III—BUDGET PROVISION

SEC. 301. EXCLUSION FROM PAYGO SCORECARD.

Any net deficit increase or net surplus increase resulting from the enactment of this Act shall not be counted for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902).

Mr. ROTH. Mr. President, today I am pleased to join the distinguished ranking member of the Finance Committee, Senator MOYNIHAN, in discussing Senate passage of the Tax Relief Extension Act of 1999.

The bill the Senate passed today is a consensus package of extensions of expiring tax provisions, known as "extenders." Working together, Senator MOYNIHAN and I produced a package that was reported out of the Finance Committee unanimously.

In order to get a package that could be approved by unanimous consent, we had to achieve a fair compromise. Every Member would probably differ in the way he or she would write an extenders bill.

Fortunately, Members of the Senate realize the importance of addressing these expiring provisions. The evidence of that importance is demonstrated by the unanimous consent agreement for passage that we entered into today.

The most important of the expiring provisions, as Senator MOYNIHAN noted, is the exclusion of nonrefundable tax credits from the alternative minimum taxes ("AMT"). The Finance Committee bill insures that middle income families will receive the benefits of the $500 per child tax credit, HOPE Scholarship credit, Lifetime Learning credit, adoption credit, and dependent care tax credit. This relief is extended through December 31, 2000.

There are other important expiring tax provisions the Finance Committee bill addresses. Included is the research and development ("R&D") tax credit, the tax-free treatment of employer-provided educational assistance, the work opportunity tax credit, the welfare-to-work tax credit, the active finance exception to Subpart F, and the extension and modification of the tax credit for production of electricity from wind and biomass, including poultry waste. There are several other important extenders in this legislation.

Mr. President, I urge the House to pass its extenders bill. We will then proceed to a conference and work out the differences between the two bills. It is important that we work quickly and produce a conference agreement that addresses these important matters.

Mr. MOYNIHAN. Mr. President, I have just a couple of points to make about this extender bill. First, my congratulations to our revered chairman of the Finance Committee, who brought all sides together in a consensus bill that accomplishes our objective—extend expiring provisions that command support from all Senators. This was not a simple task.

Tax extenders were part of the large tax bill that began working its way through the Congress in July—a bill that in my view needed to be and was vetoed. This fall, Senator ROTH returned to the task and presented a chairman's mark focused on extenders. He built bipartisan support for the bill, and that is why we are here on the Senate floor so soon, ready to pass the legislation by unanimous consent.

This bill is a paid-for extenders package. As such, it meets the standards of Members on both sides of the aisle. It is a bill that can pass this Congress and can be signed by the President.

And it is important that we pass legislation that can be signed. If we do not, approximately 1.1 million Americans will find out that they will lose part or all of the $500 child credit or the HOPE scholarship credit when they sit down to complete their 1999 tax return. That is because these credits have not yet been permanently exempted from what we call the alternative minimum tax. This legislation will exempt these credits from the alternative minimum tax for 1999 and 2000.

The American people ask us to be responsible in managing our tax laws. To not pass this bill would be irresponsible and contribute to a perception that Members of Congress who agree on what should be done cannot sit down and figure out a way to do them.

Again, my congratulations to the chairman, and let's move expeditiously to a conference with the House of Representatives as soon as they pass similar legislation.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, I appreciate the cooperation we have had on both sides of the aisle to get to this point. A number of Senators have expressed a desire to offer amendments and to change, in some way, the package as it has been presented and passed this morning. We will work with our colleagues to find ways in which to address many of these issues, whether it is in conference or on other vehicles.

There are a number of issues I care about as well, and I share the concerns expressed to me by some of our colleagues. It is very important that before the end of the session we pass this legislation out and get to conference within a time where we might be able to move it further along.

I strongly support the action the Senate has just taken. My only regret is that these matters aren't permanent law and that they require extension at all. There should come a time when we pass them permanently so we aren't required to come back year after year. Having said that, again, I appreciate the work of the majority leader.

I yield the floor.

Mr. LOTT. Mr. President, I agree with that. I might say that there are some permanent provisions in the House Ways and Means version of this bill. They would make permanent the extender with regard to the alternative minimum tax and how it affects the low- and middle-income people and others. Also, I have a bill at the desk to express my strong feeling on this subject that would make the R&D tax credit permanent. I think to come back every year, 2 years, or even every 5 years, causes concern and insecurity with regard to those tax credits. I hope we will make it either permanent, or as long as possible, in the conference.

I know there is at least one Senator who has provisions he hopes will be considered in the conference, and I think they should be. On our side, I have one Senator who feels very strongly that there are three parts of this bill that affect permanent law, which is not extenders. I agree. I think those permanent law issues should be dealt with by the regular committees. One has to do with brownfields, one with a rum provision, maybe in the Virgin Islands—not that you might want to be for them; I am just questioning whether or not they should be in a bill that is supposed to be tax credit extenders. We have other good provisions in here, a welfare-to-work tax credit, and others. So I am glad we are going to get this done before we leave. I thank Senators for the cooperation on both sides.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000—CONFERENCE REPORT—Continued

Mr. DURBIN. Mr. President, I yield some time at this moment to the Senator from Washington, Mrs. MURRAY.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, I thank the chairman of the Labor-HHS Subcommittee for his commitment to children and health. He stood with many of us many times. Unfortunately, the Labor bill that is now before us simply doesn't make the grade. I believe a number of our colleagues on this side of the aisle will be speaking against this and voting against this in the hopes that when the President vetoes it, the Senator from Pennsylvania, chairman of the committee, will work out some of the things about which we care deeply.

When you leave something for the last minute, you can't do it justice. This Congress has left our investment in educating our children, in protecting our American workforce, and in ensuring the health of the people of this country for the last minute, and the failures are pretty obvious. The Labor-HHS appropriations bill should have been the first bill we brought to the floor—not the last.

This Congress has tried every trick and every gimmick to play games with the budget. I am here to say we are nearing the end of this game; and for the American people who are watching this Congress, they must wonder how serious we are about addressing their concerns. If this flawed proposal passes, the American people will be the ones who lose out.

I am on the floor to say this combination D.C./Labor-HHS conference report—with its irresponsible across-the-board cuts—fails to make the vital investments we need, the investments our constituents are asking for.

Mr. President, I will vote against this conference report, and I will tell you why. First, and most important, this bill will not guarantee that we reduce class size.

Now, last year, this Congress, the House and Senate, Democrats and Republicans, made a bipartisan commitment to help our districts hire and train new teachers. We did that because research shows students who learn in classes where there are fewer students in the early grades do better throughout their educational careers. They learn the basics—math, science, and English—and they have fewer discipline problems. We did that because it was a goal of all of us to make a concerted national effort to make sure that young children learned the basics, reduced the discipline problems, went on to college, and would be viable contributors to our economy when they graduated.

Last year, we made that bipartisan commitment and promised the parents of this country we would give their schools targeted money for smaller class sizes for the next 7 years. This bill walks away from that commitment. That is not acceptable. Not only does it walk away, but it broadens the use of the money so much that it could open the door to using vital, public education, class size dollars for private school vouchers.

Now, the President has said he will veto this bill if it does not keep our commitment to hire more teachers to reduce class size. I am proud that 37 Senators have joined with me to sign a letter saying they will back up that veto because we know that guaranteeing smaller classes for our children is worth fighting for.

The Labor-HHS bill's failure on class size is glaring. But to me it is just a start of many things that need to be fixed once this is vetoed and sent back to us in order for Democrats to be supportive.

It also fails to help families gain the literacy skills they need. When the Senate passed its version, we were able to provide an increase of $103 million, which would have taken thousands of people off of waiting lists for literacy services. But in this conference agreement, they cut the Senate number by $43 million. Those families were just about to get the skills they needed to rejoin our economy, and this agreement pushes them to back of the line.

This bill fails to make kids safer in our schools. In a year when the tragedy at Columbine High School is still fresh in our minds, this bill cuts—cuts—$31 million from the Senate bill for the Safe and Drug-Free Schools Program. Local educators tell me we should double our funding in this area which is vital. Cutting it is just not acceptable.

This bill also fails the children who depend on the Head Start program. Head Start often makes the difference between success and failure in school for so many disadvantaged children. This bill does not do right by them.

This bill also cuts basic skills education for disadvantaged students. And it underfunds education technology programs at a time when we know all of our students need to get the skills in technology so that they can get the jobs that are open and waiting for them in so many communities across our country. It also cuts the vocational education program at a time when we know we need to make sure our kids graduate with skills to help them get jobs.

This bill does not do enough to support the Reading Excellence Act and bilingual education. This bill underfunds several important programs that build access and success for higher education students by not adequately funding Pell grants and vital programs like GEAR UP, LEAP, and TRIO.

I could go on. But it is clear that on education this bill is a missed opportunity. I am sure many people will try to claim that this agreement is "a victory for education." But I can tell you as a former teacher and a former school board member that it is a hollow victory.

Mr. President, on labor issues, the Labor, HHS bill fails to adequately protect American workers and to promote universal employment.

This bill cuts funds for vital organizations, like the National Labor Relations Board—by 5 percent—and the Occupational Safety and Health Administration—by 6 percent—below the administration's request. I don't want to be any part of a bill that could harm our ability to enforce the labor and workplace laws that protect the health and safety of our country's workers.

This bill's irresponsible across-the-board spending cut would also hurt many vital job programs. For example, it would cut the Department of Labor's Youth Activities formula grants by $9.7 million, closing the door to almost 5,700 disadvantaged young people as they seek job training, summer employment, and educational opportunities. That is not acceptable to this Senator.

Mr. President, when it comes to protecting the health of our citizens, this bill is a mixed bag. While it does offer important support for the National Institutes of Health, for telemedicine for Children's Hospital in Seattle, poison control, and community and migrant health centers, the areas where it fails are so significant and so glaring that I cannot support the underlying bill.

This bill fails to address the human and social costs of AIDS and HIV. This bill's arbitrary and irresponsible across-the-board cut means that AIDS patients and their communities will suffer because it doesn't meet the growing need for services—services like drug assistance and pediatric AIDS care.

Similarly, the D.C. appropriations bill will hurt our ability to halt the spread of the disease because the bill continues to prohibit public funds from being used for clean needle exchange.

This bill also reduces our commitment to reproductive health care and family planning. I find it painfully ironic that last week, 48 Senators went on record against the principles of Roe v. Wade, claiming that abortion should not be a choice for women. Yet when it comes to reducing unintentional pregnancies or providing health care services for pregnant women, those same Senators are simply not there. This bill means that 40,000 women will be denied access to basic reproductive health care. It will reduce women's access to critical pre-natal care.

This bill's irresponsible across-the-board cut will also weaken our ability to respond to domestic violence. This bill would spend less money than we are spending this year on programs under the Violence Against Women Act. That means less money for rape prevention and for battered women's shelters.

Many communities in my State are struggling—struggling—to help women and children affected by rape and abuse. Reducing the Federal commitment in this area is simply unacceptable.

Some people will say this bill's across-the-board cut won't hurt anyone. They are wrong because denying emergency shelter to a battered woman and her children is painful. Denying access to reproductive health care services to 40,000 women is painful, and denying access to life-saving drug therapies for AIDS patients is worse than painful, it is deadly.

Mr. President, we still have an opportunity to do the right thing for our children, our families and our communities. I urge my colleagues to vote "no" on this bill so the President can veto it and we can fix it—by undoing its damaging across-the-board cut and keeping our commitment to reduce class size. Let's show the American people that even though this Congress has failed—throughout the session—to do its work in a timely, responsible way, we still have the wisdom to get things right at the end.

Mr. HARKIN. Mr. President, I wish to speak on the Labor-HHS bill which has been attached to the D.C. appropriations bill. I will not have any comments on the D.C. appropriations bill; I leave that to my friend and colleague, my leader, Senator DURBIN from Illinois.

PRIVILEGE OF THE FLOOR

I ask unanimous consent Jane Daye, Mark Laisch, and Dr. Jack Chow, detailees to the Labor-HHS-Education Subcommittee, be permitted on the floor during consideration of the D.C. and Labor-HHS-Education conference report.

The PRESIDING OFFICER (Mr. HAGEL). Without objection, it is so ordered.

Mr. HARKIN. Today we are bringing up—and I guess the vote will be held on Tuesday—the conference report that accompanies the D.C. appropriations bill. This report, as we now know, also includes the Labor, Health and Human Services, and Education appropriations bill negotiated by the House and Senate appropriators.

I regret very much that the conference agreement includes a poison pill inserted by the House Republican leadership, an irresponsible and indiscriminate across-the-board cut against all discretionary programs, projects, and activities. Later I will discuss that at length.

First, I commend the work of my colleague and chairman on the appropriations bill, Senator SPECTER. He and I have had a great working relationship through the years, a true partnership every year on this bill, first when I was Chair and he was ranking member and now he is Chair and I am ranking.

Senator SPECTER has a deep commitment to the vitally important health, education, labor, research, and other initiatives in this bill. Senator SPECTER and his staff have always treated our side fairly. I want him and them to know how much I appreciate that. I not only appreciate it; I understand how important it is in terms of completing our Nation's business.

A few weeks ago, the Senate passed the Labor-HHS-Education appropriations bill by an overwhelming vote of 73–25; 41 Democrats and 32 Republicans voted for it. This is an exceedingly strong vote. It got this strong vote because Senator SPECTER and I worked together and we worked with Senators from both sides of the aisle to craft a bill that truly reflected our Senate priorities. It was a good bill. It provides a major increase for medical research. It provides $500 million more than the President requested for education. It maintained our commitment to worker safety provisions.

It did have one major flaw. It did not fund the President's class size initiative in an acceptable manner. Nonetheless, I argued strongly for its passage. At the time, I told Members on my side of the aisle I would work to resolve the class size issue in conference. We had a good Senate bill. We had a strong Senate vote, with 73 votes on the Senate side.

The House of Representatives, on the other hand, was not able even to produce a bill. The Appropriations Committee on the House side reported out a bill. It cut education, cut job training, had a whole lot of bad labor riders dealing with workers' safety protection. But the full House never even took it up.

Several weeks ago, we began something I had never ever engaged in around here; we began a nonconference conference. We could not have had a conference because the House never passed a bill, but we met with the House appropriators. Congressman JOHN PORTER, the chairman of the Labor-HHS subcommittee on the House side—Senator SPECTER and I, and our staffs, met with him in an effort to move the process forward. When our committee was working on it, we made good progress. We worked together to produce an agreement that was very close to the Senate bill.

Again, I compliment and commend my colleague on the other side of the aisle in the House, Congressman PORTER, for working together in an open and constructive manner to produce a bill I believe could have garnered votes and could have passed. If we could have ended the conference at that point, I would be here today speaking in favor of the Labor-HHS and Education bill. However that is not the case.

With regard to the class size reduction issue, I raised the point in our negotiations with the House that 38 Senators encouraged the President to veto the conference report if it did not include this initiative. However, I was not able to convince the negotiators on this point. I am, however, convinced this issue will be addressed in any final bill. But putting this class size initiative aside, we had put together, I thought, really a pretty good agreement. We included a large increase for biomedical research, $100 million for community health centers, and a big increase for Head Start. None of what I term "the offensive House riders" the House had put on for labor, health, and safety—none of those were included. Largely, it reflected most of the priorities of the Senate on both sides of the aisle, both Republican and Democratic.

As I said, if we could have ended it there, we probably would have had a pretty good bill. But then Republican House leadership got involved. First, they insisted key programs be cut. They insisted afterschool programs be reduced by $100 million. They insisted the small increase we had for critical family planning services be eliminated. They insisted on cutting Goals 2000. Why? I don't know, unless it was because it was a Presidential priority.

Next, they insisted on further delayed obligations. We had some delayed obligations, but I think they were delayed obligations with which we could have lived, with which the Departments and Agencies could have lived. But the delayed obligations the House leadership put in, I think, will cause some real problems at the National Institutes of Health.

I have long said not only do we have to increase the money going to the NIH, that we had to double their budget over 5 years—of which I have been very supportive—but that we need continuity, so grants could go out to researchers that are not interrupted, so when researchers start on a program and a research project they can continue.

With the delayed obligations and the extent to which we have them in this bill, it appears that NIH will not be able to fund these research programs on a longer term basis. It is just going to be from 1 year to the next. As any person familiar with research can tell you, that is not the best way to conduct research. I think the delayed obligations are going to cut back on the good that we did in terms of increasing the funding for NIH.

Next, the House leaders also put in a $121 million reduction in salaries and expenses. That was over and above the reductions we had already made on the Senate side. We cut pretty deeply in the salaries and expenses and administrative costs of the Departments under our jurisdiction, but the House leadership cut another $121 million. I believe that is unacceptable.

After that, the House leadership added—over, I might say, the opposition of most of the appropriators—the poison pill across-the-board cut. The House Republican leaders repeatedly said this cut will give each Department the ability to cut fraud, waste, and abuse. I take a back seat to no one in this body or the other body or on either side of the aisle when it comes to fighting fraud, waste, and abuse in government programs, but that is not what this provision says, nor would it accomplish that. This is not a 1-percent cut that can be taken from any broad array of programs. Every program, project, and activity in this bill has to be cut by 1 percent.

So when you see the House Republican leaders on television saying: 1 percent, that's nothing, we can take that out of fraud, waste, and abuse—sorry. That is not the way the provision is written. The provision is written it is 1 percent. It is not 1 percent of the increase; it is 1 percent of the total that goes to each line item in this bill, every single line item has to be cut.

You might say that is not, that 1 percent—that doesn't sound like a lot. When you put it in the Social Security system and the offices that administer Social Security, it cuts it big time. It cuts millions of dollars out of veterans' health care. It cuts Meals on Wheels, community health centers, afterschool programs; it cuts education. Again, I point out it does not just cut the increases; it cuts many important programs actually below last year's level.

I will read from a list here of some programs that actually will have less than last year because of this across-the-board cut. Adult job training—we saw the other day our economy is booming at unprecedented rates. But the economy is changing. For example, we had an announcement the other day in Iowa a major packing plant was closing its doors 5 days before Christmas. I will not go into that right now, but talk about heartless; 5 days before Christmas, Iowa Beef Processors is closing its doors, and over 400 people are being thrown out of work. We need to retrain those people. We need to retrain them for the new kind of economy we have. The bill before us cuts adult job training to less than what we had last year. It is the wrong way to go.

Youth opportunity grants, community service jobs for senior citizens are cut below last year's level. Family planning, AIDS prevention, substance abuse block grants, child welfare and child abuse programs are all cut to less than what we had last year. This is not a cut in the increase, this is a cut below what we had last year.

Teacher training: I met with some educators in my office yesterday who were here from Irving School in Dubuque. They were getting an award as one of the blue-ribbon schools of America, a great award. I mentioned the teacher training program was being cut to less than last year. They said: How could this possibly be? This is the program, the Eisenhower math and science program, that keeps our teachers up to par with what is happening so they can better teach their students. You can vote for this bill if you want, Mr. President, but if you do, you are voting to cut teacher training programs for Goals 2000, the literacy programs.

Mr. President, I ask unanimous consent this list of cuts that I have just enunciated be printed in the RECORD in tabular form.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Sample of Programs Cut Below a Hard Freeze Under Conference Agreement[1]*—Compares Labor-HHS Items From Fiscal Year 1999 Level to Fiscal Year 2000 Level*

Program	*Total cut in millions*
Department of Labor:	
Adult Job Training	$7.38
Youth Job Training	10.01
Youth Opportunity Grants	2.50
Comm. Service Jobs for Seniors	4.40
Department of Health and Human Services:	
Family Planning	2.14
CDC AIDS Prevention	1.34
CDC Epidemics Services	0.85
Substance Abuse Block Grant	15.34
Medicare Contractors	33.52
Child Welfare/Child Abuse	2.82
Department of Education:	
Goals 2000	4.91
Teacher Training (Eisenhower)	3.35
Literacy	0.65

[1] Includes 1 percent across-the-board cut.

Mr. HARKIN. Mr. President, the House Republican leadership and others have argued this across-the-board cut was needed to protect Social Security. We all agree we want to protect the Social Security surplus. But the Congressional Budget Office says even with the across-the-board cut, they are going to have to tap Social Security by $17 billion. So leaving that aside, an across-the-board cut is not the answer. Let's protect Social Security. Let's do it in the right way. Let's make the tough decisions, not hide behind an across-the-board cut.

Frankly, there are other offsets we could use. I say we should impose a penalty on tobacco companies that fail to meet targets for reducing youth smoking. In fact, I have in my hand a specific proposal to do just that, to set a goal of reducing teen smoking by 15 percent. That is a modest goal. If they fail to meet that modest goal, they would have to pay a penalty. The Congressional Budget Office estimates that this proposal would raise almost $6 billion in fiscal year 2000.

That is $2.8 billion more than is saved by this across-the-board cut. It would have the added benefit of protecting our kids from the deadly addiction of tobacco.

I want to be very clear—my esteemed friend from Illinois is sitting here—this is not a new idea. We have voted on this before. In fact, this was part of a proposal the Senator from Illinois and the Senator from Ohio proposed and which actually passed this body. So why don't we do this rather than having an across-the-board cut in teacher training, the substance abuse block grant, health programs, AIDS prevention programs. Let's do something we already said we ought to do—cut teen smoking. And if the tobacco companies cannot meet it, they pay a penalty. Unfortunately, the conference report we have before us does not take this path.

With all the respect, admiration, and friendship I have for Senator SPECTER—and he has worked doggedly on this bill; he has worked hard to protect education and health and research programs; he and his staff have worked openly with me and my staff—reluctantly I will have to vote against this conference agreement.

The poison pill across-the-board cut did it. I do so with reluctance because I believe we crafted a good bill in the Senate, and it would have avoided all kinds of political maneuvering if we had the bill we passed in the Senate. If we followed that bipartisan path Senator SPECTER and I worked on and set up in the Senate that was reflected in a strong bipartisan vote in the Senate, we would have had a much different result.

It is very clear to everyone, if this conference agreement is passed by the Senate, it will be vetoed by the President, and that veto will not be overridden. When that happens, I plan to work very hard with my chairman, Senator SPECTER, and will be sitting at that table to help craft a bill with our House colleagues and, of course, with the White House, that reflects congressional priorities but does not make these inordinate, mindless across-the-board cuts and that has offsets that truly do reduce teen smoking and help us meet our goals of not invading the Social Security trust funds.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I would like to make a unanimous consent request because I have been waiting to make a statement on the floor. Several of my colleagues have come to the floor with requests for short periods of time. If there is no objection, I ask that the Senator from Washington be allowed to speak for 10 minutes, as in morning business, followed by the Senator from West Virginia for 10 minutes, and then that I be given the floor at that moment in time for 15 minutes to address the bill that is pending before us.

Mr. GORTON. Reserving the right to object, I am not speaking in morning business; I am speaking on the bill.

Mr. DURBIN. Sorry.

Mr. GORTON. While I think it would be about 10 minutes, I do not want to be called down if I go over 30 seconds.

Mr. DURBIN. I would be happy to amend the unanimous consent request to accommodate whatever time the Senator would like, if he would specify a time.

Is there a time the Senator would like to set?

Mr. GORTON. It will be approximately 10 minutes. It will be on the bill. If the unanimous consent request is amended in that form, I am perfectly happy with that.

Mr. DURBIN. I want to give the Senator from Washington every opportunity to speak on this bill. I misunderstood when I spoke with him. But I would be happy to yield to him. As part of the unanimous consent request, I ask unanimous consent that the Senator from Washington be recognized on the bill for up to 15 minutes.

Mr. GORTON. Fine.

Mr. DURBIN. Then the Senator from West Virginia be recognized for up to 10 minutes in morning business, and then I be recognized for 15 minutes on the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Washington.

Mr. GORTON. Mr. President, this is a landmark Labor, Education, and Health appropriations bill. It is a landmark in more than one respect. From my perspective, however, it is especially notable for two features relating to our assistance to the education that is being provided to children all across the United States of America.

The first is this bill, in reaction to the President's budget message of much earlier this year, ends any dispute about the generosity of support for education on the part of either the President or the congressional majority. In fact, this bill includes some $300 million more for education purposes than did the President's budget message earlier this year; $2 billion more than last year—$35 billion in total.

Mr. President, $35 billion is not an inconsiderable sum. But of that portion that goes to our common schools from kindergarten through 12th grade, it still will represent only about 7 percent of the number of dollars that go into providing an education for future generations of Americans. But there is not a dispute in this bill over whether or not we should fund education with this relative degree of generosity. In that respect, this is a landmark bill.

But as we deal with the question of education, I believe it to be a landmark in more than just that respect. This bill, in its present form, represents the first modest turn from a direction that we have taken for three decades or more. During the last 30 or 35 years, the Congress and Presidents of both parties have piled one categorical aid program for education on top of another. Each of those programs has its own rules for eligibility. Each has its own rules as to how money should be spent. Each carries with it its forms to be filled out and its audits to be performed and to be examined after the fact.

The President's proposed budget added a number of new categorical aid programs to those already in existence and, I believe, shortchanged a number of the most vital educational programs that have been a part of our system literally for decades. As a consequence, this bill provides considerably more money for impact schools than the President's budget called for. Impact schools, of course, are those schools on or near military reservations, Indian reservations, or other Federal property in which a peculiar and unique burden is placed by the fact that the Federal Government has employees or beneficiaries in the immediate vicinity while at the same time owning tax-exempt property that does not, as property, pay its fair share or any share of the cost of operating those schools.

Most national administrations, most Presidents of the United States, have not much liked impact aid. It took me some time to determine in my own mind why that was. I think it is because once the formula distributes so many dollars to a school district in impact aid, the school district decides how the money is going to be spent to advance the education of its students. There aren't any rules and regulations from the U.S. Department of Education telling school districts how they must use that impact aid. As a consequence, it has never had much of a lobby in the Department of Education or in administrations either Republican or Democratic.

A second area in which this bill includes more money for education than did the President's original request is for IDEA, the education for the disabled. This body proudly reauthorized IDEA just 2 years ago, including in it a provision that we would come up with 40 percent of the costs that that bill, for the education of the disabled, imposed on school districts all across the country—40 percent of those costs. This bill, more generous than the President's budget, actually funds about 9 percent of those costs. Members of the Congress and the President got to congratulate themselves on passing a bill mandating education for the disabled. They got to congratulate themselves on a promise that, very bluntly, I think, neither side had any intention of keeping. We do not, in this bill, come close to that 40-percent requirement, but we do better than the President of the United States did in his budget submission.

From my perspective, however, the most important change takes place in connection with a program that began last year designed to put more teachers in the classroom, especially more teachers in the classroom up through the third grade, a proposal that, for all practical purposes, could be used only for that purpose, whether more teachers in those primary grades was the primary need for each and every one of the 17,000 school districts in the United States or not.

I don't believe my State is different from many others. My great friend and frequent ally, the Senator from West

Virginia, is on the floor. I suspect he has a greater percentage of school districts in his State than does Washington State that don't receive enough money under this program to hire one teacher because they are simply too small. So this bill, after an extended debate between the two sides in which one side said we have to continue the program entirely unchanged, whatever those school districts' priorities are, and our side that says we have to trust the school districts to spend that money for any educational purpose they desire—two rather dramatically opposed points of view—takes a halfway position between the two.

It states that the primary goal of this $1.2 billion is to put more teachers in the classroom but that if school districts have other priorities or if they don't get enough money to do that for even one teacher, they can, in fact, use it for improving the quality of teachers they already have through more training or for some other educational purpose they believe is more significant than the top-down mandate in this bill.

I hope that will be appealing to the President of the United States. It does express at least a qualified degree of trust on the part of the Congress in the dedication and intelligence and knowledge of the men and women who run our schools, either as elected members of school boards or as full-time superintendents, principals, and teachers, to make decisions that will improve the quality of education of their children.

I have never been quite certain why it is that Members of the Senate think they know more about the needs of schools all across the country than do the people who make their entire careers out of providing that education, but that has been the net result of what we have done. This is a modest move in the other direction, a reflection of the fact that early next year, when we debate the Elementary and Secondary Education Act, we will debate exactly that kind of issue: Who knows best what our young people need, we in Washington, DC, or those who run the hundreds of thousands of schools in the United States of America.

This bill also begins to keep a promise we made a relatively short time ago significantly to increase funding for health research through the National Institutes of Health.

This bill is a landmark in one other vitally important respect. As generous as this bill is to education, as generous as it is to health programs and to other programs included within it, it is a part of a pattern of 13 appropriations bills that spend almost $600 billion in discretionary money in the course of the next year but do not touch the Social Security trust fund. Last year, for the first time in decades, we ended up with a budget that was not only balanced but in surplus to the tune of $1 billion without touching a dime in the Social Security trust fund. We are absolutely convinced, I think most of us, that we should make the year 2000 the second consecutive year in which that takes place and keep on following exactly those same policies.

We can pass this bill and the other appropriations bills still unresolved without dipping into the Social Security surplus and without increasing taxes on the American people. That truly is a landmark. We thought when we passed the Balanced Budget Act of 1997, we might get to this point in 2002 or 2003. We got to it in fiscal year 1999.

This morning's newspapers printed excerpts of a speech by Alan Greenspan on the nature of our economy and on the fact that it has actually been growing more rapidly and is more robust than most of our statistics had indicated. Chairman Greenspan has made it very clear that actually balancing the budget and paying down the debt is a key factor in keeping the economy of this Nation moving forward.

We have a bill that I commend enthusiastically to all of the Members of this body. It is generous with education dollars, as it ought to be for one of the highest of all priorities in any society, the education of its future generation; it provides at least a modestly greater degree of trust in our professional educators and in our elected school board members with respect to how to spend that education money; it deals generously with our need for health research; and it is a part of a pattern that will continue the 1-year precedent of balancing the budget without invading the Social Security trust fund, without breaking the promises we have made not only to those who are retired today but those who are working today but will depend on Social Security in the future, that the money they pay into Social Security is for that purpose and that purpose only. For that reason, I highly commend this bill to the Senate of the United States and hope it is passed and approved by the President of the United States.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

THE PHONE BILL FAIRNESS ACT

Mr. ROCKEFELLER. Mr. President, yesterday, I introduced the Phone Bill Fairness Act. Consumers across this country have to deal on a regular basis with telephone bills, and one thing they do understand is that telephone bills are very complicated and frustrating. But what they may not know is that telephone bills are, to them, more than just an annoyance—they may be costing them quite a lot of money. I want to address that issue very briefly.

When the average consumer receives their phone bill, they don't get a sheet of paper; they get dozens of pages, with very small type, filled with confusing acronyms, complicated payment schemes, and sometimes even services they have not signed up for at all but for which they are being asked to pay. I imagine most consumers not only don't understand everything they have received, but after reading a few pages into their bill—if they do that—they give up and just hope, so-to-speak, they are getting what they want.

Now, the Telecommunications Act of 1996 was based on the idea competition and market forces would lead to lower prices and better service. We have begun to see the benefits of that act in certain respects. New companies and newly competitive incumbents have begun to reduce rates and offer innovative new services. That is to the good. The main beneficiaries of these improvements, however, have been business consumers. They have the expertise to analyze the bewilderingly complicated telecommunications market and to find out what are the best deals for them. That is exactly what they wanted because they have the size and scope to figure out what is going on and proceed to do what is in their best interest.

But your average phone user does not have a team of lawyers or accountants who can pour over his or her phone bill to determine the plan or the company that will save them the most money, which is what competition is about; thus, they cannot use the market system to their financial advantage. Unfortunately, phone bills become so complicated, and the array of services and phone plans so bewildering, that it really does take lawyers and accountants to understand and maximize the benefits that are intended.

So, on the one hand, the Telecommunications Act is working because it has created the opportunity for consumers to get lower rates and better service, but it is not working because it requires consumers to walk through a complicated and highly uncertain maze to finally get to that opportunity.

Once simple choices about telephone service have become so complicated that even the Chairman of the FCC, Bill Kennard, who was our foremost expert on telecommunications matters, himself has expressed frustration over reading his own phone bill, I think we have something we need to consider.

We may not be able to reduce the complicated nature of telecommunications competition, but at the very least we can provide residential consumers with a roadmap that leads them through the maze of telecommunications. We must give consumers help, guidance, and be helpful to them in making sure they can understand their telephone bills and the options they have in telephone service so they can take advantage of the benefits of competition in the telecommunications world, just as businesses can do on a very regular basis.

Therefore, the Phone Bill Fairness Act tries to do this by the following:

First, we require all telephone companies to accurately describe charges that appear on bills. No one should be able to misidentify so-called line items, especially by claiming they are "federally mandated" when they are not federally mandated.

Secondly, our bill would require all telephone companies to tell their customers exactly what their average per-minute rate is for a month, so they can compare it to the rates of other companies. Is that so strange? Not at all. When a customer goes to a supermarket, they can look at unit prices for groceries and, thus, they can shop and compare. That allows them to buy what is best for them in terms of what they want, in terms of price and quality, and that is competition. Why can't we do this for telephone customers? The answer is, of course, we can.

Thirdly, we would require that all telephone companies inform customers of their calling patterns in an understandable way. If customers know what they are paying and know what types of calls are most frequent, they will then be able to compare all of the different company plans and find the one that is right for them. Again, the Telecommunications Act of 1996 was about competition. This bill is about competition.

Finally, the bill gives the Federal Communications Commission and the Federal Trade Commission the power to explore how to make phone bills easier to read so that we don't do it here in Congress, and to determine whether any telephone companies are committing fraud in their billing practices. I don't mean to suggest this is the common practice, but there are some small phone companies that do something called "slamming," and that is fraud. They charge people for things they have not, in fact, signed up for. That is fraud. The best defense against fraud is an informed consumer. Consumers cannot be well-informed if they do not understand their phone bills. So this is all fairly logical and straightforward and, I think, in the interest of the Telecommunications Act and, more important, of the American people.

Consumers are terribly frustrated with how confusing phone bills are today. When consumers get frustrated, they assume the worst. I believe we have an obligation to try to do something about all of this, and I believe we can. I still very much believe in the Telecommunications Act. I voted for it and participated in shaping it. I believe in the benefits of competition, but we need to make sure the benefits of competition reach everybody in the country—business consumers, residential consumers, and everybody. The first step to achieving this goal is making sure every consumer not only has the opportunity to get better rates and services but that they also have the knowledge and the power to actually get what they want at the lowest price.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Kyl). Without objection, it is so ordered.

The Senator from South Dakota is recognized.

Mr. DASCHLE. I thank the Chair.

STRENGTHEN SOCIAL SECURITY AND MEDICARE ACT OF 1999

Mr. DASCHLE. Mr. President, today I am introducing the President's new proposal entitled the Strengthen Social Security and Medicare Act of 1999.

I send it to the desk.

It lays out steps we need to take to protect Social Security and Medicare for future generations. It has a number of key provisions that I will enumerate.

I look forward to the time in the not too distant future when I will come back with a number of our colleagues to talk at greater length about the importance of this bill and what it includes. It devotes the entire Social Security surplus to debt reduction. That is one of the most important features of the bill.

We recognize how critical it is that we ensure the viability of the trust fund for as long as we can. We also recognize it isn't mutually exclusive to want to extend the viability of the trust fund and pay off the public debt at the same time.

Therefore, what this legislation will do is first pay off all of the public debt. It will eliminate the publicly held debt by the year 2015, reducing the debt by $3.1 trillion over the next 15 years.

It then devotes the entire savings, which otherwise would have been spent on the interest on that debt, to the Social Security trust funds. The real savings generated in the year 2011 alone, according to the Office of Management and Budget, will be $107 billion.

This is a remarkable bill and one of which I am very excited to introduce. First, we pay off the debt; second, we dedicate to Social Security the interest that would otherwise have been going to pay interest on the debt. We not only have eliminated the public debt, we have lengthened the viability of the trust fund.

The President's plan extends the life of the trust fund in this manner by almost 20 additional years, to the year 2050. This extension of solvency is not conjecture. It is not something we wish will happen under this plan. Independent Social Security actuaries have confirmed this plan extends the solvency of the Social Security trust fund until the year 2050.

What a remarkable accomplishment. First, we will have paid off the publicly held debt; second, we will have extended solvency by 16 years.

We also do something else with this legislation. Obviously, it is important to extend solvency. But if the program is not reformed, we have not done enough. There are things we can do to strengthen and modernize another aspect of the entire retirement infrastructure we have in place today. That infrastructure has three legs: Social Security, Medicare, and private insurance, or retirement plans.

We will address private retirement issues in other legislation.

This bill addresses the two main governmental pillars of Social Security retirement: Social Security and Medicare.

It creates a real lockbox to further protect the trust funds both for Social Security and Medicare by extending the budget enforcement rules, including pay-as-you-go budget requirements from here on out.

There have been a number of debates on the Senate floor, and we talked in recent weeks about whether or not we are ever going to enact a lockbox. Unfortunately, the majority leader has chosen to fill the amendment tree—that is to preclude Democratic amendments in the debate on the lockbox; that has precluded our ability entirely to offer an amendment which says we ought not only lock up the Social Security trust fund, we ought to lock up the Medicare trust fund, too, because it, too, is a trust fund upon which our seniors depend.

This legislation includes a long-supported lockbox, but it also contains no trap door. The Republican version contained a trap door that allowed Social Security surpluses to be used for any purpose, including tax cuts, that could be labeled as Social Security reform.

There it is. In addition to ensuring we pay down the debt, in addition to ensuring we provide for 16 additional years of solvency, this bill provides a real lockbox without a trap door for Social Security and for Medicare.

I think it is important we set the record straight when it comes to this proposal. This has been the product of an extraordinary amount of work within the White House, within the administration, working with Democrats in Congress.

Republicans claim they have found religion when it comes to Social Security. The CBO clarified what is happening right now on Social Security with the letter provided yesterday.

They said if the budget and the appropriations bills pass as are now contemplated and as are now drafted, we will be using $17.1 billion of Social Security trust funds. Those aren't our words; those are the words of the Congressional Budget Office. They said if we were going to offset the need to use Social Security trust funds, we would have to cut across the board 4.8 percent to accommodate the increases in investments and spending across the board in the 13 appropriations bills.

There shouldn't be any doubt about who it is that is drawing down the Social Security trust fund this year before we even have a lockbox, before we even have real Social Security and Medicare reform. That is why this legislation is necessary. We have a rare opportunity to extend the life and the solvency of Social Security and Medicare, to pay off the publicly held debt in 15 years, and to provide meaningful reform to both Social Security and Medicare in a way that will absolutely guarantee that baby boomers, when they retire, will be able to count on Social Security and on Medicare in a debt-free country.

It doesn't get much better than that as a goal, as a set of proposals. I am hopeful in this Congress before the adjournment date next session this legislation will become the focus of a good debate. This legislation will be not only considered but given an opportunity for a good vote, an opportunity for careful consideration. Let it be amended if it be the will of the Senate, but let's debate it. Let's get on with it. Let's commit it to law. Let's send a clear message to the American people, we as Republicans and Democrats, and support eliminating the public debt. We support extending the solvency and the viability of both the Social Security and Medicare trust funds. We can do that with the bill we are introducing today, and I hope it is done.

Mr. REID. Will the leader yield for a brief question?

Mr. DASCHLE. I am happy to yield to the assistant Democratic leader.

Mr. REID. I listened intently to the leader's statement. I ask the leader if it is somewhat startling, amusing—whatever word we want to use—that the majority, the Republicans, did not support Social Security when it was adopted in the 1930s; the Senator is aware of that?

Mr. DASCHLE. The Senator from Nevada is correct. To my knowledge, it was not supported by Republicans—I don't know if I am in a position to say unanimously, but overwhelmingly.

Mr. REID. We do know they filed in this body the motion to recommit, saying they wanted to get rid of it once and for all.

Mr. DASCHLE. The Senator is correct.

Mr. REID. It is also true when Medicare was adopted, that was a Democratic program. There was some support from the Republicans, but not very much?

Mr. DASCHLE. The Senator is correct.

Mr. REID. The Senator is also aware in recent years, under the leadership of Newt Gingrich, the House Republican leadership spoke out in opposition to Medicare and Social Security? Is the Senator aware of that?

Mr. DASCHLE. The Senator from Nevada is correct. I think the words were, "We want to see it wither on the vine."

Mr. REID. And the present majority leader of the House said he thought Social Security was a "rotten idea." Is the Senator aware of that?

Mr. DASCHLE. That is how he has been quoted. That is correct.

Mr. REID. I further say it was just a few years ago when the Senator from South Dakota joined a number of us on the floor in opposing a constitutional amendment to balance the budget which used Social Security surpluses to balance that budget. Is the Senator aware of that?

Mr. DASCHLE. The Senator is right. In fact, he was a very important part of that whole effort.

Mr. REID. In short, I say to the Senator, and I think the Senator would agree, it is great, now that the Republicans, the majority, who have been opposed to Social Security, opposed to Medicare in years gone by, suddenly, in effect, have found religion and now they want to do something to support Medicare and to extend the solvency of Social Security; isn't it good?

I know you would agree with that. But I say to the Senator from South Dakota, I think it is important that you, in effect, have challenged them to come forward in a bipartisan fashion to debate these proposals the Senator has outlined for the good of the country, to extend Social Security and preserve Medicare. Is that, in effect, what the Senator is saying?

Mr. DASCHLE. That is exactly what I am saying. I think it is important for us to depoliticize the issue to ensure we find ways to address meaningful reform that will pass and will be signed into law.

I am concerned. The Senator from Nevada mentioned "getting religion." I am concerned that, while it is important to have religion, it is important to follow the practices of religion—if this is how we are going to characterize this new-found sensitivity to Social Security and Medicare—the facts do not comport with the current expressions of devotion to Social Security. The facts are, the Republican budget raids the Social Security trust fund by $17 billion, as was indicated, again, yesterday in the letter from the Congressional Budget Office.

The facts indicate that there is a trap door in the lockbox proposed by Republicans that would actually allow any proposal to draw on the Social Security surplus, so long as you call it Social Security reform. You could call a tax cut Social Security reform, and it would qualify under the lockbox proposal made by our Republican colleagues. Call it reform and it opens the lockbox. That is the key.

We used to have skeleton keys when I was young. The Republican lockbox has a skeleton key that would fit in any door. We need to get rid of these skeleton keys. We need to get on with real lockbox reform. We need to lock up Medicare as well; we need to make sure we are not going to use the $17 billion of trust fund money currently included in this budget. We need to do that and that is what this proposal will do today.

Mr. REID. Will the Senator yield for one brief question, based on the statement the Senator just made?

We had, yesterday, a number of Senators from the minority making the case we were unable to bring matters to the floor—Patients' Bill of Rights, minimum wage—all the things we have talked about in the last several months and have not had the opportunity to, in effect, debate. The junior Senator from Illinois came forward and said he thought it was too bad the minority would not allow a vote on the lockbox.

I say to the Democratic leader, isn't it true that we were happy to have a vote on the lockbox; all we wanted was to have our lockbox and their lockbox and vote on both of them? Isn't that what it was all about?

Mr. DASCHLE. The Senator makes a very important point for the record, and we ought to make it daily. They are turning facts on their head. The accusation is the Democrats won't allow a vote on the lockbox. What is really true is we are not allowed a vote on our own amendment when it comes to the lockbox. Our view is, it is important if we are going to have a debate on the lockbox that we all have the opportunity to offer amendments. You cannot have a meaningful debate without a meaningful opportunity to offer amendments. That is all we are protesting. Certainly, the Republican majority can understand that.

Mr. REID. I thank my colleague.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. DASCHLE. I thank the Chair.

ENERGY SECURITY TAX ACT OF 1999

Mr. DASCHLE. Mr. President, for the last 2 years I have been working closely with a number of my colleagues to develop a package of tax incentives to foster domestic energy alternatives and thus help reduce our growing dependence on imported oil. Along with those colleagues, I am pleased today to introduce the Energy Security Tax Act of 1999, and I am hopeful that Congress will enact this legislation in the near future.

Despite periodic efforts by Congress to address this problem, since the oil price shocks of the 1970s, we have seen our dependence on foreign oil continue to grow. Today, our Nation's energy supply is more vulnerable than ever to events taking place in countries far from our shores. Solving this problem will require the collective efforts of all our Nation's energy producers.

The legislation we have developed is correspondingly ambitious in its scope. It encompasses a broad range of technologies, representing the diverse regions and resources of the country. Farmers will benefit from the provisions modifying the existing tax incentive for small ethanol producers, so that farmer-owned cooperatives can utilize it, and by the establishment of tax credits for efficient irrigation equipment, conservation tillage expenses, and anaerobic digesters that convert manure and crop waste into useful gas. The legislation will encourage the development of biomass-based electric power industries, which will provide a market for wide range of biomass, including switchgrass, crops and crop residues, and wood waste.

We are proposing to extend the wind energy tax credit, so that we can more fully develop the wind power potential of States from California to the Dakotas to New England. Coal miners from West Virginia to Montana will benefit as a result of the tax incentives for repowering or replacing older coal-fired power plants with more efficient technology. Steelmakers will become more competitive through the use of tax incentives for more energy-efficient processes and for the production of energy from cogeneration. Hawaiian ethanol producers will be encouraged to utilize bagasse—a sugar cane residue—thereby converting a potential waste into a useful fuel.

Oil and gas producers in States like New Mexico, Texas, and Oklahoma will benefit from incentives for greater domestic production. Business owners will be able to use the new incentives to make investments in energy-efficient property, thereby reducing energy costs and improving competitiveness. Homeowners throughout the country will benefit from new incentives designed to encourage the installation of renewable and more efficient energy technologies, and by the construction of energy-efficient homes. Americans from all parts of the nation will be encouraged to use environmentally friendly electric and hybrid vehicles.

There is an old saying: The time to fix the roof is when the sun is shining. While we are fortunate now to have adequate supplies of oil, our dependence on foreign nations continues to grow. It is incumbent on U.S. policymakers today to recognize the risks associated with this trend and to prepare the nation for a more secure future. As part of that effort, we should take the first opportunity that presents itself to enact the tax policies necessary to encourage the development of a more diverse and robust domestic energy portfolio, one that will reduce our vulnerability to future oil price shocks and supply shortages. This effort not only will result in greater energy security, it will reduce our balance-of-trade deficit, create domestic jobs, improve air quality, and help limit the emission of greenhouse gases.

I hope that all of my colleagues will consider cosponsoring this important legislation and will support its timely enactment.

Mr. BYRD. Mr. President, I join with the distinguished Democratic leader and other colleagues in cosponsoring the Energy Security Tax Act of 1999.

I thank Senator DASCHLE for his leadership in crafting this targeted tax proposal that offers incentives for the more efficient use of a broad range of energy sources vital to the American economy. This targeted proposal has a multiplicity of economic and environmental benefits.

I have long been an advocate of programs that encourage the more efficient use of energy. This proposal does exactly that. The United States is a highly energy-intensive nation, and it depends heavily on energy for manufacturing, communications, transportation, and many other purposes. While the United States is currently enjoying the benefits of an expanding economy, that economy demands even more energy. The United States has already invested heavily in the research and development of many innovative clean and efficient technologies that will allow our Nation to help meet these demands, and we must continue exploring these opportunities.

This bill provides key incentives to demonstrate and to deploy these technologies, including clean coal technologies, a program that I have long supported. Now that we are at the threshold of a new millennium that begins the year after next—not next year; next year completes the current second millennium. Next year completes the 20th century. It is not the beginning of the 21st. So much for that.

Now that we are at the threshold, just a little over a year away, of a new millennium, Congress can and Congress should help to prepare a pathway for the new era of energy and resource use. New technologies should be part of that path. For example, with the use of clean coal technologies, it remains economically feasible to produce electricity in coal-fired powerplants while also improving environmental quality.

By demonstrating and deploying these technologies, coal continues to be a viable "cleaner and greener" fuel for power generation. Clean coal technologies are American-made technologies that provide a variety of positive benefits for the U.S. as well as other developing nations with large coal reserves.

Coal currently provides the energy to generate more than fifty percent of the electricity consumed in the U.S. The Energy Information Administration, an arm of the Department of Energy (DOE), projects that coal will continue to provide our nation with the energy needed to generate more than one-half of its electricity needs in 2020. Equally as important, the International Energy Agency has projected that coal will provide forty-six percent of the world's electricity in 2020. Significant growth in coal use to generate electricity is expected to take place in developing countries like China and India. The challenge associated with the continued use of coal, the nation's most cost competitive and abundant energy resource, is to preserve our nation's energy security while also meeting important environmental goals. There has to be a balance. Also, the opportunity exists to use better, more advanced technologies in those developing countries that will experience increases in the use of coal.

The current Clean Coal Technology Program has demonstrated a number of first-of-a-kind technologies that increase efficiency and reduce greenhouse gases and other emissions from coal combustion. As a result, a number of emerging clean coal technologies are ready to be deployed commercially. However, full commercial penetration first requires constructing and operating several early commercial-scale applications. In order to install these early commercial applications, all stakeholders including the designer, manufacturer, financier, and owner will have to face both the technological and economic risk associated with the "not yet fully commercial" technology.

Development of these early commercial clean coal technology applications will require a new program of limited tax and financial incentives to overcome the associated technological and economic risks that will complement continued research and development (R&D) funding. The required R&D funding has come under the DOE's Fossil Energy Program. The associated tax and financial incentives program proposed here would be limited in scope and timing and the proposed technologies would be required to meet ever-increasing performance levels to qualify for the tax incentives. The U.S. tax code would be amended to provide for: (1) a ten percent investment tax credit; and (2) a production tax credit. In addition, annual appropriations would be provided for a risk pool to offset costs, if any, for modifications resulting from the technology's need to reassess its design performance during start-up and initial operation.

Mr. President, another section of this bill provides tax incentives to encourage newer, more innovative steelmaking technologies. Although threatened by a flood of cheap, even illegal, foreign steel imports, the U.S. steel industry still employs some 160,000 workers and forms an important element in overall U.S. industrial strength. It is in the U.S. national and security interests, I believe, to ensure that U.S. steelmakers have the ability and encouragement to remain energy efficient, environmentally sound, and economically healthy.

By continuing to make investments in the steel industry through tax incentives, we will be helping to preserve high-paying manufacturing jobs in the United States. Of course the obvious other benefit is its effect on our environment and the preservation of our natural resources. The steelmaking provisions would provide incentives for investment in cutting-edge steelmaking technologies and allow the steel industry to work with other sectors in the production of more efficient energy through co-generation.

In conclusion, I strongly support this targeted tax incentive package. This legislation embraces the belief that the U.S. is a leader in developing energy efficient technologies as well as stressing the importance of fuel diversity. I support the adoption of these tax incentives, which demonstrate that economic growth and environmental protection can go hand-in-hand.

Again, I thank the distinguished Democratic leader.

Mr. REID. May I ask the Senator a question?

Mr. BYRD. Yes.

Mr. REID. Is the Senator aware that about 12 or 15 miles outside Reno, NV, the newest generation facility in Nevada is clean coal technology?

Mr. BYRD. Well, I am certainly aware of it now. I am heartened by this information.

Mr. REID. The only reason I mention that to the Senator from West Virginia is that these things actually happen. Clean coal technology actually exists, and it exists in a place such as Nevada.

Mr. BYRD. Yes. I thank the distinguished Senator. I am proud to say I have been fighting this fight for clean coal technology now for years. I was in the position to do it during the time I was the Senate Democratic leader. It may have been back when I was the whip. I was able to put money in appropriations bills for clean coal technology. I also thank the distinguished Democratic leader for his kindness and courtesy in allowing me to introduce this bill. I thank him for his drafting of the legislation, and I thank him for his leadership. I thank him for allowing me to be a cosponsor.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Mr. President, let me begin by complimenting the distinguished Senator from West Virginia for his eloquence and his statement and for his willingness to take the leadership and to provide his name on this legislation. I can think of no one I would rather have in support of legislation of this kind than the senior Senator from West Virginia.

As has been noted, he is "the" leader, not just "a" leader, on coal and on clean coal technology. No one has committed more time, effort, and leadership to the issue than he has. So it was with that appreciation that I asked the distinguished Senator from West Virginia about his willingness to honor me as he did this afternoon.

It troubles me, as I know it does him, that this country continues to depend on foreign sources for energy to a far greater degree than it is in our Nation's best interest. If we are ever going to deal with that real dilemma, it seems to me we have to continue to find ways in which to utilize more effectively our own resources. That has been the argument made so passionately and so ably by the Senator from West Virginia now for so long.

This legislation would allow us to move closer to the goal that one day we can be more energy self-sufficient, and that we can do so with the recognition of the importance of the environment. It combines two national goals: a clean environment and energy independent. I am hopeful we can see careful consideration of this legislation, and other ideas that we offer in good faith with the expectation that the Senate recognize the importance of these goals and this contribution to those goals.

Again, let me thank the distinguished Senator for his kindness, for his leadership, and for the commitment he has made with this legislation.

I yield the floor.

Mr. BYRD. Mr. President, will the distinguished minority leader yield?

Mr. DASCHLE. I am happy to yield.

Mr. BYRD. I thank the Senator.

Clean coal technology also provides a very important key to the problem of global warming. I hope that we can interest other countries, such as China. China is in the process of constructing many new powerplants. They are new in the sense that they are newly constructed. But they are old in the sense that they use the old technology, if I may use that word. They depend on the burning of coal in ways that contribute to the deterioration of the environment.

I hope these countries such as China and Brazil and India will join with the developed countries of the world in the attempt to do something about global warming.

I have lived a long time—82 years, Saturday 3 weeks from tomorrow. And I have seen changes in climate. I don't know much about the science and global warming, but I know that I have seen changes in the climate. When I was a young man, when I was a man in my middle ages, I never saw storms of the frequency and the intensity, floods and droughts that we are seeing today, and seemingly increasingly. There is something going on out there.

As I say, I am not a scientist. But there is something going on, and I am concerned about it. But whatever it is, whatever the part may be that it is manmade, can be limited considerably if the developing countries would utilize the technologies that our country through its research and demonstration projects, through the millions—yea, billions—of dollars that this country has spent on research, if those countries would utilize these technologies in the building of their powerplants, they would diminish the emissions of carbon dioxide and the other gases that I think are having some considerable impact upon climate worldwide.

I congratulate the leader for this legislation. I hope that we can continue to do research on clean coal technology. I hope, as I say, when countries meet in various places, such as Bonn and Buenos Aires, to discuss global warming, that they will somehow be able to persuade the developing countries in the world to use our technology, because while we are plugging the holes in the front of the boat that we have helped to create through two world wars—by defeating Hitler, and the German Kaiser, and others in the interest of the freedoms that these developing countries enjoy to some extent—I hope that the developing countries would not be in the back of the boat drilling more holes, and thus increasing emissions which affect all of us. It is not a boat only part of which will sink. The entire boat will sink.

We need the cooperation of the developing countries. We can help them through clean coal technology and other technologies.

I thank the distinguished leader.

Mr. DASCHLE. Mr. President, I thank the Senator from West Virginia for his very important additional comments.

We talk a lot about globalization, a globalized economy. We have a globalized diplomatic infrastructure today due to the fact the cold war ended. We have had a globalized environment from the very first day of creation. A globalized environment means that what happens in China, what happens in Asia, what happens in Europe, or Africa, or Latin America, has an effect on what happens here, and vice versa.

The Senator from West Virginia makes a very important point. If we are, indeed, globalized, then it seems to me that we ought to share our technology with those countries that may be contributing both favorably and unfavorably to that globalized environment. We ought to provide leadership. They ought to recognize the importance of involvement. He has made that point for some time. I have heard some of his excellent speeches to that effect on the Senate floor.

Let us hope we can continue to make progress, and let us hope that maybe this legislation will help us do so even more successfully.

Again, I yield the floor.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Illinois.

Mr. DURBIN. Thank you, Mr. President.

Let me join a chorus thanking Senator BYRD and Senator DASCHLE for their leadership. Illinois has a history of being a great coal-producing State. Environmental standards have changed, and I hope we can find ways to develop technology so that this almost infinite energy resource can be tapped that now sits in the ground. Many unemployed coal miners drive over it every day asking policy leaders in Washington what they are doing. The legislation Senator BYRD is proposing is a step in the direction of finding new technology to use this domestic energy resource to create jobs in America, to be responsible to the environment, and to lessen our dependence on foreign fuel.

As always, I salute Senator BYRD for his leadership on this.

Mr. DASCHLE. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. LOTT. Will the Senator from Arkansas allow me to proceed briefly with a unanimous consent request?

Mrs. LINCOLN. Certainly.

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

Mr. LOTT. I call for regular order with regard to the trade bill.

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative assistant read as follows:

A bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa.

Mr. LOTT. Mr. President, having witnessed the vote earlier today, I am very concerned about our ability to complete action on the African and Caribbean Basin Initiative free trade legislation. This is important legislation. I believe it is good for the United States. It will be good for Central America, the Caribbean, and Africa. This bill is supported by Senators on both sides of the aisle and by the President.

I understand that maybe some Senator or Senators have gotten the idea, since we did not get cloture today, that was the end of it and this bill would just be set aside permanently. We are still very hopeful we can find a way to get this job done. We have a problem in that it takes a lot of time to get through the cloture motions and complete it, but I have not given up yet.

I am going to file cloture on the pending substitute, and if cloture is not invoked on Tuesday, we will have to move on to other issues. I emphasize I am filing two cloture motions, so we can hopefully get cloture on the substitute and on the bill itself and allow us to get to the substance, have amendments that are important, and bring it to a conclusion.

As a part of all this, I emphasize that Senator DASCHLE and I are working on an apparently unrelated issue but one that is related in fact, and that is an agreement as to how we can handle the bankruptcy bill and allow amendments, amendments that relate to bankruptcy, the credit cards issue, but also would have a number of agreed-to, nonrelevant amendments that would be in order.

I hope we can get that worked out. We are getting very close. That would relieve some of the pressure in opposition, and if we can get both bills done, it will be a monumental achievement, if we can go out this session having done the free trade bill for the Caribbean Basin Initiative and Africa and a bankruptcy bill that allows votes on which the Senate has indicated it wants to vote.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the pending substitute to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative assistant read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa:

Trent Lott, Bill Roth, Mike DeWine, Rod Grams, Mitch McConnell, Judd Gregg, Larry E. Craig, Chuck Hagel, Chuck Grassley, Pete Domenici, Don Nickles, Connie Mack, Paul Coverdell, Phil Gramm, R.F. Bennett, and Richard G. Lugar.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a second cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa:

Trent Lott, Bill Roth, Mike DeWine, Rod Grams, Mitch McConnell, Judd Gregg, Larry E. Craig, Chuck Hagel, Chuck Grassley, Pete Domenici, Don Nickles, Connie Mack, Paul Coverdell, Phil Gramm, R.F. Bennett, and Richard G. Lugar.

Mr. LOTT. Mr. President, these cloture votes will occur on Tuesday, November 2. I will notify Members of the exact time after I have had an opportunity to consult with the Democratic leader about the appropriate time for that.

In the meantime, I ask unanimous consent that both quorums which are mandatory under rule XXII be waived and the previously scheduled vote regarding the D.C./Labor-HHS legislation occur notwithstanding rule XXII.

Mr. DASCHLE. Mr. President, reserving the right to object, if I may ask the majority leader, he is announcing there will not be any votes on Monday; is that correct?

Mr. LOTT. If we get these agreements worked out and in order to accommodate the time that has been requested for the D.C./Labor-HHS appropriations bill, then there will not be any recorded votes on Monday. The next recorded vote will be, I presume, at 10 o'clock on Tuesday, which is the D.C./Labor-HHS-Education appropriations bill, and then hopefully sometime in short order after that, we go to votes on the two cloture motions.

Mr. DASCHLE. Mr. President, if I may further reserve the right to object—and I will not object, obviously—I wonder if the majority leader is able to tell me something at this time? I have given him a proposal on bankruptcy—we have cleared it on our side—having to do with the nonrelevant amendments and then the clarification of relevant amendments to the bankruptcy bill. Has the majority leader been able to determine whether that is acceptable and whether he has been able to clear it on his side?

Mr. LOTT. I believe it is going to be acceptable. I have not cleared it completely on our side. I just had an opportunity to read over it in the form on which our staffs worked. I see a couple of little problems that are really clerical in terms of how the three amendments would be handled. The way I read it, it looks as if there could be as many as 12 amendments, but really what we are talking about is 3 and 3, side by side. Once that is clarified, unless there is something else I see that is a problem, I think we can get this done.

Mr. DASCHLE. So the majority leader is saying there would be three Republican nonrelevant amendments.

Mr. LOTT. Right.

Mr. DASCHLE. Has the Republican caucus made that decision as to what are the relevant amendments?

Mr. LOTT. Obviously, I have to know what the three are on the other side. I know one would have to do with education, one of them would be the counterpart to minimum wage, and I am not now sure of the third one. Obviously, before we do get a final agreement on this, we will get that information to you. If there is a problem, obviously, we will have to work through that. I do not think it will be a problem. We will definitely get that to you; hopefully this afternoon, if the Senator is going to be around a little while. We are working on it, and I think we are very close.

Mr. DASCHLE. Mr. President, assuming we then would be in a position to get agreement on moving to bankruptcy, would it be the intention of the majority leader to move to bankruptcy on Tuesday?

Mr. LOTT. It was my thinking that—I believe the way this is set up—we would complete trade and then we would go to bankruptcy when we complete the trade bill.

We are also hoping we can get some way to consider the nuclear waste bill, but it is my plan and my hope—we will have to get agreement, obviously, to do all these—to complete the trade bill and do bankruptcy and try to do the nuclear waste bill before we go out. Obviously, we have some hoops through which we have to jump in order to achieve that.

It is my thinking at this time we will complete the trade bill if we get the cloture. We can enter into a UC on bankruptcy before we do that. We will talk to you about that, exactly when we need to do it, and we can go to bankruptcy before we go out. My intent would be to go to it next, after consultation with both sides.

Mr. DASCHLE. I appreciate the indulgence of the majority leader and his answers to my questions. I have one other question relating to the trade bills.

Obviously, we have attempted to discuss how to proceed for some time. I have made an offer to the majority leader that he has been kind enough to consider; that is, he and I would table amendments that were not relevant to trade but certainly allow for at least a period of time so Senators can offer these amendments, with the idea that they will be debated and tabled shortly after the time they are offered. I am certainly prepared to renew that offer to the majority leader. As he knows, he has made the situation, again, one which would require a procedural vote on cloture rather than a substantive vote on cloture, thereby, again, undermining our ability to finish the bill.

I wonder if the majority leader has given any more thought to this suggestion that he and I table these amendments and then move to final passage on trade, as I think we could have done even this week.

Mr. LOTT. In response to his question, I was in the hopes that if we could get agreement on the bankruptcy bill and the unrelated amendments that would be made in order under the agreement, that would help resolve the problem.

The difficulty is, in going through this process where we would in fact both vote to table, first of all, there is a lot of opportunity for mischief in terms of what amendments are offered, objections to time agreements, and how long would it take. That is one thing that worries me. If we do not get cloture and we go through a series of amendments where we have to vote to table them, I worry about the image of us voting to table, even if we could explain it procedurally. But if you vote to table fast track or vote to table agricultural sanctions or you vote to table some of these other things, I would prefer that the Senate not be recorded as having defeated or tabling some of these issues.

But the further problem is, if we go through and hold a number of these on this bill, how do we get it done in somewhat of a foreseeable period of time and then be able to get to bankruptcy? I am also worried about what in fact happens if we move to table or try to table or not table. I think the Senator has been right in saying that is where leadership has to weigh in and we have to make sure we get it done.

I think one of the issues that would have been the greatest problem would have been minimum wage, but I believe we are going to address the minimum wage on bankruptcy, therefore relieving the pressure, the need to put it on this particular bill.

So that is what we are up against. I have learned around here you never say never. I am just worried about being able to get this job done. Also, I have not been able to clear on our side an arrangement that would go through a repeated number of votes on trade. We have had this discussion privately. I think it is appropriate that we have it publicly, too.

Mr. DASCHLE. Mr. President, just in further clarification, I am wondering—there are really two issues. The majority leader has appropriately articulated one of the concerns he has with regard to finishing the bill. Cloture will do that, if cloture is invoked.

I am wondering if the majority leader would entertain tearing the tree down to allow Senators to offer amendments during the time the legislation is pending, thereby at least giving Senators the right to offer amendments, because he would still have the assurance, of course, that the bill—if cloture is invoked—would ripen and would ultimately terminate debate, but he then would cease to make the issue a procedural one. Then it would be one upon substance, which I think would be advantageous for both the majority leader and many of us who work with the administration to see this legislation pass.

Mr. LOTT. Are you talking about doing it during the period of time when we may be discussing, as on Monday, the Labor-HHS bill? Are you talking about postcloture? Also, what do we do in terms of getting time agreements if the Senator from South Carolina objects to that? Maybe we will just have to—that is a lot of ifs—what if, what if. We will have to work through that. It would take a lot of delicacy in trying to get it to a conclusion. But that is my concern.

Are you talking about trying to do it Monday, or are you talking about trying to do it during the day Tuesday or Wednesday? And how do we, in terms of time—even postcloture, a lot of amendments are in order.

Mr. DASCHLE. The majority leader points out a very important problem. If we invoke cloture, there are many important relevant amendments, that I think he and I would probably both support, that are not going to be in order on this legislation. I do not know how we are going to deal with that. I doubt he would be able to get unanimous consent to be able to offer it. I know amendments having to do with Africa, in particular, are in peril if cloture is invoked. So we have compounded the problem both from a relevancy point of view as well as from this procedural problem that we are attempting to work through.

You asked the question, When would this occur? I guess I am thinking, under the current circumstances, there would not be any time for it to occur because the vote on cloture would occur as early as Tuesday because that is when the cloture motion ripens. I would be willing to work with the majority leader on an acceptable schedule for such amendments and the filing of cloture were he willing to work to accommodate at least some amendments and the opportunity to deal with this relevancy question that I think, regardless of the circumstances, he would deal with.

Mr. LOTT. An interesting sidelight, if the Senator will yield.

Mr. DASCHLE. Yes.

Mr. LOTT. Postcloture, for instance, there might be some amendments with regard to African trade. I wonder if there might be some way we could get an agreement. I worry about it getting agreed to, because I am not sure the Senator from South Carolina would agree to it, where some of those amendments, while they are not germane, would not be in order postcloture, they certainly relate to what we are trying to do. I would certainly like to have some way found for amendments such as that, if they exist. I could think of a couple I have heard of that ought to be offered.

I will be glad to work with the Senator to try to find a way to see if we can at least do that and get it cleared. But we do have a problem with objections. We can see if we can get it agreed to, and we can try to get it agreed to, if we can get something worked out that we can offer. Then if it is objected to, we just have to deal with that.

Mr. DASCHLE. I know there are other colleagues who are waiting to do other business. I think we might talk more privately about this and proceed. But I look forward to working with the majority leader to see if we can find a way to deal with it.

Mr. LOTT. Thank you.

Mr. MURKOWSKI. If the leader would yield?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. There was no objection to that last request?

The PRESIDING OFFICER. There was no objection to the last request.

Mr. LOTT. I do have one more request I know the Senator from Alaska is interested in. If the Senator would like to make that request——

Mr. MURKOWSKI. Please proceed.

UNANIMOUS CONSENT REQUEST—S. 1287

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to S. 1287, the nuclear waste bill.

Mr. DASCHLE. Objection.

Mr. REID. Objection.

Mr. BRYAN. Objection.

The PRESIDING OFFICER. Objection is heard.

Several Senators addressed the Chair.

Mr. LOTT. There was an objection. I believe I still have the floor.

I would be glad to yield for a question or comment.

Mr. MURKOWSKI. It is my understanding, Mr. President, there are a number of Senators who are seeking recognition for items they would like to bring up in morning business. I obviously would like to accommodate them. But I wonder if we could get some idea of who and how many, because obviously I am prepared to start the debate on the nuclear waste bill and want to accommodate Members.

Mr. LOTT. Mr. President, I yield to Senator REID, if he would like to comment.

Mr. REID. I say, through the majority leader, to the Senator from Alaska, Senator DURBIN wishes to speak for 15 minutes and the Senator from Arkansas for 5 minutes. That is all we have until we turn to the matter of the Senator from Alaska.

I ask the Senator from Alaska, in relation to his opening statement, does he have any idea how long he is going to take?

Mr. MURKOWSKI. I have no idea, Mr. President, how long the leadership wants to go today. But I am prepared to accommodate the interests of the Senate and am also prepared to go at great length. So it might be appropriate if we had some indication of how long the leadership wants this matter debated today because I understand we are going to be going off of it and then back on it.

Mr. LOTT. If I could respond, Mr. President, we do not have a certain time set. I would not want in any way to preclude the Senator from using as much time as he needs.

It sounded to me as if you have about 15 minutes on the other side. You could take the time you need, and when that is completed—I see Senator BYRD may be here and want to speak, too. So as long as Senators are here and wanting to speak, we will continue this afternoon. But if I could——

Mr. REID addressed the Chair.

Mr. LOTT. I will be glad to yield to Senator REID.

Mr. REID. I say, through the leader, Senator BYRD is on the floor and he needs 20 minutes, just so the Senator from Alaska would have some idea. And I would think Senator BYRD would speak before Senator DURBIN.

Mr. DURBIN. That is a good idea.

Mr. REID. Although the Senator from Arkansas has agreed to how much time? Five minutes.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak for up to 10 minutes each, with the exception of the Senator from Arkansas—I believe she wanted 5 minutes—Senator DURBIN for 15 minutes, Senator BYRD for 20 minutes, and then the Senator from Alaska be recognized after that to discuss the nuclear waste legislation.

Mr. REID. I say to the leader, then after the Senator from Alaska speaks, the two Senators from Nevada may have a couple words to say.

Mr. LOTT. Under this request, they would have 10 minutes. If they need additional time, I don't think anybody is going to object.

The PRESIDING OFFICER. Is there objection?

Mr. BRYAN. Will the majority leader yield for a question?

Mr. LOTT. I am glad to yield.

Mr. BRYAN. May the Senator from Nevada inquire as to the majority leader's intent? In light of the objection, does the majority leader intend to file a motion to proceed?

Mr. LOTT. Not at this time, although it is my intent, before we go out, to take whatever action is necessary to try to get on to the substance of this bill. But in view of the other things that are pending, Labor-HHS Appropriations conference report, the trade bill, and, hopefully, bankruptcy, I am not going to file that today.

Mr. BRYAN. I thank the majority leader.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Reserving the right to object, only to make this point, in the sequence here, if I could amend the unanimous-consent request so the Senator from Arkansas could go first, followed by the Senator from West Virginia. I am happy to be third in the sequence.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Arkansas is recognized.

INEFFECTIVENESS OF THE SENATE

Mrs. LINCOLN. Mr. President, I rise on behalf of the people of Arkansas to express my extreme disappointment, frustration, and bewilderment with our ineffectiveness in the manipulation of the Senate. Today, I was supposed to be touring the former Eaker Air Force Base site in Blytheville, AR, with numerous officials from the National Park Service as well as other State and local leaders. This is a meeting we have worked on for months to arrange, understanding there might be legislative business today.

The community is united in its effort to have this former military base converted into a Mississippi Valley archeological facility and research center. The benefits this project will bring to northeastern Arkansas are enormous, and I had hoped to be there today to again demonstrate my support to the entire community and the Park Service and to urge a favorable decision by the Park Service.

I also had several other appointments scheduled with various constituents in the State, but I had to cancel all these meetings to be here for scheduled votes. I thought we might vote on key trade initiatives and might even get to an appropriations bill. But these votes are, once again, delayed and may never occur. This is not the first time I have had to cancel meetings or events on critical issues with large groups of constituents in Arkansas to stay in Washington for votes, votes and work that never happened or were simply procedural or partisan. My constituents understand when I have to be in Washington to vote, but what they do not understand and what frustrates me is when I stay in Washington for votes and work that never occur.

I would understand, and would encourage a great deal, if we were delaying debate so Members could travel to Rhode Island to pay tribute to our distinguished former colleague, John

Chafee, a man whose presence in the Senate made this entire body a more respectful and enjoyable place, a truly bipartisan, wonderful colleague I enjoyed working with so very much and a great leader, one who I think would be proud to see us working to come to conclusion and bring about results on behalf of the American people. But this is not the case. There is no reason we should not be working and voting today.

October 29, today, was our target adjournment day. We could be and should be done. We have just voted our third continuing resolution. We could have been working in the Senate to come to conclusion. Five spending bills still remain, including funding for education and health care, which I think should have been our very first priority in the Senate. It is clear to everyone involved why this mess keeps happening, why we are not getting anywhere. The majority is trying to override the true design of the Senate. They are limiting debate. They are refusing amendments and pulling legislation off the floor to mute the voices of the minority. I have great concern with that.

I was elected to this body in November of 1998. I came to serve in 1999, during a historical situation that caused each of us to research and understand what the constitutional responsibilities of this body are about, to understand the design of this body. I was a Member of the House of Representatives. The Senate is called the upper Chamber, the deliberative body, for a very good reason. We are supposed to be above all of this. We are not the House. We should not operate as the House. We should be operating as a deliberative body, debating the issues, bringing out the concerns of each individual in this body, especially since just last night the House voted to gut Social Security by $17 billion. What an important issue to the people of America.

We have a lot of difficult decisions before us, decisions we should be debating, we should be making, and not postponing. I call on the leadership and on my colleagues in the Senate, again, let us roll up our sleeves and get down to work. The American people deserve no less.

The PRESIDING OFFICER. The Senator from West Virginia.

(The remarks of Mr. BYRD and Mr. DASCHLE pertaining to the introduction of S. 1833 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000—CONFERENCE REPORT

Mr. DURBIN. Mr. President, earlier we were discussing the District of Columbia appropriations bill. It is a bill that I have taken an interest in as the ranking Democrat on the subcommittee. One of the smaller spending bills, it has now become one of the largest. You might wonder what has happened.

It turns out that the District of Columbia appropriations bill has become a vehicle in the closing hours of this session for a lot of legislative attempts at spending. In fact, the largest nondefense budget to be considered by the Congress each year is for the Departments of Labor, Health and Human Services, Education, and related agencies. It is the largest bill. It passed the Senate in one form a few weeks ago. But the bill in its original form never has passed the House of Representatives. In fact, they went the entire session debating about whether or not there would be enough money to fund critical programs for education and health. The House could not muster a majority to pass that bill during its regular session. It had to wait for a conference committee which involved the District of Columbia to finally bring it to the floor just a few hours ago where it passed with a very close vote. It now is headed to the President's desk for his consideration after we vote on Tuesday. It is my guess that the rollcall will be by and large a partisan rollcall, but that the bill will pass the Senate and head down to the White House.

It is also fairly certain that bill will be vetoed by the President. In fact, the D.C. appropriations bill, as I mentioned earlier, has bought a ticket on the Titanic. This bill is going to sink, as it should, and let me tell you why it should.

I can't understand why we wait until the closing days of the session to address the issue of education. It is the last priority in Federal spending from the congressional perspective. It is the first priority of every American family. We just don't get it. We don't connect with people who time and time again, when asked in opinion polls for the major concern we face as a nation, identify education.

Yet in this congressional session it is an afterthought. We have done everything else; now let's look at education. I don't think the American people expect that kind of conduct from Congress. They don't expect Members in the closing hours of any session to finally get around to talking about schools, kids, and education. That is exactly what we have done.

This bill, which the President should veto and send back to Congress to work on more, guts the class size reduction initiative, an initiative which allows hiring more than 100,000 teachers nationwide so that first and second grade classrooms have fewer kids. Every teacher and parent knows the wisdom of that decision. Yet the Republican majority resists. They voted for it last year; now they don't want it.

They ought to come to Wheaton, IL, and the schools I visited there. This is considered to be a fairly conservative area politically. They are for the President's initiative. They have seen it work. Why this bill wants to kill that initiative, I don't know. They are not listening to teachers or parents when the Republican majority insists on that. The Republican bill funds 3,400 fewer afterschool centers. Almost a million kids in America are denied afterschool programs, a million who would have received it if the President's request had gone through. The kids will be out of school at 3 in the afternoon with little or no adult supervision and nothing constructive to do. The Republican majority says that's fine; that is the way it has to be. I don't think so. I think our vision of America should be broader. We know kids going home to an empty house or hanging around a mall or street corner are not engaging themselves in learning. I think the President's proposal was far better.

There are many other areas of concern, including denying title I reading and math teachers. Think about that. At a time when we need more scientists and computer engineers, we are going to eliminate 5,400 title I teachers who would have been included in the President's budget to teach reading and mathematics. Cut reading instruction for 100,000 kids, and they fall behind in their classes.

Is this the kind of bill we want to kick off the new century? Does this define our priority in education? I think not. I think it is a bad political decision. I hope the President wastes no time in vetoing it and sending it back to the Republican majority to address.

The worst part of the bill, if that isn't bad enough, has to do with medical research. Every administration tries in some way, shape, or form to find something to do legally with the budget which will allow them to get away from some tough decisions. Democrats have done it; the Republicans have done it. What we have done with the National Institutes of Health is tragic. The National Institutes of Health—and I am sure most Americans are familiar with that name—is the agency we assign the responsibility of finding cures for the diseases that plague Americans and people across the world.

When one of my former colleagues in the House of Representatives, Bill Natcher of Kentucky, who passed away several years ago, used to bring this bill to the floor, he would say: This is the people's bill, the one that everyone can identify with because we are all interested in schools, education, and safety in the workplace.

The people's bill isn't being treated very well when it comes to medical research. I had a chance to look at comments made in the House of Representatives during this debate by my friend and former colleague, Congresswoman NANCY PELOSI of San Francisco, CA. I think she hit the nail on the head when she said our former Speaker, Tip O'Neill, said all politics is local. But in this bill all politics is personal. It is as personal as the woman with breast cancer, the man with prostate cancer, or people with AIDS who look to us for hope.

As a Senator, one of the more emotional things I have to go through each year is a visit from different groups interested in the National Institutes of Health funding. They come to me in desperation. They are the mothers and fathers of children with juvenile diabetes; they are the mothers and fathers of autistic children; they are people who are suffering from cancer and heart disease and rare diseases with names that one might never have heard. They say: Senator, do something; make sure the National Institutes of Health have the money they need to look into medical research to save our children's lives and to give them some hope.

That is a tough responsibility for anyone to face. Doctors face it every day, but politicians and Senators face it rarely. When we do, it is not a comfortable situation. I always assure them I will do everything I can, I will pass every bill I can to put money in medical research.

For the last several years, we have increased the amount of medical research. That is good. My colleague in the House, JOHN PORTER, a Republican from Illinois, has been a leader in that. I salute him for that. I think we should continue on that track. This bill, unfortunately, takes a giant step backwards because this bill, as it is drafted and being sent to the President, says the National Institutes of Health must postpone the awarding of medical research grants until the closing weeks of next year. It means that universities and medical researchers all across America are put on hold. They won't be given the money to research diabetes, cancer, heart disease, AIDS and all the other things we are concerned about. They have to wait.

What do their official organizations say about that? The American Council on Education says of this approach in the Republican bill to delay medical research in America:

> . . . research programs cannot be stopped and started up again without considerable, often irretrievable loss to research progress.

The Association of American Medical Colleges says of this Republican idea:

> The cumulative impact of these effects will slow the overall pace of research.

The Coalition for Health Funding says:

> The net effect would be a significant slowing of biomedical research endeavors.

This isn't just a budget gimmick. This isn't a way to save face. This is, frankly, something that should alarm every American family. If there is not someone in your household who is ill, you are blessed, but tomorrow that can change.

For those who sit patiently in doctors' waiting rooms, in hospitals, praying for a miracle for help from Washington when it comes to medical research, this bill is no hope at all. This bill takes a step backwards. The President should veto this bill. Basically, it says to the National Institutes of Health, we will give you more money but wait 8 months. Let's let medical research stand on hold for 8 months. Mr. President, 40 percent of their spending, 60 percent of their grants will be delayed until the closing days of the next fiscal year. This is beyond budget gimmickry. This is unfair. It is inhumane. If for no other reason, President Clinton should veto this bill.

What it does to the Centers for Disease Control is also awful.

Mr. REID. Will the Senator yield?

Mr. DURBIN. I am happy to yield to the Senator.

Mr. REID. Isn't it true that in addition to the so-called forward-funding, they are also talking about an across-the-board cut that would also affect the programs at the National Institutes of Health in addition to what the Senator has spoken about?

Mr. DURBIN. That is true. I concede the overall spending is moving up, but they are slicing it back as part of the 1-percent, across-the-board cut.

As we learned from the Congressional Budget Office yesterday, if the Republican leadership is to keep their hands out of the Social Security trust fund to accomplish this, 1 percent won't be enough. They will need to cut back 5.8 percent, which means less money for medical research than otherwise would have been there.

By failing to make the necessary, tough, hard choices about where to spend money and where not to respond, they have tried to spread this. And by doing so, they have hit areas such as medical research.

Mr. REID. Isn't it true, also, when they talk about 1 percent—which we know has to be 6 percent—isn't there that much waste in government? The Senator knows they are talking not about looking at pockets of waste, fraud, and abuse. But these are indiscriminate, across-the-board cuts; is that not true?

Mr. DURBIN. The Senator is correct. As a member of the Appropriations Committee, he has had the responsibility of putting together a budget. We are supposed to make choices. Some programs are worth investing in and some are not. Instead of making the choice, the Republican leadership says let's take a cut across-the-board on all of these projects and programs.

I am not going to stand here and say there is waste, fraud, and abuse when it comes to medical research. We fund at the current time fewer than half of the requests. People come to NIH and say: We have an idea for a cure for diabetes, or something to do with asthma, arthritis. These people are vetted, the professionals look at them, the money is given.

This approach is not only going to cut a percentage off the money for medical research, it is going to delay 40 percent of the funds until the closing days of the year. So all the researchers are put on hold, and all the people out in America, worried about these medical conditions for themselves and their families, frankly, are going to be faced with that same delay.

Mr. REID. I ask one last question to the Senator from Illinois. I think the Senator has done a good job of indicating these cuts are related to real people, people who get sick. They are not numbers. They are not statistics.

It was a few months ago at the West Front of the Capitol that I was here with Miss America. There has been a new Miss America in the last few weeks. The 1998 Miss America is a diabetic. She was out there because she has hope that what we are doing at the National Institutes of Health will allow her and the millions of other people who are diabetic to be cured.

This will slow up the grants to these people who, we are told, are on the verge of a breakthrough so children and others with diabetes can look forward to the date when they will no longer have to take the insulin shots, sometimes three times a day. Isn't that right?

Mr. DURBIN. The Senator from Nevada is right. Again, let me remind you, this is a budget gimmick. If you delay the spending in an agency until the closing weeks of the year and then when you calculate how much it is going to cost, it won't come out to the same dollar amount. In order to meet some budget guidelines and conform with some regulations and rules, they make this decision to make an across-the-board cut and delay the spending.

If somebody came to the floor and said, I have a great idea, let's delay paying Members of Congress until the last few weeks of the year, I think we might have some resistance here. I think some of my colleagues and my wife and I might see that a little differently. When it comes to medical research, we are prepared to do that. How can you say that to the families you have met and I have met who come and expect us to do our very best to encourage medical research?

Let me tell you another area. The Centers for Disease Control gets $2.8 billion. What do they do? They try, across the United States, to do things such as reduce the incidence of HIV and AIDS, try to reduce tuberculosis, immunization programs for kids, things that make America healthier. This appropriation the Republicans have brought to us delays until the very end of the fiscal year a third of that money. Slow down your effort to try to stop the spread of AIDS, this appropriation bill says. I think that is irresponsible.

If there is any reason for the President to veto this bill, it is in the area of health research and disease prevention. I hope the President vetoes it, sends it back up in a hurry, and says to the Republican leadership: Roll up your sleeves and get serious. If you are going to make cuts in order to achieve some budget goals, don't start with medical research, don't start with children who are suffering from diseases where we might find a cure, don't go to the Centers for Disease Control which has an important mission for all Americans to make this a healthier nation. No, go somewhere else.

I have been elected to the Congress, the Senate, now, for 17 years. There are some areas that are really worth a fight. We can talk about roads and bridges. They mean a lot to a lot of people. But when it comes to education and health, I think that is worth a fight. I invite the President's veto as quickly as possible. Send this bill back up here and say to the leadership, on both sides of the Rotunda, that they have a lot more to do. Balancing this budget on the backs of kids who need special tutorial help to learn to deal with reading and math is unconscionable. Balancing this budget on the backs of thousands who receive assistance from the Women, Infants, and Children Program for nutritional assistance, so babies are born healthy, that is unconscionable.

For those of us who next year again will face a steady stream of people—from Illinois, in my case, Nevada in the case of Senator REID—who come to our office and beg us, please do something about medical research so my child might live, I want to be able to look them in the eye and say: We did the right thing. We encouraged the President to veto an irresponsible bill, a bill which would have delayed medical research for a lot of people across America who are depending on it for their survival.

When it comes down to the closing hours of the session, sometimes things move through quickly and people are anxious to get home. I know I speak for myself and I probably do for many others when I say I am prepared to stay as long as it takes to see that the National Institutes of Health and all their medical research responsibilities do not become part of the political gamesmanship of the end of this session.

I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE READ THE FIRST TIME—S. 1832

Mr. REID. Mr. President, I understand that S. 1832 introduced earlier by Senator KENNEDY is at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (S. 1832) to amend the Fair Labor Standards Act of 1978 to increase the Federal minimum wage.

Mr. REID. Mr. President, I now ask for its second reading and, in addition thereto, object on behalf of the majority.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I understand this bill will be read the second time on the next legislative day?

The PRESIDING OFFICER. That is correct.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. The Senator from Virginia understands the parliamentary situation is I can offer a resolution, a sense of the Senate, in morning business.

The PRESIDING OFFICER. The Senate is in morning business.

The Senator from Virginia is recognized.

Mr. WARNER. I thank the Chair.

(The remarks of Mr. WARNER pertaining to the introduction of S. Res. 211 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Senator from Alaska.

NUCLEAR WASTE POLICY AMENDMENTS ACT OF 1999

Mr. MURKOWSKI. Madam President, it is my understanding that it was the leader's intention to lay down the nuclear waste bill, but there has been an objection raised. As a consequence, it is my understanding that we will be discussing the bill, recognizing that there may be procedural action by the leadership at a later date regarding the disposition of this legislation.

It is my intention to simply discuss the merits of the bill for a period that would accommodate the President, as well as my colleagues, recognizing it is Friday afternoon and there are Members who perhaps have other plans.

While it is not my intention to communicate to this body every thought concerning this matter that I have, I do have, through the cooperation of my staff, probably enough material to take 6 or 7 days. Hopefully, it will not take that long to convince my colleagues that we have a problem in this country with our high-level nuclear waste program.

It is no secret there are not a number of States that are standing in line to take this waste. The fact is, most Members would wish for some type of a magic trick that would make this waste disappear. But the facts are, this waste is with us. It was created by an industry which contributes some 20 to 22 percent of the total electric energy produced in the United States. So it is our obligation to address how we are going to handle that waste.

We have, I think, like the ostrich, put our head in the sand regarding advanced technology addressing high-level nuclear waste that has advanced in other countries, particularly in France, and to a degree Great Britain and Asia.

The technology varies, but the basic premise is that spent fuel coming from our depleted cores within the reactors are taken, and through a chemical process, the plutonium is recovered and returned to the reactors as fuel. This is an oversimplification of the process, but, as a consequence, the proliferation threat of the plutonium is reduced dramatically because it is burned in the reactors. Not every existing reactor can utilize this technology, but technology is clearly available.

What is done with the rest of the waste? It is vitrified. That means the remaining waste is turned into a glass. The lifetime of that material has been reduced dramatically. It still must be stored, but it has a lesser radioactive life.

What we have here is a situation where my good friends on the other side have objected to consideration of this bill.

That objection suggests that they might have some other alternative other than simply delaying a resolution of this problem. If there is another alternative other than delay, I would hope my friends on the other side would bring that to my attention.

For the sake of full disclosure, as the junior Senator from Alaska, I do not have a constituency in my State on this issue. My hands, so to speak, from a self-interest point of view, are pretty clean. Oftentimes we have Members who are trying to foster a particular policy based on an interest in their State. We don't have high-level nuclear waste in Alaska. We have never had a nuclear power reactor, with the exception of a small program back in the early 1960s on one of our military bases. That facility has since been removed. The point is, the obligation I have is one as chairman of the Energy and Natural Resources Committee to try to get my colleagues to recognize that we collectively have a responsibility as to what we are going to do with this waste.

The industry is strangling on its waste. If we don't address it in a responsible way, the industry will decline. It will decline for a couple of reasons. The storage at many reactors is at, or almost at, the maximum limit allowed by their licenses. That means that each reactor is licensed for the amount of waste that can be stored on the site of the reactor. Many of you have been to nuclear reactors. You have seen the blue pools where the spent rods are stored. There is a limit to how much storage is available. As a consequence, we run into a situation where some reactors have reached their maximum limit under the authorization and cannot continue to operate without some relief.

That relief, as I will indicate to my colleagues, was to have been provided by the Federal Government. The Federal Government contracted with the nuclear power industry in the United States to take this waste beginning in 1998. As often is the case, the Government doesn't seem to honor the sanctity of contractual commitments to the level the private sector does. The Government was unprepared to take this waste in 1998, even though there had been a continuing effort to meet the Government's obligation by opening a facility at Yucca Mountain, in Nevada, for the permanent placement of high-level nuclear waste. To date there has been almost $7 billion expended in that process. That facility is not ready.

So what we have before us is a situation where the Government has violated its contractual commitments. The damages associated with that currently are estimated to be $40 to $80 billion. The U.S. taxpayer is going to have to accept the responsibility for these damages as a consequence of the Government's failure to initiate taking of the waste in 1998.

When you look at $40 to $80 billion, you must recognize that this obligation arises as a consequence of DOE's failure to perform the contract. This is basically damages. So we have a situation where nobody wants the waste, including the Federal Government that is contracted to take the waste as of 1998. We have a stalemate. We have an effort to ignore this waste as though it didn't exist, that it will go away. Some would even make the generalization that the Clinton administration simply does not want to address this issue on their watch.

There are all kinds of interests here. There are some of the environmental groups that don't want to see this issue resolved. They want to kill the nuclear power industry in this country. They certainly don't want to see it grow. There has not been a new reactor ordered in the United States since 1979. So we are not advancing, and we are not standing still; we are stepping back.

The consequences of this are: What are we going to do? How do we meet our obligation to provide power if, indeed, we lose a portion of our nuclear industry? Some suggest we will just reach out and find more natural gas. We have had hearings in our committee that indicate you just don't plug in if you need more natural gas; you are going to have to depend on an expanded distribution system. That expanded distribution system isn't going to be built unless there is an increase in the price of gas. And to suggest you are going to have cheap gas available is strictly speculation. You will have to go after deeper gas. To give someone the incentive to drill in these more difficult areas, you are going to have to increase the price.

As a consequence, the critics of this legislation fail, I think, to meet their obligation to come up with an alternative as to where this energy is going to come from if we don't address this high-level nuclear waste issue. Leave it where it is?

Where is nuclear waste? Behind me we have a map that shows every Member of this body where it is today. It is stored in about 80 sites in 40 States. If you don't want to do anything about this, you are deciding to leave it where it is. Some of the Governors have indicated they are reluctant to support this legislation because it has been amended to accommodate the administration's proposal that it be authorized to take title to the waste at the site. The governors are fearful the waste will stay there. For the life of me, I can't understand that logic. If we don't do anything, it is going to stay there anyway. So we have to address the problem. Leave it where it is? Now you know where it is.

I am going to go through several States individually this afternoon because I think it is important that the States that depend on nuclear power have a general understanding of how much they have paid into the waste fund, how much they are dependent on nuclear power, and what is going to happen if we don't address this problem.

First is the State of Illinois. As you can see on the chart, the consumers in the State of Illinois have paid $2 billion into the Nuclear Waste Fund. What is the Waste Fund? It is the Government. They paid the Government to take this waste. This started in 1982.

How many units do we have in Illinois? We have the Braidwood 1 and 2, Byron 1 and 2, Clinton, Dresden 2 and 3, LaSalle 1 and 2, Quad Cities 1 and 2. How much waste is stored? We have 5,215 metric tons of waste in the State of Illinois. In addition, the Department of Energy research reactor fuel is stored there, 40 metric tons. If you don't find a place for this, what is going to happen? It is going to stay. Here, where it says "no vacancies," are the reactors by name and when they run out of storage space: Dresden 3, the year 2000; Dresden 2 in the year 2003; Clinton, 2003; 2006; 2006; 2013; 2015; and 2019.

We have a crisis coming up because the earliest, from all estimates, that we can have a facility ready to receive waste is in the year 2007. That is the expedited schedule under S. 1287. We have done extensive work at Yucca Mountain. The tunneling is done. You can wander around in there. It looks very impressive. Why Yucca Mountain? Well, some of the people who make decisions decided that was the best place to put this waste because of the unique geography of the site. Nobody wants this material. Vermont has a lot of granite. It would probably make a good repository, but I am sure if the delegation from Vermont were here today, they would have something to say about it.

But the point is, it has to go somewhere. So they chose a site out in Nevada, a site where we have had nuclear testing for some 50 years. You might say it is polluted. It has been used over a period of time for hundreds of aboveground and underground nuclear explosions. So they decided to put it out there, and they spent almost $7 billion of the taxpayers' money.

Back in Illinois, how significant is nuclear power in the mix? It is 39 percent of Illinois' power. I hope every person in Illinois understands this because it is their lights and pocketbook. You want to get nuclear waste out of here? You want your reactors to continue to be able to produce power? Or do you want your electric rates to go up when these plants close? Are you going to hold the Government responsible for the payment you made in your electric bill to take that waste when you paid them $2 billion? They are in violation of the sanctity of that contractual commitment. So that is the story in one State, the State of Illinois.

But I am not through. We have a lot of charts, and we are going to go through a few.

The State of Michigan. They make a few automobiles out there, as I recall. We don't make automobiles in Alaska. We grow fish and trees in Alaska. The ratepayers paid $696 million into the waste fund so the Federal Government would take their waste in 1998. They have four units: Cook 1 and 2, Fermi 2, and Palisades. The waste stored is 1,493 metric tons. The DOE has research reactor waste there as well. What happens? Palisades says 1992. So they are out of luck. Fermi 2 is down in 2001, and Cook and 2 are down in 2014. Michigan is 24-percent dependent on nuclear power.

The next chart: Arkansas. The ratepayers in Arkansas paid $365 million to the Federal Government for the waste fund. You would think President Clinton, being from Arkansas, would have some interest in solving this problem. No way. They have two units, Arkansas 1 and 2. Waste storage is 690 metric tons. Unit 1, down in 1996; unit 2, down in 1997. What they have done is they took their waste out of the spent fuel pool, and put it on site in casks temporarily. That is where it is. The State allowed them to do that. We don't know if all the States are going to allow that. Now, mind you, that is temporary. "Temporary" implies you are going to do something for a permanent solution. Arkansas is 33-percent dependent on nuclear power.

The next chart: The State of Oregon. They paid $108 million into the waste fund. One unit, Trojan. Waste stored, 424 metric tons. It is the location of the Hanford site. Waste stored, 2,133 metric tons. Trojan closed for decommissioning. The waste stays in Oregon. If the Governor doesn't want relief, it is going to stay in Oregon.

Next is Louisiana. Waste fund, $239 million. That is what the ratepayers paid in Louisiana. Two units, River Bend 1 and Waterford 3. Waste stored, 567 metric tons. What is happening? In the year 2002, down goes Waterford 3, and in 2007, down goes River Bend 1. The State of Louisiana is dependent 22 percent.

Georgia. The waste fees that the people in Georgia paid on their rate bills total $529 million. Four units: Hatch 1 and 2 and Vogtle 1 and 2. Waste stored 1,182 metric tons. They have the Savannah River site. Waste stored, 206 metric tons. It is going to stay there. Hatch is out in 1999; Vogtle out in 2008. Georgia is 30-percent dependent on nuclear energy.

The dairy State, Wisconsin. What bothers me here is the fact that Members from these States should be concerned. You have been ripped off by the Federal Government. They are taking your consumers' money, and they haven't taken your waste. Do you want it to stay there? If you do, don't do anything. If you want to move it, you had better get behind some legislation. Three units, Kewaunee and Point Beach 1 and 2. Waste stored, 967 metric tons. Point Beach: They are storing it in casks on the surface at the nuclear reactor. Kewaunee goes down in 2001, and Point Beach goes down in 1995. They are 8-percent dependent on nuclear power.

Connecticut. We haven't had much concern from Connecticut. I can't imagine why. Connecticut is 43-percent dependent on nuclear power. That is the first quarter figures for 1999. The residents, in their utility bills, have paid in $655 million for the Federal Government to take the waste. Two units, Millstone 2 and 3. Waste stored, 1,445 metric tons; DOE defense waste. They build a few nuclear subs in Connecticut. They have for a long time. Do you want us to be able to continue building those submarines? Millstone 2 is up in 2002. Millstone 3 is up in 2003. They are 43-percent nuclear dependent in Connecticut.

Next chart: The State of Washington, moving out near my part of the world. The waste fund contribution is $344 million. Residents paid that amount in Washington in their utility bills. The Government didn't take the waste. One unit, WNP 2. Waste stored, 292 metric tons. No vacancy in 2000. Despite the fact that they have tremendous hydro in the State of Washington, they are 6-percent dependent on nuclear.

Moving on to Massachusetts. The ratepayers there paid $156 million in their electric bills. One unit, Pilgrim 1. Waste stored, 495 metric tons. The State is 12-percent dependent.

That gives you some idea geographically of where this stuff is. It is all over the country.

We are trying to get consideration of the Nuclear Waste Policy Act Amendments of 1999.

This issue has been before this body before. We passed bills by broad bipartisan margins in previous Congresses but couldn't overcome a veto threat by our President from Arkansas. On that last vote there were 65 votes in support of the bill and 34 were opposed to it. Our President is from Arkansas. I guess he wants to leave the waste in Arkansas because he threatened to veto the bill. We didn't quite have a veto-proof vote. We only had 65 votes. That is pretty good around here.

Those bills were a complete substitute for the existing Nuclear Waste Policy Act of 1982. That bill gave the authority to build an interim storage facility for nuclear waste at a temporary above-ground storage pad adjacent to Yucca Mountain. In other words, the relief proposed in that bill was to move the waste into casks that were designed and engineered for transportation and move them out to Yucca Mountain where they could be stored temporarily in above-ground storage until such time as Yucca Mountain was ready to receive the waste.

I have another chart that shows how high-level waste moves around the country in the transportation network. It is important that you understand this high-level waste moves across the United States today. There have been from time to time suggestions made that somehow this can't be moved safely.

When we show you the chart, you will recognize that there is a risk involved in moving anything, including you and I. With proper precautions and with proper engineering, the risks can be reduced dramatically.

That is what has been done. When one considers the risk inherent in leaving this waste where it is, scattered around the country in places where it wasn't designed to be stored, or storing it onsite in casks, one has to question why there is such a concern over moving this waste to one concentrated site as was proposed initially in the previous legislation to establish interim storage at a temporary above-ground storage pad adjacent to the Yucca Mountain site.

Here are 30 years of safe transportation of used-fuel routes that occurred from 1964 to 1997. There were 2,913 shipments. There is the routing. They go from Portland to San Francisco, Los Angeles, Albuquerque, Phoenix, Denver, Cheyenne, Bismark, Minneapolis, Omaha, Des Moines, St. Louis, Oklahoma City, Nashville, Columbia, Raleigh, Richmond, Washington, DC, Philadelphia, New York, Syracuse, Boston, Pittsburgh, Charleston, Cleveland, Detroit, Milwaukee, and St. Paul. They have been moved, and they have been moved safely.

I think there was one accident where somebody ran off the road. No damage was done to the spent fuel cask. The inherent safety of the technology within the casks resulted in no release of radiation. Sure, something could happen. Something could happen by leaving it where it is.

The fact is, with these numbers of shipments over that timeframe, there has never been a fatality. There has never been an injury. There has never been any environmental damage because of carriage of this radioactive cargo. To suggest we should suddenly become excited about the prospects of moving it, fails to recognize that we have been moving it for 30 years.

The previous legislation contained extensive provisions on licensing for Yucca and interim storage facilities, including NEPA radiation protection standards and transportation requirements. History tells us the administration, of course, threatened to veto this legislation because it opposed interim storage, and the justification for that was that they wanted the viability assessment to have been completed regarding the permit repository at Yucca Mountain. The viability assessment has been completed. So that is behind us. That is one roadblock that has been thrown in our way.

We have had, of course, a great deal of objection from our friends from Nevada. I can understand their objection. They don't want it in their State. Where are we going to put it? Are we going to put it in the District of Columbia, which belongs to everybody? We know the practicality of that is unrealistic. We know we have to store it somewhere. If it weren't for my friend from Nevada objecting, it would be my friend from someplace else objecting. But you can't continue to ignore the problem.

There is an anti-nuke movement out there that doesn't want to see any advancement of technology for anything that has anything to do with nuclear power generation. One thing they forget is what the nuclear power industry contributes to air quality. It makes the greatest contribution of any source because there are no air emissions. If you want to clean up the air, and we are concerned about global warming, nuclear is an answer. They won't have that. They want the status quo, which is doing nothing while the waste continues to pile up.

We are trying to accommodate the administration. We are trying to make advances so we can make progress on how we are going to address this problem.

In response to the administration's concern, the bill before us, Senate bill 1287, is a completely different approach. I hope my colleagues and staff who are watching this debate understand what this bill does. It is not a complete substitute for the old act. It is a minimal approach. It does not contain interim storage provisions. We have taken those out because there has been great objection to that. The reason there is great objection is because the fear is that if you put spent fuel in Nevada in interim storage it will become permanent. I do not agree with this position, but I am not going to argue the point. Nevertheless, this legislation is different. It doesn't mandate an interim storage provision. So let's get that out of the debate. It is no longer in the bill.

There are two major things this bill does. First, it gives the Department of Energy the tools it needs to meet its commitment to move spent fuel by opening a permanent repository at Yucca Mountain. That is the policy. That is the objective. Every responsible policy-maker has agreed. We have to have an answer to this. The answer, of course, is the permanent repository at Yucca Mountain. One may not agree that is the correct answer, but we have collected over $15 billion from the ratepayers to put that waste in that hole we dug at a cost of over $7 billion at Yucca Mountain. That is our policy. We have to have some policy. Otherwise, we are going down a million rabbit trails at once.

The second major thing: It provides fair treatment for those who have fulfilled their end of the bargain by paying over $15 billion under the contract, only to have DOE leave them literally holding the bag. This is pursuant to the contract to take the waste in 1998, which the Federal Government failed to do.

Specifically, this legislation, Senate bill 1287, clarifies the existing unconstitutional one House veto for raising the nuclear waste fee. It states, I think, appropriately, that only the Congress can vote to raise the existing one mill per kilowatt fee if necessary to pay the additional expenses anticipated in this program. We are saying only the Congress has that authority.

The bill allows plaintiffs in the lawsuit and the Department of Energy to reach voluntary settlements of DOE's liability for failing to take nuclear waste in 1998. To accommodate Secretary Richardson, with whom I have been working at great length, we have included the administration proposal to take title to the waste at reactor sites.

This offers the industry an alternative. They can do one of two things: They can either let the Government take title to the waste at site or they can choose to proceed to litigate their claim for the Government for failing to take the waste.

There is a radiation standard that has received a lot of consideration. The question is, Who sets the standard? Should it be the Nuclear Regulatory Commission that has the extended, indepth expertise in nuclear matters and setting standards? Should that agency set the standard that protects the people of Nevada and other States without imposing unnecessary and counterproductive restrictions?

Some will argue that the regulator ought to be the Environmental Protection Agency. The EPA should regulate and set the standard. Let's be sure we understand one another. That standard has to be reasonable. Otherwise, this whole thing is for naught.

The EPA has a rather curious record. Some suggest there are portions within the administration that don't want to have anything to do with nuclear energy; they are opposed philosophically to it. Are they going to be objective and set a standard that is unattainable on purpose? That is the real risk. This whole thing can be killed on that one issue. That has been known to happen. If they set a standard for groundwater comparable to the drinking water standard, this thing is through. The Government's money is wasted, and the $6 billion in Yucca Mountain is wasted. I know some people would love to have it that way because we wouldn't be putting it in Yucca Mountain or Nevada and we would still have the problem.

Be careful of this one, colleagues. The bill contains a radiation standard set by the Nuclear Regulatory Commission. I am willing to take a look at other proposals as long as it will result in a rational standard.

The fourth issue in this new proposal is to allow the fuel to be accepted when the NRC authorizes construction of a permanent repository in the year 2007. Again, we assume that will be at Yucca Mountain. It allows the Department of Energy to begin moving fuel as soon as possible after Yucca Mountain is licensed in the year 2007.

I appeal to those States and those Governors who are following this debate who say wait, if this proposal goes and the Government takes title, it is still stuck in my State. I remind the Governors, if this bill does not pass, it is still stuck in your State. We have to have a vehicle to move this process along. Everybody is free to come in if they can build a better mousetrap.

Transportation provisions based on those used for the Waste Isolation Pilot Plant, or WIPP, are another provision. Again, I refer to the transportation chart. We move spent fuel all the time in the United States and around the world and have no release of radiation.

This revised bill builds on the existing safety system by adding money for education, emergency responders, local communities, transportation personnel, provisions for routing, allowing the State input, special rules for populated areas, and advanced notification for local government. That is not what is done now by the Federal Government; they just go ahead and move it. This is civilian, government-owned and military waste. The same stuff. It moves to Idaho, moves all over the country; we just don't say anything about it. Now we are saying: OK, public, this is what we will do. Is it any less safe than what we are doing now? It will be safer if we pass S. 1287.

We will have an opportunity for a demonstration. Some folks will come out and have a field day. But they have an obligation, too. What will they do about this waste? Will they stand and block it so it can go back to where it came from? That is irresponsible.

Where is the administration? I am not sure. I talked to the Secretary. We have accommodated the Secretary. It was his proposal that said we would take the waste at site. I explained we are having problems with some of the Governors, particularly in the northeast part of the United States. They want to get this waste out of their area. They had better get behind something that will address a process so the waste can be moved, because if they don't, it will sit there forever.

We have eliminated the source of the administration's opposition to our previous bill on the issue of no interim storage, and on their suggestion relating to the Government taking title of the waste. I am not sure I understand whether the administration still opposes the bill, but I am sure my friends on the other side will enlighten me. They certainly have not come to the table to try to work constructively to resolve this problem which I believe we can no longer ignore.

I think it is the philosophy of the Clinton administration to simply ignore this for the remainder of their watch. As a consequence, it is delayed, delayed, delayed, delayed.

I have gone on for a reasonable period of time. I want to accommodate my colleagues. I see the Senator from Nevada waiting to be recognized, as well as some of my other colleagues.

Madam President has been most accommodating in allowing me this time, but I am inclined to yield the floor. This may be enough for me today, but I have about 680 more pages of material that, hopefully, will convince you, if I have not convinced you already.

With that, Madam President, I temporarily yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Madam President, I thank my colleague for yielding the floor. I wish we were in a position to be discussing how we can protect Social Security, I think that is something the American people are very much concerned about; how we could extend the solvency of Medicare and provide a prescription drug benefit; campaign finance reform; minimum wage. I think those are the things the American people would like to see this Congress act upon. I regret to say this legislation is pure, naked, special interest legislation, and I want to give some historical perspective, since my friend from Alaska recited some of the history itself.

In 1982, the Congress of the United States passed the Nuclear Waste Policy Act. The original concept of that act was an attempt to deal with a difficult issue but in a fair and balanced way. In essence, what the act provided was that different geological formations in the country that might be suitable for waste—granite in the Northeast, salt domes in the Southeast, welded tuff in parts of the West—would be considered and studied; three sites would be referred to the President of the United States after the study, or, as the technical term is used, "characterization" is completed, and the President of the United States would select one of those.

The concept was there would be some geographical balance as well. And that is important, it strikes me, for us to understand. That carefully crafted and I think somewhat thoughtful approach was corrupted almost immediately by the political process. No sooner had the bill gone into effect than there was an effort, politically, to exclude certain regions of the country. The Northeast with the granite formations made it very clear, the Department of Energy records reflect, that because of the opposition from that part of the country, the Department of Energy, in effect, withdrew or abandoned any serious efforts to look at that. That had absolutely nothing to do with science or logic or balance or fairness.

Then, shortly thereafter, some of our colleagues from the Southeast raised concerns during the 1984 Presidential campaign, and lo and behold, assurances were given by the top levels of the then-administration that, indeed, the Southeast would be taken off the list.

In the 1982 Act, the Environmental Protection Agency was charged with the responsibility of a permanent repository health and safety standard that would be promulgated by the Environmental Protection Agency, something that was of overarching importance because the high-level nuclear waste we are talking about is not just messy stuff, unpleasant stuff; it is deadly, lethal, for tens and tens of thousands of years. So this is a major public health and safety concern, and the Congress chose the Environmental Protection Agency, created during the Nixon administration, to be, in effect, the agency to set that standard.

My friend from Alaska posed the question, rhetorically: Why Yucca Mountain? Let me respond to that, if I may. In 1987, an infamous piece of legislation known throughout my State as the "Screw Nevada Bill" was passed in the Congress. Unlike the 1982 Act, which said we will look across the country and develop three sites and have the President judge—in 1987 the "Screw Nevada Act" said we will look only at Yucca Mountain, no other place. That was not science. That was not logic. That was not fairness. That was not balance. That is the sheer force and impact of naked political power inflicted upon a State with a sparse population and a small congressional representation in the Nation's Capitol.

But even in 1987, at the request of the nuclear utility industry, which drives this debate, there was no attempt to change the health and safety standards. Then, 1992 comes along, the energy bill. There was nothing debated in committee or in the floor amendments—but in conference. As my colleagues fully understand, but our friends who are listening to this at home may not, a conference report cannot be amended. In the conference report there was an attempt—it succeeded—to place a provision that sought to somehow weaken those public health and safety standards, and the National Academy of Sciences was introduced for the first time. They were to look at the public health and safety standards, make some recommendations, and the Environmental Protection Agency would have to conform its decision within the range of standards proposed by the National Academy of Sciences.

Make no mistake, the primary intent of doing that was to weaken health and safety standards. The proposal originated within the highest corporate board rooms in the nuclear power industry in America. I objected, as some of my colleagues did. Nevertheless, it became law.

That brings us to a somewhat contemporary point in time. I am not going to discuss the flaws of the interim storage proposal. When Congress passed this legislation back in 1982, they fully understood if an interim storage was located that would, in fact, become de facto the permanent nuclear waste dump. It makes no sense then. It made no sense when it was proposed in the last Congress. That is why the President of the United States very appropriately and responsibly said: I will veto that if it ever gets to my desk.

I have some sympathy for my friend from Alaska. He, as his predecessors, as chairman of the Energy Committee, has a responsibility to accommodate the requests of the nuclear power industry. My friend began the debate by saying, in effect: Look, we have a decision in which we have a decline in the industry. The industry is struggling. We are out of capacity. What are we going to do with all of this? Long before this Senator from Nevada arrived in the Chamber, those very words were heard by the then-chairman of the Senate Energy Committee, in 1981, when there was a proposal to develop what was then known as an away-from-reactor proposal; that is, move the waste away from the reactor site.

Then, in 1981, it was stated that nuclear plants would have to close down, there would be electrical brownouts in America. That was 18 years ago. No nuclear utility in America has closed down. No brownout has occurred because of the absence of storage issue. There is an answer, and it is the same that those who were our adversaries proposed for us in Nevada; and that is dry cask storage onsite, and many utilities have done that.

It is suggested in the course of this debate there is some need to take urgent action. We have to do something. Let me say, I do not like the idea that Nevada got the shaft in the 1987 legislation. But the current law, if nothing occurs with respect to nuclear waste in this Congress, is that Yucca Mountain is going to be studied. And ultimately, if a determination is made as to suitability—and that determination has not yet been made; let me emphasize, no determination has been made that Yucca Mountain is suitable and there are a host of problems with that site. I will not get into extended comment on that today to keep my remarks somewhat abbreviated—but that process goes forward.

So, what is the circumstance? The circumstance today is that nuclear energy is an energy dinosaur.

There have been no new reactors ordered in America for more than two decades, and I suspect that even the most persuasive and articulate Members of this Chamber would have a very difficult time trying to persuade their community, look, what we need—I see the distinguished occupant of the Chair, perhaps a new city in her State—is a nuclear reactor right next door. It is not going to happen.

Why is it not going to happen? Because people, understandably, are very apprehensive and scared because they have seen some circumstances that have occurred around the world, and they are very much troubled by this.

This is a move by the nuclear utility industry that, in effect, has several flawed provisions I want to discuss ever so briefly.

With respect to the concern raised by my friend from Alaska that the tax ratepayers paid into this nuclear waste trust fund and that, indeed, the 1998 deadlines have not been met, the Senator from Alaska makes a fair point. They have not been met. There are many who say the nuclear utilities in 1982 forced upon the Department of Energy an unrealistic timeframe. Indeed, that has been the history of these various deadlines contained in some of the oversight by the Department of Energy over the intervening years.

I recognize the utilities have incurred additional expense because a permanent repository was not available in 1998 and will not be for some years ahead, even assuming Yucca Mountain. That is a red herring. That is not the issue. This Senator from Nevada and my colleague offered legislation as far back as 1990 saying: Yes, we have to compensate the utilities because there is no site available in that they are going to have to construct, in some instances, onsite storage in dry cast. That cost the ratepayers. We recognize it is fair to reimburse the utility for that expense.

The utilities would have no part of that because that is not their concern, that is not the agenda. They have something much different in mind, and they would like to shift the entire responsibility of this program, in effect, to the American taxpayer and not to the ratepayer.

This legislation proposes to compensate the nuclear utilities. I do not have a problem with that. It proposes the Federal Government take over the title. Whether that is good or bad is an issue on which I do not care to comment.

What it does that violates every sense of public health and safety and fairness and public policy is it moves the public health and safety goalposts in midcourse. Let me point this out.

The Environmental Protection Agency did, in fact, come with its recommendations as to what is an appropriate public health and safety standard. That is not just for Nevadans, but that is for Americans because although my friend from Alaska points out, yes, some nuclear waste has been transported across the country and there have been no major catastrophes, let us go back more than 20 years ago. The nuclear industry in America could say there has been no serious accident with respect to nuclear reactors in this country. But guess what. Three Mile Island occurred.

Nobody can make that contention today. I suppose the old politburo in the Soviet Union could have said at one point a bit more than 10, 15 years ago: Look, we have never had a serious nuclear reactor accident in the Soviet Union. But that was before Chernobyl, one of the biggest environmental disasters of our time. Radiation contaminated vast areas around the nuclear reactor site. Yes, my friend from Alaska suggests reprocessing and mixing this stuff is somehow a new elixir of life. I suppose the Ministry of Energy in Japan might have said a few months ago: We have never had a problem with that. They cannot say that anymore after the very serious accident which occurred in Tokyo and, indeed, tragically—I hope this is not the case—we are likely to see several fatalities as a result of that because of lethal doses.

"It has never happened, it is plenty safe, and do not worry about all this." We are talking about tens of thousands of shipments, 77,000 metric tons.

My friend from Nevada, my senior colleague, wants to speak in a moment as well. Should the majority leader bring this up for debate, I assure my colleagues we will have extended debate for a week, if not longer, in which we will explore each of these things in some detail. That would be unfortunate because it would make it impossible for us to consider a whole host of legislation that is pending that many people in the Chamber, myself included, believe has a far greater priority than a special interest piece of legislation in which only the utilities are interested.

Public health and safety ought to be of concern whether you are for nuclear energy, against nuclear energy, or ambivalent. Here is what is involved: The Environmental Protection Agency proposes to establish a 15-millirem-per-year standard. That is the State rate of exposure on an annual basis—15 millirems. That, we are told, is outrageous, as if somehow the standard is if we cannot build it, then let's reduce health and safety standards. That is fairly outrageous. We are talking about something that kills people. It is deadly, lethal. I would think everybody would say: Look, I have never agreed with you before on some of these things, but when they are trying to screw around with health and safety standards, that affects every American. This is the EPA proposal.

You will recall I talked about how the nuclear utilities thought they were going to game the system with the 1992 Energy bill. They got the National Academy of Sciences involved. The National Academy of Sciences looked at it and said: We recommend the millirem standard—that is the rate of exposure per year—be between 2 millirems and 20 millirems. The EPA standard is right in the middle. The NRC standard—and we know they are friendly with the industry—recommends 25 millirems. The legislation that may be considered goes to 30. That would double it.

Why are they doing that? They are trying to game the system. Remember, if nothing passes, Yucca Mountain continues to be studied and may, indeed, prove to be suitable. I hope not. I think not. But nevertheless, that process is in place.

Let me point out what we are dealing with with other EPA public health and safety standards. Some years ago, when I first came to the Senate, we were debating the WIPP facility, the waste isolation project. We set standards for them that dealt with lifetime cancer risk per 10,000 individuals. That standard was set at 3. That is what the EPA essentially is proposing for us as well.

Look what S. 1287, the bill the Energy Committee has processed, would do. It would be more than triple what we did for WIPP, taking it to 10 lifetime cancer risk per 10,000—a serious erosion of public health and safety.

What possible reason or why would anyone want to suggest that the good folks in Nevada, whether it is your favorite State or not, would not be entitled to the same health and safety protections provided to the good citizens of New Mexico? Why do we do that? It simply makes no sense at all.

One can look at Superfund standards, hazardous air pollutants—all of those are within this range, which is within the National Academy of Sciences' findings. Look how far S. 1287 is outside the envelope or protection that the National Academy of Sciences recommended.

Remember, the nuclear industry fully expected the National Academy of Sciences would have come up with a standard much more favorable to their point of view which, frankly, is minimal health and safety standards. Whatever it takes to get that site built, they could care less, in effect, about the public health and safety of folks who could be impacted by this. Pretty outrageous: 10 versus about 3—pretty outrageous.

So when we are talking about some of the fatal flaws in this legislation, I simply take the time this afternoon in joining my friend from Alaska in debate to point out something about which every American ought to be concerned. This is nuclear waste.

What industry comes to the Congress next year and says, we can't meet the standard that is set for public health and safety? You all, last year, did something for the nuclear power industry. Can you do something for us? In effect, what we would establish is a public policy precedent that would unravel public health and safety standards if the industries that are regulated do not like those standards. That is extraordinarily dangerous.

I say to my colleagues: Don't get stampeded on this piece of legislation.

If nothing occurs, the characterization of study of Yucca Mountain—much to my dismay, but it is the law—will continue. This legislation is dangerous. It is enormously bad public policy. It is an incredibly bad precedent. And it is unneeded. To bring it up at this late hour in this session, when we are trying to wrap things up in the next couple of weeks, it seems to me, says something about our priorities here in the Congress.

I hope the distinguished majority leader does not bring this up. But I can assure him—and I do so with great respect—that it will be the only issue we will be discussing for some extended period of time because for Nevada this is a life or death proposition.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, there is going to be ample time in the months to come to debate this issue. As the RECORD is clear, this matter was brought up by the majority leader today, and there were a number of Senators on the floor, including the two Senators from Nevada and the Democratic leader, who all objected to the motion to proceed. The leader did say that he was going to, at some subsequent time, bring this matter forward.

My purpose today is simply to state that the Senator from Alaska, who is the chairman of the committee that is trying to move this piece of legislation, indicated he could speak for 7 or 8 days on the issue. I think the Senator from Alaska is going to have to speak for 7 or 8 days on the issue in an effort to move this matter forward.

The Senators from Nevada, and others who oppose this environmental disaster, would speak for eight times 8 days in an effort to stop this matter from moving forward. This legislation is bad legislation.

The fact that the nuclear power industry gave up on interim storage, what does that mean? It means there was an attempt by the nuclear power industry—this all-powerful entity that has been so powerful in the Congress—for 4 or 5 years to set all environmental laws aside, the laws that are established to protect the public in the characterization at Yucca Mountain. They moved to set all these environmental laws aside, go to the Nevada Test Site, pour a big cement pad on top of the ground, and then haul across the highways and railways across this country nuclear waste, dump it on top of the cement pad, and in effect just leave it there.

Everyone recognized that if this storage took place, this so-called interim storage—which in the minds of the nuclear industry meant permanent—it would be permanent, it would never leave the Nevada Test Site.

The President of the United States said: I think we have to do something to take care of nuclear waste, but I think what is being attempted in the interim storage is wrong. If the Congress sends that to me, I am going to veto it.

We had a couple of test votes here, and it showed that we clearly had enough votes to sustain a Presidential veto on nuclear storage in an interim fashion.

The nuclear power industry has said: We weren't able to do that. And we don't want Yucca Mountain to go forward, as the law now stands. We want to change the law.

How do they want to change the law? They want to, again, set environmental standards on their head, avoid environmental standards. What they want to do is have the Environmental Protection Agency—remember that name, the Environmental Protection Agency—removed from the picture. The most poisonous substance known to man, plutonium, nuclear waste, they want to haul someplace, and the nuclear power industry does not want the Environmental Protection Agency to have anything to do with it.

How in the world could you support legislation such as that? Instead of the Environmental Protection Agency, they want to insert the Nuclear Regulatory Commission. They want to have the fox guarding the hen house, literally.

Again, the President of the United States has stepped forward and publicly said: I am not going to allow that to happen.

All environmental groups in America, and probably in the world—certainly I can speak about America—think this is bad legislation, and they have spoken out accordingly. The President has again said: Go ahead and pass this legislation. But if you do, I am going to veto it.

I do not know why, other than to pacify and satisfy the nuclear power industry, you would bring this legislation forward. This legislation is dead. It has no chance of passing.

If they think they can bring in a subsequent President—that would have to be, I assume, President Bush, if in fact he were lucky enough to be President—that is the only way this will ever pass because President GORE would never support this legislation.

But in fact what they should do, to avoid all this wasted time in the Senate this year and next year, is just wait until the next Presidential election takes place. I think they will find they are probably going to be faced with President GORE. But regardless of that, they should at least wait because in the meantime they are wasting the time of the Congress by playing around with this legislation.

I repeat: To take from the law the protection of the Environmental Protection Agency, it is not only that they are going to remove the Environmental protection Agency from this legislation but at the same time they are changing the standards; they are reducing the standards; they are making it easier to place nuclear waste.

We have always talked around here about the risks, the millirems, the way you measure the poison that comes into your system. We have measured that with adults. What we are going to talk about, at the right time as this legislation proceeds, is what this radiation would do to children.

Children cannot take the same radiation that adults can. We have had this debate on other issues. Lead, lead-based paint, lead in the environment is very harmful to children, not very harmful to adults—harmful to adults, but not nearly as harmful to adults as it is to children.

If you look at the risk to children, you see that the risk to children is very substantial. In fact, the risk to children is six times the maximum risk permitted by the EPA standards. They want to lower that.

The children living in the areas of Yucca Mountain and the areas that are going to transport this stuff will suffer as much as three times what an adult would.

So we are going to have time to talk about this. As I have indicated, we can talk eight times 8 hours on this issue, and we are going to devote at least a couple of hours of that time to the risk to children.

Ground water protection. Things nuclear are very dangerous to water. We have learned at the Nevada Test Site, where we have set off 1,000 nuclear devices either above ground or in the ground, that it is being transported in the water a lot quicker than we ever thought. Scientific proof is now present which shows there is tremendous danger in things nuclear to ground water. What they are trying to do with Yucca Mountain will be very dangerous to water. But what about the water along the highways and railways where it is being transported? Of course, it is dangerous there also.

In addition, earthquakes in the Nevada area of Yucca Mountain are very significant. Yucca Mountain is located in the region with the second highest frequency of earthquakes in the entire country. It is hard to believe, but the Department of Energy selected the second most earthquake-prone place in the United States to site this nuclear repository. There has been a series of earthquakes in this area in the last couple of years—not one, but a series of earthquakes. It is called a cluster area; a clustering of earthquakes occurs in Yucca Mountain naturally. We will have an opportunity to talk about that.

The cost of the program is something the American public needs to hear more about. This program already has cost about $7 billion. We know the public has lost confidence. This is not something we are making up. We can look at what has transpired in Europe where they have tried to move nuclear waste. Last year, they tried to move a few casks of nuclear waste in Europe. They had to call out 30,000 soldiers and police to move it. I think it is clear there is a loss of confidence in being able to transport nuclear waste.

We have talked on the Senate floor—we will have a lot more time to spend on it—about the shipments and where this nuclear waste will travel. We know that at least 50 million people are located in an area within a mile of the highways and railways where it will be transported. We know that there are terrorist threats. It is very easy to develop nuclear weapons. You can go on the Internet. For example, the blast that blew up the Federal Building in Oklahoma, they learned to do that over the Internet, how to mix fertilizer and whatever else you mix to make this huge explosion. It is just as easy, if you have the material, to come up with a nuclear device. That is one thing the transportation of nuclear waste presents to us: how are we going to stop it. How are we going to prevent terrorists from stealing it?

We have had organizations that have followed small shipments of nuclear waste. They said there is no one guarding it. It is easy to follow it. It could be stolen, if someone wanted to.

We know the canisters that have been developed are not safe for transporting. They are safe for storage but not transporting. A collision or a fire breaches the casks. Physicians for Social Responsibility are very concerned about nuclear waste and the dangers of nuclear waste. They testified on October 26, regarding the draft environmental impact statement, that the dangers associated with storing an unprecedented amount of highly radioactive waste is very dangerous, and it is difficult to comprehend how it could be done safely.

Finally, recognizing the day is late and my friend from Alabama wishes to speak, the obvious question people ask, if you are opposed to interim storage and you don't want these standards changed at Yucca Mountain, what should be done with nuclear waste? Easy question to answer. Scientists have determined the best thing to do with nuclear waste is leave it where it is, leave it where it is in dry cask storage containment. It would be safe. To set up one of these sites only costs $5 million. Only? Remember, Yucca Mountain is already approaching $7 billion. So the constant harangue here, "OK, if you don't want to put it in Nevada, where are you going to put it," is easy to answer.

The question wasn't so easy to answer a few years ago, but the scientific community has stepped forward and now, as is done right out here, not far from Washington, DC, at Calvert Cliffs, nuclear waste is stored in dry cask storage containers, and it is stored safely—safe against fire, safe against transportation. And it is easy to secure it because it is in one centralized location. Of course, there would be a number of these locations around the country, but think of how much more safe it is to have these multiple sites than trying to transport this 70,000 tons across the highways and railways of this country.

In closing, we have a lot to talk about on this issue. I express appreciation to the President of the United States who is willing to join with the environmental community in saying: Don't do it because if you do, I will veto it.

The PRESIDING OFFICER (Mr. KYL). The Senator from Alabama.

Mr. REID. Will the gentleman from Alabama yield for a brief question about procedure on the floor?

Mr. SESSIONS. Yes, please.

Mr. REID. I apologize for interrupting. The Senator from Nevada would like to leave. It is my understanding all the Senator from Alabama wishes to do is make a statement on nuclear waste and Senator Chafee. There will be no motions or anything?

Mr. SESSIONS. That is correct. I do have the closing script.

Mr. REID. Which we have reviewed.

Mr. SESSIONS. I do think Senator HUTCHISON wants to talk on another matter.

Mr. REID. But again, I am going to go back to my office. If there is anything further, I would appreciate a call.

Mr. SESSIONS. I understand and respect the Senator's position.

THE NUCLEAR POWER INDUSTRY

Mr. SESSIONS. Mr. President, for a lot of reasons, I believe the nuclear power industry cannot be a dinosaur, as was suggested earlier.

The world today has 6 billion people on it; 2 billion of those people have no electricity. They are without power. In the next 25 years, we expect another 2 billion people to be added to the world population. Many of the people who do have power today, have it only in very limited quantities.

We know there is an extraordinary expansion of life expectancy and improvement in lifestyle where electricity is present. People can have water pumps. They don't have to go to the well with a bucket or a jug to get water for their families. There is no doubt the quality of people's lives, the length of their lives, some estimate it increases as much as 50 percent, is greatly improved if they have access to electricity. Think about it.

As a matter of humanity, a human imperative, nothing could be better than expanding the availability of electricity throughout the world. We now know that there will be at least a 50-percent increase in electricity generation by the year 2020, doubling by the year 2050. That is a big increase.

Now at the same time, a number of people—Vice President GORE being one of them—have expressed great concern over global warming and the emission of greenhouse gases into the atmosphere. They tried to commit this country to a massive reduction in the emission of greenhouse gases. In fact, the Kyoto treaty the President signed and supports calls on this Nation, between the years 2008 to 2012, to actually reduce our emissions by 7 percent below 1990 levels. When you consider at the same time our economy, population and demand for energy has continued to increase since 1990, greenhouse gas cuts envisioned by the Kyoto treaty would amount to a cut of nearly one-third of today's energy use in America to achieve that goal, a one-third cut. That is a big-time number. We are heading for a train wreck. We want to reduce emissions and increase power generation at the same time, yet we refuse to develop new nuclear power infrastructure. Some greenies think you should live out in the woods and just let the rain and sunshine take care of you and maybe have a windmill to generate power. But that is not proven to be efficient or effective. There will be opportunities to expand the use of renewable energy, but it does not have the potential, using even the most generous forecasts, to reach a level that would satisfy the demands of the Kyoto treaty.

So how are we going to do it? Twenty percent of the power generated in the United States is generated by nuclear power. France has 80 percent. They continue to build nuclear power plants on a regular basis. Look at it this way. Ask yourself, how can we meet the demand of both increased energy and reduced emissions? Nuclear power has no greenhouse gases that are emitted from the production of electricity. It emits no waste into the atmosphere. It is the only large-scale clean-burning electricity production method. Yet, the very same people who fight for even more stringent clean air regulations are often also opposed to nuclear power.

Twenty percent of our power, at this very moment, comes from nuclear power. Utility companies have not ordered a new plant since the late 1970s, so it has been over 20 years since we have built a new nuclear plant. Other industrial nations are continuing to build them, such as France, Germany, and Japan and China. Do we want China to build coal plants to meet its massive need for electricity? Is that what we are asking them to do? Are we saying China can have it, but not us?

Fundamentally, we need to confront this question for humanity's sake. Should we increase the production of nuclear power? Through over 50 years of experience with nuclear energy, there has not been a single American injured from a nuclear plant, not a single person in the world injured by the production of American-generated equipment for nuclear power? Not one. None. How many have died in coal mines, or on oil rigs, or from truck wrecks in transporting oil and coal, and train wrecks? Which is safer, I submit to you?

This is an irrational thing to me. I can't understand such objection from those who long for a cleaner environment. I believe, first of all, we need to understand that America needs more power to support our growing economy and population. The world needs more power. It will be a good thing for the world. To meet these demands, we are going to have to use nuclear power. I don't just say this as a Member of the Senate. I am not an expert. However, last year I happened to be in attendance at the North Atlantic Assembly, in Edinburgh, Scotland, with members of Parliaments from all over the world gathered there. Ambassador John B. Ritch, III, addressed us. He is President Clinton's appointed Ambassador to the International Atomic Energy Administration. He shared some important thoughts with us about the future of nuclear power. He mentioned some of the things I have already shared with you. From his remarks, he said:

> Nuclear energy, the one technology able to meet large base-load energy needs with negligible greenhouse emissions, remains subject to what amounts to an intense, widespread political taboo.

Then he goes on to point out that we cannot possibly meet our world energy demands without increasing nuclear power. How is it we are not able to do that? How is it we have not been able to build a single nuclear plant in the United States, even though we have not had a single person injured from the operation of one since the conception of the program over 50 years ago? How is that true?

Well, one of the tactics that has been used is to spread this fear that nuclear waste is going to pollute the environment forever, and that it can't be stored anywhere. It is just going to destroy the whole Earth if we do that. Well, that notion is so far from reality. I understand the Senators' political commitment to their State and maybe they believe it is going to be somehow negative to their State. They talked about how much exposure to radiation you are going to have. This stuff is not going to be thrown all over the sides of the highways. The waste will be stored in a solid rock tunnel in the ground, inside thick, technologically advanced, containers within the tunnel. It is not a lot of product. It doesn't take up a lot of space. It can be safely stored.

Who is going to be subjected to any radiation from it? Are they going to bring schoolchildren down there to look at it? It is going to be sealed off from the public. The Yucca mountain site is in the remote desert, in area that was previously used to test over 1000 atomic bombs.

Somebody said the Lord created that desert so we could put that waste there. I don't know, but I say this to you. I don't see how the storage of very well-contained nuclear waste, placed hundreds of feet underground in the Yucca Mountain chamber—inside a mountain—is going to damage the life, health, and safety of anybody. It is beyond my comprehension that we would argue that. I know that maybe people don't like it to come through their States. People don't like interstate highways coming through their farms, and they don't want to move their homes, so they object. But if the Government decides that is where the interstate highway has to go for the good of all the people, they build a highway. I used to be a Federal attorney and we would condemn people's property and take it for public use.

Our country has 20 percent of its power generated by nuclear power plants, and we are incapable of finding a place in this whole vast country to put it? That is beyond my comprehension. We have to act responsibly and take decisive action. Nuclear energy simply must remain a part of our mix in the future.

I thought it was interesting that the Senator from Nevada indicated that Vice President GORE would not sign this bill. Well, maybe he would not sign this bill. Vice President GORE has also indicated that he flatly opposes offshore drilling for natural gas. Natural gas is the only non-nuclear fuel which has a chance of filling the demand for new power while reducing overall air emissions in the near future. Gas is produced predominantly from offshore wells. We have a significant deposit off the gulf coast of the United States. Yet the Vice President opposes the development of these significant deposits of clean burning fuel.

But the Vice President not only opposes nuclear power; he opposes the storing of nuclear waste in a sane way, in a single, guarded location—and not scattered in all 50 States, in hundreds of different locations. He also opposes, as he said recently, offshore gas production.

How are we going to meet our demands for the future, I ask? I think the Vice President's position is a very unsustainable position. It will not hold up to scrutiny and he will have to answer to that. If we are not going to use nuclear power and we are not going to use gas, what are we going to use? How can we do it without a huge cost and increase in expense for energy in America. The world is heading into a new century. Nuclear power is going to play a key role, without any doubt in my mind, in making the lives and the health of people all over this world better tomorrow than it is today. It is going to make people healthier. Their lifestyles are going to be better. They are going to have pumps to bring water to their homes. They are going to have electric heating units to cook their food so they do not have to go out and gather wood or waste to burn. And it is going to clean up our global environment in ways we have never known before. We have prospects, if we don't run from science and if we don't retreat from the future. If we go forward and take advantage of the opportunities given to us, we can really have a terrific century. I think it is going to be better and better.

But it does make you wonder sometimes how people who seem to be caring deeply for the environment and our future could block the things that would be most helpful to us. That is a concern I have.

I hope we can reach the extra two votes. We have 65 votes. We need 67 to override a Presidential veto. There is bipartisan support—Republicans and Democrats—for this bill. It is the right thing to do.

I urge the President not to veto it. If he does, I urge the Members of this body in both political parties to vote for clean air, vote for the future, vote for improving the quality of our lives, both in the United States and the world. For over 50 years the United States has been a leader in the peaceful use of nuclear power. The United States needs to continue to be a leader in this industry. We don't need to be sitting on the sidelines while the rest of the world is developing the technology to produce even safer electric power through nuclear energy and even greater productivity through nuclear energy.

I have had the opportunity to talk to some of the country's finest scientists. They are absolutely convinced that if we improve regulations, have a little more research and a little more commitment, we can create a nuclear power plant that may even eliminate nuclear waste entirely. But that is a step for the future, but the not too distant future. It is an exciting time.

The PRESIDING OFFICER. The Senator from Texas.

PRESIDENTIAL VETO

Mrs. HUTCHISON. Mr. President, I rise today to speak about President Clinton's veto of the Commerce, State, Justice appropriations bill for fiscal year 2000. I am very concerned about this veto. It was a very difficult bill. There is no question about it, given the budget caps that both Congress and this administration adopted and agreed they would adhere to.

Still, the bill provides the resources needed to continue our strong efforts to fight crime, enhance drug and border enforcement, respond to the threat of terrorism, and help women and children who are victims of family violence. A key component of our crime-fighting effort is stopping drugs at our borders. Thanks to Senator JUDD GREGG and Senator FRITZ HOLLINGS, this bill provides for 1,000 new Border Patrol agents to guard our borders.

The President's decision to veto the bill makes clear that funding for these critical matters is not a priority to the President. Despite our budget constraints and our need to preserve Social Security, this bill provides nearly $3 billion more than last year's bill. This bill is not a cut; it is an increase.

The President said he vetoed the bill because it didn't fully fund his COPS Program. The reality is that Congress provided funding for 100,000 police for our cities all over America 2 years ago. In fact, we have provided funding for 115,000 police. The President says he wants 30,000 to 50,000 more, but the irony is he hasn't even met the first goal. We still don't have more than 60,000 police on the streets. Yet he is vetoing the bill when the funding is there. The full funding was given by Congress with the excuse that he wants 30,000 to 50,000 more when he has 40,000 that are fully funded that he has not been able to fill.

I am concerned because this is not the only law enforcement initiative in which the President has failed. This administration was under direction from Congress to hire 1,000 new border guards in 1999. It failed when only 200 to 400 were actually hired. Yet every penny of the money that went to the 1,000 has been spent. Yet this year in the budget that the President has just vetoed, the President didn't ask for one new Border Patrol agent.

I ask, what is the role of the Federal Government? Is it to put police on the streets of our cities or is it to guard the sovereignty of our Nation, the borders of our Nation? I think the President of the United States is not fulfilling his responsibility when Congress comes forward and says we are going to guard the borders of our country; we are going to provide for police on streets as requested, and he vetoes the bill and asks for no new Border Patrol agents.

Our border is a sieve. The distinguished chair and I both represent States on the Southwest border. There is no other way to describe it when an estimated $10 billion in marijuana, heroin, cocaine, and other drugs crossed our border last year, according to the Office of National Drug Control Policy. These drugs find their way to cities and school yards all over America. This is not just the Southwest. It is not just Texas, Arizona, New Mexico, and California. These illegal drugs go all over the country. They end up in the school yards, preying on our children. We are a gateway, but we are not the stopping point. They are coming in record numbers. In 1998, there were over 6,000 drug seizures along the Southwest border. The total value was $1.28 billion. Our drug czar, General McCaffrey, has argued we should have 20,000 Border Patrol forces to stop the flow of drugs across our border.

A University of Texas study last year indicates 16,133 agents are needed to do the job. We have about 8,000—less than half of that needed to do the job, which is the responsibility of the Federal Government and which Congress is trying to provide, with no cooperation from this administration. Only 200 to 400 are likely to be hired this year, according to the administration's own records.

I think the President of the United States needs to stop the rhetoric. He needs to stop playing games with important appropriations bills and do something that is going to stop illegal immigration and illegal drugs coming through our borders and spreading all over our country. The President needs to fulfill the commitments he has already made and that we have funded to get 1,000 police officers on the streets and 1,000 more Border Patrol agents each year, for 5 years, as Congress has directed the administration to do.

Vetoing this bill does not help crime-fighting efforts. Signing the bill, keeping his promises for police and Border Patrol does.

I am very concerned the President of the United States has not taken seriously enough the need to control our borders, from illegal immigration to illegal drugs. Vetoing the Commerce-State-Justice bill shows that he is not taking this seriously, as Congress most certainly is. I urge the President to understand how important this issue is and to start doing what Congress has directed and what his own drug czar is recommending; that is, start working toward 20,000 Border Patrol agents who keep the sovereign borders of our country safe and secure.

NATIONAL WOMEN'S BUSINESS WEEK

Mrs. HUTCHISON. Mr. President, I rise today to recognize National Women's Business Week, a series of national events held recently to recognize and celebrate women entrepreneurship.

Women now own 38 percent of all businesses in this country, and it has been reported that half of all new businesses started today are started by women. In my home state of Texas alone, there are now 627,300 woman-owned businesses employing 1.8 million people and generating $222 billion in annual sales, a growth of 157 percent over the last seven years.

As a former small business owner, I know it is no easy feat to develop a business plan, generate the necessary start-up and operating capital, and make a payroll when you start a business. As if all those economic hurdles were not enough, small business owners in this country must comply with literally hundreds of local, state, and federal licensure, regulatory, and tax laws and requirements.

That tens of thousands of small businesses do get started in this country every year is truly a testament to the vision and hard work of so many Americans, especially American women. Women like Patricia Pliego Stout, owner of the Alamo Travel Group, headquartered in San Antonio. Ms. Pliego Stout has grown a small travel business into the fourth largest agency in San Antonio. In recognition of her achievements and, as importantly, her encouragement and support of other women entrepreneurs in Texas, Ms. Pliego Stout was recently appointed to the National Women's Business Council, which promotes the goal of woman business ownership.

There are countless other success stories, as well. Unfortunately, there are also far too many stories of lack of access to adequate capital, of inability to break into established government and contracting networks, and other problems that continue to hamper women as they seek to become financially independent and to contribute to their greater economy and community.

As a United States Senator, I have worked hard to break down some of these barriers, and to open more opportunities to more people of all backgrounds and talents. In particular, I was proud to have been able to lead the effort in Congress to establish a 5 percent federal government-wide contracting goal for woman-owned small businesses. In addition, I have worked to expand such successful federal efforts as the Women's Business Centers program, which helps women with those critical first steps of starting a business. In addition, of assistance to all small businesses, including a disproportionate number of woman-owned businesses, I have worked to limit the federal government procurement practice of "bundling" contracts, which can also leave newly-formed firms out of the contracting game.

Mr. President, I again congratulate the women in Texas and across the nation who every day continue to overcome obstacles and who create success, jobs, and wealth through their sheer determination and energy. The events and activities of National Women's Business Week are evidence that women business ownership is alive and well, to the betterment of us all.

CHILDREN'S MARCH FOR GUN CONTROL

Mr. LEVIN. Mr. President, yesterday, students from around the country came to Washington to ask for help. Students participating in the Children's March for Gun Control marched hand-in-hand to Capitol Hill with a simple demand: to keep them safe from guns.

Members of Congress should tune out the NRA, and start listening to these children—who have to face the fear of guns everyday. The children from across the country are pleading that Congress create an environment free from fear and violence. These children are armed, not with firearms, but with letters, urging Congress to end the epidemic of gun violence that claims the lives of thousands of their peers each year.

Yet, while Congress should be passing comprehensive legislation to prevent school shootings like those in Conyers, Littleton, Springfield, Edinboro, Jonesboro, West Paducah, Pearl and the many others, it cannot even muster enough votes to take UZIs and AK-47s out of the hands of 15 year olds. After Columbine, the Senate took a few steps to protect children from gun violence. We passed legislation to prohibit juveniles from owning semiautomatic weapons and large capacity ammunition devices. We passed an amendment to require that handguns be sold with trigger locking devices to protect children. And we passed an amendment to close the gun show loophole, ensuring juveniles and others cannot use these shows as a convenient way to circumvent the safeguards applied to normal sales through licensed gun dealers.

That legislation was a first step, but it still falls short of closing loopholes which allow our youth easy access to deadly weapons. For example, one of our most important tasks yet will be to ban handguns and semiautomatic assault weapons for persons under 21 years of age. Yet, even the most minimal effort to end gun violence has been stymied in the House of Representatives, where they have passed no gun safety legislation. And any effort to come to some agreement has been repeatedly stalled by the Republican leadership.

It was great to welcome such a group of dedicated young people to the nation's Capitol. I encourage them to keep up their effort and to speak out for those children who have been silenced by guns. Over time, these children are sure to accomplish what other nations have done: end the plague of gun violence.

LONG-PENDING JUDICIAL NOMINATIONS BEFORE THE SENATE

Mr. LEAHY. Mr. President, I thank the Majority Leader for the proposal he made to the Senate last night on moving a portion of the Executive Calendar. I would like to see those nominees he mentioned confirmed as well as the others on the calendar. I want to work with him to have them all considered and confirmed. I want to be sure that the Senate treats them all fairly and accords each of them an opportunity for an up or down vote. I want to share with you a few of the cases that cry out for a Senate vote:

The first is Judge Richard Paez. He is a judicial nominee who has been awaiting consideration and confirmation by the Senate since January 1996—for over 3½ years. The vacancy for which Judge Paez was nominated became a judicial emergency during the time his nomination has been pending without action by the Senate. His nomination was first received by the Senate almost 45 months ago and is still without a Senate vote. That is unconscionable.

Judge Paez has twice been reported favorably by the Senate Judiciary Committee to the Senate for final action. He is again on the Senate calendar. He was delayed 25 months before finally being accorded a confirmation hearing in February 1998. After being reported by the Judiciary Committee initially in March 1998, his nomination was held on the Senate Executive Calendar without action or explanation for over 7 months, for the remainder of the last Congress.

Judge Paez was renominated by the President again this year and his nomination was stalled without action before the Judiciary Committee until late July, when the Committee reported his nomination to the Senate for the second time. The Senate refused to consider the nomination before the August recess. I have repeatedly urged the Republican leadership to call this nomination up for consideration and a vote. The Republican leadership in the Senate has refused to schedule this nomination for an up or down vote.

Judge Paez has the strong support of both California Senators and a 'well-qualified' rating from the American Bar Association. He has served as a municipal judge for 13 years and as a federal judge for four years.

In my view Judge Paez should be commended for the years he worked to provide legal services and access to our justice system for those without the financial resources otherwise to retain counsel. His work with the Legal Aid Foundation of Los Angeles, the Western Center on Law and Poverty and California Rural Legal Assistance for 9 years should be a source of praise and pride.

Judge Paez has had the strong support of California judges and law enforcement representatives familiar with his work, such as Justice H. Walter Crosky, and support from an impressive array of law enforcement officials, including Gil Garcetti, the Los Angeles District Attorney; the late Sherman Block, then Los Angeles County Sheriff; the Los Angeles County Police Chiefs' Association; and the Association for Los Angeles Deputy Sheriffs.

I have previously commended the Chairman of the Judiciary Committee for his support of this nominee and Senator BOXER and Senator FEINSTEIN of California for their efforts on his behalf. In the Senate's vote earlier this month on the nomination of Justice Ronnie White, Republican Senators justified their vote by deferring to home state Senators and local law enforcement. When it comes to Judge Paez, he has the strong support of both home state Senators and local law enforcement. Accordingly, I would hope and expect that the Senate will see a strong Republican vote for Judge Paez.

The Hispanic National Bar Association, the Mexican American Legal Defense and Educational Fund, the League of United Latin American Citizens, the National Association of Latino Elected and Appointed Officials, and many, many others have been seeking a vote on this nomination for what now amounts to years.

Last year the words of the Chief Justice of the United States were ringing in our ears with respect to the delays in Senate consideration of judicial nomination. He had written:

> Some current nominees have been waiting considerable time for a Senate Judiciary Committee vote or a final floor vote. . . . The Senate is surely under no obligation to confirm any particular nominee, but after the necessary time for inquiry it should vote him up or vote him down.

Richard Paez's nomination to the Ninth Circuit had already been pending for 24 months when the Chief Justice issued that statement—and that was almost 2 years ago. The Chief Justice's words resound in connection with the nomination of Judge Paez. He has twice been reported favorably by the Judiciary Committee. It was been pending for 45 months. The court to which he was nominated has multiple vacancies. In fairness to Judge Paez and all the people served by the Ninth Circuit, the Senate should vote on this nomination.

I have been concerned for the last several years that it seems women and minority nominees are being delayed and not considered. I spoke to the Senate about this situation on May 22, June 22 and, again, on October 8 last year, and a number of times this year, including on October 15 and October 21. Over the last couple of years the Senate has failed to act on the nominations of Judge James A. Beaty, Jr. to be the first African-American judge on the Fourth Circuit; Jorge C. Rangel to the Fifth Circuit; Clarence J. Sundram to the District Court for the Northern District of New York; Anabelle Rodriguez to the District Court in Puerto Rico; and many others.

In explaining why he chose to withdraw from consideration for renomination after waiting 15 months for Senate action, Jorge Rangel wrote to the President and explained:

> Our judicial system depends on men and women of good will who agree to serve when

> asked to do so. But public service asks too much when those of us who answer the call to service are subjected to a confirmation process dominated by interminable delays and inaction. Patience has its virtues, but it also has its limits.

Last year the average for all nominees confirmed was over 230 days and 11 nominees confirmed last year took longer than 9 months: Judge William Fletcher's confirmation took 41 months—it became the longest-pending judicial nomination in the history of the United States, a record now held by Judge Paez; Judge Hilda Tagle's confirmation took 32 months, Judge Susan Oki Mollway's confirmation took 30 months, Judge Ann Aiken's confirmation took 26 months, Judge Margaret McKeown's confirmation took 24 months, Judge Margaret Morrow's confirmation took 21 months, Judge Sonia Sotomayor's confirmation took 15 months, Judge Rebecca Pallmeyer's confirmation took 14 months, Judge Ivan Lemelle's confirmation took 14 months, Judge Dan Polster's confirmation took 12 months, and Judge Victoria Roberts' confirmation took 11 months. Of these 11, 8 are women or minority nominees. Another was Professor Fletcher who was held up, in large measure because of opposition to his mother, Judge Betty Fletcher.

In 1997, of the 36 nominations eventually confirmed, 9, fully one-quarter of all those confirmed, took more than 9 months before a final favorable Senate vote.

In 1996, the Republican Senate shattered the previous record for the average number of days from nomination to confirmation for judicial confirmation. The average rose to a record 183 days. In 1997, the average number of days from nomination to confirmation rose dramatically yet again, and that was during the first year of a presidential term. From initial nomination to confirmation, the average time it took for Senate action on the 36 judges confirmed in 1997 broke the 200-day barrier for the first time in our history. It was 212 days.

Unfortunately, that time grew again last year to the detriment of the administration of justice. Last year the Senate broke its dismal record. The average time from nomination to confirmation for the 65 judges confirmed in 1998 was over 230 days. The independent and bipartisan study of Task Force on Judicial Selection formed by Citizens for Independent Courts recently confirmed what I have been observing for the past few years—the time to consider judicial nominations has been increased significantly over the last few years and women and minority judicial nominees are more likely to take significantly longer to be considered, if they are considered at all.

We have had too many cases in which it has taken women nominees years before the Judiciary Committee would act and the Senate would vote. Eventually, we have been able to confirm many of these outstanding nominees, people like Margaret Morrow, Sonia Sotomayor, Ann Aiken, Margaret McKeown and Susan Oki Mollway. The current victim of the extensive delays caused by unusually intensive scrutiny of many women judicial nominees is Marsha Berzon.

Marsha Berzon is one of the most qualified nominees I have seen in 25 years, and Senator HATCH has agreed with that assessment publically. He voted for her in the Judiciary Committee. Her legal skills are outstanding, her practice and productivity have been extraordinary. Lawyers against whom she has litigated regard her as highly qualified for the bench. She was first nominated in January 1998, some 20 months ago. Her nomination remains the subject of "secret holds" from anonymous Senate Republicans.

Senator FEINSTEIN has made the point that it may be subtle forms of disparate treatment and double standards to which these nominations are subjected. She has lectured the Committee and the Senate from time to time on our insensitivity to the experiences of these nominees. Women still do not have the good old boy network of some nominees and often show leadership and get experience by being involved in community activities and with charities and with organizations that some conservative Republicans apparently view negatively and with suspicion.

Marsha Berzon is an outstanding nominee. By all accounts, she is an exceptional lawyer with extensive appellate experience, including a number of cases heard by the Supreme Court. She has the strong support of both California Senators and a well-qualified rating from the American Bar Association.

She was initially nominated in January 1998, 21 months ago. She participated in an extensive two-part confirmation hearing before the Committee back on July 30, 1998. Thereafter she received a number of sets of written questions from a number of Senators and responded in August of last year. A second round of written questions was sent and she responded by the middle of September of last year. Despite the efforts of Senator FEINSTEIN, Senator KENNEDY, Senator SPECTER and myself to have her considered by the Committee, she was not included on an agenda and not voted on during all of 1998. Her nomination was returned to the President without action by this Committee or the Senate last October.

This year the President renominated Ms. Berzon in January. She participated in her second confirmation hearing in June, was sent additional sets of written questions, responded and got and answered another round. I do not know why those questions were not asked last year.

Finally, on July 1 almost 4 months ago, the Committee considered the nomination and agreed to report it to the Senate favorably. After more than a year and one-half the Senate should, at long last, vote on the nomination. Senators who find some reason to oppose this exceptionally qualified woman lawyer can vote against her if they choose, but she should be accorded an up or down vote. That is what I have been asking for and that is what fairness demands.

Senator HATCH was right 2 years ago when he called for an end to the political game that has infected the confirmation process. These are real people whose lives are affected. Judge Richard Paez has been waiting patiently for 45 months, almost 4 years, for the Republican Senate to vote on his nomination, a nomination that Senator HATCH voted for twice. Marsha Berzon has been held hostage for 21 months not knowing what to make of her private practice or when the Senate will deem it appropriate to finally vote on her nomination.

Last week I received a Resolution from the National Association of Women Judges. I hope that the Senate will respond to Resolution, in which the NAWJ urges expeditious action on nominations to federal judicial vacancies. The President of the Women Judges, Judge Mary Schroeder, is right when she cautions that "few first-rate potential nominees will be willing to endure such a tortured process" and the country will pay a high price for driving away outstanding candidates to fill these important positions. The Resolution notes the scores of continuing vacancies with highly qualified women and men nominees and the nonpartisan study of delays in the confirmation process, and even more extensive delays for women nominees, found by the Task Force on Judicial Selection formed by Citizens for Independent Courts. The Resolution notes that such delay "is costly and unfair to litigants and the individual nominees and their families whose lives and career are on hold for the duration of the protracted process." In conclusion, the National Association of Women Judges "urges the Senate of the United States to bring the pending nominations for the federal judiciary to an expeditious vote so that those who have been nominated can get on with their lives and these vacancies can be filled."

Although this is not just about numbers, the numbers are damning. So far this year the Senate has received 70 judicial nominations and confirmed only 25. By this time last year, the Senate had confirmed 66 judges—more than twice as many. By this time in 1992, the last year of President Bush's term, a Democratic Senate had confirmed 64 judges. By this time in 1994, a Democratic Senate had confirmed over 100 judges.

There are judicial emergencies vacancies all over the country. The Fifth Circuit Court of Appeals has had to declare that entire Circuit in an emergency. Its workload has gone up 65 percent in the last 9 years; but they are being forced to operate with almost one-quarter of their bench vacant. The Senate has not given any attention to the two nominees pending in Committee—either Enrique Moreno or Alston Johnson.

We had a similar emergency a year or so ago in the Second Circuit. We finally ended that crisis when we fought through secret Republican holds and got the Senate after 15 months to vote on the nomination of Judge Sonia Sotomayor. She was confirmed overwhelmingly.

At the time I was struck by an article by Paul Gigot in the Wall Street Journal, which explained why Judge Sotomayor was being held up—it was not because she was not qualified to serve on the Second Circuit but because some felt that she was so well qualified President Clinton might nominate her to the United States Supreme Court if a vacancy were to arise. Imagine that, anonymous holds to ensure that a superbly talented Hispanic woman judge not be seen as a good bet to nominate to the Supreme Court. I fear that the opposition to Marsha Berzon may partake of some of this kind of thinking. She is so well qualified, so clearly likely to be an outstanding judge on the Ninth Circuit, that perhaps some anonymous Republican Senators are afraid that she will be too good, that her opinions will be too well reasoned that her application of the law will be too sound.

Weeks ago the Majority Leader came to the floor and said that he would try to find a way to have the Paez and Berzon nominations considered by the Senate. I have tried to work with Majority Leader on all of these nominations. I would like to work with those Senators whom the Majority Leader is protecting from having to vote on the Paez and Berzon nominations, but I do not know who they are. Despite the policy announced at the beginning of this year doing away with "secret holds," that is what Judge Paez and Marsha Berzon still confront as their nominations continue to be obstructed under a cloak of anonymity after 45 months and 21 months, respectively. That is wrong and unfair.

This continuing delay demeans the Senate, itself. I have great respect for this institution and its traditions. Still, I must say that this use of secret holds for extended periods that doom a nomination from ever being considered by the United States Senate is wrong and unfair and beneath us. Who is it that is afraid to vote on these nominations? Who is it that is hiding their opposition and obstruction of these nominees? After almost 4 years with respect to Judge Paez and almost 2 years with respect to Marsha Berzon, it is time for the Senate to vote up-or-down on these nominations.

The Senate should be fair and vote on these nominations. Anonymous Republican Senators are being unfair to the judicial nominees on the calendar. These qualified nominees are entitled to an up or down vote, too.

The Atlanta Constitution noted recently:

> Two U.S. appellate court nominees, Richard Paez and Marsha Berzon, both of California, have been on hold for four years and 20 months respectively. When Democrats tried . . . to get their colleagues to vote on the pair at long last, the Republicans scuttled the maneuver. . . . This partisan stalling, this refusal to vote up or down on nominees, is unconscionable. It is not fair. It is not right. It is no way to run the federal judiciary. . . . This ideological obstructionism is so fierce that it strains our justice system and sets a terrible partisan example for years to come.

It is against this backdrop that I, again, ask the Senate to be fair to these judicial nominees and all nominees. For the last few years the Senate has allowed one or two or three secret holds to stop judicial nominations from even getting a vote. That is wrong.

The Washington Post has noted:

> [T]he Constitution does not make the Senate's role in the confirmation process optional, and the Senate ends up abdicating responsibility when the majority leader denies nominees a timely vote. All the nominees awaiting floor votes . . . should receive them immediately.

The Florida Sun-Sentinel has written:

> The "Big Stall" in the U.S. Senate continues, as senators work slower and slower each year in confirming badly needed federal judges. . . . This worsening process is inexcusable, bordering on malfeasance in office, especially given the urgent need to fill vacancies on a badly undermanned federal bench. . . . The stalling, in many cases, is nothing more than a partisan political dirty trick.

Nominees deserve to be treated with dignity and dispatch—not delayed for 2 and 3 and 4 years. I continue to urge the Republican Senate leadership to proceed to vote on the nominations of Judge Richard Paez and Marsha Berzon. There was never a justification for the Republican majority to deny these judicial nominees a fair up or down vote. There is no excuse for their continuing failure to do so.

Acting to fill judicial vacancies is a constitutional duty that the Senate—and all of its members—are obligated to fulfill. In its unprecedented slowdown in the handling of nominees since the 104th Congress, the Senate is shirking its duty. That is wrong and should end. These are the nominations that the Senate on which the Senate should be working toward action.

I understand that nominations are not considered in lockstep order based on the date of receipt. I understand and respect the prerogatives of the majority party and the Republican leader. I do not want to oppose any nomination on the calendar and only ask that the Senate be fair to these other nominees, as well. Nominees like Judge Richard Paez and Marsha Berzon should be voted on up or down by the Senate. We are asking and have been asking the Republican leadership to schedule votes on those nominations so that action on all the nominations can move forward.

I know that there were no objections on the Democratic side of the aisle to the three judicial nominations that the Majority Leader included in his proposal last night. No Democrat has a hold on the nominations of Judge Florence-Marie Cooper, Barbara Lynn or Ronald Gould. No Democrat has any objection to proceeding to confirm by voice vote or to proceed to roll call votes on these nominations. No Democratic Senator has any objection to proceeding to confirm by voice vote or to proceed to rollcall votes on any of the 9 judicial nominations on the Senate's executive calendar. What we do ask is that Judge Paez and Marsha Berzon not be left on the calendar without a vote at the end of another session of Congress. We have been unable even to obtain a commitment from the Majority Leader to schedule a fair up or down vote on these nominations at any time in the future. We respectfully request his help in scheduling such action by the Senate.

IN MEMORY OF R. DUFFY WALL

Mr. BURNS. Mr. President, this has not been a good week—losing a friend and colleague; Payne Stewart, and, yes, another friend here in this town who had a government relations job.

We often hear the word "lobbyist" put in a negative tone, but this was a man who built a reputation of integrity and honesty in government relations.

This week, cancer claimed R. Duffy Wall. He died at his home on the Eastern Shore. He was friend and mentor.

You know what we would be without the folks who work in different areas of American life who represent that way of life to the Congress of the United States. We are not all wise. We do not know everything about everything. We need help. Duffy Wall was such a person—honest, straight shooter, a friend, dead at age 57, far too young. We will not get to use his services and wisdom anymore either.

I could talk longer about these friends. This has been a bad week, especially losing our Senator and losing a person very close to us.

Mr. President, I ask unanimous consent that the notes on Mr. Wall and his obituary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC, October 25, 1999. Following a long battle against lung cancer, R. Duffy Wall, 57, died yesterday at his home on the Eastern Shore—his wife Sharon was by his side. 'Duffy' as he was known by his many friends was a native of Louisiana who came to Washington in the 1970's and spent his entire career in the public policy arena. Known for his humor and ability to advise and "cajole" Members of Congress and clients on the intricacies of legislation, he was highly respected and admired by the powerful and the not-so-powerful alike.

In 1982, Mr. Wall founded R. Duffy Wall & associates providing lobbying and government relations services to a broad range of corporate clients. Under Mr. Wall's leadership, the firm grew into one of the Capital's most admired and successful lobbying operations attracting some of America's most prestigious companies and associations as clients. In 1998, the company was acquired by Fleishman-Hillard, an international communications company headquartered in St. Louis, Missouri.

Bill Brewster, the former Congressman from Oklahoma, who assumed the leadership of the company in 1998 and became CEO in 1999, said of Mr. Wall, "Duffy was a friend, advisor, and mentor to all of us for many years. He will be missed very much by everyone in the government relations and political community, and he will always remain the faithful voice of encouragement to hunters in the field."

An avid sportsman, Mr. Wall was as comfortable staling woodland paths and fencerows in pursuit of game and fowl as he was walking the halls of Congress.

In accordance with Duffy's wishes, the funeral will be limited to his family and there will be no memorial service. Those who wish to remember him are encouraged to send contributions in lieu of flowers to:

MD Anderson Cancer Center, Foundation of America, R. Duffy Wall Lung Cancer Program, Cancer Research Prgm., P.O. Box 297153, Houston, TX 77297; or Cancer Research, R. Duffy Wall Lung, 1600 Duke Street, Suite 110, Alexandria, VA 22314.

He is survived by his wife Sharon Borg Wall; a daughter, Catherine Wall Montgomery; a son, Howard Wall; his mother Juanita F. Wall; two brothers and three grandchildren.

MILLENNIUM DIGITAL COMMERCE ACT

Mr. LEAHY. Mr. President, about two months ago, Senator ABRAHAM and I began holding a series of meetings involving industry and consumer representatives to work out a bill that would permit and encourage the continued expansion of electronic commerce, and promote public confidence in its integrity and reliability. Together, we solicited and received technical assistance from the Department of Commerce and the Federal Trade Commission. In late September, we put the finishing touches on a Leahy-Abraham substitute to S. 761.

On Tuesday night, after most members had left for the day, Senator ABRAHAM went to the floor and propounded a unanimous consent on a very different substitute to S. 761. Because I was not able to respond fully to his comments the other night, I would like to do so now.

At the outset, let me say that I support the passage of federal legislation in this area. In particular, we need to ensure that contracts are not denied validity that they otherwise have simply because they are in electronic form or signed electronically.

As I have said many times, however, we must tread cautiously when legislating in cyberspace. Senator ABRAHAM's bill, S. 761, takes a sweeping approach, preempting countless laws and regulations, federal and state, that require contracts, records and signatures to be in traditional written form. My concern is that such a sweeping approach would radically undermine laws that are currently in place to protect consumers.

We are told that S. 761 will have tremendous benefits for "the public." Who exactly is "the public" that will benefit from this legislation? Not consumers. The bill is strongly opposed by consumer organizations across the country.

Supporters of this bill say that consumers will benefit from S. 761 because it will permit them to contract electronically for goods and services, and to obtain electronic records of their transactions. I agree that consumers should be able to contract online, but that is not the issue. Consumers already can contract for most things online, as anyone who has heard of such businesses as "amazon.com" and "ebay.com" knows. The issue here is whether we are going to allow public interest protections now applicable to private paper transactions to be circumvented simply by conducting the same transaction electronically.

Let me tell you about an incident that occurred in my office just this week. An industry lobbyist called to ask for a copy of my recent floor statement regarding this legislation. We sent him a copy as an attachment to an e-mail. An hour later, the same lobbyist called back to say that he had received the e-mail, but could not read the attachment. So we e-mailed it to him again, this time using a different word processing format. The lobbyist called back a third time to say that he still could not read the statement, and would we please fax a copy to his office, which we did. This sort of thing happens every day in offices and homes across the country.

It was only after we sent the fax that it occurred to me that under this bill, the unfortunate caller would have been deemed to have received written notice of my floor statement, in duplicate no less, before it ever reached him in a form he could read. No great loss in the case of my floor statement, but swap a bank and a homeowner for the Senator and the lobbyist in this story, and a foreclosure notice for the floor statement, and you can begin to see the harm this legislation could cause to ordinary Americans on a regular basis.

Many fine and responsible companies have called my office over the last few months, to express support for one or another version of S. 761. I have no doubt that they and a great many other American businesses that respect and value their customers would benefit from federal e-commerce legislation and share the benefits with their consumers.

We must not forget, however, that the purpose of consumer protection legislation is not so much to reinforce the good business practices of the best businesses in our society, but rather to protect consumers from the abusive and fraudulent minority of businesses that will take any opportunity to use new technologies to prey on consumers. That is why we must keep the interests of consumers in mind. While I do not question in any way the good intentions of the industry representatives who support this bill, they do not have the duty that we in Congress do to represent the broader public interest.

In urging speedy passage of S. 761, Senator ABRAHAM pointed to "the fact" that it passed the Commerce Committee unanimously, and "the fact" that the President endorsed it. The fact is, the bill that Senator ABRAHAM asked us to pass earlier this week is not the same bill that the Commerce Committee reported in June.

For one thing, it includes a new and complex provision regarding what it calls "transferable records," that has never been considered by any Committee of the House or Senate. The bill also contains a host of other new provisions and amendments, including provisions and amendments relating to agreements, admissibility of evidence, record retention, and checks.

Furthermore, this bill is far less respectful of the states than the Commerce-passed bill, which was itself unprecedentedly preemptive. This legislation should be an interim measure to ensure the validity of electronic agreements entered into before the states have a chance to enact the Uniform Electronic Transactions Act. Once the UETA is adopted by a state, the federal rule is unnecessary and should "sunset."

Unlike the Commerce-passed bill, the new S. 761 would maintain a strong federal hand in the commercial law of electronic signatures and electronic records within a state even after it adopts the UETA. This is true because the bill would lift its preemptive effect only to the extent that a state's UETA is consistent with the provisions of S. 761. The reformulation can have only one possible objective, which is to prevent states like Vermont or California or even Michigan from passing e-commerce legislation that is more protective of consumers than federal law.

That is why the bill is so strongly opposed by the States. The National Conference of State Legislatures writes that the latest version of S. 761 "would eviscerate consumer protections which consumers now enjoy off-line and mandate how states are to transact business." The New Jersey Law Revision Commission, an agency of the New Jersey Legislature, writes that it "vigorously opposes" S. 761, calling it "an unwarranted imposition on State law" that "would create more problems than it would solve." Other representatives of the States have expressed similar concerns.

To summarize, the Commerce Committee did not unanimously report this bill, nor did the Administration endorse it. Indeed, I doubt that anyone in the Administration set eyes on this bill before Monday, when it was filed as a substitute to S. 761.

Moreover, the Administration does not currently endorse even the more modest bill reported by the Commerce Committee. In a recent letter to the House Judiciary Committee regarding title I of H.R. 1714, which substantially resembles S. 761, the General Counsel of the Commerce Department noted that, at the time S. 761 was reported, the spillover effect of its provisions on electronic contracts on existing consumer protection and regulatory standards had not been identified. He concluded:

> Now that this effect has become clear, and it is equally clear that enactment of this measure is desired by some precisely because of this spillover effect, we [i.e., the Administration] must oppose these provisions as currently drafted.

The same letter states:

> Consumer protection is [an] important area where the public interest has been found to require government oversight. States, as well as the Federal government, must not be shackled in their ability to provide safeguards in this area. Yet this is precisely what this legislation would do.

The recently-filed substitute version of S. 761 would do the same.

I was surprised to hear Senator ABRAHAM say that his efforts to negotiate with those of us who had concerns about the bill had been "unsuccessful." As I have already discussed, those negotiations were very successful. They produced a truly bipartisan bill that promoted e-commerce for the benefit of all Americans and not just special interests. It took many weeks of hard work to achieve that result.

I urge my colleagues to oppose the substitute for S. 761.

I also ask unanimous consent to have printed in the RECORD a letter from Federal Trade Commission to my office dated September 3, 1999, and a letter from the Commerce Department to Representative HYDE dated October 12, 1999.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, September 3, 1999.

Hon. PATRICK LEAHY,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEAHY: In response to your request, I am pleased to submit the views of the Federal Trade Commission on S. 761, the "Third Millennium Digital Commerce Act," which was reported by the Commerce Committee on June 23, 1999. You have asked, in particular, whether the bill could undermine consumer protections in state and federal law, and how the bill might be improved.

We share the broad goals of S. 761, which are to promote the development of electronic commerce through the expanded use of electronic signatures and electronic agreements. As with other aspects of electronic commerce, these technologies hold possibility of reducing costs and expanding opportunities for consumers. Although the bill appears primarily focused on removing barriers to electronic commerce in business-to-business transactions, we have begun analyzing the possible impact of the bill on business-to-consumer transactions.

The bill's potential application to consumer transactions raises questions that should be addressed. For instance, would the bill preempt numerous state consumer protection laws? Would borrowers be bound by a contract requiring that they receive delinquency or foreclosure notices by electronic mail, even if they did not own a computer? Would consumers who had agreed to receive electronic communications be entitled to revert to paper communications if their computer breaks or becomes obsolete? Would consumers disputing an electronic signature have to hire an encryption expert to rebut a claim that they had "signed" an agreement when, in fact, they had not? What evidentiary value would an electronic agreement have if it could be easily altered electronically? It may be that with some clarification, these questions can easily be addressed.

We would be pleased to work with the Congress, industry and consumer representatives to craft provisions that would provide protections for consumers while allowing business-to-business commerce to proceed unimpeded.

By direction of the Commission.

C. LANDIS PLUMMER,
Acting Secretary.

GENERAL COUNSEL OF THE
DEPARTMENT OF COMMERCE,
Washington, DC, October 12, 1999.

Hon. HENRY J. HYDE,
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is to convey the views of the Administration regarding Title I of H.R. 1714, the "Electronic Signatures in Global and National Commerce Act," as reported by your Subcommittee on Courts and Intellectual Property ("Subcommittee").

We support the overall goal of H.R. 1714 of promoting a predictable, minimalist legal environment for electronic commerce, including the encouragement of prompt state adoption of uniform legislation assuring the legal effectiveness of electronic transactions and signatures. We also appreciate the desire and the work of the Subcommittee on Courts and Intellectual Property to put forward a bill that addresses the concerns of the Administration as explained in Commerce and Justice Department testimony before that Subcommittee.

In particular, we note that section 103 of the reported bill, titled "Interstate Contract Certainty," is directed to "any commercial transaction affecting interstate commerce" and that "transaction" is defined to exclude activity involving federal or State governments as parties. We endorse these features of the bill, which make the scope of the legislation broad enough to encompass most day-to-day commercial electronic transactions without interfering with the orderly adoption by governments of electronic means for transacting their public business. We also are pleased that the reported bill omits any provision for federal agency initiatives to enjoin state laws not conforming to the requirements of this statute.

We continue to support strongly the principles for the use of electronic signatures in international transactions set out in section 102. These are fully consistent with the principles we have been actively promoting internationally since July, 1997, when President Clinton and Vice President Gore issued the Framework for Global Electronic Commerce charging our Department to "work with the private sector, state and local governments, and foreign governments to support the development, both domestically and internationally, of a uniform commercial legal framework that recognizes, facilitates, and enforces electronic transactions worldwide."

We nevertheless believe that the bill, as reported, would still preempt state law unnecessarily, both in degree and duration; invalidate numerous state and federal laws and regulations designed to protect consumers and the general public; and otherwise create legal uncertainty where predictability is the goal. We therefore must strongly oppose the measure in its current form.

To begin with, we do not understand why it is necessary to override existing federal laws governing commercial transactions. The purpose of this legislation has always been explained as the elimination of antiquated requirements for physical contracts and pen-and-ink signatures. Because those legal principles are embodied in state law, it is understandable that some limited preemption of state law is necessary to accomplish that goal pending the States' adoption of the Uniform Electronic Transactions Act (UETA). The federal rules applicable to these transactions are grounded in regulatory obligations, not basic contract law principles. We do not believe it is appropriate to sweep away these requirements on an across-the-board basis. to the extent that federal regulatory rules need updating to address the new reality of electronic transactions, this should be done on a case-by-case basis, to ensure that the public policy concerns that underlie the existing measures are fully addressed in the electronic world. Accordingly, we believe only state law standards should be affected by federal legislation in this area.

Section 103 of H.R. 1714 as reported to your Committee continues to place significant, and we believe inappropriate, limits upon the States' ability to alter or supersede the federal rule of law that the bill would impose. As I indicated in my testimony before the Courts and Intellectual Property Subcommittee, this legislation should be limited to a temporary federal rule to ensure the validity of electronic agreements entered into before the States have a chance to enact the UETA. Once the UETA is adopted by a State, the federal rule is unnecessary, and it should "sunset." The reported bill would maintain a strong federal hand in the commercial law of electronic signatures and records within a State even after it adopts the UETA. This is true because the bill would lift its preemptive effect only to the extent that the UETA "as in effect in such State," or any other law of the State, is "not inconsistent, in any significant manner" with the provisions of this Act.

The pervasiveness and strength of this continuing federal influence over States' laws is shown by the broad and unqualified wording of some of the substantive provisions of section 103. For example, subsection 103(a)(3) provides: "If a law requires a record to be in writing, or provides consequences if it is not, an electronic record satisfies the law." Similarly, subsection (a)(4) provides that wherever a law "requires a signature, or provides consequences in the absence of a signature, the law is satisfied with respect to an electronic record if the electronic record includes an electronic signature," and subsection (a)(5) provides highly specific requirements for ensuring that a legal record-retention requirement will be satisfied by an electronic record. With such provisions in section 103, the bill's continuing preemption of all State laws which are "not inconsistent in any significant manner" with the provisions of this Act would perpetuate federal law as the core of the commercial law of electronic signatures and records in every state. As emphasized in our Department's testimony before the Subcommittee, deference to state law in the area of commercial transactions has been the hallmark of the legal system in this country. The reported bill remains inconsistent with this important tradition which has produced a system of commercial law widely considered the best in the world.

Subsections 103(a) (3), (4) and (5), which I have just mentioned, coupled with the broad party autonomy language of section 103(b), would also place excessive limits on governmental authority. In particular, these provisions would appear to preclude virtually any regulation of private parties' authentication of recordkeeping practices in the sphere of electronic commerce, as is common and recognized as appropriate with respect to paper-based transactions.* But these regulations, including consumer protection laws, laws governing financial transactions, and others, are essential to ensure that the public interest is protected.

For example, raising concerns similar to those noted in this Department's testimony on H.R. 1714, Banking Committee Chairman Leach recently wrote to Commerce Committee Chairman Bliley noting that the federal financial regulatory agencies have raised a concern about the language of the section of H.R. 1714 (section 103(b) of the version before your Committee) relating to the autonomy of parties to a contract to set their own requirements with respect to electronic records and signatures. Specifically, he noted the need to ensure that the bill's party autonomy provisions would not limit government authority to engage in limited regulation of authentication- or records-related matters in certain private party transactions in the public interest. We agree; for example, given the unqualified authorization provided by subsection 103(b) to private parties to determine the "methods" as well as the "terms and conditions" under which they will use and accept electronic signatures and records, banks would be free to adopt methods that could result in the absence of adequate records or sound authentications of transactions when the bank examiner arrives.

Chairman Leach also noted that the Federal Reserve Board has raised concerns regarding the application of H.R. 1714 to negotiable instruments, such as checks and notes. He pointed out that the National Conference of Commissioners on Uniform State Laws recognized some of these concerns and therefore excluded transactions covered by the Uniform Commercial Code from coverage under UETA. We agree with the concerns raised by Chairman Leach and believe that amendments or clarifications along the lines he has suggested continue to be needed in the context of H.R. 1714 as reported to your Committee.

Consumer protection is another important area where the public interest has been found to require government oversight. States, as well as the Federal government, must not be shackled in their ability to provide safeguards in this area. Yet this is precisely what this legislation would do.

Section 104, "Study of Legal and Regulatory Barriers to Electronic Commerce," is consistent with the Administration's commitment to ensure the careful review of possible legal and regulatory barriers to electronic commerce. Indeed, this provision in the bill as reported focuses upon barriers to electronic commerce, as such, rather than more narrowly upon commerce in electronic signature products and services. We believe this focus is appropriate. However, to avoid duplication of agency reporting, we would recommend against inclusion of the Office of Management and Budget as an agency to receive initial agency reports under the provision.

In summary, we believe that the bill as reported by the Subcommittee addresses some important concerns of the Administration that were set out in our earlier testimony. However, H.R. 1714 in the form reported to your Committee retains significant flaws that would have to be addressed before the Administration could support the bill. We would be pleased to continue to work with your Committee on this important legislation.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

ANDREW J. PINCUS.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a treaty and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

A REPORT RELATIVE TO THE CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO SUDAN—MESSAGE FROM THE PRESIDENT—PM 69

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Sudanese emergency is to continue in effect beyond November 3, 1999, to the *Federal Register* for publication.

The crisis between the United States and Sudan that led to the declaration on November 3, 1997, of a national emergency has not been resolved. The Government of Sudan continues to support international terrorism and efforts to destabilize neighboring governments, and engage in human rights violations, including the denial of religious freedom. Such Sudanese actions pose a continuing unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Sudan.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 29, 1999.*

MESSAGE FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives announced that the Speaker has signed the following enrolled joint resolution on October 28, 1999:

H.J. Res. 73. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

The enrolled joint resolution was signed by President pro tempore (Mr. THURMOND) on October 28, 1999.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

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*These provisions are similar to some contained in S. 761, as reported by the Senate Commerce Committee. I expressed support for that measure because it ensured that contracts could not be invalidated because they were in electronic form or because they were signed electronically. At the time the bill was reported, the spillover effect of these provisions on existing consumer protection and regulatory standards had not been identified. Now that this effect has become clear, and it is equally clear that enactment of this measure is desired by some precisely because of this spillover effect, we must oppose these provisions as currently drafted.

EC–5922. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Sedona, AZ; Docket No. 99–AWP–4 (10–21/10–25)" (RIN2120–AA66) (1999–0356), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5923. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; York County, PA; Docket No. 99–AWA–09 (10–26/10–25)" (RIN2120–AA66) (1999–0357), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5924. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Federal Airway Victor 108 in the Vicinity of Colorado Springs, CO; Docket No. 99–ANM–4 (10–26/10–25)" (RIN2120–AA66) (1999–0358), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5925. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (48); Amdt. No. 1954 (10–26/10–25)" (RIN2120–AA65) (1999–0053), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5926. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (55); Amdt. No. 1956 (10–26/10–25)" (RIN2120–AA65) (1999–0052), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5927. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (34); Amdt. No. 1957 (10–26/10–25)" (RIN2120–AA65) (1999––0051), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5928. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 727–100 and –100C Series Airplanes; Docket No. 98–NM–367 (10–7/10–21)" (RIN2120–AA64) (1999–0390), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5929. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 737–100, –200, –300, –400, and –500 Series Airplanes; Docket No. 98–NM–318 (10–8/10–21)" (RIN2120–AA64) (1999–0396), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5930. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 777–200 PF Series Airplanes; Docket No. 98–NM–38 (10–20/10–21)" (RIN2120–AA64) (1999–0414), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5931. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 747–400 Series Airplanes; Request for Comments; Docket No. 99–NM–178 (10–26/10–25)" (RIN2120–AA64) (1999–0424), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5932. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Boeing Model 767 Series Airplanes Powered by Pratt and Whitney JT9D–7R4 Series Turbofan Engines or General Electric CF6–80A Series Turbofan Engines; Docket No. 98–NM–363 (10–18/10–21)" (RIN2120–AA64) (1999–0410), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5933. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A330 and A340 Series Airplanes; Docket No. 99–NM–181 (10–22/10–25)" (RIN2120–AA64) (1999–0418), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5934. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A321 Series Airplanes; Docket No. 99–NM–193 (10–13/10–21)" (RIN2120–AA64) (1999–0415), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5935. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A310 and A300–600R Series Airplanes; Docket No. 99–NM–08 (10–13/10–21)" (RIN2120–AA64) (1999–0399), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5936. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A320 Series Airplanes; Docket No. 99–NM–94 (10–18/10–21)" (RIN2120–AA64) (1999–0408), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5937. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A319–232, and –233 and A321–131 and –231 Series Airplanes; Docket No. 99–NM–96 (10–13/10–21)" (RIN2120–AA64) (1999–0398), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5938. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A319, A320, A321, A330, and A340 Series Airplanes Equipped with Allied Signal RIA–35B Instrument Landing System Receivers; Docket No. 99–NM–25 (10–18/10–21)" (RIN2120–AA64) (1999–0407), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5939. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Model DC–9–81, –82, –83, and –87 Series and Model MD–88 Airplanes; Docket No. 98–267 (10–21/10–7)" (RIN2120–AA64) (1999–0387), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5940. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Model DC–10–10, –15, and –30 Airplanes, and KC–10A Airplanes; Docket No. 98–NM–14 (10–6/10–21)" (RIN2120–AA64) (1999–0386), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5941. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Model DC–9, DC–9–80, and C–9 Series Airplanes, and Model MD–88 Airplanes; Docket No. 98–NM–268 (17/10–21)" (RIN2120–AA64) (1999–0389), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5942. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Model MD–90–30 Series Airplanes; Docket No. 98–NM–340 (10–20/10–21)" (RIN2120–AA64) (1999–0412), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5943. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; McDonnell Douglas Model C–9; DC–9–80 and C–9 Series Airplanes and Model Md–88 Airplanes; Docket No. 98–NM–382 (10–26/10–25)" (RIN2120–AA64) (1999–0422), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5944. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier Model DHC–8–102, –103, –106, –201, –301, –311, and –315 Series Airplanes; Docket No. 99–NM–32 (10–22/10–25)" (RIN2120–AA64) (1999–0420), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5945. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 Series Airplanes; Docket No. 98–NM–321 (10–14/10–6)" (RIN2120–AA64) (1999–0385), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5946. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier Model CL–600–2B19 (Regional Jet Series 100) Series Airplanes; Docket No. 98–NM–385 (10–8/10–21)" (RIN2120–AA64) (1999–0392), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5947. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Short Brothers Model SD3–60 Series Airplanes; Docket No. 99–NM–52 (10–22/10–25)" (RIN2120–AA64) (1999–0416), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5948. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Short Brothers Model SD3–30, SD3–60, SD3 SHERPA, and SD3–60 SHERPA Series Airplanes; Docket No. 98–NM–137 (10–13/10–21)" (RIN2120–AA64) (1999–0401), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5949. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; British Aerospace BAe Model ATP Airplanes; Docket No. 99–NM–19 (10–22/10–25)" (RIN2120–AA64) (1999–0419), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5950. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; British Aerospace BAe Model ATP Airplanes; Docket No. 99–NM–345 (10–8/10–21)" (RIN2120–AA64) (1999–0391), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5951. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; British Aerospace Model 4101 Airplanes; Docket No. 99–NM–115 (10–8/10–21)" (RIN2120–AA64) (1999–0395), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5952. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Bombardier Model DHC–311 and –315 Series Airplanes; Docket No. 98–NM–324 (10–18/10–21)" (RIN2120–AA64) (1999–0406), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5953. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter France Model SA–365C, C1, C2, N, and N1: AS–365N2; and SA 366G1 Helicopters; Docket No. 98–SW–75 (10–14/10–21)" (RIN2120–AA64) (1999–0402), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5954. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter France Model SA–360C, SA–360C, SA365C, C1, C2, SA–365N, N1, AS–365N2, and A–366G1 Helicopters; Docket No. 98–SW–26 (10–8/10–21)" (RIN2120–AA64) (1999–0394), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5955. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter France Model SW.3160, SA.315B, SA.316C, and SA.319B Helicopters; Request for Comments; Docket No. 98–SW–29 (10–14/10–21)" (RIN2120–AA64) (1999–0403), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5956. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter Deutschland GMBH Model BO–105A, BO–105C–2, BO–105CB2, BO–105S, BO105 CS2, BO–105 CBS2, BO–105 CBS4 and BO–105LS A–1 Helicopters; Docket No. 99–SW–52 (10–8/10–21)" (RIN2120–AA64) (1999–0393), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5957. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter Canada Ltd. Model BO–105 LS A–3 Helicopters; Docket No. 99–SW–56 (10–18/10–21)" (RIN2120–AA64) (1999–0409), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5958. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Eurocopter France Model AS332C, L, and L1 Helicopter; Request for Comments; Docket No. 99–SW–13 (10–6/10–14)" (RIN2120–AA64) (1999–0384), received October 14, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5959. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Raytheon (Beech) Model 400A Airplanes; Docket No. 98–NM–280 (10–7/10–21)" (RIN2120–AA64) (1999–0388), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5960. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Raytheon (Beech) Model 400, 400A, 400T, and MU–300–10 Airplanes; Docket No. 96–NM–209 (10–18/10–21)" (RIN2120–AA64) (1999–0405), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5961. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Raytheon (Beech) Model MU–300 Airplanes; Docket No. 96–NM–210 (10–26/10–25)" (RIN2120–AA64) (1999–0421), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5962. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Conruccions Aeronauticas, SA (CASA), Model CN–235 Series Airplanes; Docket No. 99–NM–117 (10–22/10–25)" (RIN2120–AA64) (1999–0417), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5963. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Fokker Mol F–27 Mark 050 Series Airplanes; Docket No. 99–NM–225 (10–20/10–21)" (RIN2120–AA64) (1999–0413), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5964. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes; Docket No. 98–NM–244 (10–20/10–21)" (RIN2120–AA64) (1999–0411), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5965. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Avions Mudry et Cie Model CAP 10B Airplanes; Docket No. 99 CE–26 (10–13/10–21)" (RIN2120–AA64) (1999–0397), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5966. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Dassault Model Falcon 2000 Series Airplanes; Docket No. 98 NM–377 (10–13/10–21)" (RIN2120–AA64) (1999–0400), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC–5967. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled

"Airworthiness Directives; Pratt and Whitney JT9D Series Turbofan Engines; Correction: Docket No. 98 ANE-31 (10-15/10-21)" (RIN2120-AA64) (1999-0404), received October 21, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5968. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; General Electric Aircraft Engines CF34 Series Turbofan Engines; Docket No. 98 ANE-62 (10-26/10-25)" (RIN2120-AA64) (1999-0423), received October 25, 1999; to the Committee on Commerce, Science, and Transportation.

REPORT OF COMMITTEE

The following report of committee was submitted:

By Mr. ABRAHAM, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1455. A bill to enhance protections against fraud in the offering of financial assistance for college education, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HELMS:

S. 1829. A bill to amend the Foreign Assistance Act of 1961 to prohibit the payment of debts incurred by the communist government of Cuba; to the Committee on Foreign Relations.

By Mr. COVERDELL (for himself, Mr. Biden, Mr. Roth, Mr. Edwards, Mr. Graham, Mr. Cleland, Mr. Sarbanes, Ms. Mikulski, and Mr. Mack):

S. 1830. A bill to provide for the appointment of additional temporary bankruptcy judges, and for other purposes; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself and Mr. Johnson):

S. 1831. A bill to protect and provide resources for the Social Security System, to reserve surpluses to protect, strengthen and modernize the Medicare Program, and for other purposes; to the Committee on the Budget and the Committee on Government Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other committee have thirty days to report or be discharged.

By Mr. DASCHLE (for Mr. Kennedy):

S. 1832. A bill to amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage; read the first time.

By Mr. DASCHLE (for himself, Mr. Bingaman, Mr. Baucus, Mr. Byrd, Mr. Kerrey, and Mr. Inouye):

S. 1833. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the production and use of efficient energy sources, and for other purposes; to the Committee on Finance.

By Mr. DASCHLE:

S. 1834. A bill to amend title XIX of the Social Security Act to restore medical eligibility for certain supplementary security income beneficiaries; to the Committee on Finance.

By Mr. LEAHY:

S. 1835. A bill to restore Federal remedies for violations of intellectual property rights by States, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS (for himself, Mr. Leahy, Mr. Coverdell, Mr. Dodd, Mr. DeWine, and Mr. Jeffords):

S. Res. 209. A resolution expressing concern over interference with freedom of the press and the independence of judicial and electoral institutions in Peru; to the Committee on Foreign Relations.

By Mr. SCHUMER (for himself, Mr. Moynihan, and Mr. Lieberman):

S. Res. 210. A resolution recognizing and honoring the New York Yankees; considered and agreed to.

By Mr. WARNER (for himself and Mr. Robb):

S. Res. 211. A resolution expressing the sense of the Senate regarding the February 2000 deployment of the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit to an area of potential hostilities and the essential requirements that the battle group and expeditionary unit have received the essential training needed to certify the warfighting proficiency of the forces comprising the battle group and expeditionary unit; to the Committee on Armed Services.

By Mr. ABRAHAM (for himself, Mr. McConnell, Mr. Torricelli, Mr. Allard, Mr. Reed, Mr. Bennett, Ms. Collins, Mr. Fitzgerald, Mr. Enzi, Mr. Kerry, Mr. Durbin, Mr. Warner, Mr. Edwards, and Mr. Lieberman):

S. Con. Res. 63. A concurrent resolution condemning the assassination of Armenian Prime Minister Vazgen Sargsian and other officials of the Armenian Government and expressing the sense of the Congress in mourning this tragic loss of the duly elected leadership of Armenia; to the Committee on Foreign Relations.

By Mr. INHOFE (for himself, Mr. Smith of New Hampshire, Mr. Sessions, Mr. Hutchinson, and Mr. Kyl):

S. Con. Res. 64. A concurrent resolution expressing the sense of Congress concerning continued use of the United States Navy training range on the island of Vieques in the Commonwealth of Puerto Rico; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COVERDELL (for himself, Mr. Biden, Mr. Roth, Mr. Edwards, Mr. Graham, Mr. Cleland, Mr. Sarbanes, Ms. Mikulski, and Mr. Mack):

S. 1830. A bill to provide for the appointment of additional temporary bankruptcy judges, and for other purposes; to the Committee on the Judiciary.

BANKRUPTCY JUDGESHIP ACT

Mr. COVERDELL. Mr. President, I rise today to introduce legislation that would address the growing bankruptcy caseload in our federal judiciary. Increased bankruptcy filings are placing a severe strain on our federal courts and on the judges who preside over these cases. The House and Senate bankruptcy reform bills seek to address this issue by authorizing eighteen new bankruptcy judges. While Congress recognizes the need for these judges, it has not yet taken the step it deems necessary to approve another needed group of bankruptcy judges identified by the U.S. Judicial Conference in March of this year. This legislation would authorize these six judgeships and help our federal judiciary address an overburdensome workload.

My home state of Georgia is one of the states that the Judicial Conference has indicated needs another bankruptcy judge. The middle and southern districts in Georgia have, respectively, the eighth and ninth highest weighted caseloads in the country. The most recent data from the Administrative Office of the U.S. Courts indicates that the weighted bankruptcy filings per authorized judgeships is 1,907 for the middle district and 1,880 for the Southern district. Even with approval of a new judge for the southern district, the three full-time judges in that district would still carry a caseload that exceeds the threshold of 1,500 weighted hours that justifies the creation of another judgeship.

The review undertaken by the Judicial Conference of the workload in these Georgia districts also found that caseloads are being managed in a highly efficient manner. The Judicial Conference had no suggestions to assist the court in expending its caseload. A new judgeship is the only solution to this caseload problem.

I understand that the Judicial Conference used the same criteria to justify the 6 new judgeships in their March 1999 recommendation that they used to justify the 18 judgeships in the bankruptcy reform bills. Understanding the need for a new bankruptcy judge in my state, I support the Judicial Conference's recommendation, and other states' efforts to obtain an additional judge. I am pleased that Senator Biden, Edwards, Graham, Cleland, Sarbanes, Mikulski, and Mack, whose states were also included in the March 1999 Judicial Conference recommendation, have joined me on this bill. I believe this legislation will shed important light on caseloads and the need for new judges. The last time Congress approved new bankruptcy judgeships was seven years ago. These judges are needed now and I hope Congress will move forward in approving them.

By Mr. DASCHLE (for himself and Mr. Johnson):

S. 1831. A bill to protect and provide resources for the Social Security System, to reserve surpluses to protect, strengthen and modernize the Medicare Program, and for other purposes; to the

Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have 30 days to report or be discharged.

MEDICAID ELIGIBILITY RESTORATION ACT OF 1999

Mr. DASCHLE. Mr. President, today I introduce the Medicaid Eligibility Restoration Act of 1999, which fixes a major problem recently created in the health care safety net.

My bill addresses a Medicaid eligibility problem—lack of access to health insurance during the first, and often costliest, month of disability—that was inadvertently caused by a change to Supplemental Security Income (SSI) policy in the 1996 welfare reform law.

Let me explain how this Medicaid "gap month" problem was created.

In 1996, the effective date of application for Supplemental Security Income (SSI) was changed to the month following the date when an individual applies for SSI.

Before the 1996 change, pro-rated payments began immediately. Since 1996, payments do not begin until the month following original application.

This SSI payment change generated a small cost savings for the SSI program and ended the administrative burden of calculating partial month payments, but it also created a problem—a gap month—for Medicaid eligibility that is linked to SSI.

For most SSI and Medicaid recipients, this change has resulted in one lost month of Medicaid eligibility, which is a hardship in itself.

But those who suddenly become disabled or who are born with a disability face more dire consequences.

Because of the 1996 change, they now lose health insurance coverage for what is often their costliest month—their first month of disability. This policy shift has left families with enormous medical bills and hospitals with uncompensated care.

The Medicaid Eligibility Restoration Act would end this gap month in Medicaid coverage and would restore the pre-1996 Medicaid eligibility criteria.

This issue first came to my attention when I received a letter from Randall Connelly of Sioux Falls, South Dakota.

His wife, Susan, had recently given birth to premature twins. Tragically, the twins died a few days later.

Despite the fact that Randy had a good job, with good health insurance, he still faced unaffordable out-of-pocket medical expenses. Because of the twins' low birth weight, both children were automatically eligible for SSI and Medicaid—or they would have been, if the twins had been born before enactment of the welfare reform law of 1996.

In fact, the Connellys were ineligible for any help with their medical bills because of the small 1996 technical change in SSI payment policy.

The unfortunate result was that the Connellys were left to cope not only with the loss of their newborn twins, but also with unaffordable hospital bills.

Since my communication with the Connellys, I have heard from hospital administrators who have expressed concern on behalf of patients and families who have suddenly found themselves with nowhere to turn during their first weeks of extreme financial hardship and emotional trauma due to disability.

Sioux Valley Hospital in Sioux Falls, SD, has reported that 28 newborns were affected during the past year in that one hospital alone. Hospital administrators report that:

> Delay in Medicaid coverage results in severe hardship for many families. . . . The normal stresses of dealing with a newborn with a serious disability are compounded by the extensive financial demands attendant to medical services provided for that child.

I ask that a copy of Sioux Valley's letter of support for the bill be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SIOUX VALLEY
HOSPITALS & HEALTH SYSTEM,
Sioux Falls, SD, October 27, 1999.

Hon. THOMAS DASCHLE,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR DASCHLE: I am writing to express the support of the Sioux Valley Hospitals & Health System for legislation we understand you are planning to introduce which would address an issue involving SSI eligibility, and therefore, Medicaid eligibility. The issue, as we have experienced it, involves the date on which Medicaid coverage would commence for SSI eligible newborns. We understand that current law results in a start date for Medicaid payment coverage on the first of the month following SSI eligibility which for disabled newborns is their date of birth.

That delay in Medicaid coverage results in severe hardship for many families who have had babies with medical conditions requiring extremely expensive services in the Sioux Valley Hospital Neonatal Intensive Care Unit. Some 28 families have been affected at Sioux Valley alone over the course of the last year. The normal stresses of dealing with a newborn with a serious disability are compounded by the extensive financial demands attendant to medical services required for the child.

While we understand that public programs cannot be expected to address expenses associated with every catastrophic medical situation, this delay in coverage for severely disabled newborns seems particularly appropriate for a public response. I wanted you to know, therefore, that we do support your effects in this respect.

Please let me know if any of our staff could provide further information with respect to the importance and impact of the legislation which you propose.

Sincerely,

FRANK M. DREW,
Senior Vice President of Public Policy.

Mr. DASCHLE. I have also heard from public health officials who are concerned that public health funds may need to be diverted to address the needs of those who should have been covered by Medicaid—as they were in the past.

Some states are able to cover the gap month through other Medicaid categories, such as the "medically needy" category and a category for those who meet all the SSI criteria but are not receiving benefits.

There are several states, however, that still face the gap month problem.

It is difficult for many of these states to address this problem, because, while covering only the gap month may be affordable, adding a whole new Medicaid category is seen as too expensive.

There is a simpler, and less expensive way to address the problem: restore the pre-1996 Medicaid eligibility.

We must restore health care benefits to those with disabilities who need them and should be eligible for them.

The gap month is not a difficult problem to fix.

A solution only requires our attention and our commitment to protecting the health care safety net. My bill does that by ensuring Medicaid helps cover those facing unexpected disability.

I urge my colleagues to join me in support of this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1831

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Strengthen Social Security and Medicare Act of 1999."

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) The Social Security system is one of the cornerstones of American national policy and has allowed a generation of Americans to retire with dignity. For 30 percent of all senior citizens, Social Security benefits provide almost 90 percent of their retirement income. For 66 percent of all senior citizens, Social Security benefits provide over half of their retirement income. Poverty rates among the elderly are at the lowest level since the United States began to keep poverty statistics, due in large part to the Special Security system. The Social Security system, together with the additional protections afforded by the Medicare system, have been an outstanding success for past and current retirees and must be preserved for future retirees.

(2) The long-term solvency of the Social Security and Medicare trust funds is not assured. There is an estimated long-range actuarial deficit in the Social Security trust funds. According to the 1999 report of the Board of Trustees of the Social Security trust funds, the accumulated balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are currently projected to become unable to pay benefits in full on a timely basis starting in 2034. The Medicare system faces more immediate financial

shortfalls, with the Hospital Insurance Trust Fund projected to become exhausted in 2015.

(3) In addition to preserving Social Security and Medicare, the Congress and the President have a responsibility to future generations to reduce the Federal debt held by the public. Significant debt reduction will contribute to the economy and improve the Government's ability to fulfill its responsibilities and to face future challenges, including preserving and strengthening Social Security and Medicare.

(4) The Federal Government is now in sound financial condition. The Federal budget is projected to generate significant surpluses. In fiscal years 1998 and 1999, there were unified budget surpluses—the first consecutive surpluses in more than 40 years. Over the next 15 years, the Government projects the on-budget surplus, which excludes Social Security, to total $2.9 trillion. The unified budget surplus (including Social Security) is projected by the Government to total $5.9 trillion over the next 15 years.

(5) The surplus, excluding Social Security, offers an unparalleled opportunity to: preserve Social Security; protect, strengthen, and modernize Medicare; and significantly reduce the Federal debt held by the public, for the future benefit of all Americans.

(b) PURPOSE.—It is the purpose of this Act to protect the Social Security surplus for debt reduction, to extend the solvency of Social Security, and to set aside a reserve to be used to protect, strengthen, and modernize Medicare.

SEC. 3. ADDITIONAL APPROPRIATIONS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND FEDERAL DISABILITY INSURANCE TRUST FUND.

(a) PURPOSE.—The purpose of this section is to assure that the interest savings on the debt held by the public achieved as a result of Social Security surpluses from 2000 to 2015 are dedicated to Social Security solvency.

(b) ADDITIONAL APPROPRIATION TO TRUST FUNDS.—Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

"(n) ADDITIONAL APPROPRIATION TO TRUST FUNDS.

"(1) In addition to the amounts appropriated to the Trust Funds under subsections (a) and (b), there is hereby appropriated to the Trust Funds, out of any moneys in the Treasury not otherwise appropriated—

"(A) for the fiscal year ending September 30, 2011, and for each fiscal year thereafter through the fiscal year ending September 30, 2016, an amount equal to the prescribed amount for the fiscal year; and

"(B) for the fiscal year ending September 30, 2017, and for each fiscal year thereafter through the fiscal year ending September 30, 2044, an amount equal to the prescribed amount for the fiscal year ending September 30, 2016.

"(2) The amount appropriated by paragraph (1) in each fiscal year shall be transferred in equal monthly installments.

"(3) The amount appropriated by paragraph (1) in each fiscal year shall be allocated between the Trust Funds in the same proportion as the taxes imposed by chapter 21 (other than sections 3101(b) and 3111(b)) of Title 26 with respect to wages (as defined in section 3121 of Title 26) reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of Title 26, and the taxes imposed by chapter 2 (other than section 1401(b)) of Title 26 with respect to self-employment income (as defined in section 1402 of Title 26) reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of Title 26, are allocated between the Trust Funds in the calendar year that begins in the fiscal year.

"(4) For purposes of this subsection, the "prescribed amount" for any fiscal year shall be determined by multiplying:

"(A) the excess of:

"(i) the sum of:

"(I) the face amount of all obligations of the United States held by the Trust Funds on the last day of the fiscal year immediately preceding the fiscal year of determination purchased with amounts appropriated or credited to the Trust Funds other than any amount appropriated under paragraph (1); and

"(II) the sum of the amounts appropriated under paragraph (1) and transferred under paragraph (2) through the last day of the fiscal year immediately preceding the fiscal year of determination, and an amount equal to the interest that would have been earned thereon had those amounts been invested in obligations of the United States issued directly to the Trust Funds under subsections (d) and (f),

"over—

"(ii) the face amount of all obligations of the United States held by the Trust Funds on September 30, 1999,

"times—

"(B) a rate of interest determined by the Secretary of the Treasury, at the beginning of the fiscal year of determination, as follows:

"(i) if there are any marketable interest-bearing obligations of the United States then forming a part of the public debt, a rate of interest determined by taking into consideration the average market yield (computed on the basis of daily closing market bid quotations or prices during the calendar month immediately preceding the determination of the rate of interest) on such obligations; and

"(ii) if there are no marketable interest-bearing obligations of the United States then forming in part of the public debt, a rate of interest determined to be the best approximation of the rate of interest described in clause (i), taking into consideration the average market yield (computed on the basis of daily closing market bid quotations or prices during the calendar month immediately preceding the determination of the rate of interest) on investment grade corporate obligations selected by the Secretary of the Treasury, less an adjustment made by the Secretary of the Treasury to take into account the difference between the yields on corporate obligations comparable to the obligations selected by the Secretary of the Treasury and yields on obligations of comparable maturities issued by risk-free government issuers selected by the Secretary of the Treasury.".

SEC. 4. PROTECTION OF SOCIAL SECURITY SURPLUSES.

(a) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(g) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—

"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would set forth an on-budget deficit for any fiscal year.

"(2) SUBSEQUENT LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(A) the enactment of the bill or resolution as reported;

"(B) the adoption and enactment of that amendment; or

"(C) the enactment of that bill or resolution in the form recommended in that conference report,

would cause or increase an on-budget deficit for any fiscal year.

"(3) BUDGET RESOLUTION BASELINE.—(A) For purposes of this section, "set forth an on-budget deficit", with respect to a budget resolution, means the resolution sets forth an on-budget deficit for a fiscal year and the baseline budget projection of the surplus or deficit for such fiscal year on which such resolution is based projects an on-budget surplus, on-budget balance, or an on-budget deficit that is less than the deficit set forth in the resolution.

"(B) For purposes of this section, "cause or increase an on-budget deficit" with respect to legislation means causes or increases an on-budget deficit relative to the baseline budget projection.

"(C) For purposes of this section, the term "baseline budget projection" means the projection described in section 257 of the Balance Budget and Emergency Deficit Control Act of 1985 of current year levels of outlays, receipts, and the surplus or deficit into the budget year and future years, except that—

"(i) if outlays for programs subject to discretionary appropriations are subject to discretionary statutory spending limits, such outlays shall be projected at the level of any applicable current adjusted statutory discretionary spending limits:

"(ii) if outlays for programs subject to discretionary appropriations are not subject to discretionary spending limits, such outlays shall be projected as required by section 257 beginning in the first fiscal year following the last fiscal year in which such limits applied; and

"(iii) with respect to direct spending or receipts legislation previously enacted during the current calendar year and after the most recent baseline estimate pursuant to section 257 of the Balance Budget and Emergency Deficit Control Act of 1995, the net extent (if any) by which all such legislation is more than fully paid for in one of the applicable time periods shall count as a credit for that time period against increase in direct spending or reductions in net revenue.".

(b) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph.

"(6) the receipts, outlays, and surplus or deficit in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, combined, established by title II of the Social Security Act;".

(c) SUPER MAJORITY REQUIREMENT.—

(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

SEC. 5. PROTECTION OF MEDICARE.

(a) POINTS OR ORDER TO PROTECT MEDICARE.—

(1) Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(j) Points or Order To Protect Medicare.—

(1) In general.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would decrease the on-budget surplus for the total of the period of fiscal years 2000 through 2009 below the level of the Medicare surplus reserve for those fiscal years are calculated in accordance with section 3(11).

"(2) Inapplicability.—This subsection shall not apply to legislation that—

"(A) appropriates a portion of the Medicare reserve for new amounts for prescription drug benefits under the Medicare program as part of or subsequent to legislation extending the solvency of the Medicare Hospital Insurance Trust Fund; or

"(B) appropriates new amounts from the general fund to the Medicare Hospital Insurance Trust Fund.".

(2) Section 311(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(4) Enforcement of the medicare surplus reserve.—

"(A) In general.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report that together with associated interest costs would decrease the on-budget surplus for the total of the period of fiscal years 2000 through 2009 below the level of the Medicare surplus reserve for those fiscal years as calculated in accordance with section 3(11).".

"(B) Inapplicability.—This paragraph shall not apply to legislation that—

"(i) appropriates a portion of the Medicare reserve for new amounts for prescription drug benefits under the Medicare program as part of or subsequent to legislation extending the solvency of the Medicare Hospital Insurance Trust Fund; or

"(ii) appropriates new amounts from the general fund to the Medicare Hospital Insurance Trust Fund.

(b) Definition.—Section 3 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(11) The term 'Medicare surplus reserve' means one-third of any on-budget surplus for the total of the period of the fiscal years 2000 through 2009, an estimated by the Congressional Budget Office in the most recent initial report for a fiscal year pursuant to section 202(e).".

(c) Super Majority Requirement—

(1) Section 904(c)(2) of the Congressional Budget Act of 1974 is amended by inserting "301(j)," after "301(i),".

(2) Section 904(d)(3) of the Congressional Budget Act of 1974 is amended by inserting "301(j)," after "301(i),".

SEC. 6. EXTENSION OF DISCRETIONARY SPENDING LIMITS.

(a) Extension of Limits.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended, in the matter before paragraph (A), by deleting "2002", and inserting "2014".

(b) Extension of Amounts.—Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking paragraphs (4), (5), (6) and (7), and inserting the following:

"(4) With respect to fiscal year 2000,

"(A) for the discretionary category: $535,368,000,000 in new budget authority and $543,257,000,000 in outlays;

"(B) for the highway category: $24,574,000,000 in outlays;

"(C) for the mass transit category: $4,117,000,000 in outlays; and

"(D) for the violent crime reduction category: $4,500,000,000 in new budget authority and $5,564,000,000 in outlays;

"(5) With respect to fiscal year 2001,

"(A) for the discretionary category: $573,004,000,000 in new budget authority and $564,931,000,000 in outlays;

"(B) for the highway category: $26,234,000,000 in outlays; and

"(C) for the mass transit category: $4,888,000,000 in outlays;

"(6) With respect to fiscal year 2002,

"(A) for the discretionary category: $584,754,000,000 in new budget authority and $582,516,000,000 in outlays;

"(B) for the highway category: $26,655,000,000 in outlays; and

"(C) for the mass transit category: $5,384,000,000 in outlays;

"(7) With respect to fiscal year 2003,

"(A) for the discretionary category: $590,800,000,000 in new budget authority and $587,642,000,000 in outlays;

"(B) for the highway category: $27,041,000,000 in outlays; and

"(C) for the mass transit category: $6,124,000,000 in outlays;

"(8) With respect to fiscal year 2004, for the discretionary category: $604,319,000,000 in new budget authority and $634,039,000,000 in outlays;

"(9) With respect to fiscal year 2005, for the discretionary category: $616,496,000,000 in new budget authority and $653,530,000,000 in outlays;

"(10) With respect to fiscal year 2006, for the discretionary category: $630,722,000,000 in new budget authority and $671,530,000,000 in outlays;

"(11) With respect to fiscal year 2007, for the discretionary category: $644,525,000,000 in new budget authority and $687,532,000,000 in outlays;

"(12) With respect to fiscal year 2008, for the discretionary category: $663,611,000,000 in new budget authority and $704,534,000,000 in outlays; and

"(13) With respect to fiscal year 2009, for the discretionary category: $678,019,000,000 in new budget authority and $721,215,000,000 in outlays, "as adjusted in strict conformance with subsection (b).

"With respect to fiscal year 2010 and each fiscal year thereafter, the term "discretionary spending limit" means, for the discretionary category, the baseline amount calculated pursuant to the requirements of Section 257(c), as adjusted in strict conformance with subsection (b).".

SEC. 7. EXTENSION AND CLARIFICATION OF PAY-AS-YOU-GO REQUIREMENT.

Section 252 of the Balanced Budget And Emergency Deficit Control Act of 1985 is amended—

(a) in subsection (a), by striking "October 1, 2002" and inserting "October 1, 2014" and by adding "or decreases the surplus" after "increases the deficit"; (b)(1) in paragraph (1) of subsection (b), by striking "October 1, 2002" and inserting "October 1, 2014" and by adding "or any net surplus decrease" after "any net deficit increase";

(2) in paragraph (2) of subsection (b),

(i) in the header by adding "or surplus decrease" after "deficit increase";

(ii) in the matter before subparagraph (A), by adding "or surplus" after "deficit"; and

(iii) in subparagraph (C), by adding "or surplus" after "net deficit"; and

(3) in the header of subsection (c), by adding "or surplus decrease" after "deficit increase".

SEC. 8. EXTENSION OF BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT.

Section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "September 30, 2002" and inserting "September 30, 2104" and by striking "September 30, 2006" and inserting "September 30, 2018".

SEC. 9. EXTENSION OF SOCIAL SECURITY FIREWALL IN CONGRESSIONAL BUDGET ACT.

Section 904(e) of the Congressional Budget Act of 1974 is amended by striking "September 30, 2002" and inserting "September 30, 2014".

SEC. 10. PROTECTION OF SOCIAL SECURITY INTEREST SAVINGS TRANSFERS.

(a) Definition of Deficit and Surplus Under Budget Enforcement Act.—Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended in paragraph (1) by adding "'surplus'," before "and 'deficit'".

(b) Reduction or Reversal of Social Security Transfers Not To Be Counted as Pay-As-You-Go Offset.—Any legislation that would reduce, reverse or repeal the transfers to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund made by Section 201(n) of the Social Security Act, as added by Section 3 of this Act, shall not be counted on the pay-as-you-go scorecard and shall not be included in any pay-as-you-go estimates made by the Congressional Budget Office or the Office of Management and Budget under Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) Conforming Change.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended, in paragraph (4) of subsection (d), by—

(1) striking "and" after subparagraph (A),

(2) striking the period after the subparagraph (B) and inserting "; and", and

(3) adding the following:

"(C) provisions that reduce, reverse or repeal transfers under Section 201(n) of the Social Security Act.".

SEC. 11. CONFORMING CHANGES.

(a) Reports.—Section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (3) of subsection (c),

(A) in subparagraph (A), by adding "or surplus" after "deficit";

(B) in subparagraph (B), by adding "or surplus" after "deficit"; and

(C) in subparagraph (C), by adding "or surplus decrease" after "deficit increase";

(2) in paragraph (4) of subsection (f), by adding "or surplus" after "deficit"; and

(3) in subparagraph A of paragraph (2) of subsection (f), by striking "2002" and inserting "2009".

(b) Orders.—Section 258A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended in the first sentence by adding "or increase the surplus" after "deficit".

(c) Process.—Section 258(C)(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (2), by adding "or surplus increase" after "deficit reduction";

(2) in paragraph (3), by adding "or increase in the surplus" after "reduction in the deficit"; and

(3) in paragraph (4), by adding "or surplus increase" after "deficit reduction".

By Mr. LEAHY:

S. 1835. A bill to restore Federal remedies for violations of intellectual

property rights by States, and for other purposes; to the Committee on the Judiciary.

THE INTELLECTUAL PROPERTY PROTECTION RESTORATION OF 1999

Mr. LEAHY. Mr. President, today I am introducing the Intellectual Property Protection Restoration Act of 1999, a bill to restore federal remedies for violations of intellectual property rights of States.

Innvoation and creativity have been the fuel of our national economic boom over the past decade. The United States now leads the world in computing, communications and biotechnologies, and American authors and brand names are recognized across the globe.

Our national prosperity is, first and foremost, a tribute to American ingenuity. But it is also a tribute to the wisdom of our Founding Fathers, who made the promotion of what they called "Science and the Useful Arts" a national project, which they constitutionally assigned to Congress. And it is no less of a tribute to the successive Congresses and Administrations of both parties who have striven to provide real incentives and rewards for innovation and creativity by providing strong and even-handed protection to intellectual property rights. Congress passed the first federal patent law in 1790, and the U.S. Government issued its first patent the same year—to Samuel Hopkins of my home State of Vermont. The first federal copyright law was also enacted in 1790, and the first federal trademark laws date back to the 1870s.

The Supreme Court has long recognized that intellectual property rights bear the hallmark of true constitutional property rights—the right of exclusion against the world—and are therefore protection against appropriation both by individuals and by government. Consistent with this understanding of intellectual property, Congress has long ensured that the rights secured by the federal intellectual property laws were enforceable against the federal governments by waiving the government's immunity in suits alleging infringements of those rights.

No doubt Congress would have legislated similarly with respect to infringements by State entities and bureaucrats had there been any doubt that they were already fully subject to federal intellectual property laws. But there was no doubt. States had long enjoyed the benefits of the intellectual property laws on an equal footing with private parties. By the same token, and in accordance with the fundamental principles of equity on which our intellectual property laws are founded, the States bore the burdens of the intellectual property laws, being liable for infringements just like private parties. States were free to join intellectual property markets as participants, or to hold back from commerce and limit themselves to a narrower governmental role. The intellectual property right of exclusion meant what it said and was enforced evenhandley for public and private entities alike.

This harmonious state of affairs ended in 1985, with the Supreme Court's announced of the so-called "clear statement" rule in Atascadero State Hospital v. Scanlon. The Court in Atascadero held that Congress must express its intention to abrogate the States' Eleventh Amendment immunity "in unmistakable language in the statute itself." A few years later, in Pennsylvania v. Union Gas Co., the Supreme Court assured us that if the intent to abrogate were expressed clearly enough, it would be honored.

Following Atascadero, some courts held that States and State entities and officials could escape liability for patent, copyright and trademark infringement because the patent, copyright and trademark laws lacked the clear statement of congressional intent that was now necessary to abrogate State sovereign immunity.

To close this new loophole in the law, Congress promptly did precisely what the Supreme Court had told us was necessary. In 1990 and 1992, Congress passed three laws—the Patent and Plant Variety Protection Remedy Clarification Act, the Copyright Remedy Clarification Act, and the Trademark Remedy Clarification Acts. The sole purpose of these Clarification Acts was to make it absolutely, unambiguously, 100 percent clear that Congress intended the patent, copyright and trademark laws to apply to everyone, including the States, and that Congress did not intend the States to be immune from liability for money damages. Each of three Clarification Acts passed unanimously.

In 1996, however, by a five-to-four vote, the Supreme Court in Seminole Tribe of Florida v. Florida reversed its earlier decision in Union Gas and held that Congress lacked authority under article I of the Constitution to abrogate the States' Eleventh Amendment immunity from suit in federal court.

Then, on June 23, by the same bare majority, the Supreme Court in Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank told us that it did not really mean what it said in Atascadero and invalidated the Patent and Plant Variety Protection Remedy Clarification Act. In a companion case decided on the same day, the same five Justices held that the Trademark Remedy Clarification Act also failed to abrogate State sovereign immunity.

The Court's latest decisions have been the subject of bipartism criticism. In a floor statement on July 1, I highlighted the anti-democratic implications of the approach of the activist majority of the Supreme Court, who have left constitutional text behind, ripped up precedent, and treated Congress with less respect than that due to an administrative agency in their haste to impose their natural laws notions of sovereignty as a barrier to democratic regulations. I also noted that "the Court's decisions will have far-reaching consequences about how . . . intellectual property rights may be protected against even egregious infringements and violation by the State."

One of my Republican colleagues on the Judicial Committee, Senator SPECTER, expressed similar concerns in a floor statement on August 5. He noted that the Court decisions "leave us with an absurd and untenable state of affairs," where "States will enjoy an enormous advantage over their private sector competitions."

Not surprisingly, alarm has also been expressed in the business community about the potential of the Court's recent decisions to harm intellectual property owners in a wide variety of ways. A commentary in Business Week on August 2, 1999, gave these examples:

> Watch out if you publish software that someone at a State university wants to copy for free . . . Watch out if you own a patent on a medical procedure that some doctor in a State medical school wants to use. Watch out if you've invested heavily in a great trademark, like Nike's Swoosh, and a bureaucrat decides his State program would be wildly promoted if it used the same mark.

Charles Fried, a professor at Harvard Law School and former Solicitor General during the Reagan Administration, has called the Court's decisions in Florida Prepaid and College Savings Bank "truly bizarre." He observed, in a July 6 opinion editorial in the New York Times:

> [The Court's decisions] did not question that States are subject to the patent and trademark laws of the United States. It's just that when a State violates those laws—as when it uses a patented invention without permission and without paying for it—the patent holder cannot sue the State for infringement. So a State hospital can manufacture medicines patented by others and sell or use them, and State schools universities can pirate textbooks and software, and the victims cannot sue for infringement.

I believe that these concerns are very real. As Congress realized when it waived federal sovereign immunity in the area, it would be naive to imagine that reliance on the commercial decency of the government and its myriad agencies and officials would provide the security needed to promote investment in research and development and to facilitate negotiation in the exclusive licensing arrangements that are often necessary to bring valuable products and creations to market.

The issue is not whether State infringement has been frequent in the past, but rather whether we can assure American inventors and investors and our design trading partners that, as State involvement in intellectual property becomes ever greater in the new information economy, U.S. intellectual property rights are backed by guaranteed legal remedies. It is a question of economics: our national economy depends on real and effective intellectual property rights. It is also a question of justice: in conceding that the States are constitutionally bound to respect federal intellectual property rights but invalidating the remedies Congress has created to enforce those rights, the Court has jeopardized one of the key principles that distinguishes our Constitution from the Constitution of the old Soviet Union—the principle that where there is a right, there must also be a remedy.

Some have suggested that a constitutional amendment may be the only way to restore protection to patent, copyright and trademark owners as against States. But even if Congress were to adopt such an amendment, I do not expect that we will see a lot of States rushing to ratify an amendment that forces them to pay for things that they can currently get for free.

Fortunately, however, while the implications of the Court's decisions for our constitutional scheme are serious, we can restore the guarantees of our intellectual property laws without resorting to a constitutional amendment. After close consideration of Florida Prepaid and the other recent Supreme Court precedents, I have no doubt that they leave several constitutional mechanisms open to us to restore substantial protection for patents, copyrights and trademarks through ordinary legislation. The Supreme Court's hyper-technical constitutional interpretations require us to jump through some technical constitutional hoops of our own, but that the exercise is now not merely worthwhile, but essential to safeguard both U.S. prosperity and the continued authority of Congress.

The Intellectual Property Protection Restoration Act is based on a simple supposition—that there is no inherent entitlement to federal intellectual property rights. In discussing the policies underlying the patent laws, the Supreme Court has emphasized that "[t]he grant of a patent is the grant of a special privilege 'to promote the Progress of Science and useful Arts,'" and that "[i]t is the public interest which is dominant in the patent system." Similarly, in discussing the copyright laws, the Court has underscored that "the monopoly privileges that Congress has authorized, while 'intended to motivate the creative activity of authors and inventors by the provision of a special reward,' are limited in nature and must ultimately serve the public good."

The Constitution empowers but does not require Congress to make intellectual property rights available, and Congress should do so on in a manner that encourages and protects innovation in the public and private sector alike.

States and their institutions, especially State universities, benefit hugely from the federal intellectual property laws. All 50 States own or have obtained patents—some hold many hundreds of patents. States also hold other intellectual property rights secured by federal law, and the trend is toward increased participation by the States in commerce involving intellectual property rights.

Principles of State sovereignty tell us that States are entitled to a free and informed choice of whether or not to participate in the federal intellectual property schemes, subject only to their constitutional obligations. Equity and common sense tell us that one who chooses to enjoy the benefits of a law—whether it be a federal grant or the multimillion-dollar benefits of intellectual property protections—should also bear its burdens. Sound economics and traditional notions of federalism tell us that it is appropriate for the federal government to assist and encourage the sovereign States in their sponsorship of whatever innovation and creation they freely choose to sponsor by giving them intellectual property protection and, on occasion, funding, so long as the States reciprocate by assisting the federal governments to keep its promise of guaranteed exclusive rights to intellectual property owners.

The IPPRA builds on these principles. In order to promote cooperative federalism in the intellectual property arena, it provides a mechanism for States to affirm their willingness to participate in our national intellectual property project and so "opt in" as full and equal participants. A State would opt in to the federal intellectual property system every time it applied for protection under a federal intellectual property law, by promising to waive its sovereign immunity from any subsequent suit against the State arising under such a law.

States take their commitments seriously. We can therefore expect that a State, having promised to waive its immunity if called upon to do so, would take whatever steps were necessary to fulfill that promise. At least in theory, however, a State could assert its immunity regardless of any assurance to the contrary.

The IPPRA addresses this problem by conditioning a State's intellectual property rights on its adherence to its promise to waive immunity. Thus, a State's refusal to waive immunity in an intellectual property suit after it has accepted benefits under an intellectual property law would have a number of consequences. Most significantly, it would give private parties the right to assert an immunity-like defense to damages claims in any action to enforce an intellectual property right that is or has been owned by the State during the five years preceding the State's assertion of immunity. This quid pro quo provision restores the level playing field by putting States that assert immunity in essentially the same position as private parties who seek to endorse federal intellectual property rights against them.

The IPPRA does this without coercing the State to waive by threatening pre-existing benefits. The quid pro quo provision only affects those intellectual property rights that the State acquired by virtue of its promise to waive immunity. To ensure that State waivers are voluntary. State intellectual property rights that pre-date the passage of the IPPRA are preserved regardless of waiver.

This scheme is consistent with the spirit of federalism, as interpreted by the Supreme Court, because it gives the States a free, informed and meaningful choice to waive or not to waive immunity at any time. It is also plainly authorized by the letter of the Constitution. Article I empowers Congress to "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Incident to this power, Congress may attach conditions on the receipt of exclusive intellectual property rights. Indeed, we have always attached certain conditions, such as the requirements of public disclosure of an invention at the Patent and Trademark Office in order to obtain a patent.

Congress may attach conditions on States' receipt of federal intellectual property protection under its Article I intellectual property power just as Congress may attach conditions on States' receipt of federal funds under its Article I spending power. Either way, the power to attach conditions to the federal benefit is an integral part of the greater power to deny the benefit altogether. Either way, States have a choice—to forgo the federal benefit and exercise their sovereign power however they wish subject to the Constitution, or to take the benefit and exercise their sovereign power in the manner requested by Congress. In South Dakota v. Dole, for example, the Supreme Court held that Congress may condition federal highway funds on a State's agreement to raise its minimum drinking age to 21. The condition imposed on receipt of federal benefits by the IPPRA—submitting to suit under laws that are already binding on the States—is not onerous, nor does it co-opt any State resources to the service of federal policy.

Given the choice between opting in to the intellectual property laws and forgoing intellectual property protection under the federal laws, most States are likely to choose to former. The benefits secured by those laws far outweigh the burdens. Most States already respect intellectual property rights and will seldom find themselves in infringement suits. To deny the States the choice that the IPPRA offers them would amount to penalizing States that play by the federal intellectual property rules for the free-riding violations of the minority of States that refuse to commit to do so. As is normally the case in a federal system, cooperation between the States and the federal government is likely to be beneficial to all concerned.

However, some States and some State entities and officials have infringed patents and violated other intellectual property rights in the past, and the massive growth of both intellectual property and State participation in intellectual property that we are seeing as we move into the next century give ample cause for concern that such violations will continue. Now that the Supreme Court has seemingly given States and State entities carte blanche to violate intellectual property rights free from any adverse financial consequences so long as they stand on their newly augmented sovereign immunity, the prospect of States violating federal law and then asserting immunity is too serious to ignore.

The IPPRA therefore also provides for the limited set of remedies that the Supreme Court's new jurisprudence leaves available to Congress to enforce a non-waiving State's obligations under federal law and the United States Constitution. The key point here is that, while the Court struck down our prior effort to enforce the intellectual property laws themselves by authorizing actions for damages against the States, it nonetheless acknowledged Congress' power to enforce constitutional rights related to intellectual property.

First, for the avoidance of doubt, the IPPRA ensures the full availability of prospective equitable relief to prevent States from violating or exceeding their rights under federal intellectual property laws. As the Supreme Court expressly acknowledged in its Seminole Tribe decision in 1996, such relief is available, notwithstanding any assertion of State sovereign immunity, under what is generally known as the doctrine of Ex parte Young.

Second, to address the harm done to the rights of intellectual property owners before they can secure an injunction, the IPPA also provides a damages remedy against non-consenting States, to the full extent of Congress' power to enforce the constitutional rights of intellectual property owners. Under the Supreme Court's recent decisions, this remedy is necessarily limited to the redress of constitutional violations, not violations of the federal intellectual property laws themselves. However, as I have already noted, the Supreme Court has reaffirmed on many occasions that the intellectual property owner's right of exclusion is a property right fully protected from governmental violation under the Fifth Amendment's Takings Clause and under the Fourteenth Amendment's Due Process Clause.

Under the Fifth Amendment, a State can be sued for damages for taking an intellectual property right. Although States can normally take a property right constitutionally, so long as they do so for a "public purpose" and provide "just compensation," the Supreme Court held in 1984 that the "public purpose" requirement for a lawful taking means that the taking must be a valid exercise of the State's eminent domain powers. Because of the uniquely federal nature of federal intellectual property rights of exclusion, States have no eminent domain or other sovereign power over them. "When Congress grants an exclusive right or monopoly, its effects are pervasive; no citizen or State may escape its reach." Therefore, every State taking of an intellectual property right, with or without some promise of subsequent compensation, is a constitutional violation ripe for congressional enforcement under section five of the Fourteenth Amendment.

Stangely, and I think improperly, the Supreme Court declined to decide in Florida Prepaid whether our earlier Clarification Acts could be sustained as an enforcement of the Takings Clause. The Court also did not resolve when a violation of intellectual property rights amounts to an unconstitutional taking. Because the Court emphasized that the resolution of such constitutional questions is its job, and not ours, the IPPRA simply provides a federal cause of action for an unconstitutional taking of intellectual property rights, leaving the courts to make the final determination of what is a constitutional violation and what remedy is constitutionally authorized. The IPPRA does, however, instruct the courts to interpret both the right and the remedy as broadly as constitutionally permissible. At the same time, by excluding treble damages from the remedies provided and by adopting the same standard of compensation—"reasonable and entire compensation"—that is currently available against the federal government for patient infringements, the bill respects the States' dignity and responds to the Court's objection that the Clarification Acts provided identical remedies against States and private parties.

Finally, in order to ensure the full availability of constitutionally permissible remedies if the courts adopt a narrow view of the Takings Clause in this context, the IPPRA adopts a similar approach in providing the fullest remedies constitutionally available, up to and including "reasonable and entire compensation" but excluding treble damages, for State violations of a federal intellectual property owner's Fourteenth Amendment right not to be deprived of her property without due process of law.

In sum, the constitutional remedy provided by the IPPRA closely resembles the remedy that Congress provided decades ago for deprivations of federal rights by persons acting under color of State law. The bill does not expand the property rights secured by the federal intellectual property laws—these laws are already binding on the States—nor does the bill interfere with any governmental authority to regulate businesses that own such rights. It simply restores the ability of private persons to sue in federal court to enforce such rights against the States.

I view this bill as an exercise in cooperative federalism. Clear, certain and uniform national rules protecting federal intellectual property rights benefit everyone: consumers, businesses, the federal government and the States. The IPPRA preserves States' rights, and gives the States a free choice. At the same time, it ensures effective protection for individual constitutional rights, and fills the gap left by recent Supreme Court decisions in which there are federal rights unsupported by effective remedies.

There are, to be sure, other approaches that Congress could take to address the problems created by the Court's decisions. For example, Congress could condition a State's receipt of federal funds—including federal research funds used to generate intellectual property—on the State's wavier of immunity from any suit arising under the federal intellectual property laws. As I previously discussed, this approach is squarely supported by the Court's decisions in the spending cases. In my view, however, such an approach would be less respectful of State sovereignty than the opt-in-scheme proposed by the IPPRA. It would also impede the States' ability to conduct research in a manner that the IPPRA would not.

There is another approach that remains open to Congress that would provide a remedy for intellectual property owners against States, respect State sovereignty, and restore some degree of uniformity and consistency in the construction of the federal intellectual property laws. That is, Congress could give State courts jurisdiction over intellectual property suits or just compensation claims against the States, and then require the United States Supreme Court to exercise appellate review of the resulting State court judgment. There is no possible constitutional objection to this approach; the Eleventh Amendment does not defeat the Supreme Court's appellate jurisdiction over suits brought against the States. We should not, however, burden the Supreme Court in this manner when, as the IPPRA demonstrates, there are efficient and proper ways to bring these claims into the lower federal courts in which intellectual property expertise resides.

Intellectual property is the currency of the new global economy. As we move into the 21st century, we should not allow that currency to be devalued by abstruse 18th century legal formalities. For that reason, I believe that legislation is imperative to minimize the ill effects of the Supreme Court's latest attack on our ability to protect our national economic assets. The IPPRA restores protection for violations of intellectual property rights that may, under current law, go unremedied, and so provides the certainty and security necessary to foster innovation and creativity. We unanimously passed more sweeping legislation earlier this decade, but were thwarted by Supreme Court technicalities. The IPPRA is designed to restore the benefits we sought to provide intellectual property owners while meeting the Supreme Court's technical requirements. We should move to consider this legislation as soon as we return next year.

I ask unanimous consent that the bill and a section-by-section summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Intellectual Property Protection Restoration Act of 1999".

(b) REFERENCES.—Any reference in this Act to the Trademark Act of 1946 shall be a reference to the Act entitled "An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946 (15 U.S.C. 1051 et seq.).

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; references; table of contents.
Sec. 2. Findings and purposes.

TITLE I—STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

SUBTITLE A—DEFINITIONS

Sec. 101. Definitions.

SUBTITLE B—PROCEDURES FOR STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

Sec. 111. Opt-in procedure.
Sec. 112. Breach of assurance by a State.
Sec. 113. Consequences of breach of assurance by a State.

SUBTITLE C—ADMINISTRATION OF PROCEDURES FOR STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

Sec. 121. Notification by court of State assertion of sovereign immunity.
Sec. 122. Confirmation by Commissioner of Patents and Trademarks of State assertion of sovereign immunity.
Sec. 123. Publication by Commissioner of Patents and Trademarks of State assertion of sovereign immunity.
Sec. 124. Rulemaking authority.

SUBTITLE D—AMENDMENTS TO THE FEDERAL INTELLECTUAL PROPERTY LAWS

Sec. 131. Conditions for State participation in the Federal patent system.
Sec. 132. Conditions for State participation in the Federal plant variety protection system.
Sec. 133. Conditions for State participation in the Federal copyright system.
Sec. 134. Conditions for State participation in the Federal mask work system.
Sec. 135. Conditions for State participation in the Federal original design system.
Sec. 136. Conditions for State participation in the Federal trademark system.
Sec. 137. No retroactive effect.

TITLE II—RESTORATION OF PROTECTION FOR FEDERAL INTELLECTUAL PROPERTY RIGHTS

Sec. 201. Liability of States for patent violations.
Sec. 202. Liability of States for violation of plant variety protection.
Sec. 203. Liability of States for copyright violations.
Sec. 204. Liability of States for mask work violations.
Sec. 205. Liability of States for original design violations.
Sec. 206. Liability of States for trademark violations.
Sec. 207. Rules of construction.

TITLE III—EFFECTIVE DATES

Sec. 301. Effective dates.
Sec. 302. Severability.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) The protection of Federal intellectual property rights is of critical importance to the Nation's ability to compete in the global market.

(2) There is a strong Federal interest in the development of uniform and consistent law regarding Federal intellectual property rights, and in the fulfillment of international treaty obligations that the Federal Government has undertaken.

(3) Prior to 1985 and the Supreme Court ruling in Atascadero State Hospital v. Scanlon, 473 U.S. 234 (1985) (in this section referred to as "Atascadero"), owners of Federal intellectual property rights could fully protect their rights against infringement by States.

(4) Following Atascadero, a number of courts held that Federal patent, copyright and trademark laws failed to contain the clear statement of intent to abrogate State sovereign immunity necessary to permit owners of Federal intellectual property rights to protect their rights against infringement by States.

(5) In 1990, Congress passed the Copyright Remedy Clarification Act (Public Law 101-553), to clarify its intent to abrogate State sovereign immunity from suits for infringement of copyrights and exclusive rights in mask works.

(6) In 1992, Congress passed the Patent and Plant Variety Protection Remedy Clarification Act (Public Law 102-206) and the Trademark Remedy Clarification Act (Public Law 102-542) to clarify its intent to abrogate State sovereign immunity from suits for infringement of patents, protected plant varieties and trademarks.

(7) In 1996, the Supreme Court held in Seminole Tribe of Florida v. Florida, 517 U.S. 44 (1996) (in this section referred to as "Seminole Tribe") that Congress may not abrogate State sovereign immunity under article I of the United States Constitution. Under the Supreme Court decision in Seminole Tribe, the Copyright Remedy Clarification Act, the Patent and Plant Variety Protection Remedy Clarification Act, and the Trademark Remedy Clarification Act could not be sustained under clause 3 or 8 of section 8 of article I of the United States Constitution.

(8) In 1999, the Supreme Court held in Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank, 119 S. Ct. 2199 (1999) (in this section referred to as "Florida Prepaid") that the Patent and Plant Variety Protection Remedy Clarification Act could not be sustained as legislation enacted to enforce the guarantees of the due process clause of the fourteenth amendment of the United States Constitution.

(9) As a result of the Supreme Court's decision in Florida Prepaid, and absent remedial legislation, a patent owner's only remedy under the Federal patent laws against a State infringer of a patent is prospective relief under the doctrine of Ex parte Young, 209 U.S. 123 (1908).

(10) On the same day that it decided Florida Prepaid, the Supreme Court in College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board, 119 S. Ct. 2219 (1999) (in this section referred to as "College Savings Bank") extended State sovereign immunity to purely commercial activities of certain State entities.

(11) The Seminole Tribe, Florida Prepaid and College Savings Bank decisions have the potential to—

(A) deprive private intellectual property owners of effective protection for both their Federal intellectual property rights and their constitutional rights under the fifth and fourteenth amendments of the United States Constitution; and

(B) compromise the ability of the United States to fulfill its obligations under a variety of international treaties.

(12) Article I of the United States Constitution empowers, but does not require, Congress to offer Federal intellectual property protection to any person on such terms as appear reasonable and appropriate to serve the public interest by encouraging scientific and artistic innovation and promoting commerce and fair competition.

(13) Congress can best accomplish the public interests described under paragraph (12) by providing clear and certain national rules protecting Federal intellectual property rights that establish a level playing field for everyone, including States.

(14) In recent years, States have increasingly elected to avail themselves of the benefits of the Federal intellectual property system by obtaining and enforcing Federal intellectual property rights.

(15) Any State should continue to enjoy the benefits of the Federal intellectual property system, if that State accepts the burdens with the benefits.

(16) A State should not enjoy the benefits of the Federal intellectual property laws unless it is prepared to have those same laws enforced against that State.

(17) Limiting the ability of a State to enjoy the benefits of the Federal intellectual property system will neither prevent the State from providing any services to citizens

of that State, nor stop the State from engaging in any commercial activity.

(18) If a State waives its sovereign immunity from suit under the Federal intellectual property laws, any constitutional violation resulting from its infringement of a Federal intellectual property right may be remedied in an infringement suit in Federal court.

(19) If a State does not waive sovereign immunity with respect to Federal intellectual property laws, it is necessary and appropriate for Congress to exercise its power under section 5 of the fourteenth amendment to the United States Constitution to protect the constitutional rights of owners of Federal intellectual property rights, which are property interests protected by the fifth and fourteenth amendments of the United States Constitution.

(20) According to the Supreme Court in College Savings Bank, "The hallmark of a protected property interest is the right to exclude others.". Patents, copyrights, and trademarks are constitutionally cognizable species of property because they secure for their owners rights of exclusion against others.

(21) A State may not exercise any of the rights conferred by a Federal intellectual property law without the authorization of the right holder, except in the manner and to the extent authorized by such law. In Goldstein v. California, 412 U.S. 546 (1973), the Supreme Court stated "When Congress grants an exclusive right or monopoly, its effects are pervasive; no citizen or State may escape its reach.".

(22) Because a State engaged in an infringing use of a Federal intellectual property right is acting outside the scope of its sovereign power, such State fails to meet the public use requirement for a taking of property imposed by the fifth amendment of the United States Constitution (made applicable to the States through the fourteenth amendment).

(23) According to the Supreme Court in Hawaii Housing Authority v. Midkiff, 467 U.S. 229 (1984), a claim for the taking of property in violation of the public use requirement is ripe at the time of the taking.

(24) A violation of the Federal intellectual property laws by a State may also constitute an unconstitutional deprivation of property under the due process clause of the fourteenth amendment of the United States Constitution.

(25) In order to enforce Federal intellectual property rights against States under the fifth and fourteenth amendments of the United States Constitution, it is appropriate to provide a right to enjoin any continuing or future constitutional violation and a right to recover sufficient damages to make the injured party whole.

(26) Violations of the Federal intellectual property laws by States not only impair the constitutional rights of the individual intellectual property owner, but also discourage technological innovation and artistic creation. Moreover, the potential for future violations to go unremedied as a result of State sovereign immunity prevents intellectual property owners from securing fair and efficient fees in licensing negotiations.

(27) States and instrumentalities of States have been involved in many intellectual property cases. Some States have violated Federal intellectual property rights and the constitutional provisions which protect such rights and have refused to waive their constitutional immunities, thereby securing unfair economic advantages over other States and private entities with whom such States may be in competition.

(28) States and instrumentalities of States have become increasingly involved in commerce involving intellectual property rights in recent years, and this trend is likely to continue. As a result, violations of Federal intellectual property rights by States have become increasingly more widespread.

(29) It is not practical for Congress to engage in an ongoing particularized inquiry as to which States are violating the United States Constitution at any given time. Accordingly, a national, uniform remedy for constitutional violations is appropriate.

(b) PURPOSES.—The purposes of this Act are to—

(1) provide States an opportunity to participate in the Federal intellectual property system on equal terms with private entities;

(2) reaffirm the availability of prospective relief to prevent State officials from violating Federal intellectual property laws, and to allow challenges to assertions by State officials of rights secured under such laws, on the same terms and in the same manner as if such State officials were private parties;

(3) provide other Federal remedies to owners of Federal intellectual property rights as against the States, State instrumentalities and State officials, to the maximum extent permitted by the United States Constitution; and

(4) abrogate State sovereign immunity in suits alleging violations of Federal intellectual property laws or challenging assertions of Federal intellectual property rights by States to the maximum extent permitted by the United States Constitution, pursuant to Congress's powers under the fifth and fourteenth amendments of the United States Constitution and any other applicable provisions.

TITLE I—STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

Subtitle A—Definitions

SEC. 101. DEFINITIONS.

In this title:

(1) FEDERAL INTELLECTUAL PROPERTY LAW.—The term "Federal intellectual property law" means a statute or regulation of the United States that governs the creation or protection of any form of intellectual property, including a patent, protected plant variety, copyright, mask work, original design, trademark, or service mark.

(2) FEDERAL INTELLECTUAL PROPERTY RIGHT.—The term "Federal intellectual property right" means any of the rights secured under a Federal intellectual property law.

(3) FEDERAL INTELLECTUAL PROPERTY SYSTEM.—The term "Federal intellectual property system" means the system established under the Federal intellectual property laws for protecting and enforcing Federal intellectual property rights, including through the award of damages, injunctions, and declaratory relief.

Subtitle B—Procedures for State Participation in the Federal Intellectual Property System

SEC. 111. OPT-IN PROCEDURE.

(a) IN GENERAL.—No State or any instrumentality of that State may acquire a Federal intellectual property right unless the State opts into the Federal intellectual property system.

(b) AGREEMENT TO WAIVE SOVEREIGN IMMUNITY.—A State opts into the Federal intellectual property system by providing an assurance under the procedures established in subtitle D of this title with respect to the State's agreement to waive sovereign immunity from suit in Federal court in any action against the State or any instrumentality or official of that State—

(1) arising under a Federal intellectual property law; or

(2) seeking a declaration with respect to a Federal intellectual property right.

SEC. 112. BREACH OF ASSURANCE BY A STATE.

(a) IN GENERAL.—If a State asserts sovereign immunity contrary to an assurance provided under the procedures established in subtitle D of this title, such State shall be deemed to have breached such assurance.

(b) ASSERTION OF IMMUNITY.—A State asserts sovereign immunity for purposes of subsection (a) if—

(1) the State or any instrumentality or official of that State is found to have asserted the State's sovereign immunity in an action against the State or any instrumentality or official of that State—

(A) arising under a Federal intellectual property law; or

(B) seeking a declaration with respect to a Federal intellectual property right; and

(2) such State, instrumentality, or official does not, within a period of 60 days after such finding, withdraw such assertion of immunity and consent to the continuation or refiling of the action in which the finding was made.

(c) EFFECTIVE DATE OF BREACH OF ASSURANCE.—A State shall be deemed to have breached an assurance on the day after the end of the 60-day period provided in subsection (b)(2).

SEC. 113. CONSEQUENCES OF BREACH OF ASSURANCE BY A STATE.

(a) ABANDONMENT OF PENDING APPLICATIONS.—Any application by or on behalf of a State or any instrumentality or official of that State for protection arising under a Federal intellectual property law shall be regarded as abandoned and shall not be subject to revival after the date referred to under paragraph (2), if that application—

(1) contains an assurance provided under the procedures established in subtitle D; and

(2) is pending on the date upon which such State is deemed to have breached an assurance under section 112.

(b) ESTABLISHMENT OF DEFENSE TO LIABILITY.—

(1) IN GENERAL.—No damages or other monetary relief shall be awarded in any action to enforce a Federal intellectual property right that is or has been owned by or on behalf of a State or any instrumentality of that State at any time during the 5-year period preceding the date upon which such State is deemed to have breached an assurance under section 122.

(2) NO RETROACTIVE EFFECT.—The defense under paragraph (1) shall not be available in any action to enforce a Federal intellectual property right that was owned by or on behalf of a State or an instrumentality of a State before the effective date of this title.

(c) ONE-YEAR BAR ON ACQUISITION OF NEW RIGHTS.—

(1) IN GENERAL.—A State may not opt back into the Federal intellectual property system under section 111 during the 1-year period following the date upon which that State was deemed to have breached an assurance under section 112.

(2) NEW RIGHTS UNENCUMBERED.—Federal intellectual property rights acquired by or on behalf of a State or any instrumentality or official of that State after the State has opted back into the Federal intellectual property system shall be unencumbered by any prior breach of an assurance.

Subtitle C—Administration of Procedures for State Participation in the Federal Intellectual Property System

SEC. 121. NOTIFICATION BY COURT OF STATE ASSERTION OF SOVEREIGN IMMUNITY.

Not later than 20 days after any finding by a Federal court that a State or any instrumentality or official of that State has asserted the State's sovereign immunity from suit in that court in an action against the State or any instrumentality or official of that State arising under a Federal intellectual property law, or seeking a declaration with respect to a Federal intellectual property right, the clerk of the court shall notify the Commissioner of Patents and Trademarks. The clerk shall send with the notification a copy of any order, judgment, or written opinion of the court.

SEC. 122. CONFIRMATION BY COMMISSIONER OF PATENTS AND TRADEMARKS OF STATE ASSERTION OF SOVEREIGN IMMUNITY.

Not later than 20 days after receiving a notification under section 121, the Commissioner of Patents and Trademarks shall—

(1) forward such notification to the attorney general of the State whose sovereign immunity has been found to have been asserted, together with a copy of this title; and

(2) inquire of the attorney general whether the State intends to withdraw such assertion of immunity and consent to the continuation or refiling of the action in which the finding was made within the 60-day period provided in section 112(b)(2).

SEC. 123. PUBLICATION BY COMMISSIONER OF PATENTS AND TRADEMARKS OF STATE ASSERTION OF SOVEREIGN IMMUNITY.

(a) IN GENERAL.—The Commissioner of Patents and Trademarks, in consultation with the Secretary of Agriculture and the Register of Copyrights, shall publish in the Federal Register and maintain on the Internet information concerning the participation of each State in the Federal intellectual property system.

(b) CONTENT OF INFORMATION.—The information under subsection (a) shall include, for each State—

(1) whether the State's sovereign immunity from suit in Federal court has been asserted under section 112(b); and

(2) the name of the case and court in which such assertion of immunity was made.

SEC. 124. RULEMAKING AUTHORITY.

The Commissioner of Patents and Trademarks may, pursuant to section 6 of title 35, United States Code, promulgate such rules as necessary to implement the provisions of this subtitle.

Subtitle D—Amendments to the Federal Intellectual Property Laws

SEC. 131. CONDITIONS FOR STATE PARTICIPATION IN THE FEDERAL PATENT SYSTEM.

(a) APPLICATION FOR PATENT.—Section 111 of title 35, United States Code, is amended by adding at the end the following:

"(c) APPLICATION BY OR ON BEHALF OF A STATE.—When an application for patent or a provisional application for patent is made by or on behalf of a State, an instrumentality of a State, or a State official acting in an official capacity, the Commissioner shall require—

"(1) an assurance that, during the pendency of the application and the term of any patent resulting from that application, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the application, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

(b) ASSIGNMENT AND RECORDATION.—Section 261 of title 35, United States Code, is amended—

(1) by striking "Subject to the provisions of this title" in the first sentence and inserting "(a) IN GENERAL.—Subject to the provisions of this title"; and

(2) by adding at the end the following:

"(b) RECORDATION BY OR ON BEHALF OF A STATE.—When an assignment, grant, or conveyance of an application for patent, patent, or any interest in that patent, is recorded in the Patent and Trademark Office by or on behalf of a State, an instrumentality of a State, or a State official acting in an official capacity, the Commissioner shall require—

"(1) an assurance that, during the pendency of the application and the term of any patent resulting from that application, or during the remaining term of the patent or any interest in that patent, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the recordation, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

SEC. 132. CONDITIONS FOR STATE PARTICIPATION IN THE FEDERAL PLANT VARIETY PROTECTION SYSTEM.

(a) APPLICATION FOR CERTIFICATE OF PROTECTION.—Section 52 of the Plant Variety Protection Act (7 U.S.C. 2422) is amended—

(1) by striking "An application for a certificate" in the first sentence and inserting "(a) An application for a certificate"; and

(2) by adding at the end the following:

"(b) When an application for plant variety protection is made by or on behalf of a State, an instrumentality of a State, or a State official acting in an official capacity, the Secretary shall require—

"(1) an assurance that, during the pendency of the application and the term of any plant variety protection resulting from that application, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the application, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

(b) ASSIGNMENT AND RECORDATION.—Section 101 of the Plant Variety Protection Act (7 U.S.C. 2531) is amended by adding at the end the following:

"(e) When an assignment, grant, conveyance, or license of plant variety protection or application for plant variety protection is filed for recording in the Plant Variety Protection Office by or on behalf of a State, an instrumentality of a State, or a State official acting in an official capacity, the Secretary shall require—

"(1) an assurance that, during the remaining term of the plant variety protection, or during the pendency of the application and the term of any plant variety protection resulting from that application, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the recordation, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

SEC. 133. CONDITIONS FOR STATE PARTICIPATION IN THE FEDERAL COPYRIGHT SYSTEM.

Section 409 of title 17, United States Code, is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10) the following:

"(11) if the application is by or on behalf of a State or an instrumentality of a State—

"(A) an assurance that, during the pendency of the application and the subsistence of any copyright identified in that application, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(i) arising under a Federal intellectual property law; or

"(ii) seeking a declaration with respect to a Federal intellectual property right; and

"(B) a certification that, during the 1-year period preceding the date of the application, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in subparagraph (A); and".

SEC. 134. CONDITIONS FOR STATE PARTICIPATION IN THE FEDERAL MASK WORK SYSTEM.

Section 908 of title 17, United States Code, is amended by adding at the end the following:

"(h) When an application for registration of a mask work is made by or on behalf of a State or an instrumentality of a State, the Register of Copyrights shall require—

"(1) an assurance that, during the pendency of the application and any term of protection resulting from that application, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the application, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

SEC. 135. CONDITIONS FOR STATE PARTICIPATION IN THE FEDERAL ORIGINAL DESIGN SYSTEM.

Section 1310 of title 17, United States Code, is amended by adding at the end the following:

"(k) APPLICATION BY OR ON BEHALF OF A STATE OR AN INSTRUMENTALITY OF A STATE.—When an application for registration of a design is made by or on behalf of a State or an instrumentality of a State, the Administrator shall require—

"(1) an assurance that, during the pendency of the application and any term of protection resulting from that application, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the application, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

SEC. 136. CONDITIONS FOR STATE PARTICIPATION IN THE FEDERAL TRADEMARK SYSTEM.

(a) APPLICATION FOR USE OF TRADEMARK OR SERVICE MARK.—Section 1 of the Trademark Act of 1946 (15 U.S.C. 1051) is amended by adding at the end the following:

"(f) When an application under subsection (a) or (b) of this section is made by or on behalf of a State or an instrumentality of a State, the Commissioner shall require—

"(1) an assurance that, during the pendency of the application and for as long as the mark is registered, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the application, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

(b) ASSIGNMENT AND RECORDATION.—Section 10 of the Trademark Act of 1946 (15 U.S.C. 1060) is amended—

(1) by inserting "(a)" before "A registered mark";

(2) by inserting "(b)" before "An assignee not domiciled"; and

(3) by adding at the end the following:

"(c) When an assignment of a registered mark or a mark for which an application to register has been filed is recorded in the Patent and Trademark Office by or on behalf of a State or an instrumentality of a State, the Commissioner shall require—

"(1) an assurance that, during the pendency of any application and for as long as any mark is registered, the State's sovereign immunity from suit in Federal court will be waived in any action against the State or any instrumentality or official of that State—

"(A) arising under a Federal intellectual property law; or

"(B) seeking a declaration with respect to a Federal intellectual property right; and

"(2) a certification that, during the 1-year period preceding the date of the recordation, the State's sovereign immunity from suit in Federal court has not been asserted in any action described in paragraph (1).".

SEC. 137. NO RETROACTIVE EFFECT.

The amendments made by this subtitle shall not apply to—

(1) any application pending before the effective date of this title; or

(2) any assertion of sovereign immunity made before the effective date of this title.

TITLE II—RESTORATION OF PROTECTION FOR FEDERAL INTELLECTUAL PROPERTY RIGHTS

SEC. 201. LIABILITY OF STATES FOR PATENT VIOLATIONS.

Section 296 of title 35, United States Code, is amended to read as follows:

"§ 296. Liability of States, instrumentalities of States, and State officials for infringement of patents

"(a) REMEDY FOR STATUTORY VIOLATION.—In any action against an officer or employee of a State for infringement of a patent under section 271, or for any other violation under this title, prospective relief is available against the officer or employee in the same manner and to the same extent as such relief is available in an action against a private individual under like circumstances. Prospective relief may include injunctions under section 283, attorney fees under section 285, and declaratory relief under section 2201 of title 28.

"(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

"(1) DEFINITION.—In this subsection, the term 'State' includes a State, an instrumentality of a State, and an officer or employee of a State acting in an official capacity.

"(2) IN GENERAL.—

"(A) REMEDIES.—Any State that takes any of the rights of exclusion secured under this chapter in violation of the fifth amendment of the United States Constitution, or deprives any person of any of the rights of exclusion secured under this chapter without due process of law in violation of the fourteenth amendment—

"(i) shall be liable to the party injured in a civil action against the State for the recovery of that party's reasonable and entire compensation; and

"(ii) may be enjoined from continuing or future constitutional violations, in accordance with the principles of equity and upon such terms as the court may determine reasonable.

"(B) COMPENSATION.—Reasonable and entire compensation may include damages, interest, and costs under section 284, attorney fees under section 285, and the additional remedy for infringement of design patents under section 289.

"(3) LIMITATIONS.—

"(A) IN GENERAL.—The remedy provided under paragraph (2) is not available in an action against—

"(i) a State that has waived its sovereign immunity from suit in Federal court for damages resulting from a violation of this title; or

"(ii) a State official in an individual capacity.

"(B) REMEDIES.—Remedies (including remedies both at law and in equity) are available against such State or State official in the same manner and to the same extent as such remedies are available in an action against a private entity or individual under like circumstances.

"(4) BURDEN OF PROOF.—If a claimant produces prima facie evidence to support a claim under paragraph (2), the burden of proof shall be on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this title. The burden of proof shall be unaffected with respect to any such element.

"(c) PREEMPTION.—No State may use or manufacture the invention described in or covered by a patent without the authorization or consent of the patent owner, except in the manner and to the extent authorized by Federal law.".

SEC. 202. LIABILITY OF STATES FOR VIOLATION OF PLANT VARIETY PROTECTION.

Section 130 of the Plant Variety Protection Act (7 U.S.C. 2570) is amended to read as follows:

"SEC. 130. LIABILITY OF STATES, INSTRUMENTALITIES OF STATES, AND STATE OFFICIALS FOR INFRINGEMENT OF PLANT VARIETY PROTECTION.

"(a) In any action against an officer or employee of a State for infringement of plant variety protection under section 111, or for any other violation under this chapter, prospective relief is available against the officer or employee in the same manner and to the same extent as such relief is available in an action against a private individual under like circumstances. Prospective relief may include injunctions under section 123, attorney fees under section 125, and declaratory relief under section 2201 of title 28, United States Code.

"(b)(1) In this subsection, the term 'State' includes a State, an instrumentality of a State, and an officer or employee of a State acting in an official capacity.

"(2)(A) Any State that takes any of the rights of exclusion secured under this chapter in violation of the fifth amendment of the United States Constitution, or deprives any person of any of the rights of exclusion secured under this chapter without due process of law in violation of the fourteenth amendment—

"(i) shall be liable to the party injured in a civil action against the State for the recovery of that party's reasonable and entire compensation; and

"(ii) may be enjoined from continuing or future constitutional violations, in accordance with the principles of equity and upon such terms as the court may determine reasonable.

"(B) Reasonable and entire compensation may include damages, interest, and costs under section 124, and attorney fees under section 125.

"(3)(A) The remedy provided under paragraph (2) is not available in an action against—

"(i) a State that has waived its sovereign immunity from suit in Federal court for damages resulting from a violation of this chapter; or

"(ii) a State official in an individual capacity.

"(B) Remedies (including remedies both at law and in equity) are available against such State or State official in the same manner and to the same extent as such remedies are available in an action against a private entity or individual under like circumstances.

"(4) If a claimant produces prima facie evidence to support a claim under paragraph (2), the burden of proof shall be on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this chapter. The burden of proof shall be unaffected with respect to any such element.

"(c) No State may exercise any rights of the owner of a plant variety protected by a certificate of plant variety protection under this chapter without the authorization or consent of such owner, except in the manner and to the extent authorized by Federal law.".

SEC. 203. LIABILITY OF STATES FOR COPYRIGHT VIOLATIONS.

Section 511 of title 17, United States Code, is amended to read as follows:

"§ 511. Liability of States, instrumentalities of States, and State officials for infringement of copyright

"(a) REMEDY FOR STATUTORY VIOLATION.—In any action against an officer or employee of a State for violation of any rights of a copyright owner as provided in sections 106 through 121 or of an author as provided in section 106A, or for any other violation under this title, prospective relief is available against the officer or employee in the same manner and to the same extent as such relief is available in an action against a private individual under like circumstances. Prospective relief may include injunctions under section 502, impounding and disposition of infringing articles under section 503, costs and attorney fees under section 505, and declaratory relief under section 2201 of title 28.

"(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

"(1) DEFINITION.—In this subsection, the term 'State' includes a State, an instrumentality of a State, and an officer or employee of a State acting in an official capacity.

"(2) IN GENERAL.—

"(A) REMEDIES.—Any State that takes any of the rights of exclusion secured under this title in violation of the fifth amendment of the United States Constitution, or deprives any person of any of the rights of exclusion secured under this title without due process of law in violation of the fourteenth amendment—

"(i) shall be liable to the party injured in a civil action against the State for the recovery of that party's reasonable and entire compensation; and

"(ii) may be enjoined from continuing or future constitutional violations, in accordance with the principles of equity and upon such terms as the court may determine reasonable.

"(B) COMPENSATION.—Reasonable and entire compensation may include actual damages and profits or statutory damages under section 504, and costs and attorney fees under section 505.

"(3) LIMITATIONS.—

"(A) IN GENERAL.—The remedy provided under paragraph (2) is not available in an action against—

"(i) a State that has waived its sovereign immunity from suit in Federal court for damages resulting from a violation of this title; or

"(ii) a State official in an individual capacity.

"(B) REMEDIES.—Remedies (including remedies both at law and in equity) are available against such State or State official in the same manner and to the same extent as such remedies are available in an action against a private entity or individual under like circumstances.

"(4) BURDEN OF PROOF.—If a claimant produces prima facie evidence to support a claim under paragraph (2), the burden of proof shall be on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this title. The burden of proof shall be unaffected with respect to any such element.

"(c) PREEMPTION.—No State may exercise any rights of a copyright owner protected under this title without the authorization or consent of such owner, except in the manner and to the extent authorized by Federal law.".

SEC. 204. LIABILITY OF STATES FOR MASK WORK VIOLATIONS.

(a) IN GENERAL.—Chapter 9 of title 17, United States Code, is amended—

(1) in section 911, by striking subsection (g); and

(2) by adding at the end the following:

"§ 915. Liability of States, instrumentalities of States, and State officials for violation of mask works

"(a) REMEDY FOR STATUTORY VIOLATION.—In any action against an officer or employee of a State for infringement of any rights in a mask work protected under this chapter, or for any other violation under this chapter, prospective relief is available against the officer or employee in the same manner and to the same extent as such relief is available in an action against a private individual under like circumstances. Prospective relief may include injunctive relief under section 911(a), impounding and destruction of infringing products under section 911(e), costs and attorney fees under section 911(f), and declaratory relief under section 2201 of title 28.

"(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

"(1) DEFINITION.—In this subsection, the term 'State' includes a State, an instrumentality of a State, and an officer or employee of a State acting in an official capacity.

"(2) IN GENERAL.—

"(A) REMEDIES.—Any State that takes any of the rights of exclusion secured under this chapter in violation of the fifth amendment of the United States Constitution, or deprives any person of any of the rights of exclusion secured under this chapter without due process of law in violation of the fourteenth amendment—

"(i) shall be liable to the party injured in a civil action against the State for the recovery of that party's reasonable and entire compensation; and

"(ii) may be enjoined from continuing or future constitutional violations, in accordance with the principles of equity and upon such terms as the court may determine reasonable.

"(B) COMPENSATION.—Reasonable and entire compensation may include actual damages and profits under section 911(b) or statutory damages under section 911(c), and costs and attorney fees under section 911(f).

"(3) LIMITATIONS.—

"(A) IN GENERAL.—The remedy provided under paragraph (2) is not available in an action against—

"(i) a State that has waived its sovereign immunity from suit in Federal court for damages resulting from a violation of this title; or

"(ii) a State official in an individual capacity.

"(B) REMEDIES.—Remedies (including remedies both at law and in equity) are available against such State or State official in the same manner and to the same extent as such remedies are available in an action against a private entity or individual under like circumstances.

"(4) BURDEN OF PROOF.—If a claimant produces prima facie evidence to support a claim under paragraph (2), the burden of proof shall be on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this chapter. The burden of proof shall be unaffected with respect to any such element.

"(c) PREEMPTION.—No State may exercise any rights of the owner of a mask work protected under this chapter without the authorization or consent of such owner, except in the manner and to the extent authorized by Federal law.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 9 of title 17, United States Code, is amended by adding at the end the following:

"915. Liability of States, instrumentalities of States, and State officials for violation of mask works.".

SEC. 205. LIABILITY OF STATES FOR ORIGINAL DESIGN VIOLATIONS.

(a) IN GENERAL.—Chapter 13 of title 17, United States Code, is amended—

(1) in section 1309(a), by adding at the end the following: "In this subsection, the term 'any person' includes any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in an official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this chapter in the same manner and to the same extent as any nongovernmental entity."; and

(2) by adding at the end the following:

"§ 1333. Liability of States, instrumentalities of States, and State officials for violation of original designs

"(a) REMEDY FOR STATUTORY VIOLATION.—In any action against an officer or employee of a State for infringement of any rights in a design protected under this chapter, or for any other violation under this chapter, prospective relief is available against the officer or employee in the same manner and to the same extent as such relief is available in an action against a private individual under like circumstances. Prospective relief may include injunctions under section 1322, attorney fees under section 1323(d), disposition of infringing and other articles under section 1323(e), and declaratory relief under section 2201 of title 28.

"(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

"(1) DEFINITION.—In this subsection, the term 'State' includes a State, an instrumentality of a State, and an officer or employee of a State acting in an official capacity.

"(2) IN GENERAL.—

"(A) REMEDIES.—Any State that takes any of the rights of exclusion secured under this chapter in violation of the fifth amendment of the United States Constitution, or deprives any person of any of the rights of exclusion secured under this chapter without due process of law in violation of the fourteenth amendment—

"(i) shall be liable to the party injured in a civil action against the State for the recovery of that party's reasonable and entire compensation; and

"(ii) may be enjoined from continuing or future constitutional violations, in accordance with the principles of equity and upon such terms as the court may determine reasonable.

"(B) COMPENSATION.—Reasonable and entire compensation may include damages, profits, and attorney fees under section 1323.

"(3) LIMITATIONS.—

"(A) IN GENERAL.—The remedy provided under paragraph (2) is not available in an action against—

"(i) a State that has waived its sovereign immunity from suit in Federal court for damages resulting from a violation of this title; or

"(ii) a State official in an individual capacity.

"(B) REMEDIES.—Remedies (including remedies both at law and in equity) are available against such State or State official in the same manner and to the same extent as such remedies are available in an action against a private entity or individual under like circumstances.

"(4) BURDEN OF PROOF.—If a claimant produces prima facie evidence to support a claim under paragraph (2), the burden of proof shall be on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this chapter. The burden of proof shall be unaffected with respect to any such element.

"(c) PREEMPTION.—No State may exercise any rights of the owner of a design protected under this chapter without the authorization or consent of such owner, except in the manner and to the extent authorized by Federal law.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 13 of title 17, United States Code, is amended by adding at the end the following:

"1333. Liability of States, instrumentalities of States, and State officials for violation of original designs.".

SEC. 206. LIABILITY OF STATES FOR TRADEMARK VIOLATIONS.

Section 40 of the Trademark Act of 1946 (15 U.S.C. 1122) is amended to read as follows:

"SEC. 40. LIABILITY OF STATES, INSTRUMENTALITIES OF STATES, AND STATE OFFICIALS FOR INFRINGEMENT OF TRADEMARKS.

"(a) REMEDY FOR STATUTORY VIOLATION.—In any action against an officer or employee of a State for infringement of a trademark under section 32, or for any other violation under this Act, prospective relief is available against the officer or employee in the same manner and to the same extent as such relief is available in an action against a private individual under like circumstances. Prospective relief may include injunctive relief under section 34, costs and attorney fees under section 35, destruction of infringing articles under section 36, and declaratory relief under section 2201 of title 28, United States Code.

"(b) REMEDY FOR CONSTITUTIONAL VIOLATION.—

"(1) DEFINITION.—In this subsection, the term 'State' includes a State, an instrumentality of a State, and an officer or employee of a State acting in an official capacity.

"(2) IN GENERAL.—

"(A) REMEDIES.—Any State that takes any of the rights of exclusion secured under this Act in violation of the fifth amendment of the United States Constitution, or deprives any person of any of the rights of exclusion secured under this Act without due process of law in violation of the fourteenth amendment—

"(i) shall be liable to the party injured in a civil action against the State for the recovery of that party's reasonable and entire compensation; and

"(ii) may be enjoined from continuing or future constitutional violations, in accordance with the principles of equity and upon such terms as the court may determine reasonable.

"(B) COMPENSATION.—Reasonable and entire compensation may include actual damages and profits or statutory damages, and costs and attorney fees under section 35.

"(3) LIMITATIONS.—

"(A) IN GENERAL.—The remedy provided under paragraph (2) is not available in an action against—

"(i) a State that has waived its sovereign immunity from suit in Federal court for damages resulting from a violation of this title; or

"(ii) a State official in an individual capacity.

"(B) REMEDIES.—Remedies (including remedies both at law and in equity) are available against such State or State official in the same manner and to the same extent as such remedies are available in an action against a private entity or individual under like circumstances.

"(4) BURDEN OF PROOF.—If a claimant produces prima facie evidence to support a claim under paragraph (2), the burden of proof shall be on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this Act. The burden of proof shall be unaffected with respect to any such element.

"(c) PREEMPTION.—No State may use a federally registered mark for the same or similar goods or service without the authorization or consent of the owner of the mark, except in the manner and to the extent authorized by Federal law.".

SEC. 207. RULES OF CONSTRUCTION.

(a) JURISDICTION.—The district courts shall have original jurisdiction of any action arising under this title and the amendments made by this title under section 1338 of title 28, United States Code.

(b) BROAD CONSTRUCTION.—This title and the amendments made by this title shall be construed in favor of a broad protection of Federal intellectual property rights, to the maximum extent permitted by this title and the United States Constitution.

TITLE III—EFFECTIVE DATES

SEC. 301. EFFECTIVE DATES.

(a) TITLE I.—Title I of this Act and the amendments made by that title shall take effect 90 days after the date of enactment of this Act.

(b) TITLE II.—The amendments made by title II of this Act shall take effect with respect to violations that occur on or after the date of enactment of this Act.

SEC. 302. SEVERABILITY.

If any provision of this Act or of an amendment made by this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provision to any other person or circumstance shall not be affected.

INTELLECTUAL PROPERTY PROTECTION RESTORATION ACT—SECTION-BY-SECTION SUMMARY

OVERVIEW

The purpose of the Intellectual Property Protection Restoration Act of 1999 ("IPPRA") is to restore protection for owners of federal intellectual property rights against infringement by States. Recent Supreme Court decisions invalidated prior efforts by Congress to abrogate State sovereign immunity in actions arising under the federal intellectual property laws. The IPPRA encourages States to participate in the federal intellectual property system on equal terms with private entities, by conditioning a State's receipt of future benefits under the federal intellectual property laws on an unambiguous waiver of sovereign immunity. As against States that choose not to participate, the bill also provides new remedies for violations of federal intellectual property rights, to the maximum extent permitted by the Constitution.

DETAILED SUMMARY

TITLE I—STATE PARTICIPATION IN THE FEDERAL INTELLECTUAL PROPERTY SYSTEM

Subtitle A—Definitions

Sec. 101. Definitions

Section 101 defines terms used in this title.

Subtitle B—Procedures for State Participation in the Federal Intellectual Property System

Sec. 111. Opt-in procedure

Section 111 provides that no State or State instrumentality may acquire a federal intellectual property right unless the State opts in to the federal intellectual property system by agreeing to waive sovereign immunity in any subsequent action that either arises under a federal intellectual property law or seeks a declaration with respect to a federal intellectual property right. Thus, if a State elects to receive the benefits of a nationally recognized right governed by uniform federal laws, then it must accept the obligation to defend any suits arising under those laws in the federal courts.

An assurance provided under section 111 is binding on the State and fully enforceable. "A State may effectuate a waiver of its constitutional immunity . . . in the context of a particular federal program," so long as the State's intention to waive its immunity is unequivocal. Atascadero State Hosp. v. Scanlon, 473 U.S. 234, 238 n.1 & 241 (1985). See also Litman v. George Mason Univ., 186 F.3d 544 (4th Cir. 1999) (holding that a State's acceptance of federal education funding resulted in a binding waiver of immunity in a subsequent action against a State university under Title IX); Innes v. Kansas State Univ., 184 F.3d 1275 (10th Cir. 1999) (holding that a State university's agreement to participate in a federal loan program acted as a binding waiver of immunity).

Sec. 112. Breach of assurance by a State

Section 112 establishes procedures for determining whether a State that has opted in to the federal intellectual property system is in breach of its agreement to waive sovereign immunity.

Sec. 113. Consequences of breach of assurance by a State

Section 113 sets forth three consequences of a breach of an agreement to waive sovereign immunity.

First, under subsection (a), any pending applications by or on behalf of the State for federal intellectual property rights shall be regarded as abandoned and shall not be subject to revival thereafter.

Second, under subsection (b), no damages or other monetary relief shall be awarded in any action to enforce a federal intellectual property right that is or has been owned by or on behalf of the State during the preceding five years.

Third, under subsection (c), the State is barred from acquiring any new rights under the federal intellectual property laws for a period of one year. If, however, the State opts back in to the system after a year has passed, by providing a new assurance that it will henceforth waive its sovereign immunity in federal intellectual property litigation, it can then acquire new rights that will be enforceable by the full panoply of federal intellectual property remedies.

Subtitle C—Administration of Procedures for State Participation in the Federal Intellectual Property System

Sec. 121. Notification by court of State assertion of sovereign immunity

Section 121 directs federal courts to notify the Commissioner of Patents and Trademarks within 20 days of finding that a State has asserted sovereign immunity in any action to enforce or challenge a federal intellectual property right.

Sec. 122. Confirmation by Commissioner of Patents and Trademarks of State assertion of sovereign immunity

Section 122 directs the Commissioner of Patents and Trademarks, within 20 days of receiving a notification under section 121, to forward such notification to the Attorney General of the State, together with a copy of title I of the IPPRA, and inquire whether the State intends to withdraw its assertion of immunity and consent tot he continuation or refiling of the action in which it was made within the 60-day grace period provided in section 112(b)(2).

Sec. 123. Publication by Commissioner of Patents and Trademarks of State assertion of sovereign immunity

Section 123 directs the Commissioner of Patents and Trademarks, in consultation with the Secretary of Agriculture and the Register of Copyrights, to publish in the Federal Register and maintain on the Internet information concerning the participation of each State in the federal intellectual property system. The information must include, for each State, whether the State's sovereign immunity has been asserted, and the name of the case and court in which any such assertion of immunity was made.

Sec. 124. Rulemaking authority

Section 124 authorizes the Commissioner of Patents and Trademarks to promulgate such rules as necessary to implement the provisions of this subtitle.

Subtitle D—Amendments to the Federal Intellectual Property Laws

Sec. 131. Conditions for State participation in the federal patent system

Section 131 amends the federal patent statute to require any State that seeks to register for patent protection to provide an unequivocal assurance of the State's intention to waive sovereign immunity in any action to enforce or challenge a federal intellectual property right. A State must also certify that the State's sovereign immunity has not been asserted in any such action during the past year.

Sec. 132. Conditions for State participation in the federal plant variety protection system

Section 132 amends the federal plant variety statute to require any State that seeks to register for plant variety protection to provide an unequivocal assurance of the State's intention to waive sovereign immunity in any action to enforce or challenge a federal intellectual property right. A State must also certify that the State's sovereign immunity has not been asserted in any such action during the past year.

Sec. 133. Conditions for State participation in the federal copyright system

Section 133 amends the federal copyright statute to require any State that seeks to register for copyright protection to provide an unequivocal assurance of the State's intention to waive sovereign immunity in any action to enforce or challenge a federal intellectual property right. A State must also certify that the State's sovereign immunity has not been asserted in any such action during the past year.

Sec. 134. Conditions for State participation in the federal mask work system

Section 134 amends the federal mask work statute to require any State that seeks to register for mask work protection to provide an unequivocal assurance of the State's intention to waive sovereign immunity in any action to enforce or challenge a federal intellectual property right. A State must also certify that the State's sovereign immunity has not been asserted in any such action during the past year.

Sec. 135. Conditions for State participation in the federal original design system

Section 135 amends the federal original design statute to require any State that seeks to register for design protection to provide an unequivocal assurance of the State's intention to waive sovereign immunity in any action to enforce or challenge a federal intellectual property right. A State must also certify that the State's sovereign immunity has not been asserted in any such action during the past year.

Sec. 136. Conditions for State participation in the federal trademark system

Section 136 amends the federal trademark statute to require any State that seeks to register for trademark protection to provide an unequivocal assurance of the State's intention to waive sovereign immunity in any action to enforce or challenge a federal intellectual property right. A State must also certify that the State's sovereign immunity has not been asserted in any such action during the past year.

Sec. 137. No retroactive effect

Section 137 ensures that the amendments made by this subtitle are not given retroactive effect. Specifically, the amendments do not apply to any application by a State that was pending before the effective date of this subtitle, or to any assertion of sovereign immunity by a State made before the enactment of the IPPRA.

TITLE II—RESTORATION OF PROTECTION FOR FEDERAL INTELLECTUAL PROPERTY RIGHTS

Sec. 201. Liability of States for patent violations

Section 201 replaces section 296 of title 35, which was enacted pursuant to the Patent and Plant Variety Remedy Clarification Act of 1992 and invalidated by the Supreme Court in Florida Prepaid Postsecondary Educ. Expense Bd. v. College Savings Bank, 119 S. Ct. 2199 (1999).

Subsection (a) ensures the full availability of prospective relief to prevent State officials from violating the federal patent laws, and to allow challenges to assertions by State officials of rights secured under such laws, on the same terms and in the same manner as if such State officials were private individuals. Such relief is authorized under the doctrine of Ex parte Young, 209 U.S. 123 (1908), which held that an individual may sue a State official in an official capacity for prospective relief requiring the State official to cease violating federal law, even if the State itself is immune from suit under the Eleventh Amendment.

Subsection (b) provides a cause of action against States, State instrumentalities, and State officials acting in an official capacity for (1) taking a patent right in violation of the Fifth Amendment or (2) depriving a person of a patent right without due process of law in violation of the Fourteenth Amendment. Damages are fixed at "reasonable and entire compensation," which is the measure of damages available against the United States for infringement of a patent (see 28 U.S.C. 1498); treble damages are not available under this subsection. Injunctive relief is available to prevent or deter constitutional violations.

The remedy provided under subsection (b) is not available against States that have waived their sovereign immunity from suit in federal court, nor is it available against State officials in their individual capacity, who do not partake of the State's sovereign immunity. Such States and State officials remain subject to the remedies provided by other provisions of the federal patent laws, to the same extent as such remedies are available in an action against any private entity or individual. Thus, for example, a State official sued in an individual capacity may not assert any defense or claim of absolute or qualified immunity that would not be available to a private individual under similar circumstances.

Subsection (b) abrogates State sovereign immunity to the maximum extent permitted by the Constitution, pursuant to Congress's powers under the Fifth and Fourteenth Amendments and any other applicable provisions.

A claim under subsection (b) for taking a patent right is ripe at the time of the taking. In Hawaii Housing Authority v. Midkiff, 467 U.S. 229 (1984), the Supreme Court held that the Public Use Clause of the Fifth Amendment, made applicable to the States through the Fourteenth Amendment, prohibits a State from taking private property for a non-public use, even with just compensation. The Court further stated that "[t]he 'public use' requirement is . . . coterminous with the scope of a sovereign's police powers." 457 U.S. at 240. Because States making unauthorized uses of federal intellectual property rights are acting outside the scope of their sovereign powers, a State's infringement of a patent, even if compensated, is an unconstitutional taking of property for a non-public use; accordingly, the patent holder need not seek a remedy in State proceedings before filing a claim under subsection (b) in federal court.

Subsection (b)(4) addresses the burden of proof when a claimant produces prima facie evidence to support a claim under this subsection. Under subsection (b)(4), the burden of proof is on the State, except as to any elements of the claim that would have to be proved if the action were brought under another provision of this title. As to such elements, the burden of proof is unaffected. Thus, for example, if the adequacy of any State remedies became an issue, the State would bear the burden of proof thereon.

Subsection (c) clarffies that the federal patent laws and treaties supersede and preempt any power of a State to acquire or otherwise affect patent rights through the exercise of eminent domain.

Sec. 202. Liability of States for violation of plant variety protection

Section 202 establishes the same sorts of remedies for violations of protected plant varieties as section 201 establishes with respect to patents.

Sec. 203. Liability of States for copyright violations

Section 203 establishes the same sorts of remedies for violations of copyrights as section 201 establishes with respect to patents.

Sec. 204. Liability of States for mask work violations

Section 204 establishes the same sorts of remedies for violations of federally-protected rights in mask works as section 201 establishes with respect to patents.

Sec. 205. Liability of States for original design violations

Section 205 establishes the same sorts of remedies for violations of federally-protected rights in original designs as section 201 establishes with respect to patents.

Sec. 206. Liability of States trademark violations

Section 206 establishes the same sorts of remedies for violations of federally-registered trademarks and service marks as section 201 establishes with respect to patents.

Sec. 207. Rules of construction

Subsection (a) makes clear that the district courts shall have original jurisdiction under 28 U.S.C. §1338 of any action arising under this title. It follows that, pursuant to 28 U.S.C. §1295, the United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction of any appeal from a final decision of a district court in an action arising under this title relating to patents, plant variety protection, and exclusive rights in designs under chapter 13 of title 17.

Subsection (b) provides that this title shall be construed in favor of a broad protection of intellectual property rights, to the maximum extent permitted by its terms and the Constitution.

TITLE III—EFFECTIVE DATES

Sec. 301. Effective dates

Subsection (a) provides that the opt-in procedures established by title I of the IPPRA shall take effect 90 days after the date of enactment of the IPPRA.

Subsection (b) provides that the remedial provisions established by title II of the IPPRA shall take effect with respect to violations by States that occur on or after the date of enactment of the IPPRA.

Sec. 302. Severability

Section 302 contains a strong severability clause. If any provision of the IPPRA or of any amendment made by the IPPRA, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of the IPPRA, the amendments made by the IPPRA, and the application of the provision to any other person or circumstance shall not be affected.

ADDITIONAL COSPONSORS

S. 311

At the request of Mr. ROBB, his name was added as a cosponsor of S. 311, a bill to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

S. 345

At the request of Mr. ALLARD, the names of the Senator from Illinois (Mr. FITZGERALD) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 777

At the request of Mr. FITZGERALD, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 777, a bill to require the Department of Agriculture to establish an electronic filing and retrieval system to enable the public to file all required paperwork electronically with the Department and to have access to public information on farm programs, quarterly trade, economic, and production reports, and other similar information.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1109

At the request of Mr. MCCONNELL, the names of the Senator from Delaware (Mr. ROTH) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1133

At the request of Mr. GRAMS, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1133, a bill to amend the Poultry Products Inspection Act to cover birds of the order Ratitae that are raised for use as human food.

S. 1158

At the request of Mr. HUTCHINSON, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1158, a bill to allow the recovery of attorney's fees and costs by certain employers and labor organizations who are prevailing parties in proceedings brought against them by the National Labor Relations Board or by the Occupational Safety and Health Administration.

S. 1315

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1315, a bill to permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease.

S. 1384

At the request of Mr. ABRAHAM, the names of the Senator from Washington (Mrs. MURRAY), the Senator from New York (Mr. SCHUMER), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1419

At the request of Mr. ROBB, his name was added as a cosponsor of S. 1419, a bill to amend title 36, United States Code, to designate May as "National Military Appreciation Month."

At the request of Mr. MCCAIN, the names of the Senator from Connecticut (Mr. DODD), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. SCHUMER), the Senator from North Dakota (Mr. CONRAD), the Senator from Tennessee (Mr. FRIST), the Senator from Illinois (Mr. DURBIN), the Senator from Indiana (Mr. BAYH), and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 1419, supra.

S. 1455

At the request of Mr. ABRAHAM, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1455, a bill to enhance protections against fraud in the offering of financial assistance for college education, and for other purposes.

S. 1482

At the request of Ms. SNOWE, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1482, a bill to amend the National Marine Sanctuaries Act, and for other purposes.

S. 1528

At the request of Mr. LOTT, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1590

At the request of Mr. CRAPO, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 1590, a bill to amend title 49, United States Code, to modify the authority of the Surface Transportation Board, and for other purposes.

S. 1592

At the request of Mr. DURBIN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1592, a bill to amend the Nicaraguan Adjustment and Central American Relief Act to provide to certain nationals of El Salvador, Guatemala, Honduras, and Haiti an opportunity to apply for adjustment of status under that Act, and for other purposes.

S. 1600

At the request of Mr. HARKIN, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1600, a bill to amend the Employee Retirement Income Security Act of 1974 to prevent the wearing away of an employee's accrued benefit under a defined benefit plan by the adoption of a plan amendment reducing future accruals under the plan.

S. 1638

At the request of Mr. ASHCROFT, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 1638, a bill to amend the Omnibus Crime Control and Safe

Streets Act of 1968 to extend the retroactive eligibility dates for financial assistance for higher education for spouses and dependent children of Federal, State, and local law enforcement officers who are killed in the line of duty.

S. 1717

At the request of Mr. BOND, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 1717, a bill to amend title XXI of the Social Security Act to provide for coverage of pregnancy-related assistance for targeted low-income pregnant women.

S. 1770

At the request of Mr. LOTT, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1770, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research and development credit and to extend certain other expiring provisions for 30 months, and for other purposes.

S. 1791

At the request of Mr. CAMPBELL, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1791, a bill to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

At the request of Mr. LIEBERMAN, the names of the Senator from Connecticut (Mr. DODD) and the Senator from Indiana (Mr. BAYH) were added as cosponsors of S. 1791, supra.

S. 1795

At the request of Mr. CRAPO, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1795, a bill to require that before issuing an order, the President shall cite the authority for the order, conduct a cost benefit analysis, provide for public comment, and for other purposes.

SENATE RESOLUTION 118

At the request of Mr. REID, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of Senate Resolution 118, a resolution designating December 12, 1999, as "National Children's Memorial Day."

SENATE RESOLUTION 200

At the request of Mr. GRAMS, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Indiana (Mr. LUGAR), the Senator from Florida (Mr. MACK), the Senator from Kentucky (Mr. BUNNING), the Senator from Rhode Island (Mr. REED), the Senator from Alabama (Mr. SHELBY), the Senator from Louisiana (Mr. BREAUX), the Senator from Mississippi (Mr. LOTT), the Senator from Alabama (Mr. SESSIONS), the Senator from Kansas (Mr. BROWNBACK), the Senator from North Carolina (Mr. HELMS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Tennessee (Mr. FRIST), the Senator from Vermont (Mr. JEFFORDS), the Senator from Oregon (Mr. SMITH), the Senator from Texas (Mr. GRAMM), the Senator from Vermont (Mr. LEAHY), the Senator from New Hampshire (Mr. SMITH), the Senator from West Virginia (Mr. BYRD), the Senator from Utah (Mr. HATCH), the Senator from Delaware (Mr. ROTH), the Senator from Ohio (Mr. DEWINE), the Senator from Missouri (Mr. BOND), the Senator from Maine (Ms. SNOWE), the Senator from Wyoming (Mr. ENZI), the Senator from Michigan (Mr. ABRAHAM), the Senator from Missouri (Mr. ASHCROFT), the Senator from Nebraska (Mr. HAGEL), the Senator from Utah (Mr. BENNETT), the Senator from Oklahoma (Mr. INHOFE), the Senator from Ohio (Mr. VOINOVICH), the Senator from Kansas (Mr. ROBERTS), the Senator from Colorado (Mr. CAMPBELL), the Senator from Alaska (Mr. STEVENS), the Senator from Idaho (Mr. CRAPO), the Senator from Mississippi (Mr. COCHRAN), the Senator from Kentucky (Mr. MCCONNELL), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. ALLARD), the Senator from Alaska (Mr. MURKOWSKI), the Senator from New Hampshire (Mr. GREGG), the Senator from Wyoming (Mr. THOMAS), the Senator from Idaho (Mr. CRAIG), the Senator from Maine (Ms. COLLINS), the Senator from Nebraska (Mr. KERREY), the Senator from Arizona (Mr. MCCAIN), the Senator from Tennessee (Mr. THOMPSON), the Senator from Oklahoma (Mr. NICKLES), the Senator from Montana (Mr. BURNS), the Senator from Texas (Mrs. HUTCHISON), and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of Senate Resolution 200, a resolution designating the week of February 14–20 as "National Biotechnology Week."

SENATE CONCURRENT RESOLUTION 63—CONDEMNING THE ASSASSINATION OF ARMENIAN PRIME MINISTER VAZGEN SARGSIAN AND OTHER OFFICIALS OF THE ARMENIAN GOVERNMENT AND EXPRESSING THE SENSE OF THE CONGRESS IN MOURNING THIS TRAGIC LOSS OF THE DULY ELECTED LEADERSHIP OF ARMENIA

Mr. ABRAHAM (for himself, Mr. MCCONNELL, Mr. TORRICELLI, Mr. ALLARD, Mr. REED, Mr. BENNETT, Ms. COLLINS, Mr. FITZGERALD, Mr. ENZI, Mr. KERRY, Mr. DURBIN, Mr. WARNER, Mr. EDWARDS, and Mr. LIEBERMAN) submitted the following concurrent resolution: which was referred to the Committee on Foreign Relations:

S. CON. RES. 63

Whereas on October 27, 1999, several armed individuals broke into Armenia's Parliament and assassinated the Prime Minister of Armenia, Vazgen Sargsian, the Chairman of the Armenian Parliament, Karen Demirchian, the Deputy Chairman of the Armenian Parliament, Yuri Bakhshian, the Minister of Operative Issues, Leonard Petrossian, and other members of the Armenian Government;

Whereas Armenia is working toward democracy, the rule of law, and a viable free market economy since obtaining its freedom from Soviet rule in 1991; and

Whereas all nations of the world mourn the loss suffered by Armenia on October 27, 1999: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) deplores the slaying of the Prime Minister of Armenia, Vazgen Sargsian, the Chairman of the Armenian Parliament, Karen Demirchian, the Deputy Chairman of the Armenian Parliament, Yuri Bakhshian, the Minister of Operative Issues, Leonard Petrossian, and other members of the Armenian Government struck down in this violent attack;

(2) strongly shares the determination of the Armenian people that the perpetrators of these vile acts will be swiftly brought to justice so that Armenia may demonstrate its resolute opposition to acts of terror;

(3) commends the efforts of the late Prime Minister and the Armenian Government for their commitment to democracy, the rule of law, and for supporting free market movements internationally; and

(4) continues to cherish the strong friendship between Armenia and the United States.

Mr. ABRAHAM. Mr. President, I rise today to express my deepest condolences to the family of the slain Prime Minister of Armenia, Vazgen Sargsian, and the other assassinated leaders of the Armenian Parliament who were tragically killed in the brutal attack on the Armenian Parliament on October 27, 1999. My thoughts and prayers are also with the people of Armenia and the Armenian community around the world and in the United States.

The tragic turn of events that took place earlier this week should not be viewed as an impediment to the ongoing positive trends the world has seen in Armenia. Indeed, Armenia has proven its commitment to a democratic future in its recent elections which were deemed free and fair by international election monitors. They have also made substantial progress on the peace process regarding Nagorno Karabakh.

The United States is enjoying a growing and mutually beneficial relationship with Armenia. Our focus should be on our continued support of the Armenian people. We must not allow the recent terrorist activity to eschew our dedication in helping Armenia achieve the highest form of freedom, liberty, and opportunity. To reaffirm our commitment to the progress embodied by the fallen Armenian patriots not only should be our goal, but our duty as a global leader.

For this reason, I ask to submit a resolution that condemns the terrorist activities that took the lives of the Armenian Prime Minister, Vazgen

Sargsian, and other leaders of the Armenian Parliament, and pledges continued alliance between our two countries. Our thoughts are with the families, friends and loved ones of those affected by this tragedy, and we send our hope that those who perpetrated this horrible act will be brought to justice.

Mr. President, I urge my colleagues to support this resolution.

SENATE CONCURRENT RESOLUTION 64—EXPRESSING THE SENSE OF CONGRESS CONCERNING CONTINUED USE OF THE UNITED STATES NAVY TRAINING RANGE ON THE ISLAND OF VIEQUES IN THE COMMONWEALTH OF PUERTO RICO

Mr. INHOFE (for himself, Mr. SMITH of New Hampshire, Mr. SESSIONS, Mr. HUTCHINSON, and Mr. KYL) submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 64

Whereas the success or failure of the Nation's Armed Forces when sent into combat and the risk of loss of life, both to United States military personnel and to civilians, are a direct function of the degree of training received by members of the Armed Forces before combat;

Whereas from World War II through the most recent crisis in Kosovo the Nation's military has been able to meet the call to arms due to training such as that afforded at the United States Navy training range on the island of Vieques in the Commonwealth of Puerto Rico;

Whereas in April 1999, following an accident at that training range that resulted in the death of a Navy civilian employee, training activities at that range were suspended by direction of the Secretary of the Navy pending a safety review;

Whereas officials of the Department of Defense have testified before congressional committees that the Vieques training range is the only range along the Atlantic seaboard that allows critical combined arms live fire training that includes the coordinated use of naval surface fire support training, Navy/Marine amphibious combined arms training, Carrier Battle Group strike training and high altitude tactics, and subsurface training;

Whereas officials of the Department of Defense have testified before congressional committees that the safe conduct of operations on the island of Vieques has been and will remain the primary concern of the Department of the Navy and that the recent death of the civilian Navy employee on the range was the first civilian death on the range since its purchase in 1941;

Whereas the John F. Kennedy carrier battle group, which was unable to continue training at Vieques after the April accident, deployed in September 1999 in degraded readiness condition and the Dwight D. Eisenhower carrier battle group, which is scheduled to deploy in the spring of 2000, will be forced to deploy in a significantly degraded readiness condition if not allowed to conduct training activities at the Vieques training range before departing on that deployment;

Whereas the suspension of training activities at the Vieques training range has resulted in a loss of critical combat training that is essential to the Nation's Navy and Marine forces; and

Whereas, given that recently deploying Navy and Marine Corps battle groups have been sent directly into combat operations in Kosovo and Iraq, thereby placing service personnel immediately in harm's way, it would be unthinkable to knowingly deploy members of the Armed Forces in the future without this essential training, since to do so would place American lives, including the lives of members of the Armed Forces from Puerto Rico, at high risk: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) calls upon the Secretary of the Navy and the Attorney General of the United States to promptly ensure that the Federal property located at the Vieques training range in the Commonwealth of Puerto Rico is safe and secure and, once the range is safe and secure, for the Secretary of the Navy to resume critical live fire training at that range;

(2) calls upon the President, as Commander-in-Chief, to ensure that United States forces deploy with 100 percent of the combat qualifications needed to meet national security requirements;

(3) strongly urges the Department of Defense and the Government of Puerto Rico to reestablish a mutually supportive relationship, to resolve the issues between the Department of the Navy and the people of Puerto Rico, and to implement a program that addresses the economic and social needs and safety concerns of the residents of Vieques and the citizens of Puerto Rico; and

(4) recognizes the significant contribution by the residents of Vieques and the citizens of Puerto Rico to the Nation's defense.

SENATE RESOLUTION 209—EXPRESSING CONCERN OVER INTERFERENCE WITH FREEDOM OF THE PRESS AND THE INDEPENDENCE OF JUDICIAL AND ELECTORAL INSTITUTIONS IN PERU

Mr. HELMS (for himself, Mr. LEAHY, Mr. COVERDELL, Mr. DODD, Mr. DEWINE, and Mr. JEFFORDS) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 209

Whereas the independence of Peru's legislative and judicial branches has been brought into question by the May 29, 1997, dismissal of 3 Constitutional Tribunal magistrates;

Whereas Peru's National Council of Magistrates and the National Election Board have been manipulated by President Alberto Fujimori and his allies so he can seek a third term in office;

Whereas the Department of State's Country Report on Human Rights Practices for 1998, dated February 26, 1999, concludes, with respect to Peru, that "government intelligence agents allegedly orchestrated a campaign of spurious attacks by the tabloid press against a handful of publishers and investigative journalists in the strongly pro-opposition daily La Republica and the other print outlets and electronic media";

Whereas the Department of State's Country Report on Human Rights Practices for 1997, dated January 30, 1998, states that Channel 2 television station reporters in Peru "revealed torture by Army Intelligence Service Officers" and "the systematic wire-tapping of journalists, government officials, and opposition politicians";

Whereas on July 13, 1997, Peruvian immigration authorities revoked the Peruvian citizenship of Baruch Ivcher, the Israeli-born owner of the Channel 2 television station; and

Whereas Baruch Ivcher subsequently lost control of Channel 2 under an interpretation of a law that provides that a foreigner may not own a media organization, causing the Department of State's Report on Human Rights Practices for 1998 to report that "threats and harassment continued against Baruch Ivcher and some of his former journalists and administrative staff...In September Ivcher and several of his staff involved in his other nonmedia businesses were charged with customs fraud. The Courts sentenced Ivcher in absentia to 12 years' imprisonment and his secretary to 3 years in prison. Other persons from his former television station, who resigned in protest in 1997 when the station was taken away, also have had various charges leveled against them and complain of telephone threats and surveillance by persons in unmarked cars": Now, therefore, be it

Resolved,

SECTION 1. SENSE OF THE SENATE ON ANTI-DEMOCRATIC MEASURES BY THE GOVERNMENT OF PERU.

It is the sense of the Senate that—

(1) the erosion of the independence of judicial and electoral branches of the Government of Peru and the blatant intimidation of journalists in Peru are matters of serious concern to the Unites States;

(2) efforts by any person or political movement in Peru to undermine that country's constitutional order for personal or political gain are inconsistent with the standard of representative democracy in the Western Hemisphere;

(3) the Government of the United States supports the effort of the Inter-American Commission on Human Rights to report on the pattern of threats to democracy, freedom of the press, and judicial independence by the Government of Peru; and

(4) systematic abuse of the rule of law and threats to democracy in Peru could undermine the confidence of foreign investors in, as well as the credit worthiness of, Peru.

SEC. 2. TRANSMITTAL OF RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of State with the request that the Secretary further transmit such copy to the Secretary General of the Organization of the American States, the President of the Inter-American Development Bank, and the President of the International Bank for Reconstruction and Development.

SENATE RESOLUTION 210—RECOGNIZING AND HONORING THE NEW YORK YANKEES

Mr. SCHUMER (for himself, Mr. MOYNIHAN, and Mr. LIEBERMAN) submitted the following resolution; which was considered and agreed to:

S. RES. 210

Whereas the New York Yankees are 1 of the greatest sports franchises ever;

Whereas the New York Yankees are the winningest sports franchise in professional sports history;

Whereas the New York Yankees have won 25 World Series, the most by any major league franchise;

Whereas the New York Yankees have played 86 seasons in the city of New York;

Whereas the New York Yankees became a baseball icon in the 1950's by winning 5 World Series in a row;

Whereas the New York Yankees' dominance was ignited in 1920 by the appearance of the indomitable Babe Ruth in pinstripes;

Whereas the New York Yankees have retired 11 numbers for 12 baseball legends;

Whereas the New York Yankees have had a player win the American League batting title 9 times;

Whereas the New York Yankees are represented in the Baseball Hall of Fame by 16 players who were inducted wearing the distinctive New York Yankee cap;

Whereas the New York Yankees have fielded teams such as the 1927 "Murderers' Row"; and

Whereas the New York Yankees have finished the 20th century meeting the standards they set throughout it: Now, therefore, be it

Resolved,

SECTION 1. CONGRATULATION AND COMMENDATION.

The Senate recognizes and honors the New York Yankees—

(1) for their storied history;

(2) for their many contributions to the national pastime; and

(3) for continuing to carry the standards of character, commitment, and achievement for baseball and for the State of New York.

SEC. 2. TRANSMITTAL OF RESOLUTION.

The Senate directs the Secretary of the Senate to transmit an enrolled copy of this resolution to the New York Yankees owner, George Steinbrenner, and to the New York Yankees manager, Joe Torre.

SENATE RESOLUTION 211—EXPRESSING THE SENSE OF THE SENATE REGARDING THE FEBRUARY 2000 DEPLOYMENT OF THE U.S.S. EISENHOWER BATTLE GROUP AND THE 24TH MARINE EXPEDITIONARY UNIT TO AN AREA OF POTENTIAL HOSTILITIES AND THE ESSENTIAL REQUIREMENTS THAT THE BATTLE GROUP AND EXPEDITIONARY UNIT HAVE RECEIVED THE ESSENTIAL TRAINING NEEDED TO CERTIFY THE WARFIGHTING PROFICIENCY OF THE FORCES COMPRISING THE BATTLE GROUP AND EXPEDITIONARY UNIT

Mr. WARNER submitted the following resolution; which was referred to the Committee on Armed Services:

S. RES. 211

Whereas the President, as Commander-in-Chief of all of the Armed Forces of the United States, makes the final decision to order a deployment of those forces into harm's way;

Whereas the President, in making that decision, relies upon the recommendations of the civilian and military leaders tasked by law with the responsibility of training those forces, including the Commander of the Second Fleet of the Navy and the Commander of the Marine Forces in the Atlantic;

Whereas the Atlantic Fleet Weapons Training Facility has been since World War II, and continues to be, an essential part of the training infrastructure that is necessary to ensure that maritime forces deploying from the east coast of the United States are prepared and ready to execute their assigned missions;

Whereas according to the testimony of the Chairman of the Joint Chiefs of Staff, the Chief of Naval Operations, and the Commandant of the Marine Corps, the Island of Vieques is a vital part of the Atlantic Fleet Weapons Training Facility and makes an essential contribution to the national security of the United States by providing integrated live-fire combined arms training opportunities to Navy and Marine Corps forces deploying from the east coast of the United States;

Whereas according to testimony before the Committee on Armed Services of the Senate and the report of the Special Panel on Military Operations on Vieques, a suitable alternative to Vieques cannot now be identified;

Whereas during the course of its hearings on September 22 and October 19, 1999, the Committee on Armed Services of the Senate acknowledged and expressed its sympathy for the tragic death and injuries that resulted from the training accident that occurred at Vieques in April 1999,

Whereas the Navy has failed to take those actions necessary to develop sound relations with the people of Puerto Rico;

Whereas the Navy should implement fully the terms of the 1983 Memorandum of Understanding between the Navy and the Commonwealth of Puerto Rico regarding Vieques and work to increase its efforts to improve the economic conditions for and the safety of the people on Vieques;

Whereas in February 2000, the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit are scheduled to deploy to the Mediterranean Sea and the Persian Gulf where the battle group and expeditionary unit will face the possibility of combat, as experienced by predecessor deploying units, during operations over Iraq and during other unexpected contingencies;

Whereas in a September 22, 1999, letter to the Committee on Armed Services of the Senate, the President stated that the rigorous, realistic training undergone by military forces "is essential for success in combat and for protecting our national security";

Whereas in that letter the President also stated that he would not permit Navy or Marine Corps forces to deploy "unless they are at a satisfactory level of combat readiness";

Whereas Richard Danzig, the Secretary of the Navy, recently testified before the Committee on Armed Services of the Senate that "only by providing this preparation can we fairly ask our service members to put their lives at risk";

Whereas according to the testimony of the Chairman of the Joint Chiefs of Staff, the Chief of Naval Operations, and the Commandant of the Marine Corps, Vieques provides integrated live-fire training "critical to our readiness", and the failure to provide for adequate live-fire training for our naval forces before deployment will place those forces at unacceptably high risk during deployment;

Whereas Admiral Johnson, the Chief of Naval Operations, and General Jones, the Commandant of the Marine Corps, recently testified before the Committee on Armed Services of the Senate that without the ability to train on Vieques, the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit scheduled for deployment in February 2000 would not be ready for such deployment "without greatly increasing the risk to those men and women who we ask to go in harm's way";

Whereas Vice Admiral Murphy, Commander of the Sixth Fleet of the Navy, recently testified before the Committee on Armed Services of the Senate that the loss of training on Vieques would "cost American lives"; and

Whereas the Navy is currently prevented as a consequence of unrestrained civil disobedience from using the training facilities on Vieques which are required to accomplish the training necessary to achieve a satisfactory level of combat readiness: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should not deploy the U.S.S. Eisenhower Battle Group or the 24th Marine Expeditionary Unit until—

(1) the President, in consultation with the Secretary of Defense, the Secretary of the Navy, the Chief of Naval Operations, and the Commandant of the Marine Corps, reviews the certifications regarding the readiness of the battle group and the expeditionary unit made by the Commander of the Second Fleet of the Navy and the Commander of the Marine Forces in the Atlantic, as the case may be; and

(2) the President determines and so notifies Congress that the battle group and the expeditionary unit are free of serious deficiencies in major warfare areas.

Mr. WARNER. Mr. President, I ask unanimous consent to have printed in the RECORD, a letter from the President of the United States to this Senator.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, September 22, 1999.

Hon. JOHN WARNER,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter on the United States Navy's training facilities on Vieques.

I share your concern for the combat readiness of deploying Navy and Marine Corps forces. Military readiness is one of my top defense priorities. I have ordered our forces into action several times, most recently in Kosovo, and every time have seen that the rigorous, realistic training they undergo is essential for success in combat and for protecting our national security. As Commander in Chief I will not permit Navy or Marine Corps units to deploy unless they are at a satisfactory level of combat readiness.

I believe that we can meet Navy and Marine Corps combat readiness requirements will ensuring the safety and well being of the people of Vieques. The U.S. Armed Forces work hard to ensure that their training activities throughout the United States, and abroad as well, do not adversely impact the safety and livelihood of nearby civilian residents. The Defense Department is also required by law to be conscientious guardians of the environment. I am sure you would agree that these requirements apply no less on Vieques than in any other location where our forces train.

As you know, Secretary Bill Cohen established a special panel to conduct an independent review of our training operations at Vieques. I understand that Bill recently was briefed by the panel members and that he is considering next steps in the process. At the conclusion of the panel's efforts, I expect to receive a recommendation from Bill on the future of Navy training facilities on Vieques. In reaching a decision, I will review carefully

Bill's recommendation, weighing Navy and Marine Corps combat readiness requirements, the alternatives that may be available to meet their training needs, and the safety, environmental and economic concerns raised by the Commonwealth of Puerto Rico and the people of Vieques.

Again, thank you for your letter. I hope that, working together, we will be able to find a solution that fulfills our essential national security needs and meets the concerns of the residents of Vieques Island and the people of Puerto Rico.

Sincerely,

BILL.

Mr. WARNER. Mr. President, the Senate Armed Services Committee has taken cognizance of this very critical situation of our east coast fleet units being deployed, their state of readiness, and the degree of risk these units are facing as they deploy into the operations in Iraq, the operations in the Persian Gulf, and the unforeseen risks that seem to be ever present in that region of the world, the Mediterranean, the Persian Gulf, that arise so quickly and demand the instantaneous reaction, if so directed by the President, hopefully as a deterrence and then, if necessary, the actual combat.

We have seen this now for a decade. When we stop to think of the risks taken by these young men and women flying aircraft off these ships, and performing other military missions, the Senate owes them no less than the highest possible standard of training, the best possible equipment to reduce that risk.

Therefore, having chaired the hearings of the Committee of Armed Services of recent and, indeed, under the chairmanship of Senator INHOFE, a subcommittee of our full committee, and under the chairmanship of Senator SNOWE, a second subcommittee—two subcommittee hearings and a full committee hearing on that state of readiness and particularly as that state of readiness could be affected adversely by the absence of the ability of the United States to continue the use of the ranges on the islands of Vieques in Puerto Rico. That is the reason why I offer this sense-of-the-Senate resolution.

I shall read in general from this resolution and comment as I go:

In the Senate of the United States Mr. Warner submitted the following resolution;

Resolution

Expressing the sense of the Senate regarding the February 2000 deployment—

That is coming in just a matter of months—

of the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit to an area of potential hostilities and the essential requirements that the battle group and expeditionary unit have received [that] training needed to certify the warfighting proficiency of the forces comprising the battle group and expeditionary unit.

Whereas the President, as Commander-in-Chief of all of the Armed Forces of the United States, makes the final decision—

Under our Constitution—

to order a deployment of those forces—

And all our forces. That is his role under the Constitution. We respect that role.

Whereas the President, in making that decision—

With reference to the Eisenhower battle group—

relies upon the recommendations of the civilian and military leaders tasked by law—

Laws passed by this body and predecessor Congresses—

with the responsibility of training those forces, including the Commander of the Second Fleet of the Navy and the Commander of the Marine Forces in the Atlantic;

Whereas the Atlantic Fleet Weapons Training Facility—

At Vieques—

has been since World War II, and continues to be, an essential—

Underline "essential"—

part of the training infrastructure that is necessary to ensure that maritime forces deploying from the east coast of the United States are prepared and ready to execute their assigned missions.

Not only execute their assigned missions, but to accept the risk of life and limb in executing those missions.

Whereas according to the testimony of the Chairman of the Joint Chiefs of Staff, the Chief of Naval Operations, and the Commandant of the Marine Corps, the Island of Vieques is a vital part of the Atlantic Fleet Weapons Training Facility and makes an essential contribution to the national security of the United States by providing integrated live-fire combined arms training opportunities to Navy and Marine Corps forces deploying from the east coast of the United States;

Whereas according to testimony before the Committee on Armed Services—

Just weeks ago—

and the report of the Special Panel on Military Operations on Vieques—

Again, issued a week or so ago—

a suitable alternative to Vieques cannot now be identified;

Much less identified and put into an operational status.

Whereas during the course of its hearings on September 22 and October 19, 1999, the Committee on Armed Services of the Senate acknowledged and expressed its sympathy for the tragic death and injuries that resulted from the training accident that occurred at Vieques in April 1999;

We did that with heartfelt expression during the course of our hearings just weeks ago.

Whereas the Navy—

In the judgment of the committee—

has failed [at times] to take those actions necessary to develop sound relations with the people of Puerto Rico;

Indeed, with the people most specifically on Vieques. The Navy has not done a good job, in this Senator's judgment, and collectively, I think, in the majority of the committee in carrying out its responsibility of important relationships with the people and assuring them, first, of the essential need and their contribution to our national security and how to operate this range in a manner that is safe. We acknowledge that.

Whereas the Navy should implement fully the terms of the 1983 Memorandum of Understanding between the Navy and the Commonwealth of Puerto Rico regarding Vieques and work to increase its efforts to improve the economic conditions for and the safety of the people on Vieques;

Whereas in February 2000—

Just months away—

the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit are scheduled to deploy to the Mediterranean Sea and the Persian Gulf where the battle group and expeditionary unit will face the possibility of combat, as experienced by predecessor—

Units deploying in the past years—

during operations over Iraq and during other unexpected contingencies—

That arise in that dangerous region of the world.

Whereas in a September 22, 1999 letter to the Committee on Armed Services of the Senate, the President—

The Commander in Chief—

stated that the rigorous, realistic training undergone by military forces "is—

I quote the President of the United States—

"is essential for success in combat and for protecting our national security";

The President realizes this. It is not a political document I am handling. This is the recitation of the statements by the President this year on this very subject, and he has put it down here very clearly. The purpose of this sense of the Senate is to give him the support necessary to make the tough decisions and resolve this problem.

Whereas in that letter the President also stated that he would not permit Navy or Marine Corps forces to deploy "unless they are at a satisfactory level of combat readiness";

Whereas Richard Danzig, the Secretary of the Navy, recently testified before the Committee on Armed Services of the Senate that "only by providing this preparation can we fairly ask our service members to put their lives at risk."

Whereas according to the testimony of the Chairman of the Joint Chiefs of Staff, the Chief of Naval Operations, and the Commandant of the Marine Corps—

This testimony was just three days ago—

Vieques provides integrated live-fire training "critical to our readiness", and the failure to provide for adequate live-fire training for our naval forces before deployment will place those forces at—

Listen carefully—

at unacceptably high risk during deployment.

Whereas Admiral Johnson, the Chief of Naval Operations, and General Jones, the Commandant of the Marine Corps—

On October 19, 1999—

testified before the Committee on Armed Services of the Senate that without the ability to train on Vieques, the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit scheduled for deployment in February 2000 would not be ready for such deployment "without greatly increasing the

> risk to those men and women who we ask to go in harm's way";
>
> Whereas Vice Admiral Murphy, Commander of the Sixth Fleet of the Navy, recently testified before the Committee on Armed Services of the Senate that the loss of training on Vieques would "cost American lives"; and
>
> Whereas the Navy is currently prevented as a consequence of unrestrained civil disobedience—

I repeat:

> Whereas the Navy is currently prevented as a consequence of unrestrained civil disobedience—

In defiance of law, in defiance of a court order—

> Whereas the Navy is currently prevented as a consequence of unrestrained civil disobedience from using the training facilities on Vieques which are required to accomplish the training necessary to achieve a satisfactory level of combat readiness: Now, therefore, be it
>
> Resolved, That it is the sense of the Senate that the President should not—

I repeat: Not—

> deploy the U.S.S. Eisenhower Battle Group or the 24th Marine Expeditionary Unit until:
>
> (1) the President, in consultation with the Secretary of Defense, the Secretary of the Navy, the Chief of Naval Operations, and the Commandant of the Marine Corps, reviews the certifications regarding the readiness of the battle group and the expeditionary unit made by the Commander of the Second Fleet of the Navy and the Commander of the Marine Forces in the Atlantic, as the case may be; and
>
> (2) the President determines and so notifies Congress that the battle group and the expeditionary unit are free of [any] serious deficiencies in major warfare areas.

Mr. President, I feel very serious about this issue. I thank the indulgence of my colleagues and the Senate to come before you this afternoon to introduce this resolution.

I draw this resolution to the attention of all of my colleagues because this great body of the Senate, together with the House of Representatives, is a coequal—is a coequal—partner with regard to the training, the safety, above all, and the missions undertaken by the men and women of the U.S. Armed Forces.

Today's military has been put to one of the highest peaks of stress, stress on the actual men and women at sea and in the air and under the sea and on the land, stress on their families at home because of the high tempo, the high number of deployments of these forces all over the world.

Statistically, President Clinton—and this is pure statistics—has deployed the men and women of the Armed Forces of the United States into more contingency operations than any other President prior. I repeat that: More times. I am not questioning, in any way, his authority or his judgment. The fact is, he has done this.

The simple sense of the Senate says: Mr. President, in your own letter you talked about the seriousness of this situation at Vieques. The Senate is on notice that you, your Secretaries of Navy and Defense, and the military are working to resolve this. But we, the Senate, exercising our coequal responsibility, are placing the concern we have for the welfare of the men and women undertaking this deployment, and the risks they share with their families at home, we, Mr. President, most respectfully say to you we want to see absolute clarity in the certifications from those military commanders and those civilian bosses of the military commanders.

We have a system in our country which is the right system. We have civilian control of the military. They have the joint responsibility—the civilian/military control, fleet commanders—to make those certifications to our President that this group is ready, or, Mr. President, respectfully this group is not ready, to undertake this mission and assume those risks.

That is what we ask.

I request all Senators, as an obligation to those men and women of this battle group—and I daresay there are soldiers and Marines and airmen from every one of the 50 States in that battle group—so I ask all Senators to review this and hope you will join me as a cosponsor.

According to Article II, section 2, of the Constitution of the United States, the President is the Commander in Chief of the U.S. Armed Forces. As such, he bears the ultimate responsibility for ensuring that the men and women in uniform he orders into harm's way, receive the training necessary to protect their lives.

I have been working to preserve the access of the United States Navy and Marine Corps to the essential training facility on the island of Vieques, since I was Secretary of the Navy. This facility is absolutely vital to the readiness of our naval forces.

Over the past several weeks, the Armed Services Committee has held a series of hearings on this important issue. Over the course of these hearings, I have become increasingly convinced that it would be irresponsible to deploy our naval forces without the training provided by the Vieques facilities.

On Tuesday, September 22, 1999, the Readiness and Management Support Subcommittee, under the leadership of Senator INHOFE, held a hearing to review the need for Vieques as a training facility and explore alternative sites that might be utilized. At that hearing both Admiral Fallon, commander of the Navy's Second Fleet, and General Pace, commander of all Marine Forces in the Atlantic, testified that the Armed Forces of the United States need Vieques as a training ground to prepare our young men and women for the challenges of deployed military operations.

On October 13th, the Seapower Subcommittee, under the leadership of Senator SNOWE, heard from Admiral Murphy, commander of the Navy's Sixth Fleet and the commander who receives the naval forces trained at Vieques, who stated that a loss of Vieques would "cost American lives."

Earlier this month, after the release of the report prepared by the Special Panel on Military Operations on Vieques, I held a hearing of the Senate Armed Services Committee to discuss with Administration and Puerto Rican officials the recommendations of that report, and to search for a compromise solution that addresses the national security requirements and the interests of the people of Vieques. At that hearing, Secretary Danzig, the Secretary of the Navy, stated that only by providing the necessary training can we fairly ask our service members to put their lives at risk. Admiral Johnson, Chief of Naval Operations, stated that the Eisenhower Battle Group would not be able to deploy in February without a significant increase in risk to the lives of the men and women of that battle group unless they are allowed to conduct required training on Vieques. Furthermore, General Jones, Commandant of the Marine Corps, testified that the loss of training provided on Vieques "will result in degraded cohesion on the part of our battalions and our squadrons and our crews, decreased confidence in their ability to do their very dangerous jobs and missions, a decreased level of competence and the ability to fight and win on the battlefield."

At that hearing, I asked Admiral Johnson and General Jones "Is there any training that can be substituted for Vieques live fire training between now and February that will constitute, in your professional judgment, a sufficient level of training to enable you to say to the Chairman of the Joint Chiefs of Staff, the Eisenhower Battle Group and the 24th Marine Expeditionary Unit are ready to go." In the response they stated "no, sir, not without—not without greatly increasing the risk to those men and women who we ask to go in harm's way, no, sir."

I remain convinced that the training requirement is real and will continue to directly affect the readiness of our Carrier Battle Groups and Marine Expeditionary Units. As General Shelton recently testified before the Senate Armed Services Committee, the training on Vieques is "critical" to military readiness. He further stated that he "certainly would not want to see our troops sent into an area where there was going to be combat, without having had this type of an experience. We should not deploy them under those conditions."

All of the military officers with whom we have spoken on this issue have informed us that the loss of Vieques would increase the risk to our military personnel deploying to potential combat environments. The Rush

Panel, appointed at the request of the Resident Commissioner from Puerto Rico and at the direction of the President, recognized the need for Vieques and recommended its continued use for at least five years.

What we have learned in these hearings is that Vieques is a unique training asset, both in terms of its geography with deep open water and unrestricted airspace and its training support infrastructure. The last two East Coast carrier battle groups which deployed to the Adriatic and Persian Gulf completed their final integrated live fire training at Vieques. Both battle groups, led by the carriers U.S.S. *Enterprise* and U.S.S. *Theodore Roosevelt*, subsequently saw combat in Operations Desert Fox (Iraq) and Allied Force (Kosovo) within days of arriving in the respective theater of operations. Their success in these operations, with no loss of American life, was largely attributable to the realistic and integrated live fire training completed at Vieques prior to their deployment.

Those calling for the Navy and Marine Corps to cease training operations on the island and convey Navy-owned land to the Government of Puerto Rico often point to the struggling economy of Vieques and the banter posed by Navy training to the local citizens as supporting evidence. They express disappointment in the Navy's failure to more fully implement the terms of the 1983 Memorandum of Understanding which outlined the responsibilities of the Navy for assisting the economic development and safety of the local community. To address those concerns, we can, and should, work together to initiate new programs to assist the Navy and the residents of Vieques in stimulating the local economy and ensuring that all possible safety measures are adopted. However, economic concerns and correctable safety concerns should not force the Navy to cease vital training when that would increase the risk to the safety and security of our men and women in uniform.

Mr. President, as long as we are committing our nation's youth to military operations throughout the world; and as long as Vieques is necessary to train these individuals so that they can perform their missions safely and successfully; it would be irresponsible to deploy these forces without first allowing them to train at their vital facility. I hope that all of my colleagues will support this resolution.

AMENDMENTS SUBMITTED

AFRICAN GROWTH AND OPPORTUNITY ACT

DEWINE AMENDMENT NO. 2413

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed to amendment No. 2398 submitted by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

On page 4, line 5, of the matter proposed to be inserted, strike all through line 13 and insert the following:

"(E) RETALIATION LIST.—The term 'retaliation list' means the list of products of a foreign country or countries that have failed to comply with the report of the panel or Appellate Body of the WTO and with respect to which the Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States.

"(F) FAILURE TO IMPLEMENT WTO DISPUTE RESOLUTIONS.—The Trade Representative shall include on the retaliation list and on any revised lists reciprocal goods, of the industries affected by the failure of the foreign country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trading Organization except in cases where existing retaliation and its corresponding preliminary retaliation list do not already meet this requirement.".

MACK AMENDMENT NO. 2414

(Ordered to lie on the table.)

Mr. MACK submitted an amendment intended to be proposed by him to amendment No. 2361 submitted by Mr. CONRAD to the bill, H.R. 434, supra; as follows:

At the appropriate place in the amendment insert the following:

SECTION 1. ENFORCEMENT OF CERTAIN ANTI-TERRORISM JUDGMENTS.

(a) SHORT TITLE.—This Act may be cited as the "Justice for Victims of Terrorism Act".

(b) DEFINITION.—

(1) IN GENERAL.—Section 1603(b) of title 28, United States Code, is amended—

(A) in paragraph (3) by striking the period and inserting a semicolon and "and";

(B) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(C) by striking "(b)" through "entity—" and inserting the following:

"(b) An 'agency or instrumentality of a foreign state' means—

"(1) any entity—"; and

(D) by adding at the end the following:

"(2) for purposes of sections 1605(a)(7) and 1610 (a)(7) and (f), any entity as defined under subparagraphs (A) and (B) of paragraph (1), and subparagraph (C) of paragraph (1) shall not apply.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 1391(f)(3) of title 28, United States Code, is amended by striking "1603(b)" and inserting "1603(b)(1)".

(c) ENFORCEMENT OF JUDGMENTS.—Section 1610(f) of title 28, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A) by striking "(including any agency or instrumentality or such state)" and inserting "(including any agency or instrumentality of such state)"; and

(B) by adding at the end the following:

"(C) Notwithstanding any other provision of law, moneys due from or payable by the United States (including any agency, subdivision or instrumentality thereof) to any state against which a judgment is pending under section 1605(a)(7) shall be subject to attachment and execution, in like manner and to the same extent as if the United States were a private person."; and

(2) by adding at the end the following:

"(3)(A) Subject to subparagraph (B), upon determining on an asset-by-asset basis that a waiver is necessary in the national security interest, the President may waive this subsection in connection with (and prior to the enforcement of) any judicial order directing attachment in aid of execution or execution against the premises of a foreign diplomatic mission to the United States, or any funds held by or in the name of such foreign diplomatic mission determined by the President to be necessary to satisfy actual operating expenses of such foreign diplomatic mission.

"(B) A waiver under this paragraph shall not apply to—

"(i) if the premises of a foreign diplomatic mission has been used for any nondiplomatic purpose (including use as rental property), the proceeds of such use; or

"(ii) if any asset of a foreign diplomatic mission is sold or otherwise transferred for value to a third party, the proceeds of such sale or transfer.

"(4) For purposes of this subsection, all assets of any agency or instrumentality of a foreign state shall be treated as assets of that foreign state.".

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 117(d) of the Treasury Department Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–492) is repealed.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

MACK AMENDMENT NO. 2415

(Ordered to lie on the table.)

Mr. MACK submitted an amendment intended to be proposed by him to amendment No. 2401 submitted by Mr. ASHCROFT to the bill, H.R. 434, supra; as follows:

At the appropriate place insert the following:

SECTION 1. ENFORCEMENT OF CERTAIN ANTI-TERRORISM JUDGMENTS.

(a) SHORT TITLE.—This Act may be cited as the "Justice for Victims of Terrorism Act".

(b) DEFINITION.—

(1) IN GENERAL.—Section 1603(b) of title 28, United States Code, is amended—

(A) in paragraph (3) by striking the period and inserting a semicolon and "and";

(B) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(C) by striking "(b)" through "entity—" and inserting the following:

"(b) An 'agency or instrumentality of a foreign state' means—

"(1) any entity—"; and

(D) by adding at the end the following:

"(2) for purposes of sections 1605(a)(7) and 1610 (a)(7) and (f), any entity as defined under subparagraphs (A) and (B) of paragraph (1), and subparagraph (C) of paragraph (1) shall not apply.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 1391(f)(3) of title 28, United States Code, is amended by striking "1603(b)" and inserting "1603(b)(1)".

(c) ENFORCEMENT OF JUDGMENTS.—Section 1610(f) of title 28, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A) by striking "(including any agency or instrumentality or such state)" and inserting "(including any agency or instrumentality of such state)"; and

(B) by adding at the end the following:

"(C) Notwithstanding any other provision of law, moneys due from or payable by the United States (including any agency, subdivision or instrumentality thereof) to any state against which a judgment is pending under section 1605(a)(7) shall be subject to attachment and execution, in like manner and to the same extent as if the United States were a private person."; and

(2) by adding at the end the following:

"(3)(A) Subject to subparagraph (B), upon determining on an asset-by-asset basis that a waiver is necessary in the national security interest, the President may waive this subsection in connection with (and prior to the enforcement of) any judicial order directing attachment in aid of execution or execution against the premises of a foreign diplomatic mission to the United States, or any funds held by or in the name of such foreign diplomatic mission determined by the President to be necessary to satisfy actual operating expenses of such foreign diplomatic mission.

"(B) A waiver under this paragraph shall not apply to—

"(i) if the premises of a foreign diplomatic mission has been used for any nondiplomatic purpose (including use as rental property), the proceeds of such use; or

"(ii) if any asset of a foreign diplomatic mission is sold or otherwise transferred for value to a third party, the proceeds of such sale or transfer.

"(4) For purposes of this subsection, all assets of any agency or instrumentality of a foreign state shall be treated as assets of that foreign state.".

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 117(d) of the Treasury Department Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–492) is repealed.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

HOLLINGS AMENDMENTS NOS. 2416–2424

(Ordered to lie on the table.)

Mr. HOLLINGS submitted nine amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2416

At the appropriate place insert the following:

SEC. . TERMINATION OF BENEFITS IF DOMESTIC INDUSTRY SUFFERS.

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if the Bureau of Labor Statistics determines that United States textile and apparel industries have lost 50,000 or more jobs at any time during the first 24 months after the date of enactment of this Act.

This section shall become effective one day after enactment.

AMENDMENT NO. 2417

At the appropriate place insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until—

(1) the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(c)(1)); and

(2) submitted that agreement to the Congress.

This section shall become effective one day after enactment.

AMENDMENT NO. 2418

At the appropriate place insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with that country providing tariff concessions for the importation of United States-made goods that reduces any such import tariffs to a rate that is within 20 percent of the rates applicable to Mexico under the North American Free Trade Agreement for imports of United States-made goods.

This amendment shall become effective one day after enactment.

AMENDMENT NO. 2419

At the appropriate place insert the following:

SEC. . LABOR AND ENVIRONMENTAL AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning—

(1) labor standards similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)), and

(2) the environment similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(c)(1)), and submitted those agreements to the Congress.

This section shall become effective one day after enactment.

AMENDMENT NO. 2420

Strike all after the first word and insert the following:

SEC. . MINIMUM WAGE.

(a) INCREASE.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $5.65 an hour during the year beginning on November 1, 2000; and

"(B) $6.15 an hour beginning on January 1, 2001;".

(b) APPLICATION TO COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 2421

At the appropriate place insert the following:

SEC. . MINIMUM WAGE REQUIREMENT.

The benefits provided by the amendments made by this Act shall not be available to any country unless the President determines that—

(1) the country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than $1 per hour; and

(2) the goods imported from that country that are eligible for such benefits are produced in accordance with that law.

This section shall become effective one day after enactment.

AMENDMENT NO. 2422

Strike all after the first word and insert the following:

SEC. . MINIMUM WAGE.

(a) INCREASE.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $5.65 an hour during the year beginning on January 1, 2000; and

"(B) $6.15 an hour beginning on January 1, 2001;".

(b) APPLICATION TO COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 2423

At the appropriate place insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

This section shall become effective one day after enactment.

AMENDMENT NO. 2424

At the appropriate place insert the following:

SEC. . CHILD LABOR LAW REQUIREMENT.

The benefits provided by the amendments made by this Act shall not be available to any country unless the President determines that—

(1) the country prohibits by law the employment of children under the age of 14 in the manufacture and production of goods; and

(2) no goods exported from that country to the United States produced in violation of that law received those benefits.

This section shall become effective one day after enactment.

HELMS AMENDMENT NO. 2425

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2401 submitted by Mr. ASHCROFT to the bill, H.R. 434, supra; as follows:

Strike section 2(a)(1) and insert the following:

(1) AGRICULTURAL COMMODITY.—

(A) IN GENERAL.—The term "agricultural commodity" has the meaning given that term in section 402(2) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1732(2)).

(B) Exclusion.—The term does not include any pesticide, fertilizer, or agricultural machinery or equipment.

Strike section 2(c)(1) and insert the following:

(1) against a foreign country with respect to which—

(A) Congress has declared war or enacted a law containing specific authorization for the use of force;

(B) the United States is involved in ongoing hostilities; or

(C) the President has proclaimed a state of national emergency; or

At the end of section 2(c)(2)(C), add the following:

(C) used or could be used to facilitate the development or production of a chemical or biological weapon or weapons of mass destruction.

Strike section (2)(d) and insert the following:

(d) Countries Supporting International Terrorism.—This section shall not affect the prohibitions in effect on the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), on providing, to the government, or a corporation, partnership, or entity owned or controlled by the government, of any country supporting international terrorism, United States Government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

HELMS AMENDMENT NO. 2426

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2361 submitted by Mr. Conrad to the bill, H.R. 434, supra; as follows:

Strike section 2(a)(1) and insert the following:

(1) Agricultural commodity.—

(A) In general.—The term "agricultural commodity" has the meaning given that term in section 402(2) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1732(2)).

(B) Exclusion.—The term does not include any pesticide, fertilizer, or agricultural machinery or equipment.

Strike section 2(c)(1) and insert the following:

(1) against a foreign country with respect to which—

(A) Congress has declared war or enacted a law containing specific authorization for the use of force;

(B) the United States is involved in ongoing hostilities; or

(C) the President has proclaimed a state of national emergency; or

At the end of section 2(c)(2)(C), add the following:

(C) used or could be used to facilitate the development or production of a chemical or biological weapon or weapons of mass destruction.

Strike section (2)(d) and insert the following:

(d) Countries Supporting International Terrorism.—This section shall not affect the prohibitions in effect on the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), on providing, to the government, or a corporation, partnership, or entity owned or controlled by the government, of any country supporting international terrorism, United States Government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, October 29, 1999, at 10 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

UNITED NATIONS DAY

• Mr. GRAMS. Mr. President, as Chairman of the International Operations Subcommittee, which has United Nations oversight responsibilities, and having been appointed by the President to serve two terms as a congressional delegate to the United Nations, I have focused significant attention on the United Nations. On the anniversary of the founding of the United Nations, I think it is appropriate to take time for us all to reflect on that important institution.

Fifty-four years ago this week, the members of the United Nations' founding delegation met in San Francisco for the signing ceremony that created the United Nations. There was great anticipation and a collective enthusiasm for this new, global institution. Delegates spoke of hope, of expectation, of the promise of peace. President Truman echoed the thoughts of those founding members when he told the delegates they had, "created a great instrument for peace and security and human progress in the world." Fifty-four years later, however, the United Nations is struggling to meet its potential.

In Congress, the need for the United Nations to reform itself often overshadows the activities United Nations does well. As we saw in the Persian Gulf war, the United Nations can play a useful role in building coalitions to address matters of international security. Moreover, the United Nations has the ability to effectively conduct traditional peacekeeping operations, such as those in Cyprus and the Sinai Peninsula, where hostilities have ceased and all parties agree to the U.N. peacekeeping role. In the areas of humanitarian relief, child survival, and refugee assistance, much of the work of UNICEF and the U.N. High Commissioner for Refugees deserves praise. And many of the U.N. agencies that focus on technical cooperation play a crucial role in establishing and coordinating international standards for governments and businesses, including the International Civil Aviation Organization, the International Telecommunications Union, the Universal Postal Union, and the World Intellectual Property Organization.

However, the ability of the United Nations to live up to the goals stated at its founding has been stymied by its massive, uncoordinated growth. Fortunately, a consensus appears to be building that the United Nations needs to reform in order to be a viable institution. As Secretary-General Annan noted, "a reformed United Nations will be a more relevant United Nations in the eyes of the world." To this end, the United States must help shape the United Nations to be an organization that the United States needs as much as the United Nations needs the United States.

In an effort to push the United Nations toward reform, the Senate has passed a comprehensive package that links the payment of arrears to the achievement of reform benchmarks. These are achievable, common-sense reforms. We are calling for a code of conduct with an anti-nepotism provision; a mechanism to sunset outdated and unnecessary programs; and transparency in the budget process. We do not need to micro-manage the United Nations, but we need to make sure a proper structure is in place for the United Nations to be able to manage itself.

We must pay our arrears to the United Nations. In doing so, however, we should put the arrears in perspective. Throughout the history of the United Nations, the United States has always been its most generous donor. The United States contributes around $2 billion to U.N. organizations and activities every year. This is three times more generous than any other permanent member of the Security Council. I do not believe success in any of the areas where the United Nations excels would be possible without a high level of U.S. support.

The U.S. mission will have a difficult job implementing reforms when a massive U.N. bureaucracy and numerous member states have a vested interest in resisting reform and maintaining the status quo. And I recognize the U.S. mission's job is more difficult without the arrears package signed into law. But Ambassador Holbrooke has shown that it can be done. He has already won a seat for an American on the budget committee of the United Nations and is making progress in getting our assessment rates reduced.

As I renew my commitment to champion the arrears package in the Congress, I want to underscore that the reforms proposed by the United States are critical to ensure the United Nations is effective and relevant. Any reforms that improve the effectiveness of the United Nations must be viewed in this light. We must reform the United Nations now and the United States has the responsibility to play a major role. If we do nothing, and the United Nations collapses under its own weight, then we will have only ourselves to blame.●

A SAND COUNTY ALMANAC

● Mr. FEINGOLD. I rise to commemorate the 50th Anniversary of the publication of Aldo Leopold's A Sand County Almanac. The publication of this work has been celebrated in my home state throughout 1999, most recently with a major national conference on the future of the land ethic at the beginning of this month. However, October 27, 1949 is the date that Oxford Press released the first edition of the book.

Aldo Leopold is considered to be the father of wildlife ecology. He was a renowned scientist and scholar, exceptional teacher, philosopher, and gifted writer. It is for this book, A Sand County Almanac, that Leopold is best known by millions of people around the globe. The book has been acclaimed as the century's literary landmark in conservation. It led to a philosophy that has guided many to discovering what it means to live in harmony with the land.

When Leopold died in 1948, he had yet to see his Sand County Almanac in print, and it was through the efforts of his son Luna that the first version of A Sand County Almanac was made available to the public.

Aldo Leopold's authority as a philosopher of conservation came from a lifelong love of wilderness and the recognition of his need to be surrounded by "things natural, wild, and free." Upon graduation from Yale University, Leopold went to work for the United States Forest Service in 1909, helped to found the Wilderness Society, and in 1924 was responsible for the institution, through administrative action, of the first of the United States' Wilderness Areas, the Gila National Forest in New Mexico. From 1933 until his death, Leopold held a chair in game management at the University of Wisconsin.

Although Leopold's love of the land is apparent in the book, his book does not cry out in defense of particular tracts of land about to go under the axe or plow. Rather Leopold deals with the minutiae of often unnoticed plants and animals, all the little things that one might overlook in the task of managing lands but which must be present to add up to healthy ecosystems.

Part I of A Sand County Almanac is devoted to the details of a single piece of land: Leopold's 120-acre property in central Wisconsin, abandoned as a working farm years before because of the prevalence of sandy soil from which the "Sand Counties" took their nickname. It was at this weekend retreat, Leopold says, "that we try to rebuild, with shovel and axe, what we are losing elsewhere."

Month by month, Leopold leads the reader through the progression of the seasons with descriptions of such things as skunk tracks, the songs, habits, and attitudes of dozens of bird species, cycles of high water in the river, the timely appearance and blooming of several plants, and the joys of cutting one's own firewood. Part of Leopold's request, toward the end of the book, that we attach values to the things in nature that have no apparent economic worth. At the time Leopold's Wisconsin sand farm itself was economically valueless because of its unsuitability for crops, timber or pasture. However, from Leopold's essays one comes to realize that here is a parcel of land that is anything but worthless; the property that yields to its owner the multitude of joys and insights that Leopold describes is a rich piece of ground indeed.

In Part II of A Sand County Almanac, titled "The Quality of Landscape," Leopold takes his reader away from the farm: first into the surrounding Wisconsin countryside and then even farther. Leopold describes an Illinois bus ride, a visit to the Iowa of his boyhood, on to Arizona and New Mexico where he first worked with the U.S. Forest Service, across the southern border into Chihuahua and Sonora, Mexico, north to Oregon and Utah, and finally travel across the northern border into Manitoba, Canada.

In each of these places, Leopold outlines the natural history of the region. Leopold understood the difficulty of the choices before us, and certainly knew the paradox with which we are faced: "But all conservation of wildness is self-defeating," he writes, "for to cherish we must see and fondle, and when we have seen and fondled, there is no wilderness left to cherish."

In the final pages of A Sand County Almanac, Leopold introduces the concept of a "land ethic" and a plea that such an ethic be adopted. Leopold defines philosophical ethics as "the differentiation of social from anti-social conduct" for the common good of the community, and declares that a land ethic, wherein the ecologies in which we erect our developments would be considered an integral part of the community, amounts to the same thing as social ethics. A land ethic, in the author's terms, means a "willing limitation on freedom of action in the struggle for survival."

A Sand County Almanac was not written specifically for wilderness activists. It was written for everyone, regardless of vocation. I recommend this book to colleagues not only because it is enjoyable, but also because it raises important questions that the Senate will eventually be forced to address. As members of the Senate, the decisions we will make regarding land use are critically important. The responsibility is there, as well as the rewards, for those who seek to conduct themselves in a fashion consistent with Leopold's vision.

A Sand County Almanac continues to inspire new generations of Americans to take up the cause of conservation. And 50 years later, the land ethic continues to serve as the guiding beacon for American conservation policy. We do well in the Senate to mark this Anniversary, and to dedicate ourselves to Leopold's legacy.●

COMMENDING PATRICIA MOULTON POWDEN AND SUE DAVENPORT

● Mr. JEFFORDS. Mr. President, I rise to commend the service of Patricia Moulton Powden and Sue Davenport, two New Englanders who are ending their terms on the Board of Directors for the Northeast-Midwest Institute. Both have provided exceptional service to the Institute, and in the process helped to improve our region's economic development and environmental quality. The Northeast-Midwest Institute provides policy analysis for the bipartisan Northeast-Midwest Senate Coalition, which I co-chair with Senator Daniel Patrick MOYNIHAN from New York.

Patricia Moulton Powden is a fellow Vermonter who has served for the past 4 years as Treasurer of the Northeast-Midwest Institute's Board of Directors. In that capacity, she provided careful oversight and helped the group's finances improve significantly. Within Vermont, Patricia is executive director of the Springfield Regional Development Corporation. She also has served as Commissioner of Economic Development for the State of Vermont and Director of the St. Johnsbury Area Economic Development Office.

Sue Davenport has performed a variety of public service activities throughout New England. Currently, she is Executive Director of the Spurwink Schools-New Hampshire, which provide residential/day treatment programs for youngsters with emotional and behavioral handicaps, and their families. She has served as Commissioner of mental health and mental retardation for the State of Maine; adjunct faculty member at Suffolk University; Regional Director of the U.S. Department of Health and Human Services; and Acting Director of HHS's Regional Administrative Support Center.

Mr. President, I again want to thank these distinguished New Englanders for their leadership on the Northeast-Midwest Institute's Board of Directors. They have provided valued service and helped increase that organization's reputation and effectiveness.●

IN HONOR OF HEAD START AWARENESS MONTH

● Mr. DODD. Mr. President, I rise today to join with thousands of Americans who this month are celebrating Head Start Awareness Month.

There are few federal programs like Head Start. Since its creation in 1965, this marvelous program has provided comprehensive education, health, social and nutritional services to over 17 million young children and their families. Today, over 835,000 children are involved in Head Start, benefitting from the commitment of nearly 170,000 staff people and just over 2,000 Head Start agencies nationwide.

Head Start is clearly much more than a program. It is a community organized around the principle that we must together take care of our young children. Head Start brings together parents, teachers and others in the community to support young children and meet their needs. Sometimes that means health screenings and eye glasses; other times it means linking a parent up with job training services. The actions are diverse but the effects are the same—enriching and improving the child's life.

Next year, we will celebrate the 35th anniversary of this powerful program. And there is clearly much to celebrate. The anniversary will also provide us with an appropriate opportunity to reflect on Head Start and consider how to continue to promote, improve and expand this crucial program. In some ways, we began this process last year with the enactment of the 1998 Head Start reauthorization bill. This legislation increased support for additional staff training and professional development, authorized further research into the long term benefits of Head Start, improved program accountability measures, and expanded Early Head Start to serve more infants and toddlers, laying a strong foundation for Head Start in the next century.

However, I believe there remains unfinished business with Head Start. Most notably, the program still serves just 40 percent of those eligible. The President has proposed the laudable goal of serving one million children by 2002—but I think we must do more. We must also look to Head Start for further models of how to serve young children. For the last 35 years, the program has been a laboratory for the development of practices that are now commonplace in child care and preschool programs across the country. We must continue to build on the success of Head Start to better serve Head Start children as well as other young children.

One of our key partners in this effort is the National Head Start Association (NHSA). This organization is the voice of Head Start, representing parents, children and staff. Beyond being an active advocate for young children and Head Start, NHSA is focused on a strong and vibrant future for Head Start, providing technical assistance, professional development opportunities, training tools and policy guidance to programs across the country. I am honored to join with NHSA and all in the Head Start community to celebrate Head Start Awareness Month—October 1999.●

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mrs. HUTCHISON. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: Nos. 294 through 320, and all nominations on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy. I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF DEFENSE

John F. Potter, of Maryland, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2005.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

A.J. Eggenberger, of Montana, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2003.

Jessie M. Robertson, of Alabama, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2002.

DEPARTMENT OF DEFENSE

The following named officer for appointment as Vice Chairman of the Joint Chiefs of Staff and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 154:

To be general

Gen. Richard B. Myers, 7092

IN THE AIR FORCE

The following Air national Guard of the United States officers for appointment in the Reserve of the Air Force to the grades indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Harold A. Cross, 6940
Brig. Gen. Paul J. Sullivan, 5946

To be brigadier general

Col. Dwayne A. Alons, 6536
Col. Richard W. Ash, 2052
Col. George J. Cannelos, 9758
Col. James E. Cunningham, 6429
Col. Myron N. Dobashi, 8614
Col. Juan A. Garcia, 8468
Col. John J. Hartnett, 7206
Col. Steven R. McCamy, 8048
Col. Roger C. Nafzinger, 2043
Col. George B. Patrick III, 8518
Col. Martha T. Rainville, 6388
Col. Samuel M. Shiver, 9331
Col. Robert W. Sullivan, 8075
Col. Gary H. Wilfong, 8548

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Charles H. Coolidge, Jr., 6287

The following named officer for appointment as Surgeon General of the Air Force and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 8036:

To be lieutenant general

Maj. Gen. Paul K. Carlton, Jr., 8132

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Charles F. Wald, 1222

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Ronald C. Marcotte, 7848

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Thomas J. Keck, 7294

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Hal M. Hornburg, 6836

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Walter S. Hogle, Jr., 6057

The following Air National Guard of the United States officer for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Myron G. Ashcraft, 6527

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Norton A. Schwartz, 7542

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Joseph W. Ralston, 9172

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Ralph E. Eberhart, 7375

IN THE ARMY

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Daniel B. Wilkins, 1631

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Raymond D. Barrett, Jr., 1758
James J. Grazioplene, 3304

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. Thomas A. Schwartz, 0711

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. John W. Hendrix, 7900

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Kevin P. Byrnes, 7639

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. James C. Riley, 6688

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John A. Van Alstyne, 3328

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Anders B. Aadland, 1667

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. John T.D. Casey, 8752

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Hans A. Van Winkle, 8718

IN THE MARINE CORPS

The following named officer for appointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 624:

To be lieutenant general

Maj. Gen. Gary S. McKissock, 8973

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Edwin C. Schilling, III, and ending Celinda L. Van Maren, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

Air Force nomination of Ronald J. Boomer, which was received by the Senate and appeared in the Congressional Record of October 12, 1999.

Army nominations beginning Robert E. Wegmann, and ending Sandra K. James, which nominations were received by the Senate and appeared in the Congressional Record of September 23, 1999.

Army nominations beginning John H. Belser, Jr., and ending Thomas R. Shepard, which nominations were received by the Senate and appeared in the Congressional Record of September 23, 1999.

Army nominations beginning *Kathleen David-bajar, and ending Dean C. Pedersen, which nominations were received by the Senate and appeared in the Congressional Record of September 23, 1999.

Army nominations beginning Gary A. Benford, and ending Kenneth A. Younkin, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

Army nominations beginning David A. Couchman, and ending Charles R. Nessmith, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

Army nominations beginning Rex H. Cray, and ending Lawrence A. West, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

Army nominations beginning *David M. Abbinanti, and ending X379, which nominations were received by the Senate and appeared in the Congressional Record of October 12, 1999.

Marine Corps nomination of Wendell A. Porth, which was received by the Senate and appeared in the Congressional Record of September 23, 1999.

Marine Corps nomination of Fredric M. Olson, which was received by the Senate and appeared in the Congressional Record of October 12, 1999.

Navy nominations beginning Robert C. Adams, and ending Daniel L. Zimmer, which nominations were received by the Senate and appeared in the Congressional Record of September 27, 1999.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

HISTORY OF THE HOUSE AWARENESS AND PRESERVATION ACT

Mrs. HUTCHISON. Mr. President, I ask unanimous consent the Rules Committee be discharged from further consideration of H.R. 2303, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2303) to direct the Librarian of Congress to prepare the history of the House of Representatives and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. DODD. Mr. President, I rise in support of H.R. 2303, the History of the House Awareness and Preservation Act, and wish to take a moment of the Senate to congratulate the author of this legislation, the Honorable JOHN B. LARSON of the First Congressional District of Connecticut.

JOHN has proven himself to be a skilled legislator and an articulate and creative advocate for the people of his district, the State of Connecticut, and indeed the entire Nation. For twelve years JOHN served with distinction in the Connecticut State Senate, serving as President Pro Tempore for eight years. It is altogether fitting that this initiative is JOHN's first legislative accomplishment. As a former high school teacher, JOHN is in a unique position to understand the significance and importance of recording the deliberations and history of the House for the benefit of future generations.

As a newly elected member of the House of Representatives, JOHN arrived in Washington at a time when it appeared that partisanship and acrimony would be the order of the day. True to his reverence for our system of government, and his respect and admiration for the institution he now serves in, JOHN initiated this idea in response to calls for a return to civility in the House of Representatives. It is a testament to his skill and effectiveness that this legislation garnered 313 cosponsors, including both the Speaker of the House, Mr. HASTERT, and the House Minority Leader, Mr. GEPHARDT, and was adopted by the House in just a little over four months from its introduction on June 22 of this year. The United States Senate is deeply indebted to our distinguished colleague, Senator ROBERT C. BYRD, for his considerable efforts to preserve the history of the Senate through his four-volume history. The House of Representatives, and students of government across this Nation, will be indebted to JOHN LARSON for his efforts as well.

I am privileged to count JOHN as a friend and an advisor and I commend him on the enactment of this, his first, legislative initiative. It is an honor for me, as the Ranking Member of the Committee on Rules and Administration, to play a small role in assisting his efforts to preserve the rich history of the House of Representatives for future generations. I urge the adoption of this legislation.

Mrs. HUTCHISON. I ask unanimous consent the bill be read three times, passed, the motion to reconsider be laid on the table, and any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2303) was read the third time and passed.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 106–15

Mrs. HUTCHISON. Mr. President, as in executive session, I ask unanimous consent the injunction of secrecy be removed from the following convention transmitted to the Senate on October 29, 1999, by the President of the United States:

Tax Convention with Ireland (Treaty Document No. 106–15).

I further ask the convention be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations, and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention Amending the Convention Between the Government of the United States of America and the Government of Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains signed at Dublin on July 28, 1997. The Convention, which was negotiated pursuant to the Senate's resolution of October 31, 1997, granting advice and consent to the 1997 Convention, modifies the tax treatment of dividends received from Real Estate Investment Trusts.

I recommend that the Senate give early and favorable consideration to this Convention and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 29, 1999.*

RECOGNIZING AND HONORING THE NEW YORK YANKEES

Mrs. HUTCHISON. I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 210, recognizing and honoring the New York Yankees, introduced earlier today by Senators SCHUMER and MOYNIHAN.

I will withhold my objection and make it a unanimous consent request.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 210) recognizing and honoring the New York Yankees.

There being no objection, the Senate proceeded to consider the resolution.

Mr. SCHUMER. Mr. President, it is with great pride that I rise today with my distinguished colleagues, Senator MOYNIHAN and Senator LIEBERMAN, to introduce a resolution honoring one of the greatest franchises in American sports history, the New York Yankees, or as so many of us endearingly refer to them as—the Bronx Bombers.

Having grown up in New York during the 1950's, I am full of fond memories of a team that as a child I idolized. After school, time after time, I rode the dynamite D train with my friends from Sheepshead Bay to Yankee Stadium in the Bronx, sitting in the bleachers eating hot dogs and munching on peanuts, watching my idol Mickey Mantle play like no one else could, then returning home happy as a kid could be, all for less than three dollars At that time, the only thing in life I wanted to be was Mickey Mantle. Since I never reached that achievement, it is only proper for me to honor the team in which he became a baseball icon.

The Yankee were then, and are now, the toast of the town. They have become a franchise synonymous with greatness, a team full of heroes, playing in the greatest city in the world. Players such as Babe Ruth, Mickey Mantle, Joe DiMaggio, Yogi Berra, and Lou Gehrig are some of the many Yankee legends of the past. Players like Bernie Williams, Derek Jeter, and David Cone are our Yankee legends of the future. The Yankees are typified by character, commitment and achievement, values that represent all that is great about baseball, the State of New York, and America. I can still remember listening to one of the greatest games of all time, Don Larsen's perfect game in Game 5 of the 1956 World Series. But the memories do not stop there, five years later in 1961 Roger Maris hit a then-astonishing 61 homeruns, breaking the previous record of 60 set by the legendary Babe Ruth.

Sixteen Hall of Famers, countless nohitters, and 25 World Championships later, I stand before you to honor an American icon, a team of this century, and also the next, the New York Yankees.

Mr. LIEBERMAN. Mr. President, it is with considerable glee that I rise today to commend a true titan of our national pastime, the New York Yankees, who earlier this week cemented their legacy as the preeminent dynasty of 20th century American sports.

The Yankees four-game sweep of the Atlanta Braves in this year's World Series earned the franchise its 25th championship of the 1900s, proving that the Yankees belong right up there with Uncle Sam and Mom's apple pie as inspirational symbols of America's greatness.

In Connecticut, the loyalties of baseball fans are split between the Yankees, the New York Mets, and the Boston Red Sox. This made the 1999 Major League Baseball season truly memorable, as all three teams advanced to their respective league championships and vied for the pennant.

I confess that I was once a Brooklyn Dodgers backer, but I have been cheering the Bronx Bombers for decades—since my eldest son, Matt, caught Yankee fever at an early age. Some of my fondest memories are watching games at Yankee Stadium with my family. Yet I cannot recall any of the teams' accomplishments being more impressive or fun to watch than this world championship, the Yankees' third in four years, capping a string of World Series triumphs that dates back to 1923.

I tip my pinstripe cap to Manager Joe Torre, Series MVP Mariano Rivera, the indomitable Roger Clements, Orlando "El Duque" Hernandez, the valiant Paul O'Neill, the heroic Chad Curtis, and the entire Yankees organization for their inspirational and dominating play this October. The Yankees' remarkable success has brought untold joy to their neighbors in Connecticut.

Mrs. HUTCHISON. I ask unanimous consent the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I also add, the Texas Rangers will rise again.

The resolution (S. Res. 210) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 210

Whereas the New York Yankees is 1 of the greatest sports franchises ever;

Whereas the New York Yankees are the winningest sports franchise in professional sports history;

Whereas the New York Yankees have won 25 World Series, the most by any major league franchise;

Whereas the New York Yankees have played 86 seasons in the city of New York;

Whereas the New York Yankees became a baseball icon in the 1950's by winning 5 World Series in a row;

Whereas the New York Yankees' dominance was ignited in 1920 by the appearance of the indomitable Babe Ruth in pinstripes;

Whereas the New York Yankees have retired 11 numbers for 12 baseball legends;

Whereas the New York Yankees have had a player win the American League batting title 9 times;

Whereas the New York Yankees are represented in the Baseball Hall of Fame by 16 players who were inducted wearing the distinctive New York Yankee cap;

Whereas the New York Yankees have fielded teams such as the 1927 "Murderers' Row"; and

Whereas the New York Yankees have finished the 20th century meeting the standards they set throughout it: Now, therefore, be it

Resolved,

SECTION 1. CONGRATULATION AND COMMENDATION.

The Senate recognizes and honors the New York Yankees—

(1) for their storied history;

(2) for their many contributions to the national pastime; and

(3) for continuing to carry the standards of character, commitment, and achievement for baseball and for the State of New York.

SEC. 2. TRANSMITTAL OF RESOLUTION.

The Senate directs the Secretary of the Senate to transmit an enrolled copy of this resolution to the New York Yankees owner, George Steinbrenner, and to the New York Yankees manager, Joe Torre.

DR. MARTIN LUTHER KING, JUNIOR, PAPERS PRESERVATION ACT

Mrs. HUTCHISON. Mr. President, I ask unanimous consent the Rules Committee be discharged from further consideration of S. 1791 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1791) to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

There being no objection, the Senate proceeded to consider the bill.

Mr. CAMPBELL. Mr. President, I support passage of the pending bill, S. 1791, that Senator LIEBERMAN and I introduced. This legislation would authorize the Librarian of Congress to acquire Dr. Martin Luther King, Junior's personal papers from his estate.

Dr. King, as a minister, civil rights leader, prolific writer and Nobel Price winner, was deeply committed to nonviolence in the struggle for civil rights. He is quite possible the most important and influential black leader in American history.

When Dr. King was tragically assassinated on April 4, 1968, he was in his prime, after having emerged as a true national hero and a chief advocate of peacefully uniting a racially divided nation. He strove to build communities of hope and opportunity for all. He recognized that all Americans must be free if we are to live in a truly great nation.

The acquisition of Dr. King's papers would permanently place them in the public domain. People from all over the United States, and the entire world, would have direct access to these important historic documents. Those people studying his life's work would have access to his messages of justice and peace, and also to reflect on the civil rights struggle. The Library of Congress would be the perfect place for these papers which already houses other great works of original American freedom fighters such as Frederick Douglass and Thurgood Marshall. It is altogether fitting that these documents be together under one roof.

Dr. King was a person who wanted all people to get along regardless of their race, color or creed. His call to all of us, that we should judge by the content of one's character rather than by the color of one's skin, sums up the very core of how we can all peacefully live together as well as any other words ever spoken.

The establishment of Martin Luther King, Jr. Day as a national holiday was the result of the work of many determined people who wanted to ensure that we and future generations duly honor and remember his legacy. In fact, our tradition of honoring Dr. King took another step forward when on October 25, 1999, the President signed into law S. 322, a bill I introduced earlier this year that authorizes the flying of the American flag on Martin Luther King Day, in addition to all of our Nation's national holidays. This legislation builds on this work and will ensure that Dr. King's legacy is preserved for generations to come.

I urge my colleagues to support passage of this important bill.

Mrs. HUTCHISON. I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1791) was read the third time and passed, as follows:

S. 1791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Dr. Martin Luther King, Junior, Papers Preservation Act".

SEC. 2. PURCHASE OF MARTIN LUTHER KING PAPERS BY LIBRARIAN OF CONGRESS.

(a) IN GENERAL.—The Librarian of Congress is authorized to acquire or purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Librarian of Congress such sums as may be necessary to carry out this Act.

ORDERS FOR MONDAY, NOVEMBER 1, 1999

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that when the Senate completes its business today it adjourn until the hour of 12 noon on Monday, November 1. I further ask consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business with Senators speaking for up to 5 minutes each, with the following exceptions: Senator DURBIN or designee, 12 noon to 1 p.m.; Senator THOMAS or designee, 1 p.m. to 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIVISION OF TIME

Mrs. HUTCHISON. I further ask the time reserved prior to the 10 o'clock vote on Tuesday be divided as follows for the majority side: Senator STEVENS, 5 minutes; Senator HUTCHISON of Texas, 5 minutes; Senator SPECTER, 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mrs. HUTCHISON. For the information of all Senators, the Senate will be in a period of morning business from 12 noon to 2 o'clock p.m. on Monday. Following morning business, the Senate will resume debate on the conference report to accompany the D.C./Labor-HHS appropriations bill. Debate on the conference report is expected to consume the majority of the day. However, it may also be the majority leader's intention to resume consideration of the Caribbean Basin Initiative/African trade bill or resume discussion on the nuclear waste bill at some point during Monday's session of the Senate.

As a reminder, cloture was filed on the substitute amendment to the African trade bill as well as on the bill itself. Under the rule, those votes will occur on Tuesday, 1 hour after the Senate convenes or at a time to be determined by the two leaders.

By previous consent, a vote on the D.C./Labor-HHS appropriations conference report has been scheduled to occur at 10 a.m. on Tuesday, and the majority leader has announced that vote will be the first vote of the week.

IN HONOR OF SENATOR JOHN CHAFEE

Mr. KYL. John Chafee was a gentleman with every quality that term connotes. He always treated everyone with the utmost respect. He was unfailingly courteous to everyone. I never heard him utter a bad word about anyone. He took his job very seriously, but he did not take himself seriously. He always evaluated proposals, first asking what his constituents would think about them. He always sought to accommodate me, personally. I recall the last request I made of him to break some precedents and quickly get a bill through to name a U.S. courthouse in Phoenix for U.S. Supreme Court Justice Sandra Day O'Connor because we did have to break some precedents in order to accomplish that. He did it with no problem whatever.

Others have detailed his considerable service to this country, and I will not repeat that. However, it runs the gamut from military service to service in the Senate and much, much more.

I simply want to recall John Chafee, the marine, the gentleman. If every one of us in this Chamber comported ourselves as Senator Chafee did, the Senate would be a much better place. That is a legacy that any person, I believe, would be proud to have. It is John Chafee's legacy. He will be missed. But he will be remembered.

God bless John Chafee and his family.

Mr. SESSIONS. Mr. President, I wish to say a few words about an outstanding American who has left us. The flowers in this Chamber now recall for us the life of John Chafee, the distinguished Senator from Rhode Island who was 77 years of age. He served his country in an extraordinary number of ways.

I served for my first 2 years in this body on the Environment and Public Works Committee that he chaired. He was a wonderful person, a gentleman of the highest order, a man of propriety and decency, a classic Yankee, a leader who loved his country. He not only loved it, he proved his love to it.

He served in World War II in the Marines, landed on Guadalcanal with the first invasion forces, and a few years later he was recalled as a rifle platoon leader in Korea. He served 4 years as Secretary of the Navy and 6 years as Governor of Rhode Island.

They wrote a book a few years ago entitled "In Defense of Elitism." John, I want to say, was not an elitist. In fact, he wasn't an elitist but he was of a higher standard than most of us will ever achieve. He cared about what was right and wrong. He fought for what he believed in.

He was highly intelligent, and he was blessed in a lot of different ways. He went to the finest schools in America. He went to Deerfield Academy in Massachusetts as a high school student, was a Yale undergraduate, Harvard Law—the very best education he could have. That was during a time prior to World War II when there wasn't any doubt what those young men and women were taught. They were taught duty, honor, humility, integrity, frugality, service to their country and fellow man, courage, and manliness. Those are traits that were part of his growing up, traits he never gave up until he took his last breath.

He was not part of the "do your own thing" crowd. John Chafee was part of the crowd who won World War II and defeated the Soviet Union, preserved freedom and democracy around the world, and eliminated totalitarian communism virtually from the face of the Earth.

John was helpful to me personally. I never had a harsh word with him. He loved environmental issues. He was a strong environmentalist. We didn't always agree. I came here from Alabama having talked to a lot of people who were a little bit irritated every now and then about governmental regulations that seemed to have no benefit to the environment and caused great burdens on farmers and business people. I am at this moment quite prepared to consider improving those acts. But John was part of the drafting and crafting, and he didn't give them up easily. He knew the Clean Air Act and the Clean Water Act had historic benefits in improving our Nation's environment. He would not give them up easily. He had to be convinced that you were right in every way before he would move toward any change in those laws.

He really was an effective public servant. He was effective as chairman of a committee. He was effective as an environmentalist. And he was certainly able to keep that committee together in a most harmonious way, with Republicans and Democrats able to work together with great harmony. It is a rare thing we see here when we have that kind of harmony. We had that kind of friendship.

His grandfather was Rhode Island's Governor. His great uncle was a Senator from Rhode Island. He had a great ancestry of personal service.

He announced a year ago that he himself would not seek reelection to the Senate. But he was extraordinarily proud that his son Lincoln, the mayor of a city in Rhode Island, was going to seek the seat he had so long and ably held. That was a source of great pride for him. And I talked to him about that race.

I think many of our brethren in the Senate have shared here our own thoughts about John Chafee and the quality of life he led. Many knew him much longer than I and knew him better than I. But my experience with him was personal, it was real, and it was very positive.

I think he is one of the finest people I have known. He exemplified high ideals, the kind of high ideals with which he was raised and from the community of which he was a part. He reflected that and carried it out with great integrity and ability.

We will all mourn his loss, and our sympathies are extended to his family, his daughter, and his four sons.

Mr. BURNS. Mr. President, tomorrow, most of us will make our way toward Rhode Island. We will attend the memorial services for John Chafee, our colleague and friend who we have all known and grown to respect in our work in the Senate.

As I look across this Chamber and I notice the black pall and the flowers that grace the desk of Senator Chafee, my memory is triggered to the first time I ever met him.

When I first ran for the Senate back in 1988, he called me up. I was going through this agonizing process of making the decision whether to stand for election to the Senate. I received a call from Senator Chafee inviting me to a gathering of prospective candidates at Williamsburg, VA. I accepted that invitation. I met for the first time this giant of a man from Rhode Island. I do not use the term "giant" loosely. He has not diminished. This was the impression he made on me at our first meeting, and over the years that has been the lasting impression.

In our daily work here in the Senate, did we agree on everything? No. Did I have a true understanding of his constituency in his State? No. Nor did he of mine. So we did not agree on everything, nor should we. Men of substance do not need to agree but be men of honesty, of civility, and of integrity.

When we refer to the legions of great Americans who have answered above and beyond the normal call, John Chafee rightfully takes his place among the most distinguished: A marine in the South Pacific, Guadalcanal, all during World War II; and, if that wasn't enough for his country, he came home, graduated from law school, got his law degree, and he answered his country's call again, serving in Korea. I, a former marine, understand that. But that was not enough for this man yet who took public service very seriously—a Governor, Cabinet Secretary, Secretary of the Navy, and Senator. At every station, he distinguished himself, his State, his Nation, and his family.

Though the voice has been silenced, his words of wisdom and leadership will echo through these Halls for generations. He was one who quietly went about his way in making America a better place. What a legacy we would all like to leave.

He was a leader of a generation. Tom Brokow got it right. It was a generation that quietly built a nation no matter their station in life.

So we say thank you, John Chafee. May we be men and women who protect and respect what you have done. You were a giant among men.

Mr. BAYH. Mr. President, this week, with the passing of Senator John Chafee of Rhode Island, we lost a dear colleague and a friend. John Chafee was a real statesman. His passing is a tragedy, and a loss for America.

As a new member of this body, I regret that my time serving with Senator Chafee was brief. Fortunately, the lessons I learned from working with him will last a lifetime. Senator Chafee was an all-too-rare voice for bipartisanship in the U.S. Senate. He was a force for common sense, and someone who always put politics aside and tried to do what was right for America.

For those of us who value consensus over partisan politics, Senator Chafee's approach to service will remain the standard we strive towards. His central goal, he said, was to "operate through consensus and cooperation wherever and whenever possible in order to get things done."

And "get things done" he did: after what for most men would be a full and distinguished life in public service—World War II duty, company commander in Korea, Minority Leader in the Rhode Island State House, three-term Governor, Secretary of the U.S. Navy—after all that, John Chafee began his service in the U.S. Senate.

In twenty-two years as U.S. Senator from Rhode Island, John Chafee's most remarkable accomplishments came when he managed to bring others to the middle-ground on contentious issues such as budget and tax policy, environmental protection, and health care.

Senator Chafee understood the responsibility we shoulder here when we write a budget for the nation, and he had the vision to act responsibly on behalf of future generations. He was a leader in efforts to reduce the federal budget deficit. In 1996 he co-chaired the Centrist Coalition which produced a bipartisan balanced budget plan. More recently, as Democrats and Republicans fought bitterly over their respective $300 billion and $800 billion tax-cut proposals, I had the pleasure of working with Senator Chafee as part of a bipartisan group fighting to pass a reasonable $500 billion tax cut. For me, working with Senator Chafee reinforced the value of his consensus-building approach, and my desire to emulate that approach.

Senator Chafee was a longtime advocate for clean air and water, wetlands conservation, and open space preservation. As a result of his dedication to preserving our natural heritage, Senator Chafee was the recipient of every major environmental award.

As a senior member of the Finance Committee, Senator Chafee worked successfully to expand health care coverage for women and children, and to improve community services for persons with disabilities.

John Chafee served his country for many years and in many roles. Perhaps his most important legacy is the way he served America: "operating through consensus and cooperation wherever and whenever possible in order to get things done."

We're all going to miss him very much.

Mr. GRASSLEY. Mr. President, I rise to say some words about the loss of our mutual friend, John Chafee from Rhode Island.

His passing away this week was obviously sad for all of us in this body, as well as his family and his friends.

He has left an impressive legacy both for this body and for his service to the United States.

I would like to take a few moments to express my thoughts about this truly heroic person.

When I came to the Senate in 1981, Senator Chafee was already one of the body's giants. He was well respected. I remember the budget battles we had in those years in the early 1980s, and the impact he had as a leader of moderate Republicans—usually about half dozen or so Senators who always had a major influence on the budget process. Disagree though some of us might with Senator Chafee's position on these issues, there was no disagreement among any of us that the results of his efforts were always a moderating influence on what this body did.

I served with Senator Chafee on the Finance Committee for many years—the committee that has jurisdiction over taxes, over Social Security, Medicare, Medicaid, foreign trade, and welfare. He had a passion; that was to preserve the safety net programs, and especially in the health sector. He was a strong supporter of the Community Health Center Program of Medicaid, and most importantly children's health programs.

In fact, one of the last meetings in which I joined Senator Chafee was his handling of a hearing a week ago in which he was proposing and forwarding legislation to make sure that people who were part of the foster care system did not fall through the cracks as far as their health care was concerned once they were forced out of the system because of age.

Above all else, Senator Chafee, as demonstrated by that hearing last week and his promotion of that legislation, was committed to the proper amount of health care and quality of health care. He also worked long and hard in a very generic area we call health care reform, sometimes minuscule fine-tuning, but also Senator Chafee was in the middle of the big battles of health care reform.

During the time the Senate was considering the Clinton health care plan, then-majority leader Bob Dole appointed Mr. Chafee to chair a Republican health care reform task force. Senator Chafee for several months convened meetings every Thursday in his Capitol office. During those meetings, he led discussions on various aspects of health care reform. I had an opportunity to participate in a lot of those meetings and know firsthand Senator John Chafee's commitment not only to informing and providing the procedure for informing fellow Members about the issue but also his efforts working toward compromise that would eventually get the votes to bring legislation to the floor and through the Senate.

The work we did in this task force culminated in a major health care reform bill that had the support of most of our Republican colleagues. It was a major achievement, needless to say. It wasn't something that finally was passed by this body because the whole Clinton health care issue got so overburdened with so many controversial aspects that the Clinton health care proposal went down, and compromises, more moderate and more bipartisan, obviously, were taken off the Senate's agenda at the same time.

That still does not denigrate in any way the hard work of John Chafee on health care generally. In fact, it is a very good example of his hard work and, most importantly, his commitment to the overall issue, over a long period of time, leading up to that last hearing he chaired just 1 week ago.

More recently, Senator Chafee urged the modernization of the traditional Medicare fee-for-service program. It is likely, as we go further down the road, that Senator Chafee will have had much influence on what we as a body produce even though he is no longer with us. In that regard, his influence will certainly have outlived his own life. That is a hallmark of a truly great man and a great Senator.

I, along with my colleagues, will miss Senator Chafee for many reasons. I respected him. I liked him. I listened to him. I looked to him as a leader. He spoke with authority and with credibility. Most importantly, he was a very compassionate person. Above all, what is important in political leadership is that he was very independent. He stood up for what he believed in, sometimes in the face of opposition from even his own party, my party, the Republican Party. That is the quality of John Chafee I grew to admire most.

Senator Chafee's legacy is his extraordinary service to his country. The way he knew to serve was in a very mighty way, whether it was on the battlefield as a genuine war hero or his service as Governor, Secretary of the Navy, or for 23 years as a Member of the Senate from Rhode Island. Not everyone is capable of making a big difference in this world, but John Chafee did. We salute him. I salute him, his life, and his accomplishments. I join my colleagues in remembering his greatness and appreciating the contributions he made to this country.

Mr. HARKIN. Mr. President, I want to reflect on the passing of one of the true giants in the Senate, someone with whom I was privileged to work for the last 15 years I have been in the Senate—Senator John Chafee, a good man with a great heart and a great soul, a statesman in every sense of the word, a public servant unequaled, a man who dedicated his entire professional life to the service of his country.

He was a good friend of people on both sides of this aisle. He was respected by all who knew him and served with him, and he returned that respect in kind. During all the efforts with which I had worked with him through the years, he always returned respect. If you did not agree with him, he respected your position. I never once heard John Chafee belittle a Member of this body or the other body because of a position that was taken by that Senator or Congressman. He respected people's views. He respected the fact you come from a different viewpoint.

He was a great bridge builder. He would reach out to people, always looking for a way to craft a consensus, always having in mind "I am not right all the time and you are not right all the time, but if we work together, we can build a consensus and find a middle way."

He set aside partisanship. He put his energies into working for the greater good. He won high praise from a wide spectrum of admirers, from the American Civil Liberties Union to the U.S. Chamber of Commerce. You cannot get much broader than that.

He is a true American hero. He never talked about it. He left college in 1942 and joined the Marine Corps and fought in one of the bloodiest battles of the U.S. Marine Corps in Guadalcanal. If that was not enough, he fought during the invasion of Okinawa. Those were two of the bloodiest battles of World War II.

He left military service, but came back to fight, once again, in Korea in 1951. I do not mean sitting behind a desk either; I mean as a soldier in the field. Between his tours of duty, he had already earned his bachelor's degree at Yale and his law degree at Harvard. A career of distinguished service followed: Rhode Island House of Representatives, Governor of the State, Secretary of the Navy, and United States Senator. He was the first Republican Senator elected in Rhode Island in 46 years.

Having known him well, I know, no matter where his public service took him, his heart was always in Rhode Island. In talking with him when he announced he was retiring, he said he looked forward to retiring to his home State of Rhode Island.

He wore many titles in his lifetime—lieutenant, captain, Governor, Secretary, Senator, but he was proudest of being a husband, a father, and a grandfather. He was devoted to his family: Virginia, 5 children, 12 grandchildren. I know their loss is tremendous, but I hope in the days, weeks, and months ahead they will take comfort in John Chafee's magnificent legacy.

When the major achievements of the 20th century are recounted, many will bear his mark: the Clean Air Act, Superfund, Social Security improvements, fair housing, civil rights. He played a major role in every major piece of environmental legislation that has been passed in the last two decades. He fought for health care coverage for low-income families and expanded coverage for uninsured children. He fought hard for the Family and Medical Leave Act. John made it his mission to make sure no American fell between the cracks. America's women, children, and families are the beneficiaries.

I had the privilege of working with John Chafee on a couple of major issues. I worked very closely with him for over a year tackling our Nation's leading public health problem: the use of tobacco. With Senator GRAHAM from Florida, we introduced the first bipartisan bill. We called it the KIDS Act to protect our children from tobacco.

Senator Chafee had the courage to take on the tobacco industry and provided great leadership on this issue. He did it because of his unwavering dedication to improve health, save lives, and protect our kids.

While we did not succeed with our bill, we did succeed on another important effort, and that is combatting teen smoking. Senator Chafee and I offered an amendment to fully fund FDA's initiative to have store clerks check the IDs of children and young people before they sell cigarettes.

And as you walk up to the counter in your 7-Eleven and other stores, right now you will see they have put in place an ID check. They check IDs before selling cigarettes.

Senator Chafee led that initiative.

Senate passage of this amendment was the first big defeat of big tobacco in the Senate in 10 years, since we passed the ban on smoking on airlines. That effort has had a big impact. Thousands and thousands of kids have been prevented from buying a deadly addictive product.

As I said, that important victory would not have been possible without John Chafee and his skill at forming a bipartisan coalition and crafting a creative solution to this very pressing problem.

I also had the privilege of working with John Chafee on disability issues. As the chief sponsor of the Americans with Disabilities Act, which passed and was signed into law by President Bush in 1990, Senator Chafee and I formed a working relationship on this issue. He was a major champion for creating alternatives to institutions for people with disabilities, to get people out of institutions and into their homes and into their communities where they could be fully integrated into all aspects of American life.

Senator Chafee's work to create the Medicaid home and community-based waivers opened the door for independent living for tens of thousands of people with disabilities across our country.

I can tell you this has been a movement that has taken hold in our country. It has provided so much joy to families. It has provided opportunities for people with disabilities.

I had a family in my office the other day from Iowa, the Piper family, Sylvia and Larry Piper, and their son Dan. I have known Dan for a long time, since he was in high school. Dan has Down's syndrome, but he was mainstreamed in school, after his parents had told him they probably would have to put him in institutions for the rest of his life. They got him in high school. He was the captain of the football team. He acted in school plays. And after he got out of high school, he went out and got a job. He has been working now for several years, and he lives in a community setting. He has his own apartment. He has his own job, pays taxes, buys his own TV set. He told me he just bought a VCR. Community-based living. His parents are proud of him. They are happy he is out there on his own. They know his future is going to be bright. He is not stuck in an institution someplace.

Well, sitting in my office with my friends, the Pipers, and my long-time friend, Dan, I had to think of Senator Chafee and his leadership to create the community-based waivers that allow people with disabilities to live independently.

He also worked in a true bipartisan manner to promote maternal and child health programs. John Chafee's commitment to fighting for what he believed in was matched by the dedication of his long-time and loyal staff. My heart goes out to all of them. I have worked with them for a long time. They are a great staff.

John Chafee was a very humble, unassuming giant in the Senate. He had a broad, inclusive vision. He was a principled and thoughtful person. He was kind and generous. He asked and gave the best of himself in everything he did. He never sought recognition. He rolled up his sleeves and went to work. His spirit and his voice will be sorely missed. I am privileged to have called him my friend.

In closing, at times such as this I always remember the question that was put to John Kennedy one time. A reporter once asked President Kennedy how he wanted to be remembered. President Kennedy gave it a momentary thought, and he said he believed the highest tribute that could be paid to anyone would be to be remembered as a good and decent human being. So if I could use that as the highest tribute that can be paid to anyone, we remember John Chafee as a good and decent human being.

I yield the floor.

Mrs. HUTCHISON. Mr. President, I want to end this session of this week by once again remembering our colleague, John Chafee. We started this week, Monday morning, with the tragic news of the passing of clearly one of the most beloved of all Senators sitting in this Chamber.

During the week, Senator Chafee's desk has been draped in black with flowers on his desk. We have all talked in this Chamber about this wonderful man. We have all related so many of the great deeds he did, from his service in World War II to his service in the Korean war as a marine who truly exemplified what "Semper Fi" means. We have talked about what a wonderful human being he was and I think have renewed our efforts to make this a more civilized Senate because of him.

Today the people of Rhode Island began to pay their respects to their former Governor and their three-term Senator. He is lying in state as I speak in the capitol he loved so much. All of us remember when he announced that he would not seek reelection. He simply said: "I want to go home." John Chafee is home.

ADJOURNMENT UNTIL MONDAY, NOVEMBER 1, 1999

Mrs. HUTCHISON. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order in further memory of our dear colleague, Senator John Chafee.

There being no objection, the Senate, at 4:56 p.m., adjourned until Monday, November 1, 1999, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate October 29, 1999:

DEPARTMENT OF STATE

ANTHONY STEPHEN HARRINGTON, OF MARYLAND, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERATIVE REPUBLIC OF BRAZIL.

FEDERAL HOUSING FINANCE BOARD

BRUCE A. MORRISON, OF CONNECTICUT, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2007. (REAPPOINTMENT)

J. TIMOTHY O'NEILL, OF VIRGINIA, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2004. (REAPPOINTMENT)

ASIAN DEVELOPMENT BANK

N. CINNAMON DORNSIFE, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES DIRECTOR OF THE ASIAN DEVELOPMENT BANK, WITH THE RANK OF AMBASSADOR, VICE LINDA TSAO YANG.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 29, 1999:

DEPARTMENT OF DEFENSE

JOHN F. POTTER, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 2005.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

A. J. EGGENBERGER, OF MONTANA, TO BE A MEMBER OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD FOR A TERM EXPIRING OCTOBER 18, 2003.

JESSIE M. ROBERSON, OF ALABAMA, TO BE A MEMBER OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD FOR A TERM EXPIRING OCTOBER 18, 2002.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF DEFENSE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 154:

To be general

GEN. RICHARD B. MYERS, 7092.

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. HAROLD A. CROSS, 6940.
BRIG. GEN. PAUL J. SULLIVAN, 5946.

To be brigadier general

COL. DWAYNE A. ALONS, 6536.
COL. RICHARD W. ASH, 2052.
COL. GEORGE J. CANNELOS, 9758.
COL. JAMES E. CUNNINGHAM, 6429.
COL. MYRON N. DOBASHI, 8614.
COL. JUAN A. GARCIA, 8468.
COL. JOHN J. HARTNETT, 7206.
COL. STEVEN R. MCCAMY, 8048.
COL. ROGER C. NAFZIGER, 2043.
COL. GEORGE B. PATRICK III, 8518.
COL. MARTHA T. RAINVILLE, 6388.
COL. SAMUEL M. SHIVER, 9331.
COL. ROBERT W. SULLIVAN, 8075.
COL. GARY H. WILFONG, 8548.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. CHARLES H. COOLIDGE, JR., 6287.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS SURGEON GENERAL OF THE AIR FORCE AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601 AND 8036:

To be lieutenant general

MAJ. GEN. PAUL K. CARLTON, JR., 8132.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. CHARLES F. WALD, 1222.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. RONALD C. MARCOTTE, 7848.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. THOMAS J. KECK, 7294.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. HAL M. HORNBURG, 6836.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. WALTER S. HOGLE, JR., 6057.

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. MYRON G. ASHCRAFT, 6527.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. NORTON A. SCHWARTZ, 7542.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. JOSEPH W. RALSTON, 9172.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. RALPH E. EBERHART, 7375.

IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. DANIEL B. WILKINS, 1631.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

RAYMOND D. BARRETT, JR., 1758.
JAMES J. GRAZIOPLENE, 3304.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. THOMAS A. SCHWARTZ, 0711.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. JOHN W. HENDRIX, 7900.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. KEVIN P. BYRNES, 7639.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JAMES C. RILEY, 6688.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN A. VAN ALSTYNE, 3328.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. ANDERS B. AADLAND, 1667.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. JOHN T.D. CASEY, 8752.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. HANS A. VAN WINKLE, 8718.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. GARY S. MCKISSOCK, 8973.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING EDWIN C. SCHILLING III, AND ENDING CELINDA L. VAN MAREN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 12, 1999.

AIR FORCE NOMINATION OF RONALD J. BOOMER.

IN THE ARMY

ARMY NOMINATIONS BEGINNING ROBERT E. WEGMANN, AND ENDING SANDRA K. JAMES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 23, 1999.

ARMY NOMINATIONS BEGINNING JOHN H. BELSER, JR., AND ENDING THOMAS R. SHEPARD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 23, 1999.

ARMY NOMINATIONS BEGINNING KATHLEEN DAVIDBAJAR, AND ENDING DEAN C. PEDERSEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 23, 1999.

ARMY NOMINATIONS BEGINNING GARY A. BENFORD, AND ENDING KENNETH A. YOUNKIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 12, 1999.

ARMY NOMINATIONS BEGINNING DAVID A. COUCHMAN, AND ENDING CHARLES R. NESSMITH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 12, 1999.

ARMY NOMINATIONS BEGINNING REX H. CRAY, AND ENDING LAWRENCE A. WEST, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 12, 1999.

ARMY NOMINATIONS BEGINNING *DAVID M. ABBINANTI, AND ENDING X379, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 12, 1999.

IN THE MARINE CORPS

MARINE CORPS NOMINATION OF WENDELL A. PORTH.

MARINE CORPS NOMINATION OF FREDRIC M. OLSON.

IN THE NAVY

NAVY NOMINATIONS BEGINNING ROBERT C. ADAMS AND ENDING DANIEL L. ZIMMER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 27, 1999.

EXTENSIONS OF REMARKS

GRATITUDE TO FORMER CONGRESSMAN J. EDWARD ROUSH

HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. HILL of Indiana. Mr. Speaker, on October 26, the President signed into law S. 800, the Wireless Communications and Public Safety Act of 1999. This bill promotes and enhances public safety through the use of 9–1–1 as the universal emergency assistance number, furthers deployment of wireless 9–1–1 service, and supports states in upgrading 9–1–1 capabilities and related functions.

While S. 800 is another advance in the provision of efficient and timely emergency services, it would not have been possible without the vision and tenacity of a former Member of Congress, J. Edward Roush, from Huntington, IN.

In 1967, as a member of the Subcommittee on Science, Research and Development of the former Committee on Science and Astronautics, Congressman Roush questioned a representative of the International Association of Firefighters during a hearing on the Fire Research and Safety Act of 1967. The association noted response time is critical to fighting fires. Responding to this comment, Congressman Roush proposed establishing a three digit, single, nationwide telephone number for reporting fires and other emergencies.

The subcommittee members thought this was a good idea, but it would require a commission to study and review the whole matter. Ed Roush would not let an idea that could save so many lives get lost in commissions and studies. In that very hearing, he told the subcommittee members and guests that he intended to launch a one man crusade to establish a national emergency number.

Ed Roush made good on his promise. To get the Congress' attention, he introduced a sense of Congress resolution supporting a single, three digit emergency number. He made speeches around the country; visited and encouraged police, fire and emergency personnel; and wrote letters to local government officials and other Members of Congress.

AT&T (the only telephone company at the time) argued that dialing "0" for operator was sufficient. But Ed Roush knew the blind, elderly, disabled, children, or anyone in an emergency situation, deserved an easy and accessible number that would quickly connect them to the appropriate emergency responders.

The Bell system decided it was worth a try. In January, 1968 in Congressman Roush's office, AT&T held a news conference announcing it would make available a single, three digit emergency number "911." Roush's home town of Huntington, IN became the first city in the Bell system to establish E–911 service, when Congressman Roush placed the first call.

Yet, local police, fire and other emergency services were hesitant to turn over their communications facilities and multiple emergency numbers to a single agency and number. Ed Roush patiently undertook a national education campaign to alert these agencies and the American people to the life-saving possibilities of adopting "911."

The stories began to come in—of fires cut short, lives saved, babies delivered, and children learning the 911 number. Over the years "911" has de facto become the universal emergency telephone number.

Mr. Speaker, each of us comes to Congress with the hope of improving the lives of our constituents. Ed Roush's one man crusade to establish a uniform emergency telephone number has saved the lives of countless Americans.

As S. 800 becomes law, we should not forget it was the vision and dedication of Congressman Ed Roush of Indiana who put America on the path to a universal, emergency assistance number over 30 years ago. And for that, we all owe him a debt of gratitude.

HONORING PHYLLIS AND RON McSWAIN ON THE OCCASION OF THE TEN YEAR ANNIVERSARY OF CINCINNATI HILLS CHRISTIAN ACADEMY

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to honor my constituents, Phyllis and Ron McSwain, who will be recognized at a gala dinner and pageant on Saturday, October 30, 1999 for their many contributions to the prestigious Cincinnati Hills Christian Academy (CHCA) located in Mason, Ohio

CHCA is one of the fastest-growing schools in the country and has earned a reputation for excellent academics, competitive sports and extracurricular activities. In 1997, I had the privilege of presenting the U.S. Department of Education's Blue Ribbon School Award to CHCA Elementary. CHCA's goal is to nurture and support each student toward individual growth. The school embraces students, parents and faculty within the care of a Christian community.

Phyllis and Ron were early supporters of CHCA and have remained loyal friends. Phyllis is a past member of CHCA's Board of Trustees. They have four children, but only their youngest was able to attend CHCA. However, two of Phyllis and Ron's grandchildren currently attend CHCA elementary.

Phyllis and Ron McSwain give generously to our community through volunteering their time and through Cornerstone, a charitable family foundation established by Ron to benefit the disadvantaged. I congratulate them on this well-deserved honor.

INTRODUCTION OF H.R. 3163, THE SURFACE TRANSPORTATION BOARD REAUTHORIZATION ACT OF 1999

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. SHUSTER. Mr. Speaker, today, along with my colleagues Ranking Member JIM OBERSTAR, Chairman of the Subcommittee on Ground Transportation, Mr. TOM PETRI, and Ranking Member Mr. NICK RAHALL, I am introducing, by request, the Administration's proposed legislation to reauthorize the Surface Transportation Board.

I evaluate the Administration's proposed changes to the law governing the Surface Transportation Board against the background of extensive hearings on these issues conducted by my Committee last year—over 1,000 pages of testimony in 4 days of hearings.

The two clearest realities to emerge from those hearings were (1) the rail industry's resurgence and traffic growth since deregulation has made capacity constraints on their infrastructure a major problem for the first time in 3 decades; (2) to fund these huge infrastructure needs, the railroads, must spend billions of dollars raised in private capital markets, but they are not attracting even the average earnings-multiples of industry at large on Wall Street.

A number of interests, some merely shortsighted and others opportunistic, have tried to use the reauthorization of the STB as a means to force down rail rates by legislative fiat. This effort occurs despite repeated authoritative findings by the General Accounting Office that rail rates have declined sharply, even in constant dollars, in recent years.

I am very disappointed that the Administration seems to have joined this effort. Instead of promoting the capital flow that will benefit both railroads and shippers through improved infrastructure, the Administration has sent to the Congress a bill that includes major portions of the "re-regulation" agenda.

By forcing mandatory access by one railroad over another's tracks in several types of situations, the bill would endanger the vital capital flow upon which the future prosperity of railroads, shippers, and rail labor depends.

Much of the effort that went into the ICC Termination Act four years ago was focused on streamlining federal regulation of railroads. Yet the proposed legislation would take a major step backward; it proposes to balkanize the authority to approve or disapprove rail mergers among multiple federal agencies.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Even worse, the Administration's proposal sows the seeds of many debilitating disputes under state and local law, even for mergers that have received full federal approval.

Although the bill pays lip service to "small" shippers, it could literally destroy a major segment of American small business—the short-line railroads that serve so many smaller cities and towns. That is because the Administration wants to fund the entire $17 million STB budget out of so-called "user fees." The STB already defrays $1.6 million of its costs through filing fees, and we have received numerous complaints about those charges from shippers. Now the Administration would impose more than 10 times that burden on "users." We don't Know who the users are, since the bill doesn't even attempt to identify them.

We had some experience with such fees imposed on our small railroads several years ago by the Federal Railroad Administration. Our Committee found that these small companies—the ones that literally are the only way to keep rail service in small communities—were paying up to 17 percent of net income in so-called "user fees"—on top of their state and federal taxes. That's why we ended those FRA fees, and I see no reason to impose a similar burden on struggling small businesses through STB fees, as the Administration now proposes.

While I cannot endorse much of what the Administration has proposed in its STB bill, I remain hopeful that a compromise can be reached on the contentious issues that have prevented an STB reauthorization bill from being enacted.

PERSONAL EXPLANATION

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. CAMP. Mr. Speaker, due to the occasion of the birth of my third child, I was unable to record my votes on the following bills, amendments and journal votes that were considered here in the House of Representatives the week of October 18, 1999.

Had I been present I would have voted "yea" on rollcall votes 505, 506, 507, 508, 509, 510, 512, 513, 514, 515, 516, 517, 520, 521, 524, 526, 527, 528, 529, and 532.

I would have voted "no" on rollcall votes 511, 518, 519, 522, 523, 525, 530, and 531.

MEMORIAL TRIBUTE TO ARMENIAN PRIME MINISTER VAZGEN SARGSIAN

HON. GRACE F. NAPOLITANO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mrs. NAPOLITANO. Mr. Speaker, I would like to express my deepest condolences to the people of Armenia and their countrymen throughout the world, whose democratic struggle has been dealt a severe blow. We are greatly saddened at the untimely death of Armenian Prime Minister Vazgen Sargsian, who was assassinated along with a number of cabinet officials and lawmakers yesterday in the chambers of Parliament in Armenia.

The forty-year-old Premier was a young and intelligent leader who had just been appointed Prime Minister by President Robert Kocharian last June. Though he clearly had many more brilliant years ahead of him, his stellar accomplishments in moving his country toward the road of democratic rule elevated him to the second highest political office in Armenia. The former athletic instructor, who was elected to parliament and served as Defense Minister prior to assuming the Premiership, was a man who embraced the ideals of free-market democracy.

Along with several of my colleagues, I had the honor of meeting Prime Minister Sargsian here in the U.S. Capitol just four weeks ago. We discussed trade, commerce, and the establishment of closer relations. I shared with him the great honor I have to represent one of the oldest Armenian-American communities in my Los Angeles County district. I related to him how earlier this year, I visited the Armenian Mesrobian School, the Armenian Social Services Center, and the Holy Cross Cathedral, and was tremendously impressed by the efforts and resources that Armenian-Americans dedicate to the betterment of the entire community.

I stand with my Armenian-American constituents who are undoubtedly in a state of shock over yesterday's violent acts. My heartfelt sympathy and earnest prayers are with the Armenian-American community, the people of Armenia and the families of the victims of this senseless tragedy.

ASSASSINATION IN ARMENIA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. LIPINSKI. Mr. Speaker, on October 27, 1999, a group of five or six assassins burst into Armenia's parliament and gunned down Armenian Prime Minister Vazgen Sargsian. The gunmen also claimed the lives of Karen Demirchian, Speaker of the Armenian parliament; Yuri Bakhshyan, Deputy Speaker; Minister Leonard Petrosian, and Michael Kutanian, a senior economic official. Two other unidentified members of parliament were dead, too.

Words cannot adequately describe the deplorable and disgusting acts of violence committed by those individuals. To indiscriminately murder government officials in cold blood is cowardly.

Recent reports describe the gunmen have taken a number of hostages, and President Robert Kocharian is negotiating with the gunmen. Kocharian agreed to allow the lead gunman on national television to make a statement in return for the release of some hostages.

Unfortunately, the other details are still very sketchy. We do not know why they did what they did although they proclaim their actions as a coup d'etat. All we know is that the senseless slaughter of those government officials strikes a blow to democracy in Armenia.

As some may know, Armenia, a democratic nation with a population of 3.5 million, people, has made much progress since the Armenian genocide in 1915. The Ottoman Empire subjected the Armenians to an eight-year long killing spree that ultimately claimed the lives of over 1.5 million Armenians. Hundreds and thousands more were forced from their homeland. We all know that rebuilding a ravaged nation requires much blood, sweat, and tears, but the Armenian people have worked long and hard to make Armenia into the democratic nation it is today. The Armenian government under the late Prime Minister Sargsian was headed for even greater progress. The commitment to peace and prosperity in their region was clear.

I am very saddened by the horrific events and deeply concerned by the bloodshed and senseless loss of lives, but this only goes to show that democracy is not just an obscure ideal ensconced in an old written parchment or in dusty history books sitting in the garage. Democracy is an ideal that government should be for the people. Democracy is an ideal that many people have sacrificed their lives for, and in some parts of the world, people continue to sacrifice their lives for.

Mr. Speaker, my prayers are with the people of Armenia and Armenian-Americans as we all pray that this will be resolved peacefully without further bloodshed and the angel of justice exacts just payment from those murderers.

HONORING JAN AND TIM JOHNSON ON THE OCCASION OF THE TEN YEAR ANNIVERSARY OF CINCINNATI HILLS CHRISTIAN ACADEMY

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to honor my constituents, Jan and Tim Johnson, who will be recognized at a gala dinner and pageant on Saturday, October 30, 1999 for their many contributions to the prestigious Cincinnati Hills Christian Academy (CHCA) located in Mason, Ohio.

CHCA is one of the fastest-growing schools in the country, and has earned a reputation for excellent academics, competitive sports and extracurricular activities. In 1997, I had the privilege of presenting the U.S. Department of Education's Blue Ribbon School Award to CHCA Elementary. CHCA's goal is to nurture and support each student toward individual growth. The school embraces students, parents and faculty within the care of a Christian community.

Jan and Tim Johnson were early supporters of CHCA and tirelessly volunteer their time to the school and to the Cincinnati community in general. They have four children, two of whom graduated from CHCA.

Tim, a professor of Finance at the University of Cincinnati, has been an invaluable resource and serves as the Finance Chair for the CHCA Board of Trustees.

Jan is also a member of the CHCA Board, served on early faculty search committees and was a member of the Education Committee for four years. In addition to all this, she has served on numerous ad hoc and PTF committees.

Jan and Tim Johnson are to be commended for their tireless devotion to their community and I congratulate them on this well-deserved honor.

TRIBUTE TO ANDREA ALLEMON

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. LEVIN. Mr. Speaker, I rise to honor Andrea Allemon who will be named Troy's Distinguished Citizen of the Year by Leadership Troy at their annual community awards banquet on November 4, 1999.

Andrea Allemon's dedication to her community has been extraordinary. As a result of her leadership in the Boys and Girls Club's Taste of Troy to the Troy Daze Festival, almost every event I attend in Troy has Andrea's presence.

As a dedicated parent, Andrea founded the Parent Teacher Organization at Smith Middle School and served as its president. She was also responsible for initiating the school clinics at Smith Middle and Athens High. The Athens All-Night Party was another one of Andrea's start-up events which she supervised for five years.

In her neighborhood, Andrea Allemon has served as an officer, member of the Board of Directors and New Members Chair for the Emerald lakes Village Homeowners Association. She personally welcomes each new family to the neighborhood. Serving as a "foster mom" to an individual who lives in adult foster care, she has opened her home sharing holiday feasts for the past 25 years.

Mr. Speaker, I ask my colleagues to join me in recognizing a remarkable woman for her energy and enthusiasm during her 31 years of dedication and devotion to the people of her community. Andrea Allemon is indeed a distinguished citizen.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. GUTIERREZ. Mr. Speaker, on Wednesday, October 20, 1999 I was unavoidably absent from this Chamber and therefore missed rollcall vote 515 (a Journal vote) and rollcall vote 519 (Mink amendment to H.R. 2). I want the record to show that had I been present in this Chamber I would have voted "yea" on each of these recorded votes.

I also missed rollcall vote 516 (Motion to order the previous question on H.R. 2670), rollcall vote 517 (Adoption of the rule for H.R. 2670) and rollcall vote 518 (Conference Report on H.R. 2670).

I want the record to show that if I had been able to be present in this Chamber when these votes were cast, I would have voted "no" on rollcall vote 516, rollcall vote 517, and rollcall vote 518.

PERSONAL EXPLANATION

HON. JIM NUSSLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. NUSSLE. Mr. Speaker, on Monday, October 25, I was unavoidably detained and missed rollcall votes Nos. 533–536. Had my vote been recorded, it would have been in the following manner: Rollcall vote No. 533 (on approving the journal), "aye"; rollcall vote No. 534 (to suspend the rules and pass H.R. 754), "aye"; rollcall vote No. 535 (to suspend the rules and pass H.R. 2303), "aye"; rollcall vote No. 536 (on motion to suspend the rules and agree to H. Con. Res. 194), "aye".

PERSONAL EXPLANATION

HON. RAY LaHOOD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. LAHOOD. Mr. Speaker, on August 5, 1999, I asked unanimous consent on the House floor to remove my name as a cosponsor of H.R. 850, the Security and Freedom through Encryption (SAFE) Act. However, as a result of House Report 106–117 being filed with the House Clerk, House rules prohibited further action on the bill. Consequently, my name was not removed as a cosponsor. Please let the RECORD show that it was my intent to no longer be listed as a cosponsor of H.R. 850.

IN TRIBUTE TO JOHN J. INGHAM, DISTRICT DIRECTOR, BUFFALO OFFICE, UNITED STATES IMMIGRATION AND NATURALIZATION SERVICE

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. QUINN. Mr. Speaker, I rise today to submit for the RECORD a proclamation, which I offer with the distinguished members of the New York Congressional Delegation: Senator DANIEL PATRICK MOYNIHAN; Senator CHARLES E. SCHUMER; Congressman JOHN LAFALCE; Congressman AMO HOUGHTON and Congressman THOMAS REYNOLDS on the occasion of the retirement of John J. Ingham from his numerous years of government service with the United States Immigration and Naturalization Service.

PROCLAMATION

Whereas, On November 2, 1999, John J. Ingham will complete 40 years and 9 months of government service with the U.S. Immigration & Naturalization Service, including military time, with his last 10 years as District Director of Buffalo, New York; and

Whereas, During Mr. Ingham's government career he rose through the ranks at the INS Buffalo District as Immigration Inspector, Immigration Examiner, Supervisory Examiner, Assistant District Director for Examinations, Deputy District Director to his present position as District Director; and

Whereas, No District Director has been more proactive and more vocal at promoting his district's agenda. Mr. Ingham ushered in a golden age for the Buffalo District of the INS during the 1990's; and

Whereas, Under Mr. Ingham's guidance the Buffalo District developed a national reputation for excellence. Through his direction the INS moved its local operations into a brand new state of the art facility in 1995. In 1998 the Batavia Federal Detention Facility was completed with over four hundred beds to increase the ability of the District to deal with immigration detainees. Furthermore, one immigration Judgeship was reestablished and two more added to the Buffalo District allowing it to be more efficient. Other noteworthy projects came to fruition under Mr. Ingham's direction, including remodeled or newly constructed inspection facilities at Niagara Falls, Toronto, Ottawa, and Montreal; and

Whereas, Under Mr. Ingham's leadership the Buffalo District has become commonly referred to as the "District that works." INS Buffalo is noteworthy for the operational achievements developed during Mr. Ingham's tenure. His employees will be his legacy as they lead the Service into the next millennium as intuitive, responsible, and productive members of the U.S. Immigration & Naturalization Service.

Now Therefore Be It Resolved, that the Members of the 106th Congress of the United States of America on this the twenty-ninth day of October in the year of nineteen hundred and ninety-nine proclaim their gratitude and admiration to John J. Ingham for his forty years of commitment and dedication to the United States of America. Proclaimed by: Senator Daniel Patrick Moynihan; Senator Charles E. Schumer; Congressman Jack Quinn; Congressman Amo Houghton; Congressman John J. LaFalce; Congressman Thomas Reynolds.

RECOGNIZING THE CONTRIBUTIONS OF 4–H CLUBS

SPEECH OF

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 25, 1999

Mr. BONILLA. Mr. Speaker, I rise in support of this legislation "recognizing the contributions of 4–H clubs and their members to voluntary community service."

4–H clubs serve as outstanding youth development programs for the youngsters of rural and urban America. They give our young people great opportunities and skills. They provide a sense of accomplishment through a job well done. 4–H provides career-oriented education and after-school safe havens.

But in a larger sense, participation in 4–H has effects far beyond the students participating. By instilling in the youth of today, values and morals which will give them the power to make ethical decisions. 4–H helps develop the leaders of this nation's tomorrow. The ability to recognize and participate, voluntarily, in community service activities is perhaps one of the greatest ethics we can teach our youth.

Volunteering to help others is a part of the American culture. American history is full of people who not only recognized that the world is full of need, but also did something about it. They decided to make their communities better places. In today's seemingly self-oriented society it is refreshing to see young people recognize the needs of others and volunteer their time to benefit those who need help.

The young people of 4–H programs across the nation have set an example of unwavering cheerful service to benefitting the welfare of others. These youth are truly displaying leadership through service to their fellow man and I take great pride in recognizing their contributions to building better communities. We should follow their example and become involved, the opportunities are boundless.

TRIBUTE TO JIM O'CONNOR

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. BLAGOJEVICH. Mr. Speaker, I would like to pay tribute to a distinguished 1998–99 White House fellow—Jim O'Connor, a resident of my 5th Congressional District in Chicago.

Mr. O'Connor is a management consultant at A.T. Kearney in Chicago. He received his Bachelor's Degree in Government and English, as well as his Juris Doctor, from Georgetown University. Additionally, he received an M.B.A from the J.L. Kellogg Graduate School of Management at Northwestern University, where founded the Kellogg Corps, which sends teams of MBA students to developing communities around the world. Mr. O'Connor served as the first American volunteer teacher at a rural Catholic school in Lebowa, South Africa. He has also founded two organizations—the Field Associates, a group of young adults who promote Chicago's Field Museum of Natural History, and the Associates Board of the Big Shoulders Fund, which involves young adults in advisory and fundraising roles with needy Catholic schools in Chicago's inner city. Mr. O'Connor also finds time to participate on several boards, including the Guild Board of the Lyric Opera of Chicago, the Chicago Community Trust Young Leader's Fund, and Georgetown University's Governing Board.

Since 1965, the White House Fellowship Program has honored outstanding citizens who demonstrate excellence in community service, leadership, and professional achievements. It is the country's most prestigious fellowship for public service and leadership development. White House Fellows are chosen on the merit of remarkable achievement early in their career and the evidence of growth potential. Every year, 500 to 800 applicants nationwide compete for 11 to 19 fellowships. Mr. O'Connor has demonstrated a long-standing commitment to public service with his involvement in many community-based organizations. His tireless efforts on behalf of the people of Chicago have earned him the honor of participating in this prestigious fellowship.

As a White House Fellow for the U.S. Department of the Treasury, Mr. O'Connor is responsible for assisting the Community Development Financial Institutions Fund in performance-measure development and planning, as well as assisting with a Congressional analysis regarding the Hedge Fund Industry. He also worked on a creation of BusinessLINC, a secretarial initiative created to enhance partnering between woman-owned minority business and larger corporate entities. Other projects include an economic development initiative for Washington, D.C., and an analysis of the emerging trends in electronic commerce.

Mr. Speaker, I ask my colleagues to join me in saluting Jim O'Connor for a noteworthy record of community service and professional and academic excellence. The people of Chicago are the beneficiaries of Jim O'Connor's hard work and good citizenship.

OUR NATION'S HOUSING CRISIS

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Ms. SCHAKOWSKY. Mr. Speaker, families in America are facing a housing crisis. Unfortunately, at a time of unprecedented economic growth and record unemployment, many are a paycheck away from losing their home.

A report released by Catholic Charities confirms that sad truth. Cardinal Francis George, the Catholic Archbishop of Chicago, has sounded the alarm that, despite being in the midst of an economic boom, the housing needs of low-income families in Chicago and Illinois are unmet.

The report found that 245,000 low-income renters in the Chicago area are competing for 155,000 apartments with affordable rent. More disturbing, the report also found that most of those earning minimum wage spend more than two-thirds of their income on rent.

Using the phrase "housing crisis" too often may blunt its effectiveness, but there is no other way to describe what is happening in our cities and communities. Sadly though, no matter how many times we say it on the House floor, in committee hearings, in community meetings with our constituents and local elected officials, and in news conferences, there are some that choose to turn a deaf ear.

That is why I submit this Chicago Tribune editorial describing the efforts of Cardinal George on behalf of families in Chicago and Illinois. I am hopeful that in addition to his voice, we can break through and find a permanent solution to the housing needs of all families.

THE CARDINAL LEADS ON HOUSING

Unemployment is below 5 percent, new housing starts are at record levels and nearly two-thirds of American families now live in their own homes.

So what's all this talk about a housing crisis?

It's not just talk. It's a growing reality for millions of low- and middle-income working families. For them, the recent boom at the top has meant fewer rooms at the bottom.

To some this may sound like left-liberal cant. (Has there ever not been a crisis in affordable housing?) But the problem will not be so easily dismissed now that it has been described at length by Cardinal Francis George, the Catholic archbishop of Chicago.

By placing his personal stamp on a new report by Catholic Charities here, Cardinal George has sounded a wake-up call to those who thought the economic boom had solved the region's low-income housing squeeze. It has not.

Using data from several official sources, the report estimates there are 245,00 low-income renters in the Chicago area competing for just 115,000 apartments with rents deemed "affordable" (less than 50 percent of a family's monthly income). Statewide, some 400,000 people are in families spending more than half their incomes on rent and utilities. Those earning just the minimum wage routinely spend more than three-quarters of their take-home pay on a typical two-bedroom apartment, leaving precious little for food and other necessities. Catholic Charities says its phone lines are buzzing with calls for emergency assistance and its homeless shelters are at capacity.

Several factors are behind this pinch amid plenty. While low mortgage rates and generous tax deductions have fueled the upscale market, the economics of rental housing—for both landlord and tenant—remain lackluster by comparison. Then there's galloping gentrification, whereby close-in Chicago neighborhoods are redeveloped for wealthier professionals while less-affluent families go packing. Meanwhile, the Chicago Housing Authority is demolishing its dysfunctional high-rises and sending thousands of impoverished tenants into the private market armed with federal rent vouchers.

Calling the housing squeeze a threat to family stability across the region, Cardinal George is urging action on several fronts. He wants Congress and the Illinois legislature to fully fund proven subsidized housing programs. He wants local municipalities—and not just Chicago—to redouble efforts to include affordable units in their housing mix. And importantly, he wants all Chicagoans, including landlords, to be more accepting of members of racial and cultural minorities moving into their neighborhoods.

Good points all. Their implementation would extend the world's most productive housing market to families that have, so far, been untouched by its bounty.

CONDEMNING THE TERRORIST ATTACK ON ARMENIA'S PARLIAMENT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. HOLT. Mr. Speaker, I rise today to express my sympathy and support for the people of Armenia in the wake of yesterday's tragic attack on the Armenian parliament.

Mr. Speaker, Armenia has been a model of democracy and market reform in the post-Soviet world. This past summer, Armenia held open and competitive national elections. Just this past week, it held exemplary local elections. Prime Minister Vazgen Sarkisian, Parliament Speaker Karen Demirchian, and the six other officials who were slain yesterday were leaders of this transition to democracy. They were also leaders in combating corruption, bolstering the economy, and establishing peace in their troubled region. Their senseless deaths present a tragic loss to Armenia—and to freedom and democracy worldwide.

I urge my colleagues to join me in offering my deepest condolences to the Armenian people, and my strongest support to their ongoing efforts to bring democracy, peace, and stability to their nation.

LEGISLATION REGARDING ZOHREH FARHANG GHAHFAROKHI

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. WAXMAN. Mr. Speaker, I am introducing private legislation today that would grant my constituent, Zohreh Farhang Ghahfarokhi, permanent residency in the United States.

In 1984, Zohreh Farhang Ghahfarokhi's husband, an Iranian citizen, brought her and their young daughter, Shahrzad, on a business trip to the United States. The trip was successful and Ms. Ghahfarokhi's husband secured a succession of legal business visas to stay in the United States. A second daughter, Sepideh, was born 3 years later in Los Angeles.

In 1994, Ms. Ghahfarokhi's husband filed an application for permanent residency with the Immigration and Naturalization Service (INS) on behalf of himself, his wife, and their daughter, Shahrzad. The family was interviewed at the INS Los Angeles District Office in March 1996 and expected to be issued green cards.

In the summer of 1996, Ms. Ghahfarokhi and her husband obtained advanced parole travel documents from the INS and visited Iran. According to Ms. Ghahfarokhi, their arranged marriage was often strained and, once back in Iran, her husband grew increasingly angry and verbally abusive because she had become more independent that the more traditional women in Iran. She has indicated that her husband confiscated his family's identification cards, his wife's Iranian passport, and the advance parole documents for her and their elder daughter. In addition, Ms. Ghahfarokhi said that he contracted the Iranian Government to formally revoke his permission to allow his wife and daughter to leave the country.

Accoding to Ms. Ghahfarokhi, her husband returned to Los Angeles a week later, intentionally abandoning his family in Iran. She said that she had no identification papers, very little cash, and nowhere to stay in Tehran. She filed a complaint with the Tehran police, whom she said located her husband's brother and required him to secure an apartment for her and the girls and provide them with money for food.

In September 1996, Shahrzad turned 18 and was able to apply for an Iranian passport without her father's permission. She received her passport 2 months later and traveled by herself to the American Embassy in Frankfurt, which issued her an advance parole travel document to return to Los Angeles. According to Ms. Ghahfarokhi, it took another month for her to convince an Iranian judge to override her husband's authority and grant permission for her and her younger daughter to leave Iran. Finally, in December, Ms. Ghahfarokhi and her younger daughter left Iran, obtained advance paroles from the embassy in Frankfurt, and returned to Los Angeles.

According to Ms. Ghahfarokhi, once her husband learned that his wife was back in Los Angeles, he closed their joint bank account. Shahrzad worked full-time to help pay the rent, which prevented her from starting her freshman year at UCLA. Ms. Ghahfarokhi said she believed she had no option but to file for divorce. As part of the divorce proceedings, the judge ordered her husband to pay alimony and child support, which she says he failed to do.

According to Ms. Ghahfarokhi, her husband approached her a few months later to apologize for his behavior in Iran and to try to reconcile with her. He promised to support her and the girls financially and threatened to withdraw their INS application for permanent residency if they divorced. Ms. Ghahfarokhi said she felt trapped because she and her daughters were financially insecure and she and Shahrzad needed legal immigration status. She said for the sake of her daughters, she moved back in with her husband in June 1997 on the conditions that he accompany her to marital counseling, provide her with financial security by giving her some assets in her own name, and withdraw the revocation of his permission for her to travel in and out of Iran.

In the months that followed, Ms. Ghahfarokhi has indicated that her husband broke each of his promises, and she separated from him in the summer of 1998. Their subsequent divorce was finalized on March 14, 1999, and the court is apparently taking steps to ensure that her ex-husband complies with the agreements on the division of property, alimony, and child support.

According to Ms. Ghahfarokhi, since 1994, she and Shahrzad had been assured by the INS office in Los Angeles that their applications for adjustment of status were moving forward. The INS advised them that it routinely takes 2 to 3 years to process these applications and issue green cards. The INS issued Shahrzad an employment authorization card in March 1998. In July of that year, however, the INS denied her application for advance parole.

Confused by the denial, Shahrzad went to the INS office and was shocked to learn her father had withdrawn the petitions for her and her mother on December 13, 1996. Since that time, the INS had supplied Ms. Ghahfarokhi and Shahrzad with misinformation about their status and issued work authorization cards.

Over the next few months, Ms. Ghahfarokhi said she and Shahrzad met with a number of immigration lawyers, none of whom were able to offer a solution. Current immigration law allows for a battered or abused spouse of a lawful permanent resident to self-petition for legal status, but Ms. Ghahfarokhi was unaware if and when her ex-husband had become a permanent resident. Furthermore, since he had never physically abused her and the worst incidents of mistreatment had occurred in Iran, the lawyers advised her that it would be futile for her to petition on her own behalf.

After Ms. Ghahfarokhi and Shahrzad asked me for assistance, my office contacted the INS, which confirmed that the women are undocumented and out of status. Further, if they were to leave the United States, they would be subject to the 10-year ban on re-entry, as required under the 1996 Illegal Immigration Reform and Immigrant Responsibility Act. The INS also indicated that there was no administrative remedy available to Ms. Ghahfarokhi and Shahrzad and that private legislation would be necessary for them to receive relief.

Subsequently, in August 1999, Ms. Ghahfarokhi's husband's attorney contacted Shahrzad to advise her that her father regretted removing her from his petition and was willing to re-instate her on the petition if the INS would allow it. Shahrzad accepted her father's offer. The INS approved her father's application on September 15th and hers on her 21st birthday on September 21st. Since that time, however, he has remained estranged from Shahrzad and her family.

While Shahrzad has regained her legal status and can pursue her dreams of finishing college and attending law school, Ms. Ghahfarokhi's situation has not changed, and she and her daughters fear that she will be deported. The legislation I am introducing today would grant Ms. Ghahfarokhi permanent residency in the United States. She and her family have endured a tremendous amount uncertainty and hardship due to actions outside of their control. I request that my colleagues support this legislation.

THE CRAIG MUNICIPAL EQUITY ACT OF 1999

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. YOUNG of Alaska. Mr. Speaker, today I introduce a bill to solve a unique Alaska problem occurring in the city of Craig, a city located in the far southeastern part of Alaska on Prince of Wales Island, the third largest island in the country. Craig is unlike any other small town or village in Alaska. It has no land base upon which to maintain its local services and no ability to utilize many Federal programs which are dependent upon a large Alaska Native population for eligibility.

Nevertheless, the community has grown from a mostly Native population of 250 in 1971 to over 2,500 residents, most of whom are not Alaska Natives. Despite this change in demographics, the town is surrounded by land selections from two different Alaska Native Village Corporations. In fact, 93 percent of the land within the Craig city limits is owned by these village corporations. Under Federal law passed in 1987, none of the village land is subject to taxation so long as the land is not developed. The city of Craig has only 300 acres of land owned privately by individuals within its city limits to serve as its municipal tax base. It can annex no other land because the entire land base outside its municipal boundaries is owned by the Federal Government as part of the Tongass National Forest or another Alaska Native corporation.

As its population increases and costs rise, Craig's demands for municipal services increase. According to the State of Alaska, Craig is the fastest-growing first class city in the State. Since its large non-Native majority population makes the town and its residents largely ineligible for Federal programs which serve virtually all other ANSCA villages, it has requested a small conveyance of 4,532 acres of Federal land located not far from the town. That land entitlement would permit the city to develop a land base upon which it could support its increasing demand for municipal services.

The land base which is included in this bill has been carefully chosen. It is less than 20 miles from the city and abuts the existing road system. It is the first available land from the city limits not owned by an Alaska Native corporation. The land will complete a sound management system by providing municipal ownership of land adjacent to both existing private and State-owned land. It will be a good use of this land which is nowhere near any environmentally sensitive lands such as wilderness areas. This part of Prince of Wales Island has roads, communities, and other developed sites near it. There will be no land use conflicts created by this conveyance.

My bill provides a fairly simple and very reasonable solution to Craig's dilemma: it provides a direct grant of 4,532 acres to the city. While I reviewed a land exchange, the city has no land to trade. The city received no municipal entitlement because the Forest Service never agreed to any land selection by the State of Alaska in this part of Prince of Wales Island. The only substantial land near Craig besides the actual 300 acres on which Craig sits is owned by the Federal Government in the national forest or by Alaska Native corporations.

I intend to hold a hearing on this bill early in the next session and begin the process to move the bill through the House to final passage in the Congress.

CONGRATULATING JOHN AND TRACY ROGERS UPON THE BIRTH OF THEIR DAUGHTER

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. ROGERS. Mr. Speaker, I rise to inform the House of a grand occasion, and one which my family will celebrate for many years to come. On October 5th, 1999 at 12:28 p.m., my son John and his wife Tracy experienced the miracle of birth for the first time, becoming the proud parents of a baby girl. Madeleine Claire Rogers weighed in at 7 pounds, 3 ounces and was 21 inches long. I am happy to report that Tracy and Madeleine are doing extremely well, with both mother and daughter in perfect health.

Mr. Speaker, this is my first grandchild, and I couldn't be more proud or exhilarated. God has truly blessed my family, and I am fortunate to have this opportunity today. As this body toils through yet another year, we should all keep in mind the effect our actions will have on our children, and our children's children. I will always keep little Madeleine in my thoughts as we work to make this Nation a better place for our young ones.

CELEBRATING ITALIAN-AMERICAN HERITAGE

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. CAPUANO. Mr. Speaker, I rise today to recognize and celebrate a distinct and important group in this country—Italian-Americans. Earlier this month, the Massachusetts State Legislature passed a law observing the month of October as Italian-American Heritage Month. This law recognizes the countless contributions bestowed on our country's rich national heritage by Italian-Americans. Today, I'm introducing a resolution that supports the goals and ideas of Italian-American Heritage Month nationwide.

Over the past 200 years, 5.4 million Italians have immigrated to the United States. Today more than 26 million Americans are of Italian descent, 72,000 alone reside in the Eighth District of Massachusetts. As this country's fifth largest ethnic group, Italian-Americans have brought to our communities a tireless work ethic, a strong sense of family cohesion, and an artistically rich culture. This unique and profound impact of Italian culture has become an integral part of the American way of life. In fact, many Italian-Americans have gone on to become prominent in our Nation's academic, industrial, entertainment, and political fields.

Nearly every American has experienced the unique contributions of Italian-Americans. Famous Italian-Americans like hall of fame baseball player Joe DiMaggio, world-renowned composer Henry Mancini, singer and songwriter Frank Sinatra, and Oscar winner Robert DeNiro have provided all Americans with many forms of entertainment. Millions of Americans have experienced the brilliance of Constantine Brumidi, an Italian immigrant, who was the artistic prodigy behind the elaborate paintings in the United States Capitol. Other Italian-Americans have enriched our political process, including political figures such as Fiorella La Guardia, both mayor and Congressman from New York City, Anthony Celebrezze, who served during John F. Kennedy's administration and was the first Italian-American Cabinet member, and Antonin Scalia, who is the first Italian-American appointed to the Supreme Court.

I invite every Member to join me in celebrating the tremendous impact Italian-Americans have made to our Nation and our national identity.

1999 CLOVIS CHAMBER HALL OF FAME INDUCTEES

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the Clovis Chamber of Commerce 1999 Hall of Fame Inductees. The Award Winners for the Hall of Fame are: "Founders Awards"—The Blasingame Family and The Sample Family; "Hall of Fame Honorees"—The Clovis Rodeo Association—Everett "Bud" and Evelyn Rank, Wesley and Betty Wipf, and Mr. Shelby Cox; "Clovis Way of Life"—Mr. & Mrs. Tom Stearns, Mr. & Mrs. Joe Ogas; "Spirit of Clovis"—Mr. Dave Bens and Ellie Huston; "Friends of Youth"—Mr. Harold Woods and Mr. James Countois; "Citizen of the Year"—Mr. Tom Stearns; and "The Sam Walton/WALMART Community Leadership Award"—Mr. Bob Daneke. The Hall of Fame Committee carefully selects each award winner according to a special criteria.

The "Clovis Way of Life" award honors citizens who have strengthened the foundation of the City of Clovis. They have endured the economy by having a business in Clovis. The "Clovis Way of Life" winners are Joe & Marilyn Ogas and Tom & Burline Stearns.

Joe and Marilyn Ogas own and operate Ace Trophy Shop. The Shop was operated out of their garage for many years and then was moved to Old Town Clovis where they are an integral part of the business community.

Tom and Burline Stearns have been staunch supporters of Clovis. Tom is a member of the Clovis Rodeo Association; he has served from maintenance to President. Tom has made the Clovis Rodeo a premier event in the State of California. Tom Stearns also served as Mayor, Mayor Pro-Tem and now Council member. Burline Stearns has devoted her life to the Clovis Swim Team. She owned and operated the Mode O Day Store with her sister-in-law for several years.

The "Friends of Youth" award winners are James Countois and Harold Lloyd Woods.

James Countois, Mr. "C" as he is affectionately called, is 89 years old and his best friends are the five- to 12-year-old students at Dry Creek Elementary. James has volunteered at the Library for over 18 years. Recently, Dry Creek opened a new Library Media Center and named it after Mr. C, this was for a man who dedicated his whole life to children and the community.

Harold Lloyd Woods has been a teacher in the Clovis Unified School District for over 41 years, specifically Room 20 at Jefferson Elementary School. Woods says that teaching children to set goals, helping them work toward achieving them, and then watching the joy on their faces when they succeed is one of the most valuable contributions we can make in their lives.

The "Spirit of Clovis" award is present in recognition of people who in the line of their daily work succeed beyond their own expectations. The award goes to Dave Bens and Ellie Huston.

In March of 1999, Dave Bens, Clovis High School's Athletic Director, was named California State Athletic Director's Association "Athletic Director of the Year 1993–1999." This award recognizes the California Athletic Director who displays excellence in leadership on and off the field. Dave has brought recognition to himself, Clovis High, Clovis Unified School District and the Community of Clovis.

Ellie Huston has worked hard raising money for the permanent Hall of Fame display for several years. She has done 95 percent of the work. Ellie has planned the Hall of Fame Raffles, solicited the prizes and sold over 200 tickets each year, she has raised close to $8,000 for the Clovis Hall of Fame Permanent Display. Ellie is an Executive Ambassador and a Past Director of the Clovis Chamber of Commerce. She is a very caring, community minded citizen of Clovis.

The "Founders Awards" go to the Blasingame Family and the Sample Family.

The Blasingame Family started with Jesse Augustus Blasingame, known as "Jesse A". He was a native of Talladega County, Alabama, and completed his time in the Mexican War. Jesse A. was then given "scrip" to buy land out west. Jesse A. married Mary Jane Sample, a native of Fresno County. They had a son, Jesse Knox Blasingame. Jesse Knox spent his entire life in the cattle business in Fresno County. He was very active in the California Cattlemen's Association, the Grange and the California Farm Bureau. Knox and his wife Thelma had two sons, Morgan and Knox Jr., and a daughter, Barbara. Morgan and Knox are still raising cattle in the Clovis foothills; Barbara lives in Fresno and still owns the land in the Clovis foothills. Both Knox Jr. and Barbara were extremely supportive and worked with the City of Clovis to secure the University of California Education Site near Academy, several years ago. The Blasingame Family has exhibited The Clovis Way of Life attributes; family, responsibility, work, honesty, independence, appropriate space, education, community service and loyalty. They are one of Clovis' most treasured legacies.

The Sample Family departed from Mississippi with a large group and settled in the central San Joaquin Valley after the Civil War. David Cowan (D.C.) Sample married Sally Cole, who became the parents of 11 children whose descendants, still live in the Clovis-foothill area. Dr. Thomas Sample, one of D.C.'s sons, was an old-fashioned doctor in the best sense. He treated all that came for help, regardless of their ability to pay. He built the Sample Sanitarium in the 300 block of North Fulton Street; the building still stands today. DC Sample, affectionately known as "Bud" and Harry Sample stayed in the immediate area. Bud's children, Sally Sharer and Pug Perkins still live in Clovis. Harry's children, Bonner, Jane Craiger and Tommy live close by. One of Bonner's children is Captain Scotty who flies around the valley every morning giving us the traffic report.

"The Hall of Fame Honorees" are The Clovis Rodeo Association, Sgt. Shelby Cox, Everett George "Bud" and Evelyn Rank, Wesley and Betty Wipf.

The Clovis Independent Newspaper stated, "Perhaps more than any other group or organization, The Clovis Rodeo Association exemplifies life in Clovis. For more than 80 years, the association has organized and operated the Clovis Rodeo, which has grown from a small gathering of working cowboys to a world-renowned event that was televised nationally for the first time this year. The Clovis Rodeo Association has served as Clovis' Ambassadors to the world, and has become an integral part of the history, stability and growth of the community of Clovis."

Sgt. Shelby Cox—his dedication to the citizens of Clovis was always in the forefront during his nearly 35 years with the Clovis Police Department. He was active in community groups as well as department activities, and founded several of the Clovis Police Department's more popular programs. The goal of the Hall of Fame is to honor citizens that have made a difference; that have contributed to the growth and development of Clovis. Shelby has made a difference, he has contributed to "the Clovis way of life."

Everett George "Bud" and Evelyn Rank—Bud and Evelyn were raised on Clovis farms and graduated from Clovis High School. They were married and raised their family in Clovis. Bud, a member of the Clovis Rodeo Association since 1940, was active in the Clovis Young Farmers, California Young Farmers, Clovis Masonic Lodge, Clovis Grange, Clovis Farm Bureau and the Fresno County Farm Bureau. He served as Board President of the Fort Washington School, President, Vice President and Clerk of the Clovis Unified School Board—a charter Director of the Clovis Schools Foundation and was on the Board of Directors of the Clovis-Sanger Cotton Gin. They raised their daughters Ginny Hovsepian, Judy Rank and Pat Rank who remain in the area. Evelyn supported all of her husband's activities as well as serving as a Northwest Sunday school Kindergarten Teacher and a Deaconess for the Northwest Church. Evelyn worked for Congressman Pashayan's office and at the White House Greeting Office while they were in Washington, DC. She also participated with the Reagan Reelection Committee and served on the Reagan Inaugural Committee. Upon returning home, she served on Clovis School Bond Committees. The Ranks are avid football fans and have rarely missed a Clovis Unified School District home game.

Wesley and Betty Wipf got married at 5 AM and have stayed married for over 51 years. Wes lived at Shaver Lake and moved to Clovis in 1940. While attending Clovis High School, he received the Sassano All American Blanket for Track. Wes went on to manage the Newberry's variety store in Clovis. He later opened the first donut shop in Clovis and then when Wiffee's Trophy Shop outgrew the bedroom in his home, he opened a shop on Fourth Street. Betty is the former Betty Pendergrass of the Clovis famed family. She became a teacher and taught at Weldon Elementary School for over 28 years. Betty still substitutes and is a "Home Hospital Instructor." The Wipf's are members of the Clovis United Methodist Church, where Betty has been a member for over 50 years. Now in retirement the Wipf's have donated over 1,000 hours of work to the Clovis Hospital Guild; hours and hours of time to the Clovis Chamber of Commerce, and participate every morning with the Mall Walkers Group at the Sierra Vista Mall.

"Citizen of the Year"—Tom Stearns—Tom was born in West Fresno, went to local schools and relocated to Clovis in 1956. Tom and his wife, Burline, have three daughters and five grandchildren. Tom was raised on a small farm in West Fresno; he worked as a farm laborer through High School. Tom worked for PG&E from 1945–1993, he is now retired. Tom has been dedicated to the Clovis Community, having served on the Clovis City Council since 1983. Tom was Mayor, Mayor Pro Tem, and is currently serving out the remainder of a two-year term as a Council member. Tom has been a member of the Rodeo Association since 1981 and has served on most of the Rodeo Committees. Tom has been on the Board of Directors for the past seven years and is serving his first term as President. Tom was elected Citizen of the Year for his extensive participation with the Rodeo Association to enlarge the event to a three-day show and to help secure exposure on television through E.S.P.N. With his guidance as President and with the full support of the Rodeo Association Board, the Clovis Rodeo and the community of Clovis was brought to international attention.

Mr. Speaker, I want to congratulate all of the Clovis Chamber of Commerce 1999 Hall of Fame Inductees. Each of the winners is an outstanding citizen and deserves special recognition. I urge my colleagues to join me in wishing each award winner many more years of continued success.

TRIBUTE TO PAUL B. SOUDER

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. UNDERWOOD. Mr. Speaker, the island of Guam bids farewell to an esteemed resident and long-time servant of the community. Paul B. Souder, a former military officer and colleague in the field of education and public administration, was called to his eternal rest on October 15, 1999.

Paul Souder was born on July 20, 1915, in Des Moines, Iowa. Having graduated from Roosevelt High School in Des Moines, he went on to attend Drake University from 1933 through 1935. He later received an undergraduate and a master's degree from Iowa State University and worked towards a doctorate degree at the Massachusetts Institute of Technology. Through his college career, he worked as a teaching assistant, research assistant and research fellow at Iowa State, at Woods Hole Oceanographic Institution, and at the Massachusetts Institute of Technology. In 1943, he was called to serve in the United States Navy. Between 1944 and 1945, he attended the Naval School of Military Government at Princeton University.

Mr. Souder first arrived on Guam in 1945 while still serving in the military as a naval officer. He worked for the pre-Organic Act Naval Government as the head of the Department of Records and Accounts. This department handled tasks now assigned to the Departments of Revenue and Taxation, Administration, Commerce, and Land Management, the Commercial Port, and the United States Immigration and Naturalization Service.

When Guam was granted civil government by the Organic Act of 1950, Mr. Souder worked for the local government where, at different times, he served as director for several of the island's newly created agencies. During his service of nearly half a century with all three branches of the government of Guam, he headed the Department of Public Works, the Department of Land Management and Commerce, the Bureau of Planning, the Guam Energy Office, and the Public Utility Commission. He also served as Executive Assistant to the Governor of Guam and as Director of the Guam Legislative Research Bureau. His retirement in 1988 as Program Coordinator for the Superior Court of Guam concluded his long and distinguished service with the local government.

Over the years, Mr. Souder also worked in managerial capacities for a number of businesses. He held memberships in the Land Transfer Board, the Board of Equalization, the Rotary Club, the Guam Historical Society, the Board of Education, the Territorial Planning Commission, and the Guam Chamber of Commerce. He was a long-standing member of the Vicariate Council, the Agana Cathedral Financial Council and also active with the Parents-Teachers Associations of Bishop Baumgartner, the Cathedral School, the Academy of Our Lady, and Saint Francis School. In recognition of his community and public service, Mr. Souder received awards and honors from institutions such as the Massachusetts Institute of Technology and the Public Works Center of Guam. He is also the recipient of a papal decoration from His Holiness Pope John XXIII.

We have been truly blessed in having Mr. Souder become a part of our island community. The legacy he leaves behind includes several decades of government and community service as well as extensive literary works on Guam history, culture, flora and fauna. He will greatly be missed by all of us on Guam. On behalf of the people of Guam, I join his widow, the former Mariquita Calvo Torres, and his children Laura, Deborah, and Paul Bernhardt in celebrating his life and mourning the loss of a husband, father, and fellow public servant. Adios, Mr. Souder.

ON THE DEATH OF ARMENIAN PRIME MINISTER SARKISIAN

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. DINGELL. Mr. Speaker, I rise today to express my profound sorrow at the tragedy that has unfolded today in Armenia.

Mr. Speaker, the transition to democracy has not been easy for the nations of the former Soviet Union. It is all too easy for a nation going through so difficult a transition to lose sight of its goal of building a peaceful, prosperous, democratic nation. Because in times that try men's souls and challenge their convictions, the forces of darkness, hate, violence, and demagoguery offer easy, false answers to the most difficult and complex problems.

Today, Mr. Speaker, the forces of evil have struck a blow to the people of Armenia and their democratic government. I am saddened to hear of the deaths of Prime Minister Sarkisian, Speaker Demirchian, Finance Minister Barkudaryan, and the other officials. I pray for their families, and for the country they loved and served with distinction.

The Armenian people have faced great trials and tests throughout their history. They have proved their resilience in the face of tragedy before, and I have no doubt that they will endure today's tragic occurrence, recognize that a madman's bullet can never put an end to a people's dreams, and keep moving forward on the path of peace and freedom.

Armenia faces serious challenges at home and abroad. When I met Prime Minister Sarkisian last month, he expressed his hopes for the future of his nation, and his desire to tackle the problems of today. Yesterday, he witnessed his country hold free and fair local elections. He had also participated in conversations attempting to initiate the peace process with Azerbaijan. It is now time for others to use his life, beliefs, and death to motivate them to continue to build on the principles he embodied and the work he leaves unfinished.

Mr. Speaker, let us all pray for the families of the victims and the people of Armenia. We must remember that making the transition to democracy is no easy task. Let us in America recommit ourselves to assisting Armenia and other countries making this most difficult transition.

ALBERT EINSTEIN MONUMENT AND SCIENCE GARDEN

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Ms. LOFGREN. Mr. Speaker, I rise today to call attention to a very special ceremony taking place December 8, 1999: the dedication of the Albert Einstein Monument and Science Garden in Jerusalem. The monument and this occasion pay tribute to the greatest mind of the 20th Century and perhaps of all time—Albert Einstein. I also want to recognize the contributions of Dr. Dan Maydan, president of Applied Materials, Inc., whose generosity made this ceremony possible.

Einstein's scientific revelations transformed mankind's understanding of the origins and nature of the universe, and placed within humanity's grasp the power of the elemental forces of nature. But Einstein's genius was not limited to the scientific realm alone, as he was also a great humanitarian, strong advocate for world peace and a proud Jew. A powerful advocate of a Jewish state all his life, Einstein delivered the first-ever scientific address at the Hebrew University of Jerusalem in 1923. Although he was never able to return to Israel, Einstein worked for the rest of his life for the rebirth of the Jewish State, whose presidency he was offered in 1955, shortly before his death.

After his escape from the Nazis, Einstein made his home in the United States, becoming one of his adopted country's most revered citizens. In his memory, a deeply moving statue by the noted American artist Robert Berks was erected on the grounds of the National Academy of Sciences here in Washington. Washington's Einstein Memorial inspires all who visit it with its gentle power and its evocation of Einstein's world-altering ideas. For young and old, scientists and non-scientists alike, the statue has become a place of pilgrimage, drawing people back again and again for contemplation and inspiration.

Now, thanks to the generosity of Dr. Dan Maydan, President of Applied Materials, Inc., of San Jose, California, a new casting of that statue is being dedicated in Jerusalem. Standing on the grounds of the Israel Academy of Sciences, the monument will serve not only as a tribute to Albert Einstein's contributions to the Jewish people and the State of Israel, but also to the bonds of scientific cooperation between the United States and Israel. This monument, and the display and visitor center that will accompany it, is certain to become a new historical and cultural landmark in Jerusalem. Like its counterpart in the United States, it will become a magnet for visitors and provide inspiration for future generations of scientists and statesmen.

Albert Einstein was a man of truly universal vision. "All religions, arts, and sciences," he said, "are branches of the same tree. All these aspirations are directed toward ennobling man's life, lifting it from the sphere of mere physical existence and leading the individual towards freedom." The Einstein Monument and Science Garden will serve as an eloquent testament to Einstein's scientific genius. Equally important in this dawning era of peace between Israel and its neighbors, it will commemorate Einstein's hatred of war and the vision of world peace that he so passionately espoused.

Mr. Speaker, I ask you to please join me in celebrating this historic event as well as recognizing the efforts of Dr. Dan Maydan to bring this to fruition.

TRIBUTE TO DR. J. CARL NATCHEZ

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. KILDEE. Mr. Speaker, I rise today with sadness to pay special tribute to a dear friend of mine, Dr. J. Carl Natchez who passed away October 23, 1999. I had the pleasure of knowing Carl for many years. He was not only my Optometrist, he was a mentor to me. Carl shared my deep commitment to the promotion, protection, and enhancement of human dignity.

Dr. Natchez was born in Battle Creek, Michigan, on October 15, 1915, the son of Shay and Jennie Natchez. He was a retired Lieutenant Colonel of the U.S. Air Force, serving in World War II and was a Liaison Officer of the U.S. Air Force Academy. He graduated Valedictorian at Chicago College of Optometry. Dr. Natchez practiced as a Doctor of Optometry for 48 years in the Flint and Lansing area.

It is not often that our lives are touched by someone like Carl who has served his fellow citizens in so many ways; first in the Air Force, then through active participation in civic events, and through his skilled services as a Doctor of Optometry.

Dr. Natchez has made a tremendous contribution to all our lives and he will be greatly missed. Our community is certainly a better place because of Carl and I know that I am a better person because of him. I ask my colleagues in the House of Representatives to join me in offering our sincerest sympathy to his entire family and host of friends. While we all mourn Carl's loss, we will forever remember the legacy of such a giving, dedicated, and exceptional man.

A TRIBUTE TO THE MIGHTY EIGHTH

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. ENGLISH. Mr. Speaker, I rise in support of the members of The Mighty Eighth who served in the Armed Forces during World War II. They, along with the other armed services, answered the call to defend our homes and our loved ones, and to crush Hitler's dream to rule the world. The Eighth Air Force was our premier fighting outfit. It took the war directly to the heartland of Nazi Germany from bases across East Anglia.

America called on them and these brave men answered our country's cry for help—the call to strike out tyranny and injustice. The Mighty Eighth airmen stepped forward from all walks of life. They gave it everything they had—some with their lives, but all with their hearts—for the freedom we celebrate today.

Imagine, if you will, the most horrible conditions. Flying over enemy territory in broad daylight in an unarmored bomber. It is freezing cold, about 30 degrees below zero, your life line is your flightsuit and your oxygen mask. The bombers fly in a tight square formation as a defense against Nazi fighter planes. There is a constant danger of colliding with the other bombers. Now, imagine dozens of Nazi fighters coming from all directions. It had to be terrifying for these young airmen, but they bravely carried on. These are the people who risked their lives for our country and the freedom we now enjoy.

From humble beginnings, The Mighty Eighth formed shortly after the United States entered World War II. It included 200,000 people—40 bomb groups, 15 fighter groups, and two photo reconnaissance groups. They hailed from all over the United States including young men from the 21st Congressional district of Pennsylvania. Their mission was to help the Royal Air Force destroy the military and industrial power of Nazi Germany. They were young, patriotic, and inexperienced. They were determined to give the United States the best that they had to give.

The faced nearly impossible odds. They were pitted against the German Air Force who were superbly trained and very experienced at destroying everything in their path. The Luftwaffe, as the German Air Force was called, had already devastated most of Europe.

During those early years of World War II, they were the shock troops sent against Hitler. They opened a second front against the Nazis, long before the invasion of Europe. They tied-up hundreds of thousands of German troops, manning more than 10,000 anti-aircraft guns. By the admission of Hitler's armaments czar, Albert Speer, the second front "was the greatest battle lost by the German side."

Massive air battles followed, involving both fighters and bombers, and more than 26,000 of the Mighty Eighth lost their lives. More than 18,000 were wounded and over 28,000 became Prisoners of War in the valiant defense of our country. Despite the heavy losses they suffered, The Mighty Eighth established the enviable record of never, never being turned back by enemy action.

The ferocious war that was waged by the Royal Air Force and the Eighth AAF before D-Day, gave the Allied Forces complete superiority over the Normandy Beaches. They created the conditions that helped lead to the success of the D-Day landings. On the morning of June 6, 1944, some 1,250 bombers from the Eighth Air Force struck beach targets in preparation of the invasion. Throughout the day, all operational Eighth Air Force fighters provided air cover and attacked both road and rail targets.

At the end of the war, 90 percent of Germany's infrastructure was demolished. The oil industry was demolished, and the transportation systems were in pieces. With the help of The Mighty Eighth, the Luftwaffe was destroyed!

Their exploits added a glowing volume to the chronicles of military history but it came at a terrible cost. What they endured saved the lives of thousands and thousands in the ground forces. They made the invasion of Europe possible.

The Mighty Eighth, played a vital role in the elimination of a deadly threat from the Nazi plague. This is the legacy of The Mighty Eighth, many of whom are no longer with us. We honor these aging heroes because they preserved freedom for us, their children and for generations to come.

INTRODUCTION OF H.R. 3156, THE TECH FLEX BILL

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. HOEFFEL. Mr. Speaker, I rise regarding an issue important to the students, teachers, and educators in the 13th District of Pennsylvania.

When I was first elected to Congress, I decided to embark on a deliberate strategy to get to know the schools in my community. I wanted to hear directly from educators how their schools were doing and what their needs were.

To get the best feedback, I sent out an education survey to every school in the district and set up a series of roundtable discussions open to parents, teachers, principals, and superintendents.

One of the most important things I learned was that the schools in my district all placed a high priority on educating children using the best technology available. For this, I applaud them.

I also learned that on average, my schools are doing well in terms of computer hardware, with a good number of computers available to both teachers and students.

But the schools need help providing additional opportunities for training teachers to use that hardware and integrate the tools of the information age into everyday classroom learning. Teachers want more training in technology.

And the educators explained to me that they face a key obstacle: while technology training courses have been available, too many teachers find it impossible to get away from the classroom to attend the trainings because of a lack of substitute teachers.

Is that not ironic? The training teachers need is in sight, but they simply cannot get to it.

To overcome this disconnect, yesterday I introduced H.R. 3156, the Teacher Training in Technology Flexibility Act (Tech Flex).

Tech Flex would add new flexibility to the use of funds under technology training programs for teachers, allowing local school districts to hire substitutes, provide teachers with paid release time, and provide other incentives to overcome barriers to accessing technology training.

The bill would do so by amending the Technology for Education Act of 1994 to clarify that release time and incentives are permissible and encouraged expenditures under existing teacher technology training programs.

"Release time and other incentives" includes leave from work, providing for a substitute, payment for travel expenses, and stipends to encourage teachers and other school personnel to participate in training on the use of technology in education.

Under the bill, school districts could apply for a competitive grant under the state-administered Technology Literacy Challenge Fund and the federally-administered Technology Innovation Challenge Grant and use the resulting funds for release time and incentives, among other authorized activities.

This would allow teachers to break away from class and attend these important technology training courses.

To close, Mr. Speaker, this bill would help overcome a real impediment to the professional development of teachers in technology and allow students to get the most out of the hardware investments made by our schools, and I ask my colleagues' support.

FOODVILLE USA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. FRANK of Massachusetts. Mr. Speaker, while many of us privately grumble from time to time about the directions in which Congressional districting takes us, it is also the case that this process can introduce Members to places with which they were insufficiently familiar. In my own situation, in 1981, the Massachusetts Legislature drastically revised my district and sent me in exactly the opposite geographic direction from where I was situated after my first election. While this exercise in creative cartography was in fact meant to be something done to me, it turned out to the surprise of everyone, including myself, to be one of the best things that ever happened for me. Quite aside from how it worked out politically, it brought me into close and continuous contact for the past 17 years with the people, places, and activities in Southeastern Massachusetts, and this contact has been a source of education, stimulation, and enjoyment for me ever since.

Among its great attractions, Southeastern Massachusetts is becoming an increasingly important gastronomic center. The presence of the fishing industry in New Bedford has led to a great deal of creative cooking of seafood. The large number of Portuguese-Americans, including a continuous flow of immigrants from the Azores and other parts of Portugal, has also enriched the local culture in many ways, including in the food that is offered.

I was very pleased to see a recent article in the Boston Herald take full account of these trends, and as an example of one of the somewhat still hidden assets of a part of Massachusetts I am very proud to represent here, I ask that the Boston Herald article be reprinted here.

FOODVILLE, USA

Massachusetts' tourist havens seem to be well known and well defined. You head to the Berkshires for music and mountains, Cape Cod for beaches and lobsters, Cape Ann for beaches and witches.

But where do you go for wonderful ethnic food, a professional cooking school, a gourmet-food outlet that carries nearly any foodstuff you can think of, a vibrant farming community, a winery and an unspoiled shoreline that yields freshly caught seafood?

That would be southeastern Massachusetts, a sometimes-ignored region that's emerging as the foodiest corner of the commonwealth. From the Portuguese restaurants of Fall River and New Bedford down to the farms and coastal villages of Westport and Dartmouth, near the Rhode Island border, there's plenty here to draw those interested in locally grown and produced food and wine.

That's especially true this weekend, when the Westport Harvest Festival will be underway. Use that as an excuse to explore and eat your way down toward the coast.

Start your day at Sid Wainer & Son in New Bedford. Henry Wainer, the firm's current president, is a third-generation produce man; his grandfather started the company in 1914. Wainer has long supplied many of the country's—and the world's—top restaurants with fresh produce, and Henry Wainer is particularly proud of what he has done to diversify and improve the region's selection of fruits and vegetables.

"I was the first to bring mesclun in," he says.

But Wainer's vision has taken the company way beyond its produce-stand roots. Six years ago, he opened a retail gourmet outlet, offering the same products his restaurants clients buy. "This area has a lot of talented people who eat out and entertain, and a vast number of people who love to cook," he says, by way of explaining his rationale for opening the store.

And this is a must-see for those who love to cook. "We've got everything," says Wainer sweepingly. As he escorts a visitor through the store and warehouses with the energy and enthusiasm of a gourmet-food Willie Wonka, it's easy to believe that claim.

White anchovies, trays of grilled artichokes in oil, black trumpet mushrooms, baby sweet potatoes, nopales, sea beans, white asparagus ("52 weeks a year!" Wainer exclaims), quail eggs from Connecticut, baby coconuts and bananas, edible orchids, squash blossoms flown in daily from Israel, eight varieties of unpasteurized imported olives—the variety is overwhelming. "I've got 146 varieties of dried beans and grains!" declares Wainer, racing past cartons in the warehouse. "Purple sticky rice! Butterscotch beans! Himalayan red rice."

The store is in a former blanket factory on Purchase Street, not far off Route 195. Bring a cooler, in case you buy anything perishable. You've still got a long day ahead.

If you've worked up an appetite walking through Wainer's store, how about a lunch break? Both New Bedford and nearby Fall River are home to numerous Portuguese restaurants that are unmatched in the area for authenticity. This is a cuisine that's lately become the darling of trendy foodies—it was the highlighted aspect of the James Beard Foundation's recent Mediterranean Culinary Festival in New York—but in Fall River and New Bedford, it's a well-established tradition.

Sagres restaurant on Columbia Street in Fall River is one of the oldest, run by the Silva family, it has been serving the community for nearly 24 years. "Everything here is 100 percent Portuguese," says Victor Silva proudly. That means the focus is on seafood, olive oil and fresh ingredients. A popular specialty is the seafood stew, fragrant with garlic, but don't miss the traditional salt cod dishes or the pork alentejana—stewed with littlenecks—which Silva says his chef father introduced to the area.

Also popular are the T.A. Restaurant on South Main Street and Terra Nostra on Rodman Street. Fall River remains more gritty that pretty, but the economic picture there, as elsewhere, has improved in recent years. Terra Nostra proprietor Manuel Cardoso says that the city's "going in the right direction"; his one complaint now is that low unemployment makes it hard to find wait staff.

But if you're not in the mood for Portuguese, Fall River holds at least one other interesting option. A couple years back, chef George Karousos, whose family owns two restaurants in Rhode Island, fulfilled a long-held dream and opened the International Institute of Culinary Arts in Fall River. Housed in a beautifully restored former church, the school trains future chefs in both the classroom and in the kitchen. Students staff the Abbey Grill restaurant, turning out creative American fare under the direction of their instructors; the open kitchen is also largely in view of the customers. Try the sweet-salty coconut-crusted shrimp, the creamy clam chowder or the swordfish in a chunky sauce of olives, capers and tomatoes.

Then roll yourself away from the table and press on; the Westport Harvest Festival only runs until 5 p.m. In Fall River or New Bedford, it might be hard to imagine you're in one of the most agricultural counties in the state; head south on Route 88, and you'll quickly find yourself in farm country so rural and pristine it could be western Massachusetts—but with a seacoast flavor.

Festival vice president Lorraine Roy says of the event, now in its ninth year, "Our primary theme is fishing, farming and agriculture." A farmers market displays the bounty of the region, but the fair's events are as far-ranging as a pumpkin weigh-off, a poetry contest, a juried craft fair and an animal tent. Non-profit groups and restaurants will field food booths with fare Roy describes as low-priced and family-oriented: "Anywhere from clams and lobster rolls to spareribs and chicken barbecue dinners."

How did the festival get its start? Like many other agricultural-oriented projects in the area, the road leads to Rob Russell, proprietor with his wife, Carol, of Westport Rivers Winery. Roy says a local businessman approached Russell with the idea after seeing a similar festival on a trip to California.

The winery is another noteworthy stop on your itinerary; you could fit in a visit after the festival. The Russells bought the land in 1982 and planted it with a variety of classic wine grapes. Today, they turn out a number of award-winning wines and have added a wine-and-food-education center and, most recently, a brewery. As important as the products at Westport, though, is the philosophy: The Russells have thrown themselves into efforts to protect the area's agriculture.

That aim requires both effort and commitment, because, like many rural areas, this one is threatened by development. When the farm that now houses the brewery, for instance, was up for sale, the Russells bought it to keep it from being turned into another subdivision; they plan eventually to grow the hops that go into their Buzzards Bay beers.

A place this rich in resources—the Russells call it a farm, fish, food and wine region unique in the United States—was bound to attract the attention of chefs. Many local chefs visit the area and buy from the farmers. Chris Schlesinger, owner of Cambridge's East Coast Grill, has gone so far as to open a restaurant there. Dinner at the Back Eddy, where the focus is on ingredients that are locally grown and caught, would be the perfect way to wind up your day of exploring.

Actually, Schlesinger's Westport roots go back much farther than the opening of the restaurant in April. He has owned a house there for seven years, and worked as a chef at the Sakonnet Golf Club, just over the Rhode Island border in Little Compton, 17 years ago. It reminds him of the Virginia coast, where he grew up, both in its farm-and-ocean terrain and its low key character. "It's not like other coastal areas that have been developed for more elite situations," he says. "Everything is low-key and calm; nobody's trying to make the scene, nobody's in your face."

As a restaurateur, he appreciates the access to ingredients the waterfront location lends: "We have fishing boats in front, (farmers') pickup trucks in back." He buys seafood right off boats that swing by the dock.

Schlesinger borrows an analogy from Bob Russell when describing the area's present, and possible future. To remain sustainable, the farms themselves have to be part of the draw; the Heritage Farm Coast, as it's sometimes called, could be promoted as something like "the Sonoma of the East Coast."

Meanwhile, though it isn't glamorous, there's something wonderfully unspoiled about this underappreciated area of the state. "It's funky, not pristine beautiful," says Schlesinger, "I want to spend the rest of my life there."

HONORING VIRGIL COVINGTON, PRINCIPAL OF WINBURN MIDDLE SCHOOL

HON. ERNIE FLETCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. FLETCHER. Mr. Speaker, I rise today to acknowledge an outstanding leader within the Central Kentucky educational community. A man who has dedicated his life to not only improving education—but making sure students strive to do the best they possibly can. He is a principal who has touched and improved the lives of so many throughout his years of dedicated service to our community—and I applaud the recognition of his commitment.

Recently, the Kentucky Education Commissioner recognized this outstanding principal—Mr. Virgil Convington—as a recipient of the National Educators Award from the Milken Foundation. Next summer, Mr. Covington will join other educators in California for a week-long conference—but today he receives praises and congratulations from the school system, community, parents and children that he has strived so hard to serve over the years.

It's obvious that Mr. Covington has worked to produce positive change—while making sure that no one is left behind within the Winburn Middle School and surrounding community. It's only proper that he receives this award on the eve of the 21st century—as he has been a part of the Windburn Middle School since 1990. The new millennium will mark Mr. Covington's 10th year of dedicated service.

Today—I join our community in recognizing an outstanding principal who has made a significant contribution to the field of education. I find it very fitting that Mr. Virgil Covington received this prestigious award.

HISTORIC DAY FOR DEMOCRACY IN SAN MIGUEL, EL SALVADOR

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. McGOVERN. Mr. Speaker, in November, Congressman MOAKLEY and I will travel to El Salvador at the invitation of the University of Central America to attend the commemoration of the 10th anniversary of the murders of the Jesuit leadership of that school. While this horrific event stunned that small nation and the international community, the unraveling of that case contributed to a negotiated settlement of the 12-year civil war in which over 70,000 Salvadoran civilians lost their lives.

In mid-November, we will visit a new El Salvador. While the problems of poverty and reconstruction continue to challenge the people of El Salvador, there have been many changes: demobilization of former combatants, reform of the courts, greater decentralization of services, and competitive elections where former guerrillas now comprise a political party able to campaign openly at the national and local level.

While in El Salvador, we will have the opportunity to inaugurate the second constituent service office of the National Assembly. On November 15, 1999, we will visit San Miguel where we will join elected deputies from five different political parties from across the political spectrum, who will share the resources of this office. With the assistance of the U.S. Agency for International Development, the establishment of these offices is part of a Salvadoran effort to modernize their Legislative Assembly. The constituent office will be used by the elected deputies to meet their constituents, provide a computer link for constituents to contact their representatives and to learn what is happening in the National Assembly.

In looking at political transitions throughout the world, we have learned that there are times when stopping the fighting is the easy part. When you look at the development of democratic institutions—such as these constituent service offices—we see historic changes that give people a greater say in the decisions that affect their lives. We see historic changes that bring greater confidence to the people who vote and the people who hold office. Congressman MOAKLEY and I are truly honored to be able to participate in that process.

PERSONAL EXPLANATION

HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. BASS. Mr. Speaker, on October 13, 1999, I was unavoidably detained during consideration of the Sanford amendment to H.R. 1993.

However, had I been present during rollcall No. 496, I would have voted "aye."

PERSONAL EXPLANATION

HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mrs. MYRICK. Mr. Speaker, I missed 4 recorded votes while I was working in my district. If I had been present, I would have voted as follows: Rollcall vote 536, on the motion to suspend the rules and pass H. Con. Res. 194 to recognize the contributions of 4–H Clubs and their members to voluntary community service, I would have voted "yes."

Rollcall vote 535, on the motion to suspend the rules and pass H.R. 2303, The History of the House Awareness and Preservation Act, I would have voted "yes."

Rollcall vote 534, on the motion to suspend the rules and pass H.R. 754, the Made in America Information Act, I would have voted "yes."

Rollcall vote 533, on approving the Journal, I would have voted "yes."

URGING UNITED STATES TO SEEK GLOBAL CONSENSUS SUPPORTING MORATORIUM ON TARIFFS AND SPECIAL, MULTIPLE, AND DISCRIMINATORY TAXATION OF ELECTRONIC COMMERCE

SPEECH OF

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. KOLBE. Mr. Speaker, I rise in strong support of H. Con. Res. 190, the Global Internet Tax Freedom Act. This important legislation calls on the administration to take a tough stand at the World Trade Organization Ministerial to keep the Internet tax free worldwide.

The Internet has appeared in an era when we realize how taxation discourages, even thwarts commerce. Against the natural inclination of many, a bare-bone majority has succeeded in keeping the Internet tax-free in the 50 United States. It is important that we continue the progress made here to other nations.

I am going to attend the World Trade Organization's meeting in Seattle next month as a no-Internet-tax fanatic. Along with dozens of House colleagues, I will be preaching from House Con. Res. 190, which urges world leaders to make permanent a temporary moratorium on Internet taxes. The timing is important. I expect that dozens of members of the community of nations have dozens of pressing needs, and unique circumstances, and compelling motives to put a national checkout counter and tax-collector at the end of a web page.

We all fancy ourselves as free-traders—except when there is some benefit derived from well, making a little innocuous exception. And the world's markets are made up of millions and millions of little exceptions. Fortunately, the Internet is too young and innocent to have been susceptible to those little exceptions.

Years ago, a reporter asked the economist Milton Friedman about the North American Free Trade Agreement and its annexes. "Misnomer," replied Friedman, "That's no free trade agreement. It's managed trade. A real free-trade agreement would take one sentence, of if it's verbose, may be a paragraph."

My hope is that all 134 nations will embrace the simplicity and brilliance of that philosophy when it comes to Internet Commerce. E-Commerce is critical to our continued growth and prosperity. We must leave it free to flourish worldwide.

LEGISLATION MAKING THE CHIEF AGRICULTURAL NEGOTIATOR POSITION AT USTR PERMANENT

HON. MICHAEL K. SIMPSON

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. SIMPSON. Mr. Speaker, I am pleased to introduce a bill today with Representatives KENNY HULSHOF and WES WATKINS to ensure our Nation's agricultural producers have a permanent trade ambassador. American farmers and ranchers need and deserve a representative within the Office of the United States Trade Representative to focus on agricultural trade issues.

My congressional district in southern Idaho ranks among the country's more important agricultural producing congressional districts. A wide range of products are raised in the district including potatoes, sugar beets, wheat, barley, livestock, and a host of specialized commodities. Idaho producers of all of these commodities have conveyed to me the importance of having their concerns heard, understood, and advocated during the course of bilateral trade negotiations.

Since being elected to represent the second congressional district of Idaho, I have become increasingly concerned by the extent of the agricultural crisis in Idaho and the role Canadian and European trade policies have played in exacerbating the problem. Uncompetitive trade practices threaten the survival of agriculture not only in Idaho, but throughout the United States. During the August district work period, I met with numerous farmers and ranchers throughout my congressional district and was told of the dire financial conditions many producers are facing. Many are at risk of losing their generations-owned family operations. I was regularly told of the need to open up new markets, reduce Europe's export subsidies, reduce tariffs worldwide, and ensure nontariff barriers do not inhibit market access to new products. Ultimately, my agricultural producers expect me to work to ensure unfair trade practices engaged in by our competitors are addressed by the WTO in a transparent and swift fashion, with strong enforcement mechanisms in place to guarantee compliance and fairness in the global marketplace. Farmers and ranchers in Idaho strongly believe making the Agricultural Ambassador position permanent will enhance their ability to secure new markets and compete in the global marketplace.

I firmly believe that in order to secure the long-term stability of our agricultural economy we need to support the development of an open and fair trading system. Without a strong voice for addressing uncompetitive trade practices, our agricultural producers will continue to operate at a competitive disadvantage in the global marketplace. The creation of the Agricultural Ambassador (the Chief Agricultural Negotiator) position by Ambassador Charlene Barskefsky has already had a significant and positive impact on our country's farmers and ranchers.

I have met with the current Agricultural Ambassador, Mr. Peter Scher, on a variety of agricultural issues important to Idaho, and appreciate his work on behalf of our farmers and ranchers. I am concerned that when this Administration departs the gains made by Mr. Scher in advancing the needs of America's farmers will be lost. At a time when agriculture in this country is struggling and is slated to be the number one issue at the upcoming round of WTO trade talks, it is unfathomable to me that we would not ensure the permanent presence of a strong, clear voice and vigorous advocate for agriculture is present at international negotiations. it is crucial the Agriculture Ambassador position be made permanent and transcend administrations, especially now when we are beginning to engage in intense multilateral negotiations on a host of agricultural issues.

This legislation presents an opportunity for Congress to help our ranchers and ensure the opportunities for expanding and competing in new markets are not compromised in future trade negotiations. Our farmers and ranchers need to know their interests are being represented at trade negotiations and should be secure in the knowledge that their advocate will permanently remain in place. I hope my colleagues will recognize the importance and significance of this legislation and join me in the effort to make the Agricultural Ambassador position permanent.

SUPPORT OF A COMMEMORATIVE STAMP HONORING DUKE PAOA KAHANAMOKU

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mrs. MINK of Hawaii. Mr. Speaker, I rise to share with my colleagues the story of one of Hawaii's greatest citizens, Duke Paoa Kahanamoku.

Duke Kahanamoku, who was born on August 24, 1890, is perhaps the most beloved and respected person in Hawaii's recent history. Hawaii's first Olympic champion, Duke represented the United States at the Olympic Games in 1912, 1920, 1924, and 1932, breaking world swimming records and winning five medals, including two gold medals for the 100-meter freestyle. A world-class surfer as well as swimmer, he introduced the ancient Hawaiian sport of surfing to the world and is widely recognized as the "Father of Modern Surfing." Duke was the first athlete to be elected to the International Swimming Hall of Fame and the International Surfing Hall of Fame. He was elected to the U.S. Olympic Hall of Fame in 1984.

Duke Kahanamoku's enormous personal charm and genial nature won friends for the United States and Hawaii from throughout the world. Duke was a full-blooded Hawaiian raised with the traditions and values of the Hawaiian culture. He truly embodies the spirit of aloha.

Duke retired from competition swimming after the 1934 Olympiad, at age 44. In 1936 he was elected to the office of Sheriff of the City and County of Honolulu—and was re-elected for 13 straight terms. Though he passed away in 1968 at the age of 77, Duke remains a hero and source of pride not only to Native Hawaiians but to all the people of Hawaii. His accomplishments and sportsmanship are remembered by practitioners and fans of ocean sports worldwide.

A campaign to have a U.S. commemorative stamp issued in honor of Duke Kahanamoku has garnered strong support from the people of Hawaii and from his many fans throughout the nation. I have been informed that the proposal for a stamp honoring Duke is under serious consideration by the Citizens Stamp Advisory Committee. His many admirers are hopeful that he will be honored with a stamp in 2001.

IN RECOGNITION OF JOHNSON ELEMENTARY SCHOOL IN BRYAN, TEXAS

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. BRADY of Texas. Mr. Speaker, I am proud to rise in recognition of Johnson Elementary School in the Bryan Independent School District on being the first school in Brazos Valley to receive recognition as a national Blue Ribbon School of Excellence.

To receive recognition, a school must be nominated by its Chief State School Officer or Council. To achieve this recognition, Johnson Elementary had to pass a rigorous screening and a two-day site visit. The school was evaluated on outcome measures and conditions of effective schooling. These included student focus and support, school organization and culture, challenging standards and curriculum, active teaching and learning, professional community, leadership and educational vitality, school, family, and community partnerships, and indicators of success.

This is a monumental accomplishment for the school officials, the teachers and students of Johnson Elementary. I am very proud to have a school that is able to stand up to this rigorous test and achieve such great standing in the Eighth District of Texas.

As a representative here in Washington, it is encouraging to see such an educational achievement back home. Johnson Elementary is able to send a message to the American people that with the winning combination of leadership, hard work, caring, vision, and common sense, excellence is the only reward. The school's motto is, "We develop minds that think and hearts that care." I think they stood true to that belief.

Mr. Speaker, I, as well as the Bryan-College Station community, applaud Johnson Elementary for its tireless dedication to the importance of education. They have set an example for us all to follow.

SENATE—*Monday, November 1, 1999*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Lord, who always has a next step in the adventure of living and leadership, we thank You for calling us to greater intentionality. Help us to put into action what we intend. Clarify Your goals for us as individuals and as a nation and then call us out from where we are to a new level of risk. What would we do if we trusted You completely? Give us the courage to do it! May this be a "do-it-now" action week. We have nothing to fear when we have no one else to please but You. Bless the Senators with intentionality that is willing to risk anything except their relationship with You. You are our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The Honorable CHUCK HAGEL, a Senator from the State of Nebraska, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. HAGEL. I thank the Chair.

SCHEDULE

Mr. HAGEL. On behalf of the leader, today the Senate will begin 2 hours of morning business and then resume consideration of the conference report to accompany the D.C./Labor-HHS appropriations bill. As announced on Friday, there will be no votes today. By a previous consent agreement, the vote on the conference report to accompany the D.C./Labor appropriations bill will occur at 10 o'clock Tuesday morning. Tomorrow morning there will be an additional 30 minutes of debate on the conference report prior to the 10 a.m. vote. Senators who have statements on that conference report should be prepared to come to the floor during today's session. As a reminder, two cloture motions were filed on Friday in relation to the African trade bill. Those votes will occur tomorrow as outlined by rule XXII or at a time to be determined by the two leaders.

I thank my colleagues for their attention.

MEASURE PLACED ON CALENDAR

Mr. HAGEL. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDENT pro tempore. The clerk will read the bill by title.

The legislative clerk read as follows:

A bill (S. 1832) to amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage.

Mr. HAGEL. Mr. President, I object to further proceedings on this bill at this time.

The PRESIDENT pro tempore. Under the rule, the bill will be placed on the calendar.

Mr. HAGEL. I thank the Chair.

Mr. President, I note the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WYDEN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HAGEL). Without objection, it is so ordered.

MEDICARE COVERAGE FOR PRESCRIPTION DRUGS

Mr. WYDEN. Mr. President, this is the ninth time I have come to the floor of the Senate to talk about the issue of Medicare coverage for prescription drugs. As the Senate can see, I am urging seniors to send in copies of their prescription drug bills, as this poster instructs, to your Senator, U.S. Senate, Washington, D.C. 20510.

I am doing this because it is critically important that Congress move on this issue and address it in a bipartisan way. With the counsel and input of Senator SNOWE of Maine, there is one bipartisan bill now before the Senate to cover the issue of prescription drugs for the Nation's elderly.

I am sure other Members of the Senate are getting the kind of mail I am. What I will do this morning, as I have done on eight previous occasions, is talk specifically about some of the bills I am getting from senior citizens in Oregon in an effort to pull together a bipartisan coalition for action in this session.

We have heard, again and again, experts on the health care issue say the prescription drug question is too complicated for the Senate to act on at this time. That is a view I do not share. It is not shared by Senator SNOWE. In fact, 54 Members of the Senate have already voted for the funding plan the two of us have developed. We have already laid the foundation for the Senate to move on this issue in a bipartisan way.

I will talk for a few minutes this afternoon about our legislation and about some copies of bills I have received from senior citizens. I have a whole sheaf of them to go through.

What our bill is all about is trying to give senior citizens who are on Medicare the same kind of bargaining power in the marketplace that a health maintenance organization has. The sad part about this issue is that the senior citizens get shellacked on their prescription bills twice. Medicare doesn't cover prescription drugs. When the program began in 1965, it didn't cover prescriptions. Maybe back then there was a feeling they weren't that important. If anybody thought that then, they certainly would not believe that now, because we have more than 20 percent of the Nation's senior citizens spending over $1,000 a year out of pocket for their prescription medicine. They can't afford these prescriptions. The doctors tell them to take three prescriptions. They start off taking two, and then they take one, and eventually they can't afford their medicine, and they get sicker and they need perhaps institutional care, which is far more expensive. What is so sad is that the seniors, of course, with Medicare not covering prescriptions, have to pay out of pocket. On top of that, they have to subsidize the big buyers, the health maintenance organizations, the health plans, and other big buyers that are in a position to get a discount on their prescription medicine.

So Senator SNOWE and I, in support of the bipartisan Snowe-Wyden bill, are urging seniors to send copies of their prescription drug bills to the Senate, to your Senators, in Washington, DC, in the hopes that we can deal with this in this session of the Senate.

I have been concerned about this issue since back in the days when I was codirector of the Oregon Gray Panthers. I ran the legal aid office for senior citizens then, and prescriptions were awfully important even then. But the fact is they are much more important to the Nation's older people today than they were then because, today, so many of these prescriptions can, in effect, help to keep seniors well and healthy and physically fit. So many of the drugs today can help to lower blood pressure, or deal with cholesterol problems, or a wide variety of conditions, and can keep our seniors healthy. The savings associated with these kinds of drugs are absolutely staggering.

I reported last week, when we talked about the question of prescriptions for

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

seniors on the floor of the Senate, about one anticoagulant drug seniors often take today. It costs a little over $1,000 a year for a senior citizen to take that anticoagulant drug. By taking that drug, very often it is possible to prevent a debilitating stroke that can cost a senior more than $100,000, in terms of expenses. Just think of that. An anticoagulant drug helps our seniors stay healthy for about $1,000 a year. As a result of spending $1,000 a year on this particular medicine, we can keep that person from having a debilitating stroke, which could cost more than $100,000 a year.

So, very often, I am asked by colleagues and others in the Congress whether our Nation can afford to cover prescription drugs for the elderly. My answer is that our Nation cannot afford not to cover prescription drugs, when you look at the kind of savings that would be associated with this coverage.

Now, in the Snowe-Wyden bill, we seek to do a number of things beyond giving senior citizens the same kind of bargaining power that a health maintenance organization does. We focus on the principles of the private marketplace, trying to create choices and options and a wide variety of alternatives for the Nation's seniors, and we do it through a concept the President of the Senate and all of us understand very well, and that is, we use the model of the Federal Employees Health Benefits Plan. We don't go out and set up a whole new bureaucracy. We don't set up a lot of price controls and get the Government intervening in the marketplace.

I have great reservations about that kind of approach because, if you go with price controls, say, on Medicare, the only thing that will happen is you will shift all the costs onto the backs of other vulnerable people. I don't think there is a Member of the Senate who would like to see us take action with respect to prescription drugs for the Nation's senior citizens, and then have a lot of costs shifted onto, say, a 27-year-old woman who is divorced and has two kids and is working hard and playing by the rules and suddenly is seeing the prescription drug costs for her children go up very dramatically. So we ought to unleash the forces of the marketplace. That is what is in the bipartisan Snowe-Wyden prescription drug bill.

What I am going to do for a few moments is talk about some of the bills and documents that I have been sent by seniors since we came to the floor and began to urge them, as this poster says, to send in copies of their prescription drug bills to us in the Senate.

The first case I want to talk about this morning involves a senior citizen who is 73 years old and lives in my home State, in Hillsboro. She has a monthly income of $1,000, and she is spending 25 percent of it on her prescription drugs. She doesn't have any of these bills covered by her health insurance—not any of them. She has to take a wide variety of drugs, such as Relafen and Prilosec—a whole host of prescription drugs—primarily due to hypertension and a variety of problems. Her Prilosec alone is one she has to take on a regular basis; yet, as a result of the expenses associated with her prescription medicine, this senior citizen at home in Hillsboro, OR, is not able to take all of the medication she needs. She reports that when she does take her Prilosec as her doctor tells her, she has had to give up other kinds of necessities. She is eating cheaper foods and is particularly concerned that if something isn't done about prescription drugs in the Senate, she is going to have a whole host of other problems. She is not able to afford other essentials, such as being able to take care of expenses for her house.

This is a real case, not some government report from some think tank in Washington, DC, hypothesizing about what the senior citizens need. This is a real, live case from my home State, in Hillsboro, OR. She heard I am urging senior citizens, as this poster says, to send in copies of their prescription drug bills to their Senators.

She sent me her case. Very clearly, these are heartrending cases—to think people with a $1,000-a-month income trying to get by on that alone is hard enough. Having to spend 25 percent of her income on prescription drugs, having to be part of a drug regime where she can't even take all that her doctor is telling her to take—this is what is going on in the United States of America. A country as rich and powerful and as good as ours has not yet figured out a way to help people such as this. It is a tragedy that we cannot come together on a bipartisan basis, the way the Snowe-Wyden bill envisages. There are other approaches that certainly would be appealing as well. But we need to get this done. What everybody says is that this Congress is so polarized, they can't deal with big issues.

Well, I believe the bipartisan Snowe-Wyden bill, which has gotten 54 votes in terms of a funding plan and is based on models that every Member of the Senate knows about, is a very appealing kind of concept. But if our colleagues have different approaches—and certainly in this body we have strong views, and there are a variety of different ideas on this—have them come forward.

But let's not duck this issue. Let us not duck it and say, oh, this is a matter for the 2000 campaign, and we don't need to deal with it today. We need to deal with it now.

I am going to go through a couple of other cases.

Here is another one from a couple in Cornelius, OR, a home in my State. They have a monthly income of about $1,000. They are spending between $200 and $400 every month on their prescription drugs. They have to take drugs for arthritis, for cholesterol problems, and antibiotics on a fixed income.

Clearly, this kind of case where month after month they are seeing between 20 percent and 40 percent of their monthly income going for prescription drugs ought to make it clear to Members of this body that we have to move and move on a bipartisan basis.

There isn't anything that is important in Washington, DC, that isn't bipartisan. I don't know of a single issue that can be addressed in a significant way without Democrats and Republicans coming together. The Snowe-Wyden bipartisan approach is one way. There may be others. But the important thing is we ought to move and we ought to move in this session of Congress.

A third case I would like to go through involves an elderly woman in Forest Grove, OR. Recently, in effect, in the last few weeks, she spent $294 on her prescription medicine. She has had to take a variety of different medicines. That is one example of what we are getting now from the seniors across this country. This particular senior is in Forest Grove, OR, taking a whole host of medications.

A lot of our seniors average 15 prescriptions a year. The third case I have gone through this morning with seniors spending $294 in just a few weeks on her prescription medicines in Forest Grove is pretty representative of what we are hearing.

I hope that as a result of my coming to the floor over these last days before we wrap up for the year that we can see Democrats and Republicans in the Senate coming together to try to deal with this question.

I want to bring up one last case. It is a particularly poignant one. It is from an older person who is now taking 15 prescription drugs. She is on a fixed income with nothing but her Social Security. She is spending $600 a month—$600 a month—on her prescription medicine. None of it is covered by her health insurance. She writes to tell me that she is spending almost her entire monthly income on prescription drugs.

Think of that. A senior citizen, again, at home in Oregon spending almost her entire monthly income on prescription drugs. We asked: What happens when you can't afford the prescription drugs you need? She said borrow. That is what she tries to do. A senior citizen with only Social Security spending virtually all of her monthly income on prescription drugs is now having to borrow from friends and family.

I have a list of these prescriptions. Again, the list goes on and on.

This is an example of the kind of bills that senior citizens are now sending in as a result of our efforts to try to get bipartisan action on this issue.

I hope as a result of my remarks other seniors will, as this poster says, send in copies of their prescription drug bills. I hope they will be interested in the bipartisan Snowe-Wyden prescription drug bill. But, frankly, I would like to make sure they are in contact with all of us in the Senate because this is not an issue that should be allowed to be put off until after the 2000 election.

We are given an election certificate. Mr. President, I know you feel very strongly about important issues such as campaign finance reform where it is important to come together. We are giving election certificates to deal with these issues. I have not been given an election certificate to put this off until after another election. We are all sent here to deal with these important issues such as campaign finance reform and prescription drugs because these are important to the American people.

I am very proud to have been able to work with Senator OLYMPIA SNOWE on this issue.

I think when you are dealing with important questions such as prescription drugs and campaign finance reform it has to be bipartisan. My plan is to keep coming to the floor of the Senate day, after day, after day, bringing up these examples of what I am hearing from the Nation's senior citizens and hope that we can come together. Senator SNOWE and I got 54 votes on the floor of the Senate for the funding approach we are taking. More than $10 billion goes from the Medicare program each year to cover tobacco-related illnesses. We know we have to act. We have to act responsibly to address these concerns of seniors.

There is a marketplace-oriented approach to this problem. We don't need a lot of price controls. We don't need a "one-size-fits-all" run from a Washington, DC, program. The Snowe-Wyden bill will give seniors the same kind of bargaining power that a health maintenance organization has to negotiate prices, not through a government regime but through the power of marketplace forces.

I am going to keep coming back to the floor of the Senate until we get action on this issue. I will keep reading from these letters. I hope seniors will continue, as this poster says, to send in copies of their prescription drug bills. I know that seniors at home have made it clear they are going to keep sending them to me, and I am very hopeful that we can get action on this issue in this session.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative bill clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as in morning business for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BAUCUS pertaining to the introduction of S. 1837 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBERTS). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMAS. What is the order of business, Mr. President?

The PRESIDING OFFICER. The order of business is, under the previous order, the time until 2 p.m. shall be under the control of the distinguished Senator from Wyoming, Mr. THOMAS, or his designee. The Senator is recognized.

BUSINESS OF THE SENATE

Mr. THOMAS. Mr. President, I will take a few minutes and talk about some of the things we are doing. Obviously, we are heading toward the end of this session. There is speculation as to when we will conclude our work. Of course, before that is done, clearly the most important thing before us is the appropriations process, funding the Government, and we will do that.

I had the opportunity this weekend to spend some time in my home State. I can always pick up things about which people feel strongly. They want to see the budget signed. There are differences of view as to what that budget should contain—legitimately, of course.

Most of the people in my State—and I certainly believe they are well informed because I agree with them—think we ought to hold down the size of the budget because that is how we really put some limits on Government. That does not mean we do not fund the things that are essential. Certainly we will not always have unanimity on what people perceive as being essential, and that is what it is all about.

People do want the budget signed. They do not want the Government to shut down, nor does anyone here, and I hope not the President. He has indicated he does not. We have about five bills to complete and get signed. I am optimistic about it. We will conclude our work without a shutdown. We will conclude our work without spending Social Security dollars, which was the commitment we made.

Out of the surplus this year—a surplus, frankly, for the second time in 25 years—we will only spend that money when it comes in the operational budget and not the budget of Social Security. More important, not only will we not spend Social Security money, but we also have a plan to strengthen Social Security for the future. To save Social Security is not enough. We must do that, of course.

The other thing I have heard—and I already mentioned it—is hold down the size of Government; we do not want the Federal Government to continue to grow and to be the dominating factor in people's lives. Indeed, there are essential elements of the Federal Government, but the strength lies in the communities, States, and counties of this country. The more decisionmaking that takes place there, it seems to me the stronger we will be and the closer we will be to the governed making the decisions, and the better off we will be.

We will do well. We will have to make some adjustments. One of them may well be an across-the-board cut of 1 percent. I happen to favor that idea. We are talking about a discretionary budget of about $595 billion. That is out of a total of about $1.7 trillion, the rest being mandatory. We are talking about actually below 1 percent, a .97-percent across-the-board cut, which is about $3.5 billion. That will bring us down to $592 billion. I cannot imagine that agencies with a budget of $15 billion or $260 billion are unable to find 1 percent that can be reduced. Generally, through things that are not terribly important or some even considered to be wasteful spending, they can find 1 percent. In any event, I am very confident that can be done.

Some say it will require the military to lay off. The fact is, after 1 percent, it would still be a substantial increase over last year and over the President's request for the military budget. We are closing in on getting that job done. Certainly it is the compelling task before us.

It reminds me of one of the things I believe we ought to consider, and that is a biennial budget, so we can do this business of budgeting and allocating resources every other year, which has the advantage of giving agencies and the Federal Government a better opportunity of knowing what they will be doing for a longer period of time. But more important, it provides an opportunity for 1 year to do budgeting and appropriations and 1 year for oversight which, in my view, is equally important. It is important for the Congress to have oversight of the expenditures and to ensure these expenditures are implementing policies that have been passed by the Congress.

Most States do biennial budgeting and find it very useful, very satisfactory, and successful. I suspect there will be resistance, of course, from those involved in the appropriations process because it will eliminate 1 year in which they have perhaps extraordinary authority in the direction we will take. Nevertheless, I hope this idea is favored by the chairman of the Budget Committee and by the leader of the Senate majority. That is something we ought to consider.

As we talk to people at home, we ought to talk a little bit about the accomplishments of this Congress. I believe it has been extraordinary. It is a little difficult to keep up with it through the media's description of what we do; they don't like to talk about anything unless it is sensational; and also opportunities to communicate are very difficult. One of them is the budget.

We have a surplus—the first time in 42 years. Two years in a row, we have had a surplus. Part of that, obviously, is we have more revenue coming in and a strong economy. But equally as important—perhaps more important—is the balanced budget amendments that were passed 3 years ago that have kept down spending. At the end of the seventies and through the eighties, into the nineties, growth each year was in the neighborhood of 10 to 12 percent. In this year, it is just over 2 percent. Is it where we want to be? No. For many of us, it is not. Nevertheless, it is progress. We even have had, of course, a non-Social Security surplus.

Instead of spending at 10 percent, which we did in the early eighties, we are spending at 2.8-percent growth. That is pretty good.

Spending as a percent of gross national product has fallen during the nineties. Unfortunately, largely because of the President's tax bill in 1995, the percentage of taxes with respect to the gross national product has increased, the highest since World War II. Of course, we tried to do something about that. We passed a bill that would have been a reduction in taxes, but, unfortunately, the President vetoed it.

I mentioned Social Security and that we have to do more than simply talk about it. We can do that. Two years ago, President Clinton urged us to save Social Security first. Unfortunately, he has done very little since then, but there have been a number of things done here. Republicans have worked hard in seeking passage of a Social Security lockbox. Unfortunately, it has been filibustered on the other side of the aisle.

One of the most fundamental changes I hope will be considered next year and passed is the notion of having private accounts where people who are closer to the retirement benefit age will continue as they are. But people 25, 35, and 40 years old will have the opportunity to take the dollars they have contributed to Social Security and put them in a personal account, directly invested in equities, directed by the owner through an investment program, that will have several benefits. One, it would belong to the taxpayer. If, unfortunately, you were not able to utilize it before you passed away, it would be part of your estate. The second is, the return on the investment would be more substantially invested in equities than it would be invested as it is now in Government securities. That is the real direction we need to take.

Tax relief, of course, will be back again. It continues to be an issue. When you have taxpayers who are paying more into the Federal Government than is necessary to sustain the essential elements of the Government, then the money ought to be returned. It has been said—and it is probably true—that if dollars remain in Washington, they have a way of getting spent. So we ought to give some relief to taxpayers.

I was out last summer, in August, talking about the tax relief bill, and people sort of rolled their eyes about it because they had heard that before. But when you talked about the elements of it, they became very interested and supportive of it.

Estate taxes: For example, we have a lot of agriculture in Wyoming. Many agriculturists have almost all of their life's earnings in property, not in yearly income but in the estate they build up in that farm or ranch. Currently, they could lose nearly half of that through estate taxes. We would like to do away with those over a period of time.

Capital gains: More and more people are investing money in the market and seeking to take care of themselves for their old age security or to supplement their Social Security. We need to encourage that. One way to do that is to reduce the tax on capital gains.

The marriage penalty: Almost everyone would agree to the fact that a marriage penalty is very unfair, where two young people who are single at a certain wage level pay a certain amount of tax, but if they get married, they pay a higher amount of tax. That is not fair. We sought to change that. Unfortunately, as I said, that was vetoed. Nevertheless, I consider it to be an accomplishment for the Republican Senate because it sets the groundwork to move forward in another year.

Education: This budget we are talking about contains more for education than the President requested. He is arguing about that. The big argument is not the amount of money. The argument is because the President wants to dictate, to stipulate where the money goes—in this case for 100,000 teachers. We think it makes much more sense to be more flexible. If you have the money, send it to the States, send it to the school districts, and let those folks decide where it is most efficient to invest the money.

I have a strong belief that the needs in Greybull, WY, are quite different than they are in Pittsburgh. We ought to be able to adjust for that. I believe what we have done, in the case of education with Ed-Flex, is given local people more flexibility. So there is additional money in this budget for education. We had money in our tax bill to encourage education, as well. I am pretty pleased about that.

National security: We have added $17 billion for the defense of this country. Probably, if you had to select the item and the issue that the National Government is most responsible for—the Federal Government—it is defense. No one else, of course, can participate as fully in the defense of our country as the Federal Government.

Unfortunately, we have had more troop deployments over the last couple years than we have had in 50 years. But the administration has requested funds that would cause military readiness to go down. We have been in Haiti, in Bosnia, in Kosovo, and a number of other places, which has been very expensive. We have found ourselves in the situation, with voluntary Armed Forces, where it is difficult to recruit people to come into the military. Probably the more difficult thing is to retain those people in the military who have been trained to be pilots or mechanics, or whatever, who can find, of course, much better jobs somewhere else.

Health care: Clearly, health care is a vital interest to all of us. Again, folks in Wyoming are interested in that, in particular, because the changes that have been made over the last couple of years have affected rural areas probably to more of an extreme than nonrural areas. We are moving, of course, into an era where very small hospitals find it most difficult. We have some towns in our State with hospitals that have an average occupancy of one or two acute-care beds. That is very difficult. And there are shifts taking place. We have changed the definition of "hospital" so that HCFA, the funding agency, can fund hospitals that have less than full services, even emergency rooms, to move those patients off to somewhere else.

We passed the Patients' Bill of Rights. I hope one of the things that will happen before we leave is some change in the balanced budget amendment on Medicare. That will probably be an additional $15 billion over 10 years, to take away what we think were the overcuts that have been made by the agency that pays it out. So we will be moving forward on that.

Financial modernization: I think for the first time since the 1930s the whole financial picture has changed somewhat. That bill is prepared to come to the floor. We closed the deal last week. We have been trying for 10 years—and finally got that done—to change the regulations that were put in place during the Depression times to fit what is necessary now.

So we have accomplished a great deal in the budget: Social Security, education, defense, tax relief, health care, and now a banking bill—all things that are good for America—but yet without letting the Federal Government grow out of control.

It is legitimate to have different views, and we ought to have an exchange of views. There are different views everywhere. One of the basic differences here has to do, frankly, with the size and involvement of the Federal Government; it has to do with spending. The liberals, of course, want to have more taxes, more spending, put the Federal Government into more things, override the States because they think that is a better way to do it. It is a legitimate point of view. I do not agree with it.

We ought to try to limit those things that can best and must be done by the Federal Government. Do we raise money to do it? Of course. But after that we ought to let that be done closer to the people.

Those are the real issues. Sometimes they do not show up. We get to talking about details, but the basic philosophy is there and it is legitimate and we need to work at it.

I hope we can move forward. I think we have completed a good amount of work this year. We have some more to do. We have probably less than 2 weeks to do it. So I hope we move forward.

I now yield whatever time he might consume to the Senator from Oklahoma.

Mr. INHOFE. I thank the Senator from Wyoming.

PRIVILEGE OF THE FLOOR

Mr. INHOFE. Mr. President, I ask unanimous consent that Paul Barger, a fellow in my office, be granted floor privileges for the remainder of today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The distinguished Senator from Oklahoma is recognized.

NATIONAL DEFENSE

Mr. INHOFE. Mr. President, I appreciate very much the Senator from Wyoming taking the time to show some of the differences and some of the accomplishments of this session of the Senate. While I was watching him do that, it occurred to me that something else constantly needs to be brought up before the American people because a lot of times people look at Democrats and Republicans and do not realize that we do stand for different things.

In the case of the Republican Party, I have had the honor, since I have been in the Senate, of serving on the Senate Armed Services Committee. I originally discovered when I was in the House of Representatives—and it was a shocker—why there is such a difference in the approach to national security between the Democrats and Republicans.

To put it very bluntly, the Republicans have always believed that the primary responsibility of Government was to give America a more secure country and to promote our national security. Yet time and time again, it is quite obvious that there is a difference between Democrats and Republicans.

To document this or to quantify it, there is a group called the Center for Security Policy. I think this is kind of interesting because people need to know what we are doing here. All too often people will read the mail of their Senators and assume that is everything that is going on here, when, in fact, there are some things that may not be accurately expressed in that mail. For example, if a constituent is concerned with how his particular Member is voting on tax issues, the National Tax Limitation Committee and National Taxpayers Union rank us so they can tell who is for more taxes and who is for less taxes. If a constituent is concerned about what is happening in terms of family values, they have a number of organizations that will tell how Members voted on issues such as abortion. If they are concerned about how much regulation is disturbing people who are trying to run small businesses, the NFIB, National Federation of Independent Business, actually does a rating.

As far as national security is concerned, the Center for Security Policy is an organization that takes all these votes we cast having to do with a strong national defense, having to do with test ban treaties, a national missile defense system, defense spending, and they rank us to see who the good guys and the bad guys are in their eyes; that is, who is promoting a stronger national defense and is more concerned about national security or who legitimately believes there is a threat.

The average Democrat is ranked, in accordance with the Center for Security Policy, at 12 percent; the average Republican is 94 percent. That tells us something. It tells us there is a basic difference in the policy of the Democrat versus the Republican Party.

This is significant because we just completed debate on the Comprehensive Test Ban Treaty and we heard a lot of dialog on both sides. To the last one on the Republican side who voted in opposition to this treaty, it was a recognition that there is a real threat out there. By unilaterally disarming, which is essentially what we would have done under the Comprehensive Test Ban Treaty, we would have allowed those nations to go ahead and test their nuclear arsenal, even though there is no way of verifying whether or not they were testing, of course.

Good old America, we do what we say we are going to do. If we say we will not do it, then we don't do it. I remember several times Secretaries of Defense would actually testify: We know we are not going to do it, but there is no way of knowing whether the other side is doing it. I had no doubt in my mind that both China and Russia would continue to test their nuclear weapons, even if they had ultimately ratified. By the way, they kept using the argument that we are going to have to ratify this because if we don't do it, Russia won't do it. I remember that same argument in the START II treaty. Russia still hasn't done it. We need to look at these things. Unfortunately, it does become a partisan issue.

In talking about our national defense, I come from the background of chairing the Readiness Subcommittee of the Senate Armed Services Committee. There is a huge issue taking place right now. I will make a couple of references to it because I have introduced a Senate concurrent resolution, with several Members who are cosponsoring it, which calls upon the President and the Secretary of Defense to reopen the Vieques training bombing range off the island of Puerto Rico.

This is what the range looks like. This is the island of Puerto Rico. It is about 22 miles from here to there. This part represents a live bombing range. It only constitutes 2.7 percent of the entire island.

This bombing range has been hot range active for 58 years. During the time period it has been active, there has only been one death on the ground as a result of the use of the range. That was last April 19. As a result, everyone in Puerto Rico who is running for office, whether it is for delegate or for the Governor of Puerto Rico, is using as his or her platform: We are going to do the most we can to shut down this range.

This is the range over here. It has been used for 58 years. There is live ordnance all over the range. There are protesters there right now, illegally trespassing, who are picking up and throwing around these live pieces of ordnance.

I have written twice to Janet Reno and told her she should go down there and enforce the trespassing laws, if for no other reason than just to keep someone from getting killed. She has refused to do that. Unfortunately, it has been politicized.

We had a committee meeting where we had the Governor of Puerto Rico and others testify. They take the position that if you want to keep this training range active so we can properly train our American soldiers, which include Puerto Rican soldiers, somehow you don't like Puerto Ricans. I think it is very important to realize that that little training range offers three components of training that cannot be duplicated anywhere else in the Western Hemisphere.

First of all, it is high-altitude bombing. Why is that necessary? It is necessary because, as in the case of Kosovo, when we sent our pilots in there with cruise missiles, it was necessary that they be above the range of the surface-to-air missiles. They were very successful in Kosovo in doing that. There is no place else we can get that training because of airspace restrictions.

I went, the weekend before this last weekend, to the U.S.S. *Eisenhower*, which is scheduled to go to the gulf, where they very likely could see some kind of combat. The Navy pilots were actually from that aircraft carrier conducting their training exercises in two different places in the United States.

Here is the problem. I say this as a professional pilot of 40 years. To do that, they have to go through normal commercial airspace. In other words, they take off in an F–14 or F–18 from the U.S.S. *Eisenhower*. They go to drop their load of either real or not real ordnance. To do this, they have to fly through civilian airspace as if they were a general aviation pilot or a commercial pilot flying a commercial airline. In doing this, it is a totally different set of rules. Then when they come up to the range, where they can drop their ordnance, they have to all of a sudden be tactical. It is totally disruptive, and they can't do it at an altitude high enough to give them the actual training. What it will mean is, if these guys are deployed in the Persian Gulf on February 18, many of them will go over there and will be called upon to do things they have never done before.

At the same time, you have your marine expeditionary units, that would not have had this training—actually landing and going on amphibious operations on the shores of Vieques, where they have been doing it for 58 years without incident. We wouldn't have the Navy being able to fire their guns. In fact, one of the officers said that they would be sending sailors out there to fire when they have never fired live on the ground before.

It is a very serious problem. I bring this up not just to gain support for the resolution but to respond to something that is going on right now.

We had a committee hearing with Governor Rossello. He came in. I will read some of the local press there.

> Gov. Rossello on Friday called Republican Senator James Inhofe a "backward and reactionary" member of the ultra right wing of the Republican Party, while several island legislators called him an "Ugly American" following comments the Oklahoma Senator made about Puerto Rico this week.
>
> [Senator Inhofe] upholds the same tradition of other people who have made similar statements, which is an anti-Hispanic, antiminority. . . .

It goes on. I think this is a further demonstration that they must not have a case, if they are going to have to resort to these kinds of insults.

I say, in my own defense, that it wasn't long ago—it was 1996—I, along with the Democrat over on the House side, was the recipient of the Award for Freedom and Democracy from the International Foundation for Election Systems. The statement that was made when I was being introduced was: Senator JAMES INHOFE has done more to promote freedom and democracy in Central America; he has done more to promote trade with Mexico and more to provide humanitarian assistance to the Caribbean than anybody else and is hereby awarded the Freedom and Democracy Award by the International Foundation of Election Systems.

That was due to a couple of things I have done. One time, not too many years ago, when a devastating hurricane wiped out the lower Caribbean, I led a group of 10 airplanes through two hurricanes to take down humanitarian goods, doctors, two nurses, and food for the victims on those islands. In the case of promoting trade with Mexico, in 1981 I promoted the first trade where we actually flew to San Luis Potosi, Mexico, and made, not a cultural exchange but an industrial exchange, where we computerized things they can do down there and things we were doing in my home city of Tulsa, OK. And they now have established trade with that country, and relationships and contracts are still alive today.

I had occasion to be involved in Central America during the problems that were taking place down in Nicaragua and some of the other Central American countries. So I say that in my own defense. I appeal to people to start looking at the real problems that exist in Puerto Rico right now, in terms of that range. I wish there was someplace else we could train other than this island of Vieques. When they say it is an inconvenience and it is noisy and it is just 10 miles—this is the range. This is where the population is. It is 9.7 miles between here and here.

I want to show you, by contrast, if you hold up the other chart, the two red areas are the live ranges that are where? In Oklahoma, Fort Sill, which is an artillery training range, a hot range. When I fly over the area, the controller tells me whether their range is hot or not. So there it is, these two ranges. Here is the population of Lawton, OK. So you can see the hot range goes within 1 mile of a population of 100,000 people, as opposed to Vieques, where the range is 9.7 miles from 9,000 people.

Hold up the other chart, if you will. To give a comparison between the two, at Vieques, they use 9-inch guns. We use 6.1-inch in Fort Sill. The days of training average 164 live days a year in Vieques, and at Fort Sill we average 320 days per year. The range at Fort Sill is open and is hot and used twice as many days per year as it is in Vieques.

Thirdly, the distance from the population is 9.7 miles in Vieques, and it is only 1 mile at Fort Sill. The population, instead of 9,000, is 100,000 people. They talk about the danger that imposes. There have been three fatalities. One fatality in Vieques was an F–18 that went down and both pilots were killed. They have had 1 ground fatality there, and we have had 26 (34 including air fatalities) at Fort Sill over a period of time.

So when people accuse us of having two standards, one for those ranges in the United States and one for the range that happens to be in a territory, I think those people have to stop and realize: aren't they asking for something that is more than what we find to be perfectly acceptable in Kansas or in Oklahoma? So I hope people will keep in mind that several of our officers have made the statement that if we send and deploy, on February 18, as is currently scheduled, those sailors and airmen and marines, they will have to go by way of the Mediterranean to the Persian Gulf. The chances are better than 2-to-1 that they will see combat in the Persian Gulf because that is what history shows us right now. We would be sending them there without the benefit of any training at all.

There is another resolution that was introduced by Senator WARNER, chairman of the Armed Services Committee, last week. He was admonishing the President not to deploy the U.S.S. *Eisenhower* if they don't have that training range opened up so they can get the training. I am going to support that resolution as well as mine. The problem I see with it is that we have already deployed the U.S.S. *Roosevelt*. They are already returning. The U.S.S. *Kennedy* is out there right now, and only half of its personnel have had proper training. We would be asking them to make a second 6-month deployment. That would have a terribly negative effect on an already-eroding problem that we have with retention in the military.

So I have two points I wish to make. One is that we need to do all we can to protect our young people whom we are asking to go into combat by giving them the proper training, and also to point out that there is a difference between the Democratic and the Republican Party when it comes to our support of national defense.

I will repeat one more time the statistic I used from the center for security policy. The average Democrat rates 12 percent; the average Republican rates 94 percent. I don't think the American people would expect that the defense of our country and national security should be a partisan issue, but it is.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. VOINOVICH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COOKED BOOKS

Mr. VOINOVICH. Mr. President, I rise today to read an editorial from today's Columbus Dispatch. I want to read it in its entirety because I believe it strongly makes a point that needs to be made.

The editorial is entitled: "Cooked books—That big federal budget surplus? It isn't."

The editorial reads as follows:

> The president and members of Congress should all be kept after school to write this on the blackboard 123 billion times:
>
> There is no federal budget surplus.
>
> The $123 billion surplus that the president and Congress are crowing about last week really is a $1 billion deficit, hidden by $124 billion in excess Social Security tax revenue that shouldn't even be counted in the general budget because it is meant to be set aside in a trust fund to cover retirement-benefit payments later.
>
> Put that Social Security money aside as intended and the truth about the federal surplus becomes evident:
>
> The government spent $1 billion more than it took in last year.
>
> Certainly, a $1 billion deficit is a vast improvement over years past, when the government was running in the red to the tune of $200 billion or more annually and creating a national debt approaching $6 trillion.
>
> But it is still a deficit.
>
> And it is patently dishonest for the president and Congress to pretend that all that red ink is black.
>
> Even the $124 billion in excess Social Security revenues is really not a surplus for the retirement program.
>
> Yes, Social Security took in more last year than it paid out, but that surplus is a drop in the bucket of the program's $8 trillion unfunded liability.
>
> That's the amount of money the program ultimately is obligated to pay out to current retirees and workers above and beyond what those participants have paid or will pay into the system.
>
> The $124 billion cushion that Social Security has right now puts a mere 1.6 percent dent in that massive obligation.
>
> Congress and the president each pay lip service to the idea of balancing the federal budget and preserving the Social Security surpluses for Social Security, but a genuine commitment to these goals would begin with honest bookkeeping.
>
> Until then, it is back to the blackboard:
>
> There is no federal budget surplus.
>
> There is no federal budget surplus.
>
> There is no federal budget surplus.

Thank you, Mr. President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Bob Perret, a fellow in my office, be accorded the privilege of the floor during the pendency of S. 1287.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

Mr. DORGAN. Madam President, I ask consent to be recognized in morning business. I understand the majority leader and Democratic leader will soon appear on the floor. When they do, I will be happy to yield the floor to them to take care of business they will transact. In the meantime, I would like to speak in morning business about a very important issue.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

THE INTERSTATE TRANSPORTATION OF CRIMINALS

Mr. DORGAN. Madam President, the picture I have displayed on the floor of the Senate is of an 11-year-old child named Jeanna North. Jeanna North was tragically murdered by a man named Kyle Bell. Kyle Bell was a previously convicted child molester, a violent criminal living in the neighborhood. This young girl, out on roller blades one afternoon on a quiet Fargo street, was abducted and murdered.

Kyle Bell was convicted of that murder. On October 13, Kyle Bell was being transported to prison and he escaped in New Mexico from a bus that was transporting him and nearly 30 other prisoners across the country. Kyle Bell, this convicted child murderer, escaped from a company called Transcorps. Transcorps is a private company. There are a number of private companies that states contract with to haul killers and criminals around the country. When you haul toxic waste around America, you have to meet certain requirements. When you haul circus animals around this country, you have to meet certain minimum requirements. But if you are a business holding yourself out to transport prisoners all around this country from State to State, there are no minimum requirements and no standards. Get yourself a minivan, hire your brother-in-law and two cousins and say you are in business and you want to haul a convicted child killer around the country.

The escape of this convicted child killer occurred in a circumstance where the bus transporting him, which carried over 30 people, pulled up to a service station to get gas. One of the guards apparently was fueling the vehicle, the other apparently might have been getting a hamburger at the Food Mart, and the third was asleep on the bus, and in the meanwhile this killer goes out through a hatch in the roof of the bus. Then the guards get back on the bus and for 9 hours that bus drove across the country, and they never knew this convicted killer had escaped.

He escaped in civilian clothes, incidentally—a convicted killer being transported across this country in civilian clothes. One would logically ask the question: If you are doing that, if you are transporting a convicted killer across State lines, why would you not have an orange prison uniform that says "I Am A Prisoner"? Because there are no regulations, no standards. You can haul prisoners, including violent prisoners, across this country coast to coast and you do not have any standards to meet. I think that is wrong. If you are a company, a private company contracting to haul violent prisoners across this country, it seems to me you ought to meet minimum regulations, minimum standards.

In order to enhance public safety, I am going to propose later this week a piece of legislation that will require the Justice Department to establish standards that private companies effecting that transport must meet. When there is an interstate transport of criminals across this country, especially high-risk criminals, certain minimum conditions must be met.

Minimum standards on background checks for employees—is that reasonable? You bet. Minimum standards for the type of training an employee would have, who is transporting a violent criminal across State lines; restrictions on the number of hours that employees are on duty during a 24-hour period; minimum standards on the number of guards that must be present for supervising violent criminals; standards requiring that high-risk violent prisoners wear brightly colored clothing, clearly identifying them as prisoners; minimum standards on the type of restraint that is used when transporting these prisoners; and a requirement that private prison transport companies notify law enforcement officials of scheduled stops in their jurisdiction when they are hauling a cargo of violent prisoners.

These are standards that ought to be implemented. The murder of this young girl in Fargo, ND, by Kyle Bell is a tragedy. But it is a tragedy that is compounded by the escape of this murderer who now, this afternoon, is on the loose. God forbid he should harm or kill someone else while he has escaped from custody. But this escape should persuade us, as almost all law enforcement officials have told me, that there is a need for some reasonable standards or requirements. Even the private companies themselves have said, yes, there is a need for some basic standards.

I intend to introduce legislation that would allow the Justice Department to establish these standards and perhaps we will not again see an escape of a violent killer of this type. The U.S. Marshals Service also transports offenders or criminals across this country, and they have never lost a violent criminal during that transport. When private companies are contracting with States and cities to haul violent criminals, the American public ought to expect that if they pull up to a gas station someplace they are not pulling up next to a minivan that contains three or four convicted murderers who are being handled improperly, by ill-trained guards, sitting in civilian clothing, and potentially able to escape.

The American public should not have to accept that risk. We will not accept risks in the transport of toxic waste. We will not accept the transport, without standards, of cattle; or for that matter of circus animals. Neither should we accept the transport of convicted killers across this country without some basic minimum standard that would guarantee public safety.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF BUSINESS

Mr. LOTT. Madam President, Senator DASCHLE and I have been working, really last week and early this week, to reach an agreement on the best way to have further consideration of the trade bill and also the bankruptcy bill. I want to say right up front that there has been a good faith effort on both sides. I certainly feel that way toward the Democratic leader. We are very close to reaching an agreement. I think it is basically a question of showing each other the actual amendments that would be involved. But I understand the Senator from South Carolina will not allow us to enter into any agreement with regard to the trade bill at this time. Having said that, we will continue to work to reach an agreement on the bankruptcy bill as well as trying to find a way to consider the pending trade bill.

AFRICAN GROWTH AND OPPORTUNITY ACT—Resumed

Mr. LOTT. Madam President, with that, I now call for the regular order with respect to the trade bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa.

Pending:

Lott (for Roth/Moynihan) amendment No. 2325, in the nature of a substitute.

Lott amendment No. 2332 (to amendment No. 2325), of a perfecting nature.

Lott amendment No. 2333 (to amendment No. 2332), of a perfecting nature.

Lott motion to commit with instructions (to amendment No. 2333), of a perfecting nature.

Lott amendment No. 2334 (to the instructions of the motion to commit), of a perfecting nature.

Lott (for Ashcroft) amendment No. 2340 (to amendment No. 2334), to establish a chief agricultural negotiator in the Office of the United States Trade Representative.

AMENDMENT NO. 2340 WITHDRAWN

Mr. LOTT. Madam President, I now withdraw amendment No. 2340.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. LOTT. Madam President, it is now my hope the Senate can consider trade related amendments to the underlying African trade/CBI bill. We have been encouraging Members throughout this process to be prepared to offer their amendments. I have stated previously it has always been our willingness to have Senators offer these trade amendments. I believe it is time to move forward on this important legislation and complete this bill as early as possible this week.

So I ask consent it be in order for me to send to the desk a series of cleared amendments that I think are about equally divided on both sides. This will be the so-called managers' amendments to H.R. 434. I would say, we would offer these en bloc. There may be other amendments that may need to be offered that are not on this list.

I ask this so-called managers' amendment be considered en bloc, agreed to en bloc, and the motion to reconsider be laid upon the table.

Mr. HOLLINGS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Madam President, when I yield the floor, the bill will be open for amendment. An amendment can be offered at this point. In my discussion with Senator DASCHLE, I have indicated if we can get agreement on how to proceed on the trade bill and the bankruptcy bill, on which I think he and I can agree, I will be perfectly willing to take down the tree, too. I want the RECORD to reflect that. I have opened this slot so an amendment is in order. Senator DASCHLE may want to comment on that.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Madam President, first, while I fully recognize the ability of the Senator from South Carolina to object to this amendment, it is certainly his right. I am disappointed. The majority leader has made, in my view, a major step forward in trying to resolve the impasse. I commend him and appreciate the direction he has now indicated he is prepared to go in an attempt to bring this matter to a close.

The amendment, as the majority leader indicated, is one that includes amendments on both sides. We expressed last week our concern for two things: First, the array of relevant amendments that may not be germane. The majority leader's amendment includes all relevant amendments that, in many cases, if not all of them, are not germane. So unless we get an agreement to add these relevant amendments, we are precluded from doing so.

There are some relevant amendments that still need to be offered that are not included in this package. By taking the tree down, those relevant amendments about which we have been very concerned are still pending and would not be offered if there were objections to offering them or if we were not able to bring them to closure.

The second problem we had, of course, was with nonrelevant, nongermane amendments. In our discussions and negotiations, we have been able to accommodate that concern by working out an agreement on bankruptcy that I find to be very satisfactory that will allow us to take up nonrelevant, nongermane amendments.

I intend to support cloture tomorrow, if that is the only way we can move this forward. I hope our colleagues will do so. It is no longer now a matter of protecting colleagues' rights. We are denied that right, not by the majority leader or by the parliamentary situation, but by individual Senators who are within their rights, of course, to object to proceeding on this bill.

I want to get this legislation finished. I want to do all I can to protect Senators and their rights to offer amendments. Obviously, we will have to find other ways with which to do that. One way or the other, we are going to continue to work to see if we can resolve these difficulties. I appreciate very much the majority leader's effort to get us to this point.

Mr. LOTT. Madam President, in conclusion, I yield the floor and observe the bill is open for amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, I remember the distinguished minority leader's plea about protecting the rights of colleagues. Now instead of protecting the rights, we are given our rights on the installment plan. If you get in line for your installment, fine business.

Like the distinguished Senator from New Jersey, he has an amendment that the majority leader was just presenting to grant permanent and normal trade relations status to Albania. Isn't that grand? We have gone from CBI, to the sub-Sahara, and now we are back to Albania. Next thing you know, we will have a Kosovo amendment protecting Members' rights to present amendments. You can get in the back room and work this out.

Here is another one. The Dodd-Ashcroft-Bond amendment that would allow a company with operations in Connecticut and Missouri to obtain the refund on duties paid on imports of nuclear fuel assemblies. Isn't that wonderful? They can bring up that amendment. That is germane. I am sure it is because down in the Caribbean Basin, they have a lot of nuclear down there, particularly in the sub-Sahara. I have traveled there and I have gone to see all the nuclear plants in Nigeria and Ghana and the Republic of Congo, Brazzaville, the French Congo, and the rest. It is wonderful to see all those nuclear powerplants. That is another germane amendment.

Then the distinguished Senator from Montana has a sense-of-the-Senate amendment that it is the Senate's view that Japan should open its telecommunications sector. Now we have gone from CBI, to sub-Sahara, and we are all the way around to Japan now. With this deal, you can move things around. It is bargain basement time—this sort of parliamentary Filene's that opened up on the weekend. I did not know you could get all of these things over the weekend.

The Roth amendment, the distinguished chairman of the Finance Committee would ensure existing reports regarding trade-related matters are submitted to the Finance and Ways and Means Committees in addition to the committees already designated. We have the Government Operations Committee with jurisdiction in this bill.

Clarification regarding rules of origin for silk products, an amendment requested by the President. Tell him to run for the Senate like his wife.

An amendment requested by the President to clarify the rules of origin regarding silk products. This clarification is part of a settlement reached in a dispute between the United States and the European Union—not sub-Sahara, not CBI, not a Senator, but sooey pig, everybody come, just get whatever you want.

I am ready to deal because I have worked into a position where I can deal now. That is the way trade is treated in the Senate. It is a very sad thing for the main and simple reason we have an extremely important matter not only for textiles but with respect to the general mindset of the National Government.

I have heard time and again on the floor of the Senate how the e-commerce and the telecommunications industry, the information society, the semiconductors, software, Microsoft, and all the rest are an engine that is really barreling this economy forward of the United States. I was very interested in reading over the weekend about the impact. I refer in particular to the October 30 edition of the London Economist:

> A study published in June by the Department of Commerce estimates that the digital economy—

That is what they are talking about—

> the hardware and software of the computer and telecoms industries—amounts to 8% of America's GDP this year. If that sounds rather disappointing, then a second finding—that it has accounted for 35% of total real GDP growth since 1994, which should keep e-fanatics happy.
>
> Perhaps unwisely. A new analysis by Richard Sherlund and Ed McKelvey of Goldman Sachs argues that even this definition of "technology" is too wide. They argue that since such things as basic telecom services, television, radio and consumer electronics have been around for ages and they should be excluded. As a result, they estimate the computing and communications-technology sector at a more modest 5% of GDP. . . .
>
> But what, might you ask, about the Internet? Goldman Sachs's estimate includes Internet service providers, such as America Online, and the technology and software used by online retailers, such as Amazon.com. It does not, however, include transactions over the Internet. Should it? E-business is tiny at present, but Forrester Research, an Internet consultancy, estimates that this will increase to more than $1.5 trillion in America by 2003. Internet bulls calculate that this would be equivalent to about 13% of GDP. Yet it is misleading to take the total value of such goods and services, whose production owes nothing to the Internet. The value added of Internet sales—i.e., its contribution to GDP—would be much less, probably little more than 1% of GDP.

But with the contributions, it has a 100-percent impact on this particular body when we would see it with about 1-percent impact actually on the economy. But politically it has gotten where you pick it up in the weekend news magazines. Time magazine—talking about the move of Fruit of the Loom, with its 17,000 jobs from Kentucky, its 7,000 jobs from Louisiana, going down to the Cayman Islands, with its executives contributing over $500,000 to the Presidential race of Gov. George W. Bush, and others, and of course of, the Democrats. They know how to give to both sides.

But with those contributions, it is not 1 percent of the effect, it is 100 percent, and we come around and start changing the rules. When the computer industry came to town—that was American Online, Gateway, and all the rest of them—our friend Bill Gates, talked all of us. We sat around the table and then rushed out with Y2K legislation. It can't even happen until a couple months from now or more, but we changed all the State tort laws. Why? Because of the contributions.

I think they have an article with respect to just exactly that in the same magazine. Here in the magazine they have taken judicial notice, as we used to say in the law:

> The rise of America's high-tech industry is not just a windfall for presidential hopefuls. It could also be a godsend for the liberal political tradition.

But the high-tech industry have come to town now, and they have doubled their effort on all scores.

> The Technology Network (TechNet), a political action group founded two years ago in Silicon Valley, has just set up a second office in Austin, and plans to open more chapters in the future—an attempt to influence policy at both state and local level. Companies in Washington, DC—home of America Online, America's biggest Internet service provider, and a city where the computer industry has just taken over from government as the biggest local employer—have also started their own lobbying group, CapNet.

Oh, boy it goes on and on and says, wait a minute, it has the largest contribution group in all of Washington all of a sudden. Five years ago they were not even around.

That is what it says on page 23 of this October 30 edition of the London Economist.

You ought to read these magazines. Somehow, maybe that is what colleagues can do on the weekends. Because if you read Time magazine, if you read the London Economist, if you read the Washington Post, you can find out what influence it can have up here.

The devastating impact, of course, is somehow, really, we ought to get rid of the textile industry and we ought to get rid of all these smokestack industries and everything else. That is what they said to them in Great Britain years ago: that we will go from a nation of brawn to a nation of brains; instead of providing products, we will provide services; instead of creating wealth, we will handle it. Of course, they have gone to second rate. They have the lowest GDP growth and have created two levels of society.

I came over only because of the unanimous consent request. But I have the articles with respect to the U.S. News & World Report, and Mort Zuckerman 2 weeks ago, that I had inserted into the RECORD about how we are going to two levels of society. Now we see the magazines and the title:

> The new economy e-exaggeration. The digital economy is much smaller than you think.

It is really a bummer for the main and simple reason it does not create jobs, it does not help with the exports. It is not helping with the growth at all. It is small income growth, and imbalanced mix of jobs, and a poor export prospect. In fact, Eamonn Fingleton, the distinguished author of "Blindside," now has put out his book "In Praise of Hard Industries," and compares exactly the hard industries and their contributions to the economic security and power of a nation compared with the e-commerce or the information society, what he calls the deindustrialization group.

> The postindustrial jobs, that is what it is, the postindustrial jobs of people of considerably higher than average intelligence. It does create jobs for the top 2 or 3 percent. You have to be a whiz kid to be one of the 22,000 who work for Bill Gates out there at Microsoft in Redmond, WA. I have had the privilege of visiting there and meeting with those folks.

Right to the point, according to Time magazine, with their stock options, you have 22,000 millionaires. They are well paid. But heavens above, that is not middle America. That is not jobs for everybody. What we are talking about is—of course, the computerization, has assisted—but more than anything else, with robotics we have become a very productive society for not the best IQ laborers in our society but for normal folks such as you and me who can get the job.

According to Fingleton and Michael Rothchild, 20 percent of the American workforce will be marginalized by the move to an information-based economy. That amounts to a shocking 25 million people. We are not just talking about textiles for the CBI and sub-Sahara. We are talking about the basic, formative industry in America really supporting our society. And with 25 million, they can give you all of these particular statistics about unemployment and otherwise, but I can tell you now, those are retail jobs and part-time jobs for people who have lost their jobs in textiles—some 31,200 in South Carolina since NAFTA—that they have had to seek out as best they can. That is a loss of some 25 million jobs. It is a slow-income growth. For example, the ultimate authority on the income growth or the new economy is the Organization of European Community Statistics and Figures, the Paris-based Organization of Economic Cooperation and Development.

> For those who believe in the superiority of the U.S. postindustrial strategy, the 1998 edition of the yearbook makes distinctly chastening reading. It shows, with a per capita income—about $27,821 a year—the United States trails no fewer than eight other nations.

Last week when I was talking about the United States going out of business, look at this: We trail Japan, Denmark, Sweden, Germany, Austria, Switzerland. You can go right on down the list. They are into the manufacturing and the middle class of America. Manufacturing over in those other economies have outpaced the United States in interim growth with 134 percent compared to our 106 percent over the same period. The wages of America's post-industrial workers are generally much higher than the American average. Naisbitt jumps to the completely fallacious conclusion that a general shift by the United States into post-industrialism or the information society will result in a general boost in wages. The fallacy here is that Naisbitt assumes that post-industrial wages are higher by dint of the superior economic virtues. In reality, the high wages paid, such as in the software industry, merely reflect the fact that some businesses generally recruit exceptionally intelligent and capable workers. But it is a very small group of people earning this income.

The leader in income growth, of course, for the entire period from 1980 to 1998 is South Korea, because it has gone, not for high tech, but for hard goods. Of course, they tried to say this information society or post-industrial America is really going to create those jobs, but in truth, it does not. Without those jobs, they have slow income growth and poor export prospects.

We have all been talking about the matter of agriculture, which is a magnificent contribution to our exports. We used to export a lot of hard goods because we manufactured and produced hard goods. Last week, I put into the RECORD that we have really gone out of business with respect to shoes and textiles and machine tools and steel. We are importing steel. Can you imagine—the United States of America is a net steel importer. That is why we have had a hard time getting a ruling. We have had to take the case all the way from the International Trade Administration to the commission and back over to the White House trying our dead level best to save the No. 1 industry important to our national security. But we don't have anything now to export.

When you look to software, you have the language difficulties, the cultural difficulties with respect to that software. You have the proposition of piracy, and they can steal and reproduce immediately this software overseas. This is the most important thing to emphasize because they have people smart enough about software outside of the United States. They assume all of these skills are just here, which is absolutely fallacious. That is why they are trying to change the immigration laws.

The software people are coming up here because they want to take all the smart people the world around and bring them into this country.

Let's talk about Japan, which is supposed to be going broke. That has particularly nettled me, and I am glad to get the exact figures, because they have calculated a controlled kind of capitalism through their Ministry of Finance and their Ministry of International Trade and Industry. They allocate the financing of a particular industry and then they control the local market.

We act as if we have led the way for 50 years on liberal trade and have broken down the barriers, as one of the distinguished proponents said only last Friday. That is why I brought that thick book. Just on textiles alone, barriers persist around the world, specifically in the sub-Sahara and the CBI, specifically no reciprocity in this particular treaty—that is the thing we are trying to emphasize. Those things continue. Japan now is supposed to have gone broke. Let's see how they compare.

The living standards and everything have really improved. In fact, with the so-called almost depression that was described in the Wall Street Journal, there was a less than 4 percent unemployment rate, less than 4 percent in the first 8 years of the 1990s up to early 1999. The highest it had been at any stage was 4.4 percent. Japan's total exports during that period rose by a cumulative 53 percent in the first 8 years. That represents real growth of more than 18 percent.

So Japan is still coming on as an economic superpower at this minute—the little island of 125 million versus the great United States with its 260 million. Japan outproduces the United States of America. If it continues at this particular rate, by the end of next year, 2000, it will have a bigger gross domestic product; it will have a larger economy, the largest in the world.

John Schmitt and Lawrence Mishel pointed out that the per capita gross domestic product actually grew faster in Japan than in the booming United States for the first 8 years of 1990. The distinguished Senator from New York and the distinguished chairman of our Finance Committee started off the debate on Friday that way: What a wonderful economic boom we have had. We have to sober up. We have to look at the real facts.

Actually, our competition is growing much stronger and much faster than we are. Japan's performance has been even better than the comparisons suggest. For a start, the figures measured gross domestic product, whereas the most appropriate yardstick for comparison is gross national product. The distinction, of course, is that the GNP is a more comprehensive measure. Unlike gross domestic product, it takes in account the debits and credits relating to cross-border investments.

The United States has become an increasingly large net importer of capital in recent years. Its GNP is actually now considerably less than its GDP. By contrast, Japan has long been a major net exporter of capital and its GNP is considerably larger than its GDP. These are the kinds of things that have to be taken into consideration. The yen has been gaining a net 24 percent between 1989 and 1998 on the dollar.

I saw that in the Financial Times last week. I put that article in. If we continue with this deficit in the balance of trade, there is bound to be a devaluation. In this regard, if other things are equal, the strength of a nation's currency is the ultimate determinant of the size of its economy, the ultimate symbol of its economic health. In the 1960s, President John F. Kennedy felt so strongly about this that he ranked dollar devaluation alongside nuclear war as the two things he feared most.

Let us get right to a particularly interesting section here: the clearest evidence of the lengths to which Japanese leaders are prepared to go to understate their economy. They know how to talk rather than run around beating their breasts like American politicians saying how great we are, the only remaining superpower. We are going to blow them off the map and, of course, if they don't move with the Air Force, we are not going to invade, or anything else of that kind. It is almost embarrassing, this braggart attitude of United States politicians.

> Perhaps the clearest evidence of the lengths to which Japanese leaders are prepared to go to understate their economy's true strengths is in the way they talk about the Japanese Government's budget. All through the 1990s, they have suggested that the government has been running huge deficits—deficits ostensibly intended to stimulate consumption, particularly consumption of imported goods. So successful have they been in this regard that America's most respected media organizations—organizations of the caliber of the New York Times, the Washington Post, and the Wall Street Journal—have fallen for the story. Thus, year after year, Americans have been treated to a deluge of reports that Japan was supposedly running huge government deficits. In reality, as authoritative figures from OECD demonstrate, Japan was running huge government surpluses. In 1995, for instance, the year when the Wall Street Journal reported that Japan was running a budgetary deficit of 2 percent, the OECD found that the government achieved a budgetary surplus of 3.5 percent. In fact, according to OECD's figures, which were published each year in the widely circulated yearbook OECD In Figures, not only was Japan's surplus one of the strongest of any OECD nation, but Japan was the only major nation that had a budget surplus at all that year. By comparison, the United Kingdom, for instance, ran a deficit of 5.0 percent and America's deficit was 2.2 percent.

Well, this Senator knows better than anyone how they didn't really continue to call deficits surpluses. I put that in the RECORD, and I will put it in the RECORD again time after time. The Department of Treasury's figures showed that they had $127 billion deficit last fiscal year. Now, true it is, they had some carry-over amount, which concluded to be about $16 billion. So, at best, it would be $111 billion to $112 billion deficit—not a surplus. That is the debt of treasury at year end, September 30, 1999, for fiscal year 1999—a deficit, not a surplus. But these newspapers pick this up, and we have almost got a cheering section carrying us into bankruptcy. Continuing to read, it says:

> So how strong is the Japanese economy really?

Eamonn Fingleton said, in this book Hard Industries:

> From his vantage point in Tokyo, he has seen little since then to undermine his confidence in his analysis. Certainly, he has been vindicated in his central point, which was that Japan's current account surpluses would continue to soar in the latter half of the 1990s, thus, giving the lie to much talk in the American press in the mid-1990s that Japan's export industries would be disastrously hollowed out by South Korea and other low-wage East Asian nations.
>
> . . . the truth is that, at last count, Japan was producing $708 billion in new savings a year—or nearly 60 percent more than America's total of $443 billion.

They are saving twice as much.

> . . . Japan's net external assets jumped from $294 billion to $891 billion in the first seven years of the 1990s. By contrast, America's net external liabilities ballooned from $71 billion to $831 billion.

Madam President, the reason we continue to give these figures with respect to this particular bill is that we are in deeper trouble than most Senators realize. They are all talking about whether they are human, or whether they have on an overcoat, or a jacket, or whatever nonsense it is about running the campaign, and who all is for education. Everybody is for education and wants smaller classrooms, or better math and science programs. We finally got, again—in the U.S. News and World Report, from David Gergen, he got back to my particular premise, that what we ought to do is double the teachers' pay. You get what you pay for. Average pay is $37,000. The average pay in my State is down to $31,000. I see the young graduates coming across the stage and they say: Senator, I would like to have gone into teaching, but I could not save enough money to send my children to college. Yet, we are bumping into each other, saying how we are all for education. We can be all for it or all against it. The most you are going to spend is 7 cents out of every dollar. It is a local matter. We are Senators and we have to get on to the things the local and State governments do not take care of, and that is trade. That is the economic strength and viability and security of the United States, the sustenance of the middle class. That is why I am talking about these particular figures.

In the first seven years of the 1990s, America's current account deficits totaled $726 billion, up 79 percent. Thus, despite a massive devaluation of the dollar that supposedly brought a dramatic turnaround in American competitiveness that would soon dispose of the deficits for goods.

Madam President, for the first 8 years of the 1990s, Japan's current account surpluses totaled $750 billion. That was more than 2½ times the total of $279 billion recorded in the first 8 years of the 1980s. So all during the '90s, we have been reading and telling each other these fairy tales. One, that the information age is upon us and the information society, and post-industrialism has taken over. The computer software and so forth is the engine of the economy that is barreling us forward into global competition. False. It is taking us down into very precarious straits. We are relying upon it, and we are going to eliminate the middle class and the workforce of America. Otherwise, we have been told time and time again about how Japan has been going down and we have been going up. We have had 8 years of the boom, with the lowest inflation, the lowest unemployment; but we have been giving away the store.

Mr. President, I wasn't prepared to get into this general item this afternoon, but it is salutary that we were able to touch on it so we can talk sense to the American people, because what we have with the CBI, the sub-Sahara bill, is an extension of NAFTA to the Caribbean Basin Initiative; and so the sub-Sahara. If you are in with or close to the leadership, you can take care of Japan, Albania, and operations in Connecticut and Missouri to refund some money on nuclear fuel assemblies. You even can get a distilled spirits tax fixed.

You watch it.

I am going to present an amendment to put side agreements that we had on NAFTA on this particular bill, and you can bet your boots they will stand down there and say it is not germane, having had the audacity to come in with nuclear, Japan, Albania, distilled spirits, and what have you, but not take a formative, relevant, serious concern that we have on this particular bill.

I didn't like NAFTA. But, be that as it may, it had side agreements on both the environment and labor. I have a side agreement to present on the environment. I want them to allow us to vote on that side agreement for the CBI and the sub-Sahara. I want them to let us vote—at least a vote. Don't get here with a technicality after you have sneaked in all your Japanese, Albanian, Missouri, and nuclear amendments here this afternoon when nobody is in town and then come tomorrow when the Senate is in full session and say, oh, no, that is not germane; we have rules of rules. They will get to be rules of rules tomorrow. One is reciprocity. We have tariffs that are being really merged out and disassembled out because under the Multifiber Arrangement we had a 10-year blend-out of it and a termination. So now we are entering the last 5 years.

But there are still some tariffs that ought to be reconciled with the CBI and the tariffs in the sub-Sahara, so we can get some modicum of reciprocity when they talk about the trade adjustment assistance. That takes gall to do that. They say it is unconscionable to oppose this bill. I will say it takes gall to talk about trade adjustment assistance, which is nothing more than welfare payments putting people out of work.

So they say: Hurry up, we have to get this bill done because we have 200,000 of those put out of work who have lost their jobs as a result of these silly trade agreements—these one-way streets that the Senate has ratified and agreed upon. You wouldn't have to have trade adjustment assistance if you just let them trade, if you just let them work, and not put them out of business.

But the great merit, according to the senior Senator from New York, on this particular measure is, back in Kennedy's days, 37 years ago, we passed trade adjustment assistance. I don't want that to infer that John F. Kennedy was against textiles. Thirty-eight years ago, President John F. Kennedy put in his seven-point textile program and one-price cotton looking out for the cotton farmer.

So the Senator from Massachusetts, then President, was very aware of the economic viability of these United States of America. He knew what was keeping the country strong and what was necessary to keep the country strong. So he put that in. He wasn't bragging about having to put in trade adjustment assistance. He was just trying to reconcile the successful United States at the time with the other trading nations, giving them a chance under the Marshall Plan to rebuild their economies.

At that particular time, they said to me, as Governor: Governor, what do you expect these Third World emerging nations to make? Let them make the textiles and the shoes, and we will continue, and we will make the computers and the airplanes. My problem now, in November 1999, is those countries are making 86 percent of the shoes worn on the floor of the Senate. I can see them now. These countries also are making two-thirds of the clothing that I see, looking at in this Chamber, imported into the United States.

Look at the contracts made by USAir and all of the other airlines concerning Airbus. They are making the planes and dumping them here in the United States. They are making the computers and dumping them in the United States. The Japanese have taken over the computer industry, in spite of Sematech, in spite of Microsoft, in spite of Intel.

We have to be not pessimists nor optimists but realists.

Here on the floor of the Senate is a good moment to really bring everything into focus because the leadership said we are now going to vote cloture tomorrow and the minority leader is not going to ask them to vote against it. That is exactly how NAFTA was passed.

I will never forget the New York Times article. I wish I had it. But I will try to get it and put it in the RECORD tomorrow. But in NAFTA, the President then just bought off the sufficient votes to pass NAFTA. I will never forget. He gave a cultural exchange to my friend, Jake Pickle of Texas. He gave two C–17s to another Texas fellow. He gave another particular freebie, and they went down with the 26 giveaways to pick up the 26 votes.

Here on this solemn afternoon, we have the same deal going. They are buying off the votes. They are getting it on nuclear fuel assemblies. We are getting it on the Japanese telecommunications. We are getting it on Ways and Means and Finance Committee rules. We are getting it on silk products of the United States and the European Union. We are getting it on Albania. We just go right down—on Kyrgyzstan. What in the world? Kyrgyzstan. I don't know about that. Now we are in Asia Minor. I am almost at Bible school. Asia Minor. This procedure has gotten to be a disgrace. They buy enough votes and they win. They have 11 of them listed here on the so-called managers' amendment. So they put them all in there and take care of those 11 votes so they will know that they will get cloture.

It is wonderful to serve in this body.

But it is better to be heard because it is important that we be heard. I can tell you here and now, when the ATMI wakes up, the American Textile Manufacturers Institute, and they put in the sub-Sahara along with the CBI, I want to see them at that party. They are going to hold a victory party because they supported this particular bill. That is going to happen. That is exactly what is going to occur. You can see the fix is on. They are going to roll over this particular Senator and get rid of what little textile industry we have left.

There will be a few of the real competitors; the Roger Millikens will last. They put money in, and they know how to run an industry and they will survive. But generally speaking, they can't survive. The reason they can't survive is on account of us. We Democrats, we Republicans, we Senators and Congressmen have many requirements called the American high standard of light. That standard calls for Social Security, Medicare, Medicaid, plant closing notice, parental leave, safe working place, safe machinery, clean air, clean water, all of these things, labor rights, and otherwise. And it is one of these things in the global competition that is not required. On the other hand, they have the comparative advantage of their governmental policies.

I wish Ricardo were here because he didn't think finance could be transferred so easily, that the bankers would all stay close to their home folks and depositors. Now you can transfer it on satellite by computer, in a flash, and you can get capital anywhere. You can send on a computer chip the technology and save 20 percent of your labor costs by moving to low-wage offshore countries. So a company in the United States with $500 million in sales can save 20 percent, or $100 million, by keeping its main office and its sales force here in the United States, send its manufacturing to a Third World, low-wage country, and make $100 million, or they can continue to work their own people and go broke because of competition.

That is why on last week I inserted part of an important book in the RECORD. I will get that book again and show you that all of them are leaving here in the United States—Dan River, the corn mills, Burlington, all of them are going down. It is not the sewing operations alone, it is fabric plants, and, of course, the Japanese, the Koreans, and, most of all, the Chinese, the People's Republic of China.

They are whining on the other side of the aisle about most favored nation for China. Look at a most-favored-nation Chinese vote and anyone will see a vote for this bill.

China, we have sub-Sahara; put up the front companies and put up the production of the People's Republic of China through the sub-Sahara.

The arrangement that those folks relied on some 5 years ago; they better batten down the hatches because I don't know how they will get the money out of the machinery and survive with this particular measure. It is drastic. It is unconscionable. They say we are unconscionable; I say they are unconscionable.

We can see how the majorities are fixed. We have not had any real debate on the floor of the Senate on trade as a matter of national policy or otherwise. They say the President wants this; the minority leader says it is his duty to give the President what he wants. The other side of the aisle has been wanting to do away with all kinds of trade agreements and market forces, and Adam Smith has long since gone in this global competition. It ought to depend on market forces. They depend on protection. Of course, so does the other side of the aisle when it comes to intellectual property, movies, books, copyrighting, when it comes to protecting the talents of the individual producers, the authors, writers, singers, and performers. Fine, let's have protection for them. But for those who work by the sweat of their brow, that is protectionism and a terrible thing. We are isolationist and we are unconscionable.

Maybe they will have another consent agreement similar to this one, and I will have another opportunity to talk. I appreciate the indulgence of my colleagues this afternoon.

Mr. BAUCUS. Mr. President, I am proud to stand on the floor of the world's greatest deliberative body. I've been proud every time over the past twenty years that I have had this privilege. I can think of no greater honor than to discuss with my Senate colleagues issues of vital importance to our nation.

So I am deeply distressed that I have not yet had an opportunity to discuss important trade issues. Last week, the majority leader chose to cut off consideration of amendments to the Africa bill, the only trade bill which will reach the floor of this honorable body. That bill included amendments which had bipartisan support. Because of this bizarre process, we can't even act on Senator HARKIN's amendment to combat child labor, which has widespread support.

I had filed two amendments to the bill, both of them trade-related. Both of them issues which are extremely important to Americans. I am very disappointed that we were locked out of discussing them. However, with the new filing of cloture, I hope that we may have the chance to talk about these important matters.

One of the amendments allowed for tariff cuts on environmental goods as part of a global agreement in the WTO. The measure has the support of both business and environmental groups. This is a rare instance where both sides of the trade-environment debate agree on something. It's a shame that the Senate cannot move forward on something so sensible.

The second amendment concerned agricultural subsidies. American farmers are the most productive in the world. But they're being frozen out of foreign markets by European and Japanese subsidies. I filed an amendment that would fight back by funding our Export Enhancement Program.

This amendment required the Secretary of Agriculture to target at least two billion dollars in Export Enhancement Program funds into the EU's most sensitive markets if they fail to eliminate their export subsidies by 2003. It's time to start fighting fire with fire. This "GATT trigger" should provide leverage in the next round of the WTO in reducing grossly distorted barriers to agricultural trade.

I voted against cloture last week because I objected to the way the majority leader handled the bill. I was denied the ability to do what the people of Montana sent me here to do. But I support the bill itself. I support each of its elements—the Caribbean Basin Initiative, the Africa Growth and Opportunity Act, and the renewal of both Trade Adjustment Assistance and the Generalized System of Preferences.

I have long supported efforts to extend additional tariffs preferences to the Caribbean Basin. But with conditions. The benefits should be conditioned on the beneficiary countries' trade policies, their participation and cooperation in the Free Trade Area of the Americas ("FTAA") initiative, and other factors. This trade bill is substantially similar to the version I supported in the 105th Congress with some reservation.

I see a flaw in the bill, however, and would like to work to repair it. The bill suggests criteria the President can use when deciding whether to grant CBI benefits. It is a long list of about a dozen items. Criteria like Intellectual Property Rights. Investment protections. Counter-narcotics. Each one is important. The bill should make these criteria mandatory.

In particular, I believe that the President should be required to certify that CBI beneficiaries respect worker rights, both as a matter of law and in practice. We can't maintain domestic support for open trade here at home unless our programs take core labor standards into account.

We want to help our Caribbean neighbors compete effectively in the U.S. market. But we don't want them to compete with U.S. firms by denying their own citizens fundamental worker rights.

It only seems reasonable that as we help the economic development of these nations, we also help them enforce the laws already on their books. The majority of these countries already have the power and only need the will to ensure that their citizens see the benefits of enhanced trade—decent wages, decent hours and a decent life.

Overall, I believe that CBI parity is the right thing to do—if it does what it is intended to do. That is lift the people of the hurricane devastated countries out of poverty and ensure them a better way of life.

I also believe that the U.S. must lead by example. Sensitively to labor and environment must play a role in our trade decisions and actions around the world.

It's tragic that partisan politics keeps the United States Senate from taking these actions.

I have the same concerns about labor in terms of the African Growth and Opportunity portion of the bill. But I supported the Chairman's mark, which included a provision requiring U.S. fabric for apparel products produced in eligible sub-Saharan African countries.

Developing markets is in the best interest of us all. And the trade bill would help Africa move in that direction. But this bill is about more than trade. It is about hope.

It is about bringing the struggling nations of Sub-Saharan Africa into our democratic system. It is about establishing stability and a framework wherein the citizens of these nations can enjoy the fruits of prosperity. It is about building a bridge between the United States and Africa that will be a model for all nations.

The third part of the bill renews the Trade Adjustment Assistance Program. This program is vital to help our workers adjust to the new forces of globalization.

I have seen the effects of this program in Montana. We have been well served by the efforts of Gary Kuhar, Director of the Northwest TAA Center in Seattle, Washington.

Impact on Montana—Montana currently has six firms affected by TAA funding, including:

Montana Moose—Christmas ornament operation,

Ranchland—a cattle operation,

Mountain Woods—furniture designer,

Western States—pellet operation,

Sun Mountain Sports—manufacturer of golf bags and other ripstops,

Burt and Burt—wind chimes, and

Kahlund Enterprises—picture frames producer.

In fact, the renewal of Trade Adjustment Assistance translates to 330 Montana employees impacted and approximately $44 million in gross annual sales preserved.

This legislation is long overdue. While we delay, certified firms anxiously await funding. This is fundamentally unfair—especially for firms fighting import competition that is beyond their control.

They cannot afford to wait while TAA is caught up in the annual battle for funding as the "perennial bargaining chip" for other trade proposals. That's just ineffective government. It's time to pass this legislation.

Finally, let me say a word about GSP renewal. This is the fourth part of the trade bill. This is also a question of effective government. Over the years, the program has lapsed periodically when renewal legislation was delayed. The latest lapse occurred on June 30. Four months later, we still haven't acted on its renewal.

Who gets hurt? Not just foreign companies. A lot of American firms get hurt. That includes both American importers and exporters. A lot of the American firms produce abroad and then export to the United States. Much of this is internal company trade. That's the reality of today's global economy.

When GSP lapses, these companies are suddenly required to deposit import duties into an account. Customs holds the money until renewal legislation is signed. Eventually the companies get their money back. But they don't know how long renewal legislation will take. So they don't how much they'll have to set aside, or how long the money will it be in escrow.

How can we expect businesses to operate efficiently under such conditions? These cycles of GSP lapsing and then being renewed represent government at its worst. We have a responsibility to provide business and consumers with a consistent, predictable set of rules. We need to fix this GSP lapse as quickly as possible.

Mr. President, a lot of effort, a lot of thought, a lot of time has gone into this bill. Much time has also gone into formulating amendments. It was a great disappointment to see this effort unravel over partisan politics. We may have a second chance this week. Let's not squander the opportunity. We can and should work together to pass this bill.

We were elected to his body to pass legislation not to bicker. Let's do what the people sent us here to do.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Madam President, I ask that we return to morning business for a period of 30 minutes for remarks on the Labor-HHS conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

D.C./LABOR-HHS APPROPRIATIONS

Mr. GRAHAM. Madam President, the business before the Senate will soon be the conference report on Labor Department and Health and Human Services and Education appropriations bill. We are now considering various trade measures. Since we will be taking up the D.C./Labor-HHS conference report tomorrow, I appreciate the Presiding Officer's generosity in allowing me to discuss this very important piece of legislation.

I think it is fair to describe that one night within the last few weeks, through back-door negotiations, various members of the Senate and House of Representatives Appropriations Committees crafted the conference reports that we have before us today. The end result was that a very large elephant, weighing $313.6 billion, The Labor/HHS conference report, being placed upon the back of a relatively small and not particularly compliant ant weighing $429 million, the District of Columbia's Appropriations bill.

Out of that marriage of elephant and ant, we now have before the Senate the conference report on the District of Columbia with the enormous addition of a $313 billion of Labor-HHS "rider".

Unfortunately, when these bizarre marriages occur, the public interest is not necessarily served. This parliamentary tactic has stolen from Members of the Senate the right to offer motions instructing the conferees on how we believe they should proceed in conference. We have also lost the right to challenge the existence of authorizing legislation on an appropriations bill during the process of negotiation between the two Houses. There will be no opportunity for Congress or the President to independently consider the Labor, Health and Human Services and Education Appropriations bill. While one is an elephant and one is an ant, they are both important and deserve separate and distinct consideration.

There is not the opportunity to protest the inclusion of items which were not included in either the Senate or the House bill, or were so altered as to be unrecognizable. This bill is purely the creation of that late-night negotiation. This lack of democracy has allowed the will of a small minority to triumph on a variety of provisions of great importance. I will take the opportunity this afternoon to focus on only two of the issues that are a part of this marriage of elephant and ant: First, the proposal to terminate competitive bidding for Medicare's payment of health maintenance organizations' reimbursement; and, second, preventing the Congress from fully funding the Social Service Block Grant Program.

Let me begin the discussion with the absconding of funds from two congressionally authorized competitive pricing demonstrations. This takes us back 2 years to 1997 during the consideration of the Balanced Budget Act. Both Houses of Congress voted to create demonstration projects based upon community participation in an attempt to learn more about how HMOs, which provided services to Medicare beneficiaries, could be priced; that is, how the amount of that reimbursement from the Federal Government could be determined by competitive bidding.

In order to understand what this issue is about, I am afraid some discussion of how HMOs currently are priced when they provide services for a Medicare beneficiary is required. In a simplified form, the way in which an HMO receives reimbursement when it provides funds to a Medicare beneficiary is a function of how much is paid within that county for fee-for-service payments. While there are some modifications to this overly broad statement, basically if, let us say, in a particular county the average payment for a fee-for-service Medicare patient is $5,000, then the HMO is reimbursed at, more or less, 95 percent of that level, or $4,500. There is some blending of the national fee-for-service rate and the local fee-for-service rate, but as of today, and in the past and in the immediate future, the description I have given is essentially an accurate representation.

What has been the result of this reliance on a percentage of fee-for-service within a narrow, local area on the amount that HMOs are reimbursed? It has resulted the fact that in many areas of your State and mine, where fee-for-service charges are relatively low—that is particularly true in rural areas—there are no HMOs. Why? Because HMOs cannot economically justify operating with the reimbursement levels they would get based on 95 percent of those relatively low fees for service.

On the other hand, in some areas which have very high fees for service—for instance, an area that has a large tertiary hospital, particularly one associated with a medical school where costs tend to be very high because of the nature of the service they provide—that community will have a high fee-for-service rate. Therefore, 95 percent of that high level will result in high reimbursement levels for HMOs. So, you have not just one HMO, but typically many HMOs that want to compete to get that fixed-formula-based percentage of fee-for-service reimbursement.

The purpose of the 1997 action of the Congress was to try a different model; to not rely on this central planning use of fee-for-service but rather go out and test the marketplace. What will the market in a rural area say is called for to engage managed care as an option for Medicare beneficiaries? What is the appropriate level of HMO reimbursement in a large urban area with high fee-for-service costs? That was the purpose of this competitive bidding demonstration project.

The Balanced Budget Act, in conjunction with the Health Care Financing Agency, set up a structure which included area advisory committees. These committees consisted of health plans, providers, and beneficiary representatives. It was decided the two communities in which demonstrations would take place were Kansas City and Phoenix. The function of the area advisory committees was to recommend how to best implement the competitive pricing demonstrations in these two communities.

Unfortunately, in the bill that will be before us tomorrow, the bill that the conference has reported as the funding for Departments of Labor, HHS, and the District of Columbia, all funding for these two demonstrations in Kansas City and Phoenix has been removed, removed by those who do not want to find out if there is a means to use the competitiveness of the marketplace to arrive at what should be the appropriate reimbursement level for health maintenance organizations.

Experience has shown us in other areas of the Medicare system that there is the potential for preserving high levels of quality and saving money by using the dynamism of the marketplace as determined by competitive bidding. Let me use an example from my own State. One of the other provisions in that 1997 Balanced Budget Act was to set up competitive bidding on the Part B, or hospital component of Medicare, as it related to a variety of items, including durable medical equipment. The demonstration for durable medical equipment was settled to be in Lakeland, FL.

In its first year, this project has substantially reduced the amount Medicare pays for the five products that were included in the demonstration, and in that one community has saved Medicare approximately $1 million.

What are the areas that are being competitively bid? Let me say that these products, durable medical equipment, for most of America today are the subject of a price list. It would be as if you suddenly needed, let's say, a wheelchair—you had broken your leg and you had to have a wheelchair for temporary use—and the way you would pay for that wheelchair, or decide what was the appropriate rental for the wheelchair, was to have Government give you a price list and say this is what thou shalt pay to purchase or lease that wheelchair. That is exactly what Medicare does today for a list of hundreds of durable medical equipment items. So we are going to find out, was there a different way to establish what those prices should be? Was there a means by which we could use the marketplace to set the price? That was the purpose of the demonstration in Lakeland, FL.

What results? Competitive pricing has reduced the price of oxygen supplies and equipment by 17.5 percent over what was on that price list, for exactly the same oxygen supplies and equipment. Competitive bidding for hospital beds and ancillary hospital items has been reduced by 29.8 percent by competitive bidding as opposed to the price list. For enteral nutrition, where a person is taking his or her nutrition through intravenous means rather than more normal oral means, the price of that has been reduced by 29.2 percent as a result of competition, rather than using the price list. Surgical dressings have been reduced by 12.9 percent, and urological supplies by 20 percent. All of these savings were accomplished by the use of competitive bidding as opposed to relying on almost a Soviet system of a prescribed price list.

It is estimated, if this Lakeland demonstration were to be applied on a nationwide basis and applied to a broader range of items that are just as susceptible to competitive bidding as the five which were selected for the demonstration in Lakeland, we could save the Medicare programs over $100 million a year. The Medicare program is a big program, but even for that big program, even for the Federal Government, saving $100 million a year is an important achievement.

It is interesting that, while we are about to take a vote on whether we should terminate even a demonstration on competitive bidding to establish the appropriate price for HMO reimbursement, we are applying competitive bidding in other areas. We are using the competitive marketplace, rather than centralized planning, to determine what is a fair price.

For example: In 1998, Congress reformed the means by which national parks reimbursed their concessionaires. To put it more accurately, the concessionaires paid for the privilege of operating within one of our national parks. Previously, prior to 1998, concessionaires had a preferential right of renewal allowing them to match any other offers, thus eliminating competition.

You can imagine if, Madam President, there were a firm which had a concession in a national park in your beautiful State of Maine and they knew that in order to keep that concession, all they had to do was match any other competitor who would deign to try to take the concession. That would not encourage very many people to go to the effort of offering a competitive bid because they knew all the incumbent concessionaire had to do was just match their best price and they would continue to have the concession.

In 1998, we changed the system. We said we would go to an open, competitive bidding process and let those who could offer the highest quality and the best return to the park system be the concessionaires.

Yesterday, I had the privilege of visiting Bandelier National Monument in New Mexico. It exemplified the concession's contract law's positive effect on the national parks system. The new concessionaire improved the quality of products and provided such things as handicapped access to facilities that had not been available previously.

We can anticipate that the rates of return to the Government at Bandelier and other national parks will increase because we have a good example at Yosemite National Park. At Yosemite, the application of competitive bidding resulted in almost a 15-percent increase in the rate of return to the Government of the lease of their various concession facilities.

I commend Senator CRAIG THOMAS, our colleague, who was the leader in assuring this movement towards a fair price and quality goods and services for the users of our national parks. Unfortunately, the zeroing out of funds for competitive bidding demonstrations in Phoenix and Kansas City, as this conference report on the Labor-HHS/District of Columbia appropriations will do—it ensures that we will never know if we can achieve similar savings in the Medicare+Choice Program; that is, we can never know there will be a better, fairer way of reimbursing health maintenance organizations, which provide services to Medicare beneficiaries than what we are getting today through this percentage of fee-for-service formula.

Here is a riddle for the Senate to answer: Why would the appropriators eliminate funding for a program that saves money without harming quality, that gives us the opportunity to learn if there is a free-enterprise approach to reimbursing HMOs as opposed to a socialist approach?

Madam President, it does not take a Sherlock Holmes to solve this mystery.

Chapter 1 of our mystery: It is July, 1999. The United States spends a full week debating managed care reform. The end result of this debate is vapid, weak legislation that impacts less than one-third of all Americans whose health care is covered by HMOs. It has weak standards on issues such as emergency room, access to specialists, a woman's right to use an OB/GYN as a primary physician, the right to continue to use a doctor if an HMO changes its plan. The legislation the Senate passed earlier this summer also had very limited enforcement and no right to sue.

It is interesting that the House of Representatives has written a different chapter with a much stronger and more effective bill of patients' rights when they are members of a health maintenance organization.

We have a second chapter in our book. The Senate is about to eliminate two demonstration projects that will allow us learn whether the marketplace might be an appropriate determinant of how Medicare HMOs should be reimbursed. Chapter 2 continues with the Senate Finance Committee designing a bill to give funds back to providers who have made the case they have been negatively, excessively impacted by the Balanced Budget Act of 1997. It is the same Balanced Budget Act that weaves its way through this whole volume.

What does the Senate Finance Committee decide to do? Nearly one-third of the money that will be provided back to physicians, hospitals, home health care agencies, skilled nursing facilities —a whole variety of medical providers—nearly one-third of the total money goes to the health maintenance organizations that provide services under the Medicare+Choice Program.

The irony is that only about 15 percent of the beneficiaries of Medicare receive their health care through a health maintenance organization. The remaining 85 percent of Medicare beneficiaries get their Medicare through the traditional fee-for-service system; that is, they make an unrestrained choice as to what doctor they want to see and then receive the services of that physician, and they, along with Medicare, then reimburse that physician.

The 85 percent of Medicare beneficiaries who use fee for service get only two-thirds of the additional payback money. Clearly, there is something fishy about the way these critical funds, intended to allow for the providers of health care to Medicare beneficiaries avoid draconian cuts in their service levels, were divided. Clearly, there is something amiss when one-third of the money in the Balanced

Budget Act "add back" measure goes to one-sixth of the Medicare beneficiaries.

Adding to this peculiar situation is the Congressional Budget Office's estimate that up until the end of this decade, the number of Medicare beneficiaries receiving their reimbursement through an HMO will still be less than the one-third of the total Medicare population. Yet, one-third of the money in the Balanced Budget Act "add back" bill is allocated to Medicare HMOs.

Chapter 3: A Republican Member of the House of Representatives introduces a bill to give doctors the right to collectively bargain with HMOs. The chairman of the Judiciary Committee brings this bill up before his committee for consideration. What happens? Let me read from the Daily Monitor of Wednesday, October 27. I ask unanimous consent that this article be printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Exhibit 1.)

Mr. GRAHAM. Under the headline "GOP Leaders Order Hyde To Kill Bill On Doctor Bargaining":

> Managed care lobby pushed to halt measure allowing doctors to negotiate with health plans.
>
> After an intense lobbying campaign by managed care plans, House GOP leaders have killed for this year—at least—a bill that would allow doctors to bargain collectively with health plans.
>
> The bill (H.R. 1304), sponsored by Tom Campbell, R-Calif., had been scheduled for a markup in the House Judiciary Committee Tuesday. But Speaker J. Dennis Hastert, R-Ill., on Monday asked committee Chairman Henry J. Hyde, R-Ill., to yank it.
>
> "It won't be dealt with this year," Hyde said. "The leadership decided that they were involved with other health care issues and this was the. . .one that broke the camel's back. It's extra weight on a complicated issue. They felt it was another area of focus they don't need right now."
>
> On Oct. 7, after months of heated negotiations and debate, the House passed a broad patients' rights measure (H.R. 2723, later H.R. 2990) after voting down a much narrower package backed by Hastert. The issue has long been a thorn in the side of the GOP leadership, which favors allowing the marketplace—rather than government—to regulate managed care.
>
> The Campbell bill would for the first time allow independent doctors who contract with health plans to bargain collectively on everything from fees to who determines the treatment a patient receives. Health insurance groups strongly oppose the bill, arguing that doctors would be able to fix prices and drive up health insurance premiums. Doctors, led by the American Medical Association, backed the measure. They say health plans are beginning to monopolize the patient market, and that doctors often have no choice but to sign restrictive contracts in order to stay in business.
>
> Hyde said that, along with Hastert, rank-and-file members who had been contacted by the health insurance industry asked him to pull the bill.
>
> The chairman said he still wants to pursue the issue in the future but could not say if he would ever mark up the Campbell bill. "I don't know," he said. "I'm interested in doing something with the difficult relationship between doctors, HMOs and insurers. I don't think the problem will go away, nor will our responsibility [to address it]."

We have had the HMO industry delude, almost to total lack of effectiveness, the Patients' Bill of Rights in the Senate. We have had the industry increase its reimbursement at twice the rate that fee-for-service medicine is having its reimbursement increased as a part of the Balanced Budget Act "add-backs" legislation that we will soon be considering. We have had the House kill a bill to allow doctors to collectively bargain when they negotiate with HMOs. And now, after the HMOs have said what they want is to have the marketplace, not Government, run their business, they seem to have said they do not want to participate in the competitive bidding process to determine their levels of reimbursement. It appears that they would rather rely on the socialist-based theory of percentage of fee-for-service cost.

The managed care industry has successfully used its influence to move forward one of its key policy objectives: To strengthen Medicare managed care at the expense of Medicare fee for service. You might think that my statement is extreme, but I assure you it is accurate.

The policy objective is very clear. Using the words of the former Speaker of the House, Speaker Newt Gingrich, which he used to describe his view of Medicare reform, I quote from an Associated Press article of July 30, 1996, in a speech given to the Health Insurance Association of America. This is what the Speaker said:

> We don't get rid of it [Medicare] in round one because we don't think that's politically smart, and we don't think that's the right way to go through a transition. But we believe it [traditional Medicare] is going to wither on the vine.

"Wither on the vine."

If you had to have a series of events that all had as their common objective diverting energy, resources, and attention away from the program where 85 percent of the Medicare beneficiaries receive their health care services towards the program where 15 percent receive their health care services—and nobody is estimating that within the next 10 years any more than 30 percent of the Medicare beneficiaries will receive their health care through HMOs—you couldn't have had a better strategy than the chapters that we have either written or are in the process of writing in the Congress in 1999.

On behalf of the 39 million Medicare beneficiaries in America today, and the millions more who will rely on the program tomorrow, I pledge to make certain that when Congress embarks upon true Medicare reform it will be focused on what is best for all beneficiaries, both fee-for-service and Medicare+Choice participants alike.

We must reverse the course of this Congress. This Congress has shielded HMOs from patient protections, balanced negotiations with physicians, and competition in pricing. This Congress has rewarded HMOs with one-third of the additional money for one-sixth of the Medicare beneficiaries. And this Congress has refused to enhance the fee-for-service programs for 85 percent of the Medicare beneficiaries.

This Congress can begin to reverse this record by sustaining the President's veto of the outrage which describes itself as the Labor-HHS/District of Columbia appropriations bill. I am confident that the President will reject this legislation. We will have our next opportunity when we sustain his veto.

Madam President, having talked about just one of the outrages in this bill, let me turn to a second. That is the funding of the social services block grant.

On September 30, by a 57-39 vote, the Senate placed its strong bipartisan support behind the continued funding of the Social Services Block Grant Program at its authorized level of $2.38 billion.

The Social Services Block Grant allocates funds to States, enabling them to provide services to vulnerable, low-income children and elderly, disabled people. The Social Services Block Grant is a mandatory program established under Title XX of the Social Security Act.

The purpose of Title XX is to intervene with vulnerable populations before they reach the point of disability or other condition that might make them eligible for a Social Security entitlement program.

In 1996, the Senate Finance Committee joined the House Ways and Means Committee, and then the full Chambers, in promising that this program of social services block grants would be funded at the authorized level of $2.38 billion for the fiscal year 2000. In fact, we made a commitment to the States that the social services block grant would be guaranteed at the $2.38 billion annual level until welfare reform was fully completed in the year 2002.

When this commitment was recommended to be breached by the Senate version of the Labor-HHS appropriations bill, on September 30, the Senate stood up, and by that vote of 57-39 voted to restore full funding to comply with our commitment to our constituents and to the States.

Once again, the appropriators have nullified our vote. They have voided our promise to the States. In the conference report that will be before us, the Labor-HHS/District of Columbia appropriations bill, the Social Services

Block Grant Program will be recommended for funding at $1.7 billion—over a half billion dollars below what is our authorized level, what is our commitment to the States. This figure is below what was approved by the Senate. This figure is also below the $1.9 billion that the House Labor, Health and Human Services and Education Appropriations Subcommittee approved for this program.

The raiding of the Title XX program should serve as an example of what can happen when a program is block granted. Our experience with the social services block grant should serve as a red flag as we structure other social services funding.

Those, for instance, who might succumb to the siren call of block grants for education should take note. A Federal program which serves a largely politically voiceless group of Americans, as Hubert Humphrey described, those who live in the dawn of life, our children, those who live in the twilight of life, our elderly, and those who live in the shadows of life, the disabled, these are the Americans who will be at risk, just as they are at risk today with the slashing of funding of the social services block grant. They will be at risk if we move towards the same pattern of funding for important national programs such as education. Because they will not have the HMOs' lobbyists, they will not have the PACs to represent their interests, to ensure they get their share when the Federal largess is divided, they are likely to get the scraps that are left over.

I urge the President of the United States to veto this legislative elephant which is squashing the ant. I urge that he veto the legislation that would fund the Departments of Labor and HHS, and the District of Columbia because we, the Congress, can do better. We need to be given the opportunity and the challenge to do so.

EXHIBIT 1

[From the CQ Daily Monitor, Oct. 27, 1999]

GOP LEADERS ORDER HYDE TO KILL BILL ON DOCTOR BARGAINING

(By Karen Foerstel)

After an intense lobbying campaign by managed care plans, House GOP leaders have killed for the year—at least—a bill that would allow doctors to bargain collectively with health plans.

The bill (HR 1304), sponsored by Tom Campbell, R-Calif., had been scheduled for a markup in the House Judiciary Committee Tuesday. But Speaker J. Dennis Hastert, Ill., on Monday asked committee Chairman Henry J. Hyde, R-Ill., to yank it.

"It won't be dealt with this year," Hyde said. "The leadership decided that they were involved with other health care issues and this was the . . . one that broke the camel's back. It's extra weight on a complicated issue. They felt it was another area of focus they don't need right now."

On Oct. 7, after months of heated negotiations and debate, the House passed a broad patients' rights measure (HR 2723, later HR 2990) after voting down a much narrower package backed by Hastert. The issue has long been a thorn in the side of the GOP leadership, which favors allowing the market place—rather than government—to regulate managed care.

The Campbell bill would for the first time allow independent doctors who contract with health plans to bargain collectively on everything from fees to who determines the treatment a patient receives. Health insurance groups strongly oppose the bill, arguing that doctors would be able to fix prices and drive up health insurance premiums. Doctors, led by the American Medical Association, back the measure. They say health plans are beginning to monopolize the patient market, and that doctors often have no choice but to sign restrictive contracts in order to stay in business.

Hyde said that, along with Hastert, rank-and-file members who had been contacted by the health insurance industry asked him to pull the bill.

The chairman said he still wants to pursue the issue in the future but could not say if he would ever mark up the Campbell bill. "I don't know," he said. "I'm interested in doing something with the difficult relationship between doctors, HMOs and insurers. I don't think the problem will go away, nor will our responsibility [to address it]."

Mr. GRAHAM. I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. VOINOVICH). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RALPH TASKER "A COACHING LEGEND"

Mr. LOTT. Mr. President, I rise today to honor a man who touched the lives of each person he came into contact with throughout his teaching and coaching career. Coach Ralph Tasker was a respected person, and a perfect gentleman. He always looked for the good in people and had that rare ability to bring out the best in others.

Born and raised in Moundsville, West Virginia, Coach Tasker took up basketball when he was five years old. This was his common bond with most of his friends. In Moundsville, nearly everyone worked in coal mines except for Tasker's parents, who owned and operated a grocery store. He played basketball in high school, earning all-state honors in his junior and senior campaigns. From there he played four years at Alderson-Broaddus College, and this is where he met his wife, Margaret Elizabeth Marple. The two were married and devoted to each other for nearly fifty years until Margaret passed away in 1991.

Tasker began his coaching career straight out of college at Sulphur Springs High School in Sulphur Springs, Ohio, in 1941. He spent less than a year at Sulphur Springs, but even then made an impact on his students and players. Tasker went beyond the role of coach and teacher, as he was always a friend to his students and players. From his first year in coaching, his students considered Coach Tasker a father figure. Those who knew Coach Tasker describe him as dedicated, sincere, and loyal to his players and community.

After leaving Sulphur Springs, Coach Tasker served our country for three years in the U.S. Air Corps. He then accepted another coaching position in New Mexico at Lovington High School. After three years and one state championship with Lovington, Coach Tasker moved twenty miles south to Hobbs High School, where he would remain for the rest of his coaching career. Forty-nine years, eleven state championships, two perfect seasons, and two National High School Coach of the Year awards later, Coach Tasker decided to retire. In fifty-three years of coaching, Tasker had a remarkable collection of achievements. He finished with 1,122 wins and 291 losses, which ranks him as the third place coach in total number of wins in high school boys' basketball history. Among many honors, he was elected to four different halls of fame, won twelve state championships, and in 1991 was named the National Athletic Coach of the Year in the prestigious Walt Disney National Teacher Awards Program.

Coach Tasker was slow to take credit, but quick to praise. He often said, "When you've got players like I've got, they make a great coach out of you." He was uncomfortable in the limelight, and even chose to put his awards away in drawers, preferring to display artwork by his grandchildren. Coach Tasker always sought to uplift his children, grandchildren, students, and players.

Mr. President, Coach Ralph Tasker passed away on Monday, July 19, 1999, after a brief bout with cancer. I trust the Senate will join me in honoring one of the greatest men in the sports history of New Mexico and this country. He will be missed by everyone. I believe my friend Senator DOMENICI put it best when he said, "The passing of Ralph Tasker marks the loss of an institution in Hobbs and in New Mexico."

CONGRATULATIONS TO THE GARRETSON, SD, CHAPTER OF THE FUTURE FARMERS OF AMERICA

Mr. DASCHLE. Mr. President, I have spoken many times to my colleagues in this body about the importance of agriculture in America. It is certainly one of the most valuable industries in my home state of South Dakota and is clearly essential to the economy and well-being of the entire United States.

Undoubtedly, farming has always been a difficult job. But, consistent with the industrious spirit of America, there have always been dedicated young men and women who have been willing to face the challenge of growing the food for this country. And even during tough times, there have been young Americans who are willing to answer the call to one of the most noble vocations in our country—they want to be farmers.

Last week, the Future Farmers of America hosted their seventy-second annual national convention in Lexington, Kentucky. Nearly 50,000 future farmers and their guests, including a number of young South Dakotans, gathered to exchange ideas, develop leadership skills and to have a frank discussion about the future of family farming.

Mr. President, I'm proud to report that, of the hundreds of local FFA chapters from across the country, and of the thousands of participants nationwide, the Future Farmers of America chapter from Garretson, South Dakota was named National FFA Chapter of the Year. Chapter members Brian Cooper, Gary Kringen, Mitch Coburn, Amanda Dorman, and their adviser Ed Mueller have spent countless hours working on projects ranging from promoting economic development in rural communities to providing lessons in farm safety to elementary students. Their hard work and dedication to the future of agriculture is a heartening sign that there will be a future generation of farmers to work the land and raise the food for this great country.

I want to offer my most sincere congratulations to the members of the Garretson chapter of the Future Farmers of America on receiving this great honor. These young people have earned the admiration and respect of their community and the entire state of South Dakota. Brian, Gary, Mitch, and Amanda remind us that outstanding young people are willing to commit themselves to farming—one of the most challenging, rewarding, and important careers they could choose.

CHANGES TO THE BUDGETARY AGGREGATES AND APPROPRIATIONS COMMITTEE ALLOCATION

Mr. DOMENICI. Mr. President, section 314 of the Congressional Budget Act, as amended, requires the Chairman of the Senate Budget Committee to adjust the appropriate budgetary aggregates and the allocation for the Appropriations Committee to reflect amounts provided for emergency requirements.

I hereby submit revisions to the 2000 Senate Appropriations Committee allocations, pursuant to section 302 of the Congressional Budget Act, in the following amounts:

[In million of dollars]

	Budget Authority	Outlays
Current Allocation:		
General purpose discretionary	557,504	561,698
Violent crime reduction fund	4,500	5,554
Highways		24,574
Mass transit		4,117
Mandatory	321,502	304,297
Total	883,506	900,240
Adjustments:		
General purpose discretionary	+2,499	+1,340
Violent crime reduction fund		
Highways		
Mass transit		
Mandatory		
Total	+2,499	+1,340
Revised Allocation:		
General purpose discretionary	560,003	563,038
Violent crime reduction fund	4,500	5,554
Highways		24,574
Mass transit		4,117
Mandatory	321,502	304,297
Total	886,005	901,580

I hereby submit revisions to the 2000 budget aggregates, pursuant to section 311 of the Congressional Budget Act, in the following amounts:

[In million of dollars]

	Budget Authority	Outlays	Deficit
Current Allocation: Budget Resolution	1,452,453	1,433,080	−24,998
Adjustments: Emergencies	+2,499	+1,340	−1,340
Revised Allocation: Budget Resolution	1,454,952	1,434,420	−26,338

CONGRESSIONAL BUDGET OFFICE LETTER ON S. 1792

Mr. ROTH. Mr. President, I ask unanimous consent that a copy of a letter from Dan L. Crippen, Director of the Congressional Budget Office, dated October 29, 1999, be printed in the RECORD. The letter analyzes S. 1792, the Tax Relief Extension Act of 1999.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 29, 1999.

Hon. WILLIAM V. ROTH, Jr.,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1792, the Tax Relief Extension Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Hester Grippando (for revenues), who can be reached at 226–2720, John R. Righter (for payment to territories of rum excise tax), who can be reached at 226–2860, and Jeane De Sa (For streptococcus pneumoniae vaccine), who can be reached at 226–9010.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE, OCTOBER 29, 1999

S. 1792: TAX RELIEF EXTENSION ACT OF 1999

(As reported by the Senate Committee on Finance on October 26, 1999)

SUMMARY

S. 1792 would amend existing tax laws and extend numerous tax provisions that have expired recently or are about to expire. The Joint Committee on Taxation (JCT) estimates that enacting S. 1792 would decrease on-budget governmental receipts by $320 million over the 2000–2004 period, but would increase such receipts by $461 million over the 2000–2009 period. By extending through calendar year 2000 the exclusion of employer-provided educational assistance, JCT estimates that the bill also would decrease off-budget revenues by a total of $118 million in fiscal years 2000 and 2001. In addition, CBO estimates that the bill would increase direct spending by $124 million over the 2000–2004 period and by $159 million over the 2000–2009 period. Although the bill would affect both governmental receipts and direct spending, section 301 of the bill specifies that any change in the surplus or deficit resulting from enactment shall not be counted for purposes of enforcing the pay-as-you-go procedures established by the Balanced Budget and Emergency Deficit Control Act.

JCT estimates that S. 1792 contains one new intergovernmental mandate, the cost of which would not exceed the threshold for intergovernmental mandates ($50 million in 1996, adjusted annually for inflation) established in the Unfunded Mandates Reform Act (UMRA). JCT estimates that S. 1792 contains 16 new private-sector mandates, and that the costs of those mandates would exceed the threshold established in UMRA ($100 million in 1996, adjusted annually for inflation) in each of fiscal years 2000 through 2004.

DESCRIPTION OF MAJOR PROVISIONS

S. 1792 would amend the Internal Revenue Code to:

Extend to tax years 1999 and 2000 a provision to allow individuals to use nonrefundable personal tax credits to offset their regular tax liability in full (as opposed to limiting such credits to the difference between their regular tax liability and their alternative minimum tax liability);

Extend the research and experimentation tax credit through December 31, 2000;

Extend the exemption from Subpart F for active financing income through tax year 2000;

Extend to tax year 2000 the suspension of income limitation on percentage depletion from marginal oil and gas wells;

Extend the work opportunity and welfare-to-work tax credits through December 31, 2000;

Temporarily increase the amount of the excise tax on rum paid to Puerto Rico and the U.S. Virgin Islands from $10.50 per proof gallon to $13.50 per proof gallon;

Add the streptococcus pneumoniae vaccine to the list of taxable vaccines;

Increase the amount of the estimated tax that individuals must pay based on the amount of their prior year's tax to 110.5 percent for tax years beginning in 2000 and to 112 percent for tax years beginning in 2004;

Modify the rules that allow taxpayers to credit the payment of foreign taxes against the payment of U.S. taxes owed on income derived from foreign sources; and

Prohibit taxpayers who use an accrual method of accounting from also using the installment method of accounting when reporting dispositions of property for income tax purposes.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1792 is shown in the following table. Estimated spending would fall within budget functions 800 (general government) and 550 (health).

	By fiscal year, in millions of dollars				
	2000	2001	2002	2003	2004
CHANGES IN REVENUES					
Estimated On-Budget Revenues	200	−3,738	730	686	1,802
Estimated Off-Budget Revenues[1]	−77	−41	0	0	0
Total Changes in Revenues	123	−3,779	730	686	1,802
CHANGES IN DIRECT SPENDING[2]					
Estimated Budget Authority	85	20	6	6	7
Estimated Outlays	85	20	6	6	7

[1] Represents a loss of taxes to the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds from extending through calendar year 2000 the exclusion of employer-provided educational assistance.

[2] Implementing the bill would also increase spending subject to appropriation, but CBO estimates that such costs would not be significant.

Sources: Congressional Budget Office and Joint Committee on Taxation.

BASIS OF ESTIMATE

Revenues: All revenue estimates were provided to CBO by JCT.

Direct Spending: Payment to Territories of Rum Excise Tax. Under current law, a tax of $13.50 per proof gallon is assessed on distilled spirits produced in or brought into the United States. The treasuries of Puerto Rico and the Virgin Islands receive $10.50 of the tax assessed on rum manufactured in either territory. In addition, the territories receive payments, at a similar rate, on all rum imported into the United States from any foreign country. Those payments to Puerto Rico and the Virgin Islands are recorded as outlays in the budget.

Under the bill, the governments of Puerto Rico and the Virgin Islands would receive the full $13.50 per proof gallon for assessments made between July 1, 1999, and December 31, 2000. Based on recent tax and payment data, CBO estimates that increasing the territories' share of the excise tax would increase direct spending by $85 million in fiscal year 2000 (including $18 million in retroactive payments for fiscal year 1999) and $16 million in fiscal year 2001.

Streptococcus Pneumoniae Vaccine. S. 1792 would add conjugate vaccines against streptococcus pneumoniae to the list of taxable vaccines and thus would allow for federal payments to individuals for injuries related to those vaccines from the National Vaccine Injury Compensation Trust Fund. CBO estimates that this provision would increase outlays for compensation to individuals by $4 million over the 2000–2004 period. This provision also would increase federal Medicaid outlays by $21 million over the 2000-2004 period because Medicaid would be required to pay the excise tax on purchases of vaccines against streptococcus pneumoniae. The federal government purchases about one-half of all vaccines through its Vaccines for Children Program.

In addition, this provision would increase the cost of vaccines purchased under section 317 of the Public Health Service Act. Section 317 would authorize grants to states for the purchase of vaccines under federal contracts with vaccine manufacturers. We estimate that any increase in spending under this section would not be significant and would be subject to the availability of appropriated funds.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted.

	By Fiscal Year, in Millions of Dollars									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Changes in receipts	200	−3.738	730	686	1.802	−1,000	468	427	445	441
Changes in outlays	85	20	6	6	7	7	7	7	7	7

Section 301 specifies that any change in the surplus or deficit resulting from enactment of S. 1792 shall not be counted for purposes of enforcing the pay-as-you-go procedures.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

JCT has determined that the provision that would add streptococcus pneumoniae to the list of taxable vaccines is an intergovernmental mandate. JCT estimates that the cost of this mandate would not exceed the threshold specified in UMRA ($50 million in 1996, adjusted annually for inflation).

ESTIMATED IMPACT ON THE PRIVATE SECTOR

JCT has determined that the following provisions of the bill contain private-sector mandates: (1) clarify the tax treatment of income and losses on derivatives, (2) add certain vaccines against streptococcus pneumoniae to the list of taxable vaccines, (3) expand reporting of cancellation of indebtedness income, (4) impose limitation on prefunding of certain employee benefits, (5) limit conversion of character of income from constructive ownership transactions, (6) modify installment method and prohibit its use by accrual method taxpayers, (7) limit use of nonaccrual experience method of accounting, (8) deny charitable contribution deduction for transfers associated with split-dollar insurance arrangements, (9) prevent duplication or acceleration of loss through assumption of certain liabilities, (10) require consistent treatment and provide basis allocation rules for transfers of intangibles in certain nonrecognition transactions, (11) limits distributions by a partnership to a corporate partner of stock in another corporation, (12) prohibit allocations of stock in an S corporation employee stock ownership plan, (13) impose 10 percent vote on value test for real estate investment trusts (REITs), (14) change treatment of income and services provided by taxable REIT subsidiaries, with 20 percent asset limitation, (15) modify treatment of closely held REITs, and (16) modify estimated tax rules for closely held REITs.

JCT estimates that the costs of the private-sector mandates would exceed the threshold established in UMRA ($100 million in 1996, adjusted annually for inflation) in each of fiscal years 2000 through 2004, with the amount of such costs ranging from a low of $383 million in 2004 to a high of $1,042 million in 2001.

Estimate prepared by: Revenues: Hester Grippando (226-2270). Payment to Territories of Rum Excise Tax: John R. Righter (226-2860). Streptococcus Pneumoniae Vaccine: Jeanne De Sa (226-9010).

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis; G. Thomas Woodward, Assistant Director for Tax Analysis.

MISLEADING ADVERTISEMENT FOR THE FAIRNESS IN ASBESTOS COMPENSATION ACT

Mr. LEAHY. Mr. President, I come to the Senate floor today to stand up for a small business in my home state—the Rutland Fire Clay Company of Rutland, VT.

For the past week, a coalition of 240 special interest organizations have run a series of the same paid advertisements in such Washington-based publications as Roll Call and National Journal's Congress Daily AM . The targets of these interest groups in this expensive ad campaign are, of course, the members of this body and of the House of Representatives. The advertisement uses the recent bankruptcy reorganization filing of the Rutland Fire Clay Company to promote the Fairness in Asbestos Compensation Act, S. 758 and H.R. 1283.

Mr. President, here is a copy of this ad. The headline is: "How asbestos litigation ruined a family business." Then in the body of the advertisement is this pullout headline: "Rutland Fire Clay Files For Chap. 11." Throughout the ad is the history of this 116-year-old Vermont firm as reported in the Rutland Herald on October 19, 1999.

Finally, the ad concludes with this statement: "we believe that the interests of the hundreds of large and small businesses affected by this national travesty, their employees, pensioners, communities who depend on them, and their millions of shareholders warrant your support of the Act as well." I ask unanimous consent that the text of this advertisement be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEAHY. Mr. President, I am offended by this slick advertisement. It is clear that the executives on Madison Avenue who crafted this ad want lawmakers—you, me, and all of our colleagues—to believe that the employees of the Rutland Fire Clay Company support the Fairness in Asbestos Compensation Act and that this bill would have helped the Vermont firm avoid reorganization in bankruptcy. Nothing is further from the truth.

Thomas Martin, who is the President of the Rutland Fire Clay Company, and who is named in the advertisement, has written to me to set the record straight. Mr. Martin writes: "I reviewed the bill and my opinion is it would not help Rutland Fire Clay Company reduce this [asbestos litigation] burden, nor would it help other small businesses with thousands of claims. . . . Under S. 758 costs would be apportioned to Rutland Fire Clay Company equally, and thus higher, than under the current system."

Mr. Martin continues: "The advertisement's heading gave the impression that our family business would be 'ruined' and that our 22 employees would be out of work. The truth is that we have worked out a consensual bankruptcy plan which recognizes the value of Rutland Fire Clay Company and its employees. No jobs will be lost and we will continue to serve the fireplace and home repair markets as we have for 116 years."

Finally, Mr. Martin notes: "our firm in no way assisted in preparation of the CAR advertisement nor did we have any knowledge of it until your office sent me a copy."

I ask unanimous consent that the full text of Thomas Martin's letter to me be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. LEAHY. I have met with Tom Martin of the Rutland Fire Clay Company and corresponded with him about asbestos litigation. Mr. Martin should be commended for reaching a settlement with his insurers and the trial bar concerning his firm's asbestos problems. Unlike some big businesses that are trying to avoid any accountability for their asbestos responsibilities through national legislation, Mr. Martin and the Rutland Fire Clay Company are trying to do the right thing within the legal system.

Mr. Martin plans to lead the Rutland Fire Clay Company from bankruptcy next year as a stronger firm with a solid financial foundation for the 21st Century. I applaud Tom Martin and the employees of the Rutland Fire Clay Company for their efforts.

Mr. President, I am willing to work with my colleagues on both sides of the aisle and with interested parties to craft fair legislation to help victims and businesses, large and small, affected by asbestos. But exploiting the bankruptcy filing of a small firm in Vermont and using misleading advertisements to promote a flawed bill are not the right ways to advance our consideration of this issue, and they are certainly not an admirable way to attempt to sway opinion in or outside of this body.

I believe the 240 special interest organizations that sponsored this advertisement owe an apology to Tom Martin and the other Vermonters who work for the Rutland Fire Clay Company, and I will remind them of that obligation until they offer that apology.

EXHIBIT NO. 1

[From the Rutland Herald, Oct. 19, 1999]

RUTLAND FIRE CLAY FILES FOR CHAP. 11

HOW ASBESTOS LITIGATION RUINED A FAMILY BUSINESS: 22 EMPLOYEES AND 50,000 LAWSUITS

Asbestos lawyers would have you believe that only billion dollar companies are affected by the asbestos nightmare. But in reality, more than 300 small businesses, as well as large ones, find themselves today enmeshed in the asbestos litigation mess. This spiraling litigation—filed largely by non-sick claimants who may have been exposed to asbestos, as have a majority of all Americans, but have no physical symptoms or impairment—continues to drive firms to bankruptcy or its brink.

Just last week, Rutland Fire Clay, a small family-owned Vermont manufacturer of furnace and wood stove repair cements, was forced into bankruptcy as a result of what it termed "the crushing burden of asbestos related lawsuits."

You should know these facts about the Rutland Fire Clay case:

Rutland Fire Clay, with its 22 employees, is a small, 116 year-old family business, in Rutland, Vermont.

The business was started in 1883 by Rufus Perkins and his two sons and has manufactured, for more than 100 years, a cement material for use in the repair of furnaces and residential wood stoves sold through hardware stores. The product originally contained a very small amount of encapsulated asbestos, although Rutland discontinued the use of asbestos in its products almost 30 years ago.

Since 1984, there have been 50,000 asbestos cases filed against the company, and 37,000 remain pending today—most of these cases involving non-sick claimants.

The company has estimated its liability for current and future asbestos claims at $67 million, with assets of only $3 million.

Thomas Martin, the firm's president, said in a Rutland press interview last week, that if it weren't for asbestos claims, the 116 year-old company would never have wound up in bankruptcy. He described business as "excellent," with the company expecting a record sales year.

The Rutland Fire Clay case is a stark example of what happens in the asbestos litigation world today. Asbestos lawyers continue to draw from an almost limitless pool of potential defendants by targeting, with the touch of a word processing button, small and large companies—many with only a tangential association to asbestos. These "asbestos" defendants include local building products distributors, home remodeling centers, "mom and pop" hardware stores, and other unsuspecting companies who manufactured, or only distributed, products that may have contained nominal amounts of asbestos in a component part of end products, such as forklifts, cranes, gaskets, grinding wheels, lawnmower engines, etc.

While the principal focus of the bipartisan Fairness in Asbestos Compensation Act is, as it should be, on the rights of deserving asbestos victims, we believe that the interests of the hundreds of large and small businesses affected by this national travesty, their employees, pensioners, communities who depend upon them, and their millions of shareholders warrant your support of the Act as well.

EXHIBIT NO. 2

RUTLAND FIRE CLAY COMPANY,
Rutland, VT, October 29, 1999.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: Thank you for sending me the recent advertisement produced by the Coalition for Asbestos Resolution (CAR) that is using our recent bankruptcy filing in its campaign in support of S. 758 and its companion, H.R. 1283.

We presently have over 37,000 lawsuits pending against us and we have approximately $4 million of insurance and $2 million in assets. For small firms such as ours with limited remaining insurance and minimal assets, the burden of claims is indeed crushing as quoted in the CAR advertisement. However, I reviewed this bill and my opinion is it would not help Rutland Fire Clay Company reduce this burden, nor would it help any other small business with thousands of claims. As an example under section 601 apportionment of costs for the ARC are addressed. Potential disputes could easily arise between defendants as to their respective share of costs. Our company cannot afford the expense of litigation if disagreement with the large defendants is the result. In addition, our historical costs per claim processed for defense and indemnity have been very low relative to that of other defendant companies. Under S. 758 costs would be apportioned to Rutland Fire Clay Company equally, and thus higher, than under the current system.

The advertisement's headline gave the impression that our family business would be "ruined" and that our 22 employees would be out of work. The truth is that we have worked out a consensual bankruptcy plan which recognizes the value of Rutland Fire Clay Company and its employees. No jobs will be lost and we will continue to serve the fireplace and home repair markets as we have for 116 years.

Lastly, our firm in no way assisted in preparation of the CAR advertisement nor did we have any knowledge of it until our office sent me a copy.

Thank you,
Sincerely,

THOMAS P. MARTIN,
President.

MESSAGE FROM THE HOUSE

At 12:36 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1180) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. ARCHER, Mr. BLILEY, Mr. ARMEY, Mr. RANGEL, and Mr. DINGELL as the managers of the conference on the part of the House.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

S. 1832. A bill to amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5969. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals dated October 27, 1999; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Energy and Natural Resources, and to the Committee on Foreign Relations.

EC-5970. A communication from the Director, Office of Administration, United States International Trade Commission, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-5971. A communication from the Executive Director, United States Holocaust Memorial Museum, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-5972. A communication from the Secretary, The Commission of Fine Arts, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-5973. A communication from the Office of Independent Counsel Thompson, transmitting, pursuant to law, a report relative to the Office's audit and investigative activities for fiscal year 1999; to the Committee on Governmental Affairs.

EC-5974. A communication from the Chair, Architectural and Transportation Barriers Compliance Board, transmitting, pursuant to law, a report relative to the Federal Managers' Financial Integrity Act; to the Committee on Governmental Affairs.

EC-5975. A communication from the Chairman and Chief Executive Officer, Chemical Safety and Hazard Investigation Board, transmitting, pursuant to law, a report relative to the Office's audit and investigative activities for fiscal year 1999; to the Committee on Governmental Affairs.

EC-5976. A communication from the Auditor of the District of Columbia, transmitting, pursuant to law, a report entitled "Fiscal Year 1998 Annual Report on Advisory Neighborhood Commissions"; to the Committee on Governmental Affairs.

EC-5977. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility; 64 FR 56256; 10/19/99", received October 29, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-5978. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska: Pollock by Vessels Catching Pollock for Processing by the Inshore Component in the Bering Sea Subarea", received October 16, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5979. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species Fisheries; Atlantic Bluefin Tuna; Opening of General Category NY Bight Fishery" (I.D. 100899B), received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-369. A resolution adopted by the House of the Legislature of the State of Michigan relative to hazardous materials facilities; to the Committee on Environment and Public Works.

HOUSE RESOLUTION NO. 223

Whereas, Federal law under Title III of the Superfund Amendments and Reauthorization Act of 1986 (SARA) requires identifying the locations of facilities which handle hazardous materials and also requires the development of a plan for communities to respond to hazardous material releases and to establish right-to-know provisions for hundreds of substances identified as extremely hazardous materials plus an additional 1,000 potentially hazardous substances an toxic chemicals; and

Whereas, More than 3,200 businesses and industries within the Commonwealth of Pennsylvania have been officially identified as being within the SARA Title III planning requirements; and

Whereas, The time frames for reporting chemicals used by facilities under SARA Title III may be considered ineffective at times due to the length of the required reporting period; and

Whereas, Conforming the time frames for reporting Material Safety Data Sheets to State and local officials, mirroring Occupational Safety and Health Administration requirements on the reporting of hazardous materials, may lead to an enhanced and more accurate reporting system; and

Whereas, The establishment of Hazardous Material Exposure Parameters around hazardous material facilities and the requirement of direct reporting to residences and businesses within these parameters may lead to the increased safety of our communities; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania respectfully request that the Congress of the United States pursue amendments to SARA Title III to ensure higher levels of safety for communities which have hazardous material facilities within their borders; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 623. A bill to amend Public Law 89-108 to increase authorization levels for State and Indian tribal, municipal, rural, and industrial water supplies, to meet current and future water quantity and quality needs of the Red River Valley, to deauthorize certain project features and irrigation service areas, to enhance natural resources and fish and wildlife habitat, and for other purposes (Rept. No. 106-203).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1052. A bill to implement further the Act (Public Law 94-241) approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes (Rept. No. 106-204).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 1836. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Alabama; to the Committee on Energy and Natural Resources.

By Mr. BAUCUS:

S. 1837. A bill to amend title XIX of the Social Security Act to provide low-income medicare beneficiaries with medical assistance for out-of-pocket expenditures for outpatient prescription drugs; to the Committee on Finance.

By Mr. WELLSTONE:

S. 1838. A bill to provide that certain income derived from an agreement between the Bios Forte Band of Chippewa Indians and the State of Minnesota shall not be considered income for purposes of Federal assistance eligibility; to the Committee on Indian Affairs.

S. 1839. A bill to provide that land which is owned by the Lower Sioux Indian Community in the State of Minnesota but which is not held in trust by the United States for the Community may be leased or transferred by the Community without further approval by the United States; to the Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABRAHAM:

S. Res. 212. A resolution to designate August 1, 2000, as "National Relatives as Parents Day"; to the Committee on the Judiciary.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 213. A resolution to authorize testimony, document production, and representation of employees in the Senate in *Bonnie Mendelson* v. *Delaware River and Bay Authority*; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS:

S. 1837. A bill to amend title XIX of the Social Security Act to provide low-income Medicare beneficiaries with medical assistance for out-of-pocket expenditures for outpatient prescription drugs; to the Committee on Finance.

THE HEALTHY SENIORS ACT OF 1999

Mr. BAUCUS. Mr. President, I rise today to introduce the Healthy Seniors Act of 1999. Prescription drugs are a hot topic these days. From the lawn of the White House to the TV screen in your house, everyone is talking about prescription drugs, and for good reason. Americans have the greatest health care system in the world: The best doctors, the best research, and the most effective prescription drugs. That doesn't mean anything if thousands of seniors can't afford to use them. We are creating a system where the well-off can buy the best health care and the poor can afford little more than an aspirin.

Recently, "60 Minutes" did a show on the high cost of prescription drugs and the need to provide coverage to low-income beneficiaries. National Public Radio has run a series of stories on the rising cost of prescription drugs and government plans to make them available to Medicare beneficiaries. Full-page advertisements and news stories are in our Nation's newspapers, from the Washington Post to the Billings Gazette. We have all seen Flo and her bowling ball.

I have a story from the Montana Standard, Butte's local newspaper. The headline reads: "Montanans Testify for Medicare Drug Coverage."

> Greg Loushin's heart breaks every time he watches Montana's elderly and uninsured scrounge for change to buy prescription drugs. Oftentimes, the Butte pharmacist pulls money from his own pocket.

Think of that, the local pharmacist pulls money from his own pocket when his own customers do not have adequate funds to pay for their drugs.

From the story:

> Pharmacist helping seniors buy drugs they need from his own money.

People help one another out in Butte, MT. Greg's customers are lucky to have him for a pharmacist. But we know in our increasingly interpersonal world, Greg's generosity is a rare exception. It isn't a long-term solution to the problem of escalating costs of prescription drugs; creating a prescription drug benefit under Medicare is.

Why is it suddenly so important seniors be given a drug benefit under Medicare? Why all the attention? Why the stories? The answer is twofold.

First, prescription drug costs have risen dramatically. Overall medical inflation has been slowed in recent years, but the cost of prescription drugs has actually skyrocketed, rising much faster than the average cost of medical care. In 1980, prescription drugs were only 4 percent of total health costs. In the year 2000, they will account for 16 percent of the total, a fourfold increase in 20 years. The increased costs are attributable both to the prices charged for the new, sophisticated drugs that are being developed by pharmaceutical companies, and to increase use of the drugs by our seniors.

Today as never before there is increased competition among drug companies to put out new drug therapies for the many ailments that face Americans, young and old. I, for one, do not want to stunt the innovation that has made America the leading architect of medical technology.

The second reason the drug benefit is so important is these research efforts are increasingly fruitful. Drugs can now treat illnesses where formally surgery was needed. Drug coverage means healthier individuals, leading to fewer hospitals and less time in the hospital.

New York has a plan called EPIC to help low-income seniors with medications that saved an estimated $47 million in hospitalization costs in the recent year, compared with the $41 million it cost to run the program. David Cutler, a Harvard economist, reports elderly disability rates have fallen 15 percent in the last decade largely because of increased use of prescription drugs.

Barbara Holter, a Montana Medicare beneficiary, last week wrote me:

> Senator BAUCUS . . . innovative prescription drugs and biological therapies played an important role in the treatment of arthritis. While not a cure, these new medications can help alleviate the pain, slow the progress of disease, and prevent disability. Unfortunately, 35 percent of Medicare beneficiaries do not have coverage. It is important that Congress take action to expand access to drug coverage.

Gone are the days when surgery and mechanical devices alone work to save lives and increase their quality. A heart ailment that may have required an extensive bypass a few years ago can now be treated with a clot-busting medication or a stent. To paraphrase the renowned physician and health care policy expert, Dr. William Schwartz, medicine is changing "from the mechanical to the molecular."

Everyone seems to recognize this shift. Everyone, that is except our government. We are 60 days from the year 2000, and we are still trying to run a health care program rooted in the year 1965.

Some say we ought to reform Medicare before providing a drug benefit. Senator BILL ROTH, chairman of the Finance Committee, has indicated his interest in working in a bipartisan fashion to strengthen Medicare in the coming year. I welcome his willingness to do so. Without action, Medicare will go broke in just 15 years, at the very time our social insurance system becomes inundated with the baby boom generation, about 15 years from now.

We must act to save Medicare. We ought not let perfection be the enemy of the good. I accept and agree that Medicare must be changed. It is also true the average senior fills 19 prescriptions every year on average. Our seniors don't have the luxury of waiting until the politics are right to get the drugs they need. This is particularly true in rural areas.

As this chart indicates, one-third of Medicare beneficiaries have no prescription drug coverage. One-third of seniors in our country have no prescription drug coverage. In rural areas, it is even worse. In rural America, the number increases to nearly half. Seniors are being denied products that can save their lives because of geography. Half of American seniors don't have prescription drug coverage.

Part of the problem is we don't have a lot of managed care in rural areas. In fact, we have very little. Managed care will often provide drug coverage to seniors. In many parts of America, particularly rural America, there is no managed care, much less prescription drug coverage for seniors.

Recently, my staff spoke to Ardys Olin and her mother Thelma of Billings, MT. Both are beneficiaries of Gold Choice, Montana's only Medicare managed care plan. Ardys is disabled; Thelma is 87. For the time being, they both get prescription drug coverage through Gold Choice, the only managed care program for Medicare in Montana. They are quite pleased with it.

Because payment rates are insufficient to sustain managed care in rural America, Gold Choice is soon going to leave Montana, leaving its 2,600 beneficiaries without prescription drug coverage. Where are these people going to go? What are they going to do when Gold Choice pulls out of Montana?

Most employers in rural America can't afford to offer prescription drug coverage in their retirement plans. The profit margins are so low in rural America. Unfortunately, many people in rural areas have little or no retirement income beyond their Social Security checks. These people are hurting. Many of the 2,600 Montanans losing prescription drug coverage with the termination of Gold Choice—the only managed Medicare care program in our State—don't have enough money of their own to buy Medigap coverage. Medigap is the insurance plan offered by many companies to fill the gap between what Medicare doesn't pay and what Medicare should pay. Maybe people do not have enough money to buy Medigap insurance. That is why many Americans don't have any prescription drug coverage at all. They simply have to hope they do not become ill and, if they do, that they will be able to afford the cost of the drugs their doctors prescribe.

The legislation I am introducing will begin, not totally—but begin to address this problem. We are not creating any new bureaucracies, no new large Government programs. We are simply extending the reach of the Medicaid program to administer drug coverage to our most needy. That is it. This bill provides prescription drug coverage to the elderly whose incomes are 175 percent of the Federal poverty limit. In real terms, that means seniors making up to about $13,500 a year will be provided some prescription drug coverage; $16,800 in the case of couples.

This bill impacts seniors who are less able to pay for their prescription drugs. Consider the following data graciously provided by, and under review at, Health Affairs, the Nation's leading health policy journal.

These numbers are from a study supported by the Commonwealth Fund, a national philanthropic organization engaged in independent research on health and social policy issues, and is the product of the able scholarship of Dr. Jan Blustein, professor at the Wagner School of New York University.

This chart shows the extent to which low-income seniors with hypertension have prescription drug coverage. Hypertension—that is, high blood pressure—is prevalent among the elderly, occurring in better than 50 percent of persons over age 65. As you can see, seniors with hypertension, with incomes between 100 and 125 percent of poverty, only have prescription drug coverage about 65 percent of the time. Again, seniors whose income is between 100 percent and 125 percent of poverty have prescription drug coverage only about 65 percent of the time. Those between 126 percent and 150 percent of poverty, the next line down, fare even worse, receiving drug coverage only about half the time, 55 percent of the time.

Mr. President, 150 percent of poverty is not a lot of money, only about $11,500 a year. There is clearly a need to help these people, and the bill I am introducing today does just that.

Let me be clear in stating this legislation is not intended as a permanent solution to the prescription drug problem. It does not provide stop-loss coverage for beneficiaries whose drug bills measure in the thousands of dollars. And because it uses Medicaid, the legislation uses a delivery mechanism that can differ from State to State in the scope of benefits it provides. But it does provide a benefit to those who need it the most. It is not perfect, but it is a start. Most important, it is an idea that has broad-based support from the public and in the Congress.

The Medicare Commission, although unable to reach a supermajority on its recommendation to fix the program—that is, Medicare—proposed covering drugs for low-income seniors through Medicare. In a recent poll, 86 percent of Americans favored adding a new Medicare drug benefit to cover part of the cost of the prescription drugs.

During the recent debate over tax cuts and the Federal budget, I, with 33 of my colleagues, sent the President a letter urging him to set aside one-third of the on-budget surplus for Medicare. I am pleased he announced his intentions just last week to do that, to fund a prescription drug benefit. Although creating a prescription drug benefit will be expensive, I think inaction is even more costly. In the words of the former President, Calvin Coolidge, "We cannot do everything at once but we can do something at once."

Let's do that something now to help our most vulnerable seniors, help them pay for the drugs that can save their lives.

By Mr. WELLSTONE:

S. 1838. A bill to provide that certain income derived from an agreement between the Bois Forte Band of Chippewa Indians and the State of Minnesota shall not be considered income for purposes of Federal assistance eligibility; to the Committee on Indian Affairs.

INCOME EXEMPTION FROM FEDERAL ASSISTANCE ELIGIBILITY REQUIREMENTS

• Mr. WELLSTONE. Mr President, I am introducing today legislation of great importance to two tribes in Minnesota, the Bois Forte Bank of Chippewa and the Grand Portage Band of Chippewa. This bill would exempt income derived from an agreement between the two bands and the State of Minnesota from being considered as income for purposes of Federal assistance eligibility when the funds from the agreement are distributed to tribal members.

Under current law, most payments to Indians derived from trust resources are exempt from consideration as income or resources for the purposes of determining federal benefits under various Federal or federally assisted programs. Regulations promulgated by various Federal agencies reflect the statutory exemptions for income derived from interests of individual Indians in trust or restricted lands and from payments distributed to tribal members as the result of Indian claims awards. This legislation is to accord similar treatment to payments made to the approximately 2,700 members of the Bois Forte Band and the 790 members of the Grand Portage Band.

In 1988 the two bands entered into an agreement with the state of Minnesota whereby the State agreed to make an annual payment to the bands in exchange for the bands' restriction of their members' hunting and fishing rights. These rights are guaranteed by the treaty of September 30, 1854. From that payment, the Tribal Councils of the Bands make small annual payments to their members. The Bois Forte Band pays each of its members $500 per year, for example. The shares of minors are paid into a trust fund that cannot and disbursed until the minor reaches the age of 18. The shares of adults are paid directly to them.

These payments are intended to compensate the band members for a Federal treaty right that they have elected to forgo in return for these funds. As a result, this constitutes income which is derived from a trust resource. The intent of the Federal law is that such funds—up to a certain level, are not treated as income for purposes of Federal benefit eligibility. This is in recognition of the special status of Indian tribes within the United States, and the trust relationship that the Federal Government maintains to this day. However, while these payments clearly fall within the intent Federal law to protect trust resources, the current statute does not encompass these payments.

The result is that for a small number of band members, approximately 10 percent of the Bois Forte band and currently no members of the Grand Portage Band, this income is of no real benefit because it reduces or eliminates their public assistance payment. These members are all extremely poor, elderly, or disabled. Mr. President, these are people who can least afford to bear the brunt of this loophole in Federal law.

Additionally, Mr. President, these band members see a spike in their income—an extremely small spike mind you—in 1 month out of the year. Does it serve any public purpose to kick them off of Federal assistance in that 1 month, only to require them to reapply in the following month? Their circumstances are not changed by this payment. These funds will not lift anyone out of poverty, they do not replace an income lost to disability or age.

This bill will ensure that members of the Bois Forte and Grand Portage Bands receive fair—though small—compensation for their foregone treaty rights. It is a question of simple equity and I urge my colleagues to support it.•

By Mr. WELLSTONE:

S. 1839. A bill to provide that land which is owned by the Lower Sioux Indian Community in the State of Minnesota but which is not held in trust by the United States for the community may be leased or transferred by the Community without further approval by the United States; to the Committee on Indian Affairs.

APPROVAL NOT REQUIRED TO VALIDATE LAND TRANSACTIONS

• Mr. WELLSTONE. Mr. President, I am introducing legislation today which will allow the Lower Sioux Indian Community of Minnesota to sell non-trust land which falls outside their reservation borders. Enactment of this bill would give the Lower Sioux the same rights as any other landowner: to conduct real estate transactions without an act of Congress.

The Lower Sioux Community has acquired several parcels of land outside its reservation borders. None of these lands are held in trust by the United States. The Community pays state and local property taxes on the land and is not exempted from local zoning ordinances. The Community is treated like any other non-Indian land owner with regard to these parcels under the law—except that federal law requires that Congress approve the sale of land owned in fee simple by Indian tribes. In other words, should the Community wish to engage in almost any kind of land transaction involving these parcels, Congress must pass legislation to allow it to happen.

The Community seeks to have this burden lifted from them. It argues that the Community's development projects are unfairly restricted by this requirement. Indeed, my colleagues know how long it can take for Congress to act on even the most parochial and non-controversial of legislation. Last year, we were successful in passing legislation authorizing the sale of a single parcel of land owned by the Lower Sioux. It passed as part of a technical amendments bill, but the entire process took over six months. All of this for a plot of land no bigger than thirteen acres.

Obviously, such hurdles can make dealing with the Lower Sioux Community complicated and time consuming. Congress could even choose not to act upon a request. This puts the band at a competitive disadvantage relative to other land owners. The Lower Sioux is not a wealthy community. It can ill afford the hassles of pursuing closure in Washington to deals in Minnesota.

This legislation is introduced at the request of the Lower Sioux Community. The legislation does not cover any other tribe besides the Lower Sioux Community, and again, it applies only to land not held in trust by the United States or that is not within the borders of the Community's reservation. This is a narrowly focused bill designed to meet the unique needs and circumstances of the Lower Sioux Community.

Mr. President, this legislation will lower barriers to the Lower Sioux's pursuit of economic opportunities to improve the lives of its members. With that in mind, I believe it is both appropriate and necessary and I urge its adoption.

I ask that a copy of a tribal council resolution in support of the bill be printed in the RECORD.

The material follows:

LOWER SIOUX COMMUNITY COUNCIL RESOLUTION NO. 08-99

Whereas, The Lower Sioux Community Council is the governing body of the Lower Sioux Indian Community in Minnesota, a federally recognized Indian tribe; and

Whereas, The Lower Sioux Community has in the past purchased land in its own name in fee simple for various Community purposes, including the promotion of economic development that would enable the Community and its members to become self-sufficient; and

Whereas, The Community must make additional such purchases in the future for economic development, housing, and other purposes; and

Whereas, There is no certainty that the Community will be able to transfer any of its fee land to the United States to hold in trust for the Community; and

Whereas, Under current federal law, when the Community purchases land in fee it must pay taxes on such land but it is not allowed to transfer, lease, mortgage, or otherwise convey interests in such land without a congressional statute allowing it to do so; and

Whereas, The restrictions on the transfer, lease, and mortgage of Community fee land unfairly burden the Community's development projects, and place the Community in a worse position than any other surrounding landowner.

Now Therefore be it *Resolved* that: The Lower Sioux Community Council urges the Minnesota congressional delegation specifically, and Congress generally, to support legislation that will remove the restrictions on the Community's ability to transfer, lease, mortgage, or otherwise convey interests in land owned by it in fee. The removal of these restrictions will allow the Community to use its fee land in the same manner as any other landowner in order to develop its economy and provide services to its members.●

ADDITIONAL COSPONSORS

S. 345

At the request of Mr. ALLARD, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 670

At the request of Mr. JEFFORDS, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 670, a bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes.

S. 678

At the request of Mrs. FEINSTEIN, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 678, a bill to establish certain safeguards for the protection of purchasers in the sale of motor vehicles that are salvage or have been damaged, to require certain safeguards concerning the handling of salvage and nonrebuildable vehicles, to support the flow of important vehicle information to the National Motor Vehicle Title Information System, and for other purposes.

S. 866

At the request of Mr. CONRAD, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 866, a bill to direct the Secretary of Health and Human Services to revise existing regulations concerning the conditions of participation for hospitals and ambulatory surgical centers under the medicare program relating to certified registered nurse anesthetists' services to make the regulations consistent with State supervision requirements.

S. 1158

At the request of Mr. HUTCHINSON, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1158, a bill to allow the recovery of attorney's fees and costs by certain employers and labor organizations who are prevailing parties in proceedings brought against them by the National Labor Relations Board or by the Occupational Safety and Health Administration.

S. 1187

At the request of Mr. DORGAN, the names of the Senator from Georgia (Mr. COVERDELL) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1327

At the request of Mr. DODD, his name was added as a cosponsor of S. 1327, a bill to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes.

S. 1384

At the request of Mr. ABRAHAM, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1419

At the request of Mr. MCCAIN, the names of the Senator from Maine (Ms. SNOWE), the Senator from Delaware (Mr. ROTH), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Kansas (Mr. ROBERTS), and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. 1419, a bill to amend title 36, United States Code, to designate May as "National Military Appreciation Month".

At the request of Mrs. Murray, her name was added as a cosponsor of S. 1419, supra.

S. 1510

At the request of Mr. McCain, the name of the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 1510, a bill to revise the laws of the United States appertaining to United States cruise vessels, and for other purposes.

S. 1515

At the request of Mr. Hatch, the name of the Senator from South Dakota (Mr. Johnson) was added as a cosponsor of S. 1515, a bill to amend the Radiation Exposure Compensation Act, and for other purposes.

S. 1528

At the request of Mr. Lott, the names of the Senator from Rhode Island (Mr. Reed) and the Senator from Massachusetts (Mr. Kerry) were added as cosponsors of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1547

At the request of Mr. Mack, his name was added as a cosponsor of S. 1547, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

S. 1623

At the request of Mr. Specter, the names of the Senator from Delaware (Mr. Roth) and the Senator from Oregon (Mr. Wyden) were added as cosponsors of S. 1623, a bill to select a National Health Museum site.

S. 1708

At the request of Mr. Moynihan, the name of the Senator from South Carolina (Mr. Hollings) was added as a cosponsor of S. 1708, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to require plans which adopt amendments that significantly reduce future benefit accruals to provide participants with adequate notice of the changes made by such amendments.

S. 1781

At the request of Mr. Levin, the name of the Senator from Michigan (Mr. Abraham) was added as a cosponsor of S. 1781, a bill to amend the Act that established the Keweenaw National Historical Park to require the Secretary of the Interior to consider nominees of various local interests in appointing members of the Keweenaw National Historic Park Advisory Commission.

SENATE CONCURRENT RESOLUTION 63

At the request of Mr. Abraham, the name of the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of Senate Concurrent Resolution 63, a concurrent resolution condemning the assassination of Armenian Prime Minister Vazgen Sargsian and other officials of the Armenian Government and expressing the sense of the Congress in mourning this tragic loss of the duly elected leadership of Armenia.

SENATE RESOLUTION 108

At the request of Mr. Breaux, the names of the Senator from Delaware (Mr. Roth), the Senator from Nebraska (Mr. Hagel), the Senator from Arkansas (Mrs. Lincoln), the Senator from Iowa (Mr. Grassley), and the Senator from New York (Mr. Schumer) were added as cosponsors of Senate Resolution 108, a resolution designating the month of March each year as "National Colorectal Cancer Awareness Month".

SENATE RESOLUTION 128

At the request of Mr. Cochran, the names of the Senator from Montana (Mr. Baucus) and the Senator from Delaware (Mr. Roth) were added as cosponsors of Senate Resolution 128, a resolution designating March 2000, as "Arts Education Month".

SENATE RESOLUTION 196

At the request of Mr. Warner, the names of the Senator from Wisconsin (Mr. Feingold), the Senator from Louisiana (Ms. Landrieu), and the Senator from Arizona (Mr. McCain) were added as cosponsors of Senate Resolution 196, a resolution commending the submarine force of the United States Navy on the 100th anniversary of the force.

* * *

SENATE RESOLUTION 212—TO DESIGNATE AUGUST 1, 2000, AS "NATIONAL RELATIVES AS PARENTS DAY"

Mr. ABRAHAM submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 212

Whereas children are this Nation's most valuable resource;

Whereas the most important responsibility for this Nation's lawmakers and citizens is the protection and care of children;

Whereas in order to ensure the future success of this Nation, children must be taught values that will help them lead happy, healthy, and productive lives;

Whereas the family unit is most suitable to provide the special care and attention needed by children;

Whereas this year, many children will suffer from child abuse, neglect, poor nutrition, and insufficient child care, all of which jeopardize the well-being of young children and the opportunity for a fulfilling and successful adulthood;

Whereas extended family members, willing to open their hearts and homes to children whose immediate families are in crises, play an indispensable role in helping those children heal by providing them with a stable and secure environment in which they can grow and develop;

Whereas approximately 520,000 children are currently under the care and guidance of foster parents—about 150,800, or 29 percent, of whom are children living in foster homes with extended family members who care for these children and provide them with a positive home environment; and

Whereas "National Relatives as Parents Day" is an appropriate occasion to recognize the dedication, compassion, and selflessness of extended family members who willingly assume the often thankless responsibility of providing a relative child with a family and home: Now, therefore, be it

Resolved, That the Senate—

(1) designates August 1, 2000, as "National Relatives as Parents Day"; and

(2) requests that the President issue a proclamation calling on the people of the United States to observe "National Relatives as Parents Day" with appropriate ceremonies and activities.

Mr. ABRAHAM. Mr. President, today I rise to submit my resolution which would recognize August 1st, 2000 as "National Relatives as Parents Day."

Mr. President, last year the state of Michigan and its Governor, John Engler, declared August 1, 1999, as Relatives Raising Relative Children Day in order to recognize the enduring and valuable contributions of those individuals willing to raise relative children as their own sons and daughters. I believe that we should follow the example set by my home State and recognize all of our relatives raising relatives.

Mr. President, my resolution declaring August 1, 2000 as "National Relatives as Parents Day" provides the perfect opportunity to recognize and honor the dedication and compassion of relatives who willingly take on the often thankless responsibility of providing a relative child in need of a family and home.

Mr. President, there is little doubt that children are our Nation's most valuable resource. They are, quite literally, America's future. And, it is our most important responsibility as lawmakers and as citizens to protect and care for our most vulnerable charges.

Mr. President, there is also little doubt that the family plays a vital and irreplaceable role in providing young children with the secure and caring environment necessary to teach them the values integral to leading a happy, healthy and productive life. Mr. President, it is within the family that children best receive the special care and attention necessary for their proper development.

Unfortunately, not all children grow up in a healthy home environment. Too many children will suffer from child abuse or neglect, poor nutrition and insufficient child care, all of which jeopardize the well-being of a young child and his or her opportunity for a fulfilling and successful adulthood. Sadly, in the event that the family unit breaks down, the child cannot remain in his or her existing home situation.

Mr. President, I am pleased to note that there are many individuals willing to open their hearts and homes to children whose families are in crisis. These special people play an indispensable role in helping children heal—providing children with a stable and secure environment in which they can grow and develop into successful adults.

Mr. President, approximately 520,000 children live with foster families—about 150,800, or 29 percent, of whom are children living with relatives who are willing to take in relative children, providing them with guidance and a caring and positive home environment. It is in honor of these individuals that I stand today, for without their selflessness, many of the close to 160,000 children would either remain in unhealthy and unsafe environments or be uprooted and placed in temporary group homes. Relatives who take on the responsibility of parents deserve special recognition for their long-lasting contributions to their children and to the larger community.

It is my hope that all of my colleagues will join with me in recognition of all of this country's relatives, who as parents, have had an incalculable positive impact in the lives of young children in need of a family and home.

SENATE RESOLUTION 213—TO AUTHORIZE TESTIMONY, DOCUMENT PRODUCTION, AND REPRESENTATION OF EMPLOYEES IN THE SENATE

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 213

Whereas, in the case of *Bonnie Mendelson* v. *Delaware River and Bay Authority*, Civil Action No. 98–90–GSL, pending in the U.S. District Court for the District of Delaware, testimony has been requested from David P. Hauck and Julie B. Cardillo, employees of the Congressional Special Services Office, and Bonnie Powell, a former employee of the Congressional Special Services Office;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That David P. Hauck, Julie B. Cardillo, Bonnie Powell, and any other current or former employee of the Senate from whom testimony or document production may be required, are authorized to testify and produce documents in the case of *Bonnie Mendelson* v. *Delaware River and Bay Authority*, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent David P. Hauck, Julie B. Cardillo, Bonnie Powell, and any other current or former employee of the Senate in connection with the testimony and document production authorized in section one.

AMENDMENTS SUBMITTED

AFRICAN GROWTH AND OPPORTUNITY ACT

FEINGOLD AMENDMENTS NOS. 2427–2428

(Ordered to lie on the table.)

Mr. FEINGOLD submitted two amendments intended to be proposed by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

AMENDMENT NO. 2427

Strike sections 111 through 114 and insert the following:

SEC. 111. ENCOURAGING MUTUALLY BENEFICIAL TRADE AND INVESTMENT.

(a) FINDINGS.—Congress makes the following findings:

(1) A mutually beneficial United States Sub-Saharan Africa trade policy will grant new access to the United States market for a broad range of goods produced in Africa, by Africans, and include safeguards to ensure that the corporations manufacturing these goods (or the product or manufacture of the oil or mineral extraction industry) respect the rights of their employees and the local environment. Such trade opportunities will promote equitable economic development and thus increase demand in African countries for United States goods and service exports.

(2) Recognizing that the global system of textile and apparel quotas under the MultiFiber Arrangement will be phased out under the Uruguay Round Agreements over the next 5 years with the total termination of the quota system in 2005, the grant of additional access to the United States market in these sectors is a short-lived benefit.

(b) TREATMENT OF QUOTAS.—

(1) KENYA AND MAURITIUS.—Pursuant to the Agreement on Textiles and Clothing, the United States shall eliminate the existing quotas on textile and apparel imports to the United States from Kenya and Mauritius, respectively, not later than 30 days after each country demonstrates the following:

(A) The country is not ineligible for benefits under section 502(b)(2) of the Trade Act of 1974 (19 U.S.C. 2462(b)(2)).

(B) The country does not engage in significant violations of internationally recognized human rights and the Secretary of State agrees with this determination.

(C)(i) The country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones) as determined under paragraph (5), including the core labor standards enumerated in the appropriate treaties of the International Labor Organization, and including—

(I) the right of association;

(II) the right to organize and bargain collectively;

(III) a prohibition on the use of any form of coerced or compulsory labor;

(IV) the international minimum age for the employment of children (age 15); and

(V) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

(ii) The government of the country ensures that the Secretary of Labor, the head of the national labor agency of the government of that country, and the head of the International Confederation of Free Trade Unions-Africa Region Office (ICFTU–AFRO) each has access to all appropriate records and other information of all business enterprises in the country.

(D) The country is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (d).

(E) The country is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

(F) The cost or value of the textile or apparel product produced in the country, or by companies in any 2 or more sub-Saharan African countries, plus the direct costs of processing operations performed in the country or such countries, is not less than 60 percent of the appraised value of the product at the time it is entered into the customs territory of the United States.

(G) Not less than 90 percent of employees in business enterprises producing the textile and apparel goods are citizens of that country, or any 2 or more sub-Saharan African countries.

(H) The country has established, or is making continual progress toward establishing—

(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise.

(2) OTHER SUB-SAHARAN COUNTRIES.—The President shall continue the existing no quota policy for each other country in sub-Saharan Africa if the country is in compliance with the requirements applicable to Kenya and Mauritius under subparagraphs (A) through (H) of paragraph (1).

(3) TECHNICAL ASSISTANCE.—The Customs Service shall provide the necessary technical assistance to sub-Saharan African countries in the development and implementation of adequate measures against the illegal transshipment of goods.

(4) OFFSETTING REDUCTION OF CHINESE QUOTA.—When the quota for textile and apparel products imported from Kenya or Mauritius is eliminated, the quota for textile and apparel products from the People's Republic

of China for each calendar year in each product category shall be reduced by the amount equal to the volume of all textile and apparel products in that product category imported from all sub-Saharan African countries into the United States in the preceding calendar year, plus 5 percent of that amount.

(5) DETERMINATION OF COMPLIANCE WITH INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—

(A) DETERMINATION.—

(i) IN GENERAL.—For purposes of carrying out paragraph (1)(C), the Secretary of Labor, in consultation with the individuals described in clause (ii) and pursuant to the procedures described in clause (iii), shall determine whether or not each sub-Saharan African country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones).

(ii) INDIVIDUALS DESCRIBED.—The individuals described in this clause are the head of the national labor agency of the government of the sub-Saharan African country in question and the head of the International Confederation of Free Trade Unions-Africa Region Office (ICFTU–AFRO).

(iii) PUBLIC COMMENT.—Not later than 90 days before the Secretary of Labor makes a determination that a country is in compliance with the requirements of paragraph (1)(C), the Secretary shall publish notice in the Federal Register and an opportunity for public comment. The Secretary shall take into consideration the comments received in making a determination under such paragraph (1)(C).

(B) CONTINUING COMPLIANCE.—In the case of a country for which the Secretary of Labor has made an initial determination under subparagraph (A) that the country is in compliance with the requirements of paragraph (1)(C), the Secretary, in consultation with the individuals described in subparagraph (A), shall, not less than once every 3 years thereafter, conduct a review and make a determination with respect to that country to ensure continuing compliance with the requirements of paragraph (1)(C). The Secretary shall submit the determination to Congress.

(C) REPORT.—Not later than 6 months after the date of enactment of this Act, and on an annual basis thereafter, the Secretary of Labor shall prepare and submit to Congress a report containing—

(i) a description of each determination made under this paragraph during the preceding year;

(ii) a description of the position taken by each of the individuals described in subparagraph (A)(ii) with respect to each such determination; and

(iii) a report on the public comments received pursuant to subparagraph (A)(iii).

(6) REPORT.—Not later than March 31 of each year, the President shall publish in the Federal Register and submit to Congress a report on the growth in textiles and apparel imported into the United States from countries in sub-Saharan Africa in order to inform United States consumers, workers, and textile manufacturers about the effects of the no quota policy.

(c) TREATMENT OF TARIFFS.—The President shall provide an additional benefit of a 50 percent tariff reduction for any textile and apparel product of a sub-Saharan African country that meets the requirements of subparagraphs (A) through (H) of subsection (b)(1) and subsection (d) and that is imported directly into the United States from such sub-Saharan African country if the business enterprise, or a subcontractor of the enterprise, producing the product is in compliance with the following:

(1) Citizens of 1 or more sub-Saharan African countries own not less than 51 percent of the business enterprise.

(2) If the business enterprise involves a joint-venture arrangement with, or related to as a subsidiary, trust, or subcontractor, a business enterprise organized under the laws of the United States, the European Union, Japan, or any other developed country (or group of developed countries), or operating in such countries, the business enterprise complies with the environmental standards that would apply to a similar operation in the United States, the European Union, Japan, or any other developed country (or group of developed countries), as the case may be.

(d) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) OBLIGATIONS OF IMPORTERS AND PARTIES ON WHOSE BEHALF APPAREL AND TEXTILES ARE IMPORTED.—

(A) IN GENERAL.—Notwithstanding any other provision of law, all imports to the United States of textile and apparel goods pursuant to this Act shall be accompanied by—

(i)(I) the name and address of the manufacturer or producer of the goods, and any other information with respect to the manufacturer or producer that the Customs Service may require; and

(II) if there is more than one manufacturer or producer, or if there is a contractor or subcontractor of the manufacturer or producer with respect to the manufacture or production of the goods, the information required under subclause (I) with respect to each such manufacturer, producer, contractor, or subcontractor, including a description of the process performed by each such entity;

(ii) a certification by the importer of record that the importer has exercised reasonable care to ascertain the true country of origin of the textile and apparel goods and the accuracy of all other information provided on the documentation accompanying the imported goods, as well as a certification of the specific action taken by the importer to ensure reasonable care for purposes of this paragraph; and

(iii) a certification by the importer that the goods being entered do not violate applicable trademark, copyright, and patent laws.

(B) LIABILITY.—The importer of record and the final retail seller of the merchandise shall be jointly liable for any material false statement, act, or omission made with the intention or effect of—

(i) circumventing any quota that applies to the merchandise; or

(ii) avoiding any duty that would otherwise be applicable to the merchandise.

(2) OBLIGATIONS OF COUNTRIES TO TAKE ACTION AGAINST TRANSSHIPMENT AND CIRCUMVENTION.—The President shall ensure that any country in sub-Saharan Africa that intends to import textile and apparel goods into the United States—

(A) has in place adequate measures to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) will cooperate fully with the United States to address and take action necessary to prevent circumvention of any provision of this section or of any agreement regulating trade in apparel and textiles between that country and the United States.

(3) STANDARDS OF PROOF.—

(A) FOR IMPORTERS AND RETAILERS.—

(i) IN GENERAL.—The United States Customs Service (in this Act referred to as the "Customs Service") shall seek imposition of a penalty against an importer or retailer for a violation of any provision of this section if the Customs Service determines, after appropriate investigation, that there is a substantial likelihood that the violation occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there has been a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

(B) FOR COUNTRIES.—

(i) IN GENERAL.—The President may determine that a country is not taking adequate measures to prevent illegal transshipment of goods or to prevent being used as a transit point for the shipment of goods in violation of this section if the Customs Service determines, after consultations with the country concerned, that there is a substantial likelihood that a violation of this section occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—

(I) IN GENERAL.—If a country fails to cooperate with the Customs Service in an investigation to determine if an illegal transshipment has occurred, the Customs Service shall base its determination on the best available information.

(II) EXAMPLES.—Actions indicating failure of a country to cooperate under subclause (I) include—

(aa) denying or unreasonably delaying entry of officials of the Customs Service to investigate violations of, or promote compliance with, this section or any textile agreement;

(bb) providing appropriate United States officials with inaccurate or incomplete information, including information required under the provisions of this section; and

(cc) denying appropriate United States officials access to information or documentation relating to production capacity of, and outward processing done by, manufacturers, producers, contractors, or subcontractors within the country.

(4) PENALTIES.—

(A) FOR IMPORTERS AND RETAILERS.—The penalty for a violation of any provision of this section by an importer or retailer of textile and apparel goods—

(i) for a first offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 200 percent of the declared value of the merchandise, plus forfeiture of the merchandise;

(ii) for a second offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 400 percent of the declared value of the merchandise, plus forfeiture of the merchandise, and, shall be punishable by a fine of not more than $100,000, imprisonment for not more than 1 year, or both; and

(iii) for a third or subsequent offense, or for a first or second offense if the violation of the provision of this section is committed knowingly and willingly, shall be punishable by a fine of not more than $1,000,000, imprisonment for not more than 5 years, or both, and, in addition, shall result in forfeiture of the merchandise.

(B) FOR COUNTRIES.—If a country fails to undertake the measures or fails to cooperate as required by this section, the President shall impose a quota on textile and apparel goods imported from the country, based on the volume of such goods imported during the first 12 of the preceding 24 months, or shall impose a duty on the apparel or textile goods of the country, at a level designed to secure future cooperation.

(5) APPLICABILITY OF UNITED STATES LAWS AND PROCEDURES.—All provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws, shall apply to imports of textiles and apparel from sub-Saharan African countries, in addition to the specific provisions of this section.

(6) MONITORING AND REPORTS TO CONGRESS.—Not later than March 31 of each year, the Customs Service shall monitor and the Commissioner of Customs shall submit to Congress a report on the measures taken by each country in sub-Saharan Africa that imports textiles or apparel goods into the United States—

(A) to prevent transshipment; and

(B) to prevent circumvention of this section or of any agreement regulating trade in textiles and apparel between that country and the United States.

(e) DEFINITION.—In this section, the term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

SEC. 112. GENERALIZED SYSTEM OF PREFERENCES.

(a) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—Section 503(a)(1) of the Trade Act of 1974 (19 U.S.C. 2463(a)(1)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) ELIGIBLE COUNTRIES IN SUB-SAHARAN AFRICA.—

"(i) IN GENERAL.—

"(I) DUTY-FREE TREATMENT.—Subject to clause (ii), the President may provide duty-free treatment for any article described in subclause (II) that is imported directly into the United States from a sub-Saharan African country.

"(II) ARTICLE DESCRIBED.—

"(aa) IN GENERAL.—An article described in this subclause is an article set forth in the most current Lome Treaty product list, that is the growth, product, or manufacture of a sub-Saharan African country that is a beneficiary developing country and that is in compliance with the requirements of subsections (b) and (d) of section 111 of the African Growth and Opportunity Act, with respect to such article, if, after receiving the advice of the International Trade Commission in accordance with subsection (e), the President determines that such article is not import-sensitive in the context of all articles imported from United States Trading partners. This subparagraph shall not affect the designation of eligible articles under subparagraph (B).

"(bb) OTHER REQUIREMENTS.—In addition to meeting the requirements of division (aa), in the case of an article that is the product or manufacture of the oil or mineral extraction industry, and the business enterprise that produces or manufactures the article is involved in a joint-venture arrangement with, or related to as a subsidiary, trust, or subcontractor, a business enterprise organized under the laws of the United States, the European Union, Japan, or any other developed country (or group of developed countries), or operating in such countries, the business enterprise complies with the environmental standards that would apply to a similar operation in the United States, the European Union, Japan, or any other developed country (or group of developed countries), as the case may be.

"(ii) RULE OF CONSTRUCTION.—For purposes of clause (i), in applying section 111(b)(1) (A) through (H) and section 111(d) of the African Growth and Opportunity Act, any reference to textile and apparel goods or products shall be deemed to refer to the article provided duty-free treatment under clause (i).".

(b) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 505 the following new section:

"SEC. 505A. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"No duty-free treatment provided under this title shall remain in effect after September 30, 2006 in the case of a beneficiary developing country that is a sub-Saharan African country.".

(d) DEFINITIONS.—Section 507 of the Trade Act of 1974 (19 U.S.C. 2467) is amended by adding at the end the following:

"(6) SUB-SAHARAN AFRICAN COUNTRY.—The terms 'sub-Saharan African country' and 'sub-Saharan African countries' mean a country or countries in sub-Saharan Africa, as defined in section 104 of the African Growth and Opportunity Act.

"(7) LOME TREATY PRODUCT LIST.—The term 'Lome Treaty product list' means the list of products that may be granted duty-free access into the European Union according to the provisions of the fourth iteration of the Lome Covention between the European Union and the African-Caribbean and Pacific States (commonly referred to as 'Lome IV') signed on November 4, 1995.".

(e) CLERICAL AMENDMENT.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new item:

"505A. Termination of benefits for sub-Saharan African countries.".

(f) EFFECTIVE DATE.—The amendments made by this section take effect on the date that is 30 days after the date enactment of this Act.

SEC. 113. ADDITIONAL ENFORCEMENT.

A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under subparagraphs (A) through (H) of section 111(b)(1), section 111(c), and section 111(d) of this Act with respect to any sub-Saharan African country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek three times the value of any damages caused by the failure of a country or company to comply. The amount of damages described in the preceding sentence shall be paid by the business enterprise (or business enterprises) the operations or conduct of which is responsible for the failure to meet the standards set forth under subparagraphs (A) through (H) of section 111(b)(1), section 111(c), and section 111(d).

SEC. 114. UNITED STATES-SUB-SAHARAN AFRICAN TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual meetings between senior officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum (in this section referred to as the "Forum").

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) FIRST MEETING.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa.

(2) NONGOVERNMENTAL ORGANIZATIONS.—

(A) IN GENERAL.—The President, in consultation with Congress, shall invite United States nongovernmental organizations to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) PRIVATE SECTOR.—The President, in consultation with Congress, shall invite United States representatives of the private sector to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) ANNUAL MEETINGS.—As soon as practicable after the date of enactment of this Act, the President shall meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph (1).

AMENDMENT NO. 2428

Strike sections 111 and 112, and insert:

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) AUTHORITY TO DESIGNATE.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 104 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities;

"(C) is taking adequate measures to prevent illegal transshipment of goods that is carried out by routing, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (c) of section 112 of the African Growth and Opportunity Act;

"(D) is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement; and

"(E) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

"(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 104 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 115 of the African Growth and Opportunity Act.

"(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

"SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

"506A. Designation of sub-Saharan African countries for certain benefits.
"506B. Termination of benefits for sub-Saharan African countries.".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) the country is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (c); and

"(2) the country is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) OBLIGATIONS OF IMPORTERS AND PARTIES ON WHOSE BEHALF APPAREL AND TEXTILES ARE IMPORTED.—

(A) IN GENERAL.—Notwithstanding any other provision of law, all imports to the United States of textile and apparel goods pursuant to this Act shall be accompanied by—

(i)(I) the name and address of the manufacturer or producer of the goods, and any other information with respect to the manufacturer or producer that the Customs Service may require; and

(II) if there is more than one manufacturer or producer, or if there is a contractor or subcontractor of the manufacturer or producer with respect to the manufacture or production of the goods, the information required under subclause (I) with respect to each such manufacturer, producer, contractor, or subcontractor, including a description of the process performed by each such entity;

(ii) a certification by the importer of record that the importer has exercised reasonable care to ascertain the true country of origin of the textile and apparel goods and the accuracy of all other information provided on the documentation accompanying the imported goods, as well as a certification of the specific action taken by the importer to ensure reasonable care for purposes of this paragraph; and

(iii) a certification by the importer that the goods being entered do not violate applicable trademark, copyright, and patent laws.

(B) LIABILITY.—The importer of record and the final retail seller of the merchandise shall be jointly liable for any material false statement, act, or omission made with the intention or effect of—

(i) circumventing any quota that applies to the merchandise; or

(ii) avoiding any duty that would otherwise be applicable to the merchandise.

(2) OBLIGATIONS OF COUNTRIES TO TAKE ACTION AGAINST TRANSSHIPMENT AND CIRCUMVENTION.—The President shall ensure that any country in sub-Saharan Africa that intends to import textile and apparel goods into the United States—

(A) has in place adequate measures to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) will cooperate fully with the United States to address and take action necessary to prevent circumvention of any provision of this section or of any agreement regulating trade in apparel and textiles between that country and the United States.

(3) STANDARDS OF PROOF.—

(A) FOR IMPORTERS AND RETAILERS.—

(i) IN GENERAL.—The United States Customs Service (in this Act referred to as the "Customs Service") shall seek imposition of a penalty against an importer or retailer for a violation of any provision of this section if the Customs Service determines, after appropriate investigation, that there is a substantial likelihood that the violation occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there has been a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

(B) FOR COUNTRIES.—

(i) IN GENERAL.—The President may determine that a country is not taking adequate measures to prevent illegal transshipment of goods or to prevent being used as a transit point for the shipment of goods in violation of this section if the Customs Service determines, after consultations with the country concerned, that there is a substantial likelihood that a violation of this section occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—

(I) IN GENERAL.—If a country fails to cooperate with the Customs Service in an investigation to determine if an illegal transshipment has occurred, the Customs Service shall base its determination on the best available information.

(II) EXAMPLES.—Actions indicating failure of a country to cooperate under subclause (I) include—

(aa) denying or unreasonably delaying entry of officials of the Customs Service to investigate violations of, or promote compliance with, this section or any textile agreement;

(bb) providing appropriate United States officials with inaccurate or incomplete information, including information required under the provisions of this section; and

(cc) denying appropriate United States officials access to information or documentation relating to production capacity of, and outward processing done by, manufacturers, producers, contractors, or subcontractors within the country.

(4) PENALTIES.—

(A) FOR IMPORTERS AND RETAILERS.—The penalty for a violation of any provision of this section by an importer or retailer of textile and apparel goods—

(i) for a first offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 200 percent of the declared value of the merchandise, plus forfeiture of the merchandise;

(ii) for a second offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 400 percent of the declared value of the merchandise, plus forfeiture of the merchandise, and, shall be punishable by a fine of not more than $100,000, imprisonment for not more than 1 year, or both; and

(iii) for a third or subsequent offense, or for a first or second offense if the violation of the provision of this section is committed knowingly and willingly, shall be punishable by a fine of not more than $1,000,000, imprisonment for not more than 5 years, or both, and, in addition, shall result in forfeiture of the merchandise.

(B) FOR COUNTRIES.—If a country fails to undertake the measures or fails to cooperate as required by this section, the President shall impose a quota on textile and apparel goods imported from the country, based on the volume of such goods imported during the first 12 of the preceding 24 months, or shall impose a duty on the apparel or textile goods of the country, at a level designed to secure future cooperation.

(5) APPLICABILITY OF UNITED STATES LAWS AND PROCEDURES.—All provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws, shall apply to imports of textiles and apparel from sub-Saharan African countries, in addition to the specific provisions of this section.

(6) MONITORING AND REPORTS TO CONGRESS.—Not later than March 31 of each year, the Customs Service shall monitor and the Commissioner of Customs shall submit to Congress a report on the measures taken by each country in sub-Saharan Africa that imports textiles or apparel goods into the United States—

(A) to prevent transshipment; and

(B) to prevent circumvention of this section or of any agreement regulating trade in textiles and apparel between that country and the United States.

(d) ADDITIONAL ENFORCEMENT.—A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under section 506A(a)(1) (C) and (D) of the Trade Act of 1974 and subsection (c) of this section, with respect to any sub-Saharan African country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek three times the value of any damages caused by the failure of a country or company to comply. The amount of damages described in the preceding sentence shall be paid by the business enterprise (or business enterprises) the operations or conduct of which is responsible for the failure to meet the standards set forth under subparagraphs (A) through (E) of section 506A(a)(1) of the Trade Act of 1974 and subsection (c) of this section.

(e) DEFINITION.—In this section, the term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(f) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000 and shall remain in effect through September 30, 2006.

HOLLINGS AMENDMENT NO. 2429

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until—

(1) the President has negotiated with that country a side agreement concerning a side agreement concerning the environment, similar to the North American Environment Cooperation Agreement; and

(2) submitted that agreement to the Congress.

LANDRIEU AMENDMENT NO. 2430

(Ordered to lie on the table.)

Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATIONS ON PREFERENTIAL TREATMENT.

Notwithstanding any other provision of law, the President may not exercise the authority to extend preferential tariff treatment to any country in sub-Saharan Africa provided for in this Act, unless the President determines that the per capita gross national product of the country (calculated on the basis of the best available information including that of the International Bank for Reconstruction and Development) is not more than 5 times the average per capita gross national product of all sub-Saharan African countries eligible for such preferential tariff treatment under the Act.

NOTICE OF HEARING

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that an executive session of the Senate Committee on Health, Education, Labor, and Pensions will be held on Wednesday, November 3, 1999, 9:30 a.m., in SD-430 of the Senate Dirksen Building. The following is the committee's agenda.

1. S. 1114, The Federal Mine Safety and Health Act of 1999;
2. S. 1809, The Developmental Disabilities Assistance and Bill of Rights Act of 1999; and
3. Presidential nominations.

ADDITIONAL STATEMENTS

EITELJORG FELLOWSHIP FOR NATIVE AMERICAN FINE ART

• Mr. BAYH. Mr. President, as November has been designated Native American History Month, I am honored to congratulate a museum in my own state for its efforts to recognize Native American artists and encourage the creation of new Native American fine art. The Eiteljorg Museum of American Indians and Western Art recently launched an unprecedented 10-year program to strengthen the recognition and study of Native American artists who are making a valuable contribution to our nation's fine arts. The long-term goal of the program is to create a national alliance of scholars, curators, artists, teachers, and collectors who would further the notice and study given to Native American fine artists.

Under the leadership of John Vanausdall, the museum's president and CEO, an international jury of scholars was appointed to select the first year's fellows and master artist from 106 qualified nominees. Jurors included: Gerald R. McMaster (Plains Cree), curator of contemporary Indian art at the Canadian Museum of Civilization; Bruce Bernstein, assistant director for cultural resources at the National Museum of the American Indian; and Kay WalkingStick (Cherokee), artist and professor of fine art at Cornell University.

On November 13, the first five recipients of the Eiteljorg Fellowship of Native American Fine Art will travel to the Eiteljorg Museum where they will receive national acclaim. They will each be presented with a fellowship award of $20,000 and participate in the opening events for an exhibition of their art. I am pleased to announce the inaugural winners: Lorenzo R. Clayton (Navajo), Truman Lowe (Ho Chunk), Marianne Nicolson (Kwakwaka'wakw), Rick Rivet (Métis/Dene), and Jaune Quick-to-See Smith (Flathead). In addition, George Morrison (Chippewa) was named a master artist. I urge Americans to visit the exhibition which will be on view at the Eiteljorg Museum, located in the beautiful White River State Park in Indianapolis from November 13, 1999 through January 23, 2000.

I commend the Eiteljorg Museum for conceiving this long-overdue honor to Native American artists. This wonderful program is due to the generosity of the Indianapolis-based Lilly Foundation, Inc. which has directed $490,000 to this worthy endeavor. Thanks to the efforts of the Eiteljorg Museum and Lilly, the future is bright for Native American artists, as this program will award $100,000 to five artists every two years. Our state is fortunate for their vision and I am honored to recognize their efforts in promoting Native American Art and preserving the culture of Native Americans.•

TRIBUTE TO MARC HULL

• Mr. JEFFORDS. Mr. President, it is with much pride, and a little sadness, that I rise today to pay tribute to one of Vermont's outstanding leaders in education. Marc Hull, who recently resigned his post as Commissioner of Education in my home state, deserves both praise and gratitude for all he has accomplished for the children and youth of Vermont.

At a time when education rightly tops the state and national agenda, we have been fortunate to have his services. Marc has effectively advanced the education agenda of Vermont through his dedication and perseverence in making sure that every child achieves his or her highest potential, by setting high standards and giving children and teachers the means to reach them. To do so, he developed the Vermont Framework of Standards which is serving as the guide for improving the performance of all Vermont schools, and most importantly the performance of Vermont's students.

I also want to take this opportunity to salute Marc for his prior service to Vermont as Director of Special Education. He has consistently spoken for those who at one time had no voice and helped individuals advocate for themselves and their children. For years he has labored tirelessly to provide appropriate education programs for children with disabilities.

But despite these important positions and titles, I think of Marc as first and foremost a teacher. He has certainly taught me, and I think he has probably touched and inspired everyone around him.

I am especially fond of the example that stemmed from his visit to Washington, D.C. this spring: Marc had led Vermont's efforts to implement the federal Ed Flex law, and was invited by the President to attend the signing ceremony in the Rose Garden. At the ceremony, the President graciously gave Marc one of the pens he used to sign the legislation. For most of us, the story would have stopped there, as the pen gathered dust on our bookshelf or in a drawer. Not so for Marc. He took the pen with him to classrooms throughout Vermont so that hundreds of students had the thrill of writing a word or two with the pen the President used to sign the Ed Flex legislation. As usual, their comments were priceless, ranging from "This must be worth millions!" to "Can I use it to write my name in my baseball cap?"

Marc Hull has written his name into the fabric of our state. With compassion for all whom he served, unique leadership skills and unsurpassed creativity, Marc has worked to make Vermont schools the best they can be. I am pleased that while he has left his post as Commissioner, he will not leave the field of education. And wherever he works, I know he will continue to have an impact on helping children to reach higher.

His integrity, humility and humanity make Marc Hull a wonderful advisor, a good friend and an asset to the nation. He's not a bad politician either, in the best sense of the word. Throughout my term as chairman of the Senate's education committee I have relied on his good counsel. Though he will never get proper credit, his influence has been felt far beyond the Green Mountains. I thank him, I wish him well, and I plan to continue learning from him.•

ON THE RETIREMENT OF JAMES B. EDWARDS

• Mr. HOLLINGS. Mr. President, it gives me great pleasure today to recognize my friend Dr. Jim Edwards, who recently retired as president of the Medical University of South Carolina after a distinguished 17-year tenure. Thanks to his hard work and dedication, MUSC is now consistently ranked as one of the top 100 research universities in the country and has established itself as a leader in teaching and patient care.

Since Dr. Edwards took the helm at MUSC, the university has graduated more than 10,000 health care professionals who are serving throughout the state and nation. The university also experienced remarkable physical growth under his leadership with the construction of several valuable facilities including the Children's Hospital, the Hollings Cancer Center, the Gazes Institute for Cardiac Research and the Strom Thurmond Biomedical Research Center. The Charleston area is fortunate to have MUSC in its midst. The area's largest employer, MUSC has an impressive economic impact of $1.3 billion annually.

Dr. Edwards' vision and drive that helped place MUSC in the medical forefront are talents he developed during the previous two decades as a public servant. He became a politician for all the right reasons. He was the archetypal man fed up with America's ills, but with the uncommon belief that it was his duty to correct them.

A successful oral surgeon, Jim served for two years in the South Carolina Senate before resigning to run for governor in 1974. Although the underdog in the race, he emerged the victor, becoming the first Republican governor of South Carolina since Reconstruction. As governor, he passed the Education Finance Act, which helped modernize our state's education system. He also established a reserve fund, created a motor vehicle management office, streamlined the state budgeting process, developed welfare reform procedures, established the Energy Research Institute and launched state government reorganization efforts.

His nonpartisan approach to state government was commendable. "I sincerely believe that during a campaign you ought to be partisan as you can be," he told The State newspaper recently, "and talk about the differences of the two parties. There's plenty there to talk about. . . . But when elected, all this partisan stuff should stop. You ought to work together with whomever the people elected to work with you in government." Democrats far outnumbered Republicans in the South Carolina legislature when Jim was governor, yet representatives from both parties have compliments to bestow upon him to this day. He left the Governor's Mansion with an approval rating of nearly 80 percent.

A year after Dr. Edwards returned to his dental practice, President Reagan asked him to serve as the nation's energy secretary. True to his commitment to public service, Jim answered the call, moving to Washington to tackle an important national issue. During his tenure, the DOE decontrolled oil, stepped up the pace for filling the Strategic Petroleum Reserve, obtained federal aid for three synthetic fuel projects and shepherded a nuclear waste measure through Congress. In 1982, he moved back to South Carolina and assumed the presidency at MUSC.

Dr. Jim Edwards' retirement marks an end to the career of one of South Carolina's finest. His impact will be felt for many years to come. My wife, Peatsy, joins me in wishing Jim and his wonderful wife, Ann, a happy retirement.•

THE VERY BAD DEBT BOXSCORE

• Mr. HELMS. Mr. President, at the close of business Friday, October 29, 1999, the Federal debt stood at $5,679,726,662,904.06 (Five trillion, six hundred seventy-nine billion, seven hundred twenty-six million, six hundred sixty-two thousand, nine hundred four dollars and six cents).

One year ago, October 29, 1998, the Federal debt stood at $5,559,428,000,000 (Five trillion, five hundred fifty-nine billion, four hundred twenty-eight million).

Fifteen years ago, October 29, 1984, the Federal debt stood at $1,599,006,000,000 (One trillion, five hundred ninety-nine billion, six million).

Twenty-five years ago, October 29, 1974, the Federal debt stood at $480,331,000,000 (Four hundred eighty billion, three hundred thirty-one million) which reflects a debt increase of more than $5 trillion—$5,199,395,662,904.06 (Five trillion, one hundred ninety-nine billion, three hundred ninety-five million, six hundred sixty-two thousand, nine hundred four dollars and six cents) during the past 25 years.•

IN RECOGNITION OF UNITED AUTOMOBILE WORKERS LOCAL 599

• Mr. LEVIN. Mr. President, I rise today to recognize the 60th anniversary of the chartering of United Automobile Workers Local 599, which is located in Flint, Michigan.

UAW Local 599 received its charter on January 10, 1939. During the 60 years since its founding, Local 599 members have been powerful advocates for the rights of working men and women and their families. Local 599 has helped to improve the living standards of its members by successfully fighting for fair wages; sick, accident and life insurance; workers compensation; unemployment compensation; and education and training opportunities. In addition to the success Local 599 has achieved for its members and their families, the men and women of the Local have been deeply involved in the life of the Flint community by supporting countless civic and charitable activities.

UAW Local 599 has truly played an important role in the history of the labor movement. I know my colleagues join me in extending sincere congratulations to the past and present members of Local 599, as they celebrate the 60th anniversary of its founding.•

RECOGNITION OF MAJOR TIM COY

• Mr. ALLARD. Mr. President, today, I would like to recognize an individual that has been a tremendous asset to my office—Maj. Tim Coy. For the past year, Major Coy has been an Air Force Legislative Fellow in my office. He has proven to be a professional officer, who handles any task he is given with enthusiasm and tenacity.

A year ago I requested a sharp military officer be assigned to my staff because of my new position on the Senate Armed Services Committee. Once we interviewed Tim, we knew that his extensive space and missile expertise would benefit my committee assignments, and his knowledge of Colorado would also be invaluable.

From Tim's first day in the office, he blended in with my talented staff and went to work. He assisted in all areas of the office. He played a major role with our defense team on committee work, floor speeches, and became a point person for missile defense issues. Just as important, he became more than a one year staffer, but a friend to us all.

In closing, Tim is an exceptionally capable and professional military officer. He is the very first fellow I have hired, and one of the reasons I look forward to bringing in another fellow for next year. He has a bright future in the Air Force and I know I will be hearing great things about him in the future. Not only was I proud to have Maj. Tim Coy as a "member" of my staff, but he also did the Air Force proud.•

TRIBUTE TO LEO MARSHALL

• Mr. BIDEN. Mr. President, under the daily 24-hour assault of our highly competitive news media, constantly in search of the latest event and the most readily available personality, it would be easy to confuse leadership with celebrity. However, there are in every community, men and women whose names are rarely found in the headlines and whose faces rarely appear on the television screen, but who nevertheless contribute real leadership day in and day out.

In my state of Delaware, one of those invaluable if rarely recognized leaders is Wilmington City Clerk, and Democratic City Chairman, Leo Marshall. A Wilmington native and a lifelong Wilmington resident, Leo Marshall does not often make the morning headlines or the evening broadcast news, but he is easily familiar to many Wilmingtonians because he never joined the migration to the suburbs that drained the energies and economies of many of our older cities—he has lived and served among them for four eventful decades.

Leo Marshall is, in many ways, the "Mr. Wilmington" of an older and increasingly diverse city he has helped to guide through the social and economic challenges that have marked our urban landscape from the confrontations of the Sixties to, in Wilmington's case, the dawning rebirth of the Nineties. He would be the last to claim major credit for the city's successes; he will tell you that the city has survived and got to its feet again at the hands of a succession of progressive city administrations—but knowledgeable Wilmingtonians will tell you Leo Marshall has built and maintained the strong political structure that has made progress possible in the relatively small city that is nevertheless Delaware's largest and most thoroughly urban community.

Like another Democrat prominently in the news today, Leo Marshall first came to public notice with a basketball in his hands, but as a proud product of Wilmington's still highly coherent Polish-American community, he was not willing to stop there. He turned his attention to city government, and the same intelligence and fiercely competitive spirit that had been so evident on the basketball court soon marked him as a leader in the rough-and-tumble of city politics.

He was and is a frankly partisan Democrat, and he has made Wilmington a Democratic stronghold in most of our elections; but he has always reserved his most intense partisanship for his city itself. He never loses sight of the city's interests, and he will vigorously defend them against all comers, regardless of party. Those of us who encounter him as Democrats learn quickly, if we expect to enjoy the relationship, that Leo Marshall will almost invariably be found among the most progressive of Democrats when it comes to issues or candidates, local, state or national—but only when he is assured that the city's interests have been taken into constructive consideration. In those cases, he is capable of being a statesman who can help pull a party, a city or a state together; but if he feels the city is being attacked or neglected, he takes off the frock coat and rolls up his sleeves—and his opponents rarely enjoy the contest that ensues.

If it sounds like I am characterizing Leo Marshall as an old-fashioned "city boss," there is some truth to that notion; he came to party leadership out of the tradition of bare-knuckle ward politics that was the hallmark of most American cities of the day. But he has survived and successfully carried his leadership into a far different day because he has proved to be a boss with a difference—in a city significantly and persistently marked by rapid and challenging social and economic changes, he has been able to adapt his outlook, his leadership and his party to one major transition after another to the benefit of both his party and his community.

Such adaptable behind-the-scenes party leadership invites a consideration of the current state of our political parties. Much is said these days of how "entrepreneurial politics" has reduced our parties to mere shadows of their former selves, and those of us who must regularly place our records and our hopes for the future before the judgment of our constituents are well aware that that analysis comes uncomfortably close to the truth. Replacing party conventions with primary elections, struggling to meet the staggering costs of campaigning and coping with a swollen press corps that dogs our tracks at all seasons has inevitably thrown onto the shoulders of individual candidates much of the burden that historically was borne by the political parties.

But we should not let that fact blind us to the continuing contribution our political parties make to our national life. They remain the institutions that embody the political values we place before the voters when we campaign for office. They still provide the structure upon which our whole political system is based. They may not wield the overwhelming political influence they once possessed—and most of us would agree that they should not—but they are not without identity, they are not without purpose, and they are not without continuing value. They deserve our continuing attention, and leaders who maintain them to serve our nation's political life—leaders like Leo Marshall who have adapted those parties to the realities of our day—deserve our thanks and our admiration.

Mr. President, the great American humorist Will Rogers was as wise as he was amusing, and never more so than when he said, "God will look you over, not for medals, diplomas or degrees—but for scars!" Wilmington's Leo Marshall need fear no such examination; he bears the honorable scars of many a political battle, all of them acquired in the service of his city and his party, but also on behalf of his state and nation. He does not often make the headlines, but he has made his mark on the history of his community, and that is the truest legacy of leadership.●

COMMENDATION OF DR. SWEET

• Mr. DEWINE. Mr. President, I rise to commend the services of David Sweet, who is ending his term of the Northeast-Midwest Institute's Board of Directors. David is a distinguished Ohioan, who has helped to enhance the economic vitality and environmental quality of my State and the Northeast-Midwest region.

Dr. Sweet has been dean of the Levin College of Urban Affairs at Cleveland State University since 1978. He has expanded that institution and developed it into a well-respected research center that focuses on public service. Before joining Cleveland State, David served in several high-ranking positions within Ohio's State government. He was a member of the Public Utilities Commission, director of the Department of Economic and Community Development, chairman of the Ohio Energy Emergency Commission, and secretary of the Ohio Developmental Financing Commission.

David actually served four 3-year terms on the Northeast-Midwest Institute's Board of Directors, and he was elected chairman from 1995 to 1998. He has provided stable leadership, offered a wealth of ideas, and advanced the Institute's credibility. The Northeast-Midwest Institute provides policy research for the bipartisan Northeast-Midwest Senate Coalition and its Great Lakes Task Force, which I co-chair with Senator CARL LEVIN of Michigan.

Mr. President, I again want to commend David Sweet for his service on the board of the Northeast-Midwest Institute. He has provided valued counsel and helped increase that organization's reputation and effectiveness.●

TRIBUTE TO BRIGADIER GENERAL LINDA J. STIERLE

• Mr. INOUYE. Mr. President, I would like to take a moment to honor Brigadier General Linda J. Stierle as she retires after twenty-nine years of active duty service in the United States Air Force. General Stierle culminates her distinguished career as the Director of Medical Readiness and Nursing Services in the Office of the Air Force Surgeon General. She is the first Nurse Corps officer to be appointed as the Director of Medical Readiness for the Air Force Medical Service. Under her direction, the medical readiness doctrine has been reengineered to be faster, lighter, and more responsive to the needs of the fighting force. Thanks to her extraordinary leadership, the Air Force Medical Service is positioned to fully support the Air Force's new Expeditionary Air Force structure in meeting current and future contingencies.

General Stierle's distinguished career began in 1970 when she received a direct commission in the Air Force Nurse Corps as a second lieutenant. Highlights of her diverse and challenging career include serving as Director of the Department of Nursing at two of the Air Force's largest medical centers—David Grant USAF Medical Center, Travis Air Force Base, California, and Wilford Hall USAF Medical Center, Lackland Air Force Base, Texas. Prior to her current position, she served as the Command Nurse, Office of the Command Surgeon, Air Mobility Command, Scott Air Force Base, Illinois, where she provided leadership and oversight of nursing services for 12 medical treatment facilities and the worldwide Aeromedical Evacuation System.

Mr. President, more than fifty years ago, as I was recovering in a military hospital, I began a unique relationship with military nurses. General Stierle embodies what I know military nurses to be—strong, professional leaders who are committed to serve their fellow comrades in arms and their country. General Stierle's many meritorious awards and decorations demonstrate her contributions in a tangible way, but it is the legacy she leaves behind for the Air Force Nurse Corps for which we are most appreciative. It is with pride that I congratulate General Stierle on her outstanding career of exemplary service.●

AUTHORIZING OF SENATE REPRESENTATION

Mr. FITZGERALD. Mr. President, I ask consent the Senate now proceed to the immediate consideration of S. Res. 213, submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 213) to authorize testimony, document production, and representation of employees in the Senate in Bonnie Mendelson v. Delaware River and Bay Authority.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, this resolution concerns a request for testimony in a civil action pending in the U.S. District Court for the District of Delaware. The plaintiff in this case is a former sign-language interpreter for the Congressional Special Services Office. The case concerns injuries sustained by the plaintiff while a private passenger aboard a ferryboat.

This resolution would permit former coworkers of the plaintiff's on the Congressional Special Services staff to testify about the effect of the plaintiff's injuries on her ability to perform her work at the Senate.

Mr. FITZGERALD. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 213) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 213

Whereas, in the case of *Bonnie Mendelson* v. *Delaware River and Bay Authority*, Civil Action No. 98-90-GSL, pending in the U.S. District Court for the District of Delaware, testimony has been requested from David P. Hauck and Julie B. Cardillo, employees of the Congressional Special Services Office, and Bonnie Powell, a former employee of the Congressional Special Services Office;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the administrative or judicial process, be taken from such control of possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That David P. Hauck, Julie B. Cardillo, Bonnie Powell, and any other current or former employee of the Senate from whom testimony or document production may be required, are authorized to testify and produce documents in the case of *Bonnie Mendelson* v. *Delaware River and Bay Authority*, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent David P. Hauck, Julie B. Cardillo, Bonnie Powell, and any other current or former employee of the Senate in connection with the testimony and document production authorized in section one.

ORDER OF PROCEDURE

Mr. FITZGERALD. Mr. President, I ask unanimous consent that with respect to the time controlled by the Democratic leader on the D.C./Labor appropriations conference report, the 15 minutes be allocated as follows: 5 minutes each for Senators DURBIN, HARKIN, and LAUTENBERG.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, NOVEMBER 2, 1999

Mr. FITZGERALD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Tuesday, November 2. I further ask consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the conference report to accompany the D.C./Labor-HHS appropriations bill under the previous time agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FITZGERALD. Further, I ask consent the Senate stand in recess from the hours of 12:30 p.m. to 2:15 p.m. for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FITZGERALD. I further ask consent that with respect to the African trade/CBI bill, Senators have until 10 a.m. to file second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FITZGERALD. For the information of all Senators, at 9:30 a.m. on Tuesday, the Senate will immediately begin 30 minutes of debate on the conference report to accompany the D.C./Labor-HHS appropriations bill. Following the debate, the Senate will proceed to a vote on the conference report which will be followed by possibly two cloture votes in relation to the African trade bill. Therefore, Senators can anticipate up to three stacked votes at approximately 10 a.m. It is expected cloture will be invoked and the Senate will begin the 30-hours of postcloture debate on the CBI/African trade bill.

The leader has indicated he hopes to complete action on the trade bill this week.

ADJOURNMENT UNTIL 9:30 TOMORROW

Mr. FITZGERALD. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 5:33 p.m., adjourned until Tuesday, November 2, 1999, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Monday, November 1, 1999*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. THORNBERRY).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 1, 1999.

I hereby appoint the Honorable MAC THORNBERRY to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2303. An act to direct the Librarian of Congress to prepare the history of the House of Representatives, and for other purposes.

The message also announced that the Senate has passed a bill of the following title in which concurrence of the House is requested:

S. 1791. An act to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Illinois (Mr. WELLER) for 5 minutes.

ACCOMPLISHMENTS OF THE REPUBLICAN MAJORITY

Mr. WELLER. Mr. Speaker, it is my privilege to represent one of our Nation's most diverse congressional districts. I represent the South Side of Chicago, the south suburbs in Cook and Will Counties, a lot of bedroom communities and a lot of cornfields and farm towns, too. When you represent such a diverse district, city, suburbs, and country, you have to learn to listen.

I find there is one very common message that I hear back home. I heard it back in 1994 when I was elected and they sent me here to change how Washington works. I continue to hear it. They want us to work together to meet the challenges that we face here in Washington, as well as at home.

I am pretty proud that over the last 4½ years this Republican majority has worked to keep our commitments to change how Washington works. When we think about it, when we came to Washington the Congress, which was controlled by the Democrats at that time, passed the biggest tax increase in the history of our country. It was considering having a government takeover of our health care system. We had massive deficits of $200 to $300 billion a year.

When we think about it, there have been fundamental changes that have occurred since then. In fact, in the last 4½ years, this Republican Congress has done some things we were told we could not do.

We have balanced the budget for the first time in 28 years. That is now producing an estimated $3 trillion surplus of estimated money.

We cut taxes for the middle class for the first time in 16 years. Now 3 million children in my State of Illinois now qualify for that $500 per child tax credit.

We have reformed welfare for the first time in a generation. The welfare rolls in Illinois have dropped by one-half.

We tamed the tax collector, reforming the IRS, shifting the burden of proof off the backs of the taxpayer and onto the IRS. That is pretty good.

Of course, in this Republican majority we are now committed to moving forward with a better agenda, an agenda to help our local schools, keep the budget balanced, pay down our national debt, strengthen social security and Medicare, and of course, lower the tax burden for working families.

That is our commitment, because we are responding to questions that I hear back at home at the union hall and the VFW, the local Chamber of Commerce. People often ask me, when are you folks going to make another change in Washington? Now that you have balanced the budget, when are you going to stop the raid on social security?

Ever since LBJ needed to finance the Vietnam War effort and grow government with the Great Society, Washington has dipped into the social security trust fund to spend on other things. In our Republican balanced budget, we want to set aside 100 percent of social security for social security.

I am disappointed to note that in the President's budget, he only wants to set aside 62 percent, meaning that he wants to spend 38 percent of social security on other things. If we add that all up, over 10 years, that raid on social security totals $340 billion.

I am also asked back home, when are folks going to start talking about paying down the national debt? I am pretty proud that last year we paid down $50 billion of the national debt, above and beyond what was expected. This year we are going to pay down $100 billion of the national debt, above and beyond what is expected.

Under the Republican balanced budget, we pay down over $2.2 trillion of the national debt, over two-thirds of the national debt, over the next 10 years. That is progress, paying down the national debt.

I am also often asked, what about taxes? Taxes are too high. Forty percent of the average family's income goes to government today. Twenty-one percent of our economy is consumed by the Federal Government. That tax burden is too high, too unfair, too complicated.

Unfortunately, the President vetoed our effort to eliminate the marriage tax penalty on married working couples, to eliminate the death tax on family farmers, family businesses, because he wanted to spend the money. Now he says he wants to raise taxes by $238 billion so he can spend more. That is really what we are getting down to in the last few days of this session of Congress. We are getting down to some real fundamental issues.

If we look at the President's budget and the Democratic budget, as well as the Republican budget, there is a big difference. We had a key vote last week. We chose between government waste and social security. We made a commitment that we are willing to cut waste, fraud, and abuse in government by 1 percent, reducing the Federal budget 1 cent on the dollar in order to stop the raid on social security.

That is a fundamental, key vote, because when we think about it, do we want to waste our dollars, or protect social security? We voted in the Republican majority to save social security.

What I was very concerned about is recently the leader of the Democrats,

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the gentleman from Missouri (Mr. GEPHARDT) said, and I will quote, "I understand that there is a feeling now that since we have a surplus and since we have to get ready for the baby boomers, that we really ought to try to spend as little bit as possible." What is interesting is he is saying he is willing to spend social security on other things.

Our commitment is to stop the raid on social security. That is an important commitment, because when folks pay into their retirement security plan, called social security, they expect when it is their turn it is going to be there. Washington has been raiding the social security trust fund for far too long.

I was very pleased to note that the Chief of Staff to the President understands what we want to do. The Republicans' key goal is not spend the social security surplus.

Let us work together. We can work in a bipartisan way. Let us stop the raid on social security, let us balance the budget and stop the raid on social security.

THE AFFORDABLE PRESCRIPTION DRUGS ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, many of us have come to the House floor one after another talking about lowering the high cost of prescription drugs, especially for the elderly and underinsured. Unfortunately, Republicans have simply refused to join Democrats to fight the drug companies and reduce these high prices and help protect public health.

Let us look at the numbers. More than 75 percent of Medicare beneficiaries have no coverage or inadequate MediGap coverage for prescription drugs. At least one-third of Medicare beneficiaries have no drug coverage at all. Forty-four million Americans do not have health insurance. That means they also, obviously, do not have coverage to help pay the high cost of prescription drugs.

Meanwhile, drug companies charge Americans higher prices, in many cases twice as high, sometimes three times, four times, five times as high, compared to prices paid by the citizens of any other industrialized Nation.

An average dosage, 60 tablets of Zocor for high cholesterol, costs $44 in Canada and $102 in the United States. One month's supply of Tamoxifen for breast cancer sells for $156 in the United States and only $12 in Canada.

The drug industry repeatedly tells the American people that any reduction in prices will cause them to dramatically curtail and cut back their research and development efforts. It is difficult for some of us to take these threats seriously. Who pays for a majority of research and development costs for new drugs in the United States, anyway? The answer is American taxpayers.

The fact is Congress, where the drug industry's multi-million dollar lobbying campaign and operation has such great influence, has granted this industry enormous tax breaks for research and development.

At the same time, the National Institutes of Health and non-governmental research organizations fund more than half of all research and development for drug companies without charge. Then drug companies take the information they patented and they market another new and very lucrative miracle drug to Americans, and charge them the highest prices in the world.

It is no secret what is going on here. Drug companies simply are doing what they need to do to maximize profits. Unlike every other industrialized nation in the world, the U.S. does not in any way tamper with or regulate drug prices. What is the effect? Drug companies charge us the highest prices of any country in the world by multiples of two, three, and even four times what other countries pay.

Who are the victims? The victims are always those with the least bargaining power: those without insurance, those who are elderly, those who are poorest. From a market perspective, what the drug companies are doing is appropriate. They are maximizing their profits. That is their job.

It is equally appropriate that Democrats in Congress are taking the lead in protecting seniors and the uninsured, and to address the ramifications of what drug companies are doing to the disadvantaged. That is our job.

Understand, again, 50 percent of all research and development costs for the research and development of new drugs in this country are paid for by taxpayers. Understand also that Congress has bestowed on those drug companies generous tax breaks on the money they do spend on research and development. Then understand that drug companies show their appreciation to American taxpayers by charging us two and three and four times what citizens of every other country in the world pay.

How can we lower prescription drug costs? We can lower prices through competition. I have introduced a bill that would permit competitors, that would permit generic companies to enter the market for drugs when they are unreasonably priced, whether the drug's patent has expired or not. The patent-holder would receive royalties for being the first on the market. Generic companies would compete with them, and Americans would receive a price break fueled by competition.

The bill would require drug companies to publicly disclose audited information justifying the prices that they do charge.

I urge my Republican colleagues to stop stonewalling. I urge them to join Democrats in lowering the cost of prescription drugs. Let us act before it is too late.

A SALUTE TO THE WORLD WAR II GENERATION AND ITS CONTRIBUTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from California (Mr. ROHRABACHER) is recognized during morning hour debates for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, every day America is losing one of our most precious resources. This resource provided our country what it needed to overcome the economic calamity of the Great Depression. It was a resource that saved the world from the twin threats of Nazism and Japanese militarism, and then, when that job was done, turn to rebuilding a shattered planet and, when they deserved to let others pick up the load, they then went and took on communism, which for decades loomed as a threat to democratic government and individual rights everywhere.

I am, of course, talking about a generation, perhaps the greatest generation, of Americans, which is now passing from the scene. One year ago my father, Donald Rohrabacher, or Lieutenant Colonel USMC retired Don Rohrabacher died. Just a short-term ago, a friend of mine, Bob Smiley, Robert Smiley, Junior, lost his dad.

My dad joined the Marines in the Second World War. Robert Smiley, Senior, volunteered for the Navy. Later, my father helped develop the method of dropping the atomic bomb from a fighter bomber that helped change the formula during the Cold War, and helped preserve the peace and preserved America's deterrence. Bob Smiley was instrumental in the Polaris Submarine program, which also deterred war with the Soviet Union. Their technological know-how helped deter war with the Soviet Union until communism collapsed under its own weight, under the weight of its own contradictions and evil.

America is losing one thousand of these veterans from World War II from the Saving Private Ryan generation every day. They escorted us to the doorway of a new millennium. As we enter this new era, which will have unimaginable opportunity and prosperity and peace and freedom, let us remember the Robert Smileys and the Don Rohrabachers and the men and women of their generation for the magnificent gift that they have left us.

Ours would be a far darker and more frightening world if it was not for them, if it was not for their service and their courage. In the history of America, few generations have carried such a heavy burden for as long as they did, or confronted more monumental challenges, or gave so much.

☐ 1245

Those truly were great Americans. So let us salute this generation as it marches on. Let us keep faith with them by insisting that America remain true to its ideals of liberty, justice, and democracy. Our greatest tribute to those who saved the world from the Natzis and from the Japanese militarists is to keep America the beacon of hope for the oppressed, to make sure that Old Glory keeps waiving proud and strong over the land of the free and the home of the brave.

RECESS

The SPEAKER pro tempore (Mr. THORNBERRY). Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 45 minutes p.m.), the House stood in recess until 2 p.m.

☐ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PETRI) at 2 p.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

With gratitude and praise, we are thankful that people of faith can more completely understand and respect each other. O gracious God, as You have created us as one people and breathed into our hearts the very essence of life, we celebrate our common calling to be people of faith and hope and love and to express that faith in those good works that strengthen the weak, provide food for the hungry, clothing to the needy and shelter to the homeless. While we appreciate our own traditions and heritage, we pray, O God, that we would be better stewards of the great gifts that we share together. Unite us, strengthen us and keep us all in Your grace, now and evermore. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Guam (Mr. UNDERWOOD) come forward and lead the House in the Pledge of Allegiance.

Mr. UNDERWOOD led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 29, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on October 29, 1999 at 11:30 a.m. and said to contain a message from the President whereby he transmits to the Congress an attached notice on the continuation of the Sudanese emergency.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO SUDAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106–151)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Sudanese emergency is to continue in effect beyond November 3, 1999, to the *Federal Register* for publication.

The crisis between the United States and Sudan that led to the declaration on November 3, 1997, of a national emergency has not been resolved. The Government of Sudan continues to support international terrorism and efforts to destabilize neighboring governments, and engage in human rights violations, including the denial of religious freedom. Such Sudanese actions pose a continuing unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Sudan.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 29, 1999.*

COMMUNICATION FROM THE CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from James M. Eagen III, Chief Administrative Officer of the House of Representatives:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, HOUSE OF REPRESENTATIVES,
Washington, DC, October 27, 1999.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC 20515.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule VIII of the Rules of the House that I have received a subpoena for documents issued by the United States District Court for the District of Columbia.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

JAMES M. EAGEN III,
Chief Administrative Officer.

COMMUNICATION FROM STAFF MEMBER OF CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from John M. Allen, Director of the Office of Communications Media of the House of Representatives:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, HOUSE OF REPRESENTATIVES,
Washington, DC, October 26, 1999.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC 20515.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule VIII of the Rules of the House that the Custodian of Records, House Recording Studio has received a subpoena for documents issued by the United States District Court for the District of Columbia.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

JOHN M. ALLEN,
Director, Office of Communications Media.

FIGHTING CRIME IN AMERICA

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, yesterday's edition of the Las Vegas Sun contained a story detailing disturbing increases in gang violence and gang membership in the Las Vegas metropolitan area. Although gang violence is not unique to Las Vegas, violent crime is a problem that plagues most communities across this Nation.

As we continue to debate the appropriations bill for the Commerce, State, and Justice Departments, my hope is that we can all unite together to pass legislation that will improve the Federal response to combating violence in America. It is obvious to most Americans that putting more police on the street is just a beginning. We must encourage all segments of society to work together in implementing effective crime fighting strategies.

Additionally, we need to remove the bureaucratic red tape which discourages local law enforcement agencies from seeking Federal funding for their crime fighting programs.

I look forward to supporting an appropriations plan which will give State and local governments more control over how to best combat crime in their individual communities. We can win the battle against crime but we need to provide our communities with the power to fight crime.

CHINESE RELATIONS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, reports say the White House will support China over Taiwan, thus communism over democracy. Unbelievable. The reports say the White House will put tough conditions on it. Like what, Mr. Speaker? A waiting period on Chinese missile launches? A promise that China will not sell any of their stolen technology at missile shows? How about trigger locks on all those Chinese missiles?

Beam me up, Mr. Speaker. These cerebral constipators have already given away the farm. Now they are starting to play with our freedom.

I yield back the fact that we built the Panama Canal and China now runs it.

REPUBLICAN CONGRESS WORKING TO PROTECT SOCIAL SECURITY

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, for 30 years Washington big spenders have raided the Social Security trust fund. They have put big government programs ahead of retirement security for hardworking Americans.

The Republican Congress has changed that. We put the Social Security surplus in a lockbox and we are not spending a dime of it. But the Democrat leadership just does not think this is a good idea. They think we should wait and see if we can find any money in the budget before we meet our commitment to our Nation's workers and retirees.

That approach just does not cut it. The money is already there. So we Republicans are asking each Federal agency to trim waste, fraud and abuse. We will take one penny from each dollar in their budgets and let them decide how to get by without it. In other words, we will not cut a single program. Instead, we look to the bureaucracy to cut down on waste, fraud and abuse so we can strengthen retirement security for American workers.

LOCKBOX LEGISLATION HELD HOSTAGE

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, yesterday was Halloween, another landmark along the trail of days since the House passed my Social Security lockbox protection bill. Since we passed this important bill on May 26, we have celebrated Memorial Day, the Fourth of July, Labor Day, Columbus Day and now Halloween. Veterans Day is only 10 days from now and Thanksgiving, Hanukkah and Christmas are just around the corner. And all this time what has happened to the Social Security lockbox in the other body? Absolutely nothing. On six separate occasions, Democrats in the other body have voted to keep this vital bill from coming to the Senate floor for a vote.

Despite the stall on the lockbox bill, we will be successful this year in protecting Social Security and Medicare funds from the congressional big spenders. Stopping the raid was not easy. It will be a tough fight for years into the future unless the fight is made easier with the passage of the Social Security lockbox bill.

Mr. Speaker, it is time for seniors to stop counting holidays and to start counting on the money that should be set aside for their retirement needs.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any recorded votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

FEMA AND CIVIL DEFENSE MONUMENT ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 348) to authorize the construction of a monument to honor those who have served the Nation's civil defense and emergency management programs.

The Clerk read as follows:

H.R. 348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY.

(a) GRANT OF AUTHORITY.—The United States National Civil Defense Monument Commission (in this Act referred to as the "Commission"), a private nonprofit organization organized under the laws of the State of Pennsylvania, is authorized to construct a Monument to honor those who have served the Nation's civil defense and emergency management programs.

(b) EXPIRATION.—The authority granted by this section shall expire 7 years after the date of the enactment of this Act, unless before the expiration of such 7-year period—

(1) the approvals required by sections 2(a) and (b) have been obtained; and

(2) the construction of the Monument has begun.

SEC. 2. SITE AND DESIGN.

(a) SITE.—Subject to the approval of the Director of the Federal Emergency Management Agency, the Commission may select the site upon which the Monument will be constructed. Such site shall be on Federal land controlled by the Federal Emergency Management Agency at Emmitsburg, Maryland.

(b) DESIGN.—Subject to the approval of the Director of the Federal Emergency Management Agency, the Commission may develop the design of the Monument.

SEC. 3. CONSTRUCTION COSTS.

The costs of constructing the Monument shall be paid out of contributions to the Commission.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 348, introduced by the gentleman from Maryland (Mr. BARTLETT). The gentleman from Maryland worked hard on this bill which would help recognize those people who have served in this country's civil defense. Specifically, H.R. 348 would authorize the United States Civil Defense Monument Commission to construct a monument to honor those who have served in the Nation's civil defense and emergency management programs. This monument will be constructed on Federal land located in Emmitsburg, Maryland and administered by the Federal Emergency Management Agency. The site and design of this monument will be subject to the approval of the Director of FEMA. All of the costs for the construction of the monument will be paid by the Commission.

Mr. Speaker, this bill has bipartisan support. I urge my colleagues to support H.R. 348.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation, H.R. 348, introduced by the gentleman from Maryland (Mr. BARTLETT) authorizes a private, not-for-profit entity, the United States National Civil Defense Monument Commission, to construct a monument honoring those who have served in our Nation's civil defense and emergency management programs. Mr. Speaker, the civil servants this monument would honor are often overlooked until disasters such as Hurricanes Floyd and Dennis remind us all of the important role played by these dedicated people. A monument providing a more lasting recognition is clearly appropriate.

It is important to note that this monument would be funded through contributions to the Commission and built on land owned by the Federal Emergency Management Agency in Emmitsburg, Maryland. The Commission, subject to the approval of the Director of FEMA, would be authorized to select the exact location and design of the monument.

As a general matter, we should consider each new proposal to construct a monument on Federal land very carefully, given the limited space available for further such constructions in areas such as the National Mall. In this case, however, the site of the FEMA Center in Maryland seems appropriate and the involvement of the FEMA director in approving the exact site and design will ensure that this proposed monument provides the men and women who have served in our national civil defense and emergency management programs the recognition they well deserve.

I would like to add that those of us who come from areas like Guam which experience natural disasters on a regular basis would also enthusiastically support this legislation. I urge my colleagues to support H.R. 348.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. BARTLETT), the author of this legislation.

Mr. BARTLETT of Maryland. Mr. Speaker, I rise today as the original sponsor of H.R. 348, the National Civil Defense/Emergency Management Act of 1999. This is a straightforward, nonpartisan piece of legislation which will authorize the placement of a monument to honor those individuals, paid and volunteers alike, who have served our Nation in our most trying times, when disaster strikes.

Mr. Speaker, as we speak, FEMA employees and volunteers are working around the clock to help the victims of Hurricane Floyd recover from widespread wind damage, beach erosion, and, most notably, flooding. FEMA teams are working tirelessly to deliver food, shelter, clothing and medical assistance to thousands of families up and down the East Coast. While this is the most recent disaster to strike the U.S., it surely will not be the last. It is our hope that this monument will be a permanent reminder to those who come to our rescue that we appreciate their service and dedication to duty.

The monument itself is a gift from the private, nonprofit National Civil Defense Monument Commission. I would like to commend the members of this commission, especially their Chairman, Alex Atzert, for their efforts to raise the necessary funds for this monument, which comes at no cost to taxpayers.

Mr. Speaker, as set forth in this legislation, the design and site selection of the monument must be approved by the FEMA Director, currently James Witt, who has given this monument his blessing. I am proud to say that the monument will be placed on the grounds of the FEMA training facility in Emmitsburg, Maryland, in the Sixth Congressional District which I have the honor to represent.

Mr. Speaker, by passing H.R. 348, we can demonstrate our appreciation for those who have served our country at FEMA and Civil Defense.

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This small token of appreciation will help ensure that future generations recognize the hard work and dedication of former employees and volunteers who look favorably on this worthy endeavor.

Mr. Speaker, I urge passage of H.R. 348, and I yield back the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I have no further speakers on this issue, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 348.

The question was taken.

Mr. HANSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

LEWIS AND CLARK NATIONAL HISTORIC TRAIL LAND CONVEYANCE ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2737) to authorize the Secretary of the Interior to convey to the State of Illinois certain Federal land associated with the Lewis and Clark National Historic Trail to be used as an historic and interpretive site along the trail, as amended.

The Clerk read as follows:

H.R. 2737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LAND CONVEYANCE, LEWIS AND CLARK NATIONAL HISTORIC TRAIL, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Interior may convey, without consideration, to the State of Illinois all right, title, and interest of the United States in and to a parcel of federally owned land under the jurisdiction of the Secretary consisting of approximately 39 acres located in the north half of section 16, township 4 north, range 9 west, Third Principal Meridian, Madison County, Illinois, within the corridor of the Lewis and Clark National Historic Trail.

(b) SURVEY; CONVEYANCE COSTS.—The exact acreage and legal description of the land to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey and all other costs incurred by the Secretary to convey the land shall be borne by the State of Illinois.

(c) CONDITIONS OF CONVEYANCE.—

(1) USE OF CONVEYED LAND.—The conveyance authorized under subsection (a) shall be subject to the condition that the State of Illinois, acting through the Illinois Historic Preservation Agency, use the conveyed land as an historic site and interpretive center for the Lewis and Clark National Historic Trail.

(2) PLAN FOR DEVELOPMENT AND OPERATION OF SITE.—The conveyance authorized under subsection (a) shall be subject to the further condition that the Governor of the State of Illinois develop, within two years after the date of the conveyance, a plan for the development and operation of the historic site and interpretive center proposed for the conveyed land. In developing the plan, the Governor shall provide an opportunity for review and comment by the Secretary and the public.

(d) DISCONTINUANCE OF USE.—If the State of Illinois determines to discontinue use of the land conveyed under subsection (a) as an historic site and interpretive center for the Lewis and Clark National Historic Trail, the State of Illinois shall convey the lands back to the Secretary without consideration.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as are necessary to carry out this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2737, as amended.

Numerous events will take place across the country in the next few years celebrating the exploration of the western United States by the Lewis and Clark expedition. This expedition effectively opened up new territories to be settled and used by the fledgling United States and led to the discoveries of many new peoples, plants and animals and resources.

H.R. 2737, introduced by the gentleman from Illinois (Mr. COSTELLO) will authorize the Secretary of the Interior to convey a parcel of land to the State of Illinois, who will showcase the beginning of the Lewis and Clark expedition from this spot which began in 1803. The land is currently owned by the National Park Service and the conveyance authorized by this legislation shall be made without consideration to the Federal Government. The parcel of land consists of approximately 39 acres on the banks of the Mississippi River in Madison County, Illinois. If the land conveyance to Illinois is not used for a historical and interpretive center, then the land shall be conveyed back to the Secretary without consideration.

Mr. Speaker, this bill has wide support, and I urge my colleagues to support H.R. 2737, as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2737 directs the Secretary of the Interior to give a specific parcel of land to the State of Illinois to be used as a historic and interpretive center for the Lewis and Clark trail, the 39-acre parcel of land located at the confluence of the Missouri and Mississippi Rivers about 20 miles northeast of St. Louis. This area played a significant role in the story of Lewis and Clark, as it is the area where the explorers camped before beginning their journey.

In addition, many of the members of this historic corps were recruited from the surrounding area. As the 200th anniversary of the expedition approaches, a variety of activities commemorating this amazing achievement will take place across the country, and it is certainly fitting that Lewis and Clark's launching point will host a new historic and interpretive center.

Importantly, the legislation makes the conveyance conditional on the completion of a survey and requires that, should the State ever discontinue use of the site for historic and interpretive purposes, the land must be returned to the Federal Government. During committee consideration of this measure, our amendment requiring the governor of the State of Illinois to devise a specific plan for the development and operation of this interpretive center was adopted.

The legislation now specifies that both the Secretary of the Interior as well as the general public shall have an opportunity to review and comment upon this plan. With this added level of oversight and public input, we urge our colleagues to support this bill, as amended; and we congratulate our friend and colleague, the gentleman from Illinois (Mr. COSTELLO), on this important legislation for the history of the Nation.

Mr. HILL of Indiana. Mr. Speaker, I rise to offer my support for H.R. 2737, a bill that authorizes the National Park Service to convey 39 acres of land to the State of Illinois for an interpretive center to be constructed along the Lewis and Clark National Historic Trail.

I look forward to working with my colleagues in the House of Representatives on other projects commemorating the bicentennial of the Lewis and Clark expedition. However, I feel that I must, as I have done in the past, set the record straight on where the Lewis and Clark expedition began.

Mr. Speaker, contrary to some of the statements made by my colleagues on the floor this afternoon, the expedition of these historic partners began at the Falls of the Ohio, near Clarksville in southern Indiana.

On September 1, 1803, Meriwether Lewis began his journey down the Ohio River toward Clarksville, Indiana, where he eventually met his partner on the expedition, William Clark. By October 14, Lewis had reached the Falls of the Ohio, a series of dangerous rapids created by a drop in the river over a two-mile series of limestone ledges. The following day, Lewis and his crew safely crossed the falls on the north side of the river. They then set out to meet Clark, who was living in Clarksville with his brother, Revolutionary War hero George Rogers Clark.

The noted historian, Stephen Ambrose, writes of Lewis and Clark's meeting in Clarksville in his best-selling book, Undaunted Courage, "When they shook hands, the Lewis and Clark Expedition began." During the two weeks following the meeting, Lewis and Clark recruited the first official members of the expedition, a group often referred to as the "Corps of Discovery." Men from across the region traveled to Clarksville hoping to be selected to join the expedition. Lewis and Clark chose nine men in Clarksville to join them on the journey, and as Ambrose notes in Undaunted Courage, there "the Corps of Discovery was born."

The crew departed on October 26, 1803, thus marking Clarksville, Indiana as the actual point of origin for the Lewis and Clark Expedition. From there, the Explorers' remarkable adventures spanned over 8,000 miles of unknown land.

No bicentennial celebration would be complete without noting southern Indiana's part in the Lewis and Clark story I encourage all Americans wishing to retrace the steps of the explorers or to learn more about the importance of the expedition to our nation, to visit the Falls of the Ohio and surrounding area.

I am pleased that Congress is taking the initiative to promote and support the commemoration of such a remarkable piece of our American history. That is why I support H.R. 2737.

Mr. UNDERWOOD. Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I have no further speakers on this legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 2737, as amended.

The question was taken.

Mr. HANSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the last two bills, H.R. 348 and H.R. 2737, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

DUGGER MOUNTAIN WILDERNESS ACT OF 1999

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2632) to designate certain Federal lands in the Talladega National Forest in the State of Alabama as the Dugger Mountain Wilderness.

The Clerk read as follows:

H.R. 2632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Dugger Mountain Wilderness Act of 1999".

SEC. 2. DESIGNATION OF DUGGER MOUNTAIN WILDERNESS, ALABAMA.

(a) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), certain Federal lands in the Talladega National Forest in the State of Alabama, which comprise approximately 9,200 acres, as generally depicted on a map entitled "Proposed Dugger Mountain Wilderness" and dated July 2, 1999, are hereby designated as wilderness and, therefore, as a component of the National Wilderness Preservation System, and shall be known as the Dugger Mountain Wilderness.

(b) MAP AND DESCRIPTION.—As soon as practicable after the date of the enactment of this Act, the Secretary of Agriculture shall submit to Congress a map and a boundary description of the area designated as wilderness by this section. The map and description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in the map and description. A copy of the map and description shall be on file and available for public inspection in the Office of the Chief of the Forest Service and in the office of the Supervisor of National Forest System lands in Alabama.

(c) MANAGEMENT.—Subject to valid existing rights, lands designated as wilderness by this section shall be managed by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that, with respect to the wilderness area designated by this section, any reference in the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the date of the enactment of this Act.

(d) TREATMENT OF DUGGER MOUNTAIN FIRE TOWER.—The Forest Service shall have two years, beginning on the date of the enactment of this Act, in which to use ground-based mechanical and motorized equipment to disassemble and remove from the wilderness area designated by this section the Dugger Mountain fire tower, which has been scheduled for removal by the Forest Service, and any supporting structures. The road to the fire tower shall be open to motorized vehicles during this period only for the purpose of removing the tower and supporting structures, after which time the road shall be permanently closed to motorized use. The Forest Service shall follow the provisions of the National Historic Preservation Act (16 U.S.C. 470 et seq.) in the determination and execution of the removal of the tower and supporting structures.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2623 was introduced on July 29, 1999, by the gentleman from Alabama (Mr. RILEY). This legislation would designate certain Federal lands in the Talladega National Forest in the State of Alabama as the Dugger Mountain Wilderness.

On August 3, 1999, the Forest Service testified in support of H.R. 2632 during a subcommittee hearing. On October 20, 1999, Mr. Speaker, the full Committee on Resources ordered the bill favorably reported by a voice vote.

This is a good piece of legislation. The gentleman from Alabama has worked diligently on this, and I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2632 would designate approximately 9,200 acres of land in Alabama's Talladega National Forest. Dugger Mountain, with an elevation of 2,140 feet, is the second highest peak in Alabama and includes the popular Pinhoti National Recreation Trail. It has been recommended for wilderness studies since 1986.

This year marks the 35th anniversary of the passage of the Wilderness Act. Congress is adding more acres to the national wilderness preservation system. Even relatively small amounts of acreage has become an all too infrequent event in recent years. Wilderness bills like H.R. 2632, introduced by our friend and colleague, the gentleman from Alabama (Mr. RILEY), deserve our support, and I urge my colleagues to pass it.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama (Mr. RILEY), the author of this legislation.

Mr. RILEY. Mr. Speaker, we do have a unique opportunity today to designate the Dugger Mountain Wilderness Area as a wilderness area that we can keep in perpetuity for our children and our grandchildren to enjoy.

Mr. Speaker, this last weekend I had a unique opportunity to take my grandchildren out and go on a hike in the woods and do some things that I do not get to spend as much time with them as I wished I could, but one of the things that I noticed, especially coming from this area, is how unique Dugger Mountain is. It is not only the second highest peak in Alabama, but it is a section of land, 9,200 acres, that we have tried to make a wilderness area since 1986.

Two of my predecessors, Congressman BILL NICKLES, who served here for over 20 years, first introduced this piece of legislation, and later Congressman Glen Browder introduced the legislation. It is not very often that we have a piece of legislation that comes that we have unanimous support for. In Alabama all of the local communities have signed proclamations endorsing this. We have over 300 landowners throughout the area that have supported this. Even the Alabama Forestry Association has not opposed designating this wilderness area.

I know there is a lot of talk today about wilderness areas and how they are becoming more prevalent, but this is a unique piece of property. Because of its mountainous terrain, the ability to harvest logs off of it or harvest timber off of this piece of property is nonexistent, so the Alabama Forestry Service for the last 25 or 30 years have already managed this as a wilderness area.

It is also unique in that it lies halfway between Birmingham and Atlanta, and one of the things that we are trying to do in Alabama is to promote ecotourism. When one has a million and a half to 2 million people in Atlanta, approximately a million people in Birmingham, this lies halfway between the two, it is an opportunity for our area to showcase the real beauty of Alabama. We think that it is going to be an extra special benefit to our tourism in Alabama, and again, when one has the opportunity to do something that not only is going to bolster the economy of the State and of this local area and at the same time allow us to preserve something that is very, very unique in Alabama, we think that this is a win, win, win situation not only for the Federal Government, not only for this country, not only for Alabama, not only for the people of Calhoun County, but we think that it is something that will benefit our children for generations to come.

So I would like to thank the gentleman from Utah. I thank the committee for the way that they have moved this process through, and I would ask all of the Members to kindly support this bill.

Mr. UNDERWOOD. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 2632.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CENTRAL UTAH PROJECT COMPLETION ACT AMENDMENTS

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2889) to amend the Central Utah Project Completion Act to provide for acquisition of water and water rights for Central Utah project purposes, completion of Central Utah project facilities, and implementation of water conservation measures.

The Clerk read as follows:

H.R. 2889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF CENTRAL UTAH PROJECT COMPLETION ACT.

The first sentence of section 202(c) of the Central Utah Project Completion Act (Public Law 102–575; 106 Stat. 4611) is amended to read as follows: "The Secretary is authorized to utilize any unexpended budget authority provided in this title up to $60,000,000 and such funds as may be provided by the Commission for fish and wildlife purposes, to provide 65 percent Federal share pursuant to section 204, to acquire water and water rights for project purposes including instream flows, to complete project facilities authorized in this title and title III, to implement water conservation measures, and for the engineering, design, and construction of Hatchtown Dam in Garfield County and associated facilities to deliver supplemental project water from Hatchtown Dam.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

H.R. 2889 would amend the Central Utah Project to authorize the Secretary of Interior to use up to $60 million in unexpended budget authority to acquire water and water rights, complete project facilities, and implement water conservation measures within the CUP. Since the 1992 enactment of the CUP Completion Act, issues regarding endangered species, water conservation and minimum flows in the lower Provo River have arisen that need to be adequately addressed and funded. During completion of the CUP, changes in modifications to project features resulted in excess funds in some accounts and shortages in others.

□ 2030

This requires this amendment to complete this project.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2889 would permit the use of savings achieved in certain areas of the Central Utah Project to be spent on other projects and programs where needed and without further Congressional approval. The administration supports the bill and it is not considered controversial. I urge my colleagues to support H.R. 2889.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, first of all, I would like to express my gratitude to the gentleman from California (Chairman DOOLITTLE), the gentleman from Alaska (Chairman YOUNG) and the House leadership for bringing this legislation before the House.

The Central Utah Project has allowed for the development and delivery of Utah's water for decades. The Bureau of Reclamation and the Central Utah Water Conservancy District have nearly completed the planning of the project components and water conservation measures have surpassed expectations, while Federal dollars have been saved at various stages.

H.R. 2889 simply allows resources to be shifted from one project to the next as they are needed. This will ensure that the remaining projects can be completed in a timely and cost effective manner. The legislation provides no additional Federal dollars. It only provides flexibility to transfer already authorized dollars and resources as they are needed throughout the project.

H.R. 2889 does not increase Federal spending, nor does it increase any Federal spending authority. H.R. 2889 incorporates the changes sought by the administration, and, therefore, we do not expect opposition from the White House. Companion legislation has been introduced by Senator BENNETT and consideration by the other body is expected soon.

Mr. Speaker, I urge my colleagues to support H.R. 2889.

Mr. HANSEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 2889.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2632 and H.R. 2889.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

SENSE OF CONGRESS REGARDING SHARK FINNING

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 189) expressing the sense of the Congress regarding the wasteful and unsportsmanlike practice known as shark finning, as amended.

The Clerk read as follows:

H. CON. RES. 189

Whereas shark finning is the practice of removing the fins of a shark and dumping its carcass back into the ocean;

Whereas demand for shark fins is driving dramatic increases in shark fishing and mortality around the world;

Whereas the life history characteristics of sharks, including slow growth, late sexual maturity, and the production of few young, make them particularly vulnerable to overfishing and necessitate careful management of shark fisheries;

Whereas shark finning is not prohibited in the waters of the Pacific Ocean in which fisheries are managed by the Federal Government;

Whereas according to the National Marine Fisheries Service, the number of sharks killed in Central Pacific Ocean and Western Pacific Ocean fisheries rose from 2,289 in 1991 to 60,857 in 1998, an increase of over 2,500 percent, and continues to rise unabated;

Whereas of the 60,857 sharks landed in Central Pacific Ocean and Western Pacific Ocean fisheries in 1998, 98.7 percent, or 60,085, were killed for their fins;

Whereas shark fins comprise only between 1 percent and 5 percent of the weight of a shark, and shark finning results in the unconscionable waste of 95 percent to 99 percent (by weight) of a valuable public resource;

Whereas the National Marine Fisheries Service has stated that shark finning is wasteful, should be stopped, and is contrary to United States fisheries conservation and management policies;

Whereas shark finning is prohibited in the United States exclusive economic zone of the Atlantic Ocean, the Gulf of Mexico, and the Caribbean;

Whereas the practice of shark finning in the waters of the United States in the Pacific Ocean is inconsistent with the Magnuson-Stevens Fishery Conservation and Management Act, the Federal Fishery Management Plan for Atlantic Tunas, Swordfish, and Sharks, and the shark finning prohibitions that apply in State waters in the Atlantic Ocean and Pacific Ocean;

Whereas the United States is a global leader in shark management, and the practice of shark finning in the waters of the United States in the Pacific Ocean is inconsistent with United States international obligations, including the Code of Conduct for Responsible Fishing of the Food and Agriculture Organization of the United Nations, the International Plan of Action for Sharks of such organization, and the United Nation's Agreement on Straddling Stocks and Highly Migratory Species; and

Whereas establishment of a prohibition on the practice of shark finning in the Central Pacific Ocean and Western Pacific Ocean would result in the immediate reduction of waste and could reduce shark mortality by as much as 85 percent: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the practice of removing the fins of a shark and dumping its carcass back into the ocean, commonly referred to as shark finning, is a wasteful and unsportsmanlike practice that could lead to overfishing of shark resources;

(2) all Federal and State agencies and other management entities that have jurisdiction over fisheries in waters of the United States where the practice of shark finning is not prohibited should promptly and permanently end that practice in those waters; and

(3) the Secretary of State should continue to strongly advocate for the coordinated management of sharks and the eventual elimination of shark finning in all other waters.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SAXTON) and the gentleman from Minnesota (Mr. VENTO) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SAXTON).

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 189.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H. Con. Res. 189, authored by my friend the gentleman from California (Mr. CUNNINGHAM), expresses the sense of Congress that the practice of shark finning is wasteful and unsportsmanlike. In addition, it calls on the Western Pacific Regional

Fisheries Management Council, the National Marine Fisheries Service and the State Department to take action to ban the practice in U.S. waters and to work for a global ban on the practice.

The issue that we are talking about here, shark finning, may not be one that is familiar to all Members. I would just like to say a word about what this is, because, as the gentleman from California (Mr. CUNNINGHAM) so well points out in H. Con. Res. 189, it is a practice which I believe would be tasteless, at best, and perhaps many other things at worst.

It is very simply this: Catching, through the process that we generally refer to as long lining, sharks, in this case in the western Pacific Ocean, bringing them alongside the boat and removing with a knife their fins, and then turning them loose to die. That is shark finning.

Members of this House will remember that in the last reauthorization of the Magnuson Fisheries Conservation and Management Act, now known as the Magnuson-Stevens Act, we added a new standard with the goal of reducing bycatch; that is, catching fish other than the targeted species in a fishery.

In the meantime, shark finning has been discouraged and made illegal in the Atlantic Ocean, in the Caribbean and in the Gulf of Mexico, leaving only the American waters in the Pacific Northwest in our country where shark finning is permitted. The Magnuson-Stevens Act requires Fishery Management Councils to develop fishery management plans which are consistent with national standards, and I believe that a national standard has been set by outlawing this practice in the Atlantic, the Caribbean and the Gulf of Mexico.

The new national standard requires Councils to develop fishery management plans which minimize bycatch to the extent practicable, and to the extent that bycatch cannot be reduced, the mortality of such bycatch should be reduced.

The practice of shark finning appears not only to encourage the retention of bycatch, but also encourages the mortality of the bycatch. In fact, information from the National Marine Fisheries Service suggests that while in 1991 only 3 percent of the sharks were retained, that is right, 3 percent of the sharks were retained, by 1998 60 percent of the sharks brought to the boat were killed for their fins rather than being released. The only portion of the shark that is retained are the fins, which obviously are kept for economic reasons.

This is a wasteful practice and should not be allowed. In addition, it is inconsistent with the rules governing the harvest of sharks on the East Coast, in the Gulf of Mexico, and, as I pointed out, in the Caribbean.

Some have complained that this resolution undermines the authority of the regional fisheries councils. This is not true, at least in my opinion. This does nothing more than send a signal to the Western Pacific Council, a shot across the bow, if you will, as well as to others, that Congress does not like the practice of shark finning and that those management bodies that manage sharks should take action to prohibit it.

The Subcommittee on Fisheries Conservation, Wildlife and Oceans held a hearing on this resolution on October 21, 1999, and heard testimony from a number of interested parties, including the Western Pacific Regional Fish Management Council. While the council did take action at their last meeting to reduce the overall retention of sharks in the longline fisheries, they took no action to reduce or eliminate the practice of shark finning.

The full Committee on Resources passed this resolution with an amendment by voice vote on October 27 of this year.

I believe Congress should continue to express our strong opposition to this practice and should pass this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this resolution and I concur in the remarks of the subcommittee chairman. We had a good hearing and all points of view were presented. I want to commend the gentleman from California (Mr. CUNNINGHAM) for bringing this matter to us in the form of a resolution.

I support this resolution. In fact, I would support a lot more, to not just provide a sense of Congress, but to in fact act to prevent this outrageous type of activity that is taking place in our fisheries.

What it amounts to, Mr. Speaker, as the chairman pointed out, is a practice of longlining and catching tuna and other types of valuable economic species of fish. At the same time there is some bycatch or incidental catch of sharks.

The fact is that the economic value total of the shark is and could be quite significant, but the most valuable portion of it is, of course, the fins on that shark, which are often used for gourmet recipe of shark fin soup. As we know, as its popularity has grown, this particular practice of incidental bycatch, of stripping the fins off of the sharks to be used for this purpose, is increasingly taking place.

I think, Mr. Speaker, it is ethically and morally wrong. I think many parts of the shark, including the skin, the liver for its oil and other qualities, and other materials that are present in the shark have some economic value. But to take out the most valued part, which are the fins, of course, that leaves a carcass of a large fish in the ocean to be wasted. I think this is an outrage, and I hope that we can change such practice with this resolution as the chairman said, a shot across the bow. I would hope that would be the case.

I think that when we talk about the numbers here, it has been banned in the Atlantic Ocean but continues to persist in the Pacific Ocean. 60,000 to 70,000 pacific sharks, and this number has risen over the years to the point where in the last 5 years it has grown exponentially, but risen to the point where nearly 70,000 animals are in fact mistreated in this manner, which is worth I guess a couple million dollars to those that are doing the shark finning. But I think that the destruction of that type of resource screams for some type of public policy action, and certainly this resolution is in step with that. I hope that it results in actions that correct this outrageous practice.

I know the Western Fisheries Council had made a goal of reducing the number to 50,000. Quite frankly, Mr. Speaker, I think that type of change of policy path by itself is not enough, because I think it misses the point as to what is taking place here with the destruction of these species. Some of the species are very common, like the blue shark, but there is indiscriminate treatment of these majestic fish and the sharks that we have in the ocean that are being treated in this way, and I think that the USA should be leading in terms of making the policy changes in the Pacific regarding this deplorable practice. Hopefully we could enlist other nations to follow us in terms of ending this improper practice and exploitation of this valued fish species, the shark. I urge Members to support this resolution.

Mr. Speaker, I support this resolution which urges the Western Pacific Fishery Management Council, the National Marine Fisheries Service, and the State of Hawaii to ban shark finning in all Federal and State waters in the Pacific Ocean.

Finning is a wasteful practice that is already prohibited in U.S. waters in the Atlantic, the Gulf and the Carribean, in part, because it leads to the overfishing of shark resources in those areas. It is time for that prohibition to be in effect nationwide.

In addition, the U.S. has played a leadership role in promoting shark conservation efforts internationally. Our continued efforts in this arena will be hampered if this wasteful practice is allowed to continue in our own waters.

This resolution does not override the authorities of the Western Pacific Fishery Management Council. It simply tells them that this Congress believes it is time for them to bring this wasteful practice to an end, and I support its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr.

CUNNINGHAM), who brought this issue to our attention and who told us inasmuch as shark finning had already been outlawed, if you will, in the Atlantic, the Caribbean and the Gulf of Mexico, it made no sense to permit the practice to continue in the western Pacific. I thank the gentleman for his great effort in bringing this to our attention and making sure that we address the problem.

Mr. CUNNINGHAM. Mr. Speaker, I would like to thank the gentleman from New Jersey (Chairman SAXTON) and the gentleman from Minnesota (Mr. VENTO). I would also like to thank them for their support, both Republicans and Democrats alike. This is an issue on which we can come together.

Mr. Speaker, I introduced H. Con. Res. 189 to send a clear message that shark finning is wasteful and unsportsmanlike. The destructive practice of shark finning in the American waters off the central and western Pacific must stop.

Mr. Speaker, years ago this country destroyed buffalo herds only for the hides of those buffalo and left the meat to rot in the sun. What a waste of a resource. They nearly decimated the herds for the Native Americans. The same thing is done today with elephant tusks. To just shoot an elephant and take the tusk and leave the meat rotting is wrong. Or whether it is a seal pup for its hide, to take the hide and let the carcass sit there in the snow is wrong. Shark finning is a practice of removing shark fins and discarding the carcass into the sea.

Mr. Speaker, I am a sportsman. I love to hunt and fish, but it is under a managed system to make sure that our resources are here for our children and their children and our grandchildren down the line.

I am also a diver, and I am not necessarily fond of sharks. I have had a couple of occasions where I wished they had not have been so close around. But they have been part of our ecosystem for millions of years, and I think we need to manage that resource so that they are not depleted. They went from taking 2,300 to nearly 61,000 sharks in very short order. I think we ought to stop and take a look.

The gentleman from New Jersey (Mr. SAXTON) covered much of this material, so I will submit a lot of it for the RECORD. But the action that WestPac took was merely to cut from 60,000 to 50,000 the number of sharks from finning.

□ 1445

Yet, Mr. Speaker, 95 percent of those sharks are finned and just dumped back into the water, some alive, left to drown, and some dead. In any regard, it is inhumane, it is cruel, and it is wasteful.

The United States has emerged as a global leader in shark fisheries management. Yet, as Ms. Sonya Fordham of the Center for Marine Conservation notes, "Our inability to address an egregious finning problem within our own waters threatens to undermine the U.S. role in these important international initiatives."

I would also like to thank a gentlewoman who came all the way from Hawaii, Ms. Brooke Burns, a young 21-year-old from the series of Baywatch. She, I think, articulated in a most professional way the support of the American people in why this practice should not continue.

This spring, the gentleman from New Jersey (Mr. SAXTON) and myself plan to introduce legislation. And if Members can imagine, the gentleman from New Jersey (Mr. SAXTON), the gentleman from California (Mr. CUNNINGHAM), and the gentleman from Minnesota (Mr. VENTO), if he will join us, on a bill together on this floor, that will be a day. I would say to my friend, we plan this spring, under the Magnuson Act, to have legal and binding law to act accordingly.

Mr. Speaker, I include for the RECORD correspondence regarding this matter:

OCEAN WILDLIFE CAMPAIGN,
Washington, DC, September 22, 1999.

Hon. RANDY CUNNINGHAM,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE CUNNINGHAM: We are writing to express serious concern regarding the management and health of shark populations in U.S. Pacific waters, specifically in areas under the jurisdiction of the Western Pacific Regional Fishery Management Council (WESPAC). Driven by the international demand for shark fin soup, the practice of shark finning—cutting of a shark's fins and discarding its carcass back into the ocean—is a rapidly growing problem that is directly responsible for huge increases in the number of sharks killed annually and appalling waste of this nation's living marine resources. The National Marine Fisheries Service has prohibited shark finning in the U.S. Atlantic, Gulf of Mexico, and Caribbean. It is time to ban finning in the Pacific.

Between 1991 and 1998, the number of sharks "retained" by the Hawaii-based swordfish and tuna longline fleet jumped from 2,289 to 60,857 annually. In 1998, over 98 percent of these sharks were killed for their fins to meet the demand for shark fin soup. Because shark fins typically comprise only one to five percent of a shark's bodyweight, 95 to 99 percent of the shark is going to waste. Sharks are particularly vulnerable to overfishing because of their "life history characteristics"—slow growth, late sexual maturity, and the production of few young. Once depleted, a population may take decades to recover.

The National Marine Fisheries Service, conservationists, fishermen, scientists, and the public have pressured WESPAC to end the practice of shark finning. Nevertheless, WESPAC and the State of Hawaii recently failed to take action to end or control finning.

This issue of shark finning is characterized by a dangerous lack of management, rampant waste, and egregious inconsistencies with U.S. domestic and international policy stances. It is the most visible symptom of a larger problem: a lack of comprehensive management for sharks in U.S. Pacific waters. The history of poorly or unmanaged shark fisheries around the world is unequivocal: rapid decline followed by collapse. Sharks are not managed in U.S. Central and Western Pacific waters, and with increased fishing pressure there may be rapidly growing problems.

We urge your office to take whatever action is necessary to immediately end the destructive practice of shark finning in U.S. waters and encourage WESPAC to develop a comprehensive fishery management plan for sharks that will, among other things:

1. Immediately prohibit the finning of sharks;
2. Immediately reduce shark mortality levels by requiring the live release of all bycatch or "incidentally caught" animals brought to the boat alive;
3. Immediately reduce the bycatch of sharks;
4. Prevent overfishing by quickly establishing precautionary commercial and recreational quotas for sharks until a final comprehensive management plan is adopted that ensures the future health of the population. Given the dramatic increase in the number of sharks killed in the Hawaiian longline fishery, WESPAC should cap shark mortality at 1994 levels as a minimum interim action, pending the outcome of new population assessment.

Thank you for your attention to this urgent matter.

DAVID WILMOT, PH.D.,
Ocean Wildlife Campaign.
CARL SAFINA, PH.D.,
National Audubon Society.
LISA SPEER,
Natural Resources Defense Council.
TOM GRASSO,
World Wildlife Fund.
SONJA FORDHAM,
Center for Marine Conservation.
KEN HINMAN,
National Coalition for Marine Conservation.
ELLEN PIKITCH, PH.D.,
Wildlife Conservation Society.

CENTER FOR MARINE CONSERVATION,
Washington, DC, September 22, 1999.

Hon. RANDY CUNNINGHAM,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE CUNNINGHAM: On behalf of the Center for Marine Conservation (CMC), I am writing to express our grave concern for Pacific sharks, specifically those under the jurisdiction of the Western Pacific Regional Fishery Management Council (WESPAC). High demand for shark fin soup has driven a dramatic surge in shark finning (the practice of slicing off a shark's valuable fins and discarding the body at sea) by the Hawaiian longline fleet. This appalling waste of America's public marine resources is tied to alarming yet unrestricted increases in mortality of some of the ocean's most biologically vulnerable fish.

Shark conservation has long been a key element of CMC's fisheries program due in large part to the life history characteristics that leave sharks exceptionally susceptible to overfishing. In general, sharks grow slowly, mature late and produce a small number of young. Once depleted, shark populations often require decades to recover. In the U.S. Atlantic, for example, several overfished shark stocks will require four decades to rebuild to healthy levels, even with strict fishing controls. Indeed, nearly every large scale shark fishery this century has ended in collapse.

Off Hawaii, the number of sharks killed and brought to the dock (landed) has increased by more than 2500 percent, skyrocketing from just 2,289 sharks in 1991 to 60,857 sharks in 1998. In 1998, over 98 percent of these sharks were killed solely for their fins. Considering that shark fins typically comprise only one to five percent of a shark's bodyweight, 95 to 99 percent of the shark is going to waste.

CMC has been calling upon Western Pacific fishery managers to restrict shark fisheries and ban finning for more than 5 years. More recently, similar demands have been made by many other national conservation organizations as well as local Hawaiian environmental and fishing groups, international scientific societies, concerned citizens, and several Department of Commerce high-ranking officials. A recent poll by Seaweb found that finning was among the ocean issues most disturbing to the American public. Nevertheless, WESPAC and the State of Hawaii have yet to take action to control finning or limit shark mortality.

Shark finning in particular runs counter not only to the will of the American public, to which these resources belong, but also to U.S. domestic and international policy as expressed in:

the Sustainable Fisheries Act (SFA);

the Fishery Management Plan (FMP) for Sharks of the Atlantic Ocean; the United Nations Food and Agricultural Organization (FAO) Code of Conduct for Responsible Fisheries; and

the FAO International Plan of Action for Sharks.

In addition, as you are likely aware, California is just one of many coastal states to ban finning within their waters.

In the U.S. Atlantic, the lucrative market for shark fins drove an intense fishery that led to severe depletion of several shark populations within less than 10 years. Citing "universal and strong support" for a ban on finning on behalf of the non-fishing American public, the National Marine Fisheries Service (NMFS) banned the practice in U.S. Atlantic in 1993, stating that:

> NMFS believes that finning is wasteful of valuable shark resources and poses a threat to attaining the conservation objectives of fishery management under the Magnuson Act.

This year, NMFS expanded the existing finning ban from the 39 regulated species to all sharks in the Atlantic while Department of Commerce officials have repeatedly, yet unsuccessfully, called upon WESPAC to halt finning.

In recent years, the United States has emerged as a world leader in crafting and promoting landmark, international agreements pertaining to sharks and continues to lead efforts to raise global awareness of their plight and special management needs. Yet, our inability to address an egregious finning problem within our own waters threatens to undermine the U.S. role in these important international initiatives.

CMC asks for your assistance in ensuring an immediate end to the wasteful practice of finning, accompanied by a requirement that all incidentally-caught sharks brought to the boat alive be released alive. In addition, a comprehensive Pacific shark management plan that prevents overfishing and reduces bycatch is absolutely crucial to safeguarding these especially vulnerable animals; precautionary catch limits in the Western Pacific (no higher than 1994 mortality levels) are needed until such a plan is complete.

Thank you for your attention to this urgent matter.

Sincerely,

SONJA V. FORDHAM,
Fisheries Project Manager.

AMERICAN SPORTFISHING
ASSOCIATION,
Alexandria, VA, September 23, 1999.

Hon. RANDY "DUKE" CUNNINGHAM,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN CUNNINGHAM: On behalf of the nearly 500 members of the American Sportfishing Association, I wish to express my strong support for your resolution to ban the wasteful practice of shark finning. I commend your initiative in tackling this important, yet easily dismissed issue.

For far too long, we have neglected to take action to stop this most unsportsmanlike fishing activity. We now know that the best shark is not a dead shark; that these oft maligned fish play critical roles in preserving balance in the marine ecosystem. Healthy shark populations help maintain robust fisheries. Your effort to ban finning will not only benefit depressed shark populations, but many other species of commercially and recreationally important fish.

Thank you for your leadership in this area.

Sincerely,

MIKE HAYDEN,
President/CEO.

THE COUSTEAU SOCIETY,
Chesapeake, VA, October 8, 1999.

Hon. RANDY CUNNINGHAM,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN: The Cousteau Society, on behalf of its 150,000 members, strongly supports H. Con. Res. 189, expressing the sense of the Congress regarding the wasteful and unsportsmanlike practice known as shark finning.

The Cousteau Society's own lengthy expedition to film the white shark in Australia confirmed vividly how little is known about even this well-publicized species; even less data are available for the hundreds of shark species that have not caught public or commercial attention. Whenever enough information is gathered about a given kind of shark to confirm a judgment on its status, that judgment is almost inevitably that the species is over-fished and must be protected to survive. Lack of information is obviously no good reason to delay conservation.

The Cousteau Society fully endorses your recommendation to the Western Pacific Fishery Management Council, the State of Hawaii and the National Marine Fisheries Service to ban finning in the central and western Pacific Ocean. Conservation must not wait for perfect science nor unanimous agreement. Please hold absolutely firm in insisting on an end to this destructive practice.

Yours truly,

CLARK LEE S. MERRIAM.

WESTERN PACIFIC
FISHERIES COALITION,
Kailua, HI, September 30, 1999.

Hon. RANDY "DUKE" CUNNINGHAM,
Rayburn House Office Building,
Washington, DC

DEAR CONGRESSMAN CUNNINGHAM. First let me thank you for introducing H. Con. Res. 189 and for taking an interest in the blatant waste of one of our natural resources here in the Western Pacific. The Shark Finning issue here has brought a new awareness to the problem not only in the Western Pacific region, but on a global scale. We have been involved in fisheries management here in Hawaii for over 15 years and have represented, on some Council issues, more than 18,000 Hawaiian fishermen and concerned individuals. I have been a commercial and recreational fisherman and hunter for over 40 years, but I've never seen such irresponsible actions by fishermen, much less Federal fishery managers, who continue to be proponents for shark finning.

The NMFS has already implemented a "full utilization" plan in the Atlantic and the Gulf, has justified the record and the basis for it. The Atlantic Highly Migratory Species FMO and Final Regulations, 15 CFR Part 902, published May 28, 1999, in vol. 64 Federal Register, pp. 29090 et seq. NMFS'. response to public comments on proposed regulations to implement Atlantic HMS FMP (at pp. 29108–09):

Anti-Finning of Sharks

Comment 1: NMFS should implement the proposed total prohibition on finning. Response: NMFS agrees. Extending the prohibition on finning to all species of sharks will greatly enhance enforcement and contribute to rebuilding or maintenance of all shark species.

Comment 2: NMFS should not extend the prohibition on finning sharks because it disadvantages U.S. fishermen relative to foreign competitors and NMFS should allow a tolerance for blue shark fins to be landed. Response: NMFS disagrees. Finning of sharks within the Federal management unit has been prohibited since the original shark FMP was implemented in 1993 due to excessive waste associated with this practice. NMFS extends the prohibition on finning to all sharks to enhance enforcement and facilitate stock rebuilding and maintenance.

In a June 21, 1999 letter to the Chairman of the Western Pacific Council, Mr. Terry Garcia directs the Council to "take immediate action to ban the practice of shark finning". In the letter, Mr. Garcia points out that the US has been a leading proponent of international shark conservation measures at the United Nations FAO meetings this year. He goes on to say that "The US position during development of the International Plan of Action for the Conservation and Management of Sharks was that the FAO should affirmatively address this issue, even to the extent of putting in place a global ban on shark finning". Mr. Garcia's letter concludes by saying that "The Council should amend the Western Pacific Pelagic Fishery Management Plan to require full utilization of all sharks harvested in this fishery".

NMFS and the Department of Commerce's position is clear. Is finning any less of a waste in the Pacific as opposed to the Gulf or Atlantic? The Council unfortunately has known about this problem since 1993 and have repeatedly been told to stop finning by NMFS as early as 1995, without any action being taken. Now the Council, as a result of your resolution, is trying to justify their position in Congress by claiming that NMFS has not given them the funding to gather the necessary information nor has NMFS supplied the Council with the necessary data that would allow them to take action. Obviously these excuses are merely a way to shift the responsibility of the Council to NMFS.

NMFS has been very consistent in their position that shark finning is a "waste" issue and not a biological one. The Council has gone so far as to ask NMFS to define "waste" even though the Council Chairman has at one point himself, called shark finning a "wasteful practice". If people are going to try and confuse the issue of finning over the definition of waste, we've all digressed to the point where our fisheries are in serious trouble. Look at the history of the fisheries that have collapsed. Have they collapsed because people called for more management? Have they collapsed because people called for a precautionary approach and a reduction of waste? Or have they collapsed because people used excuses like, we don't have enough data yet, we don't have the enforcement, it's a complex issue or many others that all had one thing in common,. they all lead to overfishing. A U.S. Supreme Court Justice once said during a Hearing on Pornography . . . "I don't know the definition of pornography, but I know it when I see it". I suspect his opinion of waste might go along these same lines.

In a recent response from the NMFS Honolulu Lab, Dr. Michael Laurs indicated that they HAVE NOT even begun a biological assessment of blue sharks and will not have any preliminary information until Spring 2000. Based on this information we are very concerned that no one seems to actually know the status of these stocks. The Council's claims that Japanese Data has been used by the Council to determine that the stocks are healthy is somewhat disturbing as the United States could not depend on Japanese data with regard to High Seas Driftnetting or Whaling, which in both cases the Japanese data once again claimed that these practices were not threatening the stocks.

I've asked the State Representative, who introduced our Shark finning legislation here in Hawaii last year, to forward you all the testimony his committees received in support of a ban which clearly shows the widespread support this issue had here in the Islands. Native Hawaiians have written in protest, testified and have written letters calling for a halt to finning. Charter Boat Captains in Hawaii, Commercial fishermen in Hawaii (both native and non-native) have supported a ban and they in fact catch sharks. Recreational fishermen, conservationists, scientists, State politicians and some of the Hawaii Congressional Delegation in Washington have supported a ban on finning, as well as the State of Hawaii.

Please don't let people confuse this issue as this isn't about a biological assessment or cruel practice, it is all about waste. Releasing the sharks that are caught as incidental catch alive or fully utilizing the shark, would not increase by-catch as much as it would reduce waste and by-catch mortality.

Once again thank you for your support and if there is anything we can do to support your initiative, please don't hesitate to contact us.

Best personal regards,

BOB ENDRESON.

STATE OF HAWAI'I
OFFICE OF HAWAIIAN AFFAIRS,
Honolulu, HI, October 8, 1999.

Hon. RANDY "DUKE" CUNNINGHAM,
Rayburn House Office Building,
Washington, DC.

Re: Support for H. Con. Res. 189 on Shark Finning.

DEAR CONGRESSMAN CUNNINGHAM: I am writing to thank you for introducing H. Con. Res. 189 to stop the wasteful practice of shark finning in the Central, South, and West Pacific. The Administration of the Office of Hawaiian Affairs (OHA), acting consistently with Board of Trustees policies and views, supports H. Con. Res. 189. We would also like to suggest some amendments to strengthen the arguments already made in H. Con. Res. 189. OHA is a quasi-state agency tasked with working toward the betterment of Native Hawaiians, by advocating for the recognition and continuation of Hawaiian culture and identity.

As you are no doubt aware, there has been considerable outcry among the Native Hawaiian population, as well as the population at large in Hawaii, about the practice of shark finning. This public disdain for this wasteful fishing practice was most recently debated both in our State legislature and at a meeting of the Western Pacific Regional Fishery Management Council (WPRFMC).

Cultural Significance

Because Hawaiian culture is integrally tied to the health, abundance, and access to indigenous natural resources, Hawaiians have always striven to play a stewardship role by sound management and protection of the natural environment on which the culture relies. Unfortunately, Hawaii is constantly endangered by the imposition of Western beliefs, customs, religions, and economic desires that do not necessary hold similar views about the importance of the natural environment. Taking a small portion of a shark or any animal and wasting the remainder clearly runs counter to Hawaiian stewardship views. Traditional use of sharks in Hawaiian culture meant whole utilization of the animal.

Equally as important to Hawaiians is the cultural and spiritual significance of the shark itself. Many Hawaiian families hold the shark in special esteem as the physical manifestation (called Kinolau) of their family guardian (aumakua), who was also regarded as a family ancestor. There are many other kinolau in Hawaiian culture, including the owl, lizard, dog, rocks, and clouds. Imagine the uproar that would arise if the Spotted Owl were to be taken, even as "bycatch," for its wings. The intensity of feeling about shark finning among Hawaiians is a hundredfold magnified because of the special spiritual significance of the shark. To hurt or destroy the shark wantonly and intentionally is for many families equivalent to desecrating one's own ancestors and heritage. As forcefully stated by respected Hawaiian cultural practitioner and member of WFRFMC's Native and Indigenous Rights Advisory Panel Charles Kauluwehi Maxwell Sr. at a recent WPRFMC meeting, the practice of shark finning is "very offensive" to Hawaiians.

OHA believes that shark finning should not be allowed to continue, and that the U.S. government should not allow landings of shark fins unless it is taken from a shark landed whole.

Suggested Amendments to Bill

We feel that H. Con. Res. 189 can be strengthened by including language to express the culturally offensive nature of shark finning, as described above. Therefore, we suggest inserting the following language or similar:

". . . Whereas shark finning in the Western Pacific occurs in and around the waters of Hawaii, among other U.S. Pacific holdings;

Whereas the indigenous Native Hawaiian people regard sharks highly as being culturally and spiritually important to their heritage;

Whereas wasteful use of a culturally significant animal such as the shark is offensive to Native Hawaiians; . . ."

The Council's Role

In an interview with a reporter during the WPRFMC meeting several months ago, Council Chair James D. Cook stated that environmentalists' concerns and native Hawaiians' cultural concerns should not influence decisions made by the Council on decisions about shark finning. OHA feels that Mr. Cook's culturally insensitive comment warrants attention and clarification about WPRFMC's position on cultural issues. Perhaps WPRFMC's duties and responsibilities towards indigenous peoples and their cultural/traditional fishing practices under the Magnuson-Stevens Act needs to be reassessed.

As the full name of the Magnuson-Stevens Act indicates, its objective is to conserve and manage fisheries. Moreover, the Act clearly places importance on cultural considerations. Section 104–297 of the Act states the following regarding community development programs:

". . . the Western Pacific Council shall base such criteria on traditional fishing practices in or dependence on the fishery, the cultural and social framework relevant to the fishery, and economic barriers to access to the fishery," and

"Notwithstanding any other provision of this Act, the Western Pacific Council shall take into account traditional indigenous fishing practices in preparing any fishery management plan."

OHA feels that Mr. Cook's comment then begs the question of what the Council's priorities are in managing fisheries, and specifically if it is truly taking cultural considerations into account.

We hope that you will consider this need to scrutinize WPRFMC's priorities and culturally sensitive issues like shark finning when you introduce legislation to amend the Magnuson-Stevens Act later this year.

If we can be of further assistance, please do not hesitate to contact Sebastian Aloot, Hawaiian Rights Officer, or Nami Ohtomo, Natural Resources Policy Analyst, at 594–1755.

Sincerely,

RANDALL OGATA,
Administrator.

Mr. Speaker, I thank the gentleman from Minnesota (Mr. VENTO), the gentleman from New Jersey (Mr. SAXTON), the committee members, and the gentleman from Alaska (Mr. YOUNG) for expediting this to the floor.

Mr. UNDERWOOD. Mr. Speaker, I would like to thank the Resources Subcommittee Chairman JIM SAXTON and the Ranking Democrat Mr. FALEOMAVAEGA for their work on this resolution. Indeed, H. Con. Res. 189 is important because it has helped elevate the awareness of shark finning practices in the Pacific. I'm sure that many Americans have been moved, as I have, by television images showing workers aboard fishing vessels, both foreign and domestic, slicing off the fins of caught sharks and throwing the carcasses back into the ocean. It's easy to understand why we are moved by these pictures. They are very powerful and appeal to our sense of human decency and respect for "not wasting our kill."

The resolution before us however, does not take any comprehensive approach to end the practice of shark finning. Though it presents us with statistical data showing us the enormous increase of shark finning activity in the Pacific over the past eight years, it neglects to address the volume of U.S. imports which helps to support the demand for shark finning to occur. If we want this resolution to offer meaningful and substantive changes in the treatment of sharks, this resolution should address a ban on importation.

Moreover, the authority of the Western Pacific Regional Fishery Management Council—which is the federally recognized regional council responsible for developing management plans for fisheries for the exclusive economic zones of the State of Hawaii and the U.S. Pacific territories—will be usurped with the passage of this resolution. These regional councils are in place to develop sound and responsible fishery management plans while being mindful of the unique circumstances of the presiding region. I am concerned that passing this resolution sets a precedent which can call in to question the integrity and authority of all federally mandated regional fishery management councils in the U.S.

Mr. Speaker, the practice of shark finning is unfortunate. We should not, however, avert the authorities of regional councils in lieu of our unwillingness to address this issue in a comprehensive manner.

Mr. ABERCROMBIE. Mr. Speaker, I rise in support of House Concurrent Resolution 189, relating to the practice of shark finning.

There is no question that the practice is wasteful of a resource and should be discontinued. This issue has been on the agenda of the Western Pacific Regional Fishery Management Council (WESPAC), which is responsible for managing our Western Pacific fisheries resources. WESPAC has been studying this issue, and I encourage them to continue to do so in order to compile the necessary data to take definitive action. In that regard, I would note that the Council has requested additional funds from NMFS during the past three years to do so, and as evidenced by our endorsement of this resolution today, there is a critical need for NMFS to comply with the request. I want to work closely with Representatives ENI FALEOMAVAEGA, JIM SAXTON, WAYNE GILCHREST, GEORGE MILLER, DON YOUNG and the Appropriations Committee to make sure there is adequate federal support for the broad and extensive responsibilities for which WESPAC is charged. The fisheries of the Western Pacific economic zones for which WESPAC is responsible comprises approximately forty-eight percent of the entire area NMFS regulates, but WESPAC receives only twelve percent of the total funding all the commissions receive. We must make certain that we give the Commission the tools, resources and support they need in order to credibly discharge their formidable responsibilities.

Secondly, I would like to point out that even with enactment of this resolution or additional legislation amending the Magnuson-Stevens Act to ban shark finning, this is an international problem, and follow-up action must be initiated and undertaken in order to effectively end the practice internationally. Far more fins are unloaded in California ports, Hong Kong and other sites than in Hawaii, and the issue of transshipping of fins must also be addressed. If we are serious about ending finning, we need to act on several fronts.

By citing the waste inherent in finning, the resolution raises the issue of full utilization of the products harvested from sharks. Fins should not be the only part of animal used and we need to develop refined products and markets in order to more fully make good use of shark parts. The resolution cites the waste inherent in finning, and yet there is an implicit level of utilization in other marine products. For example, to what extent is taking solely roe from fish or sea urchins wasteful? NMFS should address these utilization issues as it undertakes regulatory actions impacting shark catches.

The last matter I would like to raise is that of compensation for lost income which will be sustained by Hawaii fishermen and industry. Shark fins generate significant revenue, and traditionally most of its goes directly to the crews of the fishing fleet. The resolution does not address lost compensation for crews, but I am pointing out the issue to indicate the complexity of the issue, and equity in addressing the economic consequences of fisheries regulatory decisions, based on precedents set by previous NMFS actions and decisions.

Again, Mr. Speaker, I urge adoption of the resolution, as well as addressing the underlying and associated issues it raises.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from New Jersey (Mr. SAXTON) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 189, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

CLEAR CREEK DISTRIBUTION SYSTEM CONVEYANCE ACT

Mr. DOOLITTLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 862) to authorize the Secretary of the Interior to implement the provisions of the Agreement conveying title to a Distribution System from the United States to the Clear Creek Community Services District, as amended.

The Clerk read as follows:

H.R. 862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Clear Creek Distribution System Conveyance Act".

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(2) DISTRICT.—The term "District" means the Clear Creek Community Services District, a California community services district located in Shasta County, California.

(3) AGREEMENT.—The term "Agreement" means Agreement No. 8-07-20-L6975 entitled "Agreement Between the United States and the Clear Creek Community Services District to Transfer Title to the Clear Creek Distribution System to the Clear Creek Community Services District".

(4) DISTRIBUTION SYSTEM.—The term "Distribution System" means all the right, title, and interest in and to the Clear Creek distribution system as defined in the Agreement.

SEC. 3. CONVEYANCE OF DISTRIBUTION SYSTEM.

In consideration of the District accepting the obligations of the Federal Government for the Distribution System, the Secretary shall convey the Distribution System to the District pursuant to the terms and conditions set forth in the Agreement.

SEC. 4. RELATIONSHIP TO EXISTING OPERATIONS.

Nothing in this Act shall be construed to authorize the District to construct any new facilities or to expand or otherwise change the use or operation of the Distribution System from its authorized purposes based upon historic and current use and operation. Effective upon transfer, if the District proposes to alter the use or operation of the Distribution System, then the District shall comply with all applicable laws and regulations governing such changes at that time.

SEC. 5. RELATIONSHIP TO CERTAIN CONTRACT OBLIGATIONS.

Conveyance of the Distribution System under this Act—

(1) shall not affect any of the provisions of the District's existing water service contract with the United States (contract number 14-06-200-489-IR3), as it may be amended or supplemented; and

(2) shall not deprive the District of any existing contractual or statutory entitlement to subsequent interim renewals of such contract or to renewal by entering into a long-term water service contract.

SEC. 6. LIABILITY.

Effective on the date of conveyance of the Distribution System under this Act, the United States shall not be liable under any law for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. DOOLITTLE) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the subject of Bureau of Reclamation facility transfers has been of particular interest to the Congress, local irrigation districts, and the administration in recent years. Facility transfers represented an effort to shrink the Federal government and shift the responsibilities for ownership into the hands of those who can more efficiently operate and maintain them.

Much of the momentum for these transfers comes from local irrigation districts that are seeking title to these projects. The Federal government holds title to more than 600 Bureau of Reclamation water projects throughout the West. A growing number of these projects are now paid out and operated and maintained by local irrigation districts. The districts seek to have the facilities transferred to them, since many of the districts now have the expertise needed to manage the systems and can do so more efficiently than the Federal government.

H.R. 862 transfers title of the Clear Creek distribution system in California to the Clear Creek Services District without affecting the underlying water services contract, and it relieves the Federal government of all liability for its role in owning and constructing the water distribution system.

This transfer should be supported for two reasons. In the case of the Clear Creek distribution system, the government will reduce its risk of future liabilities associated with the project due to faulty project design. The district has indicated that it is prepared to accept responsibility for the system.

Second, the district believes that it has the expertise and financial capability to manage this project more efficiently than the Federal government.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation directs the transfer of the Bureau of Reclamation water distribution system to the Clear Creek Community Services District in California. The transfer will be carried out pursuant to a cooperative agreement that has already been negotiated.

The Bureau of Reclamation has worked closely with local interests on this transfer proposal, and it is my understanding that the manager's amendment is acceptable to the administration. This legislation is noncontroversial. Mr. Speaker, I urge support of the legislation of the gentleman from California (Mr. HERGER), H.R. 862.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DOOLITTLE. Mr. Speaker, I yield 6 minutes to my friend and colleague, the gentleman from California (Mr. HERGER), in whose district this project is located .

Mr. HERGER. Mr. Speaker, I would like to thank the gentleman from California (Chairman DOOLITTLE) and the members and staff of the Subcommittee on Water and Power of the Committee on Resources for their hard work on this important piece of legislation.

I would also like to command and thank the Clear Creek Community Services District for their perseverance, cooperation, and patience in working with the Bureau of Reclamation and the subcommittee.

H.R. 862, the Clear Creek Distribution System Conveyance Act is a modest and noncontroversial measure that authorizes the Secretary of the Interior to convey title to the Clear Creek distribution system out of the hands of the United States and into the hands of the Clear Creek Community Service District.

The Clear Creek Community Services District is a local agency that provides water services for domestic and agricultural use to a large area of western Shasta County in the Northern California district I represent.

Clear Creek entered into a contractual relationship with the United States in 1963 for construction of the distribution system, as well as a long-term water services contract and a commitment to long-term repayment of the construction cost of the system.

The district commenced making payments on its repayment obligation starting in 1967. Thereafter, the district took full and complete responsibility for the administration, operation, maintenance, and repair of the system. Legal title to the system, however, remained in the name of the United States.

Now that the district's repayment obligation has been satisfied by the terms of its agreement with the Bureau, both the district and Bureau seek to have title to the federally-owned facilities transferred back to the district.

The district took advantage of the administration's title transfer program and negotiated the terms and conditions of an agreement whereby title to the distribution facilities would be transferred in a manner satisfactory to all concerned parties. This legislation will effectuate that agreement, and will bring title and authority over these facilities back to the 8,000 or so people who are served by them.

Although the district already carries out all aspects of the operation and maintenance of the system, transfer of title will allow the customers and water users in the district to be better served by more cost-effective and responsive administration of the facility.

Mr. Speaker, the Clear Creek title transfer is uncluttered by any adverse or controversial issues related to environmental impact, water allocation, hazardous waste, Federal power, or endangered species. It has the full support of the Clear Creek Community Services District, the citizens, communities, and businesses served by the district, and the Bureau of Reclamation.

Further, it advances the objective of creating a government that works better and costs less by transferring these facilities to State and local units of government where they can be more efficiently managed.

I urge the Members to vote in favor of this noncontroversial proposal, which provides a definite win-win situation for all parties involved. I appreciate the opportunity to speak on its behalf.

Mr. DOOLITTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my friend and colleague, the gentleman from Guam (Mr. UNDERWOOD), for his help in this matter, and I urge an aye vote.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. DOOLITTLE) that the House suspend the rules and pass the bill, H.R. 862, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to direct the Secretary of the Interior to implement the provisions of an agreement conveying title to a distribution system from the United States to the Clear Creek Community Services District.".

A motion to reconsider was laid on the table.

SLY PARK UNIT CONVEYANCE ACT

Mr. DOOLITTLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 992) to convey the Sly Park Dam and Reservoir to the El Dorado Irrigation District, and for other purposes, as amended.

The Clerk read as follows:

H.R. 992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

For the purpose of this Act, the term—

(1) "Secretary" means the Secretary of the Interior;

(2) "Sly Park Unit" means the Sly Park Dam and Reservoir, Camp Creek Diversion Dam and Tunnel, and conduits and canals as authorized under the American River Act of October 14, 1949 (63 Stat. 853), including those used to convey, treat, and store water delivered from Sly Park, as well as all recreation facilities thereto; and

(3) "District" means the El Dorado Irrigation District.-

SEC. 2. TRANSFER OF SLY PARK UNIT.

(a) IN GENERAL.—The Secretary shall, as soon as practicable after date of enactment of this Act and in accordance with all applicable law, transfer all right, title, and interest in and to the Sly Park Unit to the District.

(b) SALE PRICE.—The Secretary is authorized to receive from the District $2,000,000 to relieve payment obligations and extinguish the debt under contract number 14–06–200–949IR2, and $9,500,000 to relieve payment obligations and extinguish all debts associated with contracts numbered 14–06–200–7734, as amended by contracts numbered 14–06–200–4282A and 14–06–200–8536A. Notwithstanding the preceding sentence, the District shall continue to make payments required by section 3407(c) of Public Law 102-575 through year 2029.

(c) CREDIT REVENUE TO PROJECT REPAYMENT.—Upon payment authorized under subsection (b), the amount paid shall be credited toward repayment of capital costs of the Central Valley Project in an amount equal to the associated undiscounted obligation.

SEC. 3. FUTURE BENEFITS.

Upon payment, the Sly Park Unit shall no longer be a Federal reclamation project or a unit of the Central Valley Project, and the District shall not be entitled to receive any further reclamation benefits.

SEC. 4. LIABILITY.

Except as otherwise provided by law, effective on the date of conveyance of the Sly Park Unit under this Act, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership or operation of the conveyed property.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. DOOLITTLE) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for more than 14 years the Sly Park Unit conveyance has been a legislative proposal before the Congress. It has passed both the House and Senate several times in various forms.

Today we have before us what I consider a fair proposal to all interested parties in the legislation. The Sly Park Unit in California was originally authorized under the American River Act of October 14, 1949. Since the project was completed in 1955, the district has operated and maintained the facilities.

Additionally, the district has played a major role in providing a safe, clean, and community-oriented recreation area that offers camping, boating, swimming, picnicking, and fishing.

Since I became the chairman of the Subcommittee on Water and Power, it has been my intent to pursue legislation to shrink the size and scope of the Federal government through the defederalization of these assets.

This defederalization should be done for two reasons. First, in the case of Sly Park, the unit will be completely paid for prior to conveyance.

Second, the district has demonstrated for more than four decades their expertise and financial capability in managing this project more efficiently than the Federal government.

During the 105th Congress two congressionally-initiated Bureau of Reclamation transfer bills were signed into law that directed the Secretary of the Interior to convey all right, title, and interest to the United States in and to specified project facilities.

It is contemplated that the Sly Park Unit will be maintained and managed after the transfer so that there would be no significant changes in operation and maintenance or in land and water use in the reasonably foreseeable future.

Once transfer takes place, the future management of the facility will be the responsibility of the new owners, with any changes made pursuant to all then applicable laws. It is the committee's expectation that the completion of the conveyance should take no longer than 18 months from the date of enactment.

To accomplish this end, we have received assurances from the Bureau of Reclamation that they will complete as expeditiously as possible the requirements of the National Environmental Policy Act, or NEPA.

Furthermore, it is the committee's expectation that the district will cooperate with the Bureau of Reclamation in the environmental process and in the administrative tasks necessary to complete the transfer. If the conveyance is not completed within 18 months from the date of enactment, the Secretary can be expected to pay 100 percent of the costs of complying with the requirements of NEPA incurred as a direct result of executing this title transfer.

If the conveyance occurs within 18 months, the Bureau of Reclamation should be expected to pay up to 50 percent of the costs of complying with the requirements of NEPA incurred as a direct result of executing this title transfer.

Again, I would like to thank my colleagues, especially the gentleman from California (Mr. MILLER), and the Bureau of Reclamation for their work in assuring the passage of this important legislation. I would urge an aye vote on the the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the committee has for more than a decade been considering various proposals to transfer ownership of the Sly Park Unit of the Central Valley Project. Many of the proposals we have seen have been so controversial that it has been impossible to secure passage of a bill.

We finally have a bill that resolves the most contentious issues, and the majority has worked with the administration to reach agreement on language that ensures the environmental review process will not be waived.

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The bill provides a financial solution that reflects agreement with the Office of Management and Budget. The manager's amendment to H.R. 992 under consideration today no longer includes authority for the El Dorado Irrigation District to use tax exempt financing to pay off their remaining repayment obligations.

Under the bill as reported, Federal funds could be used to pay off this Federal debt. This inappropriate use of tax advantage funds municipal bond financing was opposed in dissenting views filed with the committee report, and it is appropriate that the offending language be removed from the bill.

Mr. Speaker, there have been significant and positive modifications to this legislation, and I understand that the administration now supports the bill, and we are prepared to support this legislation, H.R. 992, which is important for the gentleman from California (Mr. DOOLITTLE) in his district.

Mr. Speaker, I yield back the balance of my time.

Mr. DOOLITTLE. Mr. Speaker, I, too, am pleased to confirm that the administration is now officially on record in support of this legislation. I urge an aye vote.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from California (Mr. DOOLITTLE) that the House suspend the rules and pass the bill, H.R. 992, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SOLANO WATER IMPOUNDMENT AND CONVEYANCE ACT

Mr. DOOLITTLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1235) to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes.

The Clerk read as follows:

H.R. 1235

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. USE OF SOLANO PROJECT FACILITIES FOR NONPROJECT WATER.

(a) AUTHORIZATION.—The Secretary of the Interior is authorized to enter into contracts with the Solano County Water Agency, or any of its member unit contractors for water from the Solano Project, California, pursuant to the Act of February 21, 1911 (43 U.S.C. 523), for—

(1) the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes, using any facilities associated with the Solano Project, California; and

(2) the exchange of water among Solano Project contractors, for the purposes set forth in paragraph (1), using facilities associated with the Solano Project, California.

(b) LIMITATION.—The authorization under subsection (a) shall be limited to the use of that portion of the Solano Project facilities downstream of Mile 26 of the Putah South Canal (as that canal is depicted on the official maps of the Bureau of Reclamation), which is below the diversion points on the Putah South Canal utilized by the city of Fairfield for delivery of Solano Project water.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. DOOLITTLE) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the city of Vallejo, California has tried to use its water supply facilities more efficiently, but has been limited by a provision in Federal law that prohibits the city from sharing space in an existing Federal water delivery canal. The city of Vallejo wants to wheel some of its drinking water through part of the canal serving California's Solano Project, a water project built by the Bureau of Reclamation in the 1950s. The city of Vallejo is prepared to pay any appropriate charges for the use of these facilities.

H.R. 1235 authorizes the Secretary of Interior to enter into contracts for the impounding, storage, and carriage of nonproject water using facilities associated with the Solano Project, California. In addition, any Warren Act contract affecting the Solano Project will be conducted with full compliance of all applicable environmental requirements.

I urge an aye vote on the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1235 was introduced on March 23, 1999, by the gentleman from California (Mr. GEORGE MILLER). The gentleman from California (Mr. GEORGE MILLER), our friend and colleague, is, of course, the senior Democrat on the Committee on Resources; but he also represents California's 7th Congressional District, which includes the city of Vallejo; and, unfortunately, he is not able to be with us at this time.

The city of Vallejo has requested congressional approval of its proposal to use excess capacity in a Bureau of Reclamation project canal to move part of its raw municipal water supply to a new water treatment plant. Legislation must be enacted because a limitation in Federal law currently prohibits the city in sharing space in an existing Federal water delivery canal.

Once this legislation is enacted, Vallejo will be able to negotiate and sign a so-called Warren Act contract to wheel some of its water supply from its Lake Curry storage reservoir through a specific and limited part of the Putah South Canal. In doing so, Vallejo will be able to keep its current water permit active.

The Putah South Canal serves the Solano Project, constructed by the Bureau of Reclamation in the 1950s. Vallejo's proposal has been carefully negotiated by the Solano Water Authority and other Solano Project water users, including the City of Fairfield. Vallejo is prepared to pay all appropriate charges for the use of this facility. There will be no cost to the U.S.

Many California water agencies are becoming much more accustomed to using various facilities, some of them Federal, some State, some private, to facilitate the movement and transfer of water more efficiently around the State. There are both State and Federal initiatives to encourage more efficient water use, and many of the various CALFED programs focus on improved water management.

H.R. 1235 is part of that ongoing effort to bring some flexibility into our water management policies while continuing to meet important statutory, fiscal, and environmental requirements.

Execution of a Warren Act contract to benefit the city of Vallejo will require full compliance with Federal and State and environmental laws and regulations. We want to assure that no damage is done to the steelhead fishery that is returning to Suisun Creek or to other resources.

The record of the committee's consideration of H.R. 1235 includes correspondence from the Bureau of Reclamation, clearly indicating that all environment compliance requirements must be met before execution of a Warren Act contract to benefit the city of Vallejo. Those include the requirements of the National Environmental Policy Act of 1969, the California Environmental Quality Act, the Endangered Species Act, State Fish and Game Department regulations, and all other environmental mandates.

Mr. Speaker, H.R. 1235 is important to the city of Vallejo, and this legislation is not controversial.

I wish to congratulate the gentleman from California (Mr. GEORGE MILLER) on this important piece of legislation and thank the chairman for his cooperation and collaboration on this legislation. I urge my colleagues to support H.R. 1235.

Mr. Speaker, I yield back the balance of my time.

Mr. DOOLITTLE. Mr. Speaker, I urge an aye vote, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. DOOLITTLE) that the House suspend the rules and pass the bill, H.R. 1235.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bills just passed, H.R. 862, H.R. 992, and H.R. 1235.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1714) to facilitate the use of electronic records and signatures in interstate or foreign commerce, as amended.

The Clerk read as follows:

H.R. 1714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electronic Signatures in Global and National Commerce Act".

TITLE I—VALIDITY OF ELECTRONIC RECORDS AND SIGNATURES FOR COMMERCE

SEC. 101. GENERAL RULE OF VALIDITY.

(a) GENERAL RULE.—With respect to any contract, agreement, or record entered into or provided in, or affecting, interstate or foreign commerce, notwithstanding any statute, regulation, or other rule of law, the legal effect, validity, or enforceability of such contract, agreement, or record shall not be denied—

(1) on the ground that the contract, agreement, or record is not in writing if the contract, agreement, or record is an electronic record; or

(2) on the ground that the contract, agreement, or record is not signed or is not affirmed by a signature if the contract, agreement, or record is signed or affirmed by an electronic signature.

(b) AUTONOMY OF PARTIES IN COMMERCE.—

(1) IN GENERAL.—With respect to any contract, agreement, or record entered into or provided in, or affecting, interstate or foreign commerce—

(A) the parties to such contract, agreement, or record may establish procedures or requirements regarding the use and acceptance of electronic records and electronic signatures acceptable to such parties;

(B) the legal effect, validity, or enforceability of such contract, agreement, or record shall not be denied because of the type or method of electronic record or electronic signature selected by the parties in establishing such procedures or requirements; and

(C) nothing in this section requires any party to use or accept electronic records or electronic signatures.

(2) CONSENT TO ELECTRONIC RECORDS.—Notwithstanding subsection (a) and paragraph (1) of this subsection—

(A) if a statute, regulation, or other rule of law requires that a record be provided or made available to a consumer in writing, that requirement shall be satisfied by an electronic record if—

(i) the consumer has separately and affirmatively consented to the provision or availability of such record, or identified groups of records that that include such record, as an electronic record; and

(ii) has not withdrawn such consent; and

(B) if such statute, regulation, or other rule of law requires that a record be retained, that requirement shall be satisfied if such record complies with the requirements of subparagraphs (A) and (B) of subsection (c)(1).

(c) RETENTION OF CONTRACTS, AGREEMENTS, AND RECORDS.—

(1) ACCURACY AND ACCESSIBILITY.—If a statute, regulation, or other rule of law requires that a contract, agreement, or record be in writing or be retained, that requirement is met by retaining an electronic record of the information in the contract, agreement, or record that—

(A) accurately reflects the information set forth in the contract, agreement, or record after it was first generated in its final form as an electronic record; and

(B) remains accessible, for the period required by such statute, regulation, or rule of law, for later reference, transmission, and printing.

(2) EXCEPTION.—A requirement to retain a contract, agreement, or record in accordance with paragraph (1) does not apply to any information whose sole purpose is to enable the contract, agreement, or record to be sent, communicated, or received.

(3) ORIGINALS.—If a statute, regulation, or other rule of law requires a contract, agreement, or record to be provided, available, or retained in its original form, or provides consequences if the contract, agreement, or record is not provided, available, or retained in its original form, that statute, regulation, or rule of law is satisfied by an electronic record that complies with paragraph (1).

(4) CHECKS.—If a statute, regulation, or other rule of law requires the retention of a check, that requirement is satisfied by retention of an electronic record of all the information on the front and back of the check in accordance with paragraph (1).

SEC. 102. AUTHORITY TO ALTER OR SUPERSEDE GENERAL RULE.

(a) PROCEDURE TO ALTER OR SUPERSEDE.—Except as provided in subsection (b), a State statute, regulation, or other rule of law may modify, limit, or supersede the provisions of section 101 if such statute, regulation, or rule of law—

(1)(A) constitutes an enactment or adoption of the Uniform Electronic Transactions Act as reported to the State legislatures by the National Conference of Commissioners on Uniform State Laws; or

(B) specifies the alternative procedures or requirements for the use or acceptance (or both) of electronic records or electronic signatures to establish the legal effect, validity, or enforceability of contracts, agreements, or records; and

(2) if enacted or adopted after the date of enactment of this Act, makes specific reference to this Act.

(b) LIMITATIONS ON ALTERATION OR SUPERSESSION.—A State statute, regulation, or other rule of law (including an insurance statute, regulation, or other rule of law), regardless of its date of enactment or adoption, that modifies, limits, or supersedes section 101 shall not be effective to the extent that such statute, regulation, or rule—

(1) discriminates in favor of or against a specific technology, process, or technique of creating, storing, generating, receiving, communicating, or authenticating electronic records or electronic signatures;

(2) discriminates in favor of or against a specific type or size of entity engaged in the business of facilitating the use of electronic records or electronic signatures;

(3) is based on procedures or requirements that are not specific or that are not publicly available; or

(4) is otherwise inconsistent with the provisions of this title.

(c) EXCEPTION.—Notwithstanding subsection (b), a State may, by statute, regulation, or rule of law enacted or adopted after the date of enactment of this Act, require specific notices to be provided or made available in writing if such notices are necessary for the protection of the safety or health of an individual consumer. A consumer may not, pursuant to section 101(b)(2), consent to the provision or availability of such notice solely as an electronic record.

SEC. 103. SPECIFIC EXCLUSIONS.

(a) EXCEPTED REQUIREMENTS.—The provisions of section 101 shall not apply to a contract, agreement, or record to the extent it is governed by—

(1) a statute, regulation, or other rule of law governing the creation and execution of wills, codicils, or testamentary trusts;

(2) a statute, regulation, or other rule of law governing adoption, divorce, or other matters of family law;

(3) the Uniform Commercial Code, as in effect in any State, other than sections 1-107 and 1-206 and Articles 2 and 2A;

(4) any requirement by a Federal regulatory agency or self-regulatory organization that records be filed or maintained in a specified standard or standards (including a specified format or formats), except that nothing in this paragraph relieves any Federal regulatory agency of its obligations under the Government Paperwork Elimination Act (title XVII of Public Law 105–277);

(5) the Uniform Anatomical Gift Act; or

(6) the Uniform Health-Care Decisions Act.

(b) ADDITIONAL EXCEPTIONS.—The provisions of section 101 shall not apply to—

(1) any contract, agreement, or record entered into between a party and a State agency if the State agency is not acting as a market participant in or affecting interstate commerce;

(2) court orders or notices, or official court documents (including briefs, pleadings, and other writings) required to be executed in connection with court proceedings; or

(3) any notice concerning—

(A) the cancellation or termination of utility services (including water, heat, and power);

(B) default, acceleration, repossession, foreclosure, or eviction, or the right to cure, under a credit agreement secured by, or a rental agreement for, a primary residence of an individual; or

(C) the cancellation or termination of health insurance or benefits or life insurance benefits (excluding annuities).

SEC. 104. STUDY.

(a) FOLLOWUP STUDY.—Within 5 years after the date of enactment of this Act, the Secretary of Commerce, acting through the Assistant Secretary for Communications and Information, shall conduct an inquiry regarding any State statutes, regulations, or other rules of law enacted or adopted after such date of enactment pursuant to section 102(a), and the extent to which such statutes, regulations, and rules comply with section 102(b).

(b) REPORT.—The Secretary shall submit a report to the Congress regarding the results of such inquiry by the conclusion of such 5-year period.

SEC. 105. DEFINITIONS.

For purposes of this title:

(1) ELECTRONIC RECORD.—The term "electronic record" means a writing, document, or other record created, stored, generated, received, or communicated by electronic means.

(2) ELECTRONIC SIGNATURE.—The term "electronic signature" means information or data in electronic form, attached to or logically associated with an electronic record, and executed or adopted by a person or an electronic agent of a person, with the intent to sign a contract, agreement, or record.

(3) ELECTRONIC.—The term "electronic" means of or relating to technology having electrical, digital, magnetic, optical, electromagnetic, or similar capabilities regardless of medium.

(4) ELECTRONIC AGENT.—The term "electronic agent" means a computer program or an electronic or other automated means used independently to initiate an action or respond to electronic records in whole or in part without review by an individual at the time of the action or response.

(5) RECORD.—The term "record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(6) FEDERAL REGULATORY AGENCY.—The term "Federal regulatory agency' means an agency, as that term is defined in section 552(f) of title 5, United States Code, that is authorized by Federal law to impose requirements by rule, regulation, order, or other legal instrument.

(7) SELF-REGULATORY ORGANIZATION.—The term "self-regulatory organization" means an organization or entity that is not a Federal regulatory agency or a State, but that is under the supervision of a Federal regulatory agency and is authorized under Federal law to adopt and administer rules applicable to its members that are enforced by such organization or entity, by a Federal regulatory agency, or by another self-regulatory organization.

TITLE II—DEVELOPMENT AND ADOPTION OF ELECTRONIC SIGNATURE PRODUCTS AND SERVICES

SEC. 201. TREATMENT OF ELECTRONIC SIGNATURES IN INTERSTATE AND FOREIGN COMMERCE.

(a) INQUIRY REGARDING IMPEDIMENTS TO COMMERCE.—

(1) INQUIRIES REQUIRED.—Within 180 days after the date of the enactment of this Act, and biennially thereafter, the Secretary of Commerce, acting through the Assistant Secretary for Communications and Information, shall complete an inquiry to—

(A) identify any domestic and foreign impediments to commerce in electronic signature products and services and the manners in which and extent to which such impediments inhibit the development of interstate and foreign commerce;

(B) identify constraints imposed by foreign nations or international organizations that constitute barriers to providers of electronic signature products or services; and

(C) identify the degree to which other nations and international organizations are complying with the principles in subsection (b)(2).

(2) SUBMISSION.—The Secretary shall submit a report to the Congress regarding the results of each such inquiry within 90 days after the conclusion of such inquiry. Such report shall include a description of the actions taken by the Secretary pursuant to subsection (b) of this section.

(b) PROMOTION OF ELECTRONIC SIGNATURES.—

(1) REQUIRED ACTIONS.—The Secretary of Commerce, acting through the Assistant Secretary for Communications and Information, shall promote the acceptance and use, on an international basis, of electronic signatures in accordance with the principles specified in paragraph (2) and in a manner consistent with section 101 of this Act. The Secretary of Commerce shall take all actions

necessary in a manner consistent with such principles to eliminate or reduce, to the maximum extent possible, the impediments to commerce in electronic signatures, including those identified in the inquiries under subsection (a) for the purpose of facilitating the development of interstate and foreign commerce.

(2) PRINCIPLES.—The principles specified in this paragraph are the following:

(A) Free markets and self-regulation, rather than government standard-setting or rules, should govern the development and use of electronic records and electronic signatures.

(B) Neutrality and nondiscrimination should be observed among providers of and technologies for electronic records and electronic signatures.

(C) Parties to a transaction should be permitted to establish requirements regarding the use of electronic records and electronic signatures acceptable to such parties.

(D) Parties to a transaction—

(i) should be permitted to determine the appropriate authentication technologies and implementation models for their transactions, with assurance that those technologies and implementation models will be recognized and enforced; and

(ii) should have the opportunity to prove in court or other proceedings that their authentication approaches and their transactions are valid.

(E) Electronic records and electronic signatures in a form acceptable to the parties should not be denied legal effect, validity, or enforceability on the ground that they are not in writing.

(F) De jure or de facto imposition of standards on private industry through foreign adoption of regulations or policies with respect to electronic records and electronic signatures should be avoided.

(G) Paper-based obstacles to electronic transactions should be removed.

(c) CONSULTATION.—In conducting the activities required by this section, the Secretary shall consult with users and providers of electronic signature products and services and other interested persons.

(d) PRIVACY.—Nothing in this section shall be construed to require the Secretary or the Assistant Secretary to take any action that would adversely affect the privacy of consumers.

(e) DEFINITIONS.—As used in this section, the terms "electronic record" and "electronic signature" have the meanings provided in section 104 of the Electronic Signatures in Global and National Commerce Act.

TITLE III—USE OF ELECTRONIC RECORDS AND SIGNATURES UNDER FEDERAL SECURITIES LAW

SEC. 301. GENERAL VALIDITY OF ELECTRONIC RECORDS AND SIGNATURES.

Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following new subsection:

"(h) REFERENCES TO WRITTEN RECORDS AND SIGNATURES.—

"(1) GENERAL VALIDITY OF ELECTRONIC RECORDS AND SIGNATURES.—Except as otherwise provided in this subsection—

"(A) if a contract, agreement, or record (as defined in subsection (a)(37)) is required by the securities laws or any rule or regulation thereunder (including a rule or regulation of a self-regulatory organization), and is required by Federal or State statute, regulation, or other rule of law to be in writing, the legal effect, validity, or enforceability of such contract, agreement, or record shall not be denied on the ground that the contract, agreement, or record is not in writing if the contract, agreement, or record is an electronic record;

"(B) if a contract, agreement, or record is required by the securities laws or any rule or regulation thereunder (including a rule or regulation of a self-regulatory organization), and is required by Federal or State statute, regulation, or other rule of law to be signed, the legal effect, validity, or enforceability of such contract, agreement, or record shall not be denied on the ground that such contract, agreement, or record is not signed or is not affirmed by a signature if the contract, agreement, or record is signed or affirmed by an electronic signature; and

"(C) if a broker, dealer, transfer agent, investment adviser, or investment company enters into a contract or agreement with, or accepts a record from, a customer or other counterparty, such broker, dealer, transfer agent, investment adviser, or investment company may accept and rely upon an electronic signature on such contract, agreement, or record, and such electronic signature shall not be denied legal effect, validity, or enforceability because it is an electronic signature.

"(2) IMPLEMENTATION.—

"(A) REGULATIONS.—The Commission may prescribe such regulations as may be necessary to carry out this subsection consistent with the public interest and the protection of investors.

"(B) NONDISCRIMINATION.—The regulations prescribed by the Commission under subparagraph (A) shall not—

"(i) discriminate in favor of or against a specific technology, method, or technique of creating, storing, generating, receiving, communicating, or authenticating electronic records or electronic signatures; or

"(ii) discriminate in favor of or against a specific type or size of entity engaged in the business of facilitating the use of electronic records or electronic signatures.

"(3) EXCEPTIONS.—Notwithstanding any other provision of this subsection—

"(A) the Commission, an appropriate regulatory agency, or a self-regulatory organization may require that records be filed or maintained in a specified standard or standards (including a specified format or formats) if the records are required to be submitted to the Commission, an appropriate regulatory agency, or a self-regulatory organization, respectively, or are required by the Commission, an appropriate regulatory agency, or a self-regulatory organization to be retained; and

"(B) the Commission may require that contracts, agreements, or records relating to purchases and sales, or establishing accounts for conducting purchases and sales, of penny stocks be manually signed, and may require such manual signatures with respect to transactions in similar securities if the Commission determines that such securities are susceptible to fraud and that such fraud would be deterred or prevented by requiring manual signatures.

"(4) RELATION TO OTHER LAW.—The provisions of this subsection apply in lieu of the provisions of title I of the Electronic Signatures in Global and National Commerce Act to a contract, agreement, or record (as defined in subsection (a)(37)) that is required by the securities laws.

"(5) SAVINGS PROVISION.—Nothing in this subsection applies to any rule or regulation under the securities laws (including a rule or regulation of a self-regulatory organization) that is in effect on the date of enactment of the Electronic Signatures in Global and National Commerce Act and that requires a contract, agreement, or record to be in writing, to be submitted or retained in original form, or to be in a specified standard or standards (including a specified format or formats).

"(6) DEFINITIONS.—As used in this subsection:

"(A) ELECTRONIC RECORD.—The term 'electronic record' means a writing, document, or other record created, stored, generated, received, or communicated by electronic means.

"(B) ELECTRONIC SIGNATURE.—The term "electronic signature" means information or data in electronic form, attached to or logically associated with an electronic record, and executed or adopted by a person or an electronic agent of a person, with the intent to sign a contract, agreement, or record.

"(C) ELECTRONIC.—The term 'electronic' means of or relating to technology having electrical, digital, magnetic, optical, electromagnetic, or similar capabilities regardless of medium.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from Massachusetts (Mr. MARKEY) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to insert extraneous material on the bill, H.R. 1714.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last year, the Committee on Commerce began an initiative to better understand the issues surrounding the Internet and electronic commerce. As part of this initiative, the committee held 11 hearings, focusing on a variety of electronic commerce issues.

One of the issues that was raised repeatedly at the hearings was the need to provide enforceability to electronic signatures and electronic records. This issue is really quite simple: Does an electronically signed contract formed over the Internet have the same legal validity as a paper contract with a handwritten signature? Do electronic records have the same legal effect as a paper record?

In most cases, the answer is either no or uncertain. The lack of legal certainty for electronic signatures and records has been cited for many in the e-commerce industry as a potential roadblock for the growth of electronic commerce. To address this issue, earlier this year I introduced H.R. 1714, the Electronic Signatures in Global and National Commerce Act, better known as E-SIGN.

The purpose of this legislation is to provide a uniform nationwide standard for electronic signatures and electronic records. It creates a minimum Federal standard to promote interstate commerce, but E-SIGN recognizes the efforts of States to enact their own uniform laws.

The bill we have before us today is the product of extensive research, careful examination of the issues, committee hearings and mark-ups, and extensive negotiations with our colleagues across the aisle and many other interested parties.

Finally, it is a recognition of a positive step that Congress can take to help electronic commerce and the new economy continue to grow.

Mr. Speaker, as many of my colleagues know, H.R. 1714 was first scheduled to be considered on the House floor 2 weeks ago. After discussions with the gentleman from Massachusetts (Mr. MARKEY), I asked that this bill be withdrawn from consideration so that we could continue negotiations with him and the gentleman from Michigan (Mr. DINGELL) over a number of outstanding issues.

The amended version of the bill as before us today is the product of lengthy negotiations with the Committee on Commerce minority and with the Committee on the Judiciary. As of the middle of last week, I believed that we had reached a substantive agreement on the text we are debating today.

Numerous changes were made to the text of the bill on a good-faith effort by me to address the legitimate concerns raised about the bill by some of our colleagues. These changes include adding a new opt-in provision to prevent consumers from being forced to use or accept electronic records. In addition, we added brand-new carve-outs prohibiting use of electronic records where those records are necessary for protection of a consumer's health, safety, and home.

Unfortunately, all of this hard work has fallen victim to partisan politics. The administration, after publicly supporting the need for electronic signature legislation, has decided that they must deny Congressional Republicans a victory on this important technology legislation.

It is my understanding that last week officials from the administration met with Members of the Democrat leadership in the House and persuaded some House Members to withdraw their support from H.R. 1714, despite the agreement we had reached and after many days of negotiations. This is a shame.

Since that time, many false and misleading charges have been made against H.R. 1714. The bill has come under attack by opponents of technology legislation who claim that H.R. 1714 would harm consumers. Mr. Speaker, these claims are absolutely false. The consumer provisions contained in H.R. 1714 keep in place all existing consumer protection laws and fully protect consumers.

Mr. Speaker, it is unfortunate that such an important technology bill has come under attack. If we want the Internet and electronic commerce to continue to grow, we must pass H.R. 1714 providing the much needed legal certainty to electronic signatures and records.

H.R. 1714 is one of the most important high technology votes that this Congress will undertake. If my colleagues support the U.S. high-tech industry, they will vote yes on this bill.

A vote in support of H.R. 1714 is a vote in support of providing consumers with greater security and on-line transactions. It is a vote in support of allowing businesses to provide new and innovative services online.

I urge all of my colleagues to reject baseless charges against the bill and support H.R. 1714.

Mr. Speaker, I reserve the balance of my time.

Mr. MARKEY. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I would just like to say that there really is not a gulf that exists between Democrats and Republicans over our support for electronic commerce. That is clearly something that the Committee on Commerce has been working on for the last 15 years. Every single bill has been able to be produced with near unanimity. It is clearly a tribute to our committee that we have been able to work together in that fashion.

At the full committee level, we worked closely with the majority on a bill that dealt with electronic signatures; and we really worked together in a very bipartisan fashion. Since the full committee, the whole notion of the bill has been broadened out to include records as well, another issue area that is quite complex but resolvable and one in which I thought that we had made enormous progress. In fact, I know we had made enormous progress through the end of last week.

It was clearly our intent to have worked with the majority to, once again, demonstrate our ability to work in a bipartisan fashion in this area. It was our hope that, at the end of the day, that would be the case.

I commend the gentleman from Virginia (Chairman BLILEY) for including a provision allowing consumers to decide whether to opt in to receive contractual documents in electronic form. This opt-in provision goes a long way towards ensuring that consumers do not unwittingly forgo existing protections under State and Federal law.

However, there were other issues that are also in play that include what kind of notice, whether it be conspicuous or otherwise, that consumers are entitled to under existing laws to receive these documents in writing.

So, again, we are quite regretful on this side because we clearly would like to support a piece of legislation that advances these goals and could be passed on a bipartisan near-unanimous vote out here on the floor. But at this point I have to regretfully ask the Members to vote no.

Mr. Speaker, I reserve the balance of my time.

□ 1515

Mr. BLILEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. OXLEY), chairman of the Subcommittee on Finance and Hazardous Materials of the Committee on Commerce.

Mr. OXLEY. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of H.R. 1714, the Electronic Signatures in Global and National Commerce Act.

Commerce on the Internet is projected to grow exponentially to hundreds of billions of dollars in transactions in just a few years. Because the access to financial information has improved dramatically, the Internet poses significant opportunities for more Americans to become directly involved in the capital markets.

The Subcommittee on Finance and Hazardous Materials, which I chair, held hearings on this bill and passed it through subcommittee unanimously. This bill will provide a critical cornerstone for the electronic financial transactions in the next century.

The securities industry has responded to the new world of e-commerce with a proliferation of on-line trading brokers. Today, millions of Americans trade securities and manage their investments on-line. The cost savings to investors are significant. Full service brokerage can cost as much as $400 per trade. On-line brokerage costs less than $10 per trade at many firms.

The law needs to keep up with this significant technological development. H.R. 1714 brings legal certainty to electronic transactions. The legislation states that contracts shall not be deemed invalid because they are entered into electronically rather than the old-fashioned way, by handwritten signature.

One goal of this legislation is to allow customers to open accounts on line without mandating a physical signature on a brokerage agreement and mailing it back to the broker. Title III of this legislation modernizes securities laws by providing that requirements for a writing can be satisfied by an electronic signature with just a click of a button.

The legislation does not endorse any particular electronic authentication technology. We think that the market is the best place to decide that.

I want to commend the gentleman from Virginia (Mr. BLILEY) for his vision and introducing this critical legislation that will benefit the future of

American economy. This is not just a bill that will benefit the American companies that develop new technology, it will also help American businesses, large and small, that use technology to develop and grow their business and provide new and innovative service to consumers.

Mr. Speaker, I urge Members to support this sound and worthwhile legislation, one of the key pieces of technology legislation this Congress will consider.

Mr. MARKEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time, and I, without equivocation, rise in strong opposition to this legislation.

I obviously understand the problem that the committee was trying to solve and the necessity to deal with electronic or e-commerce, and to try to provide the legal framework which would be workable for such transactions to go forward. That is an imperative that needs to be addressed in terms of this Congress and I am sure in subsequent Congresses. The fact of the matter is, though, that this bill, while being dealt with in the Committee on Commerce in the House and the Committee on the Judiciary, there was a reluctance to in fact provide the Committee on Banking and Financial Services with an opportunity to look at the legislation.

That in and of itself would be understandable if in fact the issues dealt with, in regards to consumer and consumer safeguards, were in fact properly dealt with in this legislation. This is not a jurisdictional fight on my part. In fact, I was quite surprised to see this bill on the calendar a couple of weeks ago. My impression was that it was a very narrow bill that dealt with some transactions and tried to, in fact, provide legal sanctity to an electronic signature, which, as I said, makes some sense. But in the process of going forward and reviewing the bill more closely, my recognition and understanding of this bill grew that it encompasses much more than simply an electronic signature.

In fact, this legislation would undermine some of the fundamental consumer laws that we have that relate to financial institutions and agreements, such as truth in lending, so an individual knows what his proper amount of interest is, and he would receive detailed information. They could opt for that electronically and, thereafter, that would be sufficient. Provided that that consumer did not make any other choice under this bill, they would never receive this as a paper document, in fact, it would only be an electronic record.

There are all sorts of problems that could go down. The assumption here is that someone is going to have a computer and be on the Internet forever; that the format is not going to change; that the printer works; that there is paper in the printer. There are many other assumptions that simply do not fit in terms of what the consequence would be with regards to consumers.

I have already mentioned truth in lending. The Real Estate Sales Practices Act, RESPA law is another one, the Real Estate Sales Practices Act, where an individual gets a preliminary set of documents that estimates what the costs are going to be for closing when a home is purchased, and then a final set of documents at that closing. Again, this paperwork is absolutely paramount for people to understand some of the most important transactions that they become involved with with regards to their financial affairs.

I note that there are some provisions in the law that are accepted, and some opportunity for States to step in after this bill is enacted, provided they pass a whole series of legislation or laws that address specifically some of the concerns that they now have in force and effect as State laws. The consequence, of course, is all subjected to the fact that any interpretation of differences between having things on paper or having an electronic form could be subject to and considered discrimination under the Federal law that is being written and proposed on this floor today; so that this State reservation is much depreciated if in fact it exists at all under this measure.

So the consequences may very well be, in some cases, meaningless under that interpretation of the law. Furthermore, of course, the States themselves, the National Conference of State Legislatures, the Office of State-Federal Relations, has issued a strong objection to this bill; that it preempts State consumer protections in contract law, just as I feel it preempts and does not treat properly some of the Federal laws that occur with regards to truth in lending and RESPA and many other laws that are in force and effect that represent safeguards and information and it is imperative that consumers have such information.

Of course, the out here is that consumers may in fact "opt out," or "opt in" to suggest that they do not want this information in a paper form. But I would suggest to my colleagues that the relationship between a financial institution granting a loan, granting a mortgage, and that of a consumer is not exactly equal. That is to say when I go in for a loan, I am trying to keep that banker happy so that he would make that loan to me. I think it is pretty well understood that in order to do that, we want to make it as convenient for the banker and perhaps for ourselves at that moment. But that moment of convenience may well result in a lack of understanding with regards to what the consequences and the costs of these transactions would be to those individual consumers.

And, of course, throughout this there is this ability of the individual to waive his or her rights with regards to paper transactions and records in this measure. No paper record, no documentation, I think that that is folly. I think it is a big mistake.

I think that based on where we are at today, with the administration being opposed to this bill, many, many consumer groups voicing their opposition to it, including the National Consumer Law Center, the Consumer Federation of America, groups like the United Auto Workers, Consumer Union, Consumer Action, U.S. PIRG, the National Conference of State Legislatures, as I mentioned, the National Center on Poverty Law, and many others opposed to this, I think to bring a bill up like this on suspension is to make, in a sense, a mockery of the importance of the subject matter and the ability of Members to shape and form legislation of this import to the American consumer and to our constituents.

Mr. Speaker, I thank the gentleman for his generous yielding of time to me, and I urge opposition to this bill.

Mr. BLILEY. How much time do I have left, Mr. Speaker?

The SPEAKER pro tempore (Mr. PETRI). The gentleman from Virginia (Mr. BLILEY) has 13 minutes remaining.

Mr. BLILEY. Mr. Speaker, I yield 5 minutes to the gentleman from Northern Virginia (Mr. DAVIS), the original cosponsor of the bill.

Mr. DAVIS of Virginia. Mr. Speaker, I rise today to voice my strong support for H.R. 1714. As an original cosponsor, I am pleased to stand here today with my colleague, the gentleman from Virginia (Mr. BLILEY), to urge my colleagues to vote in favor of legislation that I think is the critical first step in reconciling our legal system with modern day technology. The E-SIGN bill is essential to fostering the continued growth of electronic commerce that is propelling America's economy and our prosperity in the Information Age.

Electronic commerce has been growing at a tremendous pace, with the number of Americans with access to the Internet increasing nearly 900 percent since early 1993. In 1998, electronic commerce generated more than $300 billion in U.S. revenue and was responsible for over 1.2 billion jobs as of 1998. One estimate places the dollar volume of business-to-business electronic commerce in 1998 at $27.4 billion, and the projected volume for 1999 is $64.8 billion. Those numbers are expected to quadruple in the next 2 years alone. Consumer on-line sales have reached more than $7 billion this year and are expected to exceed $40 billion by 2002. If the trend continues, it is likely these predictions are conservative.

The need for legal certainty and uniformity of laws is compelling if we are to encourage the continued growth of electronic commerce. One of the biggest barriers to the explosion of electronic commerce as the marketplace of the 21st century is the lack of certainty surrounding the legal acceptance of electronic signatures used in conducting on-line contracts or agreements. With the Internet as the communications network of the future, increasing its use depends on developing and retaining consumer and business confidence in this unique problem.

Although 44 States have already enacted legislation that would recognize digital signatures, the differences among these States and the lack of legislation in others are an impediment to the growth of e-commerce because many parties are unwilling to risk entering into contracts on line without the certainty that those signatures are legally binding nationally. H.R. 1714 establishes a single standard for the acceptance of electronic signatures and records and will give both businesses and consumers the same confidence in the legal validity of an on-line agreement that they have today in a written, binding agreement signed by two or more contracting parties.

Another critical feature of this legislation is the balance it strikes between encouraging growth in electronic commerce and minimizing the role that the Federal Government plays in the marketplace. In addition to the gap this measure fills in establishing a uniform standard, what is equally important is that this legislation does not entrench specific electronic signature technologies by dictating what methods will be used for verifying and validating digital signatures and records. Instead, the E-SIGN bill allows the parties to set their own procedures for using electronic signatures and electronic records in interstate commerce. As a result, when the future brings new technologies it will be the marketplace, not government regulations, that drives the development of those that succeed.

A vote for this legislation is a vote for technology and a vote for ensuring the evolution of Internet commerce and the vitality of the American economy. For this reason, I urge my colleagues to support the legislation.

Mr. Speaker, I want to take a second, if I can, to respond to some of the charges coming from the other side that this legislation contains anti-consumer provisions.

I have heard that this preempts existing consumer protection laws; I have heard that this legislation will force consumers into electronic transactions; I have heard this will discriminate against consumers that do not have computer access. These claims are false.

First, consumers are absolutely free to choose or not choose to enter into electronic transactions. This bill clearly states that nothing requires any party to use or accept electronic records or electronic signatures. This bill simply offers consumers the option, by mutual consent, to use electronic transactions should both parties determine that to be their preference.

If a consumer does choose to conduct an on-line transaction, that consumer is protected by the underlying Federal or State laws governing that transaction. If a State law requires that a notice or disclosure be made in writing, then those traditional writings must continue to be delivered from the consumer. Nothing in this bill will nullify such existing State consumer protection laws.

For example, if a law requires that a consumer be provided a copy of a warranty when purchasing an appliance, that consumer has to receive a copy of that warranty, whether that consumer is at a shopping mall or on line. This bill does absolutely nothing to alter this long-established principle.

However, before a consumer can receive an electronic copy of a warranty, a consumer has to separately and affirmatively consent to receive that document electronically. That is, a consumer specifically must approve of receiving electronic documents in that portion of a contract or agreement, telling the consumer that documents he or she should receive electronically may not be buried in the fine print.

□ 1530

If the consumer wants to receive a traditional paper warranty, he is absolutely entitled to under this rule and under this bill. But if a consumer consents to receive such documents electronically, as I think many of my constituents would like to do, that does not mean that they may never return to receiving paper documents should they so wish. A consumer could withdraw the consent to electronic documents at any time.

There are two main subsections in the consent portion of the bill that explicitly constitute a consumers assent in the bill. One of these critical subsections mandates that once the consumer withdrawals his consent to receive documents electronically, the materials must be delivered in the traditional paper writing.

Finally, H.R. 1714 requires that electronically delivered documents must accurately reflect the information agreed to at the time of the transaction. In addition, any electronic copy of a contract or document must be able to be printed or saved for future use by a consumer.

In sum, the allegations that H.R. 1714 contains anti-consumer ideas are unfounded. We have worked very hard throughout the process to reach consensus with both sides of the aisle and are confident that this bill represents a solid balance between protecting consumers and entering into agreements in the electronic arena.

Mr. Speaker, it is vitally important for consumers to have safety, security and privacy in their online transactions. If consumers do not feel comfortable using this new technology, they will abandon it.

I believe that the consumer provisions of H.R. 1714 will help consumers to feel comfortable when conducting online transactions. They will have the information they need to make an informed decision, and they will have the right to accept, if they so choose, important documentation in electronic format.

I urge all of my colleagues to support this important legislation that will help to promote the growth of electronic commerce and at the same time protect consumers in online transactions.

Mr. MARKEY. Mr. Speaker, I would inquire of the Chair how much time is remaining on either side.

The SPEAKER pro tempore (Mr. PETRI). The gentlemen have 11½ minutes remaining.

Mr. MARKEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would first like to include for the RECORD the Statement of Administration Policy on this bill. They oppose it in specific particulars, and I would like at this point for it to be included in the RECORD.

H.R. 1714.—ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

The Administration strongly opposes House passage of the revised version of H.R. 1714, the "Electronic Signatures in Global and National Commerce Act." The Administration believes that electronic commerce can provide substantial benefits to consumers, and seeks to foster the expansion of this medium. Secure electronic signatures can play an important role in this area, and the Administration supports their development and dissemination. However, the Administration also believes strongly that individuals should have no fewer consumer protections in the on-line world than they do in other forms of commerce. That disparity could undermine consumer confidence in electronic commerce, and impede the growth of this important new medium of trade. While some improvements have been made, H.R. 1714 still goes well beyond what is necessary to facilitate electronic commerce, and unnecessarily deprives consumers of important protections.

The Administration believes that Federal legislation is appropriate to ensure the validity of electronic agreements entered into by private parties under State law before the States have an opportunity to enact the Uniform Transactions Act (UETA). We therefore support the bill's provisions affirming the legal validity of contracts that are memorialized and signed in electronic form.

The Administration also believes, as noted, that consumers must be granted the same protections on-line that they currently receive off-line under existing laws and regulations. Unfortunately, many Americans today do not enjoy reliable and regular access to the Internet. To ensure that an electronic disclosure will have the same impact upon consumers on-line as paper disclosure has now, regulators must have the authority to make sure that electronic notices and disclosures will actually reach and be understood and retained by consumers. H.R. 1714 also would allow businesses to condition credit or other services on a consumers' consent to notices or disclosures—even when the consumer is incapable of receiving or retaining them. The Administration strongly objects to this bill on several grounds.

First, the bill purports to protect consumers by requiring them to "separately and affirmatively" consent to the use of electronic records. Unfortunately, this provision requires just an additional paragraph of small print in the form contract prepared by a business. The notice to the consumer need not be conspicuous, the consumer need not be told of his or her right to obtain information in the form required by law, and the consumer need not be told which specific records would be affected. More fundamentally, these current law notice and disclosure requirements were created to protect vulnerable consumers allowing businesses to redefine the protections based on "consent"—something that businesses may not do with respect to paper transactions—is thus an open invitation to consumer deception on a broad scale.

Second, the scope of the bill's preemption is unjustifiably broad. Neither the States nor Federal regulators will have any ability to eliminate the abuses that may occur when electronic records are used. With respect to Federal regulators, the bill by its terms eliminates all such authority. With respect to the States, the bill's grant of authority is illusory because it prohibits (in section 102(b)(4)) any State action inconsistent with the bill's provisions, leaving the States powerless to curb any abuse that the bill itself fails to prevent.

Third, the bill overrides all Federal and State laws or regulations concerning notices necessary for the protection of safety, shelter or health (there is a narrow exception for notices relating to the termination of utility services, eviction or foreclosure of a primary residence, or the termination of health or life insurance). Although the States are permitted to reinstate such regulations, the bill creates a gap in protection—in the critical area of safety and health—for the several years that inevitably will elapse before these rules can be reenacted. Federal agencies have no power to reinstate any Federal notice and disclosure requirements needed to protect health, safety, or shelter.

Fourth, the bill recognizes the importance of preserving Federal regulations by requiring certain entities (including banks and other financial institutions) to file or maintain records in a specified form, but fails to ensure that regulators' safety and soundness authority will continue to allow the establishment of minimum standards for computer security and interoperability. The bill also preempts all State laws and regulations regarding the maintenance of records. As a result, entities regulated under state law, such as insurance companies, will be able to decide for themselves how to maintain information, thereby undermining regulators' ability to ensure the soundness of these institutions and to detect violations of the laws and regulations governing them.

Fifth, the bill contains a provision (adding section 3(h)(1) to the Securities Exchange Act of 1934) that appears to preempt State and Federal record and signature requirements, including those applicable to forms required under Federal and State tax laws and regulatory statutes such as ERISA (existing Federal securities law requirements are exempted from this broad waiver). This means that the securities industry would have the right to force Federal and State agencies to accept electronically signed documents immediately, even if, for example, the agency has not yet implemented an electronic filing system. Title I of H.R. 1714 appears to preserve filing requirements in Federal regulations (but not statutes) and in State laws, and we see no justification for establishing a special preferential rule for the securities industry.

Finally, the bill contains other technical and drafting flaws likely to create the very confusion that it is supposed to eliminate.

Mr. Speaker, this is a very interesting point that we have reached in the history of electronic commerce. We, in negotiating in good faith over the last month, had reached a point where most of the good players, most of the honest business people in the electronic commerce world had signed off or were close to signing off on protections for consumers.

Most of them know, all of the good business people know, that the continued growth of electronic commerce is not contingent upon the ability of businesses online to be able to perpetrate fraud on consumers. They know that.

There are some, of course, that like to hide in cyberspace, like to disappear into this veil of spectrum or fiber optic that makes it very difficult for the legal authorities to be able to track them down when they have harmed consumers. And it is at those particular entities that we would be targeting any consumer protections.

But again, let it be known that we had reached pretty near agreement with most of the major players in the industry across the board on these consumer protections. And that is really all it was, it is to create the same kind of a balance in cyberspace that exists in the real world, the same kind of comfort level that people would have to go online with their money, with their credit card to know that they would be paid respect by merchants online in terms of the notification, the records, the confidence that an individual could have.

My hope is that, as we move forward, we will be able to work with the majority once again and with the outside parties towards establishing that balance.

I am afraid that the administration is today indicating that they would be likely not to support, even to veto, this legislation in its present form.

I would prefer to be negotiating without the administration around. We do it on a bipartisan basis. We produce legislation. Hopefully, that is the way in which the bill will proceed from this point on.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Utah (Mr. Cannon).

Mr. CANNON. Mr. Speaker, I rise today in support of H.R. 1714, the Electronic Signatures in Global and National Commerce Act. I commend the gentleman from Virginia (Chairman BLILEY) for his work on this important legislation.

There are still differing opinions between various camps and committees, but I commend the chairman and the House leadership for bringing this legislation to the floor.

Mr. Speaker, electronic commerce is expanding exponentially. The Commerce Department recently estimated that retail sales might exceed $40 billion by the year 2002 and that all electronic commerce, including business-to-business activity, may exceed $1.3 trillion in the next couple of years.

This legislation embraces the model State law called the Uniform Electronic Transactions Act, UETA for short. Until all 50 States can act to approve UETA, parallel Federal legislation must be adopted to fill the commercial gap. It must be possible to sign an agreement electronically with the confidence which has historically been given to handwritten signature.

UETA and H.R. 1714 embrace the same principles: first, uniformity across State lines in order to provide for reliability and predictability on the part of businesses and consumers alike; second, technological neutrality to allow for the development of new and more efficient and less costly delivery systems; third, party autonomy so that the parties to agreements can decide between themselves how they wish to verify or enforce electronic agreements just as they now do with traditional commercial settings.

Mr. Speaker, H.R. 1714 is minimalist in its effects and merely provides for the legal validity of electronic signatures under conditions as agreed to by the parties and permitted under State law.

I urge my colleagues to support this legislation.

Mr. MARKEY. Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the distinguished gentleman from Virginia for yielding me the time.

Mr. Speaker, I want to say to my very good friends from Massachusetts and Minnesota that I know their hearts are in the right place and they want to do what they consider to be the right thing for consumers. But I rise in support of this bill.

A number of things have to be underscored. For one, the signature is only valid if it is done by mutual consent. Both parties have to agree. Number two, there is legal recourse in the event of any kind of fraudulent action. Number three, we have all the accountability that we have really under hardcover signatures. Number four, it is already being done.

So the real question is, do we act now ahead of the curve, or do we wait and play catch up just as we did with financial services modernization, which came more than 10 years after the entire financial services industry had already modernized.

I remember when I was on the Committee on Banking and Financial Services a decade ago looking at the possibility for modernizing the financial services industry. We knew it was going to happen anyway and we should try to influence the process on the side of consumers.

But, no, what we have done over the last 10 years is to stand in the way of what was considered modernization, and so the industry modernized itself. And now we finally have a financial services modernization bill after the fact. And that is what is going to happen with digitalized signatures. We can stay by the sidelines, watch it happen, and then after the fact ratify it as though we played a role. I think we could play a constructive role at the beginning by authorizing this legislation now.

The fact is that we have now more than half of the households in every metropolitan area that are online. In Northern Virginia 60 percent of all the households are online. They are doing these transactions. They ought to be. They are legal. We ought to ratify it. We ought to be really in front instead of behind the curve. And that is why I support the bill.

Mr. MARKEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I hope both the gentleman from Virginia (Mr. BLILEY) and the gentleman from Virginia (Mr. MORAN) who just spoke will listen.

This is a remarkable exercise. We have been discussing with our good friends on the majority side to find out what was in the legislation on Friday. We thought we were very close to an understanding.

We find today that the bill has been changed. We find that it is quite different than it was the other day. We find that consumer protections have been removed, reduced without any consultation with the minority.

This is most curious. I am not sure whether it can be called good faith or not. Normally I would not. I can understand the gentleman being enthused because perhaps he has constituents who likes this. But I happen to like the truth, and I happen to like fair dealing and I like to know what I am doing.

If the gentleman knows what he is doing, then he should by all means support this. He does not, and I do not. And I am not convinced that the majority knows.

I am convinced of one thing, that it is bad practice and it does not comport with the traditions of the House of Representatives to negotiate, come to general understandings, and then to repudiate those understandings by changing without discussion with the other side. That is what has happened here.

There is not such enormous haste that we have to vote for something on a suspension of the rules when we had seen the arrangements made changed; when we have seen consumer protections eroded, eradicated, and reduced; and when we have seen a situation where we are told, take it or leave it, fellows, they have got a two-thirds vote, and they cannot have any opportunity to make any changes in the content of the legislation.

That is the issue before us. The issue is should we support the majority in this high-handed fashion or should we proceed to say, fellows, we will go for this and we will work together on a piece of legislation which, in fact, reflects honest negotiation on a matter in which the two sides are generally in agreement.

My consult to my colleagues on this side of the aisle, Democratic Members, and indeed to my friends on the other side is let us take enough time to, first of all, know what we are doing. Second of all, let us take enough time to deal fairly with each other. Third of all, if we are going to go ahead and do something which involves significant legislative action, let us deal fairly with the consuming public. None of those things have been done here.

Now, I do not know whether this is haste or whether it is bad faith. I do know that this does not reflect the kind of behavior that I always thought the House of Representatives should practice. And I do not think that this represents the kind of conduct that reflects well on this body or on the majority side.

I am certainly happy to conclude this matter in an honorable and a proper fashion. I have to say that the way in which this is handled does not give evidence of that kind of behavior.

We do not know what is in this legislation. The majority of the Members who are on that side do not know what is in the legislation. It is not because we have not worked diligently with the majority, but it is simply because the majority has chosen in midstride to change the way the legislation is done.

Mr. MORAN of Virginia. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia. Mr. Speaker, I thank the distinguished gentleman for yielding to me so that I can explain to him that I have no contributor who has ever asked me to support this legislation, just to clarify for the RECORD in response to your earlier implication.

Mr. DINGELL. Mr. Speaker, reclaiming my time, I am not talking about that.

Now if the gentleman could tell me he knows what he is doing, I will be quite comforted in his assertions to the body.

The simple fact of the matter is this is not the kind of practice that reflects credit on the House of Representatives.

I am urging my colleagues on this side to reject this legislation. We will be happy to negotiate with our friends on the Republican side and come to some conclusion. But negotiation does not mean bringing this thing up in this kind of haste, not without anyone having proper notice, without anybody having proper understanding, and with proceedings, which have gone on somewhere, where the matter has been changed so that it does not reflect the negotiations which were going on earlier.

Now, it may be the Republicans are in desperate haste to get out of here. That is just possible. Frankly, if I were doing the kind of job they are doing, I would be in desperate haste to get out of here, too, because I know there are people back home just wanting me to explain to them just what in the name of common sense I had been doing in Washington while I was supposedly representing their interests.

In a nutshell, this matter should be rejected. We have time enough to come back and consider it under more favorable circumstances and under a process that reflects more credit on the House.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. CONYERS), the ranking Democrat on the Committee on the Judiciary.

Mr. CONYERS. Mr. Speaker, I would like to join in the comments of the gentleman from Michigan (Mr. DINGELL), the dean of the House of this body.

Of course we would all like to see passage of an e-commerce bill that would promote commercial transactions over the Internet. But an e-commerce bill should not be a grab bag for insurance, financial, or other special interests to hurt consumers. I think that is the underlying discussion that has been developed here today.

It should not be a vehicle for Congress to tell the States that all of a sudden they are unable to enact contract law on their own in the area of e-commerce. Consumer laws requiring notice and disclosure in writing are being undermined.

This measure would allow unsavory merchants to trick consumers into clicking away many of their rights under the laws.

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The measure, H.R. 1714, stands for the proposition that States are unable to enact their own laws and may not reinstate many additional consumer protections. It further undermines key Federal and State regulatory requirements to prevent fraud and abuse. And so an e-commerce that would be a win-win situation for all, that should make it easier for consumers to buy goods and services more quickly from a broader group of businesses and should allow businesses new methods of reaching more people, doing all these things, frankly, is not a hard bill to write.

But the bill that the Commerce majority seeks to put on the floor at this time is not such a bill. Rather than a carefully drawn bill that balances the equities, the bill unnecessarily undermines key laws that protect consumers and prevent fraud, all to please the special interests.

Join me in a negative vote on this measure.

Mr. MARKEY. Mr. Speaker, I yield 45 seconds to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time.

I just wanted to point out to my colleague from Virginia when he commented that States can come back and reenact all these laws that are in fact set aside by this measure, that in fact there are provisions in the bill that deal with discrimination and other factors which are screens which may well prevent States from reasserting such requirements and printed documentation.

I would just point out that there is no assurance in this bill that the consumer who even has a computer is on the Internet. Once you send a message out on the Internet like a car warranty recall, the fact is, for brakes or some other major problem, you have no way of knowing whether or not that in fact that has been received by an adult or even the household intended. We know, today, they find us when we have recalls on the automobiles and that is an important factor and points out the practical unworkable aspect of this bills policy. These are just some of the many, many problems that have not been thought through with this bill. I think it is improper to consider this in this particular suspension format. If we do not understand all aspects of it, that is because it has been a moving target for the last 2 weeks as my colleagues well know. It deserves richly to be defeated today, Mr. Speaker.

Mr. MARKEY. Mr. Speaker, I yield myself the balance of my time.

I do so again to urge my colleagues reluctantly to oppose this bill. It does not have the balance which it needs in order to ensure that while we advance the electronic commerce revolution which is transforming the American economy, that simultaneously we are able to deal with the sinister side of cyberspace, we are able to deal with those that would engage in the same kind of anticonsumer activity that we have passed laws in our country over the last 30 years to protect against in the real world. And so the recommendation that we have to give is to vote "no" on this bill at this time but with the promise that we are going to work on a bipartisan basis to work out something which is deserving of the support of every Member of the House.

Mr. BLILEY. Mr. Speaker, I yield myself the balance of my time.

First I would like to say I am sorry the gentleman from Michigan is not on the floor, but we pulled this bill 2 weeks ago in order to work with the gentleman from Massachusetts and the gentleman from Michigan. The changes that were made in the bill were made to accommodate their concerns. I thought on Friday that we had pretty much agreement. However, the White House came down and met with the minority leader, and the ranking member then announced that he could not support the bill. But to say that we have not worked in good faith is a gross misrepresentation. We have done everything we could to work. But we only have a few days left in this session and we wanted to get this bill moving.

I cannot understand why the White House would come down and object at this time. The bill has not passed over in the Senate. Then we have got to go to conference. There is plenty of time to work out any concerns that they might have.

But let me also point out the supporters of this legislation: The Business Software Alliance, the Securities Industry Association, the American Council of Life Insurers, Information Technology Association of America, Information Technology Industry Council, Telecommunications Industry Association, National Retail Federation, National Association of Manufacturers, Charles Schwab and Company, DLJ Direct, Investment Company Institute, America Online, Microsoft, Ford Motor Credit, IBM, EquiFax, the U.S. Chamber of Commerce, and I might add they have targeted this vote, and a host of others. It is purely voluntary as my good friend and original cosponsor the gentleman from Virginia (Mr. DAVIS) pointed out between consenting parties. Nobody is being coerced into accepting anything. All of the consumer laws are protected.

I ask the Members to support this legislation.

Ms. ESHOO. Mr. Speaker, today the House is taking an important step to bring our Nation's laws in line with the explosive growth of E-commerce.

In 1997 my office was the first to establish a virtual district office in the Congress. I quickly realized my constituents were not permitted to provide their authorization for any casework with an electronic signature.

Subsequently, I introduced the first piece of legislation addressing the issue of electronic signatures during the 105th Congress and succeeded in passing this bill into law. The legislation requires Federal agencies to make Government forms available online and accept a person's electronic signature on these forms.

Following on this success, I introduced a bill in the 106th Congress to expand the legality of electronic signatures to the private sector. Today, we're voting on a bill that Chairman BLILEY introduced which attempts to accomplish the same goal as H.R. 1320.

The Congress must ensure that there are no roadblocks impeding the growth of E-commerce. E-commerce is expected to generate over $1.3 trillion worth of business by 2003. Our laws should not impede this staggering growth so we must act to bridge the gap between now and the time when every State has passed an updated form of the Uniform State Law Code.

This legislation encourages States to pass a uniform law so that our Nation's consumers and businesses will not have to face 50 different sets of regulations to engage in E-commerce. I am concerned about the electronic records provisions in this bill, and hope that with further work, these concerns will be ironed out by conferees.

For these reasons, I urge my colleagues to support H.R. 1714. Our Nation's economy will be the beneficiary.

Mr. BLILEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARTON of Texas). The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1714, as amended.

The question was taken.

Mr. MARKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

DISTRICT OF COLUMBIA COLLEGE ACCESS ACT

Mr. DAVIS of Virginia. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 974) to establish a program to afford high school graduates from the District of Columbia the benefits of in-State tuition at State colleges and universities outside the District of Columbia, and for other purposes.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "District of Columbia College Access Act of 1999".

SEC. 2. PURPOSE.

It is the purpose of this Act to establish a program that enables college-bound residents of the District of Columbia to have greater choices among institutions of higher education.

SEC. 3. PUBLIC SCHOOL PROGRAM.

(a) GRANTS.—

(1) IN GENERAL.—From amounts appropriated under subsection (i) the Mayor shall award grants to eligible institutions that enroll eligible students to pay the difference between the tuition and fees charged for in-State students and the tuition and fees charged for out-of-State students on behalf of each eligible student enrolled in the eligible institution.

(2) MAXIMUM STUDENT AMOUNTS.—An eligible student shall have paid on the student's behalf under this section—

(A) not more than $10,000 for any 1 award year (as defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088)); and

(B) a total of not more than $50,000.

(3) Proration.—The Mayor shall prorate payments under this section for students who attend an eligible institution on less than a full-time basis.

(b) Reduction for Insufficient Appropriations.—

(1) In general.—If the funds appropriated pursuant to subsection (i) for any fiscal year are insufficient to award a grant in the amount determined under subsection (a) on behalf of each eligible student enrolled in an eligible institution, then the Mayor shall—

(A) first, ratably reduce the amount of the tuition and fee payment made on behalf of each eligible student who has not received funds under this section for a preceding year; and

(B) after making reductions under subparagraph (A), ratably reduce the amount of the tuition and fee payments made on behalf of all other eligible students.

(2) Adjustments.—The Mayor may adjust the amount of tuition and fee payments made under paragraph (1) based on—

(A) the financial need of the eligible students to avoid undue hardship to the eligible students; or

(B) undue administrative burdens on the Mayor.

(3) Further adjustments.—Notwithstanding paragraphs (1) and (2), the Mayor may prioritize the making or amount of tuition and fee payments under this subsection based on the income and need of eligible students.

(c) Definitions.—In this section:

(1) Eligible institution.—The term "eligible institution" means an institution that—

(A) is a public institution of higher education located—

(i) in the State of Maryland or the Commonwealth of Virginia; or

(ii) outside the State of Maryland or the Commonwealth of Virginia, but only if the Mayor—

(I) determines that a significant number of eligible students are experiencing difficulty in gaining admission to any public institution of higher education located in the State of Maryland or the Commonwealth of Virginia because of any preference afforded in-State residents by the institution;

(II) consults with the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Secretary regarding expanding the program under this section to include such institutions located outside of the State of Maryland or the Commonwealth of Virginia; and

(III) takes into consideration the projected cost of the expansion and the potential effect of the expansion on the amount of individual tuition and fee payments made under this section in succeeding years;

(B) is eligible to participate in the student financial assistance programs under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(C) enters into an agreement with the Mayor containing such conditions as the Mayor may specify, including a requirement that the institution use the funds made available under this section to supplement and not supplant assistance that otherwise would be provided to eligible students from the District of Columbia.

(2) Eligible student.—The term "eligible student" means an individual who—

(A) was domiciled in the District of Columbia for not less than the 12 consecutive months preceding the commencement of the freshman year at an institution of higher education;

(B) graduated from a secondary school or received the recognized equivalent of a secondary school diploma on or after January 1, 1998;

(C) begins the individual's undergraduate course of study within the 3 calendar years (excluding any period of service on active duty in the Armed Forces, or service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.)) of graduation from a secondary school, or obtaining the recognized equivalent of a secondary school diploma;

(D) is enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program (including a program of study abroad approved for credit by the institution at which such student is enrolled) leading to a recognized educational credential at an eligible institution;

(E) if enrolled in an eligible institution, is maintaining satisfactory progress in the course of study the student is pursuing in accordance with section 484(c) of the Higher Education Act of 1965 (20 U.S.C. 1091(c)); and

(F) has not completed the individual's first undergraduate baccalaureate course of study.

(3) Institution of higher education.—The term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(4) Mayor.—The term "Mayor" means the Mayor of the District of Columbia.

(5) Secondary school.—The term "secondary school" has the meaning given that term under section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(6) Secretary.—The term "Secretary" means the Secretary of Education.

(d) Construction.—Nothing in this Act shall be construed to require an institution of higher education to alter the institution's admissions policies or standards in any manner to enable an eligible student to enroll in the institution.

(e) Applications.—Each student desiring a tuition payment under this section shall submit an application to the eligible institution at such time, in such manner, and accompanied by such information as the eligible institution may require.

(f) Administration of Program.—

(1) In general.—The Mayor shall carry out the program under this section in consultation with the Secretary. The Mayor may enter into a grant, contract, or cooperative agreement with another public or private entity to administer the program under this section if the Mayor determines that doing so is a more efficient way of carrying out the program.

(2) Policies and procedures.—The Mayor, in consultation with institutions of higher education eligible for participation in the program authorized under this section, shall develop policies and procedures for the administration of the program.

(3) Memorandum of agreement.—The Mayor and the Secretary shall enter into a Memorandum of Agreement that describes—

(A) the manner in which the Mayor shall consult with the Secretary with respect to administering the program under this section; and

(B) any technical or other assistance to be provided to the Mayor by the Secretary for purposes of administering the program under this section (which may include access to the information in the common financial reporting form developed under section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090)).

(g) Mayor's Report.—The Mayor shall report to Congress annually regarding—

(1) the number of eligible students attending each eligible institution and the amount of the grant awards paid to those institutions on behalf of the eligible students;

(2) the extent, if any, to which a ratable reduction was made in the amount of tuition and fee payments made on behalf of eligible students; and

(3) the progress in obtaining recognized academic credentials of the cohort of eligible students for each year.

(h) GAO Report.—Beginning on the date of enactment of this Act, the Comptroller General of the United States shall monitor the effect of the program assisted under this section on educational opportunities for eligible students. The Comptroller General shall analyze whether eligible students had difficulty gaining admission to eligible institutions because of any preference afforded in-State residents by eligible institutions, and shall expeditiously report any findings regarding such difficulty to Congress and the Mayor. In addition the Comptroller General shall—

(1) analyze the extent to which there are an insufficient number of eligible institutions to which District of Columbia students can gain admission, including admission aided by assistance provided under this Act, due to—

(A) caps on the number of out-of-State students the institution will enroll;

(B) significant barriers imposed by academic entrance requirements (such as grade point average and standardized scholastic admissions tests); and

(C) absence of admission programs benefiting minority students;

(2) assess the impact of the program assisted under this Act on enrollment at the University of the District of Columbia; and

(3) report the findings of the analysis described in paragraph (1) and the assessment described in paragraph (2) to Congress and the Mayor.

(i) Authorization of Appropriations.—There are authorized to be appropriated to the District of Columbia to carry out this section $12,000,000 for fiscal year 2000 and such sums as may be necessary for each of the 5 succeeding fiscal years. Such funds shall remain available until expended.

(j) Effective Date.—This section shall take effect with respect to payments for periods of instruction that begin on or after January 1, 2000.

SEC. 4. ASSISTANCE TO THE UNIVERSITY OF THE DISTRICT OF COLUMBIA.

(a) In General.—Subject to subsection (c), the Secretary may provide financial assistance to the University of the District of Columbia for the fiscal year to enable the university to carry out activities authorized under part B of title III of the Higher Education Act of 1965 (20 U.S.C. 1060 et seq.).

(b) Authorization of Appropriations.—There are authorized to be appropriated to the District of Columbia to carry out this section $1,500,000 for fiscal year 2000 and such sums as may be necessary for each of the 5 succeeding fiscal years.

(c) Special Rule.—For any fiscal year, the University of the District of Columbia may receive financial assistance pursuant to this section, or pursuant to part B of title III of the Higher Education Act of 1965, but not pursuant to both this section and such part B.

SEC. 5. PRIVATE SCHOOL PROGRAM.

(a) Grants.—

(1) In general.—From amounts appropriated under subsection (f) the Mayor shall award grants to eligible institutions that enroll eligible students to pay the cost of tuition and fees at the eligible institutions on behalf of each eligible student enrolled in an eligible institution. The Mayor may prescribe such regulations as may be necessary to carry out this section.

(2) Maximum student amounts.—An eligible student shall have paid on the student's behalf under this section—

(A) not more than $2,500 for any 1 award year (as defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088)); and

(B) a total of not more than $12,500.

(3) Proration.—The Mayor shall prorate payments under this section for students who attend an eligible institution on less than a full-time basis.

(b) REDUCTION FOR INSUFFICIENT APPROPRIATIONS.—

(1) IN GENERAL.—If the funds appropriated pursuant to subsection (f) for any fiscal year are insufficient to award a grant in the amount determined under subsection (a) on behalf of each eligible student enrolled in an eligible institution, then the Mayor shall—

(A) first, ratably reduce the amount of the tuition and fee payment made on behalf of each eligible student who has not received funds under this section for a preceding year; and

(B) after making reductions under subparagraph (A), ratably reduce the amount of the tuition and fee payments made on behalf of all other eligible students.

(2) ADJUSTMENTS.—The Mayor may adjust the amount of tuition and fee payments made under paragraph (1) based on—

(A) the financial need of the eligible students to avoid undue hardship to the eligible students; or

(B) undue administrative burdens on the Mayor.

(3) FURTHER ADJUSTMENTS.—Notwithstanding paragraphs (1) and (2), the Mayor may prioritize the making or amount of tuition and fee payments under this subsection based on the income and need of eligible students.

(c) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution that—

(A)(i) is a private, nonprofit, associate or baccalaureate degree-granting, institution of higher education, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), the main campus of which is located—

(I) in the District of Columbia;

(II) in the city of Alexandria, Falls Church, or Fairfax, or the county of Arlington or Fairfax, in the Commonwealth of Virginia, or a political subdivision of the Commonwealth of Virginia located within any such county; or

(III) in the county of Montgomery or Prince George's in the State of Maryland, or a political subdivision of the State of Maryland located within any such county;

(ii) is eligible to participate in the student financial assistance programs under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

(iii) enters into an agreement with the Mayor containing such conditions as the Mayor may specify, including a requirement that the institution use the funds made available under this section to supplement and not supplant assistance that otherwise would be provided to eligible students from the District of Columbia; or

(B) is a private historically Black college or university (for purposes of this subparagraph such term shall have the meaning given the term "part B institution" in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)) the main campus of which is located in the State of Maryland or the Commonwealth of Virginia.

(2) ELIGIBLE STUDENT.—The term "eligible student" means an individual who meets the requirements of subparagraphs (A) through (F) of section 3(c)(2).

(3) MAYOR.—The term "Mayor" means the Mayor of the District of Columbia.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

(d) APPLICATION.—Each eligible student desiring a tuition and fee payment under this section shall submit an application to the eligible institution at such time, in such manner, and accompanied by such information as the eligible institution may require.

(e) ADMINISTRATION OF PROGRAM.—

(1) IN GENERAL.—The Mayor shall carry out the program under this section in consultation with the Secretary. The Mayor may enter into a grant, contract, or cooperative agreement with another public or private entity to administer the program under this section if the Mayor determines that doing so is a more efficient way of carrying out the program.

(2) POLICIES AND PROCEDURES.—The Mayor, in consultation with institutions of higher education eligible for participation in the program authorized under this section, shall develop policies and procedures for the administration of the program.

(3) MEMORANDUM OF AGREEMENT.—The Mayor and the Secretary shall enter into a Memorandum of Agreement that describes—

(A) the manner in which the Mayor shall consult with the Secretary with respect to administering the program under this section; and

(B) any technical or other assistance to be provided to the Mayor by the Secretary for purposes of administering the program under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the District of Columbia to carry out this section $5,000,000 for fiscal year 2000 and such sums as may be necessary for each of the 5 succeeding fiscal years. Such funds shall remain available until expended.

(g) EFFECTIVE DATE.—This section shall take effect with respect to payments for periods of instruction that begin on or after January 1, 2000.

SEC. 6. GENERAL REQUIREMENTS.

(a) PERSONNEL.—The Secretary of Education shall arrange for the assignment of an individual, pursuant to subchapter VI of chapter 33 of title 5, United States Code, to serve as an adviser to the Mayor of the District of Columbia with respect to the programs assisted under this Act.

(b) ADMINISTRATIVE EXPENSES.—The Mayor of the District of Columbia may use not more than 7 percent of the funds made available for a program under section 3 or 5 for a fiscal year to pay the administrative expenses of a program under section 3 or 5 for the fiscal year.

(c) INSPECTOR GENERAL REVIEW.—Each of the programs assisted under this Act shall be subject to audit and other review by the Inspector General of the Department of Education in the same manner as programs are audited and reviewed under the Inspector General Act of 1978 (5 U.S.C. App.).

(d) GIFTS.—The Mayor of the District of Columbia may accept, use, and dispose of donations of services or property for purposes of carrying out this Act.

(e) FUNDING RULE.—Notwithstanding sections 3 and 5, the Mayor may use funds made available—

(1) under section 3 to award grants under section 5 if the amount of funds made available under section 3 exceeds the amount of funds awarded under section 3 during a time period determined by the Mayor; and

(2) under section 5 to award grants under section 3 if the amount of funds made available under section 5 exceeds the amount of funds awarded under section 5 during a time period determined by the Mayor.

(f) MAXIMUM STUDENT AMOUNT ADJUSTMENTS.—The Mayor shall establish rules to adjust the maximum student amounts described in sections 3(a)(2)(B) and 5(a)(2)(B) for eligible students described in section 3(c)(2) or 5(c)(2) who transfer between the eligible institutions described in section 3(c)(1) or 5(c)(1).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. DAVIS) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. DAVIS).

Mr. DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have traveled a long way with the D.C. College Access Act. From March 4 when we introduced it, to markup in our subcommittee, unanimous approval in the Committee on Government Reform chaired by the gentleman from Indiana (Mr. BURTON); to House passage on May 24, and then on to October 19, passage in the Senate with friendly amendments which we are pleased to accept today. I am deeply proud of our hard work.

My thanks to the gentlewoman from the District of Columbia (Ms. NORTON), the ranking member of the subcommittee on the District of Columbia and all of the original cosponsors: The gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Maryland (Mr. HOYER), the gentleman from Maryland (Mr. WYNN), the gentleman from California (Mr. HORN), the gentleman from California (Mr. CUNNINGHAM), the gentleman from Maryland (Mr. EHRLICH) and the gentleman from Virginia (Mr. MORAN). My thanks to Speaker HASTERT, Chairman DAN BURTON and Majority Leader DICK ARMEY for their support and for permitting expeditious consideration of this. And my thanks to the Clinton administration and the Department of Education for working with us in a bipartisan spirit of cooperation to work out our differences and move this thing through for consideration.

My thanks to the D.C. Appropriations Chair ERNEST ISTOOK and his Senate counterpart, KAY BAILEY HUTCHISON, for including the money in the budget recommended by the administration. And my thanks to my own counterpart in the Senate, GEORGE VOINOVICH, for his patience and persistence in having such an excellent hearing and markup and for shepherding the amendments. And to Senator FRED THOMPSON, chairman of the Senate committee, for his support. My thanks as well to Senator JEFFORDS, Senator DURBIN and Senator WARNER for helping us to continue to keep this legislation on track and work to improve it.

And my thanks to some of the staff people who worked on this landmark law: My own staff director and counsel, Howie Denis; my chief of staff, Peter Sirh; and Jon Bouker of the gentlewoman from the District of Columbia's staff.

I am grateful to those leading regional foundations and companies that have come together in an extraordinary and historic effort to assist District of Columbia students. The legislation we are passing today is essential to those great endeavors in the private sector.

In 1995, the District of Columbia faced a crisis of epic proportions. Congress, in passing the control board legislation, with its creation of the position of chief financial officer, and then in 1997 with the passage of the D.C. Revitalization Act and its related reforms, embarked on a critically important process to address the crisis in a truly bipartisan way. The legislation before us today would not be possible but for the progress the city has achieved with the initiative of Congress and the executive branch working together, and, I might add, with the leadership of Tony Williams and the city council.

The city's return to the private financial markets is solid evidence that what Congress did produced credible numbers and better performance. Key elements of our reforms include Federal assumption of certain functions performed by State governments, and incentives for economic development and private sector jobs. The economic recovery of the Nation's capital benefits the entire region and country by realizing the vision which has so often been expressed. The new MCI Center and the Convention Center project, a tax credit for first-time homebuyers, enhanced public safety and water quality are just some of the improvements we have seen.

Two months ago, Speaker HASTERT and I attended a moving ceremony at the Edison Friendship public charter school in the District. Majority Leader ARMEY, Education Chairman BILL GOODLING, Senator KAY BAILEY HUTCHISON and PAUL COVERDELL were with us. The Edison school and many other charter schools represent another great success story in the District that Congress has helped us achieve.

We know that many concerns remain. Many of them are addressed in the budget and others will be dealt with later.

The bill before us today will enable District residents to attend public colleges and universities in Virginia and Maryland at in-State tuition rates. We have included tuition assistance grants as another option for private colleges in and adjacent to the District in those counties, including historically black colleges and universities in Virginia and Maryland. The CBO estimate fits within the money this bill authorizes and which the appropriators have included in their bill.

Mayor Williams has said that this bill is very, very important not only in improving education but in bringing the city back. I believe it is the best money we can spend and is a shining example of what a bipartisan urban agenda can achieve. H.R. 974 will level the playing field for District high school graduates. It will give them the key to higher education in this region.

Back on March 4 when I introduced the bill, we went to Eastern High School with the gentlewoman from the District of Columbia. It is not far from the Capitol. We announced the proposal to students and faculty. The gentlewoman from the District of Columbia and Mayor Williams were with me at the time. I was deeply moved by the reaction of the students. I will never forget how many took our hands and looked into our eyes and thanked us for introducing this measure. This gives them hope for the future, hope for an affordable college education, something that is enjoyed by students in 50 States in the United States but is not a reality in our Nation's capital.

Fighting for educational opportunity is one of the reasons I entered public life. I am proud of so much that we have been able to do in the Nation's capital for the almost 5 years that I have had the privilege of serving as chairman of the Subcommittee on the District of Columbia. Economic development, public safety, the real estate market and so many other aspects of city life have changed for the better and the city is working to improve itself. This is something that I think ultimately had to happen and is happening. But nothing has given me more satisfaction than working to improve educational opportunities for the city's youth. We need a healthy city to have a healthy Washington region.

This bill, expanding higher educational choices, is an enormous leap forward. It is our vision for the future.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 974, the D.C. College Access Act, facing its final House consideration today, is a splendid and near typical example of the bipartisan way in which the gentleman from Virginia and I have worked together since he became chair of the Subcommittee on the District of Columbia 4 years ago. I want to thank the gentleman from Virginia for his unflagging and indispensable leadership and for the energetic work of his staff, especially Peter Sirh and Howie Denis, who worked hand in hand with my own able legislative director, Jon Bouker, every step of the way until we have gotten to final passage today.

H.R. 974 marks a turning point in our approach to lifting the Nation's capital from fiscal crisis and in affording its citizens a way to overcome the handicap of being without a State to assist it in offering higher education. Because of the importance of higher education today and its links to full and equal citizenship, the D.C. College Access Act is a bill of historic proportions and ranks as one of the most important pieces of legislation for District of Columbia residents in our history. I am especially pleased that final passage of H.R. 974 today will allow Mayor Tony Williams and the city, working together with the Department of Education, to have the program up and running next fall.

□ 1600

Both the House and Senate and the administration have worked closely and collegially on H.R. 974. All deserve credit and praise today. I want to thank Senator GEORGE VOINOVICH, Government Affairs Subcommittee Chair; Senate ranking member, RICHARD DURBIN; and Senator JIM JEFFORDS for their vital work in helping to craft an acceptable compromise between the Senate and House versions of the bill and for securing unanimous passage in the Senate on October 20,1999.

I also thank the gentleman from Indiana (Mr. BURTON), who has consistently supported and pressed forward bills benefiting the District; the ranking member, the gentleman from California (Mr. WAXMAN), whose valuable assistance has been unfailing; and appropriation chairs, the gentleman from Oklahoma (Mr. ISTOOK) and KAY BAILEY HUTCHINSON for their critical support in assuring necessary funding for the program; and, of course, Secretary of Education Dick Riley for indispensable work on this bill in both houses.

I want particularly to recognize the President who included funds for this bill in his fiscal year 2000 budget, not only opening the way for the bill to pass today, but also assuring that there would be sufficient funds to do the job.

H.R. 974 offers District residents State public higher education alternatives similar to those available to other Americans as a matter of right. The central feature of H.R. 974 is an authorization for the Federal Government to pay the difference between the cost of in-state and out-of-state tuition fees for D.C. residents permitting students, once admitted, to attend public colleges and universities outside of the District and at in-state rates.

The mayor will administer the in-state tuition program in consultation with the Department of Education. In addition to full in-state tuition, the bill authorizes $2,500 per student for D.C. residents to attend private colleges and universities in the District and in certain counties surrounding the District.

The bill also contains an authorization granting the District's own State university, the University of the District of Columbia funded historical black college and university status in recognition of the fact that many D.C. students prefer to attend their own State university or for a variety of reasons cannot attend college outside of the District. UDC has already received HBCU funds beginning in fiscal year 1999.

Young people graduating from D.C. high schools now will be treated as are students in the 50 States. To qualify, a student must live in the District for 12 months before beginning college, must have graduated from high school after January 1, 1998, must begin college within 3 years of graduation, must be pursuing her first undergraduate degree and must be enrolled at least half time. The college must also sign a formal agreement with the mayor's office.

The bill we consider today contains three important protections negotiated with the Senate. First, the mayor will have the latitude to expend the in-state tuition program to the 50 States subject to cost instead of a blanket confinement to scarce slots in Maryland and Virginia. Second, students who will be freshmen, sophomores, and juniors when the program begins next year will qualify for in-state tuition rates. I appreciate that Senators VOINOVICH and DURBIN worked with us on this provision inasmuch as the Senate version of the bill originally applied only to freshmen.

District residents are particularly enthusiastic about the expansion of this particular provision because typically many go to college with just enough money for 1 year, yielding a high college dropout rate because of inability to meet college expenses. Third, institutions in counties close to the District including HBCUs in Maryland and Virginia where many D.C. residents often attend will be eligible.

It is important to note that our work on H.R. 974 is bolstered by an extraordinary private sector effort which is raising an even larger amount to help District students prepare to attend college and to supplement the costs beyond the tuition costs offered in this bill. Business leaders led by Don Graham, publisher of the Washington Post, and Lucio Noto, CEO of Mobil Oil, have already gotten commitments of $17 million and plan to raise $20 million in private funds to supplement the funds authorized by H.R. 974. This bill is a true public-private effort with the private sector more than equaling what we do here today.

The final passage of H.R. 974 today is a milestone in the effort to provide equal rights and citizenship for D.C. residents. This bill fills a unique and large educational gap that has had a particularly harmful effect on families here. Inequality in higher education opportunity hampers the continuing revitalization of the Nation's capital because, without the array of State offerings for higher education, residents have an incentive to move out of the District to neighboring jurisdictions.

As college costs have escalated, higher education opportunities have significantly affected, indeed caused, flight from the District. Consequently, the city has been left with many residents unable to meet their needs or talents to access to appropriate institutions from junior and specialized colleges to 4- year institutions. Thus, many have been left without the education necessary to contribute to the city's tax base. With the passage of H.R. 974, District residents will no longer be the only Americans among the States without access to the necessary choices for higher education today.

I want to express my personal thanks once again to the leaders of my committee and subcommittee and appropriation committees, as well as their counterparts in the Senate and the administration. I want to also express the gratitude of the parents and the children of the District who have let me and my office know in no uncertain terms that they enthusiastically and overwhelmingly support H.R. 974 and that they look forward to the historic opportunities provided by the District of Columbia College Access Act.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Virginia. Mr. Speaker, I yield 4 minutes to the gentlewoman from Maryland (Mrs. MORELLA), the vice chairman of the Subcommittee on the District of Columbia and original sponsor of this legislation, who helped shepherd it through the subcommittee.

Mrs. MORELLA. Mr. Speaker, I rise in strong support of H.R. 974, the District of Columbia College Access Act, as amended by the Senate. I want to add my congratulations to the gentleman from Virginia (Mr. DAVIS) for the inception of the bill and carrying it through with his leadership inch by inch. I want to also commend the gentlewoman from the District of Columbia (Ms. NORTON) for her leadership in that; and as a matter of fact as has been mentioned and should be reiterated, this is an excellent example of bipartisan cooperation for the benefit of the United States on both sides of the aisle in both Houses with several committees on both sides who have shepherded this bill through.

And I do want to add my thanks also to the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform and Oversight and the gentleman from California (Mr. WAXMAN), the ranking member. But the gentleman from Virginia (Mr. DAVIS) has been there from the beginning, and his wonderful staff and the minority staff have been there and the cosponsors; and I see the gentleman from Virginia (Mr. MORAN), who is also a cosponsor of this bill.

This higher education bill provides an opportunity for District of Columbia residents who are high school graduates to attend colleges in Maryland and Virginia at in-state tuition rates. I am pleased to be an original cosponsor of the D.C. College Access Act. I believe that it offers an extraordinary value. It will ensure that the most economically disadvantaged students in our Nation's Capital are going to have access to a variety of colleges, and it is going to go a long way toward ensuring that the Metropolitan Washington area has a well-educated workforce.

Access to college is one of the greatest achievements of our American education system. Escalating costs of our Nation's colleges and universities have created anxiety about college affordability. As a matter of fact, I know firsthand about that disease called "mal tuition," paying those bills. In terms of anxiety, paying for college ranks with how to pay for health care or housing or how to cover the expenses of taking care of an elderly relative.

From issues that affect women to children at risk, I have always tried to raise my voice in support of equality of opportunity. Well, the D.C. College Access Act will provide equal opportunities for students in the District. There is little doubt that high school graduates who live in the District have far fewer college choices than students in other parts of the country. Residents in all 50 American States have a network of State-supported colleges to attend, and this College Access Act will level the playing field for residents in the District of Columbia.

I have received many letters of support from my constituents in Montgomery County, Maryland, for H.R. 974. Montgomery College, a community college, is particularly interested in playing a major role in serving District residents. The college already enrolls nearly 150 District of Columbia residents, and even at their most costly out-of-state tuition rate with plans to expand the Tacoma Park, Maryland campus, the college expects to better accommodate more students from the District.

So again I want to reiterate my strong support for the bill and the Senate amendments to H.R. 974. With the swift passage of this bill, we are continuing a strong and necessary investment in education which will help America stay on top and help us to maintain our economic vitality into the 21st century.

Ms. NORTON. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN), who is not only a cosponsor of the bill but is the ranking member of the Subcommittee on the District of Columbia whose leadership was important in assuring funding for this bill.

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentlewoman from the District of Columbia, who so ably represents the people of the District of Columbia.

Mr. Speaker, the students of the District of Columbia are at a unique educational disadvantage today. They are the only students in the entire continental United States who do not have access to the State college and university system that every other American family is able to avail themselves of. I am not endorsing the concept of statehood, which would be perhaps one way to achieve that objective, although we would still then have to find the resources that would be necessary to build a comparable college system; but

I am endorsing the notion that we should do everything we can to establish a level playing field for those students who grow up in the District of Columbia, and this legislation will accomplish that objective.

There are some extraordinarily gifted young men and women in the District of Columbia, but we will never fully realize their potential until they have access to the excellence that our college and university systems are able to provide; and by expanding their access to the colleges and universities in Virginia and Maryland particularly, they will have that kind of opportunity which is bound to benefit all of us, our economy, our society.

As the distinguished gentleman from Virginia (Mr. DAVIS) so well knows, those students, those young men and women are, in fact, going to enrich the campuses and the classrooms of the colleges and universities in Virginia, as the gentlewoman from Maryland (Mrs. MORELLA) realizes that the same will happen in Maryland. We are doing ourselves a service with this legislation, and that is why the D.C. appropriation act includes $17 million to fund this authorization.

□ 1615

This is a good idea. It will be one of the legacies that the gentleman from Virginia (Mr. DAVIS) will be able to point to with pride, as I am sure his able assistants, Peter and Howard will as well, and John on the staff of the gentlewoman from the District of Columbia (Ms. NORTON). It takes a lot of work, it takes a lot of commitment to get legislation through as quickly as this was, but this provides a true incentive so that we will see the real talent and potential of the young men and women of the District of Columbia fully realized. It is good legislation, and we should pass it unanimously.

Mr. DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first thank my colleague from Virginia for his eloquent remarks and also his help in the appropriations process and from all aspects as we worked to improve the district. The gentleman has been a true colleague in the essential part, as that term implies, in terms of working together to make these kinds of things happen for the region, because we recognize this is not just a city issue, it is a justice issue, but it is also a regional issue of great import, and I thank him.

Let me go briefly and talk about some of the changes in this bill from the Senate that were changes from the House version that passed earlier. These Senate amendments enable D.C. residents who are high school graduates the opportunity to pay in-state tuition rates upon admission to state colleges in Virginia and Maryland only. They would have to be admitted as out of state students, so they are competing in a larger pool, although the States themselves of Virginia and Maryland have the opportunity to create select pools for District residents should they choose to do that. But they will not be taking from in-state students in Virginia and taking in-state places.

The difference between in-state and out-of-state tuition would be paid from new Federal money being authorized and appropriated, up to $10,000 per individual in any award year.

This also provides tuition assistance grants of $2,500 for D.C. resident high school graduates who will be attending private colleges in D.C. and adjacent counties in Virginia and Maryland and funding of $5 million is authorized for this in FY 2000. It also includes private historically black colleges in Virginia and Maryland. This was an amendment that my colleague Senator WARNER put on in the other body.

I want to congratulate the gentlewoman from the District of Columbia (Ms. NORTON) on working also for the University of the District of Columbia, that they are not lost in this. In fact, they are a beneficiary of this legislation as well. She has given them HCBU status and additional funding for the University of the District of Columbia so they can hone and I think make greater their role for education than they do today in the District. That should not be lost sight of as well.

What UDC does not have and cannot be by itself, as no university can be by itself, is a state university system. It will be one component of the educational equation for D.C. residents, but it will now have assistance from other areas as well, and, with this additional money, I think its role will be strengthened in offering educational opportunities to students from the District of Columbia.

There is no means test in this legislation, but if an authorized, appropriated amount is insufficient, there is a ratable reduction, and if a ratable reduction is necessary, the mayor, the local leaders there, will have the ability to prioritize based on income and need of eligible students. So we will be having the city make that, and it will not be Congressionally mandated, should we have more people use this legislation than are currently foreseen as doing so.

Actually, I think that would be a good thing. We hope this is utilized, because I think the more people who are able to use this and go to college, the better off we all are. Residents in the 50 states already have a network of state supported colleges to attend. This bill levels the playing field for students in the District of Columbia. High school graduates would have to be a D.C. resident for at least one year prior to eligibility, and they would have to begin undergraduate courses within 3 years of high school graduation, excluding active military service. This applies to those receiving recognized equivalent of secondary school diplomas. It provides for an incentive for population stability in the Nation's capital. It gives graduates more choices. It does not affect admissions policies or standards. Regional companies and foundations are helping students qualify for college admission, and this legislation compliments that effort.

My friend from the District of Columbia mentioned Lou Nodo at Mobil Corporation, Don Graham at the Washington Post. Steve Case at America On-Line has been another leader, and many other companies in the region I think have contributed private dollars that will compliment this effort.

We have had extraordinary bipartisan Congressional and administration cooperation, as my colleague from Maryland noted. This will commence applying to students who graduated in January and June of 1998. The city will run the program with Federal oversight. Disbursements will be made directly to the eligible colleges, and UDC, as I noted before, will receive $1.5 million additional per year if it does not receive funds as a historically black college under the Higher Education Act from this legislation.

Once again though, the basic concept is to give children in the District of Columbia the same educational opportunities for an affordable college education that all of our children enjoy in the 50 states, an affordable college education. This will help narrow the gap between the very rich and the very poor in an information age, and education is the key to narrowing that gap.

In Fairfax County, across the river from the District, over 90 percent of those who will be graduating from high school this year or are eligible to graduate from high school, will go on to higher education. In the District of Columbia, those 18-year-olds, if they graduate on time, it will be less than 25 percent, a huge disparity. One of the reasons for this is for many of these kids there is no hope or opportunity of an affordable college education. This legislation takes an important step in giving them hope for the future.

I will just note in Fairfax County today our unemployment rate is under 2 percent, it is about 1.8 percent. It is about 3½ times that in the District of Columbia. Over the last 10 years, our economy regionally has grown. Our Nation has prospered. My Congressional district has prospered. But in the bottom quarter of economic strata there has been very little movement, and in places in the District there has been little movement. The way to equalize this is through educational opportunities, and it is not by the government coming in with greater subsidies. That is a last resort. Giving people equal opportunity is the best resort. That is what this legislation does.

It guarantees a quality of opportunity by allowing college and technology educations to be affordable for everyone. When the educational opportunities are equal, when college is affordable for D.C. residents, as well as Maryland and Virginia residents, we are going to see more District of Columbia students attending college, being trained for the jobs of the future, so they can start businesses, earn good salaries, support their children, return a tax base to the District of Columbia, and make our Nation's Capital the city it deserves to be and has the potential to become.

This legislation is a giant step forward. It is not the whole equation, but it is a vital part of the equation, Mr. Speaker. I urge my colleagues to pass this legislation.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to once again thank my good partner in the District in this House, the gentleman from Virginia (Mr. DAVIS), for the way he has worked steadfastly on this bill. When we met small problems along the way, and they were almost always small, we simply gathered our forces and with his staff and mine and he and me, we kept charging forward.

The way in which we worked on this bill should be noted as well, because when we got to the Senate and found that there were differences, instead of squaring off, we simply closed in and Senate and House worked together until we got a bill that both of us could in fact support.

Mr. Speaker, I want to place this bill in its historic context. I believe it fair to say that this bill belongs in the category of bills that have made an historic difference to the District of Columbia, bills like the Home Rule Act, the Revitalization Act, and my tax benefits such as the $5,000 home buyer credit.

This bill brings the kind of benefits to the District that will have the same kind of broad effect on individuals, as well as the city itself. It keeps the city's demographics intact, and yet it aids individuals. It is a win-win in all of the ways that matter.

This bill, as the chairman has indicated, did not overlook the residents of the District of Columbia who cannot leave this town. Many of them have family obligations, many of them do not want to leave the District, so UDC receives historically black college and university funded status, something the university has sought for decades, and receives in this bill only because this bill opened opportunities in other ways and the chairman was willing to work with me to make sure that in this particular way we filled this gap for students who remain in the District.

It is a win-win for youngsters who have friends in other states across the United States and see them having a choice of institutions, from junior college, to all kinds of specialized schools, to 4-year colleges, and see themselves with a struggling state university, one that many of them love, but simply does not provide them the array of choices that youngsters in the 50 states have.

It is a win-win for the region because all of us understand that our region has no borders and that when we work together and open opportunities for District residents, the entire region benefits.

It is a win-win for private business, which has stepped in with its own version of the D.C. College Access Act, a private version which inspired in many ways the public version which we pass today.

Mr. Speaker, everywhere I go in the city I meet the same response to this bill. I go in the poorest sections of the city all the time, and I go into the sections of our city where people have many opportunities, and the only way you would know the difference is by the color of their skin, because you certainly will not know it by the way in which they have received this bill.

This bill is of the very first priority to District residents, the District residents who would have no other opportunity to go to institutions of the kind that will be available to them except through this bill, and residents who have other opportunities, but would as soon move out of the District than be left to pay the difference, to pay the fine, as it were, of remaining a District resident once their children get ready for college.

Like my tax bills, this bill draws a big circle around the city and all gathered to join it. This bill is not one that we might have thought would pass even a couple of years ago, but with the city returning to full health, it is just the kind of response from the Congress that will encourage the city to do what it needs to do, because the sine qua non of this bill is that there is no free ride and no free lunch. You cannot get access to this bill unless you graduate from high school. What this bill will do will be to encourage youngsters who did not see any reason to go through all the work to graduate from high school because there was nothing there afterwards for them. Now there is the same thing that there would be if they lived in any of the 50 states.

I speak, I know, for the residents of the District of Columbia and every ward of the city when I express my gratitude to the chairman and to all who have worked on this bill and to the Congress of the United States for what I hope will be final passage unanimously today.

Mr. Speaker, I yield back the balance of my time and urge unanimous passage of H.R. 974.

Mr. DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just say to my colleague, I have enjoyed working with her on this legislation. I think it is landmark. I appreciate the support of the other Members, the gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Virginia (Mr. MORAN) and the other sponsors, many from the region, some outside it, and the support of the administration. Without all of us working together, putting aside some of the jurisdictional issues, we would not be where we are today.

Mr. HOYER. Mr. Speaker I rise today in support of the District of Columbia College Access Act.

This legislation would allow high school graduates from the District of Columbia to pay in-State tuition rates at public colleges and universities in Maryland and Virginia. Specifically, the bill would allow District students to apply for up to $10,000 a year, subject to a $50,000 cap, to offset the difference between in-State and out-of-State tuition rates. Furthermore, students who choose to attend private schools in the District and the adjacent Maryland and Virginia counties may also apply for up to $2,500 to offset the cost of their private tuition.

Although the District of Columbia Appropriations Act has not been signed into law, I am pleased the latest version contains $17 million for this important initiative.

As many of you know, I graduated high school just across the border in Prince Georges County in 1957. My parents were, from very modest means and quite frankly were not in the financial position to help me pay for college. I consider myself lucky though. Lucky because when my stepfather, who was in the Air Force, was transferred up to Andrews Air Force Base our family settled in Maryland.

Going part time I was able to go to the University of Maryland. I used to go to school during the day and at night I worked first as a file clerk at the Central Intelligence Agency and then on Capitol Hill. It was not always easy balancing school and work and it took me 6 years to earn my undergraduate degree. However, I was able to do it because I had in-state tuition and I consider my decision to attend the University of Maryland as one of the best decisions I have made in my life.

The legislation that we have before us affords high school graduates in the District of Columbia the same opportunity that I had. The opportunity to attend an excellent university at a reasonable cost.

I would like to thank Congressman DAVIS and Congresswoman NORTON for all their work on this legislation which I am pleased to cosponsor. Additionally, I would like to thank D.C. Appropriations Subcommittee Chairman ISTOOK and Ranking Member MORAN for including funding for this legislation in their bill.

Mr. CUNNINGHAM. Mr. Speaker, as a member of the House Appropriations Subcommittee on the District of Columbia, and as a cosponsor of this legislation, I rise to encourage my colleagues to support H.R. 974, the District of Columbia College Access Act.

The Washington metropolitan area is one of America's leading centers for high technology. Telecommunications giant MCI was founded here. In the suburbs lies America Online, the MAE East, and several powerful and growing engines of the global internet economy. Yet, that growth, and these opportunities, lie beyond the reach of young people in the Nation's Capital City, who lack affordable access to many of this region's institutions of higher learning.

We can change this situation for the better, for the betterment of our country, and for the betterment of the young people of this great city.

I want the young people of the District of Columbia to have a fighting chance to achieve the American dream. I want for the global internet economy to be their economy too, and to be of their making.

The D.C. College Access Act simply provides the young people of the District of Columbia an opportunity to have access to discounted "in-state' tuition rates to public and private educational institutions in the state of Maryland, the commonwealth of Virginia, and here in the District of Columbia.

The D.C. appropriations bill recently adopted by the House provides $17 million toward this program. I hope that the President will support that appropriation.

I commend my colleague, the gentleman from Virginia (Mr. DAVIS) for developing this important legislation. And I also hope that my colleagues will support this bill.

Mr. DAVIS of Virginia. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARTON of Texas). The question is on the motion offered by the gentleman from Virginia (Mr. DAVIS) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 974.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 974.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

☐ 1630

RECESS

The SPEAKER pro tempore (Mr. BARTON of Texas). Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m.

Accordingly (at 4 o'clock and 30 minutes p.m.), the House stood in recess until approximately 6 p.m.

☐ 1800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BARTON of Texas) at 6 p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 348, by the yeas and the nays;

H.R. 2737, by the yeas and the nays; and

H.R. 1714, by the yeas and the nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

FEMA AND CIVIL DEFENSE MONUMENT ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 348.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 348, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 349, nays 4, not voting 80, as follows:

[Roll No. 550]

YEAS—349

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cox
Cramer
Crane
Crowley
Cummings
Cunningham
Davis (FL)
Davis (VA)
DeFazio
DeGette
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Ewing
Fair
Fattah
Filner
Fletcher
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoeffel
Hoekstra
Holt
Hooley
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sanchez
Sawyer
Saxton
Schakowsky
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Tancredo
Tanner
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Waters
Watt (NC)
Waxman
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NAYS—4

Chenoweth-Hage
Metcalf
Paul
Sanford

NOT VOTING—80

Archer
Baker
Barr
Berkley
Bishop
Blagojevich
Boehner
Brown (OH)
Carson
Chambliss
Clay
Coburn
Collins
Cook
Cooksey
Costello
Coyne
Cubin
Danner
Davis (IL)
Deal
Delahunt
DeLay
Doyle
Engel
Everett
Forbes
Fossella
Ganske
Gejdenson
Goodling
Greenwood
Gutierrez
Hayworth
Hilliard
Hinchey
Hinojosa
Holden
Houghton
Hulshof
Jackson-Lee (TX)
Jefferson
Jones (OH)
Klink
Lipinski
Lowey
McIntyre
McKinney
McNulty
Mica
Mink
Moakley
Myrick
Neal
Owens
Pryce (OH)
Rush
Sabo
Salmon
Sanders
Sandlin
Scarborough
Schaffer
Serrano
Sessions
Shows
Smith (WA)
Stupak
Sweeney
Talent
Taylor (MS)
Taylor (NC)
Thompson (MS)
Toomey
Wamp
Watkins
Watts (OK)
Weiner
Weldon (PA)
Wynn

☐ 1823

Mrs. CHENOWETH-HAGE, Mr. PAUL, and Mr. METCALF changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BARTON of Texas). Pursuant to clause 8 of rule XX, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

LEWIS AND CLARK NATIONAL HISTORIC TRAIL LAND CONVEYANCE ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2737, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 2737, as amended, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 355, nays 0, not voting 78, as follows:

[Roll No. 551]

YEAS—355

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chenoweth-Hage
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cox
Cramer
Crane
Crowley
Cummings
Cunningham
Davis (IL)
Davis (VA)
DeFazio
DeGette
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinchey
Hobson
Hoeffel
Hoekstra
Holt
Hooley
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sanchez
Sanford
Sawyer
Saxton
Schakowsky
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Tancredo
Tanner
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Waters
Watt (NC)
Waxman
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NOT VOTING—78

Archer
Baker
Barr
Berkley
Bishop
Blagojevich
Boehner
Bonilla
Buyer
Carson
Chambliss
Clay
Coburn
Collins
Cook
Cooksey
Costello
Coyne
Cubin
Danner
Davis (FL)
Deal
Delahunt
DeLay
Doyle
Everett
Forbes
Fossella
Ganske
Gejdenson
Goodling
Greenwood
Gutierrez
Hayworth
Hilliard
Hinojosa
Holden
Houghton
Hulshof
Jackson-Lee (TX)
Jefferson
Jones (OH)
Klink
Lipinski
Lowey
McIntyre
McKinney
McNulty
Mica
Mink
Moakley
Myrick
Neal
Owens
Pryce (OH)
Sabo
Salmon
Sanders
Sandlin
Scarborough
Schaffer
Serrano
Sessions
Shows
Smith (WA)
Stupak
Sweeney
Talent
Taylor (MS)
Taylor (NC)
Thompson (MS)
Toomey
Wamp
Watkins
Watts (OK)
Weiner
Weldon (PA)
Wynn

☐ 1831

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

The SPEAKER pro tempore (Mr. BARTON of Texas). The pending business is the question of suspending the rules and passing the bill, H.R. 1714, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1714, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 234, nays 122, not voting 77, as follows:

[Roll No. 552]

YEAS—234

Aderholt
Armey
Bachus
Ballenger
Barcia
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley

Blumenauer
Blunt
Boehlert
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Castle
Chabot
Clement
Coble
Combest
Condit
Cox
Cramer
Crane
Crowley
Cunningham
Davis (FL)
Davis (VA)
DeMint
Diaz-Balart
Dickey
Doggett
Dooley
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Ewing
Fletcher
Foley
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Holt
Hooley
Horn
Hostettler
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kind (WI)
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Larson
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Miller, Gary
Minge
Moore
Moran (KS)
Moran (VA)
Morella
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sanchez
Sanford
Saxton
Schaffer
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Tancredo
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Towns
Traficant
Turner
Udall (CO)
Upton
Vitter
Walden
Walsh
Weldon (FL)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NAYS—122

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bonior
Borski
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Cardin
Chenoweth-Hage
Clayton
Clyburn
Conyers
Cummings
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Dixon
Duncan
Edwards
Engel
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gephardt
Gonzalez
Hall (OH)
Hastings (FL)
Hill (IN)
Hinchey
Hoeffel
Hoyer
Jackson (IL)
John
Johnson, E. B.
Kanjorski
Kaptur
Kildee
Kilpatrick
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Luther
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mollohan
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Phelps
Pomeroy
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sawyer
Schakowsky
Scott
Skelton
Slaughter
Spratt
Stark
Strickland
Tanner
Thurman
Tierney
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Wise
Woolsey

NOT VOTING—77

Archer
Baker
Barr
Berkley
Bishop
Blagojevich
Boehner
Carson
Chambliss
Clay
Coburn
Collins
Cook
Cooksey
Costello
Coyne
Cubin
Danner
Deal
Delahunt
DeLay
Doyle
Everett
Forbes
Fossella
Ganske
Gejdenson
Goodling
Greenwood
Gutierrez
Hayworth
Hilliard
Hinojosa
Holden
Houghton
Hulshof
Jackson-Lee (TX)
Jefferson
Jones (OH)
Kennedy
Klink
Largent
Lipinski
Lowey
McIntyre
McKinney
McNulty
Mica
Mink
Moakley
Myrick
Neal
Owens
Pryce (OH)
Sabo
Salmon
Sanders
Sandlin
Scarborough
Serrano
Sessions
Shows
Smith (WA)
Stabenow
Stupak
Sweeney
Talent
Taylor (MS)
Taylor (NC)
Thompson (MS)
Toomey
Wamp
Watkins
Watts (OK)
Weiner
Weldon (PA)
Wynn

☐ 1840

Mr. CROWLEY changed his vote from "nay" to "yea."

Mr. SHERMAN changed his vote from "present" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. STABENOW. Mr. Speaker, on rollcall No. 552, I was unavoidably detained. Had I been present, I would have voted "yes."

PERSONAL EXPLANATION

Mr. MICA. Mr. Speaker, on rollcall Nos. 550, 551, and 552, I was unavoidably delayed due to mechanical problems on Delta Airlines flight to Washington, DC. Had I been present, I would have voted "yea."

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

GENERAL LEAVE

Mrs. THURMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

TRIBUTE TO DR. JOHN LOMBARDI

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Mrs. THURMAN) is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, I am here today along with other Members of the Florida congressional delegation to pay tribute to an accomplished leader and a very special man, Dr. John Lombardi. Today is Dr. Lombardi's last day as president of the University of Florida.

I remember thinking to myself when Dr. Lombardi came on board in 1990 that we were very lucky to have him. He came to the University of Florida from Johns Hopkins University where he excelled as provost and vice president for academic affairs.

☐ 1845

Before that, he spent 20 years at Indiana University, where he held a variety of teaching and administrative positions, including Director of Latin American Studies, Dean of International Programs, and Dean of Arts and Sciences.

These positions at distinguished universities helped to shape Dr. Lombardi into the innovative dynamic leader he proved to be while at the top post of the University of Florida.

Just to highlight some of his accomplishments and to help explain why he will be missed so much, Dr. Lombardi led the University of Florida through a decade of great accomplishment. Following his vision, the University of Florida waged an amazing 5-year private fund-raising drive that brought in more than $570 million by the end of September and the campaign is well on its way towards reaching its revised goal of $750 million by the end of the year 2000.

Dr. Lombardi played an instrumental role in shaping the university into one of the country's best public research institutions. The university ranks 12th in the country in total research and development spending at public universities and under his leadership the research awards to the university increased from $161 million in 1990 to $296 million in 1999.

Clearly, the additional research dollars and the success of the private fund-raising campaign are due in large part to the tremendous job Dr. Lombardi has done in making the University of Florida one the country's leading public higher institutions of learning.

This year, U.S. News and World Report ranked the University of Florida

16th in the country in an overall rating of public universities and, according to the latest survey, Money magazine rated the university number 10 for schools offering the most value for the cost. Last year, Kiplinger's business magazine ranked the university fifth among State universities in the country for offering the most value for the tuition.

Those are all ratings to be proud of, and Dr. Lombardi can take credit for these successes and many more for his commitment to an overall mission he coined: "It's performance that counts."

I first had the pleasure of working with Dr. Lombardi while serving in the Florida State Senate. While under the leadership of the gentlewoman from Florida (Mrs. MEEK), I had the privilege of working as the liaison between the Senate Appropriations Subcommittee on Education and leaders of higher education in the State. During this time, I had the opportunity to work with the board of regents and the chancellor and I soon got to know President Lombardi.

From the very start, he was a very impressive man. He came in with fresh ideas and had an uncanny ability to talk to people with great clarity and conviction. That enabled him to rise to the position of unofficial spokesman on behalf of higher education before the State Senate and House Committee on Appropriations and he earned my respect and admiration in the process.

He was the idea man. He was the one who was able to go in with such force that people realized that what they were doing was important. I am grateful I was able to continue my working relationship with Dr. Lombardi after leaving the State Senate following my election to Congress in 1992 as the representative of Florida's 5th District, including the University of Florida.

Since that time, I have watched him set many of his ideas into motion and make a difference. Among his many accomplishments, the university's enrollment, retention and graduation rates are way up. He has implemented very effective programs to help students graduate within 4 years. He has increased the number of combined degree programs so undergraduates can now earn a bachelor and master's degree in 5 or 6 years. He has led the effort to make computers accessible to all students, and even provided every student and faculty member with free e-mail and Internet accounts. The buildings on the campuses are new and improved because of him. The campus has new dorms, a new student recreational center, softball complex, dining room, chemistry building, physics building, vet school, cancer center and the Brain Institute.

He also oversaw the transformation of the university's teaching hospital, Shands, into a multihospital health care system that spans communities throughout north central Florida, including Jacksonville, whose representatives are the gentlewoman from Florida (Ms. BROWN) and the gentlewoman from Florida (Mrs. FOWLER). These are just some of his remarkable accomplishments during his tenure.

I've also come to understand and realize firsthand the love the students have for this man. Every year during the homecoming parade, thousands of students stand along the sidelines cheering as he passes. They adore him and he's earned their affection through his warmth, accessibility and understanding. He can walk through the campus and the students just know him, and I'm not sure I've seen that in many places over the years.

For this reason, I'm pleased to learn Dr. Lombardi will be staying on at the university to direct the Center for Florida Studies in the Humanities and Social Sciences and teaching courses in the history department. Throughout his tenure as president, Dr. Lombardi always made time to teach a course every semester on campus, ranging from the history of intercollegiate sports to Latin American history to international business.

He enjoys sharing his knowledge, and in this way, he will continue to influence students on campus and make a difference.

I was trying to explain to someone in my office the other day exactly why Dr. Lombardi is so popular. And I have to admit, it can be hard to boil down to a few words. But sometimes you just meet someone and you just like them. You work with them and over time you become friends. You see something in them that you think is very special and that draws you to them. Perhaps it's their warmth or the way they approach life. That's how it is with both Dr. Lombardi and his wonderful wife, Cathryn.

They are both very special people, and I am very appreciative of the work they have done for both the university and the community. I would like to thank them for helping the University of Florida achieve particularly ambitious goals through dedication, commitment and the general belief that indeed, "It's Performance that Counts."

Mr. Speaker, before I end with my tribute I would like to make mention that the gentleman from Florida (Mr. SCARBOROUGH) could not be here to pay tribute in person because of recent back surgery, but he will submit a tribute for the RECORD.

Mr. YOUNG of Florida. Mr. Speaker, I want to commend my colleague from Florida, KAREN THURMAN, for calling this special order today to honor Dr. John Lombardi, the outgoing President of the University of Florida.

Dr. Lombardi has served the University of Florida with distinction as president for the past 9 years. During this time, he has taken the university to new national levels of excellence, from the classroom, to the research laboratories, to the athletic fields.

The number of National Merit Scholars attending the university has more than doubled during his presidency. Private gifts to the university have increased by almost two-thirds and research and development funds from Federal, State, and private sources have more than doubled. And we all know of the university's prowess on the athletic fields under Dr. Lombardi's presidency. The Gators won national championships in football, men's golf, women's tennis, women's soccer, and numerous Southeastern Conference championships in a wide range of sports.

On a personal note, my colleagues should know how diligently Dr. Lombardi has worked with Congress on behalf of our great State of Florida and its university system. One dream of Dr. Lombardi, which I had the opportunity to assist with through my work on the Appropriations Committee, was the creation of the Brain Institute. Through his work and dedication on this project, the University of Florida now hosts an institute which will lead to critical new medical research and technological breakthroughs to help generations of people throughout our Nation and the world.

Mr. Speaker, Dr. Lombardi has served our State, the University of Florida, its faculty and students honorably and with a conviction these past nine years. He has been an outstanding ambassador for the university with the Florida congressional delegation and I want to say how much we appreciate his dedication and how much we will miss his hard work and his friendship. Thank you Dr. Lombardi for your service and I join with my colleagues from Florida in wishing you and your wife Cathryn all the best as you continue your work to improve the quality of education for our Nation's students.

Mr. SCARBOROUGH. Mr. Speaker, on November 1, 1999, the citizens of the State of Florida will be losing a man who has dedicated the last decade to making the University of Florida one of the greatest public universities in the country. This gentleman has distinguished himself as a community leader, a dedicated educator, and one of our Nation's finest collegiate administrators. The man I speak about today is Dr. John Lombardi, president of the University of Florida.

During Dr. Lombardi's 9½-year tenure as president, the University of Florida's enrollment increased to more than 43,000 students and its budget is now almost twice what it was when he arrived in 1990. UF was ranked the 16th-best public university in the United States by U.S. News & World Report earlier this year, buildings have popped up all over campus and an ambitious capital campaign is nearing completion. Since 1990, the number of degrees awarded annually from UF's graduate programs has increased from 1,613 in 1988 to 2,558 in 1998. Research expenditures have more than doubled since 1988, from $126 million to $271 million.

In my opinion, Mr. Speaker, John Lombardi has gone above and beyond the call of duty throughout this distinguished career in the field of education. His personality and genuine concern for the well being and intellectual development of students has been the key to his success. John was never the type of university president who governed from an ivory tower on campus. John was a president who could be seen on any given school day, walking to his office through the campus, all the while interacting with students and teachers. On rainy days in Gainesville, Dr. Lombardi would drive his old, red pick-up truck to work. On fall Saturdays, John could be seen cheering on the Fightin' Gators to another gridiron victory with 85,000 other fans and students.

John's maverick attitude and dedication to public education has been a model in the lives of the thousands of students, parents, educators, and university employees that he has taught, supervised, and encouraged. His legacy will tell of a tireless man in black, horn-rimmed glasses, who always fought for what he thought was best for the University of Florida and accepted no compromises.

Even as John ends his tenure as president of the University of Florida, his dedication to education will remain a priority in his life. John will continue to remain on the faculty of UF as a history professor and as a co-director of the Center for Studies of Humanities and Social Sciences.

So today, when that old, red pickup truck pulls away from the president's house in Gainesville, FL for the last time, let us think about the gifts that Dr. John Lombardi has given the students of the University of Florida. Gifts like leadership, imagination, greatness, and pride.

Mr. STEARNS. Mr. Speaker, I appreciate this opportunity to join with my Florida colleagues in paying tribute to John Lombardi, who stepped down today as president of the University of Florida. Although Dr. Lombardi is leaving the administrative side of the university, he will return to teaching in the school's history department.

When I took office in 1989, I represented Gainesville and the University of Florida until 1992. Although no longer in my district, the university is an important resource for the people of Florida, and I have continued to be involved with the school. Over the years, I have had the privilege of working with John Lombardi and I am proud of what we have accomplished.

In 1990, Dr. Lombardi became the president of the University of Florida. Through his hard work and dedication, the University of Florida has heightened its educational reputation and enhanced its commitment to excellence. Under the guidance of Dr. Lombardi over this decade, academic standards have increased, student performance has risen, graduation rates have improved, and the modernization of equipment and facilities have flourished. The 1990's will long be seen as an era of developing a premier institute of higher learning at the University of Florida.

Although an outstanding administrator and educator, John has other attributes that I am pleased to point out. I recall one of my first meetings with him. A number of us were in Gainesville for a school dinner and waiting for President Lombardi to show up. I was looking down the road and saw and old, odd looking truck lumbering up the road. I though it was probably the landscaper coming in to complete some final touches before the event.

Instead, to my surprise, President Lombardi stepped out of his truck. This truck has become a Lombardi trademark around campus. Yes, this noted scholar does not require the pomp and trappings of his office. He is equally comfortable conversing with the erudite as with the common man, and this egalitarian quality marks all that he does.

As with the truck, John is also well known for the red suspenders he wears to the football games. In addition to the arrival of President Lombardi, 1990 marked a significant turn around in Gator football. Steve Spurrier was brought in as coach. In the previous 56 years, no Florida team has captured an official Southeastern Conference Championship—the Gators won three in the early 1990's. The arrival of John Lombardi enhanced more than the academic standing of the university, it initiated the rise of a sports powerhouse.

John is also a family man, and I always enjoy the time I spend with them. His wife Cathryn and I share an interest in science fiction, and I always appreciate the chance to compare notes and to exchange recommendations. This is a wonderful American family with two children, and I had the pleasure to have one of them work in my office part time.

In the first century B.C., the Roman poet Horace urged that man "seek for truth in the groves of Academe." The brilliance of John Lombardi is exhibited through his efforts to seek the truth through learning. As president, he has taken many courageous stands—courageous because they have been controversial. However, the pursuit of enlightenment is not, and should not. always be easy. Avoiding controversy means accepting mediocrity—and that is not John Lombardi.

Each of us is here in the world to accomplish something. During his tenure as president, John Lombardi has stood in the gap to make a difference. He has set an example of excellence in pubic and private service which should be an example for all.

John, thank you for your friendship and for all that you have done for the University of Florida. We are sorry to see you leave office, but you have earned this return to the classroom where you will continue to help shape the minds of the future.

Mr. SHAW. Mr. Speaker, today is the final day that Mr. John Lombardi will serve in his capacity as president of the University of Florida. Throughout the last 10 years he has served as not only a president, but as a teacher, mentor, historian, innovator, and architect of educational improvement throughout the State of Florida. I am honored to include him among the great leaders of my State.

Though Mr. Lombardi's presidency has been characterized by conflict, it is through this conflict that he has exuded his abilities as an exceptional leader. Before Mr. Lombardi even began his term in 1990, he found himself in the midst of a a racial conflict on campus. Mr. Lombardi not only mitigated the crisis, but used it as a platform for promoting racial equality at the University of Florida. From that ordeal, he committed his administration to making UF more comfortable and accessible to minority students.

While Mr. Lombardi's term of service can be characterized by challenges it can also be characterized by innovation. Under Mr. Lombardi's administration, the University of Florida has excelled in technology and education. He has instituted an Integrated Student Information System (or ISIS) that allows students to on-line information on their personal finance, housing, grades, and curriculum. He has also created the UF Bank—a paradigm for collegiate financial processing, as well as an Integrated Healthcare System, Genetics Institute, Brain Institute, and numerous combined degree programs.

When considering Mr. Lombardi's initiatives, one must also consider his university development at the University of Florida. President Lombardi has overseen and initiated the building of new dormitories, a student recreational center, Gator Dining, and buildings for chemistry, physics, veterinary medicine, and cancer research. His fundraising efforts have brought more than half a billion dollars to the university for further initiatives.

Mr. Lombardi's most impressive characteristic, however, may be his ability to lead. Mr. Lombardi is a charismatic leader, a visionary, responsible for the actions of himself and his administration and adept at the often harrowing necessities of his occupation. When the Legislature of the State of Florida set forth budgetary restrictions that many thought would hinder the universities, Mr. Lombardi effectively managed to save 41 of 44 new programs to the astonishment of his peers at universities throughout the State of Florida. He has often dealt directly with the State legislature to serve the needs of the University of Florida.

Mr. Lombardi has said that, "to succeed we must perform, we must be efficient and we must produce first-rank quality in all that we do." His statement is certainly indicative of his tenure as president of the University of Florida. He has brought honor to his university, to his State, and to his country through his term of office.

Mr. BILIRAKIS. Mr. Speaker, I rise today to recognize and honor John V. Lombardi, who has served with distinction as the president of the University of Florida for over 9 years. In that role, he has taken this distinguished institution to new heights of academic performance.

I had the pleasure of meeting John Lombardi shortly after his inauguration as president of the University of Florida. Since that time, I have come to know Dr. Lombardi well. I have seen firsthand the profound impact he has had at the university in the intervening years. Quite frankly, Dr. Lombardi has been unique among university presidents in his ability to relate to students, staff, faculty, and all those who support the University of Florida.

As a Member of Congress, I am well aware of the difficulty in maintaining close contact with one's constituents. It takes work; it takes prioritizing—but it is vital to accurate representation. Dr. Lombardi has set as his priority the "pursuit of ever-higher quality" in every area throughout the University of Florida.

To achieve this goal, he has made himself available to the students, to the faculty and to the staff, among others. He has been a leader of efforts to improve and diversify programs and to secure financial and community support.

I want to publicly commend Mr. Lombardi for his dedicated service to the University of Florida. Throughout his commitment, he has helped to provide direction and positive growth for a generation of Floridians.

Mr. BOYD. Mr. Speaker, I would like to take this opportunity to pay tribute to retiring University of Florida president John Lombardi. Dr. Lombardi is departing his post today after a decade of service to our university, its students and the surrounding community. Dr. Lombardi's tenure was marked by his dedication to a mission of shaping the University of

Florida into the world-class institution it has become today.

As a member of the Florida State Legislature, I had the opportunity to develop a personal relationship with Dr. Lombardi as he worked with the legislature to ensure the university obtained the resources it needed to serve Florida's students and develop its reputation as a quality research institution. I have always been impressed by his tireless efforts on behalf of the university to raise academic standards and student performance and expand opportunities for the entire university community.

Dr. Lombardi's commitment, however, extended beyond the boundaries of his campus, as the entire State of Florida has benefited from his years of service. The constituents of the Second Congressional District, in particular, have profited from Dr. Lombardi's support of the land grant university's concept of a "People's" university through its Institute of Food and Agricultural Sciences. Dr. Lombardi recognized the campus' critical role in developing research, teaching and extension programs to serve Florida's agricultural community.

Most impressive, however, has been Dr. Lombardi's devotion to the University of Florida's most important resource—its students. At a time when higher education institutions are bursting at the seams, Lombardi has always put the needs of his students first, and as a result, he has earned the affection of the entire student body.

On behalf of the Second Congressional District, I would like to thank Dr. Lombardi and send him best wishes for all his future endeavors. We will not forget the many ways he has made the University and the State of Florida a better place.

HONORING THE SERVICE OF DR. JOHN LOMBARDI, PRESIDENT OF UNIVERSITY OF FLORIDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Florida. Mr. Speaker, I also rise to pay tribute to President John Lombardi on his last day as President of the University of Florida.

From the very first day that John Lombardi became President of the University of Florida, about 10 years ago, he demonstrated a vision and a passion that would be very difficult to duplicate. He arrived in a 1985 GMC red pickup truck, and it became quite clear immediately that this was a very special person who could relate just as effectively with the students as he did with the academics and the administrators.

He truly believed in the greatness of the university and he had a very unique style of communication that allowed him to spread his vision that, notwithstanding the tremendous reputation the University of Florida had, it was far ahead of its reputation.

John Lombardi's style of communication was unique; professional, honest, direct and at times blunt, but he said what many people wanted to hear and he took the university through a great deal of progress in a very short period of time. As the gentlewoman from Florida (Mrs. THURMAN) has elaborated, research dollars increased by double the amount they were when he arrived; the academic credentials of the student body increased dramatically. One statistic I will quote, which is a little daunting for us, the entering freshman at the University of Florida now is a 3.90.

Dr. Lombardi also shepherded through the creation of three very nationally well-known centers, the UF Brain Institute, the Engineering Research Center for Particle Science, and the National High Magnetic Laboratory, which is under the auspices of the University of Florida, Florida State University and Los Alamos National Laboratory.

The 1990s has not been the easiest decade to manage a university. But John Lombardi's creativity and resourcefulness helped the University of Florida thrive in a time of shrinking budgets and bulging enrollments. He created a money management system that gave his deans and directors more control and flexibility of their own budgets. The deans thrived under this system, saving more than $6.7 million in 1996 and 1997, and $12 million the next year. They took those savings and put them directly into student services.

In addition to all these achievements, Dr. Lombardi taught us something very important. Something that helps us answer the question, how do we define success in any major State university, not just in Gainesville, Florida? We define success by the value we add to the students that enter the university and ultimately leave there. John Lombardi never lost sight of the fact that a university is only as great as each and every one of its students that attend there.

He made a point of doing something that not enough university presidents do today. He spent a great deal of time with the students. Whether it was cheering the many University of Florida sports' teams on to victory, or marching with the student band with his clarinet, Dr. Lombardi showed the students how much he cared about them and their University.

Now, Dr. Lombardi, starting tomorrow, is returning to his first love; teaching. He will be teaching history again, and his students will be very lucky to have him there. But this is our opportunity tonight to thank him for his courageous leadership and for his example in the years to come as the University of Florida prospers under his tremendous stewardship.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I rise today to pay tribute to Dr. John Lombardi, the outgoing President of my alma mater, the University of Florida.

Dr. Lombardi leaves his distinguished position today after a proud decade of immeasurable service. During this period, he was instrumental in promoting the University of Florida's reputation as one of the premier public universities in the United States. However, even as he prepares to leave this position, his commitment to education remains unabated. Dr. Lombardi plans to return to the classroom as a professor in the University's history department. Such dedication is typical of Dr. Lombardi, as evidenced by his record of accomplishments and achievements as the President of the University of Florida.

Complete enumeration of Dr. Lombardi's accomplishments would take days, so I will focus on a few accomplishments that I believe best portray Dr. Lombardi's tenure.

Foremost among the accomplishments during the Lombardi years is the creation of the University of Florida Brain Institute. This institute focuses on brain and spinal cord research and treatment, and is recognized internationally for its faculty, clinicians, students, and staff. Dr. Lombardi oversaw the creation of this institute, and construction of a six-story, $60 million building to house this comprehensive center devoted entirely to neuroscience.

Under Dr. Lombardi, the University has also increased the availability of combined degree programs for undergraduates who want to earn both a Bachelors and a Masters degree in five or six years. These programs have proven to be very popular with students seeking to take advantage of the university's curricular depth during a five or six year experience.

Also underway, as a direct result of Dr. Lombardi's vision and leadership, is the Graduate Growth Initiative. This initiative to increase the graduate student population to approximately 25% of the entire student body has resulted in growing numbers of graduate students, and proven to be an important asset in support of the University's research agenda.

Dr. Lombardi will be missed as President of the University of Florida. I wish him the best of luck in his return to the classroom, and commend him for his dedicated service to the University of Florida.

SOCIAL SECURITY AND THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, Washington has hit the point on the political calendar when Congress and the President pound the tables and thump their chests over the final budget decisions of this year. Our jobs are to look past the theatrics and to make decisions based upon principle.

This year we sat forth an ambitious goal that we would hold the line on spending instead of dipping into the Social Security Trust Fund. This year we have an opportunity for the first time since the Eisenhower administration to balance the budget without touching the Social Security Trust Fund. Congress needs to stand on principle. We owe it to ourselves and to future generations.

For too many years, these budget negotiations did not create such a fuss. Congress and the President settled their differences the old-fashioned way: They simply spent more money. When spending exceeded revenues, they borrowed money first from the Social Security Trust Fund, then from the public, by issuing government bonds. Forty years later we have run up one heck of a tab. Our Federal debt now stands at over $5 trillion.

There is hope. The Republican Congress over the past 5 years has been more serious than ever about fiscal discipline. That, coupled with a strong national economy, have put our Federal Government in the black for the first time in a generation and allowed us to retire $130 billion in Federal debt. The next step is crucial. Congress and the President need to keep their hands out of the Social Security cookie jar. It is too important to our future and to our country.

The Federal Government will raise about $1.7 trillion this year in non-Social Security revenue. This really ought to be enough to operate our government. Americans are likely to hear some hysterics coming out of our Nation's capital during the next couple of weeks over whether we should spend more money on this or that program. These decisions are important, but my focus will be on the bigger picture: Can we get through this session without robbing Social Security and future generations?

We must end the year by holding the line on spending, force some savings, and stay out of the Social Security Trust Fund. It is a matter of principle worth fighting for.

REPORT ON RESOLUTION AGREEING TO CONFERENCE REQUESTED BY SENATE ON H.R. 2990, QUALITY CARE FOR THE UNINSURED ACT OF 1999

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–430) on the resolution (H. Res. 348) agreeing to the conference requested by the Senate on the Senate amendment to the bill (H.R. 2990) to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans, to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; and for other purposes, which was referred to the House Calendar and ordered to be printed.

TRIBUTE TO DR. JOHN LOMBARDI

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. BROWN) is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, I rise tonight to pay tribute to one of the most progressive leaders in the history of Florida, Dr. John Lombardi. He has been a cherished friend to me for over the past 10 years, but he has also been a great friend to the University of Florida and the rest of the State. He is a passionate supporter of public education and he is also a refreshing thinker.

I have been able to count on Dr. Lombardi for so many years as a valuable friend and resource person. Though Dr. Lombardi is leaving his position as President of the University of Florida, he will still be a part of the University's community. We will continue to count on him as a resource.

As a graduate of the University of Florida, I am proud of all the work he has done to make the University of Florida one of the finest public universities in the country, and the best football team. His hard work has helped us reach new levels of academic achievement and we are all proud of his commitment.

I know that the State of Florida is grateful to Dr. Lombardi for being so dedicated in his advocacy for equal rights and a quality education for all of our students. We will miss his leadership, but we will count on his continued support and guidance.

Mrs. MEEK of Florida. Mr. Speaker, will the gentlewoman yield?

Ms. BROWN of Florida. I yield to the gentlewoman from Florida.

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentlewoman for yielding to me.

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Mr. Speaker, Dr. John Lombardi represented and carried through a renaissance in Florida's public education. He chartered a new course for a university which many times before him was in a sleepy existence.

Dr. Lombardi came along; he was a university president who had vision and he had foresight. He was a scholar, respected. He was an academic, yet he was very well-centered in the community, as well as the students. He pulled this university up in research and development. He shaped and defined a new direction for the university.

I had quite a few meetings with President Lombardi. I respected him, as I was a member of the Florida Senate Committee on High Education. I must say to the graduates and the students of the University of Florida, John Lombardi will be missed; and to that entire university system, he brought them into the 21st century kicking and screaming. We are hoping that they will be able to replace him. But I say, no, it is hard to replace a man with the genius and heart of a John Lombardi.

TRIBUTE TO JOHN LOMBARDI

The SPEAKER pro tempore (Mr. KUYKENDALL). Under a previous order of the House, the gentlewoman from Florida (Mrs. FOWLER) is recognized for 5 minutes.

Mrs. FOWLER. Mr. Speaker, I rise today to offer my best wishes and appreciation to an outstanding educator, administrator, and author, Dr. John Lombardi, who has been the president of the University of Florida for more than 9 years now, and in that time he has become much beloved by the student body, faculty, and alumni. This is a man who truly made a difference during his years as president.

It would take too long to list all of his many accomplishments, so I would like to highlight just a few.

As an educator, Dr. Lombardi focused on and achieved higher academic standards, student performance, and graduation rates. As an administrator, he took care of critical details, such as offering better access to computers and augmenting opportunities by increasing the number of combined degree programs available to undergraduates. He was intricately involved in the opening of the Brain Institute, a premier center dedicated to brain and spinal cord research and treatment.

He also excelled in the vitally important role as a fund-raiser, with gifts to the University increasing exponentially during his tenure, including a recently arranged multimillion dollar contribution to the law school.

In addition, Dr. Lombardi was responsible for Florida's acceptance into the Association of American Universities, the prestigious higher education organization comprised of the top 62 public and private institutions in the United States.

More important, though, was Dr. Lombardi the person, a person of great popularity and high regard. Let me just give my colleagues two examples.

Dr. Lombardi was so well-loved by the students that I know that recently the student body voted to ask the Board of Regents to allow Dr. Lombardi to sign each of their diplomas.

The second anecdote is even more true to his spirit, because at every homecoming Dr. Lombardi marched with the alumni band playing his trademark clarinet and wearing his Gator suspenders.

Today, Dr. Lombardi is leaving his post after a decade of dedicated service. We are fortunate, though, that he will not be going very far and that he plans to return to teaching in the University's history department. On this occasion, I wish Dr. Lombardi and Cathryne all the best and offer great thanks for all his hard work and efforts on behalf of the University of Florida.

THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PASCRELL) is recognized for 5 minutes.

Mr. PASCRELL. Mr. Speaker, over the past few weeks, the Republican leadership has taken their year of budgetary gimmicks to a new level, and I want to address that.

Not only have they declared the Census an emergency, something we have been doing through the centuries, not only have they delayed funding for critical medical research at the National Institutes of Health, they tried to create a 13th month in the year and put off payments that lower-income working families receive under the Earned Income Tax Credit.

Not only have they put on the floor an appropriation bill that has abandoned our commitment to reduce class size in our schools, a commitment which we started in the 1999 budget to eliminate immunization for 300 kids and gutted funding to hire teachers for disadvantaged students, not only have they been saying that they are the great protectors of Social Security and Social Security surpluses, while their own Congress Budget Office numbers which they have demanded the House use say the exact opposite, that all would have been bad enough, now they are telling us they are doing the responsible thing.

They have decided to hold up a penny and say, of course we can cut one penny out of every dollar we spend. One percent they say. That is just wasted money. They have abandoned apparently their idea of an $800 billion tax cut, so-called tax cut.

Why? It did not resonate with the people of America. The reply of the leadership has been, Most people don't pay taxes. That's why people aren't supporting this tax cut.

They have got to be kidding me. Most people in America do pay taxes. Most people in America of adult age work if they are not retired. But let us keep it elementary. Let us keep it very simple. Let us get back to the penny.

We all know that on the face of this penny is the face of Abraham Lincoln, our great role model. It appears here. As we listen to the rhetoric of the leadership, I would like this House to consider some other faces that are reflected here in this penny, the faces of those who represent the real story of about what this penny means.

Consider the face of Bob Corsa from Clifton, New Jersey. Bob is one of our Nation's veterans. Cutting that penny means that he and his fellow veterans will lose nearly $200 million in funding for desperately needed medical care. This little penny I hold in my hands. that their side has held up night after night, I am holding it up tonight. These are America's heroes. Yet, the Republican leadership calls their medical care wasteful spending. What is one penny? What is one percent?

How about the face of the young 3-year-old in the town I grew up in and still live in, Paterson, New Jersey, who may be one of 5,000 children denied an opportunity to attend Head Start programs. He or she would be so denied because this penny actually means 39 million less dollars for Head Start in their proposal. The other side calls these investments in our future wasteful spending.

We should also remember the face of that college student who will not have the opportunity to receive work study assistance or the family who will be forced to live another decade near a toxic waste site because funding for the cleanup of that site has been slashed.

The other side is saying to those citizens, it is just a penny. It is just wasteful spending we are cutting. Their argument is the easy way out. It is an across-the-board cut that fails those we were sent here to advocate for, the voiceless. And we continue this process.

DEPARTMENT OF EDUCATION CANNOT BE AUDITED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, today the Department of Education cannot produce the required paperwork to allow their financial books to be audited by the General Accounting Office, the GAO. It is the only department that has not been audited for fiscal year 1998.

The Federal Department of Education is responsible for distributing $120 billion a year in education spending. Unfortunately, it does not know where all that money is going. It is unacceptable that the Department of Education cannot account for how billions of dollars intended for institutes are being spent.

Yet, rather than looking at these issues, the Department has claimed that, as a result of a less than 1 percent reduction in their budget, they will have to cut funding for education programs because they say there is no waste in their agency.

I am convinced that we can find savings and solutions in the Department of Education and make sure that taxpayer dollars are used as they were intended, to help kids learn, not on bureaucratic mix-up or faulty computer systems. But until the Department of Education is willing to work to find out how they spend all our money, we cannot be sure how much waste is occurring or how much we can more effectively spend taxpayer dollars.

How does anyone explain how a Federal department is unauditable? The only worst case I have ever heard about than this one is in 1995, 1996 the IRS could not account for about $4 billion. They just could not account for it. They just lost it or misplaced it, I guess.

The Republican Congress wants to take a different approach to education, flexibility in return for strong accountability, the opportunity for parents, teachers, and schools to spend money the way they choose in return for proving that students are learning.

We have asked the GAO to look at some of the Department's accounting practices to make sure that every dollar that should be going to the classroom students is actually getting there to the local districts and classrooms.

I hope that the President and Secretary Riley will work with us to make sure that every Federal education dollar is spent wisely and is used to help children learn, not spent on red tape or bureaucratic mistakes.

The first step in making sure that the Department of Education's books are auditable is that we know where the money is going. I hope Secretary Riley will do everything he can to make sure this happens as soon as possible.

SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, Republicans must take all of us for fools, standing on a soap box trying to convince the American public that they are the saviors of Social Security, when in fact they are like the thief who does not believe he has committed a crime until he gets caught. Then he goes, oh, I committed a crime.

Instead of supporting Social Security, the Republican leadership has a long track record of hostility toward that good program.

In fact, the gentleman from Texas (Mr. ARMEY), the majority leader, has maligned Social Security as a rotten trick and as a bad retirement for American people. Republicans have tried to eliminate Social Security.

They have tried to privatize Social Security, and they are trying to steal from it.

The Republican budget proposals before us this week and for the past few weeks would not add a single day to Social Security's solvency.

□ 1915

We are already into the fourth week of fiscal year 2000 and the Republicans are covertly dipping into the Social Security program. The reality is that the Republican spending bills have already spent the Social Security trust fund surplus for fiscal year 2000. And according to the Congressional Budget Office, despite the majority's smoke and mirrors, they have borrowed more than $13 billion of the Social Security surplus up to this date. And by the time we are finished with all of the spending bills, CBO estimates, if we go in the way that they are proposing, that $13 billion will actually be $24 billion. How does this extend the life of Social Security and the Social Security trust fund?

From past remarks, we know that the Republicans would be perfectly okay to let Social Security dry up and go away. Social Security, however, faces a shortfail over the long term and Congress must work, and we must work together, with real numbers, to secure the future of Social Security for Americans and for American families in the future.

I say to the Republicans, stop talking. Start working. Work with us. Work with the President. Work on a plan to extend the life of the program. Actually, the President has a plan to shore up Social Security over the long term. His plan would reduce the national debt by $3.1 trillion over the next 15 years and eventually devote the savings to extend the life of Social Security. We have a responsibility to future generations, to ensure that Social Security remains the strong successful program it is and that our country's priorities are addressed at the same time.

I have a message for the Republican leaders. You are not fooling anybody. Stop talking. Start working. Work with us. Work with the President and work for the people of this country.

TRIBUTE TO RETIRING UNIVERSITY OF FLORIDA PRESIDENT JOHN LOMBARDI

The SPEAKER pro tempore (Mr. KUYKENDALL). Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, first I want to pay just a few moments of tribute to one of the most distinguished gentlemen I know in the State of Florida, a gentleman I have known for the past decade, who has headed the University of Florida, Mr. John Lombardi. John Lombardi is retiring as the President of the University of Florida. I have had an opportunity since I first attended the University of Florida, it will be some 40 years ago, in 1960, as a freshman on that campus, to see the University of Florida, which gave me an incredible opportunity in life, an educational advantage. I have seen many Presidents, J. Wayne Reitz, Phil O'Connell, Bob Marston, Marshall Criser, the interim President Bryan and others who have done a superb job in leading our first and foremost university in Florida, the University of Florida in Gainesville. But I have never seen an individual who has done a more incredible job in bringing together success in academics, success in programs, success in contributions to the university, both financial contributions and incredible standing. There just is no one who has done a more incredible job than John Lombardi. As he departs this week after a decade of service to our university, to our State, I salute him along with other members of the Florida delegation for what he has done for my alma mater, in raising the academic standards and improving student performance and increasing graduation rates, and for increasing the number of degreed programs and again the academic standing that he brought to the University of Florida through his efforts.

Just a word of praise, also, for his gracious, hardworking wife Carolyn who also with John Lombardi provided her leadership as really our first lady and spokesperson for the university and tremendous hostess for the university. Another tireless, devoted individual who gave so much to the University of Florida. We truly will miss them, but we are truly grateful for their tremendous contributions, Mr. Speaker.

The final tribute is not given by me but given by the graduates to John Lombardi of this fall's term. Even though there is an interim president coming, a very distinguished gentleman coming, they have signed a petition, the graduating seniors, to request that John Lombardi sign their diplomas, a final salute, not only from alumni and distinguished alumni from throughout the country and the State but even from those graduating this year. So, John Lombardi, we salute you, and you have done a tremendous job.

Mr. Speaker, I also wanted to speak in my remaining few moments to the comments of the last speakers who accuse the Republicans of stealing or robbing from Social Security. What could be more absurd? Every time the Democrats came to the floor and controlled the House of Representatives for 40 years, they in fact not only spent all the money in the Social Security trust fund, they went beyond that and spent 200 and $300 billion more per year in funding beyond that. This Republican controlled Congress is the first time we have brought our financial house into order. We have never said to do away with Social Security. We said the other side bankrupted Social Security. We laid the facts and the information before the American public and we looked for alternatives to take pressure off of Social Security so that Social Security could be secure and not robbed.

So for the first time, and again I cannot believe they can come to the floor with a straight face and to the American people and say that the Republicans have not been good trustees of this fund. I urge my colleagues and the American people to look for the truth, not rhetoric.

TRIBUTE TO REVEREND WILBUR N. DANIEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise to pay tribute to a great theologian, a great community builder, a tremendous humanitarian and a great American, Reverend Wilbur N. Daniel, pastor of the Antioch Missionary Baptist Church of Chicago for 42 years. Reverend Daniel will be best remembered as a fast start Baptist preacher who had the ability to electrify and move crowds in a matter of 2 or 3 minutes. He was a tremendous organizer and social activist who served as president of the Southside Branch NAACP in Chicago. He was chairman of the board of the Antioch Foundation, moderator of the North Woodriver Baptist District Association for 40 years, treasurer of the National Baptist Convention of America and chairman of the board of directors of the Highland Community Bank.

Reverend Daniel was born in Louisville, Kentucky, where he attended school and entered the ministry at age 25. His first pastorate was at the Macedonia Baptist Church in Gary, Indiana. It was while there that he enrolled at the Fort Wayne Bible Institute and then on to becoming one of the most learned theologians in America.

While a great preacher and spiritual motivator, Dr. Daniel was also a master builder and his church was an early leader in the building of affordable housing through its Eden's Green Development. He will be seriously remembered for helping to rebuild the Englewood Community in Chicago. When you drive through it, you will see new homes, senior citizen buildings, nursing homes, rehabilitated apartment dwellings, all put together by Reverend Wilbur Daniel and his 4,000-member Antioch Missionary Baptist Church.

Please do not think that Dr. Daniel relied upon the spirit alone. He was an astute politician. He was Republican, Democrat, Independent, making use of everybody to build houses and develop communities. A visionary who encouraged social activism, civic involvement, union organizing, outreach programs for the needy and recreational activities for youth. He built a Christian academy and brought more than $25 million of Federal housing money into the Englewood Community. Condolences to his sons Wilbur Jr., Ricky Eugene and two grandchildren. A dreamer, a man of vision, a worker, a leader, a good neighbor, a good friend, and a great American, Dr. Wilbur N. Daniel.

REPUBLICAN BUDGET PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. KINGSTON) is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, we are at a real interesting time. We are in the home run stretch of the legislative session. We are in a position on the budget that we are negotiating with the President because of three different reasons. Number one, we had the 1997 budget agreement. That agreement was a bipartisan agreement, over 300 Democrats and Republicans alike joined forces to say, let us put some fiscal order, some discipline in this place. The President signed off on it. Now even though it is a bipartisan agreement, it seems like only one party is responsible for carrying out that agreement. That party is the Republican Party.

Number two, we do not want to spend Social Security money. Now, do not take my word for it as a Republican. This is John Podesta, the Chief of Staff at the White House. He works for Bill Clinton. Here is his exact statement: "The Republicans' key goal is to not spend the Social Security surplus." I am glad, suddenly the White House is saying things right and we are very glad about that. Indeed, if you look at this smaller chart, that is exactly what we have been able to do. In the past, the Democrat controlled Congress and under Republican control, Social Security money has been taken for general purposes. But this year, zero. A historic moment. We have not raided Social Security. Very important.

The third reason we are in this position is that the President had promoted a tax increase as a way to fund a lot of new programs. On a bipartisan basis, this House, 419–0 voted against increasing taxes. So right now we are in a situation where the only way to continue the 1997 budget agreement and not raid Social Security is by reducing spending a mere one cent on a dollar.

I am a father of four, Mr. Speaker. I have two teenagers and two smaller children. We have to every month sit around and decide are we going to fix the washing machine, are we going to buy new tires. I guess we will have to postpone that vacation or that trip to Atlanta one more time in the fancy hotel, but we are used to doing that. But when Libby and I sit around the table and cut our budget, out of $5, we have got to look for 2 or $3. All we are saying to the Federal Government is cut out a nickel out of $5 or one cent out of $1. We have heard from Democrats tonight, that cannot be done.

Let me give my colleagues a few suggestions. The FDA has a pizza inspection program. If you buy cheese pizza, the FDA inspects it. But if you buy pepperoni pizza, the U.S. Department of Agriculture inspects it. I do not know, but in the private sector we would say, let us combine that. Or how about this. The President went to Africa with 1300 of his closer Federal employee friends, spent $42.8 million. Or how about when he went to China, he spent $18.8 million and took 500 of his closer friends. Cutting out 1 percent would mean 50 of them would have to stay at home the next time he goes to China. The next time he goes to Africa, 13 would have to stay at home. That does not sound so bad to me. But we keep hearing how harsh this is.

How about the program in Washington, D.C. where the Federal Government spent $6.6 million on a staffing company to help the government get people from welfare to work, $6.6 million and they were supposed to place 1500 people. One year later and $1 million later, they had only placed 30 people out of 1500. They spent $1 million to do that.

□ 1930

That is waste. And, you know what? I would like to pop the bubble of the Democrats and the big spenders up here. The Federal Government does not have any money. Let me repeat it: The Federal Government does not have money. It is the people's money. We hard working taxpayers send our money to Washington. It is not the Federal Government's money, it is sent to them by hard working taxpayers. So I believe that we in Washington have to be very careful on how we spend that.

Now I want to say one thing that is just kind of interesting. Here is a statement by Secretary Babbitt when a reporter said is there no more waste in government in your department? Secretary Babbitt, who is Mr. Clinton's appointee for the Department of Interior, the guy in charge of the National Parks, he said, "Well, it would take a magician to say there was no waste in government." Amen to that. "We are constantly ferreting it out. But the answer is otherwise, yes, you have got it exactly right." From the President's own folks, yes, there is waste in government, and we can cut it out and save Social Security.

NO CLEMENCY FOR CONVICTED MURDERER

The SPEAKER pro tempore (Mr. KUYKENDALL). Under a previous order of the House, the gentleman from Colorado (Mr. McINNIS) is recognized for 5 minutes.

Mr. McINNIS. Mr. Speaker, the Leonard Peltier Defense Committee has announced that in November 1999, it is the Freedom Month for Leonard Peltier. I used to be a former police officer and I take this personally.

This committee intends to deliver to the President of the United States a petition asking him to grant clemency to Leonard Peltier.

Leonard Peltier is currently serving consecutive life sentences in a Federal penitentiary for the ruthless murder of two FBI agents. To commute the sentence of Peltier and allow him to be released would be a tragic injustice. The Members of the FBI Agents Association and the Society for Former Special Agents of the FBI want the President and all Americans to be aware of all reasons why clemency should not be granted to Peltier.

June 26, 1975, was a hot dusty Thursday on the Pine Ridge Indian Reservation in southwestern South Dakota when two young FBI agents arrived from their office in Rapid City. It was about noon when the agents pulled into the Jumping Bull compound area of the remote reservation seeking to arrest a young man in connection with a recent abduction and assault of two young ranchers.

Observing Peltier's vehicle, the two agents pursued it. Unknown to the FBI agents, one of the three men in the vehicle was Leonard Peltier, a violent man with a violent past. He was a fugitive, wanted for attempted murder of an off duty Milwaukee police officer.

Knowing these cars pursuing him were FBI cars, Peltier and his two associates abruptly stopped their vehicle and began firing their rifles at the agents. Surprised by the sudden violence, outmanned and outgunned and at an extreme tactical disadvantage, the agents were wounded and defenseless within minutes. One of the agents suffered a severe wound, having his arm blown off. The other agent was hit in the left shoulder and the right foot. Both agents were clearly at the mercy of Peltier and their associates.

Not satisfied with the terrible injuries that they had just inflicted, Peltier and the other two men walked down the hill toward the ambushed and wounded agents. Three shots were fired from Peltier's rifle. One of the agents was still conscious, kneeling and apparently surrendering, was shot in the face directly through his outstretched hand. He was shot right through his hand. He was trying to surrender. He died instantly. The unconscious FBI agent who was lying there with severe injuries was shot twice in the head at close range. He also died instantly.

Following the murders, Peltier fled the reservation. In November 1975 an Oregon state trooper stopped a recreational vehicle in which Peltier was hiding. Peltier fired at the trooper and escaped. But found within that recreational vehicle was one of the weapons from the FBI agent with Peltier's fingerprints on the bag which contained the weapon.

When later arrested in Canada by the Royal Canadian Mounted Police, Peltier remarked that had he known those were mounted police officers and they were there to arrest them, he would have immediately blown them out of their shoes. These are not the comments of an innocent man, and they portray a very violent man who, without mercy, assassinated two FBI agents.

Peltier in 1977 was finally brought to justice and he was found guilty on both counts of the murder of these FBI agents. He was sentenced to two consecutive life sentences.

While incarcerated in a Federal prison, a rifle was smuggled in to Peltier. He shot his way out of prison and several days later, after assaulting a ranger and stealing his truck, he was finally recaptured. He was tried and convicted of escape.

Peltier has since appealed his various convictions on numerous occasions. Every time he appeals his conviction, the courts turn him down. The United States Supreme Court has had his case twice. They have turned it down twice without comment.

The record is clear: There are no new facts. These are only old facts, and they have not changed. This man is guilty of murder in cold blood of two FBI agents and he should not be released from jail, Mr. President.

Peltier openly states he feels no guilt, remorse or even regret for the murders. Peltier has lived a life of crime. He has earned and deserves a lifetime of incarceration. Peltier is a murderer without compassion or feeling for his fellow man and in turn he deserves no compassion.

Mr. President, there is no justification for relieving Peltier from his punishment. Our judicial system has spoken in this case again and again and again and again. Leonard Peltier is a vicious, violent and cowardly criminal who hides behind legitimate Native American issues. Leonard Peltier was never a leader in the Native American community. He is simply a thug and a murderer with no respect for human life. Our citizens on and off the reservation must be protected from murderers like Peltier.

Mr. President, since Leonard Peltier could not fool the Federal courts, he is now trying to fool you and the public. Do not let it happen. Turn down that request for clemency.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to direct their remarks to the Chair.

THE COST OF EDUCATING OUR CHILDREN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Michigan (Mr. HOEKSTRA) is recognized for 60 minutes as the designee of the majority leader.

Mr. HOEKSTRA. Mr. Speaker, I welcome my colleague from Colorado here tonight as we talk about educating our children.

The topic tonight came out of a process that for some of us began in 1995, where we began a process that was called Education at a Crossroads, where we took a look at the definition of education here in Washington, we took a look at what worked and what was wasted in the Federal programs, and also what worked and what was wasted at the state and at the local level, and really came to a decision to review some of the information and the documentation that we gathered since 1995 based on a press conference that the Secretary of Education gave last week.

As many of our colleagues know, we are embarked on a plan this year for the second year in a row to try to make sure that we spend no Social Security dollars on general fund expenditures. It looks like we did that in 1999, or came very, very close, for the first time in 40 years, and what we want to do is duplicate that for 2000, so we have embarked on a plan that said we are going to look for a 1 percent savings.

Last week the Secretary of Education came out and said, "If you try to find a 1 percent savings in my department, you cannot find it. It is not there, and any reduction in expenditures in education will come off the backs of our children."

We went to the Education Department on Friday, and there are just two things that I would like everybody to remember as we put this in context, two things. If you remember only two things out of this whole night, other than that we are trying to save 1 percent, remember these two things:

The first is that the Department of Education's books are not auditable. The first is the Department of Education's books are not auditable. We will talk a little bit more about that. But we have got a secretary from a department that has responsibility for $120 billion of taxpayer money, and he is blasting Congress. But when he goes back to his own department and three Congressmen go over there and ask him and his colleagues and say can you kind of tell us where and how you spend the roughly $35 billion in appropriations that we give you on an annual basis and the $85 billion of loans that the Department of Education manages, can you kind of tell us how you manage the taxpayers' dollars, the response is, "I am sorry, but for the last year that we had auditors in taking a look at our books, our books are not auditable."

It means they cannot tell you. The auditors cannot look at the books with any degree of certainty and say that the money that came from the American taxpayer, went through Congress, was entrusted to the employees and the leadership at the Education Department, they cannot tell us where or how that money was spent and that there is no waste, fraud and abuse.

My experience in the private sector tells me any organization that does not have the financial control systems in place to ensure that their books are auditable probably has some waste, fraud or abuse going on. So, number one, the books at the Department of Education, $120 billion agency, does not have books that are auditable.

The second thing that I would like to just put in context, everything else that we do tonight is in context of this secretary is going out and saying that this Congress is stopping the raid on Social Security on the backs of our children. Sorry, Mr. Secretary, even when we find that 1 percent savings in the Department of Education, this Congress, yes, this Republican-led Congress, has appropriated $100 million more for the education of our children than what this President even asked for in his budget.

We recognize and we are willing to invest in our kids' education, but we are not going to invest in programs that do not work or that move decision making to Washington; or, Mr. Secretary, when we give you another $100 million, you bet we are going to come down to your agency, we are going to help you manage your agency, because you have not been managing it, because you cannot even tell us where the dollars go.

I will yield to my colleague from Colorado, just remembering those two things in context: Their books are not auditable, and Republicans are investing more in education than what the President even asked for in his budget.

Mr. TANCREDO. I thank my colleague from Michigan. I wanted to just first of all tell him how much I appreciate his efforts as chairman of the committee, the oversight committee that is entrusted with the responsibility of, just as the name implies, overseeing government operations, specifically in the area of education. He has been diligent in that regard, and I just want to commend him for that. This is another example of where people like my colleague can truly make a difference for all Americans, for Americans all over the Nation.

As I listened to my colleague's reference to the Secretary of Education and how he responded to the request to reduce expenditures by 1 percent in the next fiscal year, and he said that that would be impossible, it could not be done, that if it happened, it would come off the backs of children, you have to think to yourself, really and truly what goes through someone's mind when they actually have to say something like that, when they know fully well that anyone listening, anyone, except perhaps other Members of the cabinet who have all been given the same script, they all say the same things, they cannot find the 1 percent savings. But what do they think America thinks when they say that? Does anyone out there believe that no one in the government of the United States can find 1 percent savings without hurting the actual people that they are given charge to take care of? I do not want to say take care of. Does anyone believe that cannot happen?

□ 1945

And with this happening at the same day, as I say, this is a script everyone must be getting. All members of the cabinet, I am sure, have been told that they have to say there is no savings. Because if there is, if you say yes, there is a 1 percent savings, someone is going to say, you mean you have been presiding over a department that has had waste, fraud, and abuse? So they say no, it is not there.

The other day we were talking about this, and the Secretary of the Interior, Secretary Babbitt, said exactly the same thing almost word for word. That is why I say it seemed like it was scripted.

What was amazing about that was that at the same time that he was telling the people of the United States that there were no savings in the Department of the Interior, the deputy secretary was in the Committee on Resources telling the committee that they had lost $7 million, almost simultaneously. One guy is up there saying there is nothing, no fraud and abuse, absolutely not, we cannot find a penny around here, while his undersecretary is telling us in the committee, yes, there is $7 million bucks that is gone. I do not know, it has to be around someplace. I am sure we will find it before too long.

This is the bizarre nature of Washington, D.C., Mr. Speaker. This is the only place where discussions like this can be actually carried on, where people can say things like that.

Mr. HOEKSTRA. Mr. Speaker, I just want to reinforce what my colleague is talking about. This message has gone across to all cabinet levels, the same message, we cannot find 1 percent. While the Secretary of the Interior is saying, we cannot find 1 percent, his deputies are saying, I am sorry, we lost $7 million.

Mr. TANCREDO. That is correct.

Mr. HOEKSTRA. And $7 million is real money. It is the same thing we have in the Department of Education. Secretary Riley is saying, we cannot find 1 percent. If we go to his department, as three of us did last week, and we talked to his chief deputies, they are saying, we are sorry, we cannot audit the books. What is worse, finding out you lost $7 million, or finding out you did not know where the money went?

My guess is that as we go through the Department of Education, again, as we talk about some of the other discussions that we had at the Department of Education, I think we will find that the money is there to be found if we put in place the stringent financial controls.

What always amazes me, and I think my colleague also had this kind of background, when we talk about stringent financial controls, I am sorry, but every day every small business, every publicly-held company, every Fortune 500 company, they have auditable books each and every year. This is not brain surgery. There are people who do this every day, and they do it for a living.

We are just asking an agency that manages roughly $120 billion a year to please be careful with the taxpayers' dollars, and at the end of the year, please be able to tell us where they spent it.

There is another whole discussion, and this is much of the debate we are having on education today, because once we find out where it goes, then we will have the other debate which says, tell us how effectively that money has been used: Did we actually improve students' learning? But this is on a much more basic level, just tell us where the money went.

Mr. TANCREDO. If the gentleman will continue to yield, Mr. Speaker, as I understand their response when they were asked about the auditability of the books, they said, well, we cannot do it because, among other things, all of the auditors over the last couple of years keep pulling out. The most recent has pulled out and said, we cannot do it. Am I correct?

Mr. HOEKSTRA. Reclaiming my time, Mr. Speaker, what they told us was that in 1997 they had an accounting system. My other colleague here, the gentleman from Colorado, was with us. I think this was what we heard. My colleague will correct me if we do not get it exactly right. What we heard was that in 1997 they had an accounting system. They decided to transition into a new and improved accounting system.

As they started implementing this new system in 1998, they implemented it and they found out that there were a number of problems: security clearances, duplicate payments, perhaps unrecorded payments, and those types of things. So they went back to the vendor who had developed this system for them. Basically this vendor had pulled out, withheld support for this new accounting system.

Now, what is the Education Department doing? They have unauditable books for 1998. They are now in the process of soliciting companies and accounting firms to develop a new accounting system which they hope will be in place by 2001. So until 2001, we are going to limp along with this current system.

So in a period of 5 years, we will have gone through three accounting systems: the original accounting system, which was operational in 1997; the one they bought and paid for in 1998, and no, they could not tell us how much they paid to get this new accounting system; and now the one that is anticipated to be online by 2001. There were three accounting systems.

I come back to the fact that this agency is entrusted with managing $120 billion, this is with a B, not with an M. This is $120 billion per year, and they cannot tell us where the money goes.

I yield to my colleague, the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. I appreciate the gentleman yielding. In another life I was the regional director for the U.S. Department of Education in Region VIII. I was appointed to that position in 1981. I was charged with the responsibility of trying to reduce the size of the Department to more accurately reflect its responsibility under the Constitution. As the gentleman knows, we can search the Constitution in vain to find some responsibility for the U.S. Department of Education. It is not there.

So we set about a task to, as I say, reduce the size. When I came in in September of 1981, there were 222 people, if memory serves me right; here there were 220-some people employed by the U.S. Department of Education in the regional office, Denver, Colorado, Region VIII. That was astounding to me. I had been a teacher before that. I was in the legislature. I was chairman of the education committee. We did not know there was a regional office of the U.S. Department of Education. They had absolutely no contact with real life, 227 some people.

It took us about 4 years, and we went through a series of budget cuts and transfers, and we went from 220-some people down to around the mid sixties, 65, an 80 percent cut.

I used to go out and speak to each one of the State Departments of Education in the six States for which we had responsibility which had some interaction with the department, and for every single one I would say to them, we have gone down 80 percent in the regional office. Have you been able to tell the difference? No one, no one ever said, oh, yes, I can tell there has been some change in efficiency. No. No.

Do Members want to know what else? If we had gone to zero, they still would not have known the difference. This is in a department that claims there is no waste. We went from 222 to 60-something, and nobody knew the difference.

Mr. HOEKSTRA. Reclaiming my time, Mr. Speaker, again, this is about taking the money, taking a look at the $120 billion. Like I said, let us clarify, this is about $85 billion in a loan portfolio that the Department of Education is responsible for managing, and about $34 to $35 billion in annual appropriations, and for 1998, those books are unauditable. We do not know what will happen with the 1999 statements.

My colleague, the gentleman from Colorado, and I went down there on Friday. We met with a number of the employees and some of the leadership at the Education Department. They were very hospitable. We gave them roughly a day's notice. We let them know on Thursday that we would like to come down and meet with some of them.

They were very gracious and they were very knowledgeable. They were very helpful when we came there on Friday morning. I think we had a very fruitful discussion with the leadership. We asked them about the auditability of their books. That is where we heard about the five different or the three different accounting systems that are going to be in place over a period of 5 years, and maybe my colleague, the gentleman from Colorado, would like to share some of the other things we talked about. I yield to the gentleman from Colorado (Mr. SCHAFFER).

Mr. SCHAFFER. Mr. Speaker, I thank the gentleman for yielding. I just want to paint a picture for my colleagues about what occurred on Friday.

It was just a few days before that the White House convened a press conference and assembled all of the Secretaries of the various cabinet level agencies. They were paraded in front of the TV cameras, and gave their opinions about this effort to save one penny out of $1, or actually a little less than one penny on $1 to help rescue the social security trust fund.

The goal, of course, is to try to get all Federal agencies to reduce spending, or actually, to reduce the increase in spending by approximately .97 of a percent.

The Secretary of Education suggested that this was an impossibility; that in their $35 billion fund, that they could not come up with that one penny out of $1 in savings to help the Nation and save our social security program.

He also made some other comments, that the Education Department was a lean, efficient operating agency, and that they are as efficient as they can get. We just cannot come up with less than 1 percent savings without hurting children.

The gentleman and I and other Members of Congress, we have children who are in public schools. We care deeply about the quality of education. The last thing we want to see is this effort to try to save money to fall disproportionately on the backs of America's children.

We just do not buy the notion that that has to be the case, that the Department of Education is incapable of finding the administrative savings, the bureaucratic savings and the savings through the creativity in financial improvements of saving these dollars so we can help children. That is the message we took to the U.S. Department of Education.

The rest of Congress adjourned or went back home Thursday evening after we had finished the week's business. We essentially had the day off. The three of us stuck behind and decided to head down to the Department of Education offices.

We literally walked right through the front doors and started going office to office asking people about their jobs, what they do, what kinds of functions they serve.

We met with the finance officers. Before we go into some of the details on that, I just want to point out that the gentleman's description of our reception is entirely accurate. We had just a wonderful assembly of individuals there at the Department of Education. I am talking about the rank and file people who are working every day on these programs.

They care deeply about the country. I walked into a number of office spaces and there on the desk would be the pictures of some of these folks, some of their kids. I would ask, how old is your daughter? How old is your son? Where do they go to school? These are folks who care about the future of education of America.

They also care about the solvency of our country and the security of our social security programs, our retirement programs. They understand that this is a job that entails the entire government pulling together.

So when we asked that question, do you think you can help us, do you think you can help us find that one penny out of a dollar to help balance the Nation's budget and run the country according to the promises that we have made to the American people, nine times out of ten the individuals we spoke with said, well, we are certainly willing to try.

We handed out lots of business cards. These are folks who I think if we are able to, as rank and file Members of Congress, to reach around the partisan level of disagreement that takes place over in the White House and at the Secretary level at the Department of Education, if we can just reach right around all of that political nonsense across the aisle to those who are on a day-to-day basis working hard to run the Department of Education, I am convinced as a result of that visit that we can accomplish this job. We can save a penny on a dollar and do it without harming the education of our children.

Mr. HOEKSTRA. Reclaiming my time, Mr. Speaker, it is interesting, we had that dialogue with the management and the employees of the Education Department for about 2½ hours on Friday morning. It was very interesting, I do not know if the gentleman read some of the comments, but in my papers back home some of my colleagues on the other side characterized, and get this, this is three Members of Congress going to the Education Department, being very warmly received, talking to the leadership, talking to rank and file employees.

I think the gentleman is absolutely right, if they were given the challenge, and I think we asked the leadership, have you gone through and seen how you would find 1 percent, and kind of got this glazed-over look from the leadership of the Education Department. But when we talked to the rank and file Education Department employees, do you think you can help us find 1 percent to make sure that we do not decrease by one amount the penny that is going into the classroom, they were very excited about that kind of an opportunity.

The characterization of Members of Congress talking to employees within the Department, it was characterized as being like storm troopers. It was kind of like, I do not think so. I do not think that is the response we got at all, either.

The Department of Education employees, we were talking to them about how they hand out the grant fund. The gentleman and I have been working on this process. I have been working on this process. We issued a report in 1998 in the subcommittee called Education at a Crossroads.

This report came out in 1998. It highlighted not the inefficiencies or the waste, fraud, and abuse, just because they are not doing the basics, but it was taking a look at some of the things we could do better.

That is, we identified that of every Federal education dollar that is sent out, 35 to 40 cents of that is wasted in bureaucracy. It is kind of like we in Congress create a program, we have to tell the local people that the program exists, they apply for the program, we review the application, we write a check, they cash the check, they spend the money, they report how they spend the money, the Federal government has to audit it because we know we cannot trust the local people, and when we cut through all of that, it is kind of like, there goes 35 to 40 percent out of that.

It is not necessarily all Federal money, some of it is State or local money, but it gets to be a very expensive process. So we know that there are savings there. We are very willing, and this, I think, was the message we gave to the Education Department, help us find the 1 percent, or help us find 10 percent, and we will not take all that 10 percent and drive it into a surplus. Help us find 10 percent so that we can take that other 9 cents that you find and drive it into a classroom where it really makes a difference, and take it out of bureaucracy. I think they are just as willing to do that as they are to find the 1 percent for social security.

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Mr. SCHAFFER. Mr. Speaker, the description of the gentleman from Michigan (Mr. HOEKSTRA) of the way the Secretary of Education characterized the action of three Members of Congress going down to their building and talking with rank and file employees as storm trooping.

Mr. HOEKSTRA. Did the Secretary actually say that?

Mr. SCHAFFER. Mr. Speaker, he called that a publicity stunt was his words, that this was a publicity stunt.

It is remarkable because what you have going on here in Washington is just a handful of the education elite in the White House and in the Department of Education that want to control the entire national message on education, not only the terms of improvement for America's education system, but the terms of quality, the terms of spending and all of the rest.

I think they feel threatened somewhat when people like the gentleman from Michigan and I and other Members of Congress who have children and care deeply about the quality of education around the country physically go down there to their offices and talk with the rank and file members. I think this threatens somewhat their ability to control the message. So if it threatens the message, so be it.

Mr. HOEKSTRA. Mr. Speaker, the bottom line that we found out, which we suspected because GAO was reporting earlier this fall that this was going to be the case, for the Secretary to come back and call something a publicity stunt. I talked to my staff about what was going to happen after we came back. He said, well, you can bet that the other side, since they cannot talk about the issue, they are going to just holler and scream and start pounding the table.

If I were them, I would holler and scream and pound the table and scream, because if they are not holering and screaming, they are going to have to answer the one basic question, which I did not see reported anywhere: Mr. Secretary, you are managing $120 billion, why are your books not auditable? Why are you hollering and screaming at Congressmen?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KUYKENDALL). The gentleman should direct his comments to the Chair, not to others.

Mr. HOEKSTRA. Mr. Speaker, I thank the Chair for that guidance.

Mr. Speaker, addressing the gentleman from Colorado (Mr. SCHAFFER) here, the question that that Congress can and should be asking is: Mr. Secretary, why can you not answer the question of where the money went? What have you done with $120 billion?

I think that, as part of the Subcommittee on Oversight and Investigations, those are the kinds of questions, we will ask over the next 2, 3 weeks, 2, 3, 4 months. The gentleman from Colorado, as a member of the subcommittee, knows that we have been dealing with this issue with the Corporation for National Service for 5 years. For 5 years, they have not had auditable books. Now, some would say, well, that is only a $600 million, $700 million agency, why worry about it? Back in Michigan $600 million, $700 million is still a lot of money.

The Department of Education, there is $120 billion. But the Secretary would get up and pound the table because he cannot answer the basic question as to, why are your books not auditable? We have given you $120 billion. We have entrusted that to you. You cannot tell us where the money went.

Mr. Speaker, I yield to the gentleman from Colorado (Mr. SCHAFFER).

Mr. SCHAFFER. Mr. Speaker, the frustration that was expressed to us just by the finance leaders in the Department of Education was very evident, particularly within the context of this contracting transfer for the contractors that are setting up the audit system. They had abandoned the old audit system just a few years ago and are now in the middle of transforming their entire financial system.

The contractor who was supporting the service took a hike, I suppose. The way it was described to us, they decided to no longer provide support service to the Department of Education, so, therefore, the Department of Education is now looking to a second vendor, third vendor, I guess, to run a third accounting system and accounting process. That will take place they said, I think, in 2001.

So over the span of a 5-year period, they will undergo three different accounting systems. Again, I think the rank and file type people that we met with, they certainly sympathize with the concern that we have as Members of Congress and understand that there is a legitimate question about the auditability of these books and realize that they need to come up with an answer very, very soon.

But in the intervening time period, there is no doubt at all that there are too many questions that go unanswered, particularly at a time when the dollar amount is very, very relevant. We need every spare penny to help make good on our promise, to balance the budget, and do it in a way that honors our commitment to save the Social Security Trust Fund.

They realize that they are a big part of the solution over there. But as long as their books cannot be audited, as long as their funds are being parked, to use the exact term that was used, being parked into accounts to the tune of hundreds of millions of dollars, and not to mention the issue we discovered of the duplicate checks, duplicate checks were being signed to different universities and different recipients around the country, as long as these kinds of accounting glitches are occurring on a day-by-day basis and the books are not auditable, they realize they have a problem.

It almost suggests that the answer we heard from the Secretary and the President was not a reasoned one, not a sensible one, but a defensive one, that, no, we do not have a penny in savings that we can find over here. It is not here. Do not look here. Our agency is as clean as effective as can possibly be, and we are not going to help.

That is why I say I think the Secretary is genuinely threatened. I think it is unfortunate the response we have seen coming out of his office was as caustic as it was. I think that what we represent is a part of a team that is exhibiting a good faith effort to reach out to the Executive Branch of government and help these folks find the one penny in savings for every dollar in expenditures that is necessary in order to run an efficient and credible government.

Mr. HOEKSTRA. Mr. Speaker, reclaiming my time, I think what message we clearly sent last week was really twofold. Number one, we are going to help find the 1 percent savings and make sure we do not raid Social Security. The second thing is we are going to help come in and find the other inefficiencies and the other management deficiencies in this Department to ensure that we get maximum leverage on the $120 billion that we give them each and every year to make sure that that money actually helps kids learn.

If they cannot find 1 percent, if they cannot produce auditable books, it is kind of like what they always say, we are the Federal Government, and we are here to help. It is kind of like, Mr. Secretary, we are here to help. It is part of our responsibility.

The gentleman from Colorado and I are part of the oversight subcommittee. We are held responsible by the House to ensure that the funds that are given to Federal agencies are actually used in and accomplish the goals and the purposes that Congress mandates by law.

Let us talk about some of the things that we found when we talked about them, and that is the grant back fund and the duplicate payments and those types of things. But before we do that, let us just go back. Some have said, well, this is a new effort now. The Secretary comes out on Tuesday, talks about these kinds of issues, and, all of a sudden, now Republicans are interested in education. Wrong.

In 1995, we started the first hearings that led to the Education at a Crossroads report which we published in 1998. The hearing cycle began in 1995 and continues to this year. We have been in Chicago. We have been in Milwaukee. We have been in Wilmington, Delaware. We have been in Milledgeville, Georgia. We have been in San Fernando, California. We have been in Phoenix. We have been in Napa, California. We have been in Louisville, Kentucky, the Bronx and New York, Cincinnati, Little Rock. We have also done a lot of work in investigating the expenditures here in Washington.

The gentleman from Colorado remembers when we went back. One's tax dollars at work were kind of an interesting highlight of this report. We highlighted it. Remember, the Department of Education, one of its primary responsibilities is to help those kids who need help the most, to help them to learn, to read, to help them to learn, to do math.

The Department of Education's office of Special Education and Rehabilitative Services, what do they think is one of their primary missions? Close captioning is provided for, and this is a quote from one of their reports, diverse programs such as, this is the Federal Government, our Department of Education paying for close captioning of Bay Watch, Ricky Lake, the Montel Williams show, and Jerry Springer. Good wholesome, all American programming. I guess I understand why they provide close captioning for Bay Watch. My understanding is most people watch that with the sound turned off anyway. But that is where some of our Federal education dollars go.

Here are some of the educational publications from the Department of Education: Cartoons, the title of which is the Ninjas, the X-Men, and the Ladies; Playing With Power and Identity in Urban Primary School. We talked about this earlier at a press conference.

Another educational publication is the Bakery Industry. This is their title, Lesson Plans Prepared For Car Grocery Employees. The lessons focus on topics from the workplace in the following areas: Bakery, cake orders, courtesy clerk, and sushi bar, 96 pages long. I am partial to bakeries, my dad was a bakery, but I am not sure this is a high priority program.

Fifth Grade Pipefitters, another leading edge educational department program. Building workplace vocabulary for pipefitters, compound words, 27 pages. I like this one. They are great.

They did one for the cement industry. Care to guess what the name of that is. This is for the cement industry. Title: A Concrete Experience, A Curriculum Developed to the Cement Industry.

I love this one. Donna Reed: Channelling Your Donna Reed Syndrome, a manual on stress management for the workplace, 20 pages long.

This is not about whether we can find 1 percent, it is about whether there is the Commitment to go through the over 200 programs at the Department of Education and to decide to focus on what is right and what is not necessary.

Remember the two contexts that we are debating this in and talking about tonight is the Department of Education, their books are not auditable, and this Republican Congress has actually allocated and approved more funding for the Department of Education than what the President had in his original request.

We are willing to fund education; but at the same time, we are going to hold that Department accountable for the $35 billion that it receives in annual appropriations. That is kind of the context, saying these kinds of things have been going on in the Department of Education.

We identified those from 1995 to 1998. We issued the report in 1998. Now, in 1999, we find out that their books are no longer auditable.

Then maybe we want to talk a bit about the grant back account.

Mr. Speaker, I yield to the gentleman from Colorado (Mr. SCHAFFER).

Mr. SCHAFFER. Mr. Speaker, the grant back account is one that, well, I think the best way to describe it is to just go right to the internal report that is circulating in the Department.

Mr. HOEKSTRA. Mr. Speaker, reclaiming my time for a minute, when we talk about the books are not auditable, this is not a couple of Members saying, hey, we do not think the books are auditable. It is their own chief finance officer, their own Inspector General saying they are not auditable. The same thing, we use words from the people in the Department of Education. So these are not allegations made by Congressmen, these are people within the Department making these kinds of statements.

Mr. Speaker, I yield to the gentleman from Colorado (Mr. SCHAFFER).

Mr. SCHAFFER. Mr. Speaker, just to be clear on what this fund is, this is a fund where various payments are made out of the Department of Education to universities, other programs, States, and school districts directly, I presume, other grantees that are selected to provide the specific services to the Department. These funds are expended and then, perhaps, not drawn down entirely or spent in a way that does not meet the definition of the original grants, so these funds come back to the Department of Education, and they are held there.

A certain portion of them at some point in time are eligible to go back to the States or back to the programs in question. Any unused portion is supposed to go to the United States Treasury, back to the American people.

So one can see there is a lot of money moving in and out that is of an indirect nature, and this fund almost lends itself to a certain amount of suspicion. It was described to us that, while we were at the Department of Education, that money is parked in this fund on occasion, meaning that there is a positive balance and presumably, at some points in time, according to their own memos, a rather large balance on occasion.

Even though those dollars in that fund may not be in and of themselves spent on other purposes, the very fact that the Department of Education is able to show a large positive balance of cash on hand means that they are allowed to make all kinds of other financial commitments and maneuvering within the Department.

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So that is why we raised the question and why we looked at that fund.

But I think, Mr. Speaker, the real evidence of the need for concern by Congress comes right from a memo that we received from the Office of the Chief Financial Officer within the Department of Education, and here is what he says about this particular fund. He says, "Education's fund," education being the Department of Education, "Education's fund balance account includes $712 million that it cannot identify with any specific program. As stated in the following two paragraphs, these unidentified funds have accumulated since fiscal year 1993 due to adjustments made to its grant program accounts. For example, during the fiscal year 1996, Education made adjustments to approximately 155 of the 184 grant program accounts."

So, again, of the 184 grant programs that are on their list, they made adjustments to just about all of them. 155 of them, all but 29 of them, and the result being that money comes back to the Department of Education and is parked in this account. We just simply think that, based on their own chief financial officer memos, the questions and the answers that we issued and the answers we received on Friday, we think this is one legitimate place, not the entirety of our scope of concern, but this is one legitimate place where the Congress ought to look to see if we can find the savings that are represented by this one penny out of every dollar in government expenditures.

We are trying to save that one penny. Again, when we went to the financial officers, who are charged with managing this fund, because we think there are still a lot of questions that are unanswered, very clearly from a staff to congressional level basis there is a very clear willingness to clear up the account, to try to find any savings that we can and to help our project of giving dollars to the classroom rather than having it hung up in these questionable accounts in Washington, D.C.

Mr. HOEKSTRA. If we go to take a look at that report, I believe that is also the report that says of the $712 million that were in that account at the end of 1996, only $12 to $13 million were actually in the account based on what the account was set up for, and that the balance, the other 98 percent of the money had found its way into this account with no relationship to the intended purpose of this account. Is that accurate?

Mr. SCHAFFER. That is what their chief financial officer states. He says, "The grant back account balance as of September 30, 1996, is approximately $725 million, of which $13 million is true grant back activity and $712, as stated above, is unidentified funds not related to the purposes of this account."

So here, not in my words or the words of the gentleman from Michigan, but in the words of the chief financial officer within the Department of Education, $712 million, as stated above, is unidentified funds not related to the purposes of this account.

Now, we did not go charging any kind of malicious intent with these dollars, or suggest that there is fraud or deliberate abuse of these funds, merely that in an agency with an annual appropriation of $35 billion, it is possible that lines of communications occasionally get crossed and that there are funds where dollars are being parked. And at a point in time when we are trying to save that one penny out of a dollar, this may be a good place to look.

Mr. HOEKSTRA. Reclaiming my time, when the chief financial officer says we have this account established that has over $700 million in it, only 2 percent of which, only $12 million, is in that account based on why that account was set up, meaning roughly $700 million found its way into this account through some other reason, when we combine that with the fact that that is 1996; that 1998's books are not auditable, we have just asked some, I think, very legitimate questions. How much is in the account today? And the estimate was, well, this account today has in it somewhere around $189 to $200 million. So as of today, or at least as of Friday there was still $200 million in that account.

We have asked the General Accounting Office to go to the Department of Education and ask some very basic questions, which I think we as Members of Congress, representing the American people, are entitled to some answers. We have asked as colleagues, and as the chairman of the oversight subcommittee, I want to know where that original $700 million came from. Under the anti-deficiency act, no Federal agency is entitled to carry dollars over from year to year to year. I want to know where the decision was made that these dollars, $700 million, did not fall under the Anti-Deficiency Act, and that they should have been returned to the Treasury at the end of every fiscal year, where did the Department get the authorization to keep that money at the Department of Education? Now that it has gone from $700 to $189 million, where did this $500 million go? Is the tracking there? Under whose authorization, under what congressional authorization did this $700 million get whittled down to $189 million?

We are talking about real money here. This is $500 million. We have a legitimate right to know. And maybe when we go through this whole process, the Department of Education will have a very reasoned approach to showing how they got from $700 million to $189 million. But when we have these kinds of questions in place about the money being parked inappropriately or in a fund that was designed for another purpose, when we have a department that has unauditable books, and when we have at least an appearance of a violation of the Anti-Deficiency Act, there are some questions that should be asked and the Department should be held accountable for and that they should respond to. And we have set those wheels in motion to try to get the answers to those kinds of questions.

And, Mr. Speaker, I yield to my colleague.

Mr. SCHAFFER. I think the most disappointing aspect of this whole question that we have raised, and the challenge that we have put to the Department of Education is the instantaneous reflexive response from its secretary and from the White House saying we cannot find any efficiency savings in the Department. It is just not there. It is impossible. Stop looking. Go look somewhere else. And to continue to insist we can squeeze one penny of savings out of every dollar of expenditure means we have to hurt children, I think, is the wrong attitude and the wrong approach to take.

I think the American people expect better of people in Washington.

Mr. HOEKSTRA. I was going to give an example of doing better, and one example of this administration thinking that they can do better.

Under the National Performance Review process, which was designed to streamline government, and maybe this was the example the gentleman was thinking of using, but the Federal Education Department does not educate kids, what it does is it hands out money. And they hand out money based on school districts applying and then the Department of Education giving out grants.

Under Vice President GORE's National Performance Review, they did do better. They took a look at how this process works, the discretionary grant process, and they found out that if a school district or an educational entity applied for a grant, it took 26 weeks to get processed and it took 487 separate steps from start to finish.

So if a school district is all excited, or is really concerned because they have identified this issue or problem that they need to deal with, it was kind of like, hey, the Federal Government has this program out here, let us apply for it. Twenty-six weeks later and 487 steps later they might have gotten their answer and they might have gotten a check. Well, they improved that. It now only takes 20 weeks and 216 steps. So if school starts in September, and that school has got some creative teachers who have got a program they would like to propose or whatever, maybe by the beginning of the new year or the second semester they might be able to have an answer to the grant request.

I yield to my colleague.

Mr. SCHAFFER. I was intending to go back to the memo that the gentleman and I received just last Friday. After our visit, the Secretary sent the memo addressed to the gentleman and myself, and it suggests that our questions into this whole slush fund, as the term had been used, is unwarranted.

First of all, he says, "The account was used as a clearing account to make adjustments. The Inspector General never called this a slush fund." So since the Inspector General does not call it a slush fund, therefore, according to the memo, it does not exist.

But the Secretary goes on and says, "The Department is legally prohibited from obligating funds for new activities from these accounts." Again, pointing out that those funds may not be spent out of the account on other things. But parking hundreds of millions of dollars of cash in that account creates a false-positive balance in the overall books that allows other expenditures to take place. This is the point we are raising.

But just listen here to the shallow defense that is put up, or the defensive posture I guess that is represented in the memo the Secretary uses when he writes to the gentleman and myself. "Most, if not all, Federal agencies maintain 'clearing accounts' in which funds are held temporarily prior to final allocation. Balances in Education Department's clearing accounts primarily are the result of currently unreconciled differences in other departments' accounts. These balances ultimately either are reclassified to the appropriate account or in some cases returned to the Treasury."

Once again, the answer is, well, other agencies do this. This is a pretty typical thing in government, therefore, it is okay for the Department of Education. He goes on. He says, "Over the past few years, our Inspector General has worked closely with the Department and independent auditors to further improve controls over these and all other department accounting and financial management systems and procedures." Well, what that sentence tells us is that the Department of Education realizes it may have a problem with respect to this account. They have had their own Inspector General working to, as he says, "improve controls over these and other department accounting and financial management systems."

And, finally, I would just point out that he says "The Department currently maintains three clearing accounts." We only investigated the one, but he says that there are three. There is not just the big, the rather large, grant back account, which in 1998 was $594 billion.

Mr. HOEKSTRA. $594 million.

Mr. SCHAFFER. Sorry, $594 million. In 1996 it was $712 million. The Secretary claims now that the fund is at $189 million. But there is this short-term clearing account and there is another one called a long-term clearing account, and the Secretary suggests that there is $41 million on hand there, for a grand total of $228 million, according to the Secretary's analysis that he was able to scrap together on Friday.

The point being, even if we are wrong, the fact remains there is $228 million sitting in three clearing accounts over at the Department of Education, which is, coincidentally, close, not exactly to the dollar figure, but close to the 1 percent savings we are trying to get at.

So we may not be able to find the whole penny in this account, but I am sure if the gentleman and I were able to figure this out within the course of a couple weeks of investigation and discussion with other members of the Secretary's staff, by the time we all worked cooperatively together to realize that this is an important legitimate national goal, to secure savings and put dollars in the classroom rather than leaving them tied up in Washington, that we can find that one penny savings.

I thing we are well on our way in the research we have done. And the visit that we initiated on Friday is a good step in the right direction and offers some real hope and promise that we will be able to get this job accomplished.

Mr. HOEKSTRA. Going back to the letter my colleague was reading, the Department clearly knows that their financial controls were lacking, when they say the Department has worked closely with their Inspector General. It is obvious they have not done a good enough job.

In 1998, the last year they tried to audit the books, the books were still not auditable. Perhaps in this one account we can find a good portion of that, but then we still cannot take away what is in this report. Paying for Jerry Springer, paying for a process that takes 20 weeks and 216 steps.

Mr. SCHAFFER. There really are two points upon which we need to focus in order to accomplish the job of truly making the Department of Education an efficient and lean organization for the benefit of children. One is the financial structure of the Department, which is cumbersome and it is boring to a lot of people. It is not exciting. But that is where a lot of the money is.

But the second, which the gentleman has focused on, are the policy-related decisions.

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There are many functions of the Department of Education that we frankly do not need that, as I commented Friday when we came back here, there are good, hard-working, conscientious folks that are working in some of the offices that we visited. But frankly, there are a handful of offices and programs that the Department maintains and runs today that, despite the best of efforts, they are not essential.

I hate to say that to some of the folks that are employed by these programs. They work hard at the task that has been given them. But if we ask an average teacher around the country, those who teach my children and those who are in schools anywhere in America, whether some of these programs that the gentleman from Michigan (Mr. HOEKSTRA) mentioned just a few moments ago are important when stacked up against the classroom level needs that these teachers have in their classroom, I think nine times out of ten a teacher, certainly a principal and an administrator, is going to pick the money to the classroom rather than the money to the Government program in Washington.

Mr. HOEKSTRA. Mr. Speaker, that puts us right back to what the Republican agenda has been and like we said when we began this. The two parameters are, number one, their books are not auditable, so we are going to be able to find the waste, fraud, or the savings in the Department. I am not concerned about that.

But then that moves over into the policy debate. And remember, Republicans have put more money into education than what this President even asked for. So it is not about money. What it is about is policy, how is that money going to get to a local school, how is it going to get to a local teacher or to a local classroom.

My colleague and I just participated in, number one, we said last year and we are going to work on it again this year is that we want to put 95 cents of every Federal education dollar into a local classroom so that a teacher can use that money to help educate a child.

The second thing that we want to do, and this is where we really had the two different worlds of education policy two weeks ago, the ESEA, the Elementary Secondary Education Act, which is a Washington mandate model that says you will use this money to do these types of things and we are going to measure you and hold you accountable, versus the process that you and I very much support, which is what is called Straight A's, which is, in exchange for the States coming back and getting a great degree of flexibility, we will hold them accountable, not for what the other bill does, which is measures process, did you fill the forms out correctly and did you use the money for what we intended it for, we allow the States and allow the local school districts to take the money and use it on what they felt was most needed in that school, if it was technology, if it was reducing class size, if it was teacher training, if it was additional materials for the classroom; and in exchange for that flexibility, the State would be held accountable not for filling out the process, but for improving the educational achievement of every student in the State.

So the Federal Government would reach into a contract with the States and focus on academic achievement rather than a process oriented system.

That is what this is all about. It is about educating kids. That is why we are going over to the Department of Education and saying, we are sorry, a department that manages $120 billion a year that does not have auditable books is not doing a good enough job helping our kids get a good education, a department that perhaps maintains some of these questionable accounting practices really is not doing a good enough job.

We have not even talked about the duplicate payments.

Mr. SCHAFFER. Mr. Speaker, no, we have not talked much about that either.

Mr. HOEKSTRA. Mr. Speaker, this is I think maybe perhaps one of the sadder moments when we were sitting down with the leadership of the Department of Education and we asked about duplicate payments and they said, we are aware of one. And we kind of pushed them on it and they said, well, there might have been a couple. And then we hauled out again from I think their chief function officer document that we said the head of the bullet points were examples of duplicate payments, 40 million, 4 million, 296.

I know that went to the State of Colorado or the University of Colorado.

Mr. SCHAFFER. Mr. Speaker, they sent it back.

Mr. HOEKSTRA. Yes, they sent it back. But these were examples and they were only telling us about a couple. So, again, this is another thing that we have asked for is, give us a listing of all the duplicate payments that were made under this old accounting system and did you recover them.

Because maybe some schools maybe did not know they got a duplicate payment and so they maybe spent it, and now all of a sudden they have got to be put on a repayment schedule to get the money back.

Sloppy fiscal management is not in the best interest of anybody. It is not in the best interest of the taxpayer. It is not in the best interest of the Department of Education. And it is not in the best interest of local school districts, either.

Mr. SCHAFFER. Mr. Speaker, to go back to one of the remarkable quotes that my colleague referenced a little earlier, I do not want to name the Member in particular, but one of our colleagues blasted our visit to the Department of Education. He said in the quote, and this is an AP story, he blasted our efforts as "storm trooper tactics" of the three Republicans who visited Friday on the Department of Education.

Mr. HOEKSTRA. Mr. Speaker, I thank the gentleman from Colorado (Mr. SCHAFFER) for participating in the special order.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. BERKLEY (at the request of Mr. GEPHARDT) for today on account of family medical reasons.

Mr. STUPAK (at the request of Mr. GEPHARDT) for today on account of family matters.

Ms. CARSON (at the request of Mr. GEPHARDT) for today and November 2 on account of official business.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today and November 2 on account of business in the District.

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today on account of family medical matter.

Mr. OWENS (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. HAYWORTH (at the request of Mr. ARMEY) for today on account of family reasons.

Mr. HULSHOF (at the request of Mr. ARMEY) for today and November 2 on account of attending the birth of Casey Elizabeth Hulshof.

Mr. TOOMEY (at the request of Mr. ARMEY) for today on account of attending Pennsylvania state elections.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GREEN of Texas) to revise and extend their remarks and include extraneous material:)

Mrs. THURMAN, for 5 minutes, today.

Mr. DAVIS of Florida, for 5 minutes, today.

Mrs. MEEK of Florida, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. PASCRELL, for 5 minutes, today.

(The following Members (at the request of Mr. MCINNIS) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Florida, for 5 minutes, today and November 2 and 3.

•Mr. MICA, for 5 minutes, today.

Mr. MORAN of Kansas, for 5 minutes, today.

Mr. STEARNS, for 5 minutes, today.

Mrs. FOWLER, for 5 minutes, today.

Mr. GOSS, for 5 minutes, today and November 2–5.

Mr. RAMSTAD, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. SHAW, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

Mr. MCINNIS, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DAVIS of Illinois, for 5 minutes, today.

BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

On October 27, 1999:

H.R. 1175. To locate and secure the return of Zachary Baumel, a United States citizen, and other Israeli soldiers missing in action.

H.J. Res. 62. To grant the consent of Congress to the boundary change between Georgia and South Carolina.

On October 28, 1999:

H.J. Res. 73. Making further continuing appropriations for the fiscal year 2000, and for other purposes.

OMMISSION FROM THE CONGRESSIONAL RECORD OF THURSDAY, OCTOBER 28, 1999

ENROLLED JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 73. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

ADJOURNMENT

Mr. HOEKSTRA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 36 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, November 2, 1999, at 9 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5038. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Domestically Produced and Imported Peanuts; Change in the Maximum Percentage of Foreign Material Allowed Under Quality Requirements [Docket Nos. FV99-997-2 IFR, FV99-998-1 IFR, and FV99-999-1 IFR] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5039. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Imported Fire Ant; Approved Treatments [Docket No. 99-027-2] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5040. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Walnuts Grown in California; Decreased Assessment Rate [Docket No. FV99-984-3 IFR] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5041. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Refrigeration Requirements for Shell Eggs [Docket No. PY-99-002] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5042. A communication from the President of the United States, transmitting a request to make available $8.8 billion in previously appropriated FY 2000 emergency funds for the Department of Agriculture; (H. Doc. No. 106-152); to the Committee on Appropriations and ordered to be printed.

5043. A letter from the Secretary of Agriculture, transmitting a letter reporting violations of section 1341(a) and 1517(a) of Title 31 of the U.S. Code; to the Committee on Appropriations.

5044. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Renewal of Expiring Annual Contributions Contracts in the Tenant-Based Section 8 Program; Formula for Allocation of Housing Assistance [Docket No. FR-4459-F-03] (RIN: 2577-AB 96) received October 22, 1999, pursuant to 5

U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5045. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Public Housing Agency Plans [Docket No. FR-4420-F-05] (RIN: 2577-AB89) received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5046. A letter from the Assistant General Counsel for Regulations, Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting the Department's final rule—Public Housing Assessment System (PHAS); Transition to the PHAS [Docket No. FR-4497-N-02] (RIN: 2577-AC08) received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5047. A letter from the Assistant General Counsel for Regulations, Office of the Secretary, Department of Housing and Urban Development, transmitting the Department's final rule—Section 8 Tenant-Based Assistance; Statutory Merger of Section 8 Certificate and Voucher Programs; Housing Choice Voucher Program [Docket No. FR-4428-F-04] (RIN: 2577-AB91) received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5048. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Federal Credit Unions; Miscellaneous Technical Amendments—received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5049. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plan; Indiana [IN106-1a; FRL-6446-5] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5050. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; New Jersey; Approval of National Low Emission Vehicle Program [Region 2 Docket No. NJ35-2-195a FRL-6461-7] received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5051. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants: Publicly Owned Treatment Works [AD-FRL-6462-7] (RIN: 2060-AF26) received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5052. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Virginia; Control of VOC Emissions from Solvent Metal Cleaning Operations [VA 097-5041; FRL-6459-9] received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5053. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Princeton and Elk River, Minnesota) [MM Docket No. 98-208 RM-9396] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5054. A letter from the Special Assistant to the Bureau, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Fremont and Holton, Michigan) [MM Docket No. 98-180 RM-9365) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5055. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Mount Olive and Staunton, Illinois) [MM Docket No. 99-167 RM-9391] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5056. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b). Table of Allotments, FM Broadcast Stations (Cal-Nev-Ari, Boulder City, and Las Vegas, Nevada) [MM Docket No. 93-279 RM-8368 RM-8385] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5057. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the Commission's final rule—Regulations Governing Off-the-Record Communications [Docket No. RM-98-1-000] received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5058. A letter from the Secretary of the Commission, Bureau of Consumer Protection, Division of Enforcement, Federal Trade Commission, transmitting the Commission's final rule—Guides For The Dog And Cat Food Industry—received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5059. A letter from the Chief Counsel (Foreign Assests Control), Department of the Treasury, transmitting the Department's final rule—Sudanese Sanctions Regulations; Libyan Sanctions Regulations; Iranian Transactions Regulations: Licensing of Commercial Sales, Exportation and Reexportation of Agricultural Commodities and Products, Medicine, and Medical Equipment; Iranian Accounts on the Books of U.S. Depository Institutions; Informational Materials; Visas—received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5060. A letter from the Executive Director, Committee For Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Miscellaneous Amendments to Committee Regulations—received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5061. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Additions and Deletion—received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5062. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Use of Competitive Proposals [FAC 97-14; FAR Case 99-001; Item III] (RIN: 9000-AI44) received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5063. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Historically Underutilized Business Zone (HUBZone) Empowerment Contracting Program [FAC 97-14; FAR Case 97-307; Item II] (RIN: 9000-AI20) received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5064. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Cost-Reimbursement Architect-Engineer Contracts [FAC 97-14; FAR Case 97-043; Item XII] (RIN: 9000-AI22) received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5065. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, National Aeronautics and Space Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Value Engineering Change Proposals/PAT [FAC 97-14; FAR Case 97-031; Item XIV] (RIN: 9000-AH84) received September 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5066. A letter from the Commissioner, Social Security Administration, transmitting the annual inventory of commercial activities as required by Public Law 105-270; to the Committee on Government Reform.

5067. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Missouri Regulatory Program [SPATS No. MO-035-FOR] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5068. A letter from the Assistant Secretary, Water and Science, Bureau of Reclamation, Department of the Interior, transmitting the Department's final rule—Offstream Storage of Colorado River Water and Development and Release of Intentionally Created Unused Apportionment in the Lower Division States (RIN: 1006-AA40) received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5069. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Mississippi Regulatory Program [SPATS No. MS-015-FOR] received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5070. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Indiana Regulatory Program [SPATS No. IN-140-FOR; State Program Amendment No. 98-4] received October 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5071. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Yellowfin Sole by Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands [Docket No. 990304063-9063-01; I.D. 101599C] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5072. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 620 of the Gulf of Alaska [Docket No. 990304062–9062–01; I.D. 101499A] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5073. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Other Rockfish in the Central Regulatory Area of the Gulf of Alaska [Docket No. 990304062–9062–01; I.D. 101399B] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5074. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species Fisheries; Atlantic Bluefin Tuna [I.D. 092899G] received October 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5075. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone off Alaska; Inseason Adjustment to Required Observer Coverage [Docket No. 980826225–8296–02; I.D. 100499B] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5076. A letter from the Assistant Secretary of the Army, Department of Defense, transmitting the Department's biennial report on the implementation of section 1135 of the Water Resources Development Act of 1986, as amended, pursuant to 33 U.S.C. 2294 nt.; to the Committee on Transportation and Infrastructure.

5077. A letter from the Acting Assistant Chief Counsel, Office of Motor Carrier Safety, Department of Transportation, transmitting the Department's final rule—Motor Carrier Safety Regulations [Docket No. OMCS–99–6386] (RIN: 2125–AE70) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5078. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations; Mile 94.0 to Mile 96.0, Lower Mississippi River, Above Head of Passes [COTP New Orleans, LA Regulation 99–027] (RIN: 2115–AA97) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5079. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace: Sedona, AZ [Airspce Docket No. 99–AWP–4] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5080. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace: York County, PA [Airspace Docket No. 99–AEA–09] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5081. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Federal Airway Victor 108 (V–108) in the Vinicity of Colorado Springs, CO [Airspace Docket No. 99–ANM–4] (RIN: 2120–AA66) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5082. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29815; Amdt. No. 1957] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5083. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures Miscellaneous Amendments [Docket No. 29814; Amdt. No. 1956] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5084. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29786; Amendment No. 1954] received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5085. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Short Brothers Model SD3–60 Series Airplanes [Docket No. 99–NM–52–AD; Amendment 39–11383; AD 99–22–05] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5086. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Construcciones Aeronautacs, S.A. (CASA), Model CN–235 Series Airplanes (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5087. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330 and A340 Series Airplanes [Docket No. 99–NM–181–AD; Amendment 39–11385; AD 99–22–07] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5088. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace BAe Model ATP Airplanes [Docket No. 99–NM–19–AD; Amendment 39–11381; AD 99–22–03] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5089. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 Series Airplanes [Docket No. 99–NM–32–AD; Amendment 39–11382; AD 99–22–04] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5090. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Model Mitsubishi MU–300 Airplanes [Docket No. 96–NM–210–AD; Amendment 39–11376; AD 99–21–30] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5091. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9, DC–9–80 and C–9 (Military) Series Airplanes, and Model MD–88 Airplanes [Docket No. 98–NM–382–AD; Amendment 39–11386; AD 99–22–08] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5092. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Aircraft Engines CF34 Series Turbofan Engines [Docket No. 98–ANE–62–AD; Amendment 39–11388; AD 99–22–10] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5093. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 Series Airplanes [Docket No. 99–NM–178–AD; Amendment 39–11387; AD 99–22–09] (RIN: 2120–AA64) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5094. A letter from the Chief, Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting the Department's final rule—Customs BONDed Warehouses [T.D. 99–78] (RIN: 1515–AC41) received October 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5095. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Reporting of Gross Proceeds Payments to Attorneys [Notice 99–53] received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5096. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Rulings and determination letters [Rev. Proc. 99–40] received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5097. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update [Notice 99–52] received Ocotber 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5098. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice that the President has exercised the authority provided to him and has issued the required determination to waive certain restrictions on the maintenance of a Palestine Liberation Organization (PLO) Office and on expenditure of PLO funds for a period of six months; jointly to the Committees on International Relations and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 359. A bill to clarify the intent of Congress in Public Law 93–632 to require the Secretary of Agriculture to continue to provide for the maintenance and operation of 18 concrete dams and weirs that were located in the Emigrant Wilderness at the time the wilderness area was designated in that Public Law (Rept. 106–425). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1235. A bill to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes (Rept. 106–426). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2737. A bill to authorize the Secretary of the Interior to convey to the State of Illinois certain Federal land associated with the Lewis and Clark National Historic Trail to be used as an historic and interpretive site along the trail; with an amendment (Rept. 106–427). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. House Concurrent Resolution 189. Resolution expressing the sense of the Congress regarding the wasteful and unsportsmanlike practice known as shark finning; with an amendment (Rept. 106–428). Referred to the House Calendar.

Mr. BLILEY: Committee on Commerce. H.R. 2418. A bill to amend the Public Health Service Act to revise and extend programs relating to organ procurement and transplantation; with an amendment (Rept. 106–429). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOSS: Committee on Rules. House Resolution 348. Resolution agreeing to the conference requested by the Senate on the Senate amendment to the bill (H.R. 2990) to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans, to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage, and for other purposes (Rept. 106–430). Referred to the House Calendar.

Mr. BURTON: Committee on Government Reform. H.R. 170. A bill to require certain notices in any mailing using a game of chance for the promotion of a product or service, and for other purposes; with an amendment (Rept. 106–431). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURTON: Committee on Government Reform. H.R. 3137. A bill to amend the Presidential Transition Act of 1963 to provide for training of individuals a President-elect intends to nominate as department heads or appoint to key positions in the Executive Office of the President (Rept. 106–432). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. MORELLA (for herself, Mr. Davis of Virginia, Mr. Cummings, Mr. Moran of Virginia, and Ms. Norton):

H.R. 3185. A bill to amend title 5, United States Code, to establish a new method for fixing rates of basic pay for administrative appeals judges, and for other purposes; to the Committee on Government Reform.

By Mr. BURR of North Carolina:

H.R. 3186. A bill to restrict the authority of the Federal Communications Commission to review mergers and to impose conditions on licenses and other authorizations assigned or transferred in the course of mergers or other transactions subject to review by the Department of Justice or the Federal Trade Commission; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CALVERT:

H.R. 3187. A bill to amend the Federal Property and Administrative Services Act of 1949 to temporarily continue authority relating to transfers of certain surplus property to State and local governments for law enforcement and emergency reponse purposes; to the Committee on Government Reform.

By Mr. HALL of Ohio:

H.R. 3188. A bill to provide for the disclosure of the source of gem-quality diamonds and gem-quality diamond products imported into and sold in the United States; to the Committee on Commerce.

By Mr. GARY MILLER of California:

H.R. 3189. A bill to designate the United States post office located at 14071 Peyton Drive in Chino Hills, California, as the "Joseph Ileto Post Office"; to the Committee on Government Reform.

By Mr. PETERSON of Pennsylvania:

H.R. 3190. A bill to establish the Oil Region National Heritage Area; to the Committee on Resources.

By Mr. SAXTON:

H.R. 3191. A bill to amend the Federal Water Pollution Control Act relating to marine sanitation devices; to the Committee on Transportation and Infrastructure.

By Mr. WALSH (for himself, Mr. Hall of Ohio, Mrs. Clayton, Mrs. Kelly, Mr. Diaz-Balart, and Ms. Kaptur):

H.R. 3192. A bill to restore food stamp benefits for aliens, to provide States with flexibility in administering the food stamp vehicle allowance, to index the excess shelter expense deduction to inflation, to authorize additional appropriations to purchase and make available additional commodities under the emergency food assistance program, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHAW (for himself, Mr. Diaz-Balart, Mr. Miller of Florida, Mr. Foley, Mr. Goss, Ms. Brown of Florida, Mrs. Thurman, Mrs. Meek of Florida, Mr. Davis of Florida, Ms. Ros-Lehtinen, Mr. Deutsch, Mr. Mica, Mr. Hastings of Florida, Mrs. Fowler, and Mr. Bilirakis):

H. Con. Res. 217. Concurrent resolution expressing the sense of the Congress that Miami, Florida, and not a competing foreign city, should serve as the permanent location for the Secretariat of the Free Trade Area of the Americas (FTAA) beginning in 2005; to the Committee on Ways and Means.

By Mr. TAYLOR of North Carolina (for himself, Mr. Jones of North Carolina, Mr. Coble, Mrs. Myrick, Mr. Ballenger, Mr. Hayes, Mr. Etheridge, Mrs. Clayton, Mr. McIntyre, Mr. Burr of North Carolina, and Mr. Price of North Carolina):

H. Res. 349. A resolution expressing the sense of the House of Representatives that the President should immediately transmit to Congress the President's recommendations for emergency response actions, including appropriate offsets, to provide relief and assistance to the victims of Hurricane Floyd; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 116: Mr. Mollohan, Mr. Jackson of Illinois, and Ms. Carson.

H.R. 123: Mr. Lewis of Kentucky.

H.R. 125: Mrs. Christensen, Mrs. Kelly, and Mr. Crowley.

H.R. 274: Mr. Burton of Indiana, Mr. Mascara, and Mr. Pickering.

H.R. 329: Mr. Pickett.

H.R. 347: Mr. Riley.

H.R. 460: Mr. Horn.

H.R. 493: Mr. Whitfield and Mr. Jones of North Carolina.

H.R. 534: Mr. Tauzin and Mr. Smith of Washington.

H.R. 541: Mr. Evans.

H.R. 583: Mr. Weiner and Mr. Barcia.

H.R. 765: Mr. Lewis of Kentucky, Mr. Cramer, and Mr. Aderholt.

H.R. 826: Mr. Pickering.

H.R. 997: Mr. Owens, Mr. Pickering, and Mr. Conyers.

H.R. 1044: Mr. Armey and Mr. Blunt.

H.R. 1102: Mr. Bass.

H.R. 1115: Mr. Rangel and Mr. Linder.

H.R. 1145: Mr. Green of Texas.

H.R. 1168: Mr. Shimkus.

H.R. 1248: Mr. Gutierrez and Mr. Hulshof.

H.R. 1322: Mrs. McCarthy of New York.

H.R. 1441: Mr. Whitfield and Mr. Kolbe.

H.R. 1485: Ms. Kilpatrick.

H.R. 1591: Ms. Roybal-Allard.

H.R. 1611: Mr. Latham and Mr. Paul.

H.R. 1750: Mr. Forbes.

H.R. 1795: Mr. Bonior, Mr. Rush, Mr. Kucinich, and Mr. Coyne.

H.R. 1798: Mr. Price of North Carolina and Mr. Martinez.

H.R. 1837: Mrs. Maloney of New York and Mr. Cramer.

H.R. 1871: Mr. Foley and Ms. Millender-McDonald.

H.R. 1885: Mr. Olver and Ms. Baldwin.

H.R. 2053: Mr. Crowley.

H.R. 2059: Mr. Weiner.

H.R. 2066: Mr. John, Mr. Phelps, Mr. Burr of North Carolina, and Mrs. Thurman.

H.R. 2129: Mr. Weldon of Florida, Mr. Packard, Mr. Lipinski, and Mr. Bryant.

H.R. 2162: Mr. Aderholt.

H.R. 2170: Mr. HINOJOSA and Mr. HASTINGS of Florida.

H.R. 2200: Mr. LANTOS and Mrs. MORELLA.

H.R. 2221: Mr. ISTOOK.

H.R. 2314: Mr. GORDON.

H.R. 2341: Mr. MATSUI, Mrs. LOWEY, Mrs. MEEK of Florida, and Ms. PRYCE of Ohio.

H.R. 2386: Mr. MARTINEZ.

H.R. 2391: Mr. WATTS of Oklahoma, Mr. BOEHLERT, Mr. DICKEY, Mr. DEAL of Georgia, Mr. WAMP, Mr. FROST, Mr. GORDON, Mr. BENTSEN, and Mr. HINOJOSA.

H.R. 2405: Mrs. LOWEY.

H.R. 2420: Mr. JEFFERSON.

H.R. 2439: Mr. GEORGE MILLER of California.

H.R. 2470: Mr. LOBIONDO.

H.R. 2558: Mr. ROGAN.

H.R. 2697: Mr. KENNEDY of Rhode Island, Mr. HILLIARD, and Mr. RAHALL.

H.R. 2722: Mr. MCNULTY, Mr. DOOLEY of California, Mrs. NAPOLITANO, Mr. KENNEDY of Rhode Island, Mr. ENGEL, and Mr. WAXMAN.

H.R. 2727: Mr. PETERSON of Minnesota and Ms. CARSON.

H.R. 2790: Mrs. EMERSON.

H.R. 2819: Mrs. THURMAN.

H.R. 2890: Ms. KILPATRICK and Mr. ENGEL.

H.R. 2902: Mr. GEORGE MILLER of California, Mr. WATT of North Carolina, Mr. MCGOVERN, and Mr. MARTINEZ.

H.R. 2936: Mr. MANZULLO and Mr. MARTINEZ.

H.R. 2960: Mr. NETHERCUTT.

H.R. 2966: Mr. DEFAZIO, Ms. HOOLEY of Oregon, Mr. HUTCHINSON, Ms. KILPATRICK, and Mr. SCARBOROUGH.

H.R. 2985: Mr. FOLEY and Mr. BOEHLERT.

H.R. 3031: Mr. HASTINGS of Florida, Ms. MCKINNEY, Mr. MCNULTY, Mr. BROWN of Ohio, Mr. DELAHUNT, Mr. WAXMAN, Mr. WATT of North Carolina, Mr. STICKLAND, Mr. COYNE, and Mr. FATTAH.

H.R. 3099: Mr. BECERRA.

H.R. 3109: Mr. FROST, Mrs. LOWEY, Mr. MCHUGH, Mr. CONYERS, Mr. STICKLAND, Mr. RANGEL, Mr. ETHERIDGE, Mr. PRICE of North Carolina, and Mr. RUSH.

H.R. 3144: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. PETERSON of Minnesota, and Mr. BAIRD.

H.R. 3147: Mr. FRANK of Massachusetts.

H.R. 3180: Mrs. THURMAN.

H.J. Res. 46: Mr. BILIRAKIS, Mr. QUINN, and Mr. COOK.

H. Con. Res. 77: Ms. STABENOW, Mr. SKELTON, and Mr. BASS.

H. Con. Res. 152: Mr. COOK, Mr. OLVER, Mr. SANDLIN, and Mr. PAYNE.

H. Con. Res 177: Mr. BARCIA and Ms. KILPATRICK.

H. Con. Res. 193: Mr. DAVIS of Virginia, Mr. KOLBE, Mr. CHAMBLISS, Mr. RYAN of Wisconsin, Mr. HAYWORTH, Mr. RILEY, Mr. POMBO, Mr. FRELINGHUYSEN, Mrs. MORELLA Mr. MICA, Mr. SUNUNU, Mr. SOUDER, Mr. MCKEON, Mr. SERRANO, Mr. BARRETT of Wisconsin, Mr. GONZALEZ, Mr. DIXON, Mr. FRANK of Massachusetts, Mrs. THURMAN, Mr. CONYERS, Mr. SHOWS, Mrs. MEEK of Florida, Ms. LEE, Mr. SAWYER, Mr. THOMPSON of Mississippi, Mr. JACKSON of Illinois, Mr. KENNEDY of Rhode Island, Ms. LOFGREN, Mr. CUMMINGS, Mr. MENENDEZ, Mr. CLYBURN, Mr. BISHOP, Mr. PHELPS, Mrs. MINK of Hawaii, Mr. CROWLEY, Ms. JACKSON-LEE of Texas, Ms. SCHAKOWSKY, Mr. REYES, Mr. WATT of North Carolina, Mr. BROWN of Ohio, Mr. MCNULTY, Mr. FALEOMAVAEGA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. ORTIZ, Mr. COYNE, and Mr. GREEN of Texas.

H. Con. Res. 213: Mrs. ROUKEMA.

H. Con. Res. 216: Ms. KAPTUR, Mr. LIPINSKI, Mr. ACKERMAN, Mr. NEAL of Massachusetts, Mr. BECERRA, Mr. KENNEDY of Rhode Island, Mr. BERMAN, Mr. SOUDER, Mr. KNOLLENBERG, and Ms. DANNER.

H. Res. 298: Mrs. MINK of Hawaii and Mr. PRICE of North Carolina.

H. Res. 325: Ms. BERKLEY, Mr. SCHAFFER, Mr. VENTO, Mr. FRANK of Massachusetts, Mr. WALSH, and Mr. WU.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

64. The SPEAKER presented a petition of the Marine Corps League, Inc, relative to a petition urging the President of the United States of America to send legislation to the United States Congress that will require all school districts throughout the United States of America to provide a United States Flag for display in each classroom, that at the beginning of each school day the Pledge of Allegiance is recited, and the National Anthem be played at the conclusion of the Pledge of Allegiance; to the Committee on Education and the Workforce.

65. Also, a petition of the Marine Corps League, Inc, relative to a resolution urging the Congress of the United States to inaugurate a National Day of Recognition to those who served on active duty from 1945 to 1976, and continuous from 1976 to the present during the major conflicts on the continent of Asia, and that the day of October 23 be chosen to commence this Day of Recognition; to the Committee on Government Reform.

66. Also, a petition of the Marine Corps League, INC, relative to a petition urging the President and Congress to pledge their full support to the State Veterans Home Program as it is the most cost-effective nursing care-alternative available to VA; to the Committee on Veterans' Affairs.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2389

OFFERED BY MR. GOODLATTE

AMENDMENT NO. 1: Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Secure Rural Schools and Community Self-Determination Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.

TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS

Sec. 101. Determination of full payment amount for eligible States and counties.
Sec. 102. Payments to States from Forest Service lands for use by counties to benefit public education and transportation.
Sec. 103. Payments to counties from Bureau of Land Management lands for use to benefit public safety, law enforcement, education, and other public purposes.

TITLE II—LOCALLY INITIATED PROJECTS ON FEDERAL LANDS

Sec. 201. Definitions.
Sec. 202. General limitation on use of project funds.
Sec. 203. Submission of project proposals by participating counties.
Sec. 204. Evaluation and approval of projects by Secretary concerned.
Sec. 205. Local advisory committees.
Sec. 206. Use of project funds.
Sec. 207. Duration of availability of a county's project funds.
Sec. 208. Treatment of funds generated by locally initiated projects.

TITLE III—FOREST COUNTIES PAYMENTS COMMITTEE

Sec. 301. Definitions.
Sec. 302. National advisory committee to develop long-term methods to meet statutory obligation of Federal lands to contribute to public education and other public services.
Sec. 303. Functions of Advisory Committee.
Sec. 304. Federal Advisory Committee Act requirements.
Sec. 305. Termination of Advisory Committee.
Sec. 306. Sense of Congress regarding Advisory Committee recommendations.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Authorization of appropriations.
Sec. 402. Treatment of funds and revenues.
Sec. 403. Conforming amendments.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The National Forest System, which is managed by the United States Forest Service, was established in 1907 and has grown to include approximately 192,000,000 acres of Federal lands.

(2) The public domain lands known as revested Oregon and California Railroad grant lands and the reconveyed Coos Bay Wagon Road grant lands, which are managed predominantly by the Bureau of Land Management were returned to Federal ownership in 1916 and 1919 and now comprise approximately 2,600,000 acres of Federal lands.

(3) Congress recognized that, by its decision to secure these lands in Federal ownership, the counties in which these lands are situated would be deprived of revenues they would otherwise receive if the lands were held in private ownership.

(4) Even without such revenues, these same counties have expended public funds year after year to provide services, such as education, road construction and maintenance, search and rescue, law enforcement, waste removal, and fire protection, that directly benefit these Federal lands and people who use these lands.

(5) To accord a measure of compensation to the affected counties for their loss of future revenues and for the critical services they provide to both county residents and visitors to these Federal lands, Congress determined that the Federal Government should share with these counties a portion of the revenues the United States receives from these Federal lands.

(6) Congress enacted in 1908 and subsequently amended a law that requires that 25 percent of the revenues derived from National Forest System lands be paid to States for use by the counties in which the lands are situated for the benefit of public schools and roads.

(7) Congress enacted in 1937 and subsequently amended a law that requires that 50 percent of the revenues derived from the revested and reconveyed grant lands be paid to

the counties in which those lands are situated to be used as are other county funds.

(8) For several decades during the dramatic growth of the American economy, counties dependent on and supportive of these Federal lands received and relied on increasing shares of these revenues to provide educational opportunities for the children of residents of these counties.

(9) In recent years, the principal source of these revenues, Federal timber sales, has been sharply curtailed and, as the volume of timber sold annually from most of the Federal lands has decreased precipitously, so too have the revenues shared with the affected counties.

(10) This decline in shared revenues has severely impacted or crippled educational funding in, and the quality of education provided by, the affected counties.

(11) In the Omnibus Budget Reconciliation Act of 1993, Congress recognized this trend and ameliorated its adverse consequences by providing an alternative annual safety net payment to 72 counties in Oregon, Washington, and northern California in which Federal timber sales had been restricted or prohibited by administrative and judicial decisions to protect the northern spotted owl.

(12) The authority for these particular safety net payments is expiring and no comparable authority has been granted for alternative payments to counties elsewhere in the United States that have suffered similar losses in shared revenues from the Federal lands and in the educational funding those revenues provide.

(13) Although alternative payments are not an adequate substitute for the revenues, wages, purchasing of local goods and services, and social opportunities that are generated when the Federal lands are managed in a manner that encourages revenue-producing activities, such alternative payments are critically needed now to stabilize educational funding in the affected counties.

(14) Changes in Federal Land management, in addition to having curtailed timber sales, have altered the historic, cooperative relationship between counties and the Forest Service and the Bureau of Land Management.

(15) Both the Forest Service and the Bureau of Land Management face significant backlogs in infrastructure maintenance and ecosystem restoration that are not likely to be addressed through annual appropriations.

(16) New relationships between the counties in which these Federal lands are located and the managers of these Federal lands need to be formed to benefit both the natural resources and rural communities of the United States as the 21st century begins.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide Federal funds to county governments that are dependent on and supportive of the Federal lands so as to assist such counties in restoring funding for education and other public services that the counties must provide to county residents and visitors;

(2) to provide these funds on a temporary basis in a form that is environmentally sound and consistent with applicable resource management plans;

(3) to facilitate the development, by the Federal Government and the counties which benefit from the shared revenues from the Federal lands, of a new cooperative relationship in Federal land management and the development of local consensus in implementing applicable plans for the Federal lands;

(4) to identify and implement projects on the Federal lands that enjoy broad-based local support; and

(5) to make additional investments in infrastructure maintenance and ecosystem restoration on Federal lands.

SEC. 3. DEFINITIONS.

In this Act:

(1) FEDERAL LANDS.—The term "Federal lands" means—

(A) lands within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)); and

(B) the Oregon and California Railroad grant lands revested in the United States by the Act of June 9, 1916 (Chapter 137; 39 Stat. 218), Coos Bay Wagon Road grant lands reconveyed to the United States by the Act of February 26, 1919 (Chapter 47; 40 Stat. 1179), and subsequent additions to such lands.

(2) ELIGIBILITY PERIOD.—The term "eligibility period" means fiscal year 1984 through fiscal year 1999.

(3) ELIGIBLE COUNTY.—The term "eligible county" means a county or borough that received 50-percent payments for one or more fiscal years of the eligibility period or a county or borough that received a portion of an eligible State's 25-percent payments for one or more fiscal years of the eligibility period. The term includes a county or borough established after the date of the enactment of this Act so long as the county or borough includes all or a portion of a county or borough described in the preceding sentence.

(4) ELIGIBLE STATE.—The term "eligible State" means a State that received 25-percent payments for one or more fiscal years of the eligibility period.

(5) FULL PAYMENT AMOUNT.—The term "full payment amount" means the amount calculated for each eligible State and eligible county under section 101.

(6) 25-PERCENT PAYMENTS.—The term "25-percent payments" means the payments to States required by the 6th paragraph under the heading of "FOREST SERVICE" in the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

(7) 50-PERCENT PAYMENTS.—The term "50-percent payments" means the payments that are the sum of the 50-percent share otherwise paid to a county pursuant to title II of the Act of August 28, 1937 (Chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), and the payment made to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f-1 et seq.).

(8) SAFETY NET PAYMENTS.—The term "safety net payments" means the payments to States and counties required by sections 13982 or 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS

SEC. 101. DETERMINATION OF FULL PAYMENT AMOUNT FOR ELIGIBLE STATES AND COUNTIES.

(a) CALCULATION REQUIRED.—

(1) ELIGIBLE STATES.—The Secretary of the Treasury shall calculate for each eligible State an amount equal to the average of the three highest 25-percent payments and safety net payments made to that eligible State for fiscal years of the eligibility period.

(2) BLM COUNTIES.—The Secretary of the Treasury shall calculate for each eligible county that received a 50-percent payment during the eligibility period an amount equal to the average of the three highest 50-percent payments and safety net payments made to that eligible county for fiscal years of the eligibility period.

(b) ANNUAL ADJUSTMENT.—For each fiscal year in which payments are required to be made to eligible States and eligible counties under this title, the Secretary of the Treasury shall adjust the full payment amount in effect for the previous fiscal year for each eligible State and eligible county to reflect changes in the consumer price index for rural areas (as published in the Bureau of Labor Statistics) that occur after publication of that index for fiscal year 1999.

SEC. 102. PAYMENTS TO STATES FROM FOREST SERVICE LANDS FOR USE BY COUNTIES TO BENEFIT PUBLIC EDUCATION AND TRANSPORTATION.

(a) REQUIREMENT FOR PAYMENTS TO ELIGIBLE STATES.—The Secretary of the Treasury shall make to each eligible State a payment in accordance with subsection (b) for each of fiscal years 2000 through 2006. The payment for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

(b) PAYMENT AMOUNTS.—The payment to an eligible State under subsection (a) for a fiscal year shall consist of the following:

(1) The 25-percent payments and safety net payments under section 13982 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66; 16 U.S.C. 500 note) applicable to that State for that fiscal year.

(2) If the amount under paragraph (1) is less than the full payment amount in effect for that State for that fiscal year, such additional funds as may be appropriated to provide a total payment not to exceed the full payment amount.

(c) DISTRIBUTION AND EXPENDITURE OF PAYMENTS.—

(1) DISTRIBUTION METHOD.—An eligible State that receives a payment under subsection (a) shall distribute the payment among all eligible counties in the State, with each eligible county receiving the same percentage of that payment as the percentage of the State's total 25-percent payments and safety net payments under section 13982 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66; 16 U.S.C. 500 note) that were distributed to that county for fiscal years of the eligibility period.

(2) EXPENDITURE PURPOSES.—Subject to subsection (d), payments received by eligible States under subsection (a) and distributed to eligible counties shall be expended in the same manner in which 25-percent payments are required to be expended.

(d) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

(1) GENERAL RULE.—In the case of an eligible county to which $100,000 or more is distributed in a fiscal year pursuant to subsection (c)—

(A) 80 percent of the funds distributed to the eligible county shall be expended in the same manner in which the 25-percent payments are required to be expended; and

(B) 20 percent of the funds distributed to the eligible county shall be reserved and expended by the eligible county in accordance with title II.

(2) COUNTIES WITH MINOR DISTRIBUTIONS.—In the case of each eligible county to which less than $100,000 is distributed for fiscal year 2000 pursuant to subsection (c), the eligible county shall make an election whether or not to be subject to the requirements of paragraph (1) for that fiscal year and all subsequent fiscal years for which payments are made under subsection (a). The county shall notify the Secretary of Agriculture of its election under this subsection not later than

60 days after the county receives its distribution for fiscal year 2000.

SEC. 103. PAYMENTS TO COUNTIES FROM BUREAU OF LAND MANAGEMENT LANDS FOR USE TO BENEFIT PUBLIC SAFETY, LAW ENFORCEMENT, EDUCATION, AND OTHER PUBLIC PURPOSES.

(a) Requirement for Payments to Eligible Counties.—The Secretary of the Treasury shall make to each eligible county that received a 50-percent payment during the eligibility period a payment in accordance with subsection (b) for each of fiscal years 2000 through 2006. The payment for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

(b) Payment Amounts.—The payment to an eligible county under subsection (a) for a fiscal year shall consist of the following:

(1) The 50-percent payments and safety net payments under section 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 43 U.S.C. 1181f note) applicable to that county for that fiscal year.

(2) If the amount under paragraph (1) is less than the full payment amount in effect for that county for that fiscal year, such additional funds as may be appropriated to provide a total payment not to exceed the full payment amount.

(c) Expenditure of Payments.—Subject to subsection (d), payments received by eligible counties under subsection (a) shall be expended in the same manner in which 50-percent payments are required to be expended.

(d) Expenditure Rules for Eligible Counties.—In the case of an eligible county to which a payment is made in a fiscal year pursuant to subsection (a)—

(1) 80 percent of the payment to the eligible county shall be expended in the same manner in which the 25-percent payments are required to be expended; and

(2) 20 percent of the payment to the eligible county shall be reserved and expended by the eligible county in accordance with title II.

TITLE II—LOCALLY INITIATED PROJECTS ON FEDERAL LANDS

SEC. 201. DEFINITIONS.

In this title:

(1) Participating county.—The term "participating county" means an eligible county that—

(A) receives Federal funds pursuant to section 102 or 103; and

(B) is required to expend a portion of those funds in the manner provided in section 102(d)(1)(B) or 103(d)(2) or elects under section 102(d)(2) to expend a portion of those funds in accordance with section 102(d)(1)(B).

(2) Project funds.—The term "project funds" means all funds reserved by an eligible county under section 102(d)(1)(B) or 103(d)(2) for expenditure in accordance with this title and all funds that an eligible county elects under section 102(d)(2) to reserve under section 102(d)(1)(B).

(3) Local advisory committee.—The term "local advisory committee" means an advisory committee established by the Secretary concerned under section 205.

(4) Resource management plan.—The term "resource management plan" means a land use plan prepared by the Bureau of Land Management for units of the Federal Lands described in section 3(1)(B) pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) and land and resource management plans prepared by the Forest Service for units of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(5) Secretary concerned.—The term "Secretary concerned" means the Secretary of the Interior with respect to the Federal Lands described in section 3(1)(B) and the Secretary of Agriculture with respect to the Federal Lands described in section 3(1)(A).

(6) Special account.—The term "special account" means an account in the Treasury established under section 208(c) for each region of the Forest Service, and for the Bureau of Land Management.

SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

Project funds shall be expended solely on projects that meet the requirements of this title and are conducted on the Federal lands.

SEC. 203. SUBMISSION OF PROJECT PROPOSALS BY PARTICIPATING COUNTIES.

(a) Submission of Project Proposals to Secretary Concerned.—

(1) Projects funded using project funds.—Not later than September 30, 2001, and each September 30 thereafter through 2009, each participating county shall submit to the Secretary concerned a description of any projects that the county proposes the Secretary undertake using any project funds reserved by the county during the three-fiscal year period consisting of the fiscal year in which the submission is made and the preceding two fiscal years. A participating county does not have to submit all of its project proposals for a year at the same time.

(2) Projects funded using special accounts.—Until September 30, 2007, a participating county may also submit to the Secretary concerned a description of any projects that the county proposes the Secretary undertake using amounts in a special account in lieu of or in addition to the county's project funds.

(3) Joint projects.—Participating counties may pool their project funds and jointly propose a project or group of projects to the Secretary concerned under paragraph (1). Participating counties may also jointly propose a project or group of projects to the Secretary concerned under paragraph (2).

(b) Required Description of Projects.—In submitting proposed projects to the Secretary concerned under subsection (a), a participating county shall include in the description of each proposed project the following information:

(1) The purpose of the project.

(2) An estimation of the amount of any timber, forage, and other commodities anticipated to be harvested or generated as part of the project.

(3) The anticipated duration of the project.

(4) The anticipated cost of the project.

(5) The proposed source of funding for the project, whether project funds, funds from the appropriate special account, or both.

(6) The anticipated revenue, if any, to be generated by the project.

(c) Role of Local Advisory Committee.—A participating county may propose a project to the Secretary concerned under subsection (a) only if the project has been reviewed and approved by the relevant local advisory committee in accordance with the requirements of section 205, including the procedures issued under subsection (d) of such section.

(d) Authorized Projects.—

(1) In general.—Projects proposed under subsection (a) shall consist of any type of project or activity that the Secretary concerned may otherwise carry out on the Federal lands.

(2) Search, rescue, and emergency services.—Notwithstanding paragraph (1), a participating county may submit as a proposed project under subsection (a) a proposal that the county receive reimbursement for search and rescue and other emergency services performed on Federal lands and paid for by the county. The source of funding for an approved project of this type may only be the special account for the region in which the county is located or, in the case of a county that receives 50-percent payments, the special account for the Bureau of Land Management.

(3) Community service work camps.—Notwithstanding paragraph (1), a participating county may submit as a proposed project under subsection (a) a proposal that the county receive reimbursement for all or part of the costs incurred by the county to pay the salaries and benefits of county employees who supervise adults or juveniles performing mandatory community service on Federal lands.

SEC. 204. EVALUATION AND APPROVAL OF PROJECTS BY SECRETARY CONCERNED.

(a) Conditions For Approval of Proposed Project.—The Secretary concerned may make a decision to approve a project submitted by a participating county under section 203 only if the proposed project satisfies each of the following conditions:

(1) The project complies with all Federal laws and all Federal rules, regulations, and policies.

(2) The project is consistent with the applicable resource management plan and with any watershed or subsequent plan developed pursuant to the resource management plan and approved by the Secretary concerned.

(3) The project has been approved by the relevant local advisory committee in accordance with section 205, including the procedures issued under subsection (d) of such section.

(4) The project has been described by the participating county in accordance with section 203(b).

(b) Environmental Reviews.—

(1) Review required.—Before making a decision to approve a proposed project under subsection (a), the Secretary concerned shall complete any environmental review required by the National Environmental Policy Act of 1969 (42 U.S.C. 321 et seq.) in connection with the project and any consultation and biological assessment required by the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) in connection with the project.

(2) Treatment of review.—Decisions of the Secretary concerned related to an environmental review or consultation conducted under paragraph (1) shall not be subject to administrative appeal or judicial review unless and until the Secretary approves the project under subsection (a) for which the review or consultation was conducted.

(3) Payment of review costs.—

(A) Request for payment by county.—The Secretary concerned may request the participating county or counties submitting a proposed project to use project funds to pay for any environmental review or consultation required under paragraph (1) in connection with the project. When such a payment is requested, the Secretary concerned shall not begin the environmental review or consultation until and unless the payment is received.

(B) Effect of refusal to pay.—If a participating county refuses to make the requested payment under subparagraph (A) in connection with a proposed project, the participating county shall withdraw the submission of the project from further consideration by the Secretary concerned. Such a withdrawal shall be deemed to be a rejection of the project for purposes of section 207(d).

(c) TIME PERIODS FOR CONSIDERATION OF PROJECTS.—

(1) PROJECTS REQUIRING ENVIRONMENTAL REVIEW.—If the Secretary concerned determines that an environmental review or consultation is required for a proposed project pursuant to subsection (b), the Secretary concerned shall make a decision under subsection (a) to approve or reject the project, to the extent practicable, within 30 days after the completion of the last of the required environmental reviews and consultations.

(2) OTHER PROJECTS.—If the Secretary concerned determines that an environmental review or consultation is not required for a proposed project, the Secretary shall make a decision under subsection (a) to approve or reject the project, to the extent practicable, within 60 days after the date of that determination.

(d) DECISIONS OF SECRETARY CONCERNED.—

(1) REJECTION OF PROJECTS.—A decision by the Secretary concerned to reject a proposed project shall be at the Secretary's sole discretion. Within 30 days after making the rejection decision, the Secretary concerned shall notify in writing the participating county that submitted the proposed project of the rejection and the reasons therefor.

(2) NOTICE OF PROJECT APPROVAL.—The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if such notice would be required had the project originated with the Secretary.

(3) PROJECT APPROVAL AS FINAL AGENCY ACTION.—A decision by the Secretary concerned to approve a project under subsection (a) shall be considered a final agency action under the Administrative Procedures Act.

(e) SOURCE AND CONDUCT OF PROJECT.—For purposes of Federal law, a project approved by the Secretary concerned under this section shall be considered to have originated with the Secretary.

(f) IMPLEMENTATION. OF APPROVED PROJECTS.—

(1) RESPONSIBILITY OF SECRETARY.—The Secretary concerned shall be responsible for carrying out projects approved by the Secretary under this section. The Secretary concerned shall carry out the projects in compliance with all Federal laws and all Federal rules, regulations, and policies and in the same manner as projects of the same kind that originate with the Secretary.

(2) COOPERATION.—The Secretary concerned may enter into contracts and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

(3) BEST VALUE STEWARDSHIP CONTRACTING.—To enter into a contract authorized by paragraph (2), the Secretary concerned may use a contracting method that secures, for the best price, the best quality service, as determined by the Secretary based upon the following:

(A) The technical demands and complexity of the work to be done.

(B) The ecological sensitivity of the resources being treated.

(C) The past experience by the contractor with the type of work being done, using the type of equipment proposed for the project, and meeting or exceeding desired ecological conditions.

(D) The use by the contractor of low value species and byproducts.

(E) The commitment of the contractor to hiring highly qualified workers and local residents.

(g) TIME FOR COMMENCEMENT.—

(1) PROJECTS FUNDED USING PROJECT FUNDS.—If an approved project is to be funded in whole or in part using project funds to be provided by a participating county or counties, the Secretary concerned shall commence the project as soon as practicable after the receipt of the project funds pursuant to section 206 from the county.

(2) PROJECTS FUNDED USING SPECIAL ACCOUNTS.—If an approved project is to be funded using amounts from a special account in lieu of any project funds, the Secretary concerned shall commence the project as soon as practicable after the approval decision is made.

SEC. 205. LOCAL ADVISORY COMMITTEES.

(a) ESTABLISHMENT AND PURPOSE OF LOCAL ADVISORY COMMITTEES.—

(1) ESTABLISHMENT.—Except as provided in paragraph (2), the Secretary concerned shall establish and maintain, for each unit of Federal lands, a local advisory committee to review projects proposed by participating counties and to recommend projects to participating counties.

(2) COMBINATION OR DIVISION OF UNITS.—The Secretary concerned may, at the Secretary's sole discretion, combine or divide units of Federal lands for the purpose of establishing local advisory committees.

(b) APPOINTMENT BY THE SECRETARY.—

(1) APPOINTMENT AND TERM.—The Secretary concerned shall appoint the members of local advisory committees for a term of 2 years beginning on the date of appointment. The Secretary concerned may reappoint members to subsequent 2-year terms.

(2) BASIC REQUIREMENTS.—The Secretary concerned shall ensure that each local advisory committee established by the Secretary meets the requirements of subsection (c).

(3) INITIAL APPOINTMENT.—The Secretary concerned shall make initial appointments to the local advisory committees not later than 120 days after the date of enactment of this Act.

(4) VACANCIES.—The Secretary concerned shall make appointments to fill vacancies on any local advisory committee as soon as practicable after the vacancy has occurred.

(5) COMPENSATION.—Members of the local advisory committees shall not receive any compensation.

(c) COMPOSITION OF ADVISORY COMMITTEE.—

(1) NUMBER.—Each local advisory committee shall be comprised of 15 members.

(2) COMMUNITY INTERESTS REPRESENTED.—Each local advisory committee shall have at least one member representing each of the following:

(A) Local resource users.

(B) Environmental interests.

(C) Forest workers.

(D) Organized labor representatives.

(E) Elected county officials.

(F) School officials or teachers.

(3) GEOGRAPHIC DISTRIBUTION.—To the extent practicable, the members of a local advisory committee shall be drawn from throughout the area covered by the committee.

(4) CHAIRPERSON.—A majority on each local advisory committee shall select the chairperson of the committee.

(d) APPROVAL PROCEDURES.—

(1) ISSUANCE.—Not later than 90 days after the date of the enactment of this Act, the Secretaries concerned shall jointly issue the approval procedures that each local advisory committee must use in order to ensure that a local advisory committee only approves projects that are broadly supported by the committee. The Secretaries shall publish the procedures in the Federal Register.

(2) TREATMENT OF PROCEDURES.—The issuance and content of the procedures issued under paragraph (1) shall not be subject to administrative appeal or judicial review. Nothing in this paragraph shall affect the responsibility of local advisory committees to comply with the procedures.

(e) OTHER COMMITTEE AUTHORITIES AND REQUIREMENTS.—

(1) STAFF ASSISTANCE.—A local advisory committee may submit to the Secretary concerned a request for staff assistance from Federal employees under the jurisdiction of the Secretary.

(2) MEETINGS.—All meetings of a local advisory committee shall be announced at least one week in advance in a local newspaper of record and shall be open to the public.

(3) RECORDS.—A local advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

(f) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—The local advisory committees shall be exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 206. USE OF PROJECT FUNDS.

(a) AGREEMENT REGARDING SCHEDULE AND COST OF PROJECT.—

(1) AGREEMENT BETWEEN PARTIES.—As soon as practicable after the approval of a project by the Secretary concerned under section 204, the Secretary concerned and the chief administrative official of the participating county (or one such official representing a group of participating counties) shall enter into an agreement addressing, at a minimum, the following with respect to the project:

(A) The schedule for completing the project.

(B) The total cost of the project, including the level of agency overhead to be assessed against the project.

(C) For a multi-year project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

(D) The remedies for the participating county or counties for the failure of the Secretary concerned to comply with the terms of the agreement.

(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary concerned may decide, at the Secretary's sole discretion, to cover the costs of a portion of an approved project using Federal funds appropriated or otherwise available to the Secretary for the same purposes as the project.

(b) TRANSFER OF PROJECT FUNDS.—

(1) INITIAL TRANSFER REQUIRED.—As soon as practicable after the agreement is reached under subsection (a) with regard to a project to be funded in whole or in part using project funds, the participating county or counties that are parties to the agreement shall transfer to the Secretary concerned an amount of project funds equal to—

(A) in the case of a project to be completed in a single fiscal year, the total amount specified in the agreement to be paid by the county or counties; or

(B) in the case of a multi-year project, the amount specified in the agreement to be paid by the county or counties for the first fiscal year.

(2) CONDITION ON PROJECT COMMENCEMENT.—The Secretary concerned shall not commence a project pursuant to section 204(g)(1)

until the project funds required to be transferred under paragraph (1) for the project have been received by the Secretary.

(3) SUBSEQUENT TRANSFERS FOR MULTI-YEAR PROJECTS.—For the second and subsequent fiscal years of a multi-year project to be funded in whole or in part using project funds, the participating county or counties shall transfer to the Secretary concerned the amount of project funds required to continue the project in that fiscal year according to the agreement entered into under subsection (a). The Secretary concerned shall suspend work on the project if the county fails to transfer the required amounts as required by the agreement.

(4) SPECIAL RULE FOR WORK CAMP PROJECTS.—In the case of a project described in section 203(d)(3) and approved under section 204, the agreement required by subsection (a) shall specify the manner in which a participating county that is a party to the agreement may retain project funds to cover the costs of the project.

(c) AVAILABILITY OF TRANSFERRED FUNDS.—Project funds transferred to the Secretary concerned under this section shall remain available until the project is completed.

SEC. 207. DURATION OF AVAILABILITY OF A COUNTY'S PROJECT FUNDS.

(a) SUBMISSION OF PROPOSED PROJECTS TO OBLIGATE FUNDS.—By the end of each of the fiscal years 2003 through 2009, a participating county shall submit to the Secretary concerned pursuant to section 203(a)(1) a sufficient number of project proposals that, if approved, would result in the obligation of at least the full amount of the project funds the county received under title I in the second preceding fiscal year.

(b) TRANSFER OF UNOBLIGATED FUNDS.—If a participating county fails to comply with subsection (a) for a fiscal year, any project funds that the county received in the second preceding fiscal year and remaining unobligated shall be returned to the Secretary of the Treasury for disposition as provided in subsection (c).

(c) DISPOSITION OF RETURNED FUNDS.—

(1) DEPOSIT IN SPECIAL ACCOUNTS.—In the case of project funds returned under subsection (b) in fiscal year 2004, 2005, or 2006, the Secretary of the Treasury shall deposit the funds in the appropriate special account.

(2) DEPOSIT IN GENERAL FUND.—After fiscal year 2006, the Secretary of the Treasury shall deposit returned project funds in the general fund of the Treasury.

(d) EFFECT OF REJECTION OF PROJECTS.—Notwithstanding subsection (b), any project funds of a participating county that are unobligated at the end of a fiscal year because the Secretary concerned has rejected one or more proposed projects shall be available for the county to expend in the same manner as the funds reserved by the county under section 102(d)(1)(A) or 103(d)(1), whichever applies to the funds involved. The project funds covered by this subsection shall remain available until expended.

(e) EFFECT OF COURT ORDERS.—

(1) PROJECTS FUNDED USING PROJECT FUNDS.—If an approved project is enjoined or prohibited by a Federal court after funds for the project are transferred to the Secretary concerned under section 206, the Secretary concerned shall return any unobligated project funds related to that project to the participating county or counties that transferred the funds. The returned funds shall be available for the county to expend in the same manner as the funds reserved by the county under section 102(d)(1)(A) or 103(d)(1), whichever applies to the funds involved. The funds shall remain available until expended and shall be exempt from the requirements of subsection (b).

(2) PROJECTS FUNDED USING SPECIAL ACCOUNTS.—If an approved project is enjoined or prohibited by a Federal court after funds from a special account have been reserved for the project under section 208, the Secretary concerned shall treat the funds in the same manner as revenues described in section 208(a).

SEC. 208. TREATMENT OF FUNDS GENERATED BY LOCALLY INITIATED PROJECTS.

(a) PAYMENT TO SECRETARY.—Any and all revenues generated from a project carried out in whole or in part using project funds or funds from a special account shall be paid to the Secretary concerned.

(b) DEPOSIT.—Notwithstanding any other provision of law, the Secretary concerned shall deposit the revenues described in subsection (a) as follows:

(1) Through fiscal year 2006, the revenues shall be deposited in the appropriate special account as provided in subsection (c).

(2) After fiscal year 2006, the revenues shall be deposited in the general fund of the Treasury.

(c) REGIONAL AND BLM SPECIAL ACCOUNTS.—

(1) ESTABLISHMENT.—There is established in the Treasury an account for each region of the Forest Service and an account for the Bureau of Land Management. The accounts shall consist of the following:

(A) Revenues described in subsection (a) and deposited pursuant to subsection (b)(1).

(B) Project funds deposited pursuant to section 207(c)(1).

(C) Interest earned on amounts in the special accounts.

(2) REQUIRED DEPOSIT IN FOREST SERVICE ACCOUNTS.—If the revenue-generating project was carried out in whole or in part using project funds that were reserved pursuant to section 102(d)(1)(B), the revenues shall be deposited in the account established under paragraph (1) for the Forest Service region in which the project was conducted.

(3) REQUIRED DEPOSIT IN BLM ACCOUNT.—If the revenue-generating project was carried out in whole or in part using project funds that were reserved pursuant to section 103(d)(2), the revenues shall be deposited in the account established under paragraph (1) for the Bureau of Land Management.

(4) PROJECTS CONDUCTED USING SPECIAL ACCOUNT FUNDS.—If the revenue-generating project was carried out using amounts from a special account in lieu of any project funds, the revenues shall be deposited in the special account from which the amounts were derived.

(d) USE OF ACCOUNTS TO CONDUCT PROJECTS.—

(1) AUTHORITY TO USE ACCOUNTS.—The Secretary concerned may use amounts in the special accounts, without appropriation, to fund projects submitted by participating counties under section 203(a)(2) that have been approved by the Secretary concerned under section 204.

(2) SOURCE OF FUNDS; PROJECT LOCATIONS.—Funds in a special account established under subsection (c)(1) for a region of the Forest Service region may be expended only for projects approved under section 204 to be conducted in that region. Funds in the special account established under subsection (c)(1) for the Bureau of Land Management may be expended only for projects approved under section 204 to be conducted on Federal lands described in section 3(1)(B).

(3) DURATION OF AUTHORITY.—No funds may be obligated under this subsection after September 30, 2007. Unobligated amounts in the special accounts after that date shall be promptly transferred to the general fund of the Treasury.

TITLE III—FOREST COUNTIES PAYMENTS COMMITTEE

SEC. 301. DEFINITIONS.

In this title:

(1) ADVISORY COMMITTEE.—The term "Advisory Committee" means the Forest Counties Payments Committee established by section 302.

(2) HOUSE COMMITTEES OF JURISDICTION.—The term "House committees of jurisdiction" means the Committee on Agriculture, the Committee on Resources, and the Committee on Appropriations of the House of Representatives.

(3) SENATE COMMITTEES OF JURISDICTION.—The term "Senate committees of jurisdiction" means the Committee on Agriculture, Nutrition, and Forestry, the Committee on Energy and Natural Resources, and the Committee on Appropriations of the Senate.

(4) SUSTAINABLE FORESTRY.—The term "sustainable forestry" means principles of sustainable forest management that equally consider ecological, economic, and social factors in the management of Federal lands.

SEC. 302. NATIONAL ADVISORY COMMITTEE TO DEVELOP LONG-TERM METHODS TO MEET STATUTORY OBLIGATION OF FEDERAL LANDS TO CONTRIBUTE TO PUBLIC EDUCATION AND OTHER PUBLIC SERVICES.

(a) ESTABLISHMENT OF FOREST COUNTIES PAYMENTS COMMITTEE.—There is hereby established an advisory committee, to be known as the Forest Counties Payments Committee, to develop recommendations, consistent with sustainable forestry, regarding methods to ensure that States and counties in which Federal lands are situated receive adequate Federal payments to be used for the benefit of public education and other public purposes.

(b) MEMBERS.—The Advisory Committee shall be composed of the following members:

(1) The Chief of the Forest Service, or a designee of the Chief who has significant expertise in sustainable forestry.

(2) The Director of the Bureau of Land Management, or a designee of the Director who has significant expertise in sustainable forestry

(3) The Director of the Office of Management and Budget, or the Director's designee.

(4) Two members who are elected members of the governing branches of eligible counties; one such member to be appointed by the President pro tempore of the Senate (in consultation with the chairmen and ranking members of the Senate committees of jurisdiction) and one such member to be appointed by the Speaker of the House of Representatives (in consultation with the chairmen and ranking members of the House committees of jurisdiction) within 60 days of the date of enactment of this Act.

(5) Two members who are elected members of school boards for, superintendents from, or teachers employed by, school districts in eligible counties; one such member to be appointed by the President pro tempore of the Senate (in consultation with the chairmen and ranking members of the Senate committees of jurisdiction) and one such member to be appointed by the Speaker of the House of Representatives (in consultation with the chairmen and ranking members of the House committees of jurisdiction) within 60 days of the date of enactment of this Act.

(c) GEOGRAPHIC REPRESENTATION.—In making appointments under paragraphs (4) and

(5) of subsection (b), the President pro tempore of the Senate and the Speaker of the House of Representatives shall seek to ensure that the Advisory Committee members are selected from geographically diverse locations.

(d) Organization of Advisory Committee.—

(1) Chairperson.—The Chairperson of the Advisory Committee shall be selected from among the members appointed pursuant to paragraphs (4) and (5) of subsection (b).

(2) Vacancies.—Any vacancy in the membership of the Advisory Committee shall be filled in the same manner as required by subsection (b). A vacancy shall not impair the authority of the remaining members to perform the functions of the Advisory Committee under section 303.

(3) Compensation.—The members of the Advisory Committee who are not officers or employees of the United States, while attending meetings or other events held by the Advisory Committee or at which the members serve as representatives of the Advisory Committee or while otherwise serving at the request of the Chairperson, shall each be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5532 of title 5, United States Code, including traveltime, and while away from their homes or regular places of business shall each be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(e) Staff and Rules.—

(1) Executive director.—The Advisory Committee shall have an Executive Director, who shall be appointed (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) by the Advisory Committee and serve at the pleasure of the Advisory Committee. The Executive Director shall report to the Advisory Committee and assume such duties as the Advisory Committee may assign. The Executive Director shall be paid at a rate of pay for grade GS–18, as provided in the General Schedule under 5332 of title 5, United States Code.

(2) Other staff.—In addition to authority to appoint personnel subject to the provisions of title 5, United States Code, governing appointments to the competitive service, and to pay such personnel in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, the Advisory Committee shall have authority to enter into contracts with private or public organizations which may furnish the Advisory Committee with such administrative and technical personnel as may be necessary to carry out the functions of the Advisory Committee under section 303. To the extent practicable, such administrative and technical personnel, and other necessary support services, shall be provided for the Advisory Committee by the Chief of the Forest Service and the Director of the Bureau of Land Management.

(3) Committee rules.—The Advisory Committee may establish such procedural and administrative rules as are necessary for the performance of its functions under section 303.

(f) Federal Agency Cooperation.—The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the Advisory Committee in the performance of its functions under subsection (c) and shall furnish to the Advisory Committee information which the Advisory Committee deems necessary to carry out such functions.

SEC. 303. FUNCTIONS OF ADVISORY COMMITTEE.

(a) Development of Recommendations.—

(1) In general.—The Advisory Committee shall develop recommendations for policy or legislative initiatives (or both) regarding alternatives for, or substitutes to, the short-term payments required by title I in order to provide a long-term method to generate annual payments to eligible States and eligible counties at or above the full payment amount.

(2) Reporting requirements.—Not later than 18 months after the date of the enactment of this Act, the Advisory Committee shall submit to the Senate committees of jurisdiction and the House committees of jurisdiction a final report containing the recommendations developed under this subsection. The Advisory Committee shall submit semiannual progress reports on its activities and expenditures to the Senate committees of jurisdiction and the House committees of jurisdiction until the final report has been submitted.

(b) Guidance for Committee.—In developing the recommendations required by subsection (a), the Advisory Committee shall—

(1) evaluate the method by which payments are made to eligible States and eligible counties under title I and the use of such payments;

(2) evaluate the effectiveness of the local advisory committees established pursuant to section 205; and

(3) consider the impact on eligible States and eligible counties of revenues derived from the historic multiple use of the Federal lands.

(c) Monitoring and Related Reporting Activities.—The Advisory Committee shall monitor the payments made to eligible States and eligible counties pursuant to title I and submit to the Senate committees of jurisdiction and the House committees of jurisdiction an annual report describing the amounts and sources of such payments and containing such comments as the Advisory Committee may have regarding such payments.

(d) Testimony.—The Advisory Committee shall make itself available for testimony or comments on the reports required to be submitted by the Advisory Committee and on any legislation or regulations to implement any recommendations made in such reports in any congressional hearings or any rulemaking or other administrative decision process.

SEC. 304. FEDERAL ADVISORY COMMITTEE ACT REQUIREMENTS.

Except as may be provided in this title, the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Committee.

SEC. 305. TERMINATION OF ADVISORY COMMITTEE.

The Advisory Committee shall terminate three years after the date of the enactment of this Act.

SEC. 306. SENSE OF CONGRESS REGARDING ADVISORY COMMITTEE RECOMMENDATIONS.

It is the sense of Congress that the payments to eligible States and eligible counties required by title I should be replaced by a long-term solution to generate payments conforming to the guidance provided by section 303(b) and that any promulgation of regulations or enactment of legislation to establish such method should be completed within two years after the date of submission of the final report required by section 303(a).

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as are necessary to carry out this Act.

SEC. 402. TREATMENT OF FUNDS AND REVENUES.

Funds appropriated pursuant to the authorization of appropriations in section 401, funds transferred to a Secretary concerned under section 206, and revenues described in section 208(a) shall be in addition to the any other annual appropriations for the Forest Service and the Bureau of Land Management.

SEC. 403. CONFORMING AMENDMENTS.

Section 6903(a)(1) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (D) through (J) as subparagraphs (E) through (K), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) the Secure Rural Schools and Community Self-Determination Act of 1999;".

EXTENSIONS OF REMARKS

DOMESTIC VIOLENCE AWARENESS MONTH

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. POMEROY. Mr. Speaker, as many of my colleagues may be aware, October is Domestic Violence Awareness Month. In my home State of North Dakota, as well as across the Nation, citizens have already participated in numerous activities, such as candlelight vigils, "Take Back the Night" rallies, and other forms of demonstration aimed at raising public awareness of this national tragedy.

Domestic violence is one of our Nation's most prevalent, yet misunderstood, tragedies. Recently, North Dakota's Attorney General released a report on domestic violence for 1997, and the statistics should cause us all to take notice. To cite just a few of the facts: in 1,450 incidents reported through the North Dakota Uniform Crime Reporting Program, there were 1,638 victims involved; 39 percent of all reported physical violence cases across the State were incidents of domestic violence; and among reported victims of domestic violence, 74 percent were women and 19 percent were juveniles.

These figures are even more sobering when you consider that domestic violence is one of the most severely underreported crimes. We may not be able to estimate the number of victims who, living in fear or denial, do not come forward; however, the National Crime Victimization survey, administered by the Department of Justice, reports that victims of all types of violence, including domestic, report only about half of their victimizations to the police.

Unfortunately, attitudes are slow to change, especially on such an intimate issue as domestic violence. No longer can we sit idly by, as the cycle of violence not only goes on, but oftentimes worsens. No longer can we claim that what goes on in another person's private life is none of my or your business. No longer can we blame the victims saying that they "asked for it." No longer can we make excuses.

During this month of awareness, therefore, I am proud to also mark the fifth anniversary of one of the most important stands Congress has ever taken against domestic violence: the Violence Against Women Act (VAWA). Through programs that bolster prosecution of sexual assault and domestic violence, increase victim services, and step up education and prevention activities, VAWA has gone far to protect individuals from sexual offenses and domestic abuse. I am proud to support reauthorization of all these programs as a cosponsor of H.R. 357, the Violence Against Women Act of 1999.

Congress, however, cannot act alone. The House of Representatives cannot pass a law to ban domestic violence. The Senate cannot force attitudes to change. It is up to all of us to take action—through greater participation and awareness—to end this national tragedy. Advocates should not have to fight alone, and victims should not have to suffer alone. This is one issue on which the old adage holds true: If we're not part of the solution, we're part of the problem.

TRIBUTE TO MICHAEL ZIEGLER AND PRIDE INDUSTRIES

HON. ROBERT T. MATSUI

OF CALIFORNIA

• IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. MATSUI. Mr. Speaker, I rise in tribute to Michael Ziegler and PRIDE Industries. On November 5, 1999, the United Cerebral Palsy Association of Sacramento is presenting their most prestigious Humanitarian Award to Mr. Ziegler. As friends and associates of Mr. Ziegler and the United Cerebral Palsy Association gather to celebrate, I ask all my colleagues to join me in saluting this special occasion.

The United Cerebral Palsy Association's Humanitarian Award is given annually to "individuals or organizations who have displayed a passion for life and a sincere desire to work toward enhancing the lives of others." Those who receive this award have fulfilled their passion and desire through extensive community involvement.

As president and chief executive officer of PRIDE Industries, Michael Ziegler has exemplified that passion and desire. He has been the guiding force behind PRIDE Industries' mission to offer employment to an ever-expanding number of individuals with disabilities. While maintaining a successful business, Mr. Ziegler has been able to significantly increase the employment rate of handicapped people in the Sacramento area.

Under the leadership of Michael Ziegler, PRIDE Industries has strived to meet four core values: mission, people, customers, and culture. Through their mission of creating good jobs for people with disabilities, they are working toward creating a challenging and rewarding environment. Energized by the fact that their efforts make a positive difference in the community, Mr. Ziegler is committed to establishing PRIDE Industries as a competitive and thriving company.

The road to success for PRIDE Industries has spanned several areas. Over the years, it has gone from a non-profit organization to a government-funded agency and finally to a privately-funded corporation. Mr. Ziegler has enabled PRIDE Industries to become one of the fastest-growing private companies in Greater Sacramento with mostly disabled employees.

As a result of increased demand for its manufacturing and service contracts, PRIDE Industries expects to add nearly 200 employees over the next 12 months. The company has service contracts in such areas as custodial work, groundskeeping, recycling, building maintenance, and various other service contracts for Air Force bases.

In addition to service contracts, PRIDE Industries has thrived in electronic contract manufacturing. It makes printed circuit boards, assembles and repairs electronics products, and even manufactures its own brand of snowshoes.

Mr. Ziegler has built PRIDE Industries into a thriving business recognized around the world for its success and direction. He has brought self respect and hope to many people with disabilities while maintaining and operating a successful business.

Mr. Speaker, as the United Cerebral Palsy Association convenes to present Michael Ziegler with their Humanitarian Award, I am honored to pay tribute to one of Sacramento's most outstanding citizens. His contributions to disabled people and the community of Sacramento are commendable. I ask all of my colleagues to join with me in wishing Mr. Ziegler and PRIDE Industries continued success in all their future endeavors.

TRIBUTE TO LENORE PAQUIN

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. McGOVERN. Mr. Speaker, on November 12, 1999, Ms. Lenore Paquin will retire after twenty-seven years of service to the Town of North Attleboro as the Public Health Nurse.

In addition to her role as Public Health Nurse, Ms. Paquin was especially well known for her many community and charitable works. She has been on the Board of Directors of the Visiting Nurses Association, Versa Care, New Hope, Attleboro Area Community Council and Hillside Adult Care, where she was also a founder. She has been honored by individuals and organizations too numerous to mention.

It has been said that whenever there was a need, Lenore stepped in and offered her assistance. She organized a kitchen where she distributed food to the families who were going without and arranged Thanksgiving and Christmas campaigns to alleviate the problems that families encounter during the holiday season.

When you mention the name Lenore in the Town of North Attleboro and the surrounding area, it is not necessary to mention her last name because everyone knows her and her work. A number of years ago when the Attleboro Area Business and Professional Women honored her, she spoke about the difference in taking care of patients in a hospital setting and in her role as a Public Health Nurse. She stated—"In a hospital setting you never know what happens to them when they leave. Here you walk along with them. I kind of like that . . ."

The people in the Town of North Attleboro and the surrounding area are indeed fortunate to have a person like Lenore in their midst.

TRIBUTE TO CLENTE FLEMMING

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Clente Flemming for nearly 30 years of service in the banking industry. Through dedication and hard work, Mr. Flemming rose through the ranks to become Senior Vice President overseeing Personnel for Bank of America in North and South Carolina. At the end of this year, he retires from that impressive career to launch a new consulting venture in which I am sure he will enjoy similar success.

Clente Flemming began his career in 1970 as a third shift clerk at what was then Bankers' Trust. From there he quickly became a shift supervisor and then moved into the auditing department in 1974. But Mr. Flemming realized that to further his career he must pursue academic achievements beyond his work at Palmer Junior College. He enrolled in the University of South Carolina and earned a B.S. in Business Administration in 1979.

After that, his career with the bank took off. He joined the personnel department and became Vice President of Employee Relations. With that move, Mr. Flemming became the bank's first African American Vice President. In 1990, he was elevated to Senior Vice President Carolinas Personnel Executive, a position he will hold until the year's end.

Mr. Flemming has utilized his position to hire and train other talented African Americans. When he joined the banking industry, it was not very diverse. However, he has been in a position to serve as a mentor and expand the ranks of minorities at all levels.

Once officially retired from Bank of America, Mr. Flemming plans to use his expertise in personnel matters to help small businesses with their personnel policies and benefits. As a consultant he plans to help others achieve success. In addition to those efforts, Mr. Flemming has plans to open an employment agency focused on finding jobs for the underemployed.

Clente is married to the former Ojeta Irving and they have a daughter, Joy, and a son, Eric.

Mr. Speaker, I ask you to join with me and my fellow South Carolinians as we pay tribute to Clente Flemming for 30 years of blazing a trail for African Americans through the banking community. He is an excellent role model and we all wish him continued success in his new ventures.

COLUMBIA COLLEGE CHICAGO

HON. JESSE L. JACKSON, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. JACKSON of Illinois. Mr. Speaker, I am pleased to recognize the fifth-largest private institution of higher education in Illinois, Columbia College Chicago, as it starts the 1999–2000 school year. Columbia College Chicago is an undergraduate and graduate college in downtown Chicago whose principal commitment is to provide comprehensive education in the arts and communication within the context of enlightened liberal education.

Founded in 1890, Columbia continues its dedication to communication arts as well as to media arts, applied and fine arts, theatrical and performing arts, and management and marketing arts. More than one-third of Columbia's 8,500 students are minorities—the largest enrollment of any arts and communications institution in the country.

Dr. John Duff, President of Columbia College continues to develop the foundations of a Columbia education which includes small class sizes that ensure close interaction with a faculty of working professionals who bring the working world into the classroom. The College provides a sound liberal arts background for the developing artist or communicator and supports students' employment goals through a full range of career services.

Outside the classroom, students participate in activities that include the College's student newspaper, radio station, electronic newsletter, two student magazines, cable television, three theaters, dance center, photography and art museums, and film and video festival.

Columbia is an integral part of its community, sponsoring and working with over two dozen diverse organizations, ranging from the African Film Festival to the Chicago Jazz Ensemble. Dozens of other independent organizations are involved regularly with one or another program or department of Columbia. This nurturing of diversity is Columbia's hallmark.

Today, Columbia remains secure in its mission and traditional commitments to opportunity, diversity and career-cognizant arts and media education in a liberal arts context. Mr. Speaker, please join me in recognizing Columbia College Chicago, a unique Chicago institution, which draws both its strength and identity from the city and its students.

IN HONOR OF JIM CRAVENS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Jim W. Cravens as he is honored as Veteran of the Year by the Lincoln Post No. 13 Polish Legion of American Veterans for his outstanding service and dedication.

Jim Cravens began his career of service in the Air Force in February of 1959 as a draftsman and served until 1961. During his retirement he joined the Local Junior Chamber of Commerce and pursued his lifelong hobby of derby racing by working with the local youth in building racers. His youthful enthusiasm has truly been inspiring to everyone he has encountered.

In 1963, Jim Cravens began his work with the Cleveland Board of Education in the Architectural Department. Later, because of his community and political involvement, he was elected president of his neighborhood group and the Local War Democratic Club. In 1979 he was elected to the Cleveland City Council and in 1982 Jim Cravens started his work with the Cuyahoga County Board of Elections.

Jim Craven's participation with the Polish Legion of American Veterans began in 1992 when he was a social member, then was later asked to take the position of 2nd and 1st Commander and now he holds the position of commander. As commander, Jim Cravens has worked hard to pay off old death benefits, improve the post both inside and out, and put it back on sound financial ground while taking care of other duties. In addition to his service to the Polish-American veterans, Jim was a member of the Polish Americans Inc, the Polish American Congress, the Amateur Athletic Union USA, and is still serving as ward leader of Cleveland Ward 12 as well as vice president of the Merchant Guild of the Slavic Village.

My fellow distinguished colleagues, please join me in honoring Jim W. Cravens as he is honored by the Polish Legion of American Veterans as Veteran of the Year.

TRIBUTE TO EDUARDO CASTELL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. TOWNS. Mr. Speaker, I want to recognize the achievements of Eduardo Castell, a resident of the Park Slope neighborhood in Brooklyn, New York.

"Eddie", as he is known amongst his colleagues and friends, has committed himself to a life of public service. Even as an honor student at Connecticut College, he served on that College's Board of Trustees as a Student Representative. He later joined the staff of our colleague, the late Congressman Ted Weiss, where he was instrumental in the passage of legislation that required credit reporting agencies to list delinquent child support payments on individuals' credit reports. This law, strongly supported by women and children's advocacy groups, has been instrumental in identifying and correcting the abusive practices of "dead beat dads".

He joined the staff of Congresswoman NYDIA VELÁZQUEZ where he rose from the position of Legislative Director to Chief of Staff. During his tenure with Congresswoman VELÁZQUEZ, Eddie drafted legislative proposals on education, housing, banking, and insurance including a "hate crimes" initiative which funds organizations education and prevention in schools. He was also instrumental in bringing nearly $20 million in Federal monies for economic development to Brooklyn.

Currently, Eddie is Special Assistant to William C. Thompson, Jr., President of the New York City Board of Education, a position he has held since 1997. In this capacity, he advises President Thompson on education policy and administrative oversight of the nation's largest school system. Eddie has led efforts to expand minority procurement and contracting and to explore alternatives for building new schools. He was also involved in the passage of a citywide school uniform policy.

Never one to limit his community activism, Eddie serves on the Board of Directors of Neighbors Helping Neighbors, a Brooklyn-based not-for-profit housing and business development organization. He is a former Advisory Board member of the Brooklyn Legal Services Corporation. He and his wife, Jennifer, have one son, Carlos.

I salute Eddie Castell for his commitment to a career of public service.

HONORING VISIONONE

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor VisionOne, Inc. for being an economic force that attracts high-tech skills and companies to the Fresno area, as well as delivering the most affordable e-business solutions and Internet technologies to the region. I had the privilege of attending VisionOne's ribbon cutting ceremony on July 8, 1999 as they officially opened their new Fresno location.

VisionOne is a privately held international corporation that was founded in 1998, with United States headquarters in Fresno, and additional offices in Switzerland, Mexico, Germany, Chile, and Brazil. The specialty of VisionOne lies in their ability to provide user-maintainable e-business solutions and Internet technologies. Their mission is to help clients in various industries conduct cost-effective and successful online business. With a focus on e-business solutions and Internet technologies, VisionOne is strategically positioned as a force that will attract high-tech skills to the Central Valley.

VisionOne is a creative company with a high-tech gut. Their philosophy is to never lose sight of the fact they are developing technology for users, not users for technology. The solutions VisionOne offers derive value to the extent they simplify lives and overcome business challenges.

Mr. Speaker, it is my pleasure to honor VisionOne for its commitment to the financial prosperity of Fresno and the Central Valley. I urge my colleagues to join me in wishing VisionOne many more years of continued success.

TRIBUTE TO MR. GEORGE B. SALTER

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. RUSH. Mr. Speaker, I rise today to pay tribute to one of Chicago's unsung heroes, the late George B. Salter. His untimely death on October 24, 1999, will truly leave a deep void in our community.

Mr. George B. Salter was born in Hickory, MS on October 13, 1916 to the union of Sallie Johnson Salter and Frank Salter. Mr. George B. Salter later married his high school sweetheart Louise Lucille Salter. To this union two daughters were born, Brenda Yvonne Salter and Henrietta Louise Salter.

A Navy veteran, Mr. George B. Salter committed a part of his life to protect the freedom of Americans and to further the fight for the freedom of others around the world. While in the Navy Mr. George B. Salter was a member of the prestigious Navy band playing the Trumpet while stationed in Earl, NJ.

Mr. George B. Salter was employed by the Chicago Burlington and Quincy Railroad (presently Burlington Northern Santa Fe Railroad) where he rose in the ranks and became the first African-American to be appointed to the position of crew supervisor. Mr. George B. Salter was a steadfast believer that with the proper amount of work anything was possible.

Mr. George B. Salter took an active part in his community. This was seen in his utmost commitment to his vocation as God's faithful servant. As a senior usher in charge of the balcony at Liberty Baptist Church, George B. Salter enjoyed helping Liberty's official greeters bring their children to the steps. Mr. Salter brought hope and optimism to ordinary folks whose lives he touched so deeply never holding anyone at arm's length.

Mr. George B. Salter was a relentless community builder, a loving father, and a doting grandfather, completely unselfish in all of his endeavors. Mr. Salter leaves behind this devoted wife of 58 years Louise, his daughter Brenda Salter Jones married to James Jones Jr., Henrietta Salter Leak married to Spencer Leak Sr., and four beautiful grandsons James Jones, Spencer Leak Jr., Stephen L. Leak and Stacey R. Leak. The man they called "Papa" will surely be missed.

My fellow colleagues please join me in honoring the memory of Mr. George B. Salter, a true beacon of the Chicago community.

CONDEMNING THE ASSASSINATION OF ARMENIAN LEADERS IN ATTACK ON PARLIAMENT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. WAXMAN. Mr. Speaker, it is with great sadness and shock that I rise to mourn the loss of Armenian Prime Minister Vazgen Sargsian, Speaker of the Parliament Karen Demirchian, and the Members of Parliament who were killed in the legislature on Wednesday, October 27, 1999. Their exemplary leadership contributed immensely to the bold political and economic reforms that are transforming Armenia into a vibrant democracy. Their dedication helped Armenia evolve toward transparency, peace and stability. It is painful that the attack takes place at such a hopeful time in the Nagorno-Karabakh peace talks, and only one month after the Prime Minister's successful trip to the United States.

As a member of the Congressional Caucus on Armenia, I condemn these acts of terror. It would be an injustice to the memory of these courageous leaders to let an assassin's bullets disrupt their important work. I join the President, the Vice President and my colleagues in extending my deepest condolences to the families of the victims, President Kocharian, the Armenian people, and their friends in America. Our thoughts and prayers are with them doing this difficult time in their history.

URGING AN END OF THE WAR BETWEEN ERITREA AND ETHIOPIA

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 26, 1999

Mr. GILMAN. Mr. Speaker, Ethiopia and Eritrea have been at war since May 1998. Despite repeated and ongoing efforts of the Organization of African Unity, the United Nations, the United States, and other countries, the prospects for peace remain dubious.

Although a border dispute is cited as the proximate cause of the conflict, I have come to learn that tensions between these countries were building for some time, and some grievances between them precede their existence as national governments.

Both countries are governed by ex-liberation movement parties with a Marxist ideological background. The populations of both countries are highly mobilized, with more than half a million men and women currently under arms, in trenches and bunkers, across a 1000-mile border. Each country has waged a scathing propaganda campaign against the other. Many of the Members of this Congress have been subjected to that propaganda for the past 17 months.

President Clinton once held up the leaders of Eritrea and Ethiopia as shining examples of Africa's "New Generation of Leaders." He correctly pointed to their governments' lack of corruption and their genuine desire to advance the development of the rural poor. Regrettably, these "new" leaders appear to have a few stubborn flaws of their own.

Ethiopia, for example, has been stalling the OAU mediators and Special Envoy Tony Lake to avoid moving forward on the same peace agreement that they once vigorously embraced. They have become paranoid about the power and intentions of their neighbor to the north. It now appears likely that Ethiopia is going to renew the military conflict even if it means international condemnation and a new generation of Ethiopian widows. Their sovereignty, they claim, must not be compromised.

Eritrea's government also deserves scrutiny. It continues to act at times as if it were still a leadership cell within a liberation movement. The press in Eritrea is tightly controlled, local NGO's who gain too much foreign support come under suspicion and are frequently shut down by the government, and the sole political party raises revenues through national and international front companies. Eritrea's leadership has cut deals with Libyan leader Muammar Qaddafi and made highly personal attacks on senior United States officials. When asked why they agreed to the peace agreement only after Ethiopia militarily pushed them back well into Eritrea from one area they'd occupied, they say that it was a matter of "national sovereignty."

This resolution is, in my opinion, an extremely mild expression of the deep frustration and disappointment that many of us feel. We are dismayed that two countries with extraordinary human capital, a firm commitment to nation-building, and a rich international base of support have chosen to reenact World War I's Battle of the Somme with modern weaponry.

What a terrible waste.

I support this measure and urge my colleagues to do likewise.

TRIBUTE TO MRS. JOHN SPARKMAN OF HUNTSVILLE, ALABAMA

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. CRAMER. Mr. Speaker, I rise today to pay tribute to a long-standing citizen of my district, Mrs. Ivo Sparkman, widow of U.S. Senator John Sparkman. Mrs. Sparkman passed away last week, 2 weeks after celebrating her 100th birthday.

During their 62 year marriage, Senator and Mrs. Sparkman made their way from Albertville, Alabama all the way to Washington, D.C. and then settled in downtown Huntsville.

In later years, Mrs. Sparkman discovered a real artistic talent, painting, and she produced several colorful paintings for family and friends. She also possessed a true love for nature enjoying gardening and bird-watching.

As the wife of a longtime U.S. Senator, Mrs. Sparkman exhibited a keen interest in politics and hosted many dignitaries at her home through the years. The Sparkman's time in Washington proved very beneficial to my district as Huntsville's space program began to thrive under their leadership.

Alabama and the nation displayed their affection for Mrs. Sparkman at her October 6th birthday party. Former U.S. Senator Howell Heflin attended the party, held on "Ivo Sparkman Day" as proclaimed by Mayor Loretta Spencer and Governor Don Siegelman. Letters poured in from all over including special notes from Lady Bird Johnson and Annie and John Glenn.

I believe this is a fitting tribute for one who has dedicated many years to serving the nation and Alabama. I send my condolences to the Sparkman family. On behalf of the people of Alabama's 5th Congressional District, I join them in celebrating the extraordinary life and honoring the memory of a wonderful lady, Mrs. Ivo Sparkman.

OPPOSITION TO THE CONFERENCE REPORT ON FISCAL YEAR 2000 COMMERCE-JUSTICE-STATE APPROPRIATIONS, H.R. 2670

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Ms. PELOSI. Mr. Speaker, my statement in opposition to the Commerce, State, Justice Appropriations Conference Report on the Fiscal Year 2000 Commerce-Justice-State appropriations bill was inadvertently left out of the RECORD. The following is the statement I had prepared.

I have the greatest respect for the Chairman and Ranking Members of this Subcommittee and am, therefore, disappointed in the need to oppose the Conference Report, however it is deficient in several critical ways, particularly in not paying our UN debt, in not including the Hate Crimes Prevention Act, and in under funding the Community Oriented Policing Service (COPS) program.

First, this Conference Report does not provide the needed funds to address one of our greatest and most immediate current foreign policy needs. The Conference Report does not provide the funding to pay our United Nations dues.

Great nations pay their bills. It is a travesty and a very poor reflection on this institution that the United States has fallen more than $1 billion behind in our payments to the U.N.

Today, we could and should be solving this problem. However, the Republican leadership has chosen, instead, to allow this important international obligation to be held hostage to the domestic politics of the far-right by continuing the connection between U.N. dues and the unrelated issue of restrictions on international family planning.

There are many consequences to the U.S. not paying its UN bills. Most immediately, if we do not pay a significant portion of our arrears this year, we will automatically lose our vote in the General Assembly. I cannot believe that this Congress could even consider allowing such a step to occur—but, unfortunately, it has done so repeatedly in the past few years and there is a real possibility that it will again this year. In light of the majority's recent rejection of the Comprehensive Test Ban Treaty in the Senate, not paying our UN dues marches this Congress further down the path of neo-isolationism.

We used to be told by our colleagues who oppose the UN that their objections to UN funding were based on concerns about inefficiencies and bureaucracy at the UN. Those issues have been and continue to be addressed. The UN is reforming. We use our leverage to continue those reforms when we continue as a deadbeat in our dues.

Now, of course, our U.N. dues have not been paid because they are being held hostage to a totally unrelated matter—the Mexico City gag rule and the politics of the religious right on the other side of the aisle. It is long past time for this to stop and for the United States to live up to its international obligations.

The people of San Francisco, who I am honored to represent here in Congress, understand the importance of the United Nations. Our great City is the birthplace of the UN—the UN's Founding Charter was signed in San Francisco over 50 years ago. San Francisco's interest in the UN goes well beyond our historical connections to the institution. San Franciscans take seriously the principles and the ideals behind the UN, including the belief that a multinational institution can play a valuable role in conflict resolution and the promotion of peace.

I believe that the U.S. has a national interest in a reformed United Nations that functions effectively and efficiently. We must provide it with the needed resources.

The second major problem with this Conference Report is the removal by the Conference Committee of the Hate Crimes Prevention Act.

One year ago, many of us spoke on this floor about the tragic and brutal murder of Matthew Shepard, a gay college student. Matthew was courageously willing to be open about who he was. He suffered because of who he was. This is simply wrong.

Unfortunately, Matthew is not alone. According to the National Coalition of Anti-Violence programs, in 1998, 33 Americans were murdered because they were gay or lesbian. In the United States last year, there were at least 2,552 reports of anti-gay or lesbian incidents. The number of serious assaults in which victims sustained major injuries grew by 12%.

Hate crimes take many forms and affect many different kinds of victims. We all remember the horrible murder last year of James Byrd, Jr., an African-American man in Texas. We all remember earlier this year, when a gunmen opened fire at a Jewish Community Center and then singled out an Asian American and shot him. How many more deaths, how many assaults on the personal integrity of people, need to happen before this Congress will see the need for hate crimes legislation?

The Hate Crimes Prevention Act would provide law enforcement officials with needed tools to fight these crimes, and would serve as a lasting tribute to the lives of Matthew Shepard, James Byrd, Jr., and the others who have been victimized by hate crimes. The Hate Crimes Prevention Act would not end all violence against people because they are gay, or African-American, or Jewish, or come from another country. Nonetheless, this legislation would allow the federal government to investigate and punish crimes motivated by hate. If this law prevents one hate-driven death, it will be justified.

The murder of Matthew Shepard is the manifestation of the enduring bigotry that still prevails in our society. The Hate Crimes Prevention Act should be included in the Commerce, Justice, State Appropriations bill.

I also believe that this Conference Report is deficient because it provides only $325 million for the Community Oriented Policing Service (COPS) program. This funding level is a cut of $1.1 billion below last year's funding and $950 million below the President's request. This cut is wrong. The COPS program has been successful in adding officers to local law enforcement agencies and has had a real impact on preventing crime and promoting neighborhood and community safety.

Because the CJS Conference Report does not pay our UN debt, because it does not contain the Hate Crimes Prevention Act, because it inadequately funds the COPS programs, and for other short-comings in important programs, I urge my colleagues to oppose the Conference agreement.

TRIBUTE TO REVEREND EDWARD R. SHERRIFF

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. MATSUI. Mr. Speaker, I rise in tribute to Reverend Edward R. Sherriff. On October 20, 1999, Reverend Sherriff was stabbed to death in his home in Sacramento. A memorial service will be held on November 7 at River City Metropolitan Community Church's Cathedral of Promise in Sacramento. As the community mourns his loss, I ask all my colleagues to join with me in saluting the career and efforts of this exceptional person.

Reverend Sherriff was born in Serdro-Wooley, Washington and raised in Northern California on the Hupa Reservation. He began preaching locally at age seventeen. This childhood interest grew into a career. He was the pastor of several congregations and coordinated churches in the Northwest U.S. and in Canada. In 1965, he was dismissed as a result of his sexual orientation, and he did not enter another church for 19 years.

His life in ruin, Reverend Sherriff borrowed money to buy a restaurant. This venture eventually expanded to five extremely successful eateries. During this time, he also financed a homosexual hotline in Spokane, Washington, taught nursing for the state of Washington, and volunteered his time to help the needy and hungry.

In 1983, Reverend Sherriff attended a service at Emmanuel Metropolitan Community Church in Spokane, Washington. Because of this open and caring environment, he was convinced to rejoin the ministry.

Reverend Sherriff briefly served as a pastor of the MCC church in Boise, Idaho, and he served as District Coordinator of the Northwest District, Universal Fellowship of Metropolitan Community Churches from 1987–1992. From 1990 to 1992, Reverend Sherriff served as Executive Director of the Hope House, a low-rent residence facility operated by Loaves and Fishes.

Edward Sherriff began his tenure as Associate Pastor of River City Metropolitan Community Church in Sacramento in 1987. His office was located in the church building in Oak Park, a multicultural community in a depressed area of Sacramento. He made a practice of inviting cold and hungry people off the street to come in for a cup of hot coffee. As the news spread, more and more people began to flock to the Reverend's door.

Due to his nursing background and interest in feeding the needy, nutritional concerns were of utmost importance in formulating his outreach to the community. In 1990, he began cooking a pot of soup for the 10 or 20 hungry people who had nowhere else to go for a warm meal.

In the early 1990's Reverend Sherriff and MCC began the Samaritan Center to provide held for the needy regardless of religious affiliation, race, creed, sex, or sexual orientation. The Samaritan Center used volunteers and the church's kitchen to prepare the meals and used the church's social hall to serve the meals. The number of hungry people continued to grow, and in 1992, Reverend Sherriff resigned his District Coordinator position and dedicated his time to the Samaritan Center.

In 1994, MCC's Activities Building, which housed the Samaritan Center, burned to the ground. At the time, the Samaritan Center was providing about 400 hot meals per day. As a result, the center was promptly moved to a new location and continued the services to the community. In September of 1999, the Samaritan's Food Bank program, together with Reverend Sherriff's coffee shop, had helped feed over 4,200 people.

Mr. Speaker, as the community of Sacramento gathers to mourn the loss of one of its finest citizens, I am honored to pay tribute to Reverend Edward R. Sherriff. His tireless service to the community and people of Sacramento will be dearly missed. I ask all of my colleagues to join me in mourning his loss and celebrating his achievements.

HONORING WWI VETERAN, JOHN STRONG

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor World War I veteran, John Strong, Mess Attendant 3rd Class, U.S. Navy. The Government of France has approved Mr. Strong for the award of The National Order of the Legion of Honor.

The National Order of the Legion of Honor is the highest honor France bestows on its citizens and foreign nationals. It is presented in gratitude for the American valor in France during World War I and in recognition of the 80th anniversary of the signing of the Armistance on November 11, 1918.

John Strong is 101 years old, and a long time resident of Fresno and the San Joaquin Valley. He served as a Mess Attendant 3rd Class with the U.S. Navy in World War I. He left for Brest, France on the U.S.S. *Passtora* and served aboard a submarine in France. John Strong vividly remembers surviving a torpedo missile attack by the Germans. The torpedo landed three or four feet away from the submarine that he was on and many sailors were killed as a result of the attack. Mess Attendant 3rd Class Strong was one of the few fortunate sailors to survive and he has never forgotten this incident. He was honorably discharged from the U.S. Navy on September 25,1919.

John Strong has since been a minister of the Gospel of the Jesus Christ Church. He entered into the ministry in 1929 and over the years has pastored in five churches. He was an active minister until 1998.

Mr. Speaker, I want to honor the Reverend Strong for his dedication to the U.S. Navy. I urge my colleagues to join me in wishing John Strong many more years of continued success in life.

TRIBUTE TO WINSOME McLEAN-DAVIS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. TOWNS. Mr. Speaker, I want to bring to my colleagues' attention the achievements of Ms. Winsome McLean-Davis.

Ms. McLean-Davis is currently the administrator for the Bishop Henry B. Hucles Episcopal Nursing Home which is a 240-bed skilled nursing facility in the Bedford-Stuyvesant section of Brooklyn. Through her leadership and pioneering spirit, the facility opened an adult day care program in April of this year. The Episcopal Nursing Home has also received a deficiency-free assessment from the Department of Health.

Winsome's contributions to our community go beyond her accomplishments in the successful operation of this nursing facility. As Vice President of her local block association, Winsome has focused on improving her community. In an attempt to develop community support groups, Winsome organized a summer program for children and youth. Currently, Winsome also serves as the Vice President of the Black Long Term Care Administrators' Association (BLTCA).

Our community has greatly benefited from Winsome's strong moral commitments. She credits her father, Curlin Thomas McLean, a trade union leader in Jamaica with instilling in her the principle that "investing in another's life is the real sign of true service." Her mother, Ruby, by example, continues to enforce these values. Winsome completed her undergraduate and graduate studies at the University of the West Indies and Howard University. She completed post-graduate studies in gerontology at the Brookdale Center on Aging of the City University of New York.

Winsome is married to Kenneth Davis and they have a five-year-old son, Andrew. Ms. McLean-Davis is truly an inspiration to her fellow administrators and a pillar in her community. I commend her to my colleagues as an outstanding example of a community leader.

TRIBUTE TO CLAUDE C. STEWART, JR.

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. CLYBURN. Mr. Speaker, I rise to pay tribute to Claude C. Stewart, Jr. Although he is no longer with us, his life stands as a testament to the value of hard work and a strong commitment to family. However, "June," as he is fondly known, liked to believe that he led an ordinary life.

He was born on September 7, 1923 in Union County, South Carolina. He was the 18th child of Claude C. Stewart, Sr. and Janie Means Stewart. Other than a 22 month stint serving in the U.S. Army during World War II, June spent most of his childhood and adult life in Columbia.

For more than 40 years, he worked for Johnson's Funeral Home and Palmer Memorial Chapel. However, "June" is best remembered for his service to the Columbia, South Carolina, Fire Department. In 1953, he was selected one of the first eight African Americans to work at the department. Hard work and dedication enabled June to rise through the ranks and become the first black Engineer, Captain, Battalion Chief and Assistant Chief. In June 1989, he retired as Assistant Chief after 36 years of service.

Outside work, "June" was a dedicated member of Second Calvary Baptist Church were he served on the Deacon Board. He was also a member of Masonic Lodge #47 and the Veterans of Foreign Wars.

Until his death, June was married to Bertha Williams Stewart for 46 years. They had two children. Their son, Claude David, predeceased his father. Their daughter, Claudette, married Leonard Hampton and has one son, Terrance Claude Hampton, whom "June" affectionately called his "Man."

Mr. Speaker, I ask you to join with me and my fellow South Carolinians from the Columbia area as we pay tribute to Claude C. Stewart, Jr. "June" showed us how to turn the glory in an ordinary life into the extraordinary. He will be sorely missed.

TRIBUTE TO ANN MELLON

HON. JAMES P. McGOVERN

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, November 1, 1999

Mr. McGOVERN. Mr. Speaker, today I rise to honor the life of a great American, Ann Mellon, from my hometown, Worcester, Massachusetts. Ann was an amazing woman. She was known throughout the community as mother to all those in need, loving all children no matter whose they were.

Working with Catholic Charities she served as a foster mother to over 116 children whom she loved with all her heart and being. It is my opinion that the whole world is a better place because of her work.

A loving wife and mother, Ann was a nurse and caregiver to all those who needed care. She gave enduringly of herself, always with compassion and most of all love. She was a happy person, always laughing with the children she loved so dearly. Her door was always opened to the hungry. She was always able to provide them with a meal, a laugh, and a good dose of the best medicine of all, the medicine of the heart. Mr. Speaker, today I join her family and friends, as well as the entire Worcester community, in mourning her passing.

CONSUMER ACCESS TO A RESPONSIBLE ACCOUNTING OF TRADE ACT

HON. TONY P. HALL

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, November 1, 1999

Mr. HALL of Ohio. Mr. Speaker, I rise today to introduce the Consumer Access to a Responsible Accounting of Trade Act of 2000.

This bill aims to give Americans the same information about diamonds that they have about other products they buy. I believe it is information that may be of increasing interest to them, as attention focuses on some regions' reliance on diamonds to fuel wars there. This link between dirty diamonds and war is at the root of much evil in Africa today.

Mr. Speaker, I want to make it clear that war—and not diamonds—is the root of these evils. Botswana went from the poorest country in the world to become one of Africa's greatest success stories—a success built on the careful investment of diamond revenues in the nation's people. In Namibia and South Africa, too, diamonds have been the fuel for tremendous progress.

Sadly, and especially so for those of us who have hoped and worked for a brighter future for all Africans, fighting is again overshadowing prospects for progress in several other African nations. In two—Liberia and Sierra Leone—peace agreements have stopped most of the fighting; in the Democratic Republic of Congo, a fragile cease-fire is holding so far; and in Angola, war threatens to drag on for some time. In all four countries, revenues from diamond mining have fueled these wars and made their continuation possible.

Sierra Leone is a dramatic example: Rebels there went from a rag-tag bunch of 400 soldiers, to a formidable force numbering more than 20,000. The revenues from the diamond mines they seized ensured they never wanted for the best in weapons or gear, and they enabled these butchers to cut off the hands and arms of civilians in punishment for casting ballots. In all, $200 million a year in diamond exports funded the bloodshed that killed 50,000 people in Sierra Leone this decade.

Angola's seemingly endless war is another example. Rebels again are waging the war that has cost a million people their lives, has driven more than a million from their homes in the past year, and now threatens two million with famine. Their weapons, including land mines that make Angola the deadliest place in the world, are purchased with diamond revenues totaling nearly $4 billion this decade.

Through their greed and craven brutality, rebels and dealers in dirty diamonds risk tarnishing the appeal of diamonds to consumers, and their promise to impoverished African nations. I believe the CARAT Act will help protect these democracies from the shame that these outlaws are bringing to the diamond trade.

The information my bill provides to consumers can be given without hesitation by those trading in diamonds mined in Botswana, South Africa, Namibia, Canada, Australia, and Russia. It will reassure Americans that the symbols of love and commitment they cherish were never darkened by the shadows of machetes or land mines, and that their investment was not used to buy guns or bombs.

Mr. Speaker, I commend the efforts of Global Witness, a coalition of human rights organizations working to draw worldwide attention to the link between the illicit trade in diamonds and wars in Africa. The "Fatal Transactions" campaign they have launched is a responsible effort, one that aims to shield those engaged in legitimate trade from public outrage. That is very important, because activists will play a crucial role in shaping public opinion about the diamond trade. If diamonds go the way of fur—if they become a pariah product in the eyes of many consumers—democracy in Southern Africa could be shaken, and regional stability put at risk. I am heartened that Global Witness' member organizations are exercising greater caution to ensure this does not happen. I hope that, by giving consumers information they can use to understand this issue, my bill will provide another safeguard.

I also hope this legislation will support work on this issue by policymakers, and I commend to our colleagues' attention the efforts of our State Department, of Secretary Albright, of Britain's Robin Cook, of Canada's Robert Fowler, and of the many experts in government, non-government, and business organizations working to sever the link between war and gems.

The supply-side approach they are taking offers the promise of a global solution, and I hope they succeed. In the meantime, however, the United States can play a bigger role in this noble effort. In fact, the way to have the most constructive impact might be by exercising our purchasing power wisely.

Mr. Speaker, Americans buy 65 percent of the gem-quality diamonds sold worldwide, making us a force the market must reckon with. Insisting that our consumers are informed of the original source of diamonds sold to them will send a wake-up call to the diamond industry. It will encourage countries and businesses in Africa to use their influence to end the wars that wreak so much havoc on that continent before those wars give diamonds a bad name. And it will help protect the democratic nations that are using their diamond revenues for the good of their people.

Mr. Speaker, in the past decade our Nation has spent nearly $2 billion in humanitarian aid to people who live in the nations where "conflict diamonds" are fueling wars. Over the same period, at least three times that much was siphoned away from those same nations' diamond mines; too much of it was spent on weapons that cost millions of Africans their lives and limbs, and reversed years of economic progress their countries had made.

Where would these nations be without those wars? The contrast between Botswana, which invested its diamonds in its people, and Sierra Leone, which invested them in war, is striking.

Africans in Botswana live to age 52, on average; in Sierra Leone, they die at age 35.

In Botswana, 7 in 10 people can read; in Sierra Leone, 7 in 10 cannot.

In Botswana, annual per capita income is nearly $6,000; in Sierra Leone, it is just over $600.

Mr. Speaker, as Members of Congress we have a civic responsibility to invest our taxpayers' money wisely. We also have a moral duty to help those who Scriptures call "the least of these." Neither allows us to ignore the root cause of the terrible suffering that this legislation seeks to address. We should not rush into enacting any ill-advised sanctions; but neither should we continue to look away from a problem we could do so much to eliminate.

In this decade, we have had no opportunity to get to the root of this evil like the one we have today. The hideous war in Sierra Leone has ended; Liberia is rebuilding its economy and society; and United Nations sanctions block the sale of diamonds by UNITA rebels in Angola. Only in the Democratic Republic of Congo do illicit sales of diamonds threaten peace. Now is the time to take preventive action to sever one of the key lifelines of war in Africa.

In preparing this bill, I have learned that diamonds are judged by what experts call "the four C's"—cut, color, clarity, and carat weight. I believe the day is coming when diamonds also are judged by a fifth C—their country of origin. the CARAT Act will ensure consumers know all five C's, and help them—if they choose to do so—use their purchasing power to support those who are using diamond revenues to wage war against their people.

My bill is a simple one, Mr. Speaker. It simply requires gem-quality diamonds imported into the U.S. market to be accompanied by a certificate listing where they were mined. But it will also remind those who depend on our business that Americans are powerful and responsible consumers. It will protect the democratic nations in Africa that depend on diamond revenues. And it enables American consumers to choose not to support the oppressors of African people who have paid too dearly, and for too long, the price of war.

TRIBUTE TO THE TORRANCE UNIFIED SCHOOL DISTRICT

HON. STEVEN T. KUYKENDALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. KUYKENDALL. Mr. Speaker, I rise today to recognize the Torrance Unified School District. This school district has taken the initiative in addressing youth violence by implementing a systemwide program for conflict resolution.

Highlighting themes of compassion, respect, and character, this program works with the students and adults to help them to better understand and manage the conflicts they encounter in their own lives, as well as the challenges that they encounter in society. It also works to eliminate prejudices and further the practices of the nonviolent resolution of conflict.

It is programs like this one that are proactive in preventing the violence at our schools that we have become all too familiar with. It is clear that something must be done to prevent our youth from resorting to violence. Torrance Unified is committed to its students and creating a safer, more peaceful learning environment, as well as a safer community as a whole.

Torrance Unified was recently recognized by the Los Angeles Board of Supervisors, and it has also been featured at the World Congress on Violence and Human Coexistence in Ireland. This school district will continue to be a model for addressing the tough issues of conflict and youth violence. We need more programs like this one.

I commend the Torrance Unified School District's commitment to conflict resolution and their efforts in creating a safer community for the people of the South Bay. I wish them continued success with this significant program.

CONGRATULATIONS TO JAMES ECKMANN

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. CUNNINGHAM. Mr. Speaker, I rise today to congratulate my constituent, Mr. James Eckmann. Mr. Eckmann just returned from a volunteer mission with the International Executive Service Corps in El Salvador. During his time Mr. Eckmann provided managerial and technical assistance to improve the lives of the people there.

Specifically, Mr. Eckmann volunteered with Dr. Francisco Jose Barrienjos and provided advice and assistance to Dr. Barrienjos' small law firm on various aspects of working with American law firms and representing American companies. Mr. Eckmann also gave suggestions on client communications, marketing, employee relations, accounting and administrative procedures.

Mr. Eckmann conducted this activity under the auspices of the International Executive Service Corps (IESC), an international management and business development organization. IESC has provided assistance to more than 21,000 projects during the last thirty-four years to business, government and nonprofit groups around the world.

James Eckmann deserves our congratulations for a job well done. I know that he is proud of his accomplishments, and I am proud to have him as my constituent.

ANTHONY SAPP—NFL TEACHER OF THE MONTH

HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. TAYLOR of North Carolina. Mr. Speaker, Anthony Wayne Sapp, a mathematics teacher at Charles D. Owen High School in Black Mountain, North Carolina was named the NFL Teacher of the Month for the Month of September. The National Football League will grant a cash award of $2,500 to Mr. Sapp and $5,000 to Owen High School as part of this program.

Mr. Sapp has taught at Owen High School for 22 years, specializing in mathematics. In addition to his regular load of classes, Mr. Sapp also is the coach of the high school math team, which consistently represents the school well at competition and has produced many exemplary performances by its members. It was one of Mr. Sapp's former students, and an exemplary performer himself, who nominated Mr. Sapp for this honor: Quarterback Brad Johnson of the Washington Redskins.

Brad Johnson, a native of Western North Carolina, has been very active in community service with organizations such as Children's Miracle Network and the United Way of America. Of course, many would more likely know the work he has done to propel the Redskins back into the ranks of the elite in the National Football League. I am very proud of these two native sons of Western North Carolina who have proven time and again to be among the elite in their respective fields. And once again, I commend Anthony Wayne Sapp for his achievements.

CONFERENCE REPORT ON H.R. 2064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mrs. MINK of Hawaii. Mr. Speaker, today we are considering the conference report on the so-called Labor-HHS FY2000 appropriation measure, even though this measure has not even been voted on by the House. Instead, this Republican leadership decided to pre-conference the Senate measure and attach it to the conference report of the DC Appropriations legislation.

This Labor-HHS appropriations measure is one of the largest and most important measures we take up in each year. It is a massive piece of legislation. The committee report itself numbers hundreds of pages. It covers some of the most important programs that this Government funds—our public education system, the National Institutes of Health, the Food and Drug Administration, and the Occupational Safety and Health Administration. Yet, the Republican leaders decided this measure is too contentious for proper floor debate. So, they opted to pre-conference this measure with the Senate passed bill.

This process is deplorable. It flies in the face of the Constitution. Article I, Section 7 states that "all bills for raising revenue shall originate in the House of Representatives."

Mr. Speaker, the Constitution is not a rough draft. We cannot decide to ignore it because the bill will be too controversial for the floor and we are running out of precious time.

The bill must originate in the House of Representatives. We must be given the opportunity to debate and amend this measure. Only then can the Senate offer its amendments to this legislation.

All too often in recent years, we have faced similar situations where Congress has failed to enact its 13 separate annual appropriation bills in a timely manner. However, this does not mean we can fly in the face of the Constitution.

Today, we voted on a continuing resolution to keep the government running. Although adopting these bills through a series of continuing resolutions is very costly to the taxpayers, it provides us with time to debate and amend these measures properly and constitutionally.

We have now had three continuing resolutions in relation to the fiscal year 2000 appropriation bills. Three continuing resolutions! Yet, the Republican leaders have prevented this measure from being taken up by this House.

The Republican leadership has provided us with no opportunity to amend this measure. We are being denied the opportunity to offer an amendment on behalf of our constituencies.

I don't fault the Appropriations Committee. They have worked hard and reported the appropriations bills. We could long ago have acted upon these bills. The Appropriations Committee didn't hold up the bills. The Republican leadership held up this bill because they knew the cuts reported out of the House Appropriations Committee would not help their public image. So, they decided to bypass the House of Representatives!

Only now, are we getting to debate this measure. But what exactly are we debating? This conference report was only filed last night. We have not had an opportunity to review it and see what is really in this report.

What I know is bad enough. It includes an across-the-board cut of 0.97%, and it undermines the Administration's class-size reduction initiative by giving districts the option to use the money on any other use that improves academic achievement. I can only imagine what has been sneaked in behind closed doors.

But the worst part about this charade is the way that we have flaunted the Constitution.

"THE IMPORTANCE OF CBI LEGISLATION"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. RANGEL. Mr. Speaker, as we approach consideration by the U.S. Senate of legislation to build a stronger trading and commercial relationship between the United States and the nations of the Caribbean Basin and Africa, it is good to be reminded by the leadership of the affected nations how critical this legislation is to their economic growth and development, while simultaneously aiding the United States by strengthening our export markets and creating new jobs.

The new President of El Salvador, Francisco Flores, wrote a persuasive opinion editorial which was published in the Journal of Commerce on Tuesday, October 19, 1999. He rightfully concludes, after analyzing the beneficial impact of the Caribbean Basin Initiative upon the Caribbean Basin since its enactment 16 years ago, that the trade and commercial relationship between the region and the United States is critical, even essential, to economic development and growth in the nations of the region and is a prerequisite to political and social stability in the region. President Flores says "The enactment of CBI is the single most important thing that the United States can do to assist in the long-term development of Central America and the Caribbean region."

I am pleased to submit President Flores' editorial for the RECORD.

THE CASE FOR CARIBBEAN TRADE ENHANCEMENT

(by Francisco Flores)

As early as this week, it is anticipated that the Senate will vote on passage of trade enhancement for the Caribbean Basin. This legislation has been pending before the U.S. Congress for five years.

Last month, the presidents of Central American countries, along with the president of the Dominican Republic and the prime minister of Trinidad and Tobago, visited Washington to advocate the passage of Caribbean Basin Initiative enhancement legislation.

We decided to visit Washington to meet with the U.S. government because enhanced trade with the United States has become critical to the region's ability to promote economic growth and maintain social and political stability.

As a region, we are urging Congress to approve legislation that enhances trade benefits to the CBI nations, so that regional exports that are currently excluded under CBI are able to enjoy quota-free and duty-free access to the U.S. market.

In simple terms, we are requesting that the trade playing field be leveled so that we can help ourselves. We regard CBI enhancement legislation as a stepping stone to the negotiation of a free-trade agreement between Central America and the United States.

Enhanced trade will create an expansion of economic opportunities that are urgently needed to preserve our region's stability by creating employment and encouraging international and domestic investment.

Conversely, a lack of trade benefits will postpone the prosperity of our region, and our democratic institutions could be threatened if governments fail to meet the expectations of the people.

An expansion of economic opportunities between the United States and Central America would provide an incentive to prevent Central Americans from emigrating outside the region to seek better jobs and living conditions. Hence, free trade will also constitute the best prevention policy against uncontrolled migration from the region that the United States can implement.

Enhanced trade between the United States and the region will also strengthen the positive trend that we have seen in trade between our two areas during the past decade.

U.S. exports to the CBI countries—among which exports to Central America are predominent—have more than doubled since 1989, going from $9 billion to $22.1 billion, creating almost 125,000 jobs in the United States.

CBI enhancement legislation will increase the region's purchasing power for all types of goods and services produced in the United States.

For each dollar exported to the rest of the world by the CBI countries, approximately 75 cents is imported in products from the United States. In marginal terms for each additional dollar in the CBI region's gross domestic product, 44 cents are imported from the United States.

Finally, enhanced trade opportunities for the region will bring a win-win situation for U.S. and Central American businesses.

Enhanced trade will benefit industries such as textiles and maquilas that have contributed to our economic dynamism. In addition, it will provide flexibility to U.S. industries, permitting them to remain competitive in an increasingly competitive marketplace.

In the area of textiles and apparel, extending CBI benefits to vertically integrated apparel production provides the region the best vehicle for attracting investment and creating jobs. We will not be able to compete with Asia and Mexico if we are relegated to a "cut and sew" operation.

In our view, therefore, meaningful CBI enhancement legislation should include:

Tariff treatment equivalent to the North American Free Trade Agreement to products currently excluded from CBI. In the case of sugar, CBI enhancement legislation should include provisions to monitor the effect of NAFTA on CBI countries' sugar access to the US preferential market, and if adverse, to take actions to ameliorate such effects.

Quota-free and duty-free treatment for originating textile and apparel products that comply with the "yarn-forward" rule of origin, including 807-A and 809 programs and those made with regional fabrics formed with regional yarns.

The enactment of CBI is the single most important thing the United States can do to assist on the long-term development of Central America and the Caribbean region.

It is our hope that the Senate will move swiftly to pass CBI enhancement legislation, and that the House and Senate conferees will work to provide the most comprehensive and meaningful trade package for the region.

RECOGNITION OF THE CROATIAN GOVERNMENT'S EFFORTS TO HOLD WAR CRIMINAL DINKO SAKIC ACCOUNTABLE FOR HIS CRIMES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. LANTOS. Mr. Speaker, I would like to invite my colleagues to join me in commending the Croatian Government's vigorous prosecution of Dinko Sakic, the commander of the notorious Jasenovac concentration camp during World War II and one of the worst war criminals alive today. On October 4, Sakic was found guilty in a Zagreb court of crimes against humanity and sentenced to twenty years in prison—the maximum allowable penalty under Croatian law. I welcome and applaud this verdict.

Tens of thousands of Jews, Gypsies, Serbs, and anti-fascist Croats were murdered at Jasenovac, called the "Auschwitz of the Balkans." Mass executions, random killings, torture, and starvation took place there and at other concentration camps run by the pro-Nazi Ustashe regime during World War II. According to evidence presented during his trial, Sakic not only supervised these atrocities, but also took part in many of them himself.

At the end of World War II Sakic fled to Argentina, where he lived for over half a century under his real name. When he was finally deported to stand trial in Croatia last year, Sakic responded to his critics by defending the genocidal policies of the Ustashe dictatorship. "I am proud of all I did," he said. "I regret that we hadn't done all that is imputed to us, for had we done that then, today Croatia wouldn't have had problems, there wouldn't have been people to write lies!"

In addressing his personal responsibility for the atrocities that occurred under his watch at Jasenovac, Sakic asserted the defense made famous by Goering, von Ribbentrop, and other Nazi leaders at Nuremberg: He was simply following orders. "I wasn't making decisions," Sakic declared, despite overwhelming information to the contrary, "but I obeyed the orders consciously because they were in accordance with my convictions of national interests and the efforts to preserve the biological survival of the Croatian people." During the trial, Sakic laughed at camp survivors who testified against him and claimed that he has "no guilty conscience whatsoever." Based on the appalling account of his unspeakable crimes, he certainly should have a guilty conscience.

Mr. Speaker, the Croatian Government's timely and public efforts to hold Dinko Sakic accountable for his crimes merit the appreciation of all who care about international justice and human rights. It is imperative that Croatia's leaders continue to confront the country's World War II past as they have done so effectively with the prosecution of Dinko Sakic and that the Croatian government aggressively oppose World War II and Holocaust revisionism. It is my hope that other newly democratic nations in Central and Eastern Europe will follow the example of the Sakic trial, and that they will work to honor the memory of the millions who lost their lives during the Holocaust.

CELEBRATING THE SUCCESSES OF THE INDUSTRIAL AREAS FOUNDATION AND THE METROPOLITAN ORGANIZATION

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. GREEN of Texas. Mr. Speaker, I rise today to offer my congratulations to the Industrial Areas Foundation Southwest Network and especially to one of their member organizations from Houston, The Metropolitan Organization, for their twenty-five years of service to the disadvantaged and underprivileged communities in the Southwestern United States. During their November meeting in San Antonio, the Industrial Areas Foundation will begin planning a "Domestic Policy Summit" to be scheduled in the Spring of 2000. We wish them success and look forward to their continued involvement in the issues important to our cities.

For 25 years, grassroots organizations in communities across seven states have been working with the IAF Southwest Network to make a difference in the lives of hundreds of thousands of people. The list of accomplishments is a lengthy one, and touches on many aspects of everyday life. In my home state of Texas, IAF Southwest Network has been involved in convincing municipalities to raise the minimum wage to a living wage; in improving the conditions in the communities along the Texas-Mexican border, the so-called "colonias," many of which were without power, water or sewer services; fighting to bring health care coverage to the working poor; convincing the Texas Legislature to match federal dollars the Children's Health Insurance Program, ensuring that children in families up to 200% of the poverty line would have access to health care; securing millions of dollars in funding for after-school enrichment programs that keep children learning in safety instead of roaming the streets; providing job training for workers that lead to good jobs at good wages; and assisting eligible immigrants in acquiring English skills as well as assistance in preparing their application to become citizens.

The Metropolitan Organization in Houston has been at the forefront of these efforts. They have participated in voter registration drives that helped register record numbers of new voters. They have also worked tirelessly to obtain funds for street improvements, parks and recreational centers, and libraries in low-income neighborhoods. Moreover, they have provided aid for those seeking to become homeowners, encouraging people to put down roots and contribute to the revitalization of their communities.

Mr. Speaker, it is organizations like The Metropolitan Organization and the Industrial Areas Foundation Southwest Network that make our nation great. I commend them for their twenty-five years of hard work, and wish them success in their continuing effort to make democracy work for all citizens of our Nation.

RECOGNITION OF THE NEW LEADERS

HON. HAROLD E. FORD, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. FORD. Mr. Speaker, I rise today in recognition of an organization that is vitally important to our society as a whole. The New Leaders is an organization committed to empowering the African American community. Many challenges lie ahead in addressing the concerns of people of color. This organization brings young professionals together to tackle the social, economic, and political problems facing people of color. For five years, this organization used the collective resources of these young professionals to shape public policy.

Using fresh and innovative perspectives that we as policy makers desperately need, this organization has become a part of several youth education and training partnerships. The New Leaders has worked continually to increase African American leadership opportunities and to foster an environment of youth empowerment. As a member of their generation, I realize the importance of looking at our young people as assets and resources.

The New Leaders have made significant strides in this area by designing a leadership development program for middle school students, providing scholarship money to students, and sponsoring the highly successful and effective Take a Youth To Work Day.

Not only are The New Leaders ahead of the curve in advocating youth empowerment they also support a fair and accurate census. Historically, minorities have been under-counted and The New Leaders are committed to Census 2000 in order to ensure equal representation and ample funding to combat some of the growing concerns in the African American community.

Mr. Speaker, I ask you and our House colleagues to join me in recognizing the efforts and the achievements of The New Leaders. I also submit a position paper presented to The White House by The New Leaders for the RECORD.

THE NEW LEADERS

1999 POSITION PAPER ON YOUTH, LEADERSHIP AND THE CENSUS IN THE AFRICAN AMERICAN COMMUNITY

PRESENTED TO THE WHITE HOUSE, SEPTEMBER 18, 1999

The New Leaders (TNL) is a non-profit, non-partisan organization committed to empowering the African American community. For the last five years, TNL has been comprised primarily of Black professionals dedicated to addressing the social, economic and political issues facing people of color. We believe by leveraging our combined resources with a fresh, innovative perspective, our goal of shaping public policy will result in the organization attaining a value-added level of influence in this country.

Building upon the success the Clinton Administration has had in fostering mentoring, expanding investments in youth education and training, and creating the GEAR-UP initiative, TNL recognizes that several partnership opportunities lie ahead. Therefore, TNL recommends that the Administration put forth initiatives that further promote our young people to become actively involved in leadership and government. Additionally, these initiatives will help remedy the misrepresentation of Blacks that resulted from previous under-counts of minorities in past national census counts.

OBJECTIVE FOR INCREASING AFRICAN AMERICAN LEADERSHIP REPRESENTATION

TNL encourages the Clinton Administration to expand existing initiatives and/or create a new initiative design to invest in the development of governmental leadership within African American communities across this nation. To formulate a model that could be duplicated, TNL proposes the development of a demonstration project that creates a leadership institute to train and prepare African Americans to take an active role in government.

CURRENT CIRCUMSTANCES OF BLACKS IN THE POLITICAL PROCESS

Extreme apathy exists among a massive pool of untapped voters across this country. This apathy is prevalent in the Black community, especially among our youth. While reasons vary as to why eligible young voters are so far removed from the political process, we must find a way to reengage these individuals. Our failure to successfully address this issue will result in continued inadequate resources for undeserved minority communities.

TNL'S COMMITMENT TO YOUTH EMPOWERMENT

Over the past few years, TNL has touched the lives of thousands by addressing the social, political and economic state of the African American community. One of TNL's primary interests has been and continues to be our youth—equipping and instructing them to assume responsibility for their own lives and the future of their communities.

TNL has made significant strides in this area by designing a leadership development program for middle school students, providing $88,000 in scholarship moneys through Texas Southern University (TSU), and most importantly, sponsoring our annual Take a Youth to Work Day. Every year this milestone event pairs African American males between the ages of 13 and 18 with professional Black men for a day of mentoring. By partnering with the current administration, TNL seeks to expand our outreach efforts. We will achieve this through continued advancements in technology, creation of charter organizations, and drawing upon the expertise of African American leaders both past and present.

THE HISTORICAL UNDER-COUNT IN THE PAST CENSUS & THE IMPACT ON AFRICAN AMERICANS

Since the inception of the census count, Blacks have been consistently under-counted. As a result, the Black community has been grossly misrepresented and ample funding has not been secured. One area of vital importance is health care. In this area, a new generation of African Americans continue to lead in the disparity of diseases such as: infant mortality, diabetes, cancer screening and management, heart disease, AIDS and immunizations (diseases identified by the Administration's initiative to end racial and ethnic health disparities). As we move towards a new millennium, an under-count in Census 2000 will have an enormous impact on the reapportionment efforts in this country. These efforts in turn could jeopardize minority political representation on the local, state and federal levels.

REMEDYING PAST UNDER-REPRESENTATION OF AFRICAN AMERICANS

It is the contention of TNL that one glaring example of the apathy and distrust of government deals with the under-count of Blacks in the census. While it is understood that federal moneys have been set aside to actively outreach underserved communities, TNL believes that additional steps are needed to address this long standing problem.

TNL recommends that the White House introduce an initiative similar to the one introduced by the Kennedy Administration that encouraged Americans to join the Peace Corps. This initiative would focus on training and empowering young people to become active in government. TNL believes that such an initiative will not only address the issues of inadequate reapportionment, but also concerns regarding reparations as well as the equitable treatment of Black Americans caught up in this nation's burgeoning criminal justice system.

CONCLUSION

In their purest form, true leaders empower the constituency they represent, they take control of adverse circumstances, and they assume the responsibility for a better way of life. The best way to instill this ideology is to train and equip individuals that have been consistently and systematically denied the liberties this country has afforded other citizens.

Therefore, TNL believes that the most effective way to tackle these issues begin with empowering every African-American to become motivated and actively engage in the principals of democracy. If we can accomplish this, we will balance the scales of justice, ensuring fairness and equitable treatment for all, irrespective of race, creed, or color.

A new era. A new America. The possibilities are endless.

FORMER SENATOR PAUL SIMON COMMENTS ON MEDICAL RESEARCH FUNDING

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Ms. DELAURO. Mr. Speaker, I submit the following article for the RECORD.

[From Parade Magazine, Sept. 12, 1999]

"I HAD NO SYMPTOMS OF HEART ATTACK . . ."

(By Paul Simon)

As I look back on my 22 years in the House and Senate, I realize I would like to change a few of the votes I cast. Most people—and politicians probably more than most—hate to admit they are wrong. I was wrong though, and that was brought home to me recently in a most dramatic way.

It started when I happened to read a magazine article on a new device for measuring blockage of the heart arteries. The device takes a type of picture of the heart and coronary arteries (called a "heart scan," something like an X-ray) that can pick up hidden problems. I had no symptoms of heart trouble, such as chest pain or shortness of breath, but the article noted that about 20 percent of those over 60 (I am 70) who have a heart attack or stroke have no advance warnings.

I set up an appointment for a heart scan at Rush-Presbyterian-St. Luke's Medical Center in Chicago on Nov. 10 last year. The scan took 10 minutes, but the results were startling: I was headed for a heart attack or stroke. As a result, last Jan. 5 I had a six-way heart bypass operation.

Today, I'm doing fine. It turns out that the heart scan—developed as a result of research done by Douglas Boyd at the University of California at San Francisco—probably saved my life. Sadly, I had to admit to myself that supporting funds for medical research was not something I devoted much time or effort to when I served in the Congress. I felt other issues were more important. Now I know how wrong I was. All around me are others—former colleagues and friends—who have benefited from medical research:

The TV talk-show host Larry King, who has had serious heart problems and undergone bypass surgery, often says, "Because of research, I'm alive today."

Sen. Ted Stevens (R., Alaska) and former Sen. Bob Dole (R., Kan.) had successful surgery for prostate cancer thanks to the benefits of medical discoveries.

U.S. Rep. Rosa DeLauro (D., Conn.) has been successfully treated for ovarian cancer.

But I also think of those who lost their battles or still struggle because not enough research has been done:

Jay Monahan, husband of the Today host Katie Couric, died at age 42 from colon cancer, because we don't yet have enough weapons against that disease.

Rep. Morris Udall (D., Ariz.) died of Parkinson's disease, another illness for which we're still seeking a cure. I watched Udall—a brilliant legislator with a great sense of humor—gradually decline in health. What a waste of talent that could have been prevented with more research!

My first memories of Christopher Reeve are of a dynamic, vibrant actor interested in public affairs. He is still vibrant and dynamic but more focused in his public-affairs interest as he presses with an understandable zealotry for research in spinal-cord injuries.

Rachel Mann, a marvelous young woman and family friend, had cystic fibrosis, the largest genetic killer of children. Because of her, I did push for additional funds for research into this disease when I was in Congress, but she ultimately lost her battle at age 25.

WE CAN DO BETTER

A century ago, the average U.S. citizen lived to be 48. Now we live to an average of 76—thanks in large part to medical research. Pharmaceutical companies do an excellent job in research, and they increased their research spending from $2 billion in 1980 to $20 billion in 1998. But we can't rely on them for basic research efforts. That's why funding for the National Institutes of Health, which does basic research that can benefit us all, is so important. Its funding has doubled in the last 15 years—to $15 billion. But while $15 billion is a sizable sum, it is inadequate when compared to what we spend on legalized gambling ($638 billion in 1997), alcohol ($95 billion) and cigarettes ($50 billion). Two-thirds of Americans agree that funding for medical research should be doubled, according to a poll taken last year by the nonprofit advocacy group Research! America. Yet, for the fiscal year beginning Oct. 1, President Clinton has asked for just a 2.1 percent increase—barely above the inflation rate.

That's not nearly enough. We must do more. Greater focus on research would be a marvelous gift to future generations of my family and of yours. I know. It already has been a marvelous gift to me.

MATTYDALE, N.Y. SCHOOL CELEBRATES "VETERANS AWARENESS WEEK"

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. WALSH. Mr. Speaker, I want to bring to the attention of the House of Representatives today the patriotic and noble intentions of students at St. Margaret's School in Mattydale, New York, in my home district. These young people, by way of Ms. Kimberly Arnold's Social Studies class, have taken it upon themselves this year to institute a new celebration honoring veterans of U.S. military service.

On November 8, 1999 the students will celebrate the first Veterans Awareness Week. The program will include patriotic songs by the school choir, essay contest readings, distribution of ribbons and special recognition by children to veterans in their immediate families.

This is a remarkable and worthy celebration of the sacrifices made by veterans in the United States. Worthy, because of the great service veterans have given our nation and the free world. Remarkable, because these young people have taken the initiative to recognize veterans in a time of peace. That their young lives include sensitivity to the fact that freedom is not free is wonderful tribute to our armed forces, past and present, and to the Founders of the United States of America.

THE SAINT GEORGE SOCIETY: A POSITIVE INFLUENCE ON BAY COUNTY

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. BARCIA. Mr. Speaker, I rise to pay tribute to the Saint George Society who has served the citizens of Bay City, Michigan, since 1887. One does not often find, in our relatively young country, an organization with a continuous history of serving their fellow citizens for 112 years. The Saint George Society, however, has consistently carried out their mission to serve their community without hesitation and with much devotion.

Members of the Saint George Society have always vigorously upheld their pledge to aid the sick and needy among them. Although jobs were scarce and times were difficult in the early years of the society, they successfully raised money in order to help those in need. As their membership grew, the society was able to both rent space for their meetings at Pulaski Hall and continue to help the community in many significant ways.

In the early 1920's, the Society gave 25 dollars to returning war veterans who had been members of the organization before leaving for the War. Also, as a result of the Society's exclusively Polish membership, they made substantial efforts to buy Polish War Bonds in order to aid Poland. By 1959, the Society had weathered the great depression, two wars and a changing world. In spite of this, by the end of the year they were able to expand their services to care for mentally disabled children. On August 23, 1981, they opened the doors of a new facility which allowed them even greater opportunity to serve and be a part of the community.

On July 11, 1999, the Saint George Society celebrated many years of accomplishment by burning the mortgage on their property. As you can imagine, this was a very meaningful event for this organization which has given so much to Bay City. For them, burning this mortgage was more than just destroying a piece of paper, but was an event that represents many years of accomplishment, dedication, sacrifice and commitment.

Mr. Speaker, the Saint George Society has been a source of strength and pride for many years in the Bay City area. I know that they will continue to be a vital part of Michigan's Fifth District. For that reason, I urge you and my colleagues to join me in wishing the Saint George Society many blessings for the future.

TRIBUTE TO THOMAS A. BUTTS, ASSOCIATE VICE PRESIDENT FOR GOVERNMENT RELATIONS AND EXECUTIVE DIRECTOR OF THE UNIVERSITY OF MICHIGAN'S WASHINGTON, D.C. OFFICE

HON. LYNN N. RIVERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Ms. RIVERS. Mr. Speaker, I rise today to pay tribute to Thomas A. Butts, Associate Vice President for Government Relations and Executive Director of the University of Michigan's Washington, D.C. Office, who is retiring from the University after 35 years of distinguished public service.

Mr. Butts has served as the University's liaison to Congress and federal agencies for almost two decades. In addition to opening the University's Washington Office in 1990, he has logged thousands of miles commuting between Ann Arbor and Washington as together we've labored to strengthen higher education in the United States.

Mr. Butts' success as an advocate for higher education emanates from his great personal warmth, his many contacts in government and academe, and his professional expertise, particularly in the area of student financial aid. Over the years, Mr. Butts has contributed enormously to the deliberations resulting in reauthorization of the Higher Education Act. He also championed the William D. Ford Federal Direct Loan Program.

Prior to becoming a government relations officer, Mr. Butts served the University as an admissions counselor and assistant director of admissions in 1964–67, assistant director of the Educational Resources Information Center I Counseling and Personnel Services in 1969–71, director of Student Orientation in 1967–77, and director of Student Financial Aid in 1971–77.

He also worked as Deputy Assistant Secretary for Student Assistance with the U.S. Department of Education in the late 1970s. More recently, he has served as a member of both the National Commission on Responsibilities for Financing Postsecondary Education and of the Advisory Committee on Student Financial Assistance.

Mr. Butts earned a Bachelor of Science degree in English, economics, and secondary education from Eastern Michigan University in 1959, and a Master of Science degree in education in 1964 and Ph.D. doctoral candidate certification in 1974, both from the University of Michigan. He was a first lieutenant in the U.S. Army in 1960–63.

I applaud Mr. Butts' accomplishments and express my deep gratitude for his commitment to the well-being of students and to colleges and universities in Michigan and nationally. I congratulate Mr. Butts, a trusted adviser and friend, on this special occasion, and wish him a healthy and rewarding retirement.

THE COMMUNITY BANK TILT TO FINANCIAL MODERNIZATION LEGISLATION

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. LEACH. Mr. Speaker, during every stage in its development, financial modernization legislation has had controversial elements for all of the parties concerned. Differences will always remain between and within the banking, insurance, and securities industries. But it should be clear that in the final analysis the Gramm-Leach-Bliley Act which will be considered this week, relatively speaking, tilts in favor of the nation's community banks and the customers they serve.

Seven areas deserve particular mention:

1. Unitary Thrifts. While the financial modernization legislation provides for increased competition in the delivery of financial products, it repudiates the Japanese industrial model and forestalls trends toward mixing commerce and banking. The unitary thrift loophole which allows commercial firms to control smaller S&L charters has been closed. Not only will no new unitaries be chartered, but those in existence cannot be sold to commercial firms. This means that the signal breach of banking and commerce that exists in current law is plugged, which has the effect of both stopping the potential "keiretzuing" of the American economy and protecting the viability, and therefore the value, of community bank charters. As close observers of the process understand, at many stages in consideration of bank modernization legislative, powerful interest groups attempted to introduce legislative language which would have allowed large banks to merge with large industrial concerns—i.e., to provide that Chase could merge with General Motors or Bank of America with Amoco. Instead, this bill precludes this prospect and, indeed, blocks America's largest retail company from owning a federally insured institution, for which an application is pending. Federal Home Loan Bank System reforms.

2. The FHLB charter is broadened to allow community banks to borrow for small business and family farm lending. The implications of this FHLB mission expansion are extraordinary. In rural areas it allows, for the first time, community banks to have access to long-term capital comparable to the Farm Credit System, which like the Federal Home Loan Bank System is empowered as a Government Sponsored Enterprise to tap national credit markets at near Treasury rates. The bill thus creates greater competitive equity between community banks and the Farm Credit System and greater credit cost savings for farmers. With regard to the small business provision, the same principle applies. If larger financial institutions choose to emphasize relationships with larger corporate and individual customers, the ability of community banks to pledge small business loans as collateral for FHLB System advances will allow them to serve comprehensively a small business and middle class family market niche. Most importantly, if the present trend continues of American savers putting less money in banks and more in non-insured deposit accounts, such as money-market mutual funds, this FHLB reform assures community banks the liquidity—at competitive costs—they will need for generations to come.

3. Additional Powers. In recent years, sophisticated money-center banks have developed powers, under Federal Reserve and OCC rulings, that have allowed them to offer products which community banks in many states are frequently precluded from offering. This bill allows community banks all the powers as a matter of right that larger institutions have accumulated on an ad hoc basis. In addition, community banks for the first time are authorized the right to underwrite municipal revenue bonds.

4. Regulatory relief. The legislation provides modest regulatory relief for banks with assets

under $250 million. Those with an "outstanding" Community Reinvestment Act rating will be examined for compliance only every 5 years, while those with a "satisfactory rating will be reviewed every 4 years.

5. Special provisions. For a bill of the magnitude for this one, there are surprisingly few special interest provisions. The Congress held the line to assure that breaches of imprudent regulation were not provided to specific institutions, therefore protecting the deposit insurance fund, to which community banks disproportionately provide resources, and the public, which is the last contingency backup.

6. Prohibition on deposit production offices. The legislation expands the prohibition on deposit production offices contained in the Reigle-Neal Interstate bill to include all branches of an out-of-state bank holding company. This prohibition ensures that large multistate bank holding companies do not take deposits from communities without making loans within them.

7. Competition. The power under the act will provide community banks a credible basis to compete with financial institutions of any size or any speciality and in addition to offer, in similar ways, services that new entrants into financial markets, such as Internet or computer software companies, may originate.

In a competitive world in which consolidation has been the hallmark of the past decade, the framework of this bill assures that community banks have the tools to remain competitive. If larger institutional arrangements ever become consumer-unfriendly or geographically-concentrated in their product offerings, the powers reserved for community banks will ensure competitive viability and, where needed, incentivize the establishment of new community-based institutions.

What the new flexibility provided community banks means in that small businesses in the most rural parts of America will be provided access to the most up-to-date, sophisticated financial products in the world, delivered by people they know and trust. Without financial modernization legislation, the trend towards commerce and banking, as well as more faceless interstate banking, will be unstoppable. Community based institutions need to be able to compete with larger institutions on equal terms or growth and economic stability in rural America will be jeopardized.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, November 2, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 3

9:30 a.m.

Armed Services

To hold hearings on lessons learned from the military operations conducted as part of Operation Allied Force, and associated relief operations, with respect to Kosovo.

SH-216

Health, Education, Labor, and Pensions

Business meeting to consider pending calendar business.

SD-430

Energy and Natural Resources

Business meeting to consider pending calendar business.

SD-366

10 a.m.

Governmental Affairs

Business meeting to consider pending calendar business.

SD-628

Environment and Public Works

Fisheries, Wildlife, and Drinking Water Subcommittee

To hold hearings to examine solutions to the policy concerns with respect to Habitat Conservation Plans.

SD-406

Aging

To hold hearings to examine the qulity of care in the nation's nursing homes.

SD-562

Commission on Security and Cooperation in Europe

To hold hearings on the Chechen crisis and its implications for Russian Democracy.

2226, Rayburn Building

10:30 a.m.

Foreign Relations

Business meeting to consider pending calendar business.

S-116, Capitol

2:30 p.m.

Foreign Relations

To hold hearings to examine issues in promoting United States interests.

SD-419

NOVEMBER 4

9:30 a.m.

Indian Affairs

To hold joint hearings with the House Committee on Resources on S. 1586, to reduce the fractionated ownership of Indian Lands; and S. 1315, to permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease.

Room to be announced

Armed Services

To hold hearings on the nomination of Alphonso Maldon, Jr., of Virginia, to be an Assistant Secretary of Defense; and the nomination of John K. Veroneau, of Virginia, to be an Assistant Secretary of Defense.

SR-222

Commerce, Science, and Transportation

To hold hearings on local phone competition, examining how to increase consumer choice in local telephone markets.

SR-253

10 a.m.

Aging

To hold hearings on certain initiatives to improve nursing home quality of care.

SD-562

Judiciary

Business meeting to consider pending calendar business.

SD-226

10:15 a.m.

Foreign Relations

To hold hearings to examine issues relating to Chechnya.

SD-419

11 a.m.

Judiciary

To hold hearings on issues relating to the MCI Worldcom/Sprint merger.

SD-266

2:30 p.m.

Foreign Relations

To hold hearings to examine the future United States policy with Nigeria.

SD-419

NOVEMBER 5

11 a.m.

Foreign Relations

International Economic Policy, Export and Trade Promotion Subcommittee

To hold hearings to examine issues relating to the International Monetary Fund, focusing on lessons learned from the Asian financial crisis.

SD-419

NOVEMBER 9

9:30 a.m.

Governmental Affairs

Investigations Subcommittee

To hold hearings to examine the vulnerabilities of United States private banks to money laundering.

SD-628

NOVEMBER 10

1 p.m.

Governmental Affairs

Investigations Subcommittee

To hold hearings to examine the vulnerabilities of United States private banks to money laundering.

SD-628

SENATE—*Tuesday, November 2, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have called the men and women of this Senate to glorify You by being servant-leaders. The calling is shared by the officers of the Senate, Senators' staffs, and all who enable the work done in this Chamber. Keep us focused on the liberating truth that we are here to serve by serving our Nation. Our sole purpose is to accept Your absolute Lordship over our own lives and then give ourselves totally to the work this day.

Give us the enthusiasm that comes from knowing the high calling of serving in government. Grant us the holy esteem of knowing that You seek to accomplish Your plan for America through the legislation of this Senate. Free us from secondary, self-serving goals. Help us to humble ourselves and ask how we may serve today. We know that happiness comes not from having things or getting recognition but from serving in the great cause of implementing Your righteousness, justice, and mercy for every person and in every circumstance of this Nation. We take delight in the ultimate paradox of life: The more we give ourselves away, the more we can receive of Your life. In our Lord's name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE DEWINE, a Senator from the State of Ohio, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. DEWINE). The majority leader is recognized.

Mr. LOTT. I thank the Chair.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will resume consideration momentarily of the conference report to accompany the District of Columbia, Labor-HHS, and Education bill. By previous consent, at 10 a.m., the Senate will proceed to a vote on the conference report. That vote will be followed up by two cloture votes in relation to the Caribbean/African trade bill. Senators can expect then at least two stacked votes to begin at approximately 10 a.m. Cloture is expected to be invoked on the trade bill, and therefore the Senate will begin 30 hours of postcloture debate during today's session of the Senate. It is hoped this bill can be completed in the next day or so, certainly before the end of the week, because we do have some other very important issues we want to complete this week. We do want to take up the financial services modernization conference report, and we want to move to the bankruptcy bill that Senator DASCHLE and I have been trying to get an agreement on how to bring to the floor. We have had objection so far, but we are going to persist in getting this to the floor in a way that would be fair to both sides.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, I ask unanimous consent that all second-degree amendments must be filed at the desk by 10 a.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I also ask unanimous consent that all amendments to the pending trade bill must be relevant to the substitute or the issue of trade and all other provisions of rule XXII be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. We will work to get a time for those amendments to be filed because we do need to get a look at those amendments, even though they are relevant, just so they can be considered by the managers of the legislation.

Mr. President, I ask unanimous consent that all first-degree amendments be filed by 2 p.m. today, notwithstanding rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that the time I am about to use come out of my leader time.

The PRESIDING OFFICER. Without objection, it is so ordered.

WALTER PAYTON

Mr. LOTT. Mr. President, Walter Payton was the pride of Columbia, MS. He died all too early this past Monday at the age of 45 years—too young for a person of such integrity, ability, and generosity.

The Clarion Ledger newspaper of my home State this morning wrote a magnificent article about him. It said Walter Payton amazed his Mississippi teammates with his kindness almost as often as he dazzled them with his ability. They tell of a man who studied audiology in college after playing high school football with a deaf friend. That told a lot about the early life of this outstanding young man, and it is the kind of life he lived until his final day this past Monday.

Surprisingly, the man who would become a great football player did not even try out for football until his junior year in high school, choosing instead to play drums in the high school band. But he learned the game of football as fast as he could run, and long before the Nation had heard of the Chicago Bear named "Sweetness," Mississippians were cheering a Jefferson High superhero they called "Spiderman" and a Jackson State Tiger known as Walter.

His 3,563 yards rushing at Jackson State University was one of nine school records he set, and he scored a college career total of 66 touchdowns. At Jackson State, in 1973, he led the Nation in scoring with 160 points, and his 464 career points set an NCAA record. But Jackson State was a Division 1-AA school, and Walter did not get the same attention as players from some of the bigger, well-known colleges. Still, the Bears knew a caliber player when they saw one, and they knew about some of the other famous Mississippians who had preceded him, so they drafted him fourth in the overall draft in 1975.

In his first NFL game in 1975, he rushed eight times for a total of zero yards. But that did not tell the story of what was to come. The Bears did not give up on him, and Walter Payton didn't give up on himself. He worked as hard in Chicago as he had in Mississippi. By the end of his rookie year, he had started seven games and rushed for 679 yards and seven touchdowns. The next year he had the first of what would be 10 1,000-yard seasons, rushing for 1,390 yards and 13 touchdowns.

NFL coaches termed him the "complete football player." Just last night, I saw Mike Ditka saying he was the best, most complete football player he had ever seen. He bested Jim Brown's longstanding rushing record of 12,312 yards in 1984.

But he also was more than just a football player. He worked to help mankind. He created the Halas/Payton Foundation to assist Chicago inner-city youth in completing their education. He believed in nurturing young people through education and inspiration, and he knew that the rewards of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

sports came in the challenges he set for himself, what he learned about himself, and what he accomplished as part of a team.

Walter Payton's light shown brighter earlier than many people his age. That is why his passing on Monday was even more difficult to take. At his induction in the NFL Football Hall of Fame in July 1993, he asked his son Jarrett to be the first son to present his father for induction into the Football Hall of Fame. His son said:

"Not only is he a great athlete, he's a role model—he's my role model."

Drummer, NCAA champion, college Hall of Famer, Pro Football All Star, NFL Hall of Famer, "Sweetness."

Role model to his son and millions of other Jarretts, that is the title Walter Payton would most cherish as his legacy.

Mr. COCHRAN. Mr. President, will the Senator yield a moment to me?

Mr. LOTT. I will be delighted to yield to my colleague from Mississippi.

Mr. COCHRAN. Mr. President, I join my distinguished colleague in advising the Senate that today our State of Mississippi mourns with a heavy heart the passing of Walter Payton who died yesterday.

His accomplishments on the football field at Jackson State University and at Soldiers Field in Chicago as a member of the Chicago Bears are well known to all of us. He was the greatest running back in the history of football.

He reflected a great deal of credit on our State not only because he was a great football player but because of his personality, his generosity, and his kindness to his family and friends. I know he would often fly members of his family and friends—including a member of my staff, Barbara Rooks, who is a close friend of the Payton family—to Chicago for football games. He was devoted to his mother, Mrs. Alyne Payton, and his sister Pamela, and he was very close to his brother Eddie, who was a great football player as well as a professional golfer. Eddie Payton also coached the Jackson State University golf team to the national championship.

The family is well respected in so many ways. I could go on for a long time and tell you more about his mother and what a dear lady she is and the exemplary community spirit of all the members of Walter Payton's family. I extend to his wife Connie and their children, Jarrett and Brittney, my deepest sympathies.

The articles in the New York Times today describe well his remarkable career, and they include accolades from fellow players, coaches, and friends. I ask unanimous consent that these articles on the life and career of Walter Payton along with his biography as an Enshrinee of the Pro Football Hall of Fame be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 2, 1999]

FROM COLLEGE IN MISSISSIPPI TO CHAMPION

(By William C. Rhoden)

The news that Walter Payton died yesterday at his home in a suburb of Chicago came not so much as a shock but as a sorrowful, piercing spike. We were prepared last February by the shock of seeing the once robust Payton looking gaunt and frail as he announced that he suffered from a rare liver disease. Now we mourn a family's loss of a father and husband, and the industry's loss of a great athlete. I mourn the loss of a shared past, life petals that peel away each time someone contemporary dies.

I was not close to Walter Payton, but rather attached to him.

We first met 28 years ago this month, on Nov. 13, 1971. This was the sort of one-on-one introduction that defensive backs dread and outstanding running backs love. We met at the 10-yard line in Mississippi Memorial Stadium.

This was before Payton became Sweetness; before he became a Chicago Bear; before we were paid for plying our particular crafts. We met in the rarefied atmosphere of black college football. He was a freshman at Jackson State University in Mississippi; I was a senior at Morgan State in Baltimore. This was an inter-sectional game between once-beaten, once-tied opponents. We had beaten Jackson State a year earlier at R.F.K. Stadium in Washington, and now it was our turn to go to the Deep South, deeper than I'd ever been. I was intrigued by Mississippi, the state so tied to civil rights history. All our coach kept talking about was that these Southern boys were still fighting the Civil War: the South thought it was better than the North, he said, and when it came to football, felt it was heartier, better and tougher.

Jackson State had a great football legacy: Willie Richardson, Gloster Richardson, Verlon Biggs, Harold Jackson, Richard Caster, Lem Barney. This particular year it had Jerome Barkum, later a wide receiver with the Jets, Robert Brazile, later a linebacker with the Oilers, and Eddie Payton, Walter's older brother, who became a great N.F.L. punt returner and then a professional golfer. Walter began the year unknown, playing behind his brother. By November he was still playing behind his brother but was Jackson State's secret weapon.

My recollection of the game is reduced to one poignant frame—that first meeting at the 10-yard line. A sweep with Payton slicing past the line, over the linebackers and finally into the secondary. There was Payton, there was me; I hit him and felt solid contact, then felt Payton bounce back to the outside for a touchdown. What I remember thinking at the moment was that this guy had great balance, gyroscopic balance. He was nearly horizontal, legs still churning. Payton was rushing toward the National Football League; I was headed toward journalism, not doing such a good job of tackling but recording the moment.

Years later in Chicago I teased him about Morgan State's victory in 1970. Payton reminded me that we had won that game when he was still in high school.

Payton represents so much to so many. He carried the banner of black college football to an unprecedented level. To one extent or another we all carried a burden of proof. One success reflected well on the group. Individual success was group success, even if the player went to a different institution. Such as when Grambling sent eight players to the N.F.L. one season, or now when Mike Strahan, who played at Texas Southern, runs in the winning touchdown. Payton was an object of such pride. His success felt good and warm.

He held so many N.F.L. records. He set the career record for rushing yards, 16,726; for career attempts, 3,838; for rushing yards in a game, 275; for seasons with 1,000 or more yards, 10. He broke Jim Brown's N.F.L. career rushing mark, 12,312 yards, in Chicago on Oct. 7, 1984, the same day he broke Brown's mark of 58 100-yard rushing games.

A large part of Payton's legacy is made up of numbers. Yesterday, Robert Hughes, the Jackson State head coach, was an assistant coach in 1971, said that what Payton meant went beyond the numbers. "What's most memorable to me is when he started getting on a roll and started after Jim Brown's record," Hughes said. "Brown was the greatest running back of all time. He didn't come from a predominantly black school; he's from Syracuse. When Walter came in from a little school in Mississippi to top all that, that's what made it great."

Walter Payton, with the aggressive, elusive style that was formed at Jackson State. The N.F.L.'s career rushing leader. The runner who led Chicago to its only Super Bowl victory. Dead so young, at 45.

[From the New York Times, Nov. 2, 1999]

FOOTBALL REMEMBERS PAYTON, THE ULTIMATE PLAYER

(By Mike Freeman)

Late yesterday afternoon each National Football League team received an e-mail message from the Chicago Bears. Many executives knew what it said before they read it: Walter Payton, one of the best ever to play running back, had died..

For the past several days it has been rumored that Payton had taken a turn for the worse, so the league was braced for the news. Still, the announcement that Payton had succumbed to bile-duct cancer at 45 rocked and deeply saddened the world of professional football.

"His attitude for life, you wanted to be around him," said Mike Singletary, a close friend who played with Payton from 1981 to 1987 on the Bears. Singletary read Scripture at Payton's side on the morning of his death.

"He was the kind of individual if you were down he would not let you stay down," Singletary said.

Commissioner Paul Tagliabue said the N.F.L. family was devastated by the loss of Payton. Tagliabue called him "one of the greatest players in the history of the sport."

"The tremendous grace and dignity he displayed in his final months reminded us again why 'Sweetness' was the perfect nickname for Watler Payton," he said in a statement.

In his 13 seasons with Chicago, Payton rushed for 16,726 yards on 3,838 carries, still both N.F.L. records. One of Payton's most impressive feats was that he played in 189 of 190 games from 1975, his first season, until his retirement in 1987. For someone with Payton's style to participate and dominate in that many games—he enjoyed plowing into defenders and rarely ran out of bounds to avoid a tackle—is remarkable.

"He is the best football player I've ever seen," said Saints Coach Mike Ditka, who coached Payton for six seasons with Chicago.

Ditka added: "At all positions, he's the best I've ever seen. There are better runners than Walter, but he's the best football player I ever saw. To me, that's the ultimate compliment."

What always amazed Payton's opponents was his combination of grace and power. Payton once ran over half dozen players from the Kansas City Chiefs, and on more than one occasion he sprinted by speedy defensive backs.

It did not take long for the N.F.L. to see that Payton was special. In 1977, his third season, Payton, standing 5 feet 10½ inches and weighing 204 pounds, was voted the league's most valuable player after one of the best rushing seasons in league history. He ran for 1,852 yards and 14 touchdowns. His 5.5 yard a carry that season was a career best and against Minnesota that season he ran for 275 yards, a single-game record that still stands.

"I remember always watching him and thinking, 'How did he just make that run?'" Giants General Manager Ernie Accorsi said. "He was just a great player.

Accorsi echoed the sentiments of others that Payton may not have had the natural gift of running back Barry Sanders or the athleticism of Jim Brown, but that he made the most of what he had.

"I think Jim Brown is in a class by himself," Accorsi said. "And then there are other great players right behind him like Walter Payton."

Payton was known as much for his kindness off the field as his prowess on it. He was involved with a number of charities during and after his N.F.L. career, and although he valued his privacy he was known for his kindness to people in the league whom he did not know.

Accorsi saw Payton at the 1976 Pro Bowl, and even though it was one of the first times the two had met, Payton told Accorsi, "I hope God blesses you."

"When some guys say stuff like that, you wonder if it is phony," Accorsi said, "but not with him. You could tell he was very genuine."

Bears fans in Chicago felt the same way, which is why reaction to his death was swift and universal.

"He to me is ranked with Joe DiMaggio in baseball—he was the epitome of class," said Hank Oettinger, a native of Chicago who was watching coverage of Payton's death at a bar on the city's North Side. "The man was such a gentleman, and he would show it on the football field."

Several fans broke down crying yesterday as they called into Chicago television sports talk show and told of their thoughts on Payton.

Asked what made Payton special, Ditka said: "It would have to be being Walter Payton. He was so good for the team. He was the biggest practical joker and he kept everyone loose. And he led by example on the field. He was the complete player. He did everything. He was the greatest runner, but he was also probably the best looking back you ever saw."

[From the Pro Football Hall of Fame]

WALTER PAYTON

(Enshrined in 1993 (Jackson State) Running Back 5-10, 202, 1975–1987 Chicago Bears)

First-round pick, 1975 draft . . . Quickly established himself as super star . . . All-time leader in rushing, combined net yards . . . Career stats: 16,726 yards, 100 TDs rushing; 492 receptions for 4,538 yards; 21,803 combined net yards; 125 touchdowns . . . All-Pro seven times . . . Played in nine Pro Bowls . . . Holds single-game rushing record of 275 yards . . . Had 77 games over 100 yards rushing . . . Born July 25, 1954, in Columbia, Mississippi.

The name Walter Payton is one of the names in the world that needs no introduction. Walter's Chicago Bear records from 1975 through 1987 are long and impressive. While primarily a running back, Walter was the ultimate athlete. He was NFL Player of the Year and Most Valuable Player in both 1977 and 1985. In addition to his list of accomplishments, he caught 495 pass receptions for 4,538 yards and 15 touchdowns, and passed 34 times for 331 yards and eight touchdowns.

Walter's historical career as a running back helped to establish him as the All-time leader in running and combined net yards. Water contributed 16,026 rushing yards with 100 touchdowns to his tenure with the Bears. The first round draft choice from Jackson State played in nine Pro Bowls, holds the single game rushing record of 275 yards against central division rivals—the Minnesota Vikings, and completed 77 games over 100 yards. While always being the number one target of defensive opponents, Walter only missed one game in his rookie season with a bruised thigh before going on to play 186 consecutive games. Walter's compact style and moves on the playing field will always be memorable.

Born July 25, 1954 in Columbia, Mississippi, Walter continues to play on new fields after football. In 1988, Walter established the Halas/Payton Foundation to help Chicago inner-city youth through education. Walter, who has a degree in special education, believes that the hope of youth can be nurtured through education, dedication, hard work, and role models.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank my colleagues from the State of Mississippi who are justifiably proud of Walter Payton. His home State of Mississippi can look to Walter Payton with great pride. There is a great deal of sadness in my home State of Illinois, particularly in the city of Chicago, with the passing of Walter Payton at the age of 45.

Later today, I will enter into the RECORD a statement of tribute to Mr. Payton, but I did not want to miss this opportunity this morning to mention several things about what Walter Payton meant to Chicago and Illinois.

He was more than a Hall of Fame football player. He ran for a record 16,726 yards in a 13-year career, one of those years shortened by a strike, and yet he established a record which probably will be difficult to challenge or surpass at any time in the near future.

The one thing that was most amazing about Walter Payton was not the fact he was such a great rusher, with his hand on the football and making moves which no one could understand how he pulled off, but after being tackled and down on the ground, hit as hard as could be, he would reach over and pull up the tackler and help him back on his feet.

He was always a sportsman, always a gentleman, always someone you could admire, not just for athletic prowess but for the fact he was a good human being.

I had the good fortune this last Fourth of July to meet his wife and son. They are equally fine people. His son, late in his high school career, in his junior year, decided to try out for football. The apple does not fall far from the tree; he became a standout at Saint Viator in the Chicago suburb of Arlington Heights and now is playing at the University of Miami. I am sure he will have a good career of his own.

With the passing of a man such as Walter Payton, we have lost a great model in football and in life—the way he conducted himself as one of the most famous football players of all time.

The last point I will make is, toward the end of his life when announcing he faced this fatal illness, he made a plea across America to take organ donation seriously. He needed a liver transplant at one point in his recuperation. It could have made a difference. It did not happen.

I do not know the medical details as to his passing, but Walter Payton's message in his final months is one we should take to heart as we remember him, not just from those fuzzy clips of his NFL career but because he reminded us, even as he was facing his last great game in life, that each and every one of us has the opportunity to pass the ball to someone who can carry it forward in organ donation, and the Nation's commitment to that cause would be a great tribute to him.

I yield the floor.

Mr. FITZGERALD. Mr. President, I rise today to express my sadness at the news of the death of one of football's greatest stars ever, Chicago's own Walter Payton.

Walter Payton was a hero, a leader, and a role model both on and off the field. For 13 years, he thrilled Chicago Bears' fans as the NFL's all-time leading rusher—perhaps one of the greatest running backs ever to play the game of football. After retiring from professional football in 1987, Payton continued to touch the lives of Chicagoans as an entrepreneur and a community leader.

Walter Payton's historic career began at Jackson State University, where he set a college football record for points scored. The first choice in the 1975 NFL draft, Payton—or "Sweetness" as he was known to Chicago Bears fans—became the NFL's all-time leader in running and in combined net yards and scored 110 touchdowns during his career with the Bears. He made the Pro Bowl nine times and was named the league's Most Valuable Player twice, in 1977 and 1985. In 1977, Payton rushed for a career-high 1,852 yards and carried the Bears to the playoffs for the first time since 1963. He broke Jim Brown's long-standing record in 1984 to become the league's all-time leading rusher, and finished his career with a record 16,726 total rushing yards. In 1985–86, Walter Payton led the Bears to an unforgettable 15–1 season and Super Bowl victory—the first and only Super Bowl win in Bears' history. Walter Payton was inducted into the Pro

Football Hall of Fame in 1993, and was selected this year as the Greatest All-Time NFL Player by more than 200 players from the NFL Draft Class of 1999.

More important, Walter Payton matched his accomplishments on the football field with his selfless actions off the field on behalf of those in need. He earned a degree in special education from Jackson State University and worked throughout his adult life to improve the lives of children. In 1988, he established the Halas/Payton Foundation to help educate Chicago's youth.

Walter Payton was truly an American hero in every sense of the term. He died tragically at age 45, but his legacy will live in our hearts and minds forever. Today, Mr. President, Illinois mourns. Sweetness, we will miss you.

Mr. DURBIN. Mr. President, I rise today to pay tribute to perhaps the best running back who ever carried a football, Walter Payton, who died yesterday at the age of 45. In Carl Sandburg's City of the Big Shoulders, "Sweetness," as Payton was nicknamed, managed to carry the football hopes of an entire city on his shoulders for 13 magnificent years.

From the law firms on LaSalle to the meat packing plants on Fulton, Monday mornings in Chicago were always filled with tales of Payton's exploits on the field from the previous day. We marveled at his ability and reveled in the glory he brought to Chicago and Da Bears. In a life cut short by a rare disease, he blessed Chicago with several lifetimes of charisma, courage, and talent.

Who could forget the many times Payton lined up in the red zone and soared above opposing defenders for a Bears touchdown? Or the frequency with which his 5-10, 204-pound frame bowled over 250-pound linebackers en route to another 100-yard-plus rushing game? His relentless pursuit of that extra yard and the passion with which he sought it made his nickname, Sweetness, all the more ironic. It would take the rarest of diseases, barely pronounceable and unfortunately insurmountable, to finally bring Sweetness down.

It was that passion that inspired Payton's first position coach, Fred O'Connor, to declare: "God must have taken a chisel and said, 'I'm going to make me a halfback.'" Coach Ditka called Payton simply "the greatest football player I've ever seen." Payton's eight National Football League (NFL) records, most of which still stand today, merely underscore his peerless performance on the field and his extraordinary life away from it. The man who wore number 34 distinguished himself as the greatest performer in the 80-year history of a team that boasts more Hall of Famers than any other team in League history.

He played hurt many times throughout his career, and on one notable occasion, when he should have been hospitalized with a 102 degree fever, he played football. On that day, November 20, 1977, Payton turned in the greatest rushing performance in NFL history, rushing for a league record 275 yards en route to victory against the Minnesota Vikings.

Self-assured but never cocky, Sweetness had no interest in indulging the media by uttering the self-aggrandizing sound bites that are all too common among today's athletes. Instead, he would praise the blocking efforts of fullback Matt Suhey or his offensive linemen, all of whom were inextricably linked to the surfeit of records he amassed. He play the game with a rare humility—refusing to call attention to himself—always recognizing the individuals who paved the way for his achievements.

He once refused to be interviewed by former Ms. America Phyllis George unless his entire corps of linemen were included. Following his first 1,000 yard rushing season, Payton bought his offensive linemen engraved watches. The engraving, however, made no mention of the 1,390 yards he finished with that year, but instead noted the score of the game in which he reached 1,000 yards, underscoring the essential contributions that his offensive linemen made in enabling him to achieve this feat.

And how many times did we see Walter Payton dance down the field, a limp leg, a quick cut, a break-away. He could find daylight in a crowded elevator. And when a tackler finally brought him down, Walter Payton would jump to his feet and reach down to help his tackler up. That's the kind of football player he was. That's the kind of person he was.

Payton lightened the atmosphere at Hallas Hall with an often outlandish sense of humor, even during the years when the Bears received boos from the fans and scathing criticism from the press. Rookies in training camp were often greeted by firecrackers in their locker room and unsuspecting teammates often faced a series of pranks when they turned their backs on Payton. Just last week, as Payton was clinging to life, he sent Suhey on a trip to Hall of Famer Mike Singletary's house, but not before he gave Suhey a series of incorrect addresses and directed Suhey to hide a hamburger and a malt in Singletary's garage.

While Payton lived an unparalleled life on the football field, he also lived a very full life off the field. He was a brilliant businessman, but never too busy to devote countless hours to charitable deeds, most of which were unsolicited and voluntary. Sweetness shared with us a sense of humanity that will endure as long as his records. I had the good fortune on July 4th to meet his wife and children, who are equally fine people. The apple didn't fall too far from the tree. Jarrett Payton, like his father, decided to try out for football in his Junior Year. Jarrett was a standout at St. Viator High School in Arlington Heights, a Chicago suburb, and he is now playing football at the University of Miami. It looks as if he may have quite a career of his own.

In his last year, Walter Payton helped illuminate the plight of individuals who are afflicted with diseases that require organ transplants. Patients with the rare liver disease that Payton contracted, primary sclerosing cholangitis (PSC), have a 90% chance of surviving more than one year if they receive a liver transplant. Unfortunately, the need for donations greatly exceeds the demand. The longer that patients wait on the organ donation list, the more likely it is that their health will deteriorate. In Payton's case, the risk of deadly complications, which included bile duct cancer, grew too quickly. Payton likely would have had to wait years for his life-saving liver. This was time he did not have before cancer took his life yesterday. A day when everyone who needs a life-saving organ can be treated with one cannot come soon enough.

More than 66,000 men, women, and children are currently awaiting the chance to prolong their lives by finding a matching donor. Minorities, who comprise approximately 25% of the population, represent over 40% of this organ transplant waiting list. Because of these alarming statistics, thirteen people die each day while waiting for a donated liver, heart, kidney, or other organ. Half of these deaths are people of color. The untimely death of Payton is a wake-up call for each of us to become organ donors and discuss our intentions with our families so that we do not lose another hero, or a son, a daughter, a mother or a father to a disease that can be overcome with an organ transplant.

Mr. President, today is a sad day in Chicago and in our nation. We have lost a father, a husband, a friend, and a role model all at once. While we are overcome with grief, we are also reminded of the blessings that Payton bestowed upon his wife, Corrine, his children, Jarrett and Brittney, and the city of Chicago during his brief time with us.

So thanks for the memories, Sweetness. Soldier Field will never be the same.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000—CONFERENCE REPORT—Resumed

The PRESIDING OFFICER. Under the previous order, the clerk will report the conference report.

The legislative clerk read as follows:

Conference report to accompany H.R. 3064 making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, what is the time situation with regard to the conference report?

The PRESIDING OFFICER. The Senator from Alaska has 5 minutes.

Mr. STEVENS. Is there a set time to vote, Mr. President?

The PRESIDING OFFICER. We are to vote in 30 minutes. There are six Senators who have 5 minutes apiece.

Mr. STEVENS. Mr. President, we will hear from the managers of the bill, I am certain. There are two sets of managers, as a matter of fact. This is a bill that combines the District of Columbia appropriations bill and the Labor-Health and Human Services bill. I am here today as chairman to urge Members of the Senate to vote favorably for this bill and to send it to the President.

The big bill in this conference report before us, the Labor-Health and Human Services bill, is the 13th appropriations bill. With the adoption of this conference report, we will have sent all 13 bills to the President. If one considers the timeframe of this Congress, with the time we spent on the impeachment process and then the delays that came our way because of the various emergencies that have taken our attention, particularly in the appropriations process this year—Kosovo, the devastating hurricanes, and the disaster in the farm area—one will understand why we are this late in the day considering the 13th bill.

This bill has had some problems because of our overall budget control mechanisms. We have been limited in terms of the money available. We have stayed within those limits. We have forward funded some of the items so they will be charged against future years. But those are items that primarily would be spent in those years.

We have had a real commitment on a bipartisan basis not to invade the Social Security surplus. As we look into the future with the retirement of an enormous generation, the baby boom generation, there is no question that Social Security surplus must be sound, and we are doing our best to make sure that is the case.

We have had a series of issues before us. We have had some disagreements with the President. In this bill, we try to work out those differences. We have provided moneys for our children, for the Boys and Girls Clubs; we have provided for law enforcement officers to have safe, bulletproof vests. With so many things going on in terms of children and education, we tried to meet the President more than halfway on his requests for education.

The bill would probably be signed but for the differences between the administration and the Congress over how to handle the funding. We have included, as a matter of fact, against my best wishes, an across-the-board cut. That is primarily because only the administration can identify some of the areas we can reduce safely without harming the programs, and I am confident when we come to what we call the final period to devise a bill, we will work out with the administration some offsets that will take care of the bill. I am hopeful we will have no across-the-board cut, but if it comes, it will not be as large as the one in this bill right now.

I am urging Members of the Senate to vote for this bill. I do believe we can be assured, and I was assured yesterday, that the bill will be vetoed. There is no question about that. But also, we had probably the most productive and positive meeting with the administration yesterday. I expect to be starting those discussions in our office in the Capitol with representatives of the President within just a few moments, and we are very hopeful we can come together and bring to the Senate and to the Congress a solution to the differences between us and get this final series of bills completed.

There are five bills that have not been signed: State-Justice-Commerce was vetoed, and that is being reviewed by the group I just mentioned, along with the foreign assistance bill; the Interior bill is in conference and should be ready to send to the President today, I hope; the D.C. bill is here, and it should be available to us.

The impact of what I am saying is, I think it is possible, if the Congress has the will to come together now and to work with the President's people who have indicated their desire to finish this appropriations process, that we can finish our business and complete our work by a week from tomorrow. That will take a substantial amount of understanding on the part of everyone.

I am hopeful from what we are hearing now that some of the rhetoric will subside and we will have positive thinking about how to complete our work. But I do urge approval of this conference report.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I will use leader time to say a few words about this bill and where we are.

Mr. President, there is no one for whom I have greater respect for than the distinguished senior Senator from Alaska. But I must say, I question why we are here today voting on a bill that we know will be vetoed. If we are going to try to retain the positive environment to which the senior Senator has just alluded, I do not understand how it is positive to send a bill down to the President that we know will be vetoed, which will then require us to go right back to the negotiating table where we were yesterday. I do not understand that.

I think a far better course is to defeat this bill, go back downstairs, negotiate seriously with the White House, and come together with Democrats to assure that we can pass a bill overwhelmingly.

I do not recall whether I have ever voted against an Education appropriations bill. This may be unprecedented for many of us on this side of the aisle. As I understand it, the distinguished ranking member of the subcommittee on Health and Human Services is going to vote against this bill. I am going to join him, and I am going to join with most Democrats, if not all Democrats, in our unanimous opposition to what the bill represents. That is unprecedented.

We should not have to be here doing this today. If we are serious about doing something positive and bringing this whole effort to closure, I cannot imagine we could be doing anything more counterproductive than to send a bill down that we know is going to be vetoed.

Why is it going to be vetoed? It is going to be vetoed because we violate the very contract that we all signed 1 year ago, a contract that Republicans and Democrats hailed at the time as a major departure when it comes to education. We recognized that, in as consequential a way as we know how to make at the Federal level, we are going to reduce class size, just as we said we were going to hire more policemen with the COPS Program a couple years before. We committed to hiring 100,000 new teachers and ensuring that across this country the message is: We hear you. We are going to reduce class size and make quality education the priority on both sides of the aisle, Republicans and Democrats.

I think both parties took out ads right afterward saying what a major achievement it was. We were all excited about the fact that we did this for our kids, for education, and what a departure it represented from past practice. We did that 1 year ago.

Here we are now with the very question: Should we extend what we hailed last year to be the kind of achievement that it was? A couple of days ago, a report came out which indicated that in those school districts where additional teachers had been hired, there was a clear and very extraordinary development: Class sizes were smaller, quality education was up, teachers were being hired, and this program was working. We had it in black and white—given to every Senator—it is working.

So why now, with that clear evidence, with the bipartisan understanding that we had just a year ago that we were going to make this commitment all the way through to the end, hiring 100,000 new teachers, why now that would even be on the table is something I do not understand. Twenty-nine thousand teachers could be fired.

But it is as a result of the fact that our Republican colleagues continue to refuse to extend and maintain the kind of program we all hailed last year that we are here with a threat of a veto.

I do not care whether it is this week, next week, if we are into December, if it is the day before Christmas, if that issue has not been resolved satisfactorily, we are not going to leave. We can talk all we want to about a positive environment, but we are not going to have a positive environment conducive to resolving this matter until that issue is resolved satisfactorily.

So there isn't much positive one can say about our dilemma on that issue.

Another big dilemma is the extraordinary impact delaying funding will have on the NIH. Sixty percent of the research grant portfolio will be delayed until the last 2 days of this fiscal year—60 percent. Eight thousand new research grants will be delayed and grantees will be denied the opportunity to compete—8,000 grantees. This is probably going to have as Earth shaking an impact on NIH as anything since NIH was created.

I do not know of anything that could have a more chilling effect on the way we provide funding for grants through NIH than what this budget proposes. We have heard from the institutions that conduct life-saving research. They say you can't stop and start research programs without irretrievable loss.

I will bet you every Senator has been contacted by NIH expressing their concern and the concern of these researchers about the devastating impact this is going to have.

But it is not just the NIH. The cut across the board alone will have a major impact. Five thousand fewer children are going to receive Head Start services; and 2,800 fewer children are going to receive child care assistance; 120,000 kids will be denied educational services.

This cut across the board has nothing to do with ridding ourselves of waste. This goes to the muscle and the bone of programs that are very profoundly affecting our research, our education, our opportunities for safe neighborhoods, and the COPS Program. The array of things that will happen if this cut is enacted will be devastating.

So I am hopeful that we will get serious and get real about creating the positive environment that will allow us to resolve these matters. We have to resolve the class size issue. We have to resolve the matter of offsets in a way that we can feel good about.

I am hoping we are going to do it sooner rather than later—but we are going to do it. It is the choice of our colleagues. We will do it later, but we will all have to wait until those who continue to insist on this approach understand that it will never happen; the vetoes will keep coming; the opposition will be as strong and as united a week or 2 weeks from now as it is today. That is why I feel so strongly about the need to oppose this conference report. Let's go back downstairs and do it right.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, as I understand it, the Senator from Pennsylvania has 5 minutes and I have 5 minutes.

Is that correct?

The PRESIDING OFFICER. That is correct.

Mrs. HUTCHISON. Mr. President, I yield to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Texas for yielding to me.

It is my hope that the Senate will support this conference report. I am saddened to hear the arguments from the other side of the aisle which have turned this matter pretty much into a partisan debate.

When we talk about the 1 percent across-the-board cut, frankly, that is something I do not like. But when you take a look at the increases which are in this bill, they remain largely intact, notwithstanding the fact that there will be a 1-percent cut.

For example, on Head Start, at $5.2 billion, it has an increase of some $608.5 million. The 1-percent across-the-board cut will leave, instead of a $608.5 million increase, a $570.9 million increase. You will find that throughout the bill.

When the last Senator who spoke made a reference to the difficulties of the National Institutes of Health in stopping and starting, I point out that it has been the initiative of our subcommittee, significantly a Republican initiative, to increase NIH, which has had the full concurrence of the distinguished Senator from Iowa, Mr. HARKIN, representing the Democrats. But 3 years ago, we sought an increase of almost $1 billion, an increase of some $900 million, after the conference. Last year, we increased NIH funding by $2 billion. This year, the Senate bill had $2 billion, and on the initiative of Congressman PORTER in the House, a Republican, we increased it an additional $300 million. The ranking Democrat would not even attend the conference we had.

So it does not ring with validity for those on the other side of the aisle to point to the National Institutes of Health and say this conference report, this Republican conference report, is doing damage to NIH. The fact is, it is this side of the aisle that has taken the lead. Again, I include my colleague, Senator HARKIN, who has been my full partner. But the lead has been taken on this side of the aisle for the NIH.

Now, this bill has, for these three Departments, in discretionary spending, $93.7 billion, which is an increase of $6 billion over last year. We have $600 million more than the President on these very vital social programs. When it comes to education, this bill has $300 million more than the President. We have provided very substantial funding.

There is a disagreement between this bill and what the President wants on class size reduction. The President has established a priority of class size reduction and wants it his way, and his way exactly. But we have added a $1.2 billion increase in this budget and we have done so listing the President's priority first; that is, to cut class size. We say, if the local school districts don't agree that class size is their No. 1 priority, they can use it on teacher competency, or they can use it for local discretion, but they don't have an absolute straitjacket. I believe that is the solvent principle of federalism.

Why say to the local school boards across America they have to have it for class size if they don't have that problem and they want to use it for something else in education?

Now, Senator HARKIN and I—and I see my distinguished colleague on the floor—have had a full partnership for a decade. He is nodding yes. When he was chairman and I was ranking, and now that I am chairman and he is ranking, we have worked together. I can understand the difficulties of parties, Democrats and Republicans. I know he is deeply troubled by the 1-percent across-the-board cut; so am I. We tried to find offsets and we tried mightily to avoid touching Social Security, without a 1-percent across-the-board cut.

It had been my hope that on my assurances to my colleague from Iowa we could have stayed together on this. I can understand if it is a matter of Democrats and Republicans and he does not see his way clear to do that at this time. I say to him, whatever way he votes—and he smiles and laughs—my full effort will be to avoid a 1-percent across-the-board cut so we can come out with the bill he and I crafted, the subcommittee accepted, the full committee accepted, and the full Senate accepted, which is a very good bill.

In order to advance to the next stage, it is going to be a party-line vote, something I do not like in the Senate. But I urge my colleagues to support the bill so we can move to the next stage.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, as I understand it, I have 5 minutes.

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. Mr. President, I want to follow up with my colleague and friend from Pennsylvania. He is absolutely right; we have had a great working relationship for a long time. He has been open with me, as has his staff. We have had a great working relationship, and I think that proved itself in the bill we brought to the Senate floor. We had a great bill on the Senate floor. We had a strong, bipartisan vote, 75–23. It doesn't get much more bipartisan than that around here. It was about half and half, Democrats and Republicans, voting for it. So it was a good bill, a strong bill.

Now, my friend from Pennsylvania, for whom I have the highest respect and affinity, is right; there are a lot of good things in this bill. It reminds me of sitting down at a dinner and you have a smorgasbord of prime rib, steaks, lamb chops, pasta, and all this wonderful meal spread out, and you can sample each one, but you have to take a poison pill with it. Is that really worth eating? That is the problem with this bill. There are good things in it; I admit that to my friend from Pennsylvania. But this 1-percent across-the-board mindless cut that was added later on—I know not with the support of either one of us on the Senate side—is a poison pill. Then they tried to say this is 1 percent and you can take it from waste, fraud, and abuse, or anything like that. But when you looked at the fine print, it was 1 percent from every program, project, and activity; every line item had to be cut by 1 percent.

That means in a lot of health programs, labor programs, and in some education programs, with that 1-percent cut, we are actually below what we spent last year—not a reduction in the increase. We are actually below what we were last year.

I ask unanimous consent to have that table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SAMPLE OF PROGRAMS CUT BELOW A HARD FREEZE UNDER CONFERENCE AGREEMENT [1]

[Compares Labor-HHS items from fiscal year 1999 level to fiscal year 2000 level, total cut in millions]

Program	Amount
DEPARTMENT OF LABOR	
Adult Job Training	$7.38
Youth Job Training	10.01
Youth Opportunity Grants	2.5
Comm. Service Jobs for Seniors	4.4
DEPARTMENT OF HEALTH AND HUMAN SERVICES	
Family Planning	2.14
CDC AIDS Prevention	1.34
CDC Epidemic Services	0.85
Substance Abuse Block Grant	15.34
Medicare Contractors	33.52
Child Welfare/Child Abuse	2.82
DEPARTMENT OF EDUCATION	
Goals 2000	4.91
Teacher Training (Eisenhower)	3.35
Literacy	0.65

[1] Includes 1 percent across-the-board cut.

Mr. HARKIN. When you look at this table, you can see why it is such a poison pill. I am greatly troubled by the vote coming up. I have been on this committee and the subcommittee now since 1985. I have been privileged to chair it and then to be the ranking member with Senator SPECTER as chairman. To my best recollection I have never voted against a Labor-HHS appropriations bill—not once —when Republicans were in charge and then when Democrats were in charge because we have always worked out a reasonable compromise. Well, this will mark the first time that I will have to vote against it. I don't do so with glee. I don't do so as some kind of a pound on the table, saying this is the worst thing in the world. With that poison pill in there, we just can't eat it. I don't think a lot of people can.

This is cutting Social Security, veterans' health care, Meals on Wheels, community health centers, afterschool programs, and education. Well, we all want to protect Social Security. Let's do it the right way. I believe we are going to have to sit down with the White House. I want to make sure Senator SPECTER, Senator STEVENS, and I are there at the table talking about this because I believe there is a way out of this.

We have a scoring from the CBO that if we have a look-back penalty on tobacco companies for their failure to reduce teen smoking, we can raise the necessary budget authority and outlays needed to meet what we have in our Labor-HHS bill without this mindless 1-percent across-the-board cut, without dipping into Social Security. I believe that is the way to go. I notice that Congressman PORTER, the chairman of the House subcommittee, was quoted just this morning as saying he favors making room for needed spending on discretionary programs by some type of a cigarette tax.

He said that with "the revenue generated by such a proposal we could get rid of all of the accounting gimmicks such as the delayed obligations at NIH."

I want to say something else about that. There is no one who has been a stronger supporter of NIH than Senator SPECTER has been through all of this.

Again, we had a good bill. We had some delayed obligations at NIH. But we had an amount that they could live with. Now, we are up to an amount of about $7 billion, if I am not mistaken, in delayed obligations at NIH. I believe that is going to cause them some distinct hardships. We have to get those delayed obligations back down to the area we had when we had the bill on the Senate floor.

I compliment Senator SPECTER for doing a great job. He is a wonderful friend of mine, and he has done a great job of leadership on this bill. It is too bad that other authorities someplace decided to put in a poison pill. But, hopefully, after this is over, we can work together, we can get it out, and we can have a bill that is close to the one that we passed on the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. At this time, under the previous order, the Senator from Illinois has 5 minutes, the Senator from New Jersey has 5 minutes, and the Senator from Texas has 5 minutes.

Mr. DURBIN. Thank you, Mr. President.

I urge my colleagues to vote against this bill. This is nominally the District of Columbia appropriations bill. But D.C. is such a small part of it. It is a flea on the back of a big rogue elephant.

We are happy the District of Columbia appropriations bill has reached a point where it should be passed and signed by the President, and the District of Columbia can go on about the business of managing itself. But, unfortunately, leaders in Congress have decided to take this relatively noncontroversial bill and add to it this behemoth of a Labor-HHS appropriations bill.

I am going to vote against this bill. As many others on the Democratic side, it marks probably one of the few times in my career that I have opposed the bill by which we fund the Department of Labor, the Department of Health and Human Services, and the Department of Education. But I think those who look closely at this bill will understand there is good reason to vote against it.

Mark my word; this bill that may pass today is going to be vetoed before the sun goes down, and we will be back tomorrow to talk about the next version of the Labor-HHS bill.

Senator DASCHLE is correct. This is a colossal waste of time. We should be negotiating a bill that can be signed instead of posturing ourselves. But if we are to address a posture, let's look at this bill and the posture it takes on one agency. That agency is the National Institutes of Health.

Let me tell you that if for no other reason, every Member of the Senate should vote against this bill because of the decision of the budget "smooths" to change the way that we fund the agency that pays for medical research in the United States of America.

Look at the way this bill would fund the National Institutes of Health. Historically, the blue lines represent more or less even-line spending throughout the year, month after month, by the National Institutes of Health on medical research, on cancer, on heart disease, on diabetes, and on arthritis. That is the way it should be. It is ordinary business, steady as you go. Researchers know the money will be there and that they are going to be able to use their best skills to find cures for the diseases that afflict Americans and people around the world. But some member of the Budget Committee, or the Appropriations Committee, has said: Let's play a little game here. Let's take 40 percent of all the money for the NIH and give it to them in the last 2 days of the fiscal year. Let them sit for 11 months, 3 weeks, and 5 days without the money, and then dump it on them in the last few days so that 40 percent of the money and 60 percent of the grants will be funded at the tail end.

The red line indicates what would happen if this Republican proposal went through. This is irresponsible. If we are going to play games with the budget, let's not do it with the National Institutes of Health.

I will concede, as Senator SPECTER said earlier, both he and Senator HARKIN, as well as Congressman PORTER from my State, have done yeomen duty in increasing the money available to the National Institutes of Health over the years. I have always supported that. I will tell you why.

Each Member of the Senate can tell a story of someone bringing a child afflicted by a deadly disease into their office and begging them as a Member of the Senate to do everything they can to help the National Institutes of Health. It is heartbreaking to face these families. It is heartbreaking, I am sure, to sit on the subcommittee and consider the scores of people who come in asking for help at the National Institutes of Health. But each of us in our own way gives them our word that we will do everything in our power to help medical research in America so that the mothers and fathers and husbands and wives sitting in hospital waiting rooms around America praying to God that some scientist is going to come up with a cure will get every helping hand possible from Capitol Hill. This bill breaks that promise. This bill plays politics with the National Institutes of Health.

This bill, if for no other reason, should be voted down by the Senate to send a message to this conference and every subsequent conference that if you are going to find a way out of this morass, don't play politics with the National Institutes of Health.

A few weeks ago, I had the sad responsibility of working with a family in the closing days of the life of their tiny little boy who had a life-threatening genetic disorder called Pompey's disease. He never made it to a clinical trial because we could never bring together the NIH and the university to do something to try to help him. But I did my best, as I am sure every Member of the Senate would.

A mother came to see me last year with a child with epileptic seizures that were occurring sometimes every 2 minutes. Imagine what her life was like and the life of her family.

Each and every one of them said to me: Senator, can you do something to help us with medical research? I gave them my word that I would, as each of us does.

Let's make sure this bill today draws a line in the sand and says to future conference committees that we hold the National Institutes of Health sacred, and we will not allow political games to be played with their budget.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the time allotted to Senator LAUTENBERG of 5 minutes be equally divided between Senator MURRAY and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I echo the words of my colleagues, Senator HARKIN from Iowa, and Senator DURBIN from Illinois.

I came here with Senator GRAHAM of Florida when we had this bill on the floor. We talked about the 50-percent cut in title XX block grant social services. That does not sound like much, but let me translate that into human terms.

We talked about the need to have an adequate amount of funding for community mental health services, and the number of people who do not get any care whatsoever. How are we going to deal with people during an extreme mental illness and help children when we don't provide the funding? It is unconscionable.

We talked about the cuts in congregate dining for elderly people, and we talked about cuts for Meals on Wheels for elderly people who can't get dining. We haven't even fully funded that program. Now we are talking about cuts in that program.

What are we about, if we are going to make cuts in these kinds of programs that we haven't adequately funded in the first place?

I talked about the particular problem for Minnesota. When we have these kinds of cuts in these block grant and social service programs, they are passed on to the community level. The States are not involved. It is going to take us a year and a half to two years to provide any of this funding at the State level, if we are ever going to be able to do so.

I say to my colleagues, what about compassion? What about programs that are so important to the neediest people, to the most vulnerable citizens, to children, to the elderly? What are we doing cutting these programs?

I wish Senator GRAHAM was here as well because we restored that 30 percent funding on the floor of the Senate, including community mental health services. All of it has been taken out in conference committee, at least what we were able to add as an increase.

I think that is cruel, shortsighted, unfair, and I don't think it is the Senate at its best.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I join my colleague on this side in urging a "no" vote on this bill, simply because, as Senator WELLSTONE just stated, of our compassion for the thousands of women who will not receive services—victims of domestic violence who won't have housing or counseling or health for their young children; the thousands of people who have diabetes or cancer who will not see the result of research done at NIH because of a 1-percent across-the-board cut; and, the thousands of women and children who depend on Head Start, who depend on our education programs, on the social services that are out there so that those young families can grow and be responsible and contribute back to our economy as strong families in the future. A 1-percent cut doesn't take into account the humanity behind the numbers in this bill.

Finally, on the topic of class size reduction, and why this side is so adamant about it, a block grant cannot guarantee that one child will get a better education. Because of the bipartisan work we did last year, today 1.7 million children are getting a better education in a smaller class size that guarantees they will have the ability to read, write, and perform the skills they need to do in order to compete in our complex world. If we continue this program, there will be millions more who are able to learn to read, write, and do better in school.

This is a partnership we have with our States and our local school districts. Our responsibility is to help them do what they need to do; to provide help where help is needed. There has been a call for reducing class size from across this country, because people know what works. The Congress should be a partner and continue our promise of a year ago in making sure that happens.

The bill will be vetoed; it will be an item of contention. The Democrats stand firm. We want to make sure those children get the best education possible. We are a partner in making that happen.

I yield the floor.

IMPACT AID REAUTHORIZATION

Mr. INHOFE. Mr. President, I rise today with several of my fellow Senators to bring an important matter to the attention of our colleagues in the Senate. I refer to the disproportionate allocation of Federal impact aid funding to local school districts across the country.

As you know, this program is a successful example of the role Federal funding can play in education. This program succeeds in placing Federal education dollars directly in the hands of local educators, rather than federal bureaucrats.

State income taxes and local property taxes are often the primary funding sources for public school systems. However, military families pay income taxes to their "State of residence," which may or may not be the same as the State in which their children are attending pubic schools. In addition, military families living on base or American Indians living on trust lands or reservations don't pay property taxes. Public schools are still required to provide these students a quality education. Who pays to educate these children?

Mr. President, Impact Aid fills this gap left when traditional revenue sources are inhibited by the presence of the Federal Government. This program is widely supported by my colleagues. In fact, it's a program which continually receives annual increases in appropriation levels. One would think if more money is flowing into the program then all States are fairly receiving increases in the annual funding levels. Unfortunately, this is not the case.

There is a formula used to determine the amount of funding distributed to each locally impacted school district. While clearly some states are more heavily impacted than others, this formula disproportionately favors certain states and their districts, at the expense of others equally impacted and deserving. Hundreds of school districts across the United States are scraping for the dollars necessary to educate our children. And they are doing it on less and less money every year.

States, local school districts, and parents are the primary resource to educate our children for the future. I would like to inquire of the chairman of Health, Education, Labor, and Pensions his intentions with respect to addressing the formula disparities.

Mr. CAMPBELL. Mr. President, I appreciate my good friend from Oklahoma bringing this to our attention. I have long been a supporter of Impact Aid, and I can speak to this issue from personal experience. For 20 years, my wife Linda taught at a school in southwest Colorado which is dependent upon the program, so I know firsthand its vital importance. In fact, more than 24 million acres of land in Colorado are federally owned lands. Impact Aid eases the burden on surrounding school districts with a smaller tax base because of these Federal lands, ensuring a high-quality education for all students.

My home State of Colorado has lost 16 percent in funding since this program was reauthorized in 1994. As the Impact Aid reauthorization is considered early next year, I look forward to a fair and honest evaluation of the funding formula.

Mr. COCHRAN. Mr. President, I thank the Senator from Oklahoma for bringing the problem of Impact Aid fund distribution to the attention of the Senate.

In my State, the Impact Aid payments to schools is a relatively small sum, about $300,000. So, it is especially important that those funds are distributed in an accurate and timely manner. I hope that in our consideration of reauthorizing the elementary and secondary education programs, that Impact Aid is given careful review. I will work to be of assistance in this effort.

Again, I thank my friend from Oklahoma for his leadership on this issue. And, I thank the chairman of the Health, Education, Labor, and Pensions Committee, the Senator from Vermont, for his willingness to address the issue.

Mr. NICKLES. I appreciate my colleagues Senator JEFFORDS and Senator KENNEDY working to remedy this situation. As my colleagues know, Oklahoma has historically come out on the short end of the funding stick in terms of Impact Aid distribution formulas.

Oklahoma has a very large number of impacted districts and this funding is so crucial for them. However, since the last authorization of Impact Aid, Oklahoma has lost 29 percent in Impact Aid funding.

I encourage my colleagues to continue to work, as they have been, to address this inequity to ensure that all States are served by the Impact Aid Program.

Mr. JEFFORDS. Mr. President, I appreciate the Senator from Oklahoma's bringing this matter to my attention. The Committee on Health, Education, Labor, and Pensions is currently preparing legislation to reauthorize programs included in the elementary and Secondary Education Act. The reauthorization process offers an opportunity for congress to review the operations of these programs and to make appropriate modifications. During the last reauthorization of ESEA in 1994, we revised the Impact Aid Program in a way intended to target resources to districts based on their relative need in terms of serving federally connected children. I believe that is the right direction to take and am open to considering any proposal which assists us in better meeting this objective. I welcome the recommendations of all Members and look forward to further discussions regarding the problem which my colleague from Oklahoma wishes to address.

Mr. KENNEDY. Mr. President, I appreciate the comments from my colleagues, and I thank them for bringing this matter to my attention. I will work with Chairman JEFFORDS during the reauthorization of the Elementary and Secondary Education Act to ensure that the Impact Aid Program adequately addresses the needs of students in federally impacted school districts, and that funding is directed to the districts with the most need, and is distributed in an equitable manner. I look forward to working with Senator JEFFORDS, Senator INHOFE, and other colleagues to address these issues fairly.

Mr. INHOFE. Mr. President, I thank my friends from Vermont, Massachusetts, Mississippi, Colorado, and Oklahoma for their interest in the reauthorization of Impact Aid and how it affects our States and most importantly our children. I look forward to working together to protect all impacted students.

Mr. ROBB. Mr. President, I had hoped that this year, we could have a reasonable and orderly appropriations process, where we would make the tough decisions that are required to live within our means. I had hoped that we could prioritize our spending, increasing funding for defense to strengthen our nation's readiness, investing in school improvements, devoting needed funds to science and basic research, enhancing our transportation system, and reducing our seemingly inexhaustible demand for pork-barrel projects.

Instead, we are now at the end of the appropriations process and we are facing the prospect of spending even more than we have taken in—despite the fact that revenues exceeded estimates and an on-budget surplus was available to us. At this point we face a Hobson's choice. In order to fulfill a commitment to protect the Social Security surplus that both political parties made to the American people we have to vote for a process that is abhorrent to any concept of responsible budgeting and legislating. In order to fund unwanted and unneeded legislative pork we're taking money from every legitimate program we've already funded—including crucial defense spending and reducing class size.

Rather than making the hard choices throughout the process, and foregoing popular parochial spending that is not critical to our nation's needs, we are forced to make an across-the-board cut in order to meet our commitment. This is not the responsible way to govern. In fact, it's indefensible. We haven't done our job, Mr. President. We're playing rhetorical games and posturing artificially in order to keep this little secret from the American people.

I will vote for this bill very reluctantly because it's the only measure on the table that meets our commitment. Once the President vetoes this bill, then we can get back to the business of making the hard choices. Cutting spending is never easy or popular, but it is necessary if we are to keep our promises.

I oppose spending the Social Security trust funds because I believe that when we voted years ago to take the Social Security trust fund off-budget, we did so in an effort to impose fiscal discipline on ourselves. Although it has taken years to get to a point where we didn't have to rely on Social Security surpluses to pay our bills, we are now at that point, and we've promised the American people that we will refrain from using Social Security and Medicare taxes to fund other government programs. I support the promise because it helps strengthen our spine to cut unnecessary spending. But strengthening Social Security and Medicare for the long term will take more than just placing the trust funds "off limits."

Mr. President, we have once again limped pathetically to the end of the appropriations process, past the deadline and over the budget. The mere fact that we have to do an across-the-board cut is a testament to the failure of this budget process. If we have to choose between thoughtful budgeting and honoring a commitment, I will vote to honor the commitment. But that shouldn't be the choice.

I will vote for this bill, knowing that it will be vetoed, to send a strong and clear message: government should not spend more than it takes in.

Mr. LEAHY. Mr. President, this morning I voted against the Conference Report for the Labor-HHS-Education-DC Appropriations bill. I am extremely disappointed with the budgetary stalemate that this Congress seems to have reached. This Congress is yet to do much work that we should be proud of and more than a month into the new fiscal year, we have failed to even complete our appropriations work.

I want to mention just a few of the problems I had with this Conference Report. First, this Report made significant reductions to essential programs funded through the Education Department. For example, the proposal before us provided no funding for a class size reduction program that this Congress supported just last year. Vermont is a state that generally enjoys small class sizes for our students. But even Vermont, a rural state with fairly small student to teacher ratios benefits, from the President's visionary program to put more teachers into our class rooms.

Second, this Conference Report made unacceptable cuts to programs funded through the Department of Health and Human Services. For example, this bill cuts $44 million in requests from the Centers for Disease Control to immunize over 333,000 children against childhood diseases.

In addition to these programmatic cuts, the Conference Report contained budget gimmicks including the use of the Social Security Trust Fund and an across the board cut in spending that reflects Congress' inability to budget responsibly. I understand the President made it very clear that he will veto this Report when it gets to his desk. In spite of this knowledge, my colleagues on the other side felt it was a productive use of our time to none the less move forward with an unacceptable bill, rather than attempt to negotiate and reach a compromise.

The conference report included a .97 percent across the board, government-wide cut in all discretionary programs. This included the funding for programs such as education and crime prevention—two essential programs for ensuring the safety of our youth. The Office of Management and Budget has estimated some of the effects of this type of across the board cut. For example, approximately 71,000 fewer women, infants, and children would benefit from the important Special Supplemental Nutrition Program for Women, Infants, and Children, also known as the WIC program. An across the board cut of this nature would also mean 1.3 million fewer Meals on Wheels will be delivered to the elderly.

Americans have witnessed over the past several weeks an enormous amount of finger pointing from both sides of the aisle about who's using the Social Security surplus and who's not. I don't think there's much to dispute. According to the non-partisan Congressional Budget Office, even with the so-called across the board cuts, the Republican proposed spending plan will still mean taking $17 billion from the Social Security Trust Fund.

Let's step back and look at the message that we have sent to Americans by agreeing to this Conference Report and sending it to the President. We have made a statement that we are not interested in placing our students into smaller class sizes even though research has shown they will learn faster with less discipline problems and will have higher high school graduation rates. We have said that we are not interested in ensuring the health of our children by providing immunizations that are known to prevent severe illness and even death form numerous childhood diseases. Finally, we have said that we are not concerned about the nutrition of our women and children nor are we interested in the nutrition of our homebound elderly.

What kind of priorities does this Congress have? Looking at this Conference Report and at our work over the past few months, it's hard for me to tell. We have failed on many fronts to do the work the people of this country have sent us here to do. We haven't passed a comprehensive Patients' Bill of Rights. We have not passed responsible gun control legislation. Just last week we were reminded that we have failed to pass comprehensive medical privacy legislation, leaving the Administration to do our work for us. And now, we can't even do one of our most important jobs—appropriating responsibly.

Mr. President, the Labor-HHS-Education-DC Appropriations Conference Report that this Senate passed this morning is just another example of where this Congress has failed. I look forward to the day when we can return to a time when we act responsibly and do the work the American people expect of us.

Mr. SANTORUM. Mr. President, I rise today to urge my colleagues and the American people to carefully consider one of the most pressing public health issues which faces America, an issue about which far too few people are aware and which is ever so obliquely tucked into the many pages of the appropriations measure we are about to consider.

This issue has to do with the workings of our national organ transplantation and allocation system and by extension the lives of hundreds of Americans whose lives hang in the balance.

Ideally, our national organ transplantation and allocation system—which at its core is about saving lives—would be governed according to standard medical criteria whereby donated organs go to those who need them most. Sadly, though, this is not the case. Our current organ allocation system has evolved into a needlessly contentious debate where fragile life-and-death decisions are being reduced to economic—and many times geographic—factors.

If you are an American citizen who needs a liver transplant to survive, and you reside in Arizona, California, Colorado, Connecticut, Illinois, Massachusetts, Maryland, Michigan, New York or Pennsylvania, you have much less chance of receiving a transplant than someone else with a similar level of illness who lives in another part of the country. That is the conclusion of the latest patient outcome data from the U.S. Department of Health and Human Services (HHS).

Despite enhanced capacities to keep organs viable for longer periods of time and to make them available to those who would benefit most, many regional transplant centers are still attempting to keep donated organs in their own geographic area. These "organ hoarding" policies and practices contribute to the deaths of thousands of Americans whose lives could otherwise be saved.

Consider: While an estimated 62,000 potential recipients are waiting their turn to receive organs, only 20,000 transplants take place in a given year. More than 4,000 Americans die each year—at least 11 per day—while awaiting organ transplants. Of those, it is estimated that 1,000 Americans—more than 3 each day—might have been saved if the system operated more fairly.

Last year, HHS issued new regulations designed to reduce these inequities. The 1998 Final Rule contained provisions to make the national organ transplant system more fair. Its goal was to ensure that the allocation of scarce organs is based on medical criteria determined by physicians, and not on geography. But a rider to the 1998 omnibus spending bill delayed implementation of the regulations for a year—and required the Institute of Medicine (IOM) to study the impact of the Final Rule.

Whereas I opposed the moratorium that Congress passed just over one year ago because I was convinced that the HHS rule was in the best interest of patients, many of my colleagues ignored previous studies by the Office of the Inspector General and the General Accounting Office, among others, and were swayed by the rhetoric of this very emotional debate when they supported this one-year moratorium. Proponents of the moratorium then argued that we did not have sufficient evidence to conclude that the current system has inequities. So innocent transplant candidates had to wait at least another year for a sensible policy of broader organ sharing.

Yet, ironically, some of my colleagues' action of endorsing a moratorium reflected a bit of wisdom. If not for the provision in the Omnibus Appropriations bill of 1998 which called on the IOM to study these issues, we would not have such clear evidence in support of the rule, evidence that is void of partisan or special interest input. By its very nature, the IOM was able to distance itself from the pronouncements of those with vested interests and to undertake an academic, evidence-based review of the issues. To question the integrity of the report is to question the integrity of the Institute of Medicine, of our nation's greatest minds, and of the scientific process itself.

As charged by Congress, the IOM released its report on June 20, 1999. And the results were a vindication for patients everywhere and irrefutably argue for pressing forward with the HHS Final Rule with its call for broader organ sharing. The IOM report has five noteworthy highlights.

The first is waiting times. The IOM concludes that waiting time for liver transplantation is an issue only for the most critically ill patients. For patients who are less acutely ill, waiting time is not an appropriate criterion in deciding about the allocation of donor organs. The IOM suggests that equitable access to transplantation would be best facilitated by development of a system with objective criteria that reflect medical need.

The second is larger Organ Allocation Areas. The HHS Final Rule places priority on sharing organs as broadly as possible, within limits dictated by science and technology. The IOM report concurs with this approach, and specifically recommends establishing Organ Allocation Areas (OAAs) for livers. The IOM suggests that OAAs serving at least nine million people each would significantly promote equity in access to transplantation, and be feasible with current technology.

The third is federal oversight. The IOM report recommends that HHS continue to exercise the legitimate oversight responsibilities assigned to it by the National Organ Transplant Act. The report further notes that strong federal oversight is necessary and appropriate to manage the system of organ procurement and transplantation most effectively in the public interest. The report also recommends the establishment of an Independent Scientific Review Board to assist the Secretary in these efforts.

The fourth is data collection and dissemination. The IOM report finds that current data are inadequate to monitor some aspects of the organ transplantation program. They suggest that the Organ Procurement and Transplantation Network contractor should improve data collection, and make standardized and useful data available to independent investigators and scientific reviewers in a timely fashion.

The fifth is effects on organ donation and small transplantation centers. The IOM was also asked to consider whether the requirements in the Final Rule would decrease organ donation, or cause harm to small organ transplantation centers. It found no evidence to suggest that either of these concerns would be realized. The IOM concurs that changes in the organ transplantation system—along the lines proposed by the Secretary—would improve fair access to lifesaving transplantation services.

Mr. President, 20 years ago retaining local allocation of organs was a sensible policy because organ viability—the window of opportunity during which an organ can be successfully transplanted—was not very long. But over the past two decades, the scientific knowledge and techniques for the retrieval, preservation and transplantation of donated organs have improved tremendously and have led to the development of organ transplantation as a means to save lives. These recent advances in science and technology now permit broader sharing of organs, with more focus on medical necessity and less restriction by geography as criteria for organ allocation. And yet, despite these enhanced capacities to keep organs viable for longer periods of time and to make them available to patients in parts of the country far from where those organs first may have been retrieved, many small regional transplant centers incredibly still fight to keep donated organs in their own geographic area.

The Final Rule reflects ongoing commitment by the Secretary of Health and Human Services (HHS), which I share with many of my colleagues on both sides of the aisle, to maintain the most equitable and advanced transplantation system and to reform the anachronistic allocation system which is needlessly costing lives.

The basic principles that underlie the 1998 Final Rule were supported by the conclusions of the IOM study. In late October of this year, HHS released a revised Final Rule, incorporating information and suggestions from the IOM and from the transplant community. This revised Final Rule is the culmination of the IOM study, four Congressional hearings, public hearings and consultations conducted by HHS, and nearly five years of public comment.

Today, proponents of the status-quo system of rank inequities have managed to include in this bill language which calls for yet another moratorium. They now say that any new regulations must be developed only after the National Organ Transplantation Act (NOTA) is reauthorized. This is an interesting change of argumentation now that the facts, as contained in the IOM report and other publications, have been publicized about how the current system in fact does not operate in the public's interest.

Whereas I certainly look forward to working with my colleagues to reauthorize NOTA, and most especially to the opportunity to develop a clear mandate and strategies for increasing organ donation, plans for future NOTA reauthorization should not be used as an excuse to perpetuate the current inequitable system which the Final Rule seeks to remedy. Additionally, the current NOTA statute does provide the Secretary with the necessary authority to immediately address the needs of those who are dying every day because of inequities in the system.

Currently, NOTA mandates that HHS and the transplant community share responsibility to govern the organ transplantation and allocation system. The he underlying principle on which Congress enacted NOTA back in 1984 to better coordinate the use of donated organs and to address the concern that the sickest patients receive priority for organ transplantation. As a result of this law, the Organ Procurement and Transplantation Network (OPTN) was established. As you know, the OPTN's membership is comprised of organ procurement organizations and hospitals with transplant facilities. The primary function of the OPTN is to maintain both a national computerized list of patients waiting for transplantation and a 24-hour-a-day computerized organ placement center, which matches donors and recipients. Currently, the United Network for Organ Sharing (UNOS), a private entity, holds the federal contract for the OPTN and establishes organ allocation policy.

I would like to assure my colleagues that under the revised Final Rule, development of the medical and allocation policies of the OPTN remain the responsibility of transplant professionals, in cooperation with the centers, patients and donor families represented on the OPTN board. Most importantly, in the revised Final Rule, HHS provides for the public accountability that is necessary for a national program on which so many lives depend.

The HHS regulations for broader organ sharing have been the subject of rigorous debate in Congress, within the transplant community, and on the pages and airwaves of the local and national media. While constructive discourse is the root of our democracy, what has concerned me over the past couple of years is that deceit and fear have characterized this particular debate. Even for those who are extremely close to these issues, it has become more and more difficult to distinguish the true facts. Indeed, this is the very reason that Congress stipulated the Institute of Medicine study this issue.

My greatest concern is for the lives of worthy, innocent transplant candidates which hang in the balance each day, each hour, each minute that we delay moving forward with these regulations. Please make every consideration to expedite the process so that the transplant community can move forward to improve the system so that more lives can be saved.

As my colleagues may know, the federal Task Force on Organ Transplantation (formed in 1986), in a critical decision, established that donated organs belong to the community, and it identified that community as a national one. Consistent with this decision, the new HHS regulations identify donated organs as a precious national, not local or regional, resource—thus helping to elicit what James Childress, a medical ethicist who served on the transplant task force, calls "communal altruism" or public commitment to organ donation. Childress, an authority on the subject of organ donation, states in a 1989 edition of the Journal of Health Politics, Policy and Law, "Donations of organs cannot be expected unless there is public confidence in the justice of the system of organ distribution."

In order to maintain an effective system for the allocation of life-saving organs, we must first ensure that we have an adequate supply of those organs. An adequate supply relies on public generosity and commitment, which, in turn, relies on the public perception that the system for organ allocation is both publicly accountable and fair.

The HHS regulations have prompted debate in large part because they would change the allocation system from a local/regional one to one of broader organ sharing. They would allocate organs to the most medically urgent patients first, rather than to those residing in the same geographic area as where the organ was donated. And I emphasize, that while the HHS regulations call for a national system, they do not call for a national allocation system. They leave the specific policy decisions in the hands of the transplant community.

I have registered as an organ donor; when I die, I do not care whether or not my organs go to a resident of Pittsburgh; I hope they go to the person who needs them the most. The majority of Americans share my sentiments. According to the results of a Gallup public opinion survey released this past June, most Americans—83 percent—want donated organs to go to the sickest patients first, regardless of where they live.

Not only do the HHS guidelines meet standards of effectiveness, in part, by helping to ensure broad public commitment to organ donation, they also meet the related standard of equity. By creating a process designed to lead to a broader geographic sharing of organs, these proposed regulations equalize waiting times among transplant centers, thus also—and effectively—save more lives. CONSAD Research Corporation has already identified a number of alternative policies that would equalize waiting times and save more lives.

The HHS regulations further require standardized medical criteria to be used when placing patients on the national waiting list and determining their priority among all patients needing organ transplants throughout the United States. They therefore call for equitable organ allocation throughout the country to ensure that the most medically urgent patients, within reasonable medical parameters, have first access to organs.

We know that there currently exists enormous disparity in waiting times for organ transplantation from region to region in the United States.

Mr. President, I ask unanimous consent that the chart of recently released HHS data be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPARISON OF PERCENTAGE OF PATIENTS WHO RECEIVE LIVER TRANSPLANTS WITHIN ONE YEAR

[All numbers are percentage]

Below national median	National median	Above national median
University Medical Center, Tucson, Arizona—42.	47	St. Luke's Episcopal, Houston, Texas—66.
Stanford University, Palo Alto, California—29.	47	Latter Day Saints Hospital, Salt Lake City, Utah—58.
University Hospital, Denver, Colorado—38.	47	St. Louis University, St. Louis, Missouri—56.
Yale Hospital, New Haven, Connecticut—23.	47	Jackson Memorial, Miami, Florida—67.
University of Illinois, Chicago, Illinois—23.	47	Froedtert Memorial, Milwaukee, Wisconsin—83.
Indiana University, Indianapolis, Indiana—37.	47	Jewish Hospital, Louisville, Kentucky—75.
Massachusetts General, Boston, Massachusetts—29.	47	Rochester Methodist, Rochester, Minnesota—68.
Johns Hopkins, Baltimore, Maryland—23.	47	Vanderbilt University, Nashville, Tennessee—73.
University of Michigan, Ann Arbor, Michigan—24.	47	Fairview University, Minneapolis, Minnesota—63.
North Carolina University, Chapel Hill, North Carolina—39.	47	Medical University, Charleston, South Carolina—61.
Thomas Jefferson, Philadelphia, Pennsylvania—28.	47	Ohio State, Columbus, Ohio—55.
New York University, New York, New York—40.	47	University Hospital, Newark, New Jersey—80.

Source: U.S. Department of Health and Human Services, 1999.

Mr. SANTORUM. Mr. President, these disparities were first brought into sharp focus in the 1997 Report of the OPTN: Waiting List Activity and Donor Procurement, and now even more so in this recently released HHS data. Why the median liver transplantation rate during one year for "listed" candidates in Chicago would be 23% and 83% in Milwaukee is unconscionable. Equally disturbing is that a patient of blood type "O" would have a median waiting time of 721 days in western Pennsylvania and just 46 days in Iowa.

As we can see from the facts under the current allocation system, often a critically ill patient in one region can go without a life-saving organ while a healthier patient in another region—one with a larger supply of organs—can be treated as a priority.

In meeting this standard of equity, the HHS regulations can help to prevent what has become an alarming and extremely parochial trend—that of states passing "local first" laws or resolutions. Kentucky, Louisiana, Oklahoma, South Carolina, Wisconsin, Arizona and Texas have either passed laws or resolutions or have proposed such laws that strive to keep organs in their respective states, while not necessarily allocating these organs to state residents.

This is a critical distinction: Patients often travel from other states for the high-quality care offered by large transplant centers, which generate considerable revenue. When states seek to retain organs in this manner, they are serving economic self-interest, not patient interest. And what of the patients who reside in states with no liver or heart transplant program? These patients, including those with Medicaid and Medicare, must travel to other states, where the access to organs and the waiting times can vary significantly.

The new HHS guidelines would better meet procedural and substantive standards of justice than does current policy. They would encourage more public participation in the policy making process and, therefore, more accountability, and they would equalize the treatment of medically similar cases.

In developing policies for the life-and-death issue of organ allocation, we should rise to broadly accepted standards of justice rather than acquiesce to narrowly defined regional interests.

Arthur L. Caplan of the University of Pennsylvania Center for Bioethics and Peter Ubel of the Philadelphia Veterans Affairs Medical Center wrote in The New England Journal of Medicare on Oct. 29, 1998, "We believe that the United States should end policies that permit geographic inequities and move quickly to determine the best use of data on the efficacy of outcomes to create a more equitable national system of distribution."

Because I believe that any organ allocation system should be defined by, and accommodate, the moral principles of effectiveness and equity, I strongly support the proposed change to a national allocation system as outlined in the Department of Health and Human Services revised regulation. I firmly believe that the Secretary needs to exercise her authority so that a more equitable system based on uniform medical criteria can immediately move forward. Again, I will repeat for my colleagues that plans for future NOTA reauthorization should not be used as an excuse for delay while innocent Americans are needlessly dying. Further delay prevents more needy transplant candidates from receiving vital, lifesaving organs.

Now, I realize that this body will likely adopt this conference report, despite its containing this controversial language for another moratorium. But let us bear in mind that the President has vowed to veto this legislation over this issue and other spending priorities contained herein.

Thus, it is not too late. When our leaders reconvene to negotiate budget priorities with the administration, I urge my colleagues to oppose another moratorium, and join me in ending a system that unfairly deprives patients of access to life-saving organ transplantation, and allow the regulations to go forward. This is an issue which transcends politics.

• Mr. McCAIN. Mr. President, I regret that I was unable to be here for the vote but I thank the conferees for their hard work on the conference report that provides federal funding for the District of Columbia, the Departments of Labor, Health and Human Services (HHS), and Education. I am very disappointed that this report includes wasteful, locality-specific, pork-barrel projects, legislative riders, and budget gimmicks such as "forward funding" and a 1-percent cut in government spending across-the-board. Therefore, I cannot support this bill.

This legislation is intended to provide funding directly benefiting American families and senior citizens while assisting our most important resource, our children. It provides funding to help states and local communities educate our children. It also provides the funds to support our scientists in finding treatments for illness. This report also provides funds for ensuring our nation's most vulnerable—our children, seniors and disabled have access to quality health care. Furthermore, it provides the monetary support for important programs assisting older Americans including Meals on Wheels and senior day care programs.

I am pleased that this legislation took an important step towards ensuring that our nation's schools have the flexibility to determine how to meet the unique educational needs of their students instead of Washington bureaucrats mandating a "one size fits all" policy. Second, this bill provides a significant increase in funding for the National Institutes of Health (NIH) which is critical in our ongoing battle against disease.

These are just some of the important provisions in this conference report. There are many additional items which are as pertinent to our nation's wellbeing which makes it all the more frustrating that this bill is still laden with earmarks, legislative riders and unjustifiable budget gimmicks.

First, this legislation contains $388 million in total pork-barrel spending ($335 million in earmarks and setasides for the Departments of Health and Human Services, and Education). Some of the more egregious violations of the appropriate budgetary review process include:

$2.5 million for Alaska Works in Fairbanks, Alaska for construction job training;

$1.5 million for the University of Missouri-St. Louis for their Regional Center for Education and Work;

$104 million for the construction and renovation of specific health care and other facilities including: Brookfield Zoo/Loyola University School of Medicine, University of Montana Institute for Environmental and Health Sciences and Edward Health Services, Naperville, Illinois; and

$3,000,000 to continue the Diabetes Lower Extremity Amputation Prevention (LEAP) programs at the University of South Alabama.

While these projects may have good reason to be deserving of funding, it is appalling that these funds are specifically earmarked and not subject to the appropriate competitive grant process. I am confident that there are many organizations which need financial assistance and yet, are not fortunate enough to have an advocate in the appropriations process to ensure that their funding is earmarked in this legislation. This is wrong and does a disservice to all Americans who deserve fair access to job training and quality health care.

Some of the legislative riders include $3.5 million in this report to implement the Early Detection, Diagnosis, and Interventions for Newborns and Infants with Hearing Loss Act. This legislative initiative was inserted into the Senate and House appropriation bill without hearings or debate on this proposal by either chamber. I applaud the intentions of this measure and share my colleagues' support for helping ensure that all hospitals, not just the current 20%, provide screening in order to produce early diagnosis and intervention for our children to ensure that they have an equal start in life and learning. However, the manner in which it was included in this measure bypasses the appropriate legislative procedure. Instead, this measure should have been given full consideration by the Senate as a free-standing initiative or as an amendment to appropriate legislation.

Furthermore, I am also opposed to the use of budget gimmicks in this report. First, the report has opted to use the newly popular budget gimmick of "forward funding," used to postpone spending until the next fiscal year to avoid counting costs in the current fiscal year. What this means is that $10 billion in funding for job training, health research, and education grants to states is pushed into next year—a budgetary sleight of hand that merely delays the inevitable accounting for these tax dollars. What a sham.

Finally, now that the surplus has been spent for pork-barrel spending instead of shoring up Social Security and Medicare, paying down the debt, and providing tax relief, the appropriators have opted to include a 1-percent cut in government spending across-the-board to keep Congress from touching Social Security. Why not just cut the pork-barrel spending in the first place to avoid resorting to such gimmicks?

Mr. President, because of the egregious amount of pork-barrel spending in this bill, the addition of legislative riders, and the 1-percent across-the-board spending cut, I must oppose its passage. I regret doing so because of the many important and worthy programs included in the conference agreement, but I cannot endorse the continued waste of taxpayer dollars on special interest programs, nor can I acquiesce in bypassing the normal authorizing process for legislative initiatives. If an Omnibus appropriations bill is required in order to complete the appropriations process for fiscal year 2000, I hope that the Congress finds the courage to remove the many earmarks, the budget gimmicks, and the legislative riders contained in this report, the bill, and all others so that we can provide the much needed financial support for job training, education, health care, research and senior programs and avoid a congressional sequester.

The full list of the objectionable provisions is on my Senate website. •

Mrs. HUTCHISON. Mr. President, I have heard the most amazing rhetoric on the other side. I am told by my colleague from Minnesota we have cut all the increases the Senate put in this bill. What is wrong is the facts. We haven't cut the increases. In fact, we haven't cut them out at all. We have increased in the areas where we have prioritized.

Education: $2 billion more than in last year's budget. What does a 1-percent cut across-the-board mean? It means $1.8 billion more than we spent last year.

NIH: We are committed to giving NIH double the funding for medical research in this country. We are keeping our promise. We are increasing NIH $1.8 billion over last year.

Head Start: We increased it $600 million. A 1-percent cut means we are increasing it $594 million.

We are keeping a promise. We have said the most important thing we are going to do in this Congress is keep our Social Security surplus intact. We are doing it by making sure we do not go into that surplus. We are making a 1-percent across-the-board cut in increases because we have given so much more than we did last year.

Let me talk about what happens in a 1-percent decrease. Any person who has ever run a corporation or an agency or even an office knows a 1-percent cut does not go in the programs. We are not going to lose teachers. We are not going to lose people who are getting veteran benefits. They are going to cut travel budgets, office supplies; they will cut in the bureaucracy; that is, if they have the responsibility to make the right decisions.

We are going to keep our promise to keep social security intact. We are going to do it in a responsible way so they can take cuts in travel budgets, they can take cuts in their bureaucracies to make sure the programs are funded at the increased levels that Congress is requiring them to do.

This is the most responsible act Congress has taken. I am stunned the other side will not step up to the plate and do what they promised also; that is, keep Social Security intact.

I yield my remaining time to Senator DOMENICI.

Mr. DOMENICI. Mr. President, I will not repeat what has been stated, other than generally to say most of the social programs in this bill, from Meals on Wheels to student aid to everything else in between, even after the .97-percent cut, are substantially higher than last year and, in almost every instance, higher than what the President of the United States asked for in his budget.

If doing that amounts to cutting a program, then, frankly, I don't understand what it means to increase a program and increase them as dramatically as we have in this bill. The best friend the National Institutes of Health has ever had is a Republican Congress. We are increasing National Institutes of Health because people such as CONNIE MACK and a few others have said double it in the next 5 years. In this bill, we had in NIH $2.3 billion more than the President; with the across-the-board cut, we are $2 billion in appropriations more than the President.

Essentially, there has been a lot of talk about saving Social Security, and we have used some OMB scoring where we think it is appropriate. There are those who still come to the floor and act as if they actually know we have infringed on the Social Security surplus. Let me repeat for the Senate, in March, April, or May of next year, I predict with almost absolute certainty that a budget comes out close to this budget produced by Senator STEVENS and the appropriations bill and will not take any money out of Social Security.

They can argue that the President's numbers wouldn't have taken any out—CBO's numbers might. But essentially, when the bell tolls and we do the reevaluation, we are going to be able to say to the senior citizens we didn't touch Social Security. The .97 is important to that solution.

Mrs. HUTCHISON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. McCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 49, nays 48, as follows:

[Rollcall Vote No. 343 Leg.]

YEAS—49

Allard
Bennett
Bond
Brownback
Bunning
Burns
Byrd
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gorton
Gramm
Grams
Grassley
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Robb
Roberts
Roth
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—48

Abraham
Akaka
Ashcroft
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Torricelli
Voinovich
Wellstone
Wyden

NOT VOTING—2

Gregg
McCain

The conference report was agreed to.

Mrs. HUTCHISON. I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AFRICAN GROWTH AND OPPORTUNITY ACT—Resumed

Pending:

Lott (for Roth/Moynihan) amendment No. 2325, in the nature of a substitute.

Lott amendment No. 2332 (to amendment No. 2325), of a perfecting nature.

Lott amendment No. 2333 (to amendment No. 2332), of a perfecting nature.

Lott motion to commit with instructions (to amendment No. 2333), of a perfecting nature.

Lott amendment No. 2334 (to the instructions of the motion to commit), of a perfecting nature.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa.

Trent Lott, Bill Roth, Mike DeWine, Rod Grams, Mitch McConnell, Judd Gregg, Larry E. Craig, Chuck Hagel, Chuck Grassley, Pete Domenici, Don Nickles, Connie Mack, Paul Coverdell, Phil Gramm, R. F. Bennett, and Richard G. Lugar.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the substitute amendment No. 2325 to Calendar No. 215, H.R. 434, an act to authorize a new trade and investment policy for sub-Sahara Africa, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. McCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The yeas and nays resulted—yeas 74, nays 23, as follows:

[Rollcall Vote No. 344 Leg.]

YEAS—74

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Cochran
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Durbin
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Hagel
Harkin
Hatch
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Rockefeller
Roth
Santorum
Schumer
Sessions
Shelby
Smith (OR)
Specter
Stevens
Thomas
Thompson
Voinovich
Warner
Wyden

NAYS—23

Boxer
Bunning
Byrd
Campbell
Cleland
Collins
Conrad
Dorgan
Edwards
Feingold
Helms
Hollings
Inouye
Kennedy
Levin
Reed
Reid
Sarbanes
Smith (NH)
Snowe
Thurmond
Torricelli
Wellstone

NOT VOTING—2

Gregg
McCain

The PRESIDING OFFICER. On this vote, the yeas are 74, the nays are 23. Three-fifths of the Senate duly chosen and sworn having voted in the affirmative, the motion is agreed to.

AMENDMENTS NOS. 2332 AND 2333 WITHDRAWN

Mr. LOTT. Mr. President, I ask consent that amendments 2332 and 2333 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 2332 and 2333) were withdrawn.

Mr. LOTT. Mr. President, I remind the Senate pending is the trade bill with the substitute amendment pending in the first degree. Cloture was invoked; therefore, there is a total time restriction of 30 hours, including quorum calls and rollcall votes. Under an additional consent, relevant trade amendments are in order in addition to the germaneness requirement under rule XXII. Those additional first-degree trade relevant amendments must be filed by 2:30 today.

I urge all Senators to offer and debate their amendments in a timely fashion. I request relevant amendments not be abused so we can complete this very important trade legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. ENZI). The Chair recognizes the Senator from Delaware.

Mr. ROTH. Mr. President, I thank my colleagues on both sides of the aisle for their support for the cloture motion. The vote reflects the strong bipartisan support for the bill.

I also want to extend my thanks to the distinguished majority and minority leaders, who worked so hard to find the compromise that would allow the bill to move forward.

Due to their hard work, we have the opportunity to send a clear statement to our neighbors in the Caribbean, Central America, and Africa that we are willing to invest in a long-term economic relationship—a relationship of partners in a common endeavor of expanding trade, enhancing economic growth, and improving living standards.

Most importantly, this bill will also send a clear signal to our trading partners around the world who will join us shortly in Seattle for the ministerial meeting of the World Trade Organization. It signals that the United States is prepared to engage constructively in the wider world around us and to provide the leadership necessary to achieve our common goals.

Most importantly, the bill means we will fulfill our commitment to the American workers and firms that will benefit from this bill—a commitment that means $8.8 billion in new sales and an increase of 121,000 jobs over the course of the next 5 years in the U.S. textile industry alone.

As I have emphasized again and again in this debate, this is not a bill that is good just for our neighbors in the Caribbean and Central America or our partners in Africa. This is a bill that is good for our workers here at home as well. It is a "win-win" situation economically for American workers and our friends abroad.

I look forward to working with my colleagues over these coming hours to fashion a still stronger bill that would further those goals.

Let me emphasize once more the strong bipartisan support reflected in the vote just taken. The motion for cloture carried by a vote of 74–23. I urge my colleagues to move as expeditiously as we can because time is limited. As we all know, the Congress is coming to the end of the current session and we want to make sure everybody has the opportunity to bring forward their amendments. It is important we do so in a fashion to expeditiously conclude action on this important piece of legislation.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. MOYNIHAN. Mr. President, I wish to join most emphatically with my revered chairman in congratulating the Senate today, in thanking the majority and minority leaders. We have risen to a moment which was ominously in doubt.

Last week, as the week progressed, two things took place: One, on the Senate floor, as we now have established, we had 74 votes just to proceed with the bill—we will have more when this is done. Even so, we found ourselves in a procedural tangle not unknown to the body which was thwarting the will of an emphatic majority—and not just a majority for this legislation but a majority for a tradition of openness in trade that began 65 years ago with the Reciprocal Trade Agreements Act of 1934 at the depths of the Depression, the aftermath of the Smoot-Hawley legislation, with our system of government very much under challenge. That challenge would grow more fierce and would end in the great World War.

We were then, even so, confident enough of the promise of trade that we could go forward in this matter. We have been going forward for 60 years. However, 5 years ago we stopped. The President did obtain the approval of the Congress for the World Trade Organization. I shouldn't put it that the President "obtained" the approval of the Congress; Congress approved what Congress had sent our negotiators to obtain. There was a little side ripple there. An international trade organization was to have been one of the main institutions of the Bretton Woods system created in 1944. The International Bank for Reconstruction and Development—we call it the World Bank—the International Monetary Fund were created; the International Trade Organization didn't happen.

Finally, we caught up with ourselves and we created the World Trade Organization which I believe now has 134 members with 30 observers currently applying for membership. I said there were two ominous, even menacing moments. The second was that there was almost no attention paid in the press and media to this week-long frustrating, seemingly unavailing effort. We have been on this a week and we got nowhere. No one noticed. It is as if no one cared.

We woke up. Yesterday, the Washington Post in a lead editorial on this subject noted neither the administration nor the Congress had done anything they needed to do, and that at the end of this month the World Trade Organization will meet in Seattle. Our Ambassador, our Trade Representative, Ambassador Barshefsky, will open the meeting. Our President will be there, along with heads of state. We will be talking about the next round of global trade negotiations. They can take 9, 10 years. They are fundamentally important.

But our President will not have the authority to enter these negotiations—or rather to send the resulting agreements to the Congress for expedited consideration. If he were to have had the sub-Saharan African legislation fail and the Caribbean initiative of President Reagan fail; if we were to have, in effect, allowed the Trade Expansion Act of 1962, President Kennedy's measure that led to the Kennedy Round, like the Uruguay Round, expire and say to the 200,000 American families who are displaced by trade, as others are, that we should let economic forces work their way and tell them, that's too bad; if we allowed the Generalized System of Preferences to expire and say, no matter, how would our representatives look? What would they say? What could they undertake? Very little.

It would be a moment in trade that would be shameful, after 65 years of bringing the world out of the depths of the Great Depression, now, in the longest economic expansion in the United States, the longest economic expansion in history.

For so many years we talked about "the longest peacetime expansion." No, no, this expansion is greater even than that from World War II. This is what trade has brought us. Not just trade, but without trade expansion we could not have had this economic expansion.

Now, at least, we can go to Seattle and say: Here are our bona fides. We are still players. We still want to go forward.

So, Mr. President, let the games begin. We have a long debate before us. It will be a bipartisan debate. The Senator from Delaware, the chairman of our committee, will be leading the debate. His deputy, if I may so deputize myself, will be at his side across the aisle. Let us now proceed, being of good heart and great expectations.

I yield the floor.

Mr. ROTH. Mr. President, I ask the distinguished Senator from New York if he could articulate the importance of the legislation before us.

Mr. MOYNIHAN. I certainly could attempt to do so. I would not risk overstatement. There would be a setting in which, having given the President negotiating authority for a new round of international trade talks, having arranged for Trade Adjustment Assistance to be continued as it has been for 37 years, we could say: The particular matters before us will be part of the trade negotiations—and so forth. We could say we will get to it next year.

But we don't have that negotiating authority. The President goes to Seattle emptyhanded. The only thing he can bring with him is the trade legislation we have before us—which we still have to take to the House. But this is all the United States can show the world, the world which has been following us for all these years.

So I hope, at a very minimum, the sense of tradition—even, if I may say, of honor—will drive us forward in this matter.

Mr. ROTH. I would like to refer to fast track. Like my colleague, I am very unhappy that this authority has not been extended this President.

Mr. MOYNIHAN. And, sir, that this President did not ask for it when he could get it.

Mr. ROTH. That is correct. That is correct.

I also point out our committee in the last 2 years reported this legislation out because there is strong bipartisan support for fast track to be granted to the President, this President, by both Republicans and Democrats.

Mr. MOYNIHAN. Sure.

Mr. ROTH. Unfortunately, there has not been strong leadership from the White House on this matter. It seems to me it is a matter of grave concern. But since that has not happened, I do agree with what my colleague has just said, that it is important we act on this legislation so it becomes clear to our friends and neighbors around the world that we continue to plan to provide leadership in this most important area of trade.

Mr. MOYNIHAN. Yes, sir, and that it becomes clear to our friends around the world, as you say, and our friends downtown—give them heart; give them something to show.

Mr. ROTH. Absolutely. I applaud and congratulate the Senator from New York for his leadership, not only during the current session but down through the years in this most important trade policy. We look forward to bringing home the bacon in the next 30 hours on this important piece of legislation.

Mr. MOYNIHAN. I thank the chairman.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from South Carolina.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the distinguished managers of the bill offered the $8 billion figure in sales and some 121,000 jobs. The truth is, we know from the Labor Department statistics that we have lost 420,000 textile jobs nationwide and some 31,200 textile jobs in South Carolina alone. They said NAFTA was going to create 200,000 jobs. They claim today it is 121,000. In Mexico itself, it was going to create 200,000 jobs. We know textiles alone lost 420,000, and it is undisputed that 31,200 jobs were lost in the State of South Carolina.

I ask unanimous consent to print two articles with respect to the economy and how it has worked in Mexico, one from the Wall Street Journal and the other from the American Chamber of Commerce in Mexico.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 27, 1999]

A DECADE OF CHANGE

(By Jonathan Friedland)

THE HAVE-NOTS: THE FREE-MARKET REVOLUTION PROMISED SO MUCH; TO MANY IN LATIN AMERICA, IT HAS DELIVERED SO LITTLE

Texcalitla, Mexico.—Liberalization, privatization, globalization. Mary Garcia may not be aware of them in so many words, but she has felt their impact from behind the two-frame stove of her cinder-block cafe, the Avenida Nacional.

Perched alongside the highway that was once the main road between Mexico City and the resort city of Acapulco, Mrs. Garcia's restaurant used to serve dozens of plates of rabbit stew to travelers daily. But early this decade, amid a severe downsizing of the Mexican state, the government let private contractors build a swift toll road between the two cities that bypassed the Avenida Nacional.

Mrs. Garcia has far fewer clients nowadays. Not only that, but the taxes she pays have gone up, in part because of the new road. The Highway of the Sun, as it's called, has been such a financial disaster that the government bought it back two years ago from the companies that built it. The same thing happened with a dozen banks, a pair of airlines and 25 other highway projects. After botched privatizations, they are back in the hands of the government, and taxpayers are facing a bill that may total as much as $90 billion.

"I am all for progress," Mrs. Garcia says wistfully, straightening up the place settings in her empty restaurant. "But this kind of progress is killing us."

From Texcalitla, here in Mexico's rural Guerrero state, to Tierra del Fuego at the southern tip of South America, there are a lot of people who feel the same way. For many Latin Americans, the free-market revolution that has swept the region in the past decade hasn't delivered the kind of progress they were told it would—easier lives, better incomes and a more secure future. Instead, it has confirmed many of their worst fears about capitalism.

Since Chile embarked on its free-market experiment in the late 1970s, widespread domestic market liberalization, privatization of once-unwieldy state asset holdings and a removal of barriers to foreign competition have made Latin America a much healthier place in purely macroeconomic terms. Government finances are in better shape than ever. Foreign direct investment is up, and inflation rates have fallen. And Latin Americans have access to a wider variety of goods and services than ever before.

But there has also been a big downside to the move from closed to open economies. Buffeted by forces beyond their control—such as the woes of other emerging markets as far afield as Russia and Indonesia—Latin American economies have posted frustratingly inconsistent growth rates in recent years. Job creation has actually slowed while overall unemployment in the region has remained stable, according to Inter-American Development Bank statistics. That means that more Latin Americans work in the informal economy than a decade ago, and that income distribution, uneven to begin with, has generally grown more so.

In fact, from 1980 to 1996, the latest year for which hard data are available, the trend has been for an ever greater percentage of national income to end up in ever fewer hands in all Latin American countries except Costa Rica and Uruguay, says Elena Martinez, regional director of the United Nations Development Program. Unlike their bigger neighbors, Costa Rica and Uruguay have kept a lid on competition and have struggled to maintain their state-run social-welfare systems.

Elsewhere, in Argentina, Brazil, Mexico and other countries, the pattern has been this: A handful of entrepreneurs, often with close ties to their country's political elite, have gotten richer. The middle class, never large to begin with and traditionally propped up by plentiful government jobs, urban food subsidies and trade barriers that kept inefficient companies alive, has shrunk. And the poor, whose safety net, never strong, has been strained by demands for fiscal austerity from the international financiers these countries depend on, keep getting poorer.

"In the 1990s, Latin American policy makers have put their emphasis on overall performance, on making sure the macroeconomic indicators were lining up," says Gert Rosenthal, a Guatemalan economist. "But there is a growing consensus that something is terribly wrong when you have this and 40% of your population is in worse shape than before."

The negative balance of the free-market experiment for many Latin Americans has tipped the scales away from support for further reform. Leading presidential candidates in Argentina, Chile and Mexico—three countries with elections over the next year—are all emphasizing the need to put people before markets. "There is a search for a kinder, gentler form of capitalism," says Lacey Gallagher, head of Latin American sovereign ratings at Standard & Poor's Co. in New York. "It is sad, but the reform process in a lot of countries is getting stuck because political support for reforms has dwindled so much."

No one thinks Latin America will return to the days of import substitution and uncontrollable deficit spending, or that social revolution is on the horizon. But observers like Ms. Gallagher worry that although they have embarked on the free-market path, many Latin American economies aren't yet flexible enough to adapt to change in the global economy. Nor can they deliver an improved standard of living to the majority of their citizens. "The first-stage reforms, which most Latin American countries have already been through, worsen income distribution, make economic cycles more profound and raise unemployment," she says. "The payoff comes with the second-stage reforms."

But those reforms, which include strengthening tax collections, making taxation fairer and labor laws more flexible, and streamlining institutions like courts and schools, have run into public opposition mainly because of the financial and social costs associated with the first round of reforms. Politicians generally realize these are the steps they have to take, but in the fledgling democratic environment in which they operate, consensus building is a painfully slow process.

In Argentina, for instance, President Carlos Menem has tried for several years to scrap the country's antiquated labor laws, but he can't because still-powerful unions believe the old rules are the only remaining safeguard for their workers. Lately, Mr. Menem hasn't pushed the point because his Peronist party, built originally upon a base of fervent worker support, needs union backing to prevail in presidential elections scheduled for October.

Economists say the cost of the delay has been high. Argentina, which pegged its currency to the dollar earlier in the decade to quash triple-digit inflation, has entered a nasty recession because of a big currency devaluation by Brazil, its No. 1 trading partner. With its inflexible labor laws, Argentina can't reduce wages to remain competitive. The result: Output has fallen and unemployment has soared.

A similar though less pressing dilemma faces Mexican President Ernesto Zedillo. In March, he floated a plan to gradually privatize the country's electrical sector, arguing that the government doesn't have the resources to invest the $25 billion needed over the next few years to increase the power supply. While many Mexicans agree with the president's basic point—that state funds ought to be spent on things like health and education rather than power plants—few trust the private sector to do the job properly.

It isn't hard to see why. Mexico's privatization binge has been plagued by costly blunders that have many wondering whether state finances are truly better off now, and whether the Mexican economy is truly more competitive than before, as the government contends. "It isn't obvious to most Mexicans that their lives have improved as a result of these programs," says Luis Rubio, a Mexico City development expert.

The toll roads provide a case in point. With the passage of the North American Free Trade Agreement on the horizon and an urgent need to upgrade Mexico's crumbling road infrastructure to handle a surge in trade, former President Carlos Salinas de Gortari embarked on a crash public-works program in which private construction companies built a network of pay-as-you-go highways. But in the government's rush to get the job done, unrealistic traffic and income projection's were made, local banks were muscled into coming up with the financing, and companies without the necessary management skills were signed up to do the work.

"Although it had a private-sector complexion, it was really an old-fashioned public-works program," says William F. Foote, a former banker who has studied Mexico's toll-road blitz. "It was done without reference to the realities of the market."

That quickly became clear. Projects were plagued by cost overruns, and once the roads opened for business, neither truckers nor travelers could afford the high tolls demanded.

Within a few years, the government stepped in to take over many of the roads, leaving the companies that built them to accept a more gradual return on their investment. Those companies are, in several cases, still waiting to be fully reimbursed and claim that their weak financial condition is mainly due to their toll-road commitments. Meanwhile, roads such as the Highway of the Sun remain glittering and desperately short on traffic.

The fact that the road hasn't delivered on its promise isn't lost on Graciela Martinez, an elderly woman sitting under a tree near one of its toll plazas. Mrs. Martinez, who sells iguanas for a living, stands up to show off her product each time a vehicle slows to pay the toll. There haven't been any sales today, she says solemnly, because city people don't appreciate a good lizard.

But, she jokes, the dearth of traffic does have an upside. While it isn't great for here pocketbook, she says," at least it's easy on my feet."

[From the American Chamber of Commerce of Mexico—Business Mexico, April 1997]

What's Wrong With This Picture?: Optimistic Investors Overlook Mexico's Consumer Spending Gap

By Nicholas Wilson

At first sight Mexico seems like an investor's dream: a country of 93 million people, number 13 on the world list of natural wealth per capita, recently opened virgin markets, and a government that is rapidly forging trade agreements in the Americas and aboard. Mexico, however, is also home to grinding poverty, so just how big is its market? The reality, according to economists, is that only between 10 percent and 20 percent of the population are really considered consumers. The extreme unequal distribution of wealth has created a distorted market, the economy is hamstrung by a work force with a poor level of education, and a sizable chunk of the gross domestic product is devoted to exports rather than production for domestic consumption. Furthermore, worker's purchasing power, already low, was devastated by the December 1994 peso crash and the severe recession that followed. Even optimists do not expect wages in real terms to recover until the next century. 'They say there are more than 90 million consumers in Mexico, but less than 20 percent earn more than 5,000 pesos (US$625) per month. The rest of the population lives just above subsistence level," says Pedro Javier Gonzalez, economist at the Mexican Institute of Political Studies. the figures make grim reading: the National Statistics Institute (Instituto Nacional de Estadisticas, Geografia e Informatica, INEGI) and the Banco de Mexico estimate that nearly 68 million Mexicans live in poverty. About a million homes do not have electricity and potable water, and adult illiteracy is 13 percent. According to UNICEF's most recent report there are 9 million Mexican children living in extreme poverty (one third of Mexico's population is under 15 years old); 800,000 between the ages of 6 and 14 years working in various productive sectors; and 60,000 "street kids," a number that is increasing by 7 percent annually. The United Nations says poverty is most extreme in the informal sectors of the world's economies. The World Bank estimates 42 percent of Mexico's economic population is employed in the informal sector; the Finance Secretariat put the figure at 50 percent during its recent clampdown on tax evaders. The informal economy includes street vendors as well as largely self-sufficient campesinos who "effectively neither buy from nor sell to the rest of the economy," says Gonzalez. The formal sector, however, is not exactly made up of affluent consumers either. Sixty percent of the registered work force earns between one and two minimum salaries per day, according to a recent study by the Worker's University of Mexico (Universidad Obrera de Mexico). The minimum wage is currently worth about US$3.00 per day. "Minimum wage guys don't buy imports," says one analyst who preferred to remain anonymous.

OVERLY OPTIMISTIC

Despite the poverty indicators, foreign investors often sound cheerful to the point of being almost blase about the economic and social statistics. "NAFTA will connect the world's largest market (the U.S.) to the world's largest city (Mexico City) says David Dean, promoter of a superhighway to facilitate transport between the free trade agreement's member nations. Yet many of Mexico City's inhabitants don't even have access to drainage, electricity or basic education.

"Mexico has a teledensity of 6–8 telephone lines per one hundred people, compared to 60 per hundred in the U.S. There's a lot of potential in Mexico," says recently arrived Bill Ricke, Global One international telecommunications consortium president.

The potential is here, economists agree, but it is unlikely to be developed in the near future with most of the population living in abject poverty. Telefonos de Mexico (Telmex) last year disconnected more customers for not paying their bills than it connected. "Nearly all of the (US$4 billion) long distance telecommunications market in Mexico is accounted for by businesses. Individuals only make international calls in extreme emergencies," says economist Patricia Nelson. In reality the market is only about the top 15 percent of earners and businesses, she says.

Export businesses account for nearly 25 percent of the gross domestic product (GDP), which in 1996 totaled US$326 billion. In 1980 export businesses only accounted for 10 percent of the GDP, says Gonzalez. At the same time, the domestic demand per capita has actually shrunk in the last 20 years, he says. Given the population's low purchasing power, production for the domestic market is minimal. Therefore, the proportion of GDP represented by the export sector is distorted, and is higher than in many developed countries, says ING Barings economist Sergio Martin.

The average salary in Mexico is only US$3,720 a year.

It now takes a worker 23 hours to earn enough to purchase the goods included in the "basic basket," the price of which has shot up 913 percent since 1987, compared to 8.3 hours 10 years ago, according to a report from the National Autonomous University of Mexico (Universidad Nacional Autonoma de Mexico, UNAM).

SELECT FEW

Another distortion in Mexico's market is the eye-opening difference between the rich and poor. Writer Carlos Fuentes describes Mexico as a country where 25 Mexicans earn the same as 25 million Mexicans. In the last two years, the 15 wealthiest families' fortunes leapt from the US$16.4 billion to US$25.6 billion, which is equivalent to 9 percent of the GDP or 23.9 million annual minimum wages.

The result in economic terms is that "there is a market for luxury Mercedes cars, yet little demand for reasonably priced shoes (relative to a country with Mexico's population)," says Gonzalez. There are nearly 100 million Mexicans yet there are only 2 million credit cards, adds Martin. "As some people have more than one it means that less than 2 percent of Mexicans have credit cards and some of them have limits of 1,000 or 2,000 pesos (US$125 or 250)."

Education, or the lack of it, has also played a role in the steady widening of the gap between rich and poor since Carlos Salinas took office in 1988. Between 1987 and 1993, urban workers with higher education saw their wages jump 100 percent, whereas poorly educated workers (50 percent of workers have only a primary school education) saw their wages climb only 10 percent.

The rising poverty is a continual thorn in the government's side. While its tough macroeconomic policies have drawn praises from the international financial community, the benefits have not trickled down to the poor. "I don't see the government doing anything to address the wealth imbalance," Gonzalez says. Many think the government had better get started, however, if it wants to make its newly opened markets attractive to foreign investors. Moreover, there may be social and political consequences if only a handful of Mexicans continue to enjoy the fruit of the economic reforms. "I think we're living on borrowed time," said U.S. Ambassador to Mexico James Jones at the end of last year. "This generation of adults will probably survive on hope but I think over the next five to ten years if that isn't translated into benefits and real opportunities, you're going to have demagogues rise up who want to turn the clock back."

Mr. HOLLINGS. Mr. President, the reason I included these articles is because my distinguished mentor, the senior Senator from New York, voted with me on NAFTA and that is against NAFTA. We had misgivings. Of course, the proof is in the Wall Street Journal and the American Chamber of Commerce articles about how they are making less down there 4 to 5 years since the enactment of NAFTA. We were told it was going to create a positive balance of trade. We had a $5 billion-plus balance of trade at the time of enactment. Now we have a $17 billion deficit in the balance of trade with Mexico since NAFTA.

We were told it was going to solve the immigration problem. It has worsened. We were told it was going to solve the drug problem. It has worsened. As I said before, there is no education in the second kick of a mule. We have been through this exercise about how we are all going to put our arms together and hug and love and help our neighbors. Fine with me if it really would work that way. It has not worked that way and is not about to work that way in sub-Sahara and the Caribbean. I will get into those items in just a few minutes.

With respect to the morning article—I try to get into the Wall Street Journal because a lot of my crowd in South Carolina reads it. They have me as the old isolationist: Hollings: "Info revolution escapes him."

Really? I know a good bit more about the information revolution than the Wall Street Journal does. I helped bring a good bit of it to South Carolina, in fact, with my technical training for skills. I was in Dublin, Ireland, and walked into the most modern microprocessing plants of Intel outside of Dublin. My friend, Frank McKay, was there. He said: Governor, I want to show you your technical training program. We sent two teams to Midlands Tech in Columbia, SC, and we reproduced what was there, and that is how I got it up and going and operating and in the black.

I told this to Andy Grove when he came by, and he thanked me again. I know a little bit about the information revolution. I am all for it. My problem is, on the one hand, it does not create the jobs they all advertise.

The Wall Street Journal ran an article about Wal-Mart and General Motors. Wal-Mart exceeded the number of employees of General Motors for the first time.

I ask unanimous consent this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 28, 1997]

LABOR: THE CHANGING LOT OF THE HOURLY WORKER

For decades, the U.S. has been evolving from a manufacturing economy to a service economy. But Labor Day 1997 marks a milestone: Earlier this year, Wal-Mart Stores Inc., the discount retailer, passed General Motors Corp. as the nation's largest private employer.

The shift is more than symbolic. Union jobs with lush pay and benefits, like those held by GM assembly-line worker Tim Philbriek, are disappearing. In their place are nonunion jobs like that of Nancy Handley, who works in the men's department at a Missouri Wal-Mart.

Both punch a time clock, and share a stake in their employers' success. The Wal-Mart workday is less physically taxing than GM's, but the hours are longer and the pay barely supports even a thrifty family. Still, Wal-Mart offers a measure of responsibility and path of advancement to hourly workers, thousands of whom are promoted to management each year.

Mr. HOLLINGS. Mr. President, I want the Wall Street Journal to read its own articles.

The leading line:

For decades, the U.S. has been evolving from a manufacturing economy to a service economy. But Labor Day 1997 marks a milestone: Earlier this year, Wal-Mart Stores, Inc., the discount retailer, passed General Motors Corporation as the nation's largest private employer.

General Motors' average hourly wage is about $19 an hour; including benefits, it is $44 an hour. Whereas at Wal-Mart stores, the average hourly wage is $7.50; including benefits, $10. In manufacturing, the salary is four times that in the service economy. That is why they are all talking about this wonderful economic boom that has to do with the service economy, so much so that the labor unions I see have buddied up with the American Chamber of Commerce. The American Chamber of Commerce has gone international. They are not representing Main Street America.

On yesterday, Monday, November 1, "Corporate, Labor Leaders Both Trumpet Backing for Clinton's Trade-Talk Plan." I ask unanimous consent this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 1, 1999]

CORPORATE, LABOR LEADERS BOTH TRUMPET BACKING FOR CLINTON'S TRADE-TALK PLAN

(By Helene Cooper)

WASHINGTON.—Depending on how you look at it, the joint letter from corporate and union leaders supporting the Clinton administration's agenda for global trade talks, was either a huge win for big business or for labor unions.

The way corporate America tells it, the letter was a victory for pro-trade American companies because John Sweeney, head of the AFL–CIO, signed it. "How are the labor unions going to protest in Seattle [at the upcoming World Trade Organization's big powwow] if Mr. Sweeney is saying labor supports the trade agenda?" asked Frank Coleman, spokesman for the U.S. Chambers of Commerce.

Indeed, Mr. Sweeney's decision to back the Clinton trade agenda rankled the more militant unions, such as the Teamsters and the United Steelworkers of America.

But AFL–CIO leaders said the letter shows Mr. Sweeney at his savviest. For one thing, the AFL–CIO is backing Vice-President Al Gore's presidential campaign and wants to minimize political damage to his election chances by hammering him on trade.

More significantly, several big company chieftains, including John E. Pepper, chairman of Procter & Gamble Co., Maurice "Hank" Greenberg, head of American International Group Inc., and Robert Shapiro, head of Monsanto Co., also signed the letter.

The letter calls for a working group to be established within the WTO to study core labor standards and trade, and marks the first time many of America's biggest companies have agreed to support U.S. moves linking trade liberalization with labor standards.

"The U.S. government must further ensure that any agreements enable the United States to maintain its own high standards for the environment, labor, health and safety," the Oct. 25 letter said.

For years, Republican lawmakers, backed by big business, have resisted linking trade expansion with labor and environmental issues. While last week's letter makes no mention of using trade sanctions against countries with poor labor standards, Thea Lee, the AFL–CIO's trade policy director, said that is labor's ultimate goal. "What we want is the ability to use trade rules to protect worker rights," Ms. Lee said.

While AFL–CIO leaders still plan to show up in force in Seattle this month to protest WTO policies they see as antilabor, they also said it's important to get a seat at the table so that union views can be represented.

Whether the Clinton administration will get the rest of the WTO to sign on to its labor agenda for the Seattle meeting remains to be seen. Developing countries, in particular, have fought linking trade and labor, and many of these countries see the establishment of a working group as the beginning of a move to do just that. These countries are bound to fight the issue in Seattle.

America's labor unions are hardly united on the matter. Teamsters spokesman Bret Caldwell said he was "shocked" and "disappointed" in Mr. Sweeney. "We in no way agree that the administration's trade policies are good for working men and women," he said. "The Teamsters will play a very active role in demonstrations in Seattle."

Mr. HOLLINGS. Mr. President, "Mr. Sweeney's decision to back the Clinton trade agenda rankled the more militant unions, such as the Teamsters, and the United Steelworkers of America." Those are the manufacturing jobs. Just as the fabric boys divorced themselves from apparel and now can toot for this kind of legislation, the head of the service economy, John Sweeney, has forgotten about manufacturing jobs, and he is going along. That is why we got this overwhelmingly bipartisan majority.

But back to the point, this is what disturbs this particular Senator, that we are hollowing out the manufacturing strength, the industrial backbone of the United States of America.

The so-called service economy or information technology, or information society, strikingly—why don't they read the November 5, 1999, edition of the London Economist that has just come out? On page 87, there is an article entitled "The New Economy, E-Exaggeration: The Digital Economy is Much Smaller Than You Think." I ask unanimous consent to have that article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the London Economist, Nov. 5, 1999]

The New Economy E-xaggeration: The Digital Economy is Much Smaller Than You Think

Newspapers and magazines are packed with stories about the digital economy, the information-technology (IT) revolution and the Internet age. That their pages are filled with advertising from IT firms presumably has nothing to do with it. Such firms account for a quarter of the total value of the S&P 500, and this week Dow Jones announced that Microsoft, Intel and SBC Communications will be included in its industrial average from November 1st. Not before time, many say, for high-technology businesses now account for a huge chunk of the economy. Actually, they don't.

New figures published on October 28th by America's Department of Commerce appear to support the view that IT is very important to the American economy. The department now counts all business spending on software as investment (previously, it was a cost). This has both increased the apparent size of IT investment and boosted America's rate of growth in recent years.

But measuring the size of the "new" economy is a statistical minefield. The most generous estimate comes from the OECD, which tracks the "knowledge-based economy". It estimates that this accounts for 51% of total business output in the developed economies—up from 45% in 1985. But this definition, which tries to capture all industries that are relatively intensive in their inputs of technology and human capital, is implausibly wide. As well as computers and telecoms, it also includes cars, chemicals, health, education, and so forth. It would be a stretch to call many of these businesses "new".

A study published in June by the Department of Commerce estimates that the digital economy—the hardware and software of the computer and telecoms industries—amounts to 8% of America's GDP this year. If that sounds rather disappointing, then a second finding—that IT has accounted for 35% of total real GDP growth since 1994—should keep e-fanatics happy.

Perhaps unwisely. A new analysis by Richard Sherlund and Ed McKelvey of Goldman Sachs argues that even this definition of "technology" is too wide. They argue that since such things as basic telecoms services, television, radio and consumer electronics have been around for ages, they should be excluded. As a result, they estimate the computing and communications-technology sector at a more modest 5% of GDP—up from 2.8% in 1990. This would make it bigger than the car industry, but smaller than health care or finance. In most other economies, the share is lower; for the world as a whole, therefore, the technology sector might be only 3–4% of GDP.

But what, you might ask, about the Internet? Goldman Sachs's estimate includes Internet service providers, such as America Online, and the technology and software used by online retailers, such as Amazon.com. It does not, however, include transactions over the Internet. Should it? E-business is tiny at present, but Forrester Research, an Internet consultancy estimates that this will increase to more than $1.5 trillion in America by 2003. Internet bulls calculate that this would be equivalent to about 13% of GDP. Yet it is misleading to take the total value of such goods and services, whose production owes nothing to the Internet. The value added of Internet sales—i.e., its contribution to GDP—would be much less, probably little more than 1% of GDP.

This is not to deny that the Internet is changing the way that many firms do business—by, for example, enabling them to slim inventories—but, in the near future, as a proportion of GDP, it is likely to remain small.

A LUDDITE'S LAMENT

If measuring the size of the technology sector is hard, calculating its contribution to real economic growth is trickier still, because the prices of IT goods and services (adjusted for quality) have fallen sharply relative to the prices of other goods and services. For example, official figures show that America's spending on IT has risen by 14% a year in nominal terms since 1992, but by more than 40% a year in real terms. This figure is so high partly because it is extremely sensitive to assumptions about the rate at which the price and quality of IT is changing.

The Commerce Department calculates that the technology sector has contributed 35% to overall economic growth over the past four years. But because such figures are based on spending in real terms, the Goldman Sachs study reckons they are misleading. In nominal terms, IT has accounted for a more modest 10% of GDP growth in the past four years.

Another popularly quoted figure is that business spending on IT has risen from 10% of firms' total capital-equipment investment in 1980 to 60% today. But again, this is based on constant-dollar figures, and so it hugely exaggerates the true increase. In terms of current dollars (and before the latest revisions), Goldman Sachs calcuate that business investment in computers accounts for 35% of total capital spending, not 60%. And even this exaggerates the importance of IT, because much of the money goes to replace equipment which becomes obsolete ever more quickly. The share of IT in additional "net" investment is much smaller. Computers still account for only 2% of America's total net capital stock.

For years economists have been seeking in vain for evidence that computers have dramatically raised productivity. One explanation for the failure of productivity to surge may be that official statistics are understating its growth. Another is that much investment in IT has been wasted: hours spent checking e-mail, surfing the Net or playing games reduce, not increase, productivity. A third may simply be that IT is still too small to make a difference: for the moment, appropriately enough, you can count the digital economy on the fingers of one hand.

That is changing, and firms are learning. And note this: if you add in all computer software and telecoms (on the widest definition), the share of IT in the capital stock rises to 10–12%. As it happens, this is almost the same as railways at the peak of America's railway age in the late 19th century. Railways boosted productivity and changed the face of Victorian commerce. Hype is hype—but the new economy may yet happen anyway.

Mr. HOLLINGS. I quote from the article:

> . . . they estimate the computing and communications-technology sector at a more modest 5% of the GDP —up from 2.8% in 1990. . . .
>
> The value added of Internet sales—i.e., its contribution to the gross domestic product—would be much less, probably little more than 1% of the gross domestic product.

Mr. President, another popularly quoted figure is that business spending on information technology has risen from 10 percent of a firm's total capital, equipment and investment in 1980 to 60 percent today. Again, this is based on constant dollar figures. And it hugely exaggerates the true increase.

> In terms of current dollars . . . Goldman Sachs calculate that business investments in computers accounts for 35% of total capital spending, not 60%. And even this exaggerates the importance of [information technology] because much of the money goes to replace

> equipment which becomes obsolete ever more quickly. The share of [information technology] in additional "net" investment is much smaller. Computers still account for only 2% of America's total net capital stock.

I want to dwell on this for a moment, for the main and simple reason that this really is what is at issue and why the Senator from South Carolina takes the floor. It is just not textiles. Textiles is on its way out.

And by another headline I saw in the New York Times, on the right-hand upper column of the front page this morning, President Clinton is getting together with the People's Republic of China to admit them to the World Trade Organization. You can pass the CBI, the sub-Sahara, the NAFTA there, there, and there yonder, and pull it all around, but once that is done, once China gets into the World Trade Organization and starts with its transshipments and its appeals, it controls the general assembly.

We had a resolution about 4 years ago to have hearings on human rights within the People's Republic of China. That crowd went back down into Africa and Australia and around and changed the vote, and they never had the hearing.

So I am telling you, we really are going to be a minority in the World Trade Organization. They can change around your environmental protections, your labor protections, your high standard of living, and everything else. And the CBI and sub-Sahara, and everything else that we think we are doing something to help, we are going to China, I can tell you that right now with the front page article about President Clinton. So we know where we are headed with respect to that.

But my friend, Eamonn Fingleton, has written a book, "In Praise of Hard Industries." Obviously, I can't include the book in the RECORD at this particular time. But I refer to its comparisons where the Wall Street Journal time and time again has come out again and again with certain misstatements.

> In 1996, when everyone from the Wall Street Journal to the Christian Science Monitor was dismissing the Japanese economy as sluggish or stagnant or even mired in a deep slump, in fact Japan's growth rate that year of 3.9 percent was the best of any major economy and was significantly superior to the rate of 2.8 percent recorded in the booming United States. . . .
>
> Although experts like the Economist's editor in chief . . . predicted a decade ago that Japan's savings rate would plunge in the 1990s, the truth is that at last count Japan was producing $708 billion of new savings a year—or nearly 60 percent more than America's total of $443 billion . . . Japan has now decisively surpassed the United States as the world's main source of capital . . . Japan's net external assets jumped from $294 billion to $891 billion in the first seven years of the 1990s. By contrast, America's net external liabilities ballooned from $71 billion to $831 billion.

With these things going on, you begin to worry where you are headed with the particular trade bill.

Again, instead of doubling the volume of steel imports since 1983, the United States remains by far the largest importer.

So we are importing the steel. We are not having a savings rate. According to the Financial Times article that was printed in the RECORD the other day:

> Fears of a slide in the U.S. dollar has haunted global currency markets for several months now. The dollar was granted a reprieve last week following better than expected August trade figures. But many observers believe it is only a matter of time before the dollar succumbs to mounting trade imbalances.

Quoting from the book I previously mentioned:

> In the 1960s——

Since the distinguished Senator from New York went back 65 years—

> In the 1960s President John F. Kennedy felt so strongly about this that he ranked dollar devaluation alongside a nuclear war as the two things he feared most.

There you go. Here we have it. We have a whole book written on it. Why, yes, it provides jobs. The information technology society or globalization, as they want to call it, the engine of our great economic recovery in the United States, our wonderful world leadership, it provides jobs for the best, the top 5 percent of the population. You have to be highly intelligent and everything else; like I have mentioned the 22,000 employees at Microsoft. All 22,000 are millionaires. More power to them. But that does not give you any exports, that does not give you any growth. That does not give you any strength of manufacturing in the industrial economy.

That is where we are hollowing it out. That is why we cannot afford it. I would love to help the Caribbean Basin. I would love to help the sub-Sahara. But time and again, we have given over and over and over again with respect to—I remember back in the Philippines we had given there. We had other particular initiatives whereby we always sacrificed at the textile desk.

I do not have it with me right now, but I have it down where we have given to Turkey. We gave to Egypt in Desert Storm. We have just eliminated, in the Multifiber Arrangement, over a 10-year period—now we are in the 5th year—all textile tariffs and everything else of that kind. So we do not have any protectionism about which to really talk.

We have important jobs. The textile jobs, compared to those retail jobs—the average textile wage is $11 an hour. With benefits, it increases that. Those are good jobs that we are trying to hold onto—the jobs of middle America, which is the strength of the democratic society.

Let me go right back to the particular editorial. This is how silly they can get. I will quote from the editorial. This editorial is from the Wall Street Journal. So I ask unanimous consent to have printed in the RECORD the editorial of this morning from the Wall Street Journal. The title of the editorial is "The Old Isolationists."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE OLD ISOLATIONISTS

We've got the ideal subject for President Clinton's next speech on the "new isolationism" in Congress: Senate Democrats. They've been abetting a filibuster that may kill the Africa and Caribbean free-trade bill that Mr. Clinton at least claims he still wants.

No doubt they think they can get away with this because the media have barely noticed. Jesse Helms gives affluent, powerful Carol Moseley-Braun a hard time for an ambassadorship, and it becomes page one race-baiting mews. But the President's own party stonewalls a trade bill that would help millions of Africans escape their desperate poverty, and the story lands back among the real estate ads.

The bill has everything Dan Rather and other good media liberals claim to love. It's bipartisan, with support ranging from New York liberal Charlie Rangel to Texas conservative Phil Gramm. It'd help Africa not with handouts, but by reducing U.S. tariffs and quotas so these countries can share in the wealth of the global economy. And it repudiates Pat Buchanan-style trade protectionism.

It's also a helluva good political story. Fronting for the textile lobby, Ol' Fritz Hollings of South Carolina has been leading a filibuster like he just walked out of the 19th century. His hilarious rants cite as protectionist authorities both Pat Buchanan and left-wing economist Paul Krugman.

"And so Buchanan comes out, and was the best voice we had in a national sense. I have been talking trade while that boy was in GoZANga. Is that the name of tat high school around her, GoZANga?" Ol' Fritz was yelling on the Senate floor last week, referring to Gonzaga High School.

"We are in trouble," the Senator from Milliken & Co. said later. "This boom they are talking about in the stock market is the information society; it doesn't create the jobs."

Self-parody aside, his strategy is obvious: run out the Senate clock. That's why, after more than a week of debate, GOP leader Trent Lott wants to get on with the vote and other Senate business. Enter Senate Democratic leader Tom Daschle, who says he's for the bill, but spent last week aiding Mr. Hollings by rallying fellow Democrats to support Fritz's filibuster.

Mr. Daschle's gripe was that Mr. Lott hadn't allowed a wish-list of protectionist amendments: Pennsylvania's steel front-man Rick Santorum on "anti-dumping negotiations," Iowa protectionist Tom Harkin on child labor, Michigan's Carl Levin (a wholly owned subsidiary of the United Auto Workers) on "worker rights," among others. None of this has anything to do with Africa trade.

The Senate is supposed to be full of statesmen. But on this subject the House has been more worldly. When protectionists tried a procedural ruse to kill Africa trade in the House, Mr. Rangel gathered the names of 79 Democrats who would vote for a GOP rule to limit debate. Mr. Lott has 48 or so Republicans in favor of the bill in the Senate, but the White House hasn't yet been able to get even a dozen Democrats for the 60 votes necessary to shut off debate. Democratic Party to Africa: Get lost.

These columns have often saluted Mr. Clinton's achievements on trade policy, notably Nafta and Gatt. But it's been downhill since then. The President hasn't pushed a trade bill through Congress in five years, mainly because of Democratic opposition. He's also taken to soft-selling fast-track negotiating power lest it hurt Vice President Gore with Big Labor. Rest assured this flagging enthusiasm for free trade has been noted in Democratic circles.

Later this month Mr. Clinton traveles to an international trade meeting in Seattle, supposedly to rally the world back to the free-trade flag. But if he can't deliver through Congress something as small as lower tariffs for Africa, Mr. Clinton might as well stay home.

New York Democrat Pat Moynihan made the point with his usual delicate bluntless on the Senate floor last week. "The chairman (Republican Bill Roth) and I were planning to spend a few days in Seattle just meeting with people. We were not going to speak. Dare we go? I suppose Ambassador Barshefsky, is required to go," he said of the predicament the U.S. trade rep would be in if the Africa bill failed. "I don't want to show my face."

Late yesterday Mr. Daschle finally agreed to oppose Mr. Hollings, but only after he got Mr. Lott to guarantee him votes later on such domestic political and non-trade matters as the minimum wage. This shows where his priorities lie. When the final Africa trade bill votes are toted up, we'll also see who the real isolationists are.

Mr. HOLLINGS. Mr. DASCHLE is right. Mr. LOTT had not allowed a wish list of protectionist amendments. You see, Mr. LOTT had given fast track to this particular bill, until this morning, he said yesterday afternoon, but that was without notice. I went back to get some amendments. When I was getting those amendments at 5:30, they closed this Senate Chamber down. They didn't want amendments. Now he says you can get amendments. Here is what the Wall Street Journal thinks:

> Pennsylvania's steel front-man Rick Santorum on "antidumping negotiations," Iowa protectionist Tom Harkin on child labor, Michigan's Carl Levin (a wholly owned subsidiary of the United Auto Workers) on "worker rights," among others. None of this has anything to do with Africa trade.

It doesn't? Child labor doesn't have anything to do with Africa trade, with Caribbean Basin Initiative trade? It doesn't? Wait until the Senator from Iowa comes out here and presents his amendment. That is how arrogant they have gotten. They splash a bunch of things people would not understand. It has everything to do with it. In fact, those are the principal amendments the Senator from South Carolina has. If the Senator from Delaware would agree to them, we could move on with this bill.

Specifically, in NAFTA we had the labor side agreements. They are not included in the CBI/sub-Sahara. In NAFTA, we had the environmental side agreements. Not in CBI/sub-Sahara. In the Mexican NAFTA, we had reciprocity. Not in CBI, not in sub-Sahara. In fact, when the Senator from New York jumped back 65 years, to 1934, I didn't hear him enunciate clearly reciprocal trade agreements of Cordell Hull, reciprocity. They had hard, good businessmen. Trade was trade, not a moral thing of foreign aid. That is our problem today. Too many in the political world think about trade as aid, another Marshall Plan. And the Marshall Plan has worked. But there is a limit to what you can give away.

I have time and again said that two-thirds of the clothing I am looking at is imported. One-third of all consumption in the United States is imported right now. If this train continues, it will be over half within the next 5 years. That is the hollowing out. If we are going to follow the London economists and the Brits who went from the production of goods to the providing of services—a service economy—we are going to have minimal growth. They got a British Army, but it is not as big as our Marine Corps. But we are going to lose influence in the World Trade Organization, in GATT, treaties in the Mideast and everywhere else, because money talks. We don't have those things going.

Now, Mr. President, reciprocal trade. I have an amendment on reciprocity, one on labor rights, and I have one with respect to the matter of the environment. It was all included. Let me just note, this is with tremendous interest to this particular Senator because I have just picked up this week's Time magazine. What we really have, in essence, is the campaign finance bill of 1999. They say they are not going to pass it, but this is the campaign finance bill of 1999.

In the middle, on pages 38 and 39, is an open-page Buyers Guide To Congress. Down here listed is the Caribbean tariff relief, a bill to let the Caribbean and Central American countries export apparel to the United States duty and quota free. Then you can go down to the contributions. The clothing firms want access to cheap-tax-advantage offshore production both Clinton and Republicans favor as a free trade measure.

They have in here—yes, the manufacturing and retail side is Sara Lee Corporation, Gap, the ATMI, and everything on the one side, and the AFL–CIO anti-sweat-shop groups. We have seen where that sort of split is. They are going along now with service labor leader John Sweeney and not with the manufacturing jobs in America.

Then we go to last week's edition, and we have the fruit of its labor. We see that, in addition to Sara Lee, we have Bill Farley and the Fruit of the Loom group. It is just embarrassing to me when you take Farley, who already moves 17,000 jobs out of Kentucky and some 7,000 from Louisiana, and then he gets a $50 million bonus when this bill passes. They are talking about how we are going to help working Americans. Then, all we have to do is go back to this week's London Economist again, in the very first part of the magazine section. We can put that in the RECORD.

I ask unanimous consent that the article entitled "Politics and Silicon Valley" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Economist, Oct. 30, 1999]

POLITICS AND SILICON VALLEY

The rise of America's high-tech industry is not just a windfall for presidential hopefuls. It could also be a godsend for the liberal political tradition.

Until recently, computer geeks hardly noticed politics. Washington was "the ultimate big company". Policy wonks and political theorists—let alone the poor saps sitting in Congress—"just didn't get it". And the policy establishment, doers and thinkers alike, was only too happy to return the compliment. In the last presidential election campaign, references to a high-tech future were vague and perfunctory, and Silicon Valley or Seattle were not particular ports of call. Washington, DC and the geeks existed in different worlds.

How things have changed. According to the Centre for Responsive Politics, a Washington watchdog group, by the end of June this year contributions from the computer industry were already three times those given to Bill Clinton and Bob Dole combined during the 1996 campaign. Of the $843,000 in direct industry contributions, over one-third went to George W. Bush, the Republican front-runner, with the two Democrats—Vice-President Al Gore and Bill Bradley—both netting about half of the Texas governor's total. These figures tell only part of the story, however. They do not include contributions from telecommunications and biotech companies, nor the millions of dollars the candidates have received in fund-raisers organised by computer executives and venture capitalists: entrepreneurs who helped fuel the high-tech boom, and are now helping pave the way to the White House.

Mr. Bush has courted the computer chiefs of Texas since before he became governor, in 1995. Heading the committee of computer luminaries advising him is Michael Dell, the Godfather of Austin's high-tech revolution, who is actively recruiting other computer executives into the Bush camp. Among the other members of the committee are James Barksdale, founder of Netscape, and John Chambers, president and CEO of Cisco Systems. But if Mr. Bush has Texas sewn up, other candidates have been prospecting elsewhere. In Colorado, which now has the second-highest concentration of high-tech jobs in the country, the state's prosperous telecom industry has been donating generously to both Senator John McCain and Mr. Gore. Trips to the Pacific north-west have been especially lucrative for Mr. Bradley and Mr. McCain, with Microsoft giving both candidates their largest computer-industry donations to date. Nor are the contributions only for the men at the top: the computer industry gave $8m to congressional campaigns in 1998, more than twice what it gave in 1994.

This money is all the sweeter for coming with few strings attached. The computer industry has yet to develop a coherent lobbying strategy, in which campaign donations are implicitly exchanged for influence over the political process. This is partly because the "computer industry" is really just a collection of assorted (and often competing) interests. As one industry analyst puts it, "Just as there is no 'Asia' to Asians, there is no 'technology community' to technology companies." The interest of hardware companies are not necessarily those of software or e-commerce companies, and therefore a focused, industry-wide lobbying effort has been difficult to co-ordinate.

Slowly, this is changing, as high-tech executives finally learn the rules of political gamesmanship. Eric Benhamou, boss of 3Com, dates the politicisation of Silicon Valley to 1996, when California's trial lawyers sponsored a ballot measure that would have exposed high-tech companies to a barrage of litigation. Since then the Valley has woken up to the fact that it helps to have friends in Washington. The government has the power to turn off one of the Valley's most important resources: the supply of foreign brains. The Microsoft antitrust case may even prove that it has the power to restructure the entire computer industry. In short, the two sides simple have to talk to each other.

The Technology Network (TechNet), a political action group founded two years ago in Silicon Valley, has just set up a second office in Austin, and plans to open more chapters in the future—an attempt to influence policy at both state and local level. Companies in Washington, DC—home of America Online, America's biggest Internet service provider, and a city where the computer industry has just taken over from government as the biggest local employer—have also started their own lobbying group, CapNet.

According to Steve Papermaster, an Austin entrepreneur who heads TechNet Texas, there is a greater sense of urgency within the technology industry to have more of a say in politics. Like it or not, high-tech businesses have to work in a world of taxes, regulation, lawsuits and legislation; they need politicians just as much as politicians need them. If not more: for political contributions from the high-tech hives are still well below those that come in from such old-fashioned sectors as banking or even agriculture. There is a lot of catching-up to do.

THE GEEKS AND THE PARTIES

The Republican and Democratic candidates who are now trawling the high-tech industry, hands out, hope that this new political awareness has a partisan tinge. Republicans seem to have more grounds for optimism. After years when it looked as if computers favoured big organisations over small ones, and companies such as IBM appeared to be breeding grounds for conformism, the high-tech industry is arguably putting technology back on the side of individual liberty.

The average computer geek is convinced that the rise of clever machines and interlinked networks is inexorably shifting power from organisations to individuals, decentralising authority and accelerating innovation. Not only big companies and big unions, but also big government, seem to be on the point of disappearing. The sort of world the geeks are now conjuring up is a throwback to that of the Founding Fathers, so admired by Republican revolutionaries of the Gingrich mould, where (morally upright) yeomen farmers pursued happiness quite undisturbed by government.

Yet Democrats, too, think they have natural friends in the high-tech industry. There is a growing feeling in some quarters that—as in the case against Microsoft—government is not always a force for evil. Indeed, the public sector may hold the key to solving the social problems that now plague the high-tech industry: the shortage of educated labour, the over-strained transport system and the rapidly growing gap between rich and poor.

Some computer bosses are already appealing to politicians to get their act together. Andy Grove, the head of Intel, has told congressmen that the Internet is about to wipe out entire sections of the economy—and has warned them that, unless politicians start moving at "Internet rather than Washington speed", America may see a repeat of the social disaster that followed the mechanisation of agriculture. The high-tech industry is beginning to realise that it is doing nothing less than "defining the economic structure of the world," says Eric Schmidt, the boss of Novell. And with that realisation comes, for some at least, a heavy sense of responsibility.

So which party will gain from the computer industry's belated entry into politics? It is hard to say. Mr. Schmidt points out that most computer folk are seriously disillusioned with the established parties: with the Democrats because they are too soft on vested interests, with the Republicans because of their "Neanderthal" social views. They think politics is not about ideology, but about fixing things, a tidy-minded approach that comes easily to scientists and engineers—and which carries echoes of the earlier, not-so-crazy Ross Perot.

It is often claimed that "libertarian" and "progressive" groupings are emerging in the computer industry. Yet these sound not dissimilar from the sort of shifts that are occurring anyway inside the Republican and Democratic Parties. Libertarians are represented by men like T.J. Rodgers, the boss of Cypress Semiconductor, and Scott McNealy, the head of Sun Microsystems, who argue that government is being rendered largely irrelevant by the power and speed of computers, and that the best way to deal with problems such as the "digital divide" may well be to extend the market, not invent new government programmes. This is "compassionate conservatism"—perhaps operating even through beneficent computer companies themselves, offering training and education—of the sort that George W. Bush might recognize.

The progressives who originally appeared under Bill Packard at Hewlett-Packard in the 1990s, have now fanned out to a growing number of institutions, from Joint Venture-Silicon Valley, a think-tank dedicated to tackling local problems, to TechNet, which now consists of no fewer than 140 high-tech bosses. They argue that there is still an important place for the government in a computer-driven economy—albeit a much smaller and more intelligent government than the one that currently resides in Washington. They love to point out that government funded the research that gave birth to the Internet, and one of their key complaints is that the federal government's R&D spending over the past 30 years has declined dramatically. Doesn't that sound just a bit like Al Gore?

BRAVE NEW POLITICS

It is tempting to conclude that the high-tech industry, flush with its new success, is claiming an impact on politics that goes far beyond the facts. Yet politics is a theoretical discipline, as well as a practical one; and here the collusion with high-tech is leading in fascinating directions. Computer-folk are beginning to look outside cyber-land for the answers to their questions about the future of society and government. At the same time, the intellectual and policy establishments are increasingly looking to the Valley, and other high-tech corners, for clues as to the shape of things to come.

The latest think-tank in Washington, DC, the New America Foundation, is largely funded by Silicon Valley money and is devoted to exploring the sort of political topics that will be at the heart of the digital age: digital democracy, the future of privacy and the digital divide. New America is in one of the few funky bits of Washington, Dupont Circle. It has scooped up a good proportion of the brightest American thinkers under 40 in its fellowship programme, including Michael Lind, Jonathan Chait and Gregory Rodriguez, and it is making sure that these bright young things interact with the cyber-elite at regular retreats and discussions.

So far, the person who has straddled the worlds of social theory and Silicon Valley most successfully is Manual Castells, a sociologist at the University of California. Mr. Castells enjoys a growing reputation as the first significant philosopher of cyber-space—a big thinker in the European tradition who nevertheless knows the difference between a gigabit and a gigabyte. His immense three-volume study, "The Information Age" (Blackwell), echoes Max Weber in its ambition and less happily in its style (the "spirit of informationalism", for example). He writes about the way in which global networks of computers and people are reducing the power of nation states, destabilizing elites, transforming work and leisure and changing how people identify themselves.

Mr. Castells ruminates obscurely about "the culture of real virtuality", "the space of flows" and "timeless time". He also castigates the cyber-elite for sealing themselves off in information cocoons and leaving the poor behind. But this former Marxist and student activist cannot restrain his enthusiasm for the way that it is diffusing 1960s libertarianism "through the material culture of our societies". The result is that his sprawling boo, is now an important fashion accessory in Palo Alto cafés.

Will the views it enshrines be more than a passing trend? Very probably. The last time America underwent a fundamental economic change, a fundamental political realignment rapidly followed: the transition from an agrarian to an industrial society in the mid-19th century soon gave rise to mass political parties with their city bosses and umbilical ties to labour and capital. The cyber-elite not only suspects that changes of a similar magnitude are inevitable. It hopes to be able to help shape the new politics.

Today's sharpest intellectuals are fascinated by Silicon Valley for the same reason that thinkers early in this century were intrigued by Henry Ford: the smell of huge amounts of money made in new ways. But the Valley has more interest for them than Motown ever had, because it deals in the very stuff of intellectual life, information: and because this, more than any other place, is a laboratory of the future.

Individualism has been losing out as a practical doctrine for the past century because the invention of mass production encouraged the creation of big business, big labor and, triangulated between the two, big government. this has been the age not of Jefferson's yeoman farmer, but of William Whyte's Organisation Man. Now, however, computers are shifting the balance of power from collective entities such as "society" or "the general good" and handing it back to those whom governments once condescendingly referred to as their "subjects".

This cult of individual effort, completely detached from the old hierarchical or social structures, can be found everywhere in Silicon Valley. The place is full of bright immigrants willing to sacrifice their ancestral ties for a seat at the table; almost 30% of the 4,000 companies started between 1900–96, for example, were founded by Chinese or Indians. The Valley takes the idea of individual merit extremely seriously. People are judged on their brainpower, rather than their sex or seniority; many of the new internet firms are headed by people in their mid-20s.

The Valley's 6,000 firms exist in a ruthlessly entrepreneurial environment. It is the world's best example of what Joseph Schumpeter called "creative destruction": old companies die and new ones emerge, allowing capital, ideas and people to be reallocated. The companies are mostly small and nimble, and the workers are as different as you can get from old-fashioned company men. As the saying goes in the Valley, when you want to change your job, you simply point your car into a different driveway.

THE DISAPPEARING STATE

This twofold Siliconisation—the spread of both the Valley's products and its way of doing business—is beginning to challenge the rules of political life in several fundamental ways. And it is doing so, of course, not merely in America but the world over—though America is both farther ahead, and represents more fertile ground.

First, the cyber-revolution is challenging the expansionary tendencies of the state. Over the past century the state has grown relentlessly, often with the enthusiastic support of big business. But corporatism has no future in the new world of creative destruction. (It is a safe bet that imitation Silicon Valleys that have been planned by politicians are going to hit the buffers.)

The spread of computer networks is also moving commerce from the physical world to an ethereal plane that is hard for the state to tax and regulate. The United States Treasury, for example, is currently agonizing over the fact that e-commerce doesn't seem to occur in any physical location, but instead takes place in the nebulous world of "cyber-space". The internet also makes it easier to move businesses out of high-taxation zones and into low ones.

One of the state's main claims to power is that it "knows better what is good for people than the people know themselves". But the Siliconisation of the world has up-ended this, putting both information and power into the hands of individuals. Innovation is now so fast and furious that big organizations increasingly look like dinosaurs, while wired individuals race past them. And decision-making is dispersed around global networks that fall beyond the control of particular national governments.

The web is also challenging traditional ideas about communities. Americans are accustomed to thinking that there is an uncomfortable trade-off between individual freedom and community ties: in the same breath that he praises America's faith in individualism, Tocqueville warns that there is danger each man may be "shut up in the solitude of his own heart". Yet the Internet is arguably helping millions of spontaneous communities to bloom: communities defined by common interests rather than the accident of physical proximity.

Information technology may be giving birth, too, to an economy that is close to the theoretical models of capitalism imagined by Adam Smith and his admirers. Those models assumed that the world was made up of rational individuals who were able to pursue their economic interests in the light of perfect information and relatively free from government and geographical obstacles. Geography is becoming less of a constraint; governments are becoming less interventionist; and information is more easily and rapidly available.

So far—Mr. Castells apart—Silicon Valley has not produced a social thinker of any real stature. Technologists tend not to be philosophers. But at the very least, computerization is helping to push political debate in the right direction: linking market freedoms with wider personal freedoms and suggesting that the only way that government can continue to be useful is .by radically streamlining itself for a more decentralized age.

It is a little early to expect that this sort of thinking will colour next year's campaigns; the new alliances between politicians and the cyber-elite have mostly sprung up for the most ancient and pragmatic of reasons. But it may only be a matter of time before America sees, on the back of the computer age, a great new flowering of liberal politics.

Mr. HOLLINGS. It says:

How things have changed. According to the Centre for Responsive Politics, a Washington watchdog group, by the end of June this year, contributions from the computer industry were already three times those given to Bill Clinton and Bob Dole combined during the 1996 campaign. Of the $843,000 in direct industry contributions, over one-third went to George W. Bush, the Republican front-runner, with the two Democrats—Vice President Al Gore and Bill Bradley—both netting about half of the Texas Governor's total. These figures tell only part of the story, however. They do not include contributions from telecommunications and biotech companies, nor the millions of dollars the candidates have received in fund-raisers organised by computer executives and venture capitalists: entrepreneurs who helped fuel the high-tech boom, and are now helping pave the way to the White House.

And on and on. If they can see it in downtown London and on Main Street America with the headline, "The Buyer's Guide To Congress," and list in this particular bill the Caribbean tariff relief bill, we Senators don't have any pride. Is there no shame? Can't we understand what is going on and that NAFTA doesn't help the workers in South Carolina? We lost all the jobs. What few remain, they are saying the high-tech revolution has passed by, and it says the info revolution escapes them.

If I could get Gates to South Carolina tomorrow morning, I would bring him in. He is a wonderful industry and everything else. At least give President Reagan credit; we subsidized the semiconductor industry by putting in a voluntary restraint agreement and Sematech.

That is why we would have Intel and otherwise gone. Yes; we have moments of sobriety in this particular body. But it is election 2000. It is all financing, and the buying of the Congress. They ought to be ashamed to bring this bill.

But I will make the Senator from Delaware a deal. If he will accept a side agreement on labor similar to what we have on NAFTA, and a side agreement that we have on NAFTA with respect to the environment and reciprocity, we would not even have to. Those amendments ought to be accepted. They were on the NAFTA agreement. If he will accept those, I will sit down, and we can go ahead and vote on this particular bill. I make that proposal to the distinguished Senator from Delaware. After he has had a chance to study it, I hope to hear from him because it would save all of us a lot of time.

I have had relevant amendments, instead of the "Hollings filibuster" all last week. The majority leader filibustered. He knew how to do what he wanted to do. He filled the tree where you couldn't put up those amendments. You couldn't put up any kind of amendment with respect to child labor. You couldn't put up in any amendments with respect to trade. He filled the tree. He forced fast track. It was a bill with his amendments, take it or leave it.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa.

DOD INSPECTOR GENERAL

Mr. GRASSLEY. Mr. President, it is with a feeling of disappointment that I come to the floor today. What's bothering me is a disturbing report I am releasing today on the Office of the Inspector General, or IG, at the Department of Defense, DOD.

This is about a report prepared by the Majority Staff of the Judiciary Subcommittee on Administrative Oversight and the Courts, of which I am the Chairman.

I have always had such great respect for the DOD IG. I have always thought that we could rely on that office to be fair and independent and thorough, and above all, honest.

In the past, I always felt like I could trust the DOD IG's judgment.

This report, Mr. President is disturbing.

The evidence in this report questions the credibility of the IG's investigative process. And it raises questions about the judgment of the Acting IG, Mr. Donald Mancuso.

It is a report on the Oversight Investigation of allegations of misconduct at the Defense Criminal Investigative Service, or DCIS. DCIS is the criminal investigations arm of the DOD IG.

The allegations examined by the Staff involve possible misconduct by DCIS agents between 1993 and 1996.

The current Acting DOD IG, Mr. Mancuso, is associated with the allegations. Mr. Mancuso was the Director of DCIS from 1988 until 1997, when he became the Deputy DOD IG.

I also understand that Mr. Mancuso is a potential candidate for nomination to be the next DOD IG.

In June 1999, the Staff was approached by a former DCIS agent, Mr. William G. Steakley.

Mr. Steakley raised numerous allegations regarding prohibited employment practices at DCIS, but these were far too extensive and complex to be examined by my small Subcommittee staff.

However, one of Mr. Steakley's allegations caught our attention. This was the allegation that DCIS officials had "made false statements" in adverse reports on his conduct.

Mr. Steakley alleged that an agent assigned to the DCIS internal affairs unit, Mr. Mathew A. Walinski, had a history of falsifying investigative reports to damage the reputations of fellow agents.

Mr. Steakley further alleged that senior DCIS management, including Mr. Mancuso, was fully aware of the allegations about this agent's unethical practices, yet failed to take appropriate corrective action.

And Mr. Steakley claimed he had proof to back up the allegations.

The staff conducted a careful examination of these allegations and concluded that some have merit.

To evaluate the allegations, the staff reviewed numerous documents to include the extensive files at the Office of Special Counsel, OSC, DOD personnel files, and DCIS investigative reports. The staff also conducted a number of formal interviews.

A careful review of all pertinent material makes one point crystal clear:

The evidence shows that Mr. Walinski fabricated his reported interview of the Air Force payroll technician, Ms. Nancy Gianino, on May 21, 1993. This reported interview was conducted in connection with the investigation of possible tax evasion charges against Mr. Steakley.

In addition, OSC files contain numerous references to a second internal affairs case handled by Mr. Walinski, in which he apparently fabricated another report.

When the staff asked the DOD IG for this case file—known as the Johanson stolen gun case, they discovered that Mr. Walinski had apparently fabricated the reported interview of Agent Jon Clark on March 2, 1994 and possibly others. This file contains sworn statements by the agents involved that Walinski's reported interview with Clark never took place.

These two cases—when taken together—show that Mr. Walinski has a history of falsifying reports.

And more importantly, the record shows that rank and file complaints about Mr. Walinski's unethical investigative practices went directly to top DCIS management, including Mr. Mancuso.

The record also shows DCIS management knew about the Walinski problem but failed to take appropriate corrective action.

Yet despite rank and file complaints, Mr. Walinski's false reports were used by DCIS management to discredit and punish Agents Johanson and Steakley.

In January 1999, Mr. Walinski was allowed to transfer to another federal law enforcement agency—the Treasury IG—with no record of punishment or accountability. In his new assignment, Mr. Walinski is still responsible for investigating employee misconduct.

In fact, the record shows that at least 3 weeks after DCIS management was informed that Mr. Walinski had fabricated the Clark interview, he was given a generous cash bonus award.

Moreover, Mr. Walinski was assigned to conduct an inspection of the field office where rank and file complaints about his false reports had originated.

While investigating Mr. Steakley's allegations, the staff discovered that the DCIS internal affairs unit—to which Mr. Walinski was assigned—was directed by Mr. Larry J. Hollingsworth.

Mr. Hollingsworth was convicted of a felony in U.S. District Court in March 1996. He was apprehended and confessed to filing a fraudulent passport application after a fellow agent recognized his photo in a law enforcement bulletin.

The government authorities, who investigated Mr. Hollingsworth's criminal conduct, believe that he committed about 12 overt acts of fraud. These overt acts of fraud were committed while Mr. Hollingsworth was Director of the DCIS internal affairs unit—Mr. Walinski's office.

Mr. President, can you imagine that? The head of the internal affairs unit of DOD's criminal investigative division was committing passport fraud. That's certainly a confidence builder in that organization, isn't it?

These authorities further believe Mr. Hollingsworth's actions were especially disturbing since passport fraud is usually committed in furtherance of a more serious crime, but the underlying crime was never discovered.

Although Mr. Mancuso and Mr. Hollingsworth were considered friends by associates, Mr. Mancuso failed to recuse himself from administrative actions affecting Mr. Hollingsworth.

Mr. Mancuso even aided in Hollingsworth's defense during criminal trial proceedings—even though Mr. Hollingsworth was considered uncooperative.

What's more, Mr. Mancuso endorsed an outstanding performance rating for Mr. Hollingsworth three weeks after he confessed to felonious activity to U.S. State Department special agents.

Mr. Mancuso even wrote a letter on official DOD IG stationary to the sentencing judge, Judge Ellis, on the convicted felon's behalf.

In this letter, he asked the judge to consider extenuating circumstances. He told the judge that Mr. Hollingsworth had taken a half day's leave to file the fraudulent passport application. Evidently, Mr. Mancuso thought that taking leave to commit a crime was somehow exculpatory.

This is what Mr. Mancuso said in his letter to Judge Ellis, and I quote: "Mr. Hollingsworth could have come and gone as he pleased," but he "took leave to commit a felony."

Mr. Mancuso concluded with this telling remark: "To this day, there is no evidence that Mr. Hollingsworth has ever done anything improper relating to his duties and responsibilities as a DCIS agent and manager."

Coming from a law enforcement officer like Mr. Mancuso, these words defy understanding. The last time I checked, part of doing your job as a law enforcement officer is not committing crimes.

Mr. Hollingsworth confessed to and was convicted of felonious activity while employed by DCIS as a criminal investigator.

As State Department agents put it, these crimes were committed in the furtherance of a more serious crime that was never discovered.

Unfortunately, Mr. Mancuso seems to have been completely blind to the problem.

As a result of a series of decisions—personally approved by Mr. Mancuso, Mr. Hollingsworth was allowed to remain in an employed status at DCIS for 6 months after his felony conviction. He was then allowed to retire with a full federal law enforcement annuity exactly on his 50th birthday in September 1996.

Had Mr. Mancuso exercised good judgement and other available legal options, Mr. Hollingsworth could have been removed from DCIS immediately after conviction—in March 1996. Under these circumstances, he would have been forced to wait 12 years—until the year 2008—to begin receiving a non-law enforcement annuity commencing at age 62. Had Mr. Mancuso exercised this option, he would have saved the taxpayers at least $750,000.00, which is the amount of money Mr. Hollingsworth will collect thanks to the generous treatment he received from his friend and colleague, Mr. Mancuso.

Think of the signal this sends to rank and file law enforcement officers who look to their managers for leadership and fair treatment.

The office of the DOD IG demands the highest standards of integrity, judgment, and conduct.

Does Mr. Mancuso meet those standards?

Given Mr. Mancuso's poor judgment and his irresponsible handling of the three cases examined in the staff report, I believe it is reasonable to question:

(1) Whether Mr. Mancuso should now be nominated and confirmed as the DOD IG;

(2) Whether Mr. Mancuso should be allowed to remain in the post he now occupies—Acting DOD IG;

And given the evidence that Mr. Walinski falsified several investigative reports, it is reasonable to question whether he should be assigned to a position at the Treasury Department in which he is responsible for conducting criminal and administrative inquiries.

Mr. President, today I am forwarding the Majority Staff report to the appropriate committees, the Secretaries of Defense and Treasury and other officials.

These officials must evaluate Mr. Mancuso's fitness to serve as the DOD IG as well as Mr. Walinski's continued assignment as a criminal investigator.

I hope they will take the time to review this report before making a final decision on these matters.

Mr. President, I now ask unanimous consent to have printed two documents in the RECORD: (1) A letter of comment from Mr. Mancuso; and (2) the Majority Staff report. I know it's a lengthy report, and the GPO says it will cost $2,282.00 to print. But leaving no stone unturned in ensuring that a person of the highest integrity occupies the key watch dog post of DOD IG is well worth that cost, in my view.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAJORITY STAFF REPORT TO THE CHAIRMAN ON THE OVERSIGHT INVESTIGATION—THE DEFENSE CRIMINAL INVESTIGATIVE SERVICE, DEPARTMENT OF DEFENSE

(U.S. Senate Judiciary Subcommittee on Administrative Oversight and the Courts, October 1999, Senator Charles E. Grassley, Chairman)

EXECUTIVE SUMMARY

The Majority Staff for the Senate Judiciary Subcommittee on Administrative Oversight and the Courts has conducted an inquiry into the personnel practices and conduct of certain agents within the Defense Criminal Investigative Service (DCIS). The DCIS is an agency in the Office of the Department of Defense (DOD) Inspector General (IG). The former Director of DCIS—a sworn federal law enforcement officer—is now Acting DOD IG, Mr. Donald Mancuso. Mr. Mancuso was Director of DCIS from 1988–1997. Mr. Mancuso is currently a potential candidate for nomination to be the next DOD IG.

This staff report contrasts DCIS personnel management practices that condoned and encouraged maltreatment of rank and file agents, including the use of falsified investigative reports, while protecting and rewarding a fellow manager who was a convicted felon. Management's favorable treatment of the convicted felon, Mr. Larry J. Hollingsworth, will result in his receiving substantial sums of money in federal law enforcement retirement annuities between 1996 and the year 2008. If DCIS management had exercised good judgment and other more reasonable options, Mr. Hollingsworth would not have been allowed to retire on his 50th birthday and receive the $750,000.000 in benefits. He would have had to wait 12 years to retire. In another matter, a criminal investigator, who falsified reports, Mr. Mathew A. Walinski, also received a cash bonus award after this misconduct was brought to the attention of senior DCIS management.

The staff report cites three separate personnel cases brought to the Subcommittee's attention involving DCIS. Each of these cases involves questionable personnel practices that were either condoned or ignored by DCIS management between 1993 and 1996.

The Subcommittee on Administrative Oversight and the Courts has primary jurisdiction and oversight authority for administrative practices and procedures throughout the Federal Government. As part of the process of conducting its oversight responsibilities, the Subcommittee has been examining administrative procedures followed by various inspectors general. This report reflects the Subcommittee Majority Staff's review of questionable administrative decisions and misconduct within the criminal investigative branch in the DOD IG's office—DCIS, while Mr. Mancuso was the director of the organization.

BACKGROUND

In June of 1999, the Subcommittee Majority Staff was approached by a former agent of DCIS, Mr. Gary Steakley. Mr. Steakley alleged that a DCIS internal affairs Special Agent, Mr. Walinski, had a history of falsifying official reports to damage the reputations of fellow agents. Mr. Steakley also alleged that senior officials at DCIS were fully aware of this agent's questionable practices, yet failed to take appropriate corrective action.

It should be noted that an investigator in the Office of Special Counsel (OSC), Mr. William Shea, also looked into Mr. Steakley's allegations of DCIS misconduct. OSC concluded that Mr. Steakley was not a victim of prohibited personnel practices. While the staff examined the conduct of DCIS supervisors in regard to several specific decisions, it did not attempt to examine the numerous other allegations raised by Mr. Steakley.

While investigating Mr. Steakley's allegations, the staff learned that Mr. Walinski was supervised by Mr. Hollingsworth—the director of internal affairs. Mr. Hollingsworth was convicted of a felony in April 1996. Nonetheless, management allowed him to retire with full federal law enforcement retirement benefits six months after his felony conviction. Federal law enforcement agencies commonly remove an employee on criminal misconduct alone, or at a minimum, immediately after a felony conviction. Had management availed itself of other appropriate legal removal options, Mr. Hollingsworth would not have been allowed to retire on his 50th birthday, which gave him entitlement to benefits amounting to more than three quarters of a million dollars.

The staff reviewed numerous documents to include the above-referenced OCS investigation, DOD personnel files, DOD investigative reports, a Subcommittee-requested review by the Office of Personnel Management (OPM), State Department Diplomatic Security investigative reports, and public court papers registered in the U.S. District Court for the Eastern District of Virginia. The Subcommittee Majority Staff also conducted the following formal interviews:

Former DOD personnel:

Mr. Matthew Walinski, DCIS Special Agent Internal Affairs

Mr. Larry Hollingsworth, DCIS Director of Internal Affairs

Mr. William Dupree, Deputy Director of DCIS

Ms. Eleanor Hill, Former DOD Inspector General

Current DOD personnel:

Mr. Donald Mancuso, Former Director of DCIS and Current Acting IG for DOD

Ms. Jane Charters, DCIS Investigative Support

Ms. Donna Seracino, Director of Personnel for DCIS

Ms. Linda Martz, Employee Relations Specialist

Mr. Paul Tedesco, DCIS liaison agent in Hollingsworth criminal case

Mr. John Keenan, Current Director of DCIS, formerly Dir., DCIS Operations

Mr. Thomas Bonner, Current Agent in Charge Dallas Office, DCIS, Assist. Dir DCIS Internal Affairs

Ms. Nancy Gianino, Air Force Payroll Specialist

Lt. Col. Greg McClelland, DOD IG Administrative Investigator

State Department Personnel:

Special Agent Robert Starnes and Special Agent Sean O'Brien

Office of Special Counsel:

Investigator William Shea

Current and former DCIS Special Agents were also interviewed on a confidential basis. They requested confidentiality out of fear of reprisal. This report will show fears of such reprisal are plausible based on the facts developed by the Subcommittee.

SUMMARY OF SIGNIFICANT FINDINGS

The case of convicted felon Mr. Hollingsworth

Mr. Hollingsworth was the Director of internal affairs for DCIS from April 1991 to September 1996. This unit routinely conducted investigations regarding the integrity and conduct of agents in DCIS. As stated above, in at least two cases, DCIS management had knowledge of false witness statements by an internal affairs agent, Mr. Walinski.

Former Director of DCIS, Mr. Donald Mancuso, assisted Mr. Hollingsworth in remaining in an employed status—as Director of internal affairs—for six months after his felony conviction in U.S. District Court. Law enforcement authorities, who investigated Mr. Hollingsworth's criminal activities, believe that he committed at least 12 acts of overt fraud while head of the DCIS internal affairs unit.

Mr. Mancuso, a sworn federal law enforcement officer, aided in the defense of this particular subordinate at his criminal trial. At no time did Mr. Mancuso offer to recuse himself from administrative or personnel actions in regards to Mr. Hollingsworth—even though they were considered "close personal friends."

Mr. Mancuso endorsed an outstanding performance evaluation of Mr. Hollingsworth three weeks after he confessed to felonious activity to the U.S. State Department special agents.

Using official DOD IG stationery, with DOD IG emblem, Mr. Mancuso wrote to the sentencing judge on the convicted felon's behalf, even though the State Department investigators opined Mr. Hollingsworth was an uncooperative defendant. Mr. Mancuso signed the letter in his official capacity as an Assistant Inspector General.

Former DOD Inspector General Eleanor Hill stated that Mr. Mancuso did not advise her of pertinent facts in the case. Ms. Hill had directed Mr. Mancuso to remove Mr. Hollingsworth from his position "as soon as legally possible."

Mr. Mancuso directly assisted Mr. Hollingsworth in obtaining over three quarters of a million dollars in full federal law enforcement retirement benefits six months after a felony conviction. OPM retirement experts, legal counsel at DOD's Washington Headquarters Service, and Inspector General regulations all state that Mr. Mancuso had options to remove this employee immediately after conviction. In fact, the law, DOD regulations, and an OPM opinion all suggest that Mr. Hollingsworth could have been removed based on the criminal conduct alone, and not on criminal court procedures.

The retirement benefits given to Mr. Hollingsworth were extremely generous, since federal law enforcement officials may retire at age 50 instead of age 62, and computation of their general schedule grade has law enforcement availability pay of up to 25% added in on top of regular pay. This resulted in a convicted felon being able to obtain approximately $750,000.00 in additional annuity payments (excluding cost-of-living allowances) as compared to what he would have received had he been terminated immediately after conviction and allowed only non-law enforcement civil service retirement benefits commencing at age 62 in the year 2008.

Falsification of Witness Statements by Agent Walinski in Steakley Case

There were numerous claims of misconduct made by Mr. Steakley in regard to the conduct of the DCIS office of internal affairs. Several of Mr. Steakley's allegations were substantiated.

There is credible evidence that at least one agent assigned to DCIS internal affairs, Agent Walinski, falsified a witness statement in support of a tax evasion charge against Mr. Steakley, and was reprimanded and reassigned for a similar problem in another internal affairs case. Agent Walinski even acknowledged that the tax evasion charge was "unresolved" and that his inconclusive findings were not made apparent in his report to the DCIS Administrative Review Board (ARB).

The false tax evasion charge in which Mr. Steakley was eventually exonerated was instigated by DCIS management, to include Mr. Mancuso, in an area in which DCIS had no authority or jurisdiction. The States of California and Virginia repeatedly informed DCIS that the agency could not obtain Mr. Steakley's tax records without a court order or authorization from the taxpayer involved. DCIS had neither.

In an interview with the Subcommittee staff, Lt. Col. Greg McClelland, an independent DOD IG investigator assigned to review allegations by Mr. Steakley, characterized the conduct of Agent Walinski in this case as "egregious." The Subcommittee staff has substantiated evidence that Agent Walinski made false statements to Lt. Col. McClelland in sworn testimony in 1997.

Mr. Steakley's attorney, Mr. Luciano A. Cerasi of the Federal Law Enforcement Officers Association (FLEOA), notified DCIS management that Agent Walinski's witness interview of an Air Force payroll technician was falsified. DCIS management ignored Mr. Cerasi's allegations despite the fact that it had received another FLEOA letter alleging that Agent Walinski had falsified witness statement in a separate internal affairs investigation.

Falsification of Witness Statements by Agent Walinski in Johanson Case

Prior to the adjudication of the Steakley case, Agent Walinski had falsified witness statements against another DCIS agent.

DCIS Agent Stephen Johanson had his undercover weapon stolen from his residence near Los Angeles, California while he was participating in the execution of a search warrant in another California city. In the investigation that followed the theft of Johanson's weapon. Agent Walinski falsified more witness statements. His false reports resulted in a recommendation that Agent Johanson be suspended without pay for 8 calendar days for failing to secure and return an issued weapon. DCIS supervisors and rank and file agents protested to management at DCIS headquarters in Washington that Agent Walinski's interviews were either inaccurate or never took place.

FLEOA attorney Cerasi wrote a second letter to top DCIS management supporting rank and file agents' complaints about Agent Walinski's reports in the Johanson case. Mr. Cerasi alleged that Agent Walinski has falsified his interview of Agent Jon Clark.

DCIS officials *claim* that Agent Walinski was reprimanded for "failing to show due diligence and accuracy" in reporting witness interviews in the Johanson case. Agent Walinski reported an interview of DCIS Agent Clark that never took place. Despite these allegations, personnel records indicate that Agent Walinski received a cash award—, at least 18 days after rank and file agents had formally complained to senior management at DCIS headquarters that Agent Walinski falsified reports. The staff could find no evidence that DCIS management ever attempted to determine if the allegations about Mr. Walinski's reports had merit. In fact, immediately following the first Johanson investigation and while the re-investigation was in progress, Mr. Walinski was assigned a leadership role in the inspection of the field office where the complaints about his reports had originated. This could be viewed as a retaliatory measure to silence the agents who had "blown the whistle" on Agent Walinski.

DCIS now records all witness interviews for accuracy. Some DCIS Agents refer to this new practice as "the Walinski rule.".

REPORT FORMAT

This report has been divided into three separate DCIS personnel cases as follows:

—The Case of Mr. Hollingsworth
—The Case of Mr. Steakley
—The Case of Mr. Johanson

In addition, the report includes written comments from the Acting DOD IG, Mr. Mancuso, along with an extensive list of the source documents used in preparing the report.

On September 27, 1999, Mr. Mancuso requested that he be given the opportunity to review this report prior to its release and to provide written comments. In response, the Subcommittee Chairman, Senator Charles E. Grassley, assured Mr. Mancuso that his written response would be attached to the staff report. Consistent with the Chairman's commitment, Mr. Mancuso's written response, dated October 1, 1999, is included at the end of the report.

The attachments listed at the end of each section of the report are far too voluminous to reproduce in the printed report. A complete set of the attachments will be maintained in the Subcommittee files and available on Judiciary Committee's web site along with other Committee documents.

CONCLUSIONS

The three personnel cases, which the staff reviewed, demonstrate disparate treatment given to DCIS employees by senior management.

Mr. Hollingsworth, a high ranking DCIS official, was convicted of a felony but protected by Mr. Mancuso and allowed to retire 6 months later—on his 50th birthday—with a full law enforcement annuity. Mr. Walinski falsified reports to such a degree that several witness statements appearing in his investigative reports never took place. He even claimed in sworn testimony in 1997 that a DOD employee, whom he had interviewed and reported absent from her office due to "extended illness," had ovarian cancer, despite the fact there was no evidence that this person suffered from such a disease. Mr. Walinski received a cash bonus award weeks after allegations about his falsified reports reached senior DCIS management. DCIS management never attempted to determine whether those allegations had merit, and Mr. Walinski was allowed to transfer to another law enforcement agency—Treasury IG—with no record of accountability.

Two other DCIS employees were the subject of disciplinary action by DCIS management for significantly less serious offenses, and in one case, based on no evidence. Mr. Steakley, repeatedly and unjustly accused of numerous misconduct charges, is now retired with a damaged reputation among the federal law enforcement community that was undeserved. Similarly, Mr. Johanson was undeservedly punished for having a gun stolen from his residence during a burglary. This gun was issued to him by his own agency. The initial punishment proposed for Mr. Johanson was based on false witness interviews and a distorted interpretation of disciplinary guidelines.

The Office of the DOD Inspector General is a position that requires a very high standard of integrity, with equal treatment for all departmental employees. When information is developed on the criminal misconduct of a senior employee such as Mr. Hollingsworth, that employee should be removed "as soon as legally possible" to ensure that the morale of all employees is maintained. When allegations are made of misconduct such as against Mr. Walinski, the IG's office should ensure that allegations are professionally and thoroughly investigated, and all discrepancies are resolved. When allegations are made against employees such as Mr. Steakley and Mr. Johanson, charges should be investigated, witnesses should be accurately interviewed, and bias should not interfere with the integrity or facts in the investigation.

If DCIS—under Mr. Mancuso's management—could not investigate its own employees honestly and fairly, then how could the much larger Office of the DOD IG—if managed by Mr. Mancuso—be expected by the American people to investigate honestly and fairly misconduct and fraud within the entire Department of Defense?

Given Mr. Mancuso's poor judgment and his irresponsible handling of the three cases examined in this report, it is reasonable to question: 1) Whether Mr. Mancuso should now be nominated and confirmed as the DOD IG—an office that demands the highest standards of integrity, judgment, and conduct; and 2) Whether Mr. Mancuso should be allowed to remain in the post of Acting DOD IG. In addition, given the evidence that Mr. Walinski falsified several witness interviews, it is reasonable to question whether Mr. Walinski should be assigned to a position in which he is responsible for conducting criminal or administrative inquiries.

RECOMMENDATIONS

1. The Majority Staff recommends that Members consider a change in legislation regarding federal law enforcement officers convicted of felonies. Consideration should be given to whether federal law enforcement officers should be immediately dismissed after their conviction of a felony.

Under current law, agencies have considerable discretionary authority in determining how to handle such cases. In the Hollingsworth case, a series of personnel actions approved by DOD Acting Inspector General Mancuso raise serious questions about his integrity and judgment. The proposed change in legislation could eliminate any discretionary authority on the part of individual law enforcement agencies in dismissing employees convicted of felonies.

2. The Majority Staff recommends that the Chairman forward this report to appropriate committees, the Secretaries of Defense and the Treasury and other officials who must evaluate Mr. Mancuso's fitness as a potential candidate to be DOD IG, as well as Mr. Walinski's continued assignment as a GS-1811 criminal investigator.

THE CASE OF MR. HOLLINGSWORTH

Mr. Larry J. Hollingsworth, former GS–15 Director of internal affairs, DCIS, was convicted of a felony charge in 1996 in U.S. District Court for the Eastern District of Virginia. Mr. Hollingsworth was never terminated by DCIS and allowed to retire on his 50th birthday—six months after a felony conviction. He is currently receiving full federal law enforcement retirement benefits totaling approximately $750,000.00 he would not otherwise have received had management exercised other more reasonable options.

Background on felonious activity by Mr. Hollingsworth

According to State Department law enforcement agents, Mr. Hollingsworth's criminal activity in this case commenced on or about September, 1992, when he reviewed the local obituaries in Florida and obtained the name of Charles W. Drew, who was born in 1944 and died in 1948. Mr. Hollingsworth, with a Top Secret security clearance, requested from the State of Florida a copy of the death certificate, representing himself as the deceased's half-brother. Mr. Hollingsworth leased a mailbox in Springfield, Virginia under the alias of Charles and Maureen Drew and Harold Turner.

Mr. Hollingsworth then obtained a birth certificate for Charles Drew from the State of Georgia and had it sent to the mailbox in Springfield, Virginia. Mr. Hollingsworth then leased another mailbox under the alias of Charles and Mary Drew in Arlington, Virginia. Mr. Holingsworth submitted an application and received a social security card under the alias Charles Drew Jr. by posing as the applicant's father. Mr. Hollingsworth, accompanied by his spouse, applied for and received a Virginia Department of Motor Vehicles identification card in the name of Charles Drew. Using the DMV identification card in the name of Charles Drew, Mr. Hollingsworth applied for a U.S. Passport. It should be noted that his wife, Mrs. Jaureen Hollingsworth, a DOD IG employee at the time, was never implicated or charged in this felonious activity. She was not a suspect in the investigation by the U.S. State Department. Mr. Hollingsworth stated to State Department law enforcement agents that he procured approximately eight to ten false identify documents, to include an international drivers license and a priest ID, by means of mail order.

In April of 1995, U.S. State Department law enforcement officials placed a photo of Mr. Hollingsworth in law enforcement bulletins as an unidentified suspect in passport fraud. The local Philadelphia office of DCIS notified DCIS headquarters in Washington, D.C. that a photo of Mr. Hollingsworth was found in a bulletin. Officials at DCIS in Washington, D.C. notified Mr. Mancuso who in turn immediately notified Inspector General Eleanor Hill. Mr. Mancuso was then ordered by DOD IG Eleanor Hill to notify the State Department Office of Inspector General.

[See Attachment #1—Sentencing memorandum date stamped 06/04/96]

[See Attachment #2—State Department Investigative Timeline]

Statements made by State Department law enforcement agent

On July 16, 1999, the Subcommittee Majority Staff interviewed Sean O'Brien, Special Agent with the State Department Diplomatic Security Service. Agent O'Brien was one of the agents assigned to the Hollingsworth case. Agent O'Brien stated that there were at least 12 overt acts of fraud perpetrated by Mr. Hollingsworth over the course of several years. Agent O'Brien felt that the actions of Mr. Hollingsworth were disturbing in light of the fact that passport fraud is usually committed in furtherance of a more serious crime, and a credible motive had never been established.

Mr. O'Brien added that family members of the deceased boy, Charles Drew, whose identify was used by Mr. Hollingsworth, were very upset and prepared to testify at trial. Agent O'Brien also opined that various motions to dismiss the case were delaying tactics used by Mr. Hollingsworth until he reached his 50th birthday—when he could retire with law enforcement benefits.

The State Department Supervisor of the Hollingsworth case, Special Agent Robert Starnes, stated that DCIS management initially refused to let him examine the contents of Mr. Hollingsworth's government computer under the pretense that Mr. Hollingsworth may have had personal and/or classified material on a government computer. Despite possessing a Top Secret security clearance, Agent Starnes had to raise the possibility of a search warrant with DCIS management before they acquiesced and allowed a consent search of the computer.

DCIS management assigned DCIS Agent Paul Tedesco as the point of contact in this case for the State Department. Relevant information regarding Mr. Hollingsworth's criminal conduct was provided by State Department investigators directly to DCIS Agent Tedesco during all criminal proceedings. Agent Tedesco also provided certified court documents to then Director of Operations and current Director of DCIS John Keenan. These court documents described the criminal conduct of Mr. Hollingsworth. Agent Tedesco stated that DCIS management was kept fully informed of the criminal conduct of Mr. Hollingsworth from the time of his confession through sentencing.

In the experienced opinion of State Department Case Agent Sean O'Brien, State Department Special Agent Case Supervisor Starnes and DCIS Case Liaison Agent Paul Tedesco, this fraudulent activity was most probably in furtherance of another crime that was never discovered or proven.

[See Attachment #3—Subcommittee memorandum of 07/16/99 interview with agent O'Brien]

Chronology of judicial and personnel actions in the case of Mr. Hollingsworth

07/28/95: Larry J. Hollingsworth's home is searched by U.S. State Department law enforcement agents and he subsequently confesses to fraudulently applying for a U.S. Passport. [See Attachment #4—Time line provided by DOD 7/27/95–9/20/96]

01/27/96: Larry J. Hollingsworth is indicted in U.S. District Court on two felony counts.

03/18/96: Larry J. Hollingsworth pleads guilty and is convicted of a felony, 18 USC 1001.

06/4/96: Convicted felon Larry J. Hollingsworth is sentenced to 30 days imprisonment on weekends, 2 years probation, 200 hours community service and a $5,000.00 fine. [See Attachment #5—U.S. District Court Criminal Docket]

08/12/96: Larry J. Hollingsworth is notified by DOD DCIS of a "Proposed Removal" and given thirty days to respond. [See Attachment #6—DOD OIG notice of Proposed Removal dated 08/12/96]

09/19/96: Larry J. Hollingsworth retires on his 50th birthday citing a reason of "pursuing other interests". [See Attachment #7—DOD Notice of Personnel Action form 50-B dated 09/19/94]

09/20/96: Larry J. Hollingsworth's attorney notifies then DOD Assistant Inspector General Mancuso that he waives his right to appeal the removal. [See Attachment #8—Letter from Hollingsworth's attorney to Mr. Mancuso dated 09/20/96]

DOD General Counsel claims conditional plea prevented removal of Mr. Hollingsworth

On September 14, 1999, Mr. Mancuso and the Deputy General Counsel (Inspector General), Mr. Kevin Flanagan, stated to the Subcommittee that the reason Mr. Hollingsworth was never removed and allowed to retire, was that his guilty plea was "conditional" and that he could withdraw his plea at any time at his own initiative.

The Federal Rules of Criminal Procedure Rule 11(A)(2) states; "with the approval of the court and the consent of the government, a defendant may enter a conditional plea of guilty or nolo contendere, reserving in writing the right, on appeal from the judgment, a review of the adverse determination of any specified pretrial motion. A defendant who prevails on appeal shall be allowed to withdraw the plea."

The plea agreement in this case acknowledges a conditional plea by Mr. Hollingsworth reserving "his right to appeal the Court's adverse March 8, 1996 ruling denying defendant's motion to suppress his statement to State Department Agents". The plea agreement also states; "the defendant knowingly waives his right to appeal any sentence."

Therefore, Mr. Hollingsworth never had unilateral authority to withdraw his plea at anytime, as Mr. Mancuso and DOD General Counsel argued. Their reason for not terminating Mr. Hollingsworth after conviction appears to be invalid.

[See Attachment #20—Rules of Criminal Procedure 11(a)(1)]

[See Attachment #21 Plea Agreement dated 03/15/96 page 3]

Mr. Hollingsworth was never removed by DOD and as stated in the chronology, remains a convicted felon despite the numerous motions to dismiss. Federal Law, DOD IG regulations, legal counsel at the DOD Washington Headquarters Services (WHS) and OPM General Counsel stated that Mr. Hollingsworth could have been removed based on his criminal misconduct alone. The misconduct must be proved with a "preponderance of the evidence" and not "beyond a reasonable doubt." Preponderance of the evidence is a much lower threshold than a criminal court procedure wherein criminal conduct must be proved "beyond a reasonable doubt."

Federal law states Mr. Hollingsworth could be dismissed within 7 days

5 U.S.C. 7513, (b), regarding removals of federal employees states:

1. At least 30 days advance written notice, *unless there is reasonable cause to believe the employee has committed a crime for which a sentence of imprisonment may be imposed, stating the specific reasons for the proposed action.*

2. A reasonable time, but not less than seven days, to answer orally and in writing and to furnish affidavits and other documentary evidence in support of the answer. [See Attachment #9—5 United States Code 7513]

The DOD Time Line cites this law as reason for a 60 day delay in issuing a 30 day "proposed removal." Mr. Hollingsworth had already served a considerable amount of time in jail before the proposed removal was issued.

DOD Inspector General Regulations state Mr. Hollingsworth could have been terminated after Indictment.

IGDR 1400.4, Displinary and Adverse Action dated December 30, 1994, page 7, states an immediate removal can be initiated "when the agency has reasonable cause to believe that an employee has committed a crime for which a sentence of imprisonment may be imposed. Reasonable cause to believe is not established by the mere fact either of an arrest or an ongoing agency investigation of possible criminal misconduct. A criminal indictment will usually constitute reasonable cause."

[See Attachment #10—IGDR—dated 12/30/94, Page 7]

DOD WHS Legal Counsel advises Mr. Hollingsworth may be terminated after his guilty plea

On March 14, 1996, Gilda Goldsmith, legal counsel at the DOD WHS, advised that "the indefinite suspension, which suspends Mr. Hollingsworth from duty until final disposition of criminal charges and any administrative proceedings, does not bar the agency from terminating him based on his guilty plea . . . the agency could remove Mr. Hollingworth for both the guilty plea and underlying conduct, but would have to prove the conduct by a preponderance of the evidence if the conviction is reversed."

[See Attachment #11—DOD WHS Legal Counsel memo dated 03/14/96]

OPM General Counsel cites other options available to DCIS management

The Subcommittee Majority Staff requested the assistance of OPM in determining whether Mr. Hollingsworth, a convicted felon, was entitled to a federal law enforcement retirement six months after conviction and two months after serving his senence of jail on weekends. He received retirement credit and remained in an employed status as Director of Internal Affairs durng the six months in question to include two months of jail time on weekends.

On July 20, 1999, DOD Personnel Director Donna Seracino stated that Mr. Hollingsworth could not be immediately removed after his guilty plea and felony conviction because "he had rights to due process under OPM guidelines".

On September 13, 1999, OPM General Counsel Suzanne Seiden stated in her legal opinion: "Instead of seeking to remove him because of the criminal conviction, it is possible that DCIS appropriately could have charged him with, among other things, an action under 5 U.S.C., 7513, on grounds of general criminal misconduct or failure to maintain his security clearance. Further, DCIS might have chosen to expedite his removal following Mr. Hollingsworth's guilty plea."

[See Attachment #12—OPM General Counsel opinion dated 09/13/99]

Outstanding evaluation for Mr. Hollingsworth endorsed by Director of DCIS Mancuso

On August 18, 1999, approximately three weeks after Mr. Hollingsworth's home was searched and he confessed to at least three years of felonious activity (07/27/95), Mr. Mancuso signed and approved an "outstanding" performance evaluation for Mr. Hollingsworth. Mr. Hollingsworth replied on the evaluation form; "I appreciate your comments on my appraisal, especially in light of my recent actions."

[See Attachment #13—Employee Performance rating signed by Mr. Mancuso 08/18/95]

Mr. Mancuso places Mr. Hollingsworth on Paid Leave

On November 22, 1995, Mr. Mancuso decided to hold indefinite suspension of Mr. Hollingsworth in abeyance and advised "Mr. Hollingsworth he would be carried on sick leave for any period of time that was supported by acceptable medical documentation, carried on annual leave as long as he had an annual leave balance and requested such leave, and that the indefinite suspension would become effective when his annual leave was exhausted and he no longer met the requirements for sick leave."

[See Attachment #4—Time line provided by DOD 7/27/95–9/20/96]

Mr. Mancuso advises Mr. Hollingsworth to meet with a physician

On November 22, 1995, "Mr. Mancuso advises Mr. Hollingsworth to schedule an appointment with the Independent Medical Evaluation (IME) physician. The agency would approve sick leave through November 30, 1995, and any request for additional sick leave would be held in abeyance pending receipt and review of the additional medical documentation."

[See Attachment #4—Time line provided by DOD 7/27/95–9/20/96]

Assistant United States Attorney opposes use of physician as Defense Witness

On March 8, 1996, Assistant United States Attorney Thomas G. Connolly for the Eastern District of Virginia stated in his legal brief to the U.S. District Court in regards to the testimony of the IME physician for the defense:

"This testimony is not relevant to a determination of any issue to be tried in this case. It is a patent attempt at jury nulifcation by presenting evidence in the hope of making the defendant sympathetic to the jury. It is a backdoor attempt to raise issues of mental condition prohibited by law; and it is prejudicial, confusing, and misleading. This court should exclude any proposed psychiatric testimony from evidence at trial."

[See Attachment #14—Government's motion to exclude psychiatric testimony page 2]

Mr. Seldon, Attorney for Mr. Hollingsworth, contacts DOD Employee Relations concerning retirement

On February 7, 1996, the defense attorney for Mr. Hollingsworth contacts DOD Employee Relations Specialist Linda Martz. She states the attorney said "he wanted to ensure that his client was technically on the agency rolls. I said yes. Mr. Seldon said the U.S. Attorney wanted his client to plead guilty to one felony count. He said he understood that if the criminal matter ended and Mr. Hollingsworth was convicted, removal was probable. He asked if that was correct. I said most likely. He said his client's hope was to stay on the agency rolls until September 1996 at which time he would retire. I said he could retire now, but not under law enforcement. Mr. Seldon said he understood that, but there would be a substantial reduction."

[See Attachment #15—Memorandum for the record of Linda Martz dated 02/07/96]

Defendant Hollingsworth makes motion to dismiss case

On March 12, 1996, Mr. Hollingsworth's defense attorney made a motion in U.S. District Court to dismiss the charges, citing Mr. Mancuso's request for medical information. He said Mr. Mancuso had "directed him to provide sufficient medical information which will be reviewed by the medical consultant for the Office of Inspector General, to assist him in making a decision on the proposed suspension."

[See Attachment #16—Motion to dismiss indictment page 3 section 7]

Assistant United States Attorney comments on sick leave status and use of a physician

On March 12, 1996, Assistant United States Attorney Thomas G. Connolly for the Eastern District of Virginia stated in his legal brief to U.S. District Court:

"The defendant's motion to dismiss the indictment is not only untimely, it is frivolous . . . The government (in the form of the United States Attorneys Office) was not party to any negotiations concerning the defendants sick leave. In fact, the first time we heard about this was on March 7, 1996, when defense counsel faxed us a letter detailing Dr. Holland's findings."

"The United States Attorneys Office had no opportunity, whatsoever to be heard in the negotiations between Mr. Hollingsworth's lawyers and the Department of Defense concerning whether Mr. Hollingsworth should be granted sick leave because he was allegedly suffering from depression a year-and-a-half after he had committed the crimes and 4 months after he had been caught."

[See Attachment #17—Opposition to Defendant's Motion to Dismiss page 3]

Attorney for Mr. Hollingsworth contacts DOD Employee Relations one day after motion to dismiss and compliments Mr. Mancuso for assistance.

On March 13, 1996, Linda Martz, DOD Employee Relations Specialists took a call from Mr. Seldon, attorney for Mr. Hollingsworth. She stated; "Mr. Seldon wanted to know what Larry's sick and annual leave balances were. . . . I went on to explain that when he was indicted the situation took on another look. He said he understood and believed Mr. Mancuso did what he could be help Mr. Hollingsworth".

[See Attachment #18—Linda Martz memo dated 03/13/96]

Mr. Mancuso acknowledges Mr. Hollingsworth's criminal conduct was perpetrated in furtherance of another unknown crime

On September 14, 1999, during a Subcommittee Majority Staff interview regarding the criminal misconduct of Mr. Hollingsworth, Mr. Mancuso stated he now believes that logically, the criminal misconduct of Mr. Hollingsworth appeared to be in furtherance of another crime.

Mr. Mancuso writes letter to sentencing judge on behalf of Mr. Hollingsworth

Mr. Mancuso wrote a letter dated April 29, 1996, to sentencing Judge Ellis on official DOD Assistant Inspector General stationery. Mr. Mancuso wrote this letter "on behalf of Mr. Hollingsworth . . . one of the few individuals in whom I placed complete confidence and trust." In writing the letter, Mr. Mancuso asked the judge to consider extenuating circumstances. For example, he told the judge that Mr. Hollingsworth took a half day's leave to file the fraudulent passport application. Mr. Mancuso said he was not surprised by this action. He said: "Mr. Hollingsworth could have come and gone as he pleased," but he "took leave to commit a felony." Mr. Mancuso went on to say: "To this day, there is no evidence that Mr. Hollingsworth has ever done anything improper relating to his duties and responsibilities as a DCIS agent and manager."

In concluding the letter, Mr. Mancuso added: "I do ask, however, that you consider all these things as well as his stated remorse and acceptance of responsibility for his actions . . . it is our intention to consider removal action against him after the conclusion of the criminal charges. In this regard, I would ask that you consider the severity of these administrative actions as you pronounce sentencing."

The letter was signed; "Sincerely, Donald Mancuso, Director, Defense Criminal Investigative Service".

[See Attachment #19—Letter from Mr. Mancuso to Judge Ellis dated 04/29/96]

Mr. Mancuso comments on letter to Judge Ellis

In a Majority Staff interview on September 14, 1999, Mr. Mancuso claimed that the stationery used in the letter to Judge Ellis was "personal, bought with my own money" and not official DOD Inspector General stationery. It was pointed out to Mr. Mancuso that the letterhead had a government seal which contained the words; "Inspector General—Department of Defense." In addition, Mr. Mancuso signed the letter in his official capacity as an Assistant Inspector General. The letter was made a part of the sentencing report by Judge Ellis.

[See Attachment #19—Letter from Mr. Mancuso to Judge Ellis dated 04/29/96]

[See Attachment #1—Sentencing memorandum date stamped 06/04/96]

Assistant United States Attorney comments on lack of remorse by Mr. Hollingsworth

On March 12, 1996, Assistant United States Attorney Thomas G. Connolly for the Eastern District of Virginia stated in his legal brief to U.S. District Court:

"The defendant's appreciation of the wrongfulness of his conduct in April of 1994 has never been determined in any hearing at which the United States Attorneys Office (or any other government agency, including the Department of Defense) was a party."

[See Attachment #17—Opposition to Defendant's Motion to Dismiss page 3]

Assistant United States Attorney comments on Mr. Hollingsworth's mental state

"Mr. Hollingsworth's condition, whatever it is, is not found in DSM IV, the 886-page tome that lists every psychosis, neurosis, syndrome, and personality disorder known to man."

[See Attachment #14—Government's motion to exclude psychiatric testimony page 5]

Mr. Dupree, former Deputy Director of DCIS, stated Mr. Hollingsworth was considered a cooperative defendant by DCIS management

On August 24, 1999, Mr. Dupree, a former Deputy Director of DCIS, and under the direct supervision of Mr. Mancuso, was interviewed by the Majority Staff. Mr. Dupree reviewed proposals to remove DCIS employees for misconduct based on internal investigations. He characterized Mr. Hollingsworth as a "cooperative defendant". Mr. Dupree stated that it would have been easier to remove Mr. Hollingsworth if he had misused a government vehicle.

9/13/96—Mr. Hollingsworth requests extension on proposal removal

On August 23, 1996, Mr. Hollingsworth asks Mr. Mancuso for an extension of his proposed removal pending an oral reply to be made on 09/13/96.

[See Attachment #4 Time line provided by DOD 7/27/95–9/20/96]

Mr. Mancuso grants requested extension and schedules oral response for 09/23/96, four days after Mr. Hollingsworth's 50th Birthday

On August 26, 1996, Mr. Mancuso grants the extension request and schedules the oral reply for September 23, 1996, the first available date because Mr. Mancuso claimed that he would "be on travel much of September and will not be available to hear Mr. Hollingsworth's oral response" until that date.

A review of Mr. Mancuso's travel vouchers suggests that the projected travel conflicts—outlined in his August 26, 1996 memo—never materialized and that he would have been available to hear the case at any point during the month of September—with several minor exceptions. During an interview on September 14, 1999, Mr. Mancuso was asked if he was aware of Mr. Hollingsworth's birthday when he signed the August 26, 1996 memo. Initially, he denied having that knowledge, but with coaching from Deputy DOD General Counsel Flanagan, he admitted that he did, in fact, know that Mr. Hollingsworth's 50th birthday was in September 1996.

[See Attachment #4 Time line provided by DOD 7/27/95–9/20/96]

Convicted Felon Mr. Hollingsworth retires with full federal law enforcement retirement benefits totaling over $750,000.00

On September 19, 1996, Mr. Hollingsworth retired on his 50th birthday and first date of eligibility for federal law enforcement retirement, citing his desire "to pursue other interests." Mr. Hollingsworth currently receives full federal law enforcement retirement benefits.

[See Attachment #7 notice of personnel action]

According to OPM, if Mr. Hollingsworth had been removed immediately after his felony conviction, he would have been entitled to an annuity commencing at age 62. Since Mr. Hollingsworth was not removed by DOD after his conviction and was allowed to retire six months after his conviction at age 50, Mr. Hollingsworth immediately began receiving a federal law enforcement yearly annuity of over $60,000. Not including cost of living adjustments, these annuities will total over 750,000.00 for 1996–2008—annuities he would not have received had DCIS management exercised other more reasonable options.

On September 20, 1996, Mr. Hollingsworth's attorney "waives his right to any further proceedings in connection with the proposed removal due to his retirement."

[See Attachment #8—Letter from Hollingsworth Attorney dated 09/20/96]

Mr. Mancuso characterizes State Department Investigators as "Horse's Asses"

On September 14, 1999 the Majority Staff interviewed Mr. Mancuso to review his role in Mr. Hollingsworth's retirement.

Mr. Mancuso claimed that State Department investigators did not brief DCIS on the details of the criminal case against Mr. Hollingsworth until after sentencing. The State Department's failure to share this information in a timely manner was another reason for delay in removal action against Mr. Hollingsworth. Mr. Mancuso characterized State Department investigators in this case as "Horses' Asses."

DCIS Agent Tedesco keeps DCIS management informed and compliments performance of State Department investigators in the Hollingsworth case

As stated previously, DCIS Agent Tedesco provided all relevant certified court documents to DCIS Director of Operations John Keennan throughout the judicial proceedings against Mr. Hollingsworth. These documents were passed to senior DCIS management as they became available. These documents fully described the criminal conduct for which Mr. Hollingsworth was being prosecuted. Agent Tedesco described his relationship with State Department investigators as "excellent," resulting in a timely, accurate, and professional flow of information between the two law enforcement agencies. Agent Tedesco refutes any assertion that DCIS management was not informed during any part of the judicial process.

DOD Inspector General Eleanor Hill orders Mr. Hollingsworth to be removed "as soon as legally possible"

Eleanor Hill was the DOD Inspector General during the Hollingsworth criminal procedures. On September 21, 1999, Eleanor Hill stated to the Subcommittee Majority Staff that shortly after Mr. Hollingsworth confessed, she had ordered IG personnel, including Mr. Mancuso, "to remove Hollingsworth as soon as legally possible."

DOD Inspector General Eleanor Hill was unaware of several decisions by Mr. Mancuso regarding Mr. Hollingsworth

Ms. Hill stated she was unaware that DCIS management initially refused to allow State Department investigators a consent search of Mr. Hollingsworth's government computer.

Ms. Hill stated she was unaware that Mr. Mancuso endorsed an outstanding evaluation of Mr. Hollingsworth after his confession to criminal conduct.

Ms. Hill stated she was unaware that Mr. Mancuso wrote a letter as an Assistant Inspector General on official stationery to the sentencing judge on Mr. Hollingsworth's behalf.

Hollingsworth Case—Attachments

1. Sentencing Memorandum filed in U.S. District Court, dated 06/04/96
2. State Department Investigative Time line
3. Subcommittee interview of State Department Special Agent O'Brien
4. Timeline provided by DOD 7/27/95–9/20/96
5. U.S. District Court Criminal Docket
6. DCIS Proposal for Removal
7. Notice of Personnel Action
8. Letter from Mr. Hollingsworth's attorney waiving right to appeal removal
9. Copy of 5 U.S.C. 7513
10. DOD IG Regulations on Disciplinary and Adverse Action Page 7
11. DOD General Counsel memo dated 3/14/96
12. OPM response to subcommittee request
13. Evaluation of Mr. Hollingsworth dated 08/18/95.
14. Government's motion to exclude Defendant's Proposed Psychiatric Testimony
15. Memorandum of Linda Martz dated 02/07/96
16. Motion to Dismiss Indictment
17. Opposition to Defendant's Motion to dismiss
18. Memorandum of Linda Martz dated 03/13/96
19. Letter to Judge Ellis written by Mr. Mancuso on behalf of Mr. Hollingsworth dated 04/29/96
20. Rules of Criminal Procedure 11(a)(1)

21. Plea Agreement dated 03/15/96

WALINSKI: CRIMINAL INVESTIGATOR, DCIS INTERNAL AFFAIRS

Mr. Matthew A. Walinski worked at the Defense Criminal Investigative Service (DCIS) as a criminal investigator (GS–1811) from August 1987 through 1998. Since January 1999, he has been employed as a criminal investigator (special agent) in the Office of the Inspector General at the Department of the Treasury. His assigned duties at the Treasury Department include investigating employee misconduct and fraud. Although Walinski was promoted to the grade of GS–14 at DCIS in August 1991, he accepted a reduction in grade to GS–13 at the Treasury Department. He told the Subcommittee on September 8, 1999 that he left DCIS because he was informed by the DCIS Director Keenan that his goal of becoming a manager was unattainable.

DCIS Internal Affairs

In June 1999, the Subcommittee received a complaint from a former DCIS agent that Walinski had falsified official reports of investigation while employed at DCIS. The complaints about the falsification of reports by Walinski relate to investigations he conducted while assigned to DCIS' Program Review and Analysis Directorate. This office is known informally as "internal affairs." Walinski was assigned to internal affairs from August 1991 until July 1994.

Throughout Walinski's tour of duty in the office of internal affairs, the unit was headed by Mr. Larry J. Hollingsworth. As Director of internal affairs, Hollingsworth held a key position in DCIS's organizational structure—along with the Director (Mancuso), Deputy Director (Dupree), and the Director of Operations (Keenan). Though important internal affairs was a small office. It normally consisted of three investigators (Hollingsworth, Bonnar, and Walinski). However, the office could be augmented—as needed—with special agents from the field.

Hollingsworth directed the DCIS office of internal affairs from April 1991 until his retirement in September 1996, according to a document provided by the IG's office. That Hollingsworth was technically listed as the director of internal affairs until his retirement in September 1996 defies understanding, since Hollingsworth was convicted of a felony (18 USC 1001) in March 1996 and sentenced to 30 days in jail on the weekends in June 1996.

The authorities, who conducted the investigation (Bureau of Diplomatic Security) of Hollingsworth's criminal activities, believe Hollingsworth committed about 12 overt acts of fraud between October 1992 and April 1994. The 12 alleged overt acts of fraud committed by Hollingsworth were perpetrated while he was the director of DCIS' office of internal affairs. Hollingsworth's criminal conduct while director of internal affairs must inevitably raise questions about the overall integrity of the work performed by this office while Hollingsworth was director.

Mr. Thomas J. Bonnar was the Assistant Director of Program Review. Bonnar was Mr. Walinski's immediate supervisor.

While Hollingsworth was in charge of the day-to-day operations of the office of internal review, the DCIS Director, Mr. Donald Mancuso, exercised overall management control of all internal investigations. As DCIS Director, Mancuso was the person chiefly responsible for the conduct of internal inquiries. His position description (DDES0466) states under "Major Duties," paragraph (1): Mancuso "provides staffing and direction for the conduct of internal investigations, as needed." Once allegations were received about potential misconduct by DCIS agents, Mancuso and the Deputy DCIS Director, Mr. William Dupree, would usually decide if an inquiry would be conducted, and what its scope would be. As a rule, those decisions were reached in consultation with Hollingsworth.

Mancuso and Dupree would normally receive periodic briefings or status reports on each internal investigation still in progress. If a problem arose during an inquiry, Mancuso and Dupree would know about it. When Walinski completed his report of investigation, it would usually be forwarded up the chain of command by Hollingsworth to an Administrative Review Board (ARB). The ARB then made recommendations. Either Mancuso or Dupree would review those recommendations and make the final decision on what—if any—disciplinary action was needed.

While assigned to DCIS' office of internal review, Walinski was tasked to complete about 30 "administrative inquiries" concerning allegations of misconduct by DCIS agents. The complaints about the falsification of his reports pertain to two "administrative inquiries" conducted by Walinski in 1993 and 1994 as follows: (1) the tax fraud case involving Special Agent (SA) William G. Steakley—Administrative Inquiry 91; and (2) Stolen gun case involving Special Agent (SA) Stephen J. Johanson—Administrative Inquiry 108.

The purpose of this portion of our review was to assess the validity of the allegations against Walinski and to search for the answers to three questions: (1) Did Walinski falsify his reports on the Steakley and Johanson cases? (2) If Walinski falsified reports, did senior management at DCIS know about it? And (3) If DCIS management knew about it, did management take appropriate corrective action?

To answer the three questions, the Majority Staff examined all pertinent General Counsel, IG, and U.S. Office of Special Counsel (OSC) files, including reports of investigations and E-mails. The staff also conducted a number of separate interviews.

The Case of Mr. Steakley

On May 11, 1993, Walinski opened the tax evasion case against Steakley. This was Administrative Inquiry 91. It was opened "based on information that SA Steakley made misleading statements to the DCIS payroll support activity regarding his actual place of residence in an apparent effort to circumvent his state income tax obligations."

[See Attachment 1—page 1 of Report of Investigation (ROI)]

The foundation for Walinski's ROI on the Steakley tax fraud case was his interview with a payroll specialist at Bolling AFB, Washington, D.C.—Mrs. Nancy Gianino. At the time, Gianino was responsible for handling all DCIS payroll matters. Walinski's official witness interview report, dated June 1, 1993, states that Gianino was interviewed at Bolling AFB on May 21, 1993 "concerning her knowledge of the payroll deductions of SA Steakley."

Gianino Interview

Since the Gianino interview is such a crucial piece of evidence in evaluating the accuracy of Walinski's reports, it is quoted here in its entirety:

"Mrs. Gianino said that sometime in late November 1991 she received a letter from SA Steakley which instructed her to discontinue payroll withholding on SA Steakley's salary by the Commonwealth of Virginia. After receiving the letter, which is appended as attachment 1, she contacted SA Steakley via telephone and he informed her that he was being transferred and had, in conjunction with his transfer, established residency in the State of Tennessee. At the time she thought it was strange that an employee who lived and worked in Virginia could move his residency to another state, but because SA Steakley told her he was being transferred in December 1991 she was not concerned. On December 11, 1991, Mrs. Gianino changed SA Steakley's state tax code from Virginia to Tennessee. Mrs. Gianino stated that very shortly after her discussions with SA Steakley she became very ill and was off work for an extended period of time. Because of her illness she was unable to follow-up concerning SA Steakley and his move as would be her normal practice. Normally, Mrs. Gianino makes sure that state income taxes are withheld from the state where the individual's duty assignment is located, especially a state as strict as California.

In the Spring of 1993, after her return from the extended illness, Mrs. Gianino started to reconcile the payroll records for the Defense Criminal Investigative Service. During this reconciliation she reviewed and compared the permanent duty station location for each employee from their Notification of Personnel Action Standard Form 50; the state code of each employee utilized by the Air Force for deductions for state income taxes; and the current mailing address for each employee. She then discovered that SA Steakley was permanently assigned to California, had a state tax code for Tennessee, and a mailing address in Virginia. Mrs. Gianino stated that she brought this discrepancy to the attention of DCIS management as the Air Force considers this situation to be unacceptable under applicable payroll guidelines.

Mrs. Gianino said that in retrospect she felt that both SA Steakley's letter and the subsequent telephone call were vague and very misleading."

[See Amendment 1, Witness Interview/Gianino]

DCIS Contacts State Tax Authorities

Based on the information provided by Gianino, DCIS officials, including Walinski and Hollingsworth, contacted the departments of taxation in the states of California and Virginia to determine whether Steakley had unpaid income tax liabilities in either state. In addition, they contacted the State of Tennessee to determine whether Steakley was a resident of that state.

DCIS made repeated attempts to obtain information on Steakley's tax obligations in California and Virginia. Letters were sent to the tax authorities in both states on July 27, 1993, July 30, 1993 and December 2, 1993. The letters were followed up by telephone calls.

Access To Tax Records Blocked

In a memo dated December 23, 1993, Walinski reported that he was unable to obtain any information from Virginia on Steakley's tax liabilities. Walinski reported:

On December 22, 1993, an official in Virginia's Department of Taxation informed DCIS: The Commonwealth of Virginia will not acknowledge or provide documentation to generic tax liability issues unless the writer of the correspondence is the Commonwealth of Virginia taxpayer . . . . . Per Commonwealth of Virginia Statute the information in question could not be released to DCIS because DCIS was not the taxpayer in question."

[See Amendment 1, Contact Report with Department of Taxation, Commonwealth of Virginia]

In an E-mail message to his supervisor, Bonnar, on July 8, 1994, Walinski reported that identical restrictions applied to access on individual tax liability data in California. Walinski reported:

On May 5, 1994, California tax authorities informed DCIS: By law, California can not release any information concerning an individual taxpayer without a court order or a release from the individual in question."

[See Attachment 1, Contact Report with California Franchise Tax Board]

DCIS Continues to Pursue Tax Data

Even though DCIS was prohibited by state law from obtaining information on Steakley's state tax liabilities, DCIS Director Mancuso and Hollingsworth pressed Walinski to find a way to obtain that information.

During an interview on August 24, 1999, Hollingsworth reacted strongly to the suggestion that DCIS lacks authority to obtain information on Steakley's unpaid state tax liabilities. He insisted that DCIS had all the authority it needed to get the job done. He said: "I could have done that investigation." Both Mancuso and Hollingsworth were formerly employed criminal investigators at the Internal Revenue Service.

Mancuso's E-mail to Hollingsworth on July 7, 1994 demonstrates something more than a passing interest in the Steakley tax evasion case. Mancuso's message conveys a sense of urgency on the need to obtain Steakley's state tax data. It also seems to suggest that DOD legal counsel may have advised DCIS not to pursue tax fraud charges against Steakley. Mancuso made this request:

"Please copy me on all transmittals between our office and the states of California and Virginia relative to Mr. Steakley's taxes. It has been a ridiculous amount of time since you told me that we were waiting to hear back from them. At the time of our last discussion I directed you to document your contacts so that I could refer to them if some quick action did not ensue. I've spoken to OGC [Office of the General Counsel] and I think I can get their support despite Perkul [Deputy General Counsel, Washington Headquarters Services] and crew."

"I'd also like to start making phone calls to the two states and finding out what they're doing with our information."

[See Attachment 1, E-mail from Mancuso to Bonnar and Hollingsworth]

When asked by an independent DOD investigator, Mr. Greg McClelland, why DCIS would pursue tax charges against Steakley when prohibited by state law from obtaining that information, Mancuso replied: "We'll pursue anything that goes to the integrity of the agent."

[See Attachment 2, Greg McClelland interview, March 13, 1997, p. 35]

Mancuso's reply to McClelland's question in March 1997 suggests that he may have known that DCIS lacked authority to gain access to Steakley state tax records. During an interview on September 14, 1999, Mancuso provided a completely different answer to essentially the same question. He was asked why DCIS would pursue charges against Steakley in an area—individual state tax obligations—where it had no authority or jurisdiction to operate. He claimed ignorance. He replied: "I did not know that DCIS was not authorized access to individual state income tax data."

Walinski Complains about Pressure on Tax Data

One day after Mancuso's E-mail to Hollingsworth—July 8, 1994, Walinski complained about the pressure from Mancuso to his supervisor, Bonnar. In this E-mail, Walinski stated:

"I do not understand what he [Mancuso] wants us to do. . . . Without a release from Steakley, which both he and his attorney(s) stated will not be provided or a court order of some kind there is nothing else that I can do. I am sorry!"

[See Attachment 1, Walinski E-Mail to Bonnar]

Steakley's Tax Attorney Responds

DCIS attempted to interview SA Steakley's tax accountant/lawyer, Mr. John T. Ambrose, but Steakley refused to waive attorney-client privilege, and Mr. Ambrose refused to be interviewed. However, after further discussion, Steakley's tax attorney provided DCIS with a letter addressing various tax issues bearing on the potential charges against his client. The letter was dated February 22, 1994 and hand delivered to Dupree. Mr. Ambrose stated:

"For tax year 1992, based on a determination that Mr. Steakley was a resident of Tennessee, I prepared three (3) state income tax returns for the Steakleys, one resident state income tax return for Virginia and two (2) nonresident state income tax returns for Virginia and California. In determining how to complete those returns, I reviewed the tax instructions published by the respective state tax agencies and consulted with personnel at those agencies."

[See Attachment 3]

Tennessee Residency

A DCIS records check in Tennessee did show that SA Steakley owned two homes in the state; was registered to vote there and, in fact, voted in the November 1992 general elections; and applied for and received a state driver's license. Mr. Walinski's report of investigation contains the general guidelines in Tennessee tax law that are used as the standard for determining whether a person can claim they are a resident of the state. According to the information contained in Walinski's report, Steakley appears to meet most of the state residency requirements.

No Proof of Tax Fraud

At the conclusion of Walinski's investigation, DCIS had no credible evidence or proof that Steakley had unpaid tax liabilities in either California or Virginia.

In our interview on September 8, 1999, Walinski acknowledged that his report of investigation on the tax evasion case against Steakley was inconclusive and unsubstantiated.

Walinski characterized the tax fraud case against Steakley as "an unresolved case." The investigation had serious shortcomings: "We couldn't nail him," Walinski said. Walinski's inconclusive findings are not apparent in his report. In fact, the report suggests DCIS had an airtight case against Steakley. Walinski also claims Mancuso and Dupree were aware of the flaw. Despite these known deficiencies, Walinski said that he was "not surprised" to learn that the ARB Board had subsequently recommended that Steakley "be removed from his position at DCIS" for failing to meet his state tax obligations—a recommendation based on Walinski's incomplete report. "That's just the way DCIS did things," he said.

In our interview on September 14, 1999, Mancuso contradicted Walinski's assertion that management knew the tax case against Steakley was weak. Mancuso insisted that he was not aware of the lack of credible evidence to support tax evasion charges that were eventually brought against Steakley. He said: "I didn't know about that."

Decisions on Tax Investigation Questioned

The staff does not understand why Mancuso and Dupree decided to pursue the tax evasion charges given the prohibitions in place that effectively blocked access to Steakley's state tax records. If DCIS believed that this matter needed further investigation, it should have referred the matter to an external organization that had the authority and jurisdiction to examine those records and determine if Steakley had unpaid tax liabilities. In the absence of that information, the tax evasion charge would be unjustified.

ARB Board Recommends Removal

The DCIS ARB met on February 7, 1994 to consider the Steakley tax evasion case.

In a memo dated March 7, 1994, the ARB recommended that SA Steakley "be removed from his position with DCIS for violating Executive Order 12674." The Board concluded that "SA Steakley has a tax liability to the State of California and he took overt steps to avoid paying this tax from December 1991 through February 1993." The Board's report was signed by James J. Hagen, Special Agent in Charge.

[See Attachment 4, page 2]

Tax Fraud Charges

On August 4, 1994, after reviewing the ARB's recommendations, DCIS management issued Steakley a "Notice of Proposed Suspension." The notice was signed by Mr. John F. Keenan, Director of Investigative Operations. Mr. Keenan was also previously employed by the Internal Revenue Service as a special agent. He is the Director of DCIS today.

Mr. Keenan rejected the ARB's recommendation to remove Steakley. Instead, he proposed that SA Steakley be "suspended without pay for fourteen (14) calendar days." The proposed suspension was based on: (1) SA Steakley's failure to pay income taxes in the states of California and Virginia; and (2) SA Steakley's failure to comply with Executive Order 12730 [Section 101, paragraph (1)] that requires employees to pay federal, state, and local taxes—"that are imposed by law."

[See Attachment 5, page 1]

In presenting their case against Steakley, both Mr. Keenan and the ARB relied heavily on Walinski's reported interview of Gianino. Key portions of that interview were incorporated in both memos. For example, after reviewing the communications between Steakley and Gianino in 1991 about payroll deductions—as summarized in Walinski's report, Keenan's memo cites her alleged reconciliation of DCIS payroll records as the event that triggered the whole investigation:

"In the spring of 1993, during a reconciliation of payroll records for DCIS, it was discovered that you were permanently assigned to California, had a state tax code for Tennessee, and a mailing address in Virginia. This discrepancy was brought to the attention of DCIS management as the Air Force considers this situation to be unacceptable under applicable payroll guidelines.

[See Attachment 5, page 2]

Adjudication—Charges Dropped

On October 25, 1994, Mancuso's deputy, Dupree, informed Steakley that the tax fraud charges against him would be dropped.

In a memo addressed to Steakley, Mr. Dupree attempted to provide an explanation for his decision to drop the charges:

"I have considered the written response submitted by your representative, Mr. Luciano Cerasi, as well as the oral response presented by you and Mr. Cerasi on October 20, 1994. Based on the information you provided concerning the filing date of October 15 for the state of California, I have decided that the charges are not substantiated. Therefore, it is my decision to overturn the proposal to suspend you for 14 days."

[See Attachment 6]

Dupree's explanation seems to suggest that the charges were dropped because the California's state tax filing deadline had not yet arrived. His explanation is difficult to comprehend. Senior DCIS officials had consistently claimed that Steakley's misconduct was "an integrity issue." For example, in his memo dated August 4, 1994, Keenan told Steakley:

"I find you have violated the trust placed in you as a employee of the OIG [Office of the Inspector General]."

[See Attachment 5, page 3]

It very difficult to reconcile Dupree's explanation for dropping the charges with the questions raised about Steakley's integrity—particularly since Dupree's memo was signed ten days after the California filing deadline had passed.

FLEOA's Allegations Against Walinski

During the adjudication process on tax fraud charges, Steakley was represented by an attorney with the Federal Law Enforcement Officers Association (FLEOA), Mr. Luciano A. Cerasi.

As Steakley's defense counsel, Cerasi directed a 10-page letter to Dupree in response to the proposed notice of suspension issued to Steakley in August 1994. Cerasi's letter was hand-delivered to Dupree on September 15, 1994. Cerasi argued that "the proposed adverse action against SA Steakley must be rescinded due to a lack of preponderant evidence to support the charges."

In offering a spirited defense of his client, Cerasi, who represents rank and file agents, also raised explosive allegations about the accuracy of the investigative report underlying the tax evasion charges. He alleged that Walinski's report contained "false, misleading, and fabricated investigative material."

Cerasi alleged that Walinski had "fabricated the interview in another [Johanson] case." He alleged that Walinski "completely fabricated the results of his interview with Mrs. Nancy Gianino." He referred to Walinski as "management's pit bull." He said Walinski was "willing to fabricate investigative information to destroy the career of a subject of an investigation." Cerasi urged Dupree to re-open the case and re-investigate the entire matter.

[See Attachment 7, pages 2 and 3]

Cerasi's allegations about Walinski's report on the Steakley case in September 1994 followed allegations and complaints, which surfaced two months earlier, about Walinski's report on the Johanson stolen gun case. The Johanson case is discussed in the next section of this report.

Steakley's Request for Re-Investigation

On October 20, 1994, both Cerasi and Steakley were given an opportunity to present an oral response to the tax evasion charges. During the oral rebuttal session in Dupree's office, Steakley followed up on Cerasi's written request for a "reinvestigation of this whole Walinski file." Steakley requested "an internal investigation of SA Walinski's actions." Steakley stated once again "he had proof that SA Walinski had fabricated the results of the administrative inquiry involving his state income taxes."

[See Attachments 8, page 1]

Steakley's "Proof"

The "proof" referred to by Steakley was a taped telephone conversation he had with Gianino on September 8, 1994 about Walinski's reported interview of her on May 21, 1993. This tape was subsequently provided to and transcribed by the DOD IG, and a copy of the transcription is located in the files of the U.S. Office of Special Counsel (OSC).

The Majority Staff reviewed the tape transcription in the OSC files.

Gianino's statements on this tape appear to indicate that Walinski fabricated the entire Gianino interview. Steakley read her Walinski's report of interview. She said that every statement in Walinski's report, which was attributed to her, was "not true." She never had an extended illness, and her leave records would prove it. She said Walinski made several visits to her office to examine Steakley's file. She gave him the file, and he took notes from the file. [Walinski probably made these visits in March or April 1993 when checking Steakley's time and attendance records during the investigation of Steakley's accident with a government vehicle in Administrative Inquiry 86]. At the conclusion of the tape, Gianino said: "Walinski came over here with his badge and puts false accusations in his report. How am I ever going to trust anybody coming over here [from that office] again."

[See Attachment 2, Telephone Conversation between William G. Steakley and Nancy Gianino, September 8, 1994—Tape Transcription, page 78]

DCIS Rejects Request for Re-Investigation

Except for what appears to be an exchange of perfunctory phone calls in 1995, requests for an independent review of Walinski's report were largely ignored—and finally dismissed—by senior DCIS management. Another three years would pass before Steakley's allegations about Walinski would be subjected to an independent review.

IG Request for Independent Review

The independent review was triggered by a series of letters from Steakley to Ms. Eleanor Hill, DOD IG, and to Senator Fred Thompson. These letters were dated February 9, 1996 and March 12, 1996. In these letters, Steakley renewed his allegations that "Walinski and Hollingsworth had "prepared fabricated reports." They had "falsely accused him of tax fraud," he alleged. These letters also put a new twist on the allegations. Steakley now alleged that "Walinski stated directly that the entire matter was directed by Mancuso and Dupree."

[See Attachment 9, Steakley letters to Hill and Sen. Thompson multiple pages]

DOD IG Refers Case to PCIE

Since Steakley's allegations were "longstanding in nature and involve a number of individuals in various parts of the IG organization," Hill concluded that her office was not capable of conducting "an objective internal investigation of the allegations." She said it simply was "not feasible." Consequently, on May 23, 1996, she referred the entire matter to the President's Council on Integrity and Efficiency (PCIE) for further review.

[See Attachment 10, Hill's letters to PCIE and Senator Thompson, May 23, 1996, page 1]

PCIE Response

On October 16, 1996—five months after Hill's request was made, the PCIE returned the case to the DOD IG "for appropriate handling," because Steakley's complaints concerned IG employees—not the IG herself. [Attachment 10, PCIE letter to Hill, page 2] Following another request from the DOD IG on February 20, 1997, the Integrity Committee of the PCIE agreed to review Steakley's allegations. In her final request, Hill again expressed frustration over her inability to conduct an independent review: "Our attempts to conduct an impartial internal inquiry have been hampered by the increasing number of senior managers who have recused themselves as a result of the growing allegations, including the Director [Mancuso] of the office which would be investigating this matter internally."

[See Attachment 10, PCIE letter to Hill, October 16, 1996]

Case Referred to OSC

On June 3, 1997, the case was finally referred to OSC for investigation.

[See Attachment 10, Hill memo to PCIE, February 20, 1997; OSC letter to DOD IG, June 3, 1997; IC letter to PCIE, January 8, 1999, page 2]

OSC Report and Conclusions

On July 21, 1998, the OSC completed a report on Steakley's allegations about senior DCIS officials. The OSC report focused primarily on prohibited employment practices and not whether Walinski had falsified official reports on investigation.

Despite a mountain of evidence pointing to a number of unresolved issues, the OSC notified DOD in December 1998 that Steakley's allegations "were without merit," and the case was closed in January 1999.

[See Attahcment 10, IC letter to PCIE, January 8, 1999, page 2.]

McClelland's Investigation

On March 27, 1996—two months before Hill initially referred the matter to the PCIE, she attempted to launch an investigation of Steakley's allegations. This investigation continued while Hill worked with PCIE/OSC to assume responsibility for the investigation.

The job was assigned to the IG's Office of Departmental Inquiries—an organization that is separate from DCIS—and more independent, though both offices report to the same boss—the DOD IG. Mr. Dennis Cullen was initially assigned as the case action officer on April 2, 1996, but Mr. Greg McClelland was placed in charge of the internal inquiry on December 12, 1996.

Between January and June 1997, McClelland conducted a very extensive set of interviews. The staff has examined the transcripts of McClelland's interviews and believes that McClelland conducted a very thorough and credible investigation. He gathered all pertinent information needed to prepare an independent report on Steakley's allegations. While McClelland actually began drafting a report, it was never finalized. Once the OSC agreed to assume jurisdiction over the case on June 3, 1997, McClelland was directed to terminate his effort and transfer all materials to the OSC. Even though McClelland's report was never finalized, his files contain important information bearing on the allegations against Walinski—information that was completely ignored by OSC.

McClelland's Investigative Plan

The guidance given to McClelland was clear. He was to investigate all the allegations raised by Steakley, including "alleged false statements" by a DCIS investigator. On the tax fraud inquiry, he intended to address this issue: "Did DCIS fabricate an ethics violation [suspected tax fraud] against Mr.

Steakley?" He planned to "review applicable regulations" to determine whether "officials acted within the scope of their authority." His investigative plan called for questioning Gianino first. If warranted—based on information obtained from Gianino, he would then interview other DCIS officials as follows: Walinski, Hollingsworth, Dupree, and Mancuso.

[See Attachment 11, page 3]

Gianino

On January 28, 1997, McClelland interviewed the key witness—Gianino—regarding the contents of Walinski's reported interview of her on May 21, 1993. In this interview, Gianino disputes and contradicts virtually every point raised in Walinski's report.

Walinski's report declares that the interview took place at Gianino's Bolling AFB office on May 21, 1993. Gianino, by comparison, testified that she had just one telephone conversation with Walinski; that he called her; but she was unable to remember when the call took place.

McClelland questioned Gianino about each individual part of Walinski's report of interview. McClelland read her each sentence in Walinski's report. In each case, he asked Gianino: "Is that accurate?" And in each case, Gianino replied: "I did not call him." Or "that's not a true statement." Or "that's not true." Or "I did not do that." On the question of sick leave between 1991 and 1993, Gianino testified: "I had maybe a couple of hours of sick leave. But I was not out for a long extended period of time due to illness."

[See Attachment 2, Gianino interview, 1/28/97, pages 4–12]

Gianino's Leave Records

The staff examined Gianino's leave records for 1991 through 1993.

In his report of investigation, Walinski states: "Very shortly after her discussions with Steakley [in late 1991], she [Gianino] became very ill and was off work for an extended period of time. Because of her illness she was unable to follow-up concerning Steakley. . . . In the Spring of 1993, after her return from the extended illness, Mrs. Gianino. . . ."

Walinski's assertions about Gianino's absence from her Bolling AFB office due to an extended illness are inconsistent with her official leave records.

Those records show: (1) Gianino used 54.5 hours of sick leave in 1992; and (2) she used .5 hours in the first half of 1993 and a total of 15 hours of sick leave for the balance of the year.

[See Attachment 12]

Walinski

McClelland then interviewed Walinski—first on February 14, 1997—and then again on June 6, 1997. After questioning Walinski at length about other parts of his report of investigation on the Steakley tax fraud case, McClelland confronts him with the conflict between his report and Gianino's sworn testimony:

"Okay. Well, Mr. Walinski, we have a problem. And the problem is that Ms. Gianino controverts almost everything you say about her in here [Walinski's report], under oath, on tape."

[See Attachment 2, Walinski interview, 2/14/97, page 62]

Walinski replies: "Okay. Well,—In here somewhere we will find the information that she provided to me, and it will be in her handwriting."

[See Attachment 2, Walinski interview, 2/14/97, page 62]

Walinski never produced any documentation from Gianino that had a bearing on the contents or accuracy of his May 21, 1993 report of interview.

Then McClelland moved to the key question about sick leave. Walinski's report contains a number of references to how Gianino "became very ill and was off work for an extended period of time." McClelland asked this question:

"Okay. Ms. Gianino states that she was not out sick from December 1991 to spring 1993, and the records substantiate that."

[See Attachment 2, Walinski interview, 2/14/97, page 65]

McClelland asked Walinski to explain the discrepancy between his report and Gianino's official leave records. Here is Walinski's response:

"Well,—well, the remembrance that I have is, folks, is that she was out sick, and I remember everybody at headquarters telling me that . . . I think she had cancer really bad, ovarian cancer, and she would come into work and work a couple of hours, and then she would go home.

[See Attachment 2, Walinski interview, 2/14/97, pages 14 and 65]

Under intense probing, Walinski admitted that the Gianino interview may not have taken place on May 21, 1993—as stated in his official report. He told McClelland: "I interviewed her [Gianino], like, two or three times." McClelland responded to this revelation with another question: "Why isn't that reflected in the ROI [report of investigation]?" Walinski's response helps to shed light on his investigative methods. He told McClelland that his reports do not necessarily reflect the way he conducted the investigation:

"Well, because one day I went over there and she told me this information. Another day I went over there and I interviewed her and I was interviewing her about another, you, something else."

[See Attachment 2, Walinski interview, 2/14/97, pages 63–65]

During the second interview on June 6, 1997, McClelland attempted to determine if there was any concrete linkage between Walinski's handwritten notes of the Gianino interview and the final version of the interview that accompanied his report of investigation. McClelland determined that there was essentially no linkage. Not one important fact contained in the final report could be traced back to Walinski's handwritten notes. And Walinski agreed with McClelland's assessment. The Majority Staff examined those notes and agreed with McClelland's assessment. Walinski's notes are undated and cannot be considered proof that the interview took place. McClelland asked Walinski about the disconnect. Walinski replied:

"I don't write down verbatim what people tell me, so I remember she just said she was out . . . I just write down highlights in my notes . . . Just enough that jogs my memory so I can remember what people said."

[See Attachment 2, Walinski interview, 6/6/97, pages 28, 37, 69]

Staff Interviews Gianino

Gianino was interviewed on June 30, 1999 regarding her knowledge of Walinski's May 21, 1993 witness interview report.

At the beginning of the interview, the Majority Staff gave her an opportunity to examine Walinski's report. She had never seen it. She re-confirmed all the facts previously developed by McClelland. Point-by-point, she characterized Walinski's report as completely false. She stated that she was never interviewed by Walinski but may have spoken to him briefly on the telephone. She noted that he was even mistaken about her GS grade. Walinski reported that she was a "GS-12 Payroll Specialist" at the top of the witness interview form. In fact, Gianino was a GS-7 Payroll technician on the date of the interview. When asked why she thought Walinski fabricated his report of interview, she offered this opinion:

"DCIS was out to get Steakley. They wanted to destroy him"

On August 20, 1999, the staff conducted a follow-up interview with Gianino. At that time, she was shown portions of Walinski's sworn testimony to McClelland on February 14, 1997 where he attempted to explain the discrepancy between his report and her leave records. In this testimony, Walinski fabricated a new reason for his May 1993 report about her extended absences from the office. He suggested that "she had cancer really bad, ovarian cancer." Gianino was shocked that Walinski had made such a statement under oath. She said: "that statement is not true. I have never had ovarian cancer."

Staff Interviews Walinski

On September 8, 1999, the Majority Staff questioned Walinski about the accuracy of his May 21, 1993 interview of Gianino. During the meeting, he attempted to offer evidence that his reported interview of Gianino did, in fact, take place.

This is the explanation offered by Walinski:

Since Steakley had refused to cooperate with the investigation and provide his state income tax returns, DCIS could not prove that Steakley had failed to meet his state tax obligations. This shortcoming was painfully evident when the ARB Board met to review the Steakley case. Walinski's report did not answer the key question: What were Steakley's total unpaid tax liabilities? Exactly how much did he owe Virginia and California?

The ARB wanted that question answered. So Walinski was called into the ARB Board meeting and directed to get the missing information. Walinski claims he contacted Gianino on the telephone and then went over to her office at Bolling AFB. At this meeting, she provided the earnings data that he needed to calculate Steakley's unpaid state taxes for the Board. He said there were detailed notes containing the tax calculations. He further stated that some of those notes were in Gianino's handwriting, and they prove that the Gianino interview actually took place as he reported.

[See Attachment 14]

Walinski offered essentially the same explanation to McClelland in testimony on February 14, 1997, and June 6, 1997.

Walinski's explanation does not stand up to scrutiny for three reasons:

First, Walinski's handwritten notes that he purportedly took during his interview of Gianino on May 21, 1993 do not contain tax calculations or references to them.

Second, The final version of Walinski's report of interview with Gianino on May 21, 1993 contains no reference to income tax calculations.

Third, since the ARB Board did not meet on the Steakley tax evasion case until February 17, 1994—nine months after the reported Gianino interview, and since Walinski claims the tax calculations were prepared in response to a question that arose during the Board meeting, the notes on tax calculations—if they ever existed—could not constitute proof that the Gianino interview took place as reported by Walinski.

McClelland's Evaluation of Walinski

McClelland was interviewed on August 4, 1999 to elicit his impressions on the irreconcilable differences between the testimony of

Walinski and Gianino. This is what McClelland stated:

"While he was unable to document willful intent on the part of Walinski, he characterized Walinski's conduct and reporting in the Steakley tax fraud case as egregious. Walinski was a sloppy investigator. His report contained widespread discrepancies and inaccuracies."

Response by Management

This portion of the reports addresses the question of how DCIS management responded to allegations that Walinski had fabricated his official report on the Steakley investigation:

Did DCIS management make an honest attempt to review the allegations about Walinski's report?

The Majority Staff was unable to find any evidence to suggest that DCIS management attempted to evaluate complaints that Walinski had falsified his report on the Steakley tax fraud case.

Examples of how DCIS management responded to the allegations are cited below.

Bonnar

In a memo dated November 15, 1994, Bonnar—Walinski's immediate supervisor—reported that he had received a telephone call from Steakley the previous day—November 14, 1994. Bonnar reported that Steakley asked if Dupree had launched an investigation into Mr. Walinski's actions. Steakley had requested the investigation during his meeting with Dupree on October 20, 1994. Bonnar told Steakley: "there are no pending internal administrative inquiries involving your case."

In the memo, Bonnar also reported on Steakley's overall impressions of DCIS' commitment to reviewing Walinski's actions:

"It was clear to him [Steakley] that Mr. Dupree had decided not to act on his request for an investigation.

[See Attachment 8, page 2]

Hollingsworth

According to the OSC report, Dupree asked Hollingsworth to be certain that Walinski's report was consistent with the facts, and Hollingsworth assured him that there was no truth to Steakley's allegations:

"Dupree asked Hollingsworth to look into the [Walinski] matter and recalled that he was assured by Hollingsworth that the documents were in support of the information . . . and found the allegation was not correct."

[See Attachment 15, pages 15 and 22]

OSC's assessment does not seem to square with the facts.

First, there is no evidence to suggest that Hollingsworth investigated the accuracy of Walinski's report. Quite to the contrary, a memo signed by Hollingsworth on November 23, 1994 suggests that he had no plan to do it—unless Steakley provided more specific information Hollingsworth stated:

"Based on a review of the allegations made by SA Steakley, no action will be taken until he provides written documentation."

[See Attachment 16]

Use of the words "written documentation" seems important, since Steakley had taped a conversation with Gianino on September 8, 1994 suggesting that Walinski had falsified the interview. Testimony by Dupree, which is cited in the next section of this report, indicates that management knew about the tape but refused to consider it as a useful piece of evidence.

Secondly, it seems like Hollingsworth thought he knew the answer to the key question surrounding the accuracy of Walinski's report—Gianino's leave status. In his November 23, 1994 memo, Hollingsworth indicated that he had already made up his mind on this core issue:

"The one issue that can be readily resolved is the issue of Mrs. Nancy Gianino's leave status. Contrary to SA Steakley's allegations, her lengthy leave was well known at DCIS since she handles the payroll at Bolling AFB for DCIS."

[See Attachment 16]

An independent interview of Gianino and review of her leave records would have quickly resolved all the issues surrounding Walinski's report of investigation. However, Hollingsworth failed to pursue this line of inquiry.

Dupree

On March 13, 1997, McClelland interviewed Mancuso's Deputy, Mr. William Dupree, about his knowledge of and reactions to allegations that Walinski had falsified his report on the Steakley tax evasion case.

Initially, Dupree flatly denied having any knowledge about Walinski's fabricated reports. For example, McClelland asked: "Were you aware of factual inaccuracies in the [Walinski] ROI [report of investigation]?" Dupree's answer: "No." McClelland's follow-up question: "You weren't?" Dupree: "No."

[See Attachment 2, Dupree interview 3/13/97, page 37]

Fortunately, McClelland pressed Dupree about the issue and succeeded in making Dupree admit he was aware of the problem. From his response, it seems very clear that he never had any intention of examining the accuracy of Walinski's reports.

Question

McClelland asked him if he remembered if the subject of "false information in Walinski's ROI [report of investigation] came up at a meeting in his office [Meeting with Steakley and Cerasi in October 20, 1994]."

[See Attachment 2, Dupree interview, 3/13 97, page 38]

This was Dupree's response:

Response

"Oh, Gary [Steakley] was making all kinds of statements about things. Yeah. The falseness, you know, allegedly there are false statements. But you know, he didn't provide any facts or information."

[See Attachment 2, Page 38]

Question

McClelland then began questioning Dupree about his response to allegations that Walinski had falsified the Gianino interview. McClelland asked this question: "Did you take any action to look into that?"

Response

"Other than to assure Larry [Hollingsworth], 'Let's make sure that what we're doing is something we can support and back it up and everything. But Gary didn't offer anything. He said he had a tape [interview with Gianino on September 8, 1994]. And I'm saying, Gary, you know, I need more than that."

[See Attachment 2, Page 39]

Question

McClelland turned to the crucial follow-up question: "Did anybody call Gianino and find out, find out what she had actually said?"

Response

Dupree's response is very revealing. It suggests he never had any intention of checking out the questions about the inaccuracy of Walinski's report. He said:

"I have no reason to question the statement that she provided to Walinski, an agent, no different than the statement I provide to you."

Question

McClelland responded with this question: "Well, you have an allegation from Gary [Steakley]?"

Response

"Allegation. With what? He is the person that's being investigated. I had reason to believe Gary [Steakley] was making a speculative allegation without any evidence other than he doesn't like Matt Walinski."

Final Exchange

McClelland closed this segment of the interview with another question:

"If you were to find out that there were inaccuracies in the ROI [report of investigation] with regard to—."

However, before McClelland could complete the sentence, Depuree jumped in with this assertion: "I would do the similar thing we previously did." So McClelland asked: And what's that? Dupree's response: "Investigate it."

[See attachment 2, page 41]

The Majority Staff's puzzled by Dupree's response to the last question. He had allegations—from FLEOA and Steakley—about inaccuracies in Walinski's investigation report. Why did he fail to investigate them?

Hollingsworth provided a partial answer to this question during an interview on August 24, 1999. Hollingsworth asserted:

"DCIS gave absolutely no credence to Steakley's allegations."

Mancuso

McClelland also interviewed DCIS Director Mancuso on March 13, 1997.

Mancuso's responses to McClelland's questions clearly indicate that he was aware of the allegations about Walinski's report.

This is Mancuso's response to McClelland's question about his knowledge of inaccuracies in Walinski's report of investigation and the Gianino interview:

"I know that there was a question that Gary [Steakley] had as to where Matt [Walinski] had gotten the information. I remember something on that * * * * But it was—what I heard of complaints. I heard from Gary. I'm not aware from Bill [Dupree] or from anyone else that there was anything inaccurate in Matt's report."

[See Attachment 2, Mancuso interview, 3/13/97, page 27]

McClelland then asked Mancuso: "What did you hear from Gary [Steakley] on that [inaccuracies in Walinski's report]?

In replying to this question, Mancuso indicates that Steakley's allegations about Walinski's report were coming into his office and being relayed to him through secondary sources:

"I would walk down the hall and somebody would say Steakley called me up last night, and he was saying that Matt Walinski had not attributed remarks properly in some way and that kind of thing."

[See Attachment 2, Mancuso interview, 3/13/97, page 26]

McClelland follow up by asking: Did he [Steakley] tell you anything about a woman over at payroll called Nancy Gianino? Mancuso's reply suggests that he was not only familiar with Gianino's name, but more importantly, he heard about her from sources other than Steakley. It also suggests that Mancuso had knowledge of the core problem with Walinski's report. This is Mancuso's reply: "I've heard that from other people. I did not hear it from Gary." Mancuso's response to that question prompted McClelland to suggest that Mancuso had "some idea of the allegations that Steakley was making with regard to Gianino?" Mancuso admitted that he did but again claimed that it was coming from Steakley.

[See Attachment 2, Mancuso interview, 3/13/97, pages 26–27]

Mancuso's response to these questions is consistent with the assessment presented by the OSC in its report of July 21, 1998 on the Steakley case, OSC concluded:

"Mancuso was aware of the conflict between the Walinski interview of Gianino and Steakley's version of the interview. However, Mancuso was not aware of any manufactured information relating to Steakley."

[See Attachment 15, page 22]

Mancuso Ignored Walinski Problem

To summarize, Mancuso admits that he knew about Steakley's allegation that Walinski had fabricated the Gianino interview, but no one in DCIS, including Dupree, had ever suggested to him that there was any truth to those allegations. Clearly, management did not give the allegations much credibility. As Hollingworth put it: "DCIS gave absolutely no credence to Steakley's allegations."

It seems very clear from Mancuso's testimony that he never considered the need to investigate the allegations. The apparent lack of curiosity on the part of the most senior criminal investigator at the DOD IG is astonishing. As a result, the allegations about Walinski were never examined, and no corrective action was taken.

THE CASE OF MR. JOHANSON

Walinski initiated this inquiry—Administrative Inquiry 108—on February 23, 1994 after DCIS headquarters, including Bonnar, Hollingsworth, and Nancuso, were officially notified that a DCIS-issued weapon was stolen from the home of Special Agent Stephen Johanson, who was assigned to the Van Nuys Resident Agency office in California.

Stolen Gun

DCIS had issued Johanson two weapons: (1) a 9mm Sig Sauer that he normally carried; and (2) a smaller Smith and Wesson revolver for undercover work.

Sometime between February 14 and February 16, 1994, while Johanson was participating in the execution of a search warrant in San Diego, his home in Palmdale was burglarized. The burglars stole a number of items valued at about $10,000.00, including jewelry and the loaded Smith and Wesson revolver. The stolen revolver was issued to Johanson because of his involvement in an undercover operation the previous year. Since an earthquake had severely damaged the Van Nuys Resident Agency office and made it insecure—and no Class-5 safe was available there, Johanson kept this weapon stored on the top shelf of his bedroom closet under a pile of clothing. When he returned from San Diego on February 16th and discovered the burglary, he immediately notified the local police authorities and DCIS management of the break-in and loss of the service weapon.

Walinski's Report

Walinski reported that he conducted the following interviews of DCIS officials assigned to the Los Angeles Field Office: (1) Richard Smith, Special Agent in Charge (SAC)—March 4, 1994; (2) Robert Young, Assistant Special Agent in Charge (ASAC)—March 2, 1994; (3); Jon Clark, Group Manager—March 2, 1994; (4) Michael R. Shiohama (RAC)—March 2, 1994; (5) Michael D. Litterelle, Firearms Coordinator—March 3, 1994; and (6) Stephen J. Johanson, Special Agent—March 3, 1994. While all the interviews were conducted during a 3-day period, March 2–4, it took Walinski more than five weeks to sign, date, and finalize these interviews. They are actually dated April 12–13, 1994.

Based on these interviews, Walinski reached four important conclusions. These conclusions are contained in his report of investigation: First, Johanson's supervisors—RAC, SAC, and ASAC—never authorized Johanson to have the undercover weapon issued to him. Second, his supervisors did not know that Johanson had the undercover weapon until it was reported as stolen. Third, Johanson informed the Group Manager (Clark) on February 10, 1994 that he had the undercover weapon, and the Group Manager "immediately" instructed him to turn it in at the next firearms range training session scheduled for March 7, 1994. And fourth, neither Johanson nor the Firearms Coordinator could remember who authorized Johanson to have the undercover weapon.

[See Attachment 1, Report of Investigation, Synopsis]

Walinski completed this inquiry on April 15, 1994. On that date, Hollingsworth forwarded Walinski's report of investigation and appended interviews to Dupree "for whatever action you deem appropriate."

[See Attachment 1, letter of transmittal]

ARB Recommendation

The Administrative Review Board (ARB) met on April 21, 1993 to consider Walinski's report on the Johanson case.

After reviewing Walinski's report, the ARB reached these conclusions: (1) Johanson stored a government-issued weapon at his residence while on "extended leave or non-duty status for 5 or more consecutive days" in violation of Section 3807.4 of the DCIS Special Agent's Manual; and (2) Johanson was not authorized to possess two issued weapons. The ARB also concluded that Johanson failed to return the weapon at the conclusion of the undercover operation and failed to sign the proper forms when the weapon was issued to him.

The ARB recommended that Johanson be suspended for 10 days without pay. The ARB's report, dated May 9, 1994, was forwarded to the SAC, Los Angeles Field Office, Richard R. Smith, for consideration.

[See Attachment 2, page 1]

Charges

On June 24, 1994, Smith issued a Notice of Proposed Suspension to Johanson. Smith recommended that Johanson be suspended without pay for 8 calendar days: for failing "to sign for, properly secure, and return a weapon issued to you for an undercover assignment."

Smith's memo to Johanson recited many facts taken directly from Walinski's report of investigation and accompanying interviews. These same facts were subsequently disputed—and formally challenged—by many of the agents involved.

Smith's decision to discipline Johanson seemed to hinge on one piece of disputed information developed by Walinski. This was a meeting that allegedly occurred in the Van Nuys Resident Agency office on February 10, 1994. At this meeting, Walinski claimed that Group Manager Jon Clark informed Johanson that he would not be assigned to an ongoing undercover operation known as "Skyworthy." According to Walinski, Johanson then informed Clark that he still had an undercover weapon. At this point, Walinski states, Clark told Johanson to bring the weapon to the next firearms qualification session to be held on March 7, 1994. This particular assertion appears in Walinski's interviews of Young, Clark and Johanson as well as in his report of investigation. The February 10, 1994 meeting is the centerpiece of Smith's Notice of Proposed Suspension. Smith used this piece of information as the basis for charging Johanson with failing to return a weapon issued to him for undercover work. This is what Smith said about the alleged February 10, 1994 meeting attended by Clark:

"On February 10, 1994, you [Johanson] were informed by Group Manager Clark that you would not be part of the undercover operation relocated from 50PX [Phoenix]. When you told Group Manager Clark that you still had a second weapon in your possession he instructed you to bring it to the next 50LA range qualification on March 7, 1994. Before you could return the weapon, your home was burglarized and the gun was stolen."

[See Attachment 3, page 1]

Rank and File Challenge Walinski's Report

The first formal complaint about Walinski's report on the stolen gun case was initiated on the day Johanson received Smith's Notice of Proposed Suspension—July 6, 1994—and saw the erroneous information about the February 10th meeting.

The first complaint was embodied in a sworn statement signed jointly by Supervisory Special Agent Jon Clark and Mr. Thomas J. Bonnar—Walinski's immediate supervisor at DCIS Headquarters in Washington. While this statement was signed on July 19, 1994, it concerned a telephone conversation between Johanson and Clark on July 6, 1994. The joint Clark/Bonnar statement clearly suggests that Walinski falsified information in this report of investigation on the stolen gun case.

Portions of the joint statement are summarized below.

After receiving Smith's Notice of Proposed Suspension on July 6, 1994, Johanson called Jon Clark on the telephone to express alarm and confusion over a statement in Smith's memo that was attributed to Clark. Johanson read the following statement to Clark:

"That he [Johanson] was instructed by Group Manager Jon Clark on February 10, 1994, that he was not going to be participating in the undercover operation at LAFO [Los Angeles Field Office] and that he should return the undercover weapon he had at the next firearms qualification."

[See Attachment 4, page 1]

Johanson informed Clark that he had no recollection of receiving this instruction from Clark and asked Clark if he could recall giving it. This is how Clark responded to the news:

"I was astonished and confounded by this statement. I asked him to re-read the statement. I said I have no idea how or why that statement was in the letter. I said I had no recollection of providing him those instructions nor had I any recollection of saying that to anyone. Moreover, I was not aware of the fact that he had an undercover weapon."

[See Attachment 4, page 1]

Clark told Johanson that he would check his calendar for the date of February 10, 1994 to verify whether he was at the meeting in the Van Nuys Resident Agency office as reported by Walinski. In checking his calendar, he discovered that he was not in the Van Nuys office that day. Instead, he spent that entire day at the El Segundo Resident Agency office on other business with both Young and Smith [Smith and Young later confirm the fact. Smith and Young were the

SAC and ASAC in the Los Angeles Field Office].

Following the phone conversation with Johanson, Clark contacted Smith and Young in the Los Angeles Field Office to inquire about the origins of the assertions in Smith's letter to Johanson. Smith advised Clark that the information on the February 10, 1994 meeting was extracted for Walinski's "internal" report of investigation (ROI). At that point, Clark assured Smith that "he had not provided a statement on this investigation." Clark asked Smith to double-check the ROI "to be sure that was no mistake." Smith re-checked the ROI and "advised me that there was a DCIS Form 1, Report of Interview of me."

Clark denied again that he was ever interviewed by Walinski. This is what he said to Smith:

"I was perplexed. I advised SAC Smith that I had no recollection of this report being taken and asked that I be permitted to read it to refresh my recollection. He said no. . . . I informed SAC Smith that these were facts that I not only did not say—but information I did not know. . . . I could not corroborate the statement attributed to me in SAC Smith's letter to Johanson. . . . I cannot believe I made those statements since I had no specific knowledge of those facts. The statements appear to be factually inaccurate, and therefore would not have been stated by me."

[See Attachment 4, page 1–2]

About a week later—on July 5, 1994—Mr. Michael D. Litterelle [Firearms Coordinator] informed Clark that he had a copy of Walinski's ROI, and Litterelle actually gave Clark a copy of Walinski's form 1 Witness Interview of Clark. After reading it, Clark stated:

"I read the interview and found it contained statements that were attributed to me that I knew were untrue. . . . I never made this statement."

[See Attachment 4, page 3]

The exact distribution of the joint Bonner-Clark statement is unknown. However, since it was "solicited" by Bonner, the Assistant Director of internal affairs, it would not be unreasonable to assume that Hollingsworth—the director—and other DCIS managers knew about it and actually saw it.

Supervisor Challenges Walinski's Report

Several weeks after the Bonnar/Clark complaint, another formal complaint about Walinski's report was submitted to Hollingsworth's office. This one was signed on August 4, 1994 by ASAC Young in the Los Angeles Field Office. It contained a detailed, line-by-line commentary on inaccuracies in Walinski's interview of Young along with highly critical comments on Walinski's interviews of Clark and Shiohama on the same date [March 2, 1994].

Young stated that he was "somewhat shocked" after reading Walinski's report. He stated that Walinski's report contained statements that were misleading, "wrong" and "inaccurate." He said that Walinski attributed statements to him that he never made.

After alluding to the "significant discrepancies" in Walinski's interview of Clark, Young reports that Shiohama had advised him that "there were subject areas in the report or statements that he had not discussed with SA Walinski. Shiohama stated that the last paragraph of his interview was totally inaccurate." However, both Young and Shiohama insisted that portions of their interviews appeared to accurately reflect what they had said to Walinski.

Appeal to Management About Walinski's Reports

In asking Hollingsworth to examine the discrepancies in Walinski's report, Young makes an appeal to senior management on behalf of rank and file agents:

"I am not trying to cause you or Matt [Walinski] problems. But in this situation I am caught in the middle. I have agents that are in the process of being disciplined and based on what I know now the recommended disciplinary actions may be based on incomplete and inaccurate information. The agents throughout the Field Office know this and are now finding fault with management for not taking some type of action to have this situation re-evaluated."

[See Attachment 5, Note from Young to Hollingsworth]

Young's report was officially moved up the chain of command—to the top. Young forwarded it to Bonnar who, in turn, submitted it to Hollingsworth, and Dupree—Mr. Mancuso's Deputy. However, during an interview on September 14, 1999, Mancuso denied having knowledge of the allegation that the Clark interview was fabricated until recently or August 1999.

FLEOA Letter

Young's formal complaint to Hollingsworth about Walinski's inaccurate reports was followed almost immediately by a formal complaint from another source.

During the adjudication phase of the stolen gun case, Johnson was represented by an attorney with the Federal Law Enforcement Officers Association (FLEOA), Luciano A. Cerasi—the same lawyer who represented Steakley in the tax evasion case.

In a letter to Dupree, dated August 8, 1994, regarding the Johanson case, Cerasi raised the possibility that Walinski had falsified his report of investigation. Cerasi's letter contains this explosive allegation:

"It is questionable whether SA Walinski even interviewed SA Clark."

Cerasi also raised questions about why five weeks elapsed between the dates on which Walinski conducted the disputed interviews and the final dates on the interview reports. Cerasi suggested that this delay violated DCIS policy requiring that witness reports be completed and finalized within 3 working days of the investigative activity. Cerasi characterized Walinski's report as a "shabby investigative effort" that would only serve to demonstrate to other agents that in DCIS "justice is unattainable."

[See Attachment 6, pages 3–4]

Attempted DCIS Coverup Possible

Initially, DCIS management may have tried to put a lid on the groundswell of adverse information on Walinski's reports that began to surface in mid-1994. First, there were complaints from rank and file agents—Clark, Young, and Shiohama—in July and August 1994. Those were followed immediately by the FLEOA letter. A month later—in September 1994—FLEOA filed a second complaint with management. This one concerned allegations that Walinski had fabricated the Gianino interview.

The sworn statement signed jointly by Bonnar and Clark alludes to a possible attempt by DCIS management to keep a lid on all the complaints about Walinski's reports:

"On July 8, 1994, ASAC Young advised me that HQ [DCIS Headquarters] had decided that they would wait and not raise the issue regarding my discrepant interview unless it was raised by SA Johanson. I [Clark] expressed concern that this may be released to agents and that they may conclude that I fabricated this story and it would therefore discredit me. I was informed that the information was controlled in its release."

[See Attachment 4, pages 2–3]

On August 9, 1999, the staff contacted the DOD IG with this question: "Who at DCIS made this decision?" The following answer was provided on September 30, 1999: "We have not been able to determine who, if anyone, made this alleged decision."

Re-Investigation

As a result of all the complaints, DCIS management eventually made a decision to launch a re-investigation of the Johanson stolen gun case. The re-investigation was conducted by SA Timothy L. Shroeder from August 10, 1994 until October 5, 1994.

Unfortunately, the re-investigation was conducted in a complete vacuum—as if the entire matter had never been investigated by Walinski.

It is easy to understand why DCIS needed to go back to square one and re-examine all the facts bearing on the stolen weapon. The second investigation had to be impartial and independent after Walinski was accused of falsifying information contained in the original investigation. At the same time, DCIS management had a responsibility and an obligation to determine whether Walinski had falsified his report—as alleged by rank and file agents. Unfortunately, there was no attempt to reconcile the facts contained in Walinski's report of investigation with the facts developed in the re-investigation. In fact, the agent in charge of the re-investigation—Shroeder—received specific instructions to steer clear of the disputed interviews. Hollingsworth gave him these instructions: The "new investigation should be conducted without reviewing the results of the previous interviews."

[See Attachment 7]

Clearly, Shroeder needed to avoid the pitfalls created in first investigation, but management should have assigned another agent to examine the allegations made about Walinski's report. If Walinski bungled his investigation and the case had to be re-investigated, then DCIS management should have determined exactly where and how Walinski's investigation deviated from accepted standards. All the complaints from rank and file agents and the FLEOA attorney required nothing less than that.

New Charges

Based on the re-investigation, Smith recommended that Johanson be suspended without pay for 10 calendar days. Smith's second Notice of Proposed Suspension was dated November 23, 1994. Smith charged Johanson with violating two sections of the Special Agents' Manual: (1) Failing to exercise "utmost caution" in storing a firearm at his residence; and (2) Storing a weapon at his residence while away from his assigned office for an extended time.

[See attachment 8, pages 1–2]

In the final notice on suspension, dated February 9, 1995, Durpee suspended Johanson for 3 calendar days, beginning on February 15, 1995.

[See attachment 9]

Need for Investigation Questioned

It's difficult to understand why DCIS would suspend an agent for losing a gun that was stolen from his home during a burglary. The staff checked with other federal law enforcement authorities to determine how similar cases have been handled in the past. Under normal circumstances, they suggested that a routine administrative inquiry would be conducted. Once it was determined that the firearm was stolen during a burglary and the theft was duly reported to the proper authorities, the entire matter would be dropped.

Walinsky “Disciplined” for Bungled Investigation

On July 20, 1999 and again on August 4, 1999, Ms. Jane Charters was interviewed regarding her knowledge of personnel actions taken against Walinski in the wake of the bungled Johanson investigation.

Ms. Charters is currently the Director of the Investigative Support Branch at DCIS—the same position she occupied in 1994 during the Johanson and Steakley investigations. She exercises personnel responsibilities in DCIS.

During the first interview of July 20, 1994, Charters stated that as a result of mistakes in stolen gun case investigations, DCIS “lost confidence” in Walinski and transferred him out of internal affairs and into her office. In the new position, Walinski was no longer conducting internal investigations. Instead, he was to be responsible for DCIS training, physical fitness and security. Charters also reported that Walinski was issued a letter of reprimand that was placed in his file—a fact that was confirmed by Bonnar during an interview on July 12, 1999.

Walinski's Personnel File

On two occasions in July—July 7th and again on July 23, 1999, the Majority Staff examined Walinski personnel file to determine if the disciplinary actions taken against him for his mistakes in Johanson investigation—as described by Charters and others—were accurately reflected in performance ratings and other personnel actions in his file.

The Majority Staff found no evidence that Walinski was ever disciplined for the failed Johanson gun case. Quite to the contrary, the available evidence suggests Walinski was actually rewarded for what happened.

Here is what the Majority Staff found in his file:

Employee Performance Rating—1993/94

For the rating period August 26, 1993 to March 31, 1994, Walinski received an “outstanding” rating.

The outstanding rating applied to the period of time when Walinski conducted two investigations—Steakley and Johanson—where the accuracy of his reports were later questioned. In fact, the rating period included the date—March 2, 1994—on Walinski claims he conducted interviews with Young, Clark, and Shiohama. Those reports of interview were later characterized as false, misleading and inaccurate by the agents involved and the FLEOA attorney. The Gianino interview occurred on May 21, 1993—just prior to the beginning of the rating period, but considerable investigative activity on the Steakley case occurred during his rating period.

The rating officials offered this comment: “Walinski continues to excel in every aspect of his job. He is a very valued employee of DCIS.” The outstanding rating was approved by Bonnar and the Director of internal affairs, Hollingsworth, on April 15, 1994—the exact same day that Hollingsworth forwarded Walinski's completed report of investigation on the Johanson case to Dupree.

[See attachment 10]

Incentive Award Nomination—Recommendation

On April 25, 1994, Hollingsworth recommended that Walinski receive a performance award of $1,200.00 to accompany the “outstanding” rating he received for the period August 1993 to March 1994—the same period when he conducted witness interviews in the Johanson case that were later characterized as false, inaccurate and misleading.

[See attachment 11]

Previous Cash Award—1993

The form used to recommend the $1,200.00 performance award also noted that Walinski had not received any other performance awards in the preceding 52 weeks. His personnel file indicates otherwise. He received a “Special Act or Service Award” of $2,000.00 on May 2, 1993—several weeks before his fabricated interview with Gianino on May 21, 1993.

[See Attachments 11 & 12]

Special Performance Rating—1994

This a special rating given to Walinski immediately before his sudden transfer out of internal affairs and into the Investigative Support Directorate. It was the last rating he received for his work in internal affairs and covered a “shortened rating period” of April 1, 1994 through July 2, 1994. This rating period includes the date on which Walinski finalized the report of investigation on the Johanson case—April 15, 1994. The closing date for this reporting period—July 2, 1994—came one day before his move to Charters' office and just four days before the first known written complaint about Walinski's false and inaccurate reports reached DCIS Headquarters in Washington.

Bonnar and Hollingsworth gave him a “fully successful” rating, but for unexplained reasons, took over three months to approve it. It was finally signed on October 12, 1994. Walinski's other ratings were approved quickly—within two weeks of the end of the rating period.

[See Attachment 12].

DCIS says the delay was due to “an administrative oversight.”

Walinski stated August 2, 1999 that this is the rating where “he took a hit” for his mistakes in the Johanson case. The language in the performance rating documents seemed to support Walinski's assessment:

“Unfortunately, during this rating period he failed to show due diligence and accuracy in reporting the results of some interviews with regard to one administrative inquiry. This one shortfall in SA Walinski's performance is not typical of the otherwise high quality and professional level of his work.”

[See Attachment 13, pages 3–4]

when Bonnar and Hollingsworth signed this document in October 1994, they had already received the allegations about Walinski's false reports on the Steakley tax evasion case. For that reason, the reference to “accuracy of reporting” in just one internal investigation does not appear to square with the facts.

Reassignment

Walinski's personnel records indicate that his transfer from internal affairs to the Investigative Support Branch became effective on July 3, 1994.

[See Attachment 14]

As previously reported, Charters suggested during two interviews that DCIS management “had lost confidence in Walinski” as an investigator “and moved him into her office” as a disciplinary measure. Charters' description of the reasons behind Walinksi's transfer are consistent with those provided by Mancuso during an interview on September 14, 1999.

Hollingsworth and Walinski, by comparison, provided a completely different set of reasons behind the July 1994 move.

During an interview on August 24, 1994, Holllingsworth suggested that the move was not taken for disciplinary reasons: “It was for his health.” He said Walinki “blew” the Johnason case because “he was totally stressed out.” Hollingsworth feared he might “have a heart attack.”

Walinski meaintains that the transfer was driven by routine considerations.

During an interview on September 8, 1999, he gave the following reasons for the move: (1) There was an attractive opening in Charters' organization; (2) The opening offered him some growth potential into a management position in the future; (3) He had completed his planned 3-year tour of duty in internal affairs; and (4) He had a plan for addressing the training deficiencies in Charters' Directorate. When asked if there was any other reasons for the move, he said “No.”

[See Attachment 15, pages 1–2]

Walinski Assigned Inspection Duties

A personnel document, signed by Bonnar and Hollingsworth on October 12, 1994 suggests that Walinski conduct inspections long after he was reassigned to “training” in Charters' office. Along with inquiries of employee misconduct, inspections are the main responsibility of the internal affairs office. This document suggests that Walinski continue to perform, work for the internal affairs office—despite his removal from that office. This document shows that Walinski played a leadership role in various inspections as follows:

“He also worked on the preparation for the Los Angeles FO [field office] inspection. Although the Los Angeles FO inspection was conducted after the end of this special rating period when SA Walinski reported to his new assignment in the Investigative Support Directorate, he returned to assist with the LA inspection and played a significant role by leading inspection efforts in the DCIS offices in Phoenix, Tuscon, Albuquerque, and Honolulu as well as Los Angeles. He worked independently on these inspections without the need for any close supervision.”

[See Attachment 13, page 3]

During an interview on September 14, 1999, Mancuso expressed surprise that Walinski led the inspection of the Los Angeles field office after his reassignment:

Mancuso said he had no knowledge of Walinski's involvement in the inspection of the LA Field Office after his transfer. He would be surprised and concerned if true, and said he would be checking on the accuracy of that information.

Decision on Inspection Duties Questioned

In an information paper provided on September 30, 1999, Mancuso admitted that Walinski was involved in the inspection of the Los Angeles Field Office. However, Mancuso maintains Walinski was kept on the team only “to train his replacement” and “did not participate in the actual inspection.” Mancuso's statement conflicts with the personnel document signed by Bonnar, Hollingsworth, and Walinski in 1994 referenced above.

It is very difficult to understand why Walinski would have been assigned to prepare the inspection report on the Los Angeles Field Office in the wake of all the allegations and complaints flowing from the Johanson case. The re-investigation of the Johanson case, which began in August 1944 and was concluded in October 1994, was in progress while Walinski conducted the inspection of the Los Angeles Field Office. That re-investigation was specifically triggered by his disputed interviews of at least three agents assigned to the Los Angeles field Office. Those agents made formal complaints to management about the quality of Walinski's reports. In effect, these agents "blew the whistle" on Walinski. Assigning Walinski a leadership role in the Los Angeles Field Office inspection could be viewed as a retaliatory measure, and as such, a very questionable management decision.

Performance Award—1994

On July 24, 1994—exactly three weeks after his transfer from internal affairs into training, Walinski received a cash award of $1,200.00.

[See Attachment 16]

At our meeting with Charters on August 4, 1997, she offered an explanation for the $1,200.00 cash award—in light of Walinski's mistakes on the Johanson case. She suggested that it was given for the rating period August 26, 1993 through March 31, 1994—"before the problem arose over the Johanson gun case."

Charters' explanation is not supported by the facts. The facts cited below clearly indicate that DCIS management was aware of the complaints about Walinski's report at least three weeks before Walinski received the cash award:

—The rating period for which the cash award was given included the date—March 2, 1994—on which Walinski conducted interviews of agents that were later characterized as false, misleading and inaccurate in rank and file complaints to management;

—Management claims that Walinski was transferred from internal affairs into training on July 3, 1994 as a disciplinary measure for the mistakes he made in the Johanson case. This indicates that management knew about the allegations prior to that date;

—Walinski admitted that he received a reprimand for making "administrative errors" in his report on the Johanson case while still assigned to internal affairs—or prior to July 3, 1999;

—Clark informed DCIS management, beginning on July 6, 1994, that Walinski's March 2, 1994 interview of Clark was completely false;

The facts show that the $1,200.00 cash award given to Walinski on July 24, 1994 came at least three weeks after DCIS management had knowledge that Walinski had falsified reports on the Johanson case.

Reprimand

The staff was never able to locate the letter of reprimand that was placed in Walinski's file, nor was the staff able to establish the exact date on which the reprimand was given.

During an interview on July 12, 1999, Walinski's immediate supervisor, Tom Bonnar, stated that he was "furious" with Walinski about the Johanson interview statements. He said Walinski "was verbally and officially reprimanded and a letter was placed in his file." Bonnar doubted the reprimand would still be in his personnel file, since it's customary to remove them after a brief period of time.

[See Attachment 17, page 2]

On September 8, 1999, Walinski confirmed that Bonnar had indeed "handed him" a "letter of caution" for making "administrative errors" on the Johanson case, but he could not remember if he kept it for 30, 60, or 90 days. In a telephone conversation on August 2, 1999, Walinski claimed that "Bonnar told him to destroy it in the shredder after 30 days."

Walinski also seemed somewhat confused about the actual date of the reprimand. Initially, he suggested that it was dated October 12, 1994. However when it was pointed out that date was the exact day Bonnar and Hollingsworth approved his last performance evaluation for internal affairs, he suggested that October 12, 1994 might have seen the day he destroyed the letter of reprimand. Mr. Walinski seemed certain of one fact: he received the reprimand while still in internal affairs. This statement is consistent with statements by Charters and Mancuso that the reprimand was issued before July 3, 1994.

[See Attachment 15, page 2]

Walinski's Rebuttal

Walinski has a simple explanation for the inaccuracies in his report of investigation on the Johanson stolen gun case. His explanation was given during testimony to McClelland on February 14, 1997 and confirmed in a telephone conversation on August 2, 1999.

He claims it was a clerical error. In a nutshell, this is his explanation:

"The headers got switched. The wrong headers ended up on the Form 1 interview sheet. I said that one guy said one thing when I said another guy said another thing. This happened when the interviews got typed up. We had a secretary that wasn't a top quality individual. She typed them up wrong. . . . But it was my mistake."

[See Attachment 18, interview, 2/14/97, pages 74–75, and telephone interview 8/2/99]

During an interview on September 8, 1999, Walinski offered a similar explanation:

"It was an administrative error. I roughed out the form 1 interview reports on my computer and gave my write up to a secretary. The secretary got the headers mixed up and switched some paragraphs."

[See Attachment 15, page 2]

Walinski's explanation is highly questionable for two reasons: 1) if the Clark interview never took place—as Clark stated, then how could Clark's name end up on a Form 1 "header" that was only inadvertently "switched"? Clark's name not should not have appeared on the radar screen; And 2) Both Young and Shiohama contend that portions of their interviews were true and accurate. If portions of the Young and Shiohama interviews were true and accurate, then how could the incorrect portions of their interviews involved "switched headers"?

Furthermore, Walinski states that he prepared his write-ups of the interviews on a computer and transferred them to a clerk typist to be finalized. That being the case, a mix up of headers seems improbable.

Walinski rule

Following the Johanson investigation, DCIS management instituted investigative reforms, including the so-called "Walinski rule." Under this rule, all interviews have to be recorded and transcripts reviewed and verified by witnesses.

Management Backs Up Walinski

During an official DOD IG interview by McClelland on March 13, 1997, both Dupree and Mancuso attempted to diminish the significance of the allegations that Walinski had falsified his reports on the Johanson case. They seemed to accept the "wrong headers" excuse used by Walinski.

McClelland questioned Dupree on March 13, 1997 about "Walinski's ability as an investigator" and problems with regard to "factual inaccuracies" in his reports. During the course of that interview, Dupree offered Walinski's "wrong header" excuse. This is what Dupree said:

"Matt's [Walinski] probably one of the most capable investigators I know. It wasn't factual inaccuracies. It was in the deliberation of putting a lot of statements together. Unfortunately, some of the comments that were made by individuals were transposed to other individuals. The statements and the facts were absolutely correct. They were just attributed to the wrong person."

[See Attachment 18, interview, 3/13/97, pages 45–46]

During an interview on March 13, 1997, McClelland asked Mancuso if he ever got "any word from Bill Dupree about inaccuracies in the report of investigation that Walinski prepared." Although McClelland appeared to be asking about the Steakley report, Mancuso's response seems to address the Johanson case. Mancuso also accepted the "switched headers" excuse:

"No. Again, I'm a little bit fuzzy because we had one or two instances where Matt [Walinski] on different cases which were in the same area, where Matt had inaccurately attributed certain remarks—had confused witnesses' names in his notes. But I don't recall any inaccuracies involving Steakley. . . . Gary [Steakley] was saying Walinski's responsible for other cases that are now suspect because of inaccuracies. . . ."

[See Attachment 18, interview, 3/13/97, pages 25–46]

Management's Knowledge of Allegations

The testimony given by Dupree and Mancuso to McClelland on March 13, 1997 clearly indicates that senior management at DCIS was aware of the allegations about Walinski's falsified report on the Johanson case.

Rank and file complaints about Walinski's false and misleading reports went right to the top at Headquarters as follows:

—On July 19, 1994, Agent Clark signed a sworn statement, alleging that Walinski had falsified his report [based on complaints received from Johanson on July 6, 1994]; Clark's statement was "solicited" and witnessed by Bonnar, the Assistant Director of Internal Affairs and Walinski's immediate supervisor; A document indicates that DCIS headquarters was aware of this complaint on or about July 8, 1994;

—On August 4, 1994, ASAC Young in the Los Angeles Field Office formally complained to Hollingsworth about Walinski's false and inaccurate reports of interview with agents Young, Clark, and Shiohama; Young reports that rank and file agents are "finding fault with management for not taking some type of action to have this situation re-evaluated;" Hollingsworth forwarded Young's formal complaint to Mancuso's Deputy, Dupree;

—On August 8, 1994, FLEOA addressed a formal complaint to Dupree, alleging that Walinski falsified his report of investigation;

—On August 10, 1994, management launched a re-investigation of the Johanson case based on rank and file complaints about Walinski's reports;

Mancuso's Knowledge of Allegations

Mancuso's broad responsibilities for internal investigations suggest that he would have been informed immediately of rank and file complaints about the integrity of an ongoing inquiry. Testimony and statements indicate that Mancuso was kept up-to-date on the progress of all ongoing internal investigations. Mancuso's responsibilities as DCIS Director—and the DCIS person chiefly responsible "for staffing and direction for the conduct of internal investigations"—meant that he would have been informed about the controversy over the Walinski report on the Johanson case and would have been involved in the decision to re-investigate the case and reassign Walinski to Charters' office.

During an interview on September 14, 1999, Mancuso was questioned about his knowledge and awareness of the allegations about Walinski's reports. This is what Mancuso said:

Mancuso admitted that he knew about "the problems of Walinski's reporting" on the Johanson case back in 1994, but he contends that he was unaware of the allegations that Walinski had fabricated the Clark interview in its entirety "until a few weeks ago" or in August 1999.

Mancuso said that Walinski was given a reprimand and transferred [in July 1994] because of rank and file complaints, of which he was aware, about the credibility of the work being performed by the internal affairs office. He said the "transfer and reprimand were the culmination of several negative reports on Walinski." As a result of these complaints, policy changes—like the need to record and verify interviews—were put in place—and the Johanson case was re-investigated.

Mancuso insisted that he "did not know about the extent of Walinski's mistakes." He claims that as DCIS Director, he normally "did not get beyond that level of detail," though he admitted he got deeply involved with the Steakley case because of the lack of progress in the investigation.

[See attachment 19, page 1]

Decision to Re-Open Case

The directive that re-opened the Johanson case was dated September 23, 1994. This memo suggests that DCIS managers were aware of rank and file complaints about Walinski's report.

The memo states that the Johanson case was re-opened "after allegations of discrepancies were made concerning the original interviews." It also states that Charters and Hollingsworth directed the assigned agent [Schroeder] "to conduct an independent inquiry concerning the circumstances surrounding" Johanson's stolen firearm.

[See attachment 7]

Legal Questions about Walinski's Reports

There seems to be a consensus within DCIS that Walinski's reports on the Steakley and Johanson were "inaccurate." DCIS thinking seems to suggest that Walinski's reports might have carelessly deviated from the facts, or he may have misinterpreted a statement. He was just mistaken or careless. Or as Walinski put it, he just made "administrative errors."

During an interview on July 12, 1999, Bonnar characterized Walinski's reports this way:

"The statements in Walinski's reports were inaccurate and not falsified."

[See attachment 17, page 2]

Mr. John Kennan, the current Director of DCIS, was interviewed on August 4, 1999. He indicated that he was well aware of all the adverse information on Walinski's reports in August 1994, but he attempted to minimize the significance of the problem. He said those reports were not a concern because:

"Walinski's inaccurate reports did not affect the outcome of the investigation."

McClelland offered a similar view in an interview with OSC on November 5, 1997:

"Walinski had been inconsistent and inaccurate in his report on the tax issue (regarding Gianino's testimony) but that it was not harmful. Walinski was just a sloppy investigator."

[See Attachment 20]

The staff believes that Walinski's reports of interview with Gianino and Clark and his sworn testimony to McClelland regarding these matters in 1997 went far beyond simple factual inaccuracies. The staff believes that Walinski invited or fabricated information contained in those reports for the following reasons:

First, both Gianino and Clark deny that they were ever interviewed by Walinski; they deny making the statements attributed to them by Walinski; and both deny any knowledge of the facts attributed to them by Walinski.

Second, it is possible to independently verify certain inaccuracies in Walinski's reports.

—In Gianino's case, Walinski stated "very shortly after her [Gianino's] discussions with Steakley she became very ill and was off work for an extended period of time." Walinski later explained that "she had cancer really bad, ovarian cancer." Gianino's official leave records clearly indicate that she had no "extended illness" as reported by Walinski. In fact, she was shocked when told that Walinski had testified in 1997—under oath—that she had ovarian cancer. She stated: "That statement is not true."

—In Clark's case, Walinski stated that Clark had made statements, which Clark said he never made, at a meeting, which Clark said he never attended. Clark's appointment calendar shows that he did not attend the meeting at the DCIS office identified by Walinski. Instead, he spent that entire day at another DCIS office with two other supervisory agents—Young and Smith—who both subsequently confirmed that fact.

DCIS officials also contend that even if Walinski's reports contained false information, that information was "not harmful." For example, what difference does it make if Gianino did not have an "extended illness' as reported by Walinski. They argued that the questionable facts generated by Walinski did not affect the outcome of the investigation.

The level of danger or harm caused by a false statement is not a valid standard for determining whether the law was violated.

Under the law—18 USC 1001—a person who deliberately makes false statements could be convicted of a felony and sent to prison for up to five years. The law does not make exceptions for the extent of damage or harm caused by a false statement. In fact, a court decision specifically suggests the false statements need not involve loss or damage to the government [U.S. v. Fern, C.A. 11 (Fla.) 1983, 696 F.2d 1269].

Furthermore, the staff would argue that Walinski's false reports did, in fact, cause damage.

First, Walinski's reports undermined the integrity and credibility of the investigative process at DCIS—the Defense Department's criminal investigative arm.

Second, Walinski's reports damage the reputations of two fellow agents—Steakley and Johanson. Walinski's false reports formed the foundation for charges that were eventually made against both individuals. According to Steakley, those reports caused Steakley and Johanson and their families to incur considerable legal expenses and mental anguish.

Other Cases

During the course of the inquiry into the Steakley and Johanson cases, the majority Staff received allegations from a current and a former DCIS agent that Walinski had falsified reports during two other internal investigations, but the staff was unable to investigate and substantiate those allegations.

Conclusion

Based on a thorough review of all documents bearing on the Steakley and Johanson cases, it is crystal clear that senior DCIS management, including Mancuso, were aware of the allegations about Walinski's witness reports. Although management made certain administrative adjustments in the wake of rank and file complaints about Walinski's reports, management never attempted to determine if those allegations had merit. Management never attempted to reconcile Walinski's reports with the facts. Independent interviews of Gianino and Clark would have quickly established the fact that Walinski had fabricated at least two witness interviews. This very simple step would have led to appropriate corrective action. Instead, the record shows that Walinski was never disciplined. In fact, the record shows that Walinski actually was given a cash award—at least three weeks after management began receiving rank and file complaints about the accuracy of his reports.

Steakley Case—Attachments

(1) Report of Investigation—Administrative Inquiry 91, May 1993, with witness interviews and other documents

(2) McClelland interviews located in Subcommittee and OSC files; Testimony dates and pages cited; Including tape transcriptions

(3) Letter from Steakley's tax attorney, John T. Ambrose, February 22, 1994

(4) Recommendation of the Administrative Review Board on Steakley case, March 7, 1994

(5) Notice of Proposed Suspension, Memo from Keenan to Steakley, August 4, 1994

(6) Final Decision on Proposed Suspension, Memo from Dupree to Steakley, October 25, 1994

(7) Letter from Steakley's attorney, Luciano A. Cerasi, to Dupree, Received by DCIS ON September 15, 1994

(8) Memo from Bonnar to Hollingsworth on telephone call from Steakley, November 15, 1994

(9) Letters from Steakley to DOD IG Eleanor Hill and Senator Fred Thompson, March 9 & 12, 1996

(10) Exchange of letters between DOD IG Hill and President's Council on Integrity & Efficiency, May 23, 1996 and October 16, 1996; Hill's letter to Sen. Thompson, May 23, 1996; Hill's memo to PCIE, February 20, 1997; OSC letter to Hill, June 3, 1997; IC letter to PCIE, January 8, 1999

(11) Investigative Plan Into Allegations by William G. Steakley, March 27, 1996

(12) Gianino's official leave records for 1991–1993

(13) Memo of interview with Gianino, June 30, 1999

(14) Memo of interview with Walinski, September 8, 1999

(15) OSC Report on Steakley case, No. MA-97-1477, July 21, 1999—Located in Subcommittee files]

(16) Hollingsworth memo for the record, November 23, 1994

Johanson Case—Attachments

(1) Report of Investigation—Administrative Inquiry 108, April 15, 1994, including witness interviews and other documents

(2) Recommendation of the Administrative Review Board on the Johnson case, May 9, 1994

(3) Notice of Proposed Suspension, Memo from Smith to Johnson, June 24, 1994; acknowledged and signed by Johnson on July 6, 1994

(4) Formal Statement "signed and sworn" jointly by Clark and Bonnar, July 19, 1994

(5) Memo from Bonnar to Dupree and Hollingsworth, dated August 9, 1994 transmitting Young's signed statement, dated August 4, 1994, to Johnson

(6) Letter from Johnson's attorney, Luciano A. Cerasi, to Dupree, August 8, 1994

(7) Case Re-Initiation, Memo signed by SA Timothy L. Schroeder, September 23, 1994

(8) Notice of Proposed Suspension, Memo from Smith to Johanson, November 23, 1994

(9) Amendment to Final Decision on Proposed Suspension, Memo from Dupree to Johnson, February 9, 1995

(10) Employee Performance Rating, IG Form 1400.430-2 for 8/26/93 thru 3/31/94

(11) Incentive Award Nomination and Action, IG Form 1400.430-3, for 8/26/93 thru 3/31/94

(12) Notification of Personnel Action, Form 50-B, Special Act or Service Award, 5/2/93

(13) Employee Performance Rating, IG FORM 1400.430-2, for 4/1/94 thru 7/2/94

(14) Notification of Personnel Action, Form 50-B, Reassignment, 7/3/94

(15) Memo of interview with Walinski, September 8, 1999

(16) Notification of Personnel Action, Form 50-B, Performance Award, 7/24/94

(17) Memo of interview with Bonnar, July 12, 1999

(18) McClelland interviews located in Subcommittee and OSC files combined with Subcommittee interview on August 2, 1999

(19) Memo of interview with Mancuso, September 14, 1999

(20) OSC (Shea) interview, November 5, 1997

INSPECTOR GENERAL,
DEPARTMENT OF DEFENSE,
Arlington, VA, October 1, 1999.

Hon. CHARLES E. GRASSLEY,
Chairman, Subcommittee on Administrative Oversight and the Courts, Committee on the Judiciary, United States Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing regarding the inquiry of your Subcommittee into certain personnel cases in the Defense Criminal Investigative Service (DCIS). Your letter of September 27, 1999, invited the Office of Inspector General (OIG) to provide a written response based on my interview by your staff on September 14, 1999. I understand that this response will be attached to any final report that you may issue.

In your letter you state that I was allowed the opportunity to review the factual findings of your staff. I respectfully disagree with that assertion. I have not been given an opportunity to review any written work product, nor did your staff orally share any draft findings. Rather, our meeting consisted of an interview in which I responded to a lengthy series of questions. In light of these facts, the OIG would again request the opportunity to review your final written report and provide comments prior to its release.

During my nine-year tenure as Director, DCIS, I supervised approximately 500 investigative personnel at any given time and the conduct of nearly 10,000 defense fraud investigations. I have devoted my life to public service and have proudly served for over 27 years. I am committed to integrity in leadership within the Inspector General community and proud of my investigative and management record.

Given my limited understanding of the scope of the inquiry of your Subcommittee, I will in this letter attempt to furnish you with further insight as to the matters in question. My objective in this matter is to provide you with the information you need to accurately assess these cases. Specifically, I will address actions with respect to the handling of DCIS internal review matters involving Special Agents (SA) Hollingsworth, Steakley and Walinski.

SA Larry Hollingsworth: SA Hollingsworth was employed by the DCIS from November 1983 until his retirement in September 1996. I first met SA Hollingsworth some time after his hiring during which time we were peers, I as Special Agent in Charge (SAC) of the New York Field Office and he as SAC of the Chicago Field Office.

In July 1995, I identified a photograph in a law enforcement journal as possibly that of SA Hollingsworth. The unidentified individual was being sought by the Department of State (DoS) relative to the filing of a false passport application. I immediately contacted the DoS and reported my suspicions to them and later assisted the DoS in arranging a surveillance of SA Hollingsworth in anticipation of a search of his home. Following the search, he was immediately barred from the worksite and kept from any active service with this organization. Although he was arrested in July 1995, he was not indicted until January 1996. During those seven months, while the DoS investigation was ongoing, SA Hollingsworth was allowed to use sick leave to the extent verifiable by medical authorities and accumulated annual leave. Subsequent to his indictment, he was suspended without pay and denied further use of leave. He entered a conditional guilty plea in March 1996 and was sentenced in June 1996.

During this time period I was involved in a variety of administrative matters in which SA Hollingsworth contested actions proposed by his supervisor. I, as Director, DCIS, at the time was his second level supervisor and acted as deciding official in each of these matters. These administrative actions were separate and distinct from the investigation by the DoS and prosecution by the Department of Justice.

My next involvement with this matter began when SA Hollingsworth appealed a Notice of Proposed Removal issued by his supervisor. On August 23, 1996, his attorney requested an extension until September 13, 1996, to file a written response and notified us of his intent to make a subsequent oral presentation. As deciding official, I granted this request consistent with past DCIS practice and, to preclude further delay, I simultaneously scheduled the oral presentation for September 23, 1996. However, four days prior to his scheduled oral presentation, SA Hollingsworth retired.

SA Hollingsworth was provided the same due process afforded to all other DCIS special agents in the form of a review by the Special Agents Administrative Review Board and reasonable time to prepare a written and oral response to a Notice of Proposed Removal. Variation from past practice would have been unwarranted and inconsistent with my experience as a deciding official in dozens of disciplinary proceedings.

SA Hollingsworth's criminal conduct was both inexcusable and inexplicable. His violation of law was totally out of character and inconsistent with his job performance and lengthy career. I noted this same observation in a letter to the sentencing judge as I went on record describing SA Hollingsworth's job performance.

Throughout this process, the OIG was provided advice by personnel and legal experts. The course of action taken in this case was one of the several available options permitted by Federal personnel guidelines.

SA Gary Steakley: SA Steakley began his employment with DCIS in December 1987. From that time until he entered the Worker's Compensation program in February 1993 as a result of a traffic accident involving a Government vehicle, he worked in a variety of positions within DCIS. As Director, DCIS, I selected him for several positions and promoted him to his last job as manager of a DCIS investigative office in California.

Subsequent to his vehicle accident, SA Steakley was the subject of several adverse personnel and disciplinary actions. With the exception of ensuring that internal reviews proceeded in due course, my actions with respect to SA Steakley were taken as the deciding official in these cases. In addition, as Director, I proposed to involuntarily transfer him in order to "backfill" his management billet after his accident. In this case, the then Deputy Inspector General acted as deciding official.

SA Steakley was treated fairly by DCIS, although he has repeatedly alleged that he was subjected to prohibited personnel practices. His allegations have been reviewed in various venues, including the Office of Special Counsel who, in December 1998, closed their file and declined to pursue the case further.

SA Matthew Walinski: SA Walinski held a variety of positions in DCIS from his initial hiring in August 1987, until his transfer to the Office of Inspector General, Department of the Treasury, earlier this year. Your staff has questioned the accuracy of several reports of interview prepared by SA Walinski to include a report dealing with SA Steakley. It is my understanding that your staff perceives that allegations concerning SA Walinski were not pursued with the same tenacity shown in the SA Steakley investigations.

I was not aware of many of the facts alleged in this matter until reviewing documents in response to the inquiry of your Subcommittee. I did, however, have a general concern at the time regarding the handling of internal investigations. As a result, I directed that the internal review process be restructured so as to ensure that all future interviews be taped and transcribed to preclude any further dispute as to reporting. I was also appraised by my deputy that SA Walinski was being transferred from his duties to a position in the DCIS Training Branch. It is my understanding that SA Walinski received a downgraded appraisal as a result of his poor performance as well as a written letter cautioning him as to the importance of accuracy in his reporting.

In closing, I hope that my insights have provided you the information you need to accurately assess these cases. I appreciate your assurance that this letter will be included in any report that may be issued on this topic and look forward to an opportunity to review your draft report.

Sincerely,

DONALD MANCUSO,
Acting Inspector General.

Mr. GRASSLEY. Mr. President, I think it is imperative that Congress continue to send the strongest possible signal only that the highest standards and integrity are acceptable among our law enforcement and watchdog communities, the more we will ensure that outcome. I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now stand in recess until 2:15 p.m. today.

Thereupon, at 12:30 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRAMS).

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

The PRESIDING OFFICER. The Senator from South Carolina.

AMENDMENT NO. 2379

(Purpose: To require the negotiation, and submission to Congress, of side agreements concerning labor before benefits are received)

Mr. HOLLINGS. I call up my amendment No. 2379 and ask the clerk to report it.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 2379:

At the appropriate place, insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the amendment has been read in its entirety. It is very brief and much to the point. It is similar to the North American agreement on labor. When we debated NAFTA at length, there was a great deal more participation and attention given. In these closing days, everyone is anxious to get out of town. Most of the attention has been given, of course, to the appropriations bills and the budget, and avoiding, as they say, spending Social Security after they have already spent at least $17 billion, according to the Congressional Budget Office.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. HOLLINGS. Mr. President, I had a very interesting experience with respect to labor conditions in Mexico prior to the NAFTA agreement. I wanted to see with my own eyes exactly what was going on. I visited Tijuana, which is right across the line from southern California.

I was being led around a valley. There were some 200,000 people living in the valley, with beautiful plants, mowed lawns, flags outside. But the 200,000 living in the valley were living in veritable hovels; the living conditions were miserable.

I was in the middle of the tour when the mayor came up to me and asked if I would meet with 12 of the residents of that valley. I told him I would be glad to. He was very courteous and generous.

I met with that group. In a few sentences, summing up what occurred, the Christmas before—actually around New Year's—they had a heavy rain in southern California and in the Tijuana area. With that rain, the hardened and crusted soil became mushy and muddy and boggy, and the little hovels made with garage doors and other such items started slipping and sliding. In those streets, there are no light poles and there are no water lines. There is nothing, just bare existence.

They were all trying to hold on to their houses and put them back in order. These particular workers missed a day of work. Under the work rules in Mexico, if you miss a day of work, you are docked 3 days. So they lost 4 days' pay.

Around February, one of the workers was making plastic coat hangers—the industry had moved from San Angelo to Tijuana. They had no eye protection whatsoever. The machines were stamping out the plastic, and a flick of plastic went into the worker's eye. The workers asked for protection and could not get any. That really teed them off.

It came to a crisis on May 1 when the favorite supervisor, a young woman who was expecting at the time, went to the front office. She said she was sick and would have to take off the rest of the day. They said: No, you are not taking off the rest of the day; you are working. Later that afternoon, she miscarried, and that exploded the movement of these 12 workers. They said: We are not going to stand for this anymore. We are going to get some consideration of working conditions and pay.

The workers chipped in money and sent two of the folks up to Los Angeles to employ a lawyer. They discovered that when the plant moved from San Angelo to Mexico, they filled out papers showing how the plant was organized and that they had a union and swapped money each month, but no shop steward or union representatives ever met with them. They never knew anything about a union.

Under the work rules of the country of Mexico, if one tries to organize a plant once one is already organized, then that person is subject to firing, and all 12 of them were fired. They lost their jobs, their livelihoods. That is what the mayor wanted me to know and understand. They were out of work.

My colleagues talk about the immigration problem. If I had any recommendation for the 12, I would say: Sneak across the border—don't worry about it—and find work in California or South Carolina or some other place because they could not get a job any longer in the country of Mexico.

That concerned me, and I have followed the work conditions. That is one of the reasons with NAFTA, while I opposed it, I wanted to be sure we had the side agreements. The side agreements were established. The work center is in Dallas. The Secretary of Labor meets with them. They are trying to work on this problem.

I have references to some of the working conditions in El Salvador.

On March 13, 1999, five workers from the Doall factory, where Liz Claiborne garments are sown, met with a team of graduate students from Columbia University who were in El Salvador conducting a study of wage rates in relation to basic survival needs.

A few days later, all five workers were fired. Doall's chief of personnel simply told them: You are fired because you and your friends cried before the gringos, and the Koreans don't want unionists at this factory.

So much for workers' rights in that Liz Claiborne plant.

There are 225 maquila assembly factories in El Salvador, 68,000 workers sending 581 million garments a year to the United States worth $1.2 billion. Yet there is not one single union with a contract in any of these maquila factories because it is against the law; it is not allowed.

This is Yolanda Vasquez de Bonilla:

I was fired from the Doall Factory No. 3 together with 17 others on August 5, 1998.

From the beginning, the unbearable working conditions in the factory impressed me a great deal, which included obligatory overtime hours every day of the week, including Saturdays and sometimes Sundays. On alternate days, we worked until 11 p.m., and some weeks we were obligated to work every day until 11 p.m. at night. We were mistreated, including being yelled at and having vulgar words used against us . . . humiliated for wanting to use the restrooms, and being denied permission to visit the Salvadoran Social Security Institute for medical consults.

The highest wage I received, working 7 days a week and more than 100 hours, was 1,200 colones (U.S. $137). Nevertheless, I accepted all this that I have briefly narrated since I have two children who are in school and I must support them.

They go on to tell similar stories time and again about different workers at that plant in El Salvador.

With the limited time I have, I will reference the United States firm in Guatemala City of Phillips-Van Heusen.

Van Heusen closed its Camisas Modernas plant in Guatemala City just before its 500 workers were to receive their legally mandated year-end bonuses and go on a three-week break.

That is typical of what they do if they get any kind of benefits at all. Just at the end of the year, when they are supposed to get their bonuses, they go down and close the plant.

Unionist and former Zacapa municipal worker Angel Pineda was ambushed and shot to death March 8 in the village of San Jorge, Zacapa. Pineda was a mayoral candidate nominated by the leftist New Guatemala Democratic Front. According to the Guatemalan Workers Central, Pineda had participated in a campaign to remove Zacapa Mayor Carlos Roberto Vargas on corruption charges. Another union leader and Vargas opponent was shot to death in January.

Then again in Guatemala:

A recent U.N. report said poverty encompasses 60 percent of the urban population and 80 percent of rural inhabitants. Figures from the Institute for Economic and Social Investigations of San Carlos University are even more devastating, reporting that 93 percent of the indigenous population lives in poverty and 81 percent cannot meet nutritional needs.

Mr. President, again:

Workers from more than a dozen different factories complain about everything from restricted bathroom visits and sore backs to illegal firings and abuse.

Sewing machines hum and rock music blares as 13-year-old Maria furiously folds clothes inside a Guatemalan factory called Sam Lucas S.A.

Maria is a 13-year-old. According to the Wall Street Journal, of course, that has nothing to do with any employee in the Caribbean Basin Initiative or Africa.

The Grade 2 dropout folds 50 shirts an hour, or 2,700 shirts a week that will end up in North American stores.

Sometimes Maria's boss extends her 10-hour day and asks her to stay until 10:30 p.m. or all night, assembling clothes for export in this tax-free plant called a maquila. . . .

Forced overtime, union busting, no social security benefits and unpaid work are typical grievances of factory staff, who are mostly young, female, Indian, and poor.

Mr. President, in Honduras:

A two-week strike at the Korean-owned Kimi de Honduras maquiladora ended September 2 after they dropped criminal charges against the union and accepted a new pay scale. The strike began August 18 when 500 workers, mostly women, demanded compliance with a March union contract. [This particular plant] produces apparel for U.S. retailer J.C. Penney and is part of the eight-plant Continental Park, a free-trade zone in La Lima. Unionized Kimi workers closed down Continental [in] August with blockades, but anti-riot police arrived August 30. In solidarity, most workers from other factories refused to enter the zone, but were subsequently beaten and gassed by the police. Kimi union officials promptly distributed leaflets to workers of other factories, urging them to return to work and prevent more violence. Some 100,000 workers are employed in the country's 200 maquilas, which export $1.6 billion in goods to the United States each year.

You have the Roca Suppliers Search maquiladora in El Salvador:

The Roca Suppliers Search maquiladora in the town of Mejicanos was abruptly closed November 19, leaving 240 workers laid off. The workers say production was moved to another factory after a group of 22 workers met with representatives of the progressive union federation. [They really work and make] U.S. brands including Calvin Klein and L.L. Bean. The factory's owner said the shop closed due to a lack of raw materials. Labor activists noted that the termination came just before legally mandated Christmas bonuses. The bonuses average about $40.

Then again, in El Salvador: They work from Monday through Friday, from 6:50 a.m. to 6:10 p.m., and on Saturday until 5:40 p.m., and occasional shifts to 9:40 p.m. It is common for the cutting and packing departments to work 20-hour shifts from 6:50 a.m. to 3 a.m.

Anyone unable or refusing to work the overtime hours will be suspended and fined, and upon repeat "offenses," they will be fired.

There is no time clock. Records of an employee's overtime hours are written in a log by the supervisor. Workers report that it is not uncommon to be short changed two hours of overtime if the supervisor is angry with them.

There is a one 40-minute break in the day for lunch from noon to 12:40 p.m.

All new workers must undergo and pay for a pregnancy test. If they test positive, they are immediately fired. The test costs two days' wages.

I ask unanimous consent that this particular group of conditions in El Salvador be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Kathie Lee Sweatshop in El Salvador

CARIBBEAN APPAREL, S.A. DE C.V., AMERICAN FREE TRADE ZONE, SANTA ANA, EL SALVADOR

A Korean-owned maquila with 900 plus workers.

Death threats
Workers illegally fired and intimidated
Pregnancy tests
Forced overtime
Locked bathrooms
Starvation wages
Workers paid 15 cents for every $16.96 pair of Kathie Lee pants they sew
Cursing and screaming at the workers to go faster
Denial of access to health care
Workers fired and blacklisted if they try to defend their rights

Caribbean Apparel is inaccessible to public inspection. The American Free Trade Zone is surrounded by walls topped with razor wire. Armed guards are posted at the entrance gate.

Labels

Kathie Lee (Wal-Mart), Leslie Fay, Koret, Cape Cod (Kmart)

Sweatshop Conditions at Caribbean Apparel

Forced Overtime: 11-hour shifts, 6 days a week—Monday–Friday: 6:50 a.m. to 6:10 p.m. Saturday: 6:50 a.m. to 5:40 p.m. There are occasional shifts to 9:40 p.m. It is common for the cutting and packing departments to work 20-hour shifts from 6:50 a.m. to 3:00 a.m.

Anyone unable or refusing to work the overtime hours will be suspended and fined, and upon repeat "offenses" they will be fired.

There is no time clock. Records of an employee's overtime hours are written in a log by the supervisor. Workers report that it is not uncommon to be short changed two hours of overtime if the supervisor is angry with them.

There is a one 40-minute break in the day for lunch from noon to 12:40 p.m.

Mandatory Pregnancy Tests: All new workers must undergo and pay for a pregnancy test. If they test positive they are immediately fired. The test costs two days wages.

Below Subsistence Wages: The base wage at Caribbean Apparel is 60 cents an hour or $4.79 for the day. This wage meets only $\frac{1}{3}$ of the cost of living.

Searched On the Way In and Out: Workers are searched on the way in—candy or water is taken away from them which the company says might soil the garments. On the way out, the workers are also searched.

The Factory is Excessively Hot: The factory lacks proper ventilation. There are few fans. In the afternoon the temperature on the shop floor soars.

No Clean Drinking Water: Only tap water is available, which is dirty and warm. Caribbean Apparel refuses to provide cold purified drinking water.

Bathrooms Locked: The workers are not allowed to get up or move from their work sites. The bathrooms are locked from 7:00 a.m. to 8:00 a.m., and again from 5:00 p.m. to 6:00. Workers need permission to use the bathroom, which is limited to one visit per morning shift and one during the afternoon shift. The workers report that the bathrooms are filthy.

Pressure and Screaming to go Faster: There is constant pressure to work faster and to meet production goals of sewing 100–150 pieces an hour. Mr. Lee, the production supervisor, curses and screams at the women to go faster. Some workers have been hit. For talking back to a supervisor the women are locked in isolation in a room. Most cannot reach their daily production quota and if they do the company arbitrarily raises the goal the next day.

Where a Worker Spends Money

Rent for two small rooms costs $57.07 per month, or $1.88 a day.
The round trip bus to work costs 46 cents.
A modest lunch is $1.37.

At the end of the day sewing Kathie Lee garments a worker is left with just $1.08, which is not even enough to purchase supper for a small family. Unable to afford milk, the workers' children are raised on coffee and lemonade.

15 Cents to Sew Kathie Lee Pants

The women earn just 15 cents for every pair of $16.96 Kathie Lee pants they sew. That means that wages amount to only $\frac{9}{10}$ of one percent of the retail price of the garment. (62 workers on a production line have a daily production quota of sewing 2,000 pairs of Kathie Lee pants each 8-hour shift. 62 workers $4.79 = 296.98/2,000 $16.96 = $33,920/33,920) 296.98 = .0087553/or $\frac{9}{10}$ of one percent $16.96 = 15 cents)

Denied Access to Health Care

Despite the fact that money is deducted from the workers' pay, Caribbean Apparel management routinely prohibits the workers access to the Social Security Health Care Clinic. Nor does the company allow sick days. If a worker misses a day, even with written confirmation from a doctor that she or her child was very sick, she will still be punished and fined two or three days pay.

If the workers are seen meeting together, they can be fired. If the workers are seen discussing factory conditions with independent human rights organizations they will be fired. If workers are suspected of organizing a union they will be fired and blacklisted.

Fear and Repression—There are No Rights at Caribbean Apparel

Fear and repression permeate the factory. The workers have no rights. Everyone knows that they can be illegally fired, at any time, for being unable to work overtime, for needing to take a sick day, for questioning factory conditions or pay, for talking back to a supervisor, or for attempting to learn and defend their basic human and worker rights.

Fired for Organizing

Six workers have been illegally fired beginning in August for daring to organize a union at Caribbean Apparel. All six workers were elected officials to the new union.

List of Fired Workers

Blanca Ruth Palacios
Lorena del Carmen Hernandez Moran
Oscal Humberto Guevara
Dalila Aracely Corona
Norma Aracely Padilla
Jose Martin Duenas

Death Threat

In September, Jiovanni Fuentes, a union organizer assisting the workers at Caribbean Apparel, received a death threat from the company. He was told that he and his friends should leave the work or they would be killed. He was told that he was dealing with the Mafia, and in El Salvador it costs less than $15 to have someone killed.

KATHIE LEE/WAL-MART SWEATSHOP IN MEXICO

HO LEE MODAS DE MEXICO, PUEBLA, MEXICO

550 workers

The Ho Lee factory sews women's blazers, pants and blouses for Wal-Mart and other labels. Kathie Lee garments have been sewn there.

Sweatshop conditions

Forced Overtime: 12½ to 14 hour shifts, 6 days a week. Monday to Friday: 8:00 a.m. to 8:30 p.m. Saturday: 8:00 a.m. to 4:00 p.m.

There is one 40-minute break in the day for lunch.

The workers are at the factory between 67 and 79 hours a week.

New Employees are forced to take a mandatory pregnancy test.

For a 48-hour week the workers earn $29.57 or 61 cents an hour which is well below a subsistence wage.

Workers are searched on the way in and out of the factory.

The supervisors yell and scream at the women to work faster.

Bathrooms are filthy and lack toilet seats or paper. The workers have to manually flush the toilet using buckets of water. Some of the toilets lack lighting.

14-15-16 year old minors have been employed in the plants.

Public access to the plant is prohibited by several heavily armed guards.

KATHIE LEE/WAL-MART SWEATSHOP IN GUATEMALA

SAN LUCAS, S.A., SANTIAGO, SACATEPEQUEZ, GUATEMALA

1,500 workers

The San Lucas factory sews Kathie Lee jackets and dresses.

Sweatshop conditions

Forced Overtime: 11 to 14½ hour shifts, 6 days a week. Monday to Saturday: 7:30 a.m. to 6:30 p.m., sometimes they work until 10:00 p.m. The workers are at the factory between 66 and 80 hours a week.

Refusal to work overtime is punished with an 8-day suspension without pay. The second or third time this "offense" occurs, the worker is fired.

Below Subsistence Wages: For 44 regular hours, the pay is $28.57, or 65 cents an hour. This does not meet subsistence needs.

Armed security guards control access to the toilets, and check the amount of time the women spend in the bathroom, hurrying them up if they think they are spending too much time.

Public access to the plant is prohibited by several heavily armed guards.

Mr. HOLLINGS. Mr. President, again quoting:

> In September, Jiovanni Fuentes, a union organizer assisting the workers at Caribbean Apparel, received a death threat from the company. He was told that he and his friends should leave work, or they would be killed. He was told that he was dealing with the Mafia, and in El Salvador, it costs less than $15 to have someone killed.

I could go on and on. Obviously, these working conditions are not to the attention of this particular body. They could care less.

Labor conditions are very important. The standard of living in the United States of America is an issue. When you open up a manufacturing plant, it is required that you have clean air, clean water, minimum wage, safe working machinery, safe working conditions, plant closing notice, parental leave, Social Security, Medicare, Medicaid, and unemployment compensation. All of these particulars are needed. These elevate to the high standard of American living. And it deserves protection. At least it deserves a negotiation—which we included in the NAFTA agreement—in this particular CBI and sub-Saharan agreement.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks time?

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I thank the Chair.

The PRESIDING OFFICER. Who seeks time?

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I ask unanimous consent to lay the pending amendment aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2428

(Purpose: To strengthen the transshipment provisions)

Mr. FEINGOLD. Mr. President, I call up amendment No. 2428 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 2428.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. FEINGOLD. Mr. President, as I have said before, unless the African Growth and Opportunity Act is significantly improved, it will fail to stimulate any meaningful growth in Africa; it will fail to provide significant opportunities for commerce or development; and, in fact, if we do not make some changes, it may do harm to both Africans and Americans. So what this amendment does is take an important step toward preventing harm and improving this trade legislation.

Mutually beneficial economic legislation has to be fair to all parties involved. The African Growth and Opportunity Act must be amended to adequately address the problems of transshipment, not just to make certain that it is fair to Africans but also to ensure Americans are not cheated and that American law isn't broken.

Let me talk a little bit about transshipment. Transshipment occurs when textiles originating in one country are sent through another before they come to the United States. What this does is, the actual country of origin seeks to disguise itself and therefore ignore our U.S. quotas. This is not a minor matter. Approximately $2 billion worth of illegally transshipped textiles enter the United States every year.

The U.S. Customs Service has determined that for every $1 billion of illegally transshipped products that enter the United States, 40,000 jobs in the textile and apparel sector are lost.

Let me repeat that.

The Customs Service says that every time we have a billion dollars of illegally transshipped products entering the United States, we lose 40,000 jobs in this country in that area of our economy.

Failure to protect against transshipment surely does harm. Those who think transshipment isn't going to be a problem in Africa had better think again.

We have had a chance to take a look at the official web site of the China Ministry of Foreign Trade and Economic Cooperation. It quotes an analyst as follows. This is a direct quote we have on this board. This is what they say on the web site:

> Setting up assembly plants with Chinese equipment technology and personnel could not only greatly increase sales in African countries but also circumvent quotas imposed on commodities of Chinese origin by European and American countries.

That is very explicit and very intentional. The Chinese know standard United States protections against transshipment are weak, and they obviously intend to exploit them.

The African Growth and Opportunity Act, as it currently stands without my amendment, relies on those same weak protections—the same textile visa system that China and others have successfully manipulated in the past. This inadequate system requires government officials in the exporting country to give textiles visas certifying the goods' country of origin for those textiles to be exported. Too often, this isn't good enough; corrupt officials simply sell the visas to the highest bidder.

What does this amendment do? This amendment changes this failing system. It makes U.S. importers responsible for certifying where textiles and apparel are produced. This gives the U.S. entities a strong financial stake in the legality of their imports.

This amendment allows us not to rely simply on foreign officials. This standard relies on the American companies that operate right here under American law, and it holds those companies liable for any false statements or omissions in the certification process.

This amendment lays out clear procedures and tough penalties so that these regulations will actually work.

If the Senate agrees to this amendment, countries such as China that want to evade United States trade regulations will have to rethink their designs on Africa. If we agree to this amendment, the opportunities promised by this legislation really will go to Africans, and not to third parties. If we agree to this amendment, Americans will not lose their jobs because of AGOA's inadequate transshipment protection.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FEINGOLD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 2379

Mr. ROTH. Mr. President, I oppose the Hollings amendment for two reasons.

First, as I have stated previously, the goal of this legislation is to encourage investments in Africa, the Caribbean, and Central America. The amendment would undermine that effort by requiring the difficult negotiations of side agreements which would delay the incentive the bill would create. That, I argue, is of no help to these developing countries and will not lead to any greater improvement in the labor standards provisions that are already incorporated into these programs. Virtually every study available indicates that labor standards rise with a country's level of economic development.

The goal of the bill is to give these countries an opportunity to tap private investment capital as a means of encouraging economic development and economic growth. That is the most certain way to ensure these countries have the ability to enforce any labor standards they choose to enact into law.

Frankly, the worst opponent of labor standards is the lack of economic opportunities in these countries. It is difficult to insist on safe working conditions on the job and negotiate a living wage when you have no other job opportunities. The point of this legislation is to provide those job opportunities. Creating obstacles to that goal will diminish, not enhance, the positive impact the bill would have on labor standards.

The second reason I oppose the amendment is that it essentially depends on economic sanctions to work. The threat is that the economic benefits of the beneficiary countries will be cut off if the countries do not comply with the terms of some agreement yet to be negotiated. That not only undercuts the investment incentive by increasing the uncertainty of a country's participation in the program; it also does little to raise labor standards.

What is needed is a cooperative approach bilaterally between the United States and the particular developing country and among the countries of the region as a whole.

The lesson of the NAFTA side agreement, in my view, is that sanction mechanisms have done little to encourage better labor practices. What has worked under the NAFTA agreement is the cooperative ventures of the three participants. What is needed in the context of both regions targeted by this bill is a stronger effort among the participants, with the support of the United States, to tackle common problems facing their strongest resource—their workforce.

The Senate substitute before us does not preclude those sorts of constructive efforts by the President. Indeed, the President would do well to pursue a similar model in the context of our broader relations with our African, Caribbean, and Central American neighbors. The model offered by the pending amendment would not, in my judgment, help that goal.

I therefore urge my colleagues to oppose the amendment. At the appropriate time, I will make a motion to table the amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I am sort of stunned in a way because the argument is made that this is going to forestall the jobs that are intended under the bill.

Could it really be that we want to finance 13-year-olds and child labor?

Could it be that they have to work 100 hours a week at 13 cents an hour?

Could it be if they become pregnant and have to go home sick that they are fired?

I could go down the list of things.

That is what I just pointed out. I am confident my colleagues don't want to finance those kinds of atrocities.

I am just stunned that someone would say this would hold it up because the agreement is yet to be had. The agreement is to be joined by the authorities and the Governments of El Salvador, Guatemala, Honduras, and the other countries down there in the Caribbean Basin. If they haven't agreed, obviously, they couldn't be in violation, or they couldn't be with the side agreement.

That is why it is very innocent language suggesting that the benefits don't take effect until we have had a chance to sit down, both sides, and decide what will be agreed to and what will be done by the particular governments. So it would be violations of their own government policies.

AMENDMENT NO. 2483

(Purpose: To require the negotiation, and submission to Congress, of side agreements concerning the environment before benefits are received)

Mr. HOLLINGS. Mr. President, I am not trying to forestall. I am trying to comply with the requirements. I call up my amendment on the environmental side, and I ask unanimous consent to set aside the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS) proposes an amendment numbered 2483.

At the appropriate place, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning the environment, similar to the North American Agreement on Environmental Cooperation, and submitted that agreement to the Congress.

Mr. HOLLINGS. Mr. President, the emphasis in this Amendment is similar to the North American Agreement on Environmental Cooperation.

It is the very same thing we required in NAFTA with Mexico and Canada with respect to the Canadian side.

I ask unanimous consent to have printed in the RECORD an article entitled "Canadians Challenge California Pollution Rules Under NAFTA."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Gazette, (Montreal), Oct. 27, 1999]

CANADIANS CHALLENGE CALIFORNIA POLLUTION RULE UNDER NAFTA

(By Andrew Duffy)

OTTAWA.—A Canadian firm has filed a NAFTA environmental complaint against California, charging the state failed to protect its groundwater from leaky gasoline-storage tanks.

The unusual move by Vancouver's Methanex Corporation, which produces a gasoline additive being phased out by California, comes in addition to the company's

$1.4-billion lawsuit against the state and the U.S. government, an action launched under Chapter 11 of the North American Free Trade Agreement.

Methanex argues California's ban on MTBE (methyl tertiary-butyl ether) is unfair because the problem lies not with the gasoline additive, but with aging underground gas storage tanks that leak into aquifers.

"It thus treats a symptom (MTBE) of gasoline leakage rather than the leakage itself, deflecting attention from the state's failure to enforce its environmental laws," says the company's environmental complaint, which has just been submitted to the Commission on Environmental Co-operation.

The Montreal-based commission was established under a NAFTA side-agreement to ensure Canada, Mexico and the U.S. maintain environmental standards in the face of trade pressures.

In its 16-page submission—the first of its kind from a corporation—Methanex contends California has not enforced existing laws designed to protect groundwater from contamination by leaky underground gas tanks.

Methanex is North America's largest supplier of MTBE, a gasoline additive that makes fuel burn more completely in a car engine, thus reducing tailpipe emissions.

Earlier this year, California Governor Gray Davis issued a regulation that will ban MTBE by 2002 because of concerns that it's polluting lakes and drinking water in the state.

"We believe that what's occurring in California is plain wrong from an environmental perspective," said Methanex vice-president Michael Macdonald.

"People have lost sense of the plotline: that MTBE only gets into the environment through gasoline releases. We're trying to focus attention on the root cause of the issue, which is leaking underground storage tanks."

California has the strictest air-quality controls in North America. As part of those controls, oil-refiners in the state were required to improve their gasolines during the 1990s; many turned to MTBE to cut emissions.

But California researchers now say MTBE is so highly soluble—more so than other gas components—that it travels far from the source of gas leaks to pollute groundwater.

MTBE contamination has forced the closing of wells in Santa Monica, Lake Tahoe, Sacramento and Santa Clara, according to a state auditor's report issued last year. The same report said evidence from animal studies suggests the chemical compound may be a human carcinogen.

Methanex has notified the U.S. government it will seek damages under NAFTA's Chapter 11, which gives corporations the right to sue governments if they make decisions that unfairly damage their interests.

Company officials said yesterday they're about to enter discussions on an out-of-court settlement with the U.S. State Department.

American companies have used Chapter 11 to challenge Canadian laws that restricted the use of another gasoline additive, MMT; banned the export of PCBs; and halted the export of fresh water from British Columbia.

The only case to be settled—the one that involved MMT—cost Canadian taxpayers $20 million.

Mr. HOLLINGS. Similarly, I have an article about the side deals to the trade agreement giving labor and environmental issues a new form of significance that I ask unanimous consent be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Nov. 29, 1998]

A VISION UNFULFILLED

(By Karen Brandon)

The new pier's long, crooked finger points deep into the Caribbean Sea near the fragile coral reef off the coast of Cozumel, Mexico.

The mere existence of the structure offers a metaphor for the paradoxes raised by the world's most ambitious attempt to tie environmental concerns to international free trade.

The Puerta Maya pier dispute is the sole case to wind its way completely through the labyrinth of bureaucracy established to resolve environmental conflicts under the North American Free Trade Agreement.

Environmentalists persuasively argued that the Mexican government violated its own environmental laws when it assessed the potential impact of the pier, designed to accommodate more and larger cruise ships and to bring more tourists to the region.

According to the 55-page "final factual record" that followed an 18-month investigation, the environmentalists essentially won.

"We proved that the Mexican government violated the law," said Gustavo Alanis, president of the Mexican Environmental Law Center, one of the organizations that raised the issue. "It's an enormous victory for international environmental rights."

But the victory is only on paper. The Puerta Maya pier was built, and tourists now disembark from cruise ships there to stroll its walkway lined with liquor, perfume and souvenir shops.

As the outcome of the pier project suggests, the environmental legacy of the free trade agreement begun nearly five ago is contradictory.

The very trade agreement that elevated environmental concerns to an unprecedented level, making "sustainable development" one of its goals, also gave businesses a new tool to combat pollution regulations they consider onerous. The measure, an investment provision that has been interpreted to allow companies to sue countries whose pollution regulations hinder profits, is essentially unaffected by the environmental side accord and lies beyond the direct jurisdiction of the Commission for Environmental Cooperation, the organization created to oversee environmental concerns.

In analyzing the impact of the agreement's overall environmental agenda, the Tribune interviewed scores of economists, legal experts, government officials and environmental activists in Canada, Mexico and the United States.

The free trade agreement, with its side accord, did not force a cleanup of long-polluted sites. It did not foist tough new international standards on polluters. It did not create a new police agency to enforce regulations that had long been ignored.

The agreement set no minimum or uniform standards for the three participating nations. Instead, it promised to see, somehow, that each nation enforced its environmental laws, and it gave citizens a new international forum to raise complaints about countries that failed to do so.

Even its most passionate advocates concede the pact has no practical means to punish governments or companies other than through the stigma of bad publicity. A provision for sanctions exists for a "persistent pattern" of failure to enforce environmental laws, but many experts say it will never be used.

Moreover, though it technically bars the weakening of environmental laws to attract investment, the agreement offers no real tool to counteract any decision by the countries to alter their own environmental laws for any reason, analysts note.

"The implication is that the three governments are going to be at least as good by the environment as they are today," said David Gantz, associate director of the National Law Center for Inter-American Free Trade at the University of Arizona in Tucson. That assumption, he added, is "dependent on their goodwill."

Scenes from the U.S.-Mexico border, the fastest-growing region in North America, tell the story of the vast environmental problems facing Mexico. Explosive population and industrial growth, some of it fueled by the trade agreement itself, have only worsened the pollution that plagues the region's air, water and ground.

The border remains a stark contradiction, a place where the world's most prosperous corporations using the most modern manufacturing techniques stand beside poor neighborhoods where people live in shacks made of wooden pallets or cardboard, without running water, sewers, electricity or telephones.

In Tijuana, obvious industrial violations are easy to find. The stench of a bathtub refinishing plant burns the eyes and nose of anyone within blocks of the building, and industrial fans meant to clear the air for workers inside stand idle. At the site of the abandoned lead smelting factory Metales y Derivados, a subsidiary of San Diego-based New Frontier Trading Corp., which is now the subject of a citizens' complaint against Mexico, leaking car batteries lie in huge mounds, and the only pretense of a cleanup is torn plastic sheeting.

The New River, which crosses the Mexico-California border, is essentially a sewer, even more so now that the temporary "fix" for it has been to encase it in huge tubing, rather than to clean it. Ciudad Juarez has no facility to treat the sewage from its 1.3 million residents.

John Knox, a University of Texas law professor and former negotiator for the State Department on the environmental side accord, said, "I think it's fairly easy to say it is better than nothing, but if you compare what it's doing to the scope of the problem, then it seems pretty minuscule."

NEW OPPORTUNITIES

When it took hold on New Year's Day 1994, the trade agreement already had deeply divided environmentalists. Opponents feared it would make Mexico a pollution haven and drag down the higher standards of Canada and the United States. Advocates believed it could be Mexico's best hope, both by pressuring it into better environmental standards and by improving its economy, which in turn could lead to higher environmental standards.

Pollution intensity is highest in the early stages of a country's industrialization, but it wanes as income levels rise. Researchers have found that environmental degradation tends to decline once annual per capita incomes reach a threshold of $8,000—roughly double Mexico's per capita income.

One particular dispute settled in July has only exacerbated environmentalists' fears that governments would be pressured to reduce their pollution standards.

In June 1997, the Canadian government banned a gasoline additive after some studies suggested the chemical, MMT, used to boost octane's power, could cause nerve damage. In retaliation, the manufacturer, Richmond, VA-based Ethyl Corp., sued the Canadian government for $250 million under a provision in the trade agreement's main text, not its environmental side accord, contending that the ban essentially amounted to an "expropriation" for which it should be compensated.

The same substance has provoked considerable controversy in the United States, where it was among the chemicals banned by the 1977 Clean Air Act. Eighteen years later, Ethyl won the right to sell MMT from an appeals court ruling that overturned the Environmental Protection Agency's decision to continue the ban in lieu of sufficient studies on the substance's potential effects.

In July, the Canadian government rescinded the ban and agreed to pay Ethyl $13 million for lost profits and legal costs.

"Virtually any public policy which diminishes corporate profits is vulnerable," said Michelle Swenarchuk, director of international programs for the Canadian Environmental Law Association. "It has profound intimidating effects."

The prospect of such a suit had helped to kill a Canadian proposal that would have required cigarettes be sold only in plain brown packaging to make them less appealing to children, she said.

A similar case is pending against Mexico under the same provision, which authorizes arbitration panels to handle such cases in private. In it, Metalclad Corp., a Southern California hazardous-waste disposal business, is seeking $990 million in damages for being denied permission to open a landfill in central Mexico.

Meanwhile, 20 cases (eight against Canada, eight against Mexico and four against the United States) have been brought to the Commission for Environmental Cooperation alleging that governments have failed to enforce their environmental provisions. Eleven are under review, including one that is undergoing the most advanced procedure for redress available, the preparation of a factual record. That case stems from allegations that the Canadian government has failed to protect fish and fish habitat in British Columbia's rivers from damage by hydroelectric dams.

The notorious environmental problems of Mexico do not stem from its laws. Many are styled after U.S. provisions, and some are more stringent.

But enforcement is lax or absent. In a recent World Bank Group study in Mexico, more than half of the industries surveyed said they did not comply with environmental regulations.

The Mexican government insists that it has made important strides in dealing with the environment, principally with more environmental inspections.

"Government action . . . has presented important advances in the three years of the present administration," a statement from the Mexican embassy is Washington, D.C., said.

But its federal government this year has been forced to make deep spending cuts that include its environmental program because of the ongoing drop in the price of oil, upon which Mexico depends for more than one-third of its revenues.

Slow steps

The environmental accord created two institutions dedicated to pollution cleanup along the U.S.-Mexico border: the North American Development Bank, created by $450 million contributed in equal parts by the United States and Mexico to arrange financing for projects: and its sister agency, the Border Environmental Cooperation Commission, which evaluates projects before they can receive the bank's backing. The institutions got off to a slow start, and the chief obstacle for most projects was basic: They had to find a way to pay for themselves.

The bank's mission—to finance the projects primarily by guaranteeing loans, rather than by grants—proved an almost insurmountable hurdle for communities in an impoverished region that had never found the financial resources or the political will to meet basic needs, such as providing drinking water and sewers.

"Is it possible to clean up on a for-profit basis 30 years of raping the environment for profit?" asked David Schorr, senior trade analyst for the World Wildlife Fund.

Though other development banks offer low-interest loans, the North American Development Bank has no such discount. "Market rates can make a loan package prohibitively expensive for poor communities," said Mark Spalding, a University of California at San Diego instructor who participated in the negotiations to create the two institutions. It was only in April 1996, when the bank received a $170 million infusion of grants from the U.S. Environmental Protection Agency, that its projects began to seem viable.

Now, 19 projects representing a planned investment of $600 million have been approved, and the first of them, two landfills, are to be completed in January. Eight are under construction, and two more, including a sewage treatment plant for Ciudad Juarez, are soon to begin. Dozens of others are in preliminary planning stages, beginning the arduous process to determine how, and whether, they can be financed.

While the bank's sewage-treatment projects represent unquestionable improvements for border communities, they have faced one criticism. The standards set for Mexican communities are beneath those considered basic in the U.S.

One of the few evaluations of the side agreement's environmental agenda suggests that it has been modestly successful in carrying out cooperative initiatives among the countries. The accomplishments include agreements among the countries to phase out some pollutants, and to develop or expand new programs for conservation of species, including monarch butterflies and migratory songbirds, concluded the Institute for International Economics, a non-profit, non-partisan research institution in Washington, D.C

The Commission for Environmental Cooperation, which has been plagued by political rifts between the U.S. and Mexico, admits it has yet to resolve the debate over whether trade liberalization leads to better or worse environmental conditions. "While there are theoretical arguments on both sides, there is little empirical data available to settle it," its own assessment concluded.

This fall the commission published a study purporting to find a drop in pollution across North America during the trade agreement's first year. It failed to take into account one substantial portion of the continent, however—Mexico, which has yet to implement the necessary pollution reporting system.

Mr. HOLLINGS. From that article:

Environmentalists persuasively argued that the Mexican government violated its own environmental laws when it assessed the potential impact of the pier, designed to accommodate more and larger cruise ships.

"We proved that the Mexican government violated the law," said Gustavo Alanis, president of the Mexican Environmental Law Center, one of the organizations that raised the issue. "It is an enormous victory for international environmental rights."

The emphasis, of course, is that there are those in the countries involved with labor rights and with the environment. They are not purely nomads. They have an environmental movement in Mexico and in Canada.

We would help to extend environmental concerns and labor rights with this particular agreement if they adopt these two amendments.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I remind my colleague that my bill already includes significant labor conditions. Specifically, the beneficiary countries must be taking steps to afford their workers' internationally recognized worker rights. If the beneficiary countries fail to protect worker rights, then the benefits under both the CBI and Africa may be terminated.

AMENDMENT NO. 2428

I will now address the proposed amendment of the Senator from Wisconsin. The legislation he refers to, to add some novel transshipment provisions, raises serious constitutional questions in the United States. What the bill would do is impose joint liability on the importer and the retailer for any material false statement or any omission made in filing the numerous forms and certifications that have to be filed to enter any textile or apparel items into the United States and receive the meager benefits available under the bill.

The bill adds Draconian new penalties for any alleged transshipment. While I am not opposed to adding such penalties for what is outright customs fraud subject to all the normal due process protections ordained by the Constitution and contained in current U.S. law, this bill allows for the imposition of such penalty on what it terms "the best information available."

Let me put that in its proper context. Under this bill, a retailer who has no control over either the exporter's or importer's action could be held jointly liable for any minor omission made by either the exporter or importer and held liable not because the retailer was found to be guilty of infraction beyond a reasonable doubt but merely on the basis of the best information available to the Customs Service.

That turns the whole notion of a due process protection guaranteed by the Constitution and by American administrative law on its head. I submit this is the opposite of constitutional protection.

This is an example, in the words of Jeremy Benton, of what is called dog law. The author decided they can't tell the dog right or wrong ahead of time, and they kick it after the fact to let it know they think it has done wrong. My guess is there aren't too many retailers willing to get in the way of a hard left foot. This bill aims at their praises, but what Customs provisions do as a result is discourage trade and thereby discourage investment.

In short, this proposal is not what the author suggested nor is this bill, as the title claims: Hope for Africa. In fact, this bill is the reverse of what we want to do in establishing a new partnership with Africa.

I urge my colleague to oppose this amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I oppose the Hollings amendment No. 2483 and I do so for two reasons. First, as I have stated previously, the goal of this legislation is to encourage investment in Africa, the Caribbean, and Central America. The amendment undermines that effort by requiring the difficult negotiation of side agreements on both labor and the environment that delays the incentive that the bill is intended to create. This is bad for labor and environmental conditions in the beneficiary countries as well as their economies.

The available research suggests labor and environmental standards rise with a country's level of economic development. This is because for countries that are on the edge of famine, enforcing labor standards and protecting the environment are a luxury. The Finance Committee bill helps economically and in improving labor and environmental standards by giving these countries an opportunity to tap private investment capital as a means of encouraging economic development and economic growth. That is a most certain way to ensure that these countries have the wherewithal to pay for environmental protection.

The second reason I will oppose the amendment is that it essentially depends on economic sanctions to work. It threatens to cut off a series of economic benefits if the countries do not comply with the terms of some agreement yet to be negotiated. That not only undercuts the investment incentive by increasing the uncertainty of a country's participation in the program, it also does little to raise labor and environmental standards. As we have heard during the extended debate we have had on economic sanctions in the past, they do, actually, little to affect the behavior of the target country. Indeed, in the case of the intended beneficiaries of these tariff preference programs, they would have the opposite effect on labor and environmental protections by discouraging investment in economic growth.

What is needed, as I said earlier, is a cooperative approach, bilaterally between the United States and the particular developing country and among the countries of the regions as a whole. The experience under the NAFTA side agreement reinforces my point. The sanctions mechanisms have done little to encourage better labor and environmental practices. What has worked under the NAFTA agreement is the cooperative ventures of the three participants on both the labor and the environmental front. The NAFTA Commission on Environmental Cooperation, for example, advises all three countries on how to tackle common environmental problems. That advice has helped ensure coordination rather than conflict among the NAFTA partners over environmental issues.

The Senate substitute before us does not preclude these sorts of constructive efforts by the President. Indeed, the President would do well to pursue a similar model in the context of our broader relations with our African, Caribbean, and Central American neighbors. The model offered by the pending amendment would not help us towards that goal. I, therefore, urge my colleagues to oppose the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Hollings amendment No. 2483.

AMENDMENT NO. 2428

Mr. FEINGOLD. Mr. President, this is a little confusing. We are debating several amendments at once. I would like to see if we could get a little back and forth going. I wanted to respond to the chairman's comments about my amendment, but then he went into several arguments about the amendment of the Senator from South Carolina. I am worried it is going to be awfully hard for people to follow this.

Let me return to and respond to the concerns of the chairman with regard to the amendment I have offered, to try to do something about this problem of transshipment, this problem that some countries—very likely China—will take advantage of this new Africa Growth and Opportunity Act to ship a lot more of their goods through Africa into the United States, and not only harm the African nations and people who are trying to benefit from this but harm American jobs.

Every $1 billion of transshipped goods into this country apparently costs about 40,000 American jobs in the textile-related area.

When the chairman suggests we are trying to discourage legal trade by this amendment, that is the opposite of what we are doing. We are trying to prevent this kind of circumvention of the spirit and intent of the law by unfair and what should be illegal transshipment.

The Senator has suggested somehow there is a constitutional problem with imposing some penalties on importers who are given some responsibilities in this regard. I was not clear on what the constitutional provision was. I assume it is the notion of taking property without due process of law. But if we take a look at these penalties, what we are trying to do is make absolutely sure the importer cooperates with the Customs Service in order to make sure what is happening is not a scam by a government, such as the Chinese Government, to transship its goods through Africa.

Let's look at the actual language the Senator has complained about. He refers to the use of "best available information." All that is required for an importer is that an importer has to cooperate. Let me emphasize this for my colleagues. It says:

> If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there was a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

The only time this "best available information" is even utilized is where the importer has not been willing to cooperate. I think that is entirely reasonable. The Senator refers to these penalties as draconian, as too severe. Let's remember what this bill does. It gives these importers a golden opportunity, a new opportunity to make a lot of money through these new trade opportunities with Africa. I do not think it is draconian to ask these importers to take reasonable steps to avoid the kind of abuse China obviously intends to pursue in this area.

The penalty for the first offense is a civil penalty in the amount equal to 200 percent of declared value of merchandise, plus forfeiture of merchandise. In light of the new opportunities this gives these importers, I do not see this as draconian. I see this as a penalty that is commensurate with the kind of opportunities they are provided. I assume these importers in good faith do not want to facilitate Chinese circumvention of our laws and our quotas. I assume their goal is a good-faith desire to make a profit by trading with these African countries. So we need to do something other than what is the current law, and all the bill does in its current form is reiterate the current law that does not work because it relies on foreign officials to certify these products are really African goods.

That is not good enough. We need to place some responsibility on the importer who is subject to American law. This is the critical point. Either we are going to simply pass this bill, which, frankly, already is very unbalanced and not sufficient to protect American workers, or we are going to try to fix it. Surely, one area we need to fix is this transshipment problem.

Let me quote, again, these web sites of the People's Republic of China, Ministry of Foreign Trade and Economic Cooperation. They say, about the current law which this bill continues:

> There are many opportunities for Chinese business people in Africa. Setting up assembly plants with Chinese equipment and personnel could not only greatly increase sales in African countries, but also circumvent the quotas imposed on commodities of Chinese origin imposed by European and American countries.

The opposition to this amendment simply wants to allow the Chinese Government to continue this program. They provide no tough penalties, no obligation for people we can do something about, such as importers and people under American law. They want to let the good times roll for these Chinese companies and governments that are trying to undercut American jobs.

I think that is wrong. Clearly, if there is anything should be adopted, it should be some cracking down on the extremely abusive practice of transshipping. Let's not let these African countries be pawns for the Chinese goal of undercutting American jobs.

Our amendment will strengthen this bill. It certainly will not weaken the bill. It will make the bill a much more honest attempt to make sure this fosters a trade relationship between the United States and the countries of Africa—not a conduit for Chinese abuse of American quotas.

I yield the floor.

The PRESIDING OFFICER (Mr. Crapo). The Senator from Delaware.

Mr. ROTH. Mr. President, I ask consent it be in order for me to move to table the following amendment——

AMENDMENT NO. 2183

Mr. HOLLINGS. Will the distinguished Senator withhold? When he moves to table, that will terminate all debate, as I understand it.

I want to offer one more amendment. But with respect to the environmental amendment, it is clear the distinguished chairman of Finance says: Look, this environmental side agreement we had in NAFTA would now discourage investment. It didn't discourage investment in Mexico and didn't discourage investment in Canada. It would not discourage investment. What we are saying is before you open up as compared to the CBI, you have to have clean air and clean water and the environmental protection statements. You have to have all of these particular requirements. But, by the way, if you want to get rid of them, then go down to the CBI.

The message is clear. This is what you might call the Job Export Act of 1999.

AMENDMENT NO. 2485

(Purpose: To require the negotiation of a reciprocal trade agreement lowering tariffs on imports of U.S. goods with a country before benefits are received under this Act by that country)

Mr. HOLLINGS. Mr. President, I ask unanimous consent to set aside the pending amendment and call up amendment No. 2485, relative to reciprocity.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Carolina [Mr. Hollings] proposes an amendment numbered 2485:

At the appropriate place, insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

Mr. HOLLINGS. Mr. President, it is a matter of reciprocity. We have that working, as they can tell you, wonderful success with Canada and Mexico; reciprocity on all the trade items.

I ask unanimous consent to have the text of tariffs in the Caribbean, Sub-Sahara Africa, and the tariffs and other taxes on computer hardware and software printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

	In percent as high as
Textile Tariffs in the Caribbean	
Dominican Republic	43 (Includes 8% VAT).
El Salvador	37.5 (Includes 12% VAT).
Honduras	35 (Includes 10% VAT).
Guatemala	40 (Includes 10% VAT).
Costa Rica	39 (Includes 13% VAT).
Haiti	29.
Jamaica	40 (Includes 15% general consumption tax).
Nicaragua	35 (Includes 15% VAT).
Trinidad & Tobago	40 (Includes 15% VAT).
Textile Tariffs in Africa	
Southern Africa Customs Union (South Africa, Botswana, Lesotho, Namibia and Swaziland).	74 (Includes 14% VAT for South Africa).
Central African Republic	30.
Cameroon	30.
Chad	30.
Congo	30.
Ethiopia	80.
Gabon	30.
Ghana	25.
Kenya	80 (Includes 18% VAT).
Mauritius	88.
Nigeria	55 (Includes 5% VAT).
Tanzania	40.
Zimbabwe	200.

WORLDWIDE TARIFFS AND TAXES ON COMPUTER HARDWARE AND SOFTWARE

Country	Hardware tariff (in percent)	Software tariff (in percent)	Other taxes
Africa:			
Angola	(1)	15	1% surcharge.
Benin	(1)	18	5% customs.
Botswana	0	18	14% VAT.
Cameroon	10	10	15% tax on software, 10% on hardware.
Congo	15	15	15% tax on software, 10% on hardware.
Cote d'Ivoire	5	5	11% VAT on software, 20% on hardware.
Ethiopia	0	50	None.
Gabon	10	10	5% tax.
Ghana	10	25	35% customs tax and 40% entry tax on software, 22.5% on hardware.
Kenya	31	50	18% VAT.
Lesotho	0	18	14% VAT.
Malawi	30	45	20% surcharge.
Mauritius	15	18	8% surcharge.
Mozambique	7.5	35	30% tax on computer discs.
Namibia	0	18	14% VAT.
Nigeria	10	25	5% VAT, 7% surcharge.
Senegal	20	20	20% VAT.
South Africa	0	0	14% VAT.
Sudan	0	40	None.
Swaziland	0	18	14% VAT.
Tanzania	20	30	30% sales tax 5% surtax.
Zambia	15	25	20% sales tax.
Zimbabwe	15	40	10% surtax.
Caribbean Basin:			
Bahamas	15	35	4% stamp tax.
Belize	5	35	15% VAT.
Colombia	5	5	16% VAT.
Costa Rica	2	7.5	13% VAT.
Dominican Republic	10	30	8% sales tax.
El Salvador	0	10	13% VAT.

WORLDWIDE TARIFFS AND TAXES ON COMPUTER HARDWARE AND SOFTWARE—Continued

Country	Hardware tariff (in percent)	Software tariff (in percent)	Other taxes
Guatemala	0	10	10% VAT.
Honduras	1	19	7% VAT.
Jamaica	5	5	15% general consumption tax.
Nicaragua	0	10	15% VAT.
Panama	5	15	5% VAT.

[1] Unknown.

Mr. HOLLINGS. Tariffs on textiles, the 10-percent tariff, which is ready to be blended out, in the blending out and termination of the Multifiber Arrangement in the next 5 years. Be that as it may, we have, in the Dominican Republic a tariff of 43 percent plus 8 percent VAT; El Salvador, 37.5 plus; Honduras, 35 percent plus; Guatemala, 40 percent; Costa Rica, 39; Jamaica, 40; Nicaragua, 35; 40 percent to Trinidad. We have a similar group of tariffs with respect to the tariffs in Africa: the Central African Republic, 30 percent; Cameroon, 30; Chad, 30; Congo, 30; Ethiopia, 80 percent; Gabon, 30 percent; Ghana, 25; Kenya, 80 percent; Mauritius, 88; Nigeria, 55 percent; Tanzania, 40; Zimbabwe, 200 percent.

I plead for reciprocity. I plead for the information revolution, which somehow bypassed me according to this morning's editorial in the Wall Street Journal.

With respect to tariffs on computer hardware and software, we are trying to make sure they do not do transshipments, as the distinguished Senator from Wisconsin has pointed out, and in turn, include such tariffs as: Ethiopia, 50 percent on computer hardware and software; Ghana, 25 percent, plus a 35-percent customs tax, plus a 40-percent entry tax on software and a 12.5-percent complementary tax on hardware.

They are keeping out these advancements due to these high tariffs. This will help not just the African countries, but protect the computer information age material.

In Lesoto, 18 percent plus a 14-percent VAT.

In Malawi, 45-percent tariff plus a 20-percent surcharge.

In Mozambique, 35-percent tariff plus a 30-percent tax on computer disks, a 5-percent circulation tax.

In Senegal, 20 percent with a 20-percent VAT plus 5-percent stamp tax, for a total of 45 percent.

In Sudan, 40 percent.

In Tanzania, 30 percent plus a 30-percent sales tax plus a 5-percent surtax. That is a 65-percent tax.

In Zambia, 25 percent and a 20-percent sales tax.

In Zimbabwe, a 40-percent tariff plus a 10-percent surcharge, for a total of 50 percent.

Going down that list, we have traded a lot of things, and this does not just relegate itself to textiles, it relegates itself to all trade.

The distinguished Senator from Wisconsin is pointing out, very appropriately, the transshipments. We encourage the transshipments without reciprocity. That is why we put it into NAFTA. It should be part of this. We voted on this. It was supported by the distinguished chairman of the Finance Committee and the ranking member with NAFTA. I do not see why they cannot support it now rather than moving to table the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I oppose this Hollings amendment for three reasons.

The first reason, as I have stated previously, is that the purpose of this legislation is to encourage investment in Africa, the Caribbean, and Central America by offering these poverty-stricken countries a measure of preferential access to our market. The amendment would undermine the effort by making eligibility explicitly dependent on the offer of reciprocal benefits to the United States equivalent to those to which the United States is entitled under NAFTA.

The underlying requirements of the African-CBI provisions of the Finance Committee's substitute do encourage the beneficiary countries to remove barriers to trade. The existing requirements also impose an affirmative obligation to avoid discrimination against U.S. products in the beneficiary country's trade. What the Finance Committee substitute does not require is market access equivalent to that of NAFTA, a standard that even the WTO members, among these beneficiary countries could not currently satisfy.

The second reason I oppose the amendment is that the Finance Committee already instructs the President to begin the process of negotiating with the beneficiary country under both programs for trade agreements that would provide reciprocal market access to the United States as well as a still more solid foundation with a long-term economic relationship between the United States and its African, Caribbean, and Central American neighbors.

Under the Africa provisions of the bill, the President is instructed to assess the prospects for such agreement and is called on to establish a regional economic forum. That forum could prove instrumental in solving market access problems that U.S. firms may face currently as well as a forum for any eventual negotiation.

Under the CBI provisions of the bill, the Finance Committee sought to encourage our Caribbean-Central American trading partners to join with us in pressing for the early conclusion and implementation of the free trade agreements of the Americas. Each of the beneficiary countries of the CBI program has played an active and constructive role in those talks today.

In both Africa and the CBI, we are making progress in opening markets and eliminating barriers to United States trade. The fact that we do not currently enjoy precisely those benefits offered by Canada and Mexico in the context of the NAFTA is no bar to action here.

Finally, the bill does encourage reciprocity where it really counts in the context of this bill. By encouraging the use of U.S. fabric and U.S. yarn in the assembly of apparel products bound for the United States, the bill establishes a solid economic partnership between industry and the United States and firms in the beneficiary country. That provides real benefits to American firms and workers in the textile industry by establishing the platform by which American textile makers can compete worldwide. That is precisely the benefit our industry most seeks in the context of our growing economic relationship with both regions.

In short, I oppose the amendment and urge my colleagues to do the same.

Mr. President I ask unanimous consent that it be in order for me to move to table the following amendments with one show of seconds. The amendments are: Hollings No. 2379, Feingold No. 2428, Hollings No. 2483, and Hollings No. 2485. I further ask unanimous consent that these votes occur in a stacked sequence beginning at 3:45, with the time between now and then equally divided in the usual form; there be no other amendments in order prior to the votes; there be 4 minutes equally divided just before each vote; and the votes occur in the order in which the amendments were called up.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, Senator GRASSLEY and I had indicated we would like a chance to offer our amendment at about this time. I inquire if this agreement could include an agreement to allow Senator GRASSLEY and me time to present our amendment before these votes.

Mr. ROTH. All these amendments are going to be disposed of by a tabling motion.

Mr. CONRAD. I understand that. What I am inquiring is whether or not, as part of this agreement, the Senator can indicate that Senator GRASSLEY and I will have a chance to offer our amendment.

Mr. ROTH. Before or after the vote?

Mr. CONRAD. Before the vote. We will be happy to take a vote as part of that sequence or have it at a later point, but that we at least have a chance, since we are both here, to present our amendment before these votes are taken.

Mr. ROTH. I will be happy to add the Conrad-Grassley amendment to the list if it is all right with my colleague.

Mr. MOYNIHAN. Yes. May I ask how much time the Senators from Iowa and North Dakota wish?

Mr. CONRAD. I ask my colleague how much time he wants. May we have 10 minutes, at most, on our side to talk about this amendment?

Mr. ROTH. I then change my proposal to 4 o'clock rather than 3:45, with the understanding my colleagues will take 10 minutes for their side of the amendment.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I have a question for the chairman. He and I talked about my adding another amendment prior to these votes as well, amendment No. 2406. I also only need 10 minutes. I ask it be included in the sequence of votes as well.

Mr. ROTH. Will the Senator give me the number of his amendment?

Mr. FEINGOLD. This is No. 2406.

Mr. ROTH. Mr. President, let me renew my request. I ask unanimous consent that it be in order for me to move to table the following amendments, with one show of seconds. The amendments are: Hollings amendment No. 2379, Feingold amendment No. 2428, Hollings amendment No. 2483, Hollings amendment No. 2485, Conrad-Grassley amendment No. 2359, and Feingold amendment No. 2406.

I further ask consent that these votes occur in a stacked sequence beginning at 4 o'clock, with the time between now and then equally divided in the usual form, and there be no other amendments in order prior to the votes, and there be 4 minutes equally divided just before each vote, and the votes occur in the order in which the amendments were called up.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Each will be a 15-minute vote.

The PRESIDING OFFICER. The Chair would ask, to clarify the request, that the debate on amendments Nos. 2359 and 2406 be limited to 10 minutes per amendment.

Mr. CONRAD. Mr. President, my understanding was we were going to get 10 minutes on our side on our amendment.

Mr. ROTH. Yes; 10 minutes.

Mr. MOYNIHAN. Yes.

Mr. CONRAD. Would the chairman modify his request in that regard?

Mr. MOYNIHAN. I think he did.

The PRESIDING OFFICER. Let the Chair restate its understanding. The Chair's understanding is, it will be in order for the Senator from Delaware to move to table the amendments which have been listed, with one showing of seconds; further, that these votes would occur in a stacked sequence beginning at 4 p.m.; between now and 4 p.m., however, amendments Nos. 2359, and 2406 will be allowed to be debated for a maximum of 10 minutes each. The remaining time until 4 p.m. would be divided equally as stated in the unanimous consent request.

Is that correct?

Mr. CONRAD. That is not correct from our standpoint because our understanding was we were going to get 10 minutes on our side. As the Chair has stated it, it would be 10 minutes total debate on our amendment. So if you could just amend that unanimous consent request to be that on amendment No. 2359, there be up to 10 minutes on a side—and we will endeavor not to use that full time—it would be fully agreeable.

Mr. ROTH. That is satisfactory.

Mr. FEINGOLD. I would ask for the same on the amendment I am proposing with the expectation we will not use all the time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROTH. But, Mr. President, I ask unanimous consent the votes start at 4:15, then, instead of 4 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. May I first congratulate the Chair for having recapitulated this agreement.

The PRESIDING OFFICER. Thank you very much.

Mr. MOYNIHAN. Not a small intellectual feat, equal to my understanding of some of the amendments themselves.

Sir, I am going to make two quick comments. One is anecdotal. I was involved with the negotiation of the Long-Term Cotton Textile Agreement under President Kennedy in 1962. This was a major effort. It was done at the behest of the Southern mill owners and operators, the producers of cotton textiles, and also of the trade unions that represented the garment trades, the Amalgamated Clothing Workers Union and the International Ladies Garment Workers Union, now formed with another union into UNITE. It was a precondition of getting the Trade Expansion Act of 1962, the one major piece of legislation of President Kennedy's first term.

It came and went on to produce what we know as the Kennedy Round. That sequence of long negotiations, most recently was the Uruguay Round, which produced the World Trade Organization. There is another round coming up, we hope, in the aftermath of the Seattle meeting.

Years went by, and I found I was Ambassador to India. On an occasion, in meeting with the Foreign Minister, I said to him, just curiously: Do you find that the quota which India received in the American market of cotton textiles is onerous? It had now been a decade since it was in place. I asked: Is it a trade restriction that is particularly of concern to you? Because if it was, I was required to report it back to Washington.

The Foreign Minister said: Oh, no. That quota guarantees us that much access to the American market which we would otherwise not have, because American textile manufacturers are the low-cost producers. We do not hand loom cotton textiles in this country or wool for that matter. We have the most advanced machinery in the world.

Not to know that, to depict us as the potential victims of the Chinese, with their child labor, does not show any understanding of why nations have child labor. They do so because they do not have machines. They do not have the infrastructure of a modern economy.

The African Growth and Opportunity Act requires that the President certify basically the openness of the trading system, as much as it is going to be open, of the respective countries. The African Growth Act, for example, requires that he determine the country involved has established or is making continual progress towards establishing an open trading system for the elimination of barriers to U.S. trade and investment and the resolution of bilateral trade and investment disputes.

Sir, does anyone wish to name me a nation in the world that would not be open to American investment today? I would ask my friend, the chairman of the committee, is he aware of any country in the world that would refuse American investment?

Mr. ROTH. I would say to the contrary, every country is eager to have American investment.

Mr. MOYNIHAN. They spend their time sending us delegations.

Mr. ROTH. Absolutely.

Mr. MOYNIHAN. There may have been a time—yes, there was, in the era of a planned economy, in the era of the Soviet Union, in another era. Are we debating another era?

We are going to ask the President, under one of these amendments—I have lost track which one—to negotiate 147 reciprocal trade treaties—147—and then, sir, in one of them—I will not say which, because I do not think it would be quite fair—but in one of them, for the third act of imported children's wear, that somehow involves textiles made in the Far East or wherever, the violation is punishable by a fine of $1 million and 5 years in prison.

Do we send people to prison for the mislabeling of cotton goods? I mean, heavens, a little balance, a little perspective. We are talking about marginal producers on the margin of the world economy, trying to give them a hand. In the case of the Caribbean Basin Initiative, we are trying to do what President Reagan said was only fair and balanced: If we were going to have the North American Free Trade Agreement, it should not close out Central America and the Caribbean.

I hope we will proceed as long as we have to with such amendments, but I hope some perspective will be in order.

The PRESIDING OFFICER. The Chair would note, in order to comply with the time agreement previously agreed to, the Conrad amendment would be called up at this time.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 2359

(Purpose: To amend the Trade Act of 1974 to provide trade adjustment assistance to farmers)

Mr. CONRAD. Mr. President, I call up my amendment, the Conrad-Grassley amendment, amendment No. 2359, that has been previously filed at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for himself and Mr. GRASSLEY, proposes an amendment numbered 2359.

Mr. CONRAD. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. CONRAD. Mr. President, I ask my colleagues to give full consideration to this amendment. I consider this a fairness amendment because this amendment, which would extend trade adjustment assistance to farmers, says we ought to be giving them the protection we already give other folks who work for a living.

Right now we have trade adjustment assistance on the books. It is law. If you are working on a job, and you lose your job because of a flood of unfairly traded imports, you have a chance to get back on your feet. But farmers are left out. Farmers are excluded because farmers do not lose their job when they are faced with a flood of unfairly traded imports. Instead, they are faced with a dramatic drop in income.

Instead, I would like to run through a number of charts that show the conditions facing American farmers today.

This shows what has happened to prices over the last 53 years. These are wheat and barley prices. These are in real terms, inflation adjusted, constant dollars. We have the lowest prices in 53 years. One reason is a flood of unfairly traded Canadian imports.

This is the result. This chart shows what the cost of production is. That is the green line. The red line shows what prices for wheat have been over the last 3 years.

Colleagues, wheat prices are far below the cost of production and have been for over 3 years, again partly because of a flood of Canadian imports unfairly traded.

The question is, Are we going to help farmers the same way we help other workers who are faced with this condition? I hope we say yes. I hope we recognize that it is simple fairness to extend the same protection to farmers we extend to other folks who are working for a living in this country.

This amendment is carefully crafted. It is limited to $10,000 per farmer per year with an overall cap cost of $100 million that is fully and completely paid for. We have an offset.

Interestingly, it is one of those rare circumstances where our offset is supported by the industry that would be paying. We have an offset that affects the real estate investment trust. It is supported by the real estate industry. They are willing to pay a little something more to get what they consider is a fair result. It is the same provision that was in the President's tax bill. It is the same provision that has had support on other matters before the Senate but not included in any final packages.

This matter is completely and fully offset. It simply allows that in a circumstance where the price of a commodity has dropped by over 20 percent as certified by the Secretary of Agriculture and where imports contributed importantly to this price drop, farmers will then be eligible for trade adjustment assistance.

This is the same standard the Department of Labor uses to determine whether workers are eligible for trade adjustment assistance when they lose their jobs. In order to be eligible, farmers would have to demonstrate their net farm income has declined from the previous year, and they would need to meet with the Extension Service to plan how to adjust the import competition.

If all of those conditions are met, training and employment benefits available to workers would then be available to farmers as an option.

My colleague, Senator GRASSLEY, is the cosponsor of this amendment and has played a key role in its development. I know he has words he would like to say about this measure as well.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I rise today in support of an amendment I am sponsoring with Senator CONRAD to establish a new, limited Trade Adjustment Assistance Program for farmers and fishermen. There are two key reasons why this new program is so necessary, and why Senator CONRAD and I are offering this legislation.

The first and most important reason is that the existing Trade Adjustment Assistance Program simply does not work for farmers. When a sudden surge in imports of an agricultural commodity dramatically lowers prices for that commodity, and sharply reduces the net income for family farmers, these farmers are undeniably hurt by import competition.

They are just as hurt as steel workers, or auto workers, or textile workers who experience the same thing. But because farmers lose income, but not their jobs, they do not qualify for the existing Trade Adjustment Assistance for workers program. The reduction in family farm income from important competition hurts farmers in a very serious way, because it comes at a time when farmers desperately need cash assistance to repay their operating loans and adjust to the import competition.

The second reason why I offer this legislation is to correct an inequity that should not continue. The inequity is that it is clear that President Kennedy, who designed the original Trade Adjustment Assistance program as part of the Trade Expansion Act of 1962, clearly intended farmers to benefit from the program, just as much as other workers hurt as a result of a federal policy to reduce barriers to foreign trade. In his message to the Congress on the Trade Expansion Act of 1962, President Kennedy spoke about his Trade Adjustment Assistance Program. In fact, in his March 12, 1962 message, he referred to farmers at least three times.

Here is part of what President Kennedy said.

> I am recommending as an essential part of the new trade program that companies, farmers, and workers who suffer damage from increased foreign import competition be assisted in their efforts to adjust to that competition. When considerations of national policy make it desirable to avoid higher tariffs, those injured by that competition should not be required to bear the brunt of the impact. Rather, the burden of economic adjustment should be borne in part by the Federal Government.

What President Kennedy said was so important I want to emphasize what he said: those who are injured by the national trade policies of the United States should not bear the brunt of the impact. And trade adjustment assistance should be available for companies, farmers, and workers.

Mr. President, this is simply an issue of fairness. Basic American fairness.

The United States has lead the world in liberalizing trade. We started this process of global trade liberalization in 1947, when most of the world was reeling from the enormous physical and economic devastation of World War Two. We saw then that the way to avoid this type of catastrophe in the future was to bring nations closer together through peaceful trade and open markets. That process has been spectacularly successful. Through eight series, or rounds, of multilateral trade negotiations, we have scrapped ten of thousands of tariffs. Many non-tariff trade barriers have been torn down. Others have been sharply reduced. The result of 50 years of trade liberalization has been the creation of enormous wealth and prosperity, and millions of new jobs. But not everyone has prospered.

Some have been injured by this deliberate policy of free trade and open markets. And that's exactly why President Kennedy and the 87th Congress created the Trade Adjustment Assistance program. To help those injured by our national policy of free trade and open markets adjust to their changing circumstances with limited assistance.

President Kennedy's Secretary of Labor, Arthur J. Goldberg put it the best. Secretary Goldberg said:

> As a humane Government, we recognize our responsibility to provide adequate assistance to those who may be injured by a deliberately chosen trade policy . . . It is because of the desire to do justice to the people who are affected. . .

Mr. President, we cannot do justice by helping only some of the people affected by our national trade policy. We cannot do justice by ignoring farmers. We must do justice by ignoring farmers. We must reach out to everyone, including farmers, just as President Kennedy envisioned. Now, I know there are some in this Chamber who believe that we should wait to make changes in the Trade Adjustment Assistance program until we can do a full review of the entire TAA program.

I do not agree with that view, for a very fundamental reason. We are only about four weeks away from the start of the WTO Ministerial Conference in Seattle. In Seattle, the United States will help launch the ninth series, or round, of multilateral trade negotiations since 1947.

A key goal of the Seattle Ministerial will be to liberalize world agricultural markets even more. This will mean increased import competition for American agricultural products, not less. Farmers have always been among the strongest supporters of free trade, because so much of what they produce is sold in the international marketplace.

The income our farm families earn in these foreign markets sustains our economy, and contributes greatly to our national well-being. But farm support for free trade cannot, and should not, be taken for granted.

As I said in support of this legislation last week, we are in the worst farm crisis since the depression of the 1930s. Now, low commodity prices are not caused exclusively by import competition. But it is certainly a contributing factor to these historically low prices.

If we lose the support of the farm community for free trade, Mr. President, I doubt that we will be able to win congressional approval for any new trade concessions that may be negotiated in the new round of trade talks. So this is all about fairness. It is about equality. It is about common sense.

For all of these reasons, and because, as Labor Secretary Goldberg said 37 years ago, we must recognize our responsibility as a humane government, I strongly urge my colleagues to support this amendment.

Mr. MURKOWSKI. Mr. President, I am pleased to support the amendment (#2359) proposed by Senators CONRAD and GRASSLEY which would tailor the Trade Adjustment Assistance program so that it helps farmers and fishermen—two groups that are not adequately assisted under the current TAA program.

I voted for this amendment at the Finance Committee markup, and was disappointed that it failed by a narrow margin. But I am pleased that Senators CONRAD and GRASSLEY persevered in pushing this important issue forward. I also want to thank the authors of this amendment for working with my staff to ensure that the provisions cover fishermen in Alaska and Louisiana and other areas along with farmers in the Midwest because these two groups face similar problems.

Finally, I thank the Chairman and Ranking Member of the Finance Committee, Senator ROTH and Senator MOYNIHAN, for accepting this amendment today. I urge them to insist on retaining this language at conference with our House colleagues.

I have long been an advocate of opening markets abroad for U.S. exporters, and putting in place rules to facilitate trade between the nations. I voted for the NAFTA and the Uruguay Round. I support the Finance Committee managers' amendment to the underlying bill which will change our focus in Africa from aid to trade, will give the Caribbean nations parity in their trade with the United States. In addition, I support reauthorizing two important programs: the Trade Adjustment Assistance program and the Generalized System of Preferences program.

But even as we pursue liberalized trade initiatives, we must work harder to help Americans adjust to a changing business climate that is often affected by events half way around the World. For while we can take pride in an historically low unemployment rate nationwide that occurred partly as a result of our open and innovative workplace and trading rules, certain sectors and certain parts of the country are still facing employment losses or income losses as a result of low worldwide commodity prices. Fishermen and Farmers fall in this category.

Let me just use one example. An Alaskan fishing Sockeye Salmon was getting $1.18 per pound in 1996. But last year, that price had sunk to 85 cents—a 28% drop, and a 17% drop over the five-year average. And the drop came in the face of rising imports. Foreign imports of seafood have steadily risen since 1992 while exports have steadily fallen over the same period.

The current TAA program is better suited to traditional manufacturing firms and workers, than to farmers and fishermen. When imports cause layoffs in manufacturing industries, workers are eligible for TAA. In my own state of Alaska, TAA has played an important role both in the oil industry and for the seafood processors. But an independent fisherman does not go to the dock and receive a pink slip, he goes to the radio and hears the latest price for salmon, and he knows that his family's livelihood is threatened. TAA has not been available in his circumstances.

As the authors of this amendment have explained, the TAA for Farmers and Fishers would set up a new program where individual farmers could apply for assistance if two criteria are met.

First, the national average price for the commodity for the year dropped more than 20% compared to the average price in the previous five years.

Second, imports "contributed importantly" to the price reduction.

If these two criteria are met, fishermen would be eligible for cash benefits based on the fishermen's loss of income. The cash benefits would be capped at $10,000 per fisherman. Retraining and other TAA benefits available to workers under TAA also would be available to fishermen interested in leaving for some other occupation.

Mr. President, I believe that this change in the TAA program is long overdue. Again, I want to stress that the traditional TAA program still plays an important role, and I do not want to diminish its current role—but to expand it. The TAA program averts the need for more money in unemployment compensation, welfare, food stamps and other unemployment programs—in short, it keeps Americans employed and able to support themselves and their families.

Let me end, Mr. President, by returning to a few points on the underlying bill. It is unfortunate, in my view, that this might be the only piece of trade legislation that we move this entire Congress.

As you might guess, trade with Africa and the Caribbean Basin countries is not that important to Alaska. I am deeply disappointed that we are not looking at a WTO agreement with China. I continue to believe that President Clinton made a mistake by rejecting the deal that was put together in April, and might not ever get put back together in the same manner. I am also deeply disappointed that we have not considered trade negotiating authority that would be a strong vote of confidence as our negotiators head to the Seattle Round.

Nevertheless, I commend the Chairman of the Finance Committee, Senator ROTH, and the Ranking Member, Senator MOYNIHAN, and our Majority Leader for bringing this legislation to the floor. Perhaps, if we are able to move forward on this piece of legislation, the logjam will be broken. Let's hope.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, in view of the very persuasive arguments of my two colleagues, I ask unanimous consent, notwithstanding the prior consent agreement regarding the Conrad-Grassley amendment, that the amendment be agreed to.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I join my chairman in saying this is a valuable amendment. Having been involved in drafting the legislation in 1962 which created the Trade Adjustment Assistance Act, I think this is an important extension of the same principle.

It is altogether agreeable to this Senator. I hope there will be no objection.

Mr. GRASSLEY. We thank the Senator very much.

Mr. MOYNIHAN. Thank me?

Mr. GRASSLEY. All of you.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2359) was agreed to.

Mr. CONRAD. Mr. President, I thank the chairman and ranking member for their support of the amendment. We appreciate it very much.

I think this amendment is a matter of fairness. I deeply appreciate the response today. I hope this will prevail through the conference. I have the utmost confidence in the chairman's ability to persuade our colleagues over on the House side of the merits of this amendment.

I again thank the chairman. I thank our ranking member, who all along has recognized that this is a logical extension of trade adjustment assistance we provide other workers in our economy.

I thank also my cosponsor, Senator GRASSLEY from Iowa. He and I have worked together closely not only on this amendment but many other matters as well. I thank him very much for his leadership and support.

I thank the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Senator from Illinois, Mr. DURBIN, be made an original cosponsor of amendment No. 2408 relating to anticorruption efforts.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2406

(Purpose: To ensure that the trade benefits accrue to firms and workers in sub-Saharan Africa)

Mr. FEINGOLD. Mr. President, I call up my amendment numbered 2406.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. FEINGOLD) proposes an amendment numbered 2406.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike Sec. 111 and insert the following:

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) AUTHORITY TO DESIGNATE.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities.

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502;

"(D) has established that the cost or value of the textile or apparel product produced in the country, or by companies in any 2 or more sub-Saharan African countries, plus the direct costs of processing operations performed in the country or such countries, is not less than 60 percent of the appraised value of the produce at the time it is entered into the customs territory of the United States; and

"(E) has established that not less than 90 percent of employees in business enterprises producing the textile and apparel goods are citizens of that country, or any 2 or more sub-Saharan African countries.

"(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

"(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

“(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.”.

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

“SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

“In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.”.

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

“506A. Designation of sub-Saharan African countries for certain benefits.
“506B. Termination of benefits for sub-Saharan African countries.”.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

Mr. FEINGOLD. Mr. President, as the Senate considers the African Growth and Opportunity Act, we have to keep asking ourselves the key question: Growth and opportunity for whom?

It is an important question because the Africa trade legislation we are now considering does not require that Africans themselves be employed at the firms that are going to receive the trade benefits. In fact, AGOA, as it now stands, actually takes a step backwards for Africa. The GSP program requires that 35 percent of a product's value added come from Africa, but this legislation actually lowers the bar to 20 percent.

Under this scheme, it is possible that a product would meet the 20-percent requirement and qualify for AGOA benefits. For example, if non-African workers physically standing in West Africa simply sewed a “Made in Togo” label on apparel and then shipped it to the United States, that is all they would have to do. It makes something of a mockery of how this is supposed to help African countries and African workers.

This plan undercuts the potential for trade to boost African employment and encourages transshipment of goods from third countries seeking to evade quotas. As I said before on the other amendment, the U.S. Customs Service has determined that for every $1 billion of illegally transshipped products that enter the United States, 40,000 jobs in the textile and apparel sector are lost.

So this amendment would also fight transshipment but in another way, requiring that 60 percent of the value added to a product has to come from Africa. It is a significant improvement over the 20 percent of the bill. I think it is an appropriate improvement over the 35 percent of the GSP standard.

This amendment also emphasizes African opportunities. It requires that any textile firm receiving trade benefits must employ a workforce that is 90-percent African. This doesn't mean that all 90 percent of the people have to come from a particular African country where the company might be or the activity might be, but they do have to be citizens of an African country.

This provision holds out an incentive to African governments, businesses, and civil society to develop their human resources. That would not only be good for Africa; it would be good for America, as well as our trading partners in the region gaining economic strength.

Without these amendments, this legislation offers neither growth nor opportunity to Africans themselves. In fact, unless the Senate makes these changes, we will simply see a continuation of a disturbing trend.

In the first 4 years of this decade, corporate profits in Africa average 24 to 30 percent compared with 16 to 18 percent for all developing countries. But real wages in Africa continue to fall, as they have for nearly three decades now. The number of African families unable to meet their basic needs has doubled. It would be irresponsible to pass an African trade bill that reinforced this dangerous disconnect between corporate profits and African wages.

I know my colleagues who support the African Growth and Opportunity Act do so because they genuinely want to engage with the continent. I share their goal, and I believe this amendment would push U.S. Africa policy in that direction by linking economic growth and human development protecting both African and American interests.

I ask my colleagues to support this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in opposition to Senator FEINGOLD's amendment which incorporates provisions of S. 1636, the HOPE for Africa Act.

Frankly, this legislation would be better described as the “No Growth and No Opportunity Act.” Even a cursory reading of the provisions reflect an intent to throttle any form of productive investment in Africa. Rather than offering the nations of sub-Saharan Africa the opportunity to lift themselves out of poverty on their own terms, this bill says Africa will have to do so on our terms or not at all.

Let me explain why.

The sponsors of the bill have made two principal arguments on its behalf: First, that it would expand trade; second, that it would yield responsible investment in Africa. In fact, the bill would have the opposite effect on both counts. The bill would actually impose greater restrictions on trade with Africa than would currently be the case and would actively discourage any form of private investment.

For example, under the current GSP program, the rules require that products from beneficiary countries must contain 35-percent value added for the beneficiary country to qualify; and the HOPE for Africa bill would raise that to 60 percent, which would effectively end any prospects for firms in African countries that hope to enter into production-sharing arrangements for the assembly of products in Africa.

Current law does not impose any requirement that all employees of an enterprise be from the beneficiary country for the company's product to qualify. But the HOPE for Africa bill would dictate that 90 percent of the employees of any enterprise producing textile and apparel goods must be citizens of beneficiary countries. In other words, no legal residents or immigrants would be employed in these plants above a certain set limit.

How, I wonder, would the U.S. Customs Service enforce these provisions? Would U.S. Customs have to investigate and certify every plant in advance? Would Customs have to require reports on all new hires by the individual enterprise? Or would Customs have to be involved in the individual firm's hiring decisions from the start in order to be sure the firm was precisely at 90-percent employment from beneficiary countries?

In short, the amendment does exactly the opposite of what it purports to do. I therefore urge my colleagues to vote against this amendment.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, in response to the chairman's remarks, I believe those provisions would be enforceable. We already have a mechanism where an import's country of origin must be verified. The consent must also be verified. I suggest we use the same mechanisms in place to certify African value content. In fact, it was indicated under GSP that it is a 35-percent requirement and under this bill is a 20-percent requirement.

The question doesn't seem to be whether we can enforce it or identify it; the question seems to be, What should the percentage be?

In response to the broader point that somehow this is going to be unfair to the countries of Africa, it is just the opposite. What we are trying to avoid with this amendment is, in effect, the exploitation of African countries as a way for other countries to get away with something they can do right now very easily; for example, the Chinese willingness here to use transshipment through African companies to undercut American jobs. All we are trying to do is have a reasonable assurance, in two ways, that Africans are actually having a chance to do the work and they are actually contributing to the product.

A 60-percent requirement is not 100 percent, it is a reasonable level. It still leaves room for joint activities with other entities. And a 90-percent requirement is not restricted, as the chairman has suggested, to one country, but 90 percent have to be African citizens of any one of the over 50 African countries. It still leaves a 10-percent possibility for workers from other countries. If we don't do this, this proposal has nothing to do with making sure African workers get an opportunity to have a decent living and to have these economic opportunities. This bill has to be a two-way street at some level, Mr. President; it is not that now. This amendment is a good-faith effort to make it more balanced and to be fairer to African workers. I strongly suggest it is a modest step that needs to be taken to improve this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I don't wish to suggest there is anything but good intentions behind all these measures. But to introduce the idea of—is it citizenship we are talking about, ancestry, or what? What is an African, sir? South Africa would be part of the arrangements in this African Growth Act.

Suppose there was a plant in Johannesburg that was owned by the descendants of Dutch settlers who arrived in the 17th century; some of the managers were Indian persons who had emigrated in the 19th century under the British Empire—under the British Empire, people moved all over the world. We recently had the great honor of meeting, just off the Senate Chamber, with heads of state from the Caribbean area, and the President of Trinidad and Tobago is of Indian ancestry. That is very normal. Indians moved to California, having gone to the British Empire and gone to Canada and were coming down. And suppose there were Zulu workers there—African, obviously, but they are more recent arrivals than most.

Mr. FEINGOLD. Will the Senator yield for a question?

Mr. MOYNIHAN. I am happy to.

Mr. FEINGOLD. I wish to ask a question. Our bill only provides that 90 percent of the people who work in the firm have to be citizens of an African country. It does not suggest in any way anything about their ethnic or racial background. I am very sensitive to that. I wonder if the Senator is aware that that is the only requirement, so anyone who is a citizen of any one of the African countries, regardless of their background, would be within the 90 percent.

Mr. MOYNIHAN. I am aware of that, and I recognize that is a very reasonable thought. But I do know, from some experience in that part of the world, that citizenship is not a standard statutory entitlement of the individual, as it would be—well, even in our country, if you come here, you have to go through a great deal to become a citizen. If you are born here, you already are. That can be a very ambiguous situation, sir. I don't know.

May I ask my friend, are Mauritians Africans or Indians? One of the big issues, I can say to the Presiding Officer, is that in Mauritius a considerable textile trade has developed with Mauritian sponsors and Chinese migrant workers. Are Mauritians Africans?

Mr. FEINGOLD. If you are suggesting they are citizens of Mauritius, for the purposes of this bill, they would certainly qualify as people who could be counted within the 90 percent.

Mr. MOYNIHAN. If you are on the Indian Ocean, how sure are you that you are in Africa?

Mr. FEINGOLD. It is the definition of African countries as set forth in the bill. I believe that would be in the list of countries.

Mr. MOYNIHAN. I get to the point, and I don't make it in any hostile manner. I just say the complexities of the world, just that part of it, are very considerable. I am reluctant to see such categories enter trade law. No one has ever asked whether the products of the American clothing workshops in New York City were made by American citizens. There surely would have been a time when the majority—or many of them—were not American citizens at all. They would have come from what would become Poland, and there was no concept of citizenship for the occupants of the shtetls. I just suggest there is considerable ambiguity. I don't wish to press the matter.

I yield the floor.

Mr. FEINGOLD. Mr. President, in response to that, I recognize the argument regarding American history. Surely there is a different scenario when we talk about African countries.

The problem I am trying to address—and I appreciate the Senator's point—is that we are fearful, with good reason, that African countries will be used as a conduit to allow the kind of activity the Chinese entities obviously intend to pursue, which is to essentially run these products through an African country, stamp the label on it, not really let Africans play a significant role in producing the product, and undercut our quota laws. That is the reason for doing this. I don't think it is particularly difficult to administer or to do when we suggest we are talking here about citizenship of an African country without any other criteria.

We do allow for migration in Africa. We allow for Africa seeking out opportunities where they find them. We are trying to make sure this is some nexus between this legislation and the opportunities for Africans to benefit, as well as large corporations that may benefit. This is an attempt to make the bill better. I think it is one that is not too difficult to achieve.

I yield the floor.

Mr. MOYNIHAN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORTON). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. HOLLINGS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, let me join in with the distinguished Senator from Wisconsin.

One of the areas I am trying to find with respect to the amount of work or the amount of production or percent of production of an article, it was found by merely placing the label on the article because one had to unload, load back, and assimilate in a particular way in order to get the label. The mere labeling was considered to be 20 percent. That would have complied with parts of this particular CBI/Sub-Sahara bill.

The requirement of the Senator from Wisconsin at 60 percent makes sure we can't get this specious argument about the percentage and the extra work of loading and unloading and putting it through a different set of machinery, tools, adding a label. That constitutes 20 percent. I understand the intent is to get investment and jobs with respect to the Caribbean Basin and with respect to the sub-Sahara countries. There is no question it is well considered. It ought to be at least 60 percent, as called for by Senator FEINGOLD's amendment.

With respect to my colleague, the distinguished senior Senator from New York, dramatically asking the question, Can anybody name a country where they don't want American investment? That is very easily done. Go to Japan. They started this. Companies still can't get investment there unless the investment doesn't pay off as an investment. Companies have to have a license technology, make sure the jobs are there, make sure the profits stay there.

We have been trying to invade the Japanese market for 50 years without success. They have their Ministry of Finance. They have their Ministry of Industry and Trade (MITI). There is no question, companies can't get in there.

Go to China. Ask Boeing how they got in China. Read the book "One World Ready or Not." It was pointed out, 40 percent of the Boeing 777 parts are not made up in Seattle or anywhere in the United States; they are made by investments in China. How do those investments happen? They said yes, you can invest here if you license the technology, if you produce the parts and create the jobs here and keep your profits here. That is fine business.

To the rhetorical question, Does anyone know of a country that doesn't want the American dollar? That is what they are talking about. I can tell Members, as we look at the stock market, they are going from the American dollar to the Japanese yen or to the Deutsche mark. We will be devaluing that dollar shortly at the rate of $300 billion trade deficit and $127 billion fiscal deficit. We did not run a surplus at the end of September; we ran a deficit of $127 billion. That is according to the Treasury's own figures we submitted.

Yes, I can answer that question readily. These countries don't want investment unless you can get what I am trying to get. I am trying to get the jobs. I am trying to get the investment.

Don't tell a southern Governor how to carpetbag. We have been doing that for years on end. I know it intimately. I have traveled all over this country trying to solicit and bring industry to South Carolina. I was the first Governor in the history of this country to go to Latin America, and later took a gubernatorial mission after the election in 1960 with some 27 State Governors, trying to get investment into South Carolina. I traveled to Europe. I called on Michelin in June of 1960. Now we have beautiful plants and the North American headquarters of Michelin. We can go down the list.

We know how to do it, and the others are doing it to us. We understand that. However, there is a degree of takeover, so to speak, or export of these jobs. We cannot afford it, particularly in the textile area. It will happen in all the other hard industries, as has been characterized by Fingleton, if this continues.

Rather than talk about the agriculture getting a special trade representative—agriculture is never left out. The Secretary of Agriculture is always there, the special trade representative, the export-import financing is there; everything is there for agriculture. I don't mind them putting this amendment on there, but it points up, if Members get politically the right support, they can get their amendment accepted around here even though it is not germane and it is not relevant.

However, if one gets a good amendment as required, as both the chairman of the Finance Committee and the ranking member required in the NAFTA bill, it was included in the NAFTA bill. Fortunately, the ranking member did vote with us. The chairman of the Finance Committee went along and supported the side agreements with respect to labor, the side agreement with respect to the environment, and the reciprocity from both Canada and Mexico.

The PRESIDING OFFICER. The Senator from South Carolina has used his hour under cloture.

Mr. ROTH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

There are 4 minutes equally divided before the vote.

AMENDMENT NO. 2379

Mr. HOLLINGS. Mr. President, the Senator from Delaware said this amendment would discourage investments. The very same amendment was included at his behest in the Finance Committee on NAFTA. It has not discouraged investment whatever in Mexico. On the contrary, the Koreans, the Chinese, Taiwanese, the Americans, everyone is investing like gangbusters down in Mexico.

That is what they talk about, the success of NAFTA. So this is worded to include the language exactly as they have included it in the NAFTA agreement. Could it be on labor rights that this body wants to put a stamp of approval on a situation such as the example I gave of a 13-year-old young girl working 100 hours at 13 cents an hour until 3 in the morning? Do we want that kind of thing going on?

I am sure we do not want to put the stamp of approval on the threats they will be killed when they ask for certain labor considerations down in Honduras. I went through all of those particular examples.

We do not want to invest in scab labor. What we want to invest in is an opportunity and an improved lot with the Caribbean Basin Initiative here. So it is, the amendment should not be tabled. It is in force, working with respect to NAFTA. There is no reason why it cannot work in this particular place.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise to urge my colleagues to table the amendment. I do so for two reasons. First, as I have stated previously, the goal of this legislation is to encourage investment in Africa, the Caribbean, and Central America. This amendment would undermine that effort by requiring the difficult negotiations of side agreements that would delay the incentive the bill would create. That, I argue, is of no help to these developing countries and will not lead to any great improvement in their labor standards.

The second reason I oppose the amendment is that it essentially depends on economic sanctions to work. Its threat is that the economic benefits of the beneficiary countries will be cut off if the countries do not comply with the terms of some agreement yet to be negotiated. That not only undercuts the investment incentive by increasing the uncertainty of a country's participation in the program, but it also does little to raise labor standards. For that reason, I urge this amendment be tabled.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I join the chairman in urging this matter be tabled. We have a fine underlying bill and we hope to take it to conference with as little encumbrance as can be, certainly none to which there would be instant objection on the House side.

I yield the floor.

Mr. ROTH. Mr. President, under the provisions of the previous consent, I now move to table the amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2379.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. McCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced, yeas 54, nays 43, as follows:

[Rollcall Vote No. 345 Leg.]

YEAS—54

Abraham
Allard
Ashcroft
Baucus
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Cochran
Coverdell
Craig
Crapo
DeWine
Dodd
Domenici
Enzi
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Hagel
Hatch
Hutchinson
Hutchison
Inhofe
Jeffords
Kerrey
Kyl
Landrieu
Lieberman
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Voinovich
Warner

NAYS—43

Akaka
Bayh
Biden
Bingaman
Boxer
Bryan
Byrd
Campbell
Cleland
Collins
Conrad
Daschle
Dorgan
Durbin
Edwards
Feingold
Feinstein
Harkin
Helms
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Shelby
Snowe
Thurmond
Torricelli
Wellstone
Wyden

NOT VOTING—2

Gregg
McCain

The motion was agreed to.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

CHANGE OF VOTE

Mr. ROCKEFELLER. Mr. President, on Hollings amendment No. 2379, the junior Senator from West Virginia voted "aye" and wishes to change his vote to "nay." I ask unanimous consent to be able to change my vote. My change of vote would have no effect on the outcome of the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2428

Mr. MOYNIHAN. Mr. President, I believe a vote is scheduled.

The PRESIDING OFFICER (Mr. HAGEL). The Senator is correct.

There are 4 minutes evenly divided for debate prior to the vote.

Who yields time?

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this amendment simply intends to try to make sure that the African portion of this legislation does not become a mechanism whereby governments or businesses from China, for example, ship their goods through Africa as a way to evade American quotas.

This is another process called transshipment. During the debate, I pointed out that on a web site of the Chinese Government, they essentially say this is exactly what they are going to do. It is what they are already doing.

We have put some responsibility on importers. American importers will have the benefit of this bill to make sure they vouch for the legitimate content of this product having some characteristic of being actually from Africa. It is a very important provision to make sure this bill has some balance and it doesn't threaten American jobs. The figures I quoted indicate that for every $1 billion in illegally transshipped goods, it costs about 40,000 American jobs in the textile and related areas.

This is a very straightforward amendment that opposes the practice of transshipment I think every Member of this body would like to support.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in opposition to the amendment and ask that it be tabled.

First, the Finance Committee bill already contains the specifically enhanced transshipment provisions beyond those contained in the House bill. The Finance Committee bill would suspend exporters and importers from the benefits of the program for 2 years if found to have transshipped in violation of the rule.

Second, the Customs Service already has extensive power to combat transshipment. Let me be clear what transshipment is. It is Customs law. Customs already has the enforcement power to address these concerns.

Mr. President, I ask unanimous consent that the remaining votes in this series be limited to 10 minutes in length.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would like to associate myself with the chairman and note that this measure, among other things, provides for up to 5 years imprisonment for a third dispute. We don't want to criminalize international trade.

Mr. ROTH. Mr. President, let me add that the Senator from Wisconsin has done nothing to address my concerns regarding the constitutional infirmity of his amendment. As I have already stated, my colleague's amendment would expose individuals to criminal and civil penalties without the due process required by the U.S. Constitution. That is simply unconscionable.

I therefore urge my colleagues to vote to table the amendment.

Mr. FEINGOLD. Mr. President, I wish to respond to both the chairman and the ranking member.

They have suggested, it seems to me, that somehow this provision automatically involves imprisonment. That is simply not correct. Under the first offense, there is only a civil penalty involved for the importer in the amount equal to 200 percent of the declared value of the merchandise. A second offense then would involve perhaps up to 1 year of imprisonment. It is only in a third offense that it would be 5 years.

It is simply not correct to suggest that if somebody makes a mistake once, suddenly they are going to be imprisoned. It is not nearly as harsh as that. It is a reasonable series of penalties for people who are going to get enormous benefit under this legislation.

Mr. MOYNIHAN. Mr. President, the Senator is correct. I believe I said the provision provided "up to" on the third event. But we will not dispute it. The facts are accurately stated by the Senator from Wisconsin.

The PRESIDING OFFICER. Is all time yielded?

Mr. ROTH. I yield the remainder of my time.

The PRESIDING OFFICER. The question is on the motion to table amendment No. 2428. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. McCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 53, nays 44, as follows:

[Rollcall Vote No. 346 Leg.]

YEAS—53

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Bond
Breaux
Brownback
Burns
Cochran
Coverdell
Craig
Crapo
Daschle
DeWine
Domenici
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Hagel
Hatch
Hutchinson
Jeffords
Kerrey
Kyl
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Murray
Nickles
Roberts
Roth
Santorum
Shelby
Smith (OR)
Stevens
Thomas
Thompson
Voinovich
Warner
Wyden

NAYS—44

Akaka
Biden
Bingaman
Boxer
Bryan
Bunning
Byrd
Campbell
Cleland
Conrad
Collins
Dodd
Dorgan
Durbin
Edwards
Feingold
Harkin
Helms
Hollings
Hutchison
Inhofe
Inouye
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Mikulski
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Sessions
Smith (NH)
Snowe
Specter
Thurmond
Torricelli
Wellstone

NOT VOTING—2

Gregg
McCain

The motion was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2483

The PRESIDING OFFICER (Mr. SMITH of Oregon). Under the previous order, there are 4 minutes of debate equally divided for the motion to table amendment No. 2483. The Senate will be in order. Who yields time? The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, this amendment is nothing more than the previous amendment on side agreements on labor. This one would require the side agreements with respect to the environment. The distinguished Presiding Officer knows I know the feeling of strength out on the west coast for the environment. I have traveled up there, for example, in Puget Sound and have had the hearings with Dixie Lee Ray when she was the oceanographer, John Linberg, and all the rest. I come back to the statement by my distinguished ranking member quoted in the Wall Street Journal this morning——

Mr. MOYNIHAN. Mr. President, we do not have order. We cannot hear the Senator from South Carolina.

The PRESIDING OFFICER. The Senators will take their conversations to the Cloakroom.

The Senator from South Carolina.

Mr. HOLLINGS. As quoted in the morning Wall Street Journal, the distinguished Senator MOYNIHAN of New York said:

> We were planning to spend a few days in Seattle, just meeting people.

But if you could not get this bill passed, they would not have any credibility.

> I don't want to show my face.

I know in general the Democrats are considered prolabor and the Republicans are considered generally as antilabor. But with respect to the environment it has been bipartisan. There was no stronger protector of the environment than our late friend, John Chafee of Rhode Island. He led the way for Republicans and Democrats. I would not want to show my face in Seattle, having voted that you could not even sit down, talk, and negotiate something on the environment, the very same provisions that the chairman of the Finance Committee required in the NAFTA agreement. It is in the NAFTA agreement. I am only saying, since we are going to extend NAFTA to the CBI, let's put the same requirements there with consideration for the environment.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, may I say that will teach me to ask for order when the Senator from South Carolina is speaking.

But we are required, as managers, to make the same point on this measure, this amendment, that we made on the earlier Hollings amendment. This would require us to negotiate 147 environmental agreements around the world before any of the provisions of the African bill or the Caribbean Basin Initiative or the tariff preferences under the Generalized System of Preferences can be extended.

NAFTA was a relatively simple three-party negotiation. We have very few differences with Canada, and such as we had with Mexico were worked out. In so many of the countries we are talking about in sub-Saharan Africa, the nation, the area, is an environmental disaster. That is why we are trying to develop some trade, some economic influx—trade not aid. We would not do it. What would be your standard for the Sudan? What would be your standard for parts of the Congo? What would you know about the country with which you are negotiating?

These are terribly distressed regions. We have had three decades of declining income, of rising chaos. The best hopes are the countries that want this agreement. We are not going to leave environment behind, but we should move ahead on this measure. I think my chairman agrees with me in this matter. I yield the floor.

The PRESIDING OFFICER. The time has expired.

Mr. MOYNIHAN. I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2483.

The yeas and nays have previously been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 347 Leg.]

YEAS—57

Abraham
Allard
Ashcroft
Baucus
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Cochran
Coverdell
Craig
Crapo
DeWine
Dodd
Domenici
Enzi
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Hagel
Hatch
Hutchinson
Hutchison
Inhofe
Jeffords
Kerrey
Kyl
Landrieu
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Voinovich
Warner

NAYS—40

Akaka
Bayh
Biden
Bingaman
Boxer
Bryan
Byrd
Cleland
Collins
Conrad
Daschle
Dorgan
Durbin
Edwards
Feingold
Feinstein
Harkin
Helms
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Thurmond
Torricelli
Wellstone
Wyden

NOT VOTING—2

Gregg
McCain

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHANGE OF VOTE

Mr. LAUTENBERG. I ask unanimous consent that on a vote I cast on amendment No. 2483 which I indicated in the affirmative to table, I be permitted to change that vote without affecting the outcome.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

AMENDMENT NO. 2485

The PRESIDING OFFICER. There is now 4 minutes of debate equally divided on amendment No. 2485.

Who yields time?

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, by this vote we will determine whether we are for foreign aid or foreign trade. The truth is that the Marshall Plan in foreign aid is really a wonderful thing. We have defeated communism with capitalism. It has worked.

But now after 50 years, with running deficits in excess of $100 billion for some 20 years, we are just infusing more money into the economy than we are willing to take in. There was the deficit of $127 billion here just at the end of September for the year 1999; otherwise, running a deficit in the balance of trade of $300 billion; then with our current account deficit totaling $726 billion in the last 7 years and our net external assets really in the liabilities over the last 7 years from $71 billion to $831 billion.

We are going out of business. It would be a wonderful thing. But let's have some reciprocity. All we are saying is, when we make an agreement, we take some of these particular regulations affecting, for example, textiles—there is a whole book of them here—and if we lower ours, let them lower theirs.

Cordell Hull, 65 years ago, with the reciprocal trade agreements of 1934, is what got the country going again industrially, and that is what will get it going again if we obey the reciprocity that we included in NAFTA.

All I am trying to do, if we are going to extend NAFTA, let's have the same reciprocity we had in NAFTA in these particular CBI agreements.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I oppose the amendment. I do so for three reasons. The first reason, as I have stated previously, is that the purpose of this legislation is to encourage investment in Africa, the Caribbean, and Central America by offering these poverty-stricken countries a measure of preferential access to our markets.

This amendment would undermine that effort by making eligibility explicitly dependent on the offer of reciprocal benefits to the United States equivalent to those that the U.S. is entitled under NAFTA. This is a standard even the WTO members among the beneficiary countries could not currently satisfy.

The second reason I oppose the amendment is that the Finance Committee bill already instructs the President to begin the process of negotiating with the beneficiary countries under both programs for trade agreements that would provide reciprocal market access to the United States, as well as a still more solid foundation for the long-term economic relationship between the United States and its African, Caribbean, and Central American neighbors.

Finally, let me point out that the bill does encourage reciprocity where it really counts in the context of this bill. By encouraging the use of U.S. fabric and U.S. yarn in the assembly of apparel products bound for the United States, the bill establishes a solid economic partnership between industry in the United States and firms in the beneficiary countries. That provides real benefits to American firms and workers in the textile industry by establishing a platform from which American textile makers can compete worldwide. That is precisely the benefit our industry most seeks in the context of our growing economic relationship with both regions.

In short, I oppose the amendment and urge my colleagues to do so as well.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2484. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 70, nays 27, as follows:

[Rollcall Vote No. 348 Leg.]

YEAS—70

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Cochran
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Hagel
Harkin
Hatch
Hutchinson
Hutchison
Inhofe
Jeffords
Kerrey
Kerry
Kyl
Landrieu
Leahy
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Murray
Nickles
Reid
Roberts
Roth
Santorum
Schumer
Sessions
Shelby
Smith (OR)
Specter
Stevens
Thomas
Thompson
Voinovich
Warner
Wellstone
Wyden

NAYS—27

Akaka
Boxer
Bunning
Byrd
Campbell
Cleland
Collins
Dorgan
Durbin
Edwards
Helms
Hollings
Inouye
Johnson
Kennedy
Kohl
Lautenberg
Levin
Mikulski
Reed
Robb
Rockefeller
Sarbanes
Smith (NH)
Snowe
Thurmond
Torricelli

NOT VOTING—2

Gregg
McCain

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2406

Mr. ROTH. At the request of the Senator from Wisconsin and with the approval of the senior Senator from New York, I ask that the yeas and nays be vitiated with respect to amendment No. 2406. I ask unanimous consent that the Senate conduct a voice vote on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to table amendment No. 2406.

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, under rule XXII, I yield my hour to the Democratic leader.

Mr. THOMAS. Mr. President, under rule XXII, I yield my hour to the majority manager of the bill.

Mr. REED. Mr. President, under rule XXII, I yield my hour to the minority leader.

Mr. COCHRAN. Under rule XXII, I yield my hour to the majority manager.

Mr. EDWARDS. I yield 50 minutes allotted to me to the senior Senator from New York so he may yield to the junior Senator from Wisconsin.

Mr. LAUTENBERG. Under rule XXII, I yield my hour to the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 900

Mr. ROTH. I ask unanimous consent the majority leader, after consultation with the minority leader, may proceed to consideration of the conference report to accompany the financial services bill and provide further that the conference report has been made available and the conference report be considered as having been read and the Senate proceed to its immediate consideration.

I further ask that there be 4 hours equally divided between the chairman and the ranking minority member, an additional hour under the control of Senator SHELBY, 1 hour for Senator WELLSTONE, 30 minutes for Senator BRYAN, and 20 minutes for Senator DORGAN. I further ask consent that no motions be in order and a vote occur on adoption of the conference report at the conclusion or yielding back of my time without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. In light of this agreement, there will be no further votes this evening.

MORNING BUSINESS

Mr. ROTH. I ask unanimous consent the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOLUNTARY CONFESSIONS LAW

Mr. THURMOND. Mr. President, I rise today to express my deep disappointment at the Justice Department's decision not to defend a law of Congress regarding voluntary confessions.

Last evening, the Justice Department responded to the petition for certiorari from the Fourth Circuit Dickerson case, which had upheld 18 U.S.C. Section 3501, a law the Congress passed in 1968 to govern voluntary confessions. The Department refused to defend the law, arguing that it is unconstitutional under Miranda v. Arizona.

This position should not be surprising. Earlier, the Clinton Justice Department had refused to defend the law in the lower Federal courts. It had prohibited a career Federal prosecutor from raising the statute to prevent Dickerson, a serial bank robber, from going free, and had actively refused to permit other prosecutors from using the statute. However, it had held out the possibility that it would defend the law before the Supreme Court. Indeed, prior to the time the Department was forced to take a position in the Dickerson case, the Attorney General and Deputy Attorney General had indicated to the Judiciary Committee that the Department would defend Section 3501 in appropriate cases.

The Attorney General's refusal to enforce the law puts her at odds with her predecessors. Former Attorneys General Meese, Thornburg, and Barr have informed me through letters that they did not prevent the statute from being used during their tenures, and indeed, that the statute had been advanced in some lower court cases in prior Administrations. They added that the law should be enforced today. During a hearing on this issue in the Judiciary Criminal Justice Oversight Subcommittee, which I chair, all the witnesses except one shared this view.

The position of the Justice Department is also contrary to the views of law enforcement groups, which believe that Miranda warnings normally should be given but that we should not permit legal technicalities to stand in the way of an otherwise voluntary confession and justified prosecution. Most recently, according to press reports, even Federal prosecutors urged Justice officials to defend this law. It was all to no avail. In my view, the Department has a duty to defend this law, just as it should defend any law that is not clearly unconstitutional. Each court that has directly considered the issue has upheld the law. Nevertheless, the Justice Department will not abide by its duty to defend the statute, and I believe it is critical that the Congress file an amicus brief or intervene in the Supreme Court defending it.

In this case, the Justice Department has deliberately chosen to side with defense attorneys over prosecutors and law enforcement. It has deliberately chosen to side with criminals over victims and their families. This is a serious error. The Department should not make arguments in the courts on behalf of criminals. This is a sad day for the Department of Justice.

THUGGERY IN KOSOVO

Mr. BIDEN. Mr. President, I rise today to condemn in the strongest manner possible the anti-democratic violence that continues in Kosovo. This violence takes many forms, the most widely publicized of which is attacks by ethnic Albanians on Serbs and other minority groups in the province. KFOR and the U.N. Mission must stamp out these attacks immediately.

What has received less media attention is the intimidation, and occasional violence, within the ethnic Albanian community. Recently there were public threats against the lives of two of Kosovo's most respected journalists, Veton Surroi and Baton Haxhiu, editors of the newspaper "Koha Ditore."

On my trip to Kosovo eight weeks ago, I met with Mr. Surroi. He had already spoken out against violence against Kosovo's Serbs and was already receiving private threats as a result. Mr. Surroi is a worldly, courageous democrat—exactly the sort of person that Kosovo needs to achieve genuine democracy.

During the same trip, I also met with Hashim Thaqi, political leader of the Kosovo Liberation Army. I told Mr. Thaqi that he and his forces would have to submit unconditionally to civilian authority and respect the rights of all political parties, ethnic groups, and individuals in Kosovo.

With this as background, Mr. President, I ask unanimous consent that an open letter published in Kosova Sot on October 29, 1999 by James R. Hooper, President of the Balkan Action Council, to Mr. Thaqi appear in the RECORD after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. Hooper, incidentally, testified before the Foreign Relations Committee earlier this year and is considered to be one of this country's most knowledgeable experts on the Balkans.

Mr. President, those of us in the Congress who supported the legitimate rights of the people of Kosovo to escape the brutality of Slobodan Milosevic will not stand idly by and watch a Serbian tyrannical master be replaced by an ethnic Albanian one.

As Mr. Hooper's eloquent letter makes clear, Mr. Thaqi and the other leaders of the Kosovo Liberation Army must immediately and forcefully speak out against the thuggery that is afflicting the province and take measures to eradicate it.

Mr. President, if they do not, they will lose the support of the international community. And without that support, they themselves have no political future.

I thank the Chair and yield the floor.

OCTOBER 29, 1999.

OPEN LETTER TO HASHIM THAQI: I am deeply troubled by the public threats against Veton Surroi and Baton Haxhiu of Koha Ditore that recently appeared in Kosovapress, the media organ associated with your organization. Surroi and Haxhiu are viewed in the United States and Europe as two of the most prominent supporters of democracy and free speech in Kosovo. If they are at risk, it means that Kosovo's hopes for democracy and free speech are jeopardized as well.

Your unwillingness to immediately condemn such extreme attacks on two outstanding representatives of Kosovo's civil society suggests that you hold a vision of Kosovo's political future in which those who democratically express differences of opinion will not be tolerated, and dissent will be harshly disciplined.

This in turn projects to your fellow citizens an anti-democratic attitude that is intolerable. And it conveys the impression to the international community that you and some of your former KLA colleagues maintain a hidden agenda for Kosovo that is far from democratic.

I want to make one thing absolutely clear: I am convinced there will be no support among Kosovo's friends around the world, including me, for the replacement of a Serbian dictatorship by an ethnic Albanian copy. If Kosovo's future is not to be democratic, then it will not likely be independent either. Independence must be earned in the democratic political arena as well as on the battlefield. Support among the American people and their elected representatives and government for the people of Kosovo would disappear rapidly if Kosovo moved in non-democratic directions.

Unfortunately, the actions of some who support you, and your own apparent indifference and inaction in the face of the killing of Kosovo citizens, are already jeopardizing the continuation of that support. The pattern of violence against Kosovo Serbs appears to reflect in part an organized effort by some in the former KLA to expel all Serbs from Kosovo. The murder of elderly Serbs and unarmed villagers evokes an atmosphere of terror in which innocent minorities are brutalized by those with the power to dispense victor's "justice."

A Kosovo in which the rights of non-Albanian minorities are routinely violated is not likely to prove respectful of Albanians whose views do not fit those of the prevailing forces. After all, this is the model Belgrade used for over ten years. A mono-ethnic Kosovo forcibly cleansed of its minorities through violence is unlikely to be a democratic Kosovo.

While you have spoken out against the killings of ethnic Serbs in the past, you have taken few serious steps to rein in those who are organizing the violence. I strongly urge you to take determined action to remove suspicions that you condone the violence against Kosovo's non-Albanian minorities and to condemn the threats to Veton Surroi and Baton Haxhiu.

JAMES HOOPER,
Executive Director,
Balkan Action Council.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Mr. ALLARD. Mr. President, I am not going to ask for a recorded vote against S. 688, the re-authorization of the Overseas Private Investment Corporation. But I want to make it clear that I am not stepping back from my philosophies on this issue.

During my campaign for the United States Senate, I stressed the themes of balancing the budget, congressional reform, making government smaller, and moving the power out of Washington and into the states and localities. That is why I introduced the "Overseas Private Investment Corporation Termination Act."

I still fee it is time to end this form of subsidies for large companies. I have never believed in giveaway programs. Whether you are a farmer or a large corporation you should play by the rules of the free market system. Less government should be in the motto of this and every Congress.

OPIC may seem to have a good end goal but the problem is not the end but the means. Basically this is an insurance program run by the Federal Government for corporations who want to invest in risky political situations. This leads to the question, "Is this the appropriate role for government?" I don't believe so. But I also understand that the time is not yet ripe for ending this program.

I have met with the President of OPIC, George Munoz. He and I have agreed that our problem is not a conflict of interest, not different goals, and not a lack of proper communication. We merely have a fundamental philosophical difference. I believe free trade means free trade, not "more free than others."

I am a free trader. I am a supporter of the GATT and NAFTA. I believe that free trade is the best way to raise the living standards for all Americans. We need to support policies that reduce trade barriers. OPIC does not reduce trade barriers for all companies to compete in the marketplace. It is an income transfer program from U.S. taxpayers to a selected group of businesses. These subsidies may increase exports for a few selected companies that have the political influence to secure these loans, but it does little to expand the overall economic growth of this country.

OPIC's re-authorization will soon pass this Senate, but I wish it to be known that I still recommend its termination. I continue to worry that the majority of my colleagues will not fully understand the detrimental potentialities of this organization until the American taxpayer is stuck with a tremendous bill.

COSPONSORSHIP OF AMENDMENT

Mr. ROBB. Mr. President, on October 20, 1999, during debate over S. 1692, the Partial Birth Abortion Ban Act, I had asked to be added as a cosponsor of Senate amendment 2319, offered by Senator DURBIN. Unfortunately, my cosponsorship of this amendment was never reflected in the RECORD. Therefore, I ask unanimous consent that my name be added as a cosponsor of Senator DURBIN's amendment, and that the RECORD reflect that I was a cosponsor of this amendment when it was offered on October 20, 1999.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, November 1, 1999, the Federal debt stood at $5,664,867,046,795.77 (Five trillion, six hundred sixty-four billion, eight hundred sixty-seven million, forty-six thousand, seven hundred ninety-five dollars and seventy-seven cents).

Five years ago, November 1, 1994, the Federal debt stood at $4,728,710,000,000 (Four trillion, seven hundred twenty-eight billion, seven hundred ten million).

Ten years ago, November 1, 1989, the Federal debt stood at $2,879,489,000,000 (Two trillion, eight hundred seventy-nine billion, four hundred eighty-nine million).

Fifteen years ago, November 1, 1984, the Federal debt stood at $1,624,438,000,000 (One trillion, six hundred twenty-four billion, four hundred thirty-eight million).

Twenty-five years ago, November 1, 1974, the Federal debt stood at $479,476,000,000 (Four hundred seventy-nine billion, four hundred seventy-six million) which reflects a debt increase of more than $5 trillion—$5,185,391,046,795.77 (Five trillion, one hundred eighty-five billion, three hundred ninety-one million, forty-six thousand, seven hundred ninety-five dollars and seventy-seven cents) during the past 25 years.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 10:43 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2303. An act to direct the Librarian of Congress to prepare the history of the House of Representatives, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 11:50 a.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the bill (H.R. 974) to establish a program to afford high school graduates from the District of Columbia the benefits of in-State tuition at State colleges and universities outside the District of Columbia, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 348. An act to authorize the construction of a monument to honor those who have served the Nation's civil defense and emergency management programs.

H.R. 862. An act to authorize the Secretary of the Interior to implement the provisions of the Agreement conveying title to a Distribution System from the United States to the Clear Creek Community Services District.

H.R. 992. An act to convey the Sly Park Dam and Reservoir to the El Dorado Irrigation District, and for other purposes.

H.R. 1235. An act to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes.

H.R. 2632. An act to designate certain Federal lands in the Talladega National Forest in the State of Alabama as the Dugger Mountain Wilderness.

H.R. 2737. An act to authorize the Secretary of the Interior to convey to the State of Illinois certain Federal land associated with the Lewis and Clark National Historic Trail to be used as an historic and interpretive site along the trail.

H.R. 2889. An act to amend the Central Utah Project Completion Act to provide for acquisition of water and water rights for Central Utah Project purposes, completion of Central Utah project facilities, and implementation of water conservation measures.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 189. Concurrent resolution expressing the sense of the Congress regarding the wasteful and unsportsmanlike practice known as shark finning.

ENROLLED BILL SIGNED

At 5:34 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 3064. An act making appropriations for the District of Columbia, and for the Departments of Labor, Health, and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2000, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 1883. An act to provide the application of measures to foreign persons who transfer to Iran certain goods, services, or technology, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5980. A communication from the Deputy Assistant Administrator for Fisheries, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Technical Amendment, Revises Outdated Terminology, Removes Outdated Provisions, and Makes Other Minor Changes for Clarity and Consistency", received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5981. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation dated October 27, 1999; to the Committee on the Budget.

EC-5982. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, a report entitled "Establishing an Entitlement to Reimburse Rental Car Costs to Military Members"; to the Committee on Armed Services.

EC-5983. A communication from the Deputy Assistant Administrator for Fisheries, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Revisions to Recordkeeping and Reporting Requirements", received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC-5984. A communication from the Chairman, National Endowment for the Arts, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-5985. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, a report relative to its commercial activities inventory; to the Committee on Governmental Affairs.

EC-5986. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Turkey; to the Committee on Foreign Relations.

EC-5987. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Turkey; to the Committee on Foreign Relations.

EC-5988. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the Republic of Korea; to the Committee on Foreign Relations.

EC-5989. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Canada; to the Committee on Foreign Relations.

EC-5990. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Israel; to the Committee on Foreign Relations.

EC-5991. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $14,000,000 or more to Finland; to the Committee on Foreign Relations.

EC-5992. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed transfer of major defense equipment valued (in terms of its original acquisition cost) at $14,000,000 or more to the United Kingdom; to the Committee on Foreign Relations.

EC-5993. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with the Czech Republic and Canada; to the Committee on Foreign Relations.

EC-5994. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with the United Kingdom; to the Committee on Foreign Relations.

EC-5995. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Mexico; to the Committee on Foreign Relations.

EC-5996. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Belgium; to the Committee on Foreign Relations.

EC-5997. A communication from the Chairman, Broadcasting Board of Governors, transmitting, pursuant to law, the annual report for fiscal year 1998; to the Committee on Foreign Relations.

EC-5998. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to telemedicine; to the Committee on Finance.

EC-5999. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "RIC Waivers and Reimbursement" (Rev. Proc. 99-40, 1999-46 I.R.B.), received October 27, 1999; to the Committee on Finance.

EC-6000. A communication from the Acting Assistant Secretary of Commerce and Acting Commissioner of Patents and Trademarks, Patent and Trademark Office, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Changes to Permit Payment of Patent and Trademark Office Fees by Credit Card" (RIN0651-AB07), received October 29, 1999; to the Committee on the Judiciary.

EC-6001. A communication from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Regulation CC, availability of Funds and Collection of Checks" (Docket No. R-1034), received October 29, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-6002. A communication from the Deputy Legal Counsel, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Community Development Financial Institutions Program" (RIN1505-AA71), received October 27, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-6003. A communication from the Administrator, Food Safety and Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Sanitation Requirements for Official Meat and Poultry Establishments" (RIN0583-AC39), received October 29, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6004. A communication from the Congressional Review Coordinator, Regulatory Analysis and Development, Policy and Program Development, Animal and Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Aeration of Imported Logs, Lumber, and Other Unmanufactured Wood Articles That Have Been Fumigated" (Docket #99-057-1), received October 29, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6005. A communication from the Under Secretary, Food, Nutrition and Consumer Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Food and Nutrition Services and Administration Funding Formulas" (RIN0584-AC77), received October 27, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6006. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Buprofezin; Extension of Tolerance for Emergency Exemptions" (FRL #6387-4), received October 29, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6007. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Propargite; Partial Stay of Order Revoking Certain Tolerances" (FRL #6390-4), received October 29, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6008. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, a report entitled "Revision to Emission Budgets Set Forth in EPA's Finding of Significant Contribution and Rulemaking for Purposes of Reducing Regional Transport of Ozone for the States of Connecticut, Massachusetts and Rhode Island"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-6009. A communication from the Associate Chief, Policy Division, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Revision of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems" (Docket No. 94-102; FCC 99-245), received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC-6010. A communication from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Reinvention of Steam Locomotive Inspection Regulations" (RIN2130-AB07), received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC-6011. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Debbies Creek, NJ (CGD05-99-111)" (RIN2115-AE47) (1999-0053), received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC-6012. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Vessel Identification System (CGD 89-050)" (RIN2115-AD35) (1999-0002), received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC-6013. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Duluth Ship Canal (Duluth-Superior Harbor), MN (CGD09-99-077)" (RIN2115-AE47) (1999-0052), received October 29, 1999; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 439. A bill to amend the National Forest and Public Lands of Nevada Enhancement Act of 1988 to adjust the boundary of the Toiyabe National Forest, Nevada (Rept. No. 106-205).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments.

S. 977. A bill to provide for the conveyance by the Bureau of Land Management to Douglass County, Oregon, of a country park, and certain adjacent land (Rept. No. 106-206).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1296. A bill to designate portions of the lower Delaware River and associated tributaries as a component of the National Wild and Scenic Rivers System (Rept. No. 106-207).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments.

S. 1349. A bill to direct the Secretary of the Interior to conduct special resource studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System (Rept. No. 106–208).

S. 1569. A bill to amend the Wild and Scenic Rivers Act to designate segments of the Taunton River in the Commonwealth of Massachusetts for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes (Rept. No. 106–209).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment.

S. 1599. A bill to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Black Hills National Forest and to use funds derived from the sale or exchange to acquire replacement sites and to acquire or construct administrative improvements in connection with Black Hills National Forest (Rept. No. 106–210).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

H.R. 20. A bill to authorize the Secretary of the Interior to construct and operate a visitor center for the Upper Delaware Scenic and Recreational River on land owned by the State of New York (Rept. No. 106–211).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment.

H.R. 592. A bill to redesignate Great Kills Park in the Gateway National Recreation Area as "World War II Veterans Park at Great Kills" (Rept. No. 106–212).

H.R. 1619. A bill to amend Quinebaug and Shetucket Rivers Valley National Heritage Corridor Act of 1994 to expand the boundaries of the Corridor (Rept. No. 106–213).

By Mr. BOND, from the Committee on Small Business, with an amendment in the nature of a substitute:

S. 791. A bill to amend the Small Business Act with respect to the women's business center program (Rept. No. 106–214).

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 65. A joint resolution commending the World War II veterans who fought in the Battle of the Bulge, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment:

S. 1515. A bill to amend the Radiation Exposure Compensation Act, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of a committee were submitted:

By Mr. HATCH, Committee on the Judiciary:

Q. Todd Dickinson, of Pennsylvania, to be Commissioner of Patents and Trademarks.

Anne H. Chasser, of Ohio, to be an Assistant Commissioner of Patents and Trademarks.

Kathryn M. Turman, of Virginia, to be Director of the Office for Victims of Crime.

Melvin W. Kahle, of West Virginia, to be United States Attorney for the Northern District of West Virginia for a term of 4 years.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. BOXER:

S. 1840. A bill to provide for the transfer of public lands to certain California Indian Tribes; to the Committee on Indian Affairs.

By Mr. COCHRAN:

S. 1841. A bill to provide private chapter 7 panel trustees and chapter 13 standing trustees with remedies for resolving disputes with the United States Trustee Program; to the Committee on the Judiciary.

By Mr. WELLSTONE:

S. 1842. A bill to combat trafficking of persons in the United States and countries around the world through prevention, prosecution and enforcement against traffickers, and protection and assistance to victims of trafficking; to the Committee on Foreign Relations.

By Mr. SESSIONS:

S. 1843. A bill to designate certain Federal land in the Talladega National Forest, Alabama, as the "Dugger Mountain Wilderness"; considered and passed.

By Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. VOINOVICH, Mrs. FEINSTEIN, Mr. ROBERTS, Mrs. BOXER, Mr. ENZI, Mr. THOMAS, Mr. GRAMM, Mr. KERREY, Mrs. HUTCHISON, and Mr. BAYH):

S. 1844. A bill to amend part D of title IV of the Social Security Act to provide for an alternative penalty procedure with respect to compliance with requirements for a State disbursement unit; considered and passed.

By Mrs. BOXER (for herself and Mr. LAUTENBERG):

S. 1845. A bill to amend title 18, United States Code, to prohibit the sale or transfer of a firearm or ammunition to an intoxicated person; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 214. A resolution authorizing the taking of photographs in the Chamber of the United States Senate; considered and agreed to.

By Mr. LOTT:

S. Res. 215. A resolution making changes to Senate committees for the 106th Congress; considered and agreed to.

By Mr. CAMPBELL (for himself, Mr. INOUYE, Mr. COCHRAN, Mr. GRASSLEY, Mrs. MURRAY, Mr. BINGAMAN, Mr. DOMENICI, Mr. SMITH of Oregon, Mr. AKAKA, Mr. CONRAD, Mrs. BOXER, Mr. HATCH, Mr. JOHNSON, Mr. KOHL, Mr. INHOFE, Mr. REID, Mr. ENZI, Mr. MCCAIN, Mr. MURKOWSKI, Mr. THOMAS, Mr. BURNS, Mr. GRAMS, Mr. DASCHLE, Mr. BENNETT, Mr. ALLARD, Mr. STEVENS, Mr. CRAPO, Mr. WYDEN, Mr. FRIST, Mr. JEFFORDS, and Mr. KENNEDY):

S. Res. 216. A resolution designating the Month of November 1999 as "National American Indian Heritage Month"; to the Committee on the Judiciary.

By Mr. HUTCHINSON:

S. Res. 217. A resolution relating to the freedom of belief, expression, and association in the People's Republic of China; to the Committee on Foreign Relations.

By Mr. TORRICELLI:

S. Con. Res. 65. A concurrent resolution expressing the sense of Congress regarding the preservation of full and open competition for contracts for the transportation of United States military cargo between the United States and the Republic of Iceland; to the Committee on Commerce, Science, and Transportation.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Con. Res. 66. A concurrent resolution to authorize the printing of "Capitol Builder: The Shorthand Journals of Captain Montgomery C. Meigs, 1853–1861"; considered and agreed to.

S. Con. Res. 67. A concurrent resolution to authorize the printing of "The United States Capitol" A Chronicle, Design, and Politics"; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 1840. A bill to provide for the transfer of public lands to certain California Indian tribes; to the Committee on Indian affairs.

CALIFORNIA INDIAN LAND TRANSFER ACT

Mrs. BOXER. Mr. President, today I am introducing the California Indian Land Transfer Act, which would transfer to eight California tribes approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development.

The eight tribes are the Pit River Tribe (Modoc County), the Fort Bidwell Indian Community (Modoc County), the Pala Band of Mission Indians (San Diego County), the Cuyapaipe Band of Mission Indians (San Diego County), the Manzanita Band of Mission Indians (San Diego County), the Barona Band of Mission Indians (San Diego County), and the Morongo Band of Mission Indians (Riverside County).

All of the parcels of BLM land are contiguous to existing reservation trust lands and have been formally classified as suitable for disposal through the BLM land use planning process.

Many California Indian tribes now lack reservations of sufficient size to provide housing or an economic base adequate to meet the needs of their members and their families. Other California Indian reservations have such poor quality lands that the tribal options for economic development are extremely limited. This situation derives from the complex history of federal-tribal relations in California. Instead of the approximately 8.5 million acres of land promised in the treaties, the California tribes now reside on a little more than 400,000 acres. Approximately one-third of California's 107 federally recognized tribes have a land base of less than 50 acres; approximately two-thirds have a land base of less than 500 acres, leaving little opportunity for these tribes to develop viable communities and economies where their members can live and work.

The counties in which these lands are located support the tribes' efforts to acquire these lands and have participated in the federal land planning process through which these parcels were identified and made available for transfer to the tribes. This legislation also has the support of the Administration. A similar bill, H.R. 2742, passed the House of Representatives last Congress and was placed on the Senate's consent calendar but was never brought to a vote before adjournment. An earlier version of the bill suffered the same fate in the 104th Congress and I am informed that the negotiations between the Department of the Interior and the Tribes for transfer of these lands date back to 1994.

This legislation is the result of a multiyear cooperative effort by the tribes, the Secretary, the BLM and the Bureau of Indian Affairs, in consultation with local country governments. This effort allows me to present a model legislative blueprint for interagency transfer of federal lands as a means of enhancing the extremely limited land and resources base of California's small tribes. The bill also stands as an excellent example of federal, tribal, and local governmental consultation and collaboration within the planning process for disposition of federal lands that have been formally classified as suitable for disposal. It is time for Congress to do its part and conclude this successful intergovernmental collaboration.

I ask unanimous consent that the text of the bill and letters of support from the eight tribes and four counties affected by this legislation be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "California Indian Land Transfer Act".

SEC. 2. LANDS HELD IN TRUST FOR VARIOUS TRIBES OF CALIFORNIA INDIANS.

(a) IN GENERAL.—Subject to valid existing rights, all right, title, and interest of the United States in and to the lands, including improvements and appurtenances, described in a paragraph of subsection (b) in connection with the respective tribe, band, or group of Indians named in such paragraph are hereby declared to be held in trust by the United States for the benefit of such tribe, band, or group. Real property taken into trust pursuant to this subsection shall not be considered to have been taken into trust for gaming (as that term is used in the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)).

(b) LANDS DESCRIBED.—The lands described in this subsection, comprising approximately 3525.8 acres, and the respective tribe, band, or group, are as follows:

(1) PIT RIVER TRIBE.—Lands to be held in trust for the Pit River Tribe are comprised of approximately 561.69 acres described as follows:

Mount Diablo Base and Meridian

Township 42 North, Range 13 East

Section 3:
S½ NW¼, NW¼ NW¼, 120 acres.

Township 43 North, Range 13 East

Section 1:
N½ NE¼, 80 acres,
Section 22:
SE¼ SE¼, 40 acres,
Section 25:
SE¼ NW¼, 40 acres,
Section 26:
SW¼ SE¼, 40 acres,
Section 27:
SE¼ NW¼, 40 acres,
Section 28:
NE¼ SW¼, 40 acres,
Section 32:
SE¼ SE¼, 40 acres,
Section 34:
SE¼ NW¼, 40 acres,

Township 44 North, Range 14 East,

Section 31:
S½ SW¼, 80 acres.

(2) FORT INDEPENDENCE COMMUNITY OF PAIUTE INDIANS.—Lands to be held in trust for the Fort Independence Community of Paiute Indians are comprised of approximately 200.06 acres described as follows:

Mount Diablo Base and Meridian

Township 13 South, Range 34 East

Section 1:
W½ of Lot 5 in the NE±¼, Lot 3, E½ of Lot 4, and E½ of Lot 5 in the NW¼.

(3) BARONA GROUP OF CAPITAN GRANDE BAND OF MISSION INDIANS.—Lands to be held in trust for the Barona Group of Capitan Grande Band of Mission Indians are comprised of approximately 5.03 acres described as follows:

San Bernardino Base and Meridian

Township 14 South, Range 2 East

Section 7, Lot 15.

(4) CUYAPAIPE BAND OF MISSION INDIANS.—Lands to be held in trust for the Cuyapaipe Band of Mission Indians are comprised of approximately 1.360 acres described as follows:

San Bernardino Base and Meridian

Township 15 South, Range 6 East

Section 21:
All of this section.
Section 31:
NE¼, N½SE¼, SE¼SE¼.
Section 32:
W½SW¼, NE¼SW¼, NW¼SE¼.
Section 33:
SE¼, SW¼SW¼, E½SW¼.

(5) MANZANITA BAND OF MISSION INDIANS.—Lands to be held in trust for the Manzanita Band of Mission Indians are comprised of approximately 1,000.78 acres described as follows:

San Bernardino Base and Meridian

Township 16 South, Range 6 East

Section 21:
Lots 1, 2, 3, and 4, S½.
Section 25:
Lots 2 and 5.
Section 28:
Lots, 1, 2, 3, and 4, N½SE¼.

(6) MORONGO BAND OF MISSION INDIANS.—Lands to be held in trust for the Morongo Band of Mission Indians are comprised of approximately 40 acres described as follows:

San Bernardino Base and Meridian

Township 3 South, Range 2 East

Section 20:
NW¼ of NE¼.

(7) PALA BAND OF MISSION INDIANS.—Lands to be held in trust for the Pala Band of Mission Indians are comprised of approximately 59.20 acres described as follows:

San Bernardino Base and Meridian

Township 9 South, Range 2 West

Section 13, Lot 1, and Section 14, Lots 1, 2, 3.

(8) FORT BIDWELL COMMUNITY OF PAIUTE INDIANS.—Lands to be held in trust for the Fort Bidwell Community of Paiute Indians are comprised of approximately 299.04 acres described as follows:

Mount Diablo Base and Meridian

Township 46 North, Range 16 East

Section 8:
SW¼SW¼.
Section 19:
Lots 5, 6, 7.
S½NE¼, SE¼NW¼, NE¼SE¼.
Section 20:
Lot 1.

SEC. 3. MISCELLANEOUS PROVISIONS.

(a) PROCEEDS FROM RENTS AND ROYALTIES TRANSFERRED TO INDIANS.—Amounts which accrue to the United States after the date of the enactment of this Act from sales, bonuses, royalties, and rentals relating to any land described in section 2 shall be available for use or obligation, in such manner and for such purposes as the Secretary may approve, by the tribe, band, or group of Indians for whose benefit such land is taken into trust.

(b) NOTICE OF CANCELLATION OF GRAZING PREFERENCES.—Grazing preferences on lands described in section 2 shall terminate 2 years after the date of the enactment of this Act.

(c) LAWS GOVERNING LANDS TO BE HELD IN TRUST.—

(1) IN GENERAL.—Any lands which are to be held in trust for the benefit of any tribe, band, or group of Indians pursuant to this Act shall be added to the existing reservation of the tribe, band, or group, and the official boundaries of the reservation shall be modified accordingly.

(2) APPLICABILITY OF LAWS OF THE UNITED STATES.—The lands referred to in paragraph (1) shall be subject to the laws of the United States relating to Indian land in the same manner and to the same extent as other lands held in trust for such tribe, band, or group on the day before the date of enactment of this Act.

DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT,
CALIFORNIA STATE OFFICE,
Sacramento, CA, October 8, 1999.

Senator BARBARA BOXER,
112 Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BOXER: Thank you for your inquiry regarding your planned introduction of the California Indian Land Transfer Act. As you know, the Administration has twice forwarded proposed legislation to Congress (in the 104th and the 105th) to effect these land transfers which must be done legislatively. The Bureau of Land Management (BLM) has worked cooperatively for many years with the eight Tribes and the local governments involved to see these transfers are completed.

The tribes, acreages, and counties involved are as follows:

Barona, 5 acres, San Diego County;
Cuyapaipe, 1,360 acres, San Diego County;
Fort Bidwell, 300 acres, Modoc County;
Fort Independence, 200 acres, Inyo County;
Morongo, 40 acres, San Diego County;
Manzanita, 1,000 acres, San Diego County;

Pala, 60 acres, San Diego County; and

XL Ranch/Pit River, 562 acres, Modoc County.

In each of these cases the lands are surrounded by or directly adjacent to the Tribes' existing reservations. The tracts identified represent scattered, unmanageable tracts of public lands that have been identified in our land use plans for disposal. The Tribes have indicated these lands will add to economic viability of their reservations and we are pleased to assist them in this important endeavor.

We look forward to introduction of your legislation in the 106th Congress on this important public issue. Please let us know if we can assist you in any way.

Sincerely,

Elaine Marquis-Brong
(For Al Wright, Acting State Director).

Resolution No. 99–34

Be it hereby *Resolved*, That the Board of Supervisors affirms its earlier support (in Resolutions 95–29 and 96–39) of the introduction of the California Indian Land Transfer Act (copy attached), which would transfer approximately 860 acres of public lands under the jurisdiction of the Bureau of Land Management to the United States of America in trust for the Pit River Tribe (560 acres) and the Fort Bidwell Community of Paiute Indians (300 acres) to be added to the tribal trust lands of their respective reservations.

Board of Supervisors,
County of Riverside,
Riverside, CA, August 31, 1999.

Senator Barbara Boxer,
Suite 112, Senate Hart Office Bldg.,
Washington, DC.

Dear Senator Boxer: We are writing to convey our support for the California Indian land Transfer Act (CILTA) and to urge your support of this legislation. CILTA would transfer to eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development.

In our district this would mean the transfer of approximately 40 acres, presently under the jurisdiction of the Bureau of Land management to the United States of America in trust for the Morongo Land of Mission Indians to be added to the tribal trust lands of the Morongo Indian Reservation.

The current version of the CILTA passed the House of Representative last year as H.R. 2742 and was placed on the Senate's consent calendar, but was never brought to a vote before adjournment. Last session was the second time that the bill has passed the House without timely action in the Senate.

California county governments have been supportive of the tribes' past efforts to obtain additional lands for such uses as housing, grazing, resource protection, and non-gaming economic development. Moreover, county governments have had varying degrees of involvement with the federal and planning process through which these parcels were identified and made available for transfer to the tribes.

CILTA has the unqualified support of the Administration, which has invested considered time and effort in urging its enactment. The Secretary of the Interior personally transmitted the bill to the Congress last year with his strong recommendation that it be enacted at the earliest possible date. The Secretary remains similarly committed to supporting the bill's passage during the current session of Congress.

CILTA is the result of a multi-year, cooperative effort by the tribes, the Secretary, the BLM and the Bureau of Indian Affairs, in consultation with local county governments. It presents a model legislative blueprint for inter-agency transfer of federal lands as a means of enhancing the extremely limited land and resource base of California's small tribes. It also illustrates how federal, tribal and local governmental consultation can successfully occur within the framework of an existing federal planning process.

We hope this letter conveys our support for this important legislation and urge you to support its passage.

Sincerely,

Jim Venable,
Supervisor, Third District.

Resolution No. 99–170

Now, be it *resolved* by the Board of Supervisors of the County of San Diego, supports the introduction of the California Indian Land Transfer Act, which would transfer a total of approximately 2,525 acres of public lands under the jurisdiction of the Bureau of Land Management to the United States of America in trust for the Barona (5.03 acres), Cuyapaipe (1,360 acres), Manzanita (1,000.78 acres), and Pala (59.20) acres) Bands of Mission Indians to be added to the tribal trust lands of their respective reservations.

Resolution No. 99–41

Whereas, on July 6, 1999, the Fort Independence Indian Community asked the County to reiterate its support for the California Indian Land Transfer Act, and explained the Tribe's need for the additional land, the history of the land proposed for transfer, and the Tribe's plans for development and use of the lands; and

Whereas, this Board desires to both promote economic development and enhance the quality of life within the County and believes that the Tribe's proposed development could play a vital role in these goals by improving the economic, social and cultural health of both the Tribe and the County; and

Whereas, this Board desires to provide for the County adequate housing, jobs, economic development, and recreational and cultural amenities through a reasonable land development plan that ensures the provision of necessary public services and facilities and eliminates or mitigates any potential negative impacts of such development; and

Whereas, the Tribe has notified the Board that it shares these same concerns about their shared community; and

Whereas, the Board recognizes the Tribe's sovereignty; and

Whereas, the Tribe has expressed its desire to the Board to work with the County in a government-to-government relationship to ensure that Tribal development of the parcel proposed for transfer will provide the community with necessary housing and economic development without compromising the environmental, health, safety or welfare concerns of the region; now therefore, be it

Resolved by the Board of Supervisors of the County of Inyo, State of California, that it supports the California Indian Land Transfer Act, and the included transfer to the Fort Independence Indian Community of the 200-acre parcel of Bureau of Land Management land which is contiguous to the existing reservation, provided that the Fort Independence Indian Community agrees with a Memorandum of Understanding, which provides for a mutually agreeable method of dispute resolution, to bring its proposed development plan back to the County in order to discuss, on a government-to-government basis, how applicable federal and tribal laws will address the following issues/concerns, and, in those situations where the County is of the opinion that federal and tribal laws do not adequately address its concerns, to discuss what standards and/or approaches the Tribe might incorporate into its development plan or laws, looking to state and local laws for guidance, so to address, to a reasonable extent, the County's concerns:

(1) Building design and construction;

(2) Land use, planning and zoning;

(3) Health;

(4) Environmental health;

(5) Animal control;

(6) Streets, highways and roads;

(7) Environmental quality;

(8) Police protection;

(9) Fire protection;

(10) Water supply;

(11) Sewage disposal;

(12) School facilities;

(13) Funding for county-provided services; and

(14) Gaming.

Be it further *Resolved*, That the Clerk of the Board is directed to distribute this Resolution to the Fort Independence Indian Tribal Council, the Secretary of the Interior, United States Senators Boxer and Feinstein, the Governor of the State of California, representatives of Inyo County in the United States House of Representatives and the California Legislature; the Bureau of Indian Affairs and the Bureau of Land Management.

House of Representatives,
Washington, DC, June 11, 1999.

San Diego County Board of Supervisors,
1600 Pacific Hwy, Room 335,
San Diego, CA.

Dear Supervisors: I am writing to you regarding the transferal of surplus Bureau of Land Management land parcels to the Barona, Cuyapaipe and Manzanita Bands of Mission Indians in San Diego County. It is my understanding that the Board of Supervisors will be considering a resolution to support the introduction of the California Indian Land Transfer Act (CILTA) in Congress to authorize this transferal and I wanted to make you aware of my continued support for this effort.

I firmly believe that this transferal will promote tribal sovereignty while, at the same time, provide numerous benefits to our San Diego county communities. As you may know, I voted in favor of the CILTA when it passed the House of Representatives on two separate occasions. Despite this support, however, this legislation has failed to receive adequate consideration in the Senate.

It is for this reason that I was pleased to learn that Senator Barbara Boxer has expressed interest in reintroducing the CILTA in the 106th Congress. Taking into consideration the numerous endorsements this effort has received in the past, coupled with the fact that these land parcels will be used for "non-gaming" economic and community development, it is my full intention to once again support this legislation when it is considered by the House.

Thank you for your time and allowing me to express my thoughts on this important issue. If you have any questions regarding this matter, please do not hesitate to contact me directly, or Michael Harrison in my office at (202) 255–5672.

With best wishes.

Sincerely,

Duncan Hunter,
Member of Congress.

FORT INDEPENDENCE
INDIAN RESERVATION,
Independence, CA, October 13, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Fort Independence Community of Paiute Indians, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer to eight California Indian Tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing resource protection and nongaming economic development. Under the bill's provisions, our tribe will acquire approximately 200 acres of BLM land. These lands would be added to the tribal trust lands of the Fort Independence Indian Reservation. We expect to use the land for non-gaming economic development.

We sincerely appreciate your support for this important legislation.

Sincerely,

WENDY L. STINE,
Chairperson.

BARONA BAND OF MISSION INDIANS,
Lakeside, CA, March 9, 1999.

Re Proposed Southern California Indian Land Transfer Act.

DEAR SENATOR BOXER: By now you should have received the letter of today's date from Stephen V. Quesenberry of California Indian Legal Services, voicing the support of his six tribal clients of the above proposed bill. The Barona Band of Mission Indians is the seventh Californian tribe that would benefit from this bill. We are writing to you separately to add our support for the bill, which was passed in the House in the last session, only to die from inaction in the Senate. Because Congressman Young does not want to introduce it in the House, where we expect little or no opposition at all.

As for the fear that the Barona Band might use the land to be acquired under this bill for gaming purposes, we have two simple responses. First, the 5.03 acres that we would obtain is far too small and far too remote to be used for this purpose. Instead, we would use it for watershed, cattle grazing, and wildlife habitat. This small parcel is over a mile from the nearest paved road, across fairly rough country. Second, the Barona Band already has a very successful gaming enterprise on its primary reservation adjacent to a country road, and therefore does not need any further gaming locations. In addition, the bill itself specifies that this land is not being transferred for gaming purposes in any event.

Instead of lengthening this letter by repeating the statements presented by Mr. Quesenberry on behalf of his tribal clients, we will just adopt them as our own, and urge you to introduce and vigorously support this non-controversial bill on behalf of the Barona Band and other California tribes which would benefit from it.

Sincerely yours,

CLIFFORD M. LACHAPPA,
Chairman.

BARONA BAND OF MISSION INDIANS,
Lakeside, CA, June 29, 1999.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: During the 105th Congress, Congressman Don Young introduced the California Indian Land Transfer Act, H.R. 2742, a bill that would transfer approximately 3,500 acres of Bureau of Land Management (BLM) land to a number of Indian tribes located in California, including 5.03 acres for the Barona Band of Mission Indians. Attached, please find a resolution recently adopted by the Barona Band of Mission Indians Tribal Council urging you to sponsor similar legislation in the United States Senate this year.

As you know, since the early 1930's, the Barona Band has been located on approximately 5,500 acres in rural eastern San Diego County and is home to approximately 300 people. We came to this land after the City of San Diego bought our reservation as a reservoir site and forced us to move. Therefore, the passage of this bill is very important to our history and our future.

As drafted, H.R. 2742 would place a number of restrictions on the use of the new lands. Perhaps most noteworthy is the provision baring the use of any such lands for gaming purposes. Although as a sovereign government we object to any restriction being placed on the use of our lands, we understand that the political nature of this bill demands such a restriction.

Finally, we are encouraged by the action taken by the San Diego County Board when they too adopted a resolution in support of the proposed legislation. We are hopeful that this demonstration of government unity will give you the encouragement necessary to carry this bill forward.

Sincerely,

CLIFFORD M. LACHAPPA,
Chairman.

RESOLUTION NO. 06–2299

Whereas: The Barona Band of Mission Indians is among the 104 Federally recognized Indian Tribes located in the State of California; and,

Whereas: Indian Tribes located in California retain rights to fewer than 500,000 acres of land, seventy-five percent of which is held in Trust by the United States Government on behalf of 14 tribes; and,

Whereas: The Federal Bureau of Land Management (BLM) is considering large scale transfers of trust lands to local governments in California, and to the State of California; and,

Whereas: The Federal Bureau of Land Management (BLM) is considering large scale transfers of trust lands to local governments in California, and to the State of California; and,

Whereas: California Indian Legal Services has been working diligently over the past three years to secure passage of Federal Legislation to transfer approximately 3,600 acres of BLM trust land to 10 specific tribes; and,

Whereas: The Elected leaders of California have a unique responsibility to help California tribes address the issue of securing additional lands so that tribes may develop stronger economies; and,

Whereas: On June 15th, the San Diego county Board of Supervisors unanimously voted to support this transfer of land; and, be it therefore

Resolved: That the Barona Band of Mission Indians urges Senator Barbara Boxer and Senator Dianne Feinstein to sponsor legislation to transfer such lands as identified by the California Indian Legal Services from the BLM to benefit California tribes and work for the passage of such legislation.

BARONA BAND OF MISSION INDIANS,
Lakeside, CA, October 14, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Baraona Group of the Capitan Grande Band of Mission Indians, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer to eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development. Under the bill's provisions, our tribe will acquire approximately 5.03 acres of BLM land. These lands would be added to the tribal trust lands of the Barona Indian Reservation. We expect to use the land for wild land addition to the reservation.

We sincerely appreciate your support for this important legislation.

Sincerely,

CLIFFORD M. LACHAPPA,
Chairman.

MANZANITA BAND OF MISSION INDIANS,
Boulevard, CA, October 1, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Manzanita Band of Mission Indians, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer to eight California Indian Tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development. Under the bill's provisions, our tribe will acquire approximately 1,000 acres of BLM land. These lands would be added to the tribal trust lands of the Manzanita Indian Reservation. We expect to use the land for non-gaming economic development.

We sincerely appreciate your support for this important legislation.

Sincerely,

LEROY J. ELLIOTT,
Chairman.

PALA BAND OF MISSION INDIANS,
Pala, CA, October 1, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Pala Band of Mission Indians, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer to eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and nongaming economic development. Under the bill's provisions, our tribe will acquire approximately 60 acres of BLM land. These lands would be added to the tribal trust lands of the Pala Indian Reservation. We expect to use the land for wildland addition to the reservation.

We sincerely appreciate your support for this important legislation.

Sincerely,

ROBERT H. SMITH,
Tribal Chairman.

EWIIAAPAAYP TRIBAL OFFICE,
Alpine, CA, October 4, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Cuyapaipe Band of Mission Indians, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer to eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development. Under the bill's provisions, our tribe will acquire approximately 1,360 acres of BLM land. These lands would be added to the tribal trust lands of the Cuyapaipe Indian Reservation. We expect to use the land for housing and non-gaming economic development.

We sincerely appreciate your support for this important legislation.

Sincerely,

TONY PINTO,
Tribal Chairman.

PIT RIVER TRIBE,
Burney, CA, October 6, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Pit River Tribe, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development. Under the bill's provisions, our tribe will acquire approximately 560 acres of BLM land. These lands would be added to the tribal trust lands of the XL Ranch Indian Reservation. We expect to use the land for housing, grazing and other agricultural development.

We sincerely appreciate your support for this important legislation.

Sincerely,

LAWRENCE CANTRELL,
Chairman.

PIT RIVER TRIBE,
Burney, CA, October 6, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Pit River Tribe, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development. Under the bill's provisions, our tribe will acquire approximately 560 acres of BLM land. These lands would be added to the tribal trust lands of the XL Ranch Indian Reservation. We expect to use the land for housing, grazing and other agricultural development.

We sincerely appreciate your support for this important legislation.

Sincerely,

ARNOLD WILKES,
Vice-Chairman.

FORT BIDWELL INDIAN
COMMUNITY COUNCIL,
Fort Bidwell, CA, October 6, 1999.

Re California Indian Land Transfer Act.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Fort Bidwell Indian Community, I want to express our thanks for your agreement to introduce the California Indian Land Transfer Act, a bill that would transfer eight California Indian tribes a total of approximately 3,500 acres of Bureau of Land Management (BLM) land to be used for housing construction, grazing, resource protection, and non-gaming economic development. Under the bill's provisions, our tribe will acquire approximately 300 acres of BLM land. These lands will be added to the tribal trust lands of the Fort Bidwell Indian Reservation. We expect to use the land for housing and grazing.

We sincerely appreciate your support for this important legislation.

Sincerely,

DENISE POLLARD,
Acting Chairpeson.

MORONGO BAND OF MISSION INDIANS,
Banning, CA, October 25, 1999.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: The purpose of this letter is to request that you sponsor and introduce legislation to transfer certain parcels of land from the Bureau of Land Management to various California Indian Tribes. It is our understanding that your staff has been working on this matter with Tribes and their representatives.

As you are aware, this proposed legislation is similar to legislation that was previously enacted transferring other Bureau of Land Management land to California Indian Tribes.

We appreciate your efforts in this area, as well as your support of the Tribes in California on the range of legislative issues and challenges that native Americans face.

Sincerely yours,

MARY ANN MARTIN ANDREAS,
Chairperson.

By Mrs. BOXER (for herself and Mr. LAUTENBERG):

S. 1845. A bill to amend title 18, United States Code, to prohibit the sale or transfer of a firearm or ammunition to an intoxicated person; to the Committee on the Judiciary.

GUN SALES TO INTOXICATED PERSONS

• Mrs. BOXER. Mr. President, last July, when the Senate considered the Commerce-Justice-State appropriations bill, I offered an amendment to prohibit the sale of guns to people who were intoxicated.

State and local laws prohibit intoxicated people from operating a car, a boat, a snowmobile, a plane, an all-terrain vehicle, or a bicycle. There is even one state law that prohibits an intoxicated person from getting a tattoo. In addition, federal law prohibits an intoxicated person from enlisting in the military. And, federal gun laws prohibit the sale of a gun to a drug user.

My amendment simply built on this record. All it said is that if you are intoxicated, you cannot buy a gun or ammunition. To me, it just makes common sense that someone who is drunk should not be able to buy a gun. And, the Senate agreed because my amendment was passed unanimously.

Unfortunately, Mr. President, the conference committee dropped this provision from the bill. I am extremely disappointed that such a common-sense proposal would be abandoned by the Senate leadership.

So, today, I am introducing—along with my colleague, Senator LAUTENBERG—this very reasonable proposal as a free-standing bill.

Mr. President, guns and alcohol do not mix. A 1997 study in the Journal of American Medical Association found that "alcohol and illicit drug use appear to be associated with an increased risk of violent death." And as the two stories I want to share today illustrate, alcohol is also associated with an increased risk of serious injury.

The first story is about a woman by the name of Deborah Kitchen. She is a quadriplegic, and she got that way because her ex-boyfriend shot her.

On the day of the shooting, Deborah's boyfriend, Thomas Knapp, consumed—by his own estimate—a fifth of whiskey and a case of beer. He went to K-Mart in Florida to buy a .22-caliber rifle and a box of bullets. Mr. Knapp was so intoxicated that the clerk had to help him fill out the federal form required to purchase the gun. But he was still able to buy the rifle.

Mr. Knapp then took that rifle, shot his ex-girlfriend Deborah Kitchen, and left her a quadriplegic.

The second story is from Michigan. It involves an 18-year-old named Walter McKay, who had engaged in a day-long drinking spree and then went and bought ammunition for his shotgun. He was so intoxicated that he could not remember whether it was a man or woman who sold him the ammunition and could not identify what he purchased.

He took those shotgun shells, loaded his gun, and intended to shoot out the back window of an acquaintance's truck. He was intoxicated. The shot missed, ricocheted off the wheel of the truck, and hit Anthony Buczkowski. Mr. Buczkowski had to have a finger amputated and his left wrist surgically fused.

Mr. Knapp and Mr. McKay could buy a gun and ammunition because it is not—I repeat, not—against the law to sell a gun or ammunition to someone who is intoxicated.

Mr. President, as I mentioned earlier, states and localities have all sorts of laws prohibiting people who are intoxicated from doing certain things. But, I am unaware of a single state law that prohibits someone who is drunk from buying a gun or ammunition.

It would be nice if states would act. But, gun sales are largely regulated at the federal level and involve federal licenses and federal forms. This is a federal responsibility, and there should be a federal law that stops this outrage.

That is what my bill does. If you are intoxicated, you would not be able to buy a gun or ammunition. It is very reasonable, and it will save lives.●

ADDITIONAL COSPONSORS

S. 59

At the request of Mr. THOMPSON, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 59, a bill to provide Government-wide accounting of regulatory costs and benefits, and for other purposes.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 386

At the request of Mr. GORTON, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 386, a bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt bond financing of certain electric facilities.

S. 486

At the request of Mr. HATCH, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Washington (Mr. GORTON) were added as cosponsors of S. 486, a bill to provide for the punishment of methoamphetamine laboratory operators, provide additional resources to combat methoamphetamine production, trafficking, and abuse in the United States, and for other purposes.

S. 512

At the request of Mr. GORTON, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 512, a bill to amend the Public Health Service Act to provide for the expansion, intensification, and coordination of the activities of the Department of Health and Human Services with respect to research on autism.

S. 600

At the request of Mr. WELLSTONE, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 600, a bill to combat the crime of international trafficking and to protect the rights of victims.

S. 664

At the request of Mrs. BOXER, her name was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 941

At the request of Mr. WYDEN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 941, a bill to amend the Public Health Service Act to provide for a public response to the public health crisis of pain, and for other purposes.

S. 964

At the request of Mr. DASCHLE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 964, a bill to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes.

S. 1053

At the request of Mr. BOND, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1053, a bill to amend the Clean Air Act to incorporate certain provisions of the transportation conformity regulations, as in effect on March 1, 1999.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1187

At the request of Mr. DORGAN, the names of the Senator from Ohio (Mr. DEWINE), the Senator from North Carolina (Mr. HELMS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Michigan (Mr. ABRAHAM), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Wyoming (Mr. ENZI), the Senator from New York (Mr. MOYNIHAN), the Senator from Minnesota (Mr. GRAMS), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1244

At the request of Mr. THOMPSON, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 1244, a bill to establish a 3-year pilot project for the General Accounting Office to report to Congress on economically significant rules of Federal agencies, and for other purposes.

S. 1317

At the request of Mr. AKAKA, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1317, a bill to reauthorize the Welfare-To-Work program to provide additional resources and flexibility to improve the administration of the program.

S. 1400

At the request of Mrs. BOXER, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1400, A bill to protect women's reproductive health and constitutional right to choice, and for other purposes.

S. 1528

At the request of Mr. LOTT, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1592

At the request of Mr. DURBIN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1592, a bill to amend the Nicaraguan Adjustment and Central American Relief Act to provide to certain nationals of El Salvador, Guatemala, Honduras, and Haiti an opportunity to apply for adjustment of status under that Act, and for other purposes.

S. 1680

At the request of Mr. ASHCROFT, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1680, a bill to provide for the improvement of the processing of claims for veterans compensation and pensions, and for other purposes.

S. 1760

At the request of Mr. BIDEN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1760, a bill to provide reliable officers, technology, education, community prosecutors, and training in our neighborhoods.

S. 1798

At the request of Mr. HATCH, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1798, a bill to amend title 35, United States Code, to provide enhanced protection for investors and innovators, protect patent terms, reduce patent litigation, and for other purposes.

S. 1823

At the request of Mr. DEWINE, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1823, a bill to revise and extend the Safe and Drug-Free Schools and Communities Act of 1994.

SENATE CONCURRENT RESOLUTION 61

At the request of Mr. SESSIONS, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of Senate Concurrent Resolution 61, a concurrent resolution expressing the sense of the Congress regarding a continued United States security presence in Panama and a review of the contract bidding process for the Balboa and Cristobal port facilities on each end of the Panama Canal.

SENATE CONCURRENT RESOLUTION 63

At the request of Mr. ABRAHAM, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of Senate Concurrent Resolution 63, a concurrent resolution condemning the assassination of Armenian Prime Minister Vazgen Sargsian and other officials of the Armenian Government and expressing the sense of the Congress in mourning this tragic loss of the duly elected leadership of Armenia.

SENATE RESOLUTION 118

At the request of Mr. REID, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of Senate Resolution 118, a resolution designating December 12, 1999, as "National Children's Memorial Day."

SENATE RESOLUTION 196

At the request of Mr. WARNER, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Missouri (Mr. BOND), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. KERREY), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of Senate Resolution 196, a resolution commending the submarine force of the United States Navy on the 100th anniversary of the force.

SENATE RESOLUTION 204

At the request of Mr. HATCH, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of Senate Resolution 204, a resolution designating the week beginning November 21, 1999, and the week beginning on November 19, 2000, as "National Family Week", and for other purposes.

AMENDMENT NO. 2319

At the request of Mr. ROBB his name was added as a cosponsor of amendment No. 2319 proposed to S. 1692, a bill to amend title 18, United States Code, to ban partial birth abortions.

AMENDMENT NO. 2408

At the request of Mr. FEINGOLD the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 2408 intended to be proposed to H.R. 434, a bill to authorize a new trade and investment policy for sub-Sahara Africa.

SENATE CONCURRENT RESOLUTION 65—EXPRESSING THE SENSE OF CONGRESS REGARDING THE PRESERVATION OF FULL AND OPEN COMPETITION FOR CONTRACTS FOR THE TRANSPORTATION OF UNITED STATES MILITARY CARGO BETWEEN THE UNITED STATES AND THE REPUBLIC OF ICELAND

Mr. TORRICELLI submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. CON. RES. 65

Whereas the Treaty Between the United States of America and the Republic of Iceland to Facilitate Their Defense Relationship and Related Memorandum of Understanding in Implementation of the Treaty, signed September 24, 1986, provides for full and open competition among United States-flag carriers and Icelandic shipping companies for the transportation of United States military cargo between the United States and Iceland: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the President should ensure that full and open competition continues in the selection of companies to transport United States military cargo between the United States and Iceland in accordance with the Treaty Between the United States of America and the Republic of Iceland to Facilitate Their Defense Relationship and Related Memorandum of Understanding in Implementation of the Treaty, signed September 24, 1986; and

(2) to preserve that competition, neither the Secretary of State nor any other official of the United States should, without the advice and consent of the Senate, seek to amend, interpret, or alter the administration of the treaty or memorandum of understanding in any manner (through limitations on eligibility or otherwise) that—

(A) would preclude companies qualified to conduct business under the laws of the United States or the Republic of Iceland from submitting offers for, being awarded, or performing a contract for the transportation of United States military cargo under the treaty or memorandum of understanding; or

(B) would otherwise defeat the purpose of enhancing competition among United States-flag carriers or among Icelandic shipping companies under the treaty or memorandum of understanding.

SENATE CONCURRENT RESOLUTION 66—TO AUTHORIZE THE PRINTING OF "CAPITOL BUILDER: THE SHORTHAND JOURNALS OF CAPTAIN MONTGOMERY C. MEIGS, 1853-1861"

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 66

Whereas November 17, 2000, will mark the 200th anniversary of the occupation of the United States Capitol by the Senate and House of Representatives;

Whereas the story of the design and construction of the United States Capitol deserves wider attention; and

Whereas since 1991, Congress has supported a recently completed project to translate the previously inaccessible and richly detailed shorthand journals of Captain Montgomery C. Meigs, the mid-nineteenth-century engineer responsible for construction of the Capitol dome and Senate and House of Representatives extensions: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. PRINTING OF "CAPITOL BUILDER: THE SHORTHAND JOURNALS OF CAPTAIN MONTGOMERY C. MEIGS, 1853-1861".

(a) IN GENERAL.—There shall be printed as a Senate document the book entitled "Capitol Builder: The Shorthand Journals of Captain Montgomery C. Meigs, 1853–1861", prepared under the direction of the Secretary of the Senate, in consultation with the Clerk of the House of Representatives and the Architect of the Capitol.

(b) SPECIFICATIONS.—The Senate document described in subsection (a) shall include illustrations and shall be in the style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

(c) NUMBER OF COPIES.—In addition to the usual number of copies, there shall be printed with suitable binding the lesser of—

(1) 1,500 copies for the use of the Senate, the House of Representatives, and the Architect of the Capitol, to be allocated as determined by the Secretary of the Senate and the Clerk of the House of Representatives; or

(2) a number of copies that does not have a total production and printing cost of more than $31,500.

SENATE CONCONCURRENT RESOLUTION 67—TO AUTHORIZE THE PRINTING OF "THE UNITED STATES CAPITOL" A CHRONICLE OF CONSTRUCTION, DESIGN, AND POLITICS"

Mr. LOTT (for himself, and Mr. DASCHLE) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 67

Whereas the 200th anniversary of the establishment of the seat of government in the District of Columbia will be observed in the year 2000;

Whereas November 17, 2000, will mark the bicentennial of the occupation of the United States Capitol by the Senate and the House of Representatives; and

Whereas the story of the design and construction of the United States Capitol deserves wider attention: Now, therefore, be it.

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. PRINTING OF "THE UNITED STATES CAPITOL: A CHRONICLE OF CONSTRUCTION, DESIGN, AND POLITICS".

(a) IN GENERAL.—There shall be printed as a Senate document the book entitled "The United States Capitol: A Chronicle of Construction, Design, and Politics", prepared by the Architect of the Capitol.

(b) SPECIFICATIONS.—The Senate document described in subsection (a) shall include illustrations and shall be in the style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

(c) NUMBER OF COPIES.—In addition to the usual number of copies, there shall be printed with suitable binding the lesser of—

(1) 6,500 copies for the use of the Senate, the House of Representatives, and the Architect of the Capitol, to be allocated as determined by the Secretary of the Senate; or

(2) a number of copies that does not have a total production and printing cost of more than $143,000.

SENATE RESOLUTION 214—AUTHORIZING THE TAKING OF PHOTOGRAPHS IN THE CHAMBER OF THE UNITED STATES SENATE

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 214

Resolved, That paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting photographs to be taken between the first and second sessions of the 106th Congress in order to allow the Senate Commission on Art to carry out its responsibilities to publish a Senate document containing works of art, historical objects, and exhibits within the Senate Wing.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements to carry out this resolution.

SENATE RESOLUTION 215—MAKING CHANGES TO SENATE COMMITTEES FOR THE 106TH CONGRESS

Mr. LOTT submitted the following resolution; which was considered and agreed to:

S. RES. 215

Resolved, That the following change shall be effective on those Senate committees listed below for the 106th Congress, or until their successors are appointed:

Committee on Environment and Public Works: Mr. Smith of New Hampshire, Chairman.

SENATE RESOLUTION 216—DESIGNATING THE MONTH OF NOVEMBER 1999 AS "NATIONAL AMERICAN INDIAN HERITAGE MONTH"

Mr. CAMPBELL (for himself, Mr. INOUYE, Mr. COCHRAN, Mr. GRASSLEY, Mrs. MURRAY, Mr. BINGAMAN, Mr. DOMENICI, Mr. SMITH of Oregon, Mr. AKAKA, Mr. CONRAD, Mrs. BOXER, Mr. HATCH, Mr. JOHNSON, Mr. KOHL, Mr. INHOFE, Mr. REID, Mr. ENZI, Mr. MCCAIN, Mr. MURKOWSKI, Mr. THOMAS, Mr. BURNS, Mr. GRAMS, Mr. DASCHLE, Mr. BENNETT, Mr. ALLARD, Mr. STEVENS, Mr. CRAPO, Mr. WYDEN, Mr. FRIST, Mr. JEFFORDS, and Mr. KENNEDY) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 216

Whereas American Indians and Alaska Natives were the original inhabitants of the land that now constitutes the United States;

Whereas American Indian tribal governments developed the fundamental principles of freedom of speech and separation of powers that form the foundation of the United States Government;

Whereas American Indians and Alaska Natives have traditionally exhibited a respect for the finiteness of natural resources through a reverence for the earth;

Whereas American Indians and Alaska Natives have served with valor in all of America's wars beginning with the Revolutionary War through the conflict in the Persian Gulf, and often the percentage of American Indians who served exceeded significantly the percentage of American Indians in the population of the United States as a whole;

Whereas American Indians and Alaska Natives have made distinct and important contributions to the United States and the rest of the world in many fields, including agriculture, medicine, music, language, and art;

Whereas American Indians and Alaska Natives deserve to be recognized for their individual contributions to the United States as local and national leaders, artists, athletes, and scholars;

Whereas this recognition will encourage self-esteem, pride, and self-awareness in American Indians and Alaska Natives of all ages; and

Whereas November is a time when many Americans commemorate a special time in the history of the United States when American Indians and English settlers celebrated the bounty of their harvest and the promise of new kinships: Now, therefore, be it

Resolved, That the Senate designates November 1999 as "National American Indian Heritage Month" and requests that the President issue a proclamation calling on the Federal Government and State and local governments, interested groups and organizations, and the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

Mr. CAMPBELL. Mr. President, I am pleased to submit today, along with the Vice Chairman of the Indian Affairs Committee, Senator INOUYE and many of our colleagues, a Senate resolution that designates the month of November 1999, as 'National American Indian Heritage Month.'

I feel it is appropriate and deserving to honor American Indians and Alaska Natives, as the original inhabitants of the land that now constitutes the United States, with this November designation as Congress has done for almost a decade.

American Indians and Alaska Natives have left an indelible imprint on many aspects of our everyday life that most Americans often take for granted. The arts, education, science, medicine, industry, and government are areas that have been influenced by American Indian and Alaska Native people over the last 500 years. Many of the healing remedies that we use today were obtained from practices already in use by Indian people and are still utilized today in conjunction with western medicine.

Mr. President, many of the basic principles of democracy in our Constitution can be traced to practices and customs already in use by American Indian tribal governments including the doctrines of freedom of speech and separation of powers. Our Founding Fathers benefited greatly from the example of the Indian tribes in the early stages of our Nation.

The respect of Native people for the preservation of natural resources, reverence for elders, and adherence to tradition, mirrors our own values which we developed in part, through the contact with American Indians and Alaska Natives. These values and customs are deeply rooted, strongly embraced and thrive with generation after generation of Native people.

From the difficult days of Valley Forge through our peace keeping efforts around the world today, American Indian and Alaska Native people have proudly served and dedicated their lives in the military readiness and defense of our country in wartime and in peace. In fact, their participation rate in the Armed Forces far outstrips the rates of all other groups in this Nation. Many American Indian men and women gave their lives selflessly in the defense of this Nation even before they were granted American citizenship in 1924.

Many of the words in our language have been borrowed from Native languages, including many of the names of the rivers, cities, and States across our Nation. Indian arts and crafts have also made a distinct impression on our heritage.

It is my hope that by designating the month of November 1999, as "National American Indian Heritage Month," we will continue to encourage self-esteem, pride, and self awareness amongst American Indians and Alaska Natives of all ages. Many schools, organizations, Federal, State, Tribal and local governments can also plan activities and programs to celebrate the achievements of American Indians and Alaska Natives.

November is a special time in the history of the United States; we celebrate the Thanksgiving holiday by remembering the American Indians and English settlers as they enjoyed the bounty of their harvest and the promise of new kinships. By recognizing the many Native contributions to the arts, governance, and culture of our Nation, we will honor their past and ensure a place in America for Native people for generations to come. I ask for the support of my colleagues on both sides of the aisle for this resolution, and urge the Senate to pass this important matter.

Mr. SMITH of Oregon. Mr. President, I want to pay tribute to and recognize the contributions Native Americans and Indian tribes have made in the United States and in particular in the State of Oregon. Native Americans have a unique and important relationship with the United States, and Indian tribes continue to persevere in upholding their sovereign governments, economies, culture and heritage. I am pleased to join Senators CAMPBELL and INOUYE in submitting this resolution to designate this month as American Indian Heritage Month, and I appreciate their efforts on behalf of all Native Americans.

There are nine federally recognized tribes in the State of Oregon. Each of these tribes has successfully collaborated with State and Federal agencies and continues to develop active partnerships with the surrounding communities.

Five of Oregon's tribes are located in Western Oregon: The Confederated Tribes of Grand Ronde, the Confederated Tribes of Siletz, the Confederated Tribes of the Coos, Lower Umpqua, and Siuslaw, Coquille Indian

Tribe, and the Cow Creek Band of Umpquas. Each of the tribes has made its own extraordinary contribution in Oregon and the Pacific Northwest region. The five tribes of Western Oregon have been successful in recent years in restoring their Federal recognition as Indian tribes, and they continue to work to stabilize and revitalize their social, cultural, and economic ties with the State and local communities.

There are four tribes located east of Oregon's Cascade Mountains. The Confederated Tribes of the Umatilla Reservation, in Easter Oregon, have been successful in their conservation and restoration of salmon and water back into the Umatilla River. The Confederated Tribes of Warm Springs, in Central Oregon, with their Kah-Nee-Ta Resort, have been making significant contributions to Oregon's tourism industry. The Burns Paiute and Klamath Tribes have renewed a foothold in the local economy.

Mr. President, I commend the contributions Native American people have brought to my State and this nation. American Indian Heritage Month is an important recognition to the accomplishments and contributions of Native Americans in our country. I urge my colleagues to join us in support of this resolution and I look forward to its prompt consideration.

SENATE RESOLUTION 217—RELATING TO THE FREEDOM OF BELIEF, EXPRESSION, AND ASSOCIATION IN THE PEOPLE'S REPUBLIC OF CHINA

Mr. HUTCHINSON submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 217

Whereas the United Nations Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights affirm the freedoms of thought, conscience, religion, expression, and assembly as fundamental human rights belonging to all people;

Whereas the United Nations Universal Declaration of Human Rights is a common standard of achievement for all peoples and all nations, including the People's Republic of China, a member of the United Nations;

Whereas the People's Republic of China has signed the International Covenant on Civil and Political Rights but has yet to ratify the treaty and thereby make it legally binding;

Whereas the Constitution of the People's Republic of China provides for the freedom of religious belief and the freedom not to believe;

Whereas according to the Department of State and international human rights organizations, the Government of the People's Republic of China does not provide these freedoms but continues to restrict unregistered religious activities and persecutes persons on the basis of their religious practice through measures including harassment, prolonged detention, physical abuse, incarceration, and police closure of places of worship;

Whereas under the International Religious Freedom Act, the Secretary of State has designated the People's Republic of China as a country of special concern;

Whereas the Government of the People's Republic of China has issued a decree declaring a wide range of activities illegal and subject to prosecution, including distribution of Falun Gong materials, gatherings or silent sit-ins, marches or demonstrations, and other activities to promote Falun Gong and has begun the trials of several Falun Gong practitioners;

Whereas the National People's Congress of the People's Republic of China on October 30, 1999, adopted a new law banning and criminalizing groups labeled by the Government of the People's Republic of China as cults; and

Whereas the Government of the People's Republic of China has officially labeled the Falun Gong meditation group a cult and has formally charged at least four members of the Falun Gong under this new law: Now, therefore, be it

Resolved, That the Senate calls on the Government of the People's Republic of China to—

(1) release all prisoners of conscience and put an immediate end to the harassment, detention, physical abuse, and imprisonment of Chinese citizens exercising their legitimate rights to free belief, expression, and association; and

(2) demonstrate its willingness to abide by internationally accepted norms of freedom of belief, expression, and association by repealing or amending laws and decrees that restrict those freedoms and proceeding promptly to ratify and implement the International Covenant on Civil and Political Rights.

AMENDMENTS SUBMITTED

AFRICAN GROWTH AND OPPORTUNITY ACT

BINGAMAN AMENDMENT NO. 2431

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

At the appropriate place, insert the following new section:

SEC. . REPORT.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of this section, the Comptroller General of the United States shall submit a report to Congress regarding the efficiency and effectiveness of Federal and State coordination of unemployment and retraining activities associated with the following programs and legislation:

(1) trade adjustment assistance (including NAFTA trade adjustment assistance) provided for under title II of the Trade Act of 1974;

(2) the Job Training Partnership Act;

(3) the Workforce Investment Act; and

(4) unemployment insurance.

(b) PERIOD COVERED.—The report shall cover the activities involved in the programs and legislation listed in subsection (a) from January 1, 1994 to December 31, 1999.

(c) DATA AND RECOMMENDATIONS.—The report shall at a minimum include specific data and recommendations regarding—

(1) the compatibility of program requirements related to the employment and retraining of dislocated workers in the United States, with particular emphasis on the trade adjustment assistance programs provided for under title II of the Trade Act of 1974;

(2) the compatibility of application procedures related to the employment and retraining of dislocated workers in the United States;

(3) the capacity of these programs to assist workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(4) the capacity of these programs to assist secondary workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(5) how the impact of foreign trade and the transfer of production to other countries would have changed the number of beneficiaries covered under the trade adjustment assistance program if the trade adjustment assistance program covered secondary workers in the United States; and

(6) the effectiveness of the programs described in subsection (a) in achieving reemployment of United States workers and maintaining wage levels of United States workers who have been dislocated as a result of foreign trade and the transfer of production to other countries.

TORRICELLI AMENDMENTS NOS. 2432–2446

(Ordered to lie on the table.)

Mr. TORRICELLI submitted 15 amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2432

At the end of the amendment, add the following new subsection:

( ) EXCEPTION.—This section shall not apply to Cuba until the President reports to Congress that the Government of Cuba—

(1) has held free and fair elections conducted under internationally recognized observers;

(2) has permitted opposition parties ample time to organize and campaign for such elections, and has permitted full access to the media to all candidates in the elections;

(3) is showing respect for the basic civil liberties and human rights of the citizens of Cuba;

(4) is moving toward establishing a free market economic system; and

(5) has committed itself to constitutional change that would ensure regular free and fair elections.

AMENDMENT NO. 2433

At the end of the amendment, add the following new section:

SEC. . (a) TREATMENT OF SALES IF CUBA IS ON THE LIST OF TERRORIST STATES.—At any time during which Cuba has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), commercial sales of food and medicine to Cuba shall only be made pursuant to a specific license for each transaction issued by the United States Government.

(b) PREVENTION OF TORTURE AND PROLIFERATION OF CHEMICAL OR BIOLOGICAL WEAPONS.—Nothing in subsection (a) shall be construed as authorizing the sale or transfer of equipment, medicines, or medical supplies that could be used for purposes of torture or human rights abuses or in the development of chemical or biological weapons.

(c) Donation of Food and Humanitarian Assistance to the Cuban People.—

(1) In general.—Of the amounts available under this Act (including agricultural commodities), under chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance), or chapter 4 of part II of that Act (relating to the economic support fund) in any fiscal year, up to $25,000,000 may be made available each fiscal year to carry out activities under section 109(a) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6039(a)) or to provide humanitarian assistance through independent nongovernmental organizations to victims of political repression in Cuba.

(2) Safeguards on assistance.—(A) Funds made available under paragraph (1) shall be subject to notification of the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(B) Assistance may not be provided under this section if any assistance is likely to be or is found to have been diverted to the Cuban government, to any coercive organization affiliated with the Cuban government, or to any organization that has violated any law or regulation of the United States regarding exports to or financial transactions with Cuba.

Amendment No. 2434

At the appropriate place, insert the following:

SEC. . LICENSING REQUIREMENT FOR COUNTRIES SUPPORTING ACTS OF INTERNATIONAL TERRORISM.

The export of any medicine, medical device, or agricultural commodity sold under contract to any country the government of which the Secretary of States determines under section 6(j) of the Export Administration Act of 1979 has repeatedly provided support for acts of international terrorism shall be made pursuant to a specific license.

Amendment No. 2435

At the appropriate place in the bill, insert the following:

Sec. . The commercial export of agricultrual commodities or medicine to a country the government of which on June 1, 1999, had been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) shall only be made—

(1) pursuant to a specific license for each transaction issued by the United States Government;

(2) to nongovernmental organizations or entities, or parastatal organizations, if such organizations or entities are not associated in any way with a coercive body of a government; and

(3) subject to notification of the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

Amendment No. 2436

At the end of the amendment, add the following new section:

SEC. . LIMITATION ON COMMERCIAL SALES OF FOOD AND MEDICINE.

(a) Treatment of Sales if Country Is on the List of Terrorist States.—At any time during which a country has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), commercial sales of food and medicine to such country shall only be made pursuant to a specific license for each transaction issued by the United States Government.

(b) Prevention of Torture and Proliferation of Chemical or Biological Weapons.—Nothing in subsection (a) shall be construed as authorizing the sale or transfer of equipment, medicines, or medical supplies that could be used for purposes of torture or human rights abuses or in the development of chemical or biological weapons.

Amendment No. 2437

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with , which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2438

At the appropriate place in the bill, insert the following:

Sec. . Nothing in this Act shall be construed as authorizing commercial exports or other transactions with any country that on June 1, 1999, was determined by the Secretary of State to have been a country the government of which had repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2439

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing any commercial sale that is otherwise prohibited by law to any country that on June 20, 1999, had been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2440

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with Sudan, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2441

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with Libya, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2442

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with North Korea, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2443

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with Iran, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2444

At the appropriate place in the bill, insert the following:

Sec. . (a) Nothing in this Act shall be construed as authorizing commercial transactions with Cuba, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2445

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with Syria, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

Amendment No. 2446

At an appropriate place, insert the following:

SEC. . EXCLUSION RELATING TO COUNTRY SUPPORTIVE OF INTERNATIONAL TERRORISM.

Nothing in this Act shall be construed as authorizing financing or United States Government credit for commercial transactions with Iraq, which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

ROTH AMENDMENT NO. 2447

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2354 proposed by Mr. LEVIN to the bill, H.R. 434, supra; as follows:

Strike all text on lines 1 through 4 and at the appropriate place in the bill insert the following:

SEC. . PROHIBITION ON IMPORTS MADE WITH CHILD LABOR.

Consistent with the requirements of section 307 of the Tariff Act of 1930, as amended by this Act, none of the benefits provided by the amendments made by this Act shall be made available to any imports that are made with forced or indentured child labor.

ROTH AMENDMENT NO. 2448

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2373 submitted by Mr. COVERDELL to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 2 through page 2, line 3 and at the appropriate place in the bill insert the following:

SEC. . COOPERATION WITH EFFORTS TO COMBAT MONEY LAUNDERING.

In determining a country's eligibility for the beneficial trade preferences provided for under this Act, the President shall consider whether such country has taken steps to prevent its financial system from being used to circumvent the criminal laws of the United States relating to money laundering and other illegal financial activities.

ROTH AMENDMENT NO. 2449

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2378 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on line 1 through 10 and at the appropriate place in the bill insert the following:

SEC. . LABOR CONDITIONS IN BENEFICIARY COUNTRIES.

Within one year after the date of enactment of this Act, the President shall report to Congress regarding whether the labor-related conditions in this Act have been effective in encouraging beneficiary countries to take steps to afford internationally recognized worker rights to workers in such beneficiary countries.

ROTH AMENDEMNT NO. 2450

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2379 proposed by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on lines 1 through 11 and at the appropriate place in the bill insert the following:

SEC. . LABOR CONDITIONS IN BENEFICIARY COUNTRIES.

Within one year after the date of enactment of this Act, the President shall report to Congress regarding whether the labor-related conditions in this Act have been effective in encouraging beneficiary countries to take steps to afford internationally recognized worker rights to workers in such beneficiary countries.

ROTH AMENDMENT NO. 2451

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 10 and at the appropriate place in the bill insert the following:

SEC. . LABOR CONDITIONS IN BENEFICIARY COUNTRIES.

Within one year after the date of enactment of this Act, the President shall report to Congress regarding whether the labor-related conditions in this Act have been effective in encouraging beneficiary countries to take steps to afford internationally recognized worker rights to workers in such beneficiary countries.

ROTH AMENDMENT NO. 2452

(Ordered to lie on the table.

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2381 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 3 through page 2, line5 and at the appropriate place in the bill insert the following:

SEC. . LABOR CONDITIONS IN BENEFICIARY COUNTRIES,

Within one year after the date of enactment of this Act, the President shall report to Congress regarding whether the labor-related conditions in this Act have been effective in encouraging beneficiary countries to take steps to afford internationally recognized worker rights to workers in such beneficiary countries.

SEC. . ENVIRONMENTAL COOPERATION WITH BENEFICIARY COUNTRIES.

With respect to any of the countries eligible for benefits under this Act, the President may, at his discretion, direct the Administrator of the Environmental Protection Agency to prepare a report identifying what actions should be taken on a bilateral or multilateral basis to assist such beneficiary country in taking the steps necessary to improve environmental conditions in that country.

ROTH AMENDMENT NO. 2453

(Ordered to lie on the table.)

Mr. ROTH submitted and amendment intended to be proposed by him to amendment No. 2382 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on lines 4 through 9 and at the appropriate place in the bill insert the following:

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if:

(a) the Bureau of Labor Statistics determines that United States textile and apparel industries have lost 50,000 or more jobs at any time during the first 24 months after the date of enactment of this Act; and,

(b) the International Trade Commission determines that such job losses are directly attributable to the benefits provided by this Act and are not attributable to any other cause.

ROTH AMENDMENT NO. 2454

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2383 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on lines 4 through 9 and at the appropriate place in the bill insert the following:

SEC. . TERMINATION OF BENEFITS IF DOMESTIC INDUSTRY SUFFERS.

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if:

(a) the Bureau of labor Statistics determines that United States textile and apparel industries have lost 50,000 or more jobs at any time during the first 24 months after the date of enactment of this Act; and

(b) the International Trade Commission determines that such job losses are directly attributable to increased trade resulting from the benefits provided by this Act and are not attributable to any other cause.

ROTH AMENDMENT NO. 2455

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2384 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on lines 1 through 10 and at the appropriate place in the bill insert the following:

SEC. . ENVIRONMENTAL COOPERATION WITH BENEFICIARY COUNTRIES.

With respect to any of the countries eligible for benefits under this Act, the President may, at his discretion, direct the Administrator of the Environmental Protection Agency to prepare a report identifying what actions should be taken on a bilateral or multilateral basis to assist such beneficiary country in taking the steps necessary to improve environmental conditions in that country.

ROTH AMENDMENT NO. 2456

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2385 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through line 12 and at the appropriate place in the bill insert the following:

SEC. . ENVIRONMENTAL COOPERATION WITH BENEFICIARY COUNTRIES.

With respect to any of the countries eligible for benefits under this Act, the President may, at his discretion, direct the Administrator of the Environmental Protection Agency to prepare a report identifying what actions should be taken on a bilateral or multilateral basis to assist such beneficiary country in taking the steps necessary to improve environmental conditions in that country.

ROTH AMENDMENT NO. 2457

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2386 submitted by Mr.

HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 11 and at the appropriate place in the bill insert the following:

SEC. . ENVIRONMENTAL COOPERATION WITH BENEFICIARY COUNTRIES.

With respect to any of the countries eligible for benefits under this Act, the President may, at his discretion, direct the Administrator of the Environmental Protection Agency to prepare a report identifying what actions should be taken on a bilateral or multilateral basis to assist such beneficiary country in taking the steps necessary to improve environmental conditions in that country.

ROTH AMENDMENT NO. 2458

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2387 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 2 and at the appropriate place in the bill insert the following:

SEC. . ELIMINATION OF MARKET BARRIERS IN BENEFICIARY COUNTRIES.

The President shall take any action he deems necessary under his existing authority to eliminate any trade barriers that, in his view, unduly restrict the access of United States goods, services or investments to the market of a country to which benefits are conferred under this Act.

ROTH AMENDMENT NO. 2459

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2388 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 13 and at the appropriate place on the bill insert the following:

SEC. MINIMUM WAGE REQUIREMENT.

(a) Subject to the requirements of subsection (b), the benefits provided by this Act and the amendments made by this Act shall not be available to any country unless the President determines that:

(1) The country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than $1 per hour; and

(2) the goods imported from that country that are eligible for such benefits are produced in accordance with that law.

(b) The requirements of subsection (a) shall not apply in those instances where the beneficiary country has an unemployment rate that exceeds five percent.

ROTH AMENDMENT NO. 2460

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2389 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 3 and at the appropriate place in the bill insert the following:

SEC. . MINIMUM WAGE REQUIREMENT.

(a) Subject to the requirements of subsection (b), the benefits provided by this Act and the amendments made by this Act shall not be available to any country unless the President determines that:

(1) The Country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than $1 per hour; and

(2) the goods imported from that country that are eligible for such benefits are produced in accordance with that law.

(b) The requirements of subsection (a) shall not apply in those instances where the beneficiary country has an unemployment rate that exceeds five percent.

ROTH AMENDMENT NO. 2461

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2390 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 10 through page 2, line 9 and at the appropriate place in the bill insert the following:

(d) PROHIBITION ON IMPORTS MADE WITH CHILD LABOR.—Consistent with the requirements of section 307 of the Tariff Act of 1930, as amended by this Act, none of the benefits provided by the amendments made by this Act shall be made available to any imports that are made with forced or indentured child labor.

ROTH AMENDMENT NO. 2462

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2391 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on line 2 through line 11 and at the appropriate place in the bill insert the following:

SEC. . PROHIBITION ON IMPORTS MADE WITH CHILD LABOR.

Consistent with the requirements of section 307 of the Tariff Act of 1930, as amended by this Act, none of the benefits provided by the amendments made by this Act shall be made available to any imports that are made with forced or indentured child labor.

ROTH AMENDMENT NO. 2463

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2403 submitted by Mr. HARKIN to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 6 and at the appropriate place in the bill insert the following:

SEC. . ELIMINATION OF THE WORST FORMS OF CHILD LABOR.

In determining a country's eligibility for the benefits under this Act, the President shall consider whether such country has taken or is taking steps to comply with the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

ROTH AMENDMENT NO. 2464

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2404 submitted by Mr. HARKIN to the bill, H.R. 434, supra; as follows:

Strike all text on lines 1 through 10 and at the appropriate place in the bill insert the following:

SEC. . ELIMINATION OF THE WORST FORMS OF CHILD LABOR.

In determining a country's eligibility for the benefits under this Act, the President shall consider whether such country has taken or is taking steps to comply with the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

ROTH AMENDMENT NO. 2465

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2405 submitted by Mr. FEINGOLD to the bill, H.R. 434, supra; as follows:

Make the following modifications to the text:

Page 2, on line 13, strike "section 4" and replace with "section 104".

Page 4, strike text from top of page to the last unnumbered line.

Page 4, line 19, redesignate paragraph as paragraph "(C)".

Page 4, line 25, strike "section 4" and replace with "section 104".

Page 5, line 8, replace "section 105" with "section 115".

Page 7, line 5, strike "section 4" and replace with "section 104".

Page 7, line 20, strike "505A" and replace with "506B".

Page 9, strike all text on that page and replace with the following:

"(1) the country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and (2) the country enacts legislation or promulgates regulations that would permit United States Customs Service verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

Page 14, strike line 22 through page 20, line 22.

ROTH AMENDMENT NO. 2466

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2406 proposed by Mr. FEINGOLD to the bill, H.R. 434, supra; as follows:

Make the following modifications to the text:

Page 4, strike text from top of page (line 6) through line 10.

Page 4, on line 25, strike "section 4" and replace with "section 104".

Page 5, on line 8, replace "section 105" with "section 115".

Page 7, strike lines 1 through 7.

ROTH AMENDMENT NO. 2467

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2416 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on lines 4 through line 9 and at the appropriate place in the bill insert the following:

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if:

(a) The Bureau of Labor Statistics determines that United States textile and apparel industries have lost 50,000 or more jobs at any time during the first 24 months after the date of enactment of this Act; and,

(b) the International Trade Commission determines that such job losses are directly attributable to increased trade resulting from the benefits provided by this Act and are not attributable to any other cause.

ROTH AMENDMENT NO. 2468

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2417 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on line 1 through line 12 and at the appropriate place in the bill insert the following:

SEC. . ENVIRONMENTAL COOPERATION WITH BENEFICIARY COUNTRIES.

With respect to any of the countries eligible for benefits under this Act, the President may, at his discretion, direct the Administrator of the Environmental Protection Agency to prepare a report identifying what actions should be taken on a bilateral or multilateral basis to assist such beneficiary country in taking the steps necessary to improve environmental conditions in that country.

ROTH AMENDMENT NO. 2469

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2418 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 2 and at the appropriate place in the bill insert the following:

SEC. . ELIMINATION OF MARKET BARRIERS IN BENEFICIARY COUNTRIES.

The President shall take any action he deems necessary under his existing authority to eliminate any trade barriers that, in his view, unduly restrict the access of United States goods, services or investments to the market of a country to which benefits are conferred under this Act.

ROTH AMENDMENT NO. 2470

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2419 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 1 through page 2, line 5 and at the appropriate place in the bill insert the following:

SEC. . LABOR CONDITIONS IN BENEFICIARY COUNTRIES.

Within one year after the date of enactment of this Act, the President shall report to Congress regarding whether the labor-related conditions in this Act have been effective in encouraging beneficiary countries to take steps to afford internationally recognized worker rights to workers in such beneficiary countries.

SEC. . ENVIRONMENTAL COOPERATION WITH BENEFICIARY COUNTRIES.

With respect to any of the countries eligible for benefits under this Act, the President may, at his discretion, direct the Administrator of the Environmental Protection Agency to prepare a report identifying what actions should be taken on a bilateral or multilateral basis to assist such beneficiary country in taking the steps necessary to improve environmental conditions in that country.

ROTH AMENDMENT NO. 2471

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2421 submitted by Mr. HOLLINGS to the bill, H.R. 434, supra; as follows:

Strike all text on page 1, line 3 through page 2, line 3 and at the appropriate place in the bill insert the following:

(a) Subject to the requirements of subsection (b), the benefits provided by this Act and the amendments made by this Act shall not be available to any country unless the President determines that:

(1) the country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than $1 per hour; and,

(2) the goods imported from that country that are eligible for such benefits are produced in accordance with that law.

(b) The requirements of subsection (a) shall not apply in those instances where the beneficiary country has an unemployment rate that exceeds 5 percent.

ROTH AMENDMENT NO. 2472

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2430 submitted by Ms. LANDRIEU to the bill, H.R. 434, supra; as follows:

Strike text on page 2, line 1, beginning with "more than 5 times" and continuing through the end of the text on line 4, and replace with the following: "at a level where inclusion of that country would undermine the policy objectives set forth in section 103 of Title I of this Act."

HOLLINGS AMENDMENTS NOS. 2473–2474

(Ordered to lie on the table.)

Mr. HOLLINGS submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2473

At the appropriate place insert the following:

SEC. ——. RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

AMENDMENT NO. 2474

Strike all after the first word and insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

ROTH AMENDMENT NO. 2475

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2428 proposed by Mr. FEINGOLD to the bill, H.R. 434, supra; as follows:

Make the following modifications to the text:

Page 3, strike lines 5 through 18.

Page 3, redesignate section "(E)" as section "(C)".

Page 7, strike lines 18 through page 8, line 7, and replace with the following text:

"(1) the country adopts an efficient visa system to guard against unlawful transshipments of textile and apparel goods and the use of counterfeit documents; and

"(2) the country enacts legislation or promulgates regulations that would permit United States Customs verification teams to have the access necessary to investigate thoroughly allegations of transshipments through such country."

Page 9, strike line 25 through page 18, line 7, and replace with the following text:

"(c) PENALTIES FOR TRANSSHIPMENTS.—

"(1) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, then the President shall deny all benefits under this section and section 506A of the Trade Act of 1974 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of 2 years.

"(2) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment for a textile or apparel article under subsection (a) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article of any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subsection (a).

"(d) TECHNICAL ASSISTANCE.—The Customs Service shall provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of the requirements set forth in subsection (a)(1) and (2).

"(e) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress, not later than March 31 of each year, a report on the effectiveness of the anti-circumvention systems described in this section and on measures taken by countries in sub-Saharan Africa which export textile or apparel to the United States to prevent circumvention as described in article 5 of the Agreement on Textiles and Clothing.

"(f) SAFEGUARD.—The President shall have the authority to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment provided under this section, in the event that textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat thereof, to the domestic industry producing like or directly competitive articles. The President shall exercise his authority under this subsection consistent with the Agreement on Textiles and Clothing.

"(g) DEFINITIONS.—In this section:

"(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term 'Agreement on Textiles and Clothing' means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

"(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms 'beneficiary sub-Saharan African countries' and 'beneficiary sub-Saharan African countries' have the same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

"(3) CUSTOMS SERVICE.—The term 'Customs Service' means the United States Customs Service."

ROTH AMENDMENT NO. 2476

(Ordered to lie on the table.)

Mr. ROTH submitted an amendment intended to be proposed by him to amendment No. 2427 submitted by Mr. FEINGOLD to the bill, H.R. 434, supra; as follows:

Make the following modifications to the text:

Page 1, strike text beginning on line 3 through page 23, line 11, and replace with the following:

"SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

"(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) AUTHORITY TO DESIGNATE.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

"(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

"(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

"(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.".

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.".

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 505 of the following new section:

"SEC. 505A. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"In the case of a country listed in section 4 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.".

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended—

(1) by inserting after the item relating to section 505 the following new item: "505A. Termination of benefits for sub-Saharan African countries."; and

(2) by inserting after the item relating to section 506 the following new item: "506A. Designation of sub-Saharan African countries for certain benefits.".

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) the country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(2) the country enacts legislation or promulgates regulations that would permit United States customs verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apprel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the

United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) PENALTIES FOR TRANSSHIPMENTS.—

(1) PENALTIES FOR EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has engaged in transshipment with respect to textile or apparel products from a beneficiary sub-Saharan African country, then the President shall deny all benefits under this section and section 506A of the Trade Act of 1974 to such exporter, any successor of such exporter, and any other entity owned or operated by the principal of the exporter for a period of 2 years.

(2) TRANSSHIPMENT DESCRIBED.—Transshipment within the meaning of this subparagraph has occurred when preferential treatment for a textile or apparel article under subsection (a) has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this clause, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under subsection (a).

(d) TECHNICAL ASSISTANCE.—The Customs Service shall provide technical assistance to the beneficiary sub-Saharan African countries for the implementation of the requirements set forth in subsection (a)(1) and (2).

(e) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to Congress not later than March 31 of each year, a report on the effectiveness of the anti-circumvention system described in this section and on measures taken by countries in sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in article 5 of the Agreement on Textiles and Clothing.

(f) SAFEGUARD.—The President shall have the authority to impose appropriate remedies, including restrictions on or the removal of quota-free and duty-free treatment provided under this section, in the event that textile and apparel articles from a beneficiary sub-Saharan African country are being imported in such increased quantities as to cause serious damage, or actual threat thereof, to the domestic industry producing like or directly competitive articles. The President shall exercise his authority under this subsection consistent with the Agreement on Textile and Clothing.

(g) DEFINITIONS.—In this section:

(1) AGREEMENT ON TEXTILES AND CLOTHING.—The term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(2) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY, ETC.—The terms "beneficiary sub-Saharan African country" and "beneficiary sub-Saharan African countries" have the same meaning as such terms have under section 506A(c) of the Trade Act of 1974.

(3) CUSTOMS SERVICE.—The term "Customs Service" means the United States Customs Service.

(h) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999 and shall remain in effect through September 30, 2006.

Page 23, line 12, redesignate section 114 as section 113.

Page 25, after line 8, insert the following text:

"SEC. 114. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

"(a) IN GENERAL.—The President shall examine the feasibility of negotiating a free trade agreement (or agreements) with interested sub-Saharan African countries.

"(b) REPORT TO CONGRESS.—Not later than 12 months after the date of enactment of this Act, the President shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding the President's conclusions on the feasibility of negotiating such agreement (or agreements). If the President determines that the negotiation of any such free trade agreement is feasible, the President shall provide a detailed plan for such negotiation that outlines the objectives, timing, any potential benefits to the United States and sub-Saharan Africa, and the likely economic impact of any such agreement.".

KERRY AMENDMENT NO. 2477

(Ordered to lie on the table.)

Mr. KERRY submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert:

SEC. . CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45D. CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

"(a) GENERAL RULE.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year is an amount equal to 30 percent of the qualified vaccine research expenses for the taxable year.

"(b) QUALIFIED VACCINE RESEARCH EXPENSES.—For purposes of this section—

"(1) QUALIFIED VACCINE RESEARCH EXPENSES.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term 'qualified vaccine research expenses' means the amounts which are paid or incurred by the taxpayer during the taxable year which would be described in subsection (b) of section 41 if such subsection were applied with the modifications set forth in subparagraph (B).

"(B) MODIFICATIONS.—For purposes of subparagraph (A), subsection (b) of section 41 shall be applied—

"(i) by substituting 'vaccine research' for 'qualified research' each place it appears in paragraphs (2) and (3) of such subsection, and

"(ii) by substituting '75 percent' for '65 percent' in paragraph (3)(A) of such subsection.

"(C) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified vaccine research expenses' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(2) VACCINE RESEARCH.—The term 'vaccine research' means research to develop vaccines and microbicides for—

"(A) malaria,

"(B) tuberculosis, or

"(C) HIV.

"(c) COORDINATION WITH CREDIT FOR INCREASING RESEARCH EXPENDITURES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any qualified vaccine research expenses for a taxable year to which an election under this section applies shall not be taken into account for purposes of determining the credit allowable under section 41 for such taxable year.

"(2) EXPENSES INCLUDED IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any qualified vaccine research expenses for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

"(d) SPECIAL RULES.—

"(1) LIMITATIONS ON FOREIGN TESTING.—No credit shall be allowed under this section with respect to any vaccine research (other than human clinical testing) conducted outside the United States by any entity which is not registered with the Secretary.

"(2) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply for purposes of this section.

"(3) ELECTION.—This section (other than subsection (e)) shall apply to any taxpayer for any taxable year only if such taxpayer elects to have this section apply for such taxable year.

"(e) SHAREHOLDER EQUITY INVESTMENT CREDIT IN LIEU OF RESEARCH CREDIT.—

"(1) IN GENERAL.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year shall include an amount equal to 20 percent of the amount paid by the taxpayer to acquire qualified research stock in a corporation if—

"(A) the amount received by the corporation for such stock is used within 18 months after the amount is received to pay qualified vaccine research expenses of the corporation for which a credit would (but for subparagraph (B) and subsection (d)(3)) be determined under this section, and

"(B) the corporation waives its right to the credit determined under this section for the qualified vaccine research expenses which are paid with such amount.

"(2) QUALIFIED RESEARCH STOCK.—For purposes of paragraph (1), the term 'qualified research stock' means any stock in a C corporation—

"(A) which is originally issued after the date of the enactment of the Lifesaving Vaccine Technology Act of 1999,

"(B) which is acquired by the taxpayer at its original issue (directly or through an underwriter) in exchange for money or other property (not including stock), and

"(C) as of the date of issuance, such corporation meets the gross assets tests of subparagraphs (A) and (B) of section 1202(d)(1).

"(f) TERMINATION.—This section shall not apply to any amount paid or incurred after December 31, 2000."

(b) INCLUSION IN GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Section 38(b) (relating to current year business credit) is amended by striking "plus" at the end of paragraph (11),

by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following new paragraph:

"(13) the vaccine research credit determined under section 45D.".

(2) TRANSITION RULE.—Section 39(d) (relating to transitional rules) is amended by adding at the end the following new paragraph:

"(9) NO CARRYBACK OF SECTION 45D CREDIT BEFORE ENACTMENT.—No portion of the unused business credit for any taxable year which is attributable to the vaccine research credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D.".

(c) DENIAL OF DOUBLE BENEFIT.—Section 280C (relating to certain expenses for which credits are allowable) is amended by adding at the end the following new subsection:

"(d) CREDIT FOR QUALIFIED VACCINE RESEARCH EXPENSES.—

"(1) IN GENERAL.—No deduction shall be allowed for that portion of the qualified vaccine research expenses (as defined in section 45D(b)) otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45D(a).

"(2) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (2), (3), and (4) of subsection (c) shall apply for purposes of this subsection.".

(d) DEDUCTION FOR UNUSED PORTION OF CREDIT.—Section 196(c) (defining qualified business credits) is amended by striking "and" at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting ", and", and by adding at the end the following new paragraph:

"(9) the vaccine research credit determined under section 45D(a) (other than such credit determined under the rules of section 280C(d)(2)).".

(e) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Credit for medical research related to developing vaccines against widespread diseases.".

(f) EFFECTIVE DATE.—Except as provided in subsection (k), the amendments made by this section shall apply to amounts paid or incurred after December 31, 1999, in taxable years ending after such date.

(g) DISTRIBUTION OF VACCINES DEVELOPED USING CREDIT.—It is the sense of Congress that if a tax credit is allowed under section 45D of the Internal Revenue Code of 1986 (as added by subsection (a)) to any corporation or shareholder of a corporation by reason of vaccine research expenses incurred by the corporation in the development of a vaccine, such corporation should certify to the Secretary of the Treasury that, within 1 year after that vaccine is first licensed, such corporation will establish a good faith plan to maximize international access to high quality and affordable vaccines.

(h) STUDY.—The Secretary of the Treasury, in consultation with the Institute of Medicine, shall conduct a study of the effectiveness of the credit under section 45D of the Internal Revenue Code of 1986 (as so added) in stimulating vaccine research. Not later than the date which is 4 years after the date of the enactment of this Act, the Secretary shall submit to the Congress the results of such study together with any recommendations the Secretary may have to improve the effectiveness of such credit in stimulating vaccine research.

(i) ACCELERATION OF INTRODUCTION OF PRIORITY VACCINES.—It is the sense of Congress that the President and Federal agencies (including the Department of State, the Department of Health and Human Services, and the Department of the Treasury) should work together in vigorous support of the creation and funding of a multi-lateral, international effort, such as a vaccine purchase fund, to accelerate the introduction of vaccines to which the tax credit under section 45D of the Internal Revenue Code of 1986 (as so added) applies and of other priority vaccines into the poorest countries in the world.

(j) FLEXIBLE PRICING.—It is the sense of Congress that flexible or differential pricing for vaccines, providing lowered prices for the poorest countries, is one of several valid strategies to accelerate the introduction of vaccines in developing countries.

(k) EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.—

(1) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

"SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

"(a) GENERAL RULE.—The Secretary shall establish a program requiring the payment of user fees for—

"(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

"(2) other similar requests.

"(b) PROGRAM CRITERIA.—

"(1) IN GENERAL.—The fees charged under the program required by subsection (a)—

"(A) shall vary according to categories (or subcategories) established by the Secretary,

"(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

"(C) shall be payable in advance.

"(2) EXEMPTIONS, ETC.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

"(3) AVERAGE FEE REQUIREMENT.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

"Category:	Average Fee:
Employee plan ruling and opinion ..	$250
Exempt organization ruling	$350
Employee plan determination	$300
Exempt organization determination.	$275
Chief counsel ruling	$200.

"(c) TERMINATION.—No fee shall be imposed under this section with respect to requests made after September 30, 2009.".

(2) CONFORMING AMENDMENTS.—

(A) The table of sections for chapter 77 is amended by adding at the end the following new item:

"Sec. 7527. Internal Revenue Service user fees.".

(B) Section 10511 of the Revenue Act of 1987 is repealed.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to requests made after the date of the enactment of this Act.

BANKRUPTCY REFORM ACT OF 1999

THURMOND AMENDMENT NO. 2478

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill (S. 625) to amend title 11, United States Code, and for other purposes, as follows:

On page 124, insert between lines 14 and 15 the following:

SEC. 322. EXCLUSIVE JURISDICTION IN MATTERS INVOLVING BANKRUPTCY PROFESSIONALS.

Section 1334 of title 28, United States Code, is amended—

(1) in subsection (b) by striking "Notwithstanding" and inserting "Except as provided in subsection (e)(2), and notwithstanding"; and

(2) amending subsection (e) to read as follows:

"(e) The district court in which a case under title 11 is commenced or is pending shall have exclusive jurisdiction—

"(1) of all the property, wherever located, of the debtor as of the commencement of such case, and of property of the estate; and

"(2) over all matters relating to that case concerning the employment and compensation of professional persons arising out of or related to their employment and performance or nonperformance of the duties undertaken in connection with their employment.".

AFRICAN GROWTH AND OPPORTUNITY ACT

BINGAMAN AMENDMENT NO. 2479

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment to amendment No. 2325 proposed by Senator ROTH, to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . REPORT.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of this section, the Comptroller General of the United States shall submit a report to Congress regarding the efficiency and effectiveness of Federal and State coordination of unemployment and retraining activities associated with the following programs and legislation:

(1) trade adjustment assistance (including NAFTA trade adjustment assistance) provided for under title II of the Trade Act of 1974;

(2) the Job Training Partnership Act;

(3) the Workforce Investment Act; and

(4) unemployment insurance.

(b) PERIOD COVERED.—The report shall cover the activities involved in the programs and legislation listed in subsection (a) from January 1, 1994 to December 31, 1999.

(c) DATA AND RECOMMENDATIONS.—The report shall at a minimum include specific data and recommendations regarding—

(1) the compatibility of program requirements related to the employment and retraining of dislocated workers in the United States, with particular emphasis on the trade adjustment assistance programs provided for under title II of the Trade Act of 1974;

(2) the compatibility of application procedures related to the employment and retraining of dislocated workers in the United States;

(3) the capacity of these programs to assist workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(4) the capacity of these programs to assist secondary workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(5) how the impact of foreign trade and the transfer of production to other countries would have changed the number of beneficiaries covered under the trade adjustment assistance program if the trade adjustment assistance program covered secondary workers in the United States; and

(6) the effectiveness of the programs described in subsection (a) in achieving reemployment of United States workers and maintaining wage levels of United States workers who have been dislocated as a result of foreign trade and the transfer of production to other countries.

NICKLES AMENDMENT NO. 2480

(Ordered to lie on the table.)

Mr. NICKLES submitted an amendment to the bill, H.R. 434, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC . APPLICATION OF DENIAL OF FOREIGN TAX CREDIT REGARDING TRADE AND INVESTMENT WITH RESPECT TO CERTAIN FOREIGN COUNTRIES.

(a) IN GENERAL.—Section 901(j) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., regarding trade and investment with respect to certain foreign countries) is amended by adding at the end the following new paragraph:

"(5) WAIVER OF DENIAL.—

"(A) IN GENERAL.—Paragraph (1) shall not apply with respect to taxes paid or accrued to a country if the President—

"(i) determines that a waiver of the application of such paragraph is in the national interest of the United States and will expand trade and investment opportunities for U.S. companies in such country, and

"(ii) reports such waiver under subparagraph (B).

"(B) REPORT.—Not less than 30 days before the date on which a waiver is granted under this paragraph, the President shall report to Congress—

"(i) the intention to grant such waiver, and

"(ii) the reason for the determination under subparagraph (A)(i).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on or after February 1, 2001.

HOLLINGS AMENDMENTS NOS. 2481–2482

(Ordered to lie on the table.)

Mr. HOLLINGS submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2481

At the appropriate place, insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

AMENDMENT NO. 2482

Strike all after the first word and insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

HOLLINGS AMENDMENT NO. 2483

Mr. HOLLINGS proposed an amendment to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning the environment, similar to the North American Agreement on Environmental Cooperation, and submitted that agreement to the Congress.

HOLLINGS AMENDMENT NO. 2484

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

Strike all after the first word and insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning the environment, similar to the North American Agreement on Environmental Cooperation, and submitted that agreement to the Congress.

HOLLINGS AMENDMENT NO. 2485

Mr. HOLLINGS proposed an amendment to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

HOLLINGS AMENDMENT NO. 2486

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

Strike all after the first word and insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

WELLSTONE AMENDMENT NO. 2487

(Ordered to lie on the table.)

Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, add the following:

SEC. . ENCOURAGING TRADE AND INVESTMENT MUTUALLY BENEFICIAL TO BOTH THE UNITED STATES AND CARIBBEAN COUNTRIES.

(a) CONDITIONING OF TRADE BENEFITS ON COMPLIANCE WITH INTERNATIONALLY RECOGNIZED LABOR RIGHTS.—None of the benefits provided to beneficiary countries under the CBTEA shall be made available before the Secretary of Labor has made a determination pursuant to paragraph (b) of the following:

(1) The beneficiary country does not engage in significant violations of internationally recognized human rights and the Secretary of State agrees with this determination; and

(2)(A) The beneficiary country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones) as determined under paragraph (b), including the core labor standards enumerated in the appropriate treaties of the International Labor Organization, and including—

(i) the right of association;

(ii) the right to organize and bargain collectively;

(iii) a prohibition on the use of any form of coerced or compulsory labor;

(iv) the international minimum age for the employment of children (age 15); and

(v) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

(B) The government of the beneficiary country ensures that the Secretary of Labor, the head of the national labor agency of the government of that country, and the head of the Interamerican Regional Organization of Workers (ORIT) each has access to all appropriate records and other information of all business enterprises in the country.

(b) DETERMINATION OF COMPLIANCE WITH INTERNATIONALLY RECOGNIZED WORKER RIGHTS:—

(1) DETERMINATION—

(A) IN GENERAL.—For purposes of carrying out paragraph (a)(2), the Secretary of Labor, in consultation with the individuals described in clause (B) and pursuant to the procedures described in clause (C), shall determine whether or not each beneficiary country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones).

(B) INDIVIDUALS DESCRIBED.—The individuals described in this clause are the head of the national labor agency of the government of the beneficiary country in question and the head of the Inter-American Regional Organization of Workers (ORIT).

(C) PUBLIC COMMENT.—Not later tan 90 days before the Secretary of Labor makes a determination that a country is in compliance with the requirements of paragraph (a)(2), the Secretary shall publish notice in the Federal Register and an opportunity for public comment. The Secretary shall take into consideration the comments received in making a determination under such paragraph (a)(2).

(2) CONTINUING COMPLIANCE.—In the case of a country for which the Secretary of Labor has made an initial determination under subparagraph (1) that the country is in compliance with the requirements of paragraph (a)(2), the Secretary, in consultation with the individuals described in subparagraph (1), shall, not less than once every 3 years thereafter, conduct a review and make a determination with respect to that country to ensure continuing compliance with the requirements of paragraph (a)(2). The Secretary shall submit the determination to Congress.

(3) REPORT.—Not later than 6 months after the date of enactment of this Act, and on an annual basis thereafter, the Secretary of Labor shall prepare and submit to Congress a report containing—

(A) a description of each determination made under this paragraph during the preceding year;

(B) a description of the position taken by each of the individuals described in subparagraph (1)(B) with respect to each such determination; and

(C) a report on the public comments received pursuant to subparagraph (1)(C).

(c) ADDITIONAL ENFORCEMENT.—A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under this section with respect to any CBTEA beneficiary country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek the value of any damages caused by the failure of a country or company to comply.

ASHCROFT (AND OTHERS) AMENDMENT NO. 2488

(Ordered to lie on the table.)

Mr. ASHCROFT (for himself, Mr. DASCHLE, Mr. BAUCUS, Mr. BURNS, Mr. BROWNBACK, Mr. GRASSLEY, Mr. INHOFE, Mr. HARKIN, Mr. ROBB, Mr. CRAIG, Mr. DORGAN, Mr. LUGAR, Mr. HELMS, Mr. DURBIN, Mr. INOUYE, Mr. CONRAD, Mr. WYDEN, Mr. GORTON, Mr. THOMAS, Ms. COLLINS, Mr. ROBERTS, Mr. BINGAMAN, Mr. MCCONNELL, Mr. JOHNSON, Mr. FITZGERALD, Mr. GRAMS, Mr. ALLARD, Mr. HUTCHINSON, Mr. BOND, Mr. ENZI, and Mr. CRAPO) submitted an amendment intended to be proposed by them to the bill, H.R. 434, as follows:

At the appropriate place, add the following:

SEC. . CHIEF AGRICULTURAL NEGOTIATOR.

(a) ESTABLISHMENT OF A POSITION.—There is established the position of Chief Agricultural Negotiator in the Office of the United States Trade Representative. The Chief Agricultural Negotiator shall be appointed by the President, with the rank of Ambassador, by and with the advice and consent of the Senate.

(b) FUNCTIONS.—The primary function of the Chief Agricultural Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to U.S. agricultural products and services. The Chief Agricultural Negotiator shall be a vigorous advocate on behalf of U.S. agricultural interests. The Chief Agricultural Negotiator shall perform such other functions as the United States Trade Representative may direct.

(c) COMPENSATION.—The Chief Agricultural Negotiator shall be paid at the highest rate of basic pay payable to a member of the Senior Executive Service.

SANTORUM AMENDMENT NO. 2489

(Ordered to lie on the table.)

Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

On page 22, between lines 5 and 6, insert the following new section:

SEC. 116. STUDY ON IMPROVING AFRICAN AGRICULTURAL PRACTICES.

(a) IN GENERAL.—The United States Department of Agriculture, in consultation with American Land Grant Colleges and Universities and not-for-profit international organizations, is authorized to conduct a two-year study on ways to improve the flow of American farming techniques and practices to African farmers. The study conducted by the Department of Agriculture shall include an examination of ways of improving or utilizing—

(1) knowledge of insect and sanitation procedures;

(2) modern farming and soil conservation techniques;

(3) modern farming equipment (including maintaining the equipment);

(4) marketing crop yields to prospective purchasers; and

(5) crop maximization practices.

The study shall be submitted to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives not later than September 30, 2001.

(b) LAND GRANT COLLEGES AND NOT-FOR-PROFIT INSTITUTIONS.—The Department of Agriculture is encouraged to consult with American Land Grant Colleges and not-for-profit international organizations that have firsthand knowledge of current African farming practices.

(c) AUTHORIZATION OF FUNDING.—There is authorized to be appropriated $2,000,000 to conduct the study described in subsection (a).

GRAMM (AND OTHERS) AMENDMENT NO. 2490

(Ordered to lie on the table.)

Mr. GRAMM (for himself, Mr. ENZI, and Mr. JOHNSON) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Export Administration Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—GENERAL AUTHORITY

Sec. 101. Commerce Control List.
Sec. 102. Delegation of authority.
Sec. 103. Public information; consultation requirements.
Sec. 104. Right of export.
Sec. 105. Export control advisory committees.
Sec. 106. Prohibition on charging fees.

TITLE II—NATIONAL SECURITY EXPORT CONTROLS

Subtitle A—Authority and Procedures

Sec. 201. Authority for national security export controls.
Sec. 202. National Security Control List.
Sec. 203. Country tiers.
Sec. 204. Incorporated parts and components.
Sec. 205. Petition process for modifying export status.

Subtitle B—Foreign Availability and Mass-Market Status

Sec. 211. Determination of foreign availability and mass-market status.
Sec. 212. Presidential set-aside of foreign availability determination.
Sec. 213. Presidential set-aside of mass-market status determination.
Sec. 214. Office of Technology Evaluation.

TITLE III—FOREIGN POLICY EXPORT CONTROLS

Sec. 301. Authority for foreign policy export controls.
Sec. 302. Procedures for imposing controls.
Sec. 303. Criteria for foreign policy export controls.
Sec. 304. Presidential report before imposition of control.
Sec. 305. Imposition of controls.
Sec. 306. Deferral authority.
Sec. 307. Review, renewal, and termination.
Sec. 308. Termination of controls under this title.
Sec. 309. Compliance with international obligations.
Sec. 310. Designation of countries supporting international terrorism.

TITLE IV—EXEMPTION FOR AGRICULTURAL COMMODITIES, MEDICINE, AND MEDICAL SUPPLIES

Sec. 401. Exemption for agricultural commodities, medicine, and medical supplies.
Sec. 402. Termination of export controls required by law.
Sec. 403. Exclusions.

TITLE V—PROCEDURES FOR EXPORT LICENSES AND INTERAGENCY DISPUTE RESOLUTION

Sec. 501. Export license procedures.
Sec. 502. Interagency dispute resolution process.

TITLE VI—INTERNATIONAL ARRANGEMENTS; FOREIGN BOYCOTTS; SANCTIONS; AND ENFORCEMENT

Sec. 601. International arrangements.
Sec. 602. Foreign boycotts.
Sec. 603. Penalties.
Sec. 604. Multilateral export control regime violation sanctions.
Sec. 605. Missile proliferation control violations.
Sec. 606. Chemical and biological weapons proliferation sanctions.
Sec. 607. Enforcement.
Sec. 608. Administrative procedure.

TITLE VII—EXPORT CONTROL AUTHORITY AND REGULATIONS

Sec. 701. Export control authority and regulations.
Sec. 702. Confidentiality of information.

TITLE VIII—MISCELLANEOUS PROVISIONS

Sec. 801. Annual and periodic reports.

Sec. 802. Technical and conforming amendments.

Sec. 803. Savings provisions.

SEC. 2. DEFINITIONS.

In this Act:

(1) AFFILIATE.—The term "affiliate" includes both governmental entities and commercial entities that are controlled in fact by the government of a country.

(2) AGRICULTURE COMMODITY.—The term "agriculture commodity" means any agricultural commodity, food, fiber, or livestock (including livestock, as defined in section 602(2) of the Emergency Livestock Feed Assistance Act of 1988 (title VI of the Agricultural Act of 1949 (7 U.S.C. 1471(2))), and including insects), and any product thereof.

(3) CONTROL OR CONTROLLED.—The terms "control" and "controlled" mean any requirement, condition, authorization, or prohibition on the export or reexport of an item.

(4) CONTROL LIST.—The term "Control List" means the Commerce Control List established under section 101.

(5) CONTROLLED COUNTRY.—The term "controlled country" means a country with respect to which exports are controlled under section 201 or 301.

(6) CONTROLLED ITEM.—The term "controlled item" means an item the export of which is controlled under this Act.

(7) COUNTRY.—The term "country" means a sovereign country or an autonomous customs territory.

(8) COUNTRY SUPPORTING INTERNATIONAL TERRORISM.—The term "country supporting international terrorism" means a country designated by the Secretary of State pursuant to section 310.

(9) DEPARTMENT.—The term "Department" means the Department of Commerce.

(10) EXPORT.—

(A) The term "export" means—

(i) an actual shipment, transfer, or transmission of an item out of the United States;

(ii) a transfer to any person of an item either within the United States or outside of the United States with the knowledge or intent that the item will be shipped, transferred, or transmitted to an unauthorized recipient outside the United States; and

(iii) a transfer of an item in the United States to an embassy or affiliate of a country, which shall be considered an export to that country.

(B) The term includes a reexport.

(11) FOREIGN AVAILABILITY STATUS.—The term "foreign availability status" means the status described in section 211(d)(1).

(12) FOREIGN PERSON.—The term "foreign person" means—

(A) an individual who is not—

(i) a United States citizen;

(ii) an alien lawfully admitted for permanent residence to the United States; or

(iii) a protected individual as defined in section 274B(a)(3) of the Immigration and Nationality Act. (8 U.S.C. 1324b(a)(3));

(B) any corporation, partnership, business association, society, trust, organization, or other nongovernmental entity created or organized under the laws of a foreign country or that has its principal place of business outside the United States; and

(C) any governmental entity of a foreign country.

(13) ITEM.—

(A) IN GENERAL.—The term "item" means any good, service, or technology.

(B) OTHER DEFINITIONS.—In this paragraph:

(i) GOOD.—The term "good" means any article, natural or manmade substance, material, supply or manufactured product, including inspection and test equipment, including source code, and excluding technical data.

(ii) TECHNOLOGY.—The term "technology" means specific information that is necessary for the development, production, or use of an item, and takes the form of technical data or technical assistance.

(iii) SERVICE.—The term "service" means any act of assistance, help or aid.

(14) MASS-MARKET STATUS.—The term "mass-market status" means the status described in section 211(d)(2).

(15) MULTILATERAL EXPORT CONTROL REGIME.—The term "multilateral export control regime" means an international agreement or arrangement among two or more countries, including the United States, a purpose of which is to coordinate national export control policies of its members regarding certain items. The term includes regimes such as the Australia Group, the Wassenaar Arrangement, the Missile Technology Control Regime (MTCR), and the Nuclear Suppliers' Group Dual Use Arrangement.

(16) NATIONAL SECURITY CONTROL LIST.—The term "National Security Control List" means the list established under section 202(a).

(17) PERSON.—The term "person" includes—

(A) any individual, or partnership, corporation, business association, society, trust, organization, or any other group created or organized under the laws of a country; and

(B) any government, or any governmental entity.

(18) REEXPORT.—The term "reexport" means the shipment, transfer, transshipment, or diversion of items from one foreign country to another.

(19) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(20) UNITED STATES.—The term "United States" means the States of the United States, the District of Columbia, and any commonwealth, territory, dependency, or possession of the United States, and includes the outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (42 U.S.C. 1331(a)).

(21) UNITED STATES PERSON.—The term "United States person" means—

(A) any United States citizen, resident, or national (other than an individual resident outside the United States who is employed by a person other than a United States person);

(B) any domestic concern (including any permanent domestic establishment of any foreign concern); and

(C) any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations prescribed by the President.

TITLE I—GENERAL AUTHORITY

SEC. 101. COMMERCE CONTROL LIST.

(a) IN GENERAL.—Under such conditions as the Secretary may impose, consistent with the provisions of this Act, the Secretary—

(1) shall establish and maintain a Commerce Control List (in this Act referred to as the "Control List") consisting of items the export of which are subject to licensing or other authorization or requirement; and

(2) may require any type of license, or other authorization, including recordkeeping and reporting, appropriate to the effective and efficient implementation of this Act with respect to the export of an item on the Control List.

(b) TYPES OF LICENSE OR OTHER AUTHORIZATION.—The types of license or other authorization referred to in subsection (a)(2) include the following:

(1) SPECIFIC EXPORTS.—A license that authorizes a specific export.

(2) MULTIPLE EXPORTS.—A license that authorizes multiple exports in lieu of a license for each such export.

(3) NOTIFICATION IN LIEU OF LICENSE.—A notification in lieu of a license that authorizes a specific export or multiple exports subject to the condition that the exporter file with the Department advance notification of the intent to export in accordance with regulations prescribed by the Secretary.

(4) LICENSE EXCEPTION.—Authority to export an item on the Control List without prior license or notification in lieu of a license.

(c) AFTER-MARKET SERVICE AND REPLACEMENT PARTS.—A license or other authorization to export an item under this Act shall not be required for an exporter to provide after-market service or replacement parts, to replace on a one-for-one basis parts that were in an item that was lawfully exported from the United States, unless—

(1) the Secretary determines that such license or other authorization is required to export such parts; or

(2) the after-market service or replacement parts materially enhance the capability of an item which was the basis for the item being controlled.

(d) INCIDENTAL TECHNOLOGY.—A license or other authorization to export an item under this Act includes authorization to export technology related to the item, if the level of the technology does not exceed the minimum necessary to install, repair, maintain, inspect, operate, or use the item.

(e) REGULATIONS.—The Secretary may prescribe such regulations as are necessary to carry out the provisions of this Act.

SEC. 102. DELEGATION OF AUTHORITY.

(a) IN GENERAL.—Except as provided in subsection (b) and subject to the provisions of this Act, the President may delegate the power, authority, and discretion conferred upon the President by this Act to such departments, agencies, and officials of the Government as the President considers appropriate.

(b) EXCEPTIONS.—

(1) DELEGATION TO APPOINTEES CONFIRMED BY SENATE.—No authority delegated to the President under this Act may be delegated by the President to, or exercised by, any official of any department or agency the head of which is not appointed by the President, by and with the advice and consent of the Senate.

(2) OTHER LIMITATIONS.—The President may not delegate or transfer the President's power, authority, or discretion to overrule or modify any recommendation or decision made by the Secretary, the Secretary of Defense, or the Secretary of State under this Act.

SEC. 103. PUBLIC INFORMATION; CONSULTATION REQUIREMENTS.

(a) PUBLIC INFORMATION.—The Secretary shall keep the public fully informed of changes in export control policy and procedures instituted in conformity with this Act.

(b) CONSULTATION WITH PERSONS AFFECTED.—The Secretary shall consult regularly with representatives of a broad spectrum of enterprises, labor organizations, and citizens interested in or affected by export controls in order to obtain their views on United States export control policy and the foreign availability or mass-market status of controlled items.

SEC. 104. RIGHT OF EXPORT.

No license or other authorization to export may be required under this Act, or under regulations issued under this Act, except to carry out the provisions of this Act.

SEC. 105. EXPORT CONTROL ADVISORY COMMITTEES.

(a) APPOINTMENT.—Upon the Secretary's own initiative or upon the written request of representatives of a substantial segment of any industry which produces any items subject to export controls under this Act or under the International Emergency Economic Powers Act, or being considered for such controls, the Secretary may appoint export control advisory committees with respect to any such items. Each such committee shall consist of representatives of United States industry and Government, including the Department of Commerce and other appropriate departments and agencies of the Government. The Secretary shall permit the widest possible participation by the business community on the export control advisory committees.

(b) FUNCTIONS.—

(1) IN GENERAL.—Export control advisory committees appointed under subsection (a) shall advise and assist the Secretary, and any other department, agency, or official of the Government carrying out functions under this Act, on actions (including all aspects of controls imposed or proposed) designed to carry out the provisions of this Act concerning the items with respect to which such export control advisory committees were appointed.

(2) OTHER CONSULTATIONS.—Nothing in paragraph (1) shall prevent the United States Government from consulting, at any time, with any person representing an industry or the general public, regardless of whether such person is a member of an export control advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary, to present evidence to such committees.

(c) REIMBURSEMENT OF EXPENSES.—Upon the request of any member of any export control advisory committee appointed under subsection (a), the Secretary may, if the Secretary determines it to be appropriate, reimburse such member for travel, subsistence, and other necessary expenses incurred by such member in connection with the duties of such member.

(d) CHAIRPERSON.—Each export control advisory committee appointed under subsection (a) shall elect a chairperson, and shall meet at least every 3 months at the call of the chairperson, unless the chairperson determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this section. Each such committee shall be terminated after a period of 2 years, unless extended by the Secretary for additional periods of 2 years each. The Secretary shall consult with each such committee on such termination or extension of that committee.

(e) ACCESS TO INFORMATION.—To facilitate the work of the export control advisory committees appointed under subsection (a), the Secretary, in conjunction with other departments and agencies participating in the administration of this Act, shall disclose to each such committee adequate information, consistent with national security, pertaining to the reasons for the export controls which are in effect or contemplated for the items or policies for which that committee furnishes advice. Information provided by the export control advisory committees shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed unless the Secretary determines that the withholding thereof is contrary to the national interest.

SEC. 106. PROHIBITION ON CHARGING FEES.

No fee may be charged in connection with the submission or processing of an application for an export license under this Act.

TITLE II—NATIONAL SECURITY EXPORT CONTROLS

Subtitle A—Authority and Procedures

SEC. 201. AUTHORITY FOR NATIONAL SECURITY EXPORT CONTROLS.

(a) AUTHORITY.—

(1) IN GENERAL.—In order to carry out the purposes set forth in subsection (b), the President may, in accordance with the provisions of this Act, prohibit, curtail, or require a license, or other authorization for the export of any item subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States. The President may also require recordkeeping and reporting with respect to the export of such item.

(2) EXERCISE OF AUTHORITY.—The authority contained in this subsection shall be exercised by the Secretary, in consultation with the Secretary of Defense, the intelligence agencies, and such other departments and agencies as the Secretary considers appropriate.

(b) PURPOSES.—The purposes of national security export controls are the following:

(1) To restrict the export of items that would contribute to the military potential of countries so as to prove detrimental to the national security of the United States or its allies.

(2) To stem the proliferation of weapons of mass destruction, and the means to deliver them, and other significant military capabilities by—

(A) leading international efforts to control the proliferation of chemical and biological weapons, nuclear explosive devices, missile delivery systems, key-enabling technologies, and other significant military capabilities;

(B) controlling involvement of United States persons in, and contributions by United States persons to, foreign programs intended to develop weapons of mass destruction, missiles, and other significant military capabilities, and the means to design, test, develop, produce, stockpile, or use them; and

(C) implementing international treaties or other agreements or arrangements concerning controls on exports of designated items, reports on the production, processing, consumption, and exports and imports of such items, and compliance with verification programs.

(3) To deter acts of international terrorism.

(c) END USE AND END USER CONTROLS.—Notwithstanding any other provision of this title, controls may be imposed, based on the end use or end user, on the export of any item, that could materially contribute to the proliferation of weapons of mass destruction or the means to deliver them.

SEC. 202. NATIONAL SECURITY CONTROL LIST.

(a) ESTABLISHMENT OF LIST.—

(1) ESTABLISHMENT.—The Secretary shall establish and maintain a National Security Control List as part of the Control List.

(2) CONTENTS.—The National Security Control List shall be composed of a list of items the export of which is controlled for national security purposes under this title.

(3) IDENTIFICATION OF ITEMS FOR NATIONAL SECURITY CONTROL LIST.—The Secretary, with the concurrence of the Secretary of Defense and in consultation with the head of any other department or agency of the United States that the Secretary considers appropriate, shall identify the items to be included on the National Security Control List.

(b) RISK ASSESSMENT.—

(1) REQUIREMENT.—The Secretary shall, in establishing and maintaining the National Security Control List, balance the national security risks of not controlling the export of an item against the economic costs of controlling the item, taking into consideration the risk factors set forth in paragraph (2).

(2) RISK FACTORS.—The risk factors referred to in paragraph (1), with respect to each item, are as follows:

(A) The characteristics of the item.

(B) The threat, if any, to the United States or the national security interest of the United States from the misuse or diversion of such item.

(C) The controllability of the item.

(D) Any other risk factor the Secretary deems appropriate to consider.

SEC. 203. COUNTRY TIERS.

(a) IN GENERAL.—

(1) ESTABLISHMENT AND ASSIGNMENT.—In administering export controls for national security purposes under this title, the President shall, not later than 120 days after the date of enactment of this Act—

(A) establish and maintain a country tiering system in accordance with subsection (b); and

(B) based on the assessments required under subsection (c), assign each country to a tier for each item or group of items the export of which is controlled for national security purposes under this title.

(2) CONSULTATION.—The establishment and assignment of country tiers under this section shall be made after consultation with the Secretary, the Secretary of Defense, the Secretary of State, the intelligence agencies, and such other departments and agencies as the President considers appropriate.

(3) REDETERMINATION AND REVIEW OF ASSIGNMENTS.—The President may redetermine the assignment of a country to a particular tier at any time and shall review and, as the President considers appropriate, reassign country tiers on an on-going basis.

(4) EFFECTIVE DATE OF TIER ASSIGNMENT.—An assignment of a country to a particular tier shall take effect on the date on which notice of the assignment is published in the Federal Register.

(b) TIERS.—

(1) IN GENERAL.—The President shall establish a country tiering system consisting of 5 tiers for purposes of this section, ranging from tier 1 through tier 5.

(2) RANGE.—Countries that represent the lowest risk of diversion or misuse of an item on the National Security Control List shall be assigned to tier 1. Countries that represent the highest risk of diversion or misuse of an item on the National Security Control List shall be assigned to tier 5.

(3) OTHER COUNTRIES.—Countries that fall between the lowest and highest risk to the national security interest of the United States with respect to the risk of diversion or misuse of an item on the National Security Control List shall be assigned to tier 2, 3, or 4, respectively, based on the assessments required under subsection (c).

(c) ASSESSMENTS.—The President shall make an assessment of each country in assigning a country tier taking into consideration the following risk factors:

(1) The present and potential relationship of the country with the United States.

(2) The present and potential relationship of the country with countries friendly to the United States and with countries hostile to the United States.

(3) The country's capabilities regarding chemical, biological, and nuclear weapons and the country's membership in, and level of compliance with, relevant multilateral export control regimes.

(4) The country's position regarding missile systems and the country's membership in, and level of compliance with, relevant multilateral export control regimes.

(5) The country's other military capabilities and the potential threat posed by the country to the United States or its allies.

(6) The effectiveness of the country's export control system.

(7) The level of the country's cooperation with United States export control enforcement and other efforts.

(8) The risk of export diversion by the country to a higher tier country.

(9) The designation of the country as a country supporting international terrorism under section 310.

SEC. 204. INCORPORATED PARTS AND COMPONENTS.

(a) EXPORT OF ITEMS CONTAINING CONTROLLED PARTS AND COMPONENTS.—Controls may not be imposed under this title or any other provision of law on an item solely because the item contains parts or components subject to export controls under this title, if the parts or components—

(1) are essential to the functioning of the item,

(2) are customarily included in sales of the item in countries other than controlled countries, and

(3) comprise 25 percent or less of the total value of the item,

unless the item itself, if exported, would by virtue of the functional characteristics of the item as a whole make a significant contribution to the military or proliferation potential of a controlled country or end user which would prove detrimental to the national security of the United States.

(b) REEXPORTS OF FOREIGN-MADE ITEMS INCORPORATING UNITED STATES CONTROLLED CONTENT.—

(1) IN GENERAL.—No authority or permission may be required under this title to reexport to a country (other than a country designated as a country supporting international terrorism pursuant to section 310) an item that is produced in a country other than the United States and incorporates parts or components that are subject to the jurisdiction of the United States, if the value of the controlled United States content of the item produced in such other country is 25 percent or less of the total value of the item.

(2) REEXPORT TO CERTAIN TERRORIST COUNTRIES.—No authority or permission may be required under this title to reexport to a country designated as a country supporting international terrorism pursuant to section 310 an item that is produced in a country other than the United States and incorporates parts or components that are subject to the jurisdiction of the United States, if the value of the controlled United States content of the item produced in such other country is 10 percent or less of the total value of the item.

(3) DEFINITION OF CONTROLLED UNITED STATES CONTENT.—For purposes of this paragraph, the term "controlled United States content" of an item means those parts or components that—

(A) are subject to the jurisdiction of the United States;

(B) are incorporated into the item; and

(C) would, at the time of the reexport, require a license under this title if exported from the United States to a country to which the item is to be reexported.

SEC. 205. PETITION PROCESS FOR MODIFYING EXPORT STATUS.

(a) ESTABLISHMENT.—The Secretary shall establish a process for interested persons to petition the Secretary to change the status of an item on the National Security Control List.

(b) EVALUATIONS AND DETERMINATIONS.—Evaluations and determinations with respect to a petition filed pursuant to this section shall be made in accordance with the procedures set forth in section 202.

Subtitle B—Foreign Availability and Mass-Market Status

SEC. 211. DETERMINATION OF FOREIGN AVAILABILITY AND MASS-MARKET STATUS.

(a) IN GENERAL.—The Secretary shall—

(1) on a continuing basis,

(2) upon a request from the Office of Technology Evaluation, or

(3) upon receipt of a petition filed by an interested party,

review and determine the foreign availability and the mass-market status of any item the export of which is controlled under this title.

(b) PETITION AND CONSULTATION.—The Secretary shall establish a process for an interested party to petition the Secretary for a determination that an item has a foreign availability or mass-market status. In evaluating and making a determination with respect to a petition filed under this section, the Secretary shall consult with the Secretary of Defense and other appropriate Government agencies and with the Office of Technology Evaluation (established pursuant to section 214).

(c) RESULT OF DETERMINATION.—

(1) IN GENERAL.—In any case in which the Secretary determines, in accordance with procedures and criteria which the Secretary shall by regulation establish, that an item described in subsection (a) has—

(A) a foreign availability status, or

(B) a mass-market status,

the Secretary shall notify the President (and other appropriate departments and agencies) and publish the notice of the determination in the Federal Register. The Secretary's determination shall become final 30 days after the date the notice is published, the item shall be removed from the National Security Control List, and a license or other authorization shall not be required under this title or under section 1211 of the National Defense Authorization Act of Fiscal Year 1998 with respect to the item, unless the President makes a determination described in section 212 or 213 with respect to the item in that 30-day period.

(2) CONFORMING AMENDMENT.—Section 1211(d) of the National Defense Authorization Act for Fiscal Year 1998 is amended in the second sentence by striking "180" and inserting "60".

(d) CRITERIA FOR DETERMINING FOREIGN AVAILABILITY AND MASS-MARKET STATUS.—

(1) FOREIGN AVAILABILITY STATUS.—The Secretary shall determine that an item has foreign availability status under this subtitle, if the item (or a substantially identical or directly competitive item)—

(A) is available to controlled countries from sources outside the United States, including countries that participate with the United States in multilateral export controls;

(B) can be acquired at a price that is not excessive when compared to the price at which a controlled country could acquire such item from sources within the United States in the absence of export controls; and

(C) is available in sufficient quantity so that the requirement of a license or other authorization with respect to the export of such item is or would be ineffective.

(2) MASS-MARKET STATUS.—The Secretary shall determine that an item has mass-market status under this subtitle, if the item (or a substantially identical or directly competitive item)—

(A) is produced and is available for sale in a large volume to multiple potential purchasers;

(B) is widely distributed through normal commercial channels, such as retail stores, direct marketing catalogues, electronic commerce, and other channels;

(C) is conducive to shipment and delivery by generally accepted commercial means of transport; and

(D) may be used for its normal intended purpose without substantial and specialized service provided by the manufacturer, distributor, or other third party.

(3) SPECIAL RULES.—For purposes of this subtitle—

(A) SUBSTANTIALLY IDENTICAL ITEM.—The determination of whether an item in relation to another item is a substantially identical item shall include a fair assessment of end-uses, the properties, nature, and quality of the item.

(B) DIRECTLY COMPETITIVE ITEM.—

(i) IN GENERAL.—The determination of whether an item in relation to another item is a directly competitive item shall include a fair assessment of whether the item, although not substantially identical in its intrinsic or inherent characteristics, is substantially equivalent for commercial purposes and may be adapted for substantially the same uses.

(ii) EXCEPTION.—An item is not directly competitive with a controlled item if the item is substantially inferior to the controlled item with respect to characteristics that resulted in the export of the item being controlled.

SEC. 212. PRESIDENTIAL SET-ASIDE OF FOREIGN AVAILABILITY DETERMINATION.

(a) CRITERIA FOR PRESIDENTIAL SET-ASIDE.—

(1) POTENTIAL FOR ELIMINATION.—If the President determines that—

(A) the absence of export controls with respect to an item would prove detrimental to the national security of the United States, and

(B) there is a high probability that the foreign availability status of an item will be eliminated through multilateral negotiations within a reasonable period of time taking into account the characteristics of the item,

the President may set aside the Secretary's determination of foreign availability status with respect to the item.

(2) REPORT TO CONGRESS.—The President shall promptly—

(A) report any set-aside determination described in paragraph (1) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives; and

(B) publish the determination in the Federal Register.

(b) PRESIDENTIAL ACTION IN CASE OF SET-ASIDE.—

(1) IN GENERAL.—

(A) NEGOTIATIONS.—In any case in which export controls are maintained on an item because the President has made a determination under subsection (a), the President shall actively pursue negotiations with the governments of the appropriate foreign countries for the purpose of eliminating such availability.

(B) REPORT TO CONGRESS.—Not later than the date the President begins negotiations, the President shall notify in writing the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives that the President has begun such negotiations and why the President believes it is important to the national security that export controls on the item involved be maintained.

(2) PERIODIC REVIEW OF DETERMINATION.—The President shall review a determination described in subsection (a) at least every 6 months. Promptly after each review is completed, the Secretary shall submit to the committees of Congress referred to in paragraph (1)(B) a report on the results of the review, together with the status of multilateral negotiations to eliminate the foreign availability of the item.

(3) EXPIRATION OF PRESIDENTIAL SET-ASIDE.—A determination by the President described in subsection (a) shall cease to apply with respect to an item on the earlier of—

(A) the date that is 6 months after the date on which the determination is made under subsection (a), if the President has not commenced multilateral negotiations to eliminate the foreign availability of the item within that 6-month period;

(B) the date on which the negotiations described in paragraph (1) have terminated without achieving an agreement to eliminate foreign availability;

(C) the date on which the President determines that there is not a high probability of eliminating foreign availability of the item through negotiation; or

(D) the date that is 18 months after the date on which the determination described in subsection (a) is made if the President has been unable to achieve an agreement to eliminate foreign availability within that 18-month period.

(4) ACTION ON EXPIRATION OF PRESIDENTIAL SET-ASIDE.—Upon the expiration of a Presidential set-aside under paragraph (3) with respect to an item, the Secretary shall not require a license or other authorization to export the item.

SEC. 213. PRESIDENTIAL SET-ASIDE OF MASS-MARKET STATUS DETERMINATION.

(a) CRITERIA FOR SET-ASIDE.—If the President determines that—

(1) decontrolling or failing to control an item constitutes a serious threat to the national security of the United States, and

(2) export controls on the item would be likely to diminish the threat to, and advance the national security interests of, the United States,

the President may set aside the Secretary's determination of mass-market status with respect to the item.

(b) PRESIDENTIAL ACTION IN CASE OF SET-ASIDE.—

(1) IN GENERAL.—In any case in which export controls are maintained on an item because the President has made a determination under subsection (a), the President shall publish notice of the determination in the Federal Register not later than 30 days after the Secretary publishes notice of the Secretary's determination that an item has mass-market status.

(2) PERIODIC REVIEW OF DETERMINATION.—The President shall review a determination made under subsection (a) at least every 6 months. Promptly after each review is completed, the Secretary shall submit a report on the results of the review to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives.

SEC. 214. OFFICE OF TECHNOLOGY EVALUATION.

(a) IN GENERAL.—The Secretary shall establish in the Department of Commerce an Office of Technology Evaluation (in this subtitle referred to as the "Office"), which shall be under the direction of the Secretary. The Office shall be responsible for gathering and analyzing all the necessary information in order for the Secretary to make determinations of foreign availability and mass-market status under this Act.

(b) RESPONSIBILITIES.—The Office shall be responsible for—

(1) conducting foreign availability assessments to determine whether a controlled item is available to controlled countries and whether requiring a license, or denial of a license for the export of such item, is or would be ineffective;

(2) conducting mass-market assessments to determine whether a controlled item is available to controlled countries because of the mass-market status of the item;

(3) monitoring and evaluating worldwide technological developments in industry sectors critical to the national security interests of the United States to determine foreign availability and mass-market status of controlled items;

(4) monitoring and evaluating multilateral export control regimes and foreign government export control policies and practices that affect the national security interests of the United States;

(5) conducting assessments of United States industrial sectors critical to the United States defense industrial base and how the sectors are affected by technological developments, technology transfers, and foreign competition; and

(6) conducting assessments of the impact of United States export control policies on—

(A) United States industrial sectors critical to the national security interests of the United States; and

(B) the United States economy in general.

(c) REPORTS TO CONGRESS.—The Secretary shall make available to the Committee on International Relations of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate as part of the Secretary's annual report required under section 801 information on the operations of the Office, and on improvements in the Government's ability to assess foreign availability and mass-market status, during the fiscal year preceding the report, including information on the training of personnel, and the use of Commercial Service Officers of the United States and Foreign Commercial Service to assist in making determinations. The information shall also include a description of representative determinations made under this Act during the preceding fiscal year that foreign availability or mass-market status did or did not exist (as the case may be), together with an explanation of the determinations.

(d) SHARING OF INFORMATION.—Each department or agency of the United States, including any intelligence agency, and all contractors with any such department or agency, shall, consistent with the protection of intelligence sources and methods, furnish information to the Office concerning foreign availability and the mass-market status of items subject to export controls under this Act.

TITLE III—FOREIGN POLICY EXPORT CONTROLS

SEC. 301. AUTHORITY FOR FOREIGN POLICY EXPORT CONTROLS.

(a) AUTHORITY.—

(1) IN GENERAL.—In order to carry out the purposes set forth in subsection (b), the President may, in accordance with the provisions of this Act, prohibit, curtail, or require a license, other authorization, recordkeeping, or reporting for the export of any item subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States.

(2) EXERCISE OF AUTHORITY.—The authority contained in this subsection shall be exercised by the Secretary, in consultation with the Secretary of State and such other departments and agencies as the Secretary considers appropriate.

(b) PURPOSES.—The purposes of foreign policy export controls are the following:

(1) To promote the foreign policy objectives of the United States, consistent with the purposes of this section and the provisions of this Act.

(2) To promote international peace, stability, and respect for fundamental human rights.

(3) To use export controls to deter and punish acts of international terrorism and to encourage other countries to take immediate steps to prevent the use of their territories or resources to aid, encourage, or give sanctuary to those persons involved in directing, supporting, or participating in acts of international terrorism.

(c) EXCEPTION.—The President may not control under this title the export from a foreign country (whether or not by a United States person) of any item produced or originating in a foreign country that contains parts or components produced or originating in the United States.

(d) CONTRACT SANCTITY.—

(1) IN GENERAL.—The President may not prohibit the export of any item under this title if that item is to be exported—

(A) in performance of a binding contract, agreement, or other contractual commitment entered into before the date on which the President reports to Congress the President's intention to impose controls on that item under this title; or

(B) under a license or other authorization issued under this Act before the earlier of the date on which the control is initially imposed or the date on which the President reports to Congress the President's intention to impose controls under this title.

(2) EXCEPTION.—The prohibition contained in paragraph (1) shall not apply in any case in which the President determines and certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives that—

(A) there is a serious threat to a foreign policy interest of the United States;

(B) the prohibition of exports under each binding contract, agreement, commitment, license, or authorization will be directly instrumental in remedying the situation posing the serious threat; and

(C) the export controls will be in effect only as long as the serious threat exists.

SEC. 302. PROCEDURES FOR IMPOSING CONTROLS.

(a) NOTICE.—

(1) INTENT TO IMPOSE FOREIGN POLICY EXPORT CONTROL.—Except as provided in section 306, not later than 45 days before imposing or implementing an export control under this title, the President shall publish in the Federal Register—

(A) a notice of intent to do so; and

(B) provide for a period of not less than 30 days for any interested person to submit comments on the export control proposed under this title.

(2) PURPOSES OF NOTICE.—The purposes of the notice are—

(A) to provide an opportunity for the formulation of an effective export control policy under this title that advances United States economic and foreign policy interests; and

(B) to provide an opportunity for negotiations to achieve the purposes set forth in section 301(b).

(b) NEGOTIATIONS.—During the 45-day period that begins on the date of notice described in subsection (a), the President may negotiate with the government of the foreign country against which the export control is proposed in order to resolve the reasons underlying the proposed export control.

(c) CONSULTATION.—

(1) REQUIREMENT.—The President shall consult with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives regarding any export control proposed under this title and the efforts to achieve or increase multilateral cooperation on the issues or problems underlying the proposed export control.

(2) CLASSIFIED CONSULTATION.—The consultations described in paragraph (1) may be conducted on a classified basis if the Secretary considers it necessary.

SEC. 303. CRITERIA FOR FOREIGN POLICY EXPORT CONTROLS.

Each export control imposed by the President under this title shall—

(1) have clearly stated, specific, and compelling United States foreign policy objectives;

(2) have objective standards for evaluating the success or failure of the export control;

(3) include an assessment by the President that—

(A) the export control is likely to achieve such objectives and the expected time for achieving the objectives; and

(B) the achievement of the objectives of the export control outweighs any potential costs of the export control to other United States economic, foreign policy, humanitarian, or national security interests;

(4) be targeted narrowly; and

(5) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in the country subject to the export control.

SEC. 304. PRESIDENTIAL REPORT BEFORE IMPOSITION OF CONTROL.

(a) REQUIREMENT.—Before imposing an export control under this title, the President shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives a report on the proposed export control. The report may be provided on a classified basis if the Secretary considers it necessary.

(b) CONTENT.—The report shall contain a description and assessment of each of the criteria described in section 303. In addition, the report shall contain a description and assessment of—

(1) any diplomatic and other steps that the United States has taken to accomplish the intended objective of the proposed export control;

(2) unilateral export controls imposed, and other measures taken, by other countries to achieve the intended objective of the proposed export control;

(3) the likelihood of multilateral adoption of comparable export controls;

(4) alternative measures to promote the same objectives and the likelihood of their potential success;

(5) any United States obligations under international trade agreements, treaties, or other international arrangements, with which the proposed export control may conflict;

(6) the likelihood that the proposed export control could lead to retaliation against United States interests;

(7) the likely economic impact of the proposed export control on the United States economy, United States international trade and investment, and United States agricultural interests, commercial interests, and employment; and

(8) a conclusion that the probable achievement of the objectives of the proposed export control outweighs any likely costs to United States economic, foreign policy, humanitarian, or national security interests, including any potential harm to the United States agricultural and business firms and to the international reputation of the United States as a reliable supplier of goods, services, or technology.

SEC. 305. IMPOSITION OF CONTROLS.

The President may impose an export control under this title after the submission of the report required under section 304 and publication in the Federal Register of a notice of the imposition of the export control .

SEC. 306. DEFERRAL AUTHORITY.

(a) AUTHORITY.—The President may defer compliance with any requirement contained in section 302(a), 304, or 305 in the case of a proposed export control if—

(1) the President determines that a deferral of compliance with the requirement is in the national interest of the United States; and

(2) the requirement is satisfied not later than 60 days after the date on which the export control is imposed under this title.

(b) TERMINATION OF CONTROL.—An export control with respect to which a deferral has been made under subsection (a) shall terminate 60 days after the date the export control is imposed unless all requirements have been satisfied before the expiration of the 60-day period.

SEC. 307. REVIEW, RENEWAL, AND TERMINATION.

(a) RENEWAL AND TERMINATION.—

(1) IN GENERAL.—Any export control imposed under this title shall terminate on March 31 of each renewal year unless the President renews the export control on or before such date. For purposes of this section, the term "renewal year" means 2002 and every 2 years thereafter.

(2) EXCEPTION.—This section shall not apply to an export control imposed under this title that—

(A) is required by law;

(B) is targeted against any country designated as a country supporting international terrorism pursuant to section 310; or

(C) has been in effect for less than 1 year as of February 1 of a renewal year.

(b) REVIEW.—

(1) IN GENERAL.—Not later than February 1 of each renewal year, the President shall review all export controls in effect under this title.

(2) CONSULTATION.—

(A) REQUIREMENT.—Before completing a review under paragraph (1), the President shall consult with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representative regarding each export control that is being reviewed.

(B) CLASSIFIED CONSULTATION.—The consultations may be conducted on a classified basis if the Secretary considers it necessary.

(3) PUBLIC COMMENT.—In conducting the review of each export control under paragraph (1), the President shall provide a period of not less than 30 days for any interested person to submit comments on renewal of the export control. The President shall publish notice of the opportunity for public comment in the Federal Register not less than 45 days before the review is required to be completed.

(c) REPORT TO CONGRESS.—

(1) REQUIREMENT.—Before renewing an export control imposed under this title, the President shall submit to the committees of Congress referred to in subsection (b)(2)(A) a report on each export control that the President intends to renew.

(2) FORM AND CONTENT OF REPORT.—The report may be provided on a classified basis if the Secretary considers it necessary. Each report shall contain the following:

(A) A clearly stated explanation of the specific and compelling United States foreign policy objective that the existing export control was intended to achieve.

(B) An assessment of—

(i) the extent to the which the existing export control achieved its objectives before renewal based on the objective criteria established for evaluating the export control; and

(ii) the reasons why the existing export control has failed to fully achieve its objectives and, if renewed, how the export control will achieve that objective before the next renewal year.

(C) An updated description and assessment of—

(i) each of the criteria described in section 303, and

(ii) each matter required to be reported under section 304(b)(1) through (8).

(3) RENEWAL OF EXPORT CONTROL.—The President may renew an export control under this title after submission of the report described in paragraph (2) and publication of notice of renewal in the Federal Register.

SEC. 308. TERMINATION OF CONTROLS UNDER THIS TITLE.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President—

(1) shall terminate any export control imposed under this title if the President determines that the control has substantially achieved the objective for which it was imposed; and

(2) may terminate any export control imposed under this title that is not required by law at any time.

(b) EXCEPTION.—Paragraphs (1) and (2) of subsection (a) do not apply to any export control imposed under this title that is targeted against any country designated as a country supporting international terrorism pursuant to section 310.

(c) EFFECTIVE DATE OF TERMINATION.—The termination of an export control pursuant to this section shall take effect on the date notice of the termination is published in the Federal Register.

SEC. 309. COMPLIANCE WITH INTERNATIONAL OBLIGATIONS.

Notwithstanding any other provision of this Act setting forth limitations on authority to control exports and except as provided in section 304, the President may impose controls on exports to a particular country or countries in order to fulfill obligations of the United States under resolutions of the United Nations and under treaties, or other international agreements and arrangements, to which the United States is a party.

SEC. 310. DESIGNATION OF COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.

(a) LICENSE REQUIRED.—A license shall be required for the export of an item to a country if the Secretary of State has determined that—

(1) the government of such country has repeatedly provided support for acts of international terrorism; and

(2) the export of the item could make a significant contribution to the military potential of such country, including its military logistics capability, or could enhance the ability of such country to support acts of international terrorism.

(b) NOTIFICATION.—The Secretary and the Secretary of State shall notify the Committee on International Relations of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate at least 30 days before issuing any license required by subsection (a).

(c) DETERMINATIONS REGARDING REPEATED SUPPORT.—Each determination of the Secretary of State under subsection (a)(1), including each determination in effect on the date of the enactment of the Antiterrorism and Arms Export Amendments Act of 1989, shall be published in the Federal Register.

(d) LIMITATIONS ON RESCINDING DETERMINATION.—A determination made by the Secretary of State under subsection (a)(1) may not be rescinded unless the President submits to the Speaker of the House of Representatives and the Chairman of the Committee on Banking, Housing, and Urban Affairs and the Chairman of the Committee on Foreign Relations of the Senate—

(1) before the proposed rescission would take effect, a report certifying that—

(A) there has been a fundamental change in the leadership and policies of the government of the country concerned;

(B) that government is not supporting acts of international terrorism; and

(C) that government has provided assurances that it will not support acts of international terrorism in the future; or

(2) at least 45 days before the proposed rescission would take effect, a report justifying the rescission and certifying that—

(A) the government concerned has not provided any support for international terrorism during the preceding 6-month period; and

(B) the government concerned has provided assurances that it will not support acts of international terrorism in the future.

(e) INFORMATION TO BE INCLUDED IN NOTIFICATION.—The Secretary and the Secretary of State shall include in the notification required by subsection (b)—

(1) a detailed description of the item to be offered, including a brief description of the capabilities of any item for which a license to export is sought;

(2) the reasons why the foreign country or international organization to which the export or transfer is proposed to be made needs the item which is the subject of such export or transfer and a description of the manner in which such country or organization intends to use the item;

(3) the reasons why the proposed export or transfer is in the national interest of the United States;

(4) an analysis of the impact of the proposed export or transfer on the military capabilities of the foreign country or international organization to which such export or transfer would be made;

(5) an analysis of the manner in which the proposed export would affect the relative military strengths of countries in the region to which the item which is the subject of such export would be delivered and whether other countries in the region have comparable kinds and amounts of the item; and

(6) an analysis of the impact of the proposed export or transfer on the United States relations with the countries in the region to which the item which is the subject of such export would be delivered.

TITLE IV—EXEMPTION FOR AGRICULTURAL COMMODITIES, MEDICINE, AND MEDICAL SUPPLIES

SEC. 401. EXEMPTION FOR AGRICULTURAL COMMODITIES, MEDICINE, AND MEDICAL SUPPLIES.

Notwithstanding any other provision of law, the export controls imposed on items under title III shall not apply to agricultural commodities, medicine, and medical supplies.

SEC. 402. TERMINATION OF EXPORT CONTROLS REQUIRED BY LAW.

Notwithstanding any other provision of law, the President shall terminate any export control mandated by law on agricultural commodities, medicine, and medical supplies upon the date of enactment of this Act except for a control that is specifically reimposed by law.

SEC. 403. EXCLUSIONS.

Sections 401 and 402 do not apply to the following:

(1) The export of agricultural commodities, medicine, and medical supplies that are subject to national security export controls under title II.

(2) The export of agricultural commodities, medicine, and medical supplies to a country against which an embargo is in effect under the Trading With the Enemy Act.

TITLE V—PROCEDURES FOR EXPORT LICENSES AND INTERAGENCY DISPUTE RESOLUTION

SEC. 501. EXPORT LICENSE PROCEDURES.

(a) RESPONSIBILITY OF THE SECRETARY.—

(1) IN GENERAL.—All applications for a license or other authorization to export a controlled item shall be filed in such manner and include such information as the Secretary may, by regulation, prescribe.

(2) PROCEDURES.—In guidance and regulations that implement this section, the Secretary shall describe the procedures required by this section, the responsibilities of the Secretary and of other departments and agencies in reviewing applications, the rights of the applicant, and other relevant matters affecting the review of license applications.

(3) CALCULATION OF PROCESSING TIMES.—In calculating the processing times set forth in this title, the Secretary shall use calendar days, except that if the final day for a required action falls on a weekend or holiday, that action shall be taken no later than the following business day.

(4) CRITERIA FOR EVALUATING APPLICATIONS.—In determining whether to grant an application to export a controlled item under this Act, the following criteria shall be considered:

(A) The characteristics of the controlled item.

(B) The threat to the United States or the national security interests of the United States from the misuse of the item.

(C) The risk of export diversion or misuse by—

(i) the exporter;

(ii) the method of export;

(iii) the end-user;

(iv) the country where the end-user is located; and

(v) the end-use.

(D) Risk mitigating factors including, but not limited to—

(i) changing the characteristics of the controlled item;

(ii) after-market monitoring by the exporter; and

(iii) post-shipment verification.

(b) INITIAL SCREENING.—

(1) UPON RECEIPT OF APPLICATION.—Upon receipt of an export license application, the Secretary shall enter and maintain in the records of the Department information regarding the receipt and status of the application.

(2) INITIAL PROCEDURES.—

(A) IN GENERAL.—Not later than 9 days after receiving any license application, the Secretary shall—

(i) contact the applicant if the application is improperly completed or if additional information is required, and hold the application for a reasonable time while the applicant provides the necessary corrections or information, and such time shall not be included in calculating the time periods prescribed in this title;

(ii) refer the application, through the use of a common data base or other means, and all information submitted by the applicant, and all necessary recommendations and analyses by the Secretary to the Department of Defense and other departments and agencies as the Secretary considers appropriate;

(iii) ensure that the classification stated on the application for the export items is correct; and

(iv) return the application if a license is not required.

(B) REFERRAL NOT REQUIRED.—In the event that the head of a department or agency determines that certain types of applications need not be referred to the department or agency, such department or agency head shall notify the Secretary of the specific types of such applications that the department or agency does not wish to review.

(3) WITHDRAWAL OF APPLICATION.—An applicant may, by written notice to the Secretary, withdraw an application at any time before final action.

(c) ACTION BY OTHER DEPARTMENTS AND AGENCIES.—

(1) REFERRAL TO OTHER AGENCIES.—The Secretary shall promptly refer a license application to the departments and agencies under subsection (b) to make recommendations and provide information to the Secretary.

(2) RESPONSIBILITY OF REFERRAL DEPARTMENTS AND AGENCIES.—The Department of Defense and other reviewing departments and agencies shall take all necessary actions in a prompt and responsible manner on an application. Each department or agency reviewing an application under this section shall establish and maintain records properly identifying and monitoring the status of the matter referred to the department or agency.

(3) ADDITIONAL INFORMATION REQUESTS.—Each department or agency to which a license application is referred shall specify to

the Secretary any information that is not in the application that would be required for the department or agency to make a determination with respect to the application, and the Secretary shall promptly request such information from the applicant. The time that may elapse between the date the information is requested by that department or agency and the date the information is received by that department or agency shall not be included in calculating the time periods prescribed in this title.

(4) TIME PERIOD FOR ACTION BY REFERRAL DEPARTMENTS AND AGENCIES.—Within 25 days after the Secretary refers an application under this section, each department or agency to which an application has been referred shall provide the Secretary with a recommendation either to approve the license or to deny the license. A recommendation that the Secretary deny a license shall include a statement of reasons for the recommendation that are consistent with the provisions of this title, and shall cite both the specific statutory and regulatory basis for the recommendation. A department or agency that fails to provide a recommendation in accordance with this paragraph within that 25-day period shall be deemed to have no objection to the decision of the Secretary on the application.

(d) ACTION BY THE SECRETARY.—Not later than 25 days after the date the application is referred, the Secretary shall—

(1) if there is agreement among the referral departments and agencies to issue or deny the license—

(A) issue the license and ensure all appropriate personnel in the Department (including the Office of Export Enforcement) are notified of all approved license applications; or

(B) notify the applicant of the intention to deny the license; or

(2) if there is no agreement among the referral departments and agencies; notify the applicant that the application is subject to the interagency dispute resolution process.

(e) CONSEQUENCES OF APPLICATION DENIAL.—

(1) IN GENERAL.—If a determination is made to deny a license, the applicant shall be informed in writing by the Secretary of—

(A) the determination;

(B) the specific statutory and regulatory bases for the proposed denial;

(C) what, if any, modifications to, or restrictions on, the items for which the license was sought would allow such export to be compatible with export controls imposed under this Act, and which officer or employee of the Department would be in a position to discuss modifications or restrictions with the applicant and the specific statutory and regulatory bases for imposing such modifications or restrictions;

(D) to the extent consistent with the national security and foreign policy interests of the United States, the specific considerations that led to the determination to deny the application; and

(E) the availability of appeal procedures.

(2) PERIOD FOR APPLICANT TO RESPOND.—The applicant shall have 20 days from the date of the notice of intent to deny the application to respond in a manner that addresses and corrects the reasons for the denial. If the applicant does not adequately address or correct the reasons for denial or does not respond, the license shall be denied. If the applicant does address or correct the reasons for denial, the application shall receive consideration in a timely manner.

(f) APPEALS AND OTHER ACTIONS BY APPLICANT.—

(1) IN GENERAL.—The Secretary shall establish appropriate procedures for an applicant to appeal to the Secretary the denial of an application or other administrative action under this Act. In any case in which the Secretary intends to reverse the decision with respect to the application, the appeal under this subsection shall be handled in accordance with the interagency dispute resolution process.

(2) ENFORCEMENT OF TIME LIMITS.—

(A) IN GENERAL.—In any case in which an action prescribed in this section is not taken on an application within the time period established by this section (except in the case of a time period extended under subsection (g) of which the applicant is notified), the applicant may file a petition with the Secretary requesting compliance with the requirements of this section. When such petition is filed, the Secretary shall take immediate steps to correct the situation giving rise to the petition and shall immediately notify the applicant of such steps.

(B) BRINGING COURT ACTION.—If, within 20 days after a petition is filed under subparagraph (A), the processing of the application has not been brought into conformity with the requirements of this section, or the processing of the application has been brought into conformity with such requirements but the Secretary has not so notified the applicant, the applicant may bring an action in an appropriate United States district court for an order requiring compliance with the time periods required by this section.

(g) EXCEPTIONS FROM REQUIRED TIME PERIODS.—The following actions related to processing an application shall not be included in calculating the time periods prescribed in this section:

(1) AGREEMENT OF THE APPLICANT.—Delays upon which the Secretary and the applicant mutually agree.

(2) PRELICENSE CHECKS.—A prelicense check (for a period not to exceed 60 days) that may be required to establish the identity and reliability of the recipient of items controlled under this Act, if—

(A) the need for the prelicense check is determined by the Secretary or by another department or agency in any case in which the request for the prelicense check is made by such department or agency;

(B) the request for the prelicense check is initiated by the Secretary within 5 days after the determination that the prelicense check is required; and

(C) the analysis of the result of the prelicense check is completed by the Secretary within 5 days.

(3) REQUESTS FOR GOVERNMENT-TO-GOVERNMENT ASSURANCES.—Any request by the Secretary or another department or agency for government-to-government assurances of suitable end-uses of items approved for export, when failure to obtain such assurances would result in rejection of the application, if—

(A) the request for such assurances is sent to the Secretary of State within 5 days after the determination that the assurances are required;

(B) the Secretary of State initiates the request of the relevant government within 10 days thereafter; and

(C) the license is issued within 5 days after the Secretary receives the requested assurances.

(4) EXCEPTION.—Whenever a prelicense check described in paragraph (2) or assurances described in paragraph (3) are not requested within the time periods set forth therein, then the time expended for such prelicense check or assurances shall be included in calculating the time periods established by this section.

(5) MULTILATERAL REVIEW.—Multilateral review of a license application to the extent that such multilateral review is required by a relevant multilateral regime.

(6) CONGRESSIONAL NOTIFICATION.—Such time as is required for mandatory congressional notifications under this Act.

(7) CONSULTATIONS.—Consultation with other governments, if such consultation is provided for by a relevant multilateral regime as a precondition for approving a license.

(h) CLASSIFICATION REQUESTS AND OTHER INQUIRIES.—

(1) CLASSIFICATION REQUESTS.—In any case in which the Secretary receives a written request asking for the proper classification of an item on the Control List or the applicability of licensing requirements under this title, the Secretary shall promptly notify the Secretary of Defense and other departments and agencies the Secretary considers appropriate. The Secretary shall, within 14 days after receiving the request, inform the person making the request of the proper classification.

(2) OTHER INQUIRIES.—In any case in which the Secretary receives a written request for information under this Act, the Secretary shall, within 30 days after receiving the request, reply with that information to the person making the request.

SEC. 502. INTERAGENCY DISPUTE RESOLUTION PROCESS.

(a) IN GENERAL.—All license applications on which agreement cannot be reached shall be referred to the interagency dispute resolution process for decision.

(b) INTERAGENCY DISPUTE RESOLUTION PROCESS.—

(1) INITIAL RESOLUTION.—The Secretary shall establish, select the chairperson of, and determine procedures for an interagency committee to review initially all license applications described in subsection (a) with respect to which the Secretary and any of the referral departments and agencies are not in agreement. The chairperson shall consider the positions of all the referral departments and agencies (which shall be included in the minutes described subsection (c)(2)) and make a decision on the license application, including appropriate revisions or conditions thereto.

(2) FURTHER RESOLUTION.—The President shall establish additional levels for review or appeal of any matter that cannot be resolved pursuant to the process described in paragraph (1). Each such review shall—

(A) provide for decision-making based on the majority vote of the participating departments and agencies;

(B) provide that a department or agency that fails to take a timely position, citing the specific statutory and regulatory bases for a denial, shall be deemed to have no objection to the pending decision;

(C) provide that any decision of an interagency committee established under paragraph (1) or interagency dispute resolution process established under this paragraph may be escalated to the next higher level of review at the request of any representative of a department or agency that participated in the interagency committee or dispute resolution process that made the decision; and

(D) ensure that matters are resolved or referred to the President not later than 90 days after the date the completed license application is referred by the Secretary.

(c) FINAL ACTION.—

(1) In general.—Once a final decision is made under subsection (b), the Secretary shall promptly—

(A) issue the license and ensure that all appropriate personnel in the Department (including the Office of Export Enforcement) are notified of all approved license applications; or

(B) notify the applicant of the intention to deny the application.

(2) Minutes.—The interagency committee and each level of the interagency dispute resolution process shall keep reasonably detailed minutes of all meetings. On each matter before the interagency committee or before any other level of the interagency dispute resolution process in which members disagree, each member shall clearly state the reasons for the member's position and the reasons shall be entered in the minutes.

TITLE VI—INTERNATIONAL ARRANGEMENTS; FOREIGN BOYCOTTS; SANCTIONS; AND ENFORCEMENT

SEC. 601. INTERNATIONAL ARRANGEMENTS.

(a) Multilateral Export Control Regimes.—

(1) Policy.—It is the policy of the United States to seek multilateral arrangements that support the national security objectives of the United States (as described in title II) and that establish fairer and more predictable competitive opportunities for United States exporters.

(2) Participation in existing regimes.—Congress encourages the United States to continue its active participation in and to strengthen existing multilateral export control regimes.

(3) Participation in new regimes.—It is the policy of the United States to participate in additional multilateral export control regimes if such participation would serve the national security interests of the United States.

(b) Annual Report on Multilateral Export Control Regimes.—Not later than February 1 of each year, the President shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives a report evaluating the effectiveness of each multilateral export control regime, including an assessment of the steps undertaken pursuant to subsections (c) and (d). The report, or any part of this report, may be submitted in classified form to the extent the Secretary considers necessary.

(c) Standards for Multilateral Export Control Regimes.—The President shall take steps to establish the following features in any multilateral export control regime in which the United States is participating or may participate:

(1) Full membership.—All supplier countries are members of the regime, and the policies and activities of the members are consistent with the objectives and membership criteria of the multilateral export control regime.

(2) Effective enforcement and compliance.—The regime promotes enforcement and compliance with the regime's rules and guidelines.

(3) Public understanding.—The regime makes an effort to enhance public understanding of the purpose and procedures of the multilateral export control regime.

(4) Effective implementation procedures.—The multilateral export control regime has procedures for the implementation of its rules and guidelines through uniform and consistent interpretations of its export controls.

(5) Enhanced cooperation with regime nonmembers.—There is agreement among the members of the multilateral export control regime to—

(A) cooperate with governments outside the regime to restrict the export of items controlled by such regime; and

(B) establish an ongoing mechanism in the regime to coordinate planning and implementation of export control measures related to such cooperation.

(6) Periodic high-level meetings.—There are regular periodic meetings of high-level representatives of the governments of members of the multilateral export control regime for the purpose of coordinating export control policies and issuing policy guidance to members of the regime.

(7) Common list of controlled items.—There is agreement on a common list of items controlled by the multilateral export control regime.

(8) Regular updates of common list.—There is a procedure for removing items from the list of controlled items when the control of such items no longer serves the objectives of the members of the multilateral export control regime.

(9) Treatment of certain countries.—There is agreement to prevent the export or diversion of the most sensitive items to countries whose activities are threatening to the national security of the United States or its allies.

(10) Harmonization of license approval procedures.—There is harmonization among the members of the regime of their national export license approval procedures and practices.

(11) Undercutting.—There is a limit with respect to when members of a multilateral export control regime—

(A) grant export licenses for any item that is substantially identical to or directly competitive with an item controlled pursuant to the regime, where the United States has denied an export license for such item, or

(B) approve exports to a particular end user to which the United States has denied export license for a similar item.

(d) Standards for National Export Control Systems.—The President shall take steps to attain the cooperation of members of each regime in implementing effective national export control systems containing the following features:

(1) Export control law.—Enforcement authority, civil and criminal penalties, and statutes of limitations are sufficient to deter potential violations and punish violators under the member's export control law.

(2) License approval process.—The system for evaluating export license applications includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end users.

(3) Enforcement.—The enforcement mechanism provides authority for trained enforcement officers to investigate and prevent illegal exports.

(4) Documentation.—There is a system of export control documentation and verification with respect to controlled items.

(5) Information.—There are procedures for the coordination and exchange of information concerning licensing, end users, and enforcement with other members of the multilateral export control regime.

(6) Resources.—The member has devoted adequate resources to administer effectively the authorities, systems, mechanisms, and procedures described in paragraphs (1) through (5).

(e) Objectives Regarding Multilateral Export Control Regimes.—The President shall seek to achieve the following objectives with regard to multilateral export control regimes:

(1) Strengthen existing regimes.—Strengthen existing multilateral export control regimes—

(A) by creating a requirement to share information about export license applications among members before a member approves an export license; and

(B) harmonizing national export license approval procedures and practices, including the elimination of undercutting.

(2) Review and update.—Review and update multilateral regime export control lists with other members, taking into account—

(A) national security concerns;

(B) the controllability of items; and

(C) the costs and benefits of controls.

(3) Encourage compliance by nonmembers.—Encourage nonmembers of the multilateral export control regime—

(A) to strengthen their national export control regimes and improve enforcement;

(B) to adhere to the appropriate multilateral export control regime; and

(C) not to undermine an existing multilateral export control regime by exporting controlled items in a manner inconsistent with the guidelines of the regime.

(f) Transparency of Multilateral Export Control Regimes.—

(1) Publication of information on each existing regime.—Not later than 120 days after the date of enactment of this Act, the Secretary shall, for each multilateral export control regime (to the extent that it is not inconsistent with the arrangements of that regime or with the national interest), publish in the Federal Register the following information with respect to the regime:

(A) The purposes of the regime.

(B) The members of the regime.

(C) The export licensing policy of the regime.

(D) The items that are subject to export controls under the regime, together with all public notes, understandings, and other aspects of the agreement of the regime, and all changes thereto.

(E) Any countries, end uses, or end users that are subject to the export controls of the regime.

(F) Rules of interpretation.

(G) Major policy actions.

(H) The rules and procedures of the regime for establishing and modifying any matter described in subparagraphs (A) through (G) and for reviewing export license applications.

(2) New regimes.—Not later than 60 days after the United States joins or organizes a new multilateral export control regime, the Secretary shall, to the extent not inconsistent with arrangements under the regime or with the national interest, publish in the Federal Register the information described in subparagraphs (A) through (H) of paragraph (1) with respect to the regime.

(3) Publication of changes.—Not later than 60 days after a multilateral export control regime adopts any change in the information published under this subsection, the Secretary shall, to the extent not inconsistent with the arrangements under the regime or the national interest, publish such changes in the Federal Register.

(g) Support of Other Countries' Export Control Systems.—The Secretary is encouraged to continue to—

(1) participate in training of, and provide training to, officials of other countries on the principles and procedures for implementing effective export controls; and

(2) participate in any such training provided by other departments and agencies of the United States.

SEC. 602. FOREIGN BOYCOTTS.

(a) Purposes.—The purposes of this section are as follows:

(1) To counteract restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person.

(2) To encourage and, in specified cases, require United States persons engaged in the export of items to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against a country friendly to the United States or against any United States person.

(b) Prohibitions and Exceptions.—

(1) Prohibitions.—In order to carry out the purposes set forth in subsection (a), the President shall issue regulations prohibiting any United States person, with respect to that person's activities in the interstate or foreign commerce of the United States, from taking or knowingly agreeing to take any of the following actions with intent to comply with, further, or support any boycott fostered or imposed by a foreign country against a country that is friendly to the United States and is not itself the object of any form of boycott pursuant to United States law or regulation:

(A) Refusing, or requiring any other person to refuse, to do business with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person, pursuant to an agreement with, or requirement of, or a request from or on behalf of the boycotting country (subject to the condition that the intent required to be associated with such an act in order to constitute a violation of the prohibition is not indicated solely by the mere absence of a business relationship with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person).

(B) Refusing, or requiring any other person to refuse, to employ or otherwise discriminate against any United States person on the basis of the race, religion, sex, or national origin of that person or of any owner, officer, director, or employee of such person.

(C) Furnishing information with respect to the race, religion, sex, or national origin of any United States person or of any owner, officer, director, or employee of such person.

(D) Furnishing information (other than furnishing normal business information in a commercial context, as defined by the Secretary) about whether any person has, has had, or proposes to have any business relationship (including a relationship by way of sale, purchase, legal or commercial representation, shipping or other transport, insurance, investment, or supply) with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person that is known or believed to be restricted from having any business relationship with or in the boycotting country.

(E) Furnishing information about whether any person is a member of, has made a contribution to, or is otherwise associated with or involved in the activities of any charitable or fraternal organization which supports the boycotted country.

(F) Paying, honoring, confirming, or otherwise implementing a letter of credit which contains any condition or requirement the compliance with which is prohibited by regulations issued pursuant to this paragraph, and no United States person shall, as a result of the application of this paragraph, be obligated to pay or otherwise honor or implement such letter of credit.

(2) Exceptions.—Regulations issued pursuant to paragraph (1) shall provide exceptions for—

(A) compliance, or agreement to comply, with requirements—

(i) prohibiting the import of items from the boycotted country or items produced or provided, by any business concern organized under the laws of the boycotted country or by nationals or residents of the boycotted country; or

(ii) prohibiting the shipment of items to the boycotting country on a carrier of the boycotted country or by a route other than that prescribed by the boycotting country or the recipient of the shipment;

(B) compliance, or agreement to comply, with import and shipping document requirements with respect to the country of origin, the name of the carrier and route of shipment, the name of the supplier of the shipment, or the name of the provider of other services, except that, for purposes of applying any exception under this subparagraph, no information knowingly furnished or conveyed in response to such requirements may be stated in negative, blacklisting, or similar exclusionary terms, other than with respect to carriers or route of shipment as may be permitted by such regulations in order to comply with precautionary requirements protecting against war risks and confiscation;

(C) compliance, or agreement to comply, in the normal course of business with the unilateral and specific selection by a boycotting country, or a national or resident thereof, or carriers, insurers, suppliers of services to be performed within the boycotting country, or specific items which, in the normal course of business, are identifiable by source when imported into the boycotting country;

(D) compliance, or agreement to comply, with export requirements of the boycotting country relating to shipment or transshipment of exports to the boycotted country, to any business concern of or organized under the laws of the boycotted country, or to any national or resident of the boycotted country;

(E) compliance by an individual, or agreement by an individual to comply, with the immigration or passport requirements of any country with respect to such individual or any member of such individual's family or with requests for information regarding requirements of employment of such individual within the boycotting country; and

(F) compliance by a United States person resident in a foreign country, or agreement by such a person to comply, with the laws of the country with respect to the person's activities exclusively therein, and such regulations may contain exceptions for such resident complying with the laws or regulations of the foreign country governing imports into such country of trademarked, tradenamed, or similarly specifically identifiable products, or components of products for such person's own use, including the performance of contractual services within that country.

(3) Limitation on exceptions.—Regulations issued pursuant to paragraphs (2)(C) and (2)(F) shall not provide exceptions from paragraphs (1)(B) and (1)(C).

(4) Antitrust and civil rights laws not affected.—Nothing in this subsection may be construed to supersede or limit the operation of the antitrust or civil rights laws of the United States.

(5) Evasion.—This section applies to any transaction or activity undertaken by or through a United States person or any other person with intent to evade the provisions of this section or the regulations issued pursuant to this subsection. The regulations issued pursuant to this section shall expressly provide that the exceptions set forth in paragraph (2) do not permit activities or agreements (expressed or implied by a course of conduct, including a pattern of responses) that are otherwise prohibited, pursuant to the intent of such exceptions.

(c) Additional Regulations and Reports.—

(1) Regulations.—In addition to the regulations issued pursuant to subsection (b), regulations issued pursuant to title III shall implement the purposes set forth in subsection (a).

(2) Reports by united states persons.—The regulations shall require that any United States person receiving a request to furnish information, enter into or implement an agreement, or take any other action referred to in subsection (a) shall report that request to the Secretary, together with any other information concerning the request that the Secretary determines appropriate. The person shall also submit to the Secretary a statement regarding whether the person intends to comply, and whether the person has complied, with the request. Any report filed pursuant to this paragraph shall be made available promptly for public inspection and copying, except that information regarding the quantity, description, and value of any item to which such report relates may be treated as confidential if the Secretary determines that disclosure of that information would place the United States person involved at a competitive disadvantage. The Secretary shall periodically transmit summaries of the information contained in the reports to the Secretary of State for such action as the Secretary of State, in consultation with the Secretary, considers appropriate to carry out the purposes set forth in subsection (a).

(d) Preemption.—The provisions of this section and the regulations issued under this section shall preempt any law, rule, or regulation that—

(1) is a law, rule, or regulation of any of the several States or the District of Columbia, or any of the territories or possessions of the United States, or of any governmental subdivision thereof; and

(2) pertains to participation in, compliance with, implementation of, or the furnishing of information regarding restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries.

SEC. 603. PENALTIES.

(a) Criminal Penalties.—

(1) Violations by an individual.—Any individual who knowingly violates, conspires to violate, or attempts to violate any provision of this Act or any regulation, license, or order issued under this Act shall be fined up to 10 times the value of the exports involved or $1,000,000, whichever is greater, imprisoned for not more than 10 years, or both, for each violation, except that the term of imprisonment may be increased to life for multiple violations or aggravated circumstances.

(2) Violations by a person other than an individual.—Any person other than an individual who knowingly violates, conspires to violate, or attempts to violate any provision of this Act or any regulation, license, or order issued under this Act shall be fined up to 10 times the value of the exports involved or $10,000,000, whichever is greater, for each violation.

(b) Forfeiture of Property Interest and Proceeds.—

(1) Forfeiture.—Any person who is convicted under paragraph (1) or (2) of subsection (a) shall, in addition to any other penalty, forfeit to the United States—

(A) any of that person's security or other interest in, claim against, or property or contractual rights of any kind in the tangible items that were the subject of the violation;

(B) any of that person's security or other interest in, claim against, or property or contractual rights of any kind in the tangible property that was used in the export or attempt to export that was the subject of the violation; and

(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

(2) Procedures.—The procedures in any forfeiture under this subsection, and the duties and authority of the courts of the United States and the Attorney General with respect to any forfeiture action under this subsection, or with respect to any property that may be subject to forfeiture under this subsection, shall be governed by the provisions of chapter 46 of title 18, United States Code, to the same extent as property subject to forfeiture under that chapter.

(c) Civil Penalties; Administrative Sanctions.—

(1) Civil penalties.—The Secretary may impose a civil penalty of up to $1,000,000 for each violation of a provision of this Act or any regulation, license, or order issued under this Act. A civil penalty under this paragraph may be in addition to, or in lieu of, any other liability or penalty which may be imposed for such a violation.

(2) Denial of export privileges.—The Secretary may deny the export privileges of any person, including the suspension or revocation of the authority of such person to export or receive United States-origin items subject to this Act, for a violation of a provision of this Act or any regulation, license, or order issued under this Act.

(3) Exclusion from practice.—The Secretary may exclude any person acting as an attorney, accountant, consultant, freight forwarder, or in any other representative capacity from participating before the Department with respect to a license application or any other matter under this Act.

(d) Payment of Civil Penalties.—

(1) Payment as condition of further export privileges.—The payment of a civil penalty imposed under subsection (c) may be made a condition for the granting, restoration, or continuing validity of any export license, permission, or privilege granted or to be granted to the person upon whom such penalty is imposed. The period for which the payment of a penalty may be made such a condition may not exceed 1 year after the date on which the payment is due.

(2) Deferral or suspension.—

(A) In general.—The payment of a civil penalty imposed under subsection (c) may be deferred or suspended in whole or in part for a period no longer than any probation period (which may exceed 1 year) that may be imposed upon the person on whom the penalty is imposed.

(B) No bar to collection of penalty.—A deferral or suspension under subparagraph (A) shall not operate as a bar to the collection of the penalty concerned in the event that the conditions of the suspension, deferral, or probation are not fulfilled.

(3) Treatment of payments.—Any amount paid in satisfaction of a civil penalty imposed under subsection (c) shall be covered into the Treasury as miscellaneous receipts except as set forth in section 607(h).

(e) Refunds.—

(1) Authority.—

(A) In general.—The Secretary may, in the Secretary's discretion, refund any civil penalty imposed under subsection (c) on the ground of a material error of fact or law in imposition of the penalty.

(B) Limitation.—A civil penalty may not be refunded under subparagraph (A) later than 2 years after payment of the penalty.

(2) Prohibition on actions for refund.—Notwithstanding section 1346(a) of title 28, United States Code, no action for the refund of any civil penalty referred to in paragraph (1) may be maintained in any court.

(f) Effect of Other Convictions.—

(1) Denial of export privileges.—Any person convicted of a violation of—

(A) a provision of this Act or the Export Administration Act of 1979,

(B) a provision of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.),

(C) section 793, 794, or 798 of title 18, United States Code,

(D) section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)),

(E) section 38 of the Arms Export Control Act (22 U.S.C. 2778),

(F) section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16),

(G) any regulation, license, or order issued under any provision of law listed in subparagraph (A), (B), (C), (D), (E), or (F),

(H) section 371 or 1001 of title 18, United States Code, if in connection with the export of controlled items under this Act or any regulation, license, or order issued under the International Emergency Economic Powers Act, or the export of items controlled under the Arms Export Control Act,

(I) section 175 of title 18, United States Code,

(J) section 229, of title 18, United States Code,

(K) a provision of the Atomic Energy Act (42 U.S.C. 201 et seq.),

(L) section 831 of title 18, United States Code, or

(M) section 2332a of title 18, United States Code,

may, at the discretion of the Secretary, be denied export privileges under this Act for a period not to exceed 10 years from the date of the conviction. The Secretary may also revoke any export license under this Act in which such person had an interest at the time of the conviction.

(2) Related persons.—The Secretary may exercise the authority under paragraph (1) with respect to any person related through affiliation, ownership, control, or position of responsibility to a person convicted of any violation of a law set forth in paragraph (1) upon a showing of such relationship with the convicted person. The Secretary shall make such showing only after providing notice and opportunity for a hearing.

(g) Statute of Limitations.—

(1) In general.—Except as provided in paragraph (2), a proceeding in which a civil penalty or other administrative sanction (other than a temporary denial order) is sought under subsection (c) may not be instituted more than 5 years after the later of the date of the alleged violation or the date of discovery of the alleged violation.

(2) Exception.—

(A) Tolling.—In any case in which a criminal indictment alleging a violation under subsection (a) is returned within the time limits prescribed by law for the institution of such action, the limitation under paragraph (1) for bringing a proceeding to impose a civil penalty or other administrative sanction under this section shall, upon the return of the criminal indictment, be tolled against all persons named as a defendant.

(B) Duration.—The tolling of the limitation with respect to a defendant under subparagraph (A) as a result of a criminal indictment shall continue for a period of 6 months from the date on which the conviction of the defendant becomes final, the indictment against the defendant is dismissed, or the criminal action has concluded.

(h) Violations Defined by Regulation.—Nothing in this section shall limit the authority of the Secretary to define by regulation violations under this Act.

(i) Construction.—Nothing in subsection (c), (d), (e), (f), or (g) limits—

(1) the availability of other administrative or judicial remedies with respect to a violation of a provision of this Act, or any regulation, order, or license issued under this Act;

(2) the authority to compromise and settle administrative proceedings brought with respect to any such violation; or

(3) the authority to compromise, remit, or mitigate seizures and forfeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

SEC. 604. MULTILATERAL EXPORT CONTROL REGIME VIOLATION SANCTIONS.

(a) Imposition of Sanctions.—

(1) In general.—The President, subject to subsection (c), shall apply sanctions under subsection (b) for a period of not less than 2 years and not more than 5 years, if the President determines that—

(A) a foreign person has violated any regulation issued by a country to control exports for national security purposes pursuant to a multilateral export control regime; and

(B) such violation has substantially aided a country in—

(i) acquiring military significant capabilities or weapons, if the country is an actual or potential adversary of the United States;

(ii) acquiring nuclear weapons provided such country is other than the declared nuclear states of the People's Republic China, the Republic of France, the Russian Federation, the United Kingdom, and the United States;

(iii) acquiring biological or chemical weapons; or

(iv) acquiring missiles.

(2) Notification of congress.—The President shall notify Congress of each action taken under this section.

(b) Applicability and Forms of Sanctions.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as to any parent, affiliate, subsidiary, and successor entity of the foreign person, and, except as provided in subsection (c), are as follows:

(1) A prohibition on contracting with, and the procurement of products and services from, a sanctioned person, by any department, agency, or instrumentality of the United States Government.

(2) A prohibition on the importation into the United States of all items produced by a sanctioned person.

(c) EXCEPTIONS.—The President shall not apply sanctions under this section—

(1) in the case of procurement of defense items—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(B) if the President determines that the foreign person or other entity to which the sanctions would otherwise be applied is a sole source supplier of essential defense items and no alternative supplier can be identified; or

(C) if the President determines that such items are essential to the national security under defense coproduction agreements;

(2) in any case in which such sanctions would violate United States international obligations including treaties, agreements, or understandings; or

(3) to—

(A) items provided under contracts or other binding agreements (as such terms are defined by the President in regulations) entered into before the date on which the President notifies Congress of the intention to impose the sanctions;

(B) after-market service and replacement parts including upgrades;

(C) component parts, but not finished products, essential to United States products or productions; or

(D) information and technology.

(d) EXCLUSION.—The President shall not apply sanctions under this section to a parent, affiliate, subsidiary, and successor entity of a foreign person if the President determines that—

(1) the parent, affiliate, subsidiary, or successor entity (as the case may be) has not knowingly violated the export control regulation violated by the foreign person; and

(2) the government of the country with jurisdiction over the parent, affiliate, subsidiary, or successor entity had in effect, at the time of the violation by the foreign person, an effective export control system consistent with principles set forth in section 601(b)(2).

(e) SUBSEQUENT MODIFICATIONS OF SANCTIONS.—The President may, after consultation with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives, limit the scope of sanctions applied to a parent, affiliate, subsidiary, or successor entity of the foreign person determined to have committed the violation on account of which the sanctions were imposed, if the President determines that—

(1) the parent, affiliate, subsidiary, or successor entity (as the case may be) has not, on the basis of evidence available to the United States, itself violated the export control regulation involved, either directly or through a course of conduct;

(2) the government with jurisdiction over the parent, affiliate, subsidiary, or successor entity has improved its export control system as measured by the criteria set forth in section 601(b)(2); and

(3) the parent, affiliate, subsidiary, or successor entity, has instituted improvements in internal controls sufficient to detect and prevent violations of the multilateral export control regime.

SEC. 605. MISSILE PROLIFERATION CONTROL VIOLATIONS.

(a) VIOLATIONS BY UNITED STATES PERSONS.—

(1) SANCTIONS.—

(A) IN GENERAL.—If the President determines that a United States person knowingly—

(i) exports, transfers, or otherwise engages in the trade of any item on the MTCR Annex, in violation of the provisions of section 38 (22 U.S.C. 2778) or chapter 7 of the Arms Export Control Act, title II or III of this Act, or any regulations or orders issued under any such provisions,

(ii) conspires to or attempts to engage in such export, transfer, or trade, or

(iii) facilitates such export, transfer, or trade by any other person,

then the President shall impose the applicable sanctions described in subparagraph (B).

(B) SANCTIONS DESCRIBED.—The sanctions which apply to a United States person under subparagraph (A) are the following:

(i) If the item on the MTCR Annex involved in the export, transfer, or trade is missile equipment or technology within category II of the MTCR Annex, then the President shall deny to such United States person, for a period of 2 years, licenses for the transfer of missile equipment or technology controlled under this Act.

(ii) If the item on the MTCR Annex involved in the export, transfer, or trade is missile equipment or technology within category I of the MTCR Annex, then the President shall deny to such United States person, for a period of not less than 2 years, all licenses for items the export of which is controlled under this Act.

(2) DISCRETIONARY SANCTIONS.—In the case of any determination referred to in paragraph (1), the Secretary may pursue any other appropriate penalties under section 603.

(3) WAIVER.—The President may waive the imposition of sanctions under paragraph (1) on a person with respect to an item if the President certifies to Congress that—

(A) the item is essential to the national security of the United States; and

(B) such person is a sole source supplier of the item, the item is not available from any alternative reliable supplier, and the need for the item cannot be met in a timely manner by improved manufacturing processes or technological developments.

(b) TRANSFERS OF MISSILE EQUIPMENT OR TECHNOLOGY BY FOREIGN PERSONS.—

(1) SANCTIONS.—

(A) IN GENERAL.—Subject to paragraphs (3) through (7), if the President determines that a foreign person, after the date of enactment of this section, knowingly—

(i) exports, transfers, or otherwise engages in the trade of any MTCR equipment or technology that contributes to the design, development, or production of missiles in a country that is not an MTCR adherent and would be, if it were United States-origin equipment or technology, subject to the jurisdiction of the United States under this Act,

(ii) conspires to or attempts to engage in such export, transfer, or trade, or

(iii) facilitates such export, transfer, or trade by any other person,

or if the President has made a determination with respect to a foreign person under section 73(a) of the Arms Export Control Act, then the President shall impose on that foreign person the applicable sanctions under subparagraph (B).

(B) SANCTIONS DESCRIBED.—The sanctions which apply to a foreign person under subparagraph (A) are the following:

(i) If the item involved in the export, transfer, or trade is within category II of the MTCR Annex, then the President shall deny, for a period of 2 years, licenses for the transfer to such foreign person of missile equipment or technology the export of which is controlled under this Act.

(ii) If the item involved in the export, transfer, or trade is within category I of the MTCR Annex, then the President shall deny, for a period of not less than 2 years, licenses for the transfer to such foreign person of items the export of which is controlled under this Act.

(iii) If, in addition to actions taken under clauses (i) and (ii), the President determines that the export, transfer, or trade has substantially contributed to the design, development, or production of missiles in a country that is not an MTCR adherent, then the President shall prohibit, for a period of not less than 2 years, the importation into the United States of products produced by that foreign person.

(2) INAPPLICABILITY WITH RESPECT TO MTCR ADHERENTS.—Paragraph (1) does not apply with respect to—

(A) any export, transfer, or trading activity that is authorized by the laws of an MTCR adherent, if such authorization is not obtained by misrepresentation or fraud; or

(B) any export, transfer, or trade of an item to an end user in a country that is an MTCR adherent.

(3) EFFECT OF ENFORCEMENT ACTIONS BY MTCR ADHERENTS.—Sanctions set forth in paragraph (1) may not be imposed under this subsection on a person with respect to acts described in such paragraph or, if such sanctions are in effect against a person on account of such acts, such sanctions shall be terminated, if an MTCR adherent is taking judicial or other enforcement action against that person with respect to such acts, or that person has been found by the government of an MTCR adherent to be innocent of wrongdoing with respect to such acts.

(4) ADVISORY OPINIONS.—The Secretary, in consultation with the Secretary of State and the Secretary of Defense, may, upon the request of any person, issue an advisory opinion to that person as to whether a proposed activity by that person would subject that person to sanctions under this subsection. Any person who relies in good faith on such an advisory opinion which states that the proposed activity would not subject a person to such sanctions, and any person who thereafter engages in such activity, may not be made subject to such sanctions on account of such activity.

(5) WAIVER AND REPORT TO CONGRESS.—

(A) WAIVER.—In any case other than one in which an advisory opinion has been issued under paragraph (4) stating that a proposed activity would not subject a person to sanctions under this subsection, the President may waive the application of paragraph (1) to a foreign person if the President determines that such waiver is essential to the national security of the United States.

(B) REPORT TO CONGRESS.—In the event that the President decides to apply the waiver described in subparagraph (A), the President shall so notify Congress not less than 20 working days before issuing the waiver. Such notification shall include a report fully articulating the rationale and circumstances which led the President to apply the waiver.

(6) ADDITIONAL WAIVER.—The President may waive the imposition of sanctions under paragraph (1) on a person with respect to a product or service if the President certifies to the Congress that—

(A) the product or service is essential to the national security of the United States; and

(B) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments.

(7) Exceptions.—The President shall not apply the sanction under this subsection prohibiting the importation of the products of a foreign person—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(ii) if the President determines that the person to which the sanctions would be applied is a sole source supplier of the defense articles and services, that the defense articles or services are essential to the national security of the United States, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security of the United States under defense coproduction agreements or NATO Programs of Cooperation;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanctions; or

(C) to—

(i) spare parts,

(ii) component parts, but not finished products, essential to United States products or production,

(iii) routine services and maintenance of products, to the extent that alternative sources are not readily or reasonably available, or

(iv) information and technology essential to United States products or production.

(c) Definitions.—In this section:

(1) Missile.—The term "missile" means a category I system as defined in the MTCR Annex, and any other unmanned delivery system of similar capability, as well as the specially designed production facilities for these systems.

(2) Missile technology control regime; MTCR.—The term "Missile Technology Control Regime" or "MTCR" means the policy statement, between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-relevant transfers based on the MTCR Annex, and any amendments thereto.

(3) MTCR adherent.—The term "MTCR adherent" means a country that participates in the MTCR or that, pursuant to an international understanding to which the United States is a party, controls MTCR equipment or technology in accordance with the criteria and standards set forth in the MTCR.

(4) MTCR annex.—The term "MTCR Annex" means the Guidelines and Equipment and Technology Annex of the MTCR, and any amendments thereto.

(5) Missile equipment or technology; MTCR equipment or technology.—The terms "missile equipment or technology" and "MTCR equipment or technology" mean those items listed in category I or category II of the MTCR Annex.

(6) Foreign person.—The term "foreign person" means any person other than a United States person.

(7) Person.—

(A) In general.—The term "person" means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity.

(B) Identification in certain cases.—In the case of countries where it may be impossible to identify a specific governmental entity referred to in subparagraph (A), the term "person" means—

(i) all activities of that government relating to the development or production of any missile equipment or technology; and

(ii) all activities of that government affecting the development or production of aircraft, electronics, and space systems or equipment.

(8) Otherwise engaged in the trade of.—The term "otherwise engaged in the trade of" means, with respect to a particular export or transfer, to be a freight forwarder or designated exporting agent, or a consignee or end user of the item to be exported or transferred.

SEC. 606. CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION SANCTIONS.

(a) Imposition of Sanctions.—

(1) Determination by the president.—Except as provided in subsection (b)(2), the President shall impose both of the sanctions described in subsection (c) if the President determines that a foreign person, on or after the date of enactment of this section, has knowingly and materially contributed—

(A) through the export from the United States of any item that is subject to the jurisdiction of the United States under this Act, or

(B) through the export from any other country of any item that would be, if it were a United States item, subject to the jurisdiction of the United States under this Act,

to the efforts by any foreign country, project, or entity described in paragraph (2) to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons.

(2) Countries, projects, or entities receiving assistance.—Paragraph (1) applies in the case of—

(A) any foreign country that the President determines has, at any time after the date of enactment of this Act—

(i) used chemical or biological weapons in violation of international law;

(ii) used lethal chemical or biological weapons against its own nationals; or

(iii) made substantial preparations to engage in the activities described in clause (i) or (ii);

(B) any foreign country whose government is determined for purposes of section 310 to be a government that has repeatedly provided support for acts of international terrorism; or

(C) any other foreign country, project, or entity designated by the President for purposes of this section.

(3) Persons against which sanctions are to be imposed.—Sanctions shall be imposed pursuant to paragraph (1) on—

(A) the foreign person with respect to which the President makes the determination described in that paragraph;

(B) any successor entity to that foreign person;

(C) any foreign person that is a parent or subsidiary of that foreign person if that parent or subsidiary knowingly assisted in the activities which were the basis of that determination; and

(D) any foreign person that is an affiliate of that foreign person if that affiliate knowingly assisted in the activities which were the basis of that determination and if that affiliate is controlled in fact by that foreign person.

(b) Consultations With and Actions by Foreign Government of Jurisdiction.—

(1) Consultations.—If the President makes the determinations described in subsection (a)(1) with respect to a foreign person, Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) Actions by government of jurisdiction.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this section for a period of up to 90 days. Following the consultations, the President shall impose sanctions unless the President determines and certifies to Congress that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subsection (a)(1). The President may delay imposition of sanctions for an additional period of up to 90 days if the President determines and certifies to Congress that government is in the process of taking the actions described in the preceding sentence.

(3) Report to congress.—The President shall report to Congress, not later than 90 days after making a determination under subsection (a)(1), on the status of consultations with the appropriate government under this subsection, and the basis for any determination under paragraph (2) of this subsection that such government has taken specific corrective actions.

(c) Sanctions.—

(1) Description of sanctions.—The sanctions to be imposed pursuant to subsection (a)(1) are, except as provided in paragraph (2) of this subsection, the following:

(A) Procurement sanction.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from any person described in subsection (a)(3).

(B) Import sanctions.—The importation into the United States of products produced by any person described in subsection (a)(3) shall be prohibited.

(2) Exceptions.—The President shall not be required to apply or maintain sanctions under this section—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(ii) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

(C) to—

(i) spare parts,

(ii) component parts, but not finished products, essential to United States products or production, or

(iii) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(D) to information and technology essential to United States products or production; or

(E) to medical or other humanitarian items.

(d) Termination of Sanctions.—The sanctions imposed pursuant to this section shall apply for a period of at least 12 months following the imposition of sanctions and shall cease to apply thereafter only if the President determines and certifies to the Congress that reliable information indicates that the foreign person with respect to which the determination was made under subsection (a)(1) has ceased to aid or abet any foreign government, project, or entity in its efforts to acquire chemical or biological weapons capability as described in that subsection.

(e) Waiver.—

(1) Criterion for waiver.—The President may waive the application of any sanction imposed on any person pursuant to this section, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to Congress that such waiver is important to the national security interests of the United States.

(2) Notification of and report to Congress.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

(f) Definition of Foreign Person.—For the purposes of this section, the term "foreign person" means—

(1) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(2) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States.

SEC. 607. ENFORCEMENT.

(a) General Authority and Designation.—

(1) Policy guidance on enforcement.—The Secretary, in consultation with the Secretary of the Treasury and the heads of other departments and agencies that the Secretary considers appropriate, shall be responsible for providing policy guidance on the enforcement of this Act.

(2) General authorities.—

(A) Exercise of authority.—To the extent necessary or appropriate to the enforcement of this Act, officers or employees of the Department designated by the Secretary, officers and employees of the United States Customs Service designated by the Commissioner of Customs, and officers and employees of any other department or agency designated by the head of the department or agency, may exercise the enforcement authority under paragraph (3).

(B) Customs service.—In carrying out enforcement authority under paragraph (3), the Commissioner of Customs and employees of the United States Customs Services designated by the Commissioner may make investigations within or outside the United States and at ports of entry into or exit from the United States where officers of the United States Customs Service are authorized by law to carry out law enforcement responsibilities. Subject to paragraph (3), the United States Customs Service is authorized, in the enforcement of this Act, to search, detain (after search), and seize commodities or technology at the ports of entry into or exit from the United States where officers of the United States Customs Service are authorized by law to conduct searches, detentions, and seizures, and at the places outside the United States where the United States Customs Service, pursuant to agreement or other arrangement with other countries, is authorized to perform enforcement activities.

(C) Other employees.—In carrying out enforcement authority under paragraph (3), the Secretary and officers and employees of the Department designated by the Secretary may make investigations within the United States, and may conduct, outside the United States, pre-license and post-shipment verifications of controlled items and investigations in the enforcement of section 602. The Secretary and officers and employees of the Department designated by the Secretary are authorized to search, detain (after search), and seize items at places within the United States other than ports referred to in subparagraph (B). The search, detention (after search), or seizure of items at the ports and places referred to in subparagraph (B) may be conducted by officers and employees of the Department only with the concurrence of the Commissioner of Customs or a person designated by the Commissioner.

(D) Agreements and arrangements.—The Secretary and the Commissioner of Customs may enter into agreements and arrangements for the enforcement of this Act, including foreign investigations and information exchange.

(3) Specific authorities.—

(A) Actions by any designated personnel.—Any officer or employee designated under paragraph (2), in carrying out the enforcement authority under this Act, may do the following:

(i) Make investigations of, obtain information from, make inspection of any books, records, or reports (including any writings required to be kept by the Secretary), premises, or property of, and take the sworn testimony of, any person.

(ii) Administer oaths or affirmations, and by subpoena require any person to appear and testify or to appear and produce books, records, and other writings, or both. In the case of contumacy by, or refusal to obey a subpoena issued to, any such person, a district court of the United States, on request of the Attorney General and after notice to any such person and a hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both. Any failure to obey such order of the court may be punished by such court as a contempt thereof. The attendance of witnesses and the production of documents provided for in this clause may be required from any State, the District of Columbia, or in any territory of the United States at any designated place. Witnesses subpoenaed under this subsection shall be paid the same fees and mileage allowance as paid witnesses in the district courts of the United States.

(B) Actions by office of export enforcement and customs service personnel.—

(i) Office of export enforcement and customs service personnel.—Any officer or employee of the Office of Export Enforcement of the Department of Commerce (in this Act referred to as "OEE") who is designated by the Secretary under paragraph (2), and any officer or employee of the United States Customs Service who is designated by the Commissioner of Customs under paragraph (2), may do the following in carrying out the enforcement authority under this Act:

(I) Execute any warrant or other process issued by a court or officer of competent jurisdiction with respect to the enforcement of this Act.

(II) Make arrests without warrant for any violation of this Act committed in his or her presence or view, or if the officer or employee has probable cause to believe that the person to be arrested has committed, is committing, or is about to commit such a violation.

(III) Carry firearms.

(ii) OEE personnel.—Any officer and employee of the OEE designated by the Secretary under paragraph (2) shall exercise the authority set forth in clause (i) pursuant to guidelines approved by the Attorney General.

(C) Other actions by customs service personnel.—Any officer or employee of the United States Customs Service designated by the Commissioner of Customs under paragraph (2) may do the following in carrying out the enforcement authority under this Act:

(i) Stop, search, and examine a vehicle, vessel, aircraft, or person on which or whom the officer or employee has reasonable cause to suspect there is any item that has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(ii) Detain and search any package or container in which the officer or employee has reasonable cause to suspect there is any item that has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(iii) Detain (after search) or seize any item, for purposes of securing for trial or forfeiture to the United States, on or about such vehicle, vessel, aircraft, or person or in such package or container, if the officer or employee has probable cause to believe the item has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(4) Other authorities not affected.—The authorities conferred by this section are in addition to any authorities conferred under other laws.

(b) Forfeiture.—

(1) In general.—Any tangible items lawfully seized under subsection (a) by designated officers or employees shall be subject to forfeiture to the United States.

(2) Applicable laws.—Those provisions of law relating to—

(A) the seizure, summary and judicial forfeiture, and condemnation of property for violations of the customs laws;

(B) the disposition of such property or the proceeds from the sale thereof;

(C) the remission or mitigation of such forfeitures; and

(D) the compromise of claims,

shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this subsection, insofar as applicable and not inconsistent with this Act.

(3) Forfeitures under customs laws.—Duties that are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws may be performed with respect to seizures and forfeitures of property under this subsection by the Secretary or any officer or employee of the Department

that may be authorized or designated for that purpose by the Secretary, or, upon the request of the Secretary, by any other agency that has authority to manage and dispose of seized property.

(c) REFERRAL OF CASES.—All cases involving violations of this Act shall be referred to the Secretary for purposes of determining civil penalties and administrative sanctions under section 603 or to the Attorney General for criminal action in accordance with this Act or to both the Secretary and the Attorney General.

(d) UNDERCOVER INVESTIGATION OPERATIONS.—

(1) USE OF FUNDS.—With respect to any undercover investigative operation conducted by the OEE that is necessary for the detection and prosecution of violations of this Act—

(A) funds made available for export enforcement under this Act may be used to purchase property, buildings, and other facilities, and to lease equipment, conveyances, and space within the United States, without regard to sections 1341 and 3324 of title 31, United States Code, the third undesignated paragraph under the heading of "miscellaneous" of the Act of March 3, 1877, (40 U.S.C. 34), sections 3732(a) and 3741 of the Revised Statutes of the United States (41 U.S.C. 11(a) and 22), and subsections (a) and (c) of section 304, and section 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254 (a) and (c) and 255);

(B) funds made available for export enforcement under this Act may be used to establish or to acquire proprietary corporations or business entities as part of an undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to sections 1341, 3324, and 9102 of title 31, United States Code;

(C) funds made available for export enforcement under this Act and the proceeds from undercover operations may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18, United States Code, and section 3302 of title 31, United States Code; and

(D) the proceeds from undercover operations may be used to offset necessary and reasonable expenses incurred in such operations without regard to the provisions of section 3302 of title 31, United States Code,

if the Director of OEE (or an officer or employee designated by the Director) certifies, in writing, that the action authorized by subparagraph (A), (B), (C), or (D) for which the funds would be used is necessary for the conduct of the undercover operation.

(2) DISPOSITION OF BUSINESS ENTITIES.—If a corporation or business entity established or acquired as part of an undercover operation has a net value of more than $250,000 and is to be liquidated, sold, or otherwise disposed of, the Director of OEE shall report the circumstances to the Secretary and the Comptroller General of the United States as much in advance of such disposition as the Director of the OEE (or the Director's designee) determines is practicable. The proceeds of the liquidation, sale, or other disposition, after obligations incurred by the corporation or business enterprise are met, shall be deposited in the Treasury of the United States as miscellaneous receipts. Any property or equipment purchased pursuant to paragraph (1) may be retained for subsequent use in undercover operations under this section. When such property or equipment is no longer needed, it shall be considered surplus and disposed of as surplus government property.

(3) DEPOSIT OF PROCEEDS.—As soon as the proceeds from an OEE undercover investigative operation with respect to which an action is authorized and carried out under this subsection are no longer needed for the conduct of such operation, the proceeds or the balance of the proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

(4) AUDIT AND REPORT.—

(A) AUDIT.—The Director of OEE shall conduct a detailed financial audit of each closed OEE undercover investigative operation and shall submit the results of the audit in writing to the Secretary. Not later than 180 days after an undercover operation is closed, the Secretary shall submit to Congress a report on the results of the audit.

(B) REPORT.—The Secretary shall submit annually to Congress a report, which may be included in the annual report under section 801, specifying the following information:

(i) The number of undercover investigative operations pending as of the end of the period for which such report is submitted.

(ii) The number of undercover investigative operations commenced in the 1-year period preceding the period for which such report is submitted.

(iii) The number of undercover investigative operations closed in the 1-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained and any civil claims made with respect to the operation.

(5) DEFINITIONS.—For purposes of paragraph (4)—

(A) the term "closed", with respect to an undercover investigative operation, refers to the earliest point in time at which all criminal proceedings (other than appeals) pursuant to the investigative operation are concluded, or covert activities pursuant to such operation are concluded, whichever occurs later; and

(B) the terms "undercover investigative operation" and "undercover operation" mean any undercover investigative operation conducted by the OEE—

(i) in which the gross receipts (excluding interest earned) exceed $25,000, or expenditures (other than expenditures for salaries of employees) exceed $75,000, and

(ii) which is exempt from section 3302 or 9102 of title 31, United States Code, except that clauses (i) and (ii) shall not apply with respect to the report to Congress required by paragraph (4)(B).

(e) WIRETAPS.—

(1) AUTHORITY.—Interceptions of communications in accordance with section 2516 of title 18, United States Code, are authorized to further the enforcement of this Act.

(2) CONFORMING AMENDMENT.—Section 2516(1) of title 18, United States Code, is amended by adding at the end the following:

"(q)(i) any violation of, or conspiracy to violate, the Export Administration Act of 1999 or the Export Administration Act of 1979.".

(f) POST-SHIPMENT VERIFICATION.—

(1) IN GENERAL.—The Secretary shall target post-shipment verifications to exports involving the greatest risk to national security including, but not limited to, exports of high performance computers.

(2) REPEAL.—Section 1213 of the National Defense Authorization Act for Fiscal Year 1998 is repealed.

(g) REFUSAL TO ALLOW POST-SHIPMENT VERIFICATION.—

(1) IN GENERAL.—If an end-user refuses to allow post-shipment verification of a controlled item, the Secretary shall deny a license for the export of any controlled item to such end-user until such post-shipment verification occurs.

(2) RELATED PERSONS.—The Secretary may exercise the authority under paragraph (1) with respect to any person related through affiliation, ownership, control, or position of responsibility, to any end-user refusing to allow post-shipment verification of a controlled item.

(3) REFUSAL BY COUNTRY.—If the country in which the end-user is located refuses to allow post-shipment verification of a controlled item, the Secretary may deny a license for the export of that item or any substantially identical or directly competitive item or class of items to all end-users in that country until such post-shipment verification is allowed.

(h) AWARD OF COMPENSATION; PATRIOT PROVISION.—

(1) IN GENERAL.—If—

(A) any person, who is not an employee or officer of the United States, furnishes to a United States attorney, to the Secretary of the Treasury or the Secretary, or to appropriate officials in the Department of the Treasury or the Department of Commerce, original information concerning a violation of this Act or any regulation, order, or license issued under this Act, which is being, or has been, perpetrated or contemplated by any other person, and

(B) such information leads to the recovery of any criminal fine, civil penalty, or forfeiture,

the Secretary may award and pay such person an amount that does not exceed 25 percent of the net amount of the criminal fine or civil penalty recovered or the amount forfeited.

(2) DOLLAR LIMITATION.—The amount awarded and paid to any person under this section may not exceed $250,000 for any case.

(3) SOURCE OF PAYMENT.—The amount paid under this section shall be paid out of any penalties, forfeitures, or appropriated funds.

(i) FREIGHT FORWARDERS BEST PRACTICES PROGRAM AUTHORIZATION.—There is authorized to be appropriated for the Department of Commerce $3,500,000 and such sums as may be necessary to hire 20 additional employees to assist United States freight forwarders and other interested parties in developing and implementing, on a voluntary basis, a "best practices" program to ensure that exports of controlled items are undertaken in compliance with this Act.

(j) END-USE VERIFICATION AUTHORIZATION.—

(1) IN GENERAL.—There is authorized to be appropriated for the Department of Commerce $4,500,000 and such sums as may be necessary to hire 10 additional overseas investigators to be posted in the People's Republic of China, the Russian Federation, the Hong Kong Special Administrative Region, the Republic of India, Singapore, Egypt, and Taiwan, or any other place the Secretary deems appropriate, for the purpose of verifying the end use of high-risk, dual-use technology.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act and annually thereafter, the Department shall, in its annual report to Congress on export controls, include a report on the effectiveness of the end-use verification activities authorized under subsection (a). The report shall include the following information:

(A) The activities of the overseas investigators of the Department.

(B) The types of goods and technologies that were subject to end-use verification.

(C) The ability of the Department's investigators to detect the illegal transfer of high risk, dual-use goods and technologies.

(k) ENHANCED COOPERATION WITH UNITED STATES CUSTOMS SERVICE.—Consistent with the purposes of this Act, the Secretary is authorized to undertake, in cooperation with the United States Customs Service, such measures as may be necessary or required to enhance the ability of the United States to detect unlawful exports and to enforce violations of this Act.

(l) REFERENCE TO ENFORCEMENT.—For purposes of this section, a reference to the enforcement of this Act or to a violation of this Act includes a reference to the enforcement or a violation of any regulation, license, or order issued under this Act.

(m) AUTHORIZATION FOR EXPORT LICENSING AND ENFORCEMENT COMPUTER SYSTEM.—There is authorized to be appropriated for the Department $5,000,000 and such other sums as may be necessary for planning, design, and procurement of a computer system to replace the Department's primary export licensing and computer enforcement system.

SEC. 608. ADMINISTRATIVE PROCEDURE.

(a) EXEMPTIONS FROM ADMINISTRATIVE PROCEDURE.—Except as provided in this section, the functions exercised under this Act are excluded from the operation of sections 551, 553 through 559, and 701 through 706 of title 5, United States Code.

(b) PROCEDURES RELATING TO CIVIL PENALTIES AND SANCTIONS.—

(1) ADMINISTRATIVE PROCEDURES.—Any administrative sanction imposed under section 603 may be imposed only after notice and opportunity for an agency hearing on the record in accordance with sections 554 through 557 of title 5, United States Code. The imposition of any such administrative sanction shall be subject to judicial review in accordance with sections 701 through 706 of title 5, United States Code.

(2) AVAILABILITY OF CHARGING LETTER.—Any charging letter or other document initiating administrative proceedings for the imposition of sanctions for violations of the regulations issued under section 602 shall be made available for public inspection and copying.

(c) COLLECTION.—If any person fails to pay a civil penalty imposed under section 603, the Secretary may ask the Attorney General to commence a civil action in an appropriate district court of the United States to recover the amount imposed (plus interest at currently prevailing rates from the date of the final order). No such action may be commenced more than 5 years after the order imposing the civil penalty becomes final. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

(d) IMPOSITION OF TEMPORARY DENIAL ORDERS.—

(1) GROUNDS FOR IMPOSITION.—In any case in which there is reasonable cause to believe that a person is engaged in or is about to engage in any act or practice which constitutes or would constitute a violation of this Act, or any regulation, order, or license issued under this Act, including any diversion of goods or technology from an authorized end use or end user, and in any case in which a criminal indictment has been returned against a person alleging a violation of this Act or any of the statutes listed in section 603, the Secretary may, without a hearing, issue an order temporarily denying that person's United States export privileges (hereafter in this subsection referred to as a "temporary denial order"). A temporary denial order shall be effective for such period (not in excess of 180 days) as the Secretary specifies in the order, but may be renewed by the Secretary, following notice and an opportunity for a hearing, for additional periods of not more than 180 days each.

(2) ADMINISTRATIVE APPEALS.—The person or persons subject to the issuance or renewal of a temporary denial order may appeal the issuance or renewal of the temporary denial order, supported by briefs and other material, to an administrative law judge who shall, within 15 working days after the appeal is filed, issue a decision affirming, modifying, or vacating the temporary denial order. The temporary denial order shall be affirmed if it is shown that—

(A) there is reasonable cause to believe that the person subject to the order is engaged in or is about to engage in any act or practice that constitutes or would constitute a violation of this Act, or any regulation, order, or license issued under this Act; or

(B) a criminal indictment has been returned against the person subject to the order alleging a violation of this Act or any of the statutes listed in section 603.

The decision of the administrative law judge shall be final unless, within 10 working days after the date of the administrative law judge's decision, an appeal is filed with the Secretary. On appeal, the Secretary shall either affirm, modify, reverse, or vacate the decision of the administrative law judge by written order within 10 working days after receiving the appeal. The written order of the Secretary shall be final and is not subject to judicial review, except as provided in paragraph (3). The materials submitted to the administrative law judge and the Secretary shall constitute the administrative record for purposes of review by the court.

(3) COURT APPEALS.—An order of the Secretary affirming, in whole or in part, the issuance or renewal of a temporary denial order may, within 15 days after the order is issued, be appealed by a person subject to the order to the United States Court of Appeals for the District of Columbia Circuit, which shall have the jurisdiction of the appeal. The court may review only those issues necessary to determine whether the issuance of the temporary denial order was based on reasonable cause to believe that the person subject to the order was engaged in or was about to engage in any act or practice that constitutes or would constitute a violation of this title, or any regulation, order, or license issued under this Act, or whether a criminal indictment has been returned against the person subject to the order alleging a violation of this Act or of any of the statutes listed in section 603. The court shall vacate the Secretary's order if the court finds that the Secretary's order is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

TITLE VII—EXPORT CONTROL AUTHORITY AND REGULATIONS

SEC. 701. EXPORT CONTROL AUTHORITY AND REGULATIONS.

(a) EXPORT CONTROL AUTHORITY.—

(1) IN GENERAL.—Unless otherwise reserved to the President or a department (other than the Department) or agency of the United States, all power, authority, and discretion conferred by this Act shall be exercised by the Secretary.

(2) DELEGATION OF FUNCTIONS OF THE SECRETARY.—The Secretary may delegate any function under this Act, unless otherwise provided, to the Under Secretary of Commerce for Export Administration or to any other officer of the Department.

(b) UNDER SECRETARY OF COMMERCE; ASSISTANT SECRETARIES.—

(1) UNDER SECRETARY OF COMMERCE.—There shall be within the Department an Under Secretary of Commerce for Export Administration (in this section referred to as the "Under Secretary") who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary shall carry out all functions of the Secretary under this Act and other provisions of law relating to national security, as the Secretary may delegate.

(2) ADDITIONAL ASSISTANT SECRETARIES.—In addition to the number of Assistant Secretaries otherwise authorized for the Department of Commerce, there shall be within the Department of Commerce the following Assistant Secretaries of Commerce:

(A) An Assistant Secretary for Export Administration who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall assist the Secretary and the Under Secretary in carrying out functions relating to export listing and licensing.

(B) An Assistant Secretary for Export Enforcement who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall assist the Secretary and the Under Secretary in carrying out functions relating to export enforcement.

(c) ISSUANCE OF REGULATIONS.—

(1) IN GENERAL.—The President and the Secretary may issue such regulations as are necessary to carry out this Act. Any such regulations the purpose of which is to carry out title II or title III may be issued only after the regulations are submitted for review to such departments or agencies as the President considers appropriate. The Secretary shall consult with the appropriate export control advisory committee appointed under section 105(f) in formulating regulations under this title. The second sentence of this subsection does not require the concurrence or approval of any official, department, or agency to which such regulations are submitted.

(2) AMENDMENTS TO REGULATIONS.—If the Secretary proposes to amend regulations issued under this Act, the Secretary shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives on the intent and rationale of such amendments. Such report shall evaluate the cost and burden to the United States exporters of the proposed amendments in relation to any enhancement of licensing objectives. The Secretary shall consult with the appropriate export control advisory committees appointed under section 105(f) in amending regulations issued under this Act.

SEC. 702. CONFIDENTIALITY OF INFORMATION.

(a) EXEMPTIONS FROM DISCLOSURE.—

(1) INFORMATION OBTAINED ON OR BEFORE JUNE 30, 1980.—Except as otherwise provided by the third sentence of section 602(c)(2), information obtained under the Export Administration Act of 1979, or any predecessor statute, on or before June 30, 1980, which is deemed confidential, including Shipper's Export Declarations, or with respect to which a request for confidential treatment is made by the person furnishing such information, shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed, unless the Secretary determines that the withholding thereof is contrary to the national interest.

(2) INFORMATION OBTAINED AFTER JUNE 30, 1980.—Except as otherwise provided by the

third sentence of section 13(b)(2) of the Export Administration Act of 1979, information obtained under this Act, under the Export Administration Act of 1979 after June 30, 1980, or under the Export Administration regulations as maintained and amended under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1706), may be withheld from disclosure only to the extent permitted by statute, except that information submitted, obtained, or considered in connection with an application for an export license or other export authorization (or recordkeeping or reporting requirement) under the Export Administration Act of 1979, under this Act, or under the Export Administration regulations as maintained and amended under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1706), including—

(A) the export license or other export authorization itself,

(B) classification requests described in section 501(h),

(C) information or evidence obtained in the course of any investigation,

(D) information obtained or furnished under title VII in connection with any international agreement, treaty, or other obligation, and

(E) information obtained in making the determinations set forth in section 211 of this Act,

and information obtained in any investigation of an alleged violation of section 602 of this Act except for information required to be disclosed by section 602(c)(2) or 606(b)(2) of this Act, shall be withheld from public disclosure and shall not be subject to disclosure under section 552 of title 5, United States Code, unless the release of such information is determined by the Secretary to be in the national interest.

(b) Information to Congress and GAO.—

(1) In general.—Nothing in this title shall be construed as authorizing the withholding of information from Congress or from the General Accounting Office.

(2) Availability to the congress—

(A) In general.—Any information obtained at any time under this title or under any predecessor Act regarding the control of exports, including any report or license application required under this title, shall be made available to any committee or subcommittee of Congress of appropriate jurisdiction upon the request of the chairman or ranking minority member of such committee or subcommittee.

(B) Prohibition on further disclosure.—No committee, subcommittee, or Member of Congress shall disclose any information obtained under this Act or any predecessor Act regarding the control of exports which is submitted on a confidential basis to the Congress under subparagraph (A) unless the full committee to which the information is made available determines that the withholding of the information is contrary to the national interest.

(3) Availability to the GAO.—

(A) In general.—Notwithstanding subsection (a), information described in paragraph (2) shall, consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, as determined by the agency that originally obtained the information, and consistent with the provisions of section 716 of title 31, United States Code, be made available only by the agency, upon request, to the Comptroller General of the United States or to any officer or employee of the General Accounting Office authorized by the Comptroller General to have access to such information.

(B) Prohibition on further disclosures.—No officer or employee of the General Accounting Office shall disclose, except to Congress in accordance with this paragraph, any such information which is submitted on a confidential basis and from which any individual can be identified.

(c) Information Exchange.—Notwithstanding subsection (a), the Secretary and the Commissioner of Customs shall exchange licensing and enforcement information with each other as necessary to facilitate enforcement efforts and effective license decisions.

(d) Penalties for Disclosure of Confidential Information.—

(1) Disclosure prohibited.—No officer or employee of the United States, or any department or agency thereof, may publish, divulge, disclose, or make known in any manner or to any extent not authorized by law any information that—

(A) the officer or employee obtains in the course of his or her employment or official duties or by reason of any examination or investigation made by, or report or record made to or filed with, such department or agency, or officer or employee thereof; and

(B) is exempt from disclosure under this section.

(2) Criminal penalties.—Any such officer or employee who knowingly violates paragraph (1) shall be fined not more than $50,000, imprisoned not more than 1 year, or both, for each violation of paragraph (1). Any such officer or employee may also be removed from office or employment.

(3) Civil penalties; administrative sanctions.—The Secretary may impose a civil penalty of not more than $5,000 for each violation of paragraph (1). Any officer or employee who commits such violation may also be removed from office or employment for the violation of paragraph (1). Subsections 603 (e), (g), (h), and (i) and 606 (a), (b), and (c) shall apply to violations described in this paragraph.

TITLE VIII—MISCELLANEOUS PROVISIONS

SEC. 801. ANNUAL AND PERIODIC REPORTS.

(a) Annual Report.—Not later than February 1 of each year, the Secretary shall submit to Congress a report on the administration of this Act during the fiscal year ending September 30 of the preceding calendar year. All Federal agencies shall cooperate fully with the Secretary in providing information for each such report.

(b) Report Elements.—Each such report shall include in detail—

(1) a description of the implementation of the export control policies established by this Act, including any delegations of authority by the President and any other changes in the exercise of delegated authority;

(2) a description of the changes to and the year-end status of country tiering and the Control List;

(3) a description of the determinations made with respect to foreign availability and mass-market status, the set-asides of foreign availability and mass-market status determinations, and negotiations to eliminate foreign availability;

(4) a description of the regulations issued under this Act;

(5) a description of organizational and procedural changes undertaken in furtherance of this Act;

(6) a description of the enforcement activities, violations, and sanctions imposed under section 604;

(7) a statistical summary of all applications and notifications, including—

(A) the number of applications and notifications pending review at the beginning of the fiscal year;

(B) the number of notifications returned and subject to full license procedure;

(C) the number of notifications with no action required;

(D) the number of applications that were approved, denied, or withdrawn, and the number of applications where final action was taken; and

(E) the number of applications and notifications pending review at the end of the fiscal year;

(8) summary of export license data by export identification code and dollar value by country;

(9) an identification of processing time by—

(A) overall average, and

(B) top 25 export identification codes;

(10) an assessment of the effectiveness of multilateral regimes, and a description of negotiations regarding export controls;

(11) a description of the significant differences between the export control requirements of the United States and those of other multilateral control regime members, the specific differences between United States requirements and those of other significant supplier countries, and a description of the extent to which the executive branch intends to address the differences;

(12) an assessment of the costs of export controls;

(13) a description of the progress made toward achieving the goals established for the Department dealing with export controls under the Government Performance Results Act; and

(14) any other reports required by this Act to be submitted to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives.

(c) Congressional Notification.—Whenever the Secretary determines, in consultation with other appropriate departments and agencies, that a significant violation of this Act poses a direct and imminent threat to United States national security interests, the Secretary, in consultation with other appropriate departments and agencies, shall advise the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives of such violation consistent with the protection of law enforcement sources, methods, and activities.

(d) Federal Register Publication Requirements.—Whenever information under this Act is required to be published in the Federal Register, such information shall, in addition, be made available on the appropriate Internet website of the Department.

SEC. 802. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Repeal.—The Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.) is repealed.

(b) Energy Policy and Conservation Act.—(1) Section 103 of the Energy Policy and Conservation Act (42 U.S.C. 6212) is repealed.

(2) Section 251(d) of the Energy Policy and Conservation Act (42 U.S.C. 6271(d)) is repealed.

(c) Alaska Natural Gas Transportation Act.—Section 12 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719j) is repealed.

(d) Mineral Leasing Act.—Section 28(u) of the Mineral Leasing Act (30 U.S.C. 185(u)) is repealed.

(e) Exports of Alaskan North Slope Oil.—Section 28(s) of the Mineral Leasing Act (30 U.S.C. 185(s)) is repealed.

(f) Disposition of Certain Naval Petroleum Reserve Products.—Section 7430(e) of title 10, United States Code, is repealed.

(g) Outer Continental Shelf Lands Act.—Section 28 of the Outer Continental Shelf Lands Act (43 U.S.C. 1354) is repealed.

(h) Forest Resources Conservation and Shortage Act.—Section 491 of the Forest Resource Conservation and Shortage Relief Act of 1990 (16 U.S.C. 620c) is repealed.

(i) Arms Export Control Act.—

(1) Section 38 of the Arms Export Control Act (22 U.S.C. 2778) is amended—

(A) in subsection (e)—

(i) in the first sentence, by striking "subsections (c)" and all that follows through "12 of such Act," and inserting "subsections (b), (c), (d) and (e) of section 603 of the Export Administration Act of 1999, by subsections (a) and (b) of section 607 of such Act, and by section 702 of such Act,"; and

(ii) in the third sentence, by striking "11(c) of the Export Administration Act of 1979" and inserting "603(c) of the Export Administration Act of 1999"; and

(B) in subsection (g)(1)(A)(ii), by inserting "or section 603 of the Export Administration Act of 1999" after "1979".

(2) Section 39A(c) of the Arms Export Control Act is amended—

(A) by striking "subsections (c)," and all that follows through "12(a) of such Act" and inserting "subsections (c), (d), and (e) of section 603, section 608(c), and subsections (a) and (b) of section 607, of the Export Administration Act of 1999"; and

(B) by striking "11(c)" and inserting "603(c)".

(3) Section 40(k) of the Arms Export Control Act (22 U.S.C. 2780(k)) is amended—

(A) by striking "11(c), 11(e), 11(g), and 12(a) of the Export Administration Act of 1979" and inserting "603(b), 603(c), 603(e), 607(a), and 607(b) of the Export Administration Act of 1999"; and

(B) by striking "11(c)" and inserting "603(c)".

(j) Other Provisions of Law.—

(1) Section 5(b)(4) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)(4)) is amended by striking "section 5 of the Export Administration Act of 1979, or under section 6 of that Act to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States" and inserting "titles II and III of the Export Administration Act of 1999".

(2) Section 502B(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2)) is amended in the second sentence—

(A) by striking "Export Administration Act of 1979" the first place it appears and inserting "Export Administration Act of 1999"; and

(B) by striking "Act of 1979)" and inserting "Act of 1999)".

(3) Section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(a)) is amended—

(A) in paragraph (1)(B), by inserting "or section 310 of the Export Administration Act of 1999" after "Act of 1979"; and

(B) in paragraph (2), by inserting "or 310 of the Export Administration Act of 1999" after "6(j) of the Export Administration Act of 1979".

(4) Section 40(e)(1) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2712(e)(1)) is amended by striking "section 6(j)(1) of the Export Administration Act of 1979" and inserting "section 310 of the Export Administration Act of 1999".

(5) Section 205(d)(4)(B) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4305(d)(4)(B)) is amended by striking "section 6(j) of the Export Administration Act of 1979" and inserting "section 310 of the Export Administration Act of 1999".

(6) Section 110 of the International Security and Development Cooperation Act of 1980 (22 U.S.C. 2778a) is amended by striking "Act of 1979" and inserting "Act of 1999".

(7) Section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)) is amended by striking "section 5 of the Export Administration Act of 1979, or under section 6 of such Act to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States" and inserting "the Export Administration Act of 1999".

(8) Section 1605(a)(7)(A) of title 28, United States Code, is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j))" and inserting "section 310 of the Export Administration Act of 1999".

(9) Section 2332d(a) of title 18, United States Code, is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405)" and inserting "section 310 of the Export Administration Act of 1999".

(10) Section 620H(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2378(a)(1)) is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j))" and inserting "section 310 of the Export Administration Act of 1999".

(11) Section 1621(a) of the International Financial Institutions Act (22 U.S.C. 262p-4q(a)) is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j))" and inserting "section 310 of the Export Administration Act of 1999".

(12) Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking "section 11 (relating to violations) of the Export Administration of 1979" and inserting "section 603 (relating to penalties) of the Export Administration Act of 1999".

SEC. 803. SAVINGS PROVISIONS.

(a) In General.—All delegations, rules, regulations, orders, determinations, licenses, or other forms of administrative action which have been made, issued, conducted, or allowed to become effective under—

(1) the Export Control Act of 1949, the Export Administration Act of 1969, the Export Administration Act of 1979, or the International Emergency Economic Powers Act when invoked to maintain and continue the Export Administration regulations, or

(2) those provisions of the Arms Export Control Act which are amended by section 802,

and are in effect on the date of enactment of this Act, shall continue in effect according to their terms until modified, superseded, set aside, or revoked under this Act or the Arms Export Control Act.

(b) Administrative and Judicial Proceedings.—

(1) Export administration act.—This Act shall not affect any administrative or judicial proceedings commenced or any application for a license made, under the Export Administration Act of 1979 or pursuant to Executive Order 12924, which is pending at the time this Act takes effect. Any such proceedings, and any action on such application, shall continue under the Export Administration Act of 1979 as if that Act had not been repealed.

(2) Other provisions of law.—This Act shall not affect any administrative or judicial proceeding commenced or any application for a license made, under those provisions of the Arms Export Control Act which are amended by section 802, if such proceeding or application is pending at the time this Act takes effect. Any such proceeding, and any action on such application, shall continue under those provisions as if those provisions had not been amended by section 802.

(c) Treatment of Certain Determinations.—Any determination with respect to the government of a foreign country under section 6(j) of the Export Administration Act of 1979, or Executive Order 12924, that is in effect on the day before the date of enactment of this Act, shall, for purposes of this title or any other provision of law, be deemed to be made under section 310 of this Act until superseded by a determination under such section 310.

(d) Implementation.—The Secretary shall make any revisions to the Export Administration regulations required by this Act no later than 180 days after the date of enactment of this Act.

ASHCROFT (AND OTHERS) AMENDMENT NO. 2491

(Ordered to lie on the table.)

Mr. ASHCROFT (for himself, Mr. Hagel, Mr. Baucus, Mr. Dodd, Mr. Dorgan, Mr. Brownback, Mr. Kerrey, Mr. Roberts, Mr. Abraham, Mr. Allard, Mr. Bennett, Mr. Bingaman, Mr. Bond, Mr. Burns, Mr. Conrad, Mr. Craig, Mr. Crapo, Mr. Daschle, Mr. Durbin, Mrs. Feinstein, Mr. Fitzgerald, Mr. Gorton, Mr. Grams, Mr. Harkin, Mr. Hutchinson, Mr. Inhofe, Mr. Jeffords, Mr. Kennedy, Mr. Leahy, Mrs. Lincoln, Mr. Thomas, Mr. Warner, Mr. Sessions, and Ms. Landrieu) submitted an amendment intended to be proposed by them to the bill, H.R. 434, as follows:

At the appropriate place, insert the following:

SECTION 1. PURPOSE.

The purpose of this section is to establish U.S. policy with regard to trade of agriculture commodities, medicine and medical equipment.

SEC. 2. REQUIREMENT OF CONGRESSIONAL APPROVAL OF ANY UNILATERAL AGRICULTURAL OR MEDICAL SANCTION.

(a) Definitions.—In this section:

(1) Agricultural commodity.—The term "agricultural commodity" has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) Agricultural program.—The term "agricultural program" means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et. seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et. seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a-14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) JOINT RESOLUTION.—The term "joint resolution" means—

(A) in the case of subsection (b)(1)(B), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (b)(1)(A) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 2(b)(1)(A) of the Food and Medicine for the World Act, transmitted on   .", with the blank completed with the appropriate date; and

(B) in the case of subsection (e)(2), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (e)(1) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 2(e)(1) of the Food and Medicine for the World Act, transmitted on   .", with the blank completed with the appropriate date.

(4) MEDICAL DEVICE.—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) MEDICINE.—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) UNILATERAL AGRICULTURAL SANCTION.—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) UNILATERAL MEDICAL SANCTION.—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(b) RESTRICTION.—

(1) NEW SANCTIONS.—Except as provided in subsections (c) and (d) and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(A) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(i) describes the activity proposed to be prohibited, restricted, or conditioned; and

(ii) describes the actions by the foreign country or foreign entity that justify the sanction; and

(B) Congress enacts a joint resolution stating the approval of Congress for the report submitted under subparagraph (A).

(2) EXISTING SANCTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, the President shall terminate the sanction.

(B) EXEMPTIONS.—Subparagraph (A) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed with respect to—

(i) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(ii) the Export Credit Guarantee Program (GSM–102) or the Intermediate Export Credit Guarantee Program (GSM–103) established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(iii) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14).

(c) EXCEPTIONS.—Subsection (b) shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in subsection (b)—

(1) against a foreign country or foreign entity with respect to which Congress has enacted a declaration of war that is in effect on or after the date of enactment of this Act; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

(d) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—Subsection (b) shall not affect the prohibitions in effect on or after the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

(e) TERMINATION OF SANCTIONS.—Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in subsection (b)(1) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years and the request of the President for approval by Congress of the recommendation; and

(2) Congress enacts a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(f) CONGRESSIONAL PRIORITY PROCEDURES.—

(1) REFERRAL OF REPORT.—A report described in subsection (b)(1)(A) or (e)(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(2) REFERRAL OF JOINT RESOLUTION.—

(A) IN GENERAL.—A joint resolution shall be referred to the committees in each House of Congress with jurisdiction.

(B) REPORTING DATE.—A joint resolution referred to in subparagraph (A) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

(3) DISCHARGE OF COMMITTEE.—If the committee to which is referred a joint resolution has not reported the joint resolution (or an identical joint resolution) at the end of 30 session days of Congress after the date of introduction of the joint resolution—

(A) the committee shall be discharged from further consideration of the joint resolution; and

(B) the joint resolution shall be placed on the appropriate calendar of the House concerned.

(4) FLOOR CONSIDERATION.—

(A) MOTION TO PROCEED.—

(i) IN GENERAL.—When the committee to which a joint resolution is referred has reported, or when a committee is discharged under paragraph (3) from further consideration of, a joint resolution—

(I) it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any member of the House concerned to move to proceed to the consideration of the joint resolution; and

(II) all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(ii) PRIVILEGE.—The motion to proceed to the consideration of the joint resolution—

(I) shall be highly privileged in the House of Representatives and privileged in the Senate; and

(II) not debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—The motion to proceed to the consideration of the joint resolution shall not be subject to—

(I) amendment;

(II) a motion to postpone; or

(III) a motion to proceed to the consideration of other business.

(iv) MOTION TO RECONSIDER NOT IN ORDER.—A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(v) BUSINESS UNTIL DISPOSITION.—If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the House concerned until disposed of.

(B) LIMITATIONS ON DEBATE.—

(i) IN GENERAL.—Debate on the joint resolution, and on all debatable motions and appeals in connection with the joint resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution.

(ii) FURTHER DEBATE LIMITATIONS.—A motion to limit debate shall be in order and shall not be debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—An amendment to, a motion to postpone, a motion to proceed to the consideration of other business, a motion to recommit the joint resolution, or a motion to reconsider the vote by which the joint resolution is agreed to or disagreed to shall not be in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the House concerned, the vote on final passage of the joint resolution shall occur.

(D) RULINGS OF THE CHAIR ON PROCEDURE.—An appeal from a decision of the Chair relating to the application of the rules of the Senate or House of Representatives, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(5) COORDINATION WITH ACTION BY OTHER HOUSE.—If, before the passage by 1 House of a joint resolution of that House, that House receives from the other House a joint resolution, the following procedures shall apply:

(A) NO COMMITTEE REFERRAL.—The joint resolution of the other House shall not be referred to a committee.

(B) FLOOR PROCEDURE.—With respect to a joint resolution of the House receiving the joint resolution—

(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(ii) the vote on final passage shall be on the joint resolution of the other House.

(C) DISPOSITION OF JOINT RESOLUTIONS OF RECEIVING HOUSE.—On disposition of the joint resolution received from the other House, it shall no longer be in order to consider the joint resolution originated in the receiving House.

(6) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If a House receives a joint resolution from the other House after the receiving House has disposed of a joint resolution originated in that House, the action of the receiving House with regard to the disposition of the joint resolution originated in that House shall be deemed to be the action of the receiving House with regard to the joint resolution originated in the other House.

(7) RULEMAKING POWER.—This paragraph is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such this paragraph—

(i) is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution; and

(ii) supersedes other rules only to the extent that this paragraph is inconsistent with those rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section takes effect on the date of enactment of this Act.

(2) EXISTING SANCTIONS.—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this section takes effect 180 days after the date of enactment of this Act.

HOLLINGS AMENDMENTS NOS. 2492–2493

(Ordered to lie on the table.)

Mr. HOLLINGS submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2492

At the appropriate place, insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

AMENDMENT NO. 2493

At the appropriate place in the bill, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning the environment, similar to the North American Agreement on Environmental Cooperation, and submitted that agreement to the Congress.

HARKIN AMENDMENTS NOS. 2494–2495

(Ordered to lie on the table.)

Mr. HARKIN submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2494

At the appropriate place, insert the following new section:

SECTION . SHORT TITLE.

This Act may be cited as the "Child Labor Deterrence Act of 1999".

SEC. . FINDINGS; PURPOSE; POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) Principle 9 of the Declaration of the Rights of the Child proclaimed by the General Assembly of the United Nations on November 20, 1959, states that ". . . the child shall not be admitted to employment before an appropriate minimum age; he shall in no case be caused or permitted to engage in any occupation or employment which would prejudice his health or education, or interfere with his physical, mental, or moral development . . .".

(2) Article 2 of the International Labor Convention No. 138 Concerning Minimum Age For Admission to Employment states that "The minimum age specified in pursuance of paragraph 1 of this article shall not be less than the age of compulsory schooling and, in any case, shall not be less than 15 years.".

(3) The new International Labor Convention addressing the worst forms of child labor calls on member States to take immediate and effective action to prohibit and eliminate such labor. According to the convention, the worst forms of child labor are—

(A) slavery;

(B) debt bondage;

(C) forced or compulsory labor;

(D) the sale or trafficking of children, including the forced or compulsory recruitment of children for use in armed conflict;

(E) child prostitution;

(F) the use of children in the production and trafficking of narcotics; and

(G) any other work that, by its nature or due to the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children.

(4) According to the International Labor Organization, an estimated 250,000,000 children under the age of 15 worldwide are working, many of them in dangerous industries like mining and fireworks.

(5) Children under the age of 15 constitute approximately 22 percent of the workforce in some Asian countries, 41 percent of the workforce in parts of Africa, and 17 percent of the workforce in many countries in Latin America.

(6) The number of children under the age of 15 who are working, and the scale of their suffering, increase every year, despite the existence of more than 20 International Labor Organization conventions on child labor and national laws in many countries which purportedly prohibit the employment of under age children.

(7) In many countries, children under the age of 15 lack either the legal standing or means to protect themselves from exploitation in the workplace.

(8) The prevalence of child labor in many developing countries is rooted in widespread poverty that is attributable to unemployment and underemployment, precarious incomes, low living standards, and insufficient education and training opportunities among adult workers.

(9) The employment of children under the age of 15 commonly deprives the children of the opportunity for basic education and also denies gainful employment to millions of adults.

(10) The employment of children under the age of 15, often at pitifully low wages, undermines the stability of families and ignores the importance of increasing jobs, aggregated demand, and purchasing power among adults as a catalyst to the development of internal markets and the achievement of broadbased, self-reliant economic development in many developing countries.

(11) United Nations Children's Fund (commonly known as UNICEF) estimates that by the year 2000, over 1,000,000 adults will be unable to read or write at a basic level because such adults were forced to work as children and were thus unable to devote the time to secure a basic education.

(b) PURPOSE.—The purpose of this Act is to curtail the employment of children under the age of 15 in the production of goods for export by—

(1) eliminating the role of the United States in providing a market for foreign products made by such children;

(2) supporting activities and programs to extend primary education, rehabilitation, and alternative skills training to child workers, to improve birth registration, and to improve the scope and quality of statistical information and research on the commercial exploitation of such children in the workplace; and

(3) encouraging other nations to join in a ban on trade in products described in paragraph (1) and to support those activities and programs described in paragraph (2).

(c) POLICY.—It is the policy of the United States—

(1) to actively discourage the employment of children under the age of 15 in the production of goods for export or domestic consumption;

(2) to strengthen and supplement international trading rules with a view to renouncing the use of under age children in the production of goods for export as a means of competing in international trade;

(3) to amend Federal law to prohibit the entry into commerce of products resulting from the labor of under age children; and

(4) to offer assistance to foreign countries to improve the enforcement of national laws prohibiting the employment of children under the age of 15 and to increase assistance to alleviate the underlying poverty that is often the cause of the commercial exploitation of such children.

SEC. . UNITED STATES INITIATIVE TO CURTAIL INTERNATIONAL TRADE IN PRODUCTS OF CHILD LABOR.

In pursuit of the policy set forth in this Act, the President is urged to seek an agreement with the government of each country that conducts trade with the United States for the purpose of securing an international ban on trade in products of child labor.

SEC. . DEFINITIONS.

In this Act:

(1) CHILD.—The term "child" means—

(A) an individual who has not attained the age of 15, as measured by the Julian calendar; or

(B) an individual who has not attained the age of 14, as measured by the Julian calendar, in the case of a country identified under section 5 whose national laws define a child as such an individual.

(2) EFFECTIVE IDENTIFICATION PERIOD.—The term "effective identification period" means, with respect to a foreign industry or host country, the period that—

(A) begins on the date of that issue of the Federal Register in which the identification of the foreign industry or host country is published under section 5(e)(1)(A); and

(B) terminates on the date of that issue of the Federal Register in which the revocation of the identification referred to in subparagraph (A) is published under section 5(e)(1)(B).

(3) ENTERED.—The term "entered" means entered, or withdrawn from a warehouse for consumption, in the customs territory of the United States.

(4) EXTRACTION.—The term "extraction" includes mining, quarrying, pumping, and other means of extraction.

(5) FOREIGN INDUSTRY.—The term "foreign industry" includes any entity that produces, manufactures, assembles, processes, or extracts an article in a host country.

(6) HOST COUNTRY.—The term "host country" means any foreign country, and any possession or territory of a foreign country that is administered separately for customs purposes (including any designated zone within such country, possession, or territory) in which a foreign industry is located.

(7) MANUFACTURED ARTICLE.—The term "manufactured article" means any good that is fabricated, assembled, or processed. The term also includes any mineral resource (including any mineral fuel) that is entered in a crude state. Any mineral resource that at entry has been subjected to only washing, crushing, grinding, powdering, levigation, sifting, screening, or concentration by flotation, magnetic separation, or other mechanical or physical processes shall be treated as having been processed for the purposes of this Act.

(8) PRODUCTS OF CHILD LABOR.—An article shall be treated as being a product of child labor—

(A) if, with respect to the article, a child was engaged in the manufacture, fabrication, assembly, processing, or extraction, in whole or in part; and

(B) if the labor was performed—

(i) in exchange for remuneration (regardless to whom paid), subsistence, goods, or services, or any combination of the foregoing;

(ii) under circumstances tantamount to involuntary servitude; or

(iii) under exposure to toxic substances or working conditions otherwise posing serious health hazards.

(9) SECRETARY.—The term "Secretary", except for purposes of section 5, means the Secretary of the Treasury.

SEC. . IDENTIFICATION OF FOREIGN INDUSTRIES AND THEIR RESPECTIVE HOST COUNTRIES THAT UTILIZE CHILD LABOR IN EXPORT OF GOODS.

(a) IDENTIFICATION OF INDUSTRIES AND HOST COUNTRIES.—

(1) IN GENERAL.—The Secretary of Labor (in this section referred to as the "Secretary") shall undertake periodic reviews using all available information, including information made available by the International Labor Organization and human rights organizations (the first such review to be undertaken not later than 180 days after the date of enactment of this Act), to identify any foreign industry that—

(A) does not comply with applicable national laws prohibiting child labor in the workplace;

(B) utilizes child labor in connection with products that are exported; and

(C) has on a continuing basis exported products of child labor to the United States.

(2) TREATMENT OF IDENTIFICATION.—For purposes of this Act, the identification of a foreign industry shall be treated as also being an identification of the host country.

(b) PETITIONS REQUESTING IDENTIFICATION.—

(1) FILING.—Any person may file a petition with the Secretary requesting that a particular foreign industry and its host country be identified under subsection (a). The petition must set forth the allegations in support of the request.

(2) ACTION ON RECEIPT OF PETITION.—Not later than 90 days after receiving a petition under paragraph (1), the Secretary shall—

(A) decide whether or not the allegations in the petition warrant further action by the Secretary in regard to the foreign industry and its host country under subsection (a); and

(B) notify the petitioner of the decision under subparagraph (A) and the facts and reasons supporting the decision.

(c) CONSULTATION AND COMMENT.—Before identifying a foreign industry and its host country under subsection (a), the Secretary shall—

(1) consult with the United States Trade Representative, the Secretary of State, the Secretary of Commerce, and the Secretary of the Treasury regarding such action;

(2) hold at least 1 public hearing within a reasonable time for the receipt of oral comment from the public regarding such a proposed identification;

(3) publish notice in the Federal Register—

(A) that such an identification is being considered;

(B) of the time and place of the hearing scheduled under paragraph (2); and

(C) inviting the submission within a reasonable time of written comment from the public; and

(4) take into account the information obtained under paragraphs (1), (2), and (3).

(d) REVOCATION OF IDENTIFICATION.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may revoke the identification of any foreign industry and its host country under subsection (a) if information available to the Secretary indicates that such action is appropriate.

(2) REPORT OF SECRETARY.—No revocation under paragraph (1) may take effect earlier than the 60th day after the date on which the Secretary submits to the Congress a written report—

(A) stating that in the opinion of the Secretary the foreign industry and host country concerned do not utilize child labor in connection with products that are exported; and

(B) stating the facts on which such opinion is based and any other reason why the Secretary considers the revocation appropriate.

(3) PROCEDURE.—No revocation under paragraph (1) may take effect unless the Secretary—

(A) publishes notice in the Federal Register that such a revocation is under consideration and invites the submission within a reasonable time of oral and written comment from the public on the revocation; and

(B) takes into account the information received under subparagraph (A) before preparing the report required under paragraph (2).

(e) PUBLICATION.—The Secretary shall—

(1) promptly publish in the Federal Register—

(A) the name of each foreign industry and its host country identified under subsection (a);

(B) the text of the decision made under subsection (b)(2)(A) and a statement of the facts and reasons supporting the decision; and

(C) the name of each foreign industry and its host country with respect to which an identification has been revoked under subsection (d); and

(2) maintain and publish in the Federal Register a current list of all foreign industries and their respective host countries identified under subsection (a).

SEC. . PROHIBITION ON ENTRY.

(a) PROHIBITION.—

(1) IN GENERAL.—Except as provided in paragraph (2), during the effective identification period for a foreign industry and its host country no article that is a product of that foreign industry may be entered into the customs territory of the United States.

(2) EXCEPTION.—Paragraph (1) shall not apply to the entry of an article—

(A) for which a certification that meets the requirements of subsection (b) is provided and the article, or the packaging in which it is offered for sale, contains, in accordance with regulations prescribed by the Secretary, a label stating that the article is not a product of child labor;

(B) that is entered under any subheading in subchapter IV or VI of chapter 98 of the Harmonized Tariff Schedule of the United States (relating to personal exemptions); or

(C) that was exported from the foreign industry and its host country and was en route to the United States before the first day of the effective identification period for such industry and its host country.

(b) CERTIFICATION THAT ARTICLE IS NOT A PRODUCT OF CHILD LABOR.—

(1) FORM AND CONTENT.—The Secretary shall prescribe the form and content of documentation, for submission in connection with the entry of an article, that satisfies the Secretary that the exporter of the article in the host country, and the importer of the article into the customs territory of the United States, have undertaken reasonable steps to ensure, to the extent practicable, that the article is not a product of child labor.

(2) REASONABLE STEPS.—For purposes of paragraph (1), "reasonable steps" include—

(A) in the case of the exporter of an article in the host country—

(i) having entered into a contract, with an organization described in paragraph (4) in that country, providing for the inspection of the foreign industry's facilities for the purpose of certifying that the article is not a product of child labor, and affixing a label, protected under the copyright or trademark laws of the host country, that contains such certification; and

(ii) having affixed to the article a label described in clause (i); and

(B) in the case of the importer of an article into the customs territory of the United States, having required the certification and label described in subparagraph (A) and setting forth the terms and conditions of the acquisition or provision of the imported article.

(3) WRITTEN EVIDENCE.—The documentation required by the Secretary under paragraph

(1) shall include written evidence that the reasonable steps set forth in paragraph (2) have been taken.

(4) CERTIFYING ORGANIZATIONS.—

(A) IN GENERAL.—The Secretary shall compile and maintain a list of independent, internationally credible organizations, in each host country identified under section 5, that have been established for the purpose of—

(i) conducting inspections of foreign industries,

(ii) certifying that articles to be exported from that country are not products of child labor, and

(iii) labeling the articles in accordance with paragraph (2)(A).

(B) ORGANIZATION.—Each certifying organization shall consist of representatives of nongovernmental child welfare organizations, manufacturers, exporters, and neutral international organizations.

SEC. . PENALTIES.

(a) UNLAWFUL ACTS.—It shall be unlawful, during the effective identification period applicable to a foreign industry and its host country—

(1) to attempt to enter any article that is a product of that industry if the entry is prohibited under section 6(a)(1); or

(2) to violate any regulation prescribed under section 8.

(b) CIVIL PENALTY.—Any person who commits an unlawful act set forth in subsection (a) shall be liable for a civil penalty not to exceed $25,000.

(c) CRIMINAL PENALTY.—In addition to being liable for a civil penalty under subsection (b), any person who intentionally commits an unlawful act set forth in subsection (a) shall be, upon conviction, liable for a fine of not less than $10,000 and not more than $35,000, or imprisonment for 1 year, or both.

(d) CONSTRUCTION.—The unlawful acts set forth in subsection (a) shall be treated as violations of the customs laws for purposes of applying the enforcement provisions of the Tariff Act of 1930 (19 U.S.C. 1202 et seq.), including—

(1) the search, seizure, and forfeiture provisions;

(2) section 592 (relating to penalties for entry by fraud, gross negligence, or negligence); and

(3) section 619 (relating to compensation to informers).

SEC. . REGULATIONS.

The Secretary shall prescribe regulations to carry out the provisions of this Act.

SEC. . UNITED STATES SUPPORT FOR DEVELOPMENTAL ALTERNATIVES FOR UNDER AGE CHILD WORKERS.

In order to carry out section 2(c)(4), there is authorized to be appropriated to the President the sum of—

(1) $30,000,000 for each of fiscal years 2000 through 2004 for the United States contribution to the International Labor Organization for the activities of the International Program on the Elimination of Child Labor; and

(2) $100,000 for fiscal year 2000 for the United States contribution to the United Nations Commission on Human Rights for those activities relating to bonded child labor that are carried out by the Subcommittee and Working Group on Contemporary Forms of Slavery.

AMENDMENT NO. 2495

At the appropriate, insert the following new section:

SEC. . LIMITATIONS ON BENEFITS.

(a) IN GENERAL.— Nothwithstanding any other provision of law, no benefits under this Act shall be granted to any country (or to any designated zone in that country) that does not meet any effectively enforce the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

(b) REPORT.—Not later than 12 months after the date of enactment of this Act and annually thereafter, the President, after consultation with the Trade Policy Review Committee, shall submit a report to Congress on the enforcement of, and compliance with, the standards described in subsection (a).

BOXER AMENDMENT NO. 2496

(Ordered to lie on the table.)

Mrs. BOXER submitted an amendment intended to be proposed by her to the bill, H.R. 434, supra; as follows:

In section 113, add the following new subsection:

(d) CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to urge participants in the Forum to commit to taking all necessary steps to ensure ratification of the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) by the national legislatures of those nations that have not yet ratified the Convention.

HELMS AMENDMENTS NOS. 2497–2500

(Ordered to lie on the table.)

Mr. HELMS submitted four amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2497

Nothing in this Act shall be construed as amending, superseding, or restricting in any way the authority of the President under the International Emergency Economic Powers Act.

AMENDMENT NO. 2498

Nothing in this Act shall be construed to permit the commercial export, with or without the benefit of subsidies, guarantees or United States credit, of agricultural commodities, medicine or medical supplies or equipment by United States persons or the United States government to the government of a country designated by the Secretary of State under Section 620A of the Foreign Assistance Act of 1961 (as amended) (22 U.S.C. 2371 et seq.) or any entity controlled by such government.

AMENDMENT NO. 2499

Strike section 2(a)(1) and insert the following:

(1) AGRICULTURAL COMMODITY.—

(A) IN GENERAL.—The term "agricultural commodity" has the meaning given that term in section 402(2) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1732(2)).

(B) EXCLUSION.—The term does not include any pesticide, fertilizer, or agricultural machinery or equipment.

Strike section 2(c)(1) and insert the following:

(1) against a foreign country with respect to which—

(A) Congress has declared war or enacted a law containing specific authorization for the use of force;

(B) the United States is involved in ongoing hostilities; or

(C) the President has proclaimed a state of national emergency; or

At the end of section 2(c)(2)(C), add the following:

(C) used or could be used to facilitate the development or production of a chemical or biological weapon or weapons of mass destruction.

Strike section (2)(d) and insert the following:

(d) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—This section shall not affect the prohibitions in effect on the date of enactment of this Act or prohibitions imposed pursuant to any future determination by the Secretary of State, under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), on providing, to the government, or a corporation, partnership, or entity owned or controlled by the government, of any country supporting international terrorism, United States Government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

AMENDMENT NO. 2500

Strike section 2(a)(1) and insert the following:

(1) AGRICULTURAL COMMODITY.—

(A) IN GENERAL.—The term "agricultural commodity" has the meaning given that term in section 402(2) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1732(2)).

(B) EXCLUSION.—The term does not include any pesticide, fertilizer, or agricultural machinery or equipment.

Strike section 2(c)(1) and insert the following:

(1) against a foreign country with respect to which—

(A) Congress has declared war or enacted a law containing specific authorization for the use of force;

(B) the United States is involved in ongoing hostilities; or

(C) the President has proclaimed a state of national emergency; or

At the end of section 2(c)(2)(C), add the following:

(C) used or could be used to facilitate the development or production of a chemical or biological weapon or weapons of mass destruction.

Strike section (2)(d) and insert the following:

(d) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—This section shall not affect the prohibitions in effect on the date of enactment of this Act or prohibitiions imposed pursuant to any future determination by the Secretary of State, under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), on providing, to the government, or a corporation, partnership, or entity owned or controlled by the government, of any country supporting international terrorism, United States Government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

HOLLINGS AMENDMENT NO. 2501

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

HARKIN AMENDMENT NO. 2502

(Ordered to lie on the table.)

Mr. HARKIN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . GOODS MADE WITH FORCED OR INDENTURED LABOR.

(a) IN GENERAL.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended—

(1) in the second sentence, by striking "; but in no case" and all that follows to the end period; and

(2) by adding at the end the following new sentence: "For purposes of this section, the term 'forced labor or/and indentured labor' includes forced or indentured child labor.".

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by subsection (a)(1) applies to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

(2) CHILD LABOR.—The amendment made by subsection (a)(2) takes effect on the date of enactment of this Act.

GRASSLEY AMENDMENT NO. 2503

(Ordered to lie on the table.)

Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end, insert the following new title:

TITLE VI—OTHER TRADE PROVISIONS

SEC. 601. PRESIDENTIAL DETERMINATION REGARDING THE FEASIBILITY AND DESIRABILITY OF NEGOTIATING FREE TRADE AGREEMENTS WITH ELIGIBLE COUNTRIES.

(a) DETERMINATION AND REPORT.—Not later than 6 months after the date of enactment of this Act and after receiving advice from the Advisory Committee for Trade Policy Negotiations established under section 135(b) of the Trade Act of 1974, the President shall—

(1) make a determination on the feasibility and desirability of commencing formal negotiations regarding a free trade agreement with an eligible Pacific Rim country or countries to which the report relates; and

(2) submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on that determination.

(b) FACTORS IN MAKING DETERMINATION.—In making a determination on the feasibility and desirability of establishing a free trade area between the United States and an eligible country, the President shall consider whether that country—

(1) is a member of the World Trade Organization;

(2) has expressed an interest in negotiating a bilateral free trade agreement with the United States;

(3) has pursued substantive trade liberalization and undertaken structural economic reforms in order to achieve an economy governed by market forces, fiscal restraint, and international trade disciplines and, as a result, has achieved a largely open economy;

(4) has demonstrated a broad affinity for United States trade policy objectives and initiatives;

(5) is an active participant in preparations of the General Council of the World Trade Organization for the 3d Ministerial Conference of the World Trade Organization which will be held in the United States from November 30 to December 3, 1999, and has demonstrated a commitment to United States objectives with respect to an accelerated negotiating round of the World Trade Organization;

(6) is working consistently to eliminate export performance requirements or local content requirements;

(7) seeks the harmonization of domestic and international standards in a manner that ensures transparency and nondiscrimination among the member economies of APEC;

(8) is increasing the economic opportunities available to small- and medium-sized businesses through deregulation;

(9) is working consistently to eliminate barriers to trade in services;

(10) provides national treatment for foreign direct investment;

(11) is working consistently to accommodate market access objectives of the United States;

(12) is working constructively to resolve trade disputes with the United States and displays a clear intent to continue to do so;

(13) is a country whose bilateral trade relationship with the United States will benefit from improved dispute settlement mechanisms; and

(14) is a country whose market for products and services of the United States will be significantly enhanced by eliminating substantially all tariff and nontariff barriers and structural impediments to trade.

(c) ELIGIBLE PACIFIC RIM COUNTRIES.—As used in this section:

(1) APEC.—The term "APEC" means the Asian Pacific Economic Cooperation Forum.

(2) ELIGIBLE PACIFIC RIM COUNTRY.—The term "eligible Pacific Rim country" means any country that is a WTO member (as defined in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501) and is a member economy of APEC.

LEGISLATION TO PROVIDE SUPPORT FOR CERTAIN INSTITUTES AND SCHOOLS

JEFFORDS AMENDMENT NO. 2504

Mr. HAGEL (for Mr. JEFFORDS) proposed an amendment to the bill (S. 440) to provide support for certain institutes and schools; as follows:

At the end, add the following:

Title V—Robert T. Stafford Public Policy Institute

SEC. 501. DEFINITIONS.

In this section:

(1) ENDOWMENT FUND.—The term "endowment fund" means a fund established by the Robert T. Stafford Public Policy Institute for the purpose of generating income for the support of authorized activities.

(2) ENDOWMENT FUND CORPUS.—The term "endowment fund corpus" means an amount equal to the grant or grants awarded under this title.

(3) ENDOWMENT FUND INCOME.—The term "endowment fund income" means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term "institute" means the Robert T. Stafford Public Policy Institute.

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 502. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 505, the Secretary is authorized to award a grant in an amount of $5,000,000 to the Robert T. Stafford Public Policy Institute.

(b) APPLICATION.—No grant payment may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

SEC. 503. AUTHORIZED ACTIVITIES.

Funds appropriated under this title may be used—

(1) to further the knowledge and understanding of students of all ages about education, the environment, and public service;

(2) to increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the Unites States, and to promote public service as a career choice;

(3) to provide or support scholarships;

(4) to conduct educational, archival, or preservation activities;

(5) to construct or renovate library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute;

(6) to establish or increase an endowment fund for use in carrying out the programs of the Institute.

SEC. 504. ENDOWMENT FUND.

(a) MANAGEMENT.—An endowment fund created with funds authorized under this title shall be managed in accordance with the standard endowment policies established by the Institute.

(b) USE OF ENDOWMENT FUND INCOME.—Endowment fund income earned (on or after the date of enactment of this title) may be used to support the activities authorized under section 503.

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $5,000,000. Funds appropriated under this section shall remain available until expended.

NOTICE OF HEARING

SUBCOMMITTEE ON INVESTIGATIONS

Ms. COLLINS. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold hearings entitled "Private Banking and Money Laundering: A Case Study of Opportunities and Vulnerabilities." The upcoming hearings will examine the vulnerabilities of U.S. private banks to money laundering and the role of U.S. banks in the growing and competitive private banking industry, their services and clientele, and their anti-money laundering efforts. Witnesses will include private bank personnel, bank regulators, and banking and law enforcement experts.

The hearings will take place on Tuesday, November 9, 1999, at 9:30 a.m., and Wednesday, November 10, 1999, at 1:00 p.m., in Room 628 of the Dirksen Senate Office Building. For further information, please contact Linda Gustitus of the Subcommittee's Minority staff at 224-9505.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, November 2, 1999, to conduct a hearing on "The World Trade Organization, its Seattle Ministerial, and the Millennium Round."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, November 2, 1999 at 10:00 AM and at 2:00 PM to hold two Nomination Hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet on Tuesday, November 2, 1999 at 10:00 a.m., in The President's Room, The Capitol, to conduct a mark-up.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet on Tuesday, November 2, 1999 at 10:30 a.m., in Dirksen Room 226, to conduct a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs be authorized to meet during the session of the Senate on Tuesday, November 2, 1999 at 3:00 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FOREST AND PUBLIC LAND MANAGEMENT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Forest and Public Land Management of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, November 2, for purposes of conducting a Subcommittee on Forests and Public Lands Management hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the recent announcement by President Clinton to review approximateley 40 million acres of national forest lands for increased protection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE PHONY BATTLE AGAINST 'ISOLATIONISM'

• Mr. KYL. Mr. President, Friday's Washington Post contained an excellent op-ed piece by columnist Charles Krathammer arguing that, contrary to claims now being made by senior Clinton Administration officials, the recent defeat of the Comprehensive Test Bank Treaty is not evidence of an emerging isolationist trend in the Republican party. I ask that the column be printed in the RECORD.

The material follows:

THE PHONY BATTLE AGAINST 'ISOLATIONISM'

After seven years, the big foreign policy thinkers in the Clinton administration are convinced they have come up with a big idea. Having spent the better part of a decade meandering through the world without a hint of strategy—wading compassless in and out of swamps from Somalia to Haiti to Yugoslavia—they have finally found their theme.

National Security Adviser Sandy Berger unveiled it in a speech to the Council on Foreign Relations last week. In true Clintonian fashion, Berger turned personal pique over the rejection of the test ban treaty into a grand idea: The Democrats are internationalists, their opponents are isolationists.

First of all, it ill behooves Democrats to call anybody isolationists. This is the party that in 1972 committed itself to "Come home, America." That cut off funds to South Vietnam. That fought bitterly to cut off aid to the Nicaraguan contras and the pro-America government of El Salvador. That mindlessly called for a nuclear freeze. That voted against the Gulf War.

They prevailed in Vietnam but thankfully were defeated on everything else. The contras were kept alive, forcing the Sandinistas to agree to free elections. Nicaragua is now a democracy.

El Salvador was supported against communist guerrillas. It, too, is now a democracy.

President Reagan faced down the freeze and succeeded in getting Soviet withdrawal of their SS-20 nukes from Europe, the abolition of multiwarhead missiles, and the first nuclear arms reduction in history.

And the Gulf War was fought, preventing Saddam from becoming the nuclear-armed hegemon of the Persian Gulf.

"The internationalist consensus that prevailed in this country for more than 50 years," claimed Berger, "increasingly is being challenged by a new isolationism, heard and felt particularly in the Congress."

Internationalist consensus? For the last 20 years of the Cold War, after the Democrats lost their nerve over Vietnam, there was no internationalist consensus. Internationalism was the property of the Republican Party and of a few brave Democratic dissidents led by Sen. Henry Jackson—who were utterly shut out of power when the Democrats won the White House.

Berger's revisionism is not restricted to the Reagan and Bush years. He can't seem to remember the Clinton years either. He says of the Republicans, that "since the Cold War ended, the proponents of this [isolationist] vision have been nostalgic for the good old days when friends were friends and enemies were enemies."

Cold War nostalgia? It was Bill Clinton who early in his presidency said laughingly, "Gosh, I miss the Cold War." Then seriously, "We had an intellectually coherent thing. The American people knew what the rules were."

What exactly is the vision that Berger has to offer? What does the Clinton foreign policy stand for?

Engagement. Hence the speech's title, "American Power—Hegemony, Isolation or Engagement." Or as he spelled it out: "To keep America engaged in a way that will benefit our people and all people."

Has there ever been a more mushy, meaningless choice of strategy? Engagement can mean anything. It can mean engagement as a supplicant, as a competitor, as an ally, as an adversary, as a neutral arbiter. Wake up on a Wednesday and pick your meaning.

The very emptiness of the term captures perfectly the essence of Clinton foreign policy. It is glorified ad hocism.

It lurches from one civil war to another with no coherent logic and with little regard for American national interest—finally proclaiming, while doing a victory jig over Kosovo, a Clinton Doctrine pledging America to stop ethnic cleansing anywhere.

It lurches from one multilateral treaty to another—from the Chemical Warfare Convention that even its proponents admit is unverifiable to a test ban treaty that is not just unverifiable but disarming—in the belief that American security can be founded on promises and paper.

If there is a thread connecting these meanderings, it is a woolly utopianism that turns a genuinely felt humanitarianism and a near-mystical belief in the power of parchment into the foreign policy of a superpower.

The choice of engagement as the motif of Clinton foreign policy is a self-confession of confusion. Of course we are engaged in the world. The question is: What kind of engagement?

Engagement that relies on the fictional "international community," the powerless United Nations or the recalcitrant Security Council (where governments hostile to our interests can veto us at will) to legitimatize American action? Or engagement guided by American national interests and security needs?

Engagement that squanders American power and treasure on peacekeeping? Or engagement that concentrates our finite resources on potential warfighting in vital areas such as the Persian Gulf, the Korean peninsula and the Taiwan Strait?

Berger cannot seem to tell the difference between isolationism and realism. Which is the fundamental reason for the rudderless mess that is Clinton foreign policy.•

TRIBUTE TO HELEN WESTBROOK

• Mr. KENNEDY. Mr. President, I would like to take a few moments to recognize an outstanding individual who will soon be retiring from public service. Helen L. Westbrook currently works in the Office of the Deputy Under Secretary of the National Oceanic and Atmospheric Administration. In December, she will complete a career that has spanned many years of distinguished service to our country.

This is a special occasion for me and the Kennedy family, as Helen is truly one of our own. In 1955, as a Senator, my brother John F. Kennedy visited Chicopee, Massachusetts, and delivered an address about a recent visit he had made to Poland and Eastern Europe. Like many other young Americans of that time, Helen heard and heeded my brother's call to public service. She moved to Washington, D.C., and in January 1956, she began work as a secretary in my brother's Senate office. Following the 1960 election, Jack asked Helen to join his White House Staff, and she served as a Secretarial Assistant in the Office of the President until January 1963.

Helen then decided she wanted to gain experience working overseas, and for the next year and a half, she served in our U.S. Embassy in Rome She then returned to America, and at the request of Jackie Kennedy, she came back to work with our family. For the next few years, she served as an assistant to Jackie in New York City. She watched Caroline and John F. Kennedy, Jr. grow up, and went on to marry and raise a family of her own.

In 1992, Helen rejoined the Federal Government and started a career with NOAA. She has been a good friend to Massachusetts and has called for a balanced approach to fisheries management. She has been a skillful advocate for assistance to New England fishermen and coastal communities, and all of us who know her are proud of her achievements and her friendship.

Helen Westbrook is a kind, thoughtful person who truly cares about people. She has brought professionalism, wisdom and dedication to each position that she has held. She is a valued and loyal friend of the Kennedy family.

We don't have enough Helen Westbrooks in government and in the world. She is a shining example of the wonderful people who answered President Kennedy's call to serve their country. I'm proud of her contribution to public service, and I wish her well in her well-deserved retirement.•

CONFERENCE REPORT FOR THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL FOR THE FISCAL YEAR 2000

• Mr. McCAIN. Mr. President, on October 20, 1999, the Senate passed the conference report for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies appropriations bill for fiscal year 2000. I thank the conferees for their hard work in putting forth this legislation which provides federal funding for fighting crime, enhancing drug enforcement, and responding to threats of terrorism. This bill also addresses the shortcomings of the immigration process, funds the operation of the judicial system, facilitates commerce throughout the United States, and fulfills the needs of the State Department and various other agencies.

For many years, I have tried to cut wasteful and unnecessary spending from the annual appropriations bills—with only limited success, I must admit. Nonetheless, I will continue my fight to curb wasteful pork-barrel spending, and I regret that I must again come forward this year to object, to the millions of unrequested, low-priority, wasteful spending in this conference report. This legislation includes $535 million in pork-barrel spending. This is an unacceptable amount of money to spend on low-priority, unrequested, wasteful projects. Congress must curb its appetite for such unbridled spending.

Pork-barrel spending today not only robs well-deserving programs of much needed funds, it also jeopardizes social security reform, potential tax cuts, and our fiscal well-being into the next century.

The multitude of earmarks buried in this proposal will further burden the American taxpayers. While the amounts associated with each individual earmark may not seem extravagant, taken together, they represent a serious diversion of taxpayers' hard-earned dollars to low priority programs at the expense of numerous programs that have undergone the appropriate merit-based selection process. Congress and the American public must be made aware of the magnitude of wasteful spending endorsed by this body.

For the Department of Commerce, there is $400,000 for swordfish research. For the Department of Justice, there is $1 million for the Nevada National Judicial College. For the Department of State, there is $12.5 million for the East-West Center in Hawaii, and for the Small Business Administration, there is $200,000 for Rural Enterprises, Inc., in Durant, Oklahoma. I have compiled a list on my Senate website of these examples and other numerous add-ons and earmarks in the report.

Mr. President, we must continue to work to cut unnecessary and wasteful spending so we can begin to pay down our debt and save billions in interest payments. We have an obligation to ensure that Congress spends taxpayers' hard-earned dollars prudently to protect our balanced budget and to protect the projected budget surpluses. The American public cannot understand why we continue to earmark these huge amounts of money to locality specific special interests at a time when we are trying to cut the cost of government and return more dollars to the people.

Mr. President, it is a sad commentary on the state of politics today that the Congress cannot curb its appetite to earmark funds for programs that are obviously wasteful, unnecessary, or unfair. Unfortunately, however, Members of Congress have demonstrated time and again their willingness to fund programs that serve their narrowly tailored interest at the expense of the national interest.•

DOWNRIVER GUIDANCE CLINIC TRIBUTE

• Mr. ABRAHAM. Mr. President, It is my great pleasure to recognize and honor the Downriver Guidance Clinic as they celebrate their First Downriver Guidance Clinic Week November 7 through November 13, 1999.

For forty-one years the Downriver Guidance Clinic has been at the forefront of providing exceptional health care, mental health services and support to those people who are in need. The Downriver Guidance Clinic has enhanced the quality of life for children, adults and families in the Downriver community. Their programs have built foundations of support for children with behavioral problems, first time parents, teenage mothers, and adults who need help coping with unexpected changes in life.

What is truly remarkable about the Downriver Guidance Center are the innovative and progressive programs they provide. The Opportunity Center combines traditional therapy, volunteer mentoring, and other activities to assist young people who need extra help interacting with parents, teachers and peers. Their Center for Excellence focuses on evaluating and assessing programs as a means for improved services. The Downriver Guidance Center programs continue to reach out to the community by providing employment programs that help ease chronically unemployed people into the workforce. The Center also provides an early childhood development which encourages good emotional and physical health ensuring that children enter school ready to learn.

The accomplishments and work of the Downriver Guidance Center are to be commended. Their impact on the Downriver Community of the future is immeasurable. I applaud the Downriver Guidance Center for all the help they give others as they strive to meet the ever changing needs of the community they serve.•

MEASURE READ THE FIRST TIME—H.R. 1883

Mr. HAGEL. Mr. President, on behalf of the leader, I understand that H.R.

1883 is at the desk. I now ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative assistant read as follows:

A bill (H.R. 1883) to provide for application of measures to foreign persons who transfer to Iran certain goods, services, or technology, and for other purposes.

Mr. HAGEL. Mr. President, I now ask for its second reading, and I object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will remain at the desk.

AUTHORIZING PHOTOGRAPHS IN THE SENATE CHAMBER

Mr. HAGEL. Mr. President, I ask unanimous consent the Senate now proceed to the immediate consideration of S. Res. 214 submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 214) authorizing the taking of photographs in the Chamber of the U.S. Senate.

There being no objection, the Senate proceeded to consider the resolution.

Mr. HAGEL. I ask unanimous consent the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 214) was agreed to, as follows:

S. RES. 214

Resolved, That paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting photographs to be taken between the first and second sessions of the 106th Congress in order to allow the Senate Commission on Art to carry out its responsibilities to publish a Senate document containing works of art, historical objects, and exhibits within the Senate Wing.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements to carry out this resolution.

AUTHORIZING PRINTING OF "CAPITOL BUILDER: THE SHORTHAND JOURNALS OF CAPTAIN MONTGOMERY C. MEIGS, 1853–1861"

AUTHORIZING PRINTING OF "THE U.S. CAPITOL: A CHRONICLE OF CONSTRUCTION, DESIGN, AND POLITICS"

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of Senate Concurrent Resolution 66 and Senate Concurrent Resolution 67, submitted earlier by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report the concurrent resolutions by title.

The legislative assistant read as follows:

A concurrent resolution (S. Con. Res. 66) to authorize the printing of "Capitol Builder: The Shorthand Journals of Captain Montgomery C. Meigs, 1853–1861."

A concurrent resolution (S. Con. Res. 67) to authorize the printing of "The United States Capitol: A Chronicle of Construction, Design, and Politics."

There being no objection, the Senator proceeded to consider the concurrent resolutions.

Mr. HAGEL. Mr. President, I ask unanimous consent that the concurrent resolutions be agreed to, the preambles be agreed to, and the motions to reconsider be laid upon the table, with the above all occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolutions (S. Con. Res. 66 and S. Con. Res. 67) were agreed to.

The preambles were agreed to.

The concurrent resolutions, with their preambles, read as follows:

S. CON. RES. 66

Whereas November 17, 2000, will mark the 200th anniversary of the occupation of the United States Capitol by the Senate and House of Representatives;

Whereas the story of the design and construction of the United States Capitol deserves wider attention; and

Whereas since 1991, Congress has supported a recently completed project to translate the previously inaccessible and richly detailed shorthand journals of Captain Montgomery C. Meigs, the mid-nineteenth-century engineer responsible for construction of the Capitol dome and Senate and House of Representatives extensions: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. PRINTING OF "CAPITOL BUILDER: THE SHORTHAND JOURNALS OF CAPTAIN MONTGOMERY C. MEIGS, 1853–1861".

(a) IN GENERAL.—There shall be printed as a Senate document the book entitled "Capitol Builder: The Shorthand Journals of Captain Montgomery C. Meigs, 1853–1861", prepared under the direction of the Secretary of the Senate, in consultation with the Clerk of the House of Representatives and the Architect of the Capitol.

(b) SPECIFICATIONS.—The Senate document described in subsection (a) shall include illustrations and shall be in the style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

(c) NUMBER OF COPIES.—In addition to the usual number of copies, there shall be printed with suitable binding the lesser of—

(1) 1,500 copies for the use of the Senate, the House of Representatives, and the Architect of the Capitol, to be allocated as determined by the Secretary of the Senate and the Clerk of the House of Representatives; or

(2) a number of copies that does not have a total production and printing cost of more than $31,500.

S. CON. RES. 67

Whereas the 200th anniversary of the establishment of the seat of government in the District of Columbia will be observed in the year 2000;

Whereas November 17, 2000, will mark the bicentennial of the occupation of the United States Capitol by the Senate and the House of Representatives; and

Whereas the story of the design and construction of the United States Capitol deserves wider attention: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. PRINTING OF "THE UNITED STATES CAPITOL: A CHRONICLE OF CONSTRUCTION, DESIGN, AND POLITICS".

(a) IN GENERAL.—There shall be printed as a Senate document the book entitled "The United States Capitol: A Chronicle of Construction, Design, and Politics", prepared by the Architect of the Capitol.

(b) SPECIFICATIONS.—The Senate document described in subsection (a) shall include illustrations and shall be in the style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

(c) NUMBER OF COPIES.—In addition to the usual number of copies, there shall be printed with suitable binding the lesser of—

(1) 6,500 copies for the use of the Senate, the House of Representatives, and the Architect of the Capitol, to be allocated as determined by the Secretary of the Senate; or

(2) a number of copies that does not have a total production and printing cost of more than $143,000.

MAKING CHANGES TO SENATE COMMITTEES

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 215, submitted earlier by Senator LOTT.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative assistant read as follows:

A resolution (S. Res. 215) making changes to Senate committees for the 106th Congress.

There being no objection, the Senate proceeded to consider the resolution.

Mr. HAGEL. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 215) was agreed to, as follows:

S. RES. 215

Resolved, That the following change shall be effective on those Senate committees listed below for the 106th Congress, or until their successors are appointed:

Committee on Environment and Public Works: Mr. SMITH of New Hampshire, Chairman.

Mr. HAGEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HAGEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DUGGER MOUNTAIN WILDERNESS ACT OF 1999

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1843, introduced earlier today by Senator SESSIONS.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1843) to designate certain Federal land in the Talladega National Forest, Alabama, as the "Dugger Mountain Wilderness."

There being no objection, the Senate proceeded to consider the bill.

Mr. HAGEL. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statement relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1843) was read the third time and passed, as follows:

S. 1843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Dugger Mountain Wilderness Act of 1999".

SEC. 2. DESIGNATION OF DUGGER MOUNTAIN WILDERNESS, ALABAMA.

(a) DESIGNATION.—There is designated as wilderness and as a component of the National Wilderness Preservation System, in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), certain Federal land in the Talladega National Forest, Alabama, comprising approximately 9,200 acres, as generally depicted on the map entitled "Proposed Dugger Mountain Wilderness", dated July 2, 1999, to be known as the "Dugger Mountain Wilderness".

(b) MAP AND DESCRIPTION.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture (referred to in this Act as the "Secretary") shall submit to Congress a map and description of the boundaries of the Dugger Mountain Wilderness.

(2) FORCE AND EFFECT.—The map and description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in the map and description.

(3) PUBLIC AVAILABILITY.—A copy of the map and description shall be on file and available for public inspection in the office of—

(A) the Chief of the Forest Service; and

(B) the Supervisor of National Forest System land located in the State of Alabama.

(c) MANAGEMENT.—

(1) IN GENERAL.—Subject to valid existing rights, land designated as wilderness by this Act shall be managed by the Secretary in accordance with the applicable provisions of the Wilderness Act (16 U.S.C. 1131 et seq.).

(2) EFFECTIVE DATE EXCEPTION.—With respect to the Dugger Mountain Wilderness, any reference in the Wilderness Act (16 U.S.C. 1131 et seq.) to the effective date of that Act shall be considered to be a reference to the date of enactment of this Act.

(d) TREATMENT OF DUGGER MOUNTAIN FIRE TOWER.—

(1) IN GENERAL.—Not later 2 years after the date of enactment of this Act, the Forest Service shall disassemble and remove from the Dugger Mountain Wilderness the Dugger Mountain fire tower (including any supporting structures).

(2) EQUIPMENT.—The Forest Service may use ground-based mechanical and motorized equipment to carry out paragraph (1).

(3) FIRE TOWER ROAD.—

(A) IN GENERAL.—The road to the fire tower shall be open to motorized vehicles during the period required to carry out paragraph (1) only for the purpose of removing the tower (including any supporting structures).

(B) PERMANENT CLOSURE.—After the period referred to in subparagraph (A), the road to the fire tower shall be permanently closed to motorized use.

(4) APPLICABLE LAW.—The Forest Service shall carry out paragraph (1) in accordance with the National Historic Preservation Act (16 U.S.C. 470 et seq.).

CHILD SUPPORT MISCELLANEOUS AMENDMENTS OF 1999

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. 1844 introduced earlier today by Senators ROTH, MOYNIHAN, and others.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1844) to amend Part D of title IV of the Social Security Act to provide for an alternative penalty procedure with respect to compliance with requirements for a State disbursement unit.

There being no objection, the Senate proceeded to consider the bill.

Mr. ROTH. Mr. President, I rise today to introduce the Child Support Miscellaneous Amendments of 1999. This legislation is co-sponsored by Senators MOYNIHAN, VOINOVICH, FEINSTEIN, ROBERTS, BOXER, ENZI, THOMAS, GRAMM, and KERREY.

This bill would provide a more appropriate penalty for States that have not met the deadline for establishing a State Disbursement Unit (SDU). The 1996 welfare reform law (P. L. 104-193) made a number of important changes to the nation's child support system, including a requirement that States establish and operate a State Disbursement Unit (SDU) to receive child support payments and distribute the money in accord with State child support distribution rules. In general, States had until October 1st of this year to establish an SDU.

States that have not met this deadline will lose all Federal funds for the administration of their child support enforcement programs, and also may be in jeopardy of losing Temporary Assistance for Needy Families (TANF) funds.

Although most States have met the deadline, for various reasons about seven States may not. This bill provides that States may apply for an alternative smaller, graduated penalty, as described in the "Description of the Child Support Miscellaneous Amendments of 1999."

Mr. President, I ask unanimous consent that a description of the bill be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. ROTH. Moreover, this legislation provides that any penalty will be waived if a State establishes an SDU within six months of the original deadline, that is, by April 1, 2000. If a State misses the April 1st date but establishes an SDU within a year of the deadline, that is, by September 30, 2000, the penalty shall be limited to one percent of child support funds for the fiscal year.

Mr. President, in my view this alternative penalty system is more suitable for technology-related program requirements, where States may be moving towards compliance but need additional time. Indeed, the proposed legislation follows similar changes made last year in providing an alternative penalty for States that did not meet the deadline for establishing an automated statewide data system for child support. In this regard, the proposed legislation would provide for a single penalty for a State that does not meet either the automated data system or SDU requirements.

The Congressional Budget Office has found this legislation has no cost.

I urge the support of all Senators.

EXHIBIT NO. 1

DESCRIPTION OF THE CHILD SUPPORT MISCELLANEOUS AMENDMENTS OF 1999

PRESENT LAW

The 1996 welfare reform law (P.L. 104–193) required States to establish and operate a State Disbursement Unit (SDU) to receive child support payments and distribute the money in accord with State child support distribution rules. The SDU may be operated by a single State agency, two of more State agencies under a regional cooperative agreement, or by a contractor responsible to the State agency. Alternatively, the SDU may be established by linking local disbursement units, such as counties, under an agreement with the Secretary of Health and Human Services. States that processed receipt of child support payments through their courts at the time of enactment of the 1996 welfare reform law enacted had until October 1, 1999, to operate an SDU. States that did not process child support payments through the courts were required to be operating an SDU by October 1, 1998.

The penalty for not meeting the SDU requirement is the loss of all Federal child support payments. States receive Federal funds for child support enforcement administration according to a matching formula. Furthermore, if a state cannot certify that it has an approved child support enforcement plan—including an SDU—when it renews its

Temporary Assistance for Needy Families (TANF) plan (i.e., every 27 months), it is not eligible for TANF funds.

EXPLANATION OF PROVISION

States not operating an approved State Disbursement Unit (SDU) by October 1, 1999, may apply to the Secretary for an alternative penalty. To qualify for the alternative penalty, the Secretary must find that the State has made and is continuing to make a good faith effort to comply, and the State must submit a corrective plan by April 1, 2000. If these conditions are fulfilled, the Secretary must not disapprove the State child support enforcement plan. Instead, the Secretary must reduce the amount the State would otherwise have received in Federal child support payments by the alternative penalty amount for the fiscal year.

The alternative penalty amount is equal to: 4 percent of the penalty base in the first fiscal year; 8 percent in the second fiscal year; 16 percent in the third fiscal year; 25 percent in the fourth fiscal year; and 30 percent in the fifth and subsequent fiscal years. The penalty base is defined as the Federal administrative reimbursement for child support enforcement (i.e., the 66 percent Federal matching funds) that otherwise would have been payable to the State in the previous fiscal year.

If a State that is subject to a penalty has an approved SDU on or before April 1, 2000, the Secretary shall waive the penalty. If a State that is subject to a penalty achieves compliance after April 1, 2000, and on or before September 30, 2000, the penalty amount shall be 1 percent of the penalty base.

In addition, the Secretary may not impose a penalty against a State for a fiscal year for which the State has already been penalized for noncompliance with respect to the automated data processing system requirement, as provided under Section 455 of the Social Security Act.

The loss of Temporary Assistance to Needy Families block grant funds by a State for failure to substantially comply with one or more of the IV-D requirements is not applicable with respect to the SDU requirements (or the automated systems requirement).

EFFECTIVE DATE

October 1, 1999.

Mr. MOYNIHAN. Mr. President, I rise today in support of this technical, yet necessary, legislation, the Child Support Miscellaneous Amendments of 1999. We live in a nation with an ever-increasing number of single mothers. About one-third (32.8%) of all children born in the United States last year were born outside of marriage. At a minimum, we need a comprehensive and effective child support system to see to it that non-custodial parents—often fathers—provide for these children.

Maintaining a central unit for disbursing and collecting child support payments in each state is essential. This eases the burden on the business community, whose cooperation we need. Unfortunately, a handful of states appear to have missed the statutory deadline for having such a central unit in operation. Under current law, all Federal funding for the child support programs in these states will be withdrawn.

This is too harsh of a penalty. States are missing the deadline because they are simply behind schedule in their procurement effort or because of a broader failing in the computer systems undergirding their child support programs. This legislation would provide an alternative, more modest, financial penalty for those states which are late in meeting the deadline. For those states suffering a general failure of their child support computer systems it would not impose a penalty because those states have already been penalized.

I thank the Chairman for his work on this matter, simple one of reasonable program administration.

Mr. BAYH. Mr. President, today I rise as an original cosponsor of the Child Support Miscellaneous Amendments of 1999. This bill will provide states, such as Indiana with additional time to either obtain a waiver from the Department of Health and Human Services or comply with the state disbursement unit requirement without being penalized. It is important that states are provided with sufficient time to determine what system will allow them to collect and disburse child support payments most efficiently.

For many states the most economical and administratively efficient means of delivering and collecting child support payments is to comply with the requirement and create a central state disbursement unit. However, the Department of Health and Human Services has recognized some exceptions to that general rule and granted those states a waiver. The State of Indiana has applied for a waiver but is awaiting the Secretary's determination of whether or not to grant the waiver request. This legislation will allow Indiana, and the other states in a similar predicament, the time they need to determine what system works best for them. In addition, the penalty these states face will be reduced. States will not be in jeopardy of losing all of their administrative dollars for child support collection.

Without this legislation, the State of Indiana could lose as much as $33.5 million, undermining the state's ability to collect child support. While child support collection affects the budgets of the Federal and State Governments, it most importantly affects the children for whom it is intended. The system was designed so children would at least have the economic support of both their parents.

It is important that Congress continue to find ways to collect child support owed to children from noncustodial parents. Child support administrative dollars help states accomplish that goal.

There are other steps Congress can take to reconnect noncustodial parents with their children and encourage them to pay child support. As we continue to discuss the intricacies of child support collection, the need for a child to have the emotional and financial support of both parents should be incorporated into the discussion. I look forward to having that discussion in the near future.

I thank Senator ROTH and Senator MOYNIHAN for their leadership on this issue and for acknowledging the need to provide states with more time to implement a child support collection and disbursement system that works. I urge my colleagues to support this legislation.

Mr. HAGEL. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1844) was read the third time and passed, as follows:

S. 1844

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the “Child Support Miscellaneous Amendments of 1999”.

SEC. 2. ALTERNATIVE PENALTY PROCEDURE RELATING TO COMPLIANCE WITH REQUIREMENTS RELATING TO STATE DISBURSEMENT UNIT.

(a) IN GENERAL.—Section 455(a) of the Social Security Act (42 U.S.C. 655(a)) is amended by adding at the end the following:

“(5)(A)(i) If—

“(I) the Secretary determines that a State plan under section 454 would (in the absence of this paragraph) be disapproved for the failure of the State to comply with subparagraphs (A) and (B)(i) of section 454(27), and that the State has made and is continuing to make a good faith effort to so comply; and

“(II) the State has submitted to the Secretary, not later than April 1, 2000, a corrective compliance plan that describes how, by when, and at what cost the State will achieve such compliance, which has been approved by the Secretary,

then the Secretary shall not disapprove the State plan under section 454, and the Secretary shall reduce the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the fiscal year by the penalty amount.

“(ii) All failures of a State during a fiscal year to comply with any of the requirements of section 454B shall be considered a single failure of the State to comply with section 454(27)(A) during the fiscal year for purposes of this paragraph.

“(B) In this paragraph:

“(i) The term ‘penalty amount’ means, with respect to a failure of a State to comply with subparagraphs (A) and (B)(i) of section 454(27)—

“(I) 4 percent of the penalty base, in the case of the 1st fiscal year in which such a failure by the State occurs (regardless of whether a penalty is imposed in that fiscal year under this paragraph with respect to the failure), except as provided in subparagraph (C)(ii);

“(II) 8 percent of the penalty base, in the case of the 2nd such fiscal year;

“(III) 16 percent of the penalty base, in the case of the 3rd such fiscal year;

“(IV) 25 percent of the penalty base, in the case of the 4th such fiscal year; or

"(V) 30 percent of the penalty base, in the case of the 5th or any subsequent such fiscal year.

"(ii) The term 'penalty base' means, with respect to a failure of a State to comply with subparagraphs (A) and (B)(i) of section 454(27) during a fiscal year, the amount other wise payable to the State under paragraph (1)(A) of this subsection for the preceding fiscal year.

"(C)(i) The Secretary shall waive all penalties imposed against a State under this paragraph for any failure of the State to comply with subparagraphs (A) and (B)(i) of section 454(27) if the Secretary determines that, before April 1, 2000, the State has achieved such compliance.

"(ii) If a State with respect to which a reduction is required to be made under this paragraph with respect to a failure to comply with subparagraphs (A) and (B)(i) of section 454(27) achieves compliance with such section on or after April 1, 2000, and on or before September 30, 2000, then the penalty amount applicable to the State shall be 1 percent of the penalty base with respect to the failure involved.

"(D) The Secretary may not impose a penalty under this paragraph against a State for a fiscal year for which the amount otherwise payable to the State under paragraph (1)(A) of this subsection is reduced under paragraph (4) for failure to comply with section 454(24)(A).".

(b) INAPPLICABILITY OF PENALTY UNDER TANF PROGRAM.—Section 409(a)(8)(A)(i)(III) of such Act (42 U.S.C. 609(a)(8)(A)(i)(III)) is amended by striking "section 454(24)" and inserting "paragraph (24) or (27)(A) of section 454".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1999.

PROVIDING SUPPORT FOR CERTAIN INSTITUTES AND SCHOOLS

Mr. HAGEL. Mr. President, I ask unanimous consent that S. 440 be discharged from the HELP Committee and, further, that the Senate now proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 440) to provide support for certain institutes and schools.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2504

(Purpose: To support the Robert T. Stafford Public Policy Institute)

Mr. HAGEL. Mr. President, Senator JEFFORDS has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. HAGEL] for Mr. JEFFORDS, proposes an amendment numbered 2504.

The amendment is as follows:

At the end add the following:

TITLE V—ROBERT T. STAFFORD PUBLIC POLICY INSTITUTE

SEC. 501. DEFINITIONS.

In this section:

(1) ENDOWMENT FUND.—The term "endowment fund" means a fund established by the Robert T. Stafford Public Policy Institute for the purpose of generating income for the support of authorized activities.

(2) ENDOWMENT FUND CORPUS.—The term "endowment fund corpus" means an amount equal to the grant or grants awarded under this title.

(3) ENDOWMENT FUND INCOME.—The term "endowment fund income" means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term "institute" means the Robert T. Stafford Public Policy Institute.

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 502. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 505, the Secretary is authorized to award a grant in an amount of $5,000,000 to the Robert T. Stafford Public Policy Institute.

(b) APPLICATION.—No grant payment may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

SEC. 503. AUTHORIZED ACTIVITIES.

Funds appropriated under this title may be used—

(1) to further the knowledge and understanding of students of all ages about education, the environment, and public service;

(2) to increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the United States, and to promote public service as a career choice;

(3) to provide or support scholarships;

(4) to conduct educational, archival, or preservation activities;

(5) to construct or renovate library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute;

(6) to establish or increase an endowment fund for use in carrying out the programs of the Institute.

SEC. 504. ENDOWMENT FUND.

(a) MANAGEMENT.—An endowment fund created with funds authorized under this title shall be managed in accordance with the standard endowment policies established by the Institute.

(b) USE OF ENDOWMENT FUND INCOME.—Endowment fund income earned (on or after the date of enactment of this title) may be used to support the activities authorized under section 503.

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $5,000,000. Funds appropriated under this section shall remain available until expended.

Mr. HAGEL. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2504) was agreed to.

The bill (S. 440), as amended, was read the third time and passed, as follows:

S. 440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

TITLE I—HOWARD BAKER SCHOOL OF GOVERNMENT

SEC. 101. DEFINITIONS.

In this title:

(1) BOARD.—The term "Board" means the Board of Advisors established under section 104.

(2) ENDOWMENT FUND.—The term "endowment fund" means a fund established by the University of Tennessee in Knoxville, Tennessee, for the purpose of generating income for the support of the School.

(3) SCHOOL.—The term "School" means the Howard Baker School of Government established under this title.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

(5) UNIVERSITY.—The term "University" means the University of Tennessee in Knoxville, Tennessee.

SEC. 102. HOWARD BAKER SCHOOL OF GOVERNMENT.

From the funds authorized to be appropriated under section 106, the Secretary is authorized to award a grant to the University for the establishment of an endowment fund to support the Howard Baker School of Government at the University of Tennessee in Knoxville, Tennessee.

SEC. 103. DUTIES.

In order to receive a grant under this title, the University shall establish the School. The School shall have the following duties:

(1) To establish a professorship to improve teaching and research related to, enhance the curriculum of, and further the knowledge and understanding of, the study of democratic institutions, including aspects of regional planning, public administration, and public policy.

(2) To establish a lecture series to increase the knowledge and awareness of the major public issues of the day in order to enhance informed citizen participation in public affairs.

(3) To establish a fellowship program for students of government, planning, public administration, or public policy who have demonstrated a commitment and an interest in pursuing a career in public affairs.

(4) To provide appropriate library materials and appropriate research and instructional equipment for use in carrying out academic and public service programs, and to enhance the existing United States Presidential and public official manuscript collections.

(5) To support the professional development of elected officials at all levels of government.

SEC. 104. ADMINISTRATION.

(a) BOARD OF ADVISORS.—

(1) IN GENERAL.—The School shall operate with the advice and guidance of a Board of Advisors consisting of 13 individuals appointed by the Vice Chancellor for Academic Affairs of the University.

(2) APPOINTMENTS.—Of the individuals appointed under paragraph (1)—

(A) 5 shall represent the University;

(B) 2 shall represent Howard Baker, his family, or a designee thereof;

(C) 5 shall be representative of business or government; and

(D) 1 shall be the Governor of Tennessee, or the Governor's designee.

(3) EX OFFICIO MEMBERS.—The Vice Chancellor for Academic Affairs and the Dean of

the College of Arts and Sciences at the University shall serve as an ex officio member of the Board.

(b) Chairperson.—

(1) In general.—The Chancellor, with the concurrence of the Vice Chancellor for Academic Affairs, of the University shall designate 1 of the individuals first appointed to the Board under subsection (a) as the Chairperson of the Board. The individual so designated shall serve as Chairperson for 1 year.

(2) Requirements.—Upon the expiration of the term of the Chairperson of the individual designated as Chairperson under paragraph (1) or the term of the Chairperson elected under this paragraph, the members of the Board shall elect a Chairperson of the Board from among the members of the Board.

SEC. 105. ENDOWMENT FUND.

(a) Management.—The endowment fund shall be managed in accordance with the standard endowment policies established by the University of Tennessee System.

(b) Use of Interest and Investment Income.—Interest and other investment income earned (on or after the date of enactment of this subsection) from the endowment fund may be used to carry out the duties of the School under section 103.

(c) Distribution of Interest and Investment Income.—Funds realized from interest and other investment income earned (on or after the date of enactment of this subsection) shall be available for expenditure by the University for purposes consistent with section 103, as recommended by the Board. The Board shall encourage programs to establish partnerships, to leverage private funds, and to match expenditures from the endowment fund.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $10,000,000. Funds appropriated under this section shall remain available until expended.

TITLE II—JOHN GLENN INSTITUTE FOR PUBLIC SERVICE AND PUBLIC POLICY

SEC. 201. DEFINITIONS.

In this title:

(1) Endowment fund.—The term "endowment fund" means a fund established by the University for the purpose of generating income for the support of the Institute.

(2) Endowment fund corpus.—The term "endowment fund corpus" means an amount equal to the grant or grants awarded under this title plus an amount equal to the matching funds required under section 202(d).

(3) Endowment fund income.—The term "endowment fund income" means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) Institute.—The term "Institute" means the John Glenn Institute for Public Service and Public Policy described in section 202.

(5) Secretary.—The term "Secretary" means the Secretary of Education.

(6) University.—The term "University" means the Ohio State University at Columbus, Ohio.

SEC. 202. PROGRAM AUTHORIZED.

(a) Grants.—From the funds appropriated under section 206, the Secretary is authorized to award a grant to the Ohio State University for the establishment of an endowment fund to support the John Glenn Institute for Public Service and Public Policy. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions as are determined necessary by the Secretary to carry out this title.

(b) Purposes.—The Institute shall have the following purposes:

(1) To sponsor classes, internships, community service activities, and research projects to stimulate student participation in public service, in order to foster America's next generation of leaders.

(2) To conduct scholarly research in conjunction with public officials on significant issues facing society and to share the results of such research with decisionmakers and legislators as the decisionmakers and legislators address such issues.

(3) To offer opportunities to attend seminars on such topics as budgeting and finance, ethics, personnel management, policy evaluations, and regulatory issues that are designed to assist public officials in learning more about the political process and to expand the organizational skills and policymaking abilities of such officials.

(4) To educate the general public by sponsoring national conferences, seminars, publications, and forums on important public issues.

(5) To provide access to Senator John Glenn's extensive collection of papers, policy decisions, and memorabilia, enabling scholars at all levels to study the Senator's work.

(c) Deposit Into Endowment Fund.—The University shall deposit the proceeds of any grant received under this section into the endowment fund.

(d) Matching Funds Requirement.—The University may receive a grant under this section only if the University has deposited in the endowment fund established under this title an amount equal to one-third of such grant and has provided adequate assurances to the Secretary that the University will administer the endowment fund in accordance with the requirements of this title. The source of the funds for the University match shall be derived from State, private foundation, corporate, or individual gifts or bequests, but may not include Federal funds or funds derived from any other federally supported fund.

(e) Duration; Corpus Rule.—The period of any grant awarded under this section shall not exceed 20 years, and during such period the University shall not withdraw or expend any of the endowment fund corpus. Upon expiration of the grant period, the University may use the endowment fund corpus, plus any endowment fund income for any educational purpose of the University.

SEC. 203. INVESTMENTS.

(a) In General.—The University shall invest the endowment fund corpus and endowment fund income in accordance with the University's investment policy approved by the Ohio State University Board of Trustees.

(b) Judgment and Care.—The University, in investing the endowment fund corpus and endowment fund income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of the person's own business affairs.

SEC. 204. WITHDRAWALS AND EXPENDITURES.

(a) In General.—The University may withdraw and expend the endowment fund income to defray any expenses necessary to the operation of the Institute, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or endowment fund corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 percent of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) Special Rule.—The Secretary is authorized to permit the University to withdraw or expend more than 50 percent of the total aggregate endowment fund income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(1) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(2) a life-threatening situation occasioned by a natural disaster or arson; or

(3) another unusual occurrence or exigent circumstance.

(c) Repayment.—

(1) Income.—If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to one-third of the amount improperly expended (representing the Federal share thereof).

(2) Corpus.—Except as provided in section 202(e)—

(A) the University shall not withdraw or expend any endowment fund corpus; and

(B) if the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to one-third of the amount withdrawn or expended (representing the Federal share thereof) plus any endowment fund income earned thereon.

SEC. 205. ENFORCEMENT.

(a) In General.—After notice and an opportunity for a hearing, the Secretary is authorized to terminate a grant and recover any grant funds awarded under this section if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section 204, except as provided in section 202(e);

(2) fails to invest the endowment fund corpus or endowment fund income in accordance with the investment requirements described in section 203; or

(3) fails to account properly to the Secretary, or the General Accounting Office if properly designated by the Secretary to conduct an audit of funds made available under this title, pursuant to such rules and regulations as may be prescribed by the Comptroller General of the United States, concerning investments and expenditures of the endowment fund corpus or endowment fund income.

(b) Termination.—If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this title, plus any endowment fund income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $10,000,000. Funds appropriated under this section shall remain available until expended.

TITLE III—OREGON INSTITUTE OF PUBLIC SERVICE AND CONSTITUTIONAL STUDIES

SEC. 301. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term "endowment fund" means a fund established by Portland State University for the purpose of generating income for the support of the Institute.

(2) INSTITUTE.—The term "Institute" means the Oregon Institute of Public Service and Constitutional Studies established under this title.

(3) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 302. OREGON INSTITUTE OF PUBLIC SERVICE AND CONSTITUTIONAL STUDIES.

From the funds appropriated under section 306, the Secretary is authorized to award a grant to Portland State University at Portland, Oregon, for the establishment of an endowment fund to support the Oregon Institute of Public Service and Constitutional Studies at the Mark O. Hatfield School of Government at Portland State University.

SEC. 303. DUTIES.

In order to receive a grant under this title the Portland State University shall establish the Institute. The Institute shall have the following duties:

(1) To generate resources, improve teaching, enhance curriculum development, and further the knowledge and understanding of students of all ages about public service, the United States Government, and the Constitution of the United States of America.

(2) To increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the United States, and to promote public service as a career choice.

(3) To establish a Mark O. Hatfield Fellows program for students of government, public policy, public health, education, or law who have demonstrated a commitment to public service through volunteer activities, research projects, or employment.

(4) To create library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute.

(5) To support the professional development of elected officials at all levels of government.

SEC. 304. ADMINISTRATION.

(a) LEADERSHIP COUNCIL.—

(1) IN GENERAL.—In order to receive a grant under this title Portland State University shall ensure that the Institute operates under the direction of a Leadership Council (in this title referred to as the "Leadership Council") that—

"(A) consists of 15 individuals appointed by the President of Portland State University; and

"(B) is established in accordance with this section.

(2) APPOINTMENTS.—Of the individuals appointed under paragraph (1)(A)—

(A) Portland State University, Willamette University, the Constitution Project, George Fox University, Warner Pacific University, and Oregon Health Sciences University shall each have a representative;

(B) at least 1 shall represent Mark O. Hatfield, his family, or a designee thereof;

(C) at least 1 shall have expertise in elementary and secondary school social sciences or governmental studies;

(D) at least 2 shall be representative of business or government and reside outside of Oregon;

(E) at least 1 shall be an elected official; and

(F) at least 3 shall be leaders in the private sector.

(3) EX-OFFICIO MEMBER.—The Director of the Mark O. Hatfield School of Government at Portland State University shall serve as an ex-officio member of the Leadership Council.

(b) CHAIRPERSON.—

(1) IN GENERAL.—The President of Portland State University shall designate 1 of the individuals first appointed to the Leadership Council under subsection (a) as the Chairperson of the Leadership Council. The individual so designated shall serve as Chairperson for 1 year.

(2) REQUIREMENT.—Upon the expiration of the term of the Chairperson of the individual designated as Chairperson under paragraph (1), or the term of the Chairperson elected under this paragraph, the members of the Leadership Council shall elect a Chairperson of the Leadership Council from among the members of the Leadership Council.

SEC. 305. ENDOWMENT FUND.

(a) MANAGEMENT.—The endowment fund shall be managed in accordance with the standard endowment policies established by the Oregon University System.

(b) USE OF INTEREST AND INVESTMENT INCOME.—Interest and other investment income earned (on or after the date of enactment of this subsection) from the endowment fund may be used to carry out the duties of the Institute under section 303.

(c) DISTRIBUTION OF INTEREST AND INVESTMENT INCOME.—Funds realized from interest and other investment income earned (on or after the date of enactment of this subsection) shall be spent by Portland State University in collaboration with Willamette University, George Fox University, the Constitution Project, Warner Pacific University, Oregon Health Sciences University, and other appropriate educational institutions or community-based organizations. In expending such funds, the Leadership Council shall encourage programs to establish partnerships, to leverage private funds, and to match expenditures from the endowment fund.

SEC. 306. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $3,000,000.

TITLE IV—PAUL SIMON PUBLIC POLICY INSTITUTE

SEC. 401. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term "endowment fund" means a fund established by the University for the purpose of generating income for the support of the Institute.

(2) ENDOWMENT FUND CORPUS.—The term "endowment fund corpus" means an amount equal to the grant or grants awarded under this title plus an amount equal to the matching funds required under section 402(d).

(3) ENDOWMENT FUND INCOME.—The term "endowment fund income" means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term "Institute" means the Paul Simon Public Policy Institute described in section 402.

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

(6) UNIVERSITY.—The term "University" means Southern Illinois University at Carbondale, Illinois.

SEC. 402. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 406, the Secretary is authorized to award a grant to Southern Illinois University for the establishment of an endowment fund to support the Paul Simon Public Policy Institute. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions as are determined necessary by the Secretary to carry out this title.

(b) DUTIES.—In order to receive a grant under this title, the University shall establish the Institute. The Institute, in addition to recognizing more than 40 years of public service to Illinois, to the Nation, and to the world, shall engage in research, analysis, debate, and policy recommendations affecting world hunger, mass media, foreign policy, education, and employment.

(c) DEPOSIT INTO ENDOWMENT FUND.—The University shall deposit the proceeds of any grant received under this section into the endowment fund.

(d) MATCHING FUNDS REQUIREMENT.—The University may receive a grant under this section only if the University has deposited in the endowment fund established under this title an amount equal to one-third of such grant and has provided adequate assurances to the Secretary that the University will administer the endowment fund in accordance with the requirements of this title. The source of the funds for the University match shall be derived from State, private foundation, corporate, or individual gifts or bequests, but may not include Federal funds or funds derived from any other federally supported fund.

(e) DURATION; CORPUS RULE.—The period of any grant awarded under this section shall not exceed 20 years, and during such period the University shall not withdraw or expend any of the endowment fund corpus. Upon expiration of the grant period, the University may use the endowment fund corpus, plus any endowment fund income for any educational purpose of the University.

SEC. 403. INVESTMENTS.

(a) IN GENERAL.—The University shall invest the endowment fund corpus and endowment fund income in those low-risk instruments and securities in which a regulated insurance company may invest under the laws of the State of Illinois, such as federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, or obligations of the United States.

(b) JUDGMENT AND CARE.—The University, in investing the endowment fund corpus and endowment fund income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of the person's own business affairs.

SEC. 404. WITHDRAWALS AND EXPENDITURES.

(a) IN GENERAL.—The University may withdraw and expend the endowment fund income to defray any expenses necessary to the operation of the Institute, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or endowment fund corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 percent of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) SPECIAL RULE.—The Secretary is authorized to permit the University to withdraw or expend more than 50 percent of the total aggregate endowment fund income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(1) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(2) a life-threatening situation occasioned by a natural disaster or arson; or

(3) another unusual occurrence or exigent circumstance.

(c) REPAYMENT.—

(1) INCOME.—If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to one-third of the amount improperly expended (representing the Federal share thereof).

(2) CORPUS.—Except as provided in section 402(e)—

(A) the University shall not withdraw or expend any endowment fund corpus; and

(B) if the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to one-third of the amount withdrawn or expended (representing the Federal share thereof) plus any endowment fund income earned thereon.

SEC. 405. ENFORCEMENT.

(a) IN GENERAL.—After notice and an opportunity for a hearing, the Secretary is authorized to terminate a grant and recover any grant funds awarded under this section if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section 404, except as provided in section 402(e);

(2) fails to invest the endowment fund corpus or endowment fund income in accordance with the investment requirements described in section 403; or

(3) fails to account properly to the Secretary, or the General Accounting Office if properly designated by the Secretary to conduct an audit of funds made available under this title, pursuant to such rules and regulations as may be proscribed by the Comptroller General of the United States, concerning investments and expenditures of the endowment fund corpus or endowment fund income.

(b) TERMINATION.—If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this title, plus any endowment fund income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $3,000,000. Funds appropriated under this section shall remain available until expended.

TITLE V—ROBERT T. STAFFORD PUBLIC POLICY INSTITUTE

SEC. 501. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term "endowment fund" means a fund established by the Robert T. Stafford Public Policy Institute for the purpose of generating income for the support of authorized activities.

(2) ENDOWMENT FUND CORPUS.—The term "endowment fund corpus" means an amount equal to the grant or grants awarded under this title.

(3) ENDOWMENT FUND INCOME.—The term "endowment fund income" means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term "institute" means the Robert T. Stafford Public Policy Institute.

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 502. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 505, the Secretary is authorized to award a grant in an amount of $5,000,000 to the Robert T. Stafford Public Policy Institute.

(b) APPLICATION.—No grant payment may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

SEC. 503. AUTHORIZED ACTIVITIES.

Funds appropriated under this title may be used—

(1) to further the knowledge and understanding of students of all ages about education, the environment, and public service;

(2) to increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the United States, and to promote public service as a career choice;

(3) to provide or support scholarships;

(4) to conduct educational, archival, or preservation activities;

(5) to construct or renovate library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute;

(6) to establish or increase an endowment fund for use in carrying out the programs of the Institute.

SEC. 504. ENDOWMENT FUND.

(a) MANAGEMENT.—An endowment fund created with funds authorized under this title shall be managed in accordance with the standard endowment policies established by the Institute.

(b) USE OF ENDOWMENT FUND INCOME.—Endowment fund income earned (on or after the date of enactment of this title) may be used to support the activities authorized under section 503.

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $5,000,000. Funds appropriated under this section shall remain available until expended.

ORDERS FOR WEDNESDAY, NOVEMBER 3, 1999

Mr. HAGEL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, November 3. I further ask consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the trade bill postcloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. HAGEL. For the information of all Senators, at 9:30 a.m. on Wednesday, the Senate will immediately begin debate in relation to the African trade bill. Therefore, Senators may anticipate votes throughout the day and into the evening. In addition, it is expected that the Senate could consider the financial services modernization conference report and any necessary appropriations bills. Therefore, votes will occur each day of Senate session this week.

ORDER FOR ADJOURNMENT

Mr. HAGEL. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of Senator WYDEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAGEL. Mr. President, I yield the floor.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

PRESCRIPTION DRUG COVERAGE FOR OUR NATION'S ELDERLY CITIZENS

Mr. WYDEN. Mr. President, I am on the floor tonight for what is really the 10th time in recent days to talk about the need for decent prescription drug coverage for the Nation's elderly citizens. There is one bipartisan bill now before the Senate. It is the Snowe-Wyden bill. I believe so strongly in this issue because of what I am hearing from senior citizens in my home State and now, frankly, from across the United States.

What I have decided to do, as part of the effort to advance the prospect of dealing with this issue and dealing with it on a bipartisan basis, is to come to the floor as frequently as I can in the hectic Senate schedule to read from some of these bills I am getting from the Nation's senior citizens.

As you can see in the poster next to us, on behalf of the Snowe-Wyden legislation, I am urging seniors to send in copies of their prescription drug bills directly to us at the United States Senate, Washington, DC 20510, because I would like to see the Senate deal with this issue and not just put it off because some are saying it is too difficult and too hard to deal with in this contentious climate. I believe Members of the Senate are sent here to deal with tough issues. This is one that would meet an enormous need.

For a number of years before I was elected to the Congress, I served as director of the Oregon Gray Panthers. The need for coverage of prescription drugs was extremely important back then. It was always a big priority for senior citizens.

Frankly, it is much more important today because so many of the drugs that are available now are preventive in nature. They help keep seniors well.

They help us to hold down the cost of medical care in America. A lot of these drugs today, the blood pressure medicine, the cholesterol medicine, keep seniors well and keep us from needing much greater sums of money to pick up the cost of tragic illnesses.

Last week, I cited as one example an important anticoagulant drug. This is a drug that can be available to the Nation's seniors for somewhere in the vicinity of $1,000 a year. But if a senior gets sick, if a senior suffers a debilitating stroke, the expenses associated with that treatment can be more than $100,000. Just think about that—a modest investment in decent prescription drug coverage for the Nation's elderly people, an anticoagulant drug that costs $1,000 a year can help save $100,000 in much more significant medical expenses.

As the President knows, we have a real challenge in terms of ensuring the stability of the Medicare program. The Part A program, the institutional program, is the one that is going to escalate in cost if we can't do more to make prescription drug coverage a significant part of outpatient benefits for the Nation's seniors.

I am very hopeful this Senate will act on this issue. I believe this is the kind of issue that could be a legacy for this session of Congress.

All over the Nation, seniors are telling us now they cannot afford their prescription medicine. I am going to read from three more letters I have recently received from folks at home. The first is from an elderly woman in Toledo, OR. She writes:

> Dear Senator Wyden, I am an 81-year-old widow. My only income, Social Security, allows me to pay for glaucoma, angina, high blood pressure, all of which I have problems. I am taking eight prescription medications daily. My Medicare supplement insurance doesn't cover medication.

For just 1 month for those medicines, she has to spend $166. On top of that, she reports that every other month she has to spend a little over $62 for a small bottle of eye drops. As she says:

> That adds up to a lot. If I don't use the eye drops, I go blind. And if I don't use the other medications, I will have a stroke, a heart attack or both. Myself, and I am sure many others, are in exactly the same boat.

She, as part of her letter, encloses a copy of her bills.

Now, this isn't the kind of thing we might hear from some Washington, DC, think tank that is putting out reports about whether or not this is a serious problem and whether or not seniors really need this prescription drug coverage. This is a real live case. This isn't an abstract kind of matter. This is an 81-year-old widow in the State of Oregon who is taking eight prescriptions a day, spending from a modest fixed income $166 a month for those eight prescriptions. Every other month, on top of that, she has to pay for her eye drops. It is very clear that if she doesn't get those medicines, she is going to have the much more serious problems—heart attacks and strokes—that are so debilitating to older people.

Another letter that I got in the last couple of days comes from Medford, OR, from seniors there who discussed the question of prescription drug coverage there at the senior citizens center. They said:

> We are glad you are launching a movement to gain support for prescription drug coverage for seniors. They hope it goes through. Enclosed you will find a computer printout of the amounts I spend on prescriptions and drugs. More than 10 percent of our annual budget is used to defray prescription costs. That does not include the miscellaneous items related to drug purchases.

She sent me this, and I will hold up a copy of it. It is an example of the kind of information we are getting. She actually sent us an enumerated copy of the prescription bills that she is paying at home in Medford, OR. These are not isolated cases. I have been on the floor now, this is the tenth occasion, taking three or four of these cases every single time. I hope seniors and families who are listening tonight will look at this poster and see we are urging that they send in copies of their prescription drug bills to their Senators here in the U.S. Senate in Washington, DC, because I am hopeful that this can prick the conscience of the Senate and bring about constructive action before this session is over.

The Snowe-Wyden legislation is bipartisan. Fifty-four Members of this body have already voted for this bill. We have a majority in the Senate on record on behalf of the funding mechanism that we envisage in our legislation. We use marketplace forces. I am not talking about a price control regime or about a one-size-fits-all approach to Federal health care; it is one that is very familiar to the Presiding Officer and to all our colleagues. It is really a model based on the Federal Employees Health Benefits Plan. The Snowe-Wyden legislation is called SPICE. It stands for the Senior Prescription Insurance Coverage Equity Act. It is bipartisan. We do think it would help create choices, options, and alternatives for the Nation's older people.

I am very hopeful this Senate will say we cannot afford to duck this issue. I am often asked whether we can afford to cover prescription medicine for the Nation's older people. I am of the view that we cannot afford not to cover prescriptions, because what we are going to save as a result of these medicines of the future, and the breakthroughs that we are achieving in terms of preventive care and wellness, is going to far exceed the costs that might be incurred as a result of debilitating illnesses that seniors will suffer if they can't get the medicine. As part of this effort to get bipartisan support for the Snowe-Wyden legislation, I intend to keep coming to the floor of the Senate and reading from these letters.

Before I wrap up tonight, I wish to bring up one other case that I thought was particularly poignant. This also was a letter from an elderly person in Medford. Her Social Security monthly income was $582. Over the last few months, she spent over $700 on her prescription medicine, and every 3 months, in addition, she has to pay for her health insurance plan, which doesn't seem to cover many of the health care needs that she has.

Just think about that. With a monthly Social Security income of $582, over recent months she spent more than $700 on prescription drugs. Her private policy doesn't cover many of her health care needs. She also is sending me copies of her bills in an effort to get the Senate to see how important this issue is.

Members of the Senate, I know, care about older people; a number of them have come up to me while I have been on the floor these last couple of weeks talking about this issue and said: You are right; we need to act on it. It is hard to see what is actually holding up the effort to go forward in the Senate.

This is the last period before the year is out. Certainly we can come together as a body and get ready to address this issue early next year. We have a majority in the Senate on record and voting for a specific plan to fund this benefit. It is based on a model that uses marketplace forces that ought to be appealing to both sides of the aisle. It is a model with which Members of Congress are familiar because of the Federal Employees Health Benefits Plan. It is the basis of the Snowe-Wyden legislation. It is hard to see what is really holding up the effort to win passage of this important legislation.

I guess part of the problem is that some of the political prognosticators say it is a difficult issue, that both sides are just going to fight it out on the campaign trail, and we can just wait until 2001 to actually take action on it.

When I hear from seniors at home, such as the letter I raised first from the elderly widow in Toledo who has eight prescriptions and pays more than $165 a month for her prescriptions, and folks in Medford who are on a small monthly income and spending a significant portion of it on prescription drugs, I don't think those people can afford to wait until after the 2001 election. Frankly, I think they expect us to deal with the concerns they have, and to deal with them now.

It is essentially one full year before there is another election. There is plenty of time to go out and campaign and have the vigorous discussion of the issues in the fall of 2000. But what we ought to do now is to act in a bipartisan way. The Snowe-Wyden legislation is that kind of effort. Senator

SNOWE and I have said we are going to set aside some of the partisan bickering that has surrounded health care in this session of the Senate in years past; we are going to move forward and try to make sure seniors get some help.

I hope families and seniors who are listening tonight will look at this poster. We are urging that seniors send copies of their prescription drug bills directly to each of us in the Senate here in Washington, DC, and help us in the Senate to come together and deal with the issue that is of such extraordinary importance to our families.

There are a variety of ways this issue could be addressed. I think personally the Snowe-Wyden legislation, because it is bipartisan and because more than half of the Senate has voted for a plan to fund it, is the way to go. But I am sure there are other kinds of ideas.

When seniors send in copies of their prescription drug bills as we try to get action on this issue, I hope they will also let us know their ideas about legislative approaches, be it support for Senator SNOWE, the Snowe-Wyden legislation, or other kinds of approaches. But what to me is unacceptable is just ducking. I do not think there is any excuse for inertia on this issue. I think it is time for the Senate to say we cannot afford, as a nation, to see seniors suffer the way they do when they cannot get prescription drug coverage.

Just as important as the questions of fairness for seniors, it seems to me, are the questions of economics. From an economic standpoint, the need to cover some of these prescription drugs for seniors looks to me like a pretty easy call. With a modest investment, we can save a whole lot of expense that comes about when they suffer strokes and heart attacks and the like when they cannot get their medicine.

So I hope in the days ahead, Members of the Senate, in senior centers and medical facilities and other places where we all go to visit, will take the time to talk to some of the folks at home about the need for prescription drug coverage and discuss ways we can actually get this benefit added in this session of the Senate. Too many of our seniors now cannot afford their medicine. That is what these bills are all about. What these bills and these letters I am getting from seniors at home in Oregon are all about is that they cannot afford their medicine. These are the people who are told by their doctors to take three prescriptions; they cannot afford to do that and they end up taking two prescriptions. Then they cannot afford to do that; then it is one. Pretty soon, sure as the night follows day, they get sicker and they need institutional care. That is, obviously, bad for their health and it is also bad for the Nation's fiscal health. So I intend to keep coming back to the floor of the Senate.

Since my days with the Gray Panthers at home in Oregon, I felt this was an important benefit for the Nation's older people. All these letters I am receiving as a result of folks sending in copies of their prescription drug bills, if anything, just reaffirms to me how important it is that the Senate act on this issue, and do it in a bipartisan way.

Let's show seniors, let's show the skeptics we can come together around this important priority. This is not a trifling matter. This is, for many, many seniors, their big out-of-pocket expense. Many of them do not have private health insurance that covers it. Many of them are simply falling between the cracks in terms of meeting their health care expenses. For many elderly people, as a result of escalating health costs, they are paying more proportionally out of their own pocket today than they were back when Medicare began in 1965. That should not be acceptable to any Member of the Senate.

I intend to come back to the floor again and again and again until this Senate, on a bipartisan basis, looks to addressing this prescription drug coverage. The Snowe-Wyden legislation is bipartisan. It uses marketplace forces. We reject the kind of price control regimes others may wish to pursue. I am hopeful we can get action on this issue because, for the millions of seniors who cannot afford their prescriptions, the Senate's willingness to tackle this issue, and do it on a bipartisan basis and get some relief for the seniors, will help instill a sense of confidence, a sense that the Senate is listening to them, hearing them, and is willing to respond to their most significant needs.

I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. The Senate, under the previous order, will stand adjourned until 9:30 a.m., Wednesday, November 3, 1999.

Thereupon, the Senate, at 6:49 p.m., adjourned until Wednesday, November 3, 1999, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, November 2, 1999*

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

ELECTION DAY 1999

Mr. BLUMENAUER. Mr. Speaker, today the issue for the 2000 election is being previewed from coast to coast, that experts term a sleeper issue, hidden just below the surface. That issue, Mr. Speaker, is a welcome change from the nasty and sometimes incomprehensible partisan politics that have characterized contemporary campaigns. The issue instead is one that is positive, inclusive, that brings people together rather than driving them apart for partisan advantage. That issue, of course, is related to livable communities.

How do we make our families safe, healthy and economically secure? Here in the Washington, D.C. metropolitan area, we in Congress have been witness just across the river in Northern Virginia to a variety of spirited campaigns. The hot button issues of these campaigns have been transportation, congestion, air pollution, unplanned growth and gun violence.

At the other end of the country, there are a variety of initiatives that are local responses to the State of California's refusal to have planned Statewide growth management in place. Citizens want more control and predictability.

In the State of Colorado, voters are increasingly concerned about the quality of life issues facing metropolitan Denver. This is understandable when we realize that just a couple of years ago, Colorado citizens discovered that the plans for their urbanized metropolitan Denver would sprawl more than a thousand square miles. That is bigger than Los Angeles, San Diego, Sacramento, San Francisco, San Jose and Long Beach combined.

Today with even a modestly pared down growth management approach and voluntary compliance, Denver is facing a significant referendum for both highway construction and, paired with a light rail referendum, both are expected to pass.

In the State of New Jersey, the State-wide Transportation and Local Bridge Bond Act of 1999 will be public question number 1 on Tuesday's ballot. This is coming hard on the heels of Governor Christine Todd Whitman's pronouncement that the theme of her second term as governor would be livable New Jersey. The already-approved open space bond in New Jersey has received strong support from transit and environmental groups. The New Jersey transportation Commissioner James Weinstein has pledged repeatedly that the dollars from this bond measure will be directed towards fixing existing infrastructure and not used to add new sprawl and traffic-inducing projects.

Greg Meyer of the tri-State transportation campaign was quoted as saying, "If you build it, they will come. If you fix it, they will remain. Preserving the transportation we have already got is the means to focus growth in already-developed areas without encouraging sprawl in the fringe. The bond plan follows this principle."

Mr. Speaker, time does not permit me to deal with even the highlights of initiatives in Arizona, Florida, Maine, Maryland, Michigan, Minnesota, Ohio, Pennsylvania, Texas or Washington State.

I do want to note that the State of Wisconsin just enacted the "growing smart" law, which is that State's first comprehensive growth management act. As one who came to Congress dedicated to having the Federal Government promote closer relations promoting livability, being a better partner, I am excited by what we are seeing from coast to coast. It is time for us in Congress to do our part, whether it is making the post office obey local land use laws and zoning codes, having the Federal Government lead by example with GSA or fully funding the Land and Water Conservation Act or reforming the national flood insurance program so that we no longer are subsidizing people who are living where God does not want them.

I am looking forward to seeing the results of today's election and I am excited for the election to come, because I think livability issues will continue to be the issues that Americans care about, and once again the citizens will be leading the political leaders.

END AMERICAN TAX SUBSIDIES FOR DRUG DUMPING

The SPEAKER pro tempore (Mr. OSE). Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. DOGGETT) is recognized during morning hour debates for 5 minutes.

Mr. DOGGETT. Mr. Speaker, we have all seen the heartbreaking stories of huddled masses of refugees after a flood or hurricane, a civil war, a natural or manmade disaster, searching for food and water and lost family members. It warms our hearts to hear of international aid efforts, frequently led by America, to provide those in need with the assistance that they require. Congress decided long ago that we should reward these outreach efforts through generous tax deductions for property or items that are donated to help those most in need, even if the recipients are at the four corners of our world.

While many of these efforts are truly commendable, like those of the International Red Cross, others simply represent the dumping of worthless products. Under the title, "In a Wave of Balkan Charity Comes Drug Aid of Little Use," the New York Times reported this very summer how camps filled with refugees from Kosovo received anti-smoking inhalers and hemorrhoid treatments instead of much-needed antibiotics.

The Times reported that "the outpouring of aid from corporate America and elsewhere for more than a million refugees who flooded into Albania and Macedonia during the war was indeed vast and included many badly-needed medicines. But the World Health Organization said about one-third to half of all of the shipments were inappropriate and likely to gather dust in warehouses or be destroyed at government expense."

Should American taxpayers subsidize the donations of useless pharmaceutical products to foreign countries? I think the question really answers itself, but this practice continues to occur, encouraged by our U.S. tax laws. Normally when a corporation donates property it may deduct its cost to produce the item.

To encourage donations to a charity for needy causes, as is the case for these drugs that are destined for foreign relief, our tax laws permit a corporation to receive twice its basis. That is fine when the drugs are useful, but it is totally unjustified when they are worthless. I am filing legislation

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

today to prevent this abuse of the enhanced charitable deduction for overseas contributions of worthless drugs, and some 50 of my colleagues are joining me in this effort.

A recent study by the Harvard School of Public Health entitled An Assessment of U.S. Pharmaceutical Donations concluded that up to 40 percent of the drugs that are sent abroad were not requested and that about one third had less than a year of usefulness remaining. This is not a new problem. The New England Journal of Medicine had previously described a similar situation surrounding the misery in Bosnia. After analyzing about 30,000 metric tons of drugs and medical materials donated over a 4-year period, the Journal of Medicine study concluded, "in total, we considered 50 to 60 percent of all the medical supplies donated to Bosnia and Herzegovina to be inappropriate." Over one-third of these donations consisted of the dumping of large quantities "of useless or unusable drugs." They even included medicine for leprosy, a disease not found in these countries, and this is a problem not limited to the Balkans. It stretches from Armenia to Papua New Guinea.

Yet our existing law continues to encourage and subsidize such contributions. We should stop this now with straightforward amendments to the Internal Revenue Code. These amendments would include requiring that there be one year of good shelf life remaining as specified by Food and Drug Administration regulations, that drugs be labeled in a manner understandable to foreign health professionals, and that charities assure the drugs that are sent are drugs that are requested and needed by the foreign recipient.

Said one World Health Organization official, "if you overload people with things that they do not recognize and do not know how to use, you're not helping." And indeed to those in need around the world, the dumping of useless drugs is actually worse than no help at all, since such toxic junk must be destroyed by those most in need.

The Journal of Medicine study estimated that the cost of destroying 17,000 tons of inappropriate drug donations in the Balkans reached $34 million. That is $34 million wasted, some of which went to destroy drugs subsidized by American taxpayers that never should have been sent in the first place.

The bill that I am filing today has received the support of the Partnership for Quality Medical Donations, a group consisting of a number of major pharmaceutical companies and international relief agencies.

The provisions of this bill are drawn from the drug donation guidelines of the World Health Organization. These guidelines and this bill incorporate what are really the "best practices" of industry at present, but we incorporate these into Federal tax law. Some companies have been singled out for public praise, and rightly so, but U.S. tax laws provide an incentive for foreign dumping that must end. Let us stop rewarding those who have been more interested in obtaining a tax deduction than helping those who are truly in need. Let us stop the tax subsidies for drug dumping.

MICROENTERPRISE DEVELOPMENT, THE TIME HAS COME TO SUPPORT HARD-WORKING AMERICANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentlewoman from Maryland (Mrs. MORELLA) is recognized during morning hour debates for 3 minutes.

Mrs. MORELLA. Mr. Speaker, this seemed like a good opportunity to call attention of this body to a bill that I think is worthy of consideration and passage. From Bangladesh to Guatemala, one of the most exciting strategies for fighting poverty in developing countries is microenterprise development. For poor women especially, the practice of extending very small loans and improving access to financial services has revolutionized the lives of poor people and the way in which we think about poverty-focused development.

We are now learning that microenterprise development can transform the lives of poor Americans as well. The time has come for us to provide the same support to these hard-working Americans that we have provided so successfully to millions of people around the world.

The program for investment in microentrepreneurs, called the PRIME Act of 1999, which is H.R. 413, sponsored by my colleagues the gentleman from Iowa (Mr. LEACH) and the gentleman from Illinois (Mr. RUSH), and I am a cosponsor, that provides us with an opportunity to do just that.

Unlike developing countries where access to credit is the biggest obstacle to poor entrepreneurs, American entrepreneurs face significant challenges to access the training and the technical assistance that is necessary to navigate the complex American economy. Though poor entrepreneurs may already have a business idea and a willingness to work hard, they may lack the financial and business skills that are necessary to turn a good idea into a sustainable business.

Very often, a little training and technical assistance can be the difference, the difference between success and failure, between food on the table and an evening of hunger. The PRIME Act can be a catalyst for such change. I hope this body will consider it and pass it.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 14 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 10 a.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Let us pray using the words of St. Francis:

Lord, make us instruments of Your peace.
Where there is hatred, let us sow love;
where there is injury, pardon;
where there is discord, union;
where there is doubt, faith;
where there is despair, hope;
where there is darkness, light;
where there is sadness, joy.
Grant that we may not so much seek
to be consoled as to console;
to be understood as to understand;
to be loved as to love.
For it is in giving that we receive;
it is in pardoning that we are pardoned; and
it is in dying that we are born to eternal life.
Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from North Carolina (Mr. BALLENGER) come forward and lead the House in the Pledge of Allegiance.

Mr. BALLENGER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day.

The Clerk will call the first individual bill on the Private Calendar.

BELINDA McGREGOR

The Clerk called the Senate bill (S. 452) for the relief of Belinda McGregor.

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RICHARD W. SCHAFFERT

The Clerk called the bill (H.R. 1023) for the relief of Richard W. Schaffert.

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

WILD HORSE MANAGEMENT: A BETTER WAY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Madam Speaker, more than half of this Nation's wild horse population and burro population roams free over the rangelands of Nevada. But the State of Nevada has little or no authority over the management of these herds because wild horse and burro management rests solely with the Bureau of Land Management, mostly here in Washington, D.C.

Unfortunately, the BLM's management has proven to be highly ineffective and terribly destructive to both the rangeland and to these animals.

Wild horses and burros are causing havoc and destruction on Nevada's rangelands through overgrazing and destruction of riparian areas. Many animals simply are starving to death because the land cannot physically sustain them.

These horses and burros may not be the brightest animals on the farm, but neither is the bureaucracy here in Washington, D.C. The failure of this current management system is obvious to many Nevadans.

Clearly, the current Federal bureaucracy is doing more harm than good, and a change needs to be made. Congress needs to act to pass H.R. 2874, the Wild Horse and Burro Preservation and Management Act.

Madam Speaker, I yield back whatever common horse sense may remain in the BLM's management policy.

STRENGTHEN SOCIAL SECURITY SYSTEM RATHER THAN JUST TALK ABOUT IT

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Madam Speaker, we began this session of Congress in January with much hope of improving our Social Security system and strengthening it. Both Democrats and Republicans talked about making that our top priority. Well, Madam Speaker, we are now near the end of this session of Congress, and we have not lived up to our commitments to our seniors.

In January, we talked about extending the Social Security Trust Fund. Now, when we look at what is going to be done, we will not extend the solvency of the Social Security Trust Fund by one day.

The Republican leadership is trying to change the subject. But our seniors understand what is happening. It was our responsibility to act on Social Security this year, and we are not going to do it.

The President has sent up proposals that would extend the solvency of the Social Security system by 16 years. That is a good first step. We should pass that. Then we should work together as Democrats and Republicans to strengthen our Social Security system rather than just talking about it.

MINIMUM WAGE HIKE IS UNNECESSARY

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Madam Speaker, I rise today to remind my colleagues of a few reasons that a minimum wage hike is unnecessary. Raising the minimum wage harms the very people that it is supposed to help.

U.S. Census figures show that the average income of minimum wage employees increases by 30 percent within 1 year of employment. Why? Because, as these workers spend time in the workplace, they accumulate more skills and increase their own value. Just plain common sense.

That is why less than 3 percent of employees above the age of 30 work at the minimum wage. The longer they are in the work force, the more money they make.

Madam Speaker, there are better ways to empower the poorest and least skilled in our society. Tax incentives for working Americans and businesses are just one way. Raising the minimum wage is clearly the wrong way.

I urge my colleagues to keep these important factors in mind as the House debates a minimum wage hike in the future.

SENIORS DISAPPOINTED WITH FAILURE TO SOLVE SOCIAL SECURITY SOLVENCY BEFORE CLOSE OF CONGRESS

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Madam Speaker, think how disappointed the American public must be as they see the Congress coming to a close in the next couple of weeks and how it has failed to address the problems of Social Security, to extend the solvency of Social Security, to deal with the fundamental reforms that are necessary so that Social Security will be there for us, for our children and our grandchildren; and then to find out, not only have they failed to extend the solvency of Social Security, but the Republicans have made a conscience decision to dip into the trust funds.

As we were told at the end of last week by the Congressional Budget Office, some $17 billion has been taken out of the Social Security Trust Funds to finance the gimmicks that the Republicans have put together to try and pass the budget, a budget that has yet to pass.

Think of the disappointment of the American public when they learn this most fundamental program, this most important program to the retirees of our Nation has been given this kind of treatment during this session as the Republicans get ready to leave this town and to end this Congress. Not only have they spent the Social Security Trust Fund, but they have also failed to deal with prescription drug benefits and with the minimum wage.

SENIORS WILL BE DISAPPOINTED WITH CONGRESSIONAL RECORD THIS YEAR

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Madam Speaker, as we prepare to finish our work in Washington and return home to our districts, we know we will have to explain our record here in Congress. It looks as though we will return to our seniors with terrible news. We will tell them that while the House passed a Social Security Lockbox Protection bill on May 26, this bill to permanently stop the raid on Social Security funds has been held hostage in the other body now for a total of 159 days.

We will have to explain to our seniors that some big spenders in Washington want to continue the raid on Social Security funds. We stopped the raid this year, but it was not easy. That is why the lockbox bill is so important. It will make it easier to stop the raid in future years.

I hope President Clinton and all the outside interest groups that say they speak for the interest of American seniors will join me in supporting lockbox protection for the Social Security Trust Fund.

ENFORCE EXISTING GUN LAWS; DO NOT CODDLE GUN VIOLATORS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, the White House wants more gun control. Janet Reno wants more gun control. But something just does not add up, Madam Speaker. In the last 5 years, prosecution of gun violators dropped 50 percent. Gun violators serve 25 percent less time in jail, and many pardons were granted for gun violators.

Now think about it. Fewer prosecutions, early releases, pardons, but the White House wants more gun control. Beam me up, Madam Speaker.

America does not need more gun control. America needs the White House to enforce the gun laws we already have. I yield back all the coddling of these gun violators by this administration.

BLACKHAWK HELICOPTERS FINALLY ARRIVE IN COLOMBIA

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Madam Speaker, on Sunday, October 31, 1999, the first three of six of the long awaited Blackhawk helicopters crossed into Colombian airspace, returning from extensive training in the U.S. The choppers were later received by the Director General, the legendary drug fighter Jose Serrano and his anti-drug unit at their air base near Bogota, where they train drug fighting pilots from all across Latin America.

After years of waiting for the Clinton administration to get off the dime and help our beleaguered neighbor just 3 hours from Miami, which produces 80 percent of the world's cocaine and 75 percent of the heroin sold in the United States, the GOP-led anti-drug package from last year finally arrived.

DEMOCRATS WANT TO EXTEND LIFE OF SOCIAL SECURITY TRUST FUND

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. Madam Speaker, if it were not so serious, it would be funny. The Republican Party, the party that never believed in Social Security, is now posing as its savior. They say Democrats are raiding Social Security, running ads that we are stealing from Social Security. It is a joke.

First, the Republican budget has already spent about $17 billion in the Social Security surplus. All the experts and accountants agree. They have done what they accuse the Democrats of doing.

Second, this entire debate is a hoax, and they know it. When one puts one's money into a savings account, does one think it just sits there? No. The bank uses one's money and pays one interest. That is not stealing.

It is the same with Social Security. The trust fund is either used for programs or to pay down the debt. Interest is paid back in the fund. The Republicans are desperately trying to cover up the fact that, unlike the Democrats, they have no plan to extend the life of Social Security, and that is the ugly truth.

IF DEMOCRATS WILL HELP, WE CAN SAVE SOCIAL SECURITY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Madam Speaker, it is very interesting to hear all these Democrats who voted no on the appropriation bills because we were not spending enough now saying that we are taking money out of Social Security. Hello. Where does the extra money come from? I will yield the floor to any Democrat who can tell me. If they do not want to get it out of Social Security, where are they getting the money from? Hello. Hello. Silence, what I thought. Just what I thought.

Here is the words of the President's advisor: "The key goal of the Republicans is not to spend Social Security surplus." That is from their own Democrat advisor.

Now, what is our alternative? To get 1 cent out of each dollar. I am a father of four. Do my colleagues know what, we have to cut our budget weekly. We have to come up with more money. Usually when we are looking at a dollar, we have to get a quarter or 35 cents out of it. If I had to cut a penny out, it would be easy. But that is what we are doing.

All the Democrats now are crying and screaming there is no waste in government. What about when the President went to Africa and spent $42.8 million and took 1,300 of his closest friends? I think there is a lot of waste in government. If we can get the Democrats to help us, we can save Social Security and quit spending it.

THE DO-HARM CONGRESS

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Madam Speaker, this will be remembered as less than a do-nothing Congress. It is the do-harm Congress, because we are squandering a unique opportunity to begin fixing Social Security and Medicare.

When my colleagues cannot even get out 13 appropriations, the minimum work that Congress does, they simply ought to retire and go home.

Last week we flattened the smallest appropriation, D.C., by loading the Labor-HHS on its back just to get it to the White House because the majority could not pass it. The unfairness of the maneuver is matched only by the incompetence of the majority it exposes.

Shame on the Congress. But greater shame is the long-term damage the Republicans are doing to Social Security. They are locking it in a box; and inside, they are letting Social Security wither and die.

The Republicans are selling out the largest generation in this century as their old age approaches. May the baby boomers have their revenge before it is too late.

SOCIAL SECURITY PLAN OF THE PRESIDENT

(Mr. OSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OSE. Madam Speaker, I rise today again to make a point of the Social Security plan that the President has put forward.

We have heard much in terms of the ballyhoo about the President's plan, of which I have a copy and which will be reviewed at the Committee on Ways and Means on Thursday. With great respect to my friends on the other side, I am curious whether or not they support the President's plan to save Social Security. Before they answer, be careful, because I will tell them, having read it and read it carefully, it requires a reduction in the discretionary outlays for appropriations.

This is the leader on their side of the aisle saying we are going to cut appropriations. Given the situation we have today where we cannot even come to even a nominal reduction, how are we going to achieve that?

Madam Speaker, the numbers do not add up with the President's Social Security plan. I urge each of my colleagues to read it very carefully.

□ 1015

If we support it, we are supporting a reduction in discretionary appropriations of significant nature. Read it carefully. The President's plan does not add up.

SOCIAL SECURITY

(Ms. BALDWIN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BALDWIN. Madam Speaker, seniors everywhere are concerned about the future of Social Security, not out of selfishness, they know it will be there for them, but out of concern for future generations.

Social Security is not just a commitment we made to our seniors, it is a commitment we made to families. It allowed so many seniors to remain financially independent long after retirement, ensuring that they would not become a financial strain for their children.

We want future generations to have every opportunity. The best education, quality health care and a good job, and we want them to know that programs like Social Security will be there when they retire.

And yet after all the rhetoric we have heard about protecting Social Security, the Republican Congress has failed to enact legislation to extend Social Security by even one day. I know that there are many grandmothers like my own who are looking to us right now. Let us work together to make it happen.

BOTH PARTIES WANT TO HOLD SOCIAL SECURITY SACROSANCT

(Mr. TANCREDO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TANCREDO. Madam Speaker, it is truly heartening to hear the discussion today about Social Security; both sides talking about Social Security, both sides talking about saving Social Security, both sides extolling the virtues of holding Social Security sacrosanct. Madam Speaker, that is the first time those words have been heard for the last 40-some years.

When the Democrats had control of this place, all that time they spent every single dime of Social Security on programs and today they are here arguing about who is saving more. Well, I do not care which one is right, the fact is we have the argument now on our terms, in our court. The debate is now on our side.

How much and who is going to do more to save the Social Security fund is great. It bodes well for America. Because over the next 10 years it will reduce the rate of growth of government by over $2 trillion, if we can keep the debate focused there.

Let us not get away from the debate. Remember, saving Social Security is not just good for Social Security, it is good for America.

REPUBLICAN BUDGET BILL IS OUT OF TOUCH WITH NEEDS OF AMERICANS

(Mr. ROMERO-BARCELÓ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROMERO-BARCELÓ. Madam Speaker, as we consider the Republican budget bill, foremost in our mind should be the realization that this bill is out of touch with the needs of millions of Americans. This bill provides nothing for Social Security. This bill provides nothing for Medicare. This bill ostensibly can hurt every single family in our Nation.

Social Security has conveyed a message of hope and a measure of financial security for all Americans. It represents the only income for millions of elderly Americans all across the Nation, and yet this bill does not extend the life of Social Security by one single day.

The bill fails to provide one penny for a Medicare prescription drug benefit. As we stand at the portal of the millennium, it is not acceptable that our elderly should be forced to choose between food and medicine.

Madam Speaker, I urge my colleagues to keep Social Security sound, and I urge them to keep Medicare sound and address the needs of all Americans.

SAVING SOCIAL SECURITY IS ONE OF REPUBLICANS' FOUR-POINT PRIORITIES

Mr. DREIER. Madam Speaker, since 1937, American workers have been forced, through no choice of their own, to pay into the Social Security Trust Fund. Today, 75 percent of the American people pay more in payroll taxes than they do in Federal income taxes.

In light of that, it seems to me that there is a very important obligation that needs to be met, and that obligation is one that the Speaker of the House, when he stood here on the opening day of the 106th Congress, made very clear. He said that we, in fact, were going to save Social Security and Medicare, and that is one of the four-point priorities that we put forth.

Now, we very much want to do that, and I believe, if one looks at the appropriations bills that we have been able to pass in this House, including the most recent one which completed our work, we were able to do it for the first time since 1967 without dipping into the anticipated surplus for Social Security.

That is something that underscores our very strong commitment to make sure that the United States Government stands behind that obligation which it forces the American people to pay into. We are doing the right thing in pursuing that.

REPUBLICAN BUDGET PLAN SHOULD BE RENAMED PORK PROTECTION ACT OF 1999

(Mr. EDWARDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS. Madam Speaker, Al Capone can claim he is a crime fighter, but it does not make it so. Republicans can claim they are really trying to protect Social Security, but it does not make it so.

Here we are the second day of the second month of the new fiscal year, and the majority party, months late, has just passed its final appropriations bill, albeit with no effort to be bipartisan.

There are just a few problems with this gimmickry Republican budget plan. First, the plan does not add one year, not one month, not one week, not one day, not even one hour to the Social Security or the Medicare trust funds.

Second problem with their plan. It hurts, in some ways, every American family. Head Start, cut; college loans, cuts; defense readiness, cut below the President's request. Even worse, the Republican budget has rules crafted in a way that actually cuts bone marrow in order to protect pork. Perhaps the Republican budget plan should be renamed the 1999 Pork Protection Act.

Third problem they have is their numbers do not add up. Their plan shows more gimmickry than a French chef. We should reject their plan.

REPUBLICAN LEADERSHIP MUST COME CLEAN ON SOCIAL SECURITY

(Mr. RODRIGUEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RODRIGUEZ. Madam Speaker, Halloween is over, let us stop playing those tricks and let us give the Americans the treat that they deserve, the truth. The truth is that the Republicans have exceeded their own caps by $31 billion, and we all recognize and we all know that.

We also recognize that we have dipped into $17 billion into Social Security already. Apparently, the approach is if they tell a lie often enough, people will believe them. Well, this data did not come from the administration, this data did not come from the Democrat Party, this data came from the Republican accountants at the CBO; $17 billion into Social Security already.

So what is wrong with this picture? We have a golden opportunity to work in a collective manner. And the beauty of it is that we are all talking about Social Security, so, apparently, we have some interest in that area.

The leadership must come clean though and tell the truth. There are many worthy programs that we have, and we have had some major national disasters. We have the farm crisis, and there are some other needs to look at realistically in the cap, but let us tell the truth. Halloween is over.

REPUBLICANS BOAST SORRY RECORD OF NONACHIEVEMENT

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Madam Speaker, when the Speaker of this House was sworn in, he promised to get the appropriations bills done on time. Well, we are into November, the second month of the new fiscal year, and it is not done. The Republican leadership cannot do the regular business of this House on time.

But the greater tragedy is our failure to make progress on substantive challenges. Democrats and some dedicated Republicans worked to pass campaign finance reform, but Republicans killed it in the other body.

Democrats tried to make our streets and our schools safer for children by passing modest gun safety provisions; Republicans killed it.

Democrats tried to make health care safer for patients by passing a Patients' Bill of Rights; Republicans killed it.

Democrats tried to make this world safer by passing the comprehensive test ban treaty; Republicans killed it.

Democrats tried to help our seniors pay for their prescription drugs, and Republicans killed it.

With this sorry record of nonachievement, it is time to go home and work harder next year to make progress on the issues that matter to America's families.

FOCUS ON SAVING SOCIAL SECURITY

(Mr. PHELPS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PHELPS. Madam Speaker, in an era of unprecedented economic growth and prosperity, we have a responsibility to implement policy that ensures continued growth for all sectors of our society. That requires investing in the future, creating a better America for our children, a future in which working families can afford to send their children to college and in which all Americans can count on the continued integrity of Social Security.

As I talk with my constituents in Southern Illinois, I am encouraged that people are actively discussing the many ways to address the future of Social Security. I believe we need to start by paying down the national debt. My constituents realize we must be fiscally responsible. Reducing the national debt is the best tax cut we can provide to working men and women.

Madam Speaker, I urge my colleagues to focus on saving Social Security, reducing the national debt, balancing the budget and reforming Medicare. We owe them this.

CENSORSHIP AND THREATS ISSUED BY CONGRESSIONAL STAFFERS

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER. Madam Speaker, I have some shocking news this morning. If my colleagues will recall, last Thursday, I think in a moment of spectacular madness, the majority of this House passed a bill that cut the funding for research to the National Institutes of Health until the last 2 days of the fiscal year next year.

The troubling news I have this morning is that it has come to our attention that a brazen act by some staffers in Congress has taken place. Majority staffers in the other body have warned the National Institutes of Health researchers and the research advocates that if they complain about the delays proposed for the research, their own funding is going to be jeopardized.

This is a scandal of major proportions; taking away the first amendment rights and the rights of people to try to address this body.

Now, just yesterday it was announced by researchers at the University of Rochester, New York, in my district, that they have discovered that genetic material from the HIV virus can kill cancer tumors. They tell me that this and other NIH-funded research is what is going to be hampered in Rochester if their funding is delayed.

The chairman of the Labor-HHS subcommittee yesterday asked the President to veto the bill because he is stunned too by its irresponsibility.

REPUBLICAN BUDGET BILL DOES NOTHING FOR SOCIAL SECURITY OR MEDICARE AND HURTS EVERY FAMILY

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Madam Speaker, the Republican leadership's budget bill does not extend the life of Social Security even by one single day, it fails to provide one penny for Medicare prescription drug benefits, and, frankly, the only thing it does do is to hurt American families, every American family, in a very, very real way.

As one of my colleagues earlier said, if it were not so tragic it would be laughable to hear the Republican leadership on the other side of the aisle talk about their allegiance and their heartfelt sympathy about Social Security and their desire to want to save Social Security. However, their majority leader, in 1984, called Social Security "a bad retirement, a rotten trick on the American people," and I quote, "I think we are going to have to bite the bullet on Social Security and phase it out over a period of time."

He said that in 1984. Now let us fast-forward to 1994. On a C-SPAN call-in show he was asked, "Are you going to take the pledge? Are you going to promise not to cut people's Social Security to meet your promises? No, I am not going to make such a promise. I would never have created Social Security."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to clause 8 of rule XX, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 4 p.m. today.

☐ 1030

ENCOURAGING EDUCATION OFFICIALS TO PROMOTE FINANCIAL LITERACY TRAINING

Mr. PETRI. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 213) encouraging the Secretary of Education to promote, and State and local educational agencies to incorporate in their education programs, financial literacy training.

The Clerk read as follows:

H. CON. RES. 213

Whereas in order to succeed in our dynamic American economy, young people must obtain the skills, knowledge, and experience necessary to manage their personal finances and obtain general financial literacy;

Whereas all young adults should have the educational tools necessary to make informed financial decisions;

Whereas despite the critical importance of financial literacy to young people, the average student who graduates from high school lacks basic skills in the management of personal financial affairs;

Whereas a nationwide survey conducted in 1997 by the Jump$tart Coalition for Personal Financial Literacy examined the financial knowledge of 1,509 12th graders;

Whereas on average, survey respondents answered only 57 percent of the questions correctly, and only 5 percent of the respondents received a 'C' grade or better;

Whereas an evaluation by the National Endowment for Financial Education High School Financial Planning Program undertaken jointly with the United States Department of Agriculture Cooperative State Research, Education, and Extension Service demonstrates that as little as 10 hours of classroom instruction can impart substantial knowledge and affect significant change in how teens handle their money;

Whereas State educational leaders have recognized the importance of providing a basic financial education to students in grades kindergarten through 12 by integrating financial education into State educational standards, but by 1999 only 14 States required schools to implement personal finance standards into the academic curriculum;

Whereas teacher training and professional development are critical to achieving youth financial literacy;

Whereas teachers confirm the need for professional development in personal finance education;

Whereas in a survey by the National Institute for Consumer Education, 77 percent of a State's economics teachers revealed that they had never had a college course in personal finance;

Whereas personal financial education helps prepare students for the workforce and for financial independence by developing their sense of individual responsibility, improving their life skills, and providing them with a thorough understanding of consumer economics that will benefit them for their entire lives;

Whereas financial education integrates instruction in valuable life skills with instruction in economics, including income and taxes, money management, investment and spending, and the importance of personal savings;

Whereas the consumers and investors of tomorrow are in our schools today: and

Whereas the teaching of personal finance should be encouraged at all levels of our Nation's educational system, from kindergarten through grade 12: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress encourages—

(1) the Secretary of Education to use funds available in the Fund for the Improvement of Education (part A of title X of the Elementary and Secondary Education Act of 1965) to promote personal financial literacy programs; and

(2) State and local educational agencies to incorporate personal financial management curriculums into their education programs.

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to the rule, the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Michigan (Mr. KILDEE) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Madam Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the author of the resolution before us.

Mr. DREIER. Madam Speaker, I would like to begin by extending my great appreciation to the gentleman from Wisconsin (Mr. PETRI) and to the gentleman from Michigan (Mr. KILDEE) and to the hard-working members of their staff who have helped us put together this very important piece of legislation.

The gentleman from Wisconsin (Mr. PETRI) very appropriately described it at the outset. We all know that we live in a global economy; and, as such, it is very important for our young people to be prepared to compete.

One of the issues that we have dealt with in this House is to make sure that we have qualified expertise to deal with the high-tech industry, the industry that has created 45 percent of our gross domestic product growth in the past 3 years.

I think that education can, in fact, allow us to ensure that in the future we will have qualified Americans to do not only those jobs in the high-tech industry but a wide range of other jobs. There is a very important component of that, and it is financial literacy.

For a number of years, an organization known as the Jumpstart Coalition has been focusing on this. I have been working with a number of people to make sure that we would get this legislation moved, and that is why I again express my appreciation to those on the committee who have provided us with very important assistance.

It is unfortunate that bankruptcy filings are very high. They continue to move up. Consumer debt is at an all-time high. And, as we all know, the rate of savings in this country is at a very low level. So it is more important now than ever, I believe, for us to teach young people about the importance of how to manage money and their credit.

The survey that was done by that organization I just mentioned, the Jumpstart Coalition, which is a private nonprofit group that promotes financial literacy, gave only 5 percent of the 12th graders a C grade or better when asked about their financial management skills. However, financial management instruction, based on empirical evidence that we have, does work.

The National Endowment for Financial Literacy conducted a study and found that as little as 10 hours of classroom instruction can affect how teens handle their money. Fifty-eight percent of the students who had that 10 hours, in fact, we were able to see improvement in their spending habits, and 56 percent of those students who benefitted from that 10 hours of training actually improved their personal savings habits.

Now, this resolution, as was pointed out by the gentleman from Wisconsin (Mr. PETRI), simply encourages the Secretary of Education to give our teachers and schools extra resources to teach financial literacy to our kids. The measure is a common-sense approach to addressing educational needs at the Federal level by providing States with resources while also, something that is very important in this 106th Congress, ensuring that the flexibility is there in designing and implementing those education programs that they deem absolutely necessary.

Now, there was a survey that was done by the American Savings and Education Council that found that 79 percent of students have never taken a personal financial course; and of those who took a 3-month course, 41 percent then began saving, 28 percent increased their savings, and 19 percent of them developed their own budget.

Right now, about 94 percent of students learn about money from their parents. So, keeping in mind this last statistic and the fact that personal savings rates are at a very low level and bankruptcies are high, it seems to me that financial instruction outside of the home is a very important thing.

This resolution is aimed to educate our youth in the importance of financial literacy, but it also aims to serve the disadvantaged youth who need to be equipped with financial management skills as they tend to enter the workforce at an even earlier age.

The measure does not create or encourage a new program. It does not encourage a new program to address these needs. It simply allows the Secretary of Education to provide assistance to those high schools seeking to fill a void in knowledge thought to be obtained in the home.

So again, let me just say in closing, as we charge towards the millennium and look at the importance of our remaining competitive globally, we need to ensure that financial literacy is a component of that.

I want to express my appreciation to the gentleman from Wisconsin (Mr. PETRI) and to the gentleman from Michigan (Mr. KILDEE) and again to the hard-working members of their staff and to say that we are moving ahead with what I think is a very important measure.

Mr. KILDEE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H. Con. Res. 213, encouraging the Secretary of Education to promote financial literacy as part of the State and local education programs.

The authors of this resolution, the gentleman from North Dakota (Mr. POMEROY) and the gentleman from California (Mr. DREIER), should be commended for bringing this issue to the attention of the House.

Federal funding through Title I and other programs have focused on reading, writing, and mathematics to ensure that children, especially disadvantaged children, can compete with their peers academically. These programs have been critical in giving our Nation's children an opportunity to succeed.

While we have been focusing our energies on academic success in the core subject areas, many young people still lack basic skills in personal financial management. Many American high school students are unable to balance a checkbook, and most simply have no insight into the basic survival skills associated with earning, spending, saving and investing.

As a result, too many young Americans develop bad financial management habits and stumble through their lives learning by trial and error.

H. Con. Res. 213 raises the awareness of the Congress to the issue of financial literacy. With bankruptcies totaling over 1 million every year, more and more of our teens and young adults desperately need some focus on financial training and literacy. Being financially literate ensures that today's children will make better informed decisions in purchasing homes, buying cars, and investing for college education or retirement.

This resolution, which encourages both the Secretary of Education and State and local educational agencies to promote financial literacy, is an important step forward in recognizing a solution to this pressing problem.

Again, I want to thank the authors of this resolution for bringing it before us today.

Madam Speaker, I reserve the balance of my time.

Mr. PETRI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, although our economy remains strong, some of us in Congress believe that we should be focusing our efforts to find ways to address our Nation's high consumer debt, numerous bankruptcies, and unacceptably low savings rate.

A way to focus our efforts on solving these problems without merely treating the symptoms is to increase our Nation's children's knowledge about and appreciation of financial literacy. I join my distinguished colleague the gentleman from California (Mr. DREIER) in expressing my view that educating our Nation's youth about personal finance should be a priority for our schools across the country.

The Jumpstart Coalition for Personal Financial Literacy recently found that the average student who graduates from high school lacks basic skills in the management of personal financial affairs. Students are unable to balance a checkbook and have little or no insight in the basic financial principles involved with earning, spending, saving, and investing.

In its nationwide survey conducted in 1997, the Jumpstart Coalition examined the knowledge of over 1,500 12th graders. On average, survey respondents answered only 57 percent of the questions correctly, and only 5 percent of the respondents received a grade of C or better.

Evidently, many young people fail in the management of their first consumer credit experience, establishing bad financial management habits, and stumble through their lives as consumers learning by trial and error.

Our Nation's students are taught about a multitude of subjects, including reading, writing, history, mathematics, science, and the list goes on. But do we teach our children how to balance a checkbook? Do we teach them about compounding interest? Do we teach them about the necessity of good credit? Do we train students to understand how to budget their money and about their relationship between taxes, spending, and investing?

Madam Speaker, because of our students' inability to understand and manage finances, it should come as no surprise that our Nation's personal bankruptcies are at an all-time high and personal savings rates at an all-time low.

Despite the importance of youth financial education, the average American high school senior lacks these basic skills and is unable to manage personal financial affairs. However, these shortcomings when properly addressed can be turned around.

A recent study by the National Endowment for Financial Education has shown that personal finance education improves students' saving and spending habits and money management skills.

Madam Speaker, I am pleased to support H. Con. Res. 213, introduced by our colleagues, the gentleman from California (Mr. DREIER) and the gentleman from North Dakota (Mr. POMEROY), to promote financial literacy training.

Specifically, this resolution encourages the Secretary to use funds available from the Fund for the Improvement of Education, Part A of Title X of the Elementary and Secondary Education Act, to promote personal literacy programs.

In addition, H. Con. Res. 213 encourages States and local educational agencies to incorporate personal financial management curriculums into their education programs.

Madam Speaker, we all know that an investment in education is an investment in our future. It is time we focus on efforts to promote financial literacy to help ensure that our children will have the tools they need to prosper in the next millennium.

I urge my colleagues to support the resolution before us.

Madam Speaker, I reserve the balance of my time.

Mr. KILDEE. Madam Speaker, I yield 4 minutes to the gentleman from North Dakota (Mr. POMEROY), a sponsor of the bill.

Mr. POMEROY. Madam Speaker, I thank the gentleman for yielding me the time.

Madam Speaker, I rise in strong support of H. Con. Res. 213.

In passing this resolution, Congress will take an important step forward in recognizing the importance of youth financial education to the future of our Nation's children.

Today's global economy demands more of our young people than ever before. Young people are making important financial decisions long before they enter the workforce. In order to make informed choices regarding personal finances, our children have to have proper skills and experience to manage their money and prepare for their future.

This resolution expresses the sense of Congress that personal financial education plays an important role in securing our children's future. This is not just a lofty goal, it is an urgent priority. Because survey after survey has demonstrated average high school seniors in this country lack even basic knowledge of personal financial affairs.

A nationwide survey conducted in 1997 by the Jumpstart Coalition for Personal Financial Literacy looked at the basic financial information of 1,500 high school seniors. One in five answered seven out of ten questions successfully, not a passing grade for our seniors.

Because of their lack of financial knowledge, many American students run into financial trouble in college. An estimated 50 to 70 percent of all college students own at least one credit card, with debts ranging between $580 and $725.

Yesterday the Washington Post ran a story about a student who had to drop out of school to pay off $2,500 in credit card debt. Youth financial education could help prevent this situation. Young adults who understand the cost of credit will not fall prey to the high cost of interest rates and mounting credit card debt.

The crisis, of course, in financial literacy goes far beyond our high schools. American investors lack basic knowledge of financial concepts.

□ 1045

A 1996 poll showed that fewer than one in five Americans are what we call financially literate. Only half of all adults in this country, for example, understand that investment diversification actually reduces investment risk. So it should come as no surprise that personal bankruptcies are at an all-time high. Adults in this country need to understand basic financial concepts in order to provide for their families and prepare for their retirements and we need to get the information out there starting in the school years. I would hope in following up on this resolution, this body would also adopt a piece of legislation that the gentleman from California (Mr. DREIER) and I have introduced, H.R. 2871, the Youth Financial Education Act. That bill would commit $500,000 to carry out the financial education programs in elementary and secondary schools. This legislation encourages State and local education agencies to integrate financial education into existing courses, such as economics or mathematics, and devotes resources necessary to develop teacher training and professional development activities in personal financial education. I look forward to working with my colleagues on both sides of the aisle to include H.R. 2871 in the Elementary and Secondary Education Act later this year.

Clearly, we must do a better job of preparing our children to make informed decisions about money, how to use it, and how to prepare for their future. The question then becomes how we concentrate our efforts, and I believe the answer lies in our schools, with our children and their teachers.

and not enough to rely on the ad hoc, the wonderful but totally ad hoc efforts, we need to put in a curriculum.

Mr. PETRI. Madam Speaker, I yield such time as he may consume to the gentleman from California (Mr. GARY MILLER).

Mr. GARY MILLER of California. Madam Speaker, I rise in strong support for the Financial Literacy Training Act. This resolution encourages State and local educational agencies to incorporate personal financial management curricula into their educational program system.

Prior to being in politics, I was in the development industry for about 30 years. The old statement that it is easier to earn money than it is to keep it is a true statement and this goes a long way to basically giving young people the financial training that they need.

When you get money, what do you do with it? It is like giving a young person $10. What does a young person do with it? Do they have any concept of what they should do with their finances, any concept of where that money should be placed, or should the money just be spent? We need to teach our young people how to invest money and what to do with money once they earn it.

In the building industry, we watch many, many builders go broke because they succeeded in a given project and they failed in the future because they did not understand financial planning, did not understand what they should do in the future. The best way to resolve this is to be involved with the young people, to give them the financial training and financial literacy that they need when they are young.

I would like to commend the gentleman from California (Mr. DREIER), he represents a neighboring district in California, for his hard work and effort in drafting this important piece of legislation. If we are going to invest anywhere, let us invest in our children. If we are going to invest in our children, let us teach them how to invest the assets that they acquire, teach them how to invest in their future and plan for their future.

Mr. KILDEE. Madam Speaker, I yield 4 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. I thank the ranking member for yielding me this time.

Madam Speaker, I rise today in strong support of this resolution. It is very appropriate and important for this Congress to encourage the Federal, State and local education policymakers to incorporate course work on personal finance as part of our children's education.

There are some worrisome trends that the young people of this country now face, Madam Speaker. It is no secret that the number of bankruptcies filed in this country has skyrocketed in recent years, but a closer look at the trends are truly frightening.

Twenty years ago, the total number of bankruptcy filings was just under 332,000 people. According to the American Bankruptcy Institute, the total number of filings for 1998 was a staggering 1.5 million people. Even more startling is the fact that while the number of business filings for 1998 is almost equal to the number filed back in 1980, the number of consumer filings for bankruptcy has increased by almost five-fold. In fact, 97 percent of all bankruptcies are now filed by consumers rather than businesses. In my home State of Wisconsin, 5,000 bankruptcy claims were filed just in the second quarter of 1999.

Another trend that supports the call for better K–12 education in personal finance is the use of credit cards among young adults. Just yesterday, the Washington Post carried an article describing the ease at which college freshmen can get credit cards and the extent to which college students amass credit card debt. Fifty-five to 70 percent of college students own at least one credit card, and experts believe that number is growing. Furthermore, the average American household carries four credit cards, with balances of $5,000. Consumer debt in this country tops $1.2 trillion, $540 billion of which is in revolving credit. And as a Nation we have a negative per capita savings rate today.

Madam Speaker, there can be no doubt that our children need to know basic finance principles and skills before they become consuming adults. I realize it seems that there are advocates for a wide variety of issues who identify one more subject that must be added to the core requirements of reading, writing and arithmetic but, Madam Speaker, without at least a basic understanding of personal finance and finance principles generally, our young people enter a brave new world as unprepared as they would be without being able to read.

In this day and age, people are handling their finances in ways only professionals would just 5 or 10 years ago. We do not use cash to make purchases that much. We pay with credit cards. Or we choose to use a debit card instead of checks. How many workers do not make substantive choices involving how their retirement funds are being invested? Fewer and fewer. In a world of global trade and e-commerce, young people who do not understand the importance of fiscal responsibility and the long-term consequences of reckless spending will suffer deeply for years to come.

As a member of the Committee on Education and the Workforce, I am glad to see that this measure addresses the need to provide better, or in some instances basic training and professional development for the teachers. Too many teachers complain that they do not themselves have the background to adequately teach their students about personal money management. We just passed a major teacher training and professional development bill about 3 months ago, and this resolution nicely complements that piece of legislation.

We often speak of the need for the government to make tough choices and exercise fiscal responsibility. I submit that each American must also exercise wise judgment in personal finances. Our national debt is the cause of much concern and gut-wrenching debate here on Capitol Hill. Young people must also recognize that personal debt is nothing to take lightly. This is especially true given the need for more and more college students to take out sizeable loans to finance their education.

I ask my colleagues to join in support of this resolution today, and in my sincere hope that schools nationwide will be able to offer key personal finance education to all of our students.

Mr. KILDEE. Madam Speaker, I yield 2 minutes to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. I thank the gentleman for yielding me this time.

Madam Speaker, I rise in strong support of this bill, and I thank my friends on the other side of the aisle, my fellow Members from California, for bringing this matter to the House's attention.

I am very saddened by the statistics that reveal the financial illiteracy that plagues our young people. Many American high school students are unable to balance a checkbook, and they really have no training in the basics of financial life, how to earn, how to spend, how to save and how to invest.

Without teaching our students these skills, we force young people to learn these lessons by trial and error, and by the costly mistakes that result. In an era where young people have the highest access to credit cards in American history, yet no training in how to responsibly manage this responsibility, can we be surprised that debt and bankruptcy are so much on the rise?

A nationwide survey conducted in 1997 by the Jump Start Coalition for Financial Literacy tested 1,509 12th graders on four knowledge areas, income, money management, savings and investment, and spending. Sadly, only 5 percent of the respondents received a "C" grade or higher. Five percent.

Madam Speaker, these rates are abysmal. We can and we must do better. I commend the sponsors of this legislation. I urge my colleagues to support it.

Madam Speaker, I thank the gentleman for yielding. I rise in strong support of H. Con. Res. 213. I thank my friends on the other side of the aisle, my fellow Members from California, for bringing this matter to the House's attention.

I am very saddened by the statistics that reveal the financial illiteracy plaguing our young people. Many American high school students are unable to balance a checkbook. They really have very little training in the basics of financial life—how to earn, spend, save and invest.

Without teaching our students these skills, we force young people to learn these lessons by trial and error—and by the costly mistakes that result.

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Madam Speaker, these rates are abysmal. We can and must do better.

I commend the sponsors of this legislation and urge my colleagues to support it.

Mr. KILDEE. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PETRI. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 213.

The question was taken.

Mr. PETRI. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. PETRI. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. Con. Res. 213.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SENSE OF HOUSE THAT U.S. REMAINS COMMITTED TO NATO

Mr. GILMAN. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 59) expressing the sense of the House of Representatives that the United States remains committed to the North Atlantic Treaty Organization (NATO), as amended.

The Clerk read as follows:

H. RES. 59

Whereas for 50 years the North Atlantic Treaty Organization (hereafter in this preamble referred to as "NATO") has served as the preeminent organization to defend the territories of its member states against all external threats;

Whereas NATO, founded on the principles of democracy, individual liberty, and the rule of law, has proved an indispensable instrument for forging a trans-Atlantic community of nations working together to safeguard the freedom and common heritage of its peoples, and promoting stability in the North Atlantic area;

Whereas NATO has acted to address new risks emerging from outside the treaty area in the interests of preserving peace and security in the Euro-Atlantic area, and maintains a unique collective capability to address these new challenges which may affect, Allied interests and values;

Whereas such challenges to NATO Allied interests and values include the potential for the re-emergence of a hegemonic power confronting Europe; rogue states and non-state actors possessing nuclear, biological, or chemical weapons and their means of delivery; transnational terrorism and disruption of the flow of vital resources; and conflicts outside the treaty area stemming from unresolved historical disputes and the actions of undemocratic governments and sub-state actors who reject the peaceful settlement of disputes;

Whereas the security of NATO member states is inseparably linked to that of the whole of Europe, and the consolidation and strengthening of democratic and free societies on the entire continent, in accordance with the principles and commitments of the Organization for Security and Cooperation in Europe, is of direct and material concern to the NATO Alliance and its partners;

Whereas the 50th anniversary NATO summit meeting, held on April 24–25, 1999, in Washington, D.C., provided an historic opportunity to chart a course for NATO in the next millennium;

Whereas NATO enhances the security of the United States by providing an integrated military structure and a framework for consultations on political and security concerns of any member state;

Whereas NATO remains the embodiment of United States engagement in Europe and therefore membership in NATO remains a vital national security interest of the United States;

Whereas the European members of NATO are today developing within the Alliance a European Security and Defense Identity (ESDI) in order to enhance their role within the Alliance, while at the same time the European Union (EU) is seeking to forge among its members a Common Foreign and Security Policy (CFSP);

Whereas the Berlin decisions of 1996 provided the framework for strengthening the European pillar in NATO;

Whereas NATO should remain the core security organization of the evolving Euro-Atlantic architecture in which all states enjoy the same freedom, cooperation, and security;

Whereas NATO has embarked upon an historic mission to share its benefits and patterns of consultation and cooperation with other nations in the Euro-Atlantic area through both enlargement and active partnership;

Whereas the membership of the Czech Republic, Hungary, and Poland has strengthened NATO's ability to perform the full range of NATO missions and bolstered its capability to integrate former communist adversary nations into a community of democracies;

Whereas the organization of NATO national parliamentarians, the NATO Parliamentary Assembly, serves as a unique transatlantic forum for generating and maintaining legislative and public support for the Alliance, and has played a key role in initiating constructive dialogue between NATO parliamentarians and parliamentarians in Central and Eastern Europe; and

Whereas NATO Parliamentary Assembly activities, such as the Rose-Roth program to engage and educate Central and Eastern European parliamentarians, have played a pioneering role in familiarizing the new democracies with democratic institutions and a civil society: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the North Atlantic Treaty Organization (hereafter in this resolution referred to as "NATO") is to be commended for its pivotal role in preserving trans-Atlantic peace and stability;

(2) the new NATO strategic concept, adopted by the Allies at the summit meeting held in Washington, D.C. in April of 1999, articulates a concrete vision for the Alliance in the 21st century, clearly setting out the continued importance of NATO for the citizens of the Allied nations, and establishing that defense of shared interests and values is as important for peace and stability as maintaining a vigorous capability to carry out collective defense;

(3) the Alliance, while maintaining collective defense as its core function, should, as a fundamental Alliance task, identify crisis management operations outside the NATO treaty area, based on case-by-case consensual Alliance decisions;

(4) the Alliance must recognize and act upon the threat posed by the proliferation of weapons of mass destruction and terrorism by intensifying consultations among political and military leaders, and deploying comprehensive capabilities to counter these threats to the international community at the earliest possible date;

(5) the Alliance should make clear commitments to remedy shortfalls in areas such as logistics, command, control, communications, intelligence, ground surveillance, readiness, deployability, mobility, sustainability, survivability, armaments cooperation, and effective engagement, including early progress in the NATO force structure review;

(6) the Alliance must ensure equitable sharing of contributions to the NATO common budgets and overall defense expenditure and capability-building;

(7) the Alliance should welcome efforts by members of the European Union (EU) to strengthen their military capabilities and enhance their role within the Alliance through the European Security and Defense Identity (ESDI);

(8) the key to a vibrant and more influential ESDI is the improvement of European military capabilities that will strengthen the Alliance;

(9) in order to preserve the solidarity and effectiveness that has been achieved within the Alliance over the last 50 years, it is essential that security arrangements elaborated under the EU's Common Foreign and Security Policy (CFSP) complement, rather than duplicate NATO efforts and institutions, and be linked to, rather than decoupled from NATO structures, and provide for full and active involvement of all European Allies rather than discriminating against European Allies that are not members of the EU;

(10) the Alliance should remain prepared to extend invitations for accession negotiations

to any appropriate European democracy meeting the criteria for NATO membership as established in the Alliance's 1995 Study on NATO Enlargement and section 203(d)(3)(A) of the NATO Participation Act of 1994 (22 U.S.C. 1928 note), on the same conditions as applied to the Czech Republic, Hungary, and Poland;

(11) while maintaining its unchallenged right to make its own decisions, NATO should seek to strengthen its relations with Russia and Ukraine as essential partners in building long-term peace in the Euro-Atlantic area; and

(12) the Alliance should fully support the NATO Parliamentary Assembly's activities in enhancing and stabilizing parliamentary democracy in the nations of Central and Eastern Europe, ensuring ratification of appropriate new NATO members, continuing to deepen cooperation within the Alliance, and forging democratic links with the new European democracies.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from New York (Mr. CROWLEY) each will control 20 minutes.

Mr. ROHRABACHER. Madam Speaker, I rise in opposition to the resolution and claim control of the time for the opposition.

The SPEAKER pro tempore. Is the gentleman from New York (Mr. CROWLEY) in favor of the motion?

Mr. CROWLEY. Yes, I am, Madam Speaker.

The SPEAKER pro tempore. On that basis, pursuant to clause 1(c) of rule XV, the gentleman from California (Mr. ROHRABACHER) will control the 20 minutes reserved for the opposition.

Mr. GILMAN. Madam Speaker, I ask unanimous consent that the gentleman from New York (Mr. CROWLEY) be permitted to control 10 minutes of my time and that he be able to yield that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. GILMAN. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I commend the gentleman from Nebraska (Mr. BEREUTER) for his initiative in bringing this resolution forward. The gentleman from Nebraska serves as the chairman of our Subcommittee on Asia and the Pacific and chairs the House delegation to the NATO Parliamentary Assembly. And I commend the original cosponsors the gentleman from Virginia (Mr. BLILEY), the gentleman from New York (Mr. BOEHLERT) and the gentleman from California (Mr. LANTOS) for joining in this effort and for sharing with us their expertise in European security matters.

House Resolution 59 expresses the sense of the House of Representatives that the North Atlantic Treaty Organization has for 50 years served as the preeminent organization to defend the territory of its member states against all external threats; welcomes the admission to NATO last March of Poland, Hungary, and the Czech Republic; and reiterates that America's NATO membership remains a vital national security interest of our Nation.

These are sentiments to which we can all enthusiastically subscribe, and it is only fitting that we reaffirm them this year as we celebrate the 50th anniversary of NATO's founding.

I am particularly pleased that this resolution touches on two additional matters that are important to the future of NATO and that warrant the full attention of the House of Representatives.

The first of these matters is NATO enlargement. Beyond welcoming the recent addition of Poland, Hungary and the Czech Republic to the Alliance, House Resolution 59 expresses Congress' unequivocal support for the so-called "open door" policy toward future NATO enlargement that was articulated at the NATO summit meeting in Madrid, Spain, in July of 1997. That open door policy is a powerful signal of hope that we offer to the emerging democracies of Central and Eastern Europe that have not yet been invited to join NATO. It further underscores that we are mindful of their security concerns, that we consider them future allies, and that we remain determined to facilitate their integration into the mainstream of Europe. The gentleman from Connecticut (Mr. GEJDENSON) and I led the House delegation to the Madrid summit and we strongly supported their decisions at that time.

□ 1100

Congress expressed its support for the open door policy in the European Security Act which the House first passed in 1997 and which President Clinton signed into law last year. It is helpful for the Congress to reiterate its support for this open door policy, particularly inasmuch as NATO's Washington summit last April disappointed some of the aspiring NATO Members in Central and Eastern Europe of postponing for the time giving any serious consideration of their candidacies for full membership in NATO.

The second important matter addressed by House Resolution 59 is the ongoing effort to rethink their relationship with NATO. I am referring here to such an issue as the European Security and Defense Identity within NATO, the so-called ESDI, and the European Union's Common Foreign and Security Policy, or the CFSP.

To the degree that these initiatives are about European allies contributing more to our common defense within NATO, we applaud them. After all, most of us would have been delighted if our European allies had been able to handle the Bosnian crisis on their own or if they could have contributed more to the allied operations in Kosovo.

But many of us are troubled by indications that these initiatives may be the first step toward a divorce between the European and North American pillars of NATO. Some of our European allies seem to long for an independent military capability, one that is not just separable from NATO, but that is separate.

Last December in Saint-Malo, France, the United Kingdom and France issued a declaration calling for the establishment of a "national or multinational European means outside the NATO framework."

Subsequent to the Cologne Summit last June, the leaders of the European Union declared that the Union "must have the capacity for autonomous action backed by credible military forces, the means to decide to use them and a readiness to do so without prejudice to actions by NATO."

For those of us who have long supported the transatlantic security bond that is represented by NATO, these are troubling sentiments. If the European Union develops a security mechanism on the Continent that excludes not only our Nation but also all the other non-European Members of NATO, including such important allies as Norway, Poland, and Turkey, then very serious damage will have been done to the fabric of the transatlantic security bond, and the logic of the continued U.S. security commitments to Europe that may be called into question.

Madam Speaker, House Resolution 59 addresses this concern by pointing out that the key to a vibrant and a more influential ESDI is not new institutions, but the improvement of European military capabilities. The resolution further causes our allies in the European Union to elaborate their CFSP in a manner that does not duplicate NATO efforts and institutions, is not decoupled from NATO, and does not discriminate against European allies like Norway, Poland, and Turkey that are members of the EU. These are important concerns that need to be discussed within the alliance.

Accordingly, Madam Speaker, for these reasons, I urge the House to agree to House Resolution 59.

Madam Speaker, I reserve the balance of my time.

Mr. ROHRABACHER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, first of all let me say I have the utmost respect for the chairman of this committee, the gentleman from New York (Mr. GILMAN), who has done a tremendous job in leading our Committee on International Relations. The gentleman has the respect of everyone who deals with him. He has been one of the most fair and thoughtful chairmen of the committee that we have had, and I respectfully disagree with him on this issue, as well as respectfully disagree with my good friend, the gentleman from Nebraska (Mr. BEREUTER), who we have a disagreement, but these type of fundamental disagreements is what democracy is all about.

Let me say that 20 years ago when we talked about NATO I was one of NATO's biggest boosters. As a speech writer for Ronald Reagan during the height of the Cold War, I worked to strengthen NATO and worked diligently to see that NATO would remain what it was supposed to be; and it was designed specifically to deter a land attack by the Soviet Union on Western Europe. NATO succeeded brilliantly. It helped stave off that attack until the Soviet Union collapsed in the weight of communism's vile contradictions as well as its own evil. But the Cold War is over. It is time for us to take a fundamental look at what our post-Cold War strategy will be and what is in the best interests of the United States now that the Cold War is over.

There are new threats now to world peace, especially in the Pacific, and we have got to re-analyze where our priorities will be. Continuing to spend our limited resources on NATO actually undermines America's ability to deal with the number one threat to world peace, which, as I say, is on the other side of the planet from Europe. Specifically world peace is most greatly threatened now by the aggressiveness of Communist China. If we are to confront this threat to the world, we cannot just spend the money and resources that we have, the limited resources we have, protecting Western Europe against an invasion from the Soviet Union which no longer exists.

We are told we must continue this spending of our limited defense dollars on NATO because it provides stability in Europe. Well, let the Europeans provide their own stability.

I recently met, along with the gentleman from New York (Chairman GILMAN), the head of the German Bundestag, and, as a matter of fact, he told me that Germany would be spending less, not more, on its defense for at least the next 5 years.

Well, why should the Europeans not think, Let the Americans do it? Because we are doing it for them. We are subsidizing the cost for the defense of people and nations who are much richer than we are.

Furthermore, our continued commitment to NATO is bound to get us mixed up in more conflicts like Bosnia and Kosovo. With the expansion of NATO, we will start hearing about conflicts like the one in Moldova. Now, we may sympathize with one faction or the other in Moldova, but do we really want to open up the possibility of sending our troops there as part of a NATO peacekeeping operation to ensure the stability of Europe? I do not think so.

America has a vital role to play in determining the future of this planet and preserving peace and freedom on this planet. Our task has been, since the Second World War, to take on the biggest threats to democracy and freedom, threats that, if it were not for us, would irreversibly alter the balance of power toward tyranny and militarism.

During the Second World War we saved the world from the Nazis and the Japanese militarists. We can be very proud of that. During the Cold War we stood firm against the Soviet Union and Communist expansion.

Using our limited resources now for the stability of Europe, or to bring about peace to every troubled spot, to right every wrong, is counterproductive idealism and will weaken our ability to confront the major challenges to peace and freedom on this planet.

NATO is the European way of playing we Americans as suckers once again. If we try to do everything for everybody, we will not be able to do anything for anybody. We will not be able to protect our own national security interests in the long run.

This is not isolationism. This is a sound policy of an engagement strategy of picking and choosing commitments of where to spend our limited dollars.

So, with that, I would ask people to consider seriously whether we should be supporting the expansion of NATO, or even America's current role in NATO.

Madam Speaker, I reserve the balance of my time.

Mr. CROWLEY. Madam Speaker, I yield myself 2½ minutes.

Madam Speaker, I rise in strong support of H.R. 59, as amended. I would like to commend the gentleman from Nebraska (Mr. BEREUTER) for introducing this resolution. Fifty years of membership in this extraordinary alliance has reaffirmed that NATO is at the heart of American national security.

The original resolution passed our committee unanimously back in March. Understandably, in the wake of the military conflict in Kosovo, the full House postponed consideration of this matter. I am glad today we can resume deliberation on this worthy resolution.

This resolution, as amended, makes technical changes to update the bill's chronology and to reflect the success of the Washington summit earlier this year. In addition, the resolution now expresses the sense of Congress about the building efforts among our European allies to create a stronger European Security and Defense Identity, ESDI, and a Common Foreign and Security Policy, CFSP.

I once again commend the majority for cooperating with the minority in crafting this language on this issue. I also want to thank the chairman for allowing us this 10 minutes of debate. Along with the administration, we in Congress support these efforts by our European allies to shoulder a greater burden of military activities within NATO.

In concert with the administration, we stress that these new efforts build on and compliment existing cooperation between the North American and European allies. Our partnership has provided security on the European continent for half a century. Today, in the aftermath of a Cold War, a strong NATO is as important as ever. If Bosnia and Kosovo have taught us anything, it is that security problems and the threats of war have not evaporated from the heart of Europe simply because the Soviet Union no longer exists.

As I have said many times, we should always keep a door open for future membership for nations that will strengthen NATO and the security outlook in Europe. At the same time, we must also look to continually strengthen our relations with Russia and our partnership with them in the Ukraine in building long-term peace in Europe.

Madam Speaker, I again commend the gentleman from Nebraska (Mr. BEREUTER) for including this language in the resolution. I urge my colleagues to support this resolution.

Madam Speaker, I reserve the balance of my time.

Mr. ROHRABACHER. Madam Speaker, I yield 5 minutes to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Madam Speaker, there are three problems with this resolution. The first is that the NATO treaty is defensive only, and by this resolution we expand NATO's purposes to permit actions outside of the defensive area of the NATO members.

Secondly, the mechanism for approval of such actions in this resolution is referred to as "a case by case consensual alliance" decision, which, to me, is incompatible with the constitutional requirement that the use of force, in a context that a normal understanding would call war, would have to be done by resolution of both Houses of Congress.

Third and last, because of the timing of this resolution, particularly that it was introduced on February 11 during the Kosovo war, I believe that it is open to the misinterpretation as a ratification, admittedly posthoc ratification, of the use of force under the NATO aegis in that context.

I draw specific attention now to the text of the resolution that supports each of these three points. On page 4, the resolved clause says that the new NATO strategic concept "articulates a concrete vision" establishing that "defense of shared interests and values" is "as important for peace and stability as maintaining a vigorous capability to carry out collective defense."

I pause in my quotation for a moment. So whereas the original NATO treaty deals with collective defense, this resolution says it is equally important that we prosecute shared interests and values. What are those shared interests and values?

The answer is found on Page 2 in the whereas clauses, we learn what some of those are. "Whereas such challenges to NATO allied interests and values include . . ." continuing quote, "conflicts outside the treaty area stemming from unresolved historical disputes." An obvious reference, at least to me, given the date of this resolution in February of this year, to the Kosovo war, and an obvious example (I could not ask for a more clear one) of the use of force outside the treaty area, whereas the NATO treaty itself specifies that the NATO countries will treat an attack upon the sovereign integrity of anyone as an attack upon all. It was a defensive territorial-focused treaty.

Lastly, on page 5, in the third resolved clause, beginning on page 4, the resolution provides that the alliance should, again just picking out the words, now I quote, "identify crisis management operations outside the NATO treaty area based on a case-by-case consensual alliance decision."

In other words, the alliance will make its decisions on a consensual basis for when to go outside of area. That is what it says, outside of the NATO treaty area, outside of the authorized area for the use of force under the terms of the NATO treaty as it was ratified by the Senate.

□ 1115

And who will decide? It will be by consensual decisions of the Alliance, not by the Senate and House of the United States Congress, which is what the Constitution requires.

I close with a word of concern about my effort to try to instill respect for the Constitution in the area of warmaking authority. I have fought to bring the resolution regarding the war to the floor during the Kosovo war. I am happy to say that we did our constitutional duty. We stood up and said no, we did not authorize the use of force.

Nevertheless, the President went ahead and for 79 days bombed Yugoslavia which was not at war with the United States, which had not threatened the territorial integrity of a single NATO country. In that context, this resolution was introduced.

It will appear to a court, I believe, as though we are today sending a message of ratification that we did not at that time. Nor is this an extreme or farfetched belief, because the Federal District Court, in rejecting the lawsuit with which I followed my actions on the House floor, the Federal District Court ruled that a Member of Congress lacked standing to assert the Constitution when there was war happening in Kosovo, that a Member of Congress could not bring the lawsuit.

The reason the judge said so was not because of what Congress had done in voting against the use of force, in voting against the bombing, but what Congress had not done: that the House had not voted to withdraw the troops. In other words, the Federal District judge took an implication from the failure of the House to act.

That is a remarkable stretch for judicial interpretation. How much more easily will a court interpret a resolution we pass today applauding the use of extraterritorial NATO force, according to consensual NATO processes?

I fear for the Nation when the safeguards placed in operation by our Founders in the Constitution are cavalierly set aside, as I believe they were during the Kosovo war. I have nothing but the highest regard for those who offered this resolution, but I must disagree with their effort.

Mr. GILMAN. Madam Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. BEREUTER), the distinguished chairman of our Subcommittee on Asia and the Pacific.

Mr. BEREUTER. Madam Speaker, I thank the chairman for yielding me this time, and for the good survey that he has provided in his initial comments.

One of the reasons this legislation is so important, the resolution being moved today, is because many of us have concerns about the new European pillar that would be created within the European Union as a result of the Franco-British accord and the Cologne summit of the EU that followed. There is the likelihood, the way things are proceeding, that the European pillar, the ESDI, would be created outside NATO within the European Union.

As the chairman indicated, we are concerned about decoupling this European capacity from NATO, that is one D; about discrimination against members of NATO that are not members of the European Union, that is the second D; and about duplication of effort, the third D, duplication between NATO's capacities and the capacity that would be created within the European Union.

For these reasons addressed by the resolve clause in this resolution, its passage is particularly important today.

I do want to assure the gentleman from California (Mr. ROHRABACHER) that I certainly understand the security concerns we have in the Asia-Pacific region. After all, as the chairman of that subcommittee, I focus on these things. But as this resolution puts forth, there are other concerns today that the members of NATO really did not expect to be facing. They relate, for example, to proliferation of weapons of mass destruction and terrorism.

I would say to my colleague, the gentleman from California (Mr. CAMPBELL), that I think his concerns, which are legitimate in general, are overwrought and do not directly relate to this resolution.

It is true the resolution was originally introduced in February. It is not meant to have nor do I think it does have any impact upon a ratification of the use of force with respect to Bosnia or in Kosovo, for that matter.

I want to also emphasize for my colleagues that nothing provided in our NATO membership impinges upon the constitutional guarantees for the use of force, for example, in which Congress should have a role, which this Congressman from California has diligently been trying to pursue, to his credit. This does not impinge upon the constitutional processes of any member state, including the United States.

I would say this point needs to be made to the gentleman, that any kind of out-of-area action by NATO must be held to the standard that that kind of out-of-area action must be important to the security of one or more of the members of NATO. That is the only justification for out-of-area action by NATO forces. Even if it is a combined joint task force, a coalition, if the U.S. would participate, we must insist upon that out-of-area action being important to the security of one or more of the members of NATO, of the 19 countries that are part of that treaty.

I think it is an important resolution to pass. I think it is particularly important in light of what is happening in the European Union.

Mr. ROHRABACHER. Madam Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. BARTLETT).

Mr. BARTLETT of Maryland. Madam Speaker, deep under the Ural Mountains, under a mountain called Yamantau, the Russians continue to build and expand the world's largest, deepest, most nuclear-secure facility.

Started under Brezhnev, they have now spent $4.5 billion on this super-secret facility. They are doing this, and by the way, they are now increasing, they are ramping up their efforts. They are doing this at a time when they cannot pay their military, when they cannot provide housing for their military.

I asked my colleagues and I asked administration officials, why would they do this? What I am told is they do this because they are paranoid.

I have had a super top secret code word briefing on what is called silver bullets. These are efforts on the part of the Russians to leapfrog our war-making capabilities. They know they cannot compete with us in conventional weaponry, so they are seeking to leapfrog our technologies so our war-making capabilities will be neutralized.

I asked again, why would they do this? What I am told is they do this because they are paranoid. They have so many, so many needs in their country, why would they spend money doing this?

If they are doing these things because they are paranoid, then I ask the question, why would we want to feed their paranoia by expanding NATO? They see NATO as a threat. Why would we want to feed their paranoia? NATO may have a role to play. That role should not be in antagonizing the Russians, in feeding their paranoia. If we are to pass a resolution like this, it needs to be reworded so it will not be threatening to the Russians.

Mr. CROWLEY. Madam Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Madam Speaker, I have read the resolution. I do not view any word in the resolution as threatening in any way to Russia. That is why I can rise in strong support of the resolution today.

There is no doubt that America must remain firmly committed to NATO, as it remains firmly committed to ensuring the peace and stability on the European continent and throughout the North Atlantic region.

This resolution was drafted in anticipation of the 50th anniversary of NATO held here in Washington last April. For 50 years NATO has stood as the preeminent defense alliance protecting this Nation, its allies, and its vital interests from the threat of aggression and the threat of regional instability.

For 50 years NATO has provided this Nation with the invaluable opportunity to remain constantly and actively engaged with its key allies. For 50 years NATO has proven that Nations sharing common ideologies, common values, and common goals can in fact stand stronger together than if alone, and can maintain peace in difficult, dangerous times.

Fifty years ago, NATO was created to hedge against the spread of tyranny in a war-ravaged Europe. At the time there were doubters, those who believed, even after the United States found itself drawn into two world wars within 25 years, that we should go it alone and close the gates to fortress America.

Thankfully, this country did not adopt such a strategy. Instead, we employed the Marshall Plan to rebuild Europe from the ashes of conflict, and we established NATO to provide for the defense against the post-war totalitarianism in the region.

Isolationism did not prevail then, and it is very appropriate, 50 years after the creation of that Alliance, to deflect the scattered cries for a new form of isolationism in this country.

For 40 years NATO stood not only as a line of defense but as an incredibly effective deterrent. For the last 10 years NATO has stood ready to preserve European stability. It has been successful in its evolving mission. Most recently, and while facing very daunting challenges, NATO has sought to bring peace and stability to the Balkans, the very region that provided the spark that led to the conflagration known as the First World War.

Back in 1949, many in the United States claimed that we should not be engaged in Europe because we could not maintain peace in a region naturally drawn to war. It was argued then that the history of Europe was one of nationalism and ethnic extremism, and war among those nations was inevitable. Yet, because of NATO, Western Europe has seen one of the most peaceful and prosperous periods in its history.

Throughout the nineties we have heard the same argument regarding any attempts to maintain peace in central Europe. In fact, not many months ago, many in this House insisted that NATO would not remain unified in its action against the tyranny of Milosevic. Yet the Alliance stood firm, and military success was achieved.

The peace will be hard fought, but by tapping into the resolve and commitment exhibited by the members of NATO, which now including members close to the Balkans, peace and stability can be established in the wake of military successes.

NATO ENLARGEMENT

This resolution also commemorates the enlargement of NATO to include Poland, Hungary, and the Czech Republic. The success of NATO and its members' drive to contain, and ultimately de-construct, Soviet authoritarianism, has led to the flourishing of democratic movements throughout Central and Eastern Europe. The inclusion in NATO of three key nations formerly bound by the Iron Curtain speaks volumes for the power of the alliance and its relevance in today's changing geopolitical landscape.

NEW THREATS DEMANDS A COMMITMENT TO NATO

As this nation, its allies, and the alliances to which we belong, face new and unconventional threats from rogue nations, terrorist states and weapons of mass destruction, the deterrent effect of NATO remains relevant and vital. If those who would commit atrocities can look to the cohesiveness and determination of a broader reaching NATO, they will be more likely to give pause to any rash acts against alliance members or their interests. The United States must maintain a leadership role in NATO's preparedness against these new threats. Our citizens travel the world. Their government must be there with them—strong and committed.

No alliance, no strategy, and no plan creates certainty in international relations. However, NATO's unparalleled success in protecting Europe and the North Atlantic region proves that, with courage and determination, this Nation can boldly assert the values of democracy and peace.

In conclusion, let me just commend today not only the institution of NATO and its member nations but those who actually make the peace possible, our troops stationed abroad with their Alliance colleagues, working together to ensure the mutual security of all our families.

I look forward to the future successes of NATO and the ideals it protects.

Mr. ROHRABACHER. Madam Speaker, I yield 1 minute to the gentleman from Florida (Mr. GOSS).

Mr. GOSS. Madam Speaker, I thank my friend and colleague, my classmate from California, and even though we do have a disagreement in this, his generosity shows in letting us discuss this and having a useful debate.

I want to thank the gentleman from New York (Chairman GILMAN) and the gentleman from Nebraska (Chairman BEREUTER) for their extraordinary leadership on this issue.

I think it is important to know that it is a different world today and a more dangerous world. NATO has been the anchor for our national security in Europe for lo these many decades, since the Second World War. It still is our anchor. It is still a value-added organization for the member states and their related partners in the organization for a couple of reasons.

First, the common defense is very obvious. Greater efforts toward peace and stability are what we all strive at when we are dealing with foreign affairs and national security.

Secondly, the interrelationships between the member states to stress working cooperation on areas where they can cooperate, rather than to relate to some of the differences they have had historically that have led to tragic consequences on that continent, I think is a very important by-product of the NATO organization.

But third, and the thing that is before us today, and the reason this resolution is so important to support, is the challenge of how should NATO focus its energies in today's world and what should NATO's capabilities therefore be.

I think it is critically important that the United States of America be a very strong voice in those deliberations and in those decisions and the discussion. I think that is exactly why we are here today sending a resolution saying we will be a strong voice, and also resolving some of the issues that our colleagues, the gentleman from California (Mr. CAMPBELL) and the gentleman from California (Mr. ROHRABACHER), have brought forward properly that do need to be resolved.

Mr. CROWLEY. Madam Speaker, I yield 2 minutes to my friend, the distinguished gentleman from New York (Mr. NADLER).

Mr. NADLER. Madam Speaker, for 50 years it has been ritualistic for American public officials in public bodies to affirm support and solidarity for NATO. We should remember why. NATO was formed as a protection against the possibility of a Soviet attack, armed attack, armed aggression, against Western Europe, and to bring the United States and Western Europe together as a defense alliance.

That purpose and that danger no longer exists. NATO nonetheless has many other purposes, and they are properly delineated in this resolution.

□ 1130

I must oppose this resolution nonetheless because of three paragraphs in it. The resolution states, "approval for the membership of the Czech Republic, Hungary and Poland in NATO and invites further enlargement of NATO from other former Warsaw Pact countries," and then says contradictorily, "NATO should seek to strengthen its relations with Russia and Ukraine as its central partners in building long-term peace in the Euro Atlantic area."

Madam Speaker, the Soviet Union no longer exists, but Russia is still a large nation and potentially a friendly one or potentially a dangerous one, and our policy should be directed at trying to enhance those forces within Russia, trying to transform that country into a democratic market economy, into a friendly country, into a responsible country, instead of doing what we can to provoke nationalistic forces, to provoke xenophobic forces, to provoke dictatorial forces in Russia.

The expansion of NATO is a direct provocation to all segments of Russia's political spectrum; weakens the democratic forces; weakens the pro-market forces, weakens the pro-Western forces and strengthens the xenophobic and ultranationalistic forces. It is unnecessary, and it makes this world a more dangerous place.

This resolution, were it not for those three paragraphs, would be worthy of support and with those three paragraphs it goes in the wrong direction and I urge its defeat.

Mr. ROHRABACHER. Madam Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Madam Speaker, NATO was originally formed in 1949 as a defensive alliance. It was formed to protect against attacks, not to initiate attacks. Moreover, NATO's charter, Article 5 defines the alliance as "collective defense against armed attack and limits NATO to attacking only in self-defense." Article 5 of the NATO treaty states, "the parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all."

I believe that nations should have that security and have the ability to defend themselves against unprovoked aggression. NATO provided this blanket of security for the North Atlantic countries for the past 50 years. That is why Hungary, the Czech Republic, Poland, wanted to join. This is why Lithuania, Latvia, Estonia, Croatia, Romania and others want to join NATO, for increased protection, for increased security; and so NATO has changed.

The recent attack on the Federal Republic of Yugoslavia was the first action ever taken by NATO against a sovereign nation. This action did not satisfy Article 5 of the NATO charter, which limits NATO to defensive attacks. No country attacked a NATO country prior to the NATO attack in the Kosovo province and Yugoslavia.

So while today this resolution would recommit the United States to NATO and European security, we must honestly ask if the mission of NATO and the NATO treaty was violated by the Kosovo bombing. In mid-April as the war continued over Yugoslavia NATO modified its charter combining both defensive and offensive actions. The strategic concept, which Congress will endorse with this resolution, now states in part 4, section 41, that NATO "must be prepared to contribute to conflict prevention and to conduct non-Article 5 crisis response operations," end of quote, which means NATO can conduct unilateral bombing against any nation.

This is a blank check to wage war. The implications of this change will be serious, and this Congress must take note of it so that NATO does not become a law unto itself, a blind, unconscious force which usurps democrat process and values and becomes an impersonal force, and it is more powerful than individual nations.

If NATO is endorsed as an offensive force, what does this mean? Does it mean an end to the United Nations security role? Will it mean that NATO may act unilaterally anywhere in the world according to what it deems is a threat? Does it mean that there are no limits to NATO's potential military actions, since all NATO has to do is to change its charter to justify mission creep?

Now, I support the defensive security which NATO has to offer. NATO was formed to protect against attacks, not to initiate attacks.

I believe that this Congress must retake its role as described in the constitution, article 1, Section 8, that this Congress has the power and the authority alone to put this country into war. We should not cede it to a President, and we should not cede it to the North Atlantic Treaty Organization.

Mr. CROWLEY. Madam Speaker, I yield 2½ minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Madam Speaker, I thank the gentleman from New York (Mr. CROWLEY) for his generosity in yielding me this time.

Another gentleman from New York talked about his concerns about the expansion of NATO, and I understand that there is controversy about the fact that the Czech Republic and Poland and Hungary were brought into the first tranche of new membership, moving the membership from 16 to 19, but the Congress in both Houses by various means in direct action on the floor of the House and the Senate have approved that expansion and our executive branch has implemented it by the treaty change.

In fact, I think there is strong sentiment to responsibly, carefully expand NATO as other countries prepare and do meet the qualifications for membership. It is certainly understandable why the countries of Eastern and Central Europe want to be a part of NATO. NATO, after all, was founded on the principle of the rule of law and individual liberty.

It has become the cornerstone of Western peace and prosperity. It has permitted a sharing of the burden of national defense where all 16 countries, now 19, agree that attack on one is an attack against all. Because we no longer have a looming threat to our very survival since the collapse of the Iron Curtain and the absolute significance of this collective guarantee has faded from some memories, the gentleman of Maryland (Mr. BARTLETT) has just reminded us about the need for NATO. I think he reinforced the need for NATO. I think it is fair to say, therefore, that without NATO, tens of millions, perhaps hundreds of millions of people would have been subjected to continuing tyranny.

NATO has been a dramatic success; and now, as I mentioned, Europe, our NATO allies and indeed the United States faces a whole range of additional threats and concerns which, in part, the gentleman from Florida (Mr. GOSS) spoke to a few minutes ago. NATO nevertheless remains the ultimate bulwark against a reemergence of a destabilizing hegemonic power. We hope that is not Russia but, in fact, some of the concerns that the gentleman from Maryland raised are there in people's minds. We are extending, in a variety of fashions, through the NATO structure, a hand of peace and assistance to Russia and indeed the Ukraine, but they have to be willing to accept it; and we are committed to working with them.

I think it is important that we focus finally on why it is that this resolution is before us. It is a concern that NATO may be weakened to address traditional mutual defense responsibilities or new threats to NATO countries by a dividing of the European Union's responsibilities with NATO.

Mr. ROHRABACHER. Madam Speaker, I yield 30 seconds to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Madam Speaker, I yield myself 15 seconds.

The SPEAKER pro tempore (Mrs. BIGGERT). The gentleman from New York (Mr. GILMAN) is recognized for 45 seconds.

Mr. GILMAN. Madam Speaker, I thank the gentleman from California (Mr. ROHRABACHER) for yielding me time.

Madam Speaker, in conclusion let me reiterate that the U.S. continues to have a vital interest in a strong and in an enlarged NATO. To my colleague from California (Mr. ROHRABACHER), I would say that he and I agree about the threats to international peace and security that exist and are growing in the Asia Pacific region; but it is helpful to us, not harmful, to be an alliance with like-minded democracies as we develop strategies to address these threats. We are infinitely stronger in dealing with countries like China and North Korea when we combine resources and align ourselves with the democracies in Western Europe.

To the gentleman from California (Mr. CAMPBELL), I say that there is nothing in this resolution that suggests or is intended to suggest that we are surrendering our constitutional prerogatives to declare war when NATO contemplates military action.

Mr. ROHRABACHER. Madam Speaker, I yield 1 minute to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Madam Speaker, the chairman of our full committee gave his assurance and he is a man of honor and I am grateful for that assurance on the record. However, the words of the resolution say that we commend NATO for choosing, as a new role, to identify crisis management operations outside the NATO treaty area based on case-by-case consensual alliance decisions, and the resolution was dated February 11, in the middle of the Kosovo war.

Madam Speaker, there is no ambiguity that this will be taken as an approval for the mechanism that was being used at that moment. My dear friend, the gentleman from Nebraska (Mr. BEREUTER), says that the NATO treaty is consistent with the constitution. Yes, but the war in Kosovo was not; it was not.

The House did not declare war. The Senate did not declare war. And it was war. The President said it was armed conflict, not war. The American people know it was war, and in the midst of that war when this resolution was introduced, this resolution says that we applaud and agree with this new task for NATO to choose crisis management operations outside the treaty area.

Mr. ROHRABACHER. Madam Speaker, I yield myself 1½ minutes.

Madam Speaker, today we have heard a very useful debate, but it is a very serious debate; and it is especially serious for the next generation of Americans. Where are we going to put our emphasis? Where are we going to put our dollars? Where are we going to put our commitments? NATO costs between $10 billion and $20 billion every year just to be a part of NATO.

After 5 years of spending with NATO or 10 years of NATO spending, we could have a missile defense system for the United States of America, but we are giving that up by simply providing $10 billion to $20 billion a year for European stability.

This resolution is designed, of course, for the expansion of NATO, and by its very nature will cause fear in Russia and, as the gentleman from New York (Mr. NADLER) pointed out, is counterproductive, will lead to worse relations with Russia when we should be trying to help the democratic elements in Russia not fear the United States of America. It will leave us weaker in the Pacific.

Finally, as this resolution is designed, it is designed to get us into more conflicts like Bosnia, like Kosovo, and perhaps in Africa, perhaps in Moldavia. We do not need to waste our precious resources and risk the lives of our people in these conflicts around the world. That is what this resolution is designed to do. It is a blank check for America's young people to go overseas and to spend our limited defense dollars in a counterproductive way.

NATO served its purpose. Let us declare victory in the Cold War and come home and set our new priorities which have more to do with the reality of today than the reality of 20 years ago and 40 years ago. I oppose this resolution.

Mr. ROHRABACHER. Madam Speaker, I yield 30 seconds to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Madam Speaker, I want to thank the gentleman from California (Mr. ROHRABACHER) for yielding me additional time.

Madam Speaker, in conclusion, NATO has served our national interest well for the last 50 years, will serve us well into the future and will help consolidate and expand democracy in Europe, and it will strengthen the forces of democracy in dealing with the emerging threats in Asia and elsewhere. This resolution is not a blank check that Congress must author. This is an important resolution. I urge my colleagues to fully support it.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise in favor of House Resolution 59 to express the sense that the House should remain committed to the North Atlantic Treaty Organization. For fifty years NATO has protected our borders and the borders of our allies, preserving democracy, the rule of law and individual liberties. NATO has served as an important forum for promoting stability in the North Atlantic region and is representative of the collective effort of the North Atlantic states defending members against security risks. Indeed NATO remains the preeminent institution for addressing future external threats.

NATO has played a key role in developing democracies and instilling democratic ideals in Central and Eastern Europe. This too helps to solidify the security of the rest of the North Atlantic region.

Recognizing that the security of NATO member states is inseparably linked to that of the whole of Europe, and the consolidation and strengthening of democratic and free societies on the entire continent is an important concern to the NATO Alliance and its partners.

For these reasons, the House of Representatives should commend NATO and its work and should support its future efforts to maintain peace and stability in the North Atlantic region. The House must remain committed to the Alliance and should promote the adoption of a strategic concept clearly establishing that defense of shared interests and values that are as important for peace and stability as maintaining a vigorous capability to carry out collective defense.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the resolution, House Resolution 59, as amended.

The question was taken.

Mr. ROHRABACHER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1145

FOREIGN NARCOTICS KINGPIN DESIGNATION ACT

Mr. GILMAN. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 3164) to provide for the imposition of economic sanctions on certain foreign persons engaging in, or otherwise involved in, international narcotics trafficking.

The Clerk read as follows:

H.R. 3164

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Narcotics Kingpin Designation Act".

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) Presidential Decision Directive 42, issued on October 21, 1995, ordered agencies of the executive branch of the United States Government to, inter alia, increase the priority and resources devoted to the direct and immediate threat international crime presents to national security, work more closely with other governments to develop a global response to this threat, and use aggressively and creatively all legal means available to combat international crime.

(2) Executive Order No. 12978 of October 21, 1995, provides for the use of the authorities in the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.) to target and apply sanctions to 4 international narcotics traffickers and their organizations that operate from Colombia.

(3) IEEPA was successfully applied to international narcotics traffickers in Colombia and based on that successful case study, Congress believes similar authorities should be applied worldwide.

(4) There is a national emergency resulting from the activities of international narcotics traffickers and their organizations that threatens the national security, foreign policy, and economy of the United States.

(b) POLICY.—It shall be the policy of the United States to apply economic and other financial sanctions to significant foreign narcotics traffickers and their organizations worldwide to protect the national security, foreign policy, and economy of the United States from the threat described in subsection (a)(4).

SEC. 3. PURPOSE.

The purpose of this Act is to provide authority for the identification of, and application of sanctions on a worldwide basis to, significant foreign narcotics traffickers, their organizations, and the foreign persons who provide support to those significant foreign narcotics traffickers and their organizations, whose activities threaten the national security, foreign policy, and economy of the United States.

SEC. 4. PUBLIC IDENTIFICATION OF SIGNIFICANT FOREIGN NARCOTICS TRAFFICKERS AND REQUIRED REPORTS.

(a) PROVISION OF INFORMATION TO THE PRESIDENT.—The Secretary of the Treasury, the Attorney General, the Secretary of Defense, the Secretary of State, and the Director of Central Intelligence shall consult among themselves and provide the appropriate and necessary information to enable the President to submit the report under subsection (b). This information shall also be provided to the Director of the Office of National Drug Control Policy.

(b) PUBLIC IDENTIFICATION AND SANCTIONING OF SIGNIFICANT FOREIGN NARCOTICS TRAFFICKERS.—Not later than June 1, 2000, and not later than June 1 of each year thereafter, the President shall submit a report to the Permanent Select Committee on Intelligence, and the Committees on the Judiciary, International Relations, Armed Services, and Ways and Means of the House of Representatives; and to the Select Committee on Intelligence, and the Committees on the Judiciary, Foreign Relations, Armed Services, and Finance of the Senate—

(1) identifying publicly the foreign persons that the President determines are appropriate for sanctions pursuant to this Act; and

(2) detailing publicly the President's intent to impose sanctions upon these significant foreign narcotics traffickers pursuant to this Act.

The report required in this subsection shall not include information on persons upon which United States sanctions imposed under this Act, or otherwise on account of narcotics trafficking, are already in effect.

(c) UNCLASSIFIED REPORT REQUIRED.—The report required by subsection (b) shall be submitted in unclassified form and made available to the public.

(d) CLASSIFIED REPORT.—(1) Not later than July 1, 2000, and not later than July 1 of each year thereafter, the President shall provide the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate with a report in classified form describing in detail the status of the sanctions imposed under this Act, including the personnel and resources directed towards the imposition of such sanctions during the preceding fiscal year, and providing background information with respect to newly identified significant foreign narcotics traffickers and their activities.

(2) Such classified report shall describe actions the President intends to undertake or has undertaken with respect to such significant foreign narcotics traffickers.

(3) The report required under this subsection is in addition to the President's obligation to keep the intelligence committees of Congress fully and completely informed of the provisions of the National Security Act of 1947.

(e) EXCLUSION OF CERTAIN INFORMATION.—

(1) INTELLIGENCE.—Notwithstanding any other provision of this section, the reports described in subsections (b) and (d) shall not disclose the identity of any person, if the Director of Central Intelligence determines that such disclosure could compromise an intelligence operation, activity, source, or methods of the United States.

(2) LAW ENFORCEMENT.—Notwithstanding any other provision of this section, the reports described in subsections (b) and (d) shall not disclose the name of any person if the Attorney General, in coordination as appropriate with the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, and the Secretary of the Treasury, determines that such disclosure could reasonably be expected to—

(A) compromise the identity of a confidential source, including a State, local, or foreign agency or authority or any private institution that furnished information on a confidential basis;

(B) jeopardize the integrity or success of an ongoing criminal investigation or prosecution;

(C) endanger the life or physical safety of any person; or

(D) cause substantial harm to physical property.

(f) NOTIFICATION REQUIRED.—(1) Whenever either the Director of Central Intelligence or the Attorney General makes a determination under subsection (e), the Director of Central Intelligence or the Attorney General shall notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate, and explain the reasons for such determination.

(2) The notification required under this subsection shall be submitted to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate not later than July 1, 2000, and on an annual basis thereafter.

(g) DETERMINATIONS NOT TO APPLY SANCTIONS.—(1) The President may waive the application to a significant foreign narcotics trafficker of any sanction authorized by this title if the President determines that the application of sanctions under this Act would significantly harm the national security of the United States.

(2) When the President determines not to apply sanctions that are authorized by this Act to any significant foreign narcotics trafficker, the President shall notify the Permanent Select Committee on Intelligence, and the Committees on the Judiciary, International Relations, Armed Services, and Ways and Means of the House of Representatives, and the Select Committee on Intelligence, and the Committees on the Judiciary, Foreign Relations, Armed Services, and Finance of the Senate not later than 21 days after making such determination.

(h) CHANGES IN DETERMINATIONS TO IMPOSE SANCTIONS.—

(1) ADDITIONAL DETERMINATIONS.—(A) If at any time after the report required under subsection (b) the President finds that a foreign person is a significant foreign narcotics trafficker and such foreign person has not been publicly identified in a report required under subsection (b), the President shall submit an additional public report containing the information described in subsection (b) with respect to such foreign person to the Permanent Select Committee on Intelligence, and the Committees on the Judiciary, International Relations, Armed Services, and Ways and Means of the House of Representatives, and the Select Committee on Intelligence, and the Committees on the Judiciary, Foreign Relations, Armed Services, and Finance of the Senate.

(B) The President may apply sanctions authorized under this Act to the significant foreign narcotics trafficker identified in the report submitted under subparagraph (A) as if the trafficker were originally included in the report submitted pursuant to subsection (b) of this section.

(C) The President shall notify the Secretary of the Treasury of any determination made under this paragraph.

(2) REVOCATION OF DETERMINATION.—(A) Whenever the President finds that a foreign person that has been publicly identified as a significant foreign narcotics trafficker in the report required under subsection (b) or this subsection no longer engages in those activities for which sanctions under this Act may be applied, the President shall issue public notice of such a finding.

(B) Not later than the date of the public notice issued pursuant to subparagraph (A), the President shall notify, in writing and in classified or unclassified form, the Permanent Select Committee on Intelligence, and the Committees on the Judiciary, International Relations, Armed Services, and Ways and Means of the House of Representatives, and the Select Committee on Intelligence, and the Committees on the Judiciary, Foreign Relations, Armed Services, and Finance of the Senate of actions taken under this paragraph and a description of the basis for such actions.

SEC. 5. BLOCKING ASSETS AND PROHIBITING TRANSACTIONS.

(a) APPLICABILITY OF SANCTIONS.—A significant foreign narcotics trafficker publicly identified in the report required under subsection (b) or (h)(1) of section 4 and foreign persons designated by the Secretary of the Treasury pursuant to subsection (b) of this section shall be subject to any and all sanctions as authorized by this Act. The application of sanctions on any foreign person pursuant to subsection (b) or (h)(1) of section 4 or subsection (b) of this section shall remain in effect until revoked pursuant to section 4(h)(2) or subsection (e)(1)(A) of this section or waived pursuant to section 4(g)(1).

(b) BLOCKING OF ASSETS.—Except to the extent provided in regulations, orders, instructions, licenses, or directives issued pursuant to this Act, and notwithstanding any contract entered into or any license or permit granted prior to the date on which the President submits the report required under subsection (b) or (h)(1) of section 4, there are blocked as of such date, and any date thereafter, all such property and interests in property within the United States, or within the possession or control of any United States person, which are owned or controlled by—

(1) any significant foreign narcotics trafficker publicly identified by the President in the report required under subsection (b) or (h)(1) of section 4;

(2) any foreign person that the Secretary of the Treasury, in consultation with the Attorney General, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of Defense, and the Secretary of State, designates as materially assisting in, or providing financial or technological support for or to, or providing goods or services in support of, the international narcotics trafficking activities of a significant foreign narcotics trafficker so identified in the report required under subsection (b) or (h)(1) of section 4, or foreign persons designated by the Secretary of the Treasury pursuant to this subsection;

(3) any foreign person that the Secretary of the Treasury, in consultation with the Attorney General, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of Defense, and the Secretary of State, designates as owned, controlled, or directed by, or acting for or on behalf of, a significant foreign narcotics trafficker so identified in the report required under subsection (b) or (h)(1) of section 4, or foreign persons designated by the Secretary of the Treasury pursuant to this subsection; and

(4) any foreign person that the Secretary of the Treasury, in consultation with the Attorney General, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of Defense, and the Secretary of State, designates as playing a significant role in international narcotics trafficking.

(c) PROHIBITED TRANSACTIONS.—Except to the extent provided in regulations, orders, instructions, licenses, or directives issued pursuant to this Act, and notwithstanding any contract entered into or any license or permit granted prior to the date on which the President submits the report required under subsection (b) or (h)(1) of section 4, the following transactions are prohibited:

(1) Any transaction or dealing by a United States person, or within the United States, in property or interests in property of any significant foreign narcotics trafficker so identified in the report required pursuant to subsection (b) or (h)(1) of section 4, and foreign persons designated by the Secretary of the Treasury pursuant to subsection (b) of this section.

(2) Any transaction or dealing by a United States person, or within the United States, that evades or avoids, or has the effect of evading or avoiding, and any endeavor, attempt, or conspiracy to violate, any of the prohibitions contained in this Act.

(d) LAW ENFORCEMENT AND INTELLIGENCE ACTIVITIES NOT AFFECTED.—Nothing in this Act prohibits or otherwise limits the authorized law enforcement or intelligence activities of the United States, or the law enforcement activities of any State or subdivision thereof.

(e) IMPLEMENTATION.—(1) The Secretary of the Treasury, in consultation with the Attorney General, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of Defense, and the Secretary of State, is authorized to take such actions as may be necessary to carry out this Act, including—

(A) making those designations authorized by paragraphs (2), (3), and (4) of subsection (b) of this section and revocation thereof;

(B) promulgating rules and regulations permitted under this Act; and

(C) employing all powers conferred on the Secretary of the Treasury under this Act.

(2) Each agency of the United States shall take all appropriate measures within its authority to carry out the provisions of this Act.

(3) Section 552(a)(3) of title 5, United States Code, shall not apply to any record or information obtained or created in the implementation of this Act.

(f) JUDICIAL REVIEW.—The determinations, identifications, findings, and designations made pursuant to section 4 and subsection (b) of this section shall not be subject to judicial review.

SEC. 6. AUTHORITIES.

(a) IN GENERAL.—To carry out the purposes of this Act, the Secretary of the Treasury may, under such regulations as he may prescribe, by means of instructions, licenses, or otherwise—

(1) investigate, regulate, or prohibit—

(A) any transactions in foreign exchange, currency, or securities; and

(B) transfers of credit or payments between, by, through, or to any banking institution, to the extent that such transfers or payments involve any interests of any foreign country or a national thereof; and

(2) investigate, block during the pendency of an investigation, regulate, direct and compel, nullify, void, prevent, or prohibit any acquisition, holding, withholding, use, transfer, withdrawal, transportation, placement into foreign or domestic commerce of, or dealing in, or exercising any right, power, or privilege with respect to, or transactions involving, any property in which any foreign country or a national thereof has any interest,

by any person, or with respect to any property, subject to the jurisdiction of the United States.

(b) RECORDKEEPING.—Pursuant to subsection (a), the Secretary of the Treasury may require recordkeeping, reporting, and production of documents to carry out the purposes of this Act.

(c) DEFENSES.—

(1) Full and actual compliance with any regulation, order, license, instruction, or direction issued under this Act shall be a defense in any proceeding alleging a violation of any of the provisions of this Act.

(2) No person shall be held liable in any court for or with respect to anything done or omitted in good faith in connection with the administration of, or pursuant to, and in reliance on this Act, or any regulation, instruction, or direction issued under this Act.

(d) RULEMAKING.—The Secretary of the Treasury may issue such other regulations or orders, including regulations prescribing recordkeeping, reporting, and production of documents, definitions, licenses, instructions, or directions, as may be necessary for the exercise of the authorities granted by this Act.

SEC. 7. ENFORCEMENT.

(a) CRIMINAL PENALTIES.—(1) Whoever willfully violates the provisions of this Act, or any license rule, or regulation issued pursuant to this Act, or willfully neglects or refuses to comply with any order of the President issued under this Act shall be—

(A) imprisoned for not more than 10 years,

(B) fined in the amount provided in title 18, United States Code, or, in the case of an entity, fined not more than $10,000,000,

or both.

(2) Any officer, director, or agent of any entity who knowingly participates in a violation of the provisions of this Act shall be imprisoned for not more than 30 years, fined not more than $5,000,000, or both.

(b) CIVIL PENALTIES.—A civil penalty not to exceed $1,000,000 may be imposed by the Secretary of the Treasury on any person who violates any license, order, rule, or regulation issued in compliance with the provisions of this Act.

(c) JUDICIAL REVIEW OF CIVIL PENALTY.—Any penalty imposed under subsection (b) shall be subject to judicial review only to the extent provided in section 702 of title 5, United States Code.

SEC. 8. DEFINITIONS.

As used in this Act:

(1) ENTITY.—The term "entity" means a partnership, joint venture, association, corporation, organization, network, group, or subgroup, or any form of business collaboration.

(2) FOREIGN PERSON.—The term "foreign person" means any citizen or national of a foreign state or any entity not organized under the laws of the United States, but does not include a foreign state.

(3) NARCOTICS TRAFFICKING.—The term "narcotics trafficking" means any illicit activity to cultivate, produce, manufacture, distribute, sell, finance, or transport narcotic drugs, controlled substances, or listed chemicals, or otherwise endeavor or attempt to do so, or to assist, abet, conspire, or collude with others to do so.

(4) NARCOTIC DRUG; CONTROLLED SUBSTANCE; LISTED CHEMICAL.—The terms "narcotic drug", "controlled substance", and "listed chemical" have the meanings given those terms in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(5) PERSON.—The term "person" means an individual or entity.

(6) UNITED STATES PERSON.—The term "United States person" means any United States citizen or national, permanent resident alien, an entity organized under the laws of the United States (including its foreign branches), or any person within the United States.

(7) SIGNIFICANT FOREIGN NARCOTICS TRAFFICKER.—The term "significant foreign narcotics trafficker" means any foreign person that plays a significant role in international narcotics trafficking, that the President has determined to be appropriate for sanctions pursuant to this Act, and that the President has publicly identified in the report required under subsection (b) or (h)(1) of section 4.

SEC. 9. EXCLUSION OF PERSONS WHO HAVE BENEFITED FROM ILLICIT ACTIVITIES OF DRUG TRAFFICKERS.

Section 212(a)(2)(C) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(2)(C)) is amended to read as follows:

"(C) CONTROLLED SUBSTANCE TRAFFICKERS.—Any alien who the consular officer or the Attorney General knows or has reason to believe—

"(i) is or has been an illicit trafficker in any controlled substance or in any listed chemical (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)), or is or has been a knowing aider, abettor, assister, conspirator, or colluder with others in the illicit trafficking in any such controlled or listed substance or chemical, or endeavored to do so; or

"(ii) is the spouse, son, or daughter of an alien inadmissible under clause (i), has, within the previous 5 years, obtained any financial or other benefit from the illicit activity of that alien, and knew or reasonably should have known that the financial or other benefit was the product of such illicit activity,

is inadmissible.".

SEC. 10. EFFECTIVE DATE.

This Act shall take effect on the date of enactment of this Act.

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from New York (Mr. CROWLEY) each will control 20 minutes.

Mr. NADLER. Madam Speaker, I rise to claim the time in opposition since I gather that both gentlemen from New York, Mr. GILMAN and Mr. CROWLEY, are in support.

The SPEAKER pro tempore. Is the gentleman from New York (Mr. CROWLEY) in favor of the motion?

Mr. CROWLEY. Yes, I am, Madam Speaker.

The SPEAKER pro tempore. On that basis, pursuant to clause 1(c) of rule XV, the gentleman from New York (Mr. NADLER) will control the 20 minutes reserved for the opposition.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Madam Speaker, I am pleased to yield 10 minutes to the gentleman from Florida (Mr. MCCOLLUM), and I ask unanimous consent that he be permitted to control the time as he may deem appropriate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NADLER. Madam Speaker, since this side ought to be represented in support also, I yield 10 minutes to the gentleman from New York (Mr. CROWLEY), and I ask unanimous consent that he be permitted to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. GILMAN. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3164.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the gentleman from Florida (Mr. GOSS) and the gentleman from Florida (Mr. MCCOLLUM) and our leadership are to be complimented on moving forward on H.R. 3164. This important effort improves the tools needed to tackle the critical problem of international drug traffickers and those who knowingly transact and do business with these kingpins.

This bill, by expanding and regularizing the authority for the President to routinely block the property of major drug kingpins, after the required June 1 listing of these kingpins, deprives them of access to the United States market and to our financial system. It makes it clear that our Nation is serious about confronting the threat that they pose to our Nation and to its people.

After this bill becomes law, it is no longer going to be business as usual for these global drug kingpins, for their relatives and business associates and front companies.

Today we are moving forward with an important new initiative in our war on drugs. Now we will routinely implement the application of blocking assets and denying these global drug traffickers and their associates access to our markets and to our financial services.

There can be no more important tools in our arsenal against international drug traffickers who target our Nation and its young people than asset forfeiture, disruption of their business transaction and their dealings.

With regard to the drug traffickers, there must be no safe havens or untouched illicit assets for those who would destroy our communities and the lives of our young people by shipping their poisons into our Nation.

Three Presidents have called illicit drug trafficking a serious national security threat to our Nation. Such a threat warrants a serious response, including this expanded authority to maintain economic pressure on these drug traffickers.

Greater international cooperation, the ability to bring to justice here in the United States those who would violate our laws and would destroy our communities, and taking away their illicit assets and ability to do business are all vital tools in our war on drugs. These tools must be expanded and enhanced even further in our fighting drugs.

Whether these drug kingpins be from Thailand, from Colombia, from Mexico, or elsewhere around the globe, they must be held accountable to the American people, to our institutions, and to all the laws they violate, making us the targets of their criminal activity.

These drug traffickers, their families and business associates should certainly not be able to benefit financially in their drug trade, for example, seeking to enroll their children in our best schools and our institutions of higher learning with their illicit proceeds from the destruction they visit on our society.

Denying them the fruits of their crimes and entry visas for their families to come to our Nation is another significant way to help ensure that their illicit practice will be ended.

This bill will provide overall help, improve our efforts to hold these major drug kingpins accountable. It will help take the profit and benefit out of their deadly drug trade. For those relatives, associates, and businesses that transact with these drug kingpins, the bill before us indicates that our Nation is prepared to act and to take the profit out of the drug trade.

Madam Speaker, I was honored to be an original cosponsor of this proposal that has previously passed the Senate, and I am pleased to help move forward with this proposal before we adjourn this first session of the 106th Congress. Accordingly, I urge my colleagues to join with us in this important initiative.

Madam Speaker, I yield the balance of my time to the gentleman from Florida (Mr. MCCOLLUM), and I ask unanimous consent that he be permitted to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NADLER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in opposition to this legislation which I believe possesses the threat of turning what Members of this House would consider a laudable goal, cracking down on drug dealers, into a much more dangerous enterprise.

This bill allows the President or the FBI or the Treasury Department or the CIA to designate any person in the world as a drug kingpin, to seize his or her assets, and to make an average American subject to a decade in prison for doing business with such people.

The bill sets no standards for such a designation. The designation requires no proof. The designation cannot, according to this bill, be challenged or reviewed by a court of law. There is simply no way provided to make the Government provide the proof we expect.

It also appears to bar the family, the American families of any such individuals from entering the United States. Is this the America we want, an America in which the President or some Federal bureaucrat can simply designate someone as a bad guy and exclude American-born individuals from the country, and freeze the assets of anyone they desire, some of the assets which may be owed to law-abiding citizens? Can we really suspend all judicial review and say to hell with due process? What is the remedy if the bureaucracy gets the wrong person?

It would have been nice to have had a hearing on this bill and to look at some of these questions in committee, but we did not. This bill was not reviewed by the Committee on the Judiciary or by the Subcommittee on the

Constitution. It was rushed to the floor with no adult supervision, which seems to mark every aspect of Republican rule on Capitol Hill these days.

Real people will have to live with this bill. We owe all Americans a duty to be careful and conscientious in the work we do, not to endow the executive with untrammeled power over individual liberty in order to make a statement.

This bill is an embarrassment to this House and a danger to our freedoms. Constitutional liberty and due process are precious to this country. Millions of our citizens have fought and died for liberty. In the 1950s, the fear of Communism was used to justify invasions of our traditional liberties. The Supreme Court overturned some of those invasions.

Now that international Communism is no longer a threat to us, fear of drugs is leading us down the same sad road to overturn our constitutional liberties, to overturn the due process that alone protects us and differentiates us from the Communist tyrannies we opposed. In the name of the war against drugs, we should not overturn liberty.

How can we say that the President or some bureaucrat can designate anyone they want without any evidence, without any proof, without any standards, and say that person will have his property seized, that person can go to no court, can get no review, can confront no witnesses? The court of Star Chamber would have been ashamed, and this House should be ashamed and not pass this bill.

Madam Speaker, I reserve the balance of my time.

Mr. McCOLLUM. Madam speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 3164, the Foreign Narcotics Kingpin Designation Act of 1999, is a bill to identify, expose, isolate, and incapacitate the businesses and the agents of major drug traffickers all over the world and deny them access to the United States financial system and to the benefits of trade and transactions involving U.S. businesses and individuals.

United States individuals and companies are prohibited from engaging in unlicensed transactions, including any commercial or financial dealings, with any designated major drug trafficker or kingpin. Properties and assets of these drug kingpins located in the United States are blocked or frozen.

This bill is the product of several months of consultations involving the Select Committee on Intelligence, Committee on International Relations, the Committee on the Judiciary, and the Committee on Ways and Means, as well as the detailed negotiations with the National Security Council, the Treasury Department, the State Department, the Justice Department, and the intelligence community. The Clinton administration has carefully reviewed this legislation and now supports this bill.

Madam Speaker, the gentleman from New York (Chairman GILMAN) of the House Committee on International Relations, the gentleman from Illinois (Chairman HYDE) of the Committee on the Judiciary have each waived jurisdiction and consideration of the bill in committee so that it can come to the floor today prior to the conclusion of this session.

Although it did not receive referral on H.R. 3164, the Committee on Ways and Means staff were consulted and offered language changes which were incorporated into this bill.

I introduced an earlier version of this language with the gentleman from Florida (Mr. GOSS), the gentleman from New York (Mr. RANGEL), and the gentleman from New York (Mr. GILMAN) last May. Senators COVERDELL and FEINSTEIN did likewise on the Senate side and were successful in attaching the proposal to the Intelligence Authorization bill by unanimous consent of the Senate.

Unfortunately, the intelligence conference has been stalled due to other issues. In order to move the important national security legislation that is involved here, the sponsors decided last week to offer this bill as a stand-alone for consideration of all the Members.

Unlike earlier and more limited sanctions initiatives, the kingpins bill is global in scope and focuses on major narco-trafficking groups in Mexico, Colombia, the Caribbean, Southeast Asia, and Southwest Asia. The legislation is carefully designed to focus our government's efforts against the specific individuals most responsible for trafficking illegal narcotics by attacking their sources of income and undermining their efforts to launder their drug profits in legitimate business activities.

The precedent for H.R. 3164 was the highly successful application of sanctions since 1995 against the Cali Cartel narco-trafficking organization and its key leaders. Executive Order 12978, issued by the Clinton administration in October of 1995, has had the effect of dismantling and defunding numerous business entities tied to the Cali Cartel. The Specially Designated Narcotics Trafficker sanctions program has been renewed every year, most recently this year, and has had significant impact on both the Cali and the North Coast drug cartels in Colombia.

As of October 21, 1999, the Colombian Special Designated Narcotics Trafficking list totals 496 traffickers, comprised of 5 principals, 195 entities, and 296 individuals, with whom financial and business dealings are prohibited and whose assets are blocked under Executive Order 12978.

Of the 195 business entities designated, nearly 50 of these with an estimated aggregate income of some $210 million had been liquidated or were in the process of liquidation. These specific results augment the less quantifiable but significant impact of denying the designated individuals of entities of the Colombian drug cartels access to the United States financial and commercial facilities.

Madam Speaker, I include for the RECORD the text of Executive Order 12978 of October 21, 1995, as well as a June 1998 Treasury document entitled "Impact of the Specially Designated Narcotics Traffickers Program" as follows:

[From the Federal Register, October 24, 1995]

EXECUTIVE ORDER 12978 OF OCTOBER 21, 1995: BLOCKING ASSETS AND PROHIBITING TRANSACTIONS WITH SIGNIFICANT NARCOTICS TRAFFICKERS

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergency Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3, United States Code.

I, WILLIAM J. CLINTON, President of the United States of America, find that the actions of significant foreign narcotics traffickers centered in Colombia, and the unparalleled violence, corruption, and harm that they cause in the national security, foreign policy, and economy of the United States, and hereby declare a national emergency to deal with that threat.

Section 1. Except to the extent provided in section 203(b) of IEEPA (50 U.S.C. 1702(b)) and in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date, I hereby order blocked all property and interests in property that are or hereafter come within the United States, or that are or hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, of:

(a) the foreign persons listed in the Annex to this order:

(b) foreign persons determined by the Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State:

(i) to play a significant role in international narcotics trafficking centered in Colombia; or

(ii) materially to assist in, or provide financial or technological support for or goods or services in support of, the narcotics trafficking activities of persons designated in or pursuant to this order; and

(c) persons determined by the Secretary of the Treasury in consultation with the Attorney General and the Secretary of State, to be owned or controlled by, or to act for or on behalf of, persons designated in or pursuant to this order.

Sec. 2 Further, except to the extent provided in section 203(b) of IEEPA and in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date. I hereby prohibit the following:

(a) any transaction or dealing by United States persons or within the United States in property or interests in property of the persons designated in or pursuant to this order:

(b) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order.

Sec. 3. For the purposes of this order:

(a) the term "person" means an individual or entity;

(b) the term "entity" means a partnership, association, corporation, or other organization, group or subgroup;

(c) the term "United States person" means any United States citizen or national, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person in the United States:

(d) the term "foreign person" means any citizen or national of a foreign state (including any such individual who is also a citizen or national of the United States) or any entity not organized solely under the laws of the United States or existing solely in the United States, but does not include a foreign state; and

(e) the term "narcotics trafficking" means any activity undertaken illicitly to cultivate, produce, manufacture, distribute, sell, finance or transport, or otherwise assists, abet, conspire, or collude with others in illicit activities relating to, narcotic drugs, including, but not limited to, cocaine.

Sec. 4. The Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA as may be necessary to carry out this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out this order.

Sec. 5. Nothing contained in this order shall create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 6. (a) This order is effective at 12:01 a.m. Eastern Daylight Time on October 22, 1995.

(b) This order shall be transmitted to the Congress and published in the Federal Register.

WILLIAM J. CLINTON,

THE WHITE HOUSE, *October 21, 1995.*

Impact of the Specially Designated Narcotics Traffickers Program

U.S. Department of the Treasury, Office of Foreign Assets Control, International Programs Division, June 1998

THE SPECIALLY DESIGNATED NARCOTICS TRAFFICKERS PROGRAM

Executive Order 12978, signed by President Clinton on October 21, 1995 under authority of the International Emergency Economic Powers Act ("IEEPA"), found that the activities of significant foreign narcotics traffickers centered in Colombia and the unparalleled violence, corruption, and harm that they cause constitute an unusual and extraordinary threat to the United States' national security, foreign policy and economy. Treasury's Office of Foreign Assets Control ("OFAC") enforces the narcotics trafficking sanctions under Executive Order 12978. The principal tool for implementing the sanctions is OFAC's list of Specially Designated Narcotics Traffickers ("SDNTs"). That list, known as "la Lista Clinton" (the Clinton list) in Colombia, is developed by OFAC in close consultation with the Justice and State Departments.

Companies and individuals are identified as SDNTs and placed on the SDNT list if they are determined, (a) to play a significant role in international narcotics trafficking centered in Colombia, (b) to materially assist in or provide financial or technological support for, or goods or services in support of, the narcotics trafficking activities of persons designated in or pursuant to the executive order, or (c) to be owned or controlled by, or to act for or on behalf of, persons designated in or pursuant to Executive Order 12978. The objectives of the SDNT program are to identify, expose, isolate and incapacitate the businesses and agents of the Colombian cartels and to deny them access to the U.S. financial system and to the benefits of trade and transactions involving United States businesses and individuals.

U.S. individuals and companies are prohibited from engaging in unlicensed transactions, including any commercial or financial dealings, with any of the SDNTs. After designation as an SDNT, all SDNT assets subject to U.S. jurisdiction are blocked. This includes bank accounts, other property, and interests in property. Violations carry criminal penalties of up to $500,000 per violation for corporations and $250,000 for individuals, as well as imprisonment of up to 10 years. Civil penalties of up to $11,000 per violation may be imposed administratively.

SUMMARY

OFAC has listed 451 companies and individuals as SDNTs against which the prohibitions and blocking authorities of Executive Order 12978 apply. Since the inception of the SDNT program in October 1995, OFAC has issued seven lists identifying SDNTs. On May 26, 1998, the SDNT list was expanded to reach beyond the Cali cartel and now includes the names of one of the leaders of Colombia's North Coast cartel, Julio Cesar Nasser David, and 18 associated businesses and individuals that Treasury has determined are acting as fronts for the North Coast cartel. Work is underway on naming more SDNTs.

The SDNT list is currently comprised of the four Cali cartel kingpins named by President Clinton as significant narcotics traffickers, the newly-designated significant North Coast trafficker, Julio Cesar Nasser David, 154 companies, and 292 additional individuals involved in the ownership or management of the Colombian drug cartels' "legitimate" business empire. the SDNT businesses include a drugstore chain, a supermarket chain, pharmaceutical laboratories, a clinic, hotel and restaurant service companies, radio stations, a communications company, poultry farms and distributors, construction firms, real estate firms, investment and financial companies, cattle ranches, and other agricultural businesses. As a result of the SDNT program:

SDNTs have been forced out of business or are suffering financially. Over 40 SDNT companies, with estimated combined annual sales of over $200 million, were liquidated or in the process of liquidation by February 1998.

DNTs are denied access to banking services in the U.S. and Colombia, including bank accounts, loans, and credit cards; and existing SDNT accounts have been terminated. OFAC has identified nearly 400 closed Colombian accounts affecting over 200 SDNTs.

SDNTs have been isolated and denied access to the benefits of trade and transactions involving U.S. businesses, and existing SDNT business relationships with U.S. firms have been terminated. U.S. businessmen in Colombia have termed the SDNT program as "a good preventive measure" that helps them steer clear of the cartels' fronts and agents.

Individuals designated as SDNTs have suffered a "civil death." Many individuals named as SDNTs have lost their jobs and have been blocked from entering the U.S. after their U.S. visas were revoked. In addition, being an SDNT in Colombia carries the overwhelming social stigma of being associated with the drug cartels. Many Colombian businessmen have re-evaluated their relationships with cartel fronts and agents as a result of the sanctions.

SDNTs Forced Out of Business

SDNTs have been forced out of business or are suffering financially since the implementation of the SDNT program in October 1995. Over 40 SDNT companies, with estimated combined annual sales of over U.S. $200 million, were liquidated or in the process of liquidation by February 1998. Some SDNT companies have attempted to continue operating through changes in their company names and/or corporate structures. To date, OFAC has placed a total of 18 of these successor companies on the SDNT list under their new company names.

Copservir, the successor company to *Drogas La Rebaja*, continues to suffer, even though its employees ostensibly purchased the drugstore chain from Gilberto and Miguel Rodriguez Orejuela and reorganized it under the new name. *Copservir* has stated that it is forced to operate on a cash basis and suffers financially because of the sanctions.

The SDNT poultry businesses owned by Helmer Herrera Buitrago, among the largest poultry firms in Colombia, have been forced to change names and reorganize in order to continue operating. For example, one Herrera SDNT poultry business, *Valle de Oro S.A.*, with sales exceeding U.S. $8.5 million in 1995, has changed its name to *Procesadora de Pollos Superior S.A.* and currently operates at a loss and is deficient in working capital.

Six pharmaceutical laboratories owned by Miguel and Gilberto Rodriguez Orejuela and designated as SDNTs have liquidated or are in the process of liquidation. Three of the six pharmaceutical laboratories reorganized under new company names and corporate structures. OFAC listed these three companies, *Farmacoop*, *Pentacoop*, and *Cosmepop*, as SDNTs in April 1997. These three companies, however, all have a reduced net worth and incomes and are deficient in working capital.

An "Iron Curtain" between SDNTs and Financial Institutions

SDNTs are denied access to banking services in both the U.S. and Colombia, including bank accounts, loans, and credit cards; and existing SDNT accounts have been terminated. These effects are in addition to the as yet unquantified, but very real, costs to the SDNT companies and individuals of being denied access to the U.S. financial and commercial systems. As one prominent financial institution told OFAC, the SDNT list has created an "iron curtain" between SDNTs and banks.

OFAC has identified nearly 400 closed accounts affecting over 200 SDNTs. Anecdotal evidence points to hundreds more closed accounts affecting SDNTs. This suggests that, in the financial community as a whole, the vast majority of SDNTs have lost access to banking services in Colombia as well as in the U.S.

The Rodriguez Orejuela businesses of the Cali cartel have been particularly damaged by the banks' actions. *Copservir*, the successor company to SDNT *Drogas La Rebaja*, is now operating largely on a cash basis because most banks refuse to provide it services. Blocking actions by U.S. banks were the primary reason for the liquidation of *Laboratorios Kressfor*. *Laboratorios Genericos Veterinarios de Colombia's* bank accounts were closed because of the sanctions, and the company is now in liquidation.

Most Colombian banks have incorporated the SDNT list into their internal compliance programs.

SDNTs are Isolated Commercially

SDNT have been isolated and denied access to the benefits of trade and transactions involving U.S. businesses, and existing SDNT business relationships with U.S. firms have been terminated since the sanctions went into effect in October 1995. U.S. businessmen in Colombia have termed the SDNT program as "a good preventive measure" that helps them steer clear of the cartels' fronts and agents. *Copservir* has stated that, "As a result of the economic sanctions . . . no United States entity would conduct any business with the [*Drogas La Rebaja*] chain stores." Specific examples of the impact of the sanctions program on SDNT business relationships include:

Alert letters sent by OFAC to major U.S. companies, both to the parents in the U.S. and to their subsidiaries in Colombia, resulted in the cooperation of U.S. subsidiaries in terminating business relationships with SDNTs. One company sought OFAC's assistance in identifying companies trying to hide their connections to SDNTs. U.S. firms, including subsidiaries, have complied with the requirements of the SDNT program.

Alert letters sent by OFAC to nearly 5000 Colombian firms, suppliers of SDNTs prior to the implementation of sanctions in October 1995, resulted in pledges of cooperation and promises of compliance from many of the recipients. One Colombian chemical company, with several U.S. chemical manufacturing licenses, directed its subsidiaries to terminate all dealings with SDNTs.

A U.S. pharmaceutical company declined a purchase request from a suspect Colombian firm, based on information published in the SDNT list. A major European pharmaceutical company publicly announced that it would review its business relationship with an SDNT, after the press reported that it was selling drugs to an SDNT.

SDNT Individuals Suffer a "Civil Death"

Individuals designated as SDNTs have suffered a "civil death." Before an individual is permitted to open a new account, banks check "the Clinton list." Many individuals named as SDNTs have lost their jobs. Many Colombian businessmen have re-evaluated their relationships with cartel fronts and agents as a result of the sanctions.

SDNTs have been blocked from entering the U.S. after losing their U.S. visas. Under State Department procedures, U.S. visas of newly-designated individuals will be revoked and any application for a U.S. visa for an SDNT individual may be denied.

Being an SDNT in Colombia carries the overwhelming social stigma of being associated with the drug cartels. William Rodriguez, the son of imprisoned Cali cartel leader Miguel Rodriguez Orejuela, has publicly stated that "being a Rodriguez these days (i.e., being on the SDNT list) is worse than having AIDS."

The *Drogas La Rebaja* drugstore chain, listed as an SDNT business since the inception of the SDNT program in October 1995, has been the lynchpin of the "legitimate" business activity of imprisoned Cali cartel leaders Gilberto and Miguel Rodriguez Orejeula. The *Drogas La Rebaja* drugstore chain, with annual profits for 1995 of over U.S. $16.3 million, saw its profits plummet in 1996. By early July 1996, William Rodriquez, the son of Cali cartel leader Miguel Rodriguez Orejuela, told a Colombian news magazine that cartel-linked companies cannot get service at local banks and said "businesses like *Drogas La Rebaja* . . . may have shut down."

In an effort to evade the sanctions and distance itself from its cartel owners, *Drogas La Rebaja* was ostensibly sold to its 4,000 employees for approximately U.S. $32 million on July 31 1996. *Copservir*, the new name of the employee-owned drugstore chain, continued to use *Drogas La Rebaja* as a trade name and attempted to open local bank accounts and establish business ties with U.S. firms after the purchase. In April 1997, OFAC listed *Copservir* as an SDNT. As a result of the sanctions, *Copservir* is forced to operate on a cash basis and suffers financially.

DROGAS LA REBAJA'S EARNINGS

[In millions of US dollars]

	Sales		Profits	
	1995	1996	1995	1996
Drogas La Rebaja (Eight regions) ..	139.1	111.3	16.3	4.9*

* 1996 data for Cali region is unavailable.
Source: Public records.

Madam Speaker, the administration has indicated that this list will continue to be expanded to include additional drug trafficking organizations centered in Colombia and their fronts.

Madam Speaker, I include for the RECORD the October 19, 1999, message from the President transmitting notification that the national emergency regarding significant narcotics traffickers centered in Colombia is to continue for an additional year, as well as the October 20, 1999, message from the President transmitting a 6-month periodic report on significant narcotics traffickers centered in Colombia, as follows:

NATIONAL EMERGENCY REGARDING SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING NOTIFICATION THAT THE EMERGENCY DECLARED WITH RESPECT TO SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA IS TO CONTINUE IN EFFECT FOR ONE YEAR BEYOND OCTOBER 21, 1999, PURSUANT TO 50 U.S.C. 1622(D):

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the Federal Register for publication, stating that the emergency declared with respect to significant narcotics traffickers centered in Colombia is to continue in effect for 1 year beyond October 21, 1999.

The circumstances that led to the declaration on October 21, 1995, of a national emergency have not been resolved. The actions of significant narcotics traffickers centered in Colombia continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States and to cause unparalleled violence, corruption, and harm in the United States and abroad. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to maintain economic pressure on significant narcotics traffickers centered in Colombia by blocking their property subject to the jurisdiction of the United States and by depriving them of access to the United States market and financial system.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 19, 1999.*

NOTICE

CONTINUATION OF EMERGENCY WITH RESPECT TO SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA

On October 21, 1995, by Executive Order 12978, I declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the actions of significant foreign narcotics traffickers centered in Colombia, and the unparalleled violence, corruption, and harm that they cause in the United States and abroad. The order blocks all property and interests in property of foreign persons listed in an Annex to the order, as well as foreign persons determined to play a significant role in international narcotics trafficking centered in Colombia, to materially assist in, or provide financial or technological support for or goods or services in support of, the narcotics trafficking activities of persons designated in or pursuant to the order, or to be owned or controlled by, or to act for or on behalf of, persons designated in or pursuant to the order. The order also prohibits any transaction or dealing by United States persons or within the United States in such property or interests in property. Because the activities of significant narcotics traffickers centered in Colombia continue to threaten the national security, foreign policy, and economy of the United States and to cause unparalleled violence, corruption, and harm in the United States and abroad, the national emergency declared on October 21, 1995, and the measures adopted pursuant to respond to that emergency, must continue in effect beyond October 21, 1999. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency for 1 year with respect to significant narcotics traffickers centered in Colombia.

This notice shall be published in the Federal Register and transmitted to the Congress.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 19, 1999.*

SIX MONTH PERIODIC REPORT ON SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING A 6-MONTH PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA THAT WAS DECLARED IN EXECUTIVE ORDER NO. 12978 OF OCTOBER 21, 1995, PURSUANT TO 50 U.S.C. 1703(C)

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50

U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to significant narcotics traffickers centered in Colombia that was declared in Executive Order 12978 of October 21, 1995.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *October 20, 1999.*

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO SIGNIFICANT NARCOTICS TRAFFICKERS CENTERED IN COLOMBIA

I hereby report to the Congress on the developments since my last report concerning the national emergency with respect to significant narcotics traffickers centered in Colombia that was declared in Executive Order No. 12978 of October 21, 1995. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. 1703(c).

1. On October 21, 1995, I signed Executive Order 12978, "Blocking Assets and Prohibiting Transactions with Significant Narcotics Traffickers" (the "Order") (60 *Fed. Reg.* 54579, October 24, 1995). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of four significant foreign narcotics traffickers, two of whom are now deceased, who were principals in the so-called Cali drug cartel centered in Colombia. These four principals are listed in the annex to the Order. The Order also blocks the property and interests in property of foreign persons determined by the Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State: (a) to play a significant role in international narcotics trafficking centered in Colombia; or (b) materially to assist in or provide financial or technological support for, or goods or services in support of, the narcotics trafficking activities of persons designated in or pursuant to the Order. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction of persons determined by the Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State, to be owned or controlled by, or to act for or on behalf of, persons designated in or pursuant to the Order (collectively "Specially Designated Narcotics Traffickers" or "SDNTs").

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDNTs, and any transaction that evades or avoids, has the purpose of evading or avoiding, or attempts to a violate, the prohibition contained in the Order.

Designations of foreign persons blocked pursuant to the Order are effective upon the date of determination by the Director of the Department of the Treasury's Office of Foreign Assets Control ("OFAC") acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the *Federal Register*, or upon prior actual notice.

2. On October 24, 1995, the Department of the Treasury issued a Notice containing 76 additional names of persons determined to meet the criteria set forth in Executive Order 12978 (60 *Fed. Reg.* 54582, October 24, 1995). Additional Notices expanding and updating the list of SDNTs were published on November 29, 1995 (60 *Fed. Reg.* 61288), March 8, 1996 (61 *Fed. Reg.* 9523), and January 21, 1997 (62 *Fed. Reg.* 2903).

Effective February 28, 1997, OFAC issued the Narcotics Trafficking Sanctions Regulations ("NTSR" or the "Regulations"), 31 C.F.R. Part 536, to further implement the President's declaration of a national emergency and imposition of sanctions against significant foreign narcotics traffickers centered in Colombia (62 *Fed. Reg.* 9959, March 5, 1997).

On April 17, 1997 (62 *Fed. Reg.* 19500, April 22, 1997), July 30, 1997 (62 *Fed. Reg.* 41850, August 4, 1997), September 9, 1997 (62 *Fed. Reg.* 48177, September 15, 1997), and June 1, 1998 (63 *Fed. Reg.* 29608, June 1, 1998), OFAC amended appendices A and B to 31 C.F.R. chapter V, revising information concerning individuals and entities who have been determined to play a significant role in international narcotics trafficking centered in Colombia or have been determined to be owned or controlled by, or to act for or on behalf of, or to be acting as fronts for the Cali cartel in Colombia.

On May 27, 1998 (63 *Fed. Reg.* 28896, May 27, 1998), OFAC amended appendices A and B to 31 C.F.R. chapter V, by expanding the list for the first time beyond the Cali cartel by adding the name of one of the leaders of Colombia's North Coast cartel, Julio Cesar Nasser David, who has been determined to play a significant role in international narcotics trafficking centered in Colombia, and 14 associated businesses and four individuals acting as fronts for the North Coast cartel. Also added were six companies and one individual that have been determined to be owned or controlled by, or to act for or on behalf of, or to be acting as fronts for the Cali cartel in Colombia. These changes to the previous SDNT list brought it to a total of 451 businesses and individuals.

On June 25, 1999, OFAC amended appendix A to 31 C.F.R. chapter V by adding the names of eight individuals and 41 business entities acting as fronts for the Cali or North Coast cartels and supplementary information concerning 44 individuals already on the list (64 Fed. Reg. 34984, June 30, 1999). The entries for four individuals previously listed as SDNTs were removed from appendix A because OFAC had determined that these individuals no longer meet the criteria for designation as SDNTs. These actions are part of the ongoing interagency implementation of Executive Order 12978 of October 21, 1995. The addition of these 41 business entities and eight individuals to appendix A (and the removal of four individuals) brings the total number of SDNTs to 496 (comprised of five principals, 195 entities, and 296 individuals) with whom financial and business dealings are prohibited and whose assets are blocked under the 1995 Executive Order. The SDNT list will continue to be expanded to include additional drug trafficking organizations centered in Colombia and their fronts.

3. OFAC has disseminated and routinely updated details of this program to the financial, securities, and international trade communities by both electronic and conventional media. In addition to bulletins to banking institutions via the Federal Reserve System and the Clearing House Interbank Payments Systems (CHIPS), individual notices were provided to all relevant state and federal regulatory agencies, automated clearing houses, and state and independent banking associations across the country. GFAC contacted all major securities industry associations and regulators. It posted electronic notices on the Internet, more than ten computer bulletin boards and two fax-on-demand services, and provided the same material to the U.S. Embassy in Bogota for distribution to U.S. companies operating in Colombia.

4. As of September 15, 1999, GFAC had issued 14 specific licenses pursuant to Executive Order No. 12978. These licenses were issued in accordance with established Treasury policy authorizing the completion of presanction transactions, the receipt of payment of legal fees for representation of SDNTs in proceedings within the United States arising from the imposition of sanctions, and certain administrative transactions. In addition, a license was issued to authorize a U.S. company in Colombia to make certain payments to two SDNT-owned entities in Colombia (currently under the control of the Colombian government) for services provided to the U.S. company in connection with the U.S. company's occupation of office space and business activities in Colombia.

5. The narcotics trafficking sanctions have had a significant impact on the Colombian drug cartels. SDNTs have been forced out of business or are suffering financially. Of the 195 business entities designated as SDNTs as of September 7, 1999, nearly 50, with an estimated aggregate income of more than $210 million, had been liquidated or were in the process of liquidation. Some SDNT companies have attempted to continue to operate through changes in their company names and/or corporate structures. OFAC has placed a total of 27 of these successor companies on the SDNT list under their new company names.

As a result of OFAC designations, Colombian banks have closed nearly 400 SDNT accounts, affecting nearly 200 SDNTs. One of the largest SDNT commercial entities, a discount drugstore with an annual income exceeding $136 million, has been reduced to operating on a cash basis. Another large SDNT commercial entity, a supermarket with an annual income exceeding $32 million, entered liquidation in November 1998 despite changing its name to evade the sanctions. An SDNT professional soccer team was forced to reject and invitation to play in the United States, two of its directors resigned, and the team now suffers restrictions affecting its business negotiations, loans, and banking operations. These specific results augment the less quantifiable but significant impact of denying the designated individuals and entities of the Colombian drug cartels access to U.S. financial and commercial facilities.

Various enforcement actions carried over from prior reporting periods are continuing and new reports of violations are being aggressively pursued. Since the last report, OFAC has collected no civil monetary penalties but is continuing to process a case for violations of the Regulations.

6. The expenses incurred by the Federal Government in the six-month period from October 21, 1998 through April 20, 1999, that are directly attributable to the exercise of powers and authorities conferred by the declarations of the national emergency with respect to Significant Narcotics Traffickers, are estimated at approximately $650,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, and the Office of the General Counsel, the Department of Justice, and the Department of State. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

7. Executive Order 12978 provides this Administration with a tool for combating the actions of significant foreign narcotics traffickers centered in Colombia and the unparalleled violence, corruption, and harm that

they cause in the United States and abroad. The Order is designed to deny these traffickers the benefit of any assets subject to the jurisdiction of the United States and to prevent United States persons from engaging in any commercial dealings with them, their front companies, and their agents. Executive Order 12978 and its associated SDNT list demonstrate the United States' commitment to end the damage that such traffickers wreak upon society in the United States and abroad. The SDNT list will continue to be expanded to include additional Colombian drug trafficking organizations and their fronts.

The magnitude and the dimension of the problem in Colombia—perhaps the most pivotal country of all in terms of the world's cocaine trade—are extremely grave. I shall continue to exercise the powers at my disposal to apply economic sanctions against significant foreign narcotics traffickers and their violent and corrupting activities as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

Madam Speaker, H.R. 3164 is closely modeled on the precedents and procedures established under the Executive Order just mentioned. The kingpins bill codifies the interagency designation process and ensures proper and timely congressional oversight of such designations by the various committees of jurisdiction and is involved in this matter.

Our intent is to use the success of the Colombia Specially Designated Narcotics Traffickers program to apply these methods on a global basis against all the significant drug traffickers.

The bill blocks or freezes all property or assets subject to U.S. jurisdiction with which there is any interest of significant foreign narcotics traffickers.

□ 1200

It also blocks the property and interests in property of foreign persons determined by the Secretary of the Treasury, in consultation with the Attorney General, the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of State, and the Secretary of Defense, A, to play a significant role in international narcotics trafficking; or, B, to materially assist in or provide financial or technological support for, or goods or services in support of, the narcotics trafficking activities of persons designated by the executive branch or pursuant to this legislation.

In addition, the bill blocks all property and interests in property subject to U.S. jurisdiction of foreign persons determined by the Secretary of Treasury to be owned or controlled by, or to act for or on behalf of persons designated bay the executive branch pursuant to this legislation.

The bill carries criminal penalties of up to 10 years in prison and $10 million in fines for somebody who violates this act, or for anyone who refuses or willfully neglects to comply with any presidential order under the bill. Officers or agents of corporations or other entities could get up to 30 years in prison, and there are civil fines.

The kingpins bill will ensure congressional input and oversight of this designation in the sanctions process. Starting next June 1, and every June 1 thereafter, the President will be required to submit to Congress an unclassified report that publicly identifies the foreign persons that the President determines are appropriate for sanctions under the act and publicly details the President's intent to impose sanctions on these significant foreign narcotics traffickers.

The President will further be required to submit a classified report to the congressional intelligence committees on July 1 of each year detailing the status of the sanctions, including personnel and resources directed toward the imposition of such sanctions during the preceding year, with background information with respect to newly identified significant foreign narcotics traffickers and their activities. This report, the classified one, will describe any and all actions the President intends to undertake or has undertaken against such narcotics traffickers.

The kingpins process is carefully structured to protect intelligence and law enforcement community sources and methods from exploitation by persons linked to these groups. Designations of foreign persons blocked pursuant to the legislation will be effective upon the date of determination by the director of the Treasury's Office of Foreign Assets Control, acting under the authority of the Secretary of the Treasury. Public notice of the blocking is effective upon the date of the filing with the Federal Register or upon actual notice. The Office of Foreign Assets Control has disseminated and routinely updates details of the Colombian program and certainly can do so here as well.

With respect to the Colombian program that exists now, the Office of Foreign Assets Control contacted all major securities industry associations and regulators, posted electronic notices on the Internet and computer bulletin boards, and two fax-on-demand services, and provided the same material to the U.S. Embassy in Bogota, and I would expect them to do so under this bill.

The kingpins process is intended to supplement not replace United States policy of annual certification of countries based on their performance in combating narcotics trafficking. Its sponsors' intent is that the implementation of this bill will require additional resources in personnel from intelligence and law enforcement communities to make it a truly global process. It is my hope the administration will request additional funding for fiscal year 2001 for all of those concerned to make this process work. The success of the Colombian program has largely been the product of close U.S. cooperation with Colombian law enforcement and regulatory agencies, and we would expect the same with all of the other countries today.

I strongly urge the support of this bill and the adoption of it.

Mr. Speaker, I reserve the balance of my time.

Mr. CROWLEY. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I have been in the Congress for close to 3 decades. I have heard more presidents declare war against drugs, and the results really have been declaring war against young people.

If we were to take a look at the results of this war, we will find that we have about 2 million young people locked up in jail. Most all of these people come from minority communities that have been addicted to drugs, they have been arrested and, in most cases, have had mandatory sentences, where judges do not even consider the facts and circumstances surrounding the violation of the law.

These are not drug traffickers or kingpins or people that we were supposed to declare war against. And more often than not, we find that the public school systems located in the areas where we find the most arrests are systems that are not providing education to these people. Is it right? Is it legal? Of course not. Should it be dealt with? Of course it should. But the war that has not been declared is the war against those people that manipulate our republic, that manipulate the bank system, that are able to do these things because they have the funds and they do not end up in jail.

It seems to me that what this legislation says, which I am an original sponsor of, is that we are going to declare war against those people that not only violate our law but are a threat to our national security. When before have we heard that we are reaching out for the strong resources of these United States, the President, the Justice Department, which includes the FBI, and we are talking about the CIA and all of the forces that are supposed to protect the United States of America, to get to the people, like terrorists, who do not deserve the support of the United States Constitution? We are asking the President to declare war, to bring in the Department of Defense, and not to allow people to use our system in order to bring the poison into the United States where weak people and untrained people become the ultimate person that is being destroyed.

We see right now that we are building more jails than we are schools, and State legislatures all over the country are fighting for prisons to be located in their rural districts rather than support for farmers. And what we are seeing right now is that international drug traffickers who use our banks, who use our systems are a threat to our system.

Now, we can get some people who want to find out what their constitutional rights are, but I tell my colleagues this, it just seems to me that we should not just concentrate on those who violate the laws on our streets and are arrested in the streets, but those who violate our national law and the international law. The people that we find doing the 5 and the 10 and the 20 and the 30 years are not the people who are banking and financing the drug trafficking in this country. They do not grow the drugs, they do not manufacture the drugs, they do not process the drugs, they do not use our banking system. They are guilty. They are guilty of using the drugs and selling the drugs in order to maintain their habits, and they should go to jail. But that should not be the direction in which we have our national drug policy.

We should go after the worst of the lot; those who are sober, those who have clear thinking, those who have no regard at all for their fellow man, those that use the system, make the money, hire the lawyers and manipulate the United States of America. I hope what this means is when the President declares war, he is bringing all of the people that have the intelligence, that have the power to take these people, take their assets, and let them know, "Not in our country can they do that."

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished gentleman from New York (Mr. RANGEL) put his finger on several of the aspects of this bill. He is quite right, we should not be jailing drug users for 20 and 30 years. Those are silly laws. And we should go after the drug kingpins, clearly. But then he said we should declare war against people who do not deserve the protection of the United States Constitution, unquote.

Everybody deserves the protection of the United States Constitution, Mr. Speaker. Everybody who is in this country or has property in this country deserves the protection of the United States Constitution. That is the basis of constitutional liberty. Once we say that someone, no matter how heinous a criminal or vile a villain does not deserve due process of law, once we say that we can tear down the laws that we have erected for the protection of our liberties to get at the devil, then, as Sir Thomas More says, there is no protection for anybody.

That is what this bill does. This bill says that if the President or the Secretary of the Treasury declares so-and-so a drug kingpin, we will seize that person's property, without any due process of law, without any hearing, without any evidence or without any proof. And he has no recourse. No lawyer on his behalf may go into court and say the Secretary's wrong; that they have the wrong person, there is no evidence he is a drug kingpin. Perhaps the President really designated him because he did not like his political views or he did not give a large enough campaign contribution, assuming some future villainous president.

The fact is there has to be due process, no matter how vile the villain. We do not believe in lynch laws. We do not string up the rapist until after he has a fair trial. And this bill goes against this.

The gentleman from New York (Mr. RANGEL) said, "They are guilty." Yes, the drug kingpins are guilty, but is the individual designated really a drug kingpin? Do we not need evidence; do we not need some due process?

Again, in the name of wars, we often destroy liberty. In the name of the drug war, we are going further and further down a road to destroy the liberty that we hold so precious. This bill is a large step in that direction.

Why does the bill say there shall be no judicial review of the designation or the determination by the President; because we do not trust the courts or because we want to cut corners, and getting a drug kingpin is more important than protecting our liberty? If we did not have that paragraph in this bill, if judicial review were allowed to people whose property is going to be seized because the President or the Secretary of State thinks they are a drug kingpin, maybe this bill would be defensible. But as it is, it is simply a bill that says let us tear up the Constitution, let us go back before the Magna Carta, the king is always right, no one can question him, the President is a king. This bill should not be passed.

Mr. Speaker, I reserve the balance of my time.

Mr. MCCOLLUM. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. GOSS), coauthor of this bill and chairman of the Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Speaker, I am pleased to join my colleague, the distinguished gentleman from Florida (Mr. MCCOLLUM), in offering H.R. 3164, the Foreign Narcotics Kingpin Designation Act, for the House's consideration this morning. It is an important piece of legislation.

Since its attachment by Senators COVERDELL and FEINSTEIN to the Senate version of the intelligence authorization bill last July, the kingpins bill has been the subject of extensive negotiation among the committees of jurisdiction and the Clinton administration. Because this provision has now been caught up with some unrelated problems in the intelligence conference and the intelligence bill, we felt it important that the extensive work that has been done to perfect this legislation not be lost in the waning days of this session and, thus, here we are.

As a result, the House today has a chance to endorse an even better bill, sending a strong signal that we intend to win the war on drugs by going after the criminals who make themselves rich at the expense of America's young people and so many other unsuspecting victims and helpless addicts around the world.

The kingpins legislation takes the successful model of the Colombia kingpin program that was established under Executive Order 12978 in 1995, and creates an annual kingpin designation process, global in scope and subject to rigorous congressional oversight. I repeat, rigorous congressional oversight. The kingpins list will be the result of a tested and continuing interagency review process that incorporates verifiable information from the law enforcement and intelligence communities on the illicit activities of significant foreign narcotics trafficking entities.

The process includes safeguards that are present to protect the innocent. An unclassified listing of kingpins, their business associates, and their related entities will be sent to the Congress on an annual basis beginning on June 1, 2000. A classified report on the specific activities and findings of the kingpins program will be provided to the intelligence committees beginning on July 1, 2000.

Our goal is simple: To identify kingpins and their supporting organizations in Latin America, the Caribbean, Southeast and Southwest Asia, Europe, the former Soviet Union, Africa, and elsewhere. Following identification, the process will then seek to disrupt and dismantle these foreign criminal cartels.

In my view, the kingpins mechanism represents a proven and a powerful capability for the President and the Congress to improve the counter-drug performance of ourselves and our allies in the war against drugs. As important, it intensifies the legal and financial pressure on significant multinational criminal organizations. And, third, it encourages greater cooperation and information sharing between the United States agencies and our foreign counterparts, who are indeed very helpful on the war on drugs.

In the case of Colombia, for example, the program has been singularly successful against the Cali cartel because of the assistance furnished by Colombian law enforcement and regulatory agents.

Mr. Speaker, I will insert for the RECORD an August 27, 1999 op-ed from the New York Times on the kingpins bill and an October 13, 1999 letter to

Senator COVERDELL on the kingpins provision be included in the RECORD. These are especially instructive pieces of commentary.

In a recent Southwest Florida town meeting on what our communities can do to better fight the war on drugs, I stressed the many levels on which we need to wage battle.

□ 1315

We have to look at the demand and we have to look at supply and everything in between and what is going on in our community and what is happening halfway around the world. So we have this bill today which sends a very clear strong message to our kids that we will go to the mat for them, that we are sending a clear signal to the narcotics bad guys that we are coming after them where it hurts them most, in their pocketbook, going after their profits. I think that is sort of critical.

I wish to commend all those who have worked in this effort, starting particularly at the very top with the gentleman from Illinois (Speaker HASTERT), whose leadership and consistent commitment to this effort has been unwavering, as has been his support.

I urge all Members to take a good close look at this resolution. I cannot imagine any reason in the world to vote against it. I think there is every reason to vote for it. I urge their support after their careful consideration.

Mr. Speaker, I include the following statements for the RECORD:

[From the New York Times, August 27, 1999]

VOTE ON DRUGS

(By A.M. Rosenthal)

Notice to the public:

Vote now on drugs, one of the only two ways.

1. If you support the war against drugs, vote now for pending Congressional legislation designed to wound major drug lords around the world. It cuts them off from all commerce with the U.S., now a laundry for bleaching the blood from drug-trade billions and turning them into investments in legitimate businesses.

Vote by telling your members of Congress that when the House-Senate bill authorizing intelligence funds comes up for final decision, probably next month, you want them to vote for the section called "blocking assets of major narcotics traffickers."

Insist they start now to tell the Administration not to try to water it down to satisfy any country for diplomatic or economic reasons—including Mexico, the biggest drug entry point for America, already complaining about "negative consequences" of the proposal.

Turn yourself and your civil, labor or commercial organization, or religious congregation, into lobbies for the bill—counterweight to the lobbies of drug-transfer nations and American companies beholden to them.

2. If you are against the war on drugs or just don't care about what drugs are doing to our country, then don't do a thing. That is a vote, too.

That's the way it is in Washington. Members of Congress introduce legislation, committees discuss it for months, votes are taken and then when the time comes to work out House-Senate differences, administrations on the fence and under professional lobbyists' pressure use their power to try to mold the legislation to their liking. That is exactly the time for ordinary Americans around the country to do their own lobbying.

The bill targeting drug lords extends throughout their vicious world the economic sanctions already directed at Colombian drug lords, by President Clinton's executive order. It will prohibit any U.S. commerce by specifically named drug operators, seize all their assets in the U.S., and ban trading with them by American companies.

The bill specifies that every year the U.S. Government list the major drug lords of the world, by name and nation. The lists are certain to include top drug traders from countries such as Afghanistan, Jamaica, the Dominican Republic, Thailand and Mexico.

In the Senate it was introduced by Paul Coverdell, a Georgia Republican, and Dianne Feinstein, Democrat from California, and passed with bipartisan support. In the House it also has support in both parties, including Porter Goss of Florida, a Republican and chairman of the House Intelligence Committee, and Charles Rangel, the New York Democrat. It waits the final September House-Senate Joint Intelligence Committee vote.

For awhile I heard from within the Administration the kind of mutters that preceded the Clinton certification last year that Mexico was carrying out anti-drug commitments satisfactorily, which was certainly a surprise to Mexican drug lords.

Then, yesterday, the White House told me that it favored some target sanctions.

Its objection to the bill was that the Administration would have to list all major drug lords for the President to choose targets, and that could endanger investigations. The White House said it would be better for the President to select targets without having to choose from a list.

Bit of a puzzle. The bill already gives him the right to decide which of the drug lords to target from the Administration's unpublished list. But some members of Congress think the motive is to avoid a list that might include just a little too many from a "sensitive country."

No one bill will end the drug war. Only the determination of Americans to use every sort of resource will do that—parental teaching, law enforcement with some compassion toward first offenders and none for career drug criminals, enough money for therapy in and out of jails, targeting drug lords—and passionate leadership.

That would preclude Presidential candidates who mince around about whether they used drugs when they were younger—unless they grow up publicly and quickly.

Dr. Mitchell S. Rosenthal, head of the Phoenix House therapeutic communities, says that the bill "reflects the kind of values that we don't hear enough these days." So vote—one way or the other.

DEPARTMENT OF THE TREASURY,
Washington, DC, October 13, 1999.

Hon. PAUL COVERDELL,
U.S. Senate, Washington, DC.

DEAR SENATOR COVERDELL: You have requested the views of the Office of Foreign Assets Control regarding two specific provisions in draft legislation to impose sanctions against significant foreign narcotics traffickers contained in the intelligence Authorization Bill (that has been characterized to us as the Senate Intelligence Committee version). We discuss each of those below without addressing the larger issues of the proposed legislation that are being addressed separately by the Administration.

"KNOWING", WILLFUL", OR "INTENTIONAL"

We object to the addition of any of the following words into the administrative process for identifying significant foreign narcotics traffickers and their organizations: "knowing", "willful", or "intentional". It has been proposed to insert "knowing and willful" (alternatively "intentional") into section 703(a)(1)(A) [page 4, line 20], and into the definition of "significant foreign narcotics trafficker" in section 708(5) [page 20, lines 25–26].

The use of "knowing", "willful", or "intentional" would impose an unreasonable additional obstacle to the designation of foreign narcotics kingpins and their organizations. It sets a higher evidentiary threshold, making it more difficult for the Secretary to compile a sufficient record upon which to recommend significant foreign narcotics traffickers and their organizations for designation by the President. Documenting the state of mind of a foreign narcotics trafficker is likely to be difficult, if not impossible, even when there is, in fact, no doubt about that person's narcotics trafficking activities. In the case of a trafficker's organization, there is no viable means to assert that an organization has a "state of mind" much less to prove what constitutes that organization's "state of mind." We believe that the existing standards for designation are rigorous enough to avoid arbitrary and capricious actions under the proposed law.

The findings and purpose provisions of sections 701 and 702 make clear that the proposed sanctions legislation is attempting to follow the model established by the IEEPA program against Colombian cartels. Such sanctions are not aimed at proving or prosecuting the specific narcotics trafficking cases of other crimes of the kingpins and their organizations. They are directed at denying the traffickers and their organizations (including their business enterprises and agents) access to the benefits of trade and transactions involving the United States and, specifically, U.S. businesses and individuals. To accomplish this sanctions objective, we need to identify and prohibit transactions with the kingpins and their organizations, not because they are engaged in narcotics trafficking or other crimes *per se*, but because the totality of their activities poses a threat to the national security, foreign policy and economy of the United States.

JUDICIAL REVIEW

We also object to the judicial review provision as drafted. The judicial review exception in paragraph (f)(2) of section 704 is too broadly drawn. As drafted, the provision allows the U.S. person to seek review of the blocking of any assets of its foreign partner, whether or not those assets are jointly owned. Thus, in the guise of a process for review of an assets blocking involving a U.S. party's interests, it would permit judicial review of the Treasury secretary's designation determination regarding that foreign party. This would circumvent the limitations on that review that are provided in subsection (f)(1). The Administrative Procedure Act already provides for judicial review of final agency actions; and, therefore, additional judicial review provisions are unnecessary.

I am at your disposal to discuss these or any other matters relating to the pending bill or to the Specifically Designated Narcotics Traffickers program being used against the Colombian drug cartels under E.O. 12978 and IEEPA. My telephone number is 202-622-2510.

Sincerely,

R. RICHARD NEWCOMB,
Director, Office of Foreign Assets Control.

OFFICE OF FOREIGN ASSETS CONTROL, U.S. DEPARTMENT OF THE TREASURY

EVIDENTIARY REQUIREMENTS FOR THE SDNT PROGRAM, SEPTEMBER 16, 1999

All Specially Designated Nationals ("SDN") programs require that our designations pass an "arbitrary and capricious" test; and all designations are based upon a non-criminal standard of "reasonable cause to believe" that the party is owned or controlled by, or acts, or purports to act, for or on behalf of the sanctioned country or non-state party. Furthermore, the IEEPA–SDNT Executive order has an additional designation basis for foreign firms or individuals that "materially . . . assist in or provide financial or technological support for or goods or services in support of, the narcotics trafficking activities" of the named drug kingpins or other, already designated SDNTs.

In implementing the Colombia IEEPA–SDNT program, OFAC analysts identify and research foreign targets that can be linked by evidence to individuals or entities already designated pursuant to E.O. 12978. To establish sufficient linkage, OFAC initially was dependent upon a significant body of documentary evidence developed through criminal law enforcement raids and seizures. For most of the continuing designations under E.O. 12978 (that now total 496 with the June 8 addition of 41 entities and 8 individuals to the SDNT list), OFAC has not used criminal law enforcement information and instead has depended upon OFAC's own research and information collection.

The President's involvement was required in the designation of only the original four Cali cartel kingpins named in the annex to E.O. 12978. Additional kingpins are developed by close coordination between OFAC and Justice, and the preponderance of the SDNTs are designated as the result of OFAC's research and collection efforts.

OFAC reaches designation determinations after extensive reviews of the evidence internally and with the Department of Justice. In the SDNT program, E.O. 12978 requires that the State and Justice Departments be consulted by Treasury prior to a designation; and, as noted above, Justice is deeply involved in examining the sufficiency of the evidence that occurs before any parties are added to the list.

OFAC regulations provide for post-designation review and remedies. The usual forum for considering removal of a designation (such as a change in circumstances or behavior) is one in which the named party petitions OFAC for removal. Most petitioners initiate the review process simply by writing us.

Exchanges of correspondence, additional fact-finding, and, often, meetings occur before OFAC decides whether there is a basis for removal. Most parties seeking removal have followed this approach. Although a number of persons have been removed through this means, overall only a very few parties on the SDNT and other SDN lists have ever petitioned for removal. Federal courts have held that no pre-deprivation hearing is required in blocking of assets because of the Executive Branch's plenary authority to act in the area of foreign policy and the obvious need to take immediate action upon designation to avoid dissipation of affected assets.

OFAC actions are reviewable in Federal court under the Administrative Procedure Act. There have been few such cases in the history of the SDN programs; and no court has struck down any of OFAC's designations. A U.S. District Court case (*Copservir* v. *Newcomb*) brought on behalf of SDNT companies of the Rodriguez-Orejuela cartel (Miguel and Gilberto Rodriguez-Orejuela, "MRO–GRO") was dismissed. It has now been appealed. An associated SDNT lawsuit involving 21 individual SDNTs connected to the MRO–GRO businesses (*Arbelaez* v. *Newcomb*), is currently pending before the same Federal court that dismissed the *Copservir* case. Under the APA, the Government must demonstrate that OFAC's action was neither arbitrary nor capricious.

Evidence to support designations is acquired through research and investigation by OFAC and other Federal agencies; and it involves a broad spectrum of sources. All of OFAC's designation programs adhere to a process of thorough evidentiary development, and review and are consistent with U.S. statutes and the decisions of our courts. Designation decisions are coördinated in all programs. In the IEEPA–SDNT program against Colombian traffickers, the State and Justice Departments must be consulted prior to a designation; and OFAC works closely with them and with other interested investigative and information-collecting agencies.

OFAC'S CURRENT PRACTICES

Designations, notice and awareness. The IEEPA–SNDT program against Colombian traffickers is our working model for a procedure. Designations of foreign persons under this program, particularly the derivative designations of foreign businesses, are kept secret until they have occurred to ensure that assets within U.S. jurisdiction may be blocked and that the designation investigation about the entity and related inquiries about other persons are not compromised.

When a designation is effected, several actions occur either simultaneously or in close sequence to one another. After concurrence from Justice and State, OFAC's director makes the designation. Shortly thereafter, the following will occur:

Actual notice. OFAC provides actual notice of blocking and designation to specific financial institutions or other businesses that are believed to have accounts or other assets of the designated narcotics trafficker or to be handling or engaging in transactions involving that target.

Cyberspace notice. OFAC simultaneously initiates a set of electronic notifications, including updates to the SDNT list and public information brochures on its web site, that notify the financial community and the public at large that these parties have been designated and that the prohibitions of the program are in effect with respect to them. Specific steps include:

Electronic Fedwire alert to 5,000 on-line financial institutions.

Electronic CHIPS alert to the 250 money center banks.

Uploading of the OFAC web site SDNT list with the new names and an updated comprehensive SDNT list (a visual alert to new SDNTs is featured on the web site) and updated OFAC public information brochures.

Uploading of the new designations and the expanded SDNT list to other web sites (Treasury Electronic Library; GPO Federal Bulletin Board; Commerce's Economic Bulletin Board; Office of the Comptroller of the Currency's fax-on-demand service; Commerce's STAT-USA/FAX, a fax-on-demand service.

Updating OFAC's own fax-on-demand service.

Telephone and/or fax notifications to federal bank regulatory agencies.

Federal Register publication. Constructive legal notice is effected through publication of the new SDNTs in the Federal Register.

Publicity. Press announcement by Treasury or the White House is common in order to have the broadest effective notice and impact on the targeted foreign parties.

Counter-narcotics community. Other federal counter-narcotic elements are notified, too. Commonly, classified cables have been sent in advance to U.S. embassies in affected foreign countries to make them aware that an SDNT action is about to occur. In the Colombia SDNT context, the U.S. embassy and OFAC (which has an officer assigned to Bogota) coordinate closely throughout the process.

Host government. To the extent feasible, the USG coordinates carefully with the host government concerning the designated parties, and it works cooperatively with appropriate host government authorities to pursue additional measures and leads against the significant foreign narcotics traffickers and the SDNTs.

U.S. businesses. When U.S. firms are believed to have on-going, previously lawful dealings with the designated foreign party, they are notified promptly by OFAC, directed to cease the now prohibited activities and to block any SDNT assets within their control, and advised of their rights and responsibilities under IEEPA and OFAC's regulations. Relationships between U.S. firms and SDNTs have usually been discovered after the fact, and there have been very few cases where post-designation transactions were discovered. In helping U.S. firms comply with the SDNT program., OFAC has followed a practice of disseminating:

Program awareness letters to U.S. businesses that are starting to do business with Colombian firms. (To date, three such letters have been sent in the SDNT program.)

Specific awareness letters to U.S. firms and their Colombian subsidiaries that are believed to have had pre-designation dealings with SDNTs. (To date, 32 such letters have been sent.)

Specific alert letters, including cease and desist instructions, to U.S. firms and their foreign subsidiaries that have been found to have post-designation dealings with SDNT companies or their successor firms. (To date, 15 such letters have been sent to U.S. firms and their foreign subsidiaries.)

In the rare case where apparently willful post-designation dealings by a U.S. firm with an SDNT were to be discovered, a referral for preliminary criminal investigation would be made to U.S. Customs.

With regard to U.S. businesses, banks and individuals, the purpose of the SDNT program is not to create criminal jeopardy for unwitting U.S. businesses; it is to inform U.S. persons of the identities of the prohibited foreign parties. OFAC works to identify and expose the SDNTs in order to prevent prohibited transactions and dealing with the SDNTs, to block their identifiable assets, and to deny the SDNTs access to the U.S. financial and commercial systems and to the benefits of trade and transactions involving U.S. businesses and individuals.

Legitimate foreign banking and business sector. OFAC also seeks voluntary compliance with the U.S. sanctions programs by the legitimate foreign banks and businesses in Colombia. OFAC's director and officers have met regularly with Colombian bankers and business groups from the beginning of the SDNT program in a successful effort to develop a cooperative working relationship and voluntary compliance with the U.S. sanctions in isolating the drug kingpins and their business enterprises and operatives. These measures, which are being expanded upon, have included:

More than 450 general alert letters to Colombian firms that had pre-sanctions supply or other business relationships with SDNT firms.

Other specific alert letters to Colombian banking authorities about SDNT accounts.

Numerous meetings with Colombian bankers and businessmen.

Ownership and control. Designations under OFAC's SDNT program and its other nine programs that employ the SDN concept are based upon a non-criminal standard of "reasonable cause to believe" that the party is owned or controlled by, or acts, or purports to act, for or on behalf of the sanctioned country or, as in the case of the significant narcotics traffickers centered in Colombia, the sanctioned non-state party. The IEEPA/SDNT narcotics Executive order has an additional designation basis where foreign persons "materially . . . assist in or provide financial or technological support for or goods or services in support of, *the narcotics trafficking activities*" of one of the named drug kingpins or another of the already-named SDNTs (emphasis supplied).

OFAC has an established practice for reaching determinations of ownership or control. It is not an inflexible formula but is, rather, a judicious assessment of the nature and quality of the *indicia* of control drawn from the totality of available information about the entity in question. Prominent, but not exhaustive, criteria used in determining SDNT control of and entity are:

Exercise of voting power: size of equity holdings; direct and indirect shareholding percentages; existence of voting trusts, supermajority voting requirements, or other mechanisms to consolidate voting power or block initiatives of other shareholders.

Exercise of managed authority: identities of the board of directors, executive committees, and other managed bodies controlling the business policies of the entity; ability to designate officers or directors.

Exercise of operating authority: identities of major officials and senior managers with day-to-day operating authority or control over the types of transactions conducted by the business.

History of operations: objective indications that the business is run for the benefit of SDNTs.

The courts have held that OFAC's interpretations are consistent with the premise of the Executive Order, which lies in the recognition that the four principal narcotics traffickers named in the annex to the E.O. have invested their vast drug fortunes in ostensibly legitimate companies.

Mr. CROWLEY. Mr. Speaker, I yield myself such time as I may consume; and I rise in support of H.R. 3164, the Foreign Narcotics Kingpin Designation Act.

Mr. Speaker, the legislation before the House today is part of our constant battle to get a grip on the flow of illegal narcotics into the United States.

This bill will give the President additional tools to combat international narcotics traffickers, to freeze their assets in the U.S., to prohibit them from conducting business in the U.S., and exclude them from entering this country.

Given the negative impact of illegal drug use on our citizens, this legislation could not come at a more appropriate time. Illegal drug use is destroying our children and ruining lives, making our streets unsafe, and contributing to the substantial growth of the U.S. prison population.

Illegal drug use in the U.S. has also generated huge profits for international drug cartels. These cartels then use that money to branch out into other areas of international crime and to destabilize foreign governments that seek to crack down on illegal drug production.

In short, the U.S. must continue to move aggressively to crack down on the international narcotics kingpins which keep the drugs flowing into the U.S.

The bill before us today will help the President wage that war. The legislation requires the Secretaries of Treasury, Defense, and State, the Attorney General, and the CIA Director to provide a list to the President of significant foreign narcotics traffickers. The President would then be required to impose sanctions against narcotics traffickers on the list and others that lend them material support, including freezing the traffickers' assets in the U.S., blocking transactions between U.S. citizens and the drug traffickers, and prohibiting the traffickers from receiving visas to come to our country.

It would also provide the President with a national security interest waiver, as well as the ability to provide information to Congress in a classified format to protect intelligence and law enforcement information.

The administration supports this legislation, in part because it is based on a similar initiative launched by President Clinton against Colombian narcotics traffickers.

In October of 1995, President Clinton issued an executive order which targeted and applied sanctions to four international narcotics traffickers and organizations that operate out of Colombia. The bill before us today will expand that initiative to other countries, as well.

I urge my colleagues to support H.R. 3164, the Foreign Narcotics Kingpin Designation Act.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I rise in opposition to the bill not because I do not support the objective of trying to cut back on drugs and illegal drug activity in this country, but because I am concerned that we are giving the President and the administration far, far too much authority and subjecting them to far, far too little review.

The notion that we in this Congress can oversee the designation of who is designated a drug kingpin effectively is just nonsense. We do not have the ability to do that. The appropriate place to do that is not in the Congress of the United States. The appropriate place to do that is in the courts of the United States.

This provision, which denies any judicial review to the determinations made by the administration under this bill, is just un-American. I mean, I have never seen the ability of the President to take and block assets of people who are living in this country and then say in a law the determinations, identifications, findings, and designations made pursuant to section 4 and subsection (b) of this section shall not be subject to judicial review.

That is what the courts are for. We are not saying that there should not be a designation. But if the designation is wrong, the people have to have the right to the court.

Mr. McCOLLUM. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this legislation for a couple of reasons. We have to look very carefully as to what it does.

First of all, it directs the Secretary of the Treasury to designate foreign narco-traffickers. A very simple designation. The argument was made by the gentleman from North Carolina (Mr. WATT), well, there ought to be some review of this.

The second step is what is reviewable. And that is that those so designated would not be permitted to own or transfer property in the United States or engage in U.S. financial transactions. That, under the Administrative Procedures Act, would be appealable, would be reviewable. And so, if the administration maintained a list of narco-traffickers, which they are entitled to do, which is appropriate to do, then if they seize those assets, then that would be subject to administrative review.

The third thing that is very, very important is that it only applies to foreign individuals and entities. This is the linchpin of this legislation, is not to American citizens but it is to foreign entities and individuals. If their assets are blocked, then, once again, that would be subject to administrative review.

Why is all of this important? It is important because we are attacking the sources of income and the ability to launder money.

I have been down to Colombia. I have been to Puerto Rico. I have been through these hearings. And whether we talk to the DEA or whether we talk to the narco-traffickers, they indicate that the other side, the narco-traffickers, have greater resources and we have to hit them where it hurts and where we can make a difference.

The third thing I think that is important is that it has been proven to be successful. We are not experimenting in the dark here. The 1995 sanctions against the Cali cartel were successful. They had the effect of dismantling the business entities tied to the Cali cartel. And that is what we are trying to do, not just in Colombia but worldwide. We are looking at the foreign entities that we can determine are engaged in trafficking.

I want to express my appreciation to the gentleman from New York (Mr. RANGEL) for the comment that he made that this is exactly the direction that we go in. So I ask my colleagues to support it.

Mr. NADLER. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, the gentleman was incorrect in his statement to the bill. The bill says the determinations, identifications, findings, and designations made pursuant to, et cetera, shall not be subject to judicial review. Designating an individual as a significant foreign trafficker is not, under this bill, subject to judicial review.

So the President or the bureaucrat has the absolute authority to say he is a foreign narcotics trafficker. If he thinks he is not, his lawyers in the United States cannot appeal it in court and no evidence is necessary. And that is simply, as was said before, un-American.

Mr. CROWLEY. Mr. Speaker, may I inquire as to how much time we have remaining?

The SPEAKER pro tempore (Mr. SUNUNU). The gentleman from New York (Mr. CROWLEY) has 3 minutes remaining. The gentleman from New York (Mr. NADLER) has 2½ minutes remaining. The gentleman from Florida (Mr. MCCOLLUM) has 1½ minutes remaining.

Mr. CROWLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I did not mean to infer that he wanted to bend the Constitution so badly that we would suffer from it now and in the future. But in the period of time that we are living today, where terrorism is actually a threat to our everyday life, I cannot imagine that we would apply to a court in order to find out how we can keep some of these bums out of our country or to keep them from destroying our property and our lives.

I take this war on drugs pretty seriously. We have lost lives not only to drug addiction but to our prison system. There is no question in my mind that most Americans believe if we wanted to stop this that we can but that big dollars prevent us from doing it. We go all over the world telling other countries that they really are not going after their drug traffickers, they will not extradite, they will not put them in jail, they will not do anything.

Now is the time for us to do something. Now is the time to bring the best minds that we have in the United States, those who have the constitutional mandate to protect the American citizens.

Obviously, the President has overlooked this legislation, the Judiciary has overlooked the legislation, and they feel that we stand on sound constitutional ground. But the whole idea that we cannot protect ourselves against those people who use our system, who infringe upon our rights to bring this poison into the United States, who threaten our national security, who have 2 million people locked up, at least over half of them for drug-related crimes, it seems to me that we are yielding to legal questions rather than questions that in times of war we find answers to.

So I think this is a giant step forward. And if there are problems with it, I hope they come back to this House and to the Congress so that we can deal with it. But I think the mere fact that we are going to pass this law sends a message to the foreign drug traffickers.

Mr. NADLER. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, Amendment 5 of the Bill of Rights says that "no person shall be held to answer for a capital or otherwise infamous crime unless on a presentment or indictment of a grand jury except," and then it goes on to say, "nor to be deprived of life, liberty, or property without due process of law."

Now, the designation by the President is not due process of law. Usually we have a trial. There is no judicial review in this situation. And even the designation as a foreigner, if they happen to be a citizen and are designated as a foreigner, they have no judicial review and no rights under this bill.

We ought to go back to the normal process of due process. If we are going to go after criminals, we ought to go after criminals with the normal process of having a trial.

Mr. CROWLEY. Mr. Speaker, may I inquire as to how much time I have remaining?

The SPEAKER pro tempore. Each of the gentlemen from New York have 1 minute remaining.

Mr. CROWLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from New York (Mr. NADLER) is recognized for 2 minutes.

Mr. NADLER. Mr. Speaker, we seem to have a fact in this country that, if we declare something a war, some people think we can suspend the Constitution in order to fight that war.

We did that, to our regret, with communism in the 1950s. We may have done that with terrorism. And now we are being asked to do that with the war on drugs.

□ 1230

Yes, we must protect ourselves, in the 1950s and 1960s and 1970s against potential Communist aggression, against terrorism, against the drug lords. But we must not destroy our liberty or our Constitution in doing so. We have done this in the past and we have regretted it.

There is nothing that says we cannot crack down on these drug kingpins and allow them their day in court, that lets us seize the property but allow them to protest in court and have our traditional notions of due process. But this bill will not do that. This bill makes the President or the Secretary a dictator, a king. This bill says he can seize someone's property and you have no recourse. It goes against the fifth amendment and the 14th amendment, you cannot deprive a person of life, liberty or property without due process of law.

This would make an American citizen who has any kind of dealing with someone that some bureaucrat thinks is a drug kingpin a criminal if that citizen has some dealing with him even if that citizen thinks that this person is perfectly innocent, and there is no opportunity in court to dispute whether that person is innocent or in fact a drug kingpin. That is not the American way.

Yes, we should crack down on drugs; yes, we should protect ourselves, but we should not do so by eliminating all our Anglo-Saxon traditions of due process and fair play. Someone accused of a crime always is entitled to a day in court. Someone the President says is a drug kingpin is entitled to say in court, "No, I'm not, you've got the wrong man." This bill goes against that.

As I said, the people who passed Magna Carta would understand why this bill is pernicious and destructive of our Constitution and on our system of values in this country and why this bill should be rejected.

Let me say one other thing. We never saw this bill in the Committee on the Judiciary. It has not been considered by the Committee on the Judiciary. I spoke to the Deputy Attorney General at 9 o'clock last night. He had never heard of it.

Mr. MCCOLLUM. Mr. Speaker, I yield myself the balance of my time.

First of all, I want to make a point about this bill, and that is that it deals with foreign drug kingpins who are killing and poisoning our kids. The bottom line is it deals with the worst of the worst. It deals with people who have already been indicted in our court system but probably have never come here and never will come here for trial. It deals with freezing their assets, choking their ability to get the rewards of money and property out of the drug dealings they have been doing. And, yes, it does provide a support level for an already existing and already court-tested process whereby under national security guidelines, the President of the United States may designate these foreign drug kingpins as people whose property will be frozen and who cannot have financial dealings and business transactions in the United States.

It is perfectly constitutional, it is perfectly appropriate and the Administrative Procedures Act once they are designated does govern the process itself in the seizure of property and the disposition of it. Fifteen thousand of our fellow citizens died last year from illegal drug overdoses. Hundreds of thousands of American families had to cope with the challenges posed by addictions to their loved ones. It seems to me that it is long overdue that we have a bill like this. Sadly, we have discovered in this Congress that we are not insulated from the efforts of the kingpins to buy influence and corrupt our political institutions. Their narco-lobbyists were paid well to try to shape and gut this bill through this process. Well, they have not succeeded, fortunately.

An overwhelming vote of this House in favor of this bill, H.R. 3164, will send the kingpins an unmistakable message: We do not fear their power, we cannot be bought, and we will not rest until they are jailed and their organizations disrupted.

The SPEAKER pro tempore (Mr. SUNUNU). The question is on the motion offered by the gentleman from Florida (Mr. McCOLLUM) that the House suspend the rules and pass the bill, H.R. 3164.

The question was taken.

Mr. McCOLLUM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

TERRE HAUTE FEDERAL BUILDING TRANSFER ACT

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2513) to direct the Administrator of General Services to acquire a building located in Terre Haute, Indiana, and for other purposes.

The Clerk read as follows:

H.R. 2513

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ACQUISITION OF BUILDING.

(a) ACQUISITION.—The Administrator of General Services shall acquire by transfer from the United States Postal Service the real property and improvements located at 30 North Seventh Street in Terre Haute, Indiana.

(b) REIMBURSEMENT.—The transfer under subsection (a) shall be made without reimbursement, except that the Administrator shall provide to the Postal Service an option to occupy 8,000 square feet of renovated space in the building acquired under subsection (a) at no cost for a 20-year term.

SEC. 2. RENOVATION OF BUILDING.

(a) IN GENERAL.—The Administrator of General Services shall renovate the building acquired under section 1, and acquire parking spaces, to accommodate use of the building by the Administrator and the United States Postal Service.

(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the requirements of section 7(a) of the Public Buildings Act of 1959 (40 U.S.C. 606(a)), there is authorized to be appropriated to carry out this section $5,000,000 for fiscal years beginning after September 30, 1999. Such sums shall remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2513, a bill introduced by the gentleman from Indiana (Mr. PEASE), would require a no-cost transfer of a Postal Service building located in downtown Terre Haute, Indiana, to the General Services Administration. In return for the building, the Postal Service would be granted an option to remain in a portion of the building, 8,000 square feet, rent-free for 20 years.

The bill authorizes an appropriation of $5 million to renovate the building and to acquire parking spaces to accommodate use of the building by the Postal Service and the General Services Administration.

The subcommittee on Government Management, Information, and Technology marked up this bill and reported it to the full Committee on Government Reform on September 22, 1999. At the request of the ranking member of the full committee the gentleman from California (Mr. WAXMAN) and the subcommittee's ranking member the gentleman from Texas (Mr. TURNER), the subcommittee held a hearing on September 30, 1999 to further consider the legislation.

Witnesses at the hearing included the sponsor of the bill the gentleman from Indiana (Mr. PEASE); Terre Haute's mayor, Jim Jenkins; and representatives from both the Postal Service and the General Services Administration. Witnesses at the hearing testified about the building's historical significance and the need to maintain a post office and a Federal presence in the downtown area of this Indiana community. A representative of the General Services Administration testified the agency needed additional time to explore other alternatives to conveying this property, including the possibility of a no-cost conveyance to a public entity or a sale to a private buyer. An agreement was reached at the hearing to postpone further consideration of this bill for an additional 30 days to enable the General Services Administration to find a viable alternative to H.R. 2513. The 30 days have elapsed and the General Services Administration has been unable to achieve a viable option for conveying this property.

Mr. Speaker, I urge the adoption of the bill.

Attached is the "Statement of Administration Policy," dated November 2, 1999.

Also included are the letters between the chairmen of Government Reform and Transportation and Infrastructure.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, November 2, 1999.

STATEMENT OF ADMINISTRATION POLICY

H.R. 2513—TO DIRECT THE ADMINISTRATOR OF GENERAL SERVICES TO ACQUIRE A BUILDING LOCATED IN TERRE HAUTE, INDIANA, AND FOR OTHER PURPOSES. (PEASE (R) IN)

The Administration opposes House passage of H.R. 2513. The bill would:

Compel the General Services Administration (GSA) to accept into its inventory, and fully renovate, a building that has not been reasonably marketed for use by other entities. Further, GSA does not have the Federal tenancy in the Terre Haute community to sustain this building.

Lead to certain losses in GSA's budget, since the appropriations authorized are not guaranteed and would only cover renovation costs, while GSA would certainly suffer continuing shortfalls in rental income from the building. These losses are particularly likely in light of the bill's requirement that the United States Postal Service, in lieu of payment for the building, receive an option to occupy 8,000 square feet of renovated space rent-free for 20 years.

The Administration appreciates and shares the desire to preserve historical and architectural landmarks such as that currently housing the Terre Haute Post Office, but believes this preservation can and should be done in a financially prudent fashion. GSA believes the Post Office should remain in the Postal Service's inventory while all interested parties, including GSA, continue to survey the market for potential users.

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, October 26, 1999.
Hon. DAN BURTON,
Chairman, Committee on Government Reform, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest in the Transportation and Infrastructure Committee in H.R. 2513, a bill to direct the Administrator of General Services to acquire a building in Terre Haute, Indiana.

Our Committee recognizes the importance of H.R. 2513 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over certain provisions of the bill, I do not intend to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forego a sequential referral waives, reduces or otherwise affects the jurisdiction of the Transportation and Infrastructure Committee.

With warm personal regards, I remain

Sincerely,

BUD SHUSTER,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, November 1, 1999.
Hon. BUD SHUSTER,
Chairman, Committee on Transportation and Infrastructure, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of October 26, 1999 regarding H.R. 2513 a bill directing the Administration of General Services to acquire a building located in Terre Haute, Indiana.

I agree that the Committee on Transportation and Infrastructure has valid jurisdictional claims to certain provisions in this legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Committee on Transportation and Infrastructure is not waiving its jurisdiction. Further, as you requested, this exchange of letters will be included in the record during floor consideration of this bill.

Thank you for your cooperation in this matter.

Sincerely,

DAN BURTON,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, October 29, 1999.
Hon. J. DENNIS HASTERT,
Speaker,
Washington, DC.

DEAR MR. SPEAKER: In the interest of expediting floor consideration of H.R. 2513, a bill to direct the Administrator of the General Services to acquire a building located in Terre Haute, Indiana, and for other purposes, the Committee on Government Reform does not intend to exercise its jurisdiction over this bill.

Originally, the bill was scheduled to be marked up by the committee on September 30th. Congressman Horn and Congresswoman Waxman, however, agreed to give GSA another thirty days before passing H.R. 2513. After thirty days, both resolved that the bill could be considered on the House floor.

As you know, House Rule X, Establishment and Jurisdiction of Standing Committees, grants the Government Reform Committee with jurisdiction over "government management and accounting measures, generally." Our decision not to exercise the Committee's jurisdiction over this measure is not intended or designed to waive or limit our jurisdiction over any future consideration of related matters.

Thank you for your assistance, and I look forward to working with you throughout the 106th Congress.

Sincerely,

DAN BURTON,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill attempts to deal with a problem in Terre Haute, Indiana, represented by the gentleman from Indiana (Mr. PEASE). This problem he faces is not unlike a problem that many of us have or will experience in our own districts. Many of us have Federal buildings within our districts that oftentimes were built during the Depression era, buildings that are no longer up to current standards and are having difficulty being leased. These buildings, I think, are many times located in prime areas of our communities, in downtown locations, in commercial areas and many times these buildings have historical significance that warrant preservation.

H.R. 2513 by the gentleman from Indiana deals with such a building located in his hometown of Terre Haute and it is a building that is currently owned by and partially occupied by the Postal Service. I have committed to helping the gentleman from Indiana with this bill not only because of my personal respect and admiration which I hold for him but also because I know that any one of us can and do face the same problem in our own districts. I am aware of the fact that the gentleman from Indiana has worked diligently for over 2 years to try to find a solution to this problem.

This bill would transfer the Postal Service building from the Postal Service to the General Services Administration. The General Services Administration as consideration for the transfer would be obligated to permit the Postal Service to continue to occupy approximately 8,000 square feet of the building that has about 45,000 square feet of rentable space for free for a period of 20 years. The bill would also authorize an appropriation of $5 million to the GSA to renovate the building and to acquire parking.

I fully appreciate the value of this building to the community of Terre Haute. This structure, which was constructed through a public works project during the Depression, is listed on the National Register of Historical Places. Aside from its historical significance, the building goes a long way toward enhancing the value of downtown Terre Haute by providing citizens a host of services that are easily accessible to the public. Citizens like to be able to walk across the street to visit the post office, visit the Social Security Administration. Time, however, has taken its toll on this building. It is deeply in need of repair and diminishing standards have made it difficult to keep the building operational. As I said, it is estimated by the GSA that the building would require between $4 million and $5 million in renovation. The citizens of Terre Haute under the leadership of the gentleman from Indiana have joined together to keep the Postal Service building as a viable part of the downtown area.

In my opinion, the Federal Government has a clear duty to act as a responsible property owner and should be a partner in finding a solution to the future of this building. The building's historical significance and its importance to preserving the economic viability of the downtown area must be acknowledged by the Federal Government. However, I am deeply concerned about one provision of the bill, that provision which allows the Postal Service to occupy 8,000 square feet of space for 20 years at no cost. I recognize that the purpose of the free rent provision under the bill is to compensate the Postal Service for the value of the building. Yet without the whole building generating revenue, I anticipate that the expense of providing the Postal Service with free rent will greatly reduce the fair market value of the building. The free rent provision will amount to an encumbrance which will diminish the building's economic value for the next 20 years.

As we all know, a lot can change in 20 years. All future prospective owners of the building may be discouraged from acquiring the building because of the heavy burden of free rent for the Postal Service. And the Postal Service has acknowledged that it intends to stay in the downtown area. They even acknowledged to us in a conference call that were they not in this building, they would move to another building a few blocks away where they would be required to pay rent. Why then should the Postal Service not continue to pay rent in the Postal Service building? That is a question that I do not know that we have a clear answer to. The Postal Service simply says that if they are going to transfer a building to the General Services Administration, they are due some consideration, that it has some value. This argument certainly is a sound one, if the building does in fact have economic value. But the estimates provided by the GSA indicate that the building in its current condition has little if any economic value and will require an expenditure of over $4 million to bring it up to a standard to attract tenants at market rates. And then, of course, the payout over the years of $4.2 million perhaps would make the building less attractive not only to the government but to any private investor considering such an investment.

So having expressed my concern about the particular provision of the bill, I want to say again that I commend the gentleman from Indiana for his diligence in trying to deal with a problem common to all of us. I think that the proper thing for us to do is to support this bill, to move it forward, and in fact when we had a hearing on this bill, the gentleman from Indiana delayed moving the bill forward for 30 days to allow the GSA to come up with any viable option that they may have. Their efforts thus far have been unsuccessful, but he kept his commitment to do so and our commitment on this side of the aisle was to allow this bill to move forward and perhaps to move it to a point where some of the suggestions that I have made could be incorporated in the bill. We are supportive of the effort that the gentleman from Indiana has made. I commend him for what he is attempting to do for his community. I would urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I thank the gentleman for his very thorough proposal of this particular building. As I noted, the Congressional Budget Office said this is a negligible cost in terms of the amounts involved.

Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. PEASE).

Mr. PEASE. Mr. Speaker, in the interest of time, I will submit a written statement for the RECORD.

Having said that, Mr. Speaker, I want to thank the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) for their tremendous support and assistance in an effort that is very important to my hometown and the citizens who reside there.

As the gentleman from Texas has said, we have spent almost 2 years trying to resolve this situation in a fashion that meets the needs of the community but is also responsible in its stewardship of limited financial resources.

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We believe we have the best possible option before us at this time, though we understand that there are still points in the agreement that need to be negotiated, and obviously will be, between the GSA and the Postal Service and our colleagues in the other body.

The staff of the subcommittee and the gentleman from Texas (Mr. TURNER) and many members of the Postal Service staff and GSA staff have been extremely helpful to us. I want to acknowledge their work in what is admittedly a difficult area and thank each of them for their cooperation in bringing this proposal forward. We believe it provides the basis for a constructive resolution of a difficult matter.

Mr. Speaker, I would urge my colleagues to support the bill.

Mr. Speaker, I rise today in support of H.R. 2513. I represent the Seventh District of Indiana, which includes the city of Terre Haute where the building which is the subject of this bill is located. In September 1935, the Federal Building, which is located at the intersection of Seventh and Cherry streets in Terre Haute, IN, opened its doors to the public. Its original tenants included a Federal court, a post office, the Social Security Administration, and the Internal Revenue Service. This grand structure is a product of the Works Progress Administration during the Depression under the Roosevelt Administration and is listed on the National Register of Historic Places. It is a fine example of Art Deco architecture, utilizing Indiana limestone, marble, and ornate decor.

Pursuant to the Postal Reorganization Act of 1970, some of the buildings in the Federal inventory were conveyed to the U.S. Postal Service (USPS). The postal facility located in downtown Terre Haute, IN, is one such building that was included in the transfer. Since the transfer, numerous Federal agencies have leased space in the Terre Haute facility for their operations. However, the building is currently in need of modernization, and many of these agencies, including the Social Security Administration and the Internal Revenue Service, have relocated to other locations in the city of Terre Haute under private leases.

According to the most recent figures from GSA and the USPS, the total rentable space for the Terre Haute facility is approximately 41,300 square feet. Of this space, 30,902 square feet are currently occupied by the USPS and other Federal agencies, thus placing the current overall occupancy rate at 75 percent. Currently, the building houses several Federal offices, including a U.S. District Court, a U.S. Bankruptcy Court, the U.S. Marshals Service, the Federal Bureau of Investigation, a U.S. Attorney's office, Federal Probation, and one of my district offices. In addition to this Federal presence, space is also leased by two private attorneys and Jelene Kennedy, a blind senior citizen who operates a concession stand for the building.

In 1997, a new postal processing and distribution center was opened in Terre Haute, IN. Due to the construction of this new postal facility, the presence of the USPS in the Federal building has been reduced to box and window services only. For a time, there were indications that the USPS might terminate its presence at this facility.

H.R. 2513 would transfer the Terre Haute facility to GSA at no charge, providing the USPS with an option to remain in a portion of the building (8,000 square feet) rent-free for 20 years. In addition, the bill would authorize $5,000,000 for necessary renovations to the building and to acquire parking spaces to accommodate existing and future offices.

H.R. 2513 has many merits for both the city and the Federal Government. It would help maintain the presence of the USPS in downtown Terre Haute, which is a high priority with the community and numerous interest groups. Anticipated renovations would make the facility more attractive to public and private lessees, including Federal agencies seeking to relocate when their leases in other Terre Haute locations expire in the next few years. At this time, the Social Security Administration, the Internal Revenue Service, the Department of Agriculture, and armed forces recruiting offices operate outside the facility, but within the city of Terre Haute. Ideally, these Federal agencies would move into the building, thus occupying, at a minimum, 16,095 additional square feet, increasing the occupancy rate to 90 percent. Under this plan, the moneys currently being paid under private leases would be paid to the Federal Government, thereby saving taxpayers money. In addition, a central location for Federal agencies and their services would provide improved accessibility for the Terre Haute community.

Two additional aspects that should be considered when examining H.R. 2513 are the demand for additional space by those Federal agencies currently in the Terre Haute facility, as well as the demand for space in the facility by state and private entities. The FBI and the U.S. District Court, both of which currently occupy space in the building, have indicated that additional space is necessary for their operations. In addition, a private lessee has expressed interest in leasing approximately 1,800 square feet. The Governor of Indiana has indicated his interest in this project and his willingness to work in filing vacant spaces in the building with state agencies if there is space remaining after other Federal agencies relocate to this property. Moreover, Mayor Jim Jenkins, Historic Landmarks Foundation of Indiana, STAMPS Downtown, Indiana State University, Downtown Terre Haute, Inc., Terre Haute Chamber of Commerce, the Deming Center, and others have expressed their willingness to assist in finding tenants to occupy any vacancies in the building.

One final factor that should be taken into consideration is the recent decision by the United States Bureau of Prisons to designate the Federal Penitentiary in Terre Haute as the sole location in the United States for the execution of Federal death sentences. The potential impact of this designation on the Federal court at Terre Haute is currently unknown, but is likely to be substantial.

Mr. Speaker, H.R. 2413 was introduced in the U.S. House of Representatives on July 14, 1999. The bill was subsequently referred to the Committee on Government Reform and the Committee on Transportation and Infrastructure for consideration. On September 22, 1999, the Subcommittee on Government Management, Information and Technology of the Committee on Government Reform marked up H.R. 2513 by a voice vote. On September 29, 1999, a hearing on H.R. 2513 was conducted by the subcommittee, and testimony was presented by representatives of the Terre Haute community, myself, and representatives of the USPS and GSA. At the hearing, concerns about H.R. 2513 were raised by GSA officials and Representative HENRY WAXMAN, ranking member of the Committee on Government Reform.

H.R. 2513 was scheduled to be marked up by the Committee on Government Reform on September 30, 1999. However, at my request, H.R. 2513 was withdrawn form the Committee's agenda for that day. Ranking Member

WAXMAN and I agreed to allow GSA 30 days to review whether there were realistic alternatives for management of the Terre Haute facility, other than ownership by GSA. Under this agreement, if GSA failed to move forward and provide a viable option in the 30-day period, then the ranking member agreed to moving the bill forward in its current form on the House suspension calendar. To date, GSA has been unable to provide a viable option, though it has worked diligently on the project and has been in regular communication with my staff, committee staff, and representatives of various government entities in Terre Haute.

For more than 2 years, my staff and I have been working with GSA, the USPS, and the Terre Haute community to resolve this matter. Though we have made progress, a comprehensive solution has not yet been reached, but this bill helps us advance the negotiations toward the only viable option yet discovered. To expedite this matter, Representative DAN BURTON, chairman of the Committee on Government Reform, with the concurrence of Ranking Member HENRY WAXMAN, agreed to waive the committee's consideration of H.R. 2513. In addition, Representative BUD SHUSTER, chairman of the Committee on Transportation and Infrastructure agreed to forego his committee's sequential referral on the bill.

In conclusion, it makes sense to transfer its property from the USPS to GSA. The General Services Administration is familiar with building management and better suited to properly manage this multitenant facility—a historic structure architecturally and structurally similar to facilities managed by GSA in other cities. I believe that the figures clearly indicate a strong federal presence, as well as a strong demand, for space in the Terre Haute facility. For many reasons, the transfer of the facility to GSA is a sound transaction which will prove to be an asset to the Federal Government and to the citizens of the Terre Haute area. I urge my colleagues to support H.R. 2513.

Mr. WAXMAN. Mr. Speaker, I will support this legislation because I entered into an agreement with the gentleman from Indiana, Mr. PEASE, and the gentleman from California, Mr. HORN. Under our understanding, I agreed to support moving this legislation through the House if the General Services Administration did not find a viable alternative for the postal building in Terre Haute within 30 days. The 30 days are up, and although GSA is continuing to analyze and investigate the property, it has not yet found an entity interested in buying or taking the property.

Nevertheless, although I am supporting moving this legislation through the House, I continue to have genuine reservations about H.R. 2513. I hope Mr. PEASE will work to resolve these issues as this legislation moves forward.

H.R. 2513 provides that the postal services building in Terre Haute will be transferred to GSA. It also provides the U.S. Postal Service with an option to remain in the building rent-free for 20 years. In addition, this bill authorizes $5,000,000 for necessary renovations to the building and to acquire parking space to accommodate existing and future offices.

I am not sure that this is the best policy. It ordinarily does not make sense to force GSA to own a building it does not want or need. GSA has explained the many difficulties it will have in leasing space in the facility. The building has a 55 percent vacancy rate, and it is not clear that this rate will increase enough to cover the costs of the renovations. In addition, there now appears to be little justification for allowing the Postal Service to have office space rent-free for 20 years.

In essence, I fear that this bill could require GSA to sink millions of dollars into a property when there is little chance that the Federal Government will be able to recoup those costs.

Mr. Speaker, in addition to my concerns about the substance of this bill, I am also troubled by the inconsistent information that has circulated regarding this bill.

During a September 29, 1999, subcommittee hearing on H.R. 2513, which was held at my insistence, the parties concerned came to an agreement to postpone a decision on how to proceed with the Terre Haute Post Office building for 1 month. During that month, GSA was to review the potential options for the building, including a directed sale, and report to us no later than October 29, 1999, regarding those options. If GSA did not report in that timeframe or failed to report a viable alternative to H.R. 2513, I agreed to move H.R. 2513 to the floor under suspension of the rules.

On October 29, 1999, GSA reported to us that there was a potential purchaser, the Vigo County School District. My staff also contacted the treasurer of the Vigo County School District about their interest. The treasurer indicated that the school district was interested and that it needed more space. The treasurer also said that the school district needed another month in which to do a cost-benefit analysis. It thus appeared that there was a viable alternative for the property.

Mr. PEASE's staff disputed this point, however, and by the end of the day the school district's interest appears to have evaporated. Late in the day, my staff received a call from the superintendent of the Vigo County School District. With Mr. PEASE's chief of staff present in his office, the superintendent indicated that the school district was not a viable alternative and that its interest was just lukewarm.

In addition, I have received conflicting information regarding the Postal Service's intentions. It was my understanding initially that the provision in the bill giving the Postal Service free rent for 20 years was justified because, but-for the free rent, the Postal Service had no intention of staying downtown. On October 29, however, we learned that Postal Service had always intended on keeping a presence in downtown Terre Haute just not in the Federal building in question. As the gentleman from Texas, Mr. TURNER, has rightly pointed out, it doesn't seem necessary to give free rent to the Postal Service. This is especially true if it intended on paying rent in another building.

This point has significant ramifications. The fact that the Postal Service must receive space rent-free detracts from the building. In fact, it may be the reason that GSA has to date been apparently unable to find a viable alternative.

Mr. Speaker, I am not going to vote against this bill. However, I hope that Mr. PEASE and my colleagues in the Senate will take my comments into consideration as this bill moves through their Chamber.

Mr. TURNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HORN. Mr. Speaker, I yield back the balance of my time and urge the adoption of this measure.

The SPEAKER pro tempore (Mr. SUNUNU). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 2513.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PRESIDENTIAL TRANSITION ACT AMENDMENTS

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3137) to amend the Presidential Transaction Act of 1963 to provide for training of individuals a President-elect intends to nominate as department heads or appoint to key positions in the Executive Office of the President.

The Clerk read as follows:

H.R. 3137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO PRESIDENTIAL TRANSITION ACT OF 1963.

Section 3(a) of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) is amended—

(1) in the matter preceding paragraph (1) by striking "including—" and inserting "including the following:";

(2) in each of paragraphs (1) through (6) by striking the semicolon at the end and inserting a period; and

(3) by adding at the end the following:

"(8)(A) Payment of expenses during the transition for briefings, workshops, or other activities to acquaint key prospective Presidential appointees with the types of problems and challenges that most typically confront new political appointees when they make the transition from campaign and other prior activities to assuming the responsibility for governance after inauguration, including interchange with individuals who held similar leadership roles in prior administrations, agency or department experts from the Office of Management and Budget or an Office of Inspector General of an agency or department, and relevant staff from the General Accounting Office.

"(B) Activities funded under this paragraph shall be conducted primarily for individuals the President-elect intends to nominate as department heads or appoint to key positions in the Executive Office of the President.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3137.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, over the years, there have been many examples of missteps and outright mistakes, regardless of party, that have been made by newly appointed officials in the executive branch of the Government and the White House. Sometimes the errors tumble out in misstatements of ill-advised recommendations; at other times they have resulted in ethical lapses by appointees who were unaware of the requirements of Federal law in their specific Cabinet position or independent office.

Many of these mistakes are made by well-meaning individuals and might have been avoided if the appointees had received a timely orientation on the scope of their new responsibilities and the environment in which they were entering. The Presidential Transition Act Amendment of 1999, which is being considered today, would help ensure that these orientations take place early in a new administration.

The Presidential Transition Act of 1963 was designed to assist both incoming and outgoing administrations bridge the transition period from the election, to holding the office and from leaving the office. The act provides Federal funding to help incoming Presidents and Vice Presidents establish their new administrations, and it assists departing Presidents and Vice Presidents in their return to private life.

In 1976 Congress amended the Presidential Transition Act to increase transition funding. In 1988 Congress passed the Presidential Transitions Effectiveness Act, which again increased funding and included a provision allowing for annual adjustments for inflation.

H.R. 3137 would amend the Presidential Transition Act to authorize the use of these transition funds to set up a formal orientation process for incoming senior appointees of the newly elected President and Vice President. Incoming administrations may only use transition funds from the day after the elections until 30 days after the inauguration. By establishing a formal orientation process for senior appointees within that time frame, it is anticipated that a greater number of lower level appointees might also receive orientations early in the new administration.

On October 13, 1999, the Subcommittee on Government Management, Information, and Technology, which I chair, held a legislative hearing on H.R. 3137, the Presidential Transition Act Amendment of 1999. The subcommittee heard from a number of distinguished witnesses, each of whom supported this legislation. For example, the Honorable Elliott Richardson, former Attorney General to President Nixon, holder of at least five cabinet positions; and the Honorable Lee White, former Assistant Counsel to President Kennedy and counsel to President Johnson, both testified that a formal orientation process would have been beneficial to them and their executive branch colleagues.

Their position was supported by three other witnesses who have spent years observing presidential transitions. Mr. Dwight Ink, former acting director of the Office of Management and Budget; Mr. Paul Light, director of the Center for Public Service at The Brookings Institution; Mr. Norman J. Ornstein, the resident scholar at the American Enterprise Institute for Public Policy Research.

Additional written testimony was provided by General Andrew Goodpastor, when, as a young officer in the Army, he was appointed by President Eisenhower as Staff Secretary in the Executive Office of the President; the Honorable Pendleton James, former director of Presidential Personnel to President Reagan; and one of America's most distinguished gentleman; the Honorable John Gardner, who had been Secretary of Health, Education and Welfare during the Johnson administration.

Each of these former White House appointees, presidential appointees, stated that establishing a timely orientation process would ensure a smooth executive branch transition.

On October 26, 1999, the subcommittee held a business meeting to mark up H.R. 3137, the Presidential Transition Act Amendment of 1999. The subcommittee unanimously approved by voice vote H.R. 3137, as amended, and reported the bill to the full Committee on Government Reform.

On October 28, 1999, the full committee held a business meeting to mark up H.R. 3137. The committee unanimously approved H.R. 3137 by voice vote and reported the bill to the full House of Representatives.

This bill is an important step toward providing well-informed advisers for a President and Vice President-elect. I urge my colleagues to support this bipartisan measure, which will permit these appointees to be briefed by members of the Executive Office of the President, by inspectors general, by long-serving experts in the General Accounting Office, and by members of the outgoing administration and other administrations. I urge my colleagues to support this bipartisan measure.

The letter from Dr. John W. Gardner is attached.

STANFORD UNIVERSITY,
SCHOOL OF EDUCATION,
Stanford, CA, October 18, 1999.
Hon. STEVEN HORN,
Chairman, Subcommittee on Government Management, Information and Technology. Washington, DC.

DEAR STEVE: I'm extremely sorry that I could not accept your invitation to testify on the Presidential Transition bill. I am very heavily burdened at this time.

But I want you to know that I strongly support the legislation. I have closely observed nine presidential transitions, and five of them involved a really major influx of new people.

I supported the Presidential Transition Act of 1963, but it clearly needs the improvement that the new legislation would provide.

Sorry I couldn't be with you in person.

Sincerely,

JOHN W. GARDNER.

Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3137 and urge its passage today. I want to commend the gentleman from California (Chairman HORN) and the ranking member, the gentleman from California (Mr. WAXMAN), for their efforts and their focus on this particular issue.

The time between election day of a new President and the inauguration of that President is a very short period of time, and the transition from campaigning for the office and preparing then to govern in office is oftentimes a difficult one, and it certainly is a short one.

This bill is designed to strengthen the Presidential Transition Act to amend that law which was originally passed in 1963 by authorizing the use of transition funds for the purpose of providing orientations for individuals that the President-elect plans to nominate to top White House positions, including Cabinet posts.

The bill would likely affect the top 20, 30, or 40 appointments by the White House; and the bill would give greater assurance that the orientation process, which would take place before or shortly after the incoming administration assumes office, actually does occur.

This orientation process provides an opportunity for a smoother transition for the new administration and would eliminate many of the mistakes that we often observe that occur because of the transition that many people who serve in an administration have to make into public life.

Crafting an explicit provision on the propriety of spending funds for an appointee orientation is important for two reasons. First, the proposed language will reassure the transition team members that such spending is legal; second, the inclusion of such language into law will encourage transition teams to explore further orientation for political appointees. I believe it is important to provide these new appointees with a sense of the new job they will be undertaking.

Other branches of our government currently undergo a similar process. I remember as an incoming freshman Member of this House in 1997, along with other Members of that freshman class, attending an orientation program for new Members of Congress at the Kennedy School of Government at Harvard University. I personally found the program very helpful as I transitioned in to serving as a Member of this body. Even though I had been a Member of the Texas legislature for 10 years, I recognized very quickly that Congress is a different place, has a unique set of characteristics, and a range of issues that almost all new Members will be experiencing for the first time.

Members of Congress are not alone. In the judicial branch, Federal judges attend an orientation program put on by the Federal Judicial Conference. As the gentleman from California (Mr. HORN) mentioned, at our hearing on October 13, our subcommittee heard from a long list of distinguished witnesses who spoke in favor of this legislation. This bill passed out of our committee on October 28 with bipartisan support. It is noncontroversial; and I have full confidence that if we can pass this bill, it will help the new incoming administration be better prepared to govern.

I urge the House to pass this law, and I commend again the gentleman from California (Mr. HORN) and the gentleman from California (Mr. WAXMAN) for their leadership on this issue.

Mr. Speaker, I yield back the balance of my time.

Mr. HORN. Mr. Speaker, I urge adoption of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 3137.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FEDERAL FINANCIAL ASSISTANCE MANAGEMENT IMPROVEMENT ACT OF 1999

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 468) to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public, as amended.

The Clerk read as follows:

S. 468

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Financial Assistance Management Improvement Act of 1999".

SEC. 2. FINDINGS.

Congress finds that—

(1) there are over 600 different Federal financial assistance programs to implement domestic policy;

(2) while the assistance described in paragraph (1) has been directed at critical problems, some Federal administrative requirements may be duplicative, burdensome or conflicting, thus impeding cost-effective delivery of services at the local level;

(3) the Nation's State, local, and tribal governments and private, nonprofit organizations are dealing with increasingly complex problems which require the delivery and coordination of many kinds of services; and

(4) streamlining and simplification of Federal financial assistance administrative procedures and reporting requirements will improve the delivery of services to the public.

SEC. 3. PURPOSES.

The purposes of this Act are to—

(1) improve the effectiveness and performance of Federal financial assistance programs;

(2) simplify Federal financial assistance application and reporting requirements;

(3) improve the delivery of services to the public; and

(4) facilitate greater coordination among those responsible for delivering such services.

SEC. 4. DEFINITIONS.

In this Act:

(1) DIRECTOR.—The term "Director" means the Director of the Office of Management and Budget.

(2) FEDERAL AGENCY.—The term "Federal agency" means any agency as defined under section 551(1) of title 5, United States Code.

(3) FEDERAL FINANCIAL ASSISTANCE.—The term "Federal financial assistance" has the same meaning as defined in section 7501(a)(5) of title 31, United States Code, under which Federal financial assistance is provided, directly or indirectly, to a non-Federal entity.

(4) LOCAL GOVERNMENT.—The term "local government" means a political subdivision of a State that is a unit of general local government (as defined under section 7501(a)(11) of title 31, United States Code).

(5) NON-FEDERAL ENTITY.—The term "non-Federal entity" means a State, local government, or nonprofit organization.

(6) NONPROFIT ORGANIZATION.—The term "nonprofit organization" means any corporation, trust, association, cooperative, or other organization that—

(A) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(B) is not organized primarily for profit; and

(C) uses net proceeds to maintain, improve, or expand the operations of the organization.

(7) STATE.—The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and any instrumentality thereof, any multi-State, regional, or interstate entity which has governmental functions, and any Indian Tribal Government.

(8) TRIBAL GOVERNMENT.—The term "tribal government" means an Indian tribe, as that term is defined in section 7501(a)(9) of title 31, United States Code.

(9) UNIFORM ADMINISTRATIVE RULE.—The term "uniform administrative rule" means a Government-wide uniform rule for any generally applicable requirement established to achieve national policy objectives that applies to multiple Federal financial assistance programs across Federal agencies.

SEC. 5. DUTIES OF FEDERAL AGENCIES.

(a) IN GENERAL.—Except as provided under subsection (b), not later than 18 months after the date of enactment of this Act, each Federal agency shall develop and implement a plan that—

(1) streamlines and simplifies the application, administrative, and reporting procedures for Federal financial assistance programs administered by the agency;

(2) demonstrates active participation in the interagency process under section 6(a)(2);

(3) demonstrates appropriate agency use, or plans for use, of the common application and reporting system developed under section 6(a)(1);

(4) designates a lead agency official for carrying out the responsibilities of the agency under this Act;

(5) allows applicants to electronically apply for, and report on the use of, funds from the Federal financial assistance program administered by the agency;

(6) ensures recipients of Federal financial assistance provide timely, complete, and high quality information in response to Federal reporting requirements; and

(7) in cooperation with recipients of Federal financial assistance, establishes specific annual goals and objectives to further the purposes of this Act and measure annual performance in achieving those goals and objectives, which may be done as part of the agency's annual planning responsibilities under the Government Performance and Results Act of 1993 (Public Law 103-62; 107 Stat. 285).

(b) EXTENSION.—If a Federal agency is unable to comply with subsection (a), the Director may extend for up to 12 months the period for the agency to develop and implement a plan in accordance with subsection (a).

(c) COMMENT AND CONSULTATION ON AGENCY PLANS.—

(1) COMMENT.—Each agency shall publish the plan developed under subsection (a) in the Federal Register and shall receive public comment of the plan through the Federal Register and other means (including electronic means). To the maximum extent practicable, each Federal agency shall hold public forums on the plan.

(2) CONSULTATION.—The lead official designated under subsection (a)(4) shall consult with representatives of non-Federal entities during development and implementation of the plan. Consultation with representatives of State, local, and tribal governments shall be in accordance with section 204 of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1534).

(d) SUBMISSION OF PLAN.—Each Federal agency shall submit the plan developed under subsection (a) to the Director and Congress and report annually thereafter on the implementation of the plan and performance of the agency in meeting the goals and objectives specified under subsection (a)(7). Such report may be included as part of any of the general management reports required under law.

SEC. 6. DUTIES OF THE DIRECTOR.

(a) IN GENERAL.—The Director, in consultation with agency heads and representatives of non-Federal entities, shall direct, coordinate, and assist Federal agencies in establishing—

(1) a common application and reporting system, including—

(A) a common application or set of common applications, wherein a non-Federal entity can apply for Federal financial assistance from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies;

(B) a common system, including electronic processes, wherein a non-Federal entity can apply for, manage, and report on the use of funding from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies; and

(C) uniform administrative rules for Federal financial assistance programs across different Federal agencies; and

(2) an interagency process for addressing—

(A) ways to streamline and simplify Federal financial assistance administrative procedures and reporting requirements for non-Federal entities;

(B) improved interagency and intergovernmental coordination of information collection and sharing of data pertaining to Federal financial assistance programs, including appropriate information sharing consistent with section 552a of title 5, United States Code; and

(C) improvements in the timeliness, completeness, and quality of information received by Federal agencies from recipients of Federal financial assistance.

(b) Lead Agency and Working Groups.—The Director may designate a lead agency to assist the Director in carrying out the responsibilities under this section. The Director may use interagency working groups to assist in carrying out such responsibilities.

(c) Review of Plans and Reports.—Upon the request of the Director, agencies shall submit to the Director, for the Director's review, information and other reporting regarding agency implementation of this Act.

(d) Exemptions.—The Director may exempt any Federal agency or Federal financial assistance program from the requirements of this Act if the Director determines that the Federal agency does not have a significant number of Federal financial assistance programs. The Director shall maintain a list of exempted agencies which shall be available to the public through the Office of Management and Budget's Internet site.

(e) Report on Recommended Changes in Law.—Not later than 18 months after the date of the enactment of this Act, the Director shall submit to Congress a report containing recommendations for changes in law to improve the effectiveness, performance, and coordination of Federal financial assistance programs.

(f) Deadline.—All actions required under this section shall be carried out not later than 18 months after the date of enactment of this Act.

SEC. 7. EVALUATION.

(a) In General.—The General Accounting Office shall evaluate the effectiveness of this Act. Not later than 6 years after the date of enactment of this Act, the evaluation shall be submitted to the lead agency, the Director, and Congress. The evaluation shall be performed with input from State, local, and tribal governments, and nonprofit organizations.

(b) Contents.—The evaluation under subsection (a) shall—

(1) assess the effectiveness of this Act in meeting the purposes of this Act and make specific recommendations to further the implementation of this Act;

(2) evaluate actual performance of each agency in achieving the goals and objectives stated in agency plans; and

(3) assess the level of coordination among the Director, Federal agencies, State, local, and tribal governments, and nonprofit organizations in implementing this Act.

SEC. 8. COLLECTION OF INFORMATION.

Nothing in this Act shall be construed to prevent the Director or any Federal agency from gathering, or to exempt any recipient of Federal financial assistance from providing, information that is required for review of the financial integrity or quality of services of an activity assisted by a Federal financial assistance program.

SEC. 9. JUDICIAL REVIEW.

There shall be no judicial review of compliance or noncompliance with any of the provisions of this Act. No provision of this Act shall be construed to create any right or benefit, substantive or procedural, enforceable by any administrative or judicial action.

SEC. 10. STATUTORY REQUIREMENTS.

Nothing in this Act shall be construed as a means to deviate from the statutory requirements relating to applicable Federal financial assistance programs.

SEC. 11. EFFECTIVE DATE AND SUNSET.

This Act shall take effect on the date of enactment of this Act and shall cease to be effective 8 years after such date of enactment.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before yielding to my distinguished colleague, the gentleman from Ohio (Mr. PORTMAN), to explain this legislation, I simply wanted my colleagues in the House to know that this bill is nearly identical to H.R. 409, which was unanimously approved by the House on February 24, 1999.

In essence, this legislation requires Federal agencies to coordinate and streamline the process by which applicants apply for grants and other assistance programs, particularly where similar programs are administered by the different Federal agencies.

I believe the Office of Management and Budget currently has the authority to streamline the grant application process, and it should do so. Since it has failed to act, however, I believe this mandate is necessary.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. PORTMAN), the author of this legislation, for a full explanation of the bill.

Mr. PORTMAN. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today in strong support of the legislation before us, the Federal Financial Assistance Management Improvement Act of 1999. I was pleased to be the lead House sponsor of this legislation, along with my friend and colleague, the gentleman from Maryland (Mr. HOYER).

I would like to especially thank the subcommittee chairman, the gentleman from California (Mr. HORN), for helping us get to this point. Even sometimes the best legislation gets tied up in maneuvers between the House and Senate and in committee, and the gentleman from California (Mr. HORN) has been very helpful to getting us to this point.

I would like to thank the gentleman from New Hampshire (Mr. SUNUNU) and others on the subcommittee for their strong support of this legislation. I would also like to recognize my friend and colleague from Ohio, Mr. VOINOVICH, the new Senator from Ohio, who offered the Senate version of this legislation and who has worked closely with us to get this good government legislation to the floor of the House and Senate and to get it done this year.

☐ 1300

Mr. Speaker, while the Senate has made some minor amendments, as the gentleman from California (Chairman HORN) has said, this bill is essentially the same legislation that passed the House overwhelmingly earlier this year, H.R. 409. The original Senate bill that we looked at had a 36-month implementation timetable. I am pleased to say in the last few weeks we have been successful at preserving the House language that requires implementation within a short period of time, 18 months.

Every Member of Congress I believe has heard, as I have, from our nonprofit community, from our State and local governments, about the frustration of the process of applying for Federal grants and keeping up with the reporting requirements that follow. That is what this legislation is intended to address.

Right now there are over 600 separate Federal programs that provide financial assistance to State and local governments, tribal governments, and nonprofits. Of those 600 programs, many serve similar purposes but are administered by different agencies.

For example, taxpayers spend about $20 billion a year on 163 job training programs in 15 different Federal agencies. Eleven agencies administer over 90 early childhood programs. Each of these programs has its own unique set of applications, reporting requirements, and other red tape. Too often the grant application process is unnecessarily time-consuming and costly.

As a result, what do organizations do? Many pay professional grantwriters to do the work for them, which reduces, of course, the resources available to address critical problems being targeted. Others who do not have the resources to hire a professional grantwriter take the time and energy to do it themselves, taking time away, of course, from their intended mission.

Small but successful nonprofits in greater Cincinnati, the area I represent, for example, that are struggling to help welfare families make the transition to work or helping to keep kids off drugs should not be having their time, efforts, and resources diverted away from the hard work of their mission toward bureaucratic requirements and the applications that are really unnecessary.

I have talked to a lot of groups that are successful in obtaining a Federal grant. I think other Members have the same experience. Those same groups wonder whether it was worth the effort because of the reporting and administrative burdens that are laid on them.

Recently I have fielded concerns from around the country about implementation of the Drug-Free Communities Act, legislation I cosponsored, I sponsored here and was enacted in the last Congress. We felt in Congress we gave pretty simple and clear criteria to the agencies. Yet, the initial application process was neither simple nor clear. It was lengthy, complicated, burdensome, costly. As a result, resources were wasted, and this important program was not as successful as it could have been to the very coalitions, the small coalitions that needed it most.

Congress is not above criticism for the way in which we write legislation and report language, but when we give discretion to the agencies, too often that discretion is used to create unnecessary bureaucratic hurdles.

The bill before us this afternoon addresses this problem by requiring Federal agencies with oversight from the Office of Management and Budget to develop plans within 18 months that streamline application, administrative, and reporting requirements; have a uniform application for related programs, ending duplications; demonstrate interagency coordination to simplify reporting requirements for overlapping programs, and finally, a requirement that the electronic funding and filing be used by the agencies.

The electronic filing and electronic funding is a very important part of this bill that is often overlooked but will allow organizations to apply for and report on the use of funds electronically. Using the Internet as a substitute for cumbersome paperwork is a very welcome innovation in the way the Federal government works. We need to bring technology into the Federal government and allow people to do the same with the Federal government that can now be done with the private sector.

The bill also requires OMB to set annual goals to further the purposes of the Act and to expand electronic filings. Agencies are required under this legislation to work closely with State and local governments and the nonprofit community in setting new performance measures that are in the legislation to achieve the bill's goals.

The bill sunsets in 5 years following a review by the National Academy of Public Administration. It is important to point out that by simplifying this grants process, we are not just helping grant applicants, they will be able to access the Federal government using fewer resources, but we are also reducing the workload for the Federal agencies, which in the end will lead to fewer costs to the taxpayer.

This effort we believe is totally consistent with and in fact builds on other efforts that the gentleman from California (Chairman HORN), the gentleman from Maryland (Mr. HOYER), and others of us have been about, such as the Unfunded Mandates Reform Act, as well as efforts to improve Federal performance overall, such as the Government Performance and Results Act, or GPRA.

The bill is a priority and has been endorsed by all the major State and local organizations, such as the National Governors Association, the National Conference of State Legislatures, the National Association of Counties, and the National League of Cities. It is also supported by nonprofit organizations out there, OMB Watch and others. It is a good government measure. It will make it easier for Americans to interact with their Federal Government. Importantly, once it is implemented, it will result in efficiencies and cost savings for both grant applicants and the Federal agencies.

The bottom line is we need to let State and local government, charities, nonprofits around the country, focus on their mission. Too often they are forced to spend time navigating the maze of the Federal bureaucracy, rather than doing what they were intended to do, feed the homeless, find jobs for displaced workers, get people off drugs.

Thanks in part to modern technology, we now have the capacity to free people from those burdens. We should take advantage of that opportunity. That is what this legislation is all about.

Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER), and, again, I thank my colleague, the gentleman from Maryland (Mr. HOYER), who is now here, for his work on this, helping me in a bipartisan way to get this to the floor.

I urge all of my colleagues to support this strong effort to make the government work better for all of our constituents.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this bill and urge its adoption. I want to recognize the hard work and vision and leadership provided by the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. HOYER). These two Members, working together, were the driving force behind the adoption of this bipartisan piece of legislation.

It is no secret that State, Federal, local, and tribal governments, as well as nonprofit organizations, are very frustrated with the miles of red tape and regulations that they encounter when they have to apply for a Federal grant. The current system clearly is not user-friendly.

In fact, the Federal government has spawned a cottage industry of people known as Federal grantsmen or Federal grants specialists who hire out to our local governments and our State governments just to fill out the paperwork to apply for a Federal grant.

This legislation, which is similar to House Resolution 409, which was unanimously approval by this House on February 24, is designed to streamline and consolidate the grant application process.

There are more than 600 Federal programs that provide financial assistance to State, local, and tribal governments and nonprofits. These funds and the organizations that use them provide vital services to the American public. Countless Americans rely on the Federal assistance that comes from Federal loans for education, job training funds, childhood programs, welfare benefits, medical care, and I could go on.

As we all know, unwieldy administrative barriers can reduce the effectiveness of Federal financial assistance and the services it provides. Similar programs can be administered by numerous different agencies, and administrative requirements can be complicated and repetitive. As a result, federally-funded programs are often forced to use time, effort, and money on paperwork, rather than applying those funds to providing the vital services that the public needs.

As a former mayor of my hometown and as a former member of my State legislature, and as a former executive assistant to a former Governor of Texas, I sympathize with the frustration that people at the local and State level are experiencing when they are forced to handle burdensome Federal regulations for Federal loan applications and Federal grant applications.

This bill would help solve that problem. It would streamline the application process, streamline the reporting process, promote the establishment of consistent procedures for financial assistance programs, and encourage the use of electronic application and reporting processes. It also will assure that the Federal government will receive timely and accurate reporting from the grantee.

With the increasing use of block grants to the States, we should require greater accountability from grant recipients.

It is my understanding that the Senate has agreed to the changes that we have made in this bill, and will quickly move to pass the legislation. I think we can all agree that this is a significant piece of legislation, and again, I commend the gentleman from Ohio (Mr.

PORTMAN) and the gentleman from Maryland (Mr. HOYER) for their efforts on this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to thank the minority for its help at both the subcommittee level and the full committee level, and I am delighted to see one of the major Democratic leaders come and help support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. HOYER), who, as I mentioned a moment ago, is cosponsor of this bill and has worked tirelessly with the gentleman from Ohio (Mr. PORTMAN) to ensure its passage.

Mr. HOYER. Mr. Speaker, I thank my friend, the gentleman from Texas, for yielding time to me, and I thank the gentleman from California (Mr. HORN) for his comments. I thank both of them for their leadership in facilitating the movement of this bill to the floor today.

At the outset, I want to say what a privilege and pleasure it is to work with the gentleman from Ohio (Mr. PORTMAN), who is one of our finest Members, and who is one of our Members most focused on legislative accomplishments.

Too often we spend time trying to make political points, and I am involved in that and others are involved in that as well. But the gentleman from Ohio (Mr. PORTMAN) has been throughout his career focused on substantive accomplishment, and it is a real privilege and pleasure to work with the gentleman. I thank him for his leadership on this effort.

Mr. Speaker, over the years Congress, as has been pointed out, has created hundreds of programs, 600-plus, of categorical programs to help communities and families deal with various different issues. We did so because we wanted to make sure that the quality of life of our constituents was as good as it possibly could be.

Each of the programs was created, however, with its own nuanced rules and regulations. In some areas local needs do not fit specifically into the designations that are included in the programs. In other areas, there is overlapping and the programs duplicate each other.

For many years as a member of the Subcommittee on Labor, Health and Human Services, and Education, I have talked to the secretaries of those three departments about coordinating their programs so that, whether it is a child or a worker or family, that that family could more easily access the services available across departmental lines.

This bill deals specifically with making sure that grant applicants have an easier time and a more efficient time and a less expensive time in accessing dollars that we want to get as simply and directly as possible to the recipients that are intended to be the beneficiaries of the programs we adopt.

Right now caseworkers spend far too much time dealing with red tape and paperwork. The Federal government has created hundreds of different taps through which assistance flows. Communities, programs, and families must run from tap to tap in many instances with a bucket to help the people that we want to help so well.

One of the analogies I have made is that it is a shame at the Federal level we do not say we want to help child A or family B, and we have a lot of different programs to do that from a lot of different departments, whether it is housing, whether it is nutritional programs out of agriculture, whether it is job programs out of the Department of Labor, education programs out of the Department of Education, Head Start out of HHS, a myriad number of programs, it is a shame that we do not really have a big funnel up here with a spout, and child Mary or family A or B would get the programs coordinated for them by us, that we created. This bill goes some way towards doing that.

I want to again congratulate the gentleman from Ohio (Mr. PORTMAN) for his leadership on this. It requires the Office of Management and Budget to work with other Federal agencies to establish a uniform application for financial assistance for multiple programs across multiple Federal agencies.

That seems to make a lot of sense, as the gentleman from Texas (Mr. TURNER) has said, but it really has not happened too often. Each agency has had its own perspective on one little question that it had to have answered so that it would approve the application, where the other agency did not need the answer to that question, it needed an answer to another question.

Mr. Speaker, it is all the same tax dollars appropriated by and authorized by the same Congress, and what this legislation says is, come on, fellows, let us get our act together and let us have the locals tell us what we need to know in a uniform way, rely on that, and get that grant money out to them without them wasting dollars on administrative procedures.

Some people denigrate bureaucrats. I do not do that, I represent a lot of them. But that does not mean I want to see a proliferation of bureaucracy that money for children and families goes to, simply trying to get through the system. It is critically important not to have to deal with all kinds of different forms when basically the information we are seeking is the same.

Secondly, this bill will simplify reporting requirements and administrative procedures, and again facilitate, not impede, dollars getting to people that we at the Federal level, our State colleagues and local colleagues, all want to assist.

Thirdly, Mr. Speaker, it will develop electronic methods. My friend, the gentleman from Ohio, spoke about that. This is a critically important aspect of this legislation. I was pleased to ensure that we got this online, so to speak, as quickly as possible. It will help develop electronic methods for applying for and reporting of Federal financial assistance funds. I think, as I have said, that this is critically important. In my opinion, the Federal Government's responsibility will be facilitated by this act.

I agree with the gentleman from Texas, and I know the gentleman from Ohio (Mr. PORTMAN) does as well, we are not saying that we do not want full accountability. We have a responsibility to the taxpayers when we authorize and appropriate this money that the money will be spent in a manner that is effective and accomplishes the result for which it is planned.

On the other hand, we want to facilitate, not impede, the application of those dollars, while at the same time requiring accountability.

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I believe that S. 468 and the House bill that we are now considering will add a much-needed focus on the coordination of program requirements, both within and across Federal departments.

Mr. Speaker, in closing, I want to mention what I mention a lot of times on this floor, unfortunately, the American public that watches C-SPAN sees too often us fighting with one another, and they do so because really what gets on this floor most of the time is the disagreements that we have, because the agreements that we have are done in a much briefer time frame and do not get the focus that the disagreements get.

Here is a perfect example of a bipartisan piece of legislation worked on by the majority party and its leadership and the gentleman from California (Mr. HORN), the minority party and our leadership, the gentleman from Texas (Mr. TURNER), resulting in a bill put together by the gentleman from Ohio (Mr. PORTMAN), with my help, but he has been the leader on this, he really took up where Senator Glenn left off when Senator Glenn left. That is, I think, going to make a very significant, perhaps not front page news but nevertheless significant step forward for facilitating the application of Federal funds in an efficient and effective manner to make the lives of our constituents better.

I thank the gentleman from Ohio (Mr. PORTMAN) for his leadership and work on this issue. As I said, it has been a pleasure working with him, and I thank the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER).

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation has been very eloquently pursued by the minority and the majority and I would ask that S. 468 be adopted by this body. We did it before. Let us do it again. It is the right thing to do.

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE,
Washington, DC, October 26, 1999.

Hon. DAN BURTON,
Chairman, Committee on Government Reform, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest of the Transportation and Infrastructure Committee in H.R. 2513, a bill to direct the Administrator of General Services to acquire a building in Terre Haute, Indiana.

Our Committee recognizes the importance of H.R. 2513 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over certain provisions of the bill, I do not intend to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forego a sequential referral waives, reduces or otherwise affects the jurisdiction of the Transportation and Infrastructure Committee.

With warm personal regards, I remain.

Sincerely,

BUD SHUSTER,
Chairman.

COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, November 1, 1999.

Hon. BUD SHUSTER,
Chairman, Committee on Transportation and Infrastructure, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of October 26, 1999 regarding H.R. 2513 a bill directing the Administrator of General Services to acquire a building located in Terre Haute, Indiana.

I agree that the Committee on Transportation and Infrastructure has valid jurisdictional claims to certain provisions in this legislation, and I am most appreciative of your decision not to request such a referral in the interest of expediting consideration of the bill. I agree that by foregoing a sequential referral, the Committee on Transportation and Infrastructure is not waiving its jurisdiction. Further, as you requested, this exchange of letters will be included in the record during floor consideration of this bill.

Thank you for your cooperation in this matter.

Sincerely,

DAN BURTON,
Chairman.

COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, October 29, 1999.

Hon. J. DENNIS HASTERT,
Speaker, Washington, DC.

DEAR MR. SPEAKER: In the interest of expediting floor consideration of H.R. 2513, a bill to direct the Administrator of the General Services to acquire a building located in Terre Haute, Indiana, and for other purposes, the Committee on Government Reform does not intend to exercise its jurisdiction over this bill.

Originally, the bill was scheduled to be marked up by the committee on September 30th. Congressman Horn and Congressman Waxman, however, agreed to give GSA another thirty days before passing H.R. 2513. After thirty days, both resolved that the bill could be considered on the House floor.

As you know, House Rule X, Establishment and Jurisdiction of Standing Committees, grants the Government Reform Committee with jurisdiction over "government management and accounting measures, generally." Our decision not to exercise the Committee's jurisdiction over this measure is not intended or designed to waive or limit our jurisdiction over any future consideration of related matters.

Thank you for your assistance, and I look forward to working with you throughout the 106th Congress.

Sincerely,

DAN BURTON,
Chairman.

Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr. TURNER. Mr. Speaker, I too would urge adoption of this very good bipartisan piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SUNUNU). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 468, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

DECEPTIVE MAIL PREVENTION AND ENFORCEMENT ACT

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 170) to require certain notices in any mailing using a game of chance for the promotion of a product or service, and for other purposes, as amended.

The Clerk read as follows:

H.R. 170

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deceptive Mail Prevention and Enforcement Act".

SEC. 2. RESTRICTIONS ON MAILINGS USING MISLEADING REFERENCES TO THE UNITED STATES GOVERNMENT.

Section 3001 of title 39, United States Code, is amended—

(1) in subsection (h)—

(A) in the first sentence by striking "contains a seal, insignia, trade or brand name, or any other term or symbol that reasonably could be interpreted or construed as implying any Federal Government connection, approval or endorsement" and inserting the following: "which reasonably could be interpreted or construed as implying any Federal Government connection, approval, or endorsement through the use of a seal, insignia, reference to the Postmaster General, citation to a Federal statute, name of a Federal agency, department, commission, or program, trade or brand name, or any other term or symbol; or contains any reference to the Postmaster General or a citation to a Federal statute that misrepresents either the identity of the mailer or the protection or status afforded such matter by the Federal Government"; and

(B) in paragraph (2)—

(i) in subparagraph (A) by striking "and" at the end;

(ii) in subparagraph (B) by striking "or" at the end and inserting "and"; and

(iii) by inserting after subparagraph (B) the following:

"(C) such matter does not contain a false representation stating or implying that Federal Government benefits or services will be affected by any purchase or nonpurchase; or";

(2) in subsection (i) in the first sentence—

(A) in the first sentence by striking "contains a seal, insignia, trade or brand name, or any other term or symbol that reasonably could be interpreted or construed as implying any Federal Government connection, approval or endorsement" and inserting the following: "which reasonably could be interpreted or construed as implying any Federal Government connection, approval, or endorsement through the use of a seal, insignia, reference to the Postmaster General, citation to a Federal statute, name of a Federal agency, department, commission, or program, trade or brand name, or any other term or symbol; or contains any reference to the Postmaster General or a citation to a Federal statute that misrepresents either the identity of the mailer or the protection or status afforded such matter by the Federal Government"; and

(B) in paragraph (2)—

(i) in subparagraph (A) by striking "and" at the end;

(ii) in subparagraph (B) by striking "or" at the end and inserting "and"; and

(iii) by inserting after subparagraph (B) the following:

"(C) such matter does not contain a false representation stating or implying that Federal Government benefits or services will be affected by any contribution or noncontribution; or";

(3) by redesignating subsections (j) and (k) as subsections (m) and (n), respectively; and

(4) by inserting after subsection (i) the following:

"(j)(1) Any matter otherwise legally acceptable in the mails which is described in paragraph (2) is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postal Service directs.

"(2) Matter described in this paragraph is any matter that—

"(A) constitutes a solicitation for the purchase of or payment for any product or service that—

"(i) is provided by the Federal Government; and

"(ii) may be obtained without cost from the Federal Government; and

"(B) does not contain a clear and conspicuous statement giving notice of the information set forth in clauses (i) and (ii) of subparagraph (A).".

SEC. 3. RESTRICTIONS ON SWEEPSTAKES AND DECEPTIVE MAILINGS.

Section 3001 of title 39, United States Code, is amended by inserting after subsection (j) (as added by section 2(4) of this Act) the following:

"(k)(1) In this subsection—

"(A) the term 'clearly and conspicuously displayed' means presented in a manner that is readily noticeable, readable, and understandable to the group to whom the applicable matter is disseminated;

"(B) the term 'facsimile check' means any matter that—

"(i) is designed to resemble a check or other negotiable instrument; but "(ii) is not negotiable;

"(C) the term 'skill contest' means a puzzle, game, competition, or other contest in which—

"(i) a prize is awarded or offered;

"(ii) the outcome depends predominately on the skill of the contestant; and

"(iii) a purchase, payment, or donation is required or implied to be required to enter the contest; and

"(D) the term 'sweepstakes' means a game of chance for which no consideration is required to enter.

"(2) Except as provided in paragraph (4), any matter otherwise legally acceptable in the mails which is described in paragraph (3) is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postal Service directs.

"(3) Matter described in this paragraph is any matter that—

"(A)(i) includes entry materials for a sweepstakes or a promotion that purports to be a sweepstakes; and

"(ii)(I) does not contain a statement that discloses in the mailing, in the rules, and on the order or entry form, that no purchase is necessary to enter such sweepstakes;

"(II) does not contain a statement that discloses in the mailing, in the rules, and on the order or entry form, that a purchase will not improve an individual's chances of winning with such entry;

"(III) does not state all terms and conditions of the sweepstakes promotion, including the rules and entry procedures for the sweepstakes;

"(IV) does not disclose the sponsor or mailer of such matter and the principal place of business or an address at which the sponsor or mailer may be contacted;

"(V) does not contain sweepstakes rules that state—

"(aa) the estimated odds of winning each prize;

"(bb) the quantity, estimated retail value, and nature of each prize; and

"(cc) the schedule of any payments made over time;

"(VI) represents that individuals not purchasing products or services may be disqualified from receiving future sweepstakes mailings;

"(VII) requires that a sweepstakes entry be accompanied by an order or payment for a product or service previously ordered;

"(VIII) represents that an individual is a winner of a prize unless that individual has won such prize; or

"(IX) contains a representation that contradicts, or is inconsistent with sweepstakes rules or any other disclosure required to be made under this subsection, including any statement qualifying, limiting, or explaining the rules or disclosures in a manner inconsistent with such rules or disclosures;

"(B)(i) includes entry materials for a skill contest or a promotion that purports to be a skill contest; and

"(ii)(I) does not state all terms and conditions of the skill contest, including the rules and entry procedures for the skill contest;

"(II) does not disclose the sponsor or mailer of the skill contest and the principal place of business or an address at which the sponsor or mailer may be contacted; or

"(III) does not contain skill contest rules that state, as applicable—

"(aa) the number of rounds or levels of the contest and the cost to enter each round or level;

"(bb) that subsequent rounds or levels will be more difficult to solve;

"(cc) the maximum cost to enter all rounds or levels;

"(dd) the estimated number or percentage of entrants who may correctly solve the skill contest or the approximate number or percentage of entrants correctly solving the past 3 skill contests conducted by the sponsor;

"(ee) the identity or description of the qualifications of the judges if the contest is judged by other than the sponsor;

"(ff) the method used in judging;

"(gg) the date by which the winner or winners will be determined and the date or process by which prizes will be awarded;

"(hh) the quantity, estimated retail value, and nature of each prize; and

"(ii) the schedule of any payments made over time; or

"(C) includes any facsimile check that does not contain a statement on the check itself that such check is not a negotiable instrument and has no cash value.

"(4) Matter that appears in a magazine, newspaper, or other periodical shall be exempt from paragraph (2) if such matter—

"(A) is not directed to a named individual; or

"(B) does not include an opportunity to make a payment or order a product or service.

"(5) Any statement, notice, or disclaimer required under paragraph (3) shall be clearly and conspicuously displayed. Any statement, notice, or disclaimer required under subclause (I) or (II) of paragraph (3)(A)(ii) shall be displayed more conspicuously than would otherwise be required under the preceding sentence.

"(6) In the enforcement of paragraph (3), the Postal Service shall consider all of the materials included in the mailing and the material and language on and visible through the envelope or outside cover or wrapper in which those materials are mailed.

"(l)(1) Any person who uses the mails for any matter to which subsection (h), (i), (j), or (k) applies shall adopt reasonable practices and procedures to prevent the mailing of such matter to any person who, personally or through a conservator, guardian, or individual with power of attorney—

"(A) submits to the mailer of such matter a written request that such matter should not be mailed to such person; or

"(B)(i) submits such a written request to the attorney general of the appropriate State (or any State government officer who transmits the request to that attorney general); and

"(ii) that attorney general transmits such request to the mailer.

"(2) Any person who mails matter to which subsection (h), (i), (j), or (k) applies shall maintain or cause to be maintained a record of all requests made under paragraph (1). The records shall be maintained in a form to permit the suppression of an applicable name at the applicable address for a 5-year period beginning on the date the written request under paragraph (1) is submitted to the mailer.".

SEC. 4. POSTAL SERVICE ORDERS TO PROHIBIT DECEPTIVE MAILINGS.

Section 3005(a) of title 39, United States Code, is amended—

(1) by striking "or" after "(h)," each place it appears; and

(2) by inserting ", (j), or (k)" after "(i)" each place it appears.

SEC. 5. TEMPORARY RESTRAINING ORDER FOR DECEPTIVE MAILINGS.

(a) IN GENERAL.—Section 3007 of title 39, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by striking subsection (a) and inserting the following:

"(a)(1) In preparation for or during the pendency of proceedings under section 3005, the Postal Service may, under the provisions of section 409(d), apply to the district court in any district in which mail is sent or received as part of the alleged scheme, device, lottery, gift enterprise, sweepstakes, skill contest, or facsimile check or in any district in which the defendant is found, for a temporary restraining order and preliminary injunction under the procedural requirements of rule 65 of the Federal Rules of Civil Procedure.

"(2)(A) Upon a proper showing, the court shall enter an order which shall—

"(i) remain in effect during the pendency of the statutory proceedings, any judicial review of such proceedings, or any action to enforce orders issued under the proceedings; and

"(ii) direct the detention by the postmaster, in any and all districts, of the defendant's incoming mail and outgoing mail, which is the subject of the proceedings under section 3005.

"(B) A proper showing under this paragraph shall require proof of a likelihood of success on the merits of the proceedings under section 3005.

"(3) Mail detained under paragraph (2) shall—

"(A) be made available at the post office of mailing or delivery for examination by the defendant in the presence of a postal employee; and

"(B) be delivered as addressed if such mail is not clearly shown to be the subject of proceedings under section 3005.

"(4) No finding of the defendant's intent to make a false representation or to conduct a lottery is required to support the issuance of an order under this section.

"(b) If any order is issued under subsection (a) and the proceedings under section 3005 are concluded with the issuance of an order under that section, any judicial review of the matter shall be in the district in which the order under subsection (a) was issued.".

(b) REPEAL.—

(1) IN GENERAL.—Section 3006 of title 39, United States Code, and the item relating to such section in the table of sections for chapter 30 of such title are repealed.

(2) CONFORMING AMENDMENTS.—(A) Section 3005(c) of title 39, United States Code, is amended by striking "section and section 3006 of this title," and inserting "section,".

(B) Section 3011(e) of title 39, United States Code, is amended by striking "3006, 3007," and inserting "3007".

SEC. 6. CIVIL PENALTIES AND COSTS.

Section 3012 of title 39, United States Code, is amended—

(1) in subsection (a) by striking "$10,000 for each day that such person engages in conduct described by paragraph (1), (2), or (3) of this subsection." and inserting "$50,000 for each mailing of less than 50,000 pieces; $100,000 for each mailing of 50,000 to 100,000 pieces; with an additional $10,000 for each additional 10,000 pieces above 100,000, not to exceed $2,000,000.";

(2) in paragraphs (1) and (2) of subsection (b) by inserting after "of subsection (a)" the following: ", (c), or (d)";

(3) by redesignating subsections (c) and (d), as subsections (e) and (f), respectively; and

(4) by inserting after subsection (b) the following:

"(c)(1) In any proceeding in which the Postal Service may issue an order under section 3005(a), the Postal Service may in lieu of that order or as part of that order assess civil penalties in an amount not to exceed $25,000 for each mailing of less than 50,000 pieces; $50,000 for each mailing of 50,000 to 100,000 pieces; with an additional $5,000 for each additional 10,000 pieces above 100,000, not to exceed $1,000,000.

"(2) In any proceeding in which the Postal Service assesses penalties under this subsection the Postal Service shall determine the civil penalty taking into account the nature, circumstances, extent, and gravity of the violation or violations of section 3005(a), and with respect to the violator, the ability to pay the penalty, the effect of the penalty on the ability of the violator to conduct lawful business, any history of prior violations of such section, the degree of culpability and other such matters as justice may require.

"(d) Any person who violates section 3001(l) shall be liable to the United States for a civil penalty not to exceed $10,000 for each mailing to an individual.".

SEC. 7. ADMINISTRATIVE SUBPOENAS.

(a) In General.—Chapter 30 of title 39, United States Code, is amended by adding at the end the following:

"§3016. Administrative subpoenas

"(a) Subpoena Authority.—

"(1) Investigations.—

"(A) In general.—In any investigation conducted under section 3005(a), the Postmaster General may require by subpoena the production of any records (including books, papers, documents, and other tangible things which constitute or contain evidence) which the Postmaster General considers relevant or material to such investigation.

"(B) Condition.—No subpoena shall be issued under this paragraph except in accordance with procedures, established by the Postal Service, requiring that—

"(i) a specific case, with an individual or entity identified as the subject, be opened before a subpoena is requested;

"(ii) appropriate supervisory and legal review of a subpoena request be performed; and

"(iii) delegation of subpoena approval authority be limited to the Postal Service's General Counsel or a Deputy General Counsel.

"(2) Statutory proceedings.—In any statutory proceeding conducted under section 3005(a), the Judicial Officer may require by subpoena the attendance and testimony of witnesses and the production of any records (including books, papers, documents, and other tangible things which constitute or contain evidence) which the Judicial Officer considers relevant or material to such proceeding.

"(3) Rule of construction.—Nothing in paragraph (2) shall be considered to apply in any circumstance to which paragraph (1) applies.

"(b) Service.—

"(1) Service within the United States.—A subpoena issued under this section may be served by a person designated under section 3061 of title 18 at any place within the territorial jurisdiction of any court of the United States.

"(2) Foreign service.—Any such subpoena may be served upon any person who is not to be found within the territorial jurisdiction of any court of the United States, in such manner as the Federal Rules of Civil Procedure prescribe for service in a foreign country. To the extent that the courts of the United States may assert jurisdiction over such person consistent with due process, the United States District Court for the District of Columbia shall have the same jurisdiction to take any action respecting compliance with this section by such person that such court would have if such person were personally within the jurisdiction of such court.

"(3) Service on business persons.—Service of any such subpoena may be made upon a partnership, corporation, association, or other legal entity by—

"(A) delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity;

"(B) delivering a duly executed copy thereof to the principal office or place of business of the partnership, corporation, association, or entity; or

"(C) depositing such copy in the United States mails, by registered or certified mail, return receipt requested, duly addressed to such partnership, corporation, association, or entity at its principal office or place of business.

"(4) Service on natural persons.—Service of any subpoena may be made upon any natural person by—

"(A) delivering a duly executed copy to the person to be served; or

"(B) depositing such copy in the United States mails, by registered or certified mail, return receipt requested, duly addressed to such person at his residence or principal office or place of business.

"(5) Verified return.—A verified return by the individual serving any such subpoena setting forth the manner of such service shall be proof of such service. In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such subpoena.

"(c) Enforcement.—

"(1) In general.—Whenever any person, partnership, corporation, association, or entity fails to comply with any subpoena duly served upon him, the Postmaster General may request that the Attorney General seek enforcement of the subpoena in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person a petition for an order of such court for the enforcement of this section.

"(2) Jurisdiction.—Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction to hear and determine the matter so presented, and to enter such order or orders as may be required to carry into effect the provisions of this section. Any final order entered shall be subject to appeal under section 1291 of title 28. Any disobedience of any final order entered under this section by any court may be punished as contempt.

"(d) Disclosure.—Any documentary material provided pursuant to any subpoena issued under this section shall be exempt from disclosure under section 552 of title 5.".

(b) Regulations.—Not later than 120 days after the date of enactment of this section, the Postal Service shall promulgate regulations setting out the procedures the Postal Service will use to implement the amendment made by subsection (a).

(c) Semiannual Reports.—Section 3013 of title 39, United States Code, is amended by striking "and" at the end of paragraph (4), by redesignating paragraph (5) as paragraph (6), and by inserting after paragraph (4) the following:

"(5) the number of cases in which the authority described in section 3016 was used, and a comprehensive statement describing how that authority was used in each of those cases; and".

(d) Technical and Conforming Amendment.—The table of sections for chapter 30 of title 39, United States Code, is amended by adding at the end the following:

"3016. Administrative subpoenas.".

SEC. 8. REQUIREMENTS OF PROMOTERS OF SKILL CONTESTS OR SWEEPSTAKES MAILINGS.

(a) In General.—Chapter 30 of title 39, United States Code (as amended by section 7 of this Act) is amended by adding after section 3016 the following:

"§3017. Nonmailable skill contests or sweepstakes matter; notification to prohibit mailings

"(a) Definitions.—In this section—

"(1) the term 'promoter' means any person who—

"(A) originates and mails any skill contest or sweepstakes, except for any matter described in section 3001(k)(4); or

"(B) originates and causes to be mailed any skill contest or sweepstakes, except for any matter described in section 3001(k)(4);

"(2) the term 'removal request' means a request stating that an individual elects to have the name and address of such individual excluded from any list used by a promoter for mailing skill contests or sweepstakes;

"(3) the terms 'skill contest', 'sweepstakes', and 'clearly and conspicuously displayed' have the same meanings as given them in section 3001(k); and

"(4) the term 'duly authorized person', as used in connection with an individual, means a conservator or guardian of, or person granted power of attorney by, such individual.

"(b) Nonmailable Matter.—

"(1) In general.—Matter otherwise legally acceptable in the mails described in paragraph (2)—

"(A) is nonmailable matter;

"(B) shall not be carried or delivered by mail; and

"(C) shall be disposed of as the Postal Service directs.

"(2) Nonmailable matter described.—Matter described in this paragraph is any matter that—

"(A) is a skill contest or sweepstakes, except for any matter described in section 3001(k)(4); and

"(B)(i) is addressed to an individual who made an election to be excluded from lists under subsection (d); or

"(ii) does not comply with subsection (c)(1).

"(c) Requirements of Promoters.—

"(1) Notice to individuals.—Any promoter who mails a skill contest or sweepstakes shall provide with each mailing a statement that—

"(A) is clearly and conspicuously displayed;

"(B) includes the address or toll-free telephone number of the notification system established under paragraph (2); and

"(C) states that the notification system may be used to prohibit the mailing of all skill contests or sweepstakes by that promoter to such individual.

"(2) Notification system.—Any promoter that mails or causes to be mailed a skill contest or sweepstakes shall establish and maintain a notification system that provides for any individual (or other duly authorized person) to notify the system of the individual's election to have the name and address of the individual excluded from all lists of names and addresses used by that promoter to mail any skill contest or sweepstakes.

"(d) Election To Be Excluded From Lists.—

"(1) In general.—An individual (or other duly authorized person) may elect to exclude the name and address of that individual from all lists of names and addresses used by a promoter of skill contests or sweepstakes by submitting a removal request to the notification system established under subsection (c).

"(2) Response after submitting removal request to the notification system.—Not later than 60 calendar days after a promoter receives a removal request pursuant to an election under paragraph (1), the promoter shall exclude the individual's name and address from all lists of names and addresses used by that promoter to select recipients for any skill contest or sweepstakes.

"(3) Effectiveness of election.—An election under paragraph (1) shall remain in effect, unless an individual (or other duly authorized person) notifies the promoter in writing that such individual—

"(A) has changed the election; and

"(B) elects to receive skill contest or sweepstakes mailings from that promoter.

"(e) Private Right of Action.—

"(1) In general.—An individual who receives one or more mailings in violation of subsection (d) may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State—

"(A) an action to enjoin such violation,

"(B) an action to recover for actual monetary loss from such a violation, or to receive $500 in damages for each such violation, whichever is greater, or

"(C) both such actions.

It shall be an affirmative defense in any action brought under this subsection that the defendant has established and implemented, with due care, reasonable practices and procedures to effectively prevent mailings in violation of subsection (d). If the court finds that the defendant willfully or knowingly violated subsection (d), the court may, in its discretion, increase the amount of the award to an amount equal to not more than 3 times the amount available under subparagraph (B).

"(2) Action allowable based on other sufficient notice.—A mailing sent in violation of section 3001(l) shall be actionable under this subsection, but only if such an action would not also be available under paragraph (1) (as a violation of subsection (d)) based on the same mailing.

"(f) Promoter Nonliability.—A promoter shall not be subject to civil liability for the exclusion of an individual's name or address from any list maintained by that promoter for mailing skill contests or sweepstakes, if—

"(1) a removal request is received by the promoter's notification system; and

"(2) the promoter has a good faith belief that the request is from—

"(A) the individual whose name and address is to be excluded; or

"(B) another duly authorized person.

"(g) Prohibition on Commercial Use of Lists.—

"(1) In general.—

"(A) Prohibition.—No person may provide any information (including the sale or rental of any name or address) derived from a list described in subparagraph (B) to another person for commercial use.

"(B) Lists.—A list referred to under subparagraph (A) is any list of names and addresses (or other related information) compiled from individuals who exercise an election under subsection (d).

"(2) Civil penalty.—Any person who violates paragraph (1) shall be assessed a civil penalty by the Postal Service not to exceed $2,000,000 per violation.

"(h) Civil Penalties.—

"(1) In general.—Any promoter—

"(A) who recklessly mails nonmailable matter in violation of subsection (b) shall be liable to the United States in an amount of $10,000 per violation for each mailing to an individual of nonmailable matter; or

"(B) who fails to comply with the requirements of subsection (c)(2) shall be liable to the United States.

"(2) Enforcement.—The Postal Service shall, in accordance with the same procedures as set forth in section 3012(b), provide for the assessment of civil penalties under this section.".

(b) Technical and Conforming Amendments.—The table of sections for chapter 30 of title 39, United States Code, is amended by adding after the item relating to section 3016 the following:

"3017. Nonmailable skill contests or sweepstakes matter: notification to prohibit mailings.".

(c) Effective Date.—This section shall take effect 1 year after the date of enactment of this Act.

SEC. 9. STATE LAW NOT PREEMPTED.

(a) In General.—Nothing in the provisions of this Act (including the amendments made by this Act) or in the regulations promulgated under such provisions shall be construed to preempt any provision of State or local law that imposes more restrictive requirements, regulations, damages, costs, or penalties. No determination by the Postal Service that any particular piece of mail or class of mail is in compliance with such provisions of this Act shall be construed to preempt any provision of State or local law.

(b) Effect on State Court Proceedings.—Nothing contained in this section shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State or any specific civil or criminal statute of such State.

SEC. 10. TECHNICAL AND CONFORMING AMENDMENTS.

(a) References to Repealed Provisions.—Section 3001(a) of title 39, United States Code, is amended by striking "1714," and "1718,".

(b) Conformance With Inspector General Act of 1978.—

(1) In general.—Section 3013 of title 39, United States Code, is amended—

(A) by striking "Board" each place it appears and inserting "Inspector General";

(B) in the third sentence by striking "Each such report shall be submitted within sixty days after the close of the reporting period involved" and inserting "Each such report shall be submitted within 1 month (or such shorter length of time as the Inspector General may specify) after the close of the reporting period involved"; and

(C) by striking the last sentence and inserting the following:

"The information in a report submitted under this section to the Inspector General with respect to a reporting period shall be included as part of the semiannual report prepared by the Inspector General under section 5 of the Inspector General Act of 1978 for the same reporting period. Nothing in this section shall be considered to permit or require that any report by the Postmaster General under this section include any information relating to activities of the Inspector General.".

(2) Effective date.—This subsection shall take effect on the date of enactment of this Act, and the amendments made by this subsection shall apply with respect to semiannual reporting periods beginning on or after such date of enactment.

(3) Savings provision.—For purposes of any semiannual reporting period preceding the first semiannual reporting period referred to in paragraph (2), the provisions of title 39, United States Code, shall continue to apply as if the amendments made by this subsection had not been enacted.

SEC. 11. EFFECTIVE DATE.

Except as provided in section 8 or 10(b), this Act shall take effect 120 days after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. McHugh) and the gentleman from Illinois (Mr. Davis) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. McHugh).

GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 170, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring H.R. 170, as amended, to the floor today and would like to take this opportunity to thank the members of my Subcommittee on the Postal Service for their interest, for their hard work in moving this important legislation, particularly thanking the ranking member, the gentleman from Pennsylvania (Mr. Fattah), for his input in making this bill stronger and of a wider appeal.

Mr. Speaker, I would like to also quote from the testimony of the General Accounting Office at the subcommittee's August 14 meeting, which I think summed it up very well, "When it comes to deceptive mail, which includes sweepstakes and other kinds of mail material," quote, "consumers' problems appear substantial."

We are all concerned, Mr. Speaker, with the way sweepstakes mailings entice customers, particularly senior citizens, into making unwanted purchases under the mistaken impression that this will somehow enhance their chances of winning.

As I have stated previously, sweepstakes in and of themselves are not evil. In fact, Mr. Speaker, they are often a marketing tool that are accessed by willing and very satisfied individuals, but experience teaches us that when laws fall short, the dishonest often flock and people ultimately will suffer. Now is the time to correct these shortfalls.

H.R. 170, as amended, was carefully developed with our ranking member, the gentleman from Pennsylvania (Mr. FATTAH), and the bill's original author, the gentleman from New Jersey (Mr. LoBIONDO). In keeping with H.R. 170's objective of ensuring honesty in sweepstakes mailing, the amended language incorporates and responds to the extensive testimony submitted at the hearing conducted by the Subcommittee on the Postal Service.

The gentleman from New Jersey (Mr. LoBIONDO) is to be commended for championing the necessary changes to our postal laws in this area, and I also, Mr. Speaker, deeply appreciate the assistance of our other colleagues; as I mentioned earlier, the gentleman from Pennsylvania (Mr. FATTAH), the ranking member, but as well the language in this bill reflects the input of others who also introduced legislation, including the gentleman from California (Mr. ROGAN), the gentleman from Florida (Mr. McCOLLUM), authors of H.R. 237 and H.R. 2678 respectively.

This language is also based upon Senator SUSAN COLLINS' comprehensive bipartisan sweepstakes mailing legislation, which passed in the other body by a 93-to-0 vote on August 2. We certainly are indebted to Ms. COLLINS and to her staff and the other members of the other body for their interest, for their leadership, and for their guidance.

Mr. Speaker, we have drawn from many sources to craft what I believe is a reasonably balanced and effective piece of legislation. H.R. 170, as amended, would establish strong consumer protections to prevent a number of types of deceptive mailings. It would impose various requirements on sweepstakes mailings, skills contests, facsimile checks and mailings made to look like government documents. It would establish as well strong financial penalties, provide the Postal Service with additional authority to investigate and stop deceptive mailings and preserve the ability of States to impose stricter requirements on such mailings.

Mr. Speaker, I would strongly encourage all Members to fully support the legislation before us. We should join with the other body in advancing this important cause. America's consumers, particularly our senior citizens, are counting on us.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first of all commend and congratulate the gentleman from New York (Chairman McHUGH), and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH) for the very efficient, effective and bipartisan manner in which they have shepherded this legislation through committee.

I also want to commend the gentleman from New Jersey (Mr. LoBIONDO) for the significant role that he played in making sure that we had a good, strong bill and that we have it before us today.

As a member of the Subcommittee on the Postal Service, I am pleased to join the gentleman from New York (Mr. McHUGH) in the consideration of H.R. 170, the Honesty in Sweepstakes Act of 1999. When signed into law, the legislation will protect vulnerable consumers from unscrupulous operators of deceptive sweepstakes and stop many of the more abusive practices of the sweepstakes industry.

We in the Congress have learned firsthand the financial and emotional costs to consumers from deceptive and fraudulent sweepstakes. This is a serious problem which plagues our elderly and those on limited budgets. To that end, I am proud to have played a part in the House consideration and markup of the Honesty in Sweepstakes Act of 1999.

Last month, the Subcommittee on the Postal Service marked up H.R. 170 and unanimously approved an amendment in the nature of a substitute offered by the ranking minority member, the gentleman from Pennsylvania (Mr. FATTAH) and the gentleman from New York (Mr. McHUGH).

Our bill, which closely mirrors sweepstakes legislation passed by the Senate in August, would impose disclosure requirements relating to sweepstakes mailings and skill contests, contests in which a prize is awarded based on skill and a purchase payment or donation is required, concerning rules, terms, conditions, sponsor, place of business of sponsor, odds of winning and other information, to help ensure the consumer has complete information about the contest.

It also prohibits mailings that suggest a connection to the Federal Government or that contain false representations implying that Federal Government benefits or services will be affected by participation or nonparticipation in the contest. It requires that copies of checks sent in any mailing must include a statement on the check itself stating that it is nonnegotiable and has no cash value. It requires certain disclosures to be clearly and conspicuously displayed in certain parts of the sweepstakes and skill contest promotion. It requires sweepstakes companies to maintain individual do-not-mail lists and it gives the Postal Service additional enforcement tools to maintain and investigate and stop deceptive mailings, including the authority to impose civil penalties and subpoenas.

The measure before us today adds two very important and critical provisions. First, we provide the Postal Service with subpoena authority to combat sweepstakes fraud and, in addition, we have limited the scope of subpoena authority to only those provisions of law addressing deceptive mailings and required the Postal Service to develop procedures for the issuance of subpoenas. So the issue of consumer protection, whether it relates to telemarketing fraud or sweepstakes deception, is finally receiving the attention it deserves and I am pleased that we are here today at this point and at this time to pass this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. McHUGH. Mr. Speaker, I yield 3½ minutes to the gentleman from New Jersey (Mr. LoBIONDO) who, as I mentioned during my opening remarks, was really a leader in this effort. Through his initiative, in fact, the question was first brought to the attention of our subcommittee last year and, in large measure, this is a product of his efforts.

Mr. LoBIONDO. Mr. Speaker, let me take a moment to first thank my colleague from New York (Mr. McHUGH) for his leadership with the subcommittee and particularly on this issue. The hearing that was held really focused in on the problem, I think, in a very specific way and it allowed us to convince many of our colleagues of the importance of this issue.

I want to thank the gentleman from Indiana (Mr. BURTON), the chairman of the full committee, and the gentleman from Illinois (Mr. DAVIS) and the gentleman from Pennsylvania (Mr. FATTAH) for their help, and my colleague, the gentleman from California (Mr. CONDIT), for his help in garnering votes from the other side and support from the other side.

Mr. Speaker, thousands, if not millions, of Americans will receive some sweepstakes mailing today. Most people disregard these mailings as the marketing ploy that they are. Unfortunately, there are a small percentage of consumers who will open the package with excitement and carefully return the enclosures, often with a payment, in the hope of becoming America's latest millionaire.

Most likely to be impacted by these fraudulent and misleading mailings are some of the most vulnerable in our society, our senior citizens. Sadly, these vulnerable consumers are not being duped merely into entering a hopeless contest. They are, in fact, encouraged to purchase goods from these sweepstakes companies in the thought that these purchases will give them a better chance of winning a huge sum of money.

For seniors, most of whom are on a fixed income, this frivolous spending in the hope of winning untold riches is having an especially detrimental effect. There are stories that abound of life savings being lost, of seniors whose lives are devastated because they feel that they have had an opportunity to gain an advantage in a sweepstakes that was never there from the beginning.

My legislation will prohibit many tactics sweepstakes company use to prey on our most vulnerable consumers. Misleading language such as "we would feel better if we were giving the prize to a customer" leads people to believe that a purchase enhances the chances of winning, when it really does not. My bill takes significant steps to prevent vulnerable members of our society from being harmed by predatory sweepstakes companies.

The key provision of H.R. 170 requires that certain clear and easy-to-read honesty disclosures be included in each sweepstakes mailing.

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First, each mailing must include language stating that purchase is not necessary to win a prize, nor does it enhance the chances of winning a prize. It additionally requires other important information such as the odds of winning the grand prize to be displayed prominently in the mailing.

The bill would further crack down on cashier's checks and government document look-alikes, which obviously confuse many seniors and have to lead us to conclude it was the intention to mislead and confuse seniors.

So in conclusion, I want to thank all of my colleagues who worked so hard on this. I think we have a chance to make a real difference today with those in our society who have been the recipients of tactics that all of us wish we could change. We can change that today with this legislation.

Again, I urge all my colleagues to support H.R. 170.

Mr. DAVIS of Illinois. Mr. Speaker, I yield such time as she might consume to the gentlewoman from New York (Ms. SLAUGHTER), who has long been a protector of consumer interests and consumer rights.

Ms. SLAUGHTER. Mr. Speaker, I certainly thank the gentleman from Illinois (Mr. DAVIS) for allowing me to speak, and I appreciate his support.

I want to thank the gentleman from New Jersey (Mr. LoBIONDO) for bringing this to the floor and the gentleman from New York (Mr. McHUGH) for his support.

Just take a look at this. Right here, it says up at the top, "Attention: Time-sensitive material. Contents to be opened by addressee only. Obstruction of U.S. mail punishable by fines up to $2,000 and 5 years imprisonment."

Now, imagine, one gets this envelope, which looks very much like the one one's Social Security check comes in, and it has everything in the world to make it look like it came from the government. Official communication, it says up there. Extremely urgent. Respond within 5 business days.

Then over on the back, again, it says, "Documents enclosed intended for the sole use of the addressee. Tampering is a Federal offense."

This chart has been enlarged 4,000 times, and it is still barely readable. The fact that everybody, as the gentleman from New Jersey (Mr. LoBIONDO) said, is getting one of these almost every day in the mail is really a scandal. We know they are designed to confuse and mislead the recipients.

Virginia Tierney from the AARP pointed out in her testimony that these deceptive sweepstakes lead older Americans to send in thousands of dollars from their Social Security checks and lifetime savings because they believe what is often also written on here, "you have automatically won."

But I want to focus a specific provision of this bill that addresses a strong concern of mine, and that is what I just pointed out, that this mail looks as though it has been distributed or endorsed by a government agency.

The companies are sending these facsimile checks usually in window envelopes that are specifically designed to look like the Social Security envelope. This government look-alike mail motivates the senior to at least open the envelope.

I did not hear about this deceptive mailing practice from my constituents because my colleagues may notice that this was addressed to me, this official communication, which I tampered with at my peril.

Now, in very small print back here on the back of the envelope going on for 33 lines is the official rules detailing that this is in reality a sweepstakes solicitation. It is not a private government document carrying great threats. How dare they usurp government authority in an attempt to frighten people.

I have to be honest, I got dizzy counting the number of lines the small print goes on for. That was because I had tried to read this before it was enlarged. A senior citizen would have to enlarge this envelope to poster size like I did before they could read this small print.

This bill would close the loophole and prohibit all mailings that could reasonably look like government documents in any way, shape, or form, period. Sweepstakes companies need to stop misleading the American people, especially our seniors.

It is past time that the House of Representatives votes to stop these deceptive mailings, and I am more than delighted that this bill has come to the floor.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I mentioned to the gentleman from New Jersey (Mr. LoBIONDO), the author, and ratified in my comments, we have had a number of individuals who were early on supporters of this initiative who had drafted their own approaches from which we drew not just moral support, but legislative language and approaches to the bill.

Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Florida (Mr. McCOLLUM), an individual who has established in this House a well-deserved reputation as a student of the law and one who had a great deal of input and we had a great deal assistance from.

Mr. McCOLLUM. Mr. Speaker, I really appreciate the gentleman from New York (Mr. McHUGH) for his work on this bill and bringing it to the floor, and obviously the gentleman from New Jersey (Mr. LoBIONDO) for introducing it.

I do support the bill. It will reform, as we all know, the deceptive sweepstakes mailing and establish consumer protections through financial penalties and by providing the Postal Service with additional authority to investigate and stop such deceptive mailings. It will also allow States to impose stricter requirements as they see fit on such mailings.

We have had a lot of this sort of thing going on in my State of Florida. We have heard so many of examples. One of them is Eustace Hall of Brandon, Florida who told a story of having spent thousands of dollars trying to win a contest to help his daughter pay for law school. Mr. Hall explained he did not understand there was no requirement that he make a purchase to enter the contest.

That is just not right. I would like to think that, after this legislation is enacted, there will not be more cases like Mr. Hall that we see.

We have been such a hotbed on this that I did introduce a bill that the gentleman from New York (Mr. McHUGH) was referring to, called the Consumers Choice Sweepstakes Protection Act of 1999. It has been incorporated in this bill almost in toto.

It is the legislation that would require that sweepstakes mailers provide a toll free number or mailing address to be used by individuals wishing to have their names removed from mailing lists or be subject to a civil fine of $1,000 per violation levied by the Postal Service. This legislation was endorsed by the 60 Plus Association and strongly supported by both the AARP and the National Consumers League.

I want to again thank the gentleman from New York (Mr. McHUGH), the chairman of the Subcommittee on Postal Service, and the gentleman from New Jersey (Mr. LoBIONDO) in working with me today on this and to incorporate this into the bill before us.

I really think what they are doing today in this legislation in H.R. 170 is going to make a big difference in the sweepstakes issue. Most of us read these, and we do fine with it. We understand it. But there are a lot of people who flat out do not. Those who do not want to keep getting these mailings ought to have a chance to say do not send it, and especially the elderly and their family when they do not want to see these things coming across so regularly as they do and the volumes that do.

So I think the toll free number or the mailing address that is provided in the bill enhances it. Again, I want to thank the gentlemen for incorporating it in the bill.

Mr. DAVIS of Illinois. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Texas (Mr. GREEN). It has been my experience that whenever there is an issue involving consumers and their protection and rights and the needs of the people, one would find the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I would like to thank the gentleman from Illinois (Mr. DAVIS) for allowing me to speak today. This is something that is near and dear to each of our hearts as individuals.

A few months ago, the daughter of one of my former constituents, her mother just passed away, came by our office and brought a box. She had been sorting through her mother's things. The box was easily bigger than the podium that I am standing at, Mr. Speaker. It was full of letter after letter from these sweepstakes promotors, offers for her mother.

In each mailing was marked in bold print, "You have won 10 Million Dollars" or "Urgent: Prize Claim Documentation Enclosed" or "Open and Return Immediately For Your Grand Prize."

Not only had this woman's mother opened each and every one of these solicitations, but she had fallen into that trap. She thought, due to the tricky and often misleading wording of the mailings that not only did she have to purchase something to win, but by purchasing items she would increase her chances of winning.

This daughter found not only this box of information, but lots of little things that her mother had bought and literally never opened. Each time she responded, each time she bought some worthless knickknack, each time she thought it would finally pay off, all that would happen is more solicitations came in the mail. It was a vicious cycle. Because if one responds to one, then obviously they sell one's name to other people and other groups.

This is a clear example how the sweepstakes industry has taken advantage and exploited some of our most vulnerable members of our society.

I even have one family member in my district who tried to get their mother off the mailing list until, finally, they sent a letter saying, I am sorry, mom passed away, and it took them two times to do that, to get them to quit sending her sweepstakes information, just so she would stop receiving these awful offers and sending them in.

H.R. 170, the Honesty in Sweepstakes Act, will ensure that the same bold print, not tiny print that one cannot read, will be used to state that one is not a winner and that purchasing items will not increase one's odds of winning.

It would require that a toll free number be displayed prominently on the mailing. Those who wish to not receive these mailings will be able to call that number and be removed from the company's mailing list.

It also provides for penalties for companies that violate or ignore these rules.

This is a good bill that will help protect not only all Americans, but particularly older Americans, many of whom are spending significant portions of their income on these sucker contests. It will be especially helpful to family members who are care givers to our senior citizens. I hope my colleagues will vote for its passage.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we have heard here today, this bill obviously is addressing concerns that are faced by the entire country, but particularly among senior citizens. As we know, particularly when it comes to the State of New York, many of our seniors move to the south and often Florida. We have had a great deal of input and support by the Florida delegation on both sides of the aisle in this matter.

Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Florida (Mr. FOLEY), who has been very interested in this issue and very supportive.

Mr. FOLEY. Mr. Speaker, let me thank the gentleman from New York (Mr. MCHUGH) for his leadership on this very important issue that affects seniors and affects all Floridians and all Americans.

Sadie Stern Ott, age 76, of Seminole, Florida said that for years she has bought merchandise from sweepstakes companies, even though she knew that she did not have to buy anything to enter the contest.

She says, "They send so many envelopes that say 'Return this certificate, saying what would you like to buy, and your merchandise will be delivered when we visit your home to bring you your prize.'"

Ott said she waited at home for the prize patrol several times, especially after the time she got a letter telling her the contest was down to her and another person. But she never won anything. She said, "I kind of felt that I had been played for a fool."

Ott said she spent several hundred dollars on magazines and knickknacks. Some seniors have spent thousands of dollars. This is exactly the way the sweepstakes companies cheat seniors out of their modest incomes. Using bright, shiny envelopes and promises of winning millions of dollars, these companies get seniors to buy products that they do not need in hopes of winning large cash prizes. In reality, these people have little, if any, chance of winning.

At a time when many seniors struggle to pay for rent, food, and prescription medication, this cruel scam is inhumane and ethically indefensible.

My own State of Florida has filed suit against Publisher's Clearinghouse for exactly this activity. The Attorney General has charged the company with unfair trade practices and unlawful game promotions.

In addition, Florida, along with three other States, has already won a $4 million settlement against another sweepstakes company, American Family Publishers.

Even though law enforcement officials and consumer protection groups send out notices warning against these mail scams, many people are still drawn into their game.

These fraudulent practices by sweepstakes companies could almost be compared to a criminal coming into someone's home and stealing from them.

I would like to give a special word of thanks to the gentleman from New Jersey (Mr. LOBIONDO) and the gentleman from California (Mr. CONDIT) for their work on this bill to establish consumer protections and to prevent sweepstakes companies from swindling people, especially seniors, out of their hard-earned money.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will enter into the RECORD a statement from the Executive Office of the President. I will just read a bit of it. "The administration strongly supports H.R. 170, the Deceptive Mail Prevention and Enforcement Act, that will be considered on the Suspension Calendar. H.R. 170 would protect consumers against deceptive mailings and sweepstakes practices and reinforce their rights by establishing standards for disclosure and financial penalties for sponsors who fail to comply with those standards.

"H.R. 170 would establish standards for sweepstakes mailings, skill contests, and facsimile checks. The bill would restrict government look-alike documents and create a uniform notification system to allow individuals to remove their names and addresses from all major sweepstakes mailing lists at one time.

"It would also create strong financial penalties for not disclosing all terms, conditions, rules, and entry procedures of a contest; the continuation of mailings after an individual has requested cessation and the failure to comply with the Postal Service stop order.

"H.R. 170 would increase the authority of the Postal Service to investigate and stop deceptive mailings while permitting States to establish a higher level of protection for consumers.

"Congress has heard evidence of widespread confusion by consumers and clearly misleading mailings and sweepstakes practices. The administration urges passage of H.R. 170 to protect consumers and address these concerns."

I also would like to acknowledge the interest of the gentleman from New York (Mr. LAFALCE), who has had a great deal of interest in this legislation and had intended to speak with regards to it on the floor today, and also the gentleman from Illinois (Mr. BLAGOJEVICH), who has introduced legislation in this area.

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Mr. Speaker, I will just wrap up by suggesting that although some sweepstakes mailings are fair, far too many are not. They deceive consumers into spending money or making purchases, none of which is needed, necessary or required. Savvy marketing techniques and technological advances have allowed sweepstakes promoters to target consumers who respond to the mailings or place orders for products. Mailings often use very aggressive marketing techniques, such as personalizing an address and implying if purchases are not made, the customer may lose her or his preferred customer status. In the most egregious cases, customers have received up to hundreds of mailings a year and spent thousands of dollars ordering items they did not want or need in an attempt to win the big prize.

These deceptive tactics have resulted in thousands of consumer complaints to the Federal Trade Commission, to State Attorneys General, the United States Postal Service, and Members of Congress. Sadly, the victim of these marketing tactics are the elderly, who have difficulty reading the fine print, and believe that in order to be a preferred customer, that they must buy to win that prize.

This is, indeed, an idea now whose time has come. For many years we have looked at this issue and many people have wondered why we have not taken action before. Well, thanks to the gentleman from New Jersey (Mr. LOBIONDO) and the gentleman from California (Mr. CONDIT), certainly to the chairman of the subcommittee, the gentleman from New York (Mr. MCHUGH) and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), we are indeed taking action and we are taking action today.

Mr. Speaker, I submit for the RECORD the letter I mentioned earlier in my remarks.

H.R. 170—DECEPTIVE MAIL PREVENTION AND ENFORCEMENT ACT

The Administration strongly supports H.R. 170, the Deceptive Mail Prevention and Enforcement Act, that will be considered on the suspension calendar. H.R. 170 would protect consumers against deceptive mailing and sweepstakes practices and reinforce their rights by establishing standards for disclosure and financial penalties or sponsors who fail to comply with those standards.

H.R. 170 would establish standards for sweepstakes mailings, skill contests, and facsimile checks. The bill would restrict "government look-alike" documents and create a uniform notification system to allow individuals to remove their names and addresses from all major sweepstakes mailing lists at one time. It would also create strong financial penalties for: not disclosing all terms, conditions, rules, and entry procedures of a contest; the continuation of mailings after an individual has requested cessation; and the failure to comply with a Postal Service "stop order." In addition, H.R. 170 would increase the authority of the Postal Service to investigate and stop deceptive mailings while permitting States to establish a higher level of protection for consumers.

Congress has heard evidence of widespread confusion by consumers and clearly misleading mailing and sweepstakes practices. The Administration urges passage of H.R. 170 to protect consumers and address these concerns.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, may I inquire of the Chair how much time is remaining?

The SPEAKER pro tempore (Mr. SUNUNU). The gentleman from New York (Mr. MCHUGH) has 7 minutes remaining.

Mr. MCHUGH. Mr. Speaker, I yield 3¼ minutes to the gentleman from Florida (Mr. MILLER), another member of the Florida delegation that has been so supportive in this effort, and also I might add the sometimes the winter Congressman of my mother, who visits from New York State. So we particularly appreciate his support.

Mr. MILLER of Florida. Mr. Speaker, I wish to rise in strong support of the H.R. 170, the Deceptive Mail Prevention and Enforcement Act and thank the gentleman from New York (Mr. MCHUGH) and also the gentleman from New Jersey (Mr. LOBIONDO) for their support in bringing this legislation to the floor today.

This legislation will help protect Americans from deceptive sweepstakes mailings and other types of deceptive mailings. This is one of the most important consumer issues to come before the 106th Congress, and I view H.R. 170 as one of the Committee on Government Reform's major accomplishments this year. It is a good bill that all my colleagues, Republicans, Democrats, liberals, conservatives and moderates can support.

Several bills concerning deceptive sweepstakes mailings, including H.R. 170, have been introduced in this Congress. Most of my colleagues have probably heard from constituents who have been victims of these deceptive sweepstakes mailings, and this is particularly true with seniors. And with the large number of seniors in my district, this is a very important piece of legislation, because their stories are heartbreaking.

This is a serious problem that Congress needs to address. And because the postal service is an entity of the Federal Government, Congress has the legal means and the duty to strengthen the law against fraudulent mailings. And let me say at the outset that not all sweepstakes mailings are deceptive. Promoters of legitimate sweepstakes have nothing to fear from this legislation.

In August, the General Accounting Office testified before the Subcommittee on Postal Service of the Committee on Government Reform that data has been collected to suggest that consumers were having substantial problems with deceptive mail. The Federal Trade Commission, the American Association of Retired Persons, the National Consumers League also testified on their research in this area and the need for reform to protect consumers.

The Chief Postal Inspector testified on the Postal Inspection Service's need for subpoena power and other additional powers to combat fraudulent mailings. Representatives of the marketers, who send sweepstakes mailings, also testified before the subcommittee. And I think the gentleman from New York (Mr. MCHUGH) has done a great job of producing a bill that reflects input from all the diverse points of view.

H.R. 170 requires sweepstakes mailings to clearly and conspicuously display statements informing consumers that no purchase is necessary to enter the sweepstakes, and that making a purchase or purchases will not increase their chances of winning. I believe this is very important. Because the problem often is that consumers spend large sums of money to order products they do not need all in the mistaken belief that this will increase their chances of winning. It does not. If consumers wish to purchase a product or products, fine, but they need to be made fully aware that this bears no relation to the odds of winning.

With respect to their odds of winning, H.R. 170 requires this be clearly disclosed as well. Further, any check facsimile must include a statement on the check itself that it is nonnegotiable and has no cash value. H.R. 170 also strengthens existing laws regarding government look-alike mailings.

H.R. 170 grants the Postal Service additional authority to combat fraudulent sweepstakes mailings and civil penalties for fraudulent mailings also are significantly increased.

This legislation does not preempt more restrictive State laws in this area. A number of State Attorneys General, including the Indiana Attorney General, has been working very hard on behalf of victims of fraudulent sweepstakes. It is my hope that all my colleagues will support H.R. 170.

Mr. MCHUGH. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. LATOURETTE). And I should hasten to add, having just heard from one of the newest members of the Subcommittee on Postal Service, the gentleman from Florida (Mr. MILLER), we now have the opportunity to hear from one of the more senior members, and certainly one of the most active members on the subcommittee, not just on this legislation but on the broad expansion of issues that we deal with. I am delighted he is able to join us on the floor today to make comments on this initiative.

Mr. LATOURETTE. Mr. Speaker, I thank the chairman for the kind words, and I rise in strong support of H.R. 170, the Honesty in Sweepstakes Act of 1999.

I want to thank and congratulate my friend, the gentleman from New Jersey (Mr. LOBIONDO) and also congratulate the chairman of the subcommittee, the gentleman from New York (Mr. MCHUGH), and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), for their diligence in ensuring that Americans, and the elderly in particular, are protected from unscrupulous and deceptive mailings.

The need for this legislation, Mr. Speaker, was illustrated to me rather clearly this year when we conducted a survey in our district called "Operation Senior Sweep." The project proved to me that seniors are ruthlessly targeted by these companies, and the more they respond the more mailings they received. The highly personalized mailings often lead folks to believe they have won something when they have not. And there is also strong evidence that people believe their chances of winning increase if they purchase something. Often the disclaimers are buried in very fine print.

We found, for instance, one Reader's Digest sweepstakes that carried a 2 million prize. The odds of winning, buried in very tiny type, were one in 199 million. Mr. Speaker, the odds of having quintuplets in this country are one in 85 million. My grandmother, at 89, is more likely to have quintuplets than she is to win the Reader's Digest sweepstakes.

It is obviously the legislation authored by the gentleman from New Jersey (Mr. LOBIONDO) is needed, and it is also clear that some companies know the jig is up when it comes to their deceptive mailings. I will submit for the RECORD a letter dated September 17, 1999. This letter was received by the elderly sister of a woman who lives in my district. It is from the Time Customer Service and, in effect, the company says it cannot process the woman's order for Time because she has already ordered too many magazines and books through a sweepstakes.

This is a staggering admission of wrongdoing on Time's part, I believe. But, unfortunately, this corporate good Samaritan act is way too late to help this elderly woman. One less magazine subscription is not going to help her. She has already lost everything she has owned and saved on sweepstakes.

I also noticed on the plan yesterday a news story about the company that holds the American Family Publishers sweepstakes contests. It announced Friday that it has filed for Chapter 11 bankruptcy after being sued so many times over deceptive and misleading mailings. This is a sweepstakes, Mr. Speaker, that is pitched by celebrity spokesmen Ed McMahon and Dick Clark.

Mr. Speaker, I do not know what Ed McMahon has planned for New Year's Eve, but I do hope that Dick Clark welcomes the new year and the millennium by dropping the ball on American Family Publishers. Mr. Clark should save his good reputation, stick to American Bandstand and ditch American Scamstand.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

As we have heard here today, this bill truly is the product of bipartisanship and it started with the gentleman from California (Mr. CONDIT) and the gentleman from New Jersey (Mr. LOBIONDO) and their work, and I think carried through with the support of the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform, and the ranking member of the full committee, the gentleman from California (Mr. WAXMAN), as well as the gentleman from Pennsylvania (Mr. FATTAH) and the gentleman from Illinois (Mr. DAVIS), and all the members on both sides of the aisle.

So this is, as we have heard repeatedly, a bill whose time has come. I urge all our colleagues to join us in supporting it.

Mr. LANTOS. Mr. Speaker, I rise today in strong support of H.R. 170, the "Honesty in Sweepstakes Act of 1999." This legislation will curb the devastating effects of one of the most troubling consumer abuses—deceptive and misleading sweepstakes and other mass mail promotions. This legislation will help end this horrendous practice which has been devastating financially and emotionally to many seniors and other individuals on limited budgets.

Mr. Speaker, millions of Americans receive sweepstakes letters each year that use deceptive marketing ploys to encourage the purchase of magazines and other products. Many of my constituents, especially seniors, regularly receive these offers for products in the mail that include extravagant promises of money and prizes in order to entice them to make unnecessary and unneeded purchases.

Some common ploys used by unscrupulous mailers include "promises" of huge winnings printed in large type and other enticements such as "immediate response required—$1 million cash payment pending." While these promises scream out in bold letters, the real details and conditions are hidden in fine print at the bottom of the last page where it is hard to find and particularly hard for seniors to read.

Mr. Speaker, each year millions of consumers nationwide are deliberately misled into believing that they have won or are likely to win a sweepstakes, when, in fact, they have neither won, nor are they likely to win. The Honesty in Sweepstakes Act requires that all mailings which offer prizes through games of chance clearly state that the recipient has not automatically won.

Another disgusting and deceptive method, Mr. Speaker, is sending mailings which contain slips of paper which are deceptively printed to look like cashier's checks, but which are actually worthless. These marketing tactics unfairly prey on people's hopes and dreams. H.R. 170 requires that all sweepstakes mailings that contain look-like cashier's checks prominently display that the check itself is non-negotiable and has no cash value.

One deceptive practice which I find particularly offensive is sending mailings which are designed to look like a mailing from a Federal government agency. Seniors have been particularly vulnerable to these tactics, because they are generally more trusting of these mailings. H.R. 170 would prohibit mailings that suggest that they are sanctioned by or connected with the federal government.

Mr. Speaker, H.R. 170 also requires companies that send sweepstakes or "skill contests" through the mail to establish a notification system, similar to the "do not call" lists of telemarketers under which consumers can call a toll-free number to be removed from mailing lists. The legislation also requires that all sweepstakes mailings contain information about the existence of such "do not mail" lists and how a consumer can place his or her name on such a list. I am pleased that the bill will also permit individuals who receive a follow-up mailing after they have requested that their names be removed from a mailing list to sue sweepstakes companies in state court for violation of this law.

Mr. Speaker, many consumers spend thousands of dollars each year on deceptive sweepstakes mailings, often spending their life savings without ever winning anything. H.R. 170 will help to protect consumers from unscrupulous operators of deceptive sweepstakes scams and will help end many of the most abusive practices of the sweepstakes industry. I urge my colleagues to vote in favor of this important legislation.

Mr. MCHUGH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 170, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SUPPORTING NATIONAL CIVILITY WEEK

Mrs. BIGGERT. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 324) supporting National Civility Week, Inc., in its efforts to restore civility, honesty, integrity, and respectful consideration in the United States.

The Clerk read as follows:

H. RES. 324

Whereas our civilization is founded upon the values of honesty, courtesy, and respectful consideration among its citizens;

Whereas we seek to teach and reaffirm these fundamental values of civility;

Whereas a lack of civility in recent years has become frighteningly apparent, as seen in media tales of road rage and school violence, of personal deceit and public corruption;

Whereas common courtesy has become bewilderingly uncommon;

Whereas a large part of many Americans' behavior can be traced to a failure to honor the codes of civil conduct that have governed society for many generations;

Whereas the teaching of courtesy has declined while the celebration of vulgarity and effrontery has increased;

Whereas many Americans have ceased to honor the good examples that surround them;

Whereas in this context, too many people find it easy to manifest disrespect for other age groups, races, and religions;

Whereas National Civility Week, Inc. is a nonpartisan and nonprofit corporation devoted to reintroducing civility in our Nation;

Whereas National Civility Week, Inc. has encouraged the establishment of Civility Weeks in a number of states in an effort to reaffirm society's commitment to adhere to well-established rules of civil conduct;

Whereas National Civility Week, Inc. will honor those who practice common decency and simple honesty; and

Whereas National Civility Week, Inc. will draw attention to the behaviors and standards that we respect as a people, and will celebrate the conduct that ties together the threads of our social fabric: Now, therefore, be it

Resolved, That the House of Representatives supports these efforts to restore civility, honesty, integrity, and respectful consideration in the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Illinois (Mrs. BIGGERT) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Illinois (Mrs. BIGGERT).

GENERAL LEAVE

Mrs. BIGGERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. BIGGERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 324, supporting National Civility Week. I would like to thank the distinguished chairman of the House Committee on Government Reform, the gentleman from Indiana (Mr. BURTON), who recognized the importance of this measure and assured its consideration today on the House floor. I also want to express my appreciation to the gentleman from California (Mr. LANTOS) for introducing this important legislation as well.

This resolution provides an opportunity for all of us to reflect upon the changing nature of our culture and its increasing lack of civility. In 1998, former Secretary of Education William Bennett and former Senator Sam Nunn of Georgia collaborated on an assessment of our Nation's civic health. After reviewing rates of volunteerism and other forms of civic participation, they concluded that civility among the American people has declined dramatically in recent decades.

We do not need to look too far to understand that this lack of civility is permeating our political discussion. In the first papers of The Federalist, the author expressed hope that Americans might establish good government through reflection and choice. In contrast to what later essays in The Federalist would call the heat and violence of faction, the founders hoped that our government would come to reflect the deliberate sense of the community.

Too frequently today this body's deliberations represent the violence of faction through partisan posturing. Too often in our deliberations we hear accusations and innuendo. The occasional lack of civility in this body reflects what is happening to our culture in a broader sense. As a society, we have become detached from and, in many ways, no longer honor the traditional codes of civil conduct.

Reattaching ourselves to a system that honors decency and promotes common courtesy is one of the most important things we can do. This recognition of National Civility Week, while a small gesture, provides an opportunity to reaffirm the importance of civility in our culture as well as in this body's political deliberations. It can provide additional impetus to the bipartisan congressional retreats we hold each year at Hershey and elevate the quality and civility of our political discussions.

I am pleased to have the opportunity to offer this legislation for consideration, and trust that it will draw attention to behaviors and standards that we ought to expect but do not always practice. When I was elected to this body, I pledged to work to restore faith in government through honesty, decency, and personal responsibility.

□ 1400

We must hold ourselves to a higher standard, not a lower one, that we expect of other people. I encourage my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I first wanted to thank many of my colleagues who have worked on this legislation: The gentleman from Indiana (Chairman BURTON), chairman of the Committee on Government Reform; the gentleman from California (Mr. WAXMAN), the ranking Democrat; the gentleman from Florida (Mr. SCARBOROUGH), the chairman of the Subcommittee on Civil Service; and the gentleman from Maryland (Mr. CUMMINGS), the ranking member.

I particularly want to thank my friend and distinguished colleague, the gentlewoman from Illinois (Mrs. BIGGERT), for managing this legislation. Although she has been with us only a short time, she has brought a great deal of civility to this body for which we are deeply grateful.

I also want to thank our colleagues who have been the principal cosponsors of this legislation, the gentleman from Illinois (Mr. LAHOOD) and the gentleman from Ohio (Mr. SAWYER).

As my colleague the gentlewoman from Illinois (Mrs. BIGGERT) has already indicated, these two colleagues have been committed to increasing the civility here within this House. They have been the leading force behind our biannual retreats in an effort to improve personal relations among colleagues here in this body.

Their commitment to improving relations between Members is fully consistent with the purpose of this resolution that we are considering today. I am grateful for their enthusiastic support.

Mr. Speaker, a student-created and student-run nonprofit organization, National Civility Week, Incorporated, deserves our support to restore civility, honesty, integrity, and respectful consideration in the United States.

Our civilization, Mr. Speaker, is founded upon and cannot function without the values of honesty and courtesy and respectful consideration among its citizens. As parents and grandparents, we seek to teach and reaffirm these fundamental values of civility. But unfortunately, the lack of civility in recent years has become frighteningly apparent, as seen in road rage and school violence, personal deceit, and public corruption.

Common courtesy has become bewilderingly uncommon. A large part of many Americans' behavior can be traced to a failure to honor the codes of civil conduct that have governed other societies for so many generations. The teaching of courtesy has declined, while the celebration of vulgarity and effrontery have increased.

Many Americans have ceased to honor the good examples that surround them. In this context, too many people find it easy to manifest disrespect for other age groups, other races, other religions. National Civility Week, Incorporated, is a nonpartisan and nonprofit corporation which is devoted to reintroducing civility to our Nation.

It honors those who practice common decency and simple honesty. It draws attention to the behaviors and standards that we respect as a people and celebrates the conduct that ties together the threads of our social fabric.

I strongly urge all of my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mrs. BIGGERT. Mr. Speaker, I have no other speakers and I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in conclusion, I want to pay tribute to the young founder of this organization, Ms. Charity Tillemann-Dick, for her outstanding efforts in bringing this measure to our attention.

I urge my colleagues to support the resolution.

Mr. Speaker, I yield back the balance of my time.

Mrs. BIGGERT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, House Resolution 324 provides a wonderful opportunity to strengthen the character and manner of our public and political deliberations, as well as to improve the way we treat each other.

Congress should seize this opportunity to lead by example. Not only should we pass House Resolution 324, celebrating National Civility Week, but we should provide on a daily basis the examples of civil speech and conduct that contribute to the rule of reason and show the American public that civility does count.

I congratulate the gentleman from California (Mr. LANTOS) for sponsoring this fine legislation. I am proud to bring it to the floor and ask for the full support of all Members on this resolution.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentlewoman from Illinois (Mrs. BIGGERT) that the House suspend the rules and agree to the resolution, House Resolution 324.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

NOTICE OF INTENTION TO OFFER A RESOLUTION PRESENTING A QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. VISCLOSKY. Mr. Speaker, pursuant to clause 2(a)(1) of House Rule IX, I rise to give notice of my intent to present a question of privilege to the House expressing the sense that its rights and integrity have been impugned.

The SPEAKER pro tempore. Will the gentleman state the form of his resolution.

Mr. VISCLOSKY. Mr. Speaker, the form of the resolution is as follows:

Calling upon the President to abstain from renegotiating international agreements governing antidumping and countervailing measures.

Whereas under Article I, Section 8 of the Constitution, the Congress has power and responsibility with regard to foreign commerce and the conduct of international trade negotiations;

Whereas the House of Representatives is deeply concerned that, in connection with the World Trade Organization Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiation topics and reopen debate over the WTO's antidumping and antisubsidy rules;

Whereas strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors of the United States;

Whereas it has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations;

Whereas the current absence of official negotiating objectives on the statute books must not be allowed to undermine the Congress' constitutional role in charting the direction of United States trade policy;

Whereas under present circumstances, launching a negotiation that includes antidumping and antisubsidy issues would affect the rights of the House and the integrity of its proceedings;

Whereas opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States;

Whereas, conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important issues facing the WTO members; and

Whereas it is, therefore, essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise:

Now, therefore, be it *resolved*, That the House of Representatives calls upon the President:

(1) not to participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) to refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) to enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

The SPEAKER pro tempore. Under rule IX, a resolution offered from the floor by a Member other than the majority or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Indiana (Mr. VISCLOSKY) will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

Mr. VISCLOSKY. Mr. Speaker, I ask to be heard at the appropriate time on the question of whether this resolution constitutes a question of privilege.

The SPEAKER pro tempore. The Chair just stated that the gentleman will be notified.

EXPRESSING SUPPORT OF CONGRESS FOR INCREASING PUBLIC PARTICIPATION IN DECENNIAL CENSUS

Mr. MILLER of Florida. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 193) expressing the support of Congress for activities to increase public participation in the decennial census.

The Clerk read as follows:

H. CON. RES. 193

Whereas the decennial census is required by article I, section 2, clause 3 of the Constitution of the United States;

Whereas, in order to achieve a successful decennial census, the joint efforts of Federal, State, and local government, and of other institutions, groups, organizations, and individuals will be needed;

Whereas the Bureau of the Census has implemented a partnership program through which a comprehensive outreach, education, and motivation campaign is being carried out to encourage all segments of the population to participate in the upcoming census; and

Whereas it is fitting and proper that Congress seek to promote the efforts of the Bureau of the Census, and of the other aforementioned institutions, organizations, groups, and individuals to achieve a successful decennial census: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) recognizes the importance of achieving a successful decennial census;

(2) encourages State and local governments, community leaders, and all other parties involved in this joint undertaking to continue to work to ensure a successful census;

(3) reaffirms the spirit of cooperation that exists between Congress and the Bureau of the Census with respect to achieving a successful census; and

(4) asserts this public partnership between Congress and the Bureau of the Census to promote the decennial census.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MILLER) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MILLER).

Mr. MILLER of Florida. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. MILLER of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 193.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MILLER of Florida. Mr. Speaker, I think it is very appropriate that we take up this legislation immediately following the legislation on civility. This has been a very controversial issue for the past several years, and today we have an issue that with respect to the census is something that we on both sides of the aisle, I think, will agree on.

Specifically, this important bipartisan effort of Congress and the Census Bureau is to join together in a partnership to promote the census. In just under 6 months, the Census Bureau will undertake the largest peacetime mobilization effort in this Nation's history, conducting the 2000 decennial census. This massive undertaking deserves our support at the local level.

The key to ensuring a successful census that counts everyone in America is outreach and promotion in every neighborhood. Broad-based participation in the census must start from within our communities. The Census Bureau must make and use every effort possible to promote participation in the census.

Just last week, the gentlewoman from New York (Mrs. MALONEY), the ranking member of the subcommittee, and I attended the kick-off ceremony for the 2000 Census advertising campaign. The gentlewoman from New York (Mrs. MALONEY) and I are hopeful that this first ever advertising campaign will help to reverse the trend of decreasing mail response rates.

Another important tool to be used by the Census Bureau is the partnership program. Without strong and effective partnerships at the local level, we cannot have a successful census. The fanciest ad campaigns or sophisticated computer programs will all fail if people at the local level do not become involved in the census.

The Census Bureau is in the process of forming these important partnerships with thousands of groups, organizations, and individuals from all sectors of the population, both large and small, ranging from Goodwill industries to local places of worship. It is very appropriate that Congress join with these groups across the Nation by partnering with the Census Bureau.

These partnership programs are designed to utilize resources and knowledge of the local partners. And who knows better the local area and problems the Bureau may face than the Members of the House who work tirelessly for their 435 districts across the Nation?

Moreover, the Members of this House who work tirelessly for their districts all have a vested interest in seeing that their communities get the most accurate count possible. We know what it will take to have a successful census in our districts. It just makes sense for Congress to promote the census.

After all, the decennial census distributes billions of dollars in Federal funds. Data users from demographers to city planners, from businesses to universities, will use census data to determine their communities' needs.

We, as representatives, owe it to our constituents to make sure that they receive the services they need. The best way to do this is through promoting participation in our districts. This is not a Republican issue or a Democratic issue. An accurate census is in everyone's best interest.

More often than not, Mr. Speaker, when I have come to the floor, I have raised serious concerns about the upcoming census. The Census Bureau is going to spend near $4.5 billion in this fiscal year for the 2000 Census. This effort will require very vigorous oversight by the Subcommittee on the Census. The subcommittee still has some concerns about the Bureau's plan and, of course, this issue of the use of estimation remains unresolved, ultimately to be decided by the courts.

However, Mr. Speaker, there are Census Bureau programs that every Member of this body can feel comfortable embracing, and the Congressional Partnership is one of those programs. My staff and the staff of the gentlewoman from New York (Mrs. MALONEY) have been working very hard to make this membership between the Bureau and the House of Representatives a success.

Director Prewitt held briefings for Members and explained the partnership program and answered questions. I believe the Bureau has put together a comprehensive set of activities that Members can easily take back to their district to increase public participation.

House Concurrent Resolution 193 is a resolution that affirms a partnership between the Census Bureau and the House of Representatives. House Concurrent Resolution 193 recognizes the importance of achieving a successful census, encourages groups to continue to work towards a successful census, reaffirms our spirit of cooperation with the Census Bureau, and asserts a public partnership between Congress and the Bureau of the Census.

□ 1415

While we may have had our differences in the past, the gentlewoman from New York (Mrs. MALONEY) and I have joined forces to introduce this legislation that merits broad based bipartisan support. The decennial census is a cornerstone of our democracy and it is vital that all Members of Congress, Republicans and Democrats alike, publicly support activities to enhance public participation.

I would like to thank the gentlewoman from New York and her staff for their hard work in support of this effort. I would also like to thank the cosponsors. I encourage everyone to vote for House Concurrent Resolution 193.

Mr. Speaker, I reserve the balance of my time.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

I likewise would like to thank the gentleman from Florida (Mr. MILLER) for working in such a bipartisan manner on this resolution. We have had our differences in the past over the best way to conduct the census, but I think we both agree that now is the time to put those differences behind us and to get about conducting the most accurate census we can, the massive operation of the 2000 census.

On a personal note, I must say that regardless of our differences, it was never personal, you have always been a gentleman and I have enjoyed tremendously working with you.

I am very happy to join the gentleman from Florida in sponsoring House Resolution 193, a resolution which reaffirms the spirit of cooperation between the Census Bureau and Congress and establishes a public partnership between us. This partnership is vital, because though the Bureau is doing an excellent job in preparing for the 2000 census, it truly is a huge undertaking which deserves all the support we can give it. Just to give Members an idea of the scale of the 2000 census, it will be the largest peacetime mobilization ever conducted by our country. It will count approximately 275 million people, in 120 million housing units across our Nation. In order to carry out this massive operation, the Census Bureau will have to process 1.5 million pieces of paper and it will have to do this in a very short time. To conduct the 2000 census, the Bureau will have to fill more than 860,000 temporary positions. This is more people than are currently in the United States Army.

In a very real sense, the 2000 census has already begun. The forms are being printed as we speak and transported around the Nation. The media time for the $160 million advertising campaign is being bought even as we are right here speaking. During the time when the public will be filling out their census forms and mailing them back, February through mid March, the buy on public television and on television in general will be the third largest in the Nation, preceded only by McDonald's and Burger King. It will be in 17 different languages in order to increase awareness and participation in the census 2000. The Bureau plans to open 520 local census offices. One hundred thirty of those are already open. The remaining 390 are leased and will be open on a flow basis through the beginning of next year.

Every Member of Congress needs to do all they can to encourage this partnership with the 2000 census. I urge Members to appoint a census liaison person in their district offices to keep them up to date on local census events. Their offices will be getting a great number of calls and inquiries once the media begins to hit the public. I urge Members to use their newsletters to increase awareness of the census, to produce public service announcements for local cable and network television, to participate in the openings of the local census offices in their districts and participate in other local census events. These are just a few of many ideas on how to promote the census in your districts and to increase a more accurate count.

One program that the Bureau has developed for the census, which is my personal favorite, is the Census in the Schools program. Recently, Rudy Crew, who is the Chancellor of the New York City school system, attended a Census in the Schools program with me in my district, and he pledged to make it a priority in every classroom throughout New York City. More than 50 percent of all those not counted in 1990 were young people, were children. The Census in the Schools project aims to help children learn what a census is and why it is important to them that their families and the community at large participate. The program also aims to increase participation in census 2000 by engaging not only the children but their parents so that they can fill out census forms. It will also help recruit teachers and parents to work as census takers.

Mr. Speaker, State, local and tribal governments as well as businesses and nonprofit organizations have become partners with the Census Bureau in an effort to make the 2000 census the best that we have ever had. The constitutionally mandated census we take every 10 years is one of the most important civic rituals our Nation has. It determines the distribution of political and economic power in our country for a decade. Over $189 billion per year in Federal funds, that is over $2 trillion over 10 years, will be distributed based on census distribution formulas that will build roads, assist day care centers, senior centers, public education, public transportation and many, many of the services that come into our districts and into our local communities. It is an important civic ceremony in which every resident should participate. I urge every Member to actively participate in making it a success.

Mr. Speaker, I reserve the balance of my time.

Mr. MILLER of Florida. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. RYAN), a member of the subcommittee.

Mr. RYAN of Wisconsin. Mr. Speaker, I would like to thank the chairman of the committee for yielding time.

I just want to say it is a pleasure to serve on this committee with my fellow members, the gentleman from Illinois (Mr. DAVIS), the gentlewoman from New York (Mrs. MALONEY), the gentleman from Florida (Mr. MILLER) and the others as well. We do disagree on methodology from time to time on this issue but clearly in this realm we do not disagree, we all stand united for passage of this resolution and here is why. We as Members of Congress are in a very unique position to promote the census. As the prior speakers had mentioned, the census is an extraordinarily important civic demonstration which has so much consequences in each of our districts, not just on whether or not we are accurately counted for or not but on Federal funding formulas, on redistribution of certain formulas that go back to our districts. We do not want to live with inaccurate data for 10 years. But we can make a difference in our districts. That is why I ask all of my colleagues to get involved in this.

In my district, we have a key person in our district office working on a census plan. I am traveling the district with another Democratic Member of the Congress the gentleman from Wisconsin (Mr. BARRETT) later on this year to do a bipartisan promotion of the decennial census.

Here are some of the examples that any Member of Congress can do to promote the census in their area:

As mentioned before, we can use our congressional newsletters or websites to increase awareness of the upcoming census and what it means to our communities. We can conduct or participate in town hall meetings that emphasize participation in the census. We can support local Complete Count Communities and other community-based partnerships, something that I am very much involved in back home. We can produce and air public service announcements that can be used for local TV, radio and print media outlining uses of census data, confidentiality guarantees and employment opportunities. We can conduct walking tours and census awareness day activities in hard-to-count communities. We can visit local census offices and training sites to show support for local workers and emphasize the importance of the work they will do for their communities. We can form alliances with local and tribal governments and businesses to promote the importance of the work they will do for their communities. Participate in Census in the Schools forums to encourage local educators and administrators to use the Census in the Schools materials and raise awareness in the schools. We can participate in the grand opening of local census offices. Encourage local businesses to promote the 2000 census and sponsor census activities.

I know that is a mouthful, but it is very convenient, as the Census Bureau has given to each of our offices this handy little kit. It is called the Congressional Partnership Toolkit. This is available in every Member's office. I am sure my colleagues can get additional copies of this. It has very easy to use, digestible forms that we can use to put together plans in our own congressional districts to promote the census. The point is, we have a responsibility as Members of Congress to promote the census on behalf of our own constituents so that we are counted for fully in our congressional districts. There is a plan and there is a way to do this. It is a wonderful opportunity for those of us to get to know other people in our congressional districts, to get government officials working together, to get communities working together. This census is a wonderful civic demonstration.

I encourage every Member of Congress, take a look at this Congressional Partnership Toolkit, made available for us from the Census Bureau, take a look at it, get your offices involved in it, work with other Members of Congress in your delegation across the aisle. This is something that we can work to improve so that everyone is counted for in the next census. It is a wonderful celebration of democracy that we have to take very seriously here. I encourage all of my colleagues to take this issue very, very seriously.

I would like to thank the gentlewoman from New York and the gentleman from Florida for their leadership on this issue.

Mrs. MALONEY of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS), the distinguished member of the Subcommittee on Census. For the past 2 years he has worked selflessly, consistently and with great dedication on any and every census issue. I thank the gentleman for his leadership. We all in this body on both sides appreciate all of his hard work.

Mr. DAVIS of Illinois. Mr. Speaker, I would like to take this opportunity to first of all commend and congratulate the gentleman from Florida (Mr. MILLER) and the gentlewoman from New York (Mrs. MALONEY) for not only the legislative work that they have done in terms of trying to make sure that we have adequate resources for the census but also for the tremendous individual work that they have done to try and make sure that we have a fair, accurate and complete count of all the people in the United States of America. And so I commend and congratulate both of them.

Mr. Speaker, as a member of the Subcommittee on Census, I am pleased today to rise in support of this resolution urging a public and private partnership of the participation in the decennial census. As census day rapidly approaches, it is important for communities to work with the Census Bureau and urge people to participate.

There are several things we can do across the country, no matter where we are, no matter where we live, no matter where we come from to urge participation in the 2000 census. Among these many things include forming a complete count committee, a cross-section of community representatives working to design and implement a localized census 2000 outreach and promotion program. In the Seventh Congressional District of Illinois, I have formed such a committee. They are busy working to ensure full participation. I want to thank Reverend Johnny Miller and Reverend C.L. Sparks for taking the leadership in this effort. We have the Census in the Schools program under way. I want to thank Superintendent Paul Vallas and all of the schools not only in Chicago but throughout my district in the suburban communities of Oak Park, Maywood, Bellwood and Broadview as well.

In addition, we can encourage local businesses, organizations, churches, sororities and fraternities to get involved by providing information through their businesses, calendars, newsletters and church bulletins. An accurate census could ensure fair representation in Federal, State and local governments. An accurate census could mean an extra senior citizen facility or a school.

Thus, I urge communities to form a partnership with the Census Bureau and let us work together to ensure full participation in the 2000 census. I am pleased to support this resolution. Again, I commend the gentleman from Florida and the gentlewoman from New York. I also want to commend the chairman of the Hispanic Caucus on the Census, the gentleman from Texas (Mr. GONZALEZ), and the chairman of the Black Caucus Committee on Census for the outstanding work both of these caucuses have done and are doing throughout their communities in America to try and make sure that we get a fair, complete, honest count. Because if you are not counted, then you do not count.

Mr. MILLER of Florida. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana (Mr. SOUDER), another member of the subcommittee.

□ 1430

Mr. SOUDER. Mr. Speaker, first I will join with those praising our chairman, the gentleman from Florida (Mr. MILLER), who stuck with this through good times and tough times, as well as the ranking Democrat on the committee, the gentlewoman from New York (Mrs. MALONEY), because it has really been a struggle at times, and then, as has been pointed out here, there are things we agree on.

Whatever the court in the end rules on I believe is guessing, and I believe they will rule to uphold the Constitution, but every Member of this body, Republican or Democrat, has a stake in making sure that this count is as complete as possible within our districts, because if the court rules, as I think they will, that you cannot guess and you have to have a real count, everybody needs to make sure that their count is actual and does not miss the hard-to-reach population. If it is going to be estimated, the estimates will come off of a real count, because ultimately that is how estimating is done as well.

So it is important that every Member get directly involved in every aspect of this. My office has, unfortunately, been involved on a couple of points early on that shows the difficulty of doing the census and why every Member should be paying attention.

Fort Wayne, Indiana, has undergone an aggressive annexation program, unlike many other cities. The Census Department still does not have the right maps in the hands of our counters. In fact, their recent estimate of population, I forget the actual number, is around 30,000 off. Now, 30,000 may not be a big number to Chicago or Los Angeles, but it is a huge number to Fort Wayne, Indiana; and it is inconceivable to me at this late date we are still having trouble with the maps. It has been important for our office to stay involved to back up our local census workers who are very concerned about the lack of accurate maps.

I have also been involved, and we had a great visit with the regional administrators from Chicago who came into Fort Wayne and met with Reverend Humphries and our local citizen group, because we have another problem. Who is going to go door to door? Where are the workers going to come from? What type of people are they going to be?

The two places they are doing the interviews are, in fact, suburban. The undercounted populations are generally minority, hard-to-reach populations, sometimes homeless, sometimes illegal immigrants who also get counted in the census and are important to each one of our districts.

You need to have people in the community organizations who live in that community who can go and reach them and get them to cooperate with the census, because in fact the mail-out will have a decent response, but, ultimately, particularly in the hard-to-count areas, the door-to-door response and the community organization response is critical. To do that, you need people from within that community.

As a Member of Congress, you know, me going door to door in the urban center of Fort Wayne, I might have some success. But I will tell you what, there is going to be a lot more success if it is an African-American locally based group or Hispanic group or whatever group is in a given area going door to door in these programs, and the Census Bureau needs to take that into account; and you need to help hold them accountable that they are working to where they can get, because sometimes it is hard to recruit and hard to make those people comfortable in coming to work for the Government. If you only do your interviews for employees out in the suburbs, that is who you are going to get.

So hopefully as Members of Congress, not only do the schools and census show up at your local Census Bureau to try to support those workers there, to encourage them in what is a very difficult job, because many people in fact fear that this census is far more intrusive than it is. It takes 5 to 10 minutes, unless you have a long form, which is a whole different ball game and not what we are doing here. The short form is only 5 to 10 minutes, but it scares people off.

Unless you get involved in supporting and encouraging these people, they are going to get demoralized. If they get sloppy, it is each Member of Congress and the people who live in their districts that lose, because our districts will be undercounted; and we have a stake not only for the representation, for the potential as it relates indirectly to grants and other prestige things regarding the size of your cities, but it also relates to the total accumulation in your State in how many Congressmen you have representing you.

For example, there are a number of States right on the bubble that could lose a Congressman if they have an undercount. In other words, you could lose part of your right to vote in your State merely because you did not participate in the census and because your Member of Congress did not help with the count.

We each have a deep stake in this, our communities have a stake in this, the churches do, the people in our districts do; and I encourage each Member to do what they can to get a fair, accurate, and complete count.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Indiana (Mr. SOUDER) for his comments. The gentleman rightly pointed out that participating in the census is merely 10 minutes at most every 10 years, so every resident in our country should, at the very least, give 10 minutes every 10 years to be part of this important civic ceremony of the census 2000.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Mrs. MEEK), the distinguished leader of the Census Task Force for the Black Caucus, who earlier this year hosted, along with the gentleman from Florida (Mr. MILLER), a hearing in Florida on the census. The gentlewoman has been a consistent and strong voice of support for the Census Bureau and the census, and I thank the gentlewoman for her leadership.

Mrs. MEEK of Florida. Mr. Speaker, I rise in very strong support of this resolution that has been brought to the floor by the gentlewoman from New York (Mrs. MALONEY) and the gentleman from Florida (Mr. MILLER), with whom I have worked from the very beginning on the census. Each of them has worked assiduously throughout this time to be sure that we get to the place we are now. They are telling us now that they have worked very hard, that Congress has stepped forward, and now the ball is in our court, that is, each one of us as Members have our job to do.

This resolution expresses the support of Congress for activities to increase public participation in our census. That is very important. All this I think is good and it is very fine, but both Members here who introduced this resolution have helped me all along in trying to get a bill passed here in the Congress, a real census bill in addition to the resolution which we are going to pass today. So this real census bill which they have tried to get passed and to get brought to the floor presents a very real and meaningful impact on lowering the undercount of all people, and that is the bill that was called H.R. 683, the Decennial Census Improvement Act.

What it does, it says we have taken the message that these two strong people, the chairman and the ranking member, are bringing to us today in a resolution proposing that we hire welfare recipients and that we hire indigenous people who live in these neighborhoods so that they can help us come up with a good count. Passage of this bill will substantially increase the available core of community-based census enumerators. When members of the communities work as enumerators, we maximize the chance that everyone will be counted.

Let us keep up the good work of this resolution, Mr. Chairman, and even go farther and try our very best to get H.R. 683 passed as well. I again want to thank the ranking member and the chairman.

Mrs. MALONEY of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GONZALEZ), the Chair of the Census Task Force in the Hispanic Caucus, a new Member, a freshman from the great State of Texas. Already the gentleman has brought new leadership and enthusiasm, a tremendous amount of dedication, and long hours really in reaching out to the Latino community, which is one of the largest undercounted communities in America.

We know that 8.4 million people were missed and that 4.4 million were counted twice, and that a large number of those were children and minorities. On behalf of the subcommittee I want to thank the gentleman for all he has done. He has always been there, and he has brought great leadership to this issue.

Mr. GONZALEZ. Mr. Speaker, I rise today in support of this resolution, and again I wish to follow everybody else and commend the chairman and the ranking member of the subcommittee on their fine work and the many hours they have placed into this particular project, which really is of great importance to every American and to everyone on both sides of the aisle.

I think we can all agree, and the speakers before me have pointed out, we have reached a point where we know we need to agree on the task at hand, and that is education, awareness, and participation.

What do I mean by that? We all know that this outreach campaign will underscore benefits of the census participation. We are going to explain to everyone that they have a vested interest in responding to this census. The outreach campaign is the largest ever aimed at increasing participation in the national census. It includes partners from nearly 30,000 community groups, civic organizations, labor unions, the Congress, Federal agencies and corporations, as well as elected officials at the State, local and tribal governmental levels.

What does it mean to me personally? I do not want to occasion the same mistakes that we had back in 1990 that resulted in undercount in my State of Texas of 500,000 residents, 250,000 of which were Hispanic. I do not want that same mistake repeated. I do not want history to be repeated in my district, where we missed 39,000 residents, 16,000 of which were children, enough to fill 29 schools and to hire 1,000 teachers.

They did not exist for the purpose of the census, but we still had to teach them; we still had to house them; we still had to feed them. They participated in every program at the State, local and, of course, national level; but, for all intents and purposes, they did not exist, and we cannot afford for that to happen again.

Every Member in this House knows their district better than anyone else, so it is a unique challenge. But it is also a unique opportunity to do our fair share, our responsibility, and make this the most accurate census in the history of our Nation.

Mr. MILLER of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we as representatives bring a unique ability to the census to help make it the most accurate possible. There are 435 of us and each of us represents a little different area. Several that have spoken today each have their own individual problems.

My district in Florida, Sarasota, and Bradenton, in Florida, have large numbers of retirees. A lot of them are just what we call "snow birds" that come down temporarily from northern States. They live in mobile home parks, they live in high-rise condos, and they create a problem of how do we count them.

We have, because of agriculture, a certain number of immigrant migrant workers that are hard to count. The gentleman from Texas (Mr. GONZALEZ) is close to the Mexican border. He has a very difficult challenge to have people counted.

The district of the gentlewoman from New York (Mrs. MALONEY) is actually, surprisingly, Manhattan, a very affluent area, but, again, a very difficult area to count. Because of the high-rise co-ops that are there, it makes it hard to get in to count people.

But the fact is we all can contribute something. The district of the gentleman from Wisconsin (Mr. RYAN) has a lot of rural areas. There is a high mail response rate out of Wisconsin. However, because of the rural nature, it makes it difficult. We had a hearing out in Arizona where we were out on an Indian reservation, again, one of the most undercounted parts of our population, and very difficult to count these huge rural areas where it is hard to find people.

But the thing is we know our areas. We have a vested interest, as the other speakers have said, to make sure we get the best count possible. The Census Bureau has come up through this notebook, as the gentleman from Wisconsin (Mr. RYAN) pointed out, ideas of how we can help prepare our communities and provide that support. There is an action list, and it is on my Web site on my particular home page in the computer; and let me make a couple of comments of some of the items we can do to help contribute to a better count.

First of all, we have a Complete Count Committee. Make sure they are organized in your communities. In Sarasota Thursday night last week they had a hearing where Chairman Shannon Staub of the County Commission and County Commissioner Ray Pilon with members of the Census Bureau were there discussing getting ready for the count for next March and April. Work with these groups.

Encourage your local businesses and local governments to get involved. Do things like put something in the newsletters for their employees, or if they are sending out newsletters, to their customers. In my county, hopefully the utility people will put in their bills a statement to remind people in March to get involved in the census.

There are a number of ways you can promote it. Put posters up in your places of work where customers will see it. Reach out to the groups that are hard to count. For example, I am going to try to reach out to the migrant community where we have a lot of migrant workers in our area, whether it is going out and walking through the neighborhoods and bringing attention, getting news coverage of it, making people aware of the census, but also making people aware of the confidentiality of the information.

This is one of the greatest challenges we have, is to make people aware that it is a Federal crime to disclose information on the census. As a Member of Congress, we all get to have classified information available to us. But when we go to the Census Bureau, I have to go and raise my hand and sign a pledge, an oath, to not disclose that information. It is confidential for 72 years, and the Secret Service, the IRS, the INS, they do not have access to that information for 72 years. So each office should get involved, because, I guarantee you, there is going to be a need for information on the census.

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When this ad campaign cranks up soon, we are going to start getting calls: How do we get jobs? I do not like this question. I never got my form.

The more Members know about it, the better off this office is going to be. Do things in the difficult-to-count areas. They are the ones we need to concentrate on and to make sure people are aware of it.

In addition to being aware of it, we need to have action. That is the reason the Census Bureau uses a theme, "It is your future. Don't leave it blank." You have to be aware of the Census, but you have to fill out the form. That is the reason you have to have the action to complete, and get the form completed and sent in.

There are a lot of things we can do: writing op eds for the local newspaper, whether it is the column in the weekly paper or a special editorial the Members will put in. Do some public service announcements on the television or radio stations. They will be glad to run them, especially as it gets close to the April 1 deadline.

We all agree we have to get the most accurate possible Census. We as Members of Congress have that special role where we can have the credibility and give some support to get that job done.

Mr. Speaker, I reserve the balance of my time.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for his comments. I want to understore what the gentleman said about the Congressional Partnership Toolkit. Every single congressional office has a copy of this booklet that has all kinds of projects and ways that we can increase awareness and participation in our home districts.

Mr. Speaker, I am very pleased to yield 3 minutes to the gentleman from Tennessee (Mr. FORD), another member of our Subcommittee on Census who has joined us. We thank him for his leadership and hard work.

Mr. FORD. Mr. Speaker, I thank the gentleman from Florida (Mr. MILLER) and the gentlewoman from New York (Mrs. MALONEY). I say to the gentleman from Florida, we have had our disagreements on the committee, but it is certainly great to see us come together on this day and support this resolution.

Today many States and cities are holding elections around the Nation. We see people exercising their civic duty and responsibility. The Census, as we all know, represents another opportunity for Americans from everywhere in this great Nation to exercise another important civic duty.

A few months back Dr. Prewitt, who deserves some praise and adulation as well, the head of the U.S. Census, was in my district, as I am sure he has been in many districts around the country. He talked about the Census from three aspects: the fact that it builds resources, representation and recognition.

Resources have been touched on. Some $2 trillion over the next 10 years will be allocated based on the formulas determined by the Census numbers; representation, because political power is divided among the congressional districts and within areas based on the Census numbers; and finally, recognition, because as we all know, our Nation is made up of a patchwork of people from different backgrounds, different religious, racial, and gender backgrounds.

It is estimated in 1990, 8 million people were missed nationally, as the gentlewoman from New York (Mrs. MALONEY) has touched upon. Some 86,000 were in my State of Tennessee, and 18,000 are right near Memphis, the district which I represent.

Of the folks missed, 10,000 of those were children in my district, enough to fill 17 schools and employ 350 additional teachers. In addition, Tennesseeans, particularly those in the Ninth District, lost out in our fair share of Head Start dollars, on school lunch and educational technology funds, and even businesspeople, researchers, and economists in our district, were deprived of accurate data as they attempted to create or to plan for technological advances to create new jobs and economic growth.

In Memphis we have established a Complete Count Committee made up of community, business, and civic leaders, following the guide of the gentleman from Florida (Mr. MILLER) and certainly our ranking member, the gentlewoman from New York (Mrs. MALONEY) in trying to ensure that we have participation from all aspects of the community.

One of the great challenges we will have in the coming weeks and months is for Members of Congress and those in the community to do all that we can to raise awareness. I certainly am committed, Mr. Chairman, and the gentlewoman from New York (Mrs. MALONEY), and I hope all our colleagues will do the same. We must work to ensure that every citizen participates in this very important civic exercise, not only to be counted but to be recognized, and to ensure that everyone on April 1, 2000, is counted.

I cannot say enough how much I appreciate the leadership of the gentleman from Florida (Mr. MILLER), and certainly that of the gentlewoman from New York (Mrs. MALONEY). She has given me some ideas, and I am sure she has given my colleagues throughout this body ideas on how we might move forward and ensure all are counted on that very important day.

Mrs. MALONEY of New York. Mr. Speaker, I yield back the balance of my time.

Mr. MILLER of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, one thing we all agree on is that we want to have the most accurate count responsible. This is a constitutional responsibility. Article 1 of our Constitution requires us to do this every 10 years.

Since Thomas Jefferson did the first Census in 1790, we have had some problems with it. We recognize there is a problem of a differential undercount. That is wrong. We want the best count possible.

One way that each of us, all 435 of us, can help make that possible is to participate in our local communities, which we know best how to help promote the Census, how to help get people to believe that the Census is confidential, and to complete those forms.

Now is the time to prepare for the Census time next March. I encourage all Members to get involved, and I encourage my colleagues to support this legislation.

Mr. REYES. Mr. Speaker, I rise in support of this important resolution.

I would like to begin by recognizing the hard work of my colleagues, Chairman DAN MILLER and Congresswoman CAROLYN MALONEY. They have worked tirelessly on this issue, and I applaud their efforts on this extremely important issue.

H. Con. Res. 193 expresses the support of Congress for activities to increase public participation in the decennial census. As we all know, in order to achieve a successful decennial census, the joint efforts of Federal, State, and local government and other interested parties and grassroots organizations must come together as partners.

The Bureau of the Census has implemented a partnership program through which a comprehensive outreach, education, and motivation campaign is being carried out to encourage all segments of the population to participate in the upcoming census. As I have said many times, Texas has a lot at stake in the current debate over the year 2000 Census. The County of El Paso has a lot to lose if the 2000 Census is conducted the way the 1990 Census was conducted.

In 1900, the census used a traditional head count and made about 26 million mistakes. It missed over 8 million people completely, double-counted over 4 million and put 13 million in the wrong places. And most of the undercount involved children, people of color and the urban and rural poor.

The Census Bureau estimates that in Texas, the net undercount of residents in 1990 was over 486,000 individuals. The net undercount rate in Texas was .028, which represented the second most undercounted state in the nation. They were either out of town, tossed the form with the junk mail, did not trust the government, feared immigration or bill collection officials, lived in a neighborhood the census workers did not feel like checking.

Whatever the reason, too many individuals were missed. Included in this are over 279,000 Caucasians, 83,300 blacks, 247,000 individuals of Hispanic origin, 8,500 Asian and Pacific Islanders and, over 1,875 American Indians. In addition, over 228,300 children were missed in Texas. Over 25,000 individuals were missed in El Paso alone, enough to fill half of the Sun Bowl. We were the 17th most undercounted district in the nation.

The failure of the 1990 Census to accurately count the population in El Paso County seriously shortchanged the Federal funding that cities within my district should have received during the past decade. In effect, cities like El Paso, Anthony and Socorro were required to utilize funds for schools, roads, health facilities, housing, and other important services for people that were not counted by the census.

The number of children missed in the 16th Congressional district would fill 22 schools staffed by 770 teachers. According to the Council of Great City Schools, every child not counted by the census means that some $650 in federal resources is lost each year by the school that must educate that child. This equals over $8 million lost in my Congressional district alone!

We are not alone. The 1990 Census did the same thing nationwide. Two million of those missed in 1990 were children under the age of 18—half the net undercount although they were only about a quarter of the U.S. population in 1990. The 1990 Census affected minorities the most: 4.4 percent of blacks were missed, 5 percent of Hispanics, 12.2 percent of at least one tribe of Native Americans. This differential racial undercount must be addressed by the 2000 Census.

This resolution is sending the right message at the right time—that public participation is necessary to ensure that everyone is counted, especially children, people of color and the urban and rural poor. Anything less is unacceptable.

Ms. JACKSON-LEE of Texas. Mr. Speaker, to cope with the year 2000 census, the Census Bureau has implemented a partnership program through which a comprehensive outreach, education and motivation campaign is being carried out to encourage all segments of the population to participate in the upcoming count.

This resolution expresses the support of Congress for activities to increase public participation in the decennial census; recognizes the importance of achieving a successful decennial census; encourages state and local governments, community leaders, and all other parties involved in this joint undertaking to continue to work to ensure a successful census; and reaffirms the spirit of cooperation that exists between Congress and the Census Bureau with respect to achieving a successful census.

Hundreds of thousands of census takers and support personnel will be needed to account for the anticipated 118 million housing units and 275 million people across the United States. But it isn't its size that makes Census 2000 important. It is all the things that we will learn about ourselves that will help America succeed in the next millennium. The census is as important to our nation as highways and telephone lines. Federal dollars supporting schools, employment services, housing assistance, highway construction, hospital services programs for the elderly and more are distributed based on census figures.

How do we know who we are as a country? We only take one big portrait of this country—that is the decennial Census. And if you're not in it, you will be unrecognized. More than $200 billion in federal funds is distributed to the states based on census figures, as well as political apportionment in the House of Representatives.

Census 2000 will help decision-makers understand which neighborhoods need schools and which ones need greater services for the elderly. But they won't be able to tell what your community needs if you and your neighbors don't fill out your census forms and mail them back.

The message is a simple one, Mr. Speaker; "This is your future. Don't leave it blank." I encourage my colleagues and all Americans to help the Census Bureau in making this snapshot of America's population clearer. If we are not counted, then we are invisible and our communities will lose its fair share of federal funding and political apportionment—we can all help our community and our nation by filling out the census questionnaire, returning it and being counted.

Mr. MILLER of Florida. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from Florida (Mr. MILLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 193.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

Mr. LEACH submitted the following conference report and statement on the Senate bill (S. 900) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes:

CONFERENCE REPORT (H. REPT. 106–434)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 900), to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Gramm-Leach-Bliley Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—FACILITATING AFFILIATION AMONG BANKS, SECURITIES FIRMS, AND INSURANCE COMPANIES

Subtitle A—Affiliations

Sec. 101. Glass-Steagall Act repeals.
Sec. 102. Activity restrictions applicable to bank holding companies that are not financial holding companies.
Sec. 103. Financial activities.
Sec. 104. Operation of State law.
Sec. 105. Mutual bank holding companies authorized.
Sec. 106. Prohibition on deposit production offices.
Sec. 107. Cross marketing restriction; limited purpose bank relief; divestiture.
Sec. 108. Use of subordinated debt to protect financial system and deposit funds from "too big to fail" institutions.
Sec. 109. Study of financial modernization's effect on the accessibility of small business and farm loans.

Subtitle B—Streamlining Supervision of Bank Holding Companies

Sec. 111. Streamlining bank holding company supervision.
Sec. 112. Authority of State insurance regulator and Securities and Exchange Commission.
Sec. 113. Role of the Board of Governors of the Federal Reserve System.
Sec. 114. Prudential safeguards.
Sec. 115. Examination of investment companies.
Sec. 116. Elimination of application requirement for financial holding companies.
Sec. 117. Preserving the integrity of FDIC resources.
Sec. 118. Repeal of savings bank provisions in the Bank Holding Company Act of 1956.
Sec. 119. Technical amendment.

Subtitle C—Subsidiaries of National Banks

Sec. 121. Subsidiaries of national banks.

Sec. 122. Consideration of merchant banking activities by financial subsidiaries.

Subtitle D—Preservation of FTC Authority

Sec. 131. Amendment to the Bank Holding Company Act of 1956 to modify notification and post-approval waiting period for section 3 transactions.
Sec. 132. Interagency data sharing.
Sec. 133. Clarification of status of subsidiaries and affiliates.

Subtitle E—National Treatment

Sec. 141. Foreign banks that are financial holding companies.
Sec. 142. Representative offices.

Subtitle F—Direct Activities of Banks

Sec. 151. Authority of national banks to underwrite certain municipal bonds.

Subtitle G—Effective Date

Sec. 161. Effective date.

TITLE II—FUNCTIONAL REGULATION

Subtitle A—Brokers and Dealers

Sec. 201. Definition of broker.
Sec. 202. Definition of dealer.
Sec. 203. Registration for sales of private securities offerings.
Sec. 204. Information sharing.
Sec. 205. Treatment of new hybrid products.
Sec. 206. Definition of identified banking product.
Sec. 207. Additional definitions.
Sec. 208. Government securities defined.
Sec. 209. Effective date.
Sec. 210. Rule of construction.

Subtitle B—Bank Investment Company Activities

Sec. 211. Custody of investment company assets by affiliated bank.
Sec. 212. Lending to an affiliated investment company.
Sec. 213. Independent directors.
Sec. 214. Additional SEC disclosure authority.
Sec. 215. Definition of broker under the Investment Company Act of 1940.
Sec. 216. Definition of dealer under the Investment Company Act of 1940.
Sec. 217. Removal of the exclusion from the definition of investment adviser for banks that advise investment companies.
Sec. 218. Definition of broker under the Investment Advisers Act of 1940.
Sec. 219. Definition of dealer under the Investment Advisers Act of 1940.
Sec. 220. Interagency consultation.
Sec. 221. Treatment of bank common trust funds.
Sec. 222. Statutory disqualification for bank wrongdoing.
Sec. 223. Conforming change in definition.
Sec. 224. Conforming amendment.
Sec. 225. Effective date.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

Sec. 231. Supervision of investment bank holding companies by the Securities and Exchange Commission.

Subtitle D—Banks and Bank Holding Companies

Sec. 241. Consultation.

TITLE III—INSURANCE

Subtitle A—State Regulation of Insurance

Sec. 301. Functional regulation of insurance.
Sec. 302. Insurance underwriting in national banks.
Sec. 303. Title insurance activities of national banks and their affiliates.
Sec. 304. Expedited and equalized dispute resolution for Federal regulators.
Sec. 305. Insurance customer protections.
Sec. 306. Certain State affiliation laws preempted for insurance companies and affiliates.
Sec. 307. Interagency consultation.
Sec. 308. Definition of State.

Subtitle B—Redomestication of Mutual Insurers

Sec. 311. General application.
Sec. 312. Redomestication of mutual insurers.
Sec. 313. Effect on State laws restricting redomestication.
Sec. 314. Other provisions.
Sec. 315. Definitions.
Sec. 316. Effective date.

Subtitle C—National Association of Registered Agents and Brokers

Sec. 321. State flexibility in multistate licensing reforms.
Sec. 322. National Association of Registered Agents and Brokers.
Sec. 323. Purpose.
Sec. 324. Relationship to the Federal Government.
Sec. 325. Membership.
Sec. 326. Board of directors.
Sec. 327. Officers.
Sec. 328. Bylaws, rules, and disciplinary action.
Sec. 329. Assessments.
Sec. 330. Functions of the NAIC.
Sec. 331. Liability of the association and the directors, officers, and employees of the association.
Sec. 332. Elimination of NAIC oversight.
Sec. 333. Relationship to State law.
Sec. 334. Coordination with other regulators.
Sec. 335. Judicial review.
Sec. 336. Definitions.

Subtitle D—Rental Car Agency Insurance Activities

Sec. 341. Standard of regulation for motor vehicle rentals.

TITLE IV—UNITARY SAVINGS AND LOAN HOLDING COMPANIES

Sec. 401. Prevention of creation of new S&L holding companies with commercial affiliates.

TITLE V—PRIVACY

Subtitle A—Disclosure of Nonpublic Personal Information

Sec. 501. Protection of nonpublic personal information.
Sec. 502. Obligations with respect to disclosures of personal information.
Sec. 503. Disclosure of institution privacy policy.
Sec. 504. Rulemaking.
Sec. 505. Enforcement.
Sec. 506. Protection of Fair Credit Reporting Act.
Sec. 507. Relation to State laws.
Sec. 508. Study of information sharing among financial affiliates.
Sec. 509. Definitions.
Sec. 510. Effective date.

Subtitle B—Fraudulent Access to Financial Information

Sec. 521. Privacy protection for customer information of financial institutions.
Sec. 522. Administrative enforcement.
Sec. 523. Criminal penalty.
Sec. 524. Relation to State laws.
Sec. 525. Agency guidance.
Sec. 526. Reports.
Sec. 527. Definitions.

TITLE VI—FEDERAL HOME LOAN BANK SYSTEM MODERNIZATION

Sec. 601. Short title.
Sec. 602. Definitions.
Sec. 603. Savings association membership.
Sec. 604. Advances to members; collateral.
Sec. 605. Eligibility criteria.
Sec. 606. Management of banks.
Sec. 607. Resolution Funding Corporation.
Sec. 608. Capital structure of Federal home loan banks.

TITLE VII—OTHER PROVISIONS

Subtitle A—ATM Fee Reform

Sec. 701. Short title.
Sec. 702. Electronic fund transfer fee disclosures at any host ATM.
Sec. 703. Disclosure of possible fees to consumers when ATM card is issued.
Sec. 704. Feasibility study.
Sec. 705. No liability if posted notices are damaged.

Subtitle B—Community Reinvestment

Sec. 711. CRA sunshine requirements.
Sec. 712. Small bank regulatory relief.
Sec. 713. Federal Reserve Board study of CRA lending.
Sec. 714. Preserving the Community Reinvestment Act of 1977.
Sec. 715. Responsiveness to community needs for financial services.

Subtitle C—Other Regulatory Improvements

Sec. 721. Expanded small bank access to S corporation treatment.
Sec. 722. "Plain language" requirement for Federal banking agency rules.
Sec. 723. Retention of "Federal" in name of converted Federal savings association.
Sec. 724. Control of bankers' banks.
Sec. 725. Provision of technical assistance to microenterprises.
Sec. 726. Federal Reserve audits.
Sec. 727. Authorization to release reports.
Sec. 728. General Accounting Office study of conflicts of interest.
Sec. 729. Study and report on adapting existing legislative requirements to online banking and lending.
Sec. 730. Clarification of source of strength doctrine.
Sec. 731. Interest rates and other charges at interstate branches.
Sec. 732. Interstate branches and agencies of foreign banks.
Sec. 733. Fair treatment of women by financial advisers.
Sec. 734. Membership of loan guarantee boards.
Sec. 735. Repeal of stock loan limit in Federal Reserve Act.
Sec. 736. Elimination of SAIF and DIF special reserves.
Sec. 737. Bank officers and directors as officers and directors of public utilities.
Sec. 738. Approval for purchases of securities.
Sec. 739. Optional conversion of Federal savings associations.
Sec. 740. Grand jury proceedings.

TITLE I—FACILITATING AFFILIATION AMONG BANKS, SECURITIES FIRMS, AND INSURANCE COMPANIES

Subtitle A—Affiliations

SEC. 101. GLASS-STEAGALL ACT REPEALS.

(a) SECTION 20 REPEALED.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) (commonly referred to as the "Glass-Steagall Act") is repealed.

(b) SECTION 32 REPEALED.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is repealed.

SEC. 102. ACTIVITY RESTRICTIONS APPLICABLE TO BANK HOLDING COMPANIES THAT ARE NOT FINANCIAL HOLDING COMPANIES.

(a) IN GENERAL.—Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended to read as follows:

"(8) shares of any company the activities of which had been determined by the Board by regulation or order under this paragraph as of the day before the date of the enactment of the

Gramm-Leach-Bliley Act, to be so closely related to banking as to be a proper incident thereto (subject to such terms and conditions contained in such regulation or order, unless modified by the Board);''.

(b) CONFORMING CHANGES TO OTHER STATUTES.—

(1) AMENDMENT TO THE BANK HOLDING COMPANY ACT AMENDMENTS OF 1970.—Section 105 of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1850) is amended by striking ", to engage directly or indirectly in a nonbanking activity pursuant to section 4 of such Act,''.

(2) AMENDMENT TO THE BANK SERVICE COMPANY ACT.—Section 4(f) of the Bank Service Company Act (12 U.S.C. 1864(f)) is amended by inserting before the period at the end the following: "as of the day before the date of the enactment of the Gramm-Leach-Bliley Act''.

SEC. 103. FINANCIAL ACTIVITIES.

(a) IN GENERAL.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsections:

"(k) ENGAGING IN ACTIVITIES THAT ARE FINANCIAL IN NATURE.—

"(1) IN GENERAL.—Notwithstanding subsection (a), a financial holding company may engage in any activity, and may acquire and retain the shares of any company engaged in any activity, that the Board, in accordance with paragraph (2), determines (by regulation or order)—

"(A) to be financial in nature or incidental to such financial activity; or

"(B) is complementary to a financial activity and does not pose a substantial risk to the safety or soundness of depository institutions or the financial system generally.

"(2) COORDINATION BETWEEN THE BOARD AND THE SECRETARY OF THE TREASURY.—

"(A) PROPOSALS RAISED BEFORE THE BOARD.—

"(i) CONSULTATION.—The Board shall notify the Secretary of the Treasury of, and consult with the Secretary of the Treasury concerning, any request, proposal, or application under this subsection for a determination of whether an activity is financial in nature or incidental to a financial activity.

"(ii) TREASURY VIEW.—The Board shall not determine that any activity is financial in nature or incidental to a financial activity under this subsection if the Secretary of the Treasury notifies the Board in writing, not later than 30 days after the date of receipt of the notice described in clause (i) (or such longer period as the Board determines to be appropriate under the circumstances) that the Secretary of the Treasury believes that the activity is not financial in nature or incidental to a financial activity or is not otherwise permissible under this section.

"(B) PROPOSALS RAISED BY THE TREASURY.—

"(i) TREASURY RECOMMENDATION.—The Secretary of the Treasury may, at any time, recommend in writing that the Board find an activity to be financial in nature or incidental to a financial activity.

"(ii) TIME PERIOD FOR BOARD ACTION.—Not later than 30 days after the date of receipt of a written recommendation from the Secretary of the Treasury under clause (i) (or such longer period as the Secretary of the Treasury and the Board determine to be appropriate under the circumstances), the Board shall determine whether to initiate a public rulemaking proposing that the recommended activity be found to be financial in nature or incidental to a financial activity under this subsection, and shall notify the Secretary of the Treasury in writing of the determination of the Board and, if the Board determines not to seek public comment on the proposal, the reasons for that determination.

"(3) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to a financial activity, the Board shall take into account—

"(A) the purposes of this Act and the Gramm-Leach-Bliley Act;

"(B) changes or reasonably expected changes in the marketplace in which financial holding companies compete;

"(C) changes or reasonably expected changes in the technology for delivering financial services; and

"(D) whether such activity is necessary or appropriate to allow a financial holding company and the affiliates of a financial holding company to—

"(i) compete effectively with any company seeking to provide financial services in the United States;

"(ii) efficiently deliver information and services that are financial in nature through the use of technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions; and

"(iii) offer customers any available or emerging technological means for using financial services or for the document imaging of data.

"(4) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—For purposes of this subsection, the following activities shall be considered to be financial in nature:

"(A) Lending, exchanging, transferring, investing for others, or safeguarding money or securities.

"(B) Insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death, or providing and issuing annuities, and acting as principal, agent, or broker for purposes of the foregoing, in any State.

"(C) Providing financial, investment, or economic advisory services, including advising an investment company (as defined in section 3 of the Investment Company Act of 1940).

"(D) Issuing or selling instruments representing interests in pools of assets permissible for a bank to hold directly.

"(E) Underwriting, dealing in, or making a market in securities.

"(F) Engaging in any activity that the Board has determined, by order or regulation that is in effect on the date of the enactment of the Gramm-Leach-Bliley Act, to be so closely related to banking or managing or controlling banks as to be a proper incident thereto (subject to the same terms and conditions contained in such order or regulation, unless modified by the Board).

"(G) Engaging, in the United States, in any activity that—

"(i) a bank holding company may engage in outside of the United States; and

"(ii) the Board has determined, under regulations prescribed or interpretations issued pursuant to subsection (c)(13) (as in effect on the day before the date of the enactment of the Gramm-Leach-Bliley Act) to be usual in connection with the transaction of banking or other financial operations abroad.

"(H) Directly or indirectly acquiring or controlling, whether as principal, on behalf of 1 or more entities (including entities, other than a depository institution or subsidiary of a depository institution, that the bank holding company controls), or otherwise, shares, assets, or ownership interests (including debt or equity securities, partnership interests, trust certificates, or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

"(i) the shares, assets, or ownership interests are not acquired or held by a depository institution or subsidiary of a depository institution;

"(ii) such shares, assets, or ownership interests are acquired and held by—

(I) a securities affiliate or an affiliate thereof; or

(II) an affiliate of an insurance company described in subparagraph (I)(ii) that provides investment advice to an insurance company and is registered pursuant to the Investment Advisers Act of 1940, or an affiliate of such investment adviser;

as part of a bona fide underwriting or merchant or investment banking activity, including investment activities engaged in for the purpose of appreciation and ultimate resale or disposition of the investment;

"(iii) such shares, assets, or ownership interests are held for a period of time to enable the sale or disposition thereof on a reasonable basis consistent with the financial viability of the activities described in clause (ii); and

"(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not routinely manage or operate such company or entity except as may be necessary or required to obtain a reasonable return on investment upon resale or disposition.

"(I) Directly or indirectly acquiring or controlling, whether as principal, on behalf of 1 or more entities (including entities, other than a depository institution or subsidiary of a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

"(i) the shares, assets, or ownership interests are not acquired or held by a depository institution or a subsidiary of a depository institution;

"(ii) such shares, assets, or ownership interests are acquired and held by an insurance company that is predominantly engaged in underwriting life, accident and health, or property and casualty insurance (other than credit-related insurance) or providing and issuing annuities;

"(iii) such shares, assets, or ownership interests represent an investment made in the ordinary course of business of such insurance company in accordance with relevant State law governing such investments; and

"(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not routinely manage or operate such company except as may be necessary or required to obtain a reasonable return on investment.

"(5) ACTIONS REQUIRED.—

"(A) IN GENERAL.—The Board shall, by regulation or order, define, consistent with the purposes of this Act, the activities described in subparagraph (B) as financial in nature, and the extent to which such activities are financial in nature or incidental to a financial activity.

"(B) ACTIVITIES.—The activities described in this subparagraph are as follows:

"(i) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

"(ii) Providing any device or other instrumentality for transferring money or other financial assets.

"(iii) Arranging, effecting, or facilitating financial transactions for the account of third parties.

"(6) REQUIRED NOTIFICATION.—

"(A) IN GENERAL.—A financial holding company that acquires any company or commences any activity pursuant to this subsection shall provide written notice to the Board describing the activity commenced or conducted by the company acquired not later than 30 calendar days after commencing the activity or consummating the acquisition, as the case may be.

"(B) APPROVAL NOT REQUIRED FOR CERTAIN FINANCIAL ACTIVITIES.—Except as provided in subsection (j) with regard to the acquisition of a savings association, a financial holding company may commence any activity, or acquire any company, pursuant to paragraph (4) or any regulation prescribed or order issued under paragraph (5), without prior approval of the Board.

"(7) MERCHANT BANKING ACTIVITIES.—

"(A) JOINT REGULATIONS.—The Board and the Secretary of the Treasury may issue such regulations implementing paragraph (4)(H), including limitations on transactions between depository institutions and companies controlled pursuant to such paragraph, as the Board and the Secretary jointly deem appropriate to assure compliance with the purposes and prevent evasions of this Act and the Gramm-Leach-Bliley Act and to protect depository institutions.

"(B) SUNSET OF RESTRICTIONS ON MERCHANT BANKING ACTIVITIES OF FINANCIAL SUBSIDIARIES.—The restrictions contained in paragraph (4)(H) on the ownership and control of shares, assets, or ownership interests by or on behalf of a subsidiary of a depository institution shall not apply to a financial subsidiary (as defined in section 5136A of the Revised Statutes of the United States) of a bank, if the Board and the Secretary of the Treasury jointly authorize financial subsidiaries of banks to engage in merchant banking activities pursuant to section 122 of the Gramm-Leach-Bliley Act.

"(l) CONDITIONS FOR ENGAGING IN EXPANDED FINANCIAL ACTIVITIES.—

"(1) IN GENERAL.—Notwithstanding subsection (k), (n), or (o), a bank holding company may not engage in any activity, or directly or indirectly acquire or retain shares of any company engaged in any activity, under subsection (k), (n), or (o), other than activities permissible for any bank holding company under subsection (c)(8), unless—

"(A) all of the depository institution subsidiaries of the bank holding company are well capitalized;

"(B) all of the depository institution subsidiaries of the bank holding company are well managed; and

"(C) the bank holding company has filed with the Board—

"(i) a declaration that the company elects to be a financial holding company to engage in activities or acquire and retain shares of a company that were not permissible for a bank holding company to engage in or acquire before the enactment of the Gramm-Leach-Bliley Act; and

"(ii) a certification that the company meets the requirements of subparagraphs (A) and (B).

"(2) CRA REQUIREMENT.—Notwithstanding subsection (k) or (n) of this section, section 5136A(a) of the Revised Statutes of the United States, or section 46(a) of the Federal Deposit Insurance Act, the appropriate Federal banking agency shall prohibit a financial holding company or any insured depository institution from—

"(A) commencing any new activity under subsection (k) or (n) of this section, section 5136A(a) of the Revised Statutes of the United States, or section 46(a) of the Federal Deposit Insurance Act; or

"(B) directly or indirectly acquiring control of a company engaged in any activity under subsection (k) or (n) of this section, section 5136A(a) of the Revised Statutes of the United States, or section 46(a) of the Federal Deposit Insurance Act (other than an investment made pursuant to subparagraph (H) or (I) of subsection (k)(4), or section 122 of the Gramm-Leach-Bliley Act, or under section 46(a) of the Federal Deposit Insurance Act by reason of such section 122, by an affiliate already engaged in activities under any such provision);

if any insured depository institution subsidiary of such financial holding company, or the insured depository institution or any of its insured depository institution affiliates, has received in its most recent examination under the Community Reinvestment Act of 1977, a rating of less than 'satisfactory record of meeting community credit needs'.

"(3) FOREIGN BANKS.—For purposes of paragraph (1), the Board shall apply comparable capital and management standards to a foreign bank that operates a branch or agency or owns or controls a commercial lending company in the United States, giving due regard to the principle of national treatment and equality of competitive opportunity.

"(m) PROVISIONS APPLICABLE TO FINANCIAL HOLDING COMPANIES THAT FAIL TO MEET CERTAIN REQUIREMENTS.—

"(1) IN GENERAL.—If the Board finds that—

"(A) a financial holding company is engaged, directly or indirectly, in any activity under subsection (k), (n), or (o), other than activities that are permissible for a bank holding company under subsection (c)(8); and

"(B) such financial holding company is not in compliance with the requirements of subsection (l)(1);

the Board shall give notice to the financial holding company to that effect, describing the conditions giving rise to the notice.

"(2) AGREEMENT TO CORRECT CONDITIONS REQUIRED.—Not later than 45 days after the date of receipt by a financial holding company of a notice given under paragraph (1) (or such additional period as the Board may permit), the financial holding company shall execute an agreement with the Board to comply with the requirements applicable to a financial holding company under subsection (l)(1).

"(3) BOARD MAY IMPOSE LIMITATIONS.—Until the conditions described in a notice to a financial holding company under paragraph (1) are corrected, the Board may impose such limitations on the conduct or activities of that financial holding company or any affiliate of that company as the Board determines to be appropriate under the circumstances and consistent with the purposes of this Act.

"(4) FAILURE TO CORRECT.—If the conditions described in a notice to a financial holding company under paragraph (1) are not corrected within 180 days after the date of receipt by the financial holding company of a notice under paragraph (1), the Board may require such financial holding company, under such terms and conditions as may be imposed by the Board and subject to such extension of time as may be granted in the discretion of the Board, either—

"(A) to divest control of any subsidiary depository institution; or

"(B) at the election of the financial holding company instead to cease to engage in any activity conducted by such financial holding company or its subsidiaries (other than a depository institution or a subsidiary of a depository institution) that is not an activity that is permissible for a bank holding company under subsection (c)(8).

"(5) CONSULTATION.—In taking any action under this subsection, the Board shall consult with all relevant Federal and State regulatory agencies and authorities.

"(n) AUTHORITY TO RETAIN LIMITED NONFINANCIAL ACTIVITIES AND AFFILIATIONS.—

"(1) IN GENERAL.—Notwithstanding subsection (a), a company that is not a bank holding company or a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978) and becomes a financial holding company after the date of the enactment of the Gramm-Leach-Bliley Act may continue to engage in any activity and retain direct or indirect ownership or control of shares of a company engaged in any activity if—

"(A) the holding company lawfully was engaged in the activity or held the shares of such company on September 30, 1999;

"(B) the holding company is predominantly engaged in financial activities as defined in paragraph (2); and

"(C) the company engaged in such activity continues to engage only in the same activities that such company conducted on September 30, 1999, and other activities permissible under this Act.

"(2) PREDOMINANTLY FINANCIAL.—For purposes of this subsection, a company is predominantly engaged in financial activities if the annual gross revenues derived by the holding company and all subsidiaries of the holding company (excluding revenues derived from subsidiary depository institutions), on a consolidated basis, from engaging in activities that are financial in nature or are incidental to a financial activity under subsection (k) represent at least 85 percent of the consolidated annual gross revenues of the company.

"(3) NO EXPANSION OF GRANDFATHERED COMMERCIAL ACTIVITIES THROUGH MERGER OR CONSOLIDATION.—A financial holding company that engages in activities or holds shares pursuant to this subsection, or a subsidiary of such financial holding company, may not acquire, in any merger, consolidation, or other type of business combination, assets of any other company that is engaged in any activity that the Board has not determined to be financial in nature or incidental to a financial activity under subsection (k), except this paragraph shall not apply with respect to a company that owns a broadcasting station licensed under title III of the Communications Act of 1934 and the shares of which are under common control with an insurance company since January 1, 1998, unless such company is acquired by, or otherwise becomes an affiliate of, a bank holding company that, at the time such acquisition or affiliation is consummated, is 1 of the 5 largest domestic bank holding companies (as determined on the basis of the consolidated total assets of such companies).

"(4) CONTINUING REVENUE LIMITATION ON GRANDFATHERED COMMERCIAL ACTIVITIES.—Notwithstanding any other provision of this subsection, a financial holding company may continue to engage in activities or hold shares in companies pursuant to this subsection only to the extent that the aggregate annual gross revenues derived from all such activities and all such companies does not exceed 15 percent of the consolidated annual gross revenues of the financial holding company (excluding revenues derived from subsidiary depository institutions).

"(5) CROSS MARKETING RESTRICTIONS APPLICABLE TO COMMERCIAL ACTIVITIES.—

"(A) IN GENERAL.—A depository institution controlled by a financial holding company shall not—

"(i) offer or market, directly or through any arrangement, any product or service of a company whose activities are conducted or whose shares are owned or controlled by the financial holding company pursuant to this subsection or subparagraph (H) or (I) of subsection (k)(4); or

"(ii) permit any of its products or services to be offered or marketed, directly or through any arrangement, by or through any company described in clause (i).

"(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as prohibiting an arrangement between a depository institution and a company owned or controlled pursuant to subsection (k)(4)(I) for the marketing of products or services through statement inserts or Internet websites if—

"(i) such arrangement does not violate section 106 of the Bank Holding Company Act Amendments of 1970; and

"(ii) the Board determines that the arrangement is in the public interest, does not undermine the separation of banking and commerce, and is consistent with the safety and soundness of depository institutions.

"(6) TRANSACTIONS WITH NONFINANCIAL AFFILIATES.—A depository institution controlled by a financial holding company may not engage in a covered transaction (as defined in section 23A(b)(7) of the Federal Reserve Act) with any affiliate controlled by the company pursuant to this subsection.

"(7) SUNSET OF GRANDFATHER.—A financial holding company engaged in any activity, or retaining direct or indirect ownership or control of shares of a company, pursuant to this subsection, shall terminate such activity and divest ownership or control of the shares of such company before the end of the 10-year period beginning on the date of the enactment of the Gramm-Leach-Bliley Act. The Board may, upon application by a financial holding company, extend such 10-year period by a period not to exceed an additional 5 years if such extension would not be detrimental to the public interest.

"(o) REGULATION OF CERTAIN FINANCIAL HOLDING COMPANIES.—Notwithstanding subsection (a), a company that is not a bank holding company or a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978) and becomes a financial holding company after the date of enactment of the Gramm-Leach-Bliley Act, may continue to engage in, or directly or indirectly own or control shares of a company engaged in, activities related to the trading, sale, or investment in commodities and underlying physical properties that were not permissible for bank holding companies to conduct in the United States as of September 30, 1997, if—

"(1) the holding company, or any subsidiary of the holding company, lawfully was engaged, directly or indirectly, in any of such activities as of September 30, 1997, in the United States;

"(2) the attributed aggregate consolidated assets of the company held by the holding company pursuant to this subsection, and not otherwise permitted to be held by a financial holding company, are equal to not more than 5 percent of the total consolidated assets of the bank holding company, except that the Board may increase that percentage by such amounts and under such circumstances as the Board considers appropriate, consistent with the purposes of this Act; and

"(3) the holding company does not permit—

"(A) any company, the shares of which it owns or controls pursuant to this subsection, to offer or market any product or service of an affiliated depository institution; or

"(B) any affiliated depository institution to offer or market any product or service of any company, the shares of which are owned or controlled by such holding company pursuant to this subsection.".

(b) COMMUNITY REINVESTMENT REQUIREMENT.—Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended by adding at the end the following new subsection:

"(c) FINANCIAL HOLDING COMPANY REQUIREMENT.—

"(1) IN GENERAL.—An election by a bank holding company to become a financial holding company under section 4 of the Bank Holding Company Act of 1956 shall not be effective if—

"(A) the Board finds that, as of the date the declaration of such election and the certification is filed by such holding company under section 4(l)(1)(C) of the Bank Holding Company Act of 1956, not all of the subsidiary insured depository institutions of the bank holding company had achieved a rating of 'satisfactory record of meeting community credit needs', or better, at the most recent examination of each such institution; and

"(B) the Board notifies the company of such finding before the end of the 30-day period beginning on such date.

"(2) LIMITED EXCLUSIONS FOR NEWLY ACQUIRED INSURED DEPOSITORY INSTITUTIONS.—Any insured depository institution acquired by a bank holding company during the 12-month period preceding the date of the submission to the Board of the declaration and certification under section 4(l)(1)(C) of the Bank Holding Company Act of 1956 may be excluded for purposes of paragraph (1) during the 12-month period beginning on the date of such acquisition if—

"(A) the bank holding company has submitted an affirmative plan to the appropriate Federal financial supervisory agency to take such action as may be necessary in order for such institution to achieve a rating of 'satisfactory record of meeting community credit needs', or better, at the next examination of the institution; and

"(B) the plan has been accepted by such agency.

"(3) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) BANK HOLDING COMPANY; FINANCIAL HOLDING COMPANY.—The terms 'bank holding company' and 'financial holding company' have the meanings given those terms in section 2 of the Bank Holding Company Act of 1956.

"(B) BOARD.—The term 'Board' means the Board of Governors of the Federal Reserve System.

"(C) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the meaning given the term in section 3(c) of the Federal Deposit Insurance Act.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended—

(A) in subsection (n), by inserting "'depository institution'," after "the terms"; and

(B) by adding at the end the following new subsections:

"(p) FINANCIAL HOLDING COMPANY.—For purposes of this Act, the term 'financial holding company' means a bank holding company that meets the requirements of section 4(l)(1).

"(q) INSURANCE COMPANY.—For purposes of sections 4 and 5, the term 'insurance company' includes any person engaged in the business of insurance to the extent of such activities.".

(2) NOTICE PROCEDURES.—Section 4(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(j)) is amended—

(A) in each of subparagraphs (A) and (E) of paragraph (1), by inserting "or in any complementary activity under subsection (k)(1)(B)" after "subsection (c)(8) or (a)(2)"; and

(B) in paragraph (3)—

(i) by inserting ", other than any complementary activity under subsection (k)(1)(B)," after "to engage in any activity"; and

(ii) by inserting "or a company engaged in any complementary activity under subsection (k)(1)(B)" after "insured depository institution".

(d) REPORT.—

(1) IN GENERAL.—By the end of the 4-year period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall submit a joint report to the Congress containing a summary of new activities, including grandfathered commercial activities, in which any financial holding company is engaged pursuant to subsection (k)(1) or (n) of section 4 of the Bank Holding Company Act of 1956 (as added by subsection (a)).

(2) OTHER CONTENTS.—The report submitted to the Congress pursuant to paragraph (1) shall also contain the following:

(A) A discussion of actions by the Board of Governors of the Federal Reserve System and the Secretary of the Treasury, whether by regulation, order, interpretation, or guideline or by approval or disapproval of an application, with regard to activities of financial holding companies that are incidental to activities that are financial in nature or complementary to such financial activities.

(B) An analysis and discussion of the risks posed by commercial activities of financial holding companies to the safety and soundness of affiliate depository institutions.

(C) An analysis and discussion of the effect of mergers and acquisitions under section 4(k) of the Bank Holding Company Act of 1956 on market concentration in the financial services industry.

SEC. 104. OPERATION OF STATE LAW.

(a) STATE REGULATION OF THE BUSINESS OF INSURANCE.—The Act entitled "An Act to express the intent of Congress with reference to the regulation of the business of insurance" and approved March 9, 1945 (15 U.S.C. 1011 et seq.) (commonly referred to as the "McCarran-Ferguson Act") remains the law of the United States.

(b) MANDATORY INSURANCE LICENSING REQUIREMENTS.—No person shall engage in the business of insurance in a State as principal or agent unless such person is licensed as required by the appropriate insurance regulator of such State in accordance with the relevant State insurance law, subject to subsections (c), (d), and (e).

(c) AFFILIATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), no State may, by statute, regulation, order, interpretation, or other action, prevent or restrict a depository institution, or an affiliate thereof, from being affiliated directly or indirectly or associated with any person, as authorized or permitted by this Act or any other provision of Federal law.

(2) INSURANCE.—With respect to affiliations between depository institutions, or any affiliate thereof, and any insurer, paragraph (1) does not prohibit—

(A) any State from—

(i) collecting, reviewing, and taking actions (including approval and disapproval) on applications and other documents or reports concerning any proposed acquisition of, or a change or continuation of control of, an insurer domiciled in that State; and

(ii) exercising authority granted under applicable State law to collect information concerning any proposed acquisition of, or a change or continuation of control of, an insurer engaged in the business of insurance in, and regulated as an insurer by, such State;

during the 60-day period preceding the effective date of the acquisition or change or continuation of control, so long as the collecting, reviewing, taking actions, or exercising authority by the State does not have the effect of discriminating, intentionally or unintentionally, against a depository institution or an affiliate thereof, or against any other person based upon an association of such person with a depository institution;

(B) any State from requiring any person that is acquiring control of an insurer domiciled in that State to maintain or restore the capital requirements of that insurer to the level required under the capital regulations of general applicability in that State to avoid the requirement of preparing and filing with the insurance regulatory authority of that State a plan to increase the capital of the insurer, except that any determination by the State insurance regulatory authority with respect to such requirement shall be made not later than 60 days after the date of notification under subparagraph (A); or

(C) any State from restricting a change in the ownership of stock in an insurer, or a company formed for the purpose of controlling such insurer, after the conversion of the insurer from mutual to stock form so long as such restriction does not have the effect of discriminating, intentionally or unintentionally, against a depository institution or an affiliate thereof, or against any other person based upon an association of such person with a depository institution.

(d) ACTIVITIES.—

(1) IN GENERAL.—Except as provided in paragraph (3), and except with respect to insurance sales, solicitation, and cross marketing activities, which shall be governed by paragraph (2), no State may, by statute, regulation, order, interpretation, or other action, prevent or restrict a depository institution or an affiliate thereof from engaging directly or indirectly, either by itself or in conjunction with an affiliate, or any other person, in any activity authorized or permitted under this Act and the amendments made by this Act.

(2) INSURANCE SALES.—

(A) IN GENERAL.—In accordance with the legal standards for preemption set forth in the decision of the Supreme Court of the United States in Barnett Bank of Marion County N.A. v. Nelson, 517 U.S. 25 (1996), no State may, by statute, regulation, order, interpretation, or other action, prevent or significantly interfere with the ability of a depository institution, or an affiliate thereof, to engage, directly or indirectly, either by itself or in conjunction with an affiliate or any other person, in any insurance sales, solicitation, or cross-marketing activity.

(B) CERTAIN STATE LAWS PRESERVED.—Notwithstanding subparagraph (A), a State may impose any of the following restrictions, or restrictions that are substantially the same as but no more burdensome or restrictive than those in each of the following clauses:

(i) Restrictions prohibiting the rejection of an insurance policy by a depository institution or an affiliate of a depository institution, solely because the policy has been issued or underwritten by any person who is not associated with such depository institution or affiliate when the insurance is required in connection with a loan or extension of credit.

(ii) Restrictions prohibiting a requirement for any debtor, insurer, or insurance agent or broker to pay a separate charge in connection with the handling of insurance that is required in connection with a loan or other extension of credit or the provision of another traditional banking product by an depository institution, or any affiliate of a depository institution, unless such charge would be required when the depository institution or affiliate is the licensed insurance agent or broker providing the insurance.

(iii) Restrictions prohibiting the use of any advertisement or other insurance promotional material by a depository institution or any affiliate of a depository institution that would cause a reasonable person to believe mistakenly that—

(I) the Federal Government or a State is responsible for the insurance sales activities of, or stands behind the credit of, the institution or affiliate; or

(II) a State, or the Federal Government guarantees any returns on insurance products, or is a source of payment on any insurance obligation of or sold by the institution or affiliate;

(iv) Restrictions prohibiting the payment or receipt of any commission or brokerage fee or other valuable consideration for services as an insurance agent or broker to or by any person, unless such person holds a valid State license regarding the applicable class of insurance at the time at which the services are performed, except that, in this clause, the term "services as an insurance agent or broker" does not include a referral by an unlicensed person of a customer or potential customer to a licensed insurance agent or broker that does not include a discussion of specific insurance policy terms and conditions.

(v) Restrictions prohibiting any compensation paid to or received by any individual who is not licensed to sell insurance, for the referral of a customer that seeks to purchase, or seeks an opinion or advice on, any insurance product to a person that sells or provides opinions or advice on such product, based on the purchase of insurance by the customer.

(vi) Restrictions prohibiting the release of the insurance information of a customer (defined as information concerning the premiums, terms, and conditions of insurance coverage, including expiration dates and rates, and insurance claims of a customer contained in the records of the depository institution or an affiliate thereof) to any person other than an officer, director, employee, agent, or affiliate of a depository institution, for the purpose of soliciting or selling insurance, without the express consent of the customer, other than a provision that prohibits—

(I) a transfer of insurance information to an unaffiliated insurer in connection with transferring insurance in force on existing insureds of the depository institution or an affiliate thereof, or in connection with a merger with or acquisition of an unaffiliated insurer; or

(II) the release of information as otherwise authorized by State or Federal law.

(vii) Restrictions prohibiting the use of health information obtained from the insurance records of a customer for any purpose, other than for its activities as a licensed agent or broker, without the express consent of the customer.

(viii) Restrictions prohibiting the extension of credit or any product or service that is equivalent to an extension of credit, lease or sale of property of any kind, or furnishing of any services or fixing or varying the consideration for any of the foregoing, on the condition or requirement that the customer obtain insurance from a depository institution or an affiliate of a depository institution, or a particular insurer, agent, or broker, other than a prohibition that would prevent any such depository institution or affiliate—

(I) from engaging in any activity described in this clause that would not violate section 106 of the Bank Holding Company Act Amendments of 1970, as interpreted by the Board of Governors of the Federal Reserve System; or

(II) from informing a customer or prospective customer that insurance is required in order to obtain a loan or credit, that loan or credit approval is contingent upon the procurement by the customer of acceptable insurance, or that insurance is available from the depository institution or an affiliate of the depository institution.

(ix) Restrictions requiring, when an application by a consumer for a loan or other extension of credit from a depository institution is pending, and insurance is offered or sold to the consumer or is required in connection with the loan or extension of credit by the depository institution or any affiliate thereof, that a written disclosure be provided to the consumer or prospective customer indicating that the customer's choice of an insurance provider will not affect the credit decision or credit terms in any way, except that the depository institution may impose reasonable requirements concerning the creditworthiness of the insurer and scope of coverage chosen.

(x) Restrictions requiring clear and conspicuous disclosure, in writing, where practicable, to the customer prior to the sale of any insurance policy that such policy—

(I) is not a deposit;

(II) is not insured by the Federal Deposit Insurance Corporation;

(III) is not guaranteed by any depository institution or, if appropriate, an affiliate of any such institution or any person soliciting the purchase of or selling insurance on the premises thereof; and

(IV) where appropriate, involves investment risk, including potential loss of principal.

(xi) Restrictions requiring that, when a customer obtains insurance (other than credit insurance or flood insurance) and credit from a depository institution, or any affiliate of such institution, or any person soliciting the purchase of or selling insurance on the premises thereof, the credit and insurance transactions be completed through separate documents.

(xii) Restrictions prohibiting, when a customer obtains insurance (other than credit insurance or flood insurance) and credit from a depository institution or an affiliate of such institution, or any person soliciting the purchase of or selling insurance on the premises thereof, inclusion of the expense of insurance premiums in the primary credit transaction without the express written consent of the customer.

(xiii) Restrictions requiring maintenance of separate and distinct books and records relating to insurance transactions, including all files relating to and reflecting consumer complaints, and requiring that such insurance books and records be made available to the appropriate State insurance regulator for inspection upon reasonable notice.

(C) LIMITATIONS.—

(i) OCC DEFERENCE.—Section 304(e) does not apply with respect to any State statute, regulation, order, interpretation, or other action regarding insurance sales, solicitation, or cross marketing activities described in subparagraph (A) that was issued, adopted, or enacted before September 3, 1998, and that is not described in subparagraph (B).

(ii) NONDISCRIMINATION.—Subsection (e) does not apply with respect to any State statute, regulation, order, interpretation, or other action regarding insurance sales, solicitation, or cross marketing activities described in subparagraph (A) that was issued, adopted, or enacted before September 3, 1998, and that is not described in subparagraph (B).

(iii) CONSTRUCTION.—Nothing in this paragraph shall be construed—

(I) to limit the applicability of the decision of the Supreme Court in Barnett Bank of Marion County N.A. v. Nelson, 517 U.S. 25 (1996) with respect to any State statute, regulation, order, interpretation, or other action that is not referred to or described in subparagraph (B); or

(II) to create any inference with respect to any State statute, regulation, order, interpretation, or other action that is not described in this paragraph.

(3) INSURANCE ACTIVITIES OTHER THAN SALES.—State statutes, regulations, interpretations, orders, and other actions shall not be preempted under paragraph (1) to the extent that they—

(A) relate to, or are issued, adopted, or enacted for the purpose of regulating the business of insurance in accordance with the Act entitled "An Act to express the intent of Congress with reference to the regulation of the business of insurance" and approved March 9, 1945 (15 U.S.C. 1011 et seq.) (commonly referred to as the "McCarran-Ferguson Act");

(B) apply only to persons that are not depository institutions, but that are directly engaged in the business of insurance (except that they may apply to depository institutions engaged in providing savings bank life insurance as principal to the extent of regulating such insurance);

(C) do not relate to or directly or indirectly regulate insurance sales, solicitations, or cross marketing activities; and

(D) are not prohibited under subsection (e).

(4) FINANCIAL ACTIVITIES OTHER THAN INSURANCE.—No State statute, regulation, order, interpretation, or other action shall be preempted under paragraph (1) to the extent that—

(A) it does not relate to, and is not issued and adopted, or enacted for the purpose of regulating, directly or indirectly, insurance sales, solicitations, or cross marketing activities covered under paragraph (2);

(B) it does not relate to, and is not issued and adopted, or enacted for the purpose of regulating, directly or indirectly, the business of insurance activities other than sales, solicitations, or cross marketing activities, covered under paragraph (3);

(C) it does not relate to securities investigations or enforcement actions referred to in subsection (f); and

(D) it—

(i) does not distinguish by its terms between depository institutions, and affiliates thereof, engaged in the activity at issue and other persons engaged in the same activity in a manner that is in any way adverse with respect to the conduct of the activity by any such depository institution or affiliate engaged in the activity at issue;

(ii) as interpreted or applied, does not have, and will not have, an impact on depository institutions, or affiliates thereof, engaged in the activity at issue, or any person who has an association with any such depository institution or affiliate, that is substantially more adverse than its impact on other persons engaged in the same activity that are not depository institutions or affiliates thereof, or persons who do not have an association with any such depository institution or affiliate;

(iii) does not effectively prevent a depository institution or affiliate thereof from engaging in activities authorized or permitted by this Act or any other provision of Federal law; and

(iv) does not conflict with the intent of this Act generally to permit affiliations that are authorized or permitted by Federal law.

(e) NONDISCRIMINATION.—Except as provided in any restrictions described in subsection (d)(2)(B), no State may, by statute, regulation, order, interpretation, or other action, regulate the insurance activities authorized or permitted under this Act or any other provision of Federal law of a depository institution, or affiliate thereof, to the extent that such statute, regulation, order, interpretation, or other action—

(1) distinguishes by its terms between depository institutions, or affiliates thereof, and other persons engaged in such activities, in a manner that is in any way adverse to any such depository institution, or affiliate thereof;

(2) as interpreted or applied, has or will have an impact on depository institutions, or affiliates thereof, that is substantially more adverse than its impact on other persons providing the same products or services or engaged in the same activities that are not depository institutions, or affiliates thereof, or persons or entities affiliated therewith;

(3) effectively prevents a depository institution, or affiliate thereof, from engaging in insurance activities authorized or permitted by this Act or any other provision of Federal law; or

(4) conflicts with the intent of this Act generally to permit affiliations that are authorized or permitted by Federal law between depository institutions, or affiliates thereof, and persons engaged in the business of insurance.

(f) LIMITATION.—Subsections (c) and (d) shall not be construed to affect—

(1) the jurisdiction of the securities commission (or any agency or office performing like functions) of any State, under the laws of such State—

(A) to investigate and bring enforcement actions, consistent with section 18(c) of the Securities Act of 1933, with respect to fraud or deceit or unlawful conduct by any person, in connection with securities or securities transactions; or

(B) to require the registration of securities or the licensure or registration of brokers, dealers, or investment advisers (consistent with section 203A of the Investment Advisers Act of 1940), or the associated persons of a broker, dealer, or investment adviser (consistent with such section 203A); or

(2) State laws, regulations, orders, interpretations, or other actions of general applicability relating to the governance of corporations, partnerships, limited liability companies, or other business associations incorporated or formed under the laws of that State or domiciled in that State, or the applicability of the antitrust laws of any State or any State law that is similar to the antitrust laws if such laws, regulations, orders, interpretations, or other actions are not inconsistent with the purposes of this Act to authorize or permit certain affiliations and to remove barriers to such affiliations.

(g) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) AFFILIATE.—The term "affiliate" means any company that controls, is controlled by, or is under common control with another company.

(2) ANTITRUST LAWS.—The term "antitrust laws" has the meaning given the term in subsection (a) of the first section of the Clayton Act, and includes section 5 of the Federal Trade Commission Act (to the extent that such section 5 relates to unfair methods of competition).

(3) DEPOSITORY INSTITUTION.—The term "depository institution"—

(A) has the meaning given the term in section 3 of the Federal Deposit Insurance Act; and

(B) includes any foreign bank that maintains a branch, agency, or commercial lending company in the United States.

(4) INSURER.—The term "insurer" means any person engaged in the business of insurance.

(5) STATE.—The term "State" means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

SEC. 105. MUTUAL BANK HOLDING COMPANIES AUTHORIZED.

Section 3(g)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(g)(2)) is amended to read as follows:

"(2) REGULATIONS.—A bank holding company organized as a mutual holding company shall be regulated on terms, and shall be subject to limitations, comparable to those applicable to any other bank holding company.".

SEC. 106. PROHIBITION ON DEPOSIT PRODUCTION OFFICES.

Section 109(e)(4) of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. 1835a(e)(4)) is amended by inserting "and any branch of a bank controlled by an out-of-State bank holding company (as defined in section 2(o)(7) of the Bank Holding Company Act of 1956)" before the period.

SEC. 107. CROSS MARKETING RESTRICTION; LIMITED PURPOSE BANK RELIEF; DIVESTITURE.

(a) CROSS MARKETING RESTRICTION.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by striking paragraph (3).

(b) DAYLIGHT OVERDRAFTS.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by inserting after paragraph (2) the following new paragraph:

"(3) PERMISSIBLE OVERDRAFTS DESCRIBED.—For purposes of paragraph (2)(C), an overdraft is described in this paragraph if—

"(A) such overdraft results from an inadvertent computer or accounting error that is beyond the control of both the bank and the affiliate;

"(B) such overdraft—

"(i) is permitted or incurred on behalf of an affiliate that is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York; and

"(ii) is fully secured, as required by the Board, by bonds, notes, or other obligations that are direct obligations of the United States or on which the principal and interest are fully guaranteed by the United States or by securities and obligations eligible for settlement on the Federal Reserve book entry system; or

"(C) such overdraft—

"(i) is permitted or incurred by, or on behalf of, an affiliate in connection with an activity that is financial in nature or incidental to a financial activity; and

"(ii) does not cause the bank to violate any provision of section 23A or 23B of the Federal Reserve Act, either directly, in the case of a bank that is a member of the Federal Reserve System, or by virtue of section 18(j) of the Federal Deposit Insurance Act, in the case of a bank that is not a member of the Federal Reserve System.".

(c) INDUSTRIAL LOAN COMPANIES; AFFILIATE OVERDRAFTS.—Section 2(c)(2)(H) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(H)) is amended by inserting ", or that is otherwise permissible for a bank controlled by a company described in section 4(f)(1)" before the period at the end.

(d) ACTIVITIES LIMITATIONS.—Section 4(f)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(2)) is amended—

(1) by striking "Paragraph (1) shall cease to apply to any company described in such paragraph if—" and inserting "Subject to paragraph (3), a company described in paragraph (1) shall no longer qualify for the exemption provided under that paragraph if—";

(2) in subparagraph (A)—

(A) in clause (ii)(IX), by striking "and" at the end;

(B) in clause (ii)(X), by inserting "and" after the semicolon;

(C) in clause (ii), by inserting after subclause (X) the following new subclause:

"(XI) assets that are derived from, or incidental to, activities in which institutions described in subparagraph (F) or (H) of section 2(c)(2) are permitted to engage;"; and

(D) by striking "or" at the end; and

(3) by striking subparagraph (B) and inserting the following:

"(B) any bank subsidiary of such company—

"(i) accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties; and

"(ii) engages in the business of making commercial loans (except that for purposes of this clause, loans made in the ordinary course of a credit card operation shall not be treated as commercial loans); or

"(C) after the date of the enactment of the Competitive Equality Amendments of 1987, any bank subsidiary of such company permits any overdraft (including any intraday overdraft), or incurs any such overdraft in the account of the bank at a Federal reserve bank, on behalf of an affiliate, other than an overdraft described in paragraph (3).".

(e) DIVESTITURE REQUIREMENT.—Section 4(f)(4) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(4)) is amended to read as follows:

"(4) DIVESTITURE IN CASE OF LOSS OF EXEMPTION.—If any company described in paragraph (1) fails to qualify for the exemption provided under paragraph (1) by operation of paragraph (2), such exemption shall cease to apply to such company and such company shall divest control of each bank it controls before the end of the 180-day period beginning on the date on which the company receives notice from the Board that the company has failed to continue to qualify for such exemption, unless, before the end of such 180-day period, the company has—

"(A) either—

"(i) corrected the condition or ceased the activity that caused the company to fail to continue to qualify for the exemption; or

"(ii) submitted a plan to the Board for approval to cease the activity or correct the condition in a timely manner (which shall not exceed 1 year); and

"(B) implemented procedures that are reasonably adapted to avoid the reoccurrence of such condition or activity.".

(f) FOREIGN BANK SUBSIDIARIES OF LIMITED PURPOSE CREDIT CARD BANKS.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by adding at the end the following new paragraph:

"(14) FOREIGN BANK SUBSIDIARIES OF LIMITED PURPOSE CREDIT CARD BANKS.—

"(A) IN GENERAL.—An institution described in section 2(c)(2)(F) may control a foreign bank if—

"(i) the investment of the institution in the foreign bank meets the requirements of section 25 or 25A of the Federal Reserve Act and the foreign bank qualifies under such sections;

"(ii) the foreign bank does not offer any products or services in the United States; and

"(iii) the activities of the foreign bank are permissible under otherwise applicable law.

"(B) OTHER LIMITATIONS INAPPLICABLE.—The limitations contained in any clause of section 2(c)(2)(F) shall not apply to a foreign bank described in subparagraph (A) that is controlled by an institution described in such section.".

SEC. 108. USE OF SUBORDINATED DEBT TO PROTECT FINANCIAL SYSTEM AND DEPOSIT FUNDS FROM "TOO BIG TO FAIL" INSTITUTIONS.

(a) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall conduct a study of—

(1) the feasibility and appropriateness of establishing a requirement that, with respect to large insured depository institutions and depository institution holding companies the failure of which could have serious adverse effects on economic conditions or financial stability, such institutions and holding companies maintain some portion of their capital in the form of subordinated debt in order to bring market forces and market discipline to bear on the operation of, and the assessment of the viability of, such institutions and companies and reduce the risk to economic conditions, financial stability, and any deposit insurance fund;

(2) if such requirement is feasible and appropriate, the appropriate amount or percentage of capital that should be subordinated debt consistent with such purposes; and

(3) the manner in which any such requirement could be incorporated into existing capital standards and other issues relating to the transition to such a requirement.

(b) REPORT.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall submit a report to the Congress containing the findings and conclusions of the Board and the Secretary in connection with the study required under subsection (a), together with such legislative and administrative proposals as the Board and the Secretary may determine to be appropriate.

(c) DEFINITIONS.—For purposes of subsection (a), the following definitions shall apply:

(1) BANK HOLDING COMPANY.—The term "bank holding company" has the meaning given the term in section 2 of the Bank Holding Company Act of 1956.

(2) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given the term in section 3(c) of the Federal Deposit Insurance Act.

(3) SUBORDINATED DEBT.—The term "subordinated debt" means unsecured debt that—

(A) has an original weighted average maturity of not less than 5 years;

(B) is subordinated as to payment of principal and interest to all other indebtedness of the bank, including deposits;

(C) is not supported by any form of credit enhancement, including a guarantee or standby letter of credit; and

(D) is not held in whole or in part by any affiliate or institution-affiliated party of the insured depository institution or bank holding company.

SEC. 109. STUDY OF FINANCIAL MODERNIZATION'S EFFECT ON THE ACCESSIBILITY OF SMALL BUSINESS AND FARM LOANS.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Federal banking agencies (as defined in section 3(z) of the Federal Deposit Insurance Act), shall conduct a study of the extent to which credit is being provided to and for small businesses and farms, as a result of this Act and the amendments made by this Act.

(b) REPORT.—Before the end of the 5-year period beginning on the date of the enactment of this Act, the Secretary, in consultation with the Federal banking agencies, shall submit a report to the Congress on the study conducted pursuant to subsection (a) and shall include such recommendations as the Secretary determines to be appropriate for administrative and legislative action.

Subtitle B—Streamlining Supervision of Bank Holding Companies

SEC. 111. STREAMLINING BANK HOLDING COMPANY SUPERVISION.

Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)) is amended to read as follows:

"(c) REPORTS AND EXAMINATIONS.—

"(1) REPORTS.—

"(A) IN GENERAL.—The Board, from time to time, may require a bank holding company and any subsidiary of such company to submit reports under oath to keep the Board informed as to—

"(i) its financial condition, systems for monitoring and controlling financial and operating risks, and transactions with depository institution subsidiaries of the bank holding company; and

"(ii) compliance by the company or subsidiary with applicable provisions of this Act or any other Federal law that the Board has specific jurisdiction to enforce against such company or subsidiary.

"(B) USE OF EXISTING REPORTS.—

"(i) IN GENERAL.—For purposes of compliance with this paragraph, the Board shall, to the fullest extent possible, accept—

"(I) reports that a bank holding company or any subsidiary of such company has provided or been required to provide to other Federal or State supervisors or to appropriate self-regulatory organizations;

"(II) information that is otherwise required to be reported publicly; and

"(III) externally audited financial statements.

"(ii) AVAILABILITY.—A bank holding company or a subsidiary of such company shall provide to the Board, at the request of the Board, a report referred to in clause (i).

"(iii) REPORTS FILED WITH OTHER AGENCIES.—

"(I) IN GENERAL.—In the event that the Board requires a report under this subsection from a functionally regulated subsidiary of a bank holding company of a kind that is not required by another Federal or State regulatory authority or an appropriate self-regulatory organization, the Board shall first request that the appropriate regulatory authority or self-regulatory organization obtain such report.

"(II) AVAILABILITY FROM OTHER SUBSIDIARY.—If the report is not made available to the Board, and the report is necessary to assess a material risk to the bank holding company or any of its depository institution subsidiaries or compliance with this Act or any other Federal law that the Board has specific jurisdiction to enforce against such company or subsidiary or the systems described in paragraph (2)(A)(ii)(II), the Board may require such functionally regulated subsidiary to provide such a report to the Board.

"(2) EXAMINATIONS.—

"(A) EXAMINATION AUTHORITY FOR BANK HOLDING COMPANIES AND SUBSIDIARIES.—Subject to subparagraph (B), the Board may make examinations of each bank holding company and each subsidiary of such holding company in order—

"(i) to inform the Board of the nature of the operations and financial condition of the holding company and such subsidiaries;

"(ii) to inform the Board of—

"(I) the financial and operational risks within the holding company system that may pose a threat to the safety and soundness of any depository institution subsidiary of such holding company; and

"(II) the systems for monitoring and controlling such risks; and

"(iii) to monitor compliance with the provisions of this Act or any other Federal law that the Board has specific jurisdiction to enforce against such company or subsidiary and those governing transactions and relationships between any depository institution subsidiary and its affiliates.

"(B) FUNCTIONALLY REGULATED SUBSIDIARIES.—Notwithstanding subparagraph (A), the Board may make examinations of a functionally regulated subsidiary of a bank holding company only if—

"(i) the Board has reasonable cause to believe that such subsidiary is engaged in activities that pose a material risk to an affiliated depository institution;

"(ii) the Board reasonably determines, after reviewing relevant reports, that examination of the subsidiary is necessary to adequately inform the Board of the systems described in subparagraph (A)(ii)(II); or

"(iii) based on reports and other available information, the Board has reasonable cause to believe that a subsidiary is not in compliance with this Act or any other Federal law that the Board has specific jurisdiction to enforce against such subsidiary, including provisions relating to transactions with an affiliated depository institution, and the Board cannot make such determination through examination of the affiliated depository institution or the bank holding company.

"(C) RESTRICTED FOCUS OF EXAMINATIONS.—The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a bank holding company to—

"(i) the bank holding company; and

"(ii) any subsidiary of the bank holding company that could have a materially adverse effect on the safety and soundness of any depository institution subsidiary of the holding company due to—

"(I) the size, condition, or activities of the subsidiary; or

"(II) the nature or size of transactions between the subsidiary and any depository institution that is also a subsidiary of the bank holding company.

"(D) DEFERENCE TO BANK EXAMINATIONS.—The Board shall, to the fullest extent possible, for the purposes of this paragraph, use the reports of examinations of depository institutions made by the appropriate Federal and State depository institution supervisory authority.

"(E) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, forego an examination by the Board under this paragraph and instead review the reports of examination made of—

"(i) any registered broker or dealer by or on behalf of the Securities and Exchange Commission;

"(ii) any registered investment adviser properly registered by or on behalf of either the Securities and Exchange Commission or any State;

"(iii) any licensed insurance company by or on behalf of any State regulatory authority responsible for the supervision of insurance companies; and

"(iv) any other subsidiary that the Board finds to be comprehensively supervised by a Federal or State authority.

"(3) CAPITAL.—

"(A) IN GENERAL.—The Board may not, by regulation, guideline, order, or otherwise, prescribe or impose any capital or capital adequacy rules, guidelines, standards, or requirements on any functionally regulated subsidiary of a bank holding company that—

"(i) is not a depository institution; and

"(ii) is—

"(I) in compliance with the applicable capital requirements of its Federal regulatory authority (including the Securities and Exchange Commission) or State insurance authority;

"(II) properly registered as an investment adviser under the Investment Advisers Act of 1940, or with any State; or

"(III) is licensed as an insurance agent with the appropriate State insurance authority.

"(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to—

"(i) activities of a registered investment adviser other than with respect to investment advisory activities or activities incidental to investment advisory activities; or

"(ii) activities of a licensed insurance agent other than insurance agency activities or activities incidental to insurance agency activities.

"(C) LIMITATIONS ON INDIRECT ACTION.—In developing, establishing, or assessing bank holding company capital or capital adequacy rules, guidelines, standards, or requirements for purposes of this paragraph, the Board may not take into account the activities, operations, or investments of an affiliated investment company registered under the Investment Company Act of 1940, unless the investment company is—

"(i) a bank holding company; or

"(ii) controlled by a bank holding company by reason of ownership by the bank holding company (including through all of its affiliates) of 25 percent or more of the shares of the investment company, and the shares owned by the bank holding company have a market value equal to more than $1,000,000.

"(4) FUNCTIONAL REGULATION OF SECURITIES AND INSURANCE ACTIVITIES.—

"(A) SECURITIES ACTIVITIES.—Securities activities conducted in a functionally regulated subsidiary of a depository institution shall be subject to regulation by the Securities and Exchange Commission, and by relevant State securities authorities, as appropriate, subject to section 104 of the Gramm-Leach-Bliley Act, to the same extent as if they were conducted in a nondepository institution subsidiary of a bank holding company.

"(B) INSURANCE ACTIVITIES.—Subject to section 104 of the Gramm-Leach-Bliley Act, insurance agency and brokerage activities and activities as principal conducted in a functionally regulated subsidiary of a depository institution shall be subject to regulation by a State insurance authority to the same extent as if they were conducted in a nondepository institution subsidiary of a bank holding company.

"(5) DEFINITION.—For purposes of this subsection, the term 'functionally regulated subsidiary' means any company—

"(A) that is not a bank holding company or a depository institution; and

"(B) that is—

"(i) a broker or dealer that is registered under the Securities Exchange Act of 1934;

"(ii) a registered investment adviser, properly registered by or on behalf of either the Securities and Exchange Commission or any State, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

"(iii) an investment company that is registered under the Investment Company Act of 1940;

"(iv) an insurance company, with respect to insurance activities of the insurance company and activities incidental to such insurance activities, that is subject to supervision by a State insurance regulator; or

"(v) an entity that is subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.".

SEC. 112. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

(a) BANK HOLDING COMPANIES.—Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by adding at the end the following new subsection:

"(g) AUTHORITY OF STATE INSURANCE REGULATOR AND THE SECURITIES AND EXCHANGE COMMISSION.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the Board that requires a bank holding company to provide funds or other assets to a subsidiary depository institution shall not be effective nor enforceable with respect to an entity described in subparagraph (A) if—

"(A) such funds or assets are to be provided by—

"(i) a bank holding company that is an insurance company, a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; or

"(ii) an affiliate of the depository institution that is an insurance company or a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; and

"(B) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker, dealer, investment adviser (solely with respect to investment advisory activities or activities incidental thereto), or investment company, as the case may be, determines in writing sent to the holding company and the Board that the holding company shall not provide such funds or assets because such action would have a material adverse effect on the financial condition of the insurance company or the broker, dealer, investment company, or investment adviser, as the case may be.

"(2) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the Board requires a bank holding company, or an affiliate of a bank holding company, that is an insurance company or a broker, dealer, investment company, or investment adviser described in paragraph (1)(A) to provide funds or assets to a depository institution subsidiary of the holding company pursuant to any regulation, order, or other action of the Board referred to in paragraph (1), the Board shall promptly notify the State insurance authority for the insurance company, the Securities and Exchange Commission, or State securities regulator, as the case may be, of such requirement.

"(3) DIVESTITURE IN LIEU OF OTHER ACTION.—If the Board receives a notice described in paragraph (1)(B) from a State insurance authority or the Securities and Exchange Commission with regard to a bank holding company or affiliate referred to in that paragraph, the Board may order the bank holding company to divest the depository institution not later than 180 days after receiving the notice, or such longer period as the Board determines consistent with the safe and sound operation of the depository institution.

"(4) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the Board under paragraph (3) to a bank holding company and ending on the date the divestiture is completed, the Board may impose any conditions or restrictions on the holding company's ownership or operation of the depository institution, including restricting or prohibiting transactions between the depository institution and any affiliate of the institution, as are appropriate under the circumstances.

"(5) RULE OF CONSTRUCTION.—No provision of this subsection may be construed as limiting or otherwise affecting, except to the extent specifically provided in this subsection, the regulatory authority, including the scope of the authority, of any Federal agency or department with regard to any entity that is within the jurisdiction of such agency or department.".

(b) SUBSIDIARIES OF DEPOSITORY INSTITUTIONS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 45. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

"(a) IN GENERAL.—Notwithstanding any other provision of law, the provisions of—

"(1) section 5(c) of the Bank Holding Company Act of 1956 that limit the authority of the Board of Governors of the Federal Reserve System to require reports from, to make examinations of, or to impose capital requirements on holding companies and their functionally regulated subsidiaries or that require deference to other regulators;

"(2) section 5(g) of the Bank Holding Company Act of 1956 that limit the authority of the Board to require a functionally regulated subsidiary of a holding company to provide capital or other funds or assets to a depository institution subsidiary of the holding company and to take certain actions including requiring divestiture of the depository institution; and

"(3) section 10A of the Bank Holding Company Act of 1956 that limit whatever authority the Board might otherwise have to take direct or indirect action with respect to holding companies and their functionally regulated subsidiaries;

shall also limit whatever authority that a Federal banking agency might otherwise have under any statute or regulation to require reports, make examinations, impose capital requirements, or take any other direct or indirect action with respect to any functionally regulated affiliate of a depository institution, subject to the same standards and requirements as are applicable to the Board under those provisions.

"(b) CERTAIN EXEMPTION AUTHORIZED.—No provision of this section shall be construed as preventing the Corporation, if the Corporation finds it necessary to determine the condition of a depository institution for insurance purposes, from examining an affiliate of any depository institution, pursuant to section 10(b)(4), as may be necessary to disclose fully the relationship between the depository institution and the affiliate, and the effect of such relationship on the depository institution.

"(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) FUNCTIONALLY REGULATED SUBSIDIARY.—The term 'functionally regulated subsidiary' has the meaning given the term in section 5(c)(5) of the Bank Holding Company Act of 1956.

"(2) FUNCTIONALLY REGULATED AFFILIATE.—The term 'functionally regulated affiliate' means, with respect to any depository institution, any affiliate of such depository institution that is—

"(A) not a depository institution holding company; and

"(B) a company described in any clause of section 5(c)(5)(B) of the Bank Holding Company Act of 1956.".

SEC. 113. ROLE OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by inserting after section 10 the following new section:

"SEC. 10A. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

"(a) LIMITATION ON DIRECT ACTION.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a functionally regulated subsidiary of a bank holding company unless—

"(1) the action is necessary to prevent or redress an unsafe or unsound practice or breach of fiduciary duty by such subsidiary that poses a material risk to—

"(A) the financial safety, soundness, or stability of an affiliated depository institution; or

"(B) the domestic or international payment system; and

"(2) the Board finds that it is not reasonably possible to protect effectively against the material risk at issue through action directed at or against the affiliated depository institution or against depository institutions generally.

"(b) LIMITATION ON INDIRECT ACTION.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a bank holding company that requires the bank holding company to require a functionally regulated subsidiary of the holding company to engage, or to refrain from engaging, in any conduct or activities unless the Board could take such action directly against or with respect to the functionally regulated subsidiary in accordance with subsection (a).

"(c) ACTIONS SPECIFICALLY AUTHORIZED.—Notwithstanding subsection (a) or (b), the Board may take action under this Act or section 8 of the Federal Deposit Insurance Act to enforce compliance by a functionally regulated subsidiary of a bank holding company with any Federal law that the Board has specific jurisdiction to enforce against such subsidiary.

"(d) FUNCTIONALLY REGULATED SUBSIDIARY DEFINED.—For purposes of this section, the term 'functionally regulated subsidiary' has the meaning given the term in section 5(c)(5).".

SEC. 114. PRUDENTIAL SAFEGUARDS.

(a) COMPTROLLER OF THE CURRENCY.—

(1) IN GENERAL.—The Comptroller of the Currency may, by regulation or order, impose restrictions or requirements on relationships or transactions between a national bank and a subsidiary of the national bank that the Comptroller finds are—

(A) consistent with the purposes of this Act, title LXII of the Revised Statutes of the United States, and other Federal law applicable to national banks; and

(B) appropriate to avoid any significant risk to the safety and soundness of insured depository institutions or any Federal deposit insurance fund or other adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

(2) REVIEW.—The Comptroller of the Currency shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including the avoidance of any adverse effect referred to in paragraph (1)(B); and

(B) modify or eliminate any such restriction or requirement the Comptroller finds is no longer required for such purposes.

(b) BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.—

(1) IN GENERAL.—The Board of Governors of the Federal Reserve System may, by regulation or order, impose restrictions or requirements on relationships or transactions—

(A) between a depository institution subsidiary of a bank holding company and any affiliate of such depository institution (other than a subsidiary of such institution); or

(B) between a State member bank and a subsidiary of such bank;

if the Board makes a finding described in paragraph (2) with respect to such restriction or requirement.

(2) FINDING.—The Board of Governors of the Federal Reserve System may exercise authority under paragraph (1) if the Board finds that the exercise of such authority is—

(A) consistent with the purposes of this Act, the Bank Holding Company Act of 1956, the Federal Reserve Act, and other Federal law applicable to depository institution subsidiaries of bank holding companies or State member banks, as the case may be; and

(B) appropriate to prevent an evasion of any provision of law referred to in subparagraph (A) or to avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund or other adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

(3) REVIEW.—The Board of Governors of the Federal Reserve System shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) or (4) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including the avoidance of any adverse effect referred to in paragraph (2)(B) or (4)(B); and

(B) modify or eliminate any such restriction or requirement the Board finds is no longer required for such purposes.

(4) FOREIGN BANKS.—The Board may, by regulation or order, impose restrictions or requirements on relationships or transactions between a branch, agency, or commercial lending company of a foreign bank in the United States and any affiliate in the United States of such foreign bank that the Board finds are—

(A) consistent with the purposes of this Act, the Bank Holding Company Act of 1956, the Federal Reserve Act, and other Federal law applicable to foreign banks and their affiliates in the United States; and

(B) appropriate to prevent an evasion of any provision of law referred to in subparagraph (A) or to avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund or other adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

(c) FEDERAL DEPOSIT INSURANCE CORPORATION.—

(1) IN GENERAL.—The Federal Deposit Insurance Corporation may, by regulation or order, impose restrictions or requirements on relationships or transactions between a State nonmember bank (as defined in section 3 of the Federal Deposit Insurance Act) and a subsidiary of the State nonmember bank that the Corporation finds are—

(A) consistent with the purposes of this Act, the Federal Deposit Insurance Act, or other Federal law applicable to State nonmember banks; and

(B) appropriate to avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund or other adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

(2) REVIEW.—The Federal Deposit Insurance Corporation shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including the avoidance of any adverse effect referred to in paragraph (1)(B); and

(B) modify or eliminate any such restriction or requirement the Corporation finds is no longer required for such purposes.

SEC. 115. EXAMINATION OF INVESTMENT COMPANIES.

(a) EXCLUSIVE COMMISSION AUTHORITY.—Except as provided in subsection (c), a Federal banking agency may not inspect or examine any registered investment company that is not a bank holding company or a savings and loan holding company.

(b) EXAMINATION RESULTS AND OTHER INFORMATION.—The Commission shall provide to any Federal banking agency, upon request, the results of any examination, reports, records, or other information with respect to any registered investment company to the extent necessary for the agency to carry out its statutory responsibilities.

(c) CERTAIN EXAMINATIONS AUTHORIZED.—Nothing in this section shall prevent the Corporation, if the Corporation finds it necessary to determine the condition of an insured depository institution for insurance purposes, from examining an affiliate of any insured depository institution, pursuant to its authority under section 10(b)(4) of the Federal Deposit Insurance Act, as may be necessary to disclose fully the relationship between the insured depository institution and the affiliate, and the effect of such relationship on the insured depository institution.

(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) BANK HOLDING COMPANY.—The term "bank holding company" has the meaning given the term in section 2 of the Bank Holding Company Act of 1956.

(2) COMMISSION.—The term "Commission" means the Securities and Exchange Commission.

(3) CORPORATION.—The term "Corporation" means the Federal Deposit Insurance Corporation.

(4) FEDERAL BANKING AGENCY.—The term "Federal banking agency" has the meaning given the term in section 3(z) of the Federal Deposit Insurance Act.

(5) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given the term in section 3(c) of the Federal Deposit Insurance Act.

(6) REGISTERED INVESTMENT COMPANY.—The term "registered investment company" means an investment company that is registered with the Commission under the Investment Company Act of 1940.

(7) SAVINGS AND LOAN HOLDING COMPANY.—The term "savings and loan holding company" has the meaning given the term in section 10(a)(1)(D) of the Home Owners' Loan Act.

SEC. 116. ELIMINATION OF APPLICATION REQUIREMENT FOR FINANCIAL HOLDING COMPANIES.

(a) PREVENTION OF DUPLICATIVE FILINGS.—Section 5(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(a)) is amended by adding at the end the following new sentence: "A declaration filed in accordance with section 4(l)(1)(C) shall satisfy the requirements of this subsection with regard to the registration of a bank holding company but not any requirement to file an application to acquire a bank pursuant to section 3.".

(b) DIVESTITURE PROCEDURES.—Section 5(e)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(e)(1)) is amended—

(1) by striking "Financial Institutions Supervisory Act of 1966, order" and inserting "Financial Institutions Supervisory Act of 1966, at the election of the bank holding company—

"(A) order"; and

(2) by striking "shareholders of the bank holding company. Such distribution" and inserting "shareholders of the bank holding company; or

"(B) order the bank holding company, after due notice and opportunity for hearing, and after consultation with the primary supervisor for the bank, which shall be the Comptroller of the Currency in the case of a national bank, and the Federal Deposit Insurance Corporation and the appropriate State supervisor in the case of an insured nonmember bank, to terminate (within 120 days or such longer period as the Board may direct) the ownership or control of any such bank by such company.

The distribution referred to in subparagraph (A)".

SEC. 117. PRESERVING THE INTEGRITY OF FDIC RESOURCES.

Section 11(a)(4)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)(B)) is amended by striking "to benefit any shareholder of" and inserting "to benefit any shareholder or affiliate (other than an insured depository institution that receives assistance in accordance with the provisions of this Act) of".

SEC. 118. REPEAL OF SAVINGS BANK PROVISIONS IN THE BANK HOLDING COMPANY ACT OF 1956.

Section 3(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(f)) is amended to read as follows:

"(f) [Repealed].".

SEC. 119. TECHNICAL AMENDMENT.

Section 2(o)(1)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(o)(1)(A)) is amended by striking "section 38(b)" and inserting "section 38".

Subtitle C—Subsidiaries of National Banks

SEC. 121. SUBSIDIARIES OF NATIONAL BANKS.

(a) IN GENERAL.—Chapter one of title LXII of the Revised Statutes of the United States (12 U.S.C. 21 et seq.) is amended—

(1) by redesignating section 5136A as section 5136B; and

(2) by inserting after section 5136 (12 U.S.C. 24) the following new section:

"SEC. 5136A. FINANCIAL SUBSIDIARIES OF NATIONAL BANKS.

"(a) AUTHORIZATION TO CONDUCT IN SUBSIDIARIES CERTAIN ACTIVITIES THAT ARE FINANCIAL IN NATURE.—

"(1) IN GENERAL.—Subject to paragraph (2), a national bank may control a financial subsidiary, or hold an interest in a financial subsidiary.

"(2) CONDITIONS AND REQUIREMENTS.—A national bank may control a financial subsidiary, or hold an interest in a financial subsidiary, only if—

"(A) the financial subsidiary engages only in—

"(i) activities that are financial in nature or incidental to a financial activity pursuant to subsection (b); and

"(ii) activities that are permitted for national banks to engage in directly (subject to the same terms and conditions that govern the conduct of the activities by a national bank);

"(B) the activities engaged in by the financial subsidiary as a principal do not include—

"(i) insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death (except to the extent permitted under section 302 or 303(c) of the Gramm-Leach-Bliley Act) or providing or issuing annuities the income of which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986;

"(ii) real estate development or real estate investment activities, unless otherwise expressly authorized by law; or

"(iii) any activity permitted in subparagraph (H) or (I) of section 4(k)(4) of the Bank Holding Company Act of 1956, except activities described in section 4(k)(4)(H) that may be permitted in accordance with section 122 of the Gramm-Leach-Bliley Act;

"(C) the national bank and each depository institution affiliate of the national bank are well capitalized and well managed;

"(D) the aggregate consolidated total assets of all financial subsidiaries of the national bank do not exceed the lesser of—

"(i) 45 percent of the consolidated total assets of the parent bank; or

"(ii) $50,000,000,000;

"(E) except as provided in paragraph (4), the national bank meets any applicable rating or other requirement set forth in paragraph (3); and

"(F) the national bank has received the approval of the Comptroller of the Currency for the financial subsidiary to engage in such activities, which approval shall be based solely upon the factors set forth in this section.

"(3) RATING OR COMPARABLE REQUIREMENT.—

"(A) IN GENERAL.—A national bank meets the requirements of this paragraph if—

"(i) the bank is 1 of the 50 largest insured banks and has not fewer than 1 issue of outstanding eligible debt that is currently rated within the 3 highest investment grade rating categories by a nationally recognized statistical rating organization; or

"(ii) the bank is 1 of the second 50 largest insured banks and meets the criteria set forth in clause (i) or such other criteria as the Secretary of the Treasury and the Board of Governors of the Federal Reserve System may jointly establish by regulation and determine to be comparable to and consistent with the purposes of the rating required in clause (i).

"(B) CONSOLIDATED TOTAL ASSETS.—For purposes of this paragraph, the size of an insured bank shall be determined on the basis of the consolidated total assets of the bank as of the end of each calendar year.

"(4) FINANCIAL AGENCY SUBSIDIARY.—The requirement in paragraph (2)(E) shall not apply with respect to the ownership or control of a financial subsidiary that engages in activities described in subsection (b)(1) solely as agent and not directly or indirectly as principal.

"(5) REGULATIONS REQUIRED.—Before the end of the 270-day period beginning on the date of the enactment of the Gramm-Leach-Bliley Act, the Comptroller of the Currency shall, by regulation, prescribe procedures to implement this section.

"(6) INDEXED ASSET LIMIT.—The dollar amount contained in paragraph (2)(D) shall be adjusted according to an indexing mechanism jointly established by regulation by the Secretary of the Treasury and the Board of Governors of the Federal Reserve System.

"(7) COORDINATION WITH SECTION 4(l)(2) OF THE BANK HOLDING COMPANY ACT OF 1956.—Section 4(l)(2) of the Bank Holding Company Act of 1956 applies to a national bank that controls a financial subsidiary in the manner provided in that section.

"(b) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—

"(1) FINANCIAL ACTIVITIES.—

"(A) IN GENERAL.—An activity shall be financial in nature or incidental to such financial activity only if—

"(i) such activity has been defined to be financial in nature or incidental to a financial activity for bank holding companies pursuant to section 4(k)(4) of the Bank Holding Company Act of 1956; or

"(ii) the Secretary of the Treasury determines the activity is financial in nature or incidental to a financial activity in accordance with subparagraph (B).

"(B) COORDINATION BETWEEN THE BOARD AND THE SECRETARY OF THE TREASURY.—

"(i) PROPOSALS RAISED BEFORE THE SECRETARY OF THE TREASURY.—

"(I) CONSULTATION.—The Secretary of the Treasury shall notify the Board of, and consult with the Board concerning, any request, proposal, or application under this section for a determination of whether an activity is financial in nature or incidental to a financial activity.

"(II) BOARD VIEW.—The Secretary of the Treasury shall not determine that any activity is financial in nature or incidental to a financial activity under this section if the Board notifies the Secretary in writing, not later than 30 days after the date of receipt of the notice described in subclause (I) (or such longer period as the Secretary determines to be appropriate under the circumstances) that the Board believes that the activity is not financial in nature or incidental to a financial activity or is not otherwise permissible under this section.

"(ii) PROPOSALS RAISED BY THE BOARD.—

"(I) BOARD RECOMMENDATION.—The Board may, at any time, recommend in writing that the Secretary of the Treasury find an activity to be financial in nature or incidental to a financial activity for purposes of this section.

"(II) TIME PERIOD FOR SECRETARIAL ACTION.—Not later than 30 days after the date of receipt of a written recommendation from the Board under subclause (I) (or such longer period as the Secretary of the Treasury and the Board determine to be appropriate under the circumstances), the Secretary shall determine whether to initiate a public rulemaking proposing that the subject recommended activity be found to be financial in nature or incidental to a financial activity under this section, and shall notify the Board in writing of the determination of the Secretary and, in the event that the Secretary determines not to seek public comment on the proposal, the reasons for that determination.

"(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to a financial activity, the Secretary shall take into account—

“(A) the purposes of this Act and the Gramm-Leach-Bliley Act;

“(B) changes or reasonably expected changes in the marketplace in which banks compete;

“(C) changes or reasonably expected changes in the technology for delivering financial services; and

“(D) whether such activity is necessary or appropriate to allow a bank and the subsidiaries of a bank to—

“(i) compete effectively with any company seeking to provide financial services in the United States;

“(ii) efficiently deliver information and services that are financial in nature through the use of technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions; and

“(iii) offer customers any available or emerging technological means for using financial services or for the document imaging of data.

“(3) AUTHORIZATION OF NEW FINANCIAL ACTIVITIES.—The Secretary of the Treasury shall, by regulation or order and in accordance with paragraph (1)(B), define, consistent with the purposes of this Act and the Gramm-Leach-Bliley Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to a financial activity:

“(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

“(B) Providing any device or other instrumentality for transferring money or other financial assets.

“(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

“(c) CAPITAL DEDUCTION.—

“(1) CAPITAL DEDUCTION REQUIRED.—In determining compliance with applicable capital standards—

“(A) the aggregate amount of the outstanding equity investment, including retained earnings, of a national bank in all financial subsidiaries shall be deducted from the assets and tangible equity of the national bank; and

“(B) the assets and liabilities of the financial subsidiaries shall not be consolidated with those of the national bank.

“(2) FINANCIAL STATEMENT DISCLOSURE OF CAPITAL DEDUCTION.—Any published financial statement of a national bank that controls a financial subsidiary shall, in addition to providing information prepared in accordance with generally accepted accounting principles, separately present financial information for the bank in the manner provided in paragraph (1).

“(d) SAFEGUARDS FOR THE BANK.—A national bank that establishes or maintains a financial subsidiary shall assure that—

“(1) the procedures of the national bank for identifying and managing financial and operational risks within the national bank and the financial subsidiary adequately protect the national bank from such risks;

“(2) the national bank has, for the protection of the bank, reasonable policies and procedures to preserve the separate corporate identity and limited liability of the national bank and the financial subsidiaries of the national bank; and

“(3) the national bank is in compliance with this section.

“(e) PROVISIONS APPLICABLE TO NATIONAL BANKS THAT FAIL TO CONTINUE TO MEET CERTAIN REQUIREMENTS.—

“(1) IN GENERAL.—If a national bank or insured depository institution affiliate does not continue to meet the requirements of subsection (a)(2)(C) or subsection (d), the Comptroller of the Currency shall promptly give notice to the national bank to that effect describing the conditions giving rise to the notice.

“(2) AGREEMENT TO CORRECT CONDITIONS.—Not later than 45 days after the date of receipt by a national bank of a notice given under paragraph (1) (or such additional period as the Comptroller of the Currency may permit), the national bank shall execute an agreement with the Comptroller of the Currency and any relevant insured depository institution affiliate shall execute an agreement with its appropriate Federal banking agency to comply with the requirements of subsection (a)(2)(C) and subsection (d).

“(3) IMPOSITION OF CONDITIONS.—Until the conditions described in a notice under paragraph (1) are corrected—

“(A) the Comptroller of the Currency may impose such limitations on the conduct or activities of the national bank or any subsidiary of the national bank as the Comptroller of the Currency determines to be appropriate under the circumstances and consistent with the purposes of this section; and

“(B) the appropriate Federal banking agency may impose such limitations on the conduct or activities of any relevant insured depository institution affiliate or any subsidiary of the institution as such agency determines to be appropriate under the circumstances and consistent with the purposes of this section.

“(4) FAILURE TO CORRECT.—If the conditions described in a notice to a national bank under paragraph (1) are not corrected within 180 days after the date of receipt by the national bank of the notice, the Comptroller of the Currency may require the national bank, under such terms and conditions as may be imposed by the Comptroller and subject to such extension of time as may be granted in the discretion of the Comptroller, to divest control of any financial subsidiary.

“(5) CONSULTATION.—In taking any action under this subsection, the Comptroller shall consult with all relevant Federal and State regulatory agencies and authorities.

“(f) FAILURE TO MAINTAIN PUBLIC RATING OR MEET APPLICABLE CRITERIA.—

“(1) IN GENERAL.—A national bank that does not continue to meet any applicable rating or other requirement of subsection (a)(2)(E) after acquiring or establishing a financial subsidiary shall not, directly or through a subsidiary, purchase or acquire any additional equity capital of any financial subsidiary until the bank meets such requirements.

“(2) EQUITY CAPITAL.—For purposes of this subsection, the term ‘equity capital’ includes, in addition to any equity instrument, any debt instrument issued by a financial subsidiary, if the instrument qualifies as capital of the subsidiary under any Federal or State law, regulation, or interpretation applicable to the subsidiary.

“(g) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

“(1) AFFILIATE, COMPANY, CONTROL, AND SUBSIDIARY.—The terms ‘affiliate’, ‘company’, ‘control’, and ‘subsidiary’ have the meanings given those terms in section 2 of the Bank Holding Company Act of 1956.

“(2) APPROPRIATE FEDERAL BANKING AGENCY, DEPOSITORY INSTITUTION, INSURED BANK, AND INSURED DEPOSITORY INSTITUTION.—The terms ‘appropriate Federal banking agency’, ‘depository institution’, ‘insured bank’, and ‘insured depository institution’ have the meanings given those terms in section 3 of the Federal Deposit Insurance Act.

“(3) FINANCIAL SUBSIDIARY.—The term ‘financial subsidiary’ means any company that is controlled by 1 or more insured depository institutions other than a subsidiary that—

“(A) engages solely in activities that national banks are permitted to engage in directly and are conducted subject to the same terms and conditions that govern the conduct of such activities by national banks; or

“(B) a national bank is specifically authorized by the express terms of a Federal statute (other than this section), and not by implication or interpretation, to control, such as by section 25 or 25A of the Federal Reserve Act or the Bank Service Company Act.

“(4) ELIGIBLE DEBT.—The term ‘eligible debt’ means unsecured long-term debt that—

“(A) is not supported by any form of credit enhancement, including a guarantee or standby letter of credit; and

“(B) is not held in whole or in any significant part by any affiliate, officer, director, principal shareholder, or employee of the bank or any other person acting on behalf of or with funds from the bank or an affiliate of the bank.

“(5) WELL CAPITALIZED.—The term ‘well capitalized’ has the meaning given the term in section 38 of the Federal Deposit Insurance Act.

“(6) WELL MANAGED.—The term ‘well managed’ means—

“(A) in the case of a depository institution that has been examined, unless otherwise determined in writing by the appropriate Federal banking agency—

“(i) the achievement of a composite rating of 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating under an equivalent rating system) in connection with the most recent examination or subsequent review of the depository institution; and

“(ii) at least a rating of 2 for management, if such rating is given; or

“(B) in the case of any depository institution that has not been examined, the existence and use of managerial resources that the appropriate Federal banking agency determines are satisfactory.”.

(b) SECTIONS 23A AND 23B OF THE FEDERAL RESERVE ACT.—

(1) LIMITING THE EXPOSURE OF A BANK TO A FINANCIAL SUBSIDIARY TO THE AMOUNT OF PERMISSIBLE EXPOSURE TO AN AFFILIATE.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(A) by redesignating subsection (e) as subsection (f); and

(B) by inserting after subsection (d), the following new subsection:

“(e) RULES RELATING TO BANKS WITH FINANCIAL SUBSIDIARIES.—

“(1) FINANCIAL SUBSIDIARY DEFINED.—For purposes of this section and section 23B, the term ‘financial subsidiary’ means any company that is a subsidiary of a bank that would be a financial subsidiary of a national bank under section 5136A of the Revised Statutes of the United States.

“(2) FINANCIAL SUBSIDIARY TREATED AS AN AFFILIATE.—For purposes of applying this section and section 23B, and notwithstanding subsection (b)(2) of this section or section 23B(d)(1), a financial subsidiary of a bank—

“(A) shall be deemed to be an affiliate of the bank; and

“(B) shall not be deemed to be a subsidiary of the bank.

“(3) EXCEPTIONS FOR TRANSACTIONS WITH FINANCIAL SUBSIDIARIES.—

“(A) EXCEPTION FROM LIMIT ON COVERED TRANSACTIONS WITH ANY INDIVIDUAL FINANCIAL SUBSIDIARY.—Notwithstanding paragraph (2), the restriction contained in subsection (a)(1)(A) shall not apply with respect to covered transactions between a bank and any individual financial subsidiary of the bank.

“(B) EXCEPTION FOR EARNINGS RETAINED BY FINANCIAL SUBSIDIARIES.—Notwithstanding paragraph (2) or subsection (b)(7), a bank's investment in a financial subsidiary of the bank shall not include retained earnings of the financial subsidiary.

“(4) ANTI-EVASION PROVISION.—For purposes of this section and section 23B—

"(A) any purchase of, or investment in, the securities of a financial subsidiary of a bank by an affiliate of the bank shall be considered to be a purchase of or investment in such securities by the bank; and

"(B) any extension of credit by an affiliate of a bank to a financial subsidiary of the bank shall be considered to be an extension of credit by the bank to the financial subsidiary if the Board determines that such treatment is necessary or appropriate to prevent evasions of this Act and the Gramm-Leach-Bliley Act.".

(2) REBUTTABLE PRESUMPTION OF CONTROL OF PORTFOLIO COMPANY.—Section 23A(b) of the Federal Reserve Act (12 U.S.C. 371c(b)) is amended by adding at the end the following new paragraph—

"(11) REBUTTABLE PRESUMPTION OF CONTROL OF PORTFOLIO COMPANIES.—In addition to paragraph (3), a company or shareholder shall be presumed to control any other company if the company or shareholder, directly or indirectly, or acting through 1 or more other persons, owns or controls 15 percent or more of the equity capital of the other company pursuant to subparagraph (H) or (I) of section 4(k)(4) of the Bank Holding Company Act of 1956 or rules adopted under section 122 of the Gramm-Leach-Bliley Act, if any, unless the company or shareholder provides information acceptable to the Board to rebut this presumption of control.".

(3) RULEMAKING REQUIRED CONCERNING DERIVATIVE TRANSACTIONS AND INTRADAY CREDIT.—Section 23A(f) of the Federal Reserve Act (12 U.S.C. 371c(f)) (as so redesignated by paragraph (1)(A) of this subsection) is amended by inserting at the end the following new paragraph:

"(3) RULEMAKING REQUIRED CONCERNING DERIVATIVE TRANSACTIONS AND INTRADAY CREDIT.—

"(A) IN GENERAL.—Not later than 18 months after the date of the enactment of the Gramm-Leach-Bliley Act, the Board shall adopt final rules under this section to address as covered transactions credit exposure arising out of derivative transactions between member banks and their affiliates and intraday extensions of credit by member banks to their affiliates.

"(B) EFFECTIVE DATE.—The effective date of any final rule adopted by the Board pursuant to subparagraph (A) shall be delayed for such period as the Board deems necessary or appropriate to permit banks to conform their activities to the requirements of the final rule without undue hardship.".

(c) ANTITYING.—Section 106(a) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1971) is amended by adding at the end the following: "For purposes of this section, a financial subsidiary of a national bank engaging in activities pursuant to section 5136A(a) of the Revised Statutes of the United States shall be deemed to be a subsidiary of a bank holding company, and not a subsidiary of a bank.".

(d) SAFETY AND SOUNDNESS FIREWALLS FOR STATE BANKS WITH FINANCIAL SUBSIDIARIES.—

(1) FEDERAL DEPOSIT INSURANCE ACT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 45 (as added by section 112(b) of this title) the following new section:

"SEC. 46. SAFETY AND SOUNDNESS FIREWALLS APPLICABLE TO FINANCIAL SUBSIDIARIES OF BANKS.

"(a) IN GENERAL.—An insured State bank may control or hold an interest in a subsidiary that engages in activities as principal that would only be permissible for a national bank to conduct through a financial subsidiary if—

"(1) the State bank and each insured depository institution affiliate of the State bank are well capitalized (after the capital deduction required by paragraph (2));

"(2) the State bank complies with the capital deduction and financial statement disclosure requirements in section 5136A(c) of the Revised Statutes of the United States;

"(3) the State bank complies with the financial and operational safeguards required by section 5136A(d) of the Revised Statutes of the United States; and

"(4) the State bank complies with the amendments to sections 23A and 23B of the Federal Reserve Act made by section 121(b) of the Gramm-Leach-Bliley Act.

"(b) PRESERVATION OF EXISTING SUBSIDIARIES.—Notwithstanding subsection (a), an insured State bank may retain control of a subsidiary, or retain an interest in a subsidiary, that the State bank lawfully controlled or acquired before the date of the enactment of the Gramm-Leach-Bliley Act, and conduct through such subsidiary any activities lawfully conducted in such subsidiary as of such date.

"(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) SUBSIDIARY.—The term 'subsidiary' means any company that is a subsidiary (as defined in section 3(w)(4)) of 1 or more insured banks.

"(2) FINANCIAL SUBSIDIARY.—The term 'financial subsidiary' has the meaning given the term in section 5136A(g) of the Revised Statutes of the United States.

"(d) PRESERVATION OF AUTHORITY.—

"(1) FEDERAL DEPOSIT INSURANCE ACT.—No provision of this section shall be construed as superseding the authority of the Federal Deposit Insurance Corporation to review subsidiary activities under section 24.

"(2) FEDERAL RESERVE ACT.—No provision of this section shall be construed as affecting the applicability of the 20th undesignated paragraph of section 9 of the Federal Reserve Act.".

(2) FEDERAL RESERVE ACT.—The 20th undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 335) is amended by adding at the end the following: "This paragraph shall not apply to any interest held by a State member bank in accordance with section 5136A of the Revised Statutes of the United States and subject to the same conditions and limitations provided in such section.".

(e) CLERICAL AMENDMENT.—The table of sections for chapter one of title LXII of the Revised Statutes of the United States is amended—

(1) by redesignating the item relating to section 5136A as section 5136B; and

(2) by inserting after the item relating to section 5136 the following new item:

"5136A. Financial subsidiaries of national banks.".

SEC. 122. CONSIDERATION OF MERCHANT BANKING ACTIVITIES BY FINANCIAL SUBSIDIARIES.

After the end of the 5-year period beginning on the date of the enactment of the Gramm-Leach-Bliley Act, the Board of Governors of the Federal Reserve System and the Secretary of the Treasury may, if appropriate, after considering—

(1) the experience with the effects of financial modernization under this Act and merchant banking activities of financial holding companies;

(2) the potential effects on depository institutions and the financial system of allowing merchant banking activities in financial subsidiaries; and

(3) other relevant facts;

jointly adopt rules that permit financial subsidiaries to engage in merchant banking activities described in section 4(k)(4)(H) of the Bank Holding Company Act of 1956, under such terms and conditions as the Board of Governors of the Federal Reserve System and the Secretary of the Treasury jointly determine to be appropriate.

Subtitle D—Preservation of FTC Authority

SEC. 131. AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956 TO MODIFY NOTIFICATION AND POST-APPROVAL WAITING PERIOD FOR SECTION 3 TRANSACTIONS.

Section 11(b)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1849(b)(1)) is amended by inserting "and, if the transaction also involves an acquisition under section 4, the Board shall also notify the Federal Trade Commission of such approval" before the period at the end of the first sentence.

SEC. 132. INTERAGENCY DATA SHARING.

(a) IN GENERAL.—To the extent not prohibited by other law, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System shall make available to the Attorney General and the Federal Trade Commission any data in the possession of any such banking agency that the antitrust agency deems necessary for antitrust review of any transaction requiring notice to any such antitrust agency or the approval of such agency under section 3 or 4 of the Bank Holding Company Act of 1956, section 18(c) of the Federal Deposit Insurance Act, the National Bank Consolidation and Merger Act, section 10 of the Home Owners' Loan Act, or the antitrust laws.

(b) CONFIDENTIALITY REQUIREMENTS.—

(1) IN GENERAL.—Any information or material obtained by any agency pursuant to subsection (a) shall be treated as confidential.

(2) PROCEDURES FOR DISCLOSURE.—If any information or material obtained by any agency pursuant to subsection (a) is proposed to be disclosed to a third party, written notice of such disclosure shall first be provided to the agency from which such information or material was obtained and an opportunity shall be given to such agency to oppose or limit the proposed disclosure.

(3) OTHER PRIVILEGES NOT WAIVED BY DISCLOSURE UNDER THIS SECTION.—The provision by any Federal agency of any information or material pursuant to subsection (a) to another agency shall not constitute a waiver, or otherwise affect, any privilege any agency or person may claim with respect to such information under Federal or State law.

(4) EXCEPTION.—No provision of this section shall be construed as preventing or limiting access to any information by any duly authorized committee of the Congress or the Comptroller General of the United States.

(c) BANKING AGENCY INFORMATION SHARING.—The provisions of subsection (b) shall apply to—

(1) any information or material obtained by any Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) from any other Federal banking agency; and

(2) any report of examination or other confidential supervisory information obtained by any State agency or authority, or any other person, from a Federal banking agency.

SEC. 133. CLARIFICATION OF STATUS OF SUBSIDIARIES AND AFFILIATES.

(a) CLARIFICATION OF FEDERAL TRADE COMMISSION JURISDICTION.—Any person that directly or indirectly controls, is controlled directly or indirectly by, or is directly or indirectly under common control with, any bank or savings association (as such terms are defined in section 3 of the Federal Deposit Insurance Act) and is not itself a bank or savings association shall not be deemed to be a bank or savings association for purposes of any provisions applied by the Federal Trade Commission under the Federal Trade Commission Act.

(b) SAVINGS PROVISION.—No provision of this section shall be construed as restricting the authority of any Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) under any Federal banking law, including section 8 of the Federal Deposit Insurance Act.

(c) HART-SCOTT-RODINO AMENDMENTS.—

(1) BANKS.—Section 7A(c)(7) of the Clayton Act (15 U.S.C. 18a(c)(7)) is amended by inserting before the semicolon at the end the following: ", except that a portion of a transaction is not exempt under this paragraph if such portion of the transaction (A) is subject to section 4(k) of the Bank Holding Company Act of 1956; and (B) does not require agency approval under section 3 of the Bank Holding Company Act of 1956".

(2) BANK HOLDING COMPANIES.—Section 7A(c)(8) of the Clayton Act (15 U.S.C. 18a(c)(8)) is amended by inserting before the semicolon at the end the following: ", except that a portion of a transaction is not exempt under this paragraph if such portion of the transaction (A) is subject to section 4(k) of the Bank Holding Company Act of 1956; and (B) does not require agency approval under section 4 of the Bank Holding Company Act of 1956".

Subtitle E—National Treatment

SEC. 141. FOREIGN BANKS THAT ARE FINANCIAL HOLDING COMPANIES.

Section 8(c) of the International Banking Act of 1978 (12 U.S.C. 3106(c)) is amended by adding at the end the following new paragraph:

"(3) TERMINATION OF GRANDFATHERED RIGHTS.—

"(A) IN GENERAL.—If any foreign bank or foreign company files a declaration under section 4(l)(1)(C) of the Bank Holding Company Act of 1956, any authority conferred by this subsection on any foreign bank or company to engage in any activity that the Board has determined to be permissible for financial holding companies under section 4(k) of such Act shall terminate immediately.

"(B) RESTRICTIONS AND REQUIREMENTS AUTHORIZED.—If a foreign bank or company that engages, directly or through an affiliate pursuant to paragraph (1), in an activity that the Board has determined to be permissible for financial holding companies under section 4(k) of the Bank Holding Company Act of 1956 has not filed a declaration with the Board of its status as a financial holding company under such section by the end of the 2-year period beginning on the date of the enactment of the Gramm-Leach-Bliley Act, the Board, giving due regard to the principle of national treatment and equality of competitive opportunity, may impose such restrictions and requirements on the conduct of such activities by such foreign bank or company as are comparable to those imposed on a financial holding company organized under the laws of the United States, including a requirement to conduct such activities in compliance with any prudential safeguards established under section 114 of the Gramm-Leach-Bliley Act.".

SEC. 142. REPRESENTATIVE OFFICES.

(a) DEFINITION.—Section 1(b)(15) of the International Banking Act of 1978 (12 U.S.C. 3101(15)) is amended by striking "State agency, or subsidiary of a foreign bank" and inserting "or State agency".

(b) EXAMINATIONS.—Section 10(c) of the International Banking Act of 1978 (12 U.S.C. 3107(c)) is amended by adding at the end the following new sentence: "The Board may also make examinations of any affiliate of a foreign bank conducting business in any State if the Board deems it necessary to determine and enforce compliance with this Act, the Bank Holding Company Act of 1956, or other applicable Federal banking law.".

Subtitle F—Direct Activities of Banks

SEC. 151. AUTHORITY OF NATIONAL BANKS TO UNDERWRITE CERTAIN MUNICIPAL BONDS.

The paragraph designated the Seventh of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24(7)) is amended by adding at the end the following new sentence: "In addition to the provisions in this paragraph for dealing in, underwriting, or purchasing securities, the limitations and restrictions contained in this paragraph as to dealing in, underwriting, and purchasing investment securities for the national bank's own account shall not apply to obligations (including limited obligation bonds, revenue bonds, and obligations that satisfy the requirements of section 142(b)(1) of the Internal Revenue Code of 1986) issued by or on behalf of any State or political subdivision of a State, including any municipal corporate instrumentality of 1 or more States, or any public agency or authority of any State or political subdivision of a State, if the national bank is well capitalized (as defined in section 38 of the Federal Deposit Insurance Act).".

Subtitle G—Effective Date

SEC. 161. EFFECTIVE DATE.

This title (other than section 104) and the amendments made by this title shall take effect 120 days after the date of the enactment of this Act.

TITLE II—FUNCTIONAL REGULATION

Subtitle A—Brokers and Dealers

SEC. 201. DEFINITION OF BROKER.

Section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)) is amended to read as follows:

"(4) BROKER.—

"(A) IN GENERAL.—The term 'broker' means any person engaged in the business of effecting transactions in securities for the account of others.

"(B) EXCEPTION FOR CERTAIN BANK ACTIVITIES.—A bank shall not be considered to be a broker because the bank engages in any one or more of the following activities under the conditions described:

"(i) THIRD PARTY BROKERAGE ARRANGEMENTS.—The bank enters into a contractual or other written arrangement with a broker or dealer registered under this title under which the broker or dealer offers brokerage services on or off the premises of the bank if—

"(I) such broker or dealer is clearly identified as the person performing the brokerage services;

"(II) the broker or dealer performs brokerage services in an area that is clearly marked and, to the extent practicable, physically separate from the routine deposit-taking activities of the bank;

"(III) any materials used by the bank to advertise or promote generally the availability of brokerage services under the arrangement clearly indicate that the brokerage services are being provided by the broker or dealer and not by the bank;

"(IV) any materials used by the bank to advertise or promote generally the availability of brokerage services under the arrangement are in compliance with the Federal securities laws before distribution;

"(V) bank employees (other than associated persons of a broker or dealer who are qualified pursuant to the rules of a self-regulatory organization) perform only clerical or ministerial functions in connection with brokerage transactions including scheduling appointments with the associated persons of a broker or dealer, except that bank employees may forward customer funds or securities and may describe in general terms the types of investment vehicles available from the bank and the broker or dealer under the arrangement;

"(VI) bank employees do not receive incentive compensation for any brokerage transaction unless such employees are associated persons of a broker or dealer and are qualified pursuant to the rules of a self-regulatory organization, except that the bank employees may receive compensation for the referral of any customer if the compensation is a nominal one-time cash fee of a fixed dollar amount and the payment of the fee is not contingent on whether the referral results in a transaction;

"(VII) such services are provided by the broker or dealer on a basis in which all customers that receive any services are fully disclosed to the broker or dealer;

"(VIII) the bank does not carry a securities account of the customer except as permitted under clause (ii) or (viii) of this subparagraph; and

"(IX) the bank, broker, or dealer informs each customer that the brokerage services are provided by the broker or dealer and not by the bank and that the securities are not deposits or other obligations of the bank, are not guaranteed by the bank, and are not insured by the Federal Deposit Insurance Corporation.

"(ii) TRUST ACTIVITIES.—The bank effects transactions in a trustee capacity, or effects transactions in a fiduciary capacity in its trust department or other department that is regularly examined by bank examiners for compliance with fiduciary principles and standards, and—

"(I) is chiefly compensated for such transactions, consistent with fiduciary principles and standards, on the basis of an administration or annual fee (payable on a monthly, quarterly, or other basis), a percentage of assets under management, or a flat or capped per order processing fee equal to not more than the cost incurred by the bank in connection with executing securities transactions for trustee and fiduciary customers, or any combination of such fees; and

"(II) does not publicly solicit brokerage business, other than by advertising that it effects transactions in securities in conjunction with advertising its other trust activities.

"(iii) PERMISSIBLE SECURITIES TRANSACTIONS.—The bank effects transactions in—

"(I) commercial paper, bankers acceptances, or commercial bills;

"(II) exempted securities;

"(III) qualified Canadian government obligations as defined in section 5136 of the Revised Statutes, in conformity with section 15C of this title and the rules and regulations thereunder, or obligations of the North American Development Bank; or

"(IV) any standardized, credit enhanced debt security issued by a foreign government pursuant to the March 1989 plan of then Secretary of the Treasury Brady, used by such foreign government to retire outstanding commercial bank loans.

"(iv) CERTAIN STOCK PURCHASE PLANS.—

"(I) EMPLOYEE BENEFIT PLANS.—The bank effects transactions, as part of its transfer agency activities, in the securities of an issuer as part of any pension, retirement, profit-sharing, bonus, thrift, savings, incentive, or other similar benefit plan for the employees of that issuer or its affiliates (as defined in section 2 of the Bank Holding Company Act of 1956), if the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan.

"(II) DIVIDEND REINVESTMENT PLANS.—The bank effects transactions, as part of its transfer agency activities, in the securities of an issuer as part of that issuer's dividend reinvestment plan, if—

"(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan; and *"(bb) the bank does not net shareholders' buy and sell orders, other than for programs for odd-lot holders or plans registered with the Commission.*

"(III) ISSUER PLANS.—The bank effects transactions, as part of its transfer agency activities, in the securities of an issuer as part of a plan or program for the purchase or sale of that issuer's shares, if—

"(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan or program; and

"(bb) the bank does not net shareholders' buy and sell orders, other than for programs for odd-lot holders or plans registered with the Commission.

"(IV) PERMISSIBLE DELIVERY OF MATERIALS.—The exception to being considered a broker for a bank engaged in activities described in subclauses (I), (II), and (III) will not be affected by delivery of written or electronic plan materials by a bank to employees of the issuer, shareholders of the issuer, or members of affinity groups of the issuer, so long as such materials are—

"(aa) comparable in scope or nature to that permitted by the Commission as of the date of the enactment of the Gramm-Leach-Bliley Act; or

"(bb) otherwise permitted by the Commission.

"(v) SWEEP ACCOUNTS.—The bank effects transactions as part of a program for the investment or reinvestment of deposit funds into any no-load, open-end management investment company registered under the Investment Company Act of 1940 that holds itself out as a money market fund.

"(vi) AFFILIATE TRANSACTIONS.—The bank effects transactions for the account of any affiliate of the bank (as defined in section 2 of the Bank Holding Company Act of 1956) other than—

"(I) a registered broker or dealer; or

"(II) an affiliate that is engaged in merchant banking, as described in section 4(k)(4)(H) of the Bank Holding Company Act of 1956.

"(vii) PRIVATE SECURITIES OFFERINGS.—The bank—

"(I) effects sales as part of a primary offering of securities not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 or the rules and regulations issued thereunder;

"(II) at any time after the date that is 1 year after the date of the enactment of the Gramm-Leach-Bliley Act, is not affiliated with a broker or dealer that has been registered for more than 1 year in accordance with this Act, and engages in dealing, market making, or underwriting activities, other than with respect to exempted securities; and

"(III) if the bank is not affiliated with a broker or dealer, does not effect any primary offering described in subclause (I) the aggregate amount of which exceeds 25 percent of the capital of the bank, except that the limitation of this subclause shall not apply with respect to any sale of government securities or municipal securities.

"(viii) SAFEKEEPING AND CUSTODY ACTIVITIES.—

"(I) IN GENERAL.—The bank, as part of customary banking activities—

"(aa) provides safekeeping or custody services with respect to securities, including the exercise of warrants and other rights on behalf of customers;

"(bb) facilitates the transfer of funds or securities, as a custodian or a clearing agency, in connection with the clearance and settlement of its customers' transactions in securities;

"(cc) effects securities lending or borrowing transactions with or on behalf of customers as part of services provided to customers pursuant to division (aa) or (bb) or invests cash collateral pledged in connection with such transactions;

"(dd) holds securities pledged by a customer to another person or securities subject to purchase or resale agreements involving a customer, or facilitates the pledging or transfer of such securities by book entry or as otherwise provided under applicable law, if the bank maintains records separately identifying the securities and the customer; or

"(ee) serves as a custodian or provider of other related administrative services to any individual retirement account, pension, retirement, profit sharing, bonus, thrift savings, incentive, or other similar benefit plan.

"(II) EXCEPTION FOR CARRYING BROKER ACTIVITIES.—The exception to being considered a broker for a bank engaged in activities described in subclause (I) shall not apply if the bank, in connection with such activities, acts in the United States as a carrying broker (as such term, and different formulations thereof, are used in section 15(c)(3) of this title and the rules and regulations thereunder) for any broker or dealer, unless such carrying broker activities are engaged in with respect to government securities (as defined in paragraph (42) of this subsection).

"(ix) IDENTIFIED BANKING PRODUCTS.—The bank effects transactions in identified banking products as defined in section 206 of the Gramm-Leach-Bliley Act.

"(x) MUNICIPAL SECURITIES.—The bank effects transactions in municipal securities.

"(xi) DE MINIMIS EXCEPTION.—The bank effects, other than in transactions referred to in clauses (i) through (x), not more than 500 transactions in securities in any calendar year, and such transactions are not effected by an employee of the bank who is also an employee of a broker or dealer.

"(C) EXECUTION BY BROKER OR DEALER.—The exception to being considered a broker for a bank engaged in activities described in clauses (ii), (iv), and (viii) of subparagraph (B) shall not apply if the activities described in such provisions result in the trade in the United States of any security that is a publicly traded security in the United States, unless—

"(i) the bank directs such trade to a registered broker or dealer for execution;

"(ii) the trade is a cross trade or other substantially similar trade of a security that—

"(I) is made by the bank or between the bank and an affiliated fiduciary; and

"(II) is not in contravention of fiduciary principles established under applicable Federal or State law; or

"(iii) the trade is conducted in some other manner permitted under rules, regulations, or orders as the Commission may prescribe or issue.

"(D) FIDUCIARY CAPACITY.—For purposes of subparagraph (B)(ii), the term 'fiduciary capacity' means—

"(i) in the capacity as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian, assignee, receiver, or custodian under a uniform gift to minor act, or as an investment adviser if the bank receives a fee for its investment advice;

"(ii) in any capacity in which the bank possesses investment discretion on behalf of another; or

"(iii) in any other similar capacity.

"(E) EXCEPTION FOR ENTITIES SUBJECT TO SECTION 15(e).—The term 'broker' does not include a bank that—

"(i) was, on the day before the date of enactment of the Gramm-Leach-Bliley Act, subject to section 15(e); and

"(ii) is subject to such restrictions and requirements as the Commission considers appropriate.".

SEC. 202. DEFINITION OF DEALER.

Section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5)) is amended to read as follows:

"(5) DEALER.—

"(A) IN GENERAL.—The term 'dealer' means any person engaged in the business of buying and selling securities for such person's own account through a broker or otherwise.

"(B) EXCEPTION FOR PERSON NOT ENGAGED IN THE BUSINESS OF DEALING.—The term 'dealer' does not include a person that buys or sells securities for such person's own account, either individually or in a fiduciary capacity, but not as a part of a regular business.

"(C) EXCEPTION FOR CERTAIN BANK ACTIVITIES.—A bank shall not be considered to be a dealer because the bank engages in any of the following activities under the conditions described:

"(i) PERMISSIBLE SECURITIES TRANSACTIONS.—The bank buys or sells—

"(I) commercial paper, bankers acceptances, or commercial bills;

"(II) exempted securities;

"(III) qualified Canadian government obligations as defined in section 5136 of the Revised Statutes of the United States, in conformity with section 15C of this title and the rules and regulations thereunder, or obligations of the North American Development Bank; or

"(IV) any standardized, credit enhanced debt security issued by a foreign government pursuant to the March 1989 plan of then Secretary of the Treasury Brady, used by such foreign government to retire outstanding commercial bank loans.

"(ii) INVESTMENT, TRUSTEE, AND FIDUCIARY TRANSACTIONS.—The bank buys or sells securities for investment purposes—

"(I) for the bank; or

"(II) for accounts for which the bank acts as a trustee or fiduciary.

"(iii) ASSET-BACKED TRANSACTIONS.—The bank engages in the issuance or sale to qualified investors, through a grantor trust or other separate entity, of securities backed by or representing an interest in notes, drafts, acceptances, loans, leases, receivables, other obligations (other than securities of which the bank is not the issuer), or pools of any such obligations predominantly originated by—

"(I) the bank;

"(II) an affiliate of any such bank other than a broker or dealer; or

"(III) a syndicate of banks of which the bank is a member, if the obligations or pool of obligations consists of mortgage obligations or consumer-related receivables.

"(iv) IDENTIFIED BANKING PRODUCTS.—The bank buys or sells identified banking products, as defined in section 206 of the Gramm-Leach-Bliley Act.".

SEC. 203. REGISTRATION FOR SALES OF PRIVATE SECURITIES OFFERINGS.

Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3) is amended by inserting after subsection (i) the following new subsection:

"(j) REGISTRATION FOR SALES OF PRIVATE SECURITIES OFFERINGS.—A registered securities association shall create a limited qualification category for any associated person of a member who effects sales as part of a primary offering of securities not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the rules and regulations thereunder, and shall deem qualified in such limited qualification category, without testing, any bank employee who, in the six month period preceding the date of the enactment of the Gramm-Leach-Bliley Act, engaged in effecting such sales.".

SEC. 204. INFORMATION SHARING.

Section 18 of the Federal Deposit Insurance Act is amended by adding at the end the following new subsection:

"(t) RECORDKEEPING REQUIREMENTS.—

"(1) REQUIREMENTS.—Each appropriate Federal banking agency, after consultation with and consideration of the views of the Commission, shall establish recordkeeping requirements for banks relying on exceptions contained in paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934. Such recordkeeping requirements shall be sufficient to demonstrate compliance with the terms of such exceptions and be designed to facilitate compliance with such exceptions.

"(2) AVAILABILITY TO COMMISSION; CONFIDENTIALITY.—Each appropriate Federal banking agency shall make any information required under paragraph (1) available to the Commission upon request. Notwithstanding any other provision of law, the Commission shall not be compelled to disclose any such information. Nothing in this paragraph shall authorize the Commission to withhold information from Congress, or prevent the Commission from complying with a request for information from any other Federal department or agency or any self-regulatory organization requesting the information for purposes within the scope of its jurisdiction, or complying with an order of a court of the United States in an action brought by the United States or the Commission. For purposes of section 552 of title 5, United States Code, this paragraph shall be considered a statute described in subsection (b)(3)(B) of such section 552.

"(3) DEFINITIONS.—As used in this subsection the term 'Commission' means the Securities and Exchange Commission.".

SEC. 205. TREATMENT OF NEW HYBRID PRODUCTS.

Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following new subsection:

"(i) RULEMAKING TO EXTEND REQUIREMENTS TO NEW HYBRID PRODUCTS.—

"(1) CONSULTATION.—Prior to commencing a rulemaking under this subsection, the Commission shall consult with and seek the concurrence of the Board concerning the imposition of broker or dealer registration requirements with respect any new hybrid product. In developing and promulgating rules under this subsection, the Commission shall consider the views of the Board, including views with respect to the nature of the new hybrid product; the history, purpose, extent, and appropriateness of the regulation of the new product under the Federal banking laws; and the impact of the proposed rule on the banking industry.

"(2) LIMITATION.—The Commission shall not—

"(A) require a bank to register as a broker or dealer under this section because the bank engages in any transaction in, or buys or sells, a new hybrid product; or

"(B) bring an action against a bank for a failure to comply with a requirement described in subparagraph (A),

unless the Commission has imposed such requirement by rule or regulation issued in accordance with this section.

"(3) CRITERIA FOR RULEMAKING.—The Commission shall not impose a requirement under paragraph (2) of this subsection with respect to any new hybrid product unless the Commission determines that—

"(A) the new hybrid product is a security; and

"(B) imposing such requirement is necessary and appropriate in the public interest and for the protection of investors.

"(4) CONSIDERATIONS.—In making a determination under paragraph (3), the Commission shall consider—

"(A) the nature of the new hybrid product; and

"(B) the history, purpose, extent, and appropriateness of the regulation of the new hybrid product under the Federal securities laws and under the Federal banking laws.

"(5) OBJECTION TO COMMISSION REGULATION.—

"(A) FILING OF PETITION FOR REVIEW.—The Board may obtain review of any final regulation described in paragraph (2) in the United States Court of Appeals for the District of Columbia Circuit by filing in such court, not later than 60 days after the date of publication of the final regulation, a written petition requesting that the regulation be set aside. Any proceeding to, challenge any such rule shall be expedited by the Court of Appeals.

"(B) TRANSMITTAL OF PETITION AND RECORD.—A copy of a petition described in subparagraph (A) shall be transmitted as soon as possible by the Clerk of the Court to an officer or employee of the Commission designated for that purpose. Upon receipt of the petition, the Commission shall file with the court the regulation under review and any documents referred to therein, and any other relevant materials prescribed by the court.

"(C) EXCLUSIVE JURISDICTION.—On the date of the filing of the petition under subparagraph (A), the court has jurisdiction, which becomes exclusive on the filing of the materials set forth in subparagraph (B), to affirm and enforce or to set aside the regulation at issue.

"(D) STANDARD OF REVIEW.—The court shall determine to affirm and enforce or set aside a regulation of the Commission under this subsection, based on the determination of the court as to whether—

"(i) the subject product is a new hybrid product, as defined in this subsection;

"(ii) the subject product is a security; and

"(iii) imposing a requirement to register as a broker or dealer for banks engaging in transactions in such product is appropriate in light of the history, purpose, and extent of regulation under the Federal securities laws and under the Federal banking laws, giving deference neither to the views of the Commission nor the Board.

"(E) JUDICIAL STAY.—The filing of a petition by the Board pursuant to subparagraph (A) shall operate as a judicial stay, until the date on which the determination of the court is final (including any appeal of such determination).

"(F) OTHER AUTHORITY TO CHALLENGE.—Any aggrieved party may seek judicial review of the Commission's rulemaking under this subsection pursuant to section 25 of this title.

"(6) DEFINITIONS.—For purposes of this subsection:

"(A) NEW HYBRID PRODUCT.—The term 'new hybrid product' means a product that—

"(i) was not subjected to regulation by the Commission as a security prior to the date of the enactment of the Gramm-Leach-Bliley Act;

"(ii) is not an identified banking product as such term is defined in section 206 of such Act; and

"(iii) is not an equity swap within the meaning of section 206(a)(6) of such Act.

"(B) BOARD.—The term 'Board' means the Board of Governors of the Federal Reserve System.".

SEC. 206. DEFINITION OF IDENTIFIED BANKING PRODUCT.

(a) DEFINITION OF IDENTIFIED BANKING PRODUCT.—For purposes of paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a) (4), (5)), the term "identified banking product" means—

(1) a deposit account, savings account, certificate of deposit, or other deposit instrument issued by a bank;

(2) a banker's acceptance;

(3) a letter of credit issued or loan made by a bank;

(4) a debit account at a bank arising from a credit card or similar arrangement;

(5) a participation in a loan which the bank or an affiliate of the bank (other than a broker or dealer) funds, participates in, or owns that is sold—

(A) to qualified investors; or

(B) to other persons that—

(i) have the opportunity to review and assess any material information, including information regarding the borrower's creditworthiness; and

(ii) based on such factors as financial sophistication, net worth, and knowledge and experience in financial matters, have the capability to evaluate the information available, as determined under generally applicable banking standards or guidelines; or

(6) any swap agreement, including credit and equity swaps, except that an equity swap that is sold directly to any person other than a qualified investor (as defined in section 3(a)(54) of the Securities Act of 1934) shall not be treated as an identified banking product.

(b) DEFINITION OF SWAP AGREEMENT.—For purposes of subsection (a)(6), the term "swap agreement" means any individually negotiated contract, agreement, warrant, note, or option that is based, in whole or in part, on the value of, any interest in, or any quantitative measure or the occurrence of any event relating to, one or more commodities, securities, currencies, interest or other rates, indices, or other assets, but does not include any other identified banking product, as defined in paragraphs (1) through (5) of subsection (a).

(c) CLASSIFICATION LIMITED.—Classification of a particular product as an identified banking product pursuant to this section shall not be construed as finding or implying that such product is or is not a security for any purpose under the securities laws, or is or is not an account, agreement, contract, or transaction for any purpose under the Commodity Exchange Act.

(d) INCORPORATED DEFINITIONS.—For purposes of this section, the terms "bank" and "qualified investor" have the same meanings as given in section 3(a) of the Securities Exchange Act of 1934, as amended by this Act.

SEC. 207. ADDITIONAL DEFINITIONS.

Section 3(a) of the Securities Exchange Act of 1934 is amended by adding at the end the following new paragraph:

"(54) QUALIFIED INVESTOR.—

"(A) DEFINITION.—Except as provided in subparagraph (B), for purposes of this title, the term 'qualified investor' means—

"(i) any investment company registered with the Commission under section 8 of the Investment Company Act of 1940;

"(ii) any issuer eligible for an exclusion from the definition of investment company pursuant to section 3(c)(7) of the Investment Company Act of 1940;

"(iii) any bank (as defined in paragraph (6) of this subsection), savings association (as defined in section 3(b) of the Federal Deposit Insurance Act), broker, dealer, insurance company (as defined in section 2(a)(13) of the Securities Act of 1933), or business development company (as defined in section 2(a)(48) of the Investment Company Act of 1940);

"(iv) any small business investment company licensed by the United States Small Business Administration under section 301 (c) or (d) of the Small Business Investment Act of 1958;

"(v) any State sponsored employee benefit plan, or any other employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, other than an individual retirement account, if the investment decisions are made by a plan fiduciary, as defined in section 3(21) of that Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser;

"(vi) any trust whose purchases of securities are directed by a person described in clauses (i) through (v) of this subparagraph;

"(vii) any market intermediary exempt under section 3(c)(2) of the Investment Company Act of 1940;

"(viii) any associated person of a broker or dealer other than a natural person;

"(ix) any foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

"(x) the government of any foreign country;

"(xi) any corporation, company, or partnership that owns and invests on a discretionary basis, not less than $25,000,000 in investments;

"(xii) any natural person who owns and invests on a discretionary basis, not less than $25,000,000 in investments;

"(xiii) any government or political subdivision, agency, or instrumentality of a government who owns and invests on a discretionary basis not less than $50,000,000 in investments; or

"(xiv) any multinational or supranational entity or any agency or instrumentality thereof.

"(B) ALTERED THRESHOLDS FOR ASSET-BACK SECURITIES AND LOAN PARTICIPATIONS.—For purposes sections 3(a)(5)(C)(iii) of this title and section 206(a)(5) of the Gramm-Leach-Bliley Act, the term 'qualified investor' has the meaning given such term by subparagraph (A) of this paragraph except that clauses (xi) and (xii) shall be applied by substituting '$10,000,000' for '$25,000,000'.

"(C) ADDITIONAL AUTHORITY.—The Commission may, by rule or order, define a 'qualified investor' as any other person, taking into consideration such factors as the financial sophistication of the person, net worth, and knowledge and experience in financial matters.".

SEC. 208. GOVERNMENT SECURITIES DEFINED.

Section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)) is amended—

(1) by striking "or" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(E) for purposes of sections 15, 15C, and 17A as applied to a bank, a qualified Canadian government obligation as defined in section 5136 of the Revised Statutes of the United States.".

SEC. 209. EFFECTIVE DATE.

This subtitle shall take effect at the end of the 18-month period beginning on the date of the enactment of this Act.

SEC. 210. RULE OF CONSTRUCTION.

Nothing in this Act shall supersede, affect, or otherwise limit the scope and applicability of the Commodity Exchange Act (7 U.S.C. 1 et seq.).

Subtitle B—Bank Investment Company Activities

SEC. 211. CUSTODY OF INVESTMENT COMPANY ASSETS BY AFFILIATED BANK.

(a) MANAGEMENT COMPANIES.—Section 17(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(f)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by striking "(f) Every registered" and inserting the following:

"(f) CUSTODY OF SECURITIES.—

"(1) Every registered";

(3) by redesignating the second, third, fourth, and fifth sentences of such subsection as paragraphs (2) through (5), respectively, and indenting the left margin of such paragraphs appropriately; and

(4) by adding at the end the following new paragraph:

"(6) The Commission may, after consultation with and taking into consideration the views of the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the conditions under which a bank, or an affiliated person of a bank, either of which is an affiliated person, promoter, organizer, or sponsor of, or principal underwriter for, a registered management company may serve as custodian of that registered management company.".

(b) UNIT INVESTMENT TRUSTS.—Section 26 of the Investment Company Act of 1940 (15 U.S.C. 80a–26) is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively; and

(2) by inserting after subsection (a) the following new subsection:

"(b) The Commission may, after consultation with and taking into consideration the views of the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the conditions under which a bank, or an affiliated person of a bank, either of which is an affiliated person of a principal underwriter for, or depositor of, a registered unit investment trust, may serve as trustee or custodian under subsection (a)(1).".

SEC. 212. LENDING TO AN AFFILIATED INVESTMENT COMPANY.

Section 17(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(a)) is amended—

(1) by striking "or" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(4) to loan money or other property to such registered company, or to any company controlled by such registered company, in contravention of such rules, regulations, or orders as the Commission may, after consultation with and taking into consideration the views of the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), prescribe or issue consistent with the protection of investors.".

SEC. 213. INDEPENDENT DIRECTORS.

(a) IN GENERAL.—Section 2(a)(19)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(19)(A)) is amended—

(1) by striking clause (v) and inserting the following new clause:

"(v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for—

"(I) the investment company;

"(II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or

"(III) any account over which the investment company's investment adviser has brokerage placement discretion,";

(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following new clause:

"(vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to—

"(I) the investment company;

"(II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or

"(III) any account for which the investment company's investment adviser has borrowing authority,".

(b) CONFORMING AMENDMENT.—Section 2(a)(19)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(19)(B)) is amended—

(1) by striking clause (v) and inserting the following new clause:

"(v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for—

"(I) any investment company for which the investment adviser or principal underwriter serves as such;

"(II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or

"(III) any account over which the investment adviser has brokerage placement discretion,";

(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following new clause:

"(vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to—

"(I) any investment company for which the investment adviser or principal underwriter serves as such;

"(II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or

"(III) any account for which the investment adviser has borrowing authority,".

(c) AFFILIATION OF DIRECTORS.—Section 10(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–10(c)) is amended by striking "bank, except" and inserting "bank (together with its affiliates and subsidiaries) or any one bank holding company (together with its affiliates and subsidiaries) (as such terms are defined in section 2 of the Bank Holding Company Act of 1956), except".

SEC. 214. ADDITIONAL SEC DISCLOSURE AUTHORITY.

Section 35(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–34(a)) is amended to read as follows:

"(a) MISREPRESENTATION OF GUARANTEES.—

"(1) IN GENERAL.—It shall be unlawful for any person, issuing or selling any security of which a registered investment company is the issuer, to represent or imply in any manner whatsoever that such security or company—

"(A) has been guaranteed, sponsored, recommended, or approved by the United States, or any agency, instrumentality or officer of the United States;

"(B) has been insured by the Federal Deposit Insurance Corporation; or

"(C) is guaranteed by or is otherwise an obligation of any bank or insured depository institution.

"(2) DISCLOSURES.—Any person issuing or selling the securities of a registered investment company that is advised by, or sold through, a bank shall prominently disclose that an investment in the company is not insured by the Federal Deposit Insurance Corporation or any other government agency. The Commission may, after consultation with and taking into consideration the views of the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the manner in which the disclosure under this paragraph shall be provided.

"(3) DEFINITIONS.—The terms 'insured depository institution' and 'appropriate Federal banking agency' have the same meanings as given in section 3 of the Federal Deposit Insurance Act.".

SEC. 215. DEFINITION OF BROKER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(6) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(6)) is amended to read as follows:

"(6) The term 'broker' has the same meaning as given in section 3 of the Securities Exchange Act of 1934, except that such term does not include any person solely by reason of the fact that such person is an underwriter for one or more investment companies.".

SEC. 216. DEFINITION OF DEALER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(11)) is amended to read as follows:

"(11) The term 'dealer' has the same meaning as given in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.".

SEC. 217. REMOVAL OF THE EXCLUSION FROM THE DEFINITION OF INVESTMENT ADVISER FOR BANKS THAT ADVISE INVESTMENT COMPANIES.

(a) INVESTMENT ADVISER.—Section 202(a)(11)(A) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11)(A)) is amended by striking "investment company" and inserting "investment company, except that the term 'investment adviser' includes any bank or bank holding company to the extent that such bank or bank holding company serves or acts as an investment adviser to a registered investment company, but if, in the case of a bank, such services or actions are performed through a separately identifiable department or division, the department or division, and not the bank itself, shall be deemed to be the investment adviser".

(b) SEPARATELY IDENTIFIABLE DEPARTMENT OR DIVISION.—Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)) is amended by adding at the end the following:

"(26) The term 'separately identifiable department or division' of a bank means a unit—

"(A) that is under the direct supervision of an officer or officers designated by the board of directors of the bank as responsible for the day-to-day conduct of the bank's investment adviser activities for one or more investment companies, including the supervision of all bank employees engaged in the performance of such activities; and

"(B) for which all of the records relating to its investment adviser activities are separately maintained in or extractable from such unit's own facilities or the facilities of the bank, and such records are so maintained or otherwise accessible as to permit independent examination and enforcement by the Commission of this Act or the Investment Company Act of 1940 and rules and regulations promulgated under this Act or the Investment Company Act of 1940.".

SEC. 218. DEFINITION OF BROKER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(3) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(3)) is amended to read as follows:

"(3) The term 'broker' has the same meaning as given in section 3 of the Securities Exchange Act of 1934.".

SEC. 219. DEFINITION OF DEALER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(7) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(7)) is amended to read as follows:

"(7) The term 'dealer' has the same meaning as given in section 3 of the Securities Exchange Act of 1934, but does not include an insurance company or investment company.".

SEC. 220. INTERAGENCY CONSULTATION.

The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is amended by inserting after section 210 the following new section:

"SEC. 210A. CONSULTATION.

"(a) EXAMINATION RESULTS AND OTHER INFORMATION.—

"(1) The appropriate Federal banking agency shall provide the Commission upon request the results of any examination, reports, records, or other information to which such agency may have access—

"(A) with respect to the investment advisory activities of any—

"(i) bank holding company;

"(ii) bank; or

"(iii) separately identifiable department or division of a bank,

that is registered under section 203 of this title; and

"(B) in the case of a bank holding company or bank that has a subsidiary or a separately identifiable department or division registered under that section, with respect to the investment advisory activities of such bank or bank holding company.

"(2) The Commission shall provide to the appropriate Federal banking agency upon request the results of any examination, reports, records, or other information with respect to the investment advisory activities of any bank holding company, bank, or separately identifiable department or division of a bank, which is registered under section 203 of this title.

"(3) Notwithstanding any other provision of law, the Commission and the appropriate Federal banking agencies shall not be compelled to disclose any information provided under paragraph (1) or (2). Nothing in this paragraph shall authorize the Commission or such agencies to withhold information from Congress, or prevent the Commission or such agencies from complying with a request for information from any other Federal department or agency or any self-regulatory organization requesting the information for purposes within the scope of its jurisdiction, or complying with an order of a court of the United States in an action brought by the United States, the Commission, or such agencies. For purposes of section 552 of title 5, United States Code, this paragraph shall be considered a statute described in subsection (b)(3)(B) of such section 552.

"(b) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall limit in any respect the authority of the appropriate Federal banking agency with respect to such bank holding company (or affiliates or subsidiaries thereof), bank, or subsidiary, department, or division or a bank under any other provision of law.

"(c) DEFINITION.—For purposes of this section, the term 'appropriate Federal banking agency' shall have the same meaning as given in section 3 of the Federal Deposit Insurance Act.".

SEC. 221. TREATMENT OF BANK COMMON TRUST FUNDS.

(a) SECURITIES ACT OF 1933.—Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended by striking "or any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustee, executor, administrator, or guardian" and inserting "or any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940".

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a)(12)(A)(iii) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)(A)(iii)) is amended to read as follows:

"(iii) any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940;".

(c) INVESTMENT COMPANY ACT OF 1940.—Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(3)) is amended by inserting before the period the following: ", if—

"(A) such fund is employed by the bank solely as an aid to the administration of trusts, estates, or other accounts created and maintained for a fiduciary purpose;

"(B) except in connection with the ordinary advertising of the bank's fiduciary services, interests in such fund are not—

"(i) advertised; or

"(ii) offered for sale to the general public; and

"(C) fees and expenses charged by such fund are not in contravention of fiduciary principles established under applicable Federal or State law".

SEC. 222. STATUTORY DISQUALIFICATION FOR BANK WRONGDOING.

Section 9(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(a)) is amended in paragraphs (1) and (2) by striking "securities dealer, transfer agent," and inserting "securities dealer, bank, transfer agent,".

SEC. 223. CONFORMING CHANGE IN DEFINITION.

Section 2(a)(5) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(5)) is amended by striking "(A) a banking institution organized under the laws of the United States" and inserting "(A) a depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or a branch or agency of a foreign bank (as such terms are defined in section 1(b) of the International Banking Act of 1978)".

SEC. 224. CONFORMING AMENDMENT.

Section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2) is amended by adding at the end the following new subsection:

"(c) CONSIDERATION OF PROMOTION OF EFFICIENCY, COMPETITION, AND CAPITAL FORMATION.—Whenever pursuant to this title the Commission is engaged in rulemaking and is required to consider or determine whether an action is necessary or appropriate in the public interest, the Commission shall also consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation.".

SEC. 225. EFFECTIVE DATE.

This subtitle shall take effect 18 months after the date of the enactment of this Act.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

SEC. 231. SUPERVISION OF INVESTMENT BANK HOLDING COMPANIES BY THE SECURITIES AND EXCHANGE COMMISSION.

(a) AMENDMENT.—Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) by redesignating subsection (i) as subsection (k); and

(2) by inserting after subsection (h) the following new subsections:

"(i) INVESTMENT BANK HOLDING COMPANIES.—

"(1) ELECTIVE SUPERVISION OF AN INVESTMENT BANK HOLDING COMPANY NOT HAVING A BANK OR SAVINGS ASSOCIATION AFFILIATE.—

"(A) IN GENERAL.—An investment bank holding company that is not—

"(i) an affiliate of an insured bank (other than an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956), or a savings association;

"(ii) a foreign bank, foreign company, or company that is described in section 8(a) of the International Banking Act of 1978; or

"(iii) a foreign bank that controls, directly or indirectly, a corporation chartered under section 25A of the Federal Reserve Act,

may elect to become supervised by filing with the Commission a notice of intention to become supervised, pursuant to subparagraph (B) of this paragraph. Any investment bank holding company filing such a notice shall be supervised in accordance with this section and comply with the rules promulgated by the Commission applicable to supervised investment bank holding companies.

"(B) NOTIFICATION OF STATUS AS A SUPERVISED INVESTMENT BANK HOLDING COMPANY.—An investment bank holding company that elects under subparagraph (A) to become supervised by the Commission shall file with the Commission a written notice of intention to become supervised by the Commission in such form and containing such information and documents concerning such investment bank holding company as the Commission, by rule, may prescribe as necessary or appropriate in furtherance of the purposes of this section. Unless the Commission finds that such supervision is not necessary or appropriate in furtherance of the purposes of this section, such supervision shall become effective 45 days after the date of receipt of such written notice by the Commission or within such shorter time period as the Commission, by rule or order, may determine.

"(2) ELECTION NOT TO BE SUPERVISED BY THE COMMISSION AS AN INVESTMENT BANK HOLDING COMPANY.—

"(A) VOLUNTARY WITHDRAWAL.—A supervised investment bank holding company that is supervised pursuant to paragraph (1) may, upon such terms and conditions as the Commission deems necessary or appropriate, elect not to be supervised by the Commission by filing a written notice of withdrawal from Commission supervision. Such notice shall not become effective until 1 year after receipt by the Commission, or such shorter or longer period as the Commission deems necessary or appropriate to ensure effective supervision of the material risks to the supervised investment bank holding company and to the affiliated broker or dealer, or to prevent evasion of the purposes of this section.

"(B) DISCONTINUATION OF COMMISSION SUPERVISION.—If the Commission finds that any supervised investment bank holding company that is supervised pursuant to paragraph (1) is no longer in existence or has ceased to be an investment bank holding company, or if the Commission finds that continued supervision of such a supervised investment bank holding company is not consistent with the purposes of this section, the Commission may discontinue the supervision pursuant to a rule or order, if any, promulgated by the Commission under this section.

"(3) SUPERVISION OF INVESTMENT BANK HOLDING COMPANIES.—

"(A) RECORDKEEPING AND REPORTING.—

"(i) IN GENERAL.—Every supervised investment bank holding company and each affiliate thereof shall make and keep for prescribed periods such records, furnish copies thereof, and make such reports, as the Commission may require by rule, in order to keep the Commission informed as to—

"(I) the company's or affiliate's activities, financial condition, policies, systems for monitoring and controlling financial and operational risks, and transactions and relationships between any broker or dealer affiliate of the supervised investment bank holding company; and

"(II) the extent to which the company or affiliate has complied with the provisions of this Act and regulations prescribed and orders issued under this Act.

"(ii) FORM AND CONTENTS.—Such records and reports shall be prepared in such form and according to such specifications (including certification by an independent public accountant), as the Commission may require and shall be provided promptly at any time upon request by the Commission. Such records and reports may include—

"(I) a balance sheet and income statement;

"(II) an assessment of the consolidated capital of the supervised investment bank holding company;

"(III) an independent auditor's report attesting to the supervised investment bank holding company's compliance with its internal risk management and internal control objectives; and

"(IV) reports concerning the extent to which the company or affiliate has complied with the provisions of this title and any regulations prescribed and orders issued under this title.

"(B) USE OF EXISTING REPORTS.—

"(i) IN GENERAL.—The Commission shall, to the fullest extent possible, accept reports in fulfillment of the requirements under this paragraph that the supervised investment bank holding company or its affiliates have been required to provide to another appropriate regulatory agency or self-regulatory organization.

"(ii) AVAILABILITY.—A supervised investment bank holding company or an affiliate of such company shall provide to the Commission, at the request of the Commission, any report referred to in clause (i).

"(C) EXAMINATION AUTHORITY.—

"(i) FOCUS OF EXAMINATION AUTHORITY.—The Commission may make examinations of any supervised investment bank holding company and any affiliate of such company in order to—

"(I) inform the Commission regarding—

"(aa) the nature of the operations and financial condition of the supervised investment bank holding company and its affiliates;

"(bb) the financial and operational risks within the supervised investment bank holding company that may affect any broker or dealer controlled by such supervised investment bank holding company; and

"(cc) the systems of the supervised investment bank holding company and its affiliates for monitoring and controlling those risks; and

"(II) monitor compliance with the provisions of this subsection, provisions governing transactions and relationships between any broker or dealer affiliated with the supervised investment bank holding company and any of the company's other affiliates, and applicable provisions of subchapter II of chapter 53, title 31, United States Code (commonly referred to as the 'Bank Secrecy Act') and regulations thereunder.

"(ii) RESTRICTED FOCUS OF EXAMINATIONS.—The Commission shall limit the focus and scope of any examination of a supervised investment bank holding company to—

"(I) the company; and

"(II) any affiliate of the company that, because of its size, condition, or activities, the nature or size of the transactions between such affiliate and any affiliated broker or dealer, or the centralization of functions within the holding company system, could, in the discretion of the Commission, have a materially adverse effect on the operational or financial condition of the broker or dealer.

"(iii) DEFERENCE TO OTHER EXAMINATIONS.—For purposes of this subparagraph, the Commission shall, to the fullest extent possible, use the reports of examination of an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956 made by the appropriate regulatory agency, or of a licensed insurance company made by the appropriate State insurance regulator

"(4) FUNCTIONAL REGULATION OF BANKING AND INSURANCE ACTIVITIES OF SUPERVISED INVESTMENT BANK HOLDING COMPANIES.—The Commission shall defer to—

"(A) the appropriate regulatory agency with regard to all interpretations of, and the enforcement of, applicable banking laws relating to the activities, conduct, ownership, and operations of banks, and institutions described in subparagraph (D), (F), and (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956; and

"(B) the appropriate State insurance regulators with regard to all interpretations of, and the enforcement of, applicable State insurance laws relating to the activities, conduct, and operations of insurance companies and insurance agents.

"(5) DEFINITIONS.—For purposes of this subsection:

"(A) The term 'investment bank holding company' means—

"(i) any person other than a natural person that owns or controls one or more brokers or dealers; and

"(ii) the associated persons of the investment bank holding company.

"(B) The term 'supervised investment bank holding company' means any investment bank holding company that is supervised by the Commission pursuant to this subsection.

"(C) The terms 'affiliate', 'bank', 'bank holding company', 'company', 'control', and 'savings association' have the same meanings as given in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).

"(D) The term 'insured bank' has the same meaning as given in section 3 of the Federal Deposit Insurance Act.

"(E) The term 'foreign bank' has the same meaning as given in section 1(b)(7) of the International Banking Act of 1978.

"(F) The terms 'person associated with an investment bank holding company' and 'associated person of an investment bank holding company' mean any person directly or indirectly controlling, controlled by, or under common control with, an investment bank holding company.

"(j) AUTHORITY TO LIMIT DISCLOSURE OF INFORMATION.—Notwithstanding any other provision of law, the Commission shall not be compelled to disclose any information required to be reported under subsection (h) or (i) or any information supplied to the Commission by any domestic or foreign regulatory agency that relates to the financial or operational condition of any associated person of a broker or dealer, investment bank holding company, or any affiliate of an investment bank holding company. Nothing in this subsection shall authorize the Commission to withhold information from Congress, or prevent the Commission from complying with a request for information from any other Federal department or agency or any self-regulatory organization requesting the information for purposes within the scope of its jurisdiction, or complying with an order of a court of the United States in an action brought by the United States or the Commission. For purposes of section 552 of title 5, United States Code, this *subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552. In prescribing regulations to carry out the requirements of this subsection, the Commission shall designate information described in or obtained pursuant to subparagraphs (A), (B), and (C) of subsection (i)(5) as confidential information for purposes of section 24(b)(2) of this title.".*

(b) Conforming Amendments.—

(1) Section 3(a)(34) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)) is amended by adding at the end the following new subparagraph:

"(H) When used with respect to an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956—

"(i) the Comptroller of the Currency, in the case of a national bank or a bank in the District of Columbia examined by the Comptroller of the Currency;

"(ii) the Board of Governors of the Federal Reserve System, in the case of a State member bank of the Federal Reserve System or any corporation chartered under section 25A of the Federal Reserve Act;

"(iii) the Federal Deposit Insurance Corporation, in the case of any other bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act; or

"(iv) the Commission in the case of all other such institutions.".

(2) Section 1112(e) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(e)) is amended—

(A) by striking "this title" and inserting "law"; and

(B) by inserting ", examination reports" after "financial records".

Subtitle D—Banks and Bank Holding Companies

SEC. 241. CONSULTATION.

(a) In General.—The Securities and Exchange Commission shall consult and coordinate comments with the appropriate Federal banking agency before taking any action or rendering any opinion with respect to the manner in which any insured depository institution or depository institution holding company reports loan loss reserves in its financial statement, including the amount of any such loan loss reserve.

(b) Definitions.—For purposes of subsection (a), the terms "insured depository institution", "depository institution holding company", and "appropriate Federal banking agency" have the same meaning as given in section 3 of the Federal Deposit Insurance Act.

TITLE III—INSURANCE

Subtitle A—State Regulation of Insurance

SEC. 301. FUNCTIONAL REGULATION OF INSURANCE.

The insurance activities of any person (including a national bank exercising its power to act as agent under the eleventh undesignated paragraph of section 13 of the Federal Reserve Act) shall be functionally regulated by the States, subject to section 104.

SEC. 302. INSURANCE UNDERWRITING IN NATIONAL BANKS.

(a) In General.—Except as provided in section 303, a national bank and the subsidiaries of a national bank may not provide insurance in a State as principal except that this prohibition shall not apply to authorized products.

(b) Authorized Products.—For the purposes of this section, a product is authorized if—

(1) as of January 1, 1999, the Comptroller of the Currency had determined in writing that national banks may provide such product as principal, or national banks were in fact lawfully providing such product as principal;

(2) no court of relevant jurisdiction had, by final judgment, overturned a determination of the Comptroller of the Currency that national banks may provide such product as principal; and

(3) the product is not title insurance, or an annuity contract the income of which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.

(c) Definition.—For purposes of this section, the term "insurance" means—

(1) any product regulated as insurance as of January 1, 1999, in accordance with the relevant State insurance law, in the State in which the product is provided;

(2) any product first offered after January 1, 1999, which—

(A) a State insurance regulator determines shall be regulated as insurance in the State in which the product is provided because the product insures, guarantees, or indemnifies against liability, loss of life, loss of health, or loss through damage to or destruction of property, including, but not limited to, surety bonds, life insurance, health insurance, title insurance, and property and casualty insurance (such as private passenger or commercial automobile, homeowners, mortgage, commercial multiperil, general liability, professional liability, workers' compensation, fire and allied lines, farm owners multiperil, aircraft, fidelity, surety, medical malpractice, ocean marine, inland marine, and boiler and machinery insurance); and

(B) is not a product or service of a bank that is—

(i) a deposit product;

(ii) a loan, discount, letter of credit, or other extension of credit;

(iii) a trust or other fiduciary service;

(iv) a qualified financial contract (as defined in or determined pursuant to section 11(e)(8)(D)(i) of the Federal Deposit Insurance Act); or

(v) a financial guaranty, except that this subparagraph (B) shall not apply to a product that includes an insurance component such that if the product is offered or proposed to be offered by the bank as principal—

(I) it would be treated as a life insurance contract under section 7702 of the Internal Revenue Code of 1986; or

(II) in the event that the product is not a letter of credit or other similar extension of credit, a qualified financial contract, or a financial guaranty, it would qualify for treatment for losses incurred with respect to such product under section 832(b)(5) of the Internal Revenue Code of 1986, if the bank were subject to tax as an insurance company under section 831 of that Code; or

(3) any annuity contract, the income on which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.

(d) Rule of Construction.—For purposes of this section, providing insurance (including reinsurance) outside the United States that insures, guarantees, or indemnifies insurance products provided in a State, or that indemnifies an insurance company with regard to insurance products provided in a State, shall be considered to be providing insurance as principal in that State.

SEC. 303. TITLE INSURANCE ACTIVITIES OF NATIONAL BANKS AND THEIR AFFILIATES.

(a) General Prohibition.—No national bank may engage in any activity involving the underwriting or sale of title insurance.

(b) Nondiscrimination Parity Exception.—

(1) In general.—Notwithstanding any other provision of law (including section 104 of this Act), in the case of any State in which banks organized under the laws of such State are authorized to sell title insurance as agent, a national bank may sell title insurance as agent in such State, but only in the same manner, to the same extent, and under the same restrictions as such State banks are authorized to sell title insurance as agent in such State.

(2) Coordination with "wildcard" provision.—A State law which authorizes State banks to engage in any activities in such State in which a national bank may engage shall not be treated as a statute which authorizes State banks to sell title insurance as agent, for purposes of paragraph (1).

(c) Grandfathering With Consistent Regulation.—

(1) In general.—Except as provided in paragraphs (2) and (3) and notwithstanding subsections (a) and (b), a national bank, and a subsidiary of a national bank, may conduct title insurance activities which such national bank or subsidiary was actively and lawfully conducting before the date of the enactment of this Act.

(2) Insurance affiliate.—In the case of a national bank which has an affiliate which provides insurance as principal and is not a subsidiary of the bank, the national bank and any subsidiary of the national bank may not engage in the underwriting of title insurance pursuant to paragraph (1).

(3) Insurance subsidiary.—In the case of a national bank which has a subsidiary which provides insurance as principal and has no affiliate other than a subsidiary which provides insurance as principal, the national bank may not directly engage in any activity involving the underwriting of title insurance.

(d) "Affiliate" and "Subsidiary" Defined.—For purposes of this section, the terms "affiliate" and "subsidiary" have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

(e) Rule of Construction.—No provision of this Act or any other Federal law shall be construed as superseding or affecting a State law which was in effect before the date of the enactment of this Act and which prohibits title insurance from being offered, provided, or sold in such State, or from being underwritten with respect to real property in such State, by any person whatsoever.

SEC. 304. EXPEDITED AND EQUALIZED DISPUTE RESOLUTION FOR FEDERAL REGULATORS.

(a) Filing in Court of Appeals.—In the case of a regulatory conflict between a State insurance regulator and a Federal regulator regarding insurance issues, including whether a State law, rule, regulation, order, or interpretation regarding any insurance sales or solicitation activity is properly treated as preempted under Federal law, the Federal or State regulator may seek expedited judicial review of such determination by the United States Court of Appeals for the circuit in which the State is located or in the United States Court of Appeals for the District of Columbia Circuit by filing a petition for review in such court.

(b) Expedited Review.—The United States Court of Appeals in which a petition for review is filed in accordance with subsection (a) shall complete all action on such petition, including rendering a judgment, before the end of the 60-day period beginning on the date on which such petition is filed, unless all parties to such proceeding agree to any extension of such period.

(c) Supreme Court Review.—Any request for certiorari to the Supreme Court of the United States of any judgment of a United States Court of Appeals with respect to a petition for review under this section shall be filed with the Supreme Court of the United States as soon as practicable after such judgment is issued.

(d) Statute of Limitation.—No petition may be filed under this section challenging an order, ruling, determination, or other action of a Federal regulator or State insurance regulator after the later of—

(1) the end of the 12-month period beginning on the date on which the first public notice is made of such order, ruling, determination or other action in its final form; or

(2) the end of the 6-month period beginning on the date on which such order, ruling, determination, or other action takes effect.

(e) Standard of Review.—The court shall decide a petition filed under this section based on its review on the merits of all questions presented under State and Federal law, including the nature of the product or activity and the history and purpose of its regulation under State and Federal law, without unequal deference.

SEC. 305. INSURANCE CUSTOMER PROTECTIONS.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 46, as added by section 121(d) of this Act, the following new section:

"SEC. 47. INSURANCE CUSTOMER PROTECTIONS.

"(a) Regulations Required.—

"(1) In general.—The Federal banking agencies shall prescribe and publish in final form, before the end of the 1-year period beginning on the date of the enactment of the Gramm-Leach-Bliley Act, customer protection regulations (which the agencies jointly determine to be appropriate) that—

"(A) apply to retail sales practices, solicitations, advertising, or offers of any insurance product by any depository institution or any person that is engaged in such activities at an office of the institution or on behalf of the institution; and

"(B) are consistent with the requirements of this Act and provide such additional protections for customers to whom such sales, solicitations, advertising, or offers are directed.

"(2) Applicability to subsidiaries.—The regulations prescribed pursuant to paragraph (1) shall extend such protections to any subsidiary of a depository institution, as deemed appropriate by the regulators referred to in paragraph (3), where such extension is determined to be necessary to ensure the consumer protections provided by this section.

"(3) Consultation and joint regulations.—The Federal banking agencies shall consult with each other and prescribe joint regulations pursuant to paragraph (1), after consultation with the State insurance regulators, as appropriate.

"(b) Sales Practices.—The regulations prescribed pursuant to subsection (a) shall include antitying and anticoercion rules applicable to the sale of insurance products that prohibit a depository institution from engaging in any practice that would lead a customer to believe an extension of credit, in violation of section 106(b) of the Bank Holding Company Act Amendments of 1970, is conditional upon—

"(1) the purchase of an insurance product from the institution or any of its affiliates; or

"(2) an agreement by the consumer not to obtain, or a prohibition on the consumer from obtaining, an insurance product from an unaffiliated entity.

"(c) Disclosures and Advertising.—The regulations prescribed pursuant to subsection (a) shall include the following provisions relating to disclosures and advertising in connection with the initial purchase of an insurance product:

"(1) Disclosures.—

"(A) In general.—Requirements that the following disclosures be made orally and in writing before the completion of the initial sale and, in the case of clause (iii), at the time of application for an extension of credit:

"(i) Uninsured status.—As appropriate, the product is not insured by the Federal Deposit Insurance Corporation, the United States Government, or the depository institution.

"(ii) Investment risk.—In the case of a variable annuity or other insurance product which involves an investment risk, that there is an investment risk associated with the product, including possible loss of value.

"(iii) Coercion.— The approval of an extension of credit may not be conditioned on—

"(I) the purchase of an insurance product from the institution in which the application for credit is pending or any of affiliate of the institution; or

"(II) an agreement by the consumer not to obtain, or a prohibition on the consumer from obtaining, an insurance product from an unaffiliated entity.

"(B) Making disclosure readily understandable.—Regulations prescribed under subparagraph (A) shall encourage the use of disclosure that is conspicuous, simple, direct, and readily understandable, such as the following:

"(i) 'NOT FDIC—INSURED'.

"(ii) 'NOT GUARANTEED BY THE BANK'.

"(iii) 'MAY GO DOWN IN VALUE'.

"(iv) 'NOT INSURED BY ANY GOVERNMENT AGENCY'.

"(C) Limitation.—Nothing in this paragraph requires the inclusion of the foregoing disclosures in advertisements of a general nature describing or listing the services or products offered by an institution.

"(D) Meaningful disclosures.—Disclosures shall not be considered to be meaningfully provided under this paragraph if the institution or its representative states that disclosures required by this subsection were available to the customer in printed material available for distribution, where such printed material is not provided and such information is not orally disclosed to the customer.

"(E) Adjustments for alternative methods of purchase.—In prescribing the requirements under subparagraphs (A) and (F), necessary adjustments shall be made for purchase in person, by telephone, or by electronic media to provide for the most appropriate and complete form of disclosure and acknowledgments.

"(F) Consumer acknowledgment.—A requirement that a depository institution shall require any person selling an insurance product at any office of, or on behalf of, the institution to obtain, at the time a consumer receives the disclosures required under this paragraph or at the time of the initial purchase by the consumer of such product, an acknowledgment by such consumer of the receipt of the disclosure required under this subsection with respect to such product.

"(2) Prohibition on misrepresentations.—A prohibition on any practice, or any advertising, at any office of, or on behalf of, the depository institution, or any subsidiary, as appropriate, that could mislead any person or otherwise cause a reasonable person to reach an erroneous belief with respect to—

"(A) the uninsured nature of any insurance product sold, or offered for sale, by the institution or any subsidiary of the institution;

"(B) in the case of a variable annuity or insurance product that involves an investment risk, the investment risk associated with any such product; or

"(C) in the case of an institution or subsidiary at which insurance products are sold or offered for sale, the fact that—

"(i) the approval of an extension of credit to a customer by the institution or subsidiary may not be conditioned on the purchase of an insurance product by such customer from the institution or subsidiary; and

"(ii) the customer is free to purchase the insurance product from another source.

"(d) Separation of Banking and Nonbanking Activities.—

"(1) Regulations required.—The regulations prescribed pursuant to subsection (a) shall include such provisions as the Federal banking agencies consider appropriate to ensure that the routine acceptance of deposits is kept, to the extent practicable, physically segregated from insurance product activity.

"(2) Requirements.—Regulations prescribed pursuant to paragraph (1) shall include the following requirements:

"(A) Separate setting.—A clear delineation of the setting in which, and the circumstances under which, transactions involving insurance products should be conducted in a location physically segregated from an area where retail deposits are routinely accepted.

"(B) Referrals.—Standards that permit any person accepting deposits from the public in an area where such transactions are routinely conducted in a depository institution to refer a customer who seeks to purchase any insurance product to a qualified person who sells such product, only if the person making the referral receives no more than a one-time nominal fee of a fixed dollar amount for each referral that does not depend on whether the referral results in a transaction.

"(C) Qualification and licensing requirements.—Standards prohibiting any depository institution from permitting any person to sell or offer for sale any insurance product in any part of any office of the institution, or on behalf of the institution, unless such person is appropriately qualified and licensed.

"(e) Domestic Violence Discrimination Prohibition.—

"(1) In general.—In the case of an applicant for, or an insured under, any insurance product described in paragraph (2), the status of the applicant or insured as a victim of domestic violence, or as a provider of services to victims of domestic violence, shall not be considered as a criterion in any decision with regard to insurance underwriting, pricing, renewal, or scope of coverage of insurance policies, or payment of insurance claims, except as required or expressly permitted under State law.

"(2) Scope of application.—The prohibition contained in paragraph (1) shall apply to any life or health insurance product which is sold or offered for sale, as principal, agent, or broker, by any depository institution or any person who is engaged in such activities at an office of the institution or on behalf of the institution.

"(3) Domestic violence defined.—For purposes of this subsection, the term 'domestic violence' means the occurrence of one or more of the following acts by a current or former family member, household member, intimate partner, or caretaker:

"(A) Attempting to cause or causing or threatening another person physical harm, severe emotional distress, psychological trauma, rape, or sexual assault.

"(B) Engaging in a course of conduct or repeatedly committing acts toward another person, including following the person without proper authority, under circumstances that place the person in reasonable fear of bodily injury or physical harm.

"(C) Subjecting another person to false imprisonment.

"(D) Attempting to cause or cause damage to property so as to intimidate or attempt to control the behavior of another person.

"(f) Consumer Grievance Process.—The Federal banking agencies shall jointly establish a consumer complaint mechanism, for receiving and expeditiously addressing consumer complaints alleging a violation of regulations issued under the section, which shall—

"(1) establish a group within each regulatory agency to receive such complaints;

"(2) develop procedures for investigating such complaints;

"(3) develop procedures for informing consumers of rights they may have in connection with such complaints; and

"(4) develop procedures for addressing concerns raised by such complaints, as appropriate, including procedures for the recovery of losses to the extent appropriate.

"(g) EFFECT ON OTHER AUTHORITY.—

"(1) IN GENERAL.—No provision of this section shall be construed as granting, limiting, or otherwise affecting—

"(A) any authority of the Securities and Exchange Commission, any self-regulatory organization, the Municipal Securities Rulemaking Board, or the Secretary of the Treasury under any Federal securities law; or

"(B) except as provided in paragraph (2), any authority of any State insurance commission (or any agency or office performing like functions), or of any State securities commission (or any agency or office performing like functions), or other State authority under any State law.

"(2) COORDINATION WITH STATE LAW.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), insurance customer protection regulations prescribed by a Federal banking agency under this section shall not apply to retail sales, solicitations, advertising, or offers of any insurance product by any depository institution or to any person who is engaged in such activities at an office of such institution or on behalf of the institution, in a State where the State has in effect statutes, regulations, orders, or interpretations, that are inconsistent with or contrary to the regulations prescribed by the Federal banking agencies.

"(B) PREEMPTION.—

"(i) IN GENERAL.—If, with respect to any provision of the regulations prescribed under this section, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Board of Directors of the Corporation determine jointly that the protection afforded by such provision for customers is greater than the protection provided by a comparable provision of the statutes, regulations, orders, or interpretations referred to in subparagraph (A) of any State, the appropriate State regulatory authority shall be notified of such determination in writing.

"(ii) CONSIDERATIONS.—Before making a final determination under clause (i), the Federal agencies referred to in clause (i) shall give appropriate consideration to comments submitted by the appropriate State regulatory authorities relating to the level of protection afforded to consumers under State law.

"(iii) FEDERAL PREEMPTION AND ABILITY OF STATES TO OVERRIDE FEDERAL PREEMPTION.—If the Federal agencies referred to in clause (i) jointly determine that any provision of the regulations prescribed under this section affords greater protections than a comparable State law, rule, regulation, order, or interpretation, those agencies shall send a written preemption notice to the appropriate State regulatory authority to notify the State that the Federal provision will preempt the State provision and will become applicable unless, not later than 3 years after the date of such notice, the State adopts legislation to override such preemption.

"(h) NON-DISCRIMINATION AGAINST NON-AFFILIATED AGENTS.—The Federal banking agencies shall ensure that the regulations prescribed pursuant to subsection (a) shall not have the effect of discriminating, either intentionally or unintentionally, against any person engaged in insurance sales or solicitations that is not affiliated with a depository institution.".

SEC. 306. CERTAIN STATE AFFILIATION LAWS PREEMPTED FOR INSURANCE COMPANIES AND AFFILIATES.

Except as provided in section 104(c)(2), no State may, by law, regulation, order, interpretation, or otherwise—

(1) prevent or significantly interfere with the ability of any insurer, or any affiliate of an insurer (whether such affiliate is organized as a stock company, mutual holding company, or otherwise), to become a financial holding company or to acquire control of a depository institution;

(2) limit the amount of an insurer's assets that may be invested in the voting securities of a depository institution (or any company which controls such institution), except that the laws of an insurer's State of domicile may limit the amount of such investment to an amount that is not less than 5 percent of the insurer's admitted assets; or

(3) prevent, significantly interfere with, or have the authority to review, approve, or disapprove a plan of reorganization by which an insurer proposes to reorganize from mutual form to become a stock insurer (whether as a direct or indirect subsidiary of a mutual holding company or otherwise) unless such State is the State of domicile of the insurer.

SEC. 307. INTERAGENCY CONSULTATION.

(a) PURPOSE.—It is the intention of the Congress that the Board of Governors of the Federal Reserve System, as the umbrella supervisor for financial holding companies, and the State insurance regulators, as the functional regulators of companies engaged in insurance activities, coordinate efforts to supervise companies that control both a depository institution and a company engaged in insurance activities regulated under State law. In particular, Congress believes that the Board and the State insurance regulators should share, on a confidential basis, information relevant to the supervision of companies that control both a depository institution and a company engaged in insurance activities, including information regarding the financial health of the consolidated organization and information regarding transactions and relationships between insurance companies and affiliated depository institutions. The appropriate Federal banking agencies for depository institutions should also share, on a confidential basis, information with the relevant State insurance regulators regarding transactions and relationships between depository institutions and affiliated companies engaged in insurance activities. The purpose of this section is to encourage this coordination and confidential sharing of information, and to thereby improve both the efficiency and the quality of the supervision of financial holding companies and their affiliated depository institutions and companies engaged in insurance activities.

(b) EXAMINATION RESULTS AND OTHER INFORMATION.—

(1) INFORMATION OF THE BOARD.—Upon the request of the appropriate insurance regulator of any State, the Board may provide any information of the Board regarding the financial condition, risk management policies, and operations of any financial holding company that controls a company that is engaged in insurance activities and is regulated by such State insurance regulator, and regarding any transaction or relationship between such an insurance company and any affiliated depository institution. The Board may provide any other information to the appropriate State insurance regulator that the Board believes is necessary or appropriate to permit the State insurance regulator to administer and enforce applicable State insurance laws.

(2) BANKING AGENCY INFORMATION.—Upon the request of the appropriate insurance regulator of any State, the appropriate Federal banking agency may provide any information of the agency regarding any transaction or relationship between a depository institution supervised by such Federal banking agency and any affiliated company that is engaged in insurance activities regulated by such State insurance regulator. The appropriate Federal banking agency may provide any other information to the appropriate State insurance regulator that the agency believes is necessary or appropriate to permit the State insurance regulator to administer and enforce applicable State insurance laws.

(3) STATE INSURANCE REGULATOR INFORMATION.—Upon the request of the Board or the appropriate Federal banking agency, a State insurance regulator may provide any examination or other reports, records, or other information to which such insurance regulator may have access with respect to a company which—

(A) is engaged in insurance activities and regulated by such insurance regulator; and

(B) is an affiliate of a depository institution or financial holding company.

(c) CONSULTATION.—Before making any determination relating to the initial affiliation of, or the continuing affiliation of, a depository institution or financial holding company with a company engaged in insurance activities, the appropriate Federal banking agency shall consult with the appropriate State insurance regulator of such company and take the views of such insurance regulator into account in making such determination.

(d) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall limit in any respect the authority of the appropriate Federal banking agency with respect to a depository institution or bank holding company or any affiliate thereof under any provision of law.

(e) CONFIDENTIALITY AND PRIVILEGE.—

(1) CONFIDENTIALITY.—The appropriate Federal banking agency shall not provide any information or material that is entitled to confidential treatment under applicable Federal banking agency regulations, or other applicable law, to a State insurance regulator unless such regulator agrees to maintain the information or material in confidence and to take all reasonable steps to oppose any effort to secure disclosure of the information or material by the regulator. The appropriate Federal banking agency shall treat as confidential any information or material obtained from a State insurance regulator that is entitled to confidential treatment under applicable State regulations, or other applicable law, and take all reasonable steps to oppose any effort to secure disclosure of the information or material by the Federal banking agency.

(2) PRIVILEGE.—The provision pursuant to this section of information or material by a Federal banking agency or State insurance regulator shall not constitute a waiver of, or otherwise affect, any privilege to which the information or material is otherwise subject.

(f) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPROPRIATE FEDERAL BANKING AGENCY; DEPOSITORY INSTITUTION.—The terms "appropriate Federal banking agency" and "depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

(2) BOARD AND FINANCIAL HOLDING COMPANY.—The terms "Board" and "financial holding company" have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

SEC. 308. DEFINITION OF STATE.

For purposes of this subtitle, the term "State" means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

Subtitle B—Redomestication of Mutual Insurers

SEC. 311. GENERAL APPLICATION.

This subtitle shall only apply to a mutual insurance company in a State which has not enacted a law which expressly establishes reasonable terms and conditions for a mutual insurance company domiciled in such State to reorganize into a mutual holding company.

SEC. 312. REDOMESTICATION OF MUTUAL INSURERS.

(a) REDOMESTICATION.—A mutual insurer organized under the laws of any State may transfer its domicile to a transferee domicile as a step in a reorganization in which, pursuant to the laws of the transferee domicile and consistent with the standards in subsection (f), the mutual insurer becomes a stock insurer that is a direct or indirect subsidiary of a mutual holding company.

(b) RESULTING DOMICILE.—Upon complying with the applicable law of the transferee domicile governing transfers of domicile and completion of a transfer pursuant to this section, the mutual insurer shall cease to be a domestic insurer in the transferor domicile and, as a continuation of its corporate existence, shall be a domestic insurer of the transferee domicile.

(c) LICENSES PRESERVED.—The certificate of authority, agents' appointments and licenses, rates, approvals and other items that a licensed State allows and that are in existence immediately prior to the date that a redomesticating insurer transfers its domicile pursuant to this subtitle shall continue in full force and effect upon transfer, if the insurer remains duly qualified to transact the business of insurance in such licensed State.

(d) EFFECTIVENESS OF OUTSTANDING POLICIES AND CONTRACTS.—

(1) IN GENERAL.—All outstanding insurance policies and annuities contracts of a redomesticating insurer shall remain in full force and effect and need not be endorsed as to the new domicile of the insurer, unless so ordered by the State insurance regulator of a licensed State, and then only in the case of outstanding policies and contracts whose owners reside in such licensed State.

(2) FORMS.—

(A) Applicable State law may require a redomesticating insurer to file new policy forms with the State insurance regulator of a licensed State on or before the effective date of the transfer.

(B) Notwithstanding subparagraph (A), a redomesticating insurer may use existing policy forms with appropriate endorsements to reflect the new domicile of the redomesticating insurer until the new policy forms are approved for use by the State insurance regulator of such licensed State.

(e) NOTICE.—A redomesticating insurer shall give notice of the proposed transfer to the State insurance regulator of each licensed State and shall file promptly any resulting amendments to corporate documents required to be filed by a foreign licensed mutual insurer with the insurance regulator of each such licensed State.

(f) PROCEDURAL REQUIREMENTS.—No mutual insurer may redomesticate to another State and reorganize into a mutual holding company pursuant to this section unless the State insurance regulator of the transferee domicile determines that the plan of reorganization of the insurer includes the following requirements:

(1) APPROVAL BY BOARD OF DIRECTORS AND POLICYHOLDERS.—The reorganization is approved by at least a majority of the board of directors of the mutual insurer and at least a majority of the policyholders who vote after notice, disclosure of the reorganization and the effects of the transaction on policyholder contractual rights, and reasonable opportunity to vote, in accordance with such notice, disclosure, and voting procedures as are approved by the State insurance regulator of the transferee domicile.

(2) CONTINUED VOTING CONTROL BY POLICYHOLDERS; REVIEW OF PUBLIC STOCK OFFERING.—After the consummation of a reorganization, the policyholders of the reorganized insurer shall have the same voting rights with respect to the mutual holding company as they had before the reorganization with respect to the mutual insurer. With respect to an initial public offering of stock, the offering shall be conducted in compliance with applicable securities laws and in a manner approved by the State insurance regulator of the transferee domicile.

(3) AWARD OF STOCK OR GRANT OF OPTIONS TO OFFICERS AND DIRECTORS.—During the applicable period provided for under the State law of the transferee domicile following completion of an initial public offering, or for a period of six months if no such applicable period is provided, neither a stock holding company nor the converted insurer shall award any stock options or stock grants to persons who are elected officers or directors of the mutual holding company, the stock holding company, or the converted insurer, except with respect to any such awards or options to which a person is entitled as a policyholder and as approved by the State insurance regulator of the transferee domicile.

(4) POLICYHOLDER RIGHTS.—Upon reorganization into a mutual holding company, the contractual rights of the policyholders are preserved.

(5) FAIR AND EQUITABLE TREATMENT OF POLICYHOLDERS.—The reorganization is approved as fair and equitable to the policyholders by the insurance regulator of the transferee domicile.

SEC. 313. EFFECT ON STATE LAWS RESTRICTING REDOMESTICATION.

(a) IN GENERAL.—Unless otherwise permitted by this subtitle, State laws of any transferor domicile that conflict with the purposes and intent of this subtitle are preempted, including but not limited to—

(1) any law that has the purpose or effect of impeding the activities of, taking any action against, or applying any provision of law or regulation to, any insurer or an affiliate of such insurer because that insurer or any affiliate plans to redomesticate, or has redomesticated, pursuant to this subtitle;

(2) any law that has the purpose or effect of impeding the activities of, taking action against, or applying any provision of law or regulation to, any insured or any insurance licensee or other intermediary because such person has procured insurance from or placed insurance with any insurer or affiliate of such insurer that plans to redomesticate, or has redomesticated, pursuant to this subtitle, but only to the extent that such law would treat such insured licensee or other intermediary differently than if the person procured insurance from, or placed insurance with, an insured licensee or other intermediary which had not redomesticated; and

(3) any law that has the purpose or effect of terminating, because of the redomestication of a mutual insurer pursuant to this subtitle, any certificate of authority, agent appointment or license, rate approval, or other approval, of any State insurance regulator or other State authority in existence immediately prior to the redomestication in any State other than the transferee domicile.

(b) DIFFERENTIAL TREATMENT PROHIBITED.—No State law, regulation, interpretation, or functional equivalent thereof, of a State other than a transferee domicile may treat a redomesticating or redomesticated insurer or any affiliate thereof any differently than an insurer operating in that State that is not a redomesticating or redomesticated insurer.

(c) LAWS PROHIBITING OPERATIONS.—If any licensed State fails to issue, delays the issuance of, or seeks to revoke an original or renewal certificate of authority of a redomesticated insurer promptly following redomestication, except on grounds and in a manner consistent with its past practices regarding the issuance of certificates of authority to foreign insurers that are not redomesticating, then the redomesticating insurer shall be exempt from any State law of the licensed State to the extent that such State law or the operation of such State law would make unlawful, or regulate, directly or indirectly, the operation of the redomesticated insurer, except that such licensed State may require the redomesticated insurer to—

(1) comply with the unfair claim settlement practices law of the licensed State;

(2) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on licensed insurers or policyholders under the laws of the licensed State;

(3) register with and designate the State insurance regulator as its agent solely for the purpose of receiving service of legal documents or process;

(4) submit to an examination by the State insurance regulator in any licensed State in which the redomesticated insurer is doing business to determine the insurer's financial condition, if—

(A) the State insurance regulator of the transferee domicile has not begun an examination of the redomesticated insurer and has not scheduled such an examination to begin before the end of the 1-year period beginning on the date of the redomestication; and

(B) any such examination is coordinated to avoid unjustified duplication and repetition;

(5) comply with a lawful order issued in—

(A) a delinquency proceeding commenced by the State insurance regulator of any licensed State if there has been a judicial finding of financial impairment under paragraph (7); or

(B) a voluntary dissolution proceeding;

(6) comply with any State law regarding deceptive, false, or fraudulent acts or practices, except that if the licensed State seeks an injunction regarding the conduct described in this paragraph, such injunction must be obtained from a court of competent jurisdiction as provided in section 314(a);

(7) comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance regulator alleging that the redomesticating insurer is in hazardous financial condition or is financially impaired;

(8) participate in any insurance insolvency guaranty association on the same basis as any other insurer licensed in the licensed State; and

(9) require a person acting, or offering to act, as an insurance licensee for a redomesticated insurer in the licensed State to obtain a license from that State, except that such State may not impose any qualification or requirement that discriminates against a nonresident insurance licensee.

SEC. 314. OTHER PROVISIONS.

(a) JUDICIAL REVIEW.—The appropriate United States district court shall have exclusive jurisdiction over litigation arising under this section involving any redomesticating or redomesticated insurer.

(b) SEVERABILITY.—If any provision of this section, or the application thereof to any person or circumstances, is held invalid, the remainder of the section, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 315. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) COURT OF COMPETENT JURISDICTION.—The term "court of competent jurisdiction" means a court authorized pursuant to section 314(a) to adjudicate litigation arising under this subtitle.

(2) DOMICILE.—The term "domicile" means the State in which an insurer is incorporated, chartered, or organized.

(3) INSURANCE LICENSEE.—The term "insurance licensee" means any person holding a license under State law to act as insurance agent, subagent, broker, or consultant.

(4) INSTITUTION.—The term "institution" means a corporation, joint stock company, limited liability company, limited liability partnership, association, trust, partnership, or any similar entity.

(5) LICENSED STATE.—The term "licensed State" means any State, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands in which the redomesticating insurer has a certificate of authority in effect immediately prior to the redomestication.

(6) MUTUAL INSURER.—The term "mutual insurer" means a mutual insurer organized under the laws of any State.

(7) PERSON.—The term "person" means an individual, institution, government or governmental agency, State or political subdivision of a State, public corporation, board, association, estate, trustee, or fiduciary, or other similar entity.

(8) POLICYHOLDER.—The term "policyholder" means the owner of a policy issued by a mutual insurer, except that, with respect to voting rights, the term means a member of a mutual insurer or mutual holding company granted the right to vote, as determined under applicable State law.

(9) REDOMESTICATED INSURER.—The term "redomesticated insurer" means a mutual insurer that has redomesticated pursuant to this subtitle.

(10) REDOMESTICATING INSURER.—The term "redomesticating insurer" means a mutual insurer that is redomesticating pursuant to this subtitle.

(11) REDOMESTICATION OR TRANSFER.—The term "redomestication" or "transfer" means the transfer of the domicile of a mutual insurer from one State to another State pursuant to this subtitle.

(12) STATE INSURANCE REGULATOR.—The term "State insurance regulator" means the principal insurance regulatory authority of a State, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

(13) STATE LAW.—The term "State law" means the statutes of any State, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands and any regulation, order, or requirement prescribed pursuant to any such statute.

(14) TRANSFEREE DOMICILE.—The term "transferee domicile" means the State to which a mutual insurer is redomesticating pursuant to this subtitle.

(15) TRANSFEROR DOMICILE.—The term "transferor domicile" means the State from which a mutual insurer is redomesticating pursuant to this subtitle.

SEC. 316. EFFECTIVE DATE.

This subtitle shall take effect on the date of the enactment of this Act.

Subtitle C—National Association of Registered Agents and Brokers

SEC. 321. STATE FLEXIBILITY IN MULTISTATE LICENSING REFORMS.

(a) IN GENERAL.—The provisions of this subtitle shall take effect unless, not later than 3 years after the date of the enactment of this Act, at least a majority of the States—

(1) have enacted uniform laws and regulations governing the licensure of individuals and entities authorized to sell and solicit the purchase of insurance within the State; or

(2) have enacted reciprocity laws and regulations governing the licensure of nonresident individuals and entities authorized to sell and solicit insurance within those States.

(b) UNIFORMITY REQUIRED.—States shall be deemed to have established the uniformity necessary to satisfy subsection (a)(1) if the States—

(1) establish uniform criteria regarding the integrity, personal qualifications, education, training, and experience of licensed insurance producers, including the qualification and training of sales personnel in ascertaining the appropriateness of a particular insurance product for a prospective customer;

(2) establish uniform continuing education requirements for licensed insurance producers;

(3) establish uniform ethics course requirements for licensed insurance producers in conjunction with the continuing education requirements under paragraph (2);

(4) establish uniform criteria to ensure that an insurance product, including any annuity contract, sold to a consumer is suitable and appropriate for the consumer based on financial information disclosed by the consumer; and

(5) do not impose any requirement upon any insurance producer to be licensed or otherwise qualified to do business as a nonresident that has the effect of limiting or conditioning that producer's activities because of its residence or place of operations, except that counter-signature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section.

(c) RECIPROCITY REQUIRED.—States shall be deemed to have established the reciprocity required to satisfy subsection (a)(2) if the following conditions are met:

(1) ADMINISTRATIVE LICENSING PROCEDURES.—At least a majority of the States permit a producer that has a resident license for selling or soliciting the purchase of insurance in its home State to receive a license to sell or solicit the purchase of insurance in such majority of States as a nonresident to the same extent that such producer is permitted to sell or solicit the purchase of insurance in its State, if the producer's home State also awards such licenses on such a reciprocal basis, without satisfying any additional requirements other than submitting—

(A) a request for licensure;

(B) the application for licensure that the producer submitted to its home State;

(C) proof that the producer is licensed and in good standing in its home State; and

(D) the payment of any requisite fee to the appropriate authority.

(2) CONTINUING EDUCATION REQUIREMENTS.—A majority of the States accept an insurance producer's satisfaction of its home State's continuing education requirements for licensed insurance producers to satisfy the States' own continuing education requirements if the producer's home State also recognizes the satisfaction of continuing education requirements on such a reciprocal basis.

(3) NO LIMITING NONRESIDENT REQUIREMENTS.—A majority of the States do not impose any requirement upon any insurance producer to be licensed or otherwise qualified to do business as a nonresident that has the effect of limiting or conditioning that producer's activities because of its residence or place of operations, except that countersignature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section.

(4) RECIPROCAL RECIPROCITY.—Each of the States that satisfies paragraphs (1), (2), and (3) grants reciprocity to residents of all of the other States that satisfy such paragraphs.

(d) DETERMINATION.—

(1) NAIC DETERMINATION.—At the end of the 3-year period beginning on the date of the enactment of this Act, the National Association of Insurance Commissioners (hereafter in this subtitle referred to as the "NAIC") shall determine, in consultation with the insurance commissioners or chief insurance regulatory officials of the States, whether the uniformity or reciprocity required by subsections (b) and (c) has been achieved.

(2) JUDICIAL REVIEW.—The appropriate United States district court shall have exclusive jurisdiction over any challenge to the NAIC's determination under this section and such court shall apply the standards set forth in section 706 of title 5, United States Code, when reviewing any such challenge.

(e) CONTINUED APPLICATION.—If, at any time, the uniformity or reciprocity required by subsections (b) and (c) no longer exists, the provisions of this subtitle shall take effect 2 years after the date on which such uniformity or reciprocity ceases to exist, unless the uniformity or reciprocity required by those provisions is satisfied before the expiration of that 2-year period.

(f) SAVINGS PROVISION.—No provision of this section shall be construed as requiring that any law, regulation, provision, or action of any State which purports to regulate insurance producers, including any such law, regulation, provision, or action which purports to regulate unfair trade practices or establish consumer protections, including countersignature laws, be altered or amended in order to satisfy the uniformity or reciprocity required by subsections (b) and (c), unless any such law, regulation, provision, or action is inconsistent with a specific requirement of any such subsection and then only to the extent of such inconsistency.

(g) UNIFORM LICENSING.—Nothing in this section shall be construed to require any State to adopt new or additional licensing requirements to achieve the uniformity necessary to satisfy subsection (a)(1).

SEC. 322. NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

(a) ESTABLISHMENT.—There is established the National Association of Registered Agents and Brokers (hereafter in this subtitle referred to as the "Association").

(b) STATUS.—The Association shall—

(1) be a nonprofit corporation;

(2) have succession until dissolved by an Act of Congress;

(3) not be an agent or instrumentality of the United States Government; and

(4) except as otherwise provided in this Act, be subject to, and have all the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29y–1001 et seq.).

SEC. 323. PURPOSE.

The purpose of the Association shall be to provide a mechanism through which uniform licensing, appointment, continuing education, and other insurance producer sales qualification requirements and conditions can be adopted and applied on a multistate basis, while preserving the right of States to license, supervise, and discipline insurance producers and to prescribe and enforce laws and regulations with regard to insurance-related consumer protection and unfair trade practices.

SEC. 324. RELATIONSHIP TO THE FEDERAL GOVERNMENT.

The Association shall be subject to the supervision and oversight of the NAIC.

SEC. 325. MEMBERSHIP.

(a) ELIGIBILITY.—

(1) IN GENERAL.—Any State-licensed insurance producer shall be eligible to become a member in the Association.

(2) INELIGIBILITY FOR SUSPENSION OR REVOCATION OF LICENSE.—Notwithstanding paragraph (1), a State-licensed insurance producer shall not be eligible to become a member if a State insurance regulator has suspended or revoked such producer's license in that State during the 3-year period preceding the date on which such producer applies for membership.

(3) RESUMPTION OF ELIGIBILITY.—Paragraph (2) shall cease to apply to any insurance producer if—

(A) the State insurance regulator renews the license of such producer in the State in which the license was suspended or revoked; or

(B) the suspension or revocation is subsequently overturned.

(b) AUTHORITY TO ESTABLISH MEMBERSHIP CRITERIA.—The Association shall have the authority to establish membership criteria that—

(1) bear a reasonable relationship to the purposes for which the Association was established; and

(2) do not unfairly limit the access of smaller agencies to the Association membership.

(c) ESTABLISHMENT OF CLASSES AND CATEGORIES.—

(1) CLASSES OF MEMBERSHIP.—The Association may establish separate classes of membership, with separate criteria, if the Association reasonably determines that performance of different duties requires different levels of education, training, or experience.

(2) CATEGORIES.—The Association may establish separate categories of membership for individuals and for other persons. The establishment of any such categories of membership shall be based either on the types of licensing categories that exist under State laws or on the aggregate amount of business handled by an insurance producer. No special categories of membership, and no distinct membership criteria, shall be established for members which are depository institutions or for their employees, agents, or affiliates.

(d) MEMBERSHIP CRITERIA.—

(1) IN GENERAL.—The Association may establish criteria for membership which shall include standards for integrity, personal qualifications, education, training, and experience.

(2) MINIMUM STANDARD.—In establishing criteria under paragraph (1), the Association shall consider the highest levels of insurance producer qualifications established under the licensing laws of the States.

(e) EFFECT OF MEMBERSHIP.—Membership in the Association shall entitle the member to licensure in each State for which the member pays the requisite fees, including licensing fees and, where applicable, bonding requirements, set by such State.

(f) ANNUAL RENEWAL.—Membership in the Association shall be renewed on an annual basis.

(g) CONTINUING EDUCATION.—The Association shall establish, as a condition of membership, continuing education requirements which shall be comparable to or greater than the continuing education requirements under the licensing laws of a majority of the States.

(h) SUSPENSION AND REVOCATION.—The Association may—

(1) inspect and examine the records and offices of the members of the Association to determine compliance with the criteria for membership established by the Association; and

(2) suspend or revoke the membership of an insurance producer if—

(A) the producer fails to meet the applicable membership criteria of the Association; or

(B) the producer has been subject to disciplinary action pursuant to a final adjudicatory proceeding under the jurisdiction of a State insurance regulator, and the Association concludes that retention of membership in the Association would not be in the public interest.

(i) OFFICE OF CONSUMER COMPLAINTS.—

(1) IN GENERAL.—The Association shall establish an office of consumer complaints that shall—

(A) receive and investigate complaints from both consumers and State insurance regulators related to members of the Association; and

(B) recommend to the Association any disciplinary actions that the office considers appropriate, to the extent that any such recommendation is not inconsistent with State law.

(2) RECORDS AND REFERRALS.—The office of consumer complaints of the Association shall—

(A) maintain records of all complaints received in accordance with paragraph (1) and make such records available to the NAIC and to each State insurance regulator for the State of residence of the consumer who filed the complaint; and

(B) refer, when appropriate, any such complaint to any appropriate State insurance regulator.

(3) TELEPHONE AND OTHER ACCESS.—The office of consumer complaints shall maintain a toll-free telephone number for the purpose of this subsection and, as practicable, other alternative means of communication with consumers, such as an Internet home page.

SEC. 326. BOARD OF DIRECTORS.

(a) ESTABLISHMENT.—There is established the board of directors of the Association (hereafter in this subtitle referred to as the "Board") for the purpose of governing and supervising the activities of the Association and the members of the Association.

(b) POWERS.—The Board shall have such powers and authority as may be specified in the bylaws of the Association.

(c) COMPOSITION.—

(1) MEMBERS.—The Board shall be composed of 7 members appointed by the NAIC.

(2) REQUIREMENT.—At least 4 of the members of the Board shall each have significant experience with the regulation of commercial lines of insurance in at least 1 of the 20 States in which the greatest total dollar amount of commercial-lines insurance is placed in the United States.

(3) INITIAL BOARD MEMBERSHIP.—

(A) IN GENERAL.—If, by the end of the 2-year period beginning on the date of the enactment of this Act, the NAIC has not appointed the initial 7 members of the Board of the Association, the initial Board shall consist of the 7 State insurance regulators of the 7 States with the greatest total dollar amount of commercial-lines insurance in place as of the end of such period.

(B) ALTERNATE COMPOSITION.—If any of the State insurance regulators described in subparagraph (A) declines to serve on the Board, the State insurance regulator with the next greatest total dollar amount of commercial-lines insurance in place, as determined by the NAIC as of the end of such period, shall serve as a member of the Board.

(C) INOPERABILITY.—If fewer than 7 State insurance regulators accept appointment to the Board, the Association shall be established without NAIC oversight pursuant to section 332.

(d) TERMS.—The term of each director shall, after the initial appointment of the members of the Board, be for 3 years, with one-third of the directors to be appointed each year.

(e) BOARD VACANCIES.—A vacancy on the Board shall be filled in the same manner as the original appointment of the initial Board for the remainder of the term of the vacating member.

(f) MEETINGS.—The Board shall meet at the call of the chairperson, or as otherwise provided by the bylaws of the Association.

SEC. 327. OFFICERS.

(a) IN GENERAL.—

(1) POSITIONS.—The officers of the Association shall consist of a chairperson and a vice chairperson of the Board, a president, secretary, and treasurer of the Association, and such other officers and assistant officers as may be deemed necessary.

(2) MANNER OF SELECTION.—Each officer of the Board and the Association shall be elected or appointed at such time and in such manner and for such terms not exceeding 3 years as may be prescribed in the bylaws of the Association.

(b) CRITERIA FOR CHAIRPERSON.—Only individuals who are members of the NAIC shall be eligible to serve as the chairperson of the board of directors.

SEC. 328. BYLAWS, RULES, AND DISCIPLINARY ACTION.

(a) ADOPTION AND AMENDMENT OF BYLAWS.—

(1) COPY REQUIRED TO BE FILED WITH THE NAIC.—The board of directors of the Association shall file with the NAIC a copy of the proposed bylaws or any proposed amendment to the bylaws, accompanied by a concise general statement of the basis and purpose of such proposal.

(2) EFFECTIVE DATE.—Except as provided in paragraph (3), any proposed bylaw or proposed amendment shall take effect—

(A) 30 days after the date of the filing of a copy with the NAIC;

(B) upon such later date as the Association may designate; or

(C) upon such earlier date as the NAIC may determine.

(3) DISAPPROVAL BY THE NAIC.—Notwithstanding paragraph (2), a proposed bylaw or amendment shall not take effect if, after public notice and opportunity to participate in a public hearing—

(A) the NAIC disapproves such proposal as being contrary to the public interest or contrary to the purposes of this subtitle and provides notice to the Association setting forth the reasons for such disapproval; or

(B) the NAIC finds that such proposal involves a matter of such significant public interest that public comment should be obtained, in which case it may, after notifying the Association in writing of such finding, require that the procedures set forth in subsection (b) be followed with respect to such proposal, in the same manner as if such proposed bylaw change were a proposed rule change within the meaning of such subsection.

(b) ADOPTION AND AMENDMENT OF RULES.—

(1) FILING PROPOSED REGULATIONS WITH THE NAIC.—

(A) IN GENERAL.—The board of directors of the Association shall file with the NAIC a copy of any proposed rule or any proposed amendment to a rule of the Association which shall be accompanied by a concise general statement of the basis and purpose of such proposal.

(B) OTHER RULES AND AMENDMENTS INEFFECTIVE.—No proposed rule or amendment shall take effect unless approved by the NAIC or otherwise permitted in accordance with this paragraph.

(2) INITIAL CONSIDERATION BY THE NAIC.—Not later than 35 days after the date of publication of notice of filing of a proposal, or before the end of such longer period not to exceed 90 days as the NAIC may designate after such date, if the NAIC finds such longer period to be appropriate and sets forth its reasons for so finding, or as to which the Association consents, the NAIC shall—

(A) by order approve such proposed rule or amendment; or

(B) institute proceedings to determine whether such proposed rule or amendment should be modified or disapproved.

(3) NAIC PROCEEDINGS.—

(A) IN GENERAL.—Proceedings instituted by the NAIC with respect to a proposed rule or amendment pursuant to paragraph (2) shall—

(i) include notice of the grounds for disapproval under consideration;

(ii) provide opportunity for hearing; and

(iii) be concluded not later than 180 days after the date of the Association's filing of such proposed rule or amendment.

(B) DISPOSITION OF PROPOSAL.—At the conclusion of any proceeding under subparagraph (A), the NAIC shall, by order, approve or disapprove the proposed rule or amendment.

(C) EXTENSION OF TIME FOR CONSIDERATION.—The NAIC may extend the time for concluding any proceeding under subparagraph (A) for—

(i) not more than 60 days if the NAIC finds good cause for such extension and sets forth its reasons for so finding; or

(ii) such longer period as to which the Association consents.

(4) STANDARDS FOR REVIEW.—

(A) GROUNDS FOR APPROVAL.—The NAIC shall approve a proposed rule or amendment if the NAIC finds that the rule or amendment is in the public interest and is consistent with the purposes of this Act.

(B) APPROVAL BEFORE END OF NOTICE PERIOD.—The NAIC shall not approve any proposed rule before the end of the 30-day period beginning on the date on which the Association files proposed rules or amendments in accordance with paragraph (1), unless the NAIC finds good cause for so doing and sets forth the reasons for so finding.

(5) ALTERNATE PROCEDURE.—

(A) IN GENERAL.—Notwithstanding any provision of this subsection other than subparagraph (B), a proposed rule or amendment relating to the administration or organization of the Association shall take effect—

(i) upon the date of filing with the NAIC, if such proposed rule or amendment is designated by the Association as relating solely to matters which the NAIC, consistent with the public interest and the purposes of this subsection, determines by rule do not require the procedures set forth in this paragraph; or

(ii) upon such date as the NAIC shall for good cause determine.

(B) ABROGATION BY THE NAIC.—

(i) IN GENERAL.—At any time within 60 days after the date of filing of any proposed rule or amendment under subparagraph (A)(i) or clause (ii) of this subparagraph, the NAIC may repeal such rule or amendment and require that the rule or amendment be refiled and reviewed in accordance with this paragraph, if the NAIC finds that such action is necessary or appropriate in the public interest, for the protection of insurance producers or policyholders, or otherwise in furtherance of the purposes of this subtitle.

(ii) EFFECT OF RECONSIDERATION BY THE NAIC.—Any action of the NAIC pursuant to clause (i) shall—

(I) not affect the validity or force of a rule change during the period such rule or amendment was in effect; and

(II) not be considered to be a final action.

(c) ACTION REQUIRED BY THE NAIC.—The NAIC may, in accordance with such rules as the NAIC determines to be necessary or appropriate to the public interest or to carry out the purposes of this subtitle, require the Association to adopt, amend, or repeal any bylaw, rule, or amendment of the Association, whenever adopted.

(d) DISCIPLINARY ACTION BY THE ASSOCIATION.—

(1) SPECIFICATION OF CHARGES.—In any proceeding to determine whether membership shall be denied, suspended, revoked, or not renewed (hereafter in this section referred to as a "disciplinary action"), the Association shall bring specific charges, notify such member of such charges, give the member an opportunity to defend against the charges, and keep a record.

(2) SUPPORTING STATEMENT.—A determination to take disciplinary action shall be supported by a statement setting forth—

(A) any act or practice in which such member has been found to have been engaged;

(B) the specific provision of this subtitle, the rules or regulations under this subtitle, or the rules of the Association which any such act or practice is deemed to violate; and

(C) the sanction imposed and the reason for such sanction.

(e) NAIC REVIEW OF DISCIPLINARY ACTION.—

(1) NOTICE TO THE NAIC.—If the Association orders any disciplinary action, the Association shall promptly notify the NAIC of such action.

(2) REVIEW BY THE NAIC.—Any disciplinary action taken by the Association shall be subject to review by the NAIC—

(A) on the NAIC's own motion; or .

(B) upon application by any person aggrieved by such action if such application is filed with the NAIC not more than 30 days after the later of—

(i) the date the notice was filed with the NAIC pursuant to paragraph (1); or

(ii) the date the notice of the disciplinary action was received by such aggrieved person.

(f) EFFECT OF REVIEW.—The filing of an application to the NAIC for review of a disciplinary action, or the institution of review by the NAIC on the NAIC's own motion, shall not operate as a stay of disciplinary action unless the NAIC otherwise orders.

(g) SCOPE OF REVIEW.—

(1) IN GENERAL.—In any proceeding to review such action, after notice and the opportunity for hearing, the NAIC shall—

(A) determine whether the action should be taken;

(B) affirm, modify, or rescind the disciplinary sanction; or

(C) remand to the Association for further proceedings.

(2) DISMISSAL OF REVIEW.—The NAIC may dismiss a proceeding to review disciplinary action if the NAIC finds that—

(A) the specific grounds on which the action is based exist in fact;

(B) the action is in accordance with applicable rules and regulations; and

(C) such rules and regulations are, and were, applied in a manner consistent with the purposes of this subtitle.

SEC. 329. ASSESSMENTS.

(a) INSURANCE PRODUCERS SUBJECT TO ASSESSMENT.—The Association may establish such application and membership fees as the Association finds necessary to cover the costs of its operations, including fees made reimbursable to the NAIC under subsection (b), except that, in setting such fees, the Association may not discriminate against smaller insurance producers.

(b) NAIC ASSESSMENTS.—The NAIC may assess the Association for any costs that the NAIC incurs under this subtitle.

SEC. 330. FUNCTIONS OF THE NAIC.

(a) ADMINISTRATIVE PROCEDURE.—Determinations of the NAIC, for purposes of making rules pursuant to section 328, shall be made after appropriate notice and opportunity for a hearing and for submission of views of interested persons.

(b) EXAMINATIONS AND REPORTS.—

(1) EXAMINATIONS.—The NAIC may make such examinations and inspections of the Association and require the Association to furnish to the NAIC such reports and records or copies thereof as the NAIC may consider necessary or appropriate in the public interest or to effectuate the purposes of this subtitle.

(2) REPORT BY ASSOCIATION.—As soon as practicable after the close of each fiscal year, the Association shall submit to the NAIC a written report regarding the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year. Such report shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year. The NAIC shall transmit such report to the President and the Congress with such comment thereon as the NAIC determines to be appropriate.

SEC. 331. LIABILITY OF THE ASSOCIATION AND THE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE ASSOCIATION.

(a) IN GENERAL.—The Association shall not be deemed to be an insurer or insurance producer within the meaning of any State law, rule, regulation, or order regulating or taxing insurers, insurance producers, or other entities engaged in the business of insurance, including provisions imposing premium taxes, regulating insurer solvency or financial condition, establishing guaranty funds and levying assessments, or requiring claims settlement practices.

(b) LIABILITY OF THE ASSOCIATION, ITS DIRECTORS, OFFICERS, AND EMPLOYEES.—Neither the Association nor any of its directors, officers, or employees shall have any liability to any person for any action taken or omitted in good faith under or in connection with any matter subject to this subtitle.

SEC. 332. ELIMINATION OF NAIC OVERSIGHT.

(a) IN GENERAL.—The Association shall be established without NAIC oversight and the provisions set forth in section 324, subsections (a), (b), (c), and (e) of section 328, and sections 329(b) and 330 of this subtitle shall cease to be effective if, at the end of the 2-year period beginning on the date on which the provisions of this subtitle take effect pursuant to section 321—

(1) at least a majority of the States representing at least 50 percent of the total United States commercial-lines insurance premiums have not satisfied the uniformity or reciprocity requirements of subsections (a), (b), and (c) of section 321; and

(2) the NAIC has not approved the Association's bylaws as required by section 328 or is unable to operate or supervise the Association, or the Association is not conducting its activities as required under this Act.

(b) BOARD APPOINTMENTS.—If the repeals required by subsection (a) are implemented, the following shall apply:

(1) GENERAL APPOINTMENT POWER.—The President, with the advice and consent of the Senate, shall appoint the members of the Association's Board established under section 326 from lists of candidates recommended to the President by the NAIC.

(2) PROCEDURES FOR OBTAINING NAIC APPOINTMENT RECOMMENDATIONS.—

(A) INITIAL DETERMINATION AND RECOMMENDATIONS.—After the date on which the provisions of subsection (a) take effect, the NAIC shall, not later than 60 days thereafter, provide a list of recommended candidates to the President. If the NAIC fails to provide a list by that date, or if any list that is provided does not include at least 14 recommended candidates or comply with the requirements of section 326(c), the President shall, with the advice and consent of the Senate, make the requisite appointments without considering the views of the NAIC.

(B) SUBSEQUENT APPOINTMENTS.—After the initial appointments, the NAIC shall provide a list of at least six recommended candidates for the Board to the President by January 15 of each subsequent year. If the NAIC fails to provide a list by that date, or if any list that is provided does not include at least six recommended candidates or comply with the requirements of section 326(c), the President, with the advice and consent of the Senate, shall make the requisite appointments without considering the views of the NAIC.

(C) PRESIDENTIAL OVERSIGHT.—

(i) Removal.—If the President determines that the Association is not acting in the interests of the public, the President may remove the entire existing Board for the remainder of the term to which the members of the Board were appointed and appoint, with the advice and consent of the Senate, new members to fill the vacancies on the Board for the remainder of such terms.

(ii) Suspension of rules or actions.—The President, or a person designated by the President for such purpose, may suspend the effectiveness of any rule, or prohibit any action, of the Association which the President or the designee determines is contrary to the public interest.

(c) Annual Report.—As soon as practicable after the close of each fiscal year, the Association shall submit to the President and to the Congress a written report relative to the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year. Such report shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year.

SEC. 333. RELATIONSHIP TO STATE LAW.

(a) Preemption of State Laws.—State laws, regulations, provisions, or other actions purporting to regulate insurance producers shall be preempted as provided in subsection (b).

(b) Prohibited Actions.—No State shall—

(1) impede the activities of, take any action against, or apply any provision of law or regulation to, any insurance producer because that insurance producer or any affiliate plans to become, has applied to become, or is a member of the Association;

(2) impose any requirement upon a member of the Association that it pay different fees to be licensed or otherwise qualified to do business in that State, including bonding requirements, based on its residency;

(3) impose any licensing, appointment, integrity, personal or corporate qualifications, education, training, experience, residency, or continuing education requirement upon a member of the Association that is different from the criteria for membership in the Association or renewal of such membership, except that countersignature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section; or

(4) implement the procedures of such State's system of licensing or renewing the licenses of insurance producers in a manner different from the authority of the Association under section 325.

(c) Savings Provision.—Except as provided in subsections (a) and (b), no provision of this section shall be construed as altering or affecting the continuing effectiveness of any law, regulation, provision, or other action of any State which purports to regulate insurance producers, including any such law, regulation, provision, or action which purports to regulate unfair trade practices or establish consumer protections, including countersignature laws.

SEC. 334. COORDINATION WITH OTHER REGULATORS.

(a) Coordination With State Insurance Regulators.—The Association shall have the authority to—

(1) issue uniform insurance producer applications and renewal applications that may be used to apply for the issuance or removal of State licenses, while preserving the ability of each State to impose such conditions on the issuance or renewal of a license as are consistent with section 333;

(2) establish a central clearinghouse through which members of the Association may apply for the issuance or renewal of licenses in multiple States; and

(3) establish or utilize a national database for the collection of regulatory information concerning the activities of insurance producers.

(b) Coordination With the National Association of Securities Dealers.—The Association shall coordinate with the National Association of Securities Dealers in order to ease any administrative burdens that fall on persons that are members of both associations, consistent with the purposes of this subtitle and the Federal securities laws.

SEC. 335. JUDICIAL REVIEW.

(a) Jurisdiction.—The appropriate United States district court shall have exclusive jurisdiction over litigation involving the Association, including disputes between the Association and its members that arise under this subtitle. Suits brought in State court involving the Association shall be deemed to have arisen under Federal law and therefore be subject to jurisdiction in the appropriate United States district court.

(b) Exhaustion of Remedies.—An aggrieved person shall be required to exhaust all available administrative remedies before the Association and the NAIC before it may seek judicial review of an Association decision.

(c) Standards of Review.—The standards set forth in section 553 of title 5, United States Code, shall be applied whenever a rule or bylaw of the Association is under judicial review, and the standards set forth in section 554 of title 5, United States Code, shall be applied whenever a disciplinary action of the Association is judicially reviewed.

SEC. 336. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) Home state.—The term "home State" means the State in which the insurance producer maintains its principal place of residence and is licensed to act as an insurance producer.

(2) Insurance.—The term "insurance" means any product, other than title insurance, defined or regulated as insurance by the appropriate State insurance regulatory authority.

(3) Insurance producer.—The term "insurance producer" means any insurance agent or broker, surplus lines broker, insurance consultant, limited insurance representative, and any other person that solicits, negotiates, effects, procures, delivers, renews, continues or binds policies of insurance or offers advice, counsel, opinions or services related to insurance.

(4) State.—The term "State" includes any State, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

(5) State law.—The term "State law" includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

Subtitle D—Rental Car Agency Insurance Activities

SEC. 341. STANDARD OF REGULATION FOR MOTOR VEHICLE RENTALS.

(a) Protection Against Retroactive Application of Regulatory and Legal Action.—Except as provided in subsection (b), during the 3-year period beginning on the date of the enactment of this Act, it shall be a presumption that no State law imposes any licensing, appointment, or education requirements on any person who solicits the purchase of or sells insurance connected with, and incidental to, the lease or rental of a motor vehicle.

(b) Preeminence of State Insurance Law.—No provision of this section shall be construed as altering the validity, interpretation, construction, or effect of—

(1) any State statute;

(2) the prospective application of any court judgment interpreting or applying any State statute; or

(3) the prospective application of any final State regulation, order, bulletin, or other statutorily authorized interpretation or action,

which, by its specific terms, expressly regulates or exempts from regulation any person who solicits the purchase of or sells insurance connected with, and incidental to, the short-term lease or rental of a motor vehicle.

(c) Scope of Application.—This section shall apply with respect to—

(1) the lease or rental of a motor vehicle for a total period of 90 consecutive days or less; and

(2) insurance which is provided in connection with, and incidentally to, such lease or rental for a period of consecutive days not exceeding the lease or rental period.

(d) Motor Vehicle Defined.—For purposes of this section, the term "motor vehicle" has the same meaning as in section 13102 of title 49, United States Code.

TITLE IV—UNITARY SAVINGS AND LOAN HOLDING COMPANIES

SEC. 401. PREVENTION OF CREATION OF NEW S&L HOLDING COMPANIES WITH COMMERCIAL AFFILIATES.

(a) In General.—Section 10(c) of the Home Owners' Loan Act (12 U.S.C. 1467a(c)) is amended by adding at the end the following new paragraph:

"(9) Prevention of new affiliations between S&L holding companies and commercial firms.—

"(A) In general.—Notwithstanding paragraph (3), no company may directly or indirectly, including through any merger, consolidation, or other type of business combination, acquire control of a savings association after May 4, 1999, unless the company is engaged, directly or indirectly (including through a subsidiary other than a savings association), only in activities that are permitted—

"(i) under paragraph (1)(C) or (2) of this subsection; or

"(ii) for financial holding companies under section 4(k) of the Bank Holding Company Act of 1956.

"(B) Prevention of new commercial affiliations.—Notwithstanding paragraph (3), no savings and loan holding company may engage directly or indirectly (including through a subsidiary other than a savings association) in any activity other than as described in clauses (i) and (ii) of subparagraph (A).

"(C) Preservation of authority of existing unitary S&L holding companies.—Subparagraphs (A) and (B) do not apply with respect to any company that was a savings and loan holding company on May 4, 1999, or that becomes a savings and loan holding company pursuant to an application pending before the Office on or before that date, and that—

"(i) meets and continues to meet the requirements of paragraph (3); and

"(ii) continues to control not fewer than 1 savings association that it controlled on May 4, 1999, or that it acquired pursuant to an application pending before the Office on or before that date, or the successor to such savings association.

"(D) Corporate reorganizations permitted.—This paragraph does not prevent a transaction that—

"(i) involves solely a company under common control with a savings and loan holding company from acquiring, directly or indirectly, control of the savings and loan holding company or *any savings association that is already a subsidiary of the savings and loan holding company; or*

"(ii) involves solely a merger, consolidation, or other type of business combination as a result of which a company under common control with the savings and loan holding company acquires, directly or indirectly, control of the savings and loan holding company or any savings association that is already a subsidiary of the savings and loan holding company.

"(E) AUTHORITY TO PREVENT EVASIONS.—The Director may issue interpretations, regulations, or orders that the Director determines necessary to administer and carry out the purpose and prevent evasions of this paragraph, including a determination that, notwithstanding the form of a transaction, the transaction would in substance result in a company acquiring control of a savings association.

"(F) PRESERVATION OF AUTHORITY FOR FAMILY TRUSTS.—Subparagraphs (A) and (B) do not apply with respect to any trust that becomes a savings and loan holding company with respect to a savings association, if—

"(i) not less than 85 percent of the beneficial ownership interests in the trust are continuously owned, directly or indirectly, by or for the benefit of members of the same family, or their spouses, who are lineal descendants of common ancestors who controlled, directly or indirectly, such savings association on May 4, 1999, or a subsequent date, pursuant to an application pending before the Office on or before May 4, 1999; and

"(ii) at the time at which such trust becomes a savings and loan holding company, such ancestors or lineal descendants, or spouses of such descendants, have directly or indirectly controlled the savings association continuously since May 4, 1999, or a subsequent date, pursuant to an application pending before the Office on or before May 4, 1999.".

(b) CONFORMING AMENDMENT.—Section 10(o)(5)(E) of the Home Owners' Loan Act (12 U.S.C. 1467a(o)(5)(E)) is amended by striking ", except subparagraph (B)" and inserting "or (c)(9)(A)(ii)".

(c) RULE OF CONSTRUCTION FOR CERTAIN APPLICATIONS.—

(1) IN GENERAL.—In the case of a company that—

(A) submits an application with the Director of the Office of Thrift Supervision before the date of the enactment of this Act to convert a State-chartered trust company controlled by such company on May 4, 1999, to a savings association; and

(B) controlled a subsidiary on May 4, 1999, that had submitted an application to the Director on September 2, 1998;

the company (including any subsidiary controlled by such company as of such date of enactment) shall be treated as having filed such conversion application with the Director before May 4, 1999, for purposes of section 10(c)(9)(C) of the Home Owners' Loan Act (as added by subsection (a)).

(2) DEFINITIONS.—For purposes of paragraph (1), the terms "company", "control", "savings association", and "subsidiary" have the meanings given those terms in section 10 of the Home Owners' Loan Act.

TITLE V—PRIVACY

Subtitle A—Disclosure of Nonpublic Personal Information

SEC. 501. PROTECTION OF NONPUBLIC PERSONAL INFORMATION.

(a) PRIVACY OBLIGATION POLICY.—It is the policy of the Congress that each financial institution has an affirmative and continuing obligation to respect the privacy of its customers and to protect the security and confidentiality of those customers' nonpublic personal information.

(b) FINANCIAL INSTITUTIONS SAFEGUARDS.—In furtherance of the policy in subsection (a), each agency or authority described in section 505(a) shall establish appropriate standards for the financial institutions subject to their jurisdiction relating to administrative, technical, and physical safeguards—

(1) to insure the security and confidentiality of customer records and information;

(2) to protect against any anticipated threats or hazards to the security or integrity of such records; and

(3) to protect against unauthorized access to or use of such records or information which could result in substantial harm or inconvenience to any customer.

SEC. 502. OBLIGATIONS WITH RESPECT TO DISCLOSURES OF PERSONAL INFORMATION.

(a) NOTICE REQUIREMENTS.—Except as otherwise provided in this subtitle, a financial institution may not, directly or through any affiliate, disclose to a nonaffiliated third party any nonpublic personal information, unless such financial institution provides or has provided to the consumer a notice that complies with section 503.

(b) OPT OUT.—

(1) IN GENERAL.—A financial institution may not disclose nonpublic personal information to a nonaffiliated third party unless—

(A) such financial institution clearly and conspicuously discloses to the consumer, in writing or in electronic form or other form permitted by the regulations prescribed under section 504, that such information may be disclosed to such third party;

(B) the consumer is given the opportunity, before the time that such information is initially disclosed, to direct that such information not be disclosed to such third party; and

(C) the consumer is given an explanation of how the consumer can exercise that nondisclosure option.

(2) EXCEPTION.—This subsection shall not prevent a financial institution from providing nonpublic personal information to a nonaffiliated third party to perform services for or functions on behalf of the financial institution, including marketing of the financial institution's own products or services, or financial products or services offered pursuant to joint agreements between two or more financial institutions that comply with the requirements imposed by the regulations prescribed under section 504, if the financial institution fully discloses the providing of such information and enters into a contractual agreement with the third party that requires the third party to maintain the confidentiality of such information.

(c) LIMITS ON REUSE OF INFORMATION.—Except as otherwise provided in this subtitle, a nonaffiliated third party that receives from a financial institution nonpublic personal information under this section shall not, directly or through an affiliate of such receiving third party, disclose such information to any other person that is a nonaffiliated third party of both the financial institution and such receiving third party, unless such disclosure would be lawful if made directly to such other person by the financial institution.

(d) LIMITATIONS ON THE SHARING OF ACCOUNT NUMBER INFORMATION FOR MARKETING PURPOSES.—A financial institution shall not disclose, other than to a consumer reporting agency, an account number or similar form of access number or access code for a credit card account, deposit account, or transaction account of a consumer to any nonaffiliated third party for use in telemarketing, direct mail marketing, or other marketing through electronic mail to the consumer.

(e) GENERAL EXCEPTIONS.—Subsections (a) and (b) shall not prohibit the disclosure of nonpublic personal information—

(1) as necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with—

(A) servicing or processing a financial product or service requested or authorized by the consumer;

(B) maintaining or servicing the consumer's account with the financial institution, or with another entity as part of a private label credit card program or other extension of credit on behalf of such entity; or

(C) a proposed or actual securitization, secondary market sale (including sales of servicing rights), or similar transaction related to a transaction of the consumer;

(2) with the consent or at the direction of the consumer;

(3)(A) to protect the confidentiality or security of the financial institution's records pertaining to the consumer, the service or product, or the transaction therein; (B) to protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability; (C) for required institutional risk control, or for resolving customer disputes or inquiries; (D) to persons holding a legal or beneficial interest relating to the consumer; or (E) to persons acting in a fiduciary or representative capacity on behalf of the consumer;

(4) to provide information to insurance rate advisory organizations, guaranty funds or agencies, applicable rating agencies of the financial institution, persons assessing the institution's compliance with industry standards, and the institution's attorneys, accountants, and auditors;

(5) to the extent specifically permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1978, to law enforcement agencies (including a Federal functional regulator, the Secretary of the Treasury with respect to subchapter II of chapter 53 of title 31, United States Code, and chapter 2 of title I of Public Law 91-508 (12 U.S.C. 1951–1959), a State insurance authority, or the Federal Trade Commission), self-regulatory organizations, or for an investigation on a matter related to public safety;

(6)(A) to a consumer reporting agency in accordance with the Fair Credit Reporting Act, or (B) from a consumer report reported by a consumer reporting agency;

(7) in connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of nonpublic personal information concerns solely consumers of such business or unit; or

(8) to comply with Federal, State, or local laws, rules, and other applicable legal requirements; to comply with a properly authorized civil, criminal, or regulatory investigation or subpoena or summons by Federal, State, or local authorities; or to respond to judicial process or government regulatory authorities having jurisdiction over the financial institution for examination, compliance, or other purposes as authorized by law.

SEC. 503. DISCLOSURE OF INSTITUTION PRIVACY POLICY.

(a) DISCLOSURE REQUIRED.—At the time of establishing a customer relationship with a consumer and not less than annually during the continuation of such relationship, a financial institution shall provide a clear and conspicuous disclosure to such consumer, in writing or in electronic form or other form permitted by the regulations prescribed under section 504, of such financial institution's policies and practices with respect to—

(1) disclosing nonpublic personal information to affiliates and nonaffiliated third parties, consistent with section 502, including the categories of information that may be disclosed;

(2) disclosing nonpublic personal information of persons who have ceased to be customers of the financial institution; and

(3) protecting the nonpublic personal information of consumers.

Such disclosures shall be made in accordance with the regulations prescribed under section 504.

(b) INFORMATION TO BE INCLUDED.—The disclosure required by subsection (a) shall include—

(1) the policies and practices of the institution with respect to disclosing nonpublic personal information to nonaffiliated third parties, other than agents of the institution, consistent with section 502 of this subtitle, and including—

(A) the categories of persons to whom the information is or may be disclosed, other than the persons to whom the information may be provided pursuant to section 502(e); and

(B) the policies and practices of the institution with respect to disclosing of nonpublic personal information of persons who have ceased to be customers of the financial institution;

(2) the categories of nonpublic personal information that are collected by the financial institution;

(3) the policies that the institution maintains to protect the confidentiality and security of nonpublic personal information in accordance with section 501; and

(4) the disclosures required, if any, under section 603(d)(2)(A)(iii) of the Fair Credit Reporting Act.

SEC. 504. RULEMAKING.

(a) REGULATORY AUTHORITY.—

(1) RULEMAKING.—The Federal banking agencies, the National Credit Union Administration, the Secretary of the Treasury, the Securities and Exchange Commission, and the Federal Trade Commission shall each prescribe, after consultation as appropriate with representatives of State insurance authorities designated by the National Association of Insurance Commissioners, such regulations as may be necessary to carry out the purposes of this subtitle with respect to the financial institutions subject to their jurisdiction under section 505.

(2) COORDINATION, CONSISTENCY, AND COMPARABILITY.—Each of the agencies and authorities required under paragraph (1) to prescribe regulations shall consult and coordinate with the other such agencies and authorities for the purposes of assuring, to the extent possible, that the regulations prescribed by each such agency and authority are consistent and comparable with the regulations prescribed by the other such agencies and authorities.

(3) PROCEDURES AND DEADLINE.—Such regulations shall be prescribed in accordance with applicable requirements of title 5, United States Code, and shall be issued in final form not later than 6 months after the date of the enactment of this Act.

(b) AUTHORITY TO GRANT EXCEPTIONS.—The regulations prescribed under subsection (a) may include such additional exceptions to subsections (a) through (d) of section 502 as are deemed consistent with the purposes of this subtitle.

SEC. 505. ENFORCEMENT.

(a) IN GENERAL.—This subtitle and the regulations prescribed thereunder shall be enforced by the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions and other persons subject to their jurisdiction under applicable law, as follows:

(1) Under section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities (except brokers, dealers, persons providing insurance, investment companies, and investment advisers), by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, and bank holding companies and their nonbank subsidiaries or affiliates (except brokers, dealers, persons providing insurance, investment companies, and investment advisers), by the Board of Governors of the Federal Reserve System;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), insured State branches of foreign banks, and any subsidiaries of such entities (except brokers, dealers, persons providing insurance, investment companies, and investment advisers), by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, and any subsidiaries of such savings associations (except brokers, dealers, persons providing insurance, investment companies, and investment advisers), by the Director of the Office of Thrift Supervision.

(2) Under the Federal Credit Union Act, by the Board of the National Credit Union Administration with respect to any federally insured credit union, and any subsidiaries of such an entity.

(3) Under the Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to any broker or dealer.

(4) Under the Investment Company Act of 1940, by the Securities and Exchange Commission with respect to investment companies.

(5) Under the Investment Advisers Act of 1940, by the Securities and Exchange Commission with respect to investment advisers registered with the Commission under such Act.

(6) Under State insurance law, in the case of any person engaged in providing insurance, by the applicable State insurance authority of the State in which the person is domiciled, subject to section 104 of this Act.

(7) Under the Federal Trade Commission Act, by the Federal Trade Commission for any other financial institution or other person that is not subject to the jurisdiction of any agency or authority under paragraphs (1) through (6) of this subsection.

(b) ENFORCEMENT OF SECTION 501.—

(1) IN GENERAL.—Except as provided in paragraph (2), the agencies and authorities described in subsection (a) shall implement the standards prescribed under section 501(b) in the same manner, to the extent practicable, as standards prescribed pursuant to section 39(a) of the Federal Deposit Insurance Act are implemented pursuant to such section.

(2) EXCEPTION.—The agencies and authorities described in paragraphs (3), (4), (5), (6), and (7) of subsection (a) shall implement the standards prescribed under section 501(b) by rule with respect to the financial institutions and other persons subject to their respective jurisdictions under subsection (a).

(c) ABSENCE OF STATE ACTION.—If a State insurance authority fails to adopt regulations to carry out this subtitle, such State shall not be eligible to override, pursuant to section 47(g)(2)(B)(iii) of the Federal Deposit Insurance Act, the insurance customer protection regulations prescribed by a Federal banking agency under section 47(a) of such Act.

(d) DEFINITIONS.—The terms used in subsection (a)(1) that are not defined in this subtitle or otherwise defined in section 3(s) of the Federal Deposit Insurance Act shall have the same meaning as given in section 1(b) of the International Banking Act of 1978.

SEC. 506. PROTECTION OF FAIR CREDIT REPORTING ACT.

(a) AMENDMENT.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) in subsection (d), by striking everything following the end of the second sentence; and

(2) by striking subsection (e) and inserting the following:

"(e) REGULATORY AUTHORITY.—

"(1) The Federal banking agencies referred to in paragraphs (1) and (2) of subsection (b) shall jointly prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraphs (1) and (2) of subsection (b), and the Board of Governors of the Federal Reserve System shall have authority to prescribe regulations consistent with such joint regulations with respect to bank holding companies and affiliates (other than depository institutions and consumer reporting agencies) of such holding companies.

"(2) The Board of the National Credit Union Administration shall prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraph (3) of subsection (b).".

(b) CONFORMING AMENDMENT.—Section 621(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s(a)) is amended by striking paragraph (4).

(c) RELATION TO OTHER PROVISIONS.—Except for the amendments made by subsections (a) and (b), nothing in this title shall be construed to modify, limit, or supersede the operation of the Fair Credit Reporting Act, and no inference shall be drawn on the basis of the provisions of this title regarding whether information is transaction or experience information under section 603 of such Act.

SEC. 507. RELATION TO STATE LAWS.

(a) IN GENERAL.—This subtitle and the amendments made by this subtitle shall not be construed as superseding, altering, or affecting any statute, regulation, order, or interpretation in effect in any State, except to the extent that such statute, regulation, order, or interpretation is inconsistent with the provisions of this subtitle, and then only to the extent of the inconsistency.

(b) GREATER PROTECTION UNDER STATE LAW.—For purposes of this section, a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subtitle if the protection such statute, regulation, order, or interpretation affords any person is greater than the protection provided under this subtitle and the amendments made by this subtitle, as determined by the Federal Trade Commission, after consultation with the agency or authority with jurisdiction under section 505(a) of either the person that initiated the complaint or that is the subject of the complaint, on its own motion or upon the petition of any interested party.

SEC. 508. STUDY OF INFORMATION SHARING AMONG FINANCIAL AFFILIATES.

(a) IN GENERAL.—The Secretary of the Treasury, in conjunction with the Federal functional regulators and the Federal Trade Commission, shall conduct a study of information sharing practices among financial institutions and their affiliates. Such study shall include—

(1) the purposes for the sharing of confidential customer information with affiliates or with nonaffiliated third parties;

(2) the extent and adequacy of security protections for such information;

(3) the potential risks for customer privacy of such sharing of information;

(4) the potential benefits for financial institutions and affiliates of such sharing of information,

(5) the potential benefits for customers of such sharing of information;

(6) the adequacy of existing laws to protect customer privacy;

(7) the adequacy of financial institution privacy policy and privacy rights disclosure under existing law;

(8) the feasibility of different approaches, including opt-out and opt-in, to permit customers to direct that confidential information not be shared with affiliates and nonaffiliated third parties; and

(9) the feasibility of restricting sharing of information for specific uses or of permitting customers to direct the uses for which information may be shared.

(b) CONSULTATION.—The Secretary shall consult with representatives of State insurance authorities designated by the National Association of Insurance Commissioners, and also with financial services industry, consumer organizations and privacy groups, and other representatives of the general public, in formulating and conducting the study required by subsection (a).

(c) REPORT.—On or before January 1, 2002, the Secretary shall submit a report to the Congress containing the findings and conclusions of the study required under subsection (a), together with such recommendations for legislative or administrative action as may be appropriate.

SEC. 509. DEFINITIONS.

As used in this subtitle:

(1) FEDERAL BANKING AGENCY.—The term "Federal banking agency" has the same meaning as given in section 3 of the Federal Deposit Insurance Act.

(2) FEDERAL FUNCTIONAL REGULATOR.—The term "Federal functional regulator" means—

(A) the Board of Governors of the Federal Reserve System;

(B) the Office of the Comptroller of the Currency;

(C) the Board of Directors of the Federal Deposit Insurance Corporation;

(D) the Director of the Office of Thrift Supervision;

(E) the National Credit Union Administration Board; and

(F) the Securities and Exchange Commission.

(3) FINANCIAL INSTITUTION.—

(A) IN GENERAL.—The term "financial institution" means any institution the business of which is engaging in financial activities as described in section 4(k) of the Bank Holding Company Act of 1956.

(B) PERSONS SUBJECT TO CFTC REGULATION.—Notwithstanding subparagraph (A), the term "financial institution" does not include any person or entity with respect to any financial activity that is subject to the jurisdiction of the Commodity Futures Trading Commission under the Commodity Exchange Act.

(C) FARM CREDIT INSTITUTIONS.—Notwithstanding subparagraph (A), the term "financial institution" does not include the Federal Agricultural Mortgage Corporation or any entity chartered and operating under the Farm Credit Act of 1971.

(D) OTHER SECONDARY MARKET INSTITUTIONS.—Notwithstanding subparagraph (A), the term "financial institution" does not include institutions chartered by Congress specifically to engage in transactions described in section 502(e)(1)(C), as long as such institutions do not sell or transfer nonpublic personal information to a nonaffiliated third party.

(4) NONPUBLIC PERSONAL INFORMATION.—

(A) The term "nonpublic personal information" means personally identifiable financial information—

(i) provided by a consumer to a financial institution;

(ii) resulting from any transaction with the consumer or any service performed for the consumer; or

(iii) otherwise obtained by the financial institution.

(B) Such term does not include publicly available information, as such term is defined by the regulations prescribed under section 504.

(C) Notwithstanding subparagraph (B), such term—

(i) shall include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any nonpublic personal information other than publicly available information; but

(ii) shall not include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived without using any nonpublic personal information.

(5) NONAFFILIATED THIRD PARTY.—The term "nonaffiliated third party" means any entity that is not an affiliate of, or related by common ownership or affiliated by corporate control with, the financial institution, but does not include a joint employee of such institution.

(6) AFFILIATE.—The term "affiliate" means any company that controls, is controlled by, or is under common control with another company.

(7) NECESSARY TO EFFECT, ADMINISTER, OR ENFORCE.—The term "as necessary to effect, administer, or enforce the transaction" means—

(A) the disclosure is required, or is a usual, appropriate, or acceptable method, to carry out the transaction or the product or service business of which the transaction is a part, and record or service or maintain the consumer's account in the ordinary course of providing the financial service or financial product, or to administer or service benefits or claims relating to the transaction or the product or service business of which it is a part, and includes—

(i) providing the consumer or the consumer's agent or broker with a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product; and

(ii) the accrual or recognition of incentives or bonuses associated with the transaction that are provided by the financial institution or any other party;

(B) the disclosure is required, or is one of the lawful or appropriate methods, to enforce the rights of the financial institution or of other persons engaged in carrying out the financial transaction, or providing the product or service;

(C) the disclosure is required, or is a usual, appropriate, or acceptable method, for insurance underwriting at the consumer's request or for reinsurance purposes, or for any of the following purposes as they relate to a consumer's insurance: account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium payments, processing insurance claims, administering insurance benefits (including utilization review activities), participating in research projects, or as otherwise required or specifically permitted by Federal or State law; or

(D) the disclosure is required, or is a usual, appropriate or acceptable method, in connection with—

(i) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit or other payment card, check, or account number, or by other payment means;

(ii) the transfer of receivables, accounts or interests therein; or

(iii) the audit of debit, credit or other payment information.

(8) STATE INSURANCE AUTHORITY.—The term "State insurance authority" means, in the case of any person engaged in providing insurance, the State insurance authority of the State in which the person is domiciled.

(9) CONSUMER.—The term "consumer" means an individual who obtains, from a financial institution, financial products or services which are to be used primarily for personal, family, or household purposes, and also means the legal representative of such an individual.

(10) JOINT AGREEMENT.—The term "joint agreement" means a formal written contract pursuant to which two or more financial institutions jointly offer, endorse, or sponsor a financial product or service, and as may be further defined in the regulations prescribed under section 504.

(11) CUSTOMER RELATIONSHIP.—The term "time of establishing a customer relationship" shall be defined by the regulations prescribed under section 504, and shall, in the case of a financial institution engaged in extending credit directly to consumers to finance purchases of goods or services, mean the time of establishing the credit relationship with the consumer.

SEC. 510. EFFECTIVE DATE.

This subtitle shall take effect 6 months after the date on which rules are required to be prescribed under section 504(a)(3), except—

(1) to the extent that a later date is specified in the rules prescribed under section 504; and

(2) that sections 504 and 506 shall be effective upon enactment.

Subtitle B—Fraudulent Access to Financial Information

SEC. 521. PRIVACY PROTECTION FOR CUSTOMER INFORMATION OF FINANCIAL INSTITUTIONS.

(a) PROHIBITION ON OBTAINING CUSTOMER INFORMATION BY FALSE PRETENSES.—It shall be a violation of this subtitle for any person to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution relating to another person—

(1) by making a false, fictitious, or fraudulent statement or representation to an officer, employee, or agent of a financial institution;

(2) by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution; or

(3) by providing any document to an officer, employee, or agent of a financial institution, knowing that the document is forged, counterfeit, lost, or stolen, was fraudulently obtained, or contains a false, fictitious, or fraudulent statement or representation.

(b) PROHIBITION ON SOLICITATION OF A PERSON TO OBTAIN CUSTOMER INFORMATION FROM FINANCIAL INSTITUTION UNDER FALSE PRETENSES.—It shall be a violation of this subtitle to request a person to obtain customer information of a financial institution, knowing that the person will obtain, or attempt to obtain, the information from the institution in any manner described in subsection (a).

(c) NONAPPLICABILITY TO LAW ENFORCEMENT AGENCIES.—No provision of this section shall be construed so as to prevent any action by a law enforcement agency, or any officer, employee, or agent of such agency, to obtain customer information of a financial institution in connection with the performance of the official duties of the agency.

(d) NONAPPLICABILITY TO FINANCIAL INSTITUTIONS IN CERTAIN CASES.—No provision of this section shall be construed so as to prevent any financial institution, or any officer, employee, or agent of a financial institution, from obtaining customer information of such financial institution in the course of—

(1) testing the security procedures or systems of such institution for maintaining the confidentiality of customer information;

(2) investigating allegations of misconduct or negligence on the part of any officer, employee, or agent of the financial institution; or

(3) recovering customer information of the financial institution which was obtained or received by another person in any manner described in subsection (a) or (b).

(e) Nonapplicability to Insurance Institutions for Investigation of Insurance Fraud.—No provision of this section shall be construed so as to prevent any insurance institution, or any officer, employee, or agency of an insurance institution, from obtaining information as part of an insurance investigation into criminal activity, fraud, material misrepresentation, or material nondisclosure that is authorized for such institution under State law, regulation, interpretation, or order.

(f) Nonapplicability to Certain Types of Customer Information of Financial Institutions.—No provision of this section shall be construed so as to prevent any person from obtaining customer information of a financial institution that otherwise is available as a public record filed pursuant to the securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934).

(g) Nonapplicability to Collection of Child Support Judgments.—No provision of this section shall be construed to prevent any State-licensed private investigator, or any officer, employee, or agent of such private investigator, from obtaining customer information of a financial institution, to the extent reasonably necessary to collect child support from a person adjudged to have been delinquent in his or her obligations by a Federal or State court, and to the extent that such action by a State-licensed private investigator is not unlawful under any other Federal or State law or regulation, and has been authorized by an order or judgment of a court of competent jurisdiction.

SEC. 522. ADMINISTRATIVE ENFORCEMENT.

(a) Enforcement by Federal Trade Commission.—Except as provided in subsection (b), compliance with this subtitle shall be enforced by the Federal Trade Commission in the same manner and with the same power and authority as the Commission has under the Fair Debt Collection Practices Act to enforce compliance with such Act.

(b) Enforcement by Other Agencies in Certain Cases.—

(1) In general.—Compliance with this subtitle shall be enforced under—

(A) section 8 of the Federal Deposit Insurance Act, in the case of—

(i) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(ii) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act, by the Board;

(iii) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System and national nonmember banks) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(iv) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, by the Director of the Office of Thrift Supervision; and

(B) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal credit union.

(2) Violations of this subtitle treated as violations of other laws.—For the purpose of the exercise by any agency referred to in paragraph (1) of its powers under any Act referred to in that paragraph, a violation of this subtitle shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in paragraph (1), each of the agencies referred to in that paragraph may exercise, for the purpose of enforcing compliance with this subtitle, any other authority conferred on such agency by law.

SEC. 523. CRIMINAL PENALTY.

(a) In General.—Whoever knowingly and intentionally violates, or knowingly and intentionally attempts to violate, section 521 shall be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

(b) Enhanced Penalty for Aggravated Cases.—Whoever violates, or attempts to violate, section 521 while violating another law of the United States or as part of a pattern of any illegal activity involving more than $100,000 in a 12-month period shall be fined twice the amount provided in subsection (b)(3) or (c)(3) (as the case may be) of section 3571 of title 18, United States Code, imprisoned for not more than 10 years, or both.

SEC. 524. RELATION TO STATE LAWS.

(a) In General.—This subtitle shall not be construed as superseding, altering, or affecting the statutes, regulations, orders, or interpretations in effect in any State, except to the extent that such statutes, regulations, orders, or interpretations are inconsistent with the provisions of this subtitle, and then only to the extent of the inconsistency.

(b) Greater Protection Under State Law.—For purposes of this section, a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subtitle if the protection such statute, regulation, order, or interpretation affords any person is greater than the protection provided under this subtitle as determined by the Federal Trade Commission, after consultation with the agency or authority with jurisdiction under section 522 of either the person that initiated the complaint or that is the subject of the complaint, on its own motion or upon the petition of any interested party.

SEC. 525. AGENCY GUIDANCE.

In furtherance of the objectives of this subtitle, each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act), the National Credit Union Administration, and the Securities and Exchange Commission or self-regulatory organizations, as appropriate, shall review regulations and guidelines applicable to financial institutions under their respective jurisdictions and shall prescribe such revisions to such regulations and guidelines as may be necessary to ensure that such financial institutions have policies, procedures, and controls in place to prevent the unauthorized disclosure of customer financial information and to deter and detect activities proscribed under section 521.

SEC. 526. REPORTS.

(a) Report to the Congress.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General, in consultation with the Federal Trade Commission, Federal banking agencies, the National Credit Union Administration, the Securities and Exchange Commission, appropriate Federal law enforcement agencies and appropriate State insurance regulators, shall submit to the Congress a report on the following:

(1) The efficacy and adequacy of the remedies provided in this subtitle in addressing attempts to obtain financial information by fraudulent means or by false pretenses.

(2) Any recommendations for additional legislative or regulatory action to address threats to the privacy of financial information created by attempts to obtain information by fraudulent means or false pretenses.

(b) Annual Report by Administering Agencies.—The Federal Trade Commission and the Attorney General shall submit to Congress an annual report on number and disposition of all enforcement actions taken pursuant to this subtitle.

SEC. 527. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) Customer.—The term "customer" means, with respect to a financial institution, any person (or authorized representative of a person) to whom the financial institution provides a product or service, including that of acting as a fiduciary.

(2) Customer information of a financial institution.—The term "customer information of a financial institution" means any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of the financial institution and is identified with the customer.

(3) Document.—The term "document" means any information in any form.

(4) Financial institution.—

(A) In general.—The term "financial institution" means any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution.

(B) Certain financial institutions specifically included.—The term "financial institution" includes any depository institution (as defined in section 19(b)(1)(A) of the Federal Reserve Act), any broker or dealer, any investment adviser or investment company, any insurance company, any loan or finance company, any credit card issuer or operator of a credit card system, and any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis (as defined in section 603(p) of the Consumer Credit Protection Act).

(C) Securities institutions.—For purposes of subparagraph (B)—

(i) the terms "broker" and "dealer" have the same meanings as given in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(ii) the term "investment adviser" has the same meaning as given in section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)); and

(iii) the term "investment company" has the same meaning as given in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3).

(D) Certain persons and entities specifically excluded.—The term "financial institution" does not include any person or entity with respect to any financial activity that is subject to the jurisdiction of the Commodity Futures Trading Commission under the Commodity Exchange Act and does not include the Federal Agricultural Mortgage Corporation or any entity chartered and operating under the Farm Credit Act of 1971.

(E) Further definition by regulation.—The Federal Trade Commission, after consultation with Federal banking agencies and the Securities and Exchange Commission, may prescribe regulations clarifying or describing the types of institutions which shall be treated as financial institutions for purposes of this subtitle.

TITLE VI—FEDERAL HOME LOAN BANK SYSTEM MODERNIZATION

SEC. 601. SHORT TITLE.

This title may be cited as the "Federal Home Loan Bank System Modernization Act of 1999".

SEC. 602. DEFINITIONS.

Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended—

(1) in paragraph (1), by striking "term 'Board' means" and inserting "terms 'Finance Board' and 'Board' mean";

(2) by striking paragraph (3) and inserting the following:

"(3) STATE.—The term 'State', in addition to the States of the United States, includes the District of Columbia, Guam, Puerto Rico, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands."; and

(3) by adding at the end the following new paragraph:

"(13) COMMUNITY FINANCIAL INSTITUTION.—

"(A) IN GENERAL.—The term 'community financial institution' means a member—

"(i) the deposits of which are insured under the Federal Deposit Insurance Act; and

"(ii) that has, as of the date of the transaction at issue, less than $500,000,000 in average total assets, based on an average of total assets over the 3 years preceding that date.

"(B) ADJUSTMENTS.—The $500,000,000 limit referred to in subparagraph (A)(ii) shall be adjusted annually by the Finance Board, based on the annual percentage increase, if any, in the Consumer Price Index for all urban consumers, as published by the Department of Labor.".

SEC. 603. SAVINGS ASSOCIATION MEMBERSHIP.

Section 5(f) of the Home Owners' Loan Act (12 U.S.C. 1464(f)) is amended to read as follows:

"(f) FEDERAL HOME LOAN BANK MEMBERSHIP.—After the end of the 6-month period beginning on the date of the enactment of the Federal Home Loan Bank System Modernization Act of 1999, a Federal savings association may become a member of the Federal Home Loan Bank System, and shall qualify for such membership in the manner provided by the Federal Home Loan Bank Act.".

SEC. 604. ADVANCES TO MEMBERS; COLLATERAL.

(a) IN GENERAL.—Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and indenting appropriately;

(2) by striking "(a) Each" and inserting the following:

"(a) IN GENERAL.—

"(1) ALL ADVANCES.—Each";

(3) by striking the second sentence and inserting the following:

"(2) PURPOSES OF ADVANCES.—A long-term advance may only be made for the purposes of—

"(A) providing funds to any member for residential housing finance; and

"(B) providing funds to any community financial institution for small businesses, small farms, and small agri-businesses.";

(4) by striking "A Bank" and inserting the following:

"(3) COLLATERAL.—A Bank";

(5) in paragraph (3) (as so designated by paragraph (4) of this subsection)—

(A) in subparagraph (C) (as so redesignated by paragraph (1) of this subsection) by striking "Deposits" and inserting "Cash or deposits";

(B) in subparagraph (D) (as so redesignated by paragraph (1) of this subsection), by striking the second sentence; and

(C) by inserting after subparagraph (D) (as so redesignated by paragraph (1) of this subsection) the following new subparagraph:

"(E) Secured loans for small business, agriculture, or securities representing a whole interest in such secured loans, in the case of any community financial institution.";

(6) in paragraph (5)—

(A) in the second sentence, by striking "and the Board";

(B) in the third sentence, by striking "Board" and inserting "Federal home loan bank"; and

(C) by striking "(5) Paragraphs (1) through (4)" and inserting the following:

"(4) ADDITIONAL BANK AUTHORITY.—Subparagraphs (A) through (E) of paragraph (3)"; and

(7) by adding at the end the following:

"(5) REVIEW OF CERTAIN COLLATERAL STANDARDS.—The Board may review the collateral standards applicable to each Federal home loan bank for the classes of collateral described in subparagraphs (D) and (E) of paragraph (3), and may, if necessary for safety and soundness purposes, require an increase in the collateral standards for any or all of those classes of collateral.

"(6) DEFINITIONS.—For purposes of this subsection, the terms 'small business', 'agriculture', 'small farm', and 'small agri-business' shall have the meanings given those terms by regulation of the Finance Board.".

(b) CLERICAL AMENDMENT.—The section heading for section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended to read as follows:

"SEC. 10. ADVANCES TO MEMBERS.".

(c) QUALIFIED THRIFT LENDER STATUS.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended by striking the 1st of the 2 subsections designated as subsection (e).

(d) FEDERAL HOME LOAN BANK ACCESS.—Section 10(m)(3)(B) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(3)(B)) is amended—

(1) in clause (i), by striking subclause (III) and redesignating subclause (IV) as subclause (III); and

(2) by striking clause (ii) and inserting the following:

"(ii) ADDITIONAL RESTRICTIONS EFFECTIVE AFTER 3 YEARS.—Beginning 3 years after the date on which a savings association should have become a qualified thrift lender, or the date on which the savings association ceases to be a qualified thrift lender, as applicable, the savings association shall not retain any investment (including an investment in any subsidiary) or engage, directly or indirectly, in any activity, unless that investment or activity—

"(I) would be permissible for the savings association if it were a national bank; and

"(II) is permissible for the savings association as a savings association.".

SEC. 605. ELIGIBILITY CRITERIA.

Section 4(a) of the Federal Home Loan Bank Act (12 U.S.C. 1424(a)) is amended—

(1) in paragraph (2)(A), by inserting, "(other than a community financial institution)" after "institution";

(2) in the matter immediately following paragraph (2)(C)—

(A) by striking "An insured" and inserting the following:

"(3) CERTAIN INSTITUTIONS.—An insured"; and

(B) by striking "preceding sentence" and inserting "paragraph (2)"; and

(3) by adding at the end the following new paragraph:

"(4) LIMITED EXEMPTION FOR COMMUNITY FINANCIAL INSTITUTIONS.—A community financial institution that otherwise meets the requirements of paragraph (2) may become a member without regard to the percentage of its total assets that is represented by residential mortgage loans, as described in subparagraph (A) of paragraph (2).".

SEC. 606. MANAGEMENT OF BANKS.

(a) BOARD OF DIRECTORS.—Section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427(d)) is amended—

(1) in subsection (a), by striking "and bona fide residents of the district in which such bank is located" and inserting ", and each of whom shall be either a bona fide resident of the district in which such bank is located or an officer or director of a member of such bank located in that district";

(2) in subsection (d), by striking the 1st sentence and inserting the following: "The term of each director, whether elected or appointed, shall be 3 years. The board of directors of each Federal home loan bank and the Finance Board shall adjust the terms of members first elected or appointed after the date of the enactment of the Federal Home Loan Bank System Modernization Act of 1999 to ensure that the terms of the members of the board of directors are staggered with approximately 1/3 of the terms expiring each year."; and

(3) by striking subsection (g) and inserting the following:

"(g) CHAIRPERSON AND VICE CHAIRPERSON.—

"(1) ELECTION.—The Chairperson and Vice Chairperson of the board of directors of each Federal home loan bank shall be elected by a majority of all the directors of such bank from among the directors of the bank.

"(2) TERMS.—The term of office of the Chairperson and the Vice Chairperson of the board of directors of a Federal home loan bank shall be 2 years.

"(3) ACTING CHAIRPERSON.—In the event of a vacancy in the position of Chairperson of the board of directors or during the absence or disability of the Chairperson, the Vice Chairperson shall act as Chairperson.

"(4) PROCEDURES.—The board of directors of each Federal home loan bank shall establish procedures, in the bylaws of such board, for designating an acting chairperson for any period during which the Chairperson and the Vice Chairperson are not available to carry out the requirements of that position for any reason and removing any person from any such position for good cause.".

(b) COMPENSATION.—Section 7(i) of the Federal Home Loan Bank Act (12 U.S.C. 1427(i)) is amended—

(1) by striking "(i) Each bank may pay its directors" and inserting "(i) DIRECTORS' COMPENSATION.—

"(1) IN GENERAL.—Subject to paragraph (2), each bank may pay its directors"; and

(2) by adding at the end the following new paragraph:

"(2) LIMITATION.—

"(A) IN GENERAL.—The annual salary of each of the following members of the board of directors of a Federal home loan bank may not exceed the amount specified:

"In the case of the—	**The annual compensation may not exceed—**
Chairperson	$25,000
Vice Chairperson	$20,000
All other members	$15,000.

"(B) ADJUSTMENT.—Beginning January 1, 2001, each dollar amount referred to in the table in subparagraph (A) shall be adjusted annually by the Finance Board, based on the annual percentage increase, if any, in the Consumer Price Index for all urban consumers, as published by the Department of Labor.

"(C) EXPENSES.—Subparagraph (A) shall not be construed as prohibiting the reimbursement of expenses incurred by members of the board of directors of any Federal home loan bank in connection with service on the board of directors.".

(c) REPEAL OF SECTIONS 22A AND 27.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by striking sections 22A (12 U.S.C. 1442a) and 27 (12 U.S.C. 1447).

(d) SECTION 12.—Section 12 of the Federal Home Loan Bank Act (12 U.S.C. 1432) is amended—

(1) in subsection (a)—

(A) by striking ", but, except" and all that follows through "ten years";

(B) by striking "subject to the approval of the Board" the first place that term appears;

(C) by striking "and, by its Board of directors," and all that follows through "agent of such bank," and inserting "and, by the board of directors of the bank, to prescribe, amend, and repeal by-laws governing the manner in which its affairs may be administered, consistent with applicable laws and regulations, as administered by the Finance Board. No officer, employee, attorney, or agent of a Federal home loan bank''; and

(D) by striking ''Board of directors'' where such term appears in the penultimate sentence and inserting ''board of directors''; and

(2) in subsection (b), by striking ''loans banks'' and inserting ''loan banks''.

(e) POWERS AND DUTIES OF FEDERAL HOUSING FINANCE BOARD.—

(1) ISSUANCE OF NOTICES OF VIOLATIONS.—Section 2B(a) of the Federal Home Loan Bank Act (12 U.S.C. 1422b(a)) is amended by adding at the end the following new paragraphs:

''(5) To issue and serve a notice of charges upon a Federal home loan bank or upon any executive officer or director of a Federal home loan bank if, in the determination of the Finance Board, the Bank, executive officer, or director is engaging or has engaged in, or the Finance Board has reasonable cause to believe that the Bank, executive officer, or director is about to engage in an unsafe or unsound practice in conducting the business of the bank, or any conduct that violates any provision of this Act or any law, order, rule, or regulation or any condition imposed in writing by the Finance Board in connection with the granting of any application or other request by the Bank, or any written agreement entered into by the Bank with the agency, in accordance with the procedures provided in subsection (c) or (f) of section 1371 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. Such authority includes the same authority to issue an order requiring a party to take affirmative action to correct conditions resulting from violations or practices or to limit activities of a Bank or any executive officer or director of a Bank as appropriate Federal banking agencies have to take with respect to insured depository institutions under paragraphs (6) and (7) of section 8(b) of the Federal Deposit Insurance Act, and to have all other powers, rights, and duties to enforce this Act with respect to the Federal home loan banks and their executive officers and directors as the Office of Federal Housing Enterprise Oversight has to enforce the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, the Federal National Mortgage Association Charter Act, or the Federal Home Loan Mortgage Corporation Act with respect to the Federal housing enterprises under subtitle C (other than section 1371) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

''(6) To address any insufficiencies in capital levels resulting from the application of section 5(f) of the Home Owners' Loan Act.

''(7) To act in its own name and through its own attorneys—

''(A) in enforcing any provision of this Act or any regulation promulgated under this Act; or

''(B) in any action, suit, or proceeding to which the Finance Board is a party that involves the Board's regulation or supervision of any Federal home loan bank.''.

(2) TECHNICAL AMENDMENT.—Section 111 of Public Law 93–495 (12 U.S.C. 250) is amended by striking ''Federal Home Loan Bank Board,'' and inserting ''Director of the Office of Thrift Supervision, the Federal Housing Finance Board,''.

(f) ELIGIBILITY TO SECURE ADVANCES.—

(1) SECTION 9.—Section 9 of the Federal Home Loan Bank Act (12 U.S.C. 1429) is amended—

(A) in the second sentence, by striking ''with the approval of the Board''; and

(B) in the third sentence, by striking '', subject to the approval of the Board,''.

(2) SECTION 10.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended—

(A) in subsection (c)—

(i) in the first sentence, by striking ''Board'' and inserting ''Federal home loan bank''; and

(ii) by striking the second sentence; and

(B) in subsection (d)—

(i) in the first sentence, by striking ''and the approval of the Board''; and

(ii) by striking ''Subject to the approval of the Board, any'' and inserting ''Any''.

(g) SECTION 16.—Section 16(a) of the Federal Home Loan Bank Act (12 U.S.C. 1436(a)) is amended—

(1) in the third sentence—

(A) by striking ''net earnings'' and inserting ''previously retained earnings or current net earnings''; and

(B) by striking '', and then only with the approval of the Federal Housing Finance Board''; and

(2) by striking the fourth sentence.

(h) SECTION 18.—Section 18(b) of the Federal Home Loan Bank Act (12 U.S.C. 1438(b)) is amended by striking paragraph (4).

SEC. 607. RESOLUTION FUNDING CORPORATION.

(a) IN GENERAL.—Section 21B(f)(2)(C) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)(C)) is amended to read as follows:

''(C) PAYMENTS BY FEDERAL HOME LOAN BANKS.—

''(i) IN GENERAL.—To the extent that the amounts available pursuant to subparagraphs (A) and (B) are insufficient to cover the amount of interest payments, each Federal home loan bank shall pay to the Funding Corporation in each calendar year, 20.0 percent of the net earnings of that Bank (after deducting expenses relating to section 10(j) and operating expenses).

''(ii) ANNUAL DETERMINATION.—The Board annually shall determine the extent to which the value of the aggregate amounts paid by the Federal home loan banks exceeds or falls short of the value of an annuity of $300,000,000 per year that commences on the issuance date and ends on the final scheduled maturity date of the obligations, and shall select appropriate present value factors for making such determinations, in consultation with the Secretary of the Treasury.

''(iii) PAYMENT TERM ALTERATIONS.—The Board shall extend or shorten the term of the payment obligations of a Federal home loan bank under this subparagraph as necessary to ensure that the value of all payments made by the Banks is equivalent to the value of an annuity referred to in clause (ii).

''(iv) TERM BEYOND MATURITY.—If the Board extends the term of payment obligations beyond the final scheduled maturity date for the obligations, each Federal home loan bank shall continue to pay 20.0 percent of its net earnings (after deducting expenses relating to section 10(j) and operating expenses) to the Treasury of the United States until the value of all such payments by the Federal home loan banks is equivalent to the value of an annuity referred to in clause (ii). In the final year in which the Federal home loan banks are required to make any payment to the Treasury under this subparagraph, if the dollar amount represented by 20.0 percent of the net earnings of the Federal home loan banks exceeds the remaining obligation of the Banks to the Treasury, the Finance Board shall reduce the percentage pro rata to a level sufficient to pay the remaining obligation.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on January 1, 2000. Payments made by a Federal home loan bank before that effective date shall be counted toward the total obligation of that Bank under section 21B(f)(2)(C) of the Federal Home Loan Bank Act, as amended by this section.

SEC. 608. CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS.

Section 6 of the Federal Home Loan Bank Act (12 U.S.C. 1426) is amended to read as follows:

''SEC. 6. CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS.

''(a) REGULATIONS.—

''(1) CAPITAL STANDARDS.—Not later than 1 year after the date of the enactment of the Federal Home Loan Bank System Modernization Act of 1999, the Finance Board shall issue regulations prescribing uniform capital standards applicable to each Federal home loan bank, which shall require each such bank to meet—

''(A) the leverage requirement specified in paragraph (2); and

''(B) the risk-based capital requirements, in accordance with paragraph (3).

''(2) LEVERAGE REQUIREMENT.—

''(A) IN GENERAL.—The leverage requirement shall require each Federal home loan bank to maintain a minimum amount of total capital based on the total assets of the bank and shall be 5 percent.

''(B) TREATMENT OF STOCK AND RETAINED EARNINGS.—In determining compliance with the minimum leverage ratio established under subparagraph (A), the paid-in value of the outstanding Class B stock and the amount of retained earnings shall be multiplied by 1.5, and such higher amounts shall be deemed to be capital for purposes of meeting the 5 percent minimum leverage ratio, except that a Federal home loan bank's total capital (determined without taking into account any such multiplier) shall not be less than 4 percent of the total assets of the bank.

''(3) RISK-BASED CAPITAL STANDARDS.—

''(A) IN GENERAL.—Each Federal home loan bank shall maintain permanent capital in an amount that is sufficient, as determined in accordance with the regulations of the Finance Board, to meet—

''(i) the credit risk to which the Federal home loan bank is subject; and

''(ii) the market risk, including interest rate risk, to which the Federal home loan bank is subject, based on a stress test established by the Finance Board that rigorously tests for changes in market variables, including changes in interest rates, rate volatility, and changes in the shape of the yield curve.

''(B) CONSIDERATION OF OTHER RISK-BASED STANDARDS.—In establishing the risk-based standard under subparagraph (A)(ii), the Finance Board shall take due consideration of any risk-based capital test established pursuant to section 1361 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4611) for the enterprises (as defined in that Act), with such modifications as the Finance Board determines to be appropriate to reflect differences in operations between the Federal home loan banks and those enterprises.

''(4) OTHER REGULATORY REQUIREMENTS.—The regulations issued by the Finance Board under paragraph (1) shall—

''(A) permit each Federal home loan bank to issue, with such rights, terms, and preferences, not inconsistent with this Act and the regulations issued hereunder, as the board of directors of that bank may approve, any 1 or more of—

''(i) Class A stock, which shall be redeemable in cash and at par 6 months following submission by a member of a written notice of its intent to redeem such shares; and

''(ii) Class B stock, which shall be redeemable in cash and at par 5 years following submission by a member of a written notice of its intent to redeem such shares;

''(B) provide that the stock of a Federal home loan bank may be issued to and held by only members of the bank, and that a bank may not issue any stock other than as provided in this section;

''(C) prescribe the manner in which stock of a Federal home loan bank may be sold, transferred, redeemed, or repurchased; and

''(D) provide the manner of disposition of outstanding stock held by, and the liquidation of any claims of the Federal home loan bank against, an institution that ceases to be a member of the bank, through merger or otherwise, or that provides notice of intention to withdraw from membership in the bank.

"(5) DEFINITIONS OF CAPITAL.—For purposes of determining compliance with the capital standards established under this subsection—

"(A) permanent capital of a Federal home loan bank shall include—

"(i) the amounts paid for the Class B stock; and

"(ii) the retained earnings of the bank (as determined in accordance with generally accepted accounting principles); and

"(B) total capital of a Federal home loan bank shall include—

"(i) permanent capital;

"(ii) the amounts paid for the Class A stock;

"(iii) consistent with generally accepted accounting principles, and subject to the regulation of the Finance Board, a general allowance for losses, which may not include any reserves or allowances made or held against specific assets; and

"(iv) any other amounts from sources available to absorb losses incurred by the bank that the Finance Board determines by regulation to be appropriate to include in determining total capital.

"(6) TRANSITION PERIOD.—Notwithstanding any other provision of this Act, the requirements relating to purchase and retention of capital stock of a Federal home loan bank by any member thereof in effect on the day before the date of the enactment of the Federal Home Loan Bank System Modernization Act of 1999, shall continue in effect with respect to each Federal home loan bank until the regulations required by this subsection have taken effect and the capital structure plan required by subsection (b) has been approved by the Finance Board and implemented by such bank.

"(b) CAPITAL STRUCTURE PLAN.—

"(1) APPROVAL OF PLANS.—Not later than 270 days after the date of publication by the Finance Board of final regulations in accordance with subsection (a), the board of directors of each Federal home loan bank shall submit for Finance Board approval a plan establishing and implementing a capital structure for such bank that—

"(A) the board of directors determines is best suited for the condition and operation of the bank and the interests of the members of the bank;

"(B) meets the requirements of subsection (c); and

"(C) meets the minimum capital standards and requirements established under subsection (a) and other regulations prescribed by the Finance Board.

"(2) APPROVAL OF MODIFICATIONS.—The board of directors of a Federal home loan bank shall submit to the Finance Board for approval any modifications that the bank proposes to make to an approved capital structure plan.

"(c) CONTENTS OF PLAN.—The capital structure plan of each Federal home loan bank shall contain provisions addressing each of the following:

"(1) MINIMUM INVESTMENT.—

"(A) IN GENERAL.—Each capital structure plan of a Federal home loan bank shall require each member of the bank to maintain a minimum investment in the stock of the bank, the amount of which shall be determined in a manner to be prescribed by the board of directors of each bank and to be included as part of the plan.

"(B) INVESTMENT ALTERNATIVES.—

"(i) IN GENERAL.—In establishing the minimum investment required for each member under subparagraph (A), a Federal home loan bank may, in its discretion, include any 1 or more of the requirements referred to in clause (ii), or any other provisions approved by the Finance Board.

"(ii) AUTHORIZED REQUIREMENTS.—A requirement is referred to in this clause if it is a requirement for—

"(I) a stock purchase based on a percentage of the total assets of a member; or

"(II) a stock purchase based on a percentage of the outstanding advances from the bank to the member.

"(C) MINIMUM AMOUNT.—Each capital structure plan of a Federal home loan bank shall require that the minimum stock investment established for members shall be set at a level that is sufficient for the bank to meet the minimum capital requirements established by the Finance Board under subsection (a).

"(D) ADJUSTMENTS TO MINIMUM REQUIRED INVESTMENT.—The capital structure plan of each Federal home loan bank shall impose a continuing obligation on the board of directors of the bank to review and adjust the minimum investment required of each member of that bank, as necessary to ensure that the bank remains in compliance with applicable minimum capital levels established by the Finance Board, and shall require each member to comply promptly with any adjustments to the required minimum investment.

"(2) TRANSITION RULE.—

"(A) IN GENERAL.—The capital structure plan of each Federal home loan bank shall specify the date on which it shall take effect, and may provide for a transition period of not longer than 3 years to allow the bank to come into compliance with the capital requirements prescribed under subsection (a), and to allow any institution that was a member of the bank on the date of the enactment of the Federal Home Loan Bank System Modernization Act of 1999, to come into compliance with the minimum investment required pursuant to the plan.

"(B) INTERIM PURCHASE REQUIREMENTS.—The capital structure plan of a Federal home loan bank may allow any member referred to in subparagraph (A) that would be required by the terms of the capital structure plan to increase its investment in the stock of the bank to do so in periodic installments during the transition period.

"(3) DISPOSITION OF SHARES.—The capital structure plan of a Federal home loan bank shall provide for the manner of disposition of any stock held by a member of that bank that terminates its membership or that provides notice of its intention to withdraw from membership in that bank.

"(4) CLASSES OF STOCK.—

"(A) IN GENERAL.—The capital structure plan of a Federal home loan bank shall afford each member of that bank the option of maintaining its required investment in the bank through the purchase of any combination of classes of stock authorized by the board of directors of the bank and approved by the Finance Board in accordance with its regulations.

"(B) RIGHTS REQUIREMENT.—A Federal home loan bank shall include in its capital structure plan provisions establishing terms, rights, and preferences, including minimum investment, dividends, voting, and liquidation preferences of each class of stock issued by the bank, consistent with Finance Board regulations and market requirements.

"(C) REDUCED MINIMUM INVESTMENT.—The capital structure plan of a Federal home loan bank may provide for a reduced minimum stock investment for any member of that bank that elects to purchase Class B in a manner that is consistent with meeting the minimum capital requirements of the bank, as established by the Finance Board.

"(D) LIQUIDATION OF CLAIMS.—The capital structure plan of a Federal home loan bank shall provide for the liquidation in an orderly manner, as determined by the bank, of any claim of that bank against a member, including claims for any applicable prepayment fees or penalties resulting from prepayment of advances prior to stated maturity.

"(5) LIMITED TRANSFERABILITY OF STOCK.—The capital structure plan of a Federal home loan bank shall—

"(A) provide that any stock issued by that bank shall be available only to and held only by members of that bank and tradable only between that bank and its members; and

"(B) establish standards, criteria, and requirements for the issuance, purchase, transfer, retirement, and redemption of stock issued by that bank.

"(6) BANK REVIEW OF PLAN.—Before filing a capital structure plan with the Finance Board, each Federal home loan bank shall conduct a review of the plan by—

"(A) an independent certified public accountant, to ensure, to the extent possible, that implementation of the plan would not result in any write-down of the redeemable bank stock investment of its members; and

"(B) at least one major credit rating agency, to determine, to the extent possible, whether implementation of the plan would have any material effect on the credit ratings of the bank.

"(d) TERMINATION OF MEMBERSHIP.—

"(1) VOLUNTARY WITHDRAWAL.—Any member may withdraw from a Federal home loan bank if the member provides written notice to the bank of its intent to do so and if, on the date of withdrawal, there is in effect a certification by the Finance Board that the withdrawal will not cause the Federal Home Loan Bank System to fail to meet its obligation under section 21B(f)(2)(C) to contribute to the debt service for the obligations issued by the Resolution Funding Corporation. The applicable stock redemption notice periods shall commence upon receipt of the notice by the bank. Upon the expiration of the applicable notice period for each class of redeemable stock, the member may surrender such stock to the bank, and shall be entitled to receive in cash the par value of the stock. During the applicable notice periods, the member shall be entitled to dividends and other membership rights commensurate with continuing stock ownership.

"(2) INVOLUNTARY WITHDRAWAL.—

"(A) IN GENERAL.—The board of directors of a Federal home loan bank may terminate the membership of any institution if, subject to Finance Board regulations, it determines that—

"(i) the member has failed to comply with a provision of this Act or any regulation prescribed under this Act; or

"(ii) the member has been determined to be insolvent, or otherwise subject to the appointment of a conservator, receiver, or other legal custodian, by a Federal or State authority with regulatory and supervisory responsibility for the member.

"(B) STOCK DISPOSITION.—An institution, the membership of which is terminated in accordance with subparagraph (A)—

"(i) shall surrender redeemable stock to the Federal home loan bank, and shall receive in cash the par value of the stock, upon the expiration of the applicable notice period under subsection (a)(4)(A);

"(ii) shall receive any dividends declared on its redeemable stock, during the applicable notice period under subsection (a)(4)(A); and

"(iii) shall not be entitled to any other rights or privileges accorded to members after the date of the termination.

"(C) COMMENCEMENT OF NOTICE PERIOD.—With respect to an institution, the membership *of which is terminated in accordance with subparagraph (A), the applicable notice period under subsection (a)(4) for each class of redeemable stock shall commence on the earlier of—*

"(i) the date of such termination; or

"(ii) the date on which the member has provided notice of its intent to redeem such stock.

"(3) LIQUIDATION OF INDEBTEDNESS.—Upon the termination of the membership of an institution for any reason, the outstanding indebtedness of the member to the bank shall be liquidated in an orderly manner, as determined by the bank and, upon the extinguishment of all such indebtedness, the bank shall return to the member all collateral pledged to secure the indebtedness.

"(e) REDEMPTION OF EXCESS STOCK.—

"(1) IN GENERAL.—A Federal home loan bank, in its sole discretion, may redeem or repurchase, as appropriate, any shares of Class A or Class B stock issued by the bank and held by a member that are in excess of the minimum stock investment required of that member.

"(2) EXCESS STOCK.—Shares of stock held by a member shall not be deemed to be 'excess stock' for purposes of this subsection by virtue of a member's submission of a notice of intent to withdraw from membership or termination of its membership in any other manner.

"(3) PRIORITY.—A Federal home loan bank may not redeem any excess Class B stock prior to the end of the 5-year notice period, unless the member has no Class A stock outstanding that could be redeemed as excess.

"(f) IMPAIRMENT OF CAPITAL.—If the Finance Board or the board of directors of a Federal home loan bank determines that the bank has incurred or is likely to incur losses that result in or are expected to result in charges against the capital of the bank, the bank shall not redeem or repurchase any stock of the bank without the prior approval of the Finance Board while such charges are continuing or are expected to continue. In no case may a bank redeem or repurchase any applicable capital stock if, following the redemption, the bank would fail to satisfy any minimum capital requirement.

"(g) REJOINING AFTER DIVESTITURE OF ALL SHARES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding any other provision of this Act, an institution that divests all shares of stock in a Federal home loan bank may not, after such divestiture, acquire shares of any Federal home loan bank before the end of the 5-year period beginning on the date of the completion of such divestiture, unless the divestiture is a consequence of a transfer of membership on an uninterrupted basis between banks.

"(2) EXCEPTION FOR WITHDRAWALS FROM MEMBERSHIP BEFORE 1998.—Any institution that withdrew from membership in any Federal home loan bank before December 31, 1997, may acquire shares of a Federal home loan bank at any time after that date, subject to the approval of the Finance Board and the requirements of this Act.

"(h) TREATMENT OF RETAINED EARNINGS.—

"(1) IN GENERAL.—The holders of the Class B stock of a Federal home loan bank shall own the retained earnings, surplus, undivided profits, and equity reserves, if any, of the bank.

"(2) EXCEPTION.—Except as specifically provided in this section or through the declaration of a dividend or a capital distribution by a Federal home loan bank, or in the event of liquidation of the bank, a member shall have no right to withdraw or otherwise receive distribution of any portion of the retained earnings of the bank.

"(3) LIMITATION.—A Federal home loan bank may not make any distribution of its retained earnings unless, following such distribution, the bank would continue to meet all applicable capital requirements.".

TITLE VII—OTHER PROVISIONS

Subtitle A—ATM Fee Reform

SEC. 701. SHORT TITLE.

This subtitle may be cited as the "ATM Fee Reform Act of 1999".

SEC. 702. ELECTRONIC FUND TRANSFER FEE DISCLOSURES AT ANY HOST ATM.

Section 904(d) of the Electronic Fund Transfer Act (15 U.S.C. 1693b(d)) is amended by adding at the end the following new paragraph:

"(3) FEE DISCLOSURES AT AUTOMATED TELLER MACHINES.—

"(A) IN GENERAL.—The regulations prescribed under paragraph (1) shall require any automated teller machine operator who imposes a fee on any consumer for providing host transfer services to such consumer to provide notice in accordance with subparagraph (B) to the consumer (at the time the service is provided) of—

"(i) the fact that a fee is imposed by such operator for providing the service; and

"(ii) the amount of any such fee.

"(B) NOTICE REQUIREMENTS.—

"(i) ON THE MACHINE.—The notice required under clause (i) of subparagraph (A) with respect to any fee described in such subparagraph shall be posted in a prominent and conspicuous location on or at the automated teller machine at which the electronic fund transfer is initiated by the consumer.

"(ii) ON THE SCREEN.—The notice required under clauses (i) and (ii) of subparagraph (A) with respect to any fee described in such subparagraph shall appear on the screen of the automated teller machine, or on a paper notice issued from such machine, after the transaction is initiated and before the consumer is irrevocably committed to completing the transaction, except that during the period beginning on the date of the enactment of the Gramm-Leach-Bliley Act and ending on December 31, 2004, this clause shall not apply to any automated teller machine that lacks the technical capability to disclose the notice on the screen or to issue a paper notice after the transaction is initiated and before the consumer is irrevocably committed to completing the transaction.

"(C) PROHIBITION ON FEES NOT PROPERLY DISCLOSED AND EXPLICITLY ASSUMED BY CONSUMER.—No fee may be imposed by any automated teller machine operator in connection with any electronic fund transfer initiated by a consumer for which a notice is required under subparagraph (A), unless—

"(i) the consumer receives such notice in accordance with subparagraph (B); and

"(ii) the consumer elects to continue in the manner necessary to effect the transaction after receiving such notice.

"(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

"(i) AUTOMATED TELLER MACHINE OPERATOR.—The term 'automated teller machine operator' means any person who—

"(I) operates an automated teller machine at which consumers initiate electronic fund transfers; and

"(II) is not the financial institution that holds the account of such consumer from which the transfer is made.

"(ii) ELECTRONIC FUND TRANSFER.—The term 'electronic fund transfer' includes a transaction that involves a balance inquiry initiated by a consumer in the same manner as an electronic fund transfer, whether or not the consumer initiates a transfer of funds in the course of the transaction.

"(iii) HOST TRANSFER SERVICES.—The term 'host transfer services' means any electronic fund transfer made by an automated teller machine operator in connection with a transaction initiated by a consumer at an automated teller machine operated by such operator.".

SEC. 703. DISCLOSURE OF POSSIBLE FEES TO CONSUMERS WHEN ATM CARD IS ISSUED.

Section 905(a) of the Electronic Fund Transfer Act (15 U.S.C. 1693c(a)) is amended—

(1) by striking "and" at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting "; and"; and

(3) by inserting after paragraph (9) the following new paragraph:

"(10) a notice to the consumer that a fee may be imposed by—

"(A) an automated teller machine operator (as defined in section 904(d)(3)(D)(i)) if the consumer initiates a transfer from an automated teller machine that is not operated by the person issuing the card or other means of access; and

"(B) any national, regional, or local network utilized to effect the transaction.".

SEC. 704. FEASIBILITY STUDY.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the feasibility of requiring, in connection with any electronic fund transfer initiated by a consumer through the use of an automated teller machine—

(1) a notice to be provided to the consumer before the consumer is irrevocably committed to completing the transaction, which clearly states the amount of any fee that will be imposed upon the consummation of the transaction by—

(A) any automated teller machine operator (as defined in section 904(d)(3)(D)(i) of the Electronic Fund Transfer Act) involved in the transaction;

(B) the financial institution holding the account of the consumer;

(C) any national, regional, or local network utilized to effect the transaction; and

(D) any other party involved in the transfer; and

(2) the consumer to elect to consummate the transaction after receiving the notice described in paragraph (1).

(b) FACTORS TO BE CONSIDERED.—In conducting the study required under subsection (a) with regard to the notice requirement described in such subsection, the Comptroller General shall consider the following factors:

(1) The availability of appropriate technology.

(2) Implementation and operating costs.

(3) The competitive impact any such notice requirement would have on various sizes and types of institutions, if implemented.

(4) The period of time that would be reasonable for implementing any such notice requirement.

(5) The extent to which consumers would benefit from any such notice requirement.

(6) Any other factor the Comptroller General determines to be appropriate in analyzing the feasibility of imposing any such notice requirement.

(c) REPORT TO THE CONGRESS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing—

(1) the findings and conclusions of the Comptroller General in connection with the study required under subsection (a); and

(2) the recommendation of the Comptroller General with regard to the question of whether a notice requirement described in subsection (a) should be implemented and, if so, the manner in which such requirement should be implemented.

SEC. 705. NO LIABILITY IF POSTED NOTICES ARE DAMAGED.

Section 910 of the Electronic Fund Transfer Act (15 U.S.C. 1693h) is amended by adding at the end the following new subsection:

"(d) EXCEPTION FOR DAMAGED NOTICES.—If the notice required to be posted pursuant to section 904(d)(3)(B)(i) by an automated teller machine operator has been posted by such operator

in compliance with such section and the notice is subsequently removed, damaged, or altered by any person other than the operator of the automated teller machine, the operator shall have no liability under this section for failure to comply with section 904(d)(3)(B)(i).''.

Subtitle B—Community Reinvestment

SEC. 711. CRA SUNSHINE REQUIREMENTS.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 47, as added by section 305 of this Act, the following new section:

"SEC. 48. CRA SUNSHINE REQUIREMENTS.

''(a) PUBLIC DISCLOSURE OF AGREEMENTS.—Any agreement (as defined in subsection (e)) entered into after the date of the enactment of the Gramm-Leach-Bliley Act by an insured depository institution or affiliate with a nongovernmental entity or person made pursuant to or in connection with the Community Reinvestment Act of 1977 involving funds or other resources of such insured depository institution or affiliate—

''(1) shall be in its entirety fully disclosed, and the full text thereof made available to the appropriate Federal banking agency with supervisory responsibility over the insured depository institution and to the public by each party to the agreement; and

''(2) shall obligate each party to comply with this section.

''(b) ANNUAL REPORT OF ACTIVITY BY INSURED DEPOSITORY INSTITUTION.—Each insured depository institution or affiliate that is a party to an agreement described in subsection (a) shall report to the appropriate Federal banking agency with supervisory responsibility over the insured depository institution, not less frequently than once each year, such information as the Federal banking agency may by rule require relating to the following actions taken by the party pursuant to the agreement during the preceding 12-month period:

''(1) Payments, fees, or loans made to any party to the agreement or received from any party to the agreement and the terms and conditions of the same.

''(2) Aggregate data on loans, investments, and services provided by each party in its community or communities pursuant to the agreement.

''(3) Such other pertinent matters as determined by regulation by the appropriate Federal banking agency with supervisory responsibility over the insured depository institution.

''(c) ANNUAL REPORT OF ACTIVITY BY NONGOVERNMENTAL ENTITIES.—

''(1) IN GENERAL.—Each nongovernmental entity or person that is not an affiliate of an insured depository institution and that is a party to an agreement described in subsection (a) shall report to the appropriate Federal banking agency with supervisory responsibility over the insured depository institution that is a party to such agreement, not less frequently than once each year, an accounting of the use of funds received pursuant to each such agreement during the preceding 12-month period.

''(2) SUBMISSION TO INSURED DEPOSITORY INSTITUTION.—A nongovernmental entity or person referred to in paragraph (1) may comply with the reporting requirement in such paragraph by transmitting the report to the insured depository institution that is a party to the agreement, and such insured depository institution shall promptly transmit such report to the appropriate Federal banking agency with supervisory authority over the insured depository institution.

''(3) INFORMATION TO BE INCLUDED.—The accounting referred to in paragraph (1) shall include a detailed, itemized list of the uses to which such funds have been made, including compensation, administrative expenses, travel, entertainment, consulting and professional fees paid, and such other categories, as determined by regulation by the appropriate Federal banking agency with supervisory responsibility over the insured depository institution.

''(d) APPLICABILITY.—Subsections (b) and (c) shall not apply with respect to any agreement entered into before the end of the 6-month period beginning on the date of the enactment of the Gramm-Leach-Bliley Act.

''(e) DEFINITIONS.—

''(1) AGREEMENT.—For purposes of this section, the term 'agreement'—

''(A) means—

''(i) any written contract, written arrangement, or other written understanding that provides for cash payments, grants, or other consideration with a value in excess of $10,000, or for loans the aggregate amount of principal of which exceeds $50,000, annually (or the sum of all such agreements during a 12-month period with an aggregate value of cash payments, grants, or other consideration in excess of $10,000, or with an aggregate amount of loan principal in excess of $50,000); or

''(ii) a group of substantively related contracts with an aggregate value of cash payments, grants, or other consideration in excess of $10,000, or with an aggregate amount of loan principal in excess of $50,000, annually;

made pursuant to, or in connection with, the fulfillment of the Community Reinvestment Act of 1977, at least 1 party to which is an insured depository institution or affiliate thereof, whether organized on a profit or not-for-profit basis; and

''(B) does not include—

''(i) any individual mortgage loan;

''(ii) any specific contract or commitment for a loan or extension of credit to individuals, businesses, farms, or other entities, if the funds are loaned at rates not substantially below market rates and if the purpose of the loan or extension of credit does not include any re-lending of the borrowed funds to other parties; or

''(iii) any agreement entered into by an insured depository institution or affiliate with a nongovernmental entity or person who has not commented on, testified about, or discussed with the institution, or otherwise contacted the institution, concerning the Community Reinvestment Act of 1977.

''(2) FULFILLMENT OF CRA.—For purposes of subparagraph (A), the term 'fulfillment' means a list of factors that the appropriate Federal banking agency determines have a material impact on the agency's decision—

''(A) to approve or disapprove an application for a deposit facility (as defined in section 803 of the Community Reinvestment Act of 1977); or

''(B) to assign a rating to an insured depository institution under section 807 of the Community Reinvestment Act of 1977.

''(f) VIOLATIONS.—

''(1) VIOLATIONS BY PERSONS OTHER THAN INSURED DEPOSITORY INSTITUTIONS OR THEIR AFFILIATES.—

''(A) MATERIAL FAILURE TO COMPLY.—If the party to an agreement described in subsection (a) that is not an insured depository institution or affiliate willfully fails to comply with this section in a material way, as determined by the appropriate Federal banking agency, the agreement shall be unenforceable after the offending party has been given notice and a reasonable period of time to perform or comply.

''(B) DIVERSION OF FUNDS OR RESOURCES.—If funds or resources received under an agreement described in subsection (a) have been diverted contrary to the purposes of the agreement for personal financial gain, the appropriate Federal banking agency with supervisory responsibility over the insured depository institution may impose either or both of the following penalties:

''(i) Disgorgement by the offending individual of funds received under the agreement.

''(ii) Prohibition of the offending individual from being a party to any agreement described in subsection (a) for a period of not to exceed 10 years.

''(2) DESIGNATION OF SUCCESSOR NONGOVERNMENTAL PARTY.—If an agreement described in subsection (a) is found to be unenforceable under this subsection, the appropriate Federal banking agency may assist the insured depository institution in identifying a successor nongovernmental party to assume the responsibilities of the agreement.

''(3) INADVERTENT OR DE MINIMIS REPORTING ERRORS.—An error in a report filed under subsection (c) that is inadvertent or de minimis shall not subject the filing party to any penalty.

''(g) RULE OF CONSTRUCTION.—No provision of this section shall be construed as authorizing any appropriate Federal banking agency to enforce the provisions of any agreement described in subsection (a).

''(h) REGULATIONS.—

''(1) IN GENERAL.—Each appropriate Federal banking agency shall prescribe regulations, in accordance with paragraph (4), requiring procedures reasonably designed to ensure and monitor compliance with the requirements of this section.

''(2) PROTECTION OF PARTIES.—In carrying out paragraph (1), each appropriate Federal banking agency shall—

''(A) ensure that the regulations prescribed by the agency do not impose an undue burden on the parties and that proprietary and confidential information is protected; and

''(B) establish procedures to allow any nongovernmental entity or person who is a party to a large number of agreements described in subsection (a) to make a single or consolidated filing of a report under subsection (c) to an insured depository institution or an appropriate Federal banking agency.

''(3) PARTIES NOT SUBJECT TO REPORTING REQUIREMENTS.—The Board of Governors of the Federal Reserve System may prescribe regulations—

''(A) to prevent evasions of subsection (e)(1)(B)(iii); and

''(B) to provide further exemptions under such subsection, consistent with the purposes of this section.

''(4) COORDINATION, CONSISTENCY, AND COMPARABILITY.—In carrying out paragraph (1), each appropriate Federal banking agency shall consult and coordinate with the other such agencies for the purposes of assuring, to the extent possible, that the regulations prescribed by each such agency are consistent and comparable with the regulations prescribed by the other such agencies.''.

SEC. 712. SMALL BANK REGULATORY RELIEF.

The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is amended by adding at the end the following new section:

"SEC. 809. SMALL BANK REGULATORY RELIEF.

''(a) IN GENERAL.—Except as provided in subsections (b) and (c), any regulated financial institution with aggregate assets of not more than $250,000,000 shall be subject to routine examination under this title—

''(1) not more than once every 60 months for an institution that has achieved a rating of 'outstanding record of meeting community credit needs' at its most recent examination under section 804;

''(2) not more than once every 48 months for an institution that has received a rating of 'satisfactory record of meeting community credit needs' at its most recent examination under section 804; and

''(3) as deemed necessary by the appropriate Federal financial supervisory agency, for an institution that has received a rating of less than 'satisfactory record of meeting community credit

needs' at its most recent examination under section 804.

"(b) NO EXCEPTION FROM CRA EXAMINATIONS IN CONNECTION WITH APPLICATIONS FOR DEPOSIT FACILITIES.—A regulated financial institution described in subsection (a) shall remain subject to examination under this title in connection with an application for a deposit facility.

"(c) DISCRETION.—A regulated financial institution described in subsection (a) may be subject to more frequent or less frequent examinations for reasonable cause under such circumstances as may be determined by the appropriate Federal financial supervisory agency.".

SEC. 713. FEDERAL RESERVE BOARD STUDY OF CRA LENDING.

The Board of Governors of the Federal Reserve System shall conduct a comprehensive study, in consultation with the Chairman and Ranking Member of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate, of the Community Reinvestment Act of 1977, which shall focus on—

(1) the default rates;

(2) the delinquency rates; and

(3) the profitability;

of loans made in conformity with such Act, and report on the study to such Committees not later than March 15, 2000. Such report and supporting data shall also be made available by the Board of Governors of the Federal Reserve System to the public.

SEC. 714. PRESERVING THE COMMUNITY REINVESTMENT ACT OF 1977.

Nothing in this Act shall be construed to repeal any provision of the Community Reinvestment Act of 1977.

SEC. 715. RESPONSIVENESS TO COMMUNITY NEEDS FOR FINANCIAL SERVICES.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Federal banking agencies (as defined in section 3(z) of the Federal Deposit Insurance Act), shall conduct a study of the extent to which adequate services are being provided as intended by the Community Reinvestment Act of 1977, including services in low- and moderate-income neighborhoods and for persons of modest means, as a result of the enactment of this Act.

(b) REPORTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall—

(A) before March 15, 2000, submit a baseline report to the Congress on the study conducted pursuant to subsection (a); and

(B) before the end of the 2-year period beginning on the date of the enactment of this Act, in consultation with the Federal banking agencies, submit a final report to the Congress on the study conducted pursuant to subsection (a).

(2) RECOMMENDATIONS.—The final report submitted under paragraph (1)(B) shall include such recommendations as the Secretary determines to be appropriate for administrative and legislative action with respect to institutions covered under the Community Reinvestment Act of 1977.

Subtitle C—Other Regulatory Improvements

SEC. 721. EXPANDED SMALL BANK ACCESS TO S CORPORATION TREATMENT.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of—

(1) possible revisions to the rules governing S corporations, including—

(A) increasing the permissible number of shareholders in such corporations;

(B) permitting shares of such corporations to be held in individual retirement accounts;

(C) clarifying that interest on investments held for safety, soundness, and liquidity purposes should not be considered to be passive income;

(D) discontinuation of the treatment of stock held by bank directors as a disqualifying personal class of stock for such corporations; and

(E) improving Federal tax treatment of bad debt and interest deductions; and

(2) what impact such revisions might have on community banks.

(b) REPORT TO THE CONGRESS.—Not later than 6 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress on the results of the study conducted under subsection (a).

(c) DEFINITION.—For purposes of this section, the term "S corporation" has the meaning given the term in section 1361(a)(1) of the Internal Revenue Code of 1986.

SEC. 722. "PLAIN LANGUAGE" REQUIREMENT FOR FEDERAL BANKING AGENCY RULES.

(a) IN GENERAL.—Each Federal banking agency shall use plain language in all proposed and final rulemakings published by the agency in the Federal Register after January 1, 2000.

(b) REPORT.—Not later than March 1, 2001, each Federal banking agency shall submit to the Congress a report that describes how the agency has complied with subsection (a).

(c) DEFINITION.—For purposes of this section, the term "Federal banking agency" has the meaning given that term in section 3 of the Federal Deposit Insurance Act.

SEC. 723. RETENTION OF "FEDERAL" IN NAME OF CONVERTED FEDERAL SAVINGS ASSOCIATION.

Section 2 of the Act entitled "An Act to enable national banking associations to increase their capital stock and to change their names or locations", approved May 1, 1886 (12 U.S.C. 30), is amended by adding at the end the following new subsection:

"(d) RETENTION OF 'FEDERAL' IN NAME OF CONVERTED FEDERAL SAVINGS ASSOCIATION.—

"(1) IN GENERAL.—Notwithstanding subsection (a) or any other provision of law, any depository institution, the charter of which is converted from that of a Federal savings association to a national bank or a State bank after the date of the enactment of the Gramm-Leach-Bliley Act may retain the term 'Federal' in the name of such institution if such institution remains an insured depository institution.

"(2) DEFINITIONS.—For purposes of this subsection, the terms 'depository institution', 'insured depository institution', 'national bank', and 'State bank' have the meanings given those terms in section 3 of the Federal Deposit Insurance Act.".

SEC. 724. CONTROL OF BANKERS' BANKS.

Section 2(a)(5)(E)(i) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)(5)(E)(i)) is amended by inserting "1 or more" before "thrift institutions".

SEC. 725. PROVISION OF TECHNICAL ASSISTANCE TO MICROENTERPRISES.

Title I of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) is amended by adding at the end the following new subtitle:

"Subtitle C—Microenterprise Technical Assistance and Capacity Building Program

"SEC. 171. SHORT TITLE.

"This subtitle may be cited as the 'Program for Investment in Microentrepreneurs Act of 1999', also referred to as the 'PRIME Act'.

"SEC. 172. DEFINITIONS.

"For purposes of this subtitle, the following definitions shall apply:

"(1) ADMINISTRATION.—The term 'Administration' means the Small Business Administration.

"(2) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Small Business Administration.

"(3) CAPACITY BUILDING SERVICES.—The term 'capacity building services' means services provided to an organization that is, or that is in the process of becoming, a microenterprise development organization or program, for the purpose of enhancing its ability to provide training and services to disadvantaged entrepreneurs.

"(4) COLLABORATIVE.—The term 'collaborative' means 2 or more nonprofit entities that agree to act jointly as a qualified organization under this subtitle.

"(5) DISADVANTAGED ENTREPRENEUR.—The term 'disadvantaged entrepreneur' means a microentrepreneur that is—

"(A) a low-income person;

"(B) a very low-income person; or

"(C) an entrepreneur that lacks adequate access to capital or other resources essential for business success, or is economically disadvantaged, as determined by the Administrator.

"(6) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 103.

"(7) INTERMEDIARY.—The term 'intermediary' means a private, nonprofit entity that seeks to serve microenterprise development organizations and programs as authorized under section 175.

"(8) LOW-INCOME PERSON.—The term 'low-income person' has the meaning given the term in section 103.

"(9) MICROENTREPRENEUR.—The term 'microentrepreneur' means the owner or developer of a microenterprise.

"(10) MICROENTERPRISE.—The term 'microenterprise' means a sole proprietorship, partnership, or corporation that—

"(A) has fewer than 5 employees; and

"(B) generally lacks access to conventional loans, equity, or other banking services.

"(11) MICROENTERPRISE DEVELOPMENT ORGANIZATION OR PROGRAM.—The term 'microenterprise development organization or program' means a nonprofit entity, or a program administered by such an entity, including community development corporations or other nonprofit development organizations and social service organizations, that provides services to disadvantaged entrepreneurs.

"(12) TRAINING AND TECHNICAL ASSISTANCE.—The term 'training and technical assistance' means services and support provided to disadvantaged entrepreneurs, such as assistance for the purpose of enhancing business planning, marketing, management, financial management skills, and assistance for the purpose of accessing financial services.

"(13) VERY LOW-INCOME PERSON.—The term 'very low-income person' means having an income, adjusted for family size, of not more than 150 percent of the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by that section).

"SEC. 173. ESTABLISHMENT OF PROGRAM.

"The Administrator shall establish a microenterprise technical assistance and capacity building grant program to provide assistance from the Administration in the form of grants to qualified organizations in accordance with this subtitle.

"SEC. 174. USES OF ASSISTANCE.

"A qualified organization shall use grants made under this subtitle—

"(1) to provide training and technical assistance to disadvantaged entrepreneurs;

"(2) to provide training and capacity building services to microenterprise development organizations and programs and groups of such organizations to assist such organizations and programs in developing microenterprise training and services;

"(3) to aid in researching and developing the best practices in the field of microenterprise and technical assistance programs for disadvantaged entrepreneurs; and

"(4) for such other activities as the Administrator determines are consistent with the purposes of this subtitle.

"SEC. 175. QUALIFIED ORGANIZATIONS.

"For purposes of eligibility for assistance under this subtitle, a qualified organization shall be—

"(1) a nonprofit microenterprise development organization or program (or a group or collaborative thereof) that has a demonstrated record of delivering microenterprise services to disadvantaged entrepreneurs;

"(2) an intermediary;

"(3) a microenterprise development organization or program that is accountable to a local community, working in conjunction with a State or local government or Indian tribe; or

"(4) an Indian tribe acting on its own, if the Indian tribe can certify that no private organization or program referred to in this paragraph exists within its jurisdiction.

"SEC. 176. ALLOCATION OF ASSISTANCE; SUBGRANTS.

"(a) ALLOCATION OF ASSISTANCE.—

"(1) IN GENERAL.—The Administrator shall allocate assistance from the Administration under this subtitle to ensure that—

"(A) activities described in section 174(1) are funded using not less than 75 percent of amounts made available for such assistance; and

"(B) activities described in section 174(2) are funded using not less than 15 percent of amounts made available for such assistance.

"(2) LIMIT ON INDIVIDUAL ASSISTANCE.—No single person may receive more than 10 percent of the total funds appropriated under this subtitle in a single fiscal year.

"(b) TARGETED ASSISTANCE.—The Administrator shall ensure that not less than 50 percent of the grants made under this subtitle are used to benefit very low-income persons, including those residing on Indian reservations.

"(c) SUBGRANTS AUTHORIZED.—

"(1) IN GENERAL.—A qualified organization receiving assistance under this subtitle may provide grants using that assistance to qualified small and emerging microenterprise organizations and programs, subject to such rules and regulations as the Administrator determines to be appropriate.

"(2) LIMIT ON ADMINISTRATIVE EXPENSES.—Not more than 7.5 percent of assistance received by a qualified organization under this subtitle may be used for administrative expenses in connection with the making of subgrants under paragraph (1).

"(d) DIVERSITY.—In making grants under this subtitle, the Administrator shall ensure that grant recipients include both large and small microenterprise organizations, serving urban, rural, and Indian tribal communities serving diverse populations.

"(e) PROHIBITION ON PREFERENTIAL CONSIDERATION OF CERTAIN SBA PROGRAM PARTICIPANTS.—In making grants under this subtitle, the Administrator shall ensure that any application made by a qualified organization that is a participant in the program established under section 7(m) of the Small Business Act does not receive preferential consideration over applications from other qualified organizations that are not participants in such program.

"SEC. 177. MATCHING REQUIREMENTS.

"(a) IN GENERAL.—Financial assistance under this subtitle shall be matched with funds from sources other than the Federal Government on the basis of not less than 50 percent of each dollar provided by the Administration.

"(b) SOURCES OF MATCHING FUNDS.—Fees, grants, gifts, funds from loan sources, and in-kind resources of a grant recipient from public or private sources may be used to comply with the matching requirement in subsection (a).

"(c) EXCEPTION.—

"(1) IN GENERAL.—In the case of an applicant for assistance under this subtitle with severe constraints on available sources of matching funds, the Administrator may reduce or eliminate the matching requirements of subsection (a).

"(2) LIMITATION.—Not more than 10 percent of the total funds made available from the Administration in any fiscal year to carry out this subtitle may be excepted from the matching requirements of subsection (a), as authorized by paragraph (1) of this subsection.

"SEC. 178. APPLICATIONS FOR ASSISTANCE.

"An application for assistance under this subtitle shall be submitted in such form and in accordance with such procedures as the Administrator shall establish.

"SEC. 179. RECORDKEEPING.

"The requirements of section 115 shall apply to a qualified organization receiving assistance from the Administration under this subtitle as if it were a community development financial institution receiving assistance from the Fund under subtitle A.

"SEC. 180. AUTHORIZATION.

"In addition to funds otherwise authorized to be appropriated to the Fund to carry out this title, there are authorized to be appropriated to the Administrator to carry out this subtitle—

"(1) $15,000,000 for fiscal year 2000;

"(2) $15,000,000 for fiscal year 2001;

"(3) $15,000,000 for fiscal year 2002; and

"(4) $15,000,000 for fiscal year 2003.

"SEC. 181. IMPLEMENTATION.

"The Administrator shall, by regulation, establish such requirements as may be necessary to carry out this subtitle.".

SEC. 726. FEDERAL RESERVE AUDITS.

The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 11A the following new section:

"SEC. 11B. ANNUAL INDEPENDENT AUDITS OF FEDERAL RESERVE BANKS AND BOARD.

"The Board shall order an annual independent audit of the financial statements of each Federal reserve bank and the Board.".

SEC. 727. AUTHORIZATION TO RELEASE REPORTS.

(a) FEDERAL RESERVE ACT.—The eighth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 326) is amended by striking the last sentence and inserting the following: "The Board of Governors of the Federal Reserve System, at its discretion, may furnish any report of examination or other confidential supervisory information concerning any State member bank or other entity examined under any other authority of the Board, to any Federal or State agency or authority with supervisory or regulatory authority over the examined entity, to any officer, director, or receiver of the examined entity, and to any other person that the Board determines to be proper.".

(b) COMMODITY FUTURES TRADING COMMISSION.—The Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.) is amended—

(1) in section 1101(7)—

(A) by redesignating subparagraphs (G) and (H) as subparagraphs (H) and (I), respectively; and

(B) by inserting after subparagraph (F) the following new subparagraph:

"(G) the Commodity Futures Trading Commission;"; and

(2) in section 1112(e), by striking "and the Securities and Exchange Commission" and inserting ", the Securities and Exchange Commission, and the Commodity Futures Trading Commission".

SEC. 728. GENERAL ACCOUNTING OFFICE STUDY OF CONFLICTS OF INTEREST.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study analyzing the conflict of interest faced by the Board of Governors of the Federal Reserve System between its role as a primary regulator of the banking industry and its role as a vendor of services to the banking and financial services industry.

(b) SPECIFIC CONFLICT REQUIRED TO BE ADDRESSED.—In the course of the study required under subsection (a), the Comptroller General shall address the conflict of interest faced by the Board of Governors of the Federal Reserve System between the role of the Board as a regulator of the payment system, generally, and its participation in the payment system as a competitor with private entities who are providing payment services.

(c) REPORT TO THE CONGRESS.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing the findings and conclusions of the Comptroller General in connection with the study required under this section, together with such recommendations for such legislative or administrative actions as the Comptroller General may determine to be appropriate, including recommendations for resolving any such conflict of interest.

SEC. 729. STUDY AND REPORT ON ADAPTING EXISTING LEGISLATIVE REQUIREMENTS TO ONLINE BANKING AND LENDING.

(a) STUDY REQUIRED.—The Federal banking agencies shall conduct a study of banking regulations regarding the delivery of financial services, including those regulations that may assume that there will be person-to-person contact during the course of a financial services transaction, and report their recommendations on adapting those existing requirements to online banking and lending.

(b) REPORT REQUIRED.—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Federal banking agencies shall submit a report to the Congress on the findings and conclusions of the agencies with respect to the study required under subsection (a), together with such recommendations for legislative or regulatory action as the agencies may determine to be appropriate.

(c) DEFINITION.—For purposes of this section, the term "Federal banking agencies" means each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act).

SEC. 730. CLARIFICATION OF SOURCE OF STRENGTH DOCTRINE.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(t) LIMITATION ON CLAIMS.—

"(1) IN GENERAL.—No person may bring a claim against any Federal banking agency (including in its capacity as conservator or receiver) for the return of assets of an affiliate or controlling shareholder of the insured depository institution transferred to, or for the benefit of, an insured depository institution by such affiliate or controlling shareholder of the insured depository institution, or a claim against such Federal banking agency for monetary damages or other legal or equitable relief in connection with such transfer, if at the time of the transfer—

"(A) the insured depository institution is subject to any direction issued in writing by a Federal banking agency to increase its capital;

"(B) the insured depository institution is undercapitalized (as defined in section 38 of this Act); and

"(C) for that portion of the transfer that is made by an entity covered by section 5(g) of the Bank Holding Company Act of 1956 or section 45 of this Act, the Federal banking agency has followed the procedure set forth in such section.

"(2) DEFINITION OF CLAIM.—For purposes of paragraph (1), the term 'claim'—

"(A) means a cause of action based on Federal or State law that—

"(i) provides for the avoidance of preferential or fraudulent transfers or conveyances; or

"(ii) provides similar remedies for preferential or fraudulent transfers or conveyances; and

"(B) does not include any claim based on actual intent to hinder, delay, or defraud pursuant to such a fraudulent transfer or conveyance law.".

SEC. 731. INTEREST RATES AND OTHER CHARGES AT INTERSTATE BRANCHES.

Section 44 of the Federal Deposit Insurance Act (12 U.S.C. 1831u) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

"(f) APPLICABLE RATE AND OTHER CHARGE LIMITATIONS.—

"(1) IN GENERAL.—In the case of any State that has a constitutional provision that sets a maximum lawful annual percentage rate of interest on any contract at not more than 5 percent above the discount rate for 90-day commercial paper in effect at the Federal reserve bank for the Federal reserve district in which such State is located, except as provided in paragraph (2), upon the establishment in such State of a branch of any out-of-State insured depository institution in such State under this section, the maximum interest rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved from time to time in any loan or discount made or upon any note, bill of exchange, financing transaction, or other evidence of debt by any insured depository institution whose home State is such State shall be equal to not more than the greater of—

"(A) the maximum interest rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved in a similar transaction under the constitution, statutory, or other laws of the home State of the out-of-State insured depository institution establishing any such branch, without reference to this section, as such maximum interest rate or amount of interest may change from time to time; or

"(B) the maximum rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved in a similar transaction by a State insured depository institution chartered under the laws of such State or a national bank or Federal savings association whose main office is located in such State without reference to this section.

"(2) RULE OF CONSTRUCTION.—No provision of this subsection shall be construed as superseding or affecting—

"(A) the authority of any insured depository institution to take, receive, reserve, and charge interest on any loan made in any State other than the State referred to in paragraph (1); or

"(B) the applicability of section 501 of the Depository Institutions Deregulation and Monetary Control Act of 1980, section 5197 of the Revised Statutes of the United States, or section 27 of this Act.".

SEC. 732. INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS.

Section 5(a)(7) of the International Banking Act of 1978 (12 U.S.C. 3103(a)(7)) is amended to read as follows:

"(7) ADDITIONAL AUTHORITY FOR INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS, UPGRADES OF CERTAIN FOREIGN BANK AGENCIES AND BRANCHES.—Notwithstanding paragraphs (1) and (2), a foreign bank may—

"(A) with the approval of the Board and the Comptroller of the Currency, establish and operate a Federal branch or Federal agency or, with the approval of the Board and the appropriate State bank supervisor, a State branch or State agency in any State outside the foreign bank's home State if—

"(i) the establishment and operation of such branch or agency is permitted by the State in which the branch or agency is to be established; and

"(ii) in the case of a Federal or State branch, the branch receives only such deposits as would be permitted for a corporation organized under section 25A of the Federal Reserve Act; or

"(B) with the approval of the Board and the relevant licensing authority (the Comptroller in the case of a Federal branch or the appropriate State supervisor in the case of a State branch), upgrade an agency, or a branch of the type referred to in subparagraph (A)(ii), located in a State outside the foreign bank's home State, into a Federal or State branch if—

"(i) the establishment and operation of such branch is permitted by such State; and

"(ii) such agency or branch—

"(I) was in operation in such State on the day before September 29, 1994; or

"(II) has been in operation in such State for a period of time that meets the State's minimum age requirement permitted under section 44(a)(5) of the Federal Deposit Insurance Act.".

SEC. 733. FAIR TREATMENT OF WOMEN BY FINANCIAL ADVISERS.

It is the sense of the Congress that individuals offering financial advice and products should offer such services and products in a nondiscriminatory, nongender-specific manner.

SEC. 734. MEMBERSHIP OF LOAN GUARANTEE BOARDS.

(a) EMERGENCY STEEL LOAN GUARANTEE BOARD.—Section 101(e) of the Emergency Steel Loan Guarantee Act of 1999 is amended—

(1) in paragraph (2), by inserting ", or a member of the Board of Governors of the Federal Reserve System designated by the Chairman" after "the Chairman of the Board of Governors of the Federal Reserve System"; and

(2) in paragraph (3), by inserting ", or a commissioner of the Securities and Exchange Commission designated by the Chairman" before the period.

(b) EMERGENCY OIL AND GAS LOAN GUARANTEE BOARD.—Section 201(d)(2) of the Emergency Oil and Gas Guarantee Loan Program Act is amended—

(1) in subparagraph (B), by inserting ", or a member of the Board of Governors of the Federal Reserve System designated by the Chairman" after "the Chairman of the Board of Governors of the Federal Reserve System"; and

(2) in subparagraph (C), by inserting ", or a commissioner of the Securities and Exchange Commission designated by the Chairman" before the period.

SEC. 735. REPEAL OF STOCK LOAN LIMIT IN FEDERAL RESERVE ACT.

Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by striking the paragraph designated as "(m)" and inserting "(m) [Repealed]".

SEC. 736. ELIMINATION OF SAIF AND DIF SPECIAL RESERVES.

(a) SAIF SPECIAL RESERVE.—Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended by striking subparagraph (L).

(b) DIF SPECIAL RESERVE.—Section 2704 of the Deposit Insurance Funds Act of 1996 (12 U.S.C. 1821 note) is amended—

(1) by striking subsection (b); and

(2) in subsection (d)—

(A) by striking paragraph (4);

(B) in paragraph (6)(C)(i), by striking "(6) and (7)" and inserting "(5), (6), and (7)"; and

(C) in paragraph (6)(C), by striking clause (ii) and inserting the following:

"(ii) by redesignating paragraph (8) as paragraph (5).".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on the date of the enactment of this Act.

SEC. 737. BANK OFFICERS AND DIRECTORS AS OFFICERS AND DIRECTORS OF PUBLIC UTILITIES.

Section 305(b) of the Federal Power Act (16 U.S.C. 825d(b)) is amended—

(1) by striking "(b) After six" and inserting the following:

"(b) INTERLOCKING DIRECTORATES.—

"(1) IN GENERAL.—After 6"; and

(2) by adding at the end the following:

"(2) APPLICABILITY.—

"(A) IN GENERAL.—In the circumstances described in subparagraph (B), paragraph (1) shall not apply to a person that holds or proposes to hold the positions of—

"(i) officer or director of a public utility; and

"(ii) officer or director of a bank, trust company, banking association, or firm authorized by law to underwrite or participate in the marketing of securities of a public utility.

"(B) CIRCUMSTANCES.—The circumstances described in this subparagraph are that—

"(i) a person described in subparagraph (A) does not participate in any deliberations or decisions of the public utility regarding the selection of a bank, trust company, banking association, or firm to underwrite or participate in the marketing of securities of the public utility, if the person serves as an officer or director of a bank, trust company, banking association, or firm that is under consideration in the deliberation process;

"(ii) the bank, trust company, banking association, or firm of which the person is an officer or director does not engage in the underwriting of, or participate in the marketing of, securities of the public utility of which the person holds the position of officer or director;

"(iii) the public utility for which the person serves or proposes to serve as an officer or director selects underwriters by competitive procedures; or

"(iv) the issuance of securities the public utility for which the person serves or proposes to serve as an officer or director has been approved by all Federal and State regulatory agencies having jurisdiction over the issuance.".

SEC. 738. APPROVAL FOR PURCHASES OF SECURITIES.

Section 23B(b)(2) of the Federal Reserve Act (12 U.S.C. 371c–1) is amended to read as follows:

"Subparagraph (B) of paragraph (1) shall not apply if the purchase or acquisition of such securities has been approved, before such securities are initially offered for sale to the public, by a majority of the directors of the bank based on a determination that the purchase is a sound investment for the bank irrespective of the fact that an affiliate of the bank is a principal underwriter of the securities.".

SEC. 739. OPTIONAL CONVERSION OF FEDERAL SAVINGS ASSOCIATIONS.

Section 5(i) of the Home Owners' Loan Act (12 U.S.C. 1464(i)) is amended by adding at the end the following new paragraph:

"(5) CONVERSION TO NATIONAL OR STATE BANK.—

"(A) IN GENERAL.—Any Federal savings association chartered and in operation before the date of the enactment of the Gramm-Leach-Bliley Act, with branches in operation before such date of enactment in 1 or more States, may convert, at its option, with the approval of the Comptroller of the Currency or the appropriate State bank supervisor, into 1 or more national or State banks, each of which may encompass 1 or *more of the branches of the Federal savings association in operation before such date of enactment in 1 or more States, but only if each resulting national or State bank will meet all financial, management, and capital requirements applicable to the resulting national or State bank.*

"(B) DEFINITIONS.—For purposes of this paragraph, the terms 'State bank' and 'State bank supervisor' have the meanings given those terms in section 3 of the Federal Deposit Insurance Act.".

SEC. 740. GRAND JURY PROCEEDINGS.

Section 3322(b) of title 18, United States Code, is amended—

(1) in paragraph (1), by inserting "Federal or State" before "financial institution"; and

(2) in paragraph (2), by inserting "at any time during or after the completion of the investigation of the grand jury," before "upon".

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

From the Committee on Banking and Financial Services, for consideration of the Senate bill, and the House amendment, and modifications committed to conference:

James A. Leach,
Bill McCollum,
Marge Roukema,
Doug Bereuter,
Rick Lazio,
Spencer Bachus,
Michael N. Castle,
John J. LaFalce,
Bruce F. Vento,

As additional conferees from the Committee on Banking and Financial Services, for consideration of titles I, III (except section 304), IV, and VII of the Senate bill, and title I of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Carol B. Maloney,

As additional conferees from the Committee on Banking and Financial Services, for consideration of title V of the Senate bill, and title II of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Carol B. Maloney,
James H. Maloney,

As additional conferees from the Committee on Banking and Financial Service, for consideration of title II of the Senate bill, and title III of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Carol B. Maloney,
Nydia M. Velázquez,
Darlene Hooley,

As additional conferees from the Committee on Banking and Financial Services, for consideration of title VI of the Senate bill, and title IV of the House amendment, and modifications committed to conference:

Carol B. Maloney,
Luis V. Gutierrez,
Ken Bentsen,

As additional conferees from the Committee on Banking and Financial Services, for consideration of section 304 of the Senate bill, and title V of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Gary L. Ackerman,

From the Committee on Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference:

Tom Bliley,
Michael G. Oxley,
Billy Tauzin,
Paul Gillmor,
James Greenwood,
Chris Cox,
Steve Largent,
Brian Bilbray
E. Towns,
Diana DeGette,
Lois Capps,

Provided that Mr. Rush is appointed in lieu of Mrs. Capps for consideration of section 316 of the Senate bill:

Bobby L. Rush,

From the Committee on Agriculture, for consideration of title V of the House amendment, and modifications committed to conference:

Larry Combest,
Thomas W. Ewing,
Charles W. Stenholm,

From the Committee on the Judiciary, for consideration of sections 104(a), 104(d)(3), and 104(f)(2) of the Senate bill, and sections 104(a)(3), 104(b)(3)(A), 104(b)(4)(B), 136(b), 136(d)–(e), 141–44, 197, 301, and 306 of the House amendment, and modifications committed to conference:

Henry Hyde,
George W. Gekas,

From the Committee on Banking and Financial Services, for consideration of section 101 of the Senate bill and section 101 of the House amendment: Mr. King is appointed in lieu of Mr. Bachus; Mr. Royce is appointed in lieu of Mr. Castle:

Peter T. King,
Ed Royce,

From the Committee on Commerce, for consideration of section 101 of the Senate bill and section 101 of the House amendment: Mrs. Wilson is appointed in lieu of Mr. Largent; Mr. Fossella is appointed in lieu of Mr. Bilbray:

Heather Wilson,
Vito Fossella,
Managers on the Part of the House.

Phil Gramm,
Connie Mack,
Robert F. Bennett,
Rod Grams,
Wayne Allards,
Michael B. Enzi,
Chuck Hagel,
Rick Santorum
Jim Bunning,
Mike Crapo
Paul Sarbanes,
Christopher J. Dodd,
John F. Kerry,
Tim Johnson,
Jack Reed,
Charles, Schumer,
Evan Bayh
John Edwards,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The Managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 900), to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the house amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

TITLE I—FACILITATING AFFILIATIONS AMONG BANKS, SECURITIES FIRMS, AND INSURANCE COMPANIES

The legislation approved by the Conference Managers eliminates many Federal and State law barriers to affiliations among banks and securities firms, insurance companies, and other financial service providers. The House and Senate bills established an identical statutory framework (except for minor drafting differences) pursuant to which full affiliations can occur between banks and securities firms, insurance companies, and other financial companies. The Conferees adopted this framework. Furthermore, the legislation provides financial organizations with flexibility in structuring these new financial affiliations through a holding company structure, or a financial subsidiary (with certain prudential limitations on activities and appropriate safeguards). Reflected in the legislation is the determination made by both Houses to preserve the role of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board" or the "Board") as the umbrella supervisor for holding companies, but to incorporate a system of functional regulation designed to utilize the strengths of the various Federal and State financial supervisors. Incorporating provisions found in both the House and Senate bills, the legislation establishes a mechanism for coordination between the Federal Reserve Board and the Secretary of the Treasury ("the Secretary") regarding the approval of new financial activities for both holding companies and national bank financial subsidiaries. The legislation enhances safety and soundness and improves access to financial services by requiring that banks may not participate in the new financial affiliations unless the banks are well capitalized and well managed. The appropriate regulators are given clear authority to address any failure to maintain these safety and soundness standards in a prompt manner. The legislation also requires that Federal bank regulators prohibit banks from participating in the new financial affiliations if, at the time of certification, any bank affiliate had received a less than "satisfactory" Community Reinvestment Act of 1977 ("CRA") rating as of its most recent examination.

Subtitle A—Financial Affiliations

Senate Position: The Senate bill contains provisions repealing restrictions in the Glass-Steagall Act and the Bank Holding Company Act of 1956 ("BHCA") on affiliations involving securities firms and insurance companies, respectively. The Senate bill establishes a new framework in section 4 of the BHCA for bank holding companies to engage in financial activities. It does not create a separate designation for bank holding companies engaged in the new financial activities but it does require that the subsidiary insured depository institutions of such holding companies be well capitalized and well managed in order to take advantage of the new activities. In the event that a bank holding company's subsidiary depository institutions fall out of compliance, a "cure" procedure is established. The Senate bill authorizes bank holding companies to engage in activities that the Federal Reserve Board has determined to be financial in nature and incidental to such financial activities. It also authorizes qualifying bank holding companies to engage in activities that the Federal Reserve Board determines are complementary to financial activities, or any other service that the Federal Reserve Board determines not to pose a substantial risk to the safety and soundness of depository institutions or the financial system generally. It contains a list of pre-approved activities that includes merchant banking and insurance company portfolio investment activities. There is also a grandfather provision for the commodities activities engaged in by a company as of September 30, 1997, if that company becomes a bank holding company after the date of enactment.

House Position: The House bill also repeals the restrictions contained in the Glass-Steagall Act on affiliations between banks and securities firms engaged in underwriting and in the BHCA on affiliations between banks and insurance companies and insurance agents. It creates a new section 6 of the BHCA which authorizes new financial activities for bank holding companies that qualify as "financial holding companies." In order for a bank holding company to qualify as a financial holding company ("FHC"), its subsidiary depository institutions must be well managed, well capitalized, and have received at least a "satisfactory" CRA rating as of their last examination. In the event that an FHC falls out of compliance, a "cure" procedure is established. It authorizes FHCs to engage in activities that the Federal Reserve Board has determined to be financial in nature, incidental to such financial activities or complementary to financial activities to the extent that the amount of such complementary activities remains small. It contains a list of pre-approved activities that includes investment banking and insurance company portfolio investment activities. The House bill also authorizes FHCs to engage in developing activities to a limited extent. A ten-year grandfather is included for the nonfinancial activities of companies that become bank holding companies after enactment of this legislation and are predominantly financial in nature at the time they become FHCs.

Conference Substitute: The Conferees acceded to the Senate by agreeing to amend section 4 of the BHCA to add a series of new subsections that contain the framework for engaging in new financial activities. The Conferees have acceded to the House in designating as FHCs those bank holding companies qualifying to engage in the new financial activities.

New section 4(k) permits bank holding companies that qualify as FHCs to engage in activities, and acquire companies engaged in activities, that are financial in nature or incidental to such financial activities. FHCs are also permitted to engage in activities that are complementary to financial activities if the Federal Reserve Board determines that the activity does not pose a substantial risk to the safety or soundness of depository institutions or the financial system in general.

Permitting banks to affiliate with firms engaged in financial activities represents a significant expansion from the current requirement that bank affiliates may only be engaged in activities that are closely related to banking. The Board has primary jurisdiction for determining what activities are financial in nature, incidental to financial in nature, or complementary. The Board may act by regulation or order. In determining what activities are financial in nature or incidental, the Federal Reserve Board must notify the Secretary of applications or requests to engage in new financial activities. The Federal Reserve Board may not determine that an activity is financial or incidental to a financial activity if the Secretary objects. The Secretary may also propose to the Federal Reserve Board that the Board find that a particular activity is financial in nature or incidental to a financial activity. A similar procedure is included in the legislation with regard to the determination of financial activities and activities that are incidental to financial activities for financial subsidiaries of national banks. The intent of the Conferees is that the Federal Reserve Board and the Secretary of the Treasury will establish a consultative process that will negate the need for either agency to veto a proposal of the other agency. Establishing such a process should bring balance to the determinations regarding the type of activities that are financial and limit regulatory arbitrage.

Section 4(k) contains a list of activities that are considered to be financial in nature. An FHC may engage in the activities on this list without obtaining prior approval from the Federal Reserve Board. Notice must be given to the Federal Reserve Board not later than 30 days after the activity is commenced or a company is acquired. The list includes securities underwriting, dealing, and market making without any revenue limitation such as sponsoring and distributing all types of mutual funds and investment companies. Other activities include insurance underwriting and agency activities, merchant banking, and insurance company portfolio investments. The reference to ". . . insuring, guaranteeing or indemnifying against . . . illness," is meant to include activities commonly thought of as health insurance, including such activities when provided by companies such as Blue Cross and Blue Shield organizations which are licensed under State laws to provide health insurance benefits in consideration of the payment of premiums or subscriber contributions. Such reference is not meant to include the activity of directly providing health care on a basis other than to the extent that it may be incidental to the business of insurance as defined in section 4(k)(4)(B) of the BHCA.

Merchant banking

The authorization of merchant banking activities as provided in new section 4(k)(4)(H) of the BHCA is designed to recognize the essential role that these activities play in modern finance and permits an FHC that has a securities affiliate or an affiliate of an insurance company engaged in underwriting life, accident and health, or property and casualty insurance, or providing and issuing annuities, to conduct such activities. Under this provision, the FHC may directly or indirectly acquire or control any kind of ownership interest (including debt and equity securities, partnership interests, trust certificates, or other instruments representing ownership) in an entity engaged in any kind of trade or business whatsoever. The FHC may make such acquisition whether acting as principal, on behalf of one or more entities (e.g., as adviser to a fund, regardless of whether the FHC is also an investor in the fund), including entities that the FHC controls (other than a depository institution or a subsidiary of a depository institution), or otherwise.

Section 122 provides that after a 5 year period from the date of enactment, the Board and the Secretary may jointly adopt rules permitting financial subsidiaries to engage in the activities under section 4(k)(4)(H) of the BHCA subject to the conditions that the agencies may jointly determine.

Insurance company portfolio investments

New section 4(k)(4)(I) of the BHCA recognizes that as part of the ordinary course of business, insurance companies frequently invest funds received from policyholders by acquiring most or all the shares of stock of a company that may not be engaged in a financial activity. These investments are made in the ordinary course of business pursuant to state insurance laws governing investments by insurance companies, and are subject to ongoing review and approval by the applicable state regulator. Section 4(k)(4)(I) permits an insurance company that is affiliated with a depository institution to continue to directly or indirectly acquire or control any kind of ownership interest in any company if certain requirements are met. The shares held by such a company: (i) must not be acquired or held by a depository institution or a subsidiary of a depository institution; (ii) must be acquired and held by an insurance company that is predominantly engaged in underwriting life, accident and health, or property and casualty (other than credit-related insurance) or in providing and issuing annuities; and (iii) must represent an investment made in the ordinary course of business of such insurance company in accordance with relevant state law governing such investments. In addition, during the period such ownership interests are held, the FHC must not routinely manage or operate the portfolio company except as may be necessary or required to obtain a reasonable return on the investment. To the extent an FHC participates in the management or operation of a portfolio company, such participation would ordinarily be for the purpose of safeguarding the investment of the insurance company in accordance with the applicable requirements of state insurance law. This is irrespective of any overlap between board members and officers of the FHC and the portfolio company.

CONDITIONS TO ENGAGE IN NEW ACTIVITIES

New section 4(l) of the BHCA establishes the requirements for permitting a bank holding company to engage in the new financial activities and affiliations. A bank holding company may elect to become a financial holding company if all of its subsidiary banks are well capitalized and well managed. A bank holding company that meets such requirements may file a certification to that effect with the Board and a declaration that the company chooses to be an FHC.

After the filing of such a declaration and certification, an FHC may engage either de novo, or through an acquisition, in any activity that has been determined by the Board to be financial in nature or incidental to such financial activity. FHCs may engage in activities on the preapproved list of financial activities contained in section 4(k) of the BHCA and any other financial activity approved by the Board without prior notice. Complementary activities, however, must be approved by the Board on a case-by-case basis under the notice procedures contained in section 4(j) of the BHCA.

The legislation also amends the CRA to provide that an election of a bank holding company to become an FHC shall not be effective if the Board finds that as of the date of the election not all of the subsidiary insured depository institutions of the holding company had received a "satisfactory" or better CRA rating at their most recent CRA examinations. In addition, the legislation amends the BHCA to require the appropriate Federal banking agency to prohibit an FHC, or a bank through a financial subsidiary, from commencing any new activities or acquiring any companies under sections 4(k) or (n) of the BHCA, section 5136A(a) of the Revised Statutes of the United States, or section 46(a) of the Federal Deposit Insurance Act, in the event that the bank or any of its insured depository institution affiliates or any insured depository institution affiliate of the FHC fails to have at least a "satisfactory" CRA rating at the time of its last examination. It is the most recent rating alone that shall be looked to by the regulator in connection with these provisions. This provision does not authorize any agency to require the divestiture of any company already owned by the FHC prior to the time that the prohibition becomes effective or to limit in any way any activity already engaged in by the FHC prior to that time. The prohibition ceases to apply once all of the insured depository institutions controlled by the FHC or the bank and all of its insured depository institution affiliates have restored their CRA performance rating to at least the "satisfactory" level.

This provision applies to the ownership and activities of financial subsidiaries of national banks to the same extent as it applies to FHCs. It also applies in the same way to subsidiaries held by insured State banks subject to newly added section 46(a) of the Federal Deposit Insurance Act.

OPERATION OF STATE LAW

Senate Position: The Senate bill establishes in section 104 the parameters for the appropriate balance between Federal and State regulation of the activities and affiliations allowed under this legislation.

House Position: The House provision is similar, with parallel provisions contained in sections 104, 301, and 302 of the House bill.

Conference Substitute: The House agreed to incorporate its sections 301 and 302 into section 104, and the Senate agreed to adopt the language of the House's section 302. The House discrimination standard was adopted with modifications, and the Conferees agreed to incorporate House provisions protecting the ability of the States to require restoration of an entity's capital, and restricting changes in stock ownership of demutualizing insurers, as modified. The House receded on its provision specifically addressing a North Carolina Blue-Cross Blue-Shield organization, as the State laws governing those types of entities would not be preempted so long as the State laws do not discriminate, as set forth in the legislation.

This section reaffirms the McCarran-Ferguson Act, recognizing the primacy and legal authority of the States to regulate insurance activities of all persons. No persons are permitted to engage in the business of insurance unless they are licensed by the States, as required under State law. States are not allowed to prevent certain affiliations or activities or discriminate against depository institutions in providing such insurance licenses.

In general, States are not allowed to prevent or restrict affiliations permitted under Federal law. With respect to an affiliation by an insurer, States may collect information, and the insurer's State of domicile may take action on the affiliation (including approval or disapproval), but only within 60 days of receiving notice of the affiliation, and only if the actions do not discriminate against the insurer based on an association with a depository institution. An affiliating insurer's State of domicile may require capital restoration to the level required under State law, so long as such request is made within 60 days of notice of the affiliation. Any State, as permitted under State law, may restrict changes in ownership of a demutualizing insurer so long as the restrictions are not discriminatory as set forth in the legislation. Section 104(c)(2)(C) means that State laws and State regulators shall not discriminate against depository institutions or their affiliates with respect to acquiring or otherwise changing the ownership of stock in newly demutualized insurance companies relative to other persons.

Except with respect to insurance, States may not prevent or restrict a depository institution or affiliate thereof from engaging in any activity set forth under the Gramm-Leach-Bliley Act. With respect to insurance sales, solicitations, and cross-marketing, States may not prevent or significantly interfere with the activities of depository institutions or their affiliates, as set forth in *Barnett Bank of Marion County N.A. v. Nelson*, 517 U.S. 25 (1996). However, State restrictions that are substantially the same as but no more burdensome than the thirteen general safe harbors provided are not subject to potential preemption. States are also allowed to continue the regulation of insurance activities other than sales, solicitation, and cross-marketing, and the preemption standard does not apply to such regulation if consistent with the standards set forth in the legislation.

State regulation other than of insurance or securities activities is not preempted even if it does prevent or restrict an activity so long as it does not discriminate. The Conferees adopted the House discrimination standard with respect to insurance activities. The discrimination standard does not apply to State regulations governing insurance sales, solicitations, or cross-marketing activities adopted before September 3, 1998, and does not apply to State regulations that are substantially the same as but no more burdensome than the safe harbors. State securities regulation is not preempted by the "prevent or restrict" standard with regard to a State securities commission's ability to investigate and enforce certain unlawful securities transactions or to require the licensure or registration of securities and securities brokers, dealers, and investment advisors and their associates. State actions of general corporate applicability applying to companies domiciled or incorporated in the State are also protected from the "prevent or restrict" preemption, as well as State laws similar to the antitrust laws, so long as the State actions are not inconsistent with the intent of this Act to permit affiliations. The term "depository institution" is defined as including foreign banks and their domestic affiliates and subsidiaries. The term "affiliate" is defined for section 104 to include any person under common control (including a subsidiary).

Subtitle B—Streamlining Supervision of Bank Holding Companies

Both the House and Senate bills generally adhere to the principle of functional regulation, which holds that similar activities should be regulated by the same regulator. Different regulators have expertise at supervising different activities. It is inefficient and impractical to expect a regulator to have or develop expertise in regulating all aspects of financial services. Accordingly, the legislation intends to ensure that banking activities are regulated by bank regulators, securities activities are regulated by securities regulators, and insurance activities are regulated by insurance regulators.

In keeping with the Board's role as an umbrella supervisor, the legislation provides that the Board may require any bank holding company or subsidiary thereof to submit reports regarding its financial condition, systems for monitoring and controlling financial and operating risks, transactions with depository institutions, and compliance with the BHCA or other Federal laws that the Board has specific jurisdiction to enforce. The Board is directed to use existing examination reports prepared by other regulators, publicly reported information, and reports filed with other agencies, to the fullest extent possible.

The Board is authorized to examine each holding company and its subsidiaries. It may examine functionally regulated subsidiaries only if: (1) the Board has reasonable cause to believe that such a subsidiary is engaged in activities that pose a material risk to an affiliate depository institution; (2) it reasonably believes after reviewing the relevant reports that examining the subsidiary is necessary to adequately inform the Board of the systems for monitoring risks; or, (3) based on reports and other available information, the Board has reasonable cause to believe that a subsidiary is not in compliance with the BHCA or other Federal law that the Board has specific jurisdiction to enforce and the Board cannot make such a determination through examination of an affiliated depository institution or the holding company. The Board is directed to use, to the fullest extent possible, examinations made by appropriate Federal and State regulators.

The Board is not authorized to prescribe capital requirements for any functionally regulated subsidiary that is in compliance with applicable capital requirements of another Federal regulatory authority, a State insurance authority, or is a registered investment adviser or licensed insurance agent. The legislation also makes it clear that securities and insurance activities conducted in regulated entities are subject to functional regulation by the relevant State securities authorities, the Securities and Exchange ("SEC"), or State insurance regulators.

The Board is prohibited from requiring a broker-dealer or insurance company that is a bank holding company to infuse funds into a depository institution if the company's functional regulator determines, in writing, such action would have a material adverse effect on the broker-dealer or insurance company. If the functional regulator makes such a determination, the Board may require the holding company to divest its depository institution. All the Federal banking agencies are subject to the same limits on reports, examinations and capital requirements for functionally regulated affiliates which apply to the Board. This ensures that the Office of the Comptroller of the Currency ("OCC"), the Office of Thrift Supervision ("OTS"), and the Federal Deposit Insurance Corporation ("FDIC") will not be able to assume and duplicate the function of being the general supervisor over functionally regulated subsidiaries. The legislation specifically preserves, however, the FDIC's authority to examine a functionally regulated affiliate. This authority, which should be used sparingly, is necessary to protect the deposit insurance funds.

The legislation also specifically addresses indirect action by the Board against functionally regulated affiliates. Consistent with functional regulation, the Board's authority to take indirect action against a functionally regulated affiliate is limited. The Board may not promulgate rules, adopt restrictions, safeguards or any other requirement affecting a functionally regulated affiliate unless the action is necessary to address a "material risk" to the safety and soundness of the depository institution or the domestic or international payments system and it is not possible to guard against such material risk through requirements imposed directly upon the depository institution.

The Federal banking regulators are empowered to adopt prudential safeguards governing transactions between depository institutions, their subsidiaries and affiliates so as to avoid, among other items, significant risk to the safety and soundness of the institution. The regulators are required to review these safeguards regularly and modify or eliminate those requirements which are no longer necessary.

Bank holding companies may elect to become FHCs by meeting the statutory requirements and filing a declaration and a certification with the Board. The legislation makes it clear that a duplicative registration statement under section 5 of the BHCA is not required. The integrity of the deposit insurance funds is preserved by prohibiting the use of deposit insurance funds to benefit any shareholder, subsidiary or nondepository affiliate of an FHC. This section ensures that the federal safety net is not extended to persons who are not entitled to Federal deposit insurance coverage.

The savings bank restrictions in the BHCA are repealed. This repeal is designed to conform the regulation of savings bank life insurance to other provisions of Federal banking law.

The Conferees intend that the Board be flexible in its application of holding company consolidated capital standards for the leverage requirement and the timing of the asset calculations to FHCs of which the predominant regulated subsidiary is a broker-dealer. The Conferees intend that, to the extent the Board deems feasible and consistent with the overall financial condition and activities of the holding company, the capital requirements for such holding companies be consistent with the capital standards applied by the SEC to the broker-dealer, which accounts for the predominant amount of assets and activities of the holding company.

Subtitle C—Subsidiaries of National Banks

Senate Position: The Senate bill authorizes a national bank to control a subsidiary engaged in financial activities permissible for a bank holding company (but not permissible for a national bank directly) under section 4(k) if the bank has consolidated total assets not exceeding $1 billion, is not affiliated with a bank holding company, is well capitalized, and well managed. For the purpose of determining a parent national bank's regulatory capital, a deduction from assets and tangible equity is required for the amount of outstanding equity investments made in a financial subsidiary. In addition, the assets and liabilities of the financial subsidiary must not be consolidated with those of the parent bank. Equity investments in the operating subsidiary by a parent national bank must not exceed the amount the bank could pay as a dividend without obtaining prior regulatory approval. The Senate bill also clarifies that a national bank may conduct through a subsidiary any activity which the national bank may engage directly and any activity lawfully conducted as of the date of enactment of this legislation.

House Position: The House bill authorizes a national bank subsidiary to engage only in activities permissible for national banks to engage in directly, activities otherwise expressly authorized by statute, and activities that are financial in nature or incidental to financial activities. Financial activities are defined as those activities permissible for an FHC or activities that the Secretary of the Treasury determines to be financial in nature or incidental to financial activities in consultation and coordination with the Federal Reserve Board. Excluded from the list of permissible financial activities are insurance underwriting, insurance company portfolio investments, and real estate investment and development. National bank operating subsidiaries also may engage in developing activities. In order for a national bank operating subsidiary to engage in activities that are financial in nature, its parent bank and all its depository institution affiliates must be well capitalized, well managed, and have a satisfactory CRA rating. A cure procedure is established to address situations where there is a failure to comply with these conditions. It also requires that the aggregate amount of the national bank parent's equity investments in the bank be deducted from the bank's capital including the operating subsidiary's retained earnings. In addition, the assets and liabilities of the subsidiary must not be consolidated with those of its parent bank. Equity investments in the operating subsidiary by a parent national bank must not exceed the amount the bank could pay as a dividend without obtaining prior regulatory approval.

Conference Substitute: The Senate receded to the House with an amendment.

Under the amendment, national banks of any size are permitted to engage through a financial subsidiary only in financial activities (with exceptions) authorized by this Act. Section 121 specifically excludes four types of activities for financial subsidiaries: insurance or annuity underwriting, insurance company portfolio investments, real estate investment and development, and merchant banking (subject to section 122). These types of financial activities may only be done in FHC affiliates. The federal banking regulators are prohibited from interpreting these provisions to provide for any expansion of these activities contrary to the express language of this statute. It is the intent of the Conferees that these new statutory provisions—and the regulations to be adopted pursuant thereto—supercede and replace the OCC's Part 5 regulations on operating subsidiaries.

Subtitle D—Preservation of FTC Authority

Section 131. Amendment to the Bank Holding Company Act of 1956 to modify notification and post-approval waiting period for section 3 transactions

Senate Position: No provision.

House Position: Section 141 of the House amendment amends section 11(b)(1) of the BHCA (12 U.S.C. section 1849(b)(1)) to provide for notice to the Federal Trade Commission ("FTC") when the Board of Governors of the Federal Reserve System approves a transaction under section 3 of the BHCA if that transaction also involves a transaction under section 4 or 6 of the BHCA.

Conference Substitute: The Senate receded to the House with an amendment.

Under section 131 of the Conference Report, the modification simply eliminated the reference to section 6 because the new activities for FHCs are now included within section 4 of the BHCA as amended by the Conference Report. The FTC currently has no role in reviewing pure section 3 transactions, and this amendment does not change that. However, the FTC does perform reviews of certain section 4 transactions. This amendment will simply allow the FTC to coordinate its review with the Board in those cases that also involve a section 3 transaction.

Section 132. Interagency data sharing

Senate Position: No provision.

House Position: Section 142 of the House amendment provided that, except as otherwise prohibited by law, the banking regulators who review mergers or acquisitions (the OCC, the OTS, the FDIC, and Federal Reserve Board) shall make available to the antitrust agencies (the Department of Justice and the Federal Trade Commission ("FTC")) any information in the bank regulators' possession that the antitrust agencies deem necessary for their antitrust review under sections 3, 4, or 6 of the BHCA, section 18(c) of the Federal Deposit Insurance Act, the National Bank Consolidation and Merger Act, section 10 of the Home Owners' Loan Act, or the antitrust laws.

Conference Substitute: The Senate receded to the House with an amendment.

Under section 132 of the Conference Report, the modification eliminated the reference to section 6 of the BHCA because the new activities for FHCs are now included within section 4 of the BHCA as amended by the Conference Report. In addition, the modification added new sections 132(b) and 132(c). New section 132(b) requires that any information shared under this provision be kept confidential; that before any information shared under this provision is disclosed to a third party, the agency which shared it must be notified in writing and given a chance to oppose or limit the disclosure; that any sharing under this provision does not affect any claim of privilege with respect to such information; and that nothing in this section shall be construed to limit access to any information by the Congress or the Comptroller General. New section 132(c) simply applies the provisions of new section 132(b) to the sharing of information between Federal banking agencies and State regulators or any other party.

In the past, there have been difficulties with banking agencies sharing bank examination reports with the antitrust agencies because of doubts about whether they had sufficient authority to do so. The reports have generally been shared in the end. However, in cases of failing institutions in which review has been expedited or of institutions taken over by the government, delays in providing these reports have sometimes impeded antitrust review. This language simply allows all of the involved agencies to do their respective tasks in the most expeditious manner possible.

Section 133. Clarification of status of subsidiaries and affiliates

Senate Position: No provision.

House Position: Section 143(a) of the House amendment provided that subsidiaries or affiliates of banks or savings associations which are not themselves banks or savings associations shall not be treated as banks or savings associations for purposes of the FTC Act or any other law enforced by the FTC. Section 143(b) clarified that nothing in this section shall be construed as restricting the authority of any Federal banking agency.

Section 143(c) amended the existing BHCA exceptions to the Hart-Scott-Rodino ("H-S-R") Act, 15 U.S.C. section 18a(c)(7) and 18a(c)(8). Under current law, transactions subject to approval under section 3 of the

BHCA are exempt from H-S-R review. Likewise, assuming certain conditions are met, transactions subject to approval under section 4 are also exempt. The amendments in section 143(c) clarified that when FHCs acquire other FHCs and either of those companies was involved in new activities under section 6 of the BHCA as amended by the House amendment, the portion of the transaction involving those section 6 activities would be subject to H-S-R review. However, the remainder of the transaction will continue to be reviewed under the existing BHCA.

Conference Substitute: The Senate receded to the House with modifications.

Under section 133 of the conference report, the modification to section 133(a) clarified that the language applied to any provision of law applied by the FTC under the FTC Act. This clarification makes it clear that the section is limited to laws that the FTC currently enforces and is not intended to provide authority to enforce any new statutes. Under current law, section 5(a)(2) of the FTC Act prohibits the FTC from enforcing the Act against banks or savings associations. The conference report will, however, allow these entities to acquire other kinds of businesses, for example, securities firms, against which the FTC can currently enforce the Act. This provision simply makes it clear that these kinds of businesses do not fall within the bank or savings association exemption because they are owned by such an entity.

There was no modification to the savings provision contained in section 133(b).

The modification to section 133(c) replaced the reference to section 6 of the BHCA as amended by the House amendment with a reference to section 4(k) of the BHCA as amended by the conference report. Under the conference report, section 4(k) now contains the language allowing FHCs to engage in new activities. This amendment to the H-S-R exemptions will allow the antitrust agencies to continue to review mergers between insurance companies, securities firms, and other businesses newly allowed to FHCs as they are today, notwithstanding the ownership interest of the FHC. This clarification for the new FHC structure is consistent with, and does not disturb, existing law and precedents under which mergers involving complex corporate entities, some parts of which are in industries subject to merger review by specialized regulatory agencies and other parts of which are not, are considered according to agency jurisdiction over their respective parts, so that normal H-S-R Act requirements apply to those parts that do not fall within the specialized agency's specific authority. See 16 C.F.R. section 802.6.

Annual GAO report (section 144 of the House amendment)

Senate Position: No provision.

House Position: Section 144 of the House amendment provided for the General Accounting Office to submit an annual report to Congress on market concentration in the financial services industry for each of the next five years.

Conference Substitute: The House receded to the Senate.

SUBTITLE E—NATIONAL TREATMENT

Section 141. Foreign Banks that are Financial Holding Companies

Senate Position: The Senate bill, at section 151, permits termination of the financial grandfathering authority granted by the International Banking Act and other statutes to foreign banks to engage in certain financial activities. Foreign banks with grandfathered financial affiliates would be permitted to retain these grandfathered companies on the same terms that domestic banking organizations are permitted to establish them.

House Position: The House amendment, at section 151, is similar.

Conference Substitute: The Senate receded to the House.

Section 142. Representative offices

Senate Position: The Senate bill, at section 152, requires prior approval by the Federal Reserve Board for the establishment of representative offices that are subsidiaries of a foreign bank.

House Position: The House bill, at section 153, contains the same provision.

Conference Substitute: The Senate receded to the House.

Subtitle F—Direct Activities of Banks

Senate Position: The Senate bill authorizes national banks to deal in, underwrite, and purchase municipal bonds for their own investment accounts.

House Position: The House amendment is identical.

Conference Substitute: The House receded to the Senate.

TITLE II

Subtitle A—Brokers and Dealers

Senate Position: The Senate bill repeals the exemptions from the definition of broker and dealer under the Federal securities laws that currently apply to banks, generally subjecting banks and their affiliates and subsidiaries to the same regulation as all other providers of securities products. However, the Senate bill replaces the general bank exemption with specific exemptions for certain bank activities.

House Position: The House amendment also repeals the general bank exemptions from the definition of broker and dealer under the Federal securities laws but provides more limited exemptions than does the Senate bill.

Conference Substitute: Subtitle A of title II of the Gramm-Leach-Bliley Act provides for functional regulation of bank securities activities. The Conferees retained certain limited exemptions to facilitate certain activities in which banks have traditionally engaged. These exceptions relate to third-party networking arrangements, trust activities, traditional banking transactions such as commercial paper and exempted securities, employee and shareholder benefit plans, sweep accounts, affiliate transactions, private placements, safekeeping and custody services, asset-backed securities, derivatives, and identified banking products.

The Conferees provided for an exception for networking arrangements between banks and brokers. Revisions to Rule 1060 recently approved by the National Association of Securities Dealers ("NASD") are in conflict with this provision. As a consequence, revisions to the rule should be made to exempt banks and their employees from the provisions' coverage.

The Conferees provided that banks that effect transactions in a trustee or fiduciary capacity under certain conditions will be exempt from registration under the Federal securities laws if the bank: (1) is chiefly compensated by means of administration and certain other fees, including a combination of such fees, and (2) does not publicly solicit brokerage business. The Conferees expect that the SEC will not disturb traditional bank trust activities under this provision.

The Conferees also provided that classification of a particular product as an identified banking product shall not be construed as a finding or implication that such product is or is not a security for purposes of the securities laws, or is or is not a transaction for any purpose under the Commodity Exchange Act. The Conferees do not intend in the Gramm-Leach-Bliley Act to express an opinion upon or to address the issue of legal certainty for swap agreements under the securities and commodity exchange laws.

The Conferees also provided that the Commodity Exchange Act is not amended by the Gramm-Leach-Bliley Act, and no transaction or person which is otherwise subject to the jurisdiction of the Commodity Futures Trading Commission pursuant to the Commodity Exchange Act is exempted from such jurisdiction because of the provisions of the Gramm-Leach-Bliley Act.

For new hybrid products, the Conferees codified in the securities laws a process that requires the SEC to act by rulemaking prior to seeking to regulate any bank sales of any such new product. This rulemaking process is designed to give notice to the banking industry in an area that could involve complex new products with many elements.

The process contemplated by the Conferees would work as follows. Prior to seeking to require a bank to register as a broker or dealer with respect to sales of any new hybrid product, the SEC would have to engage in a rulemaking. In its rulemaking, the SEC would need to find that the new product is a security. In addition, the SEC would have to determine that the product is a "new hybrid product."

A new hybrid product is not one of the products listed in the definition of "identified banking product". Including a product on the list of identified banking products shall not be construed as a finding or implication that such product is or is not a security, but it would not be a new hybrid product. The Conferees codified the definition of Identified Banking Products as a free-standing provision of law, neither in the securities laws nor in the banking laws.

In addition, during the rulemaking process, the SEC must also make a number of findings. When considering whether such an action is in the public interest, the SEC must also consider whether the action will promote efficiency, competition and capital formation, as set forth in section 3(f) of the Securities Exchange Act of 1934 ("Exchange Act"). The Conferees note that the SEC's record in implementing section 3(f) has failed to meet Congressional intent. The Conferees expect that the SEC will improve in this area.

Prior to commencing a rulemaking process, the SEC is required to consult with and seek the concurrence of the Federal Reserve Board concerning the imposition of broker or dealer registration requirements with respect to any new hybrid product. In developing and promulgating rules under this subsection, the SEC shall consider the views of the Board, including views with respect to the nature of the new hybrid product; the history, purpose, extent, and appropriateness of the regulation of the new product under the Federal banking laws; and the impact of the proposed rule on the banking industry.

If the Board seeks review of any final regulation under this section, such review will serve as a stay on the rulemaking until final adjudication of the matter between the SEC and the Board. In considering such an appeal, the United States Court of Appeals for the District of Columbia Circuit shall determine to affirm and enforce or set aside a regulation of the SEC under this subsection.

based on the determination of the court as to whether: (1) the subject product is a new hybrid product; (2) the subject product is a security; (3) imposing a requirement to register as a broker or dealer for banks engaging in transactions in such product is appropriate in light of the history, purpose and extent of regulation under the Federal securities laws and under the Federal banking laws, giving deference neither to the views of the SEC nor to the Board.

Subtitle B—Bank Investment Company Activities

Senate Position: No provision.

House Position: The House bill amends the Investment Advisers Act and the Investment Company Act to subject banks that advise mutual funds to the same regulatory scheme as other advisers to mutual funds. It also requires banks to make additional disclosure when a fund is sold or advised by a bank.

Conference Substitute: The Senate recedes to the House provision with an amendment.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

Senate Position: No provision.

House Position: The House amendment creates a new investment bank holding company structure under the Exchange Act. This subtitle is designed to implement a new concept of SEC supervision of broker/dealer holding companies (that do not control depository institutions with certain exceptions) that voluntarily elect SEC supervision. This provision is designed to assure that the supervision of an investment bank holding company by the SEC is a meaningful option. Non-U.S. financial institutions supervisors, when reviewing regulatory applications or notices submitted by a U.S. financial institution supervised in the United States as an investment bank holding company by the SEC under section 231, shall treat the SEC as the principal U.S. consolidated home country supervisor of such financial institution on the same basis and terms as if the Federal Reserve Board were the principal U.S. consolidated home country supervisor.

Conference Substitute: The Senate recedes with an amendment. The Conferees eliminated the authority of the SEC to regulate investment bank holding company capital.

Subtitle D—Banks and Bank Holding Companies

Senate Position: No provision.

House Position: The House amendment requires the SEC to consult and coordinate comments with the appropriate Federal banking regulators before any action or rendering any opinion with respect to the manner in which an insured depository institution or insured depository holding company reports loan loss reserves.

Conference Substitute: The Senate recedes to the House provision. The Conferees note that the SEC's actions with respect to the reporting of loan loss reserves by certain insured depository institutions did not reflect adequate consultation with the Federal banking agencies with respect to potential implications on the safety and soundness of the Federal deposit insurance fund. The Conferees expect that this provision will facilitate better coordination and decision-making by the SEC in this area.

Title III—Insurance

Subtitle A—State Regulation of Insurance

Senate Position: The Senate bill contains a number of provisions intended to preserve State regulation of insurance.

House Position: The House amendment similarly contains a number of provisions intended to preserve and enhance State regulation of insurance.

Conference Substitute: The Senate receded to the House with an amendment.

In general, Subtitle A of Title III reaffirms that States are the regulators for the insurance activities for all persons, including acting as the functional regulator for the insurance activities of federally chartered banks. This functional regulatory power is subject to section 104 of Title I, however, which sets forth the appropriate balance of protections against discriminatory actions. Federally chartered banks and their subsidiaries are prohibited from underwriting insurance, except for authorized products. A rule of construction was added by the Conference Committee to prevent evasion of State insurance regulation by foreign reinsurance subsidiaries or offices of domestic banks, clarifying that providing insurance (including reinsurance) outside of the United States to indemnify an insurance product or company in a State shall be considered to be providing insurance as principal in that State.

Federally chartered banks are prohibited from engaging in any activity involving the underwriting or sale of title insurance, except that national banks may sell title insurance products in any State in which state-chartered banks are authorized to do so (other than through a "wild card provision"), so long as such sales are undertaken "in the same manner, to the same extent, and under the same restrictions" that apply to such state-chartered banks. Certain currently and lawfully conducted title insurance activities of banks are grandfathered, and existing State laws prohibiting all persons from providing title insurance are protected.

An expedited and equalized dispute resolution mechanism is established to guide the courts in deciding conflicts between Federal and State regulators regarding insurance issues. The "without unequal deference" standard of review does not apply to State regulation of insurance agency activities that were issued before September 3, 1998 (other than those protected by the scope of the safe harbor provision of section 104).

The Federal banking agencies are required to issue final consumer protection regulations within one year, to provide additional safeguards for the sale of insurance by any bank or other depository institution, or by any person at or on behalf of such institution.

State laws that prevent or significantly interfere with the ability of insurers to affiliate, become an FHC, or demutualize, are preempted, except as provided in section 104(c)(2), and with respect to demutualizing insurers for the State of domicile (and as set forth in the Redomestication Subtitle). State laws limiting the investment of an insurer's assets in a depository institution are also preempted, except that an insurer's State of domicile may limit such investment as provided.

The Federal banking agencies and the State insurance regulators are directed to coordinate efforts to supervise companies that control both depository institutions and persons engaged in the business of insurance, and to share, on a confidential basis, supervisory information including financial health and business unit transactions. The agencies are further directed to provide notice and to consult with the State regulators before taking actions which effect any affiliates engaging in insurance activities. A banking regulator is not required to provide confidential information to a State insurance regulator unless such State regulator agrees to keep the information in confidence and make all reasonable efforts to oppose disclosure of such information. Conversely, Federal banking regulators are directed to treat as confidential any information received from a State regulator which is entitled to confidential treatment under State law, and to make similar reasonable efforts to oppose disclosure of the information.

Subtitle B—Redomestication of Mutual Insurers

Senate Position: No provision.

House Position: The House bill allows mutual insurance companies to redomesticate to another state and reorganize into a mutual holding company or stock company. It only applies to insurers in States which have not established reasonable terms and conditions for allowing mutual insurance companies to reorganize into a mutual holding company. All licenses of the insurer are preserved, and all outstanding policies, contracts, and forms remain in full force. A redomesticating company must provide notice to the state insurance regulators of each State for which the company is licensed. A mutual insurance company may only redomesticate under this Subtitle if the State insurance regulator of the new (transferee) domicile affirmatively determines that the company's reorganization plan meets certain reasonable terms and conditions: the reorganization is approved by a majority of the company's board of directors and voting policyholders, after notice and disclosure of the reorganization and its effects on policyholder contractual rights; the policyholders have equivalent voting rights in the new mutual holding company as compared to the original mutual insurer; any initial public offering of stock shall be in accordance with applicable securities laws and under the supervision of the State insurance regulator of the transferee domicile; the new mutual holding company may not award any stock options or grants to its elected officers or directors for six months; all contractual rights of the policyholders are preserved; and the reorganization is approved as fair and equitable to the policyholders by the insurance regulators of transferee domicile.

Conference Substitute: The Senate receded to the House with an amendment.

Subtitle C—National Association of Registered Agents and Brokers

Senate Position: The Senate bill contains a sense of the Congress statement that States should provide for a uniform insurance agent and broker licensing system.

House Position: The House bill encourages the States to establish uniform or reciprocal requirements for the licensing of insurance agents. If a majority of the States do not establish uniform or reciprocal licensing provisions within a three-year period (as determined by the National Association of Insurance Commissioners ["NAIC"]), then the National Association of Registered Agents and Brokers ("NARAB") would be established as a private, non-profit entity managed and supervised by the State insurance regulators. State insurance laws and regulations shall not be affected except to the extent that they are inconsistent with a specific requirement of the Subtitle. Membership in NARAB is voluntary and does not affect the rights of a producer under each individual state license. Any state-licensed insurance producer whose license has not been suspended or revoked is eligible to join NARAB. NARAB shall be base membership criteria on the highest levels insurance producer qualification set by the States on standards such as integrity, personal qualification, education, training, and experience. NARAB members shall continue to pay the appropriate fees required by each State in which they are licensed, and shall renew their membership annually. NARAB may inspect members records, and revoke a membership where appropriate. NARAB shall establish an Office of Consumer Complaints, which shall have a toll-free phone number (and Internet website) to receive and investigate consumer complaints and recommend disciplinary actions. The Office shall maintain records of such complaints, which shall be made available to the NAIC and individual State insurance regulators, and shall refer complaints where appropriate to such regulators.

If the NAIC determines that the States have not met the uniformity or reciprocity requirements, then the NAIC has two years to establish NARAB. The NAIC shall appoint NARAB's board of directors, some of whom must have significant experience with the regulation of commercial insurance lines in the 20 States with the most commercial lines business. If within the time period allotted for NARAB's creation, the NAIC has still not appointed the initial board of directors for NARAB, then the initial directors shall be the State insurance regulators of the seven States with the greatest amount of commercial lines insurance. NARAB's bylaws are required to be filed with the NAIC, taking effect 30 days after filing unless disapproves by the NAIC as being contrary to the public interest or requiring a public hearing. The NAIC may require NARAB to adopt or repeal additional bylaws or rules as it determines appropriate to the public interest. The NAIC is given the responsibility of overseeing NARAB, and is authorized to examine and inspect NARAB's records, and require NARAB to furnish it with any reports.

If at the end of two years after NARAB is required to be established, (1) a majority of the States representing at least 50% of the total commercial-lines insurance premiums in the United States have not established uniform or reciprocal licensing regulations, or (2) the NAIC has not approved NARAB's bylaws or is unable to operate or supervise NARAB (or if NARAB is not conducting its activities under this Act), then NARAB shall be created and supervised by the President, and shall exist without NAIC oversight. The President shall appoint NARAB's board, with the advice and consent of the Senate, from lists of candidates submitted by the NAIC. If the President determines that NARAB's board is not acting in the public interest, the President may replace the entire board with new members (subject to the advice and consent of the Senate). The President may also suspend the effectiveness of any rule or action by NARAB which the President determines is contrary to the public interest. NARAB shall report annually to the President and Congress on its activities.

State laws regulating insurance licensing that discriminate against NARAB members based on non-residency are preempted, as well as State laws and regulations which impose additional licensing requirements on non-resident NARAB members beyond those established by the NARAB board (pursuant to this Subtitle), except that State unfair trade practices and consumer protection laws are protected from preemption, including counter-signature requirements. NARAB is required to coordinate its multistate licensing with the various States. It is also required to coordinate with the States on establishing a central clearinghouse for license issuance and renewal, and for the collection of regulatory information on insurance producer activities. NARAB shall further coordinate with the NASD to facilitate joint membership. Any dispute involving NARAB shall be brought in the appropriate U.S. District Court under federal law, after all administrative remedies through NARAB and the NAIC have been exhausted.

Conference Substitute: The Senate receded to the House.

Subtitle D—Rental Car Agency Insurance Activities

Senate Position: The Senate bill provides that the requirements under section 104 with respect to mandatory licensing do not apply to persons who offer insurance connected with a short term motor vehicle rental so long as the State does not require such licensing.

House Position: The House bill creates a Federal presumption for a three-year period that no State law imposes any licensing, appointment, or education requirements on persons who rent motor vehicles for a period of 90 days or less and sell insurance to customers in connection with the rental transaction. This presumption shall not apply to a State statute, the prospective application of a statutorily-authorized final State regulation or order interpreting a State statute, or the prospective application of a court judgment interpreting or applying a State statute, if such State statute or final State regulation or order specifically and expressly regulates (or exempts from regulation) persons who solicit or sell such short term vehicle rental insurance. This presumption shall apply to the retroactive application of a final State regulation or order interpreting a general State insurance licensing statute, or the retroactive application of a court judgment interpreting or applying a general State insurance licensing statute, with respect to the regulation of persons who solicit or sell such short term vehicle rental insurance.

Conference Substitute: The Senate receded to the House.

Subtitle E—Confidentiality

Senate Position: No provision.

House Position: The House bill requires insurance companies and their affiliates to protect the confidentiality of individually identifiable customer health and medical and genetic information. Such companies may only disclose such information with the consent of the customer or for statutorily specified purposes.

Conference Substitute: The House receded to the Senate.

TITLE IV—UNITARY THRIFT HOLDING COMPANY PROVISIONS

Sec. 401. Prohibition on new unitary savings and loan holding companies

Senate Position: The Senate bill, at section 601(a), amends the Home Owners' Loan Act to prohibit (except for corporate reorganizations) new unitary savings and loan holding companies from engaging in nonfinancial activities or affiliating with nonfinancial entities. The prohibition applies to a company that becomes a unitary savings and loan holding company pursuant to an application filed with the OTS after May 4, 1999. A grandfathered unitary thrift holding company (one in existence or applied for on or before May 4, 1999) retains its authority to engage in nonfinancial activities. The Senate bill, at section 601(b), allows mutual savings and loan holding companies to engage in new financial activities authorized under the Gramm-Leach-Bliley Act.

House Position: The House bill, at section 401(a), prohibits new unitary thrift holding companies after the grandfather date of March 4, 1999, from engaging in nonfinancial activities or from affiliating with a nonfinancial entity. The provision also allows a nonfinancial company to purchase a grandfathered unitary thrift holding company upon approval of an application filed with the OTS and approval or no objection to a notice filed with the Federal Reserve Board. The House bill, at section 401(b), permits a mutual holding company to engage in activities permissible for multiple stock holding companies and permits unitary mutual savings and loan holding companies to engage in the new financial activities authorized for FHCs.

Conference Substitute: The House receded to the Senate.

TITLE V—PRIVACY

SUBTITLE A—DISCLOSURE OF NONPUBLIC PERSONAL INFORMATION

Senate Position: No provision.

House Position: The House bill contained important provisions providing consumers with new protections with respect to the transfer and use of their nonpublic personal information by financial institutions.

Among other things, the House bill directed relevant regulators to establish comprehensive standards for ensuring the security and confidentiality of consumers' personal information maintained by financial institutions; allowed customers of financial institutions to "opt out" of having their personal financial information shared with nonaffiliated third parties, subject to certain exceptions; barred financial institutions from disclosing customer account numbers or similar forms of access codes to nonaffiliated third parties for telemarketing or other direct marketing purposes; and mandated annual disclosure—in clear and conspicuous terms—of a financial institution's policies and procedures for protecting customers' nonpublic personal information.

Conference Substitute: The Senate receded to the House with an amendment.

The amendment modified the House position in the following ways:

1. The Federal functional regulators, the Secretary of the Treasury, and the FTC, in consultation with State insurance authorities, are directed to prescribe such regulations as may be necessary to carry out the purposes of the privacy subtitle. The House bill had called for a joint rulemaking. The relevant agencies are required to consult and coordinate with one another in order to assure to the maximum extent possible that the regulations each prescribes are consistent and comparable with those prescribed by the other agencies. It is the hope of the Conferees that State insurance authorities would implement regulations necessary to carry out the purposes of this title and enforce such regulations as provided in this title.

2. To address the concern that the House bill failed to provide a mechanism for enforcing the subtitle's provisions against non-financial institutions, the Conferees agreed to clarify that the FTC's enforcement authority extends to such entities.

3. The Conferees agreed to clarify the relation between Title V's privacy provisions and other consumer protections already in law, by stating that nothing in the title shall be construed to modify, limit, or supersede the operation of the Fair Credit Reporting Act, and no inference shall be drawn on the

basis of the provisions of the title regarding whether information is transaction or experience information under section 603 of that Act.

4. At the request of the Conferees from the Committee on Agriculture, the Conferees agreed to exclude from the scope of the privacy title any person or entity that is subject to the jurisdiction of the Commodity Futures Trading Commission under the Commodity Exchange Act, as well as the Federal Agricultural Mortgage Corporation or any entity chartered and operating under the Farm Credit Act of 1971. The Conferees also excluded from this subtitle institutions chartered by Congress specifically to engage in securitization or secondary market transactions, so long as such institutions do not sell or transfer nonpublic personal information to nonaffiliated third parties. The Conferees granted the exception based on the understanding that the covered entities do not market products directly to consumers.

5. The Conferees agreed to clarify that a financial institution's annual disclosure of its privacy policy to its customers must include a statement of the institution's policies and practices regarding the sharing of nonpublic personal information with affiliated entities, as well as with nonaffiliated third parties.

6. The Conferees agreed to provide that the disclosure of nonpublic personal information contained in a consumer report reported by a consumer reporting agency does not fall within section 502's notice and opt out requirements.

7. The Conferees agreed to modify the statutory definition of "nonpublic personal information" by clarifying that such term does not encompass any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived without using any nonpublic personal information.

8. The Conferees agreed to exclude disclosures to consumer reporting agencies from section 502(d)'s limitations on the sharing of account number information.

9. The Conferees agreed to give the relevant regulatory agencies the authority to prescribe exceptions to subsections (a) through (d) of section 502, rather than just sections 502(a) and (b), as provided for in the House bill.

10. The Conferees inserted language stating that the privacy provisions in the subtitle do not supersede any State statutes, regulations, orders, or interpretations, except to the extent that such State provisions are inconsistent with the provisions of the subtitle, and then only to the extent of the inconsistency. The amendment provides that a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subtitle if the protection such statute, regulation, order, or interpretation affords any consumer is greater than the protection provided under this subtitle, as determined by the FTC in consultation with the agency or authority with jurisdiction under section 505(a) over either the person that initiated the complaint or that is the subject of the complaint, on its own motion or upon the petition of any interested party.

11. Section 506 authorizes the Federal banking agencies and the National Credit Union Administration to prescribe joint regulations governing the institutions under their jurisdiction with respect to the Fair Credit Reporting Act; the Conferees agreed to an amendment giving the Board of Governors of the Federal Reserve the authority to prescribe FCRA regulations governing bank holding companies and their affiliates.

12. The Conferees agreed to modify section 502(e)(5), to include the Secretary of the Treasury as a "law enforcement agency" for the purposes of the Bank Secrecy Act, to avoid unintended interference with the existing functions of the Treasury's anti-money laundering unit, the Financial Crimes Enforcement Network ("FinCEN")

The Conferees wish to ensure that smaller financial institutions are not placed at a competitive disadvantage by a statutory regime that permits certain information to be shared freely within an affiliate structure while limiting the ability to share that same information with nonaffiliated third parties. Accordingly, in prescribing regulations pursuant to this subtitle, the agencies and authorities described in section 504(a)(1) should take into consideration any adverse competitive effects upon small commercial banks, thrifts, and credit unions. In issuing regulations under section 503, the regulators should take into account the degree of consumer access to disclosure by electronic means.

In exercising their authority under section 504(b), the agencies and authorities described in section 504(a)(1) may consider it consistent with the purposes of this subtitle to permit the disclosure of customer account numbers or similar forms of access numbers or access codes in an encrypted, scrambled, or similarly coded form, where the disclosure is expressly authorized by the customer and is necessary to service or process a transaction expressly requested or authorized by the customer.

The Conferees recognize the need to foster technological innovation in the financial services and related industries. The Conferees believe that the development of new technologies that facilitate consumers' access to the broad range of products and services available through online media should be encouraged, provided that such technologies continue to incorporate safeguards for consumer privacy.

Subtitle B—Fraudulent Access to Financial Information

Senate Position: The Senate bill contained provisions making it a Federal crime—punishable by up to five years in prison—to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed, customer information of a financial institution through fraudulent or deceptive means, such as by misrepresenting the identity of the person requesting the information or otherwise misleading an institution or customer into making unwitting disclosures of such information. In addition, it provided for a private right of action and enforcement by state attorneys general.

House Position: Similar provisions, with no private right of action or enforcement by State Attorneys General.

Conference Substitute: The Senate receded to the House with an amendment.

The amendment provided that authority for enforcing the subtitle would be placed in the FTC, the Federal banking agencies and the National Credit Union Administration (for enforcement of these provisions with respect to compliance by depository institutions within their jurisdiction).

Title VI—Federal Home Loan Bank System Modernization

The Senate and House bills reform the Federal Home Loan Bank ("FHLBank") System in several important ways. Mandatory FHLBank membership for Federal savings associations is eliminated, in order to provide completely voluntary membership. Small bank members are given expanded access to FHLBank advances. Governance of the FHLBanks is decentralized from the Federal Housing Finance Board ("FHFB") to the individual FHLBanks. The Resolution Funding Corporation ("REFCORP") obligation of the FHLBanks, stemming from the savings and loan crisis, is changed from a fixed dollar amount to a fixed percentage of annual net earnings. The Senate bill directs the General Accounting Office to study FHLBank capital and the House bill establishes a new capital structure for the FHLBanks. The conference committee addressed three of these major areas.

Sec. 604. Advances to members; collateral

Senate Position: The Senate bill authorizes community financial institutions (FDIC-insured depository institutions with assets less than $500 million) to obtain long-term FHLBank advances for lending to small businesses, small farms, and small agri-businesses. Eligible collateral for community financial institutions receiving any FHLBank advances could include secured loans for small business, agriculture, or securities representing a whole interest in such loans.

House Position: The House bill authorizes community financial institutions to obtain long-term FHLBank advances for small business, agricultural, rural development, or low-income community development lending. Eligible collateral for community financial institutions receiving any FHLBank advances could include secured loans for small business, agriculture, rural development, or low-income community development, or securities representing a whole interest in such loans. Such advances-funded non-housing loans are treated as qualified thrift investments in determining required FHLBank stock purchases for community financial institutions that are not qualified thrift lenders ("QTLs").

Conference Substitute: The House receded to the Senate on the purposes and collateral for advances to community financial institutions. Greater stock purchases required of FHLBank members, that are not QTLs, when they receive advances are eliminated as is the requirement that such members only apply for advances for housing finance purposes. A priority for making advances to QTL members and a 30% limit on total advances to non-QTL members are also removed. Restrictions on obtaining new advances and having to repay advances after three years, applicable to savings associations that are not QTLs, are eliminated.

Sec. 606. Management of FHLBanks

Senate Position: The Senate bill changed the term of elected FHLBank directors from two to four years to make the term the same as for appointed directors. It transferred from the FHFB to the individual FHLBanks authority over a number of operational areas. It also gave the FHFB the same enforcement authority over FHLBanks and their executive officers and directors as the Federal banking agencies and the Office of Federal Housing Enterprise Oversight have under their statutes.

House Position: The House bill contained the same provisions. It also empowered the FHFB to address any capital insufficiencies resulting from voluntary membership and eliminated the 20:1 advances to stock ratio limit for a FHLBank member.

Conference Substitute: The Conference set terms for both elected and appointed directors at 3 years (staggered with approximately one-third of the terms expiring each year). A FHLBank's board of directors is authorized to elect by majority vote the board's Chairperson and Vice Chairperson. The term of office for the Chairperson and Vice Chairperson is two years. The annual salaries of FHLBank directors may not exceed specified amounts plus reimbursement of expenses. The maximum amounts are: Chairperson—$25,000; Vice Chairperson—$20,000; and other directors—$15,000. FHLBank directors may reside outside the FHLBank district if they are an officer or director of a member institution located in the district. The Senate receded to the House regarding the provisions on capital insufficiencies and the advances to stock ratio limit.

Sec. 608. Capital structure of the FHLBanks

Senate Position: The Senate bill directs the General Accounting Office to submit to Congress within one year of enactment a study on possible revisions to the FHLBanks' capital structure, including the need for more permanent capital, a statutory leverage ratio, and a risk-based capital structure. GAO would also study the impact such revisions might have on the FHLBanks' operations, including the REFCORP payment obligation.

House Position: The House bill establishes a new capital structure for the FHLBanks. The FHLBanks were authorized to issue three classes of stock: Class A (redeemable on 6-months notice), Class B (redeemable on 5-years notice), and Class C (nonredeemable). FHLBanks were required to meet a 5% leverage minimum tied to total capital and a risk-based requirement tied to permanent capital. Permanent capital included Class C stock, retained earnings, and up to 1% of a FHLBank's assets in Class B stock. Total capital included permanent capital plus Class A stock, Class B stock (other than what counted toward permanent capital), and a general allowance for losses. A FHLBank must at all times comply with both the leverage and risk-based capital requirements. In determining compliance with the 5% minimum leverage ratio, Class A stock was counted at paid-in value, Class B stock was weighted at 1.5 times paid-in value, and Class C stock and retained earnings at 2.0 times. The current capital structure of the FHLBanks must be maintained until the new capital requirements are fully implemented. Within one year of enactment, the FHFB must issue implementing regulations. The board of directors of each FHLBank must develop a capital plan, subject to FHFB approval. The FHLBanks have up to three years to carry out their plans.

Conference Substitute: The Senate receded to the House with an amendment regarding a new capital structure. Two classes of stock are authorized: Class A (redeemable on 6-months notice) and Class B (redeemable on 5-years notice). FHLBanks are required to meet a 5% leverage minimum tied to total capital and a risk-based requirement tied to permanent capital. Permanent capital includes Class B stock and retained earnings. Total capital includes permanent capital plus Class A stock, generally. In determining compliance with the 5% minimum leverage ratio, Class A stock is counted at paid-in value and Class B stock and retained earnings are weighted at 1.5 times; however, a FHLBank's total capital, determined without taking into account any multiplier, must not be less than 4% of total assets.

The weighting provision is included to encourage the FHLBanks to build more permanent, longer-term capital. Using the capital multiplier, the paid-in value of outstanding Class A stock plus 1.5 times the paid-in value of outstanding Class B stock and retained earnings must be at least 5% of total assets. Using no weighting factor, total capital must be at least 4% of total assets. For example, a FHLBank with $100 million in assets would comply with $5 million in Class A capital stock or $2 million in Class A capital stock and an unweighted $2 million in Class B capital stock and retained earnings (which would constitute $3 million on a weighted basis).

A FHLBank's permanent capital, used to measure its compliance with the risk-based capital requirement, consists of the amounts paid by members for Class B stock and the amount of the FHLBank's retained earnings. The amount of retained earnings that may be included in permanent capital must be determined in accordance with generally accepted accounting principles (GAAP), which precludes the use of non-GAAP regulatory accounting standards for measuring retained earnings. The amount of Class B stock that is to be included in permanent capital is the full amount paid by a member to the FHLBank for the purchase of Class B stock.

A FHLBank's total capital, used to measure its compliance with the statutory leverage ratio, consists of permanent capital, the amounts paid by members for Class A stock, any general allowance for losses (consistent with GAAP and subject to FHFB regulation), and any other amounts from sources determined by the FHFB to be available to absorb losses incurred by the FHLBank and appropriate for including as capital. Any loss reserve that is held or established against a specific asset of the FHLBank is expressly prohibited from being included in total capital, as such reserves are not capable of absorbing potential losses on other assets.

In recognition of Congressional concern regarding the Financial Management and Mission Achievement ("FMMA") rule recently proposed by the FHFB, the Chairman of the FHFB sent a letter on October 18, 1999 to the Senate and House Banking Committee Chairmen (inserted below) providing assurances that the proposal would be withdrawn, upon enactment of this legislation. It is the conference committee's understanding and expectation that the FMMA will be withdrawn and that the FHFB will take no action to promulgate proposed or final regulations limiting assets or advances beyond those currently in effect until the statutorily required FHLBank System capital rules are finalized and the statutory period for submission of capital plans by the FHLBanks has expired. If and when the FHFB develops a new FMMA, or similar rules, we expect that the FHFB will provide ample opportunity for public comment and hearings. It is the desire of the conference committee that the FHFB consult with the Banking Committees regarding both the capital regulations and any financial management and/or mission related rules prior to issuing them in proposed form.

FEDERAL HOUSING FINANCE BOARD,
Washington, DC, October 18, 1999.

Hon. PHIL GRAMM,
Chairman, Committee on Banking, Housing, and Urban Affairs, Washington, DC.

Hon. JIM LEACH,
Chairman, Committee on Banking and Financial Services, Washington, DC.

DEAR SENATOR GRAMM AND CONGRESSMAN LEACH: As you proceed to consider legislation to modernize the Federal Home Loan Bank System as part of the S. 900/H.R. 10 conference, I am aware that there is substantial concern regarding our proposed Financial Management and Mission Achievement regulation (FMMA). Unfortunately, this legitimate concern regarding a far-reaching regulatory initiative has resulted in a proposal for a statutory moratorium on our regulatory authority. Despite the best efforts of well-meaning advocates, such statutory language can only lead to serious ambiguity and potential litigation over the independent regulatory authority of the Finance Board.

Therefore, this letter is intended to give you and your colleagues on the Committee of Conference solid assurances about our intentions upon final enactment of the statute being drafted in conference. Upon such enactment, the Finance Board will:

1. Withdraw, forthwith, its proposed FMMA.
2. Proceed in accordance with the statutory instructions regarding regulations governing a risk-based capital system and a minimum leverage requirement for the Federal Home Loan Banks.
3. Take no action to promulgate proposed or final regulations limiting assets or advances beyond those currently in effect (except to the extent necessary to protect the safety and soundness of the Federal Home Loan Banks) until such time as the regulations described in number 2 have become final and the statutory period for submission of capital plans by the Banks has expired.
4. Consult with each of you and your colleagues on the Banking Committees of the House and the Senate, regarding the content of both the capital regulations and any regulations on the subjects described in number 3, prior to issuing them in proposed form.

I believe that these commitments cover the areas of concern which have led to a proposal for moratorium legislation. You can rely on this commitment to achieve those legitimate ends sought by moratorium proponents without clouding the necessary regulatory authority of the Finance Board which could result from statutory language.

Thank you for your consideration.

Sincerely,

BRUCE A. MORRISON.

TITLE VII—OTHER PROVISIONS

Subtitle A—ATM Fee Reform

Senate Position: The Senate bill at Title VII requires automated teller machine ("ATM") operators who impose a fee for use of an ATM by a noncustomer to post a notice on the machine and on the screen that a fee will be charged and the amount of the fee. This notice must be posted before the consumer is irrevocably committed to completing the transaction. A paper notice issued from the machine may be used in lieu of a posting to the screen. No surcharge may be imposed unless the notices are made and the consumer elects to proceed with the transaction. A notice is required when ATM cards are issued that surcharges may be imposed by other parties when transactions are initiated from ATMs not operated by the card issuer. ATM operators are exempt from liability if properly placed notices on the machines are subsequently removed, damaged, or altered by anyone other than the ATM operator.

House Position: Same.

Conference Substitute: The House receded to the Senate with an amendment.

The amendment grants a temporary exemption for those older machines that are unable to provide certain of the notices required.

Subtitle B—Community Reinvestment

Sec. 711. CRA sunshine requirements

Senate Position: Section 312 of the Senate bill amends the Federal Deposit Insurance Act by creating a new Section 46, to require full disclosure of agreements entered into between insured depository institutions or their affiliates and nongovernmental entities or persons made pursuant to or in connection with the fulfillment of the CRA. The section does not confer any authority on the Federal banking agencies to enforce the provisions of these agreements.

House Position: No provision.

Conference Substitute: The House receded to the Senate, with an amendment.

As recommended by the Conferees, the provision requires full disclosure of agreements, as defined in this section, between an insured depository institution or affiliate and a nongovernmental entity or person where the agreement is made pursuant to or in connection with the CRA, involving funds or other resources of an insured depository institution or affiliate.

The provision is not intended to define as a CRA agreement an individual mortgage loan (although it could apply to agreements involving, for example, parties acting as mortgage intermediaries or facilitators), or other specific contract to an individual, business, farm, or other entity, where funds are loaned at rates not substantially below market rates and if the purpose of the loan or extension of credit does not include any re-lending of borrowed funds to other parties. In addition, the scope of the provision does not extend to an agreement entered into by an insured depository institution or affiliate with a nongovernmental entity or person who has not commented on, testified about, or discussed with the institution, or otherwise contacted the institution, concerning the CRA. This exception to the coverage could include, for example, service organizations such as civil rights groups, community groups providing housing or other services in low-income neighborhoods, the American Legion, community theater groups, and so forth. The Federal Reserve Board may prescribe regulations to provide further exemptions consistent with the purposes of the provision.

In defining the agreements to which this provision would apply, the legislation assigns to the appropriate Federal banking agency the responsibility to identify a list of factors that the agency determines have a material impact on the agency's decision to approve or disapprove an application for a deposit facility or to assign a rating in an examination under the CRA. It is expected that the regulator will include in such list a full enumeration of the relevant factors that the agency reviews and considers in examining the performance of an insured financial institution in connection with the CRA, including any and all items a regulator would attach importance to in determining the evaluation under the act of the performance of a financial institution.

The Conferees note that while an agency may not give a great deal of weight to a mere agreement to perform certain CRA-related activities, per se, the agency does look carefully at the activities that the institution may have actually performed in fact pursuant to such an agreement. The disclosure and reporting requirements of this section apply to agreements defined in subsection (a) in either event.

As a general rule, the parties are required to disclose fully such agreements and make them available to the public and to the Federal banking agencies.

In addition, parties to each CRA agreement are required to report at least once each year on the use of resources provided pursuant to each agreement. A bank would file its report directly with its Federal regulator. A nongovernmental party is required to file its report with the appropriate Federal banking agency with supervisory responsibility over the insured depository institution that is a party to the agreement, either directly with the agency or via the insured depository institution, which would be required promptly to transmit the report to the Federal banking agency.

The Federal banking agencies are directed, in implementing regulations under this provision, to minimize the regulatory burden on reporting parties. One way in which to accomplish this goal would be wherever possible and appropriate with the purposes of this section, to make use of existing reporting and auditing requirements and practices of reporting parties, and thus avoid unnecessary duplication of effort. The Managers intend that, in issuing regulations under this section, the appropriate Federal supervisory agency may provide that the nongovernmental entity or person that is not an insured depository institution may, where appropriate and in keeping with the provisions of this section, fulfill the requirements of subsection (c) by the submission of its annual audited financial statement or its Federal income tax return.

Sec. 712. Small bank regulatory relief

Senate Position: The Senate provision amended the CRA to exempt from the provisions of that Act banks and savings and loan associations with total assets less than $100 million and that are located in nonmetropolitan areas.

House Position: No provision.

Conference Substitute: The House receded to the Senate provision with an amendment.

The provision directs that "regulated financial institutions" with aggregate assets not exceeding $250 million will be subject to routine examinations under the CRA as follows: (i) not more than once every 60 months if the institution received a rating of 'outstanding record of meeting community credit needs' at its most recent examination; (ii) not more than once every 48 months if the institution received a rating of 'satisfactory record of meeting community credit needs' at its most recent examination; and (iii) as deemed necessary by the appropriate Federal banking agency if the institution received a rating of less than 'satisfactory record of meeting community credit needs' at its most recent examination. The provision also states that the Federal banking agencies may subject an institution to more frequent or less frequent examinations for reasonable cause. A regulated financial institution shall remain subject to examination under this title in connection with an application for a deposit facility.

Sec. 713–715. Federal Reserve Board and Treasury studies, Impact on CRA

Senate Position: No provision.

House Position: The House bill at Section 110 requires a study by the Secretary of the Treasury, in consultation with the Federal banking agencies, of the extent to which adequate services are being provided as intended by the CRA, including services in low- and moderate-income neighborhoods and for persons of modest means, as a result of the enactment of the Gramm-Leach-Bliley Act. The report must be submitted to the Congress within two years.

Conference Substitute: The Senate receded to the House with an amendment directing, in addition, that the Federal Reserve Board conduct a comprehensive study of the CRA, in consultation with the Chairman and Ranking Member of the House Banking and Financial Services Committee and the Chairman and Ranking Member of the Senate Banking, Housing, and Urban Affairs Committee. The study is to focus on default rates, delinquency rates, and the profitability of loans made in conformity with that Act. The report must be submitted to the House and Senate Banking Committees no later than March 15, 2000. The provision also directs that the report and all of the supporting data be made available at the same time to the public by the Federal Reserve Board, to the extent that the data are not confidential.

The Conferees recommended further amending the House study with an amendment permitting the Secretary of the Treasury to submit to the Congress by March 15, 2000, a baseline report in addition to the final report as required in the House provision. The purpose of the baseline report is to give a set of data against which the Secretary will be able to measure change by the end of the two-year reporting period.

The Conferees also recommended an amendment to the House language to state that nothing in the Gramm-Leach-Bliley Act shall be construed to repeal any provision of the CRA.

Subtitle C—Other Regulatory Improvements

Sec. 721. Expanded small bank access to S corporation treatment

Senate Position: The Senate bill at section 302 requires the GAO to study and report to Congress within six months of the date of enactment on certain revisions to S corporation rules permitting greater access by community banks to S corporation treatment.

House Position: No provision.

Conference Substitute: The House receded to the Senate.

Sec. 722. "Plain Language" requirement for Federal banking agency rules

Senate Position: The Senate bill at section 306 directs the Federal banking agencies to use plain language in all proposed and final rule-makings published by the agency in the Federal Register after January 1, 2000, and to report to Congress by no later than March 1, 2001 on how they have complied with the plain language requirement.

House Position: No provision.

Conference Substitute: The House receded to the Senate.

Sec. 723. Retention of "Federal" in name of converted Federal savings associations

Senate Position: The Senate bill at section 307 would permit Federal savings associations that convert to national or state bank charters to keep the word "Federal" in their names.

House Position: Same.

Conference Substitute: The Senate receded to the House.

Sec. 724. Control of Bankers' Banks

Senate Position: The Senate bill at section 310 allows one or more thrift institutions to own a state-chartered bank or trust company, whose business is restricted to accepting deposits from thrift institutions or savings banks, deposits arising from the corporate business of the thrift institutions or savings banks that own the bank or trust company, or deposits of public funds.

House Position: No provision.

Conference Substitute: The House receded to the Senate.

Sec. 725. Provision of technical assistance to microenterprises

Senate Position: The Senate bill at section 316 establishes a grant program to fund nonprofit microenterprise development organizations, programs, collaboratives, or intermediaries engaged in (1) providing training and technical assistance to low-income and disadvantaged entrepreneurs interested in starting or expanding their own businesses; (2) building the capacity of organizations that serve low-income and disadvantaged entrepreneurs; and (3) supporting research and development aimed at identifying and promoting training and technical assistance programs that effectively serve low-income and disadvantaged entrepreneurs.

House Position: No provision.

Conference Substitute: The House receded to the Senate with an amendment.

While the Senate bill made the new microenterprise program a part of the Treasury Department's Community Development Financial Institutions program, the Conferees chose to have the new program administered by the Small Business Administration.

Sec. 726. Federal Reserve audits

Senate Position: The Senate bill at section 317 requires annual outside independent accounting firm audits of the Federal Reserve Banks and the Federal Reserve Board. In addition, the bill changes the definitions and rules that apply to the pricing of Federal Reserve System services under the Monetary Control Act.

House Position: No provision.

Conference Substitute: The House receded to the Senate with an amendment in the nature of a substitute. The substitute provision requires the Federal Reserve Board to order an annual independent audit of the financial statements of each Federal Reserve Bank and of the Board.

Sec. 727. Authorization to release reports

Senate Position: No provision.

House Position: The House bill at section 132 permits the Federal Reserve Board, at its discretion, to furnish exam reports and other confidential supervisory information concerning State member banks or other entities it examines to any Federal or State authorities with supervisory authority over an examined entity, to officers, directors, or receivers of the entity, or any other person that the Federal Reserve Board determines is proper. In addition, the House bill includes the Commodity Futures Trading Commission under definitions in the Right to Financial Privacy Act.

Conference Substitute: The Senate receded to the House with an amendment.

The amendment adds to the provision allowing the disclosure of reports and information by applying certain confidentiality requirements and procedures for disclosure.

Sec. 728. General Accounting Office study of conflicts of interest

Senate Position: No provision.

House Position: The House bill at section 193 requires the Comptroller General of the GAO to study the conflict of interest faced by the Federal Reserve Board between its role as a primary regulator of the banking industry and its role as a vendor of services. Specifically, the GAO should address the conflict between the Board's role as a regulator of the payment system and its role as a competitor with private sector providers of payment services, and how best to resolve that conflict. The study is due one year after enactment of the legislation.

Conference Substitute: The Senate receded to the House.

Sec. 729. Study and report on adapting existing legislative requirements to on-line banking and lending

Senate Position: No provision.

House Position: The House bill at section 195 requires the Federal banking agencies to conduct a study of banking regulations regarding the delivery of financial services, including those regulations that may assume that there will be face-to-face contact, and report their recommendations on adapting those existing requirements to online banking and lending. The report, with any recommended legislative or regulatory action, is due one year after the date of enactment of the legislation.

Conference Substitute: The Senate receded to the House with an amendment changing the due date of the study to two years after date of enactment.

Sec. 730. Clarification of source of strength doctrine

Senate Position: No provision.

House Position: The House bill at section 197 enhances the source of strength doctrine by, in certain circumstances, protecting the Federal banking agencies and the deposit insurance funds from claims brought by the bankruptcy trustee of a depository institution holding company or other person for the return of capital infusions.

Conference Substitute: The Senate receded to the House with an amendment in the nature of a substitute.

The substitute narrows and clarifies the circumstances under which a Federal banking agency would be protected from a claim. First, it clarifies that the transferred assets must be those of an affiliate or a controlling shareholder of an insured depository institution. The House amendment did not so specify. Second, section 730 provides that the transfer must be to or for the benefit of an insured depository institution and that it must be made by an affiliate or controlling shareholder of such insured depository institution. The House amendment did not include such clarifying language. Third, section 730 specifies that no person may bring a claim against a Federal banking agency for monetary damages, return of assets, or for other legal or equitable relief in connection with such transfer, consistent with certain limitations. The House amendment only referred to claims for monetary damages or for the return of assets or other property. Fourth, section 730 adds a definition of the term "claim." For purposes of this provision, a claim is defined as a cause of action based on Federal or State law providing for the avoidance of preferential or fraudulent transfers or conveyances, or providing for similar remedies. The definition, however, explicitly excepts any claim based on actual intent to hinder, delay or defraud pursuant to such fraudulent transfer or conveyance law.

This section does not limit the right of a depository institution, a controlling stockholder, or a depository institution holding company to seek direct review of an order or directive of a Federal banking agency under the Administrative Procedure Act in accordance with various banking statutes. In addition, the provision does not limit the rights of a claimant to bring suit against the United States for a breach of contract or a taking under the 5th Amendment to the Constitution.

Sec. 731. Interest rates and other charges at interstate branches

Senate Position: No provision.

House Position: The House bill at section 198 provides loan pricing parity among interstate banks. Specifically, if an interstate bank can charge a particular interest rate, then a local bank in the State into which the interstate bank has branched, may charge a comparable rate.

Conference Substitute: The Senate receded to the House.

Sec. 732. Interstate branches and agencies of foreign banks

Senate Position: The Senate bill at section 313 allows a Federal or State agency of a foreign bank to upgrade to a branch with the approval of the appropriate chartering authority and the Federal Reserve Board.

House Position: Same.

Conference Substitute: The House receded to the Senate.

Sec. 733. Fair treatment of women by financial advisers

Senate Position: No provision.

House Position: The House bill at section 198B establishes the sense of the Congress that estate planners, trust officers, investment advisers, and other financial planners and advisors should eliminate examples in their training materials which portray women as incapable and foolish, and develop fairer and more balanced presentations that eliminate outmoded and stereotypical examples which lead clients to take actions that are financially detrimental to their wives and daughters.

Conference Substitute: The Senate receded to the House with an amendment in the nature of a substitute.

The substitute establishes the sense of the Congress that individuals offering financial advice and products should do so in a nondiscriminatory, nongender-specific manner.

Sec. 734. Membership of loan guarantee boards

Senate Position: No provision.

House Position: No provision.

Conference Substitute: The Conferees adopted a provision that would modify the membership of the Emergency Steel Loan Guarantee Board and the Emergency Oil and Gas Loan Guarantee Board. Where under existing law the Chairmen of the Federal Reserve Board and SEC were designated as members, the provision permits both to designate another Member of the Board or another Commissioner as appropriate.

Sec. 735. Repeal of stock loan limit in Federal Reserve Act

Senate Position: No provision.

House Position: The House bill at section 124 repeals the restrictions in section 11(m) of the Federal Reserve Act on loans by Federal Reserve member banks secured by stock or bond collateral. Limitations on loans to one borrower imposed pursuant to other statutory authority are not affected.

Conference Substitute: The Senate receded to the House.

Sec. 736. Elimination of SAIF and DIF Special Reserves

Senate Position: The Senate bill at section 301 eliminates the need for the establishment of a SAIF "special reserve" which the FDIC was required to establish beginning in 1999. This revision becomes effective on the date of enactment.

House Position: Same other than the effective date.

Conference Substitute: The House receded to the Senate.

Sec. 737. Bank officers and directors as officers and directors of public utilities

Senate Position: The Senate bill at section 309 amends the Federal Power Act to permit officers or directors of public utilities to serve as officers or directors of banks, trust companies, or securities firms, if certain safeguards against conflicts of interest are complied with.

House Position: No provision.

Conference Substitute: The House receded to the Senate.

Sec. 738. Approval for purchases of securities

Senate Position: The Senate bill at section 315 authorizes a majority of the entire board of directors of a bank to vote on the purchase of securities from an affiliate, based on a determination that the purchase is a sound investment for the bank. Such a standard does not exist under current law, which simply requires the vote to be taken by a majority of independent directors.

House Position: No provision.

Conference Substitute: The House receded to the Senate.

Sec. 739. Optional conversion of Federal savings associations

Senate Position: The Senate bill at section 602 allows a Federal savings association chartered prior to the date of enactment to convert into one or more national banks, subject to the approval of the OCC, each of which may encompass one or more of the branches of the Federal savings association in one or more States.

House Position: No provision.

Conference Substitute: The House recedes to the Senate with an amendment.

The amendment would allow the conversion to State as well as national banks.

Sec. 740. Grand jury proceedings

Senate Position: No provision.

House Position: No provision.

Conference Substitute: The Conferees adopted a provision that would permit U.S. Attorneys offices to seek a court order to provide financial institution regulatory agencies with access to grand jury material, giving State regulatory agencies parity with Federal regulatory agencies.

From the Committee on Banking and Financial Services, for consideration of the Senate bill, and the House amendment, and modifications committed to conference:

James A. Leach,
Bill McCollum,
Marge Roukema,
Doug Bereuter,
Rick Lazio,
Spencer Bachus,
Michael N. Castle,
John J. LaFalce,
Bruce F. Vento,

As additional conferees from the Committee on Banking and Financial Services, for consideration of titles I, III (except section 304), IV, and VII of the Senate bill, and the title I of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Carol B. Maloney,

As additional conferees from the Committee on Banking and Financial Services, for consideration of title V of the Senate bill, and title II of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Carol B. Maloney,
James H. Maloney,

As additional conferees from the Committee on Banking and Financial Services, for consideration of title II of the Senate bill, and title III of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Carol B. Maloney,
Nydia M. Velázquez,
Darlene Hooley,

As additional conferees from the Committee on Banking and Financial Services, for consideration of title VI of the Senate bill, and title IV of the House amendment, and modifications committed to conference:

Carol B. Maloney,
Luis V. Gutierrez,
Ken Bentsen,

As additional conferees from the Committee on Banking and Financial Services, for consideration of section 304 of the Senate bill, and title V of the House amendment, and modifications committed to conference:

Paul E. Kanjorski,
Gary L. Ackerman,

From the Committee on Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference:

Tom Bliley,
Michael G. Oxley,
Billy Tauzin,
Paul Gillmor,
James Greenwood,
Chris Cox,
Steve Largent,
Brian Bilbray,
E. Towns,
Diana DeGette,
Lois Capps,

Provided that Mr. Rush is appointed in lieu of Mrs. Capps for consideration of section 316 of the Senate bill:

Bobby L. Rush,

From the Committee on Agriculture, for consideration of title V of the House amendment, and modifications committed to conference:

Larry Combest,
Thomas W. Ewing,
Charles W. Stenholm,

From the Committee on the Judiciary, for consideration of sections 104(a), 104(d)(3), and 104(f)(2) of the Senate bill, and sections 104(a)(3), 104(d)(3)(A), 104(b)(4)(B), 136(b), 136(d)–(e), 141–44, 197, 301, 306 of the House amendment, and modifications committed to conference:

Henry Hyde,
George W. Gekas,

From the Committee on Banking and Financial Services, for consideration of section 101 of the Senate bill and section 101 of the House amendment: Mr. King is appointed in lieu of Mr. Bachus; Mr. Royce is appointed in lieu of Mr. Castle

Peter T. King,
Ed Royce,

From the Committee on Commerce, for consideration of section 101 of the Senate bill and section 101 of the House amendment: Mrs. Wilson is appointed in lieu of Mr. Largent; Mr. Fossella is appointed in lieu of Mr. Bilbray

Heather Wilson,
Vito Fossella,
Managers on the Part of the House.

Phil Gramm,
Connie Mack,
Robert F. Bennett,
Rod Grams,
Wayne Allard,
Michael B. Enzi,
Chuck Hagel,
Rick Santorum,
Jim Bunning,
Mike Crapo,
Paul Sarbanes,
Christopher J. Dodd,
John F. Kerry,
Tim Johnson,
Jack Reed,
Charles Schumer,
Evan Bayh,
John Edwards,
Managers on the Part of the Senate.

NOTIFICATION OF INTENT TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. WISE. Mr. Speaker, pursuant to clause 2(a)(1) of House rule IX, I rise to give notice of my intent to offer a question of privileges of the House expressing the sense that its rights and integrity have been impugned.

The form of the resolution is as follows:

Calling on the President to abstain from renegotiating international agreements governing antidumping and countervailing measures.

Whereas under Art. I, Section 8 of the Constitution, the Congress has power and responsibility with regard to foreign commerce and the conduct of international trade negotiations;

Whereas the House of Representatives is deeply concerned that, in connection with the World Trade Organization ("WTO") Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiation topics and reopen debate over the WTO's antidumping and antisubsidy rules;

Whereas the Congress has not approved new negotiations on antidumping or antisubsidy rules and has clearly, but so far informally, signaled its opposition to such negotiations;

Whereas strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States;

Whereas it has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations;

Whereas, under present circumstances, launching a negotiation that includes antidumping and antisubsidy issues would affect the rights of the House and the integrity of its proceedings;

Whereas the WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective;

Whereas opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States;

Whereas conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members; and

Whereas it is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise: Now, therefore, be it

Resolved, That the House of Representatives calls upon the President—

(1) not to participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) to refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) to enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

The SPEAKER pro tempore. Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from West Virginia will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

Mr. WISE. Mr. Speaker, I would ask to be heard at the appropriate time on the question of whether this resolution constitutes a question of privilege.

The SPEAKER pro tempore. The gentleman will be notified.

Mr. WISE. I thank the Speaker.

CONFERRING STATUS AS AN HONORARY VETERAN OF THE UNITED STATES ARMED FORCES ON ZACHARY FISHER

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 46) conferring status as an honorary veteran of the United States Armed Forces on Zachary Fisher.

The Clerk read as follows:

H.J. RES. 46

Whereas the United States has only once before conferred on an individual status as an honorary veteran of the United States Armed Forces, when in Public Law 105-67 Congress conferred that status on Leslie Townes (Bob) Hope;

Whereas status as an honorary veteran of the United States Armed Forces is and should remain an extraordinary honor not lightly conferred nor frequently granted;

Whereas the lifetime of accomplishments and generosity of Zachary Fisher on behalf of United States military servicemembers, veterans, and their families through a wide range of philanthropic activities fully justifies the conferring of such status;

Whereas Zachary Fisher is himself not a veteran, having attempted to enlist in the Armed Forces to serve his country during World War II, but being informed that he was ineligible due to a preexisting medical condition;

Whereas Zachary Fisher and his wife Elizabeth have as private citizens enhanced the lives of thousands of servicemembers, veterans, and their families through a wide range of philanthropic activities;

Whereas Zachary Fisher has been honored by each of the branches of the Armed Forces, by the Departments of Defense and Veterans Affairs, and by the major veterans service organizations for projects such as the preservation of the USS INTREPID as a sea-air-space museum in New York harbor, the establishment of the Fisher House program for relatives of critically ill members of the Armed Forces and their families, and the furnishing of scholarships and other financial support to families who have lost a loved one in service to their country; and

Whereas Zachary Fisher has been awarded the Presidential Medal of Freedom in recognition of his extraordinary patriotism and philanthropy: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress—

(1) extends its gratitude, on behalf of the American people, to Zachary Fisher for his lifetime of accomplishments and philanthropy on behalf of United States military servicemembers; and

(2) confers upon Zachary Fisher the status of an honorary veteran of the United States Armed Forces.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. STUMP) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. STUMP).

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 46 is a joint resolution conferring status as an honorary veteran of the United States Armed Forces on Zachary Fisher.

Mr. Fisher was a well-known ardent supporter of the U.S. military personnel and their families. Unfortunately, Mr. Fisher passed away last June. He was the founder of the Fisher Houses at military facilities, as well as on the grounds of the VA medical centers. Servicemembers and veterans or their families can stay at Fisher Houses while receiving medical treatment.

The Fisher Houses are tangible evidence of Zachary Fisher's commitment to servicemen and their veterans, but more important, for the intangible comfort these respites provided during the difficult times for their families.

In addition to the Fisher Houses, Zachary Fisher has established foundations that provided college scholarships to military dependents, and also gave generously to families and military members struck by tragic losses.

Zachary Fisher's efforts on behalf of our men and women in uniform, as well as veterans and their families, have earned the honor we bestow today. I strongly urge my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. EVANS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before expressing my strong support for this resolution, I want to take a few moments to make some brief remarks commending and thanking Jill Cochran.

Jill, as many Members know, is an outstanding individual who has served as a member of the Democratic staff of the Committee on Veterans' Affairs. She is a Democratic staff director on the Subcommittee on Benefits, who will be retiring early next month after a career of 25 years. During this time she has been devoted to working with and on behalf of our Nation's veterans.

Mr. Speaker, Jill has played a significant role in fashioning much of the major veterans' legislation enacted by Congress during the past 25 years. The list of her major contributions is so long I am unable to recite it in the time available. I will, however, recognize her many accomplishments in a statement in the near future.

She will obviously be missed, but for everything there is a season. It would be easy to think about ourselves at this time and fret about her absence. Instead, we wish her only the best as she embarks on a new path in her life.

At this time I merely want to say, thank you, Jill, for all you have done and accomplished for our Nation's servicemen and women.

Mr. Speaker, I also rise in strong support of this resolution, which would confer status as an honorary veteran of the United States Armed Forces on Zachary Fisher. I regret that this action on this resolution was not completed before his death earlier this year, but I believe that approval of this joint resolution will be meaningful to his widow, Elizabeth, and to the entire Fisher family. Certainly it would be a gesture of tremendous importance to the men and women who serve in our Armed Forces and to our veterans.

To put it simply, Zachary Fisher loved his country. He loved those who served their country through their military service. The contributions made by Mr. And Mrs. Fisher which have enhanced the lives of many military personnel and their families, and have honored their service and sacrifice, are extraordinary.

Mr. Fisher was a remarkable man who lived an extraordinary life. In his statement regarding Mr. Fisher's death, the President said, "Mr. Fisher helped all Americans repay the tremendous debt we owe to our men and women who every day risk their lives to defend our country and to advance the cause of freedom around the world. I am proud to present him with the Presidential Medal of Freedom last Fall."

I am proud to stand in support of House Joint Resolution 46, and I urge my colleagues to support this measure.

Mr. Speaker, I rise in strong support of H.J. Res. 46, which would confer status as an honorary veteran of the U.S. Armed Forces on Zachary Fisher.

I regret that action on this resolution was not completed prior to Mr. Fisher's death earlier this year, but I believe that approval of this joint resolution will be meaningful to Mr. Fisher's widow, Elizabeth, and to the entire Fisher family. Certainly, it will be a gesture of tremendous importance to the men and women who serve in America's Armed Forces and to America's veterans.

To put it simply, Zachary Fisher loved his country—and he loved those who serve America through their military service. The contributions made by Mr. and Mrs. Fisher which have enhanced the lives of military personnel and their families—and have honored their service and sacrifice—are extraordinary.

Saddened by the devastating effects on Marines and their families of the 1983 terrorist bombing of the Marine Barracks in Beirut, the Fishers established the Zachary and Elizabeth Fisher Armed Services Foundation.

Through the foundation, the Fishers provided financial assistance to each of the families affected by this terrible tragedy. Subsequently, they established a scholarship program funded by the foundation and, since 1987, more than 700 students have gone to school as a result of the foundation's assistance.

In 1990, the Fishers established the Fisher House Program, providing more than $15 million to establish comfortable temporary housing for the military families of patients receiving care at military and VA hospitals. More than 25 Fisher Houses have opened their doors and are now available to military families around the country.

The Fishers have also provided the funding for charitable efforts such as the establishment of a child care center at the Camp Pendleton Marine Base and development of the CAMP Program, which provides services for the disabled children of military personnel at Lackland Air Force Base.

The list of additional acts of generosity by Zachary and Elizabeth Fisher is almost endless. Mr. Fisher led the effort to save the aircraft carrier *Intrepid* from the scrap heap and contributed more than $25 million to convert the carrier into the *Intrepid* Sea-Air-Space Museum, located in New York City.

He served as honorary chairman of the board of directors of the Marine Corps Scholarship Foundation and established the annual Chairman of the Joint Chiefs of Staff Award for Excellence in Military Medicine.

Zachary Fisher was also a strong supporter of the Jewish Institute of National Security Affairs, the George C. Marshall Foundation, the United Jewish Appeal, and countless other organizations.

Mr. Speaker, Zachary Fisher was a remarkable man who lived an extraordinary live. In his statement regarding Mr. Fisher's death, President Clinton said, "* * * Mr. Fisher helped all Americans repay the tremendous debt we owe to the men and women who every day risk their lives to defend our nation and advance the cause of freedom around the world. I was proud to present him with the Presidential Medal of Freedom last fall."

I am proud to stand in support of H.J. Res. 46—and I urge my colleagues to support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. HYDE), chairman of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, among the pantheon of great American patriots belongs the name of the late Zachary Fisher. His countless, and I mean countless, acts of kindness towards our military and their families over a long and full life are legendary. He went out and bought a carrier, the Intrepid, for several millions of dollars, and brought it to New York and turned it into a museum that still operates every day to show people the great exploits of our military.

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Beyond what he has done for the military, his fight against the dread disease of Alzheimer's led him to found the Fisher Center for Alzheimer Research in New York, and when this dread disease is conquered it will be Zach Fisher and the medical team he has assembled, along with David Rockefeller and the president of the center, Mr. Michael Stern, who will deserve an important share of the credit.

Zach Fisher lived a long life and he never stopped helping people, caring for people. He had a giant heart, a giant soul that animated one of God's very special people. I grieve his loss but I am so happy that he ever lived and I knew him and he was my friend.

As a veteran, I am very proud to have Zachary Fisher declared through this act, legislative act, an honorary veteran. If anyone should be an honorary veteran, Zach Fisher should be. I want to thank the gentleman from Arizona (Mr. STUMP), the chairman of the Committee on Veterans' Affairs, for his thoughtfulness in bringing this forward, and the gentlewoman from New York (Mrs. MALONEY), whose love and affection and concern for Zach Fisher manifests itself in drafting this marvelous resolution. I congratulate them both.

Mr. EVANS. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman from Illinois (Mr. EVANS) for yielding me this time.

Mr. Speaker, I rise in strong support of House Joint Resolution 46 that would confer honorary veteran status on a true American patriot, an individual who supported not only our Armed Forces and the Department of Defense but also the many Americans and their families at home, Zachary Fisher.

Zach was an extraordinary man. He received every single honor our country could bestow on him, save one. He wanted to be a member of the military. He wanted to be a veteran.

The bill before us today, which I authored along with the ranking member of the Defense Committee on Appropriations, the gentleman from Pennsylvania (Mr. MURTHA), the chairman of the Committee on Appropriations, the gentleman from Florida (Mr. YOUNG), and the chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), named Zachary Fisher an honorary veteran.

This great honor has been given only once before in the history of our great Nation. This act before us, which I thank the gentleman from Texas (Mr. SESSIONS), the gentleman from Arizona (Mr. STUMP), and the ranking member, the gentleman from Illinois (Mr. EVANS) for helping me bring before Congress today, makes Zachary Fisher an honorary veteran. It would have made him tremendously happy because it puts an official seal on what he already was, a member of the military family.

Zachary Fisher had many accomplishments, activities and interests, but his great love was the military. I remember him explaining to me why it was so important to him. He tried to enlist during World War II but was turned down for physical disabilities which he received as a young man working on construction sites. Since he could not serve, he was especially grateful for those who served for him, for us, for our Nation. He spent the rest of his life serving the military in any way he could.

Zach Fisher knew that it was not the accumulation of great wealth which he valued but the judicious use of that wealth for humanity. He often said to me, and I quote, it is not what I make in life but what I give that lives after me, and that lasts for eternity. By that standard, he was tremendously successful.

Zach and Elizabeth Fisher created many foundations and found numerous ways to help the military. He saved the USS Intrepid from becoming scrap metal and turned this great ship into a sea-air-space museum in New York City Harbor. His dedication turned the USS Intrepid into a nationally-recognized museum with more than 500,000 visitors annually. Through the Fisher Armed Services Foundation he created the first Fisher House in 1990 to allow families to stay near their loved ones who undergo surgery and treatments at military hospitals and veteran medical centers. We all know the financial and emotional strain on a family when a loved one is in the hospital. Fisher Houses give these families a comfortable and affordable option near their loved ones. There are now more than 25 Fisher Houses across the United States from here in Washington, D.C. to San Diego, California. Mr. Fisher further expanded his foundation to provide scholarships to those who have served in the military. He provided scholarships to the sons and daughters of families who have lost a loved one in service so that they could go to college. More than 700 students have been able to go to college, a goal that might otherwise not have been there for them.

Zach's most recent contribution was to create a partnership with the Rockefeller Foundation for a state of the art research center on Alzheimer's disease at Rockefeller University. In the halls of the Intrepid, there are numerous honors and awards on the walls. From each branch of the armed services, the Department of Defense and Veterans Affairs, the major veterans organizations, to the Presidential Medal of Freedom, Zach Fisher has been recognized for his contributions to the military. Now today we have the opportunity to give him the one award he desired the most, the honor of being a veteran of the armed services of the United States.

I would like to add to the RECORD the listing of all the veterans organizations that endorse this legislation.

I cannot conclude better than using the words of Zach Fisher's best friend Michael Stern. At Zach's funeral, he said, and I quote, "I sought fitting words to say good-bye to my friend. I could not improve on the words of Ronald Reagan. Well done, soldier."

The following Organizations support H.J. Res. 46:

Air Force Association (AFA), Air Force Sergeants Association (AFSA), The American Legion Rhinelander East Side Post 6, Army Aviation Association of America (AAAA), Assn. of Military Surgeons of the United States (AMSUS), Association of the United States Army (AUSA), Disabled American Veterans, Commissioned Officers Assn. of the U.S. Public Health Service, Inc., CWO and WO Association of the U.S. Coast Guard, Enlisted Association of the National Guard of the United States.

Fleet Reserve Association (FRA), Gold Star Wives of America, Inc., Jewish War Veterans of the U.S.A., Marine Corps League, Marine Corps Reserve Officers Association (MCROA), National Guard Association of the United States (NGAUS), National Military Family Association (NMFA), National Order of Battlefield Commissions (NOBC), Naval Enlisted Reserve Association (NERA), Naval Reserve Association.

Navy League of the United States, Reserve Officers Association (ROA), The Military Chaplains Association of the U.S.A., The Retired Enlisted Association (TREA), The Retired Officers Association (TROA), The Society of Medical Consultants to the Armed Forces, United Armed Forces Association, U.S. Coast Guard Chief Petty Officers Assn., U.S. Army Warrant Offices Association, United War Veterans' Council of New York County, Veterans of Foreign Wars.

Mr. STUMP. Mr. Speaker, I yield 6 minutes to the gentleman from Florida (Mr. YOUNG), the chairman of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of House Joint Resolution 46, which bestows honorary veteran status upon Mr. Zachary Fisher.

Zach Fisher was a true American hero who spent most of his adult life working behind the scenes in support of the men and women he loved who served in our Nation's military. It is most fitting today that we grant honorary veteran status to a man who longed to serve our Nation. Unfortunately, a construction injury left Zach unable to serve on active duty. He was turned down by the services because of a serious knee injury when he tried to join the Marine Corps during World War II. Unable to serve on the battlefield, he sought other ways to help those he so envied who served here and abroad, in war and in peacetime.

The American public has probably never heard or read of Zach Fisher's good will and generosity, but he wanted it that way.

When 241 Marines died in the tragic 1983 Beirut bombing, Zach Fisher sent each of the victim's children a $10,000 check for their college education. The total for the 113 children was $1,130,000.

When 47 U.S. sailors died in a 1989 accident aboard the USS Iowa, Zach Fisher sent each family who lost a loved one a check for $25,000 to help with their expenses at a very difficult time in their life.

In all, with no public fanfare, the Fisher Armed Services Foundation has sent out checks to more than 600 families of service members who paid the ultimate price. It was Zach Fisher's way of saying thank you from a grateful nation and from a grateful Fisher family.

His legacy of generosity and patriotism does not end there. Years ago, he learned of the plight of a wife of a seriously ill member of our military who could not afford a hotel room near the Bethesda Naval Medical Center. She had to ride two buses each way just to visit him at the hospital.

Zach came up with the idea to build a house on the hospital's grounds where family members could stay and be near their loved ones in their greatest time of need.

Today, there are 26 Fisher Houses on the grounds of U.S. military and veterans hospitals and two more under construction, including the first one abroad in Germany, where U.S. troops are stationed. These are beautiful homes that allow family members to be together at a most trying time in their lives. It is yet another way Zach Fisher and his family serve those who serve our Nation.

To honor the legacy of courage and bravery with which Americans serve our country, one of Zach Fisher's greatest and proudest achievements was resurrecting the USS Intrepid into a living, floating museum. It took 17 years and more than $25 million to open the Intrepid Sea-Air-Space Museum, the world's largest marine museum, which is now docked in Manhattan's Hudson River. It is one of New York City's most popular tourist spots, and hosts more than 600,000 visitors annually.

Every May, it has become a New York tradition to kick off Fleet Week activities with a parade of ships from all over the world, usually watched over by Zach Fisher aboard the deck of the Intrepid. Oftentimes, he was joined by former presidents and our Nation's highest ranking military leaders. They all recognize how much Zach Fisher and his wife Elizabeth have given to our Nation's service members. They know his gifts came from the heart. He never sought public recognition for his good deeds, just as those who fought on the ground, in the air and at sea never sought public recognition for their acts of bravery.

For all his quiet yet good work, President Clinton awarded Zach Fisher the 1998 Medal of Freedom, one of our Nation's highest civilian honors.

Mr. Speaker, Zach Fisher's largess went far beyond those who serve in uniform. He loved children and several years ago he learned of a program at Lackland Air Force Base in Texas to care for a small population of special children of service members. The Department of Defense brings these children with severe physical problems and learning disorders together at Lackland to meet their special educational needs.

When Zach Fisher learned that this program was housed in two old World War II quonset huts, he decided to do something about it. Today, we have the Admiral Jeremy Boorda Center for Children with Special Needs; a brand new, state-of-the-art facility that provides the best care possible for these children.

One of the two Fisher Houses now under construction will serve as a Children's Inn for the families of children being cared for at the Boorda Center.

In addition to his concern for our Nation's youngest citizens, Zach also was concerned about the terrible toll that Alzheimer's has taken on older Americans. He responded as only he could by establishing the Fisher Center for Alzheimer's Disease Research at the Rockefeller University in New York. This world renowned facility is sponsoring leading-edge research into the causes of and cures for Alzheimer's disease.

As my colleagues can see, Zach Fisher never responded in a small way to a problem. He confronted problems large and small with the same spirit and energy and he always got results. In the end, those results have meant a better quality of life for the families of service members, for children and for older Americans.

Mr. Speaker, the military coalition which represents all of our Nation's major veterans organizations has endorsed this legislation because they know how much Zach Fisher loved veterans and gave to our service members.

I want to commend my colleague from New York CAROLYN MALONEY, for introducing this resolution, and my good friend from Illinois HENRY HYDE for joining with me as an original cosponsor as we honor this unique special American. We all share a certain sense of sadness that Zach Fisher died last June before we could complete action on this legislation. His life-long dream was to join those he most loved as a veteran of our U.S. services. Today, for just the second time in our nation's history, we grant that special status as an honorary veteran.

The Military Coalition, which represents all of our nation's major veterans service organizations, has endorsed this legislation because they know how much Zach Fisher loved veterans and gave to our service members.

Mr. Speaker, when I first heard about Zack Fisher, I told many of my colleagues that this person was just too good to be true. There couldn't be anyone doing as much for his nation so quietly and with so little fan fare. It wasn't until I first met Zach Fisher that I found out he was even more kind and caring than the reports I had received. Nothing brought a bigger smile to his face than a hug or handshake from an enlisted service member or from a child visiting the INTREPID.

Today I know Zach Fisher is looking down upon this House with that same glowing smile as a grateful nation says thank you to a true American hero who devoted his life and his generosity to our service members. He now stands shoulder to shoulder with all those past, present, and future who wear the uniform and who will forever be honored as veterans of our great country.

Mr. EVANS. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentleman from Illinois (Mr. EVANS) for yielding me this time, and I thank the chairman for getting this resolution to the floor so quickly, and the ranking member for his support, and the gentlewoman from New York (Mrs. MALONEY) for this marvelous resolution.

I think we have heard how important and how worthy Zach Fisher was, and without understating those achievements I would like to take a few minutes of the time that the Committee on Veterans' Affairs has on the floor today to recognize another person who I think is an honorary member of the Committee on Veterans' Affairs, and that is the staff director of the Subcommittee on Benefits of the Committee on Veterans' Affairs on the Democratic side, Jill T. Cochran. She is retiring from this institution after 25 years of service. Many of us have been taught about the benefits that the veterans are due, from Jill Cochran.

□ 1515

I would say her investment in our veterans is legendary. She served for our esteemed colleague, former Member, Congressman Sonny Montgomery, and made a major contribution to the development of the Montgomery G.I. bill.

She helped to formulate the Transition Assistance Program for separating service members to ease their transition from military to civilian employment. She worked closely on updating the Reemployment Rights for Veterans Program. She has had a great interest in Vocational Rehabilitation Program for Disabled Veterans, just to mention a few of the areas which she has contributed.

She has received awards for her service to veterans for virtually every organization that serves veterans in our Nation. She has worked for such Chairs and ranking members as Bill Hefner, Marvin Leath, Wayne Dowdy, Tim Penny, Sonny Montgomery, the gentlewoman from California (Ms. WATERS), the gentleman from Illinois (Mr. EVANS), and when he was a Congressman, Senator TOM DASCHLE.

A mere recitation of Jill's accomplishments do not do her justice. She is a brilliant staff member who is warm and caring, funny and totally charging. She cares deeply about her work, her colleagues, and the Members of Congress for whom she works. But most of all, she cares for our veterans. She, I think, is worthy of the praise of many of us who want to express our gratefulness for her service on the Committee on Veterans' Affairs.

So I join my colleagues, both on our committee and the Congress as a whole, to thank Jill Cochran for her professionalism, her dedication, her contribution to the veterans of our Nation. We will miss her.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, let me thank the gentleman from Arizona (Chairman STUMP), the gentlewoman from New York (Mrs. MALONEY) for their leadership on this very, very important resolution today.

I come here today to also honor our good friend, Zachary Fisher. Everything has been said that probably can be said about his wonderful dedication to our veterans. Without question, there was no greater hero in the eyes of veterans, of current active-duty personnel, of all the military apparatus than Zachary Fisher.

He not only led the fight, he put his money where his mouth was. He dedicated so much financial resources to American sailors and infantrymen that it is just beyond belief.

But another side of Zachary Fisher I wanted to articulate was the love he had for his friends and his family. His wife Elizabeth, many have spoken about today, was suffering from Alzheimer's disease. Many people in his financial position would be able to afford around-the-clock nurses, which he did, and would have been able to keep his wife in a quiet, private place. But Zachary insisted at every function that Elizabeth accompany him to get whatever joy of life remained for that wonderful woman.

Whether we were at La Cirque in New York or the Manalapan Club in Palm Beach, he always insisted that Elizabeth be there at his side, at his table. He would always at any event, whenever they were showering love and affection on Zachary, would stop and say, had it not been for Elizabeth, I could not have done all I have done. He honored and loved his wife and dedicated so much resources to the fight for a cure for Alzheimer's, again a true credit to him.

Billy White is his chief of staff. I know he was like a son to Zachary, and he made Zachary's last years on this Earth exceedingly comfortable. He took care of every arrangement, every detail, and made certain that Zachary wanted for nothing. I know he left this world appreciative of the fact that Billy White served him so capably as chief of staff for his permanent office as well as the chief cheerleader for the Intrepid.

We mentioned the Intrepid, which has seen many great, great extravaganzas on behalf of charities throughout New York, led to the revitalization of the waterfront and the Westside Highway, a phenomenal achievement by one man, one individual to honor the great ship Intrepid.

Mike Stern was mentioned, again a wonderful ally, close advisor, trusted friend who worked tirelessly to make certain Zachary's wishes on every project that he undertook were completed to great success and to great satisfaction.

So as we pay tribute to this veteran, more than anything else than we just speak the name Zachary Fisher, let us hope it instills in the young people of America that freedom is not free, that men and women have fought for the right for us to debate on this House floor, for us to be considered the greatest Nation on Earth because we have the strength and military superiority, came because of people like Zack Fisher who all, while they could not serve personally, dedicated themselves financially to make certain those that did were rewarded, not only in spirit, but in deed.

I know others join me today in saluting this veteran, Zachary Fisher, as we honor and confer on him this status. He has deserved every mention today in the CONGRESSIONAL RECORD, and we salute him in heaven and thank him for his work here on Earth.

Mr. EVANS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, today, this House honors Mr. Zachary Fisher for his generous and tireless efforts on behalf of America's servicemen and women and veterans. I never knew Mr. Fisher personally, but his spirit of gratitude for our veterans and their sacrifices symbolizes America's debt of gratitude owed to all other veterans.

In the spirit of Mr. Fisher, I also want to say thank you to another citizen who has dedicated her adult lifetime to service for our veterans, someone who is about to retire, my friend, the veterans' friend, Mrs. Jill T. Cochran.

For 25 years, Mrs. Cochran has worked as a key staff member on the House Committee on Veterans' Affairs. For the past 15 years, Mrs. Cochran has been the Democratic staff director of the VA Subcommittee on Benefits, formerly the Subcommittee on Education, Training, Employment and Housing. It is amazing that, in this capacity, she has worked with nine subcommittee chairmen and ranking members.

Millions of veterans, whether they know it by name or not, have benefited from Mrs. Cochran's appreciation for and love of veterans.

Her quiet but effective fingerprints can be found on such major programs as the Montgomery G.I. bill, the Emergency Veterans Job Training Act, vocational rehabilitation for service, disabled veterans, and oversight of veterans preference in Federal jobs, only to mention a few.

Mrs. Cochran has received more awards from veterans' organizations than any of us has time to list. But I have to believe that, as appreciative as I know Jill must be of these awards, I have got a feeling that her greatest satisfaction in her 25 years of work for veterans would be that her father, a distinguished veterans of World War II and former chairman of the House Committee on Veterans' Affairs, would be proud of her.

Mr. Teague, Tiger Teague, affectionately known as Mr. Veteran in this House for so many years, is now in his final resting place next to General Omar Bradley, the people's general, in Arlington National Cemetery.

But I have to think that his spirit is soaring today with the belief, the understanding that his daughter has carried on the Teague family tradition of service to America's veterans.

To Jill Cochran, my friend, I say, thank you. To Mrs. Freddie Teague, Jill's mother, I say, Job well done. To my political mentor, Tiger Teague, I say that his spirit and legacy lives on through his family and his daughter.

My colleagues, it is amazing to think that, in a few days, for the first time since 1946, there will not be a Teague in the U.S. Capitol, fighting for veterans in association with the House Committee on Veterans' Affairs. But I know that the Teagues' love of veterans and their impact upon them will last far into the 21st century.

To Zachary Fisher, to Jill Teague Cochran, let me say, on behalf of all of my colleagues, thank you for not letting our veterans ever be forgotten.

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I rise today in strong support of House Joint Resolution 46, to confer honorary veteran status upon Zachary Fisher.

Zachary Fisher made his career in the construction business and contributed some of the most important buildings to the New York City skyline. But his passion was for the men and women who served this Nation in the military. He championed this cause up until his death earlier this year.

Zack Fisher was unable to serve in the military himself because of a leg injury sustained in a construction accident, but he became perhaps this Nation's most devoted advocate for the armed forces. Throughout his life, he dedicated himself to causes that supported and honored the veterans and service members of the United States military. He served as honorary chairman of the board of directors of the Marine Corps Scholarship Foundation and the Coast Guard Foundation.

He established the annual Chairman of the Joint Chiefs of Staff Award for Excellence in Military Medicine. He founded the Fisher House to build homes for families of hospitalized military personnel. He gave generously to numerous philanthropic organizations that aid service men and women.

But perhaps his most important legacy was the creation of the Intrepid Museum Foundation. In 1978, he spearheaded an effort to save the battle-scarred aircraft carrier Intrepid from the scrap heap and turned it instead into the Intrepid Sea-Air-Space Museum in 1982. Located on the Hudson River in my district, the Intrepid is a floating museum that hosts over 500,000 visitors each year of all ages and from all parts of the world. It educates thousands of school children each year and offers after-school and summer programs as well as vocational training and counseling.

His tireless advocacy of causes related to the U.S. armed forces have earned him the Horatio Alger Award, the Presidential Citizens Medal, and the Presidential Medal of Freedom, our Nation's highest civilian honor.

Mr. Speaker, Zachary Fisher gave his life giving to men and women who serve this Nation in the armed forces, even though he himself was not able it. I know of no better way to honor his memory than to confer upon him the status of honorary veteran. I myself consider myself privileged to have known him.

Mr. EVANS. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. SESSIONS).

Mr. SESSIONS. Mr. Speaker, I thank the gentleman from Arizona (Mr. STUMP), the chairman of the Committee on Veterans' Affairs for yielding me the time.

Mr. Speaker, I include for the RECORD the following letters honoring Zack Fisher, written by political and military leaders, as follows:

JUNE 7, 1999.

Mrs. ELIZABETH FISHER,
Intrepid Museum Foundation, New York, NY.

DEAR ELIZABETH: It was with an extremely heavy heart that I heard of Zachary's passing. Please know that Zandi and I are praying for you and your entire family as you struggle to cope with this tragedy. I have no illusion that my personal pain is in any way comparable to your own. I do, however, want you to know that Zandi and I, and your entire Marine Corps family, are grieving with you and want to help in any way we can. We are here for you. If you need anything—anything at all—do not hesitate to ask.

Zachary was one of the greatest patriots this country has ever known. He did so much for our service men and women; it is difficult to put into words what his life meant to us. He was the quintessential "good man" and a fine American. We shall—all of us—miss him very much.

I am so very sorry for your loss. May God bless you and hold you in the palms of His hands.

Sincerely,

C.C. KRULAK,
General, U.S. Marine Corps,
Commandant of the Marine Corps.

CHIEF OF NAVAL OPERATIONS,
June 29, 1999.

Mrs. ELIZABETH FISHER,
Intrepid Museum Foundation, New York, NY.

DEAR ELIZABETH: Garland and I were saddened to hear of the recent passing of your beloved Zachary. He was a great friend and a truly generous patriot. Our lives are enriched by his friendship and example.

Garland joins me in sending our deepest personal sympathy, and want you to know that you and your family are in our thoughts and prayers. If there is anything we can do for you, please let us know. God Bless.

Sincerely,

JAY L. JOHNSON,
Admiral, U.S. Navy.

AIR COMBAT COMMAND,
OFFICE OF THE COMMANDER,
Langley A.F. Base, VA, June 23, 1999.

Mrs. ELIZABETH FISHER,
The Intrepid Museum Foundation,
New York, NY.

DEAR ELIZABETH: On behalf of the men and women of Air Combat Command and the many lives touched by a lifetime of selfless dedication, I offer our heartfelt sympathy on the passing of your beloved husband, Zach. We mourn with you and offer our most sincere condolence in this time of sorrow.

Zach served as a pillar of strength and a beacon of hope. A grateful nation is indebted for the many patriotic and charitable contributions. These noble causes were each founded in a genuine concern for the welfare of his fellow Americans. Though he can no longer be with us, he will forever live in our minds and hearts.

While words cannot begin to ease the pain, we wish you to know that all of us are deeply concerned with what you and the entire Fisher family are going through. We hope that our prayers can provide some small comfort in the days ahead.

Sincerely,

RALPH E. EBERHART,
General, USAF Commander.

THE COMMANDANT OF THE
UNITED STATES COAST GUARD,
Washington, DC, June 22, 1999.

Mrs. ELIZABETH FISHER,
The Intrepid Museum Foundation,
New York, NY.

DEAR ELIZABETH: Kay and I speak for the entire Coast Guard family when we offer our condolences to you and the entire Fisher family. Zach was truly an angel on earth, and we will miss him daily.

My personal goal in life will always be to leave evidence of good will behind me. There was no better example for me to follow than Zach. Please take comfort in the reality that literally thousands of lives have been left the better because he cared and acted.

Our fondest memory may be the honor you both gave us to be included at your 52nd wedding anniversary celebration. Watching you dance and love each other so completely offered us great insight about what marriage and devotion should be all about.

You will be kept in our prayers.

Love,

JIM AND KAY LOY.

JUNE 7, 1999.

Mr. WILLIAM BRYAN WHITE,
Chief of Staff, Office of Zachary Fisher, New York, NY.

DEAR BILL: All of us, of course, are deeply saddened by the loss of Zachary, but share your conviction that he has gone on to a rich reward.

Mouza and I ask that you send our thoughts and prayer on to the family and to all of you who loved him.

We shall never see his likes again.

Sincerely,

E. R. ZUMWALT, JR.,
Admiral, USN (Ret.).

CHAIRMAN OF THE
JOINT CHIEFS OF STAFF,
Washington, DC, June 4, 1999.

Mrs. ZACHARY FISHER,
New York, NY.

DEAR ELIZABETH: Please accept Carolyn's and my sincere condolences on the death of Zachary. We are both greatly saddened and profoundly pained. On behalf of the men and women of the Armed Forces and Joint Chiefs of Staff, please accept heartfelt sympathy at his passing.

Zach was not only a personal friend, he was a tremendous ally of America's military men and women, and their families. An inspiring leader and a crusader for all that is right about America, he was a pillar of strength for the countless soldiers, sailors, airmen, marines, and coastguardsmen he helped over the years. Like the sailors of his beloved *Intrepid*, as long as men and women go down to the sea in ships, he will be remembered as the champion of our military families and a great American, and he will be sorely missed.

For all his greatness, for all his magnanimity, and for all his generosity, I know that he considered his crowning achievement and grandest blessing to be his long and loving marriage to you.

May the loving memories of his life be a source of comfort to you and your family. With profound regret for your loss, Carolyn's and my prayers are with you and your family.

Sincerely,

HENRY H. SHELTON,
Chairman of the Joint Chiefs of Staff.

TO THE INTREPID FAMILY: The death of Zachary Fisher, an American patriot, is a great loss to this country and the Department of Defense. Mr. Fisher's generosity to service members has been enduring and overwhelming and, for a private citizen, perhaps unequaled. His actions went beyond simple philanthropy; they spoke to the true needs of men and women in uniform. Along with his wife, Elizabeth, Mr. Fisher was widely known for standing with military families in their darkest hours. In the midst of tragedies like the bombing of the Marine barracks in Beirut and the USS Iowa gun turret explosion, the Fishers provided financial assistance to over 340 of these grieving families. They also aided service members and their families who could not afford college tuition by awarding over 700 scholarships.

One of the Fishers' most enduring legacies is the 26 Fisher Houses they build around the country at a major military and Veterans Administration hospitals over the past nine years. These temporary living facilities have been "homes away from home" for tens of thousands of families who could not otherwise afford local lodging while tending loved ones seriously injured or undergoing major medical procedures. Mr. Fisher also has pledged money for military child-care centers and programs for disabled children of military personnel.

Zachary Fisher shone a light on military history and helped inspire new generations of service members with the Intrepid Museum, the aircraft carrier that was on the verge of being scrapped. This vessel became the foundation of New York's Intrepid Sea-Air-Space Museum, which hosts over 500,000 visitors annually.

Mr. Fisher's deeds stand as symbols of both our nation's support and his love for the military men and women who serve America. For these and other deeds of service, President Clinton in 1998 conferred upon Mr. Fisher the Medal of Freedom, our highest civilian award. We have lost not only a supporter, but a very dear friend. His contributions will live on, and his legacy will be generations of gratitude from America's military community.

WILLIAM S. COHEN,
Office of the Secretary, DOD

SECRETARY OF THE ARMY,
Washington, DC, June 8, 1999.

Mr. M. ANTHONY FISHER,
Senior Partner, Fisher Brothers, New York, NY.

Dear TONY: Eva and I offer our deepest condolence on the death of your uncle.

The men and women of the U.S. Army and their families, who have benefited so much from the tremendous generosity of Mr. and Mrs. Fisher, will forever hold his memory dear. I hope that you will find great comfort in the knowledge that his legacy lives on at our installations around the world.

Our thoughts and prayers are with you and your family.

Sincerely,

LOUIS CALDERA.

SECRETARY OF THE AIR FORCE,
Washington, DC, June 4, 1999.

Mrs. ZACHARY FISHER,
Intrepid Museum Foundation,
New York, NY.

DEAR MRS. FISHER: On behalf of all the men and women of the United States Air Force, I want to express our deepest sympathy to you and your family at the passing of your beloved husband. America's men and women in uniform have been the beneficiaries of Zachary's unwavering patriotism and total devotion to his country. While he will be greatly missed, he will never be forgotten. He will always remain in the hearts of those he helped in their time of need. While many people do impressive deeds, Zachary's legacy of caring eclipses all.

Although there is little that can be said to lessen your grief, Monnie and I extend our heartfelt condolences. You are in the thoughts and prayers of a very grateful Air Force family.

Sincerely,

F. WHITTEN PETERS,
Acting Secretary of the Air Force.

VICE CHAIRMAN OF THE
JOINT CHIEFS OF STAFF,
Washington, DC, June 7, 1999.

Mrs. ELIZABETH FISHER,
Intrepid Museum Foundation,
New York, NY.

DEAR ELIZABETH: Dede and I learned of Zach's passing with great sadness and want to express our heartfelt condolences. He was truly one of the Defense Department's most distinguished and respected friends, and will be sorely missed. During this most difficult time, may the knowledge that countless uniformed personnel and their families have and will continue to be blessed by his life of dedicated service provide comfort to you and your family.

Please know that you are in our thoughts and prayers. If there is anything at all that Dede and I can do to help, please don't hesitate to call on us.

Most sincerely,

JOSEPH W. RALSTON,
General, USAF.

UNITED STATES ARMY,
THE CHIEF OF STAFF,
July 8, 1999.

Mrs. ZACHARY FISHER,
Intrepid Museum Foundation,
New York, NY.

DEAR MRS. FISHER: Patty and I wish to express our heartfelt condolences to you. The death of Zachary Fisher is a great loss to America's Army. The contributions he made to the welfare of soldiers and their families is a great part of his legacy. It is a legacy that will live on through the many foundations he established that will continue to serve not only the military but all of America.

The thoughts and prayers of soldiers all over the world are with the entire Fisher family.

Respectfully,

ERIC K. SHINSEKI,
General, United States Army.

JUNE 11, 1999.

Ms. SUNNY KENOSKY,
Intrepid Sea Air Space Museum,
New York, NY.

DEAR SUNNY: Pat and I were mortified that we simply were unable to attend Zach's service on June 7. Unfortunately we were hosts of a similar service here in Washington for a deceased long time employee and could not change the circumstances.

Be aware that you and the family are in our prayers at this difficult time. You, of course, can be very proud of Zack who was above all a patriot and philanthropist of unmatched generosity.

Pat and I were proud to have known Zack. If feasible, please convey our condolences to Elizabeth.

Sincerely,

ALEXANDER HAIG.

JUNE 9, 1999.

WILLIAM BRYAN WHITE, ESQ.:

DEAR MR. WHITE: I was greatly saddened to receive your fax telling me of Mr. Fisher's death. I would be most grateful if you would pass on to his family my deepest sympathy at their loss.

I shall always remember my own visit to the Intrepid Museum. Mr. Fisher was an inspiration to all those who knew him and his infectious enthusiasm brought history to life. His remarkable achievement in preserving such a vital part of the past as a reminder to future generations of the sacrifice made by the United States armed forces will be a permanent memorial to him.

With all kind thought and sympathies,

Your sincerely.

MARGARET THATCHER

Mr. Speaker, I rise today in support of H. Con. Res. 46, legislation to confer honorary veterans status on Zachary Fisher. Designating Zachary Fisher an honorary veteran offers Congress an opportunity to express our gratitude to an individual who has done so much for our country and for those who fight to protect our freedom.

We also give thanks and recognition to his wife, Elizabeth, and his family for their lifetime support of the United States armed forces.

Zachary Fisher selflessly gave his time, energy, and strength to the country that he loved very much. As the United States became involved in World War II, Zack Fisher quit his job in the construction industry with the hopes of joining the armed forces, but was denied enlistment due to a leg injury.

Being unable to join the armed forces was devastating to Zack Fisher. However, it did not take him long to find another way to participate in the war effort. He used his construction knowhow to build coastal defenses along our United States coast along with the Army Corps of Engineers.

After the war, Zack Fisher achieved great success in the construction industry, helping to shape the skyline of New York City. Despite being unable to serve in the military, Zack Fisher decided to share his success with those who served on the battlefield to protect our freedom and was especially generous in helping the families of those who died for our country.

Mr. Fisher spearheaded an effort to preserve the USS Intrepid as a floating museum honoring American veterans. The Intrepid, which is now permanently docked in Manhattan, commemorates the bravery and sacrifice of our own forces and is visited by hundreds of thousands of Americans each year.

Mr. Fisher, along with his wife, also established the Elizabeth and Zachary Fisher Armed Services Foundation to provide financial assistance to families of those who gave their lives in service to our country. The foundation also provides scholarships to the children of those heroes.

In 1990, the Fishers were told the story of a wife of veterans who could not afford to stay at a hotel near the VA hospital where her husband was receiving treatment. Inspired by this, the Fishers built homes near veterans hospitals designed to keep family members comfortable and to be close to their loved ones. Despite this generosity, Mr. Fisher never stepped into the limelight. He chose to let his work and his gifts speak for themselves.

Mr. Fisher never stopped working for our Nation's veterans until his death last summer at the age of 88.

□ 1530

Mr. Speaker, Zachary Fisher's generosity and patriotism is an inspiration to all of us. Congress should recognize his legacy of respect for those who protect our freedom by passing this legislation and conferring honorary veteran status to Zachary Fisher.

Mr. Speaker, Zachary Fisher was a personal friend of this country; he was a fine American, patriot, and a longtime friend to my family and my father, who knew him when he served in the Bush and Reagan administrations. I also greatly appreciate knowing Zachary Fisher.

Mr. Speaker, I would like to thank also, in particular, the gentlewoman from New York (Mrs. MALONEY) for sponsoring this legislation, as well as the chairman of the committee, the gentleman from Arizona (Mr. STUMP); and I would like to thank the Committee on Veterans' Affairs for working with me on this to bring it to the House floor.

Mr. STUMP. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding me this time, and on behalf of the family, Mrs. Elizabeth Fisher, Anthony Fisher, Richard Fisher, Arnold Fisher, Michael Stern, Billy White, and many others, I would like to place in the RECORD, along with my colleagues in this bipartisan effort, letters from President Clinton, former President Bush, the former First Lady, Nancy Reagan, prominent religious leaders, political leaders, and many, many friends and supporters.

THE WHITE HOUSE,
Washington, DC, June 9, 1999.

ELIZABETH FISHER,
One Intrepid Square, West 46th & 12th Avenue, New York, NY.

DEAR ELIZABETH: We were so saddened to learn of Zachary's death and wanted to extend our deepest sympathy to you and your family during this difficult time.

As demonstrated by Zachary's remarkable career and extraordinary awards such as the Presidential Citizens Medal and the National Medal of Freedom, he was a noble and wonderful individual who well deserved his reputation as a patriot and humanitarian. His contributions to our country are an example for us all. From his support to American armed forces and their families, to his distinguished commitment against the struggle of Alzheimer's disease, he'll long be remembered and deeply missed by those who were privileged to know him and to be inspired by his generosity and service.

With lasting gratitude and respect to Zachary's accomplishments, we send our heartfelt condolences to you, Larry, Ginny, and all of your family. We'll be keeping you all in our prayers.

Sincerely,

HILLARY RODHAM CLINTON.
BILL CLINTON.

GEORGE BUSH,
June 6, 1999.

DEAR ELIZABETH, Your husband Zach, our friend Zach, was just about the kindest most generous man I ever met. Besides all that he was what I would call a genuine patriot.

None of us who believe in and back our armed forces will ever forget all he did in support of the military and their families.

Barbara and I will never forget his many kindnesses to us. We feel we have lost a dear friend.

In these days of sadness and grief we send you our most sincere and respectful condolences.

GEORGE BUSH.

OFFICE OF NANCY REAGAN,
June 7, 1999.

MRS. ZACHARY FISHER,
1 Intrepid Square, West 46th Street & 12th Avenue, New York, N.Y.

DEAR ELIZABETH, Ronnie and I were so sorry to learn about Zachary's death last Friday. After fifty six years of love, marriage and partnership that knew no bounds, there are certainly no words to ease the pain at this difficult time. However. we want you to know that you are in our thoughts and prayers.

Zachary Fisher was truly a remarkable man, who loved life and served as an inspiration to many. He rose from humble beginnings, worked hard for many years and then, when he could have taken an easy retirement, he began a whole new career of "giving." Zach gave and gave and just when everyone else thought there was no more to give, he always came through again.

There are so many examples, and although Zach was never looking for the credit or even a pat on the back, we all know the truth. It is because of him that young people have attended college with badly needed scholarships, the historically important *Intrepid* has been preserved, our nation's military bases are filled with Fisher Houses to aid military families in times of medical emergencies and thousands of Alzheimer's victims have been given hope for the future. Zachary Fisher made a difference—and because of this we should never forget him.

Elizabeth, on a personal note, we will always cherish our evening on the *Intrepid* in September, 1993. Ronnie said that evening that Zachary Fisher was an American hero and there's no question that is true. He loved our country and her people as much as anyone could. If we could be with you today as you honor Zach's life, I know that Ronnie would be proud, as the former Commander in Chief, to salute Zach one last time and tell him, "Job well done, soldier."

Please know that we are praying for you at this time.

Sincerely,

NANCY REAGAN.

MR. BILL WHITE, CHIEF OF STAFF TO ZACHARY FISHER

Good morning Mrs. Fisher, Mr. Larry Fisher, Mrs. Ginny Ross and the entire Fisher family. Distinguished guests, ladies and gentlemen, we at *Intrepid* wish to welcome all of you. We thank you for taking the time to be part of this event. Today, we gather to pay tribute to our beloved Chairman, Founder, and above all, our friend—Zachary Fisher.

You will shortly hear from members of Mr. Fisher's family and from those whose lives he has touched. His family felt it appropriate to hold this service here at the Intrepid Sea Air Space Museum. Fearless, brave, and courageous are words that describe this ship. They are also words that describe the man we honor. Zachary Fisher—you are *Intrepid*.

Mr. Fisher often quoted the philosopher Kahlil Gibran, who said, "He who gives of material things gives nothing . . . But he who gives of himself gives all." Zachary Fisher gave his all to everything he was involved with and to everyone he cared about.

I was reminded by Ken Tomlinson at one of those famous lunches at the Twenty-One Club eight years ago that Zachary said, "See how easily this breaks?" snapping a single wooden match. "Now try to break these," he said handing me a grouping of seven matches. Held together, they could not be broken. "It's the same with family," Zachary said. "If the family sticks together, no one can break you . . . It is a lesson my father taught us many years ago."

So it is fitting that last night at the chapel after talking with Sunnie, Anne and Tony, there are three important things with Zachary right now. There is a picture of him and Elizabeth, because no one was more important than Elizabeth. A picture of all of the Fisher brothers, because no one was more important than them. And a piece of the wooden flight deck of *Intrepid* from 1943 from which one of the people here carved out a mini *Intrepid* carrier. It's about five inches long. Two of the former crew members who served on this very ship during World War II and are here today signed the bottom of it. Zachary is holding that right now.

I hope that today when you leave this special place dedicated to the nation that Zachary loved so much, you carry with you the memory of this very special individual—someone who has truly touched all of our lives and reinforced for us the thought that God really does create extraordinary people. Zachary, it has truly been an honor to represent you the past eight years. You are my inspiration, my friend and my hero. I will never forget you, and I will always be grateful to you for allowing me to be part of your life.

At this time, I would like to introduce our Master of Ceremonies, a longtime friend of Zachary Fisher, and a man who truly needs no introduction, Mr. Walter Cronkite. As Tex McCrary says, "Mr. Cronkite, the bridge is yours."

Mr. Walter Cronkite, Master of Ceremonies/Special Correspondent, CBS News

Ladies and gentlemen, welcome to *Intrepid* today. We are glad that you could all join us for today's ceremony. It is most appropriate that we gather on board *Intrepid* today, because this ship meant so much to Zachary. When he undertook the mission to save this ship from the scrapyard, he launched himself on a course that would eventually make Elizabeth and him our country's most generous supporters of the men and women of the Armed Forces. He cared deeply for the young people who are willing to put their lives on the line every day to defend our nation and the principles we all hold so dear. It is heartwarming to see that we have been joined today by America's senior military leadership, along with hundreds of Zachary's other friends. Thank you for being with us.

The Honorable Henry J. Hyde, Chairman of The House Judiciary Committee

Distinguished friends, guests, the Fisher family and, especially, Elizabeth, I just have two simple ideas I would like to assert. If everyone for whom Zachary Fisher performed a loving service were to bring one blossom and put it on his casket, he would sleep under a wilderness of flowers.

In 1666, London was devastated by a terrible fire, almost wiped out, and out of the ashes a genius named Christopher Wren, another builder, arose and almost singlehandedly rebuilt London. His crowning achievement was the Cathedral of St. Paul. If you go in the back, beneath the floor, he is buried. And you kick the dust away—the Latin words "Se requeris monumentum circumspace"—"If you would seek his monument, look around." That applies perfectly to Zachary. If you would seek his monument, look at the *Intrepid*, look at the Fisher Houses, look at the Fisher Center for Alzheimer's Research. Look at every serviceman and servicewoman all over the globe and you see his monument.

This is a time for sorrow, for lamentation, for grief, but it also is a time for thanksgiving. We should thank God that such a man lived and we knew him.

Rabbi Judith Lewis, Temple Israel

Zachary Fisher wore the name of a Biblical prophet of ancient Israel, Zachariah. Zachariah, the Biblical prophet, lived during the rebuilding of the Temple in Jerusalem. The Jews had been granted permission to return to their promised land to rebuild their sacred shrine in their capital city. Zachariah, the Prophet, spoke the language of builders. He described the technical aspects of constructing that major edifice.

At the same time, he had a universal Messianic vision of religion. "These are the things that you must do," said Zachariah. "Speak truthfully with your neighbor. Execute the judgment of truth and of peace within your gates. Let no one devise evil in your heart against your neighbor nor approve of false oaths."

Then he prophesied the one God of Israel would have dominion over all the world. Zachariah was the author of a famous passage with which we close every worship service to this day. He said, "On that day the Lord will be One and His name will be One."

If we live the ideals of our religion, then all people will eventually recognize that we all share one creator. Zachary Fisher lived through the rebuilding of the modern State of Israel. His family has been among the most generous supporters of the homeland of the Jewish people. Yet Zachary was a man of the Diaspora. He was an American, a proud patriot. He believed in the ideals of this country, the ideals of equality, opportunity, freedom and justice.

He loved the military not because of its might and power but because of the values this country cherishes, because of the ideals of American democracy, ideals that are worth sacrificing our lives to protect. Zachary Fisher stood in awe of those who were willing to place their own lives on the line to defend others, to fight for what he believed was right. His admiration and reverence for heads of state, for politicians and officials, for military leaders and rulers of nations, for people with the power to change the world was palpable, genuine and sincere.

For Zachary Fisher was a man of faith, a true idealist who gloried in the fact that he could demonstrate his commitments in grand public gestures. But the motivation behind those gestures was a quiet, sincere, idealistic belief in the power of humanity to cure the evils of this world. In his memory may we commit our lives to that task.

God, you have been our refuge in every generation, before the mountains came into being, before you brought forth the earth and the world. From eternity to eternity, you are God. You return us to dust, decreeing, 'Return O mortal ones,' for in your sight a thousand years are as yesterday, when it has passed as a watch in the night. You engulf us in sleep. We are like grass that renews itself. At daybreak it flourishes anew; at dusk it withers and dries up.

The span of our life may be three score years and ten or, given strength, four score years or more, but the best of those years have trouble and sorrow. They pass by speedily and we are in darkness. Teach us, therefore, so to number our days that we may attain a heart of wisdom. Turn to us, O God; show mercy to your servants. Satisfy us at daybreak with your steadfast love that we may sing for joy all our days. Let your deeds be seen by your servants, your glory by their children. May your favor, oh God, be upon us. Establish also the work of our hands that it may long endure.

Mr. Michael Stern, Chief Operating Officer, Fisher Center for Alzheimer's Disease Research Foundation

Zachary often told me that the measure of a man's success was not the wealth he accumulated during his lifetime, but the good that he did that lived on after him. By that measure he was extraordinarily successful. Zachary did not limit himself to grand deeds, though there were many.

During the war in the Pacific, the *Intrepid* was hit by a Kamikaze plane. Burning fuel oil doused a crew in a gun tub. A handful of sailors on deck threw themselves into the inferno to help save their burning comrades. The heroic sailors were awarded the Navy Cross—all but one; he was black. He received an inferior award. For fifty years he sought to rectify the error. His story finally reached Zach Fisher. At that year's Fleet Week dinner, Ronald Reagan pinned the Navy Cross on his chest.

President Reagan concluded his speech that night by extolling Zachary Fisher and saying, "As former Commander in Chief of our Armed Forces, I say, 'Well done, soldier!'" There was a thunderous applause and hardly a dry eye.

I have been asked many times why Zach has concentrated on the military. The answer is simple. Zach tried to enlist but was turned down for physical disabilities. Since he couldn't serve himself, he spent a lifetime serving those who served for him—and for us.

There is now a bill before Congress to name Zachary Fisher an honorary veteran. This has only been bestowed once before in the history of our nation. The bill was presented by Congresswoman Carolyn Maloney with the backing of the powerful Chairman of the House Appropriations Committee, Bill Young. Both are seated amongst our mourners. This act of Congress would have made him justly proud, because it puts an official seal on what he already was—a member of the military family.

Zach has been my friend for almost half a century. We have worked together in the foundation for many years and I am proud to have stood tall in his shadow. I sought fitting words to say goodbye to my friend; I could not improve on the words of Ronald Reagan—"Well done, soldier!"

Mr. Arnold Fisher, Nephew of Zachary Fisher

I am privileged to say a few words about my Uncle Zach. Although much will be said about Zach, my father, Larry, and their brother, Martin, and how they started as hard working bricklayers and contractors, and others will focus on the growth of Fisher Brothers into one of the premier real estate partnerships in the country, I feel that a more personal testimonial to Zach is to share with you some of my thoughts.

Our business is known for its rough and tough nature. Building on Manhattan Island is demanding, frustrating and difficult in the best of times. The men who build modern New York had to be equally tough or they would have failed. The Fisher brothers were, and are, no different. That make Zach Fisher's emergence as a man recognized by presidents, prime ministers, generals, admirals and the common, everyday soldier, sailor, airmen, marine and coast guardsman as a man of uncommon compassion all the more unique.

While most men blessed with the good fortune of a Zach Fisher would have settled into a life of leisure and luxury during their later years, Uncle Zach found an entire new focus for his life—His military family and friends. While his contemporaries were golfing and cruising, Zach spent many of his weekends aboard his beloved *Intrepid*, hosting parties for the visiting men and women in uniform, chairing memorial services for those who has given their last full measure in our nation's service and in general, ensuring that our nation's armed forces would never be forgotten.

Whether it was the welcome home of the Vietnam veterans or the celebration of Fleet Week that he initiated, Zach loved the company of young men and women of the United States military. Zach had his close friends among generals and admirals but it was to the everday soldier, sailor, airmen, marine and coast guardsman that he devoted his full energy.

He built 26 Fisher Houses adjacent to military hospitals across the country for a pure and simple reason—Zach wanted the service families to have a clean, comfortable home in which to wait for the recovery of their loved ones. Whether in war or peace, if events claimed the life of one of more of his military family, Zach immediately established scholarships to ensure that the children of the military would not be forgotten.

In all ways and at all times, Zach was here for his military family. Even the accolade of "America's foremost military philanthropist" fails to capture the love and passion that motivated him. Others could do good work but Zach was taking care of his family. Zach's love and compassion were nowhere more evident than his complete devotion to this wife, Elizabeth. Wherever Zach went, always at his side was Elizabeth. And as Elizabeth's battle with her illness became more demanding, Zach intensified his partnership in the battle. He founded one of the foremost research efforts in the fight to find a cure for Alzheimer's. Until his last day, his love for Elizabeth and his complete devotion to her never waned; it grew. Zach's commitment to his wife is an example to all of us.

So what of my Uncle Zach? Chiseled out of the granite of the New York construction business, Zach was the beacon of kindness and gentleness that is so rare in America today. He touched millions through his generosity and compassion. He brought grace to our lives. He will be missed. I will miss him.

Zach, thank you for showing us the way, for we will follow.

MR. RICHARD FISHER, NEPHEW OF ZACHARY FISHER

To all of us gathered here, Zachary Fisher was a monument of a man. But rather than speak of the monument, I would like to take a moment to speak of the man himself. To quote someone wiser than I, "This was a spacious man who carried a kind of innocence that had no tincture of naivete in it." There was nothing narrow or confined, or confining, about Zachary.

Horatio Alger could not have written a more dramatic, unbelievable story of a bricklayer who became an immensely successful businessman, who then effectively retired to start an entirely new career in the gracious and generous service of his country, for which he won the Medal of Freedom, our nation's highest civilian award. But in the spaciousness of his character we should also remember that he was for his brother, Larry, his best and dearest friend. For us, his nieces and nephews, he was our dearest, kindest, gentlest, beloved uncle.

What we need to understand about this man's character and vision was that while it played out on the immense stage of our country—whether through the Intrepid, The Fisher Houses and the Alzheimer's Foundation, to name just a few—it continued without abatement to play out within our family with equal energy and grace.

The public praise of this extraordinary human being you already know and will hear again. Know how well deserved it is. But that other dimension of this man—our brother, our husband, our uncle—is equally monumental, because when he moved onto that much bigger stage, he will still retained his delightful innocence, his vision and his pride in and for our family.

Zachary taught and gave us character. He brought us the spaciousness of his dignity, together with the pure innocence of his ideals and principles. For that we cannot thank him enough, nor honor him sufficiently. He shall be missed, most of all for the pure sweetness of his character.

MR. M. ANTHONY FISHER, NEPHEW OF ZACHARY FISHER

Today is, in many ways, a celebration of the extraordinary accomplishments of a great man, Zach Fisher. He was an exemplary philanthropist, patriot, businessman, and a true gentleman. He has been acknowledged as such many times over with the numerous honors and medals that have been awarded over the years. The most impressive, of course, is the Medal of Freedom, which the President gave him this past September.

There are a few awards that don't exist that I wish did. The first one would be the Golden Mensch Award. I am sure all of the members of my family who are sitting here today would agree that one of my Uncle Zach's greatest qualities was that he was always willing to lend a sympathetic ear. This was especially comforting to know on a day when you had been in to see my other beloved uncle, Larry, and you had suffered a well-deserved tongue lashing. It's true. Zach was always there to pick up the pieces and to put things in perspective.

Together, Larry and Zach were a formidable team. They took the concept of good cop/bad cop to new heights and, in doing so, taught us much, including the invaluable lesson of teamwork amongst family. This notion of family was so strongly ingrained in Zach that it was the foundation upon which his life's ideology was built. I will always remember the day, very early on in my career at Fisher Brothers, that Zach called me into his office. Similar to the experience that Bill White had, he said to me, "Try and break this match". I took it, and I did. Then he handed me a bundle and said, "Now try and break this bundle". When I couldn't, he said "Now, that's family for you. If we stick together, we will stay strong."

I believe that, throughout the years, I have learned much from Uncle Zach's example—even more than his words. It was never necessary to ask him for help, because he was always two steps ahead of you. For that lesson, I say, "Thank you, Zach."

So, today, as we review the life of a man who I truly loved, I would like to bestow upon him one last honor: it would be a medal for a life well lived.

HIS EMINENCE JOHN CARDINAL O'CONNOR, THE ARCHBISHOP OF NEW YORK

It must be providential that just about an hour ago I was privileged to receive in my residence Rabbi Ruden, Jim Ruden, together with Members of the Board of the American Jewish Committee. They had come to give me a check for $100,000 to be transmitted to the Catholic Relief Services to assist in the building of a Catholic school in Macedona for refugees from Kosovo.

I told them very explicitly when they gave me the check that I was coming here and that this was the kind of thing that Zach Fisher has been inspiring for years and years and years with absolutely no distinction of race, creed, color or any other differentiating characteristic.

When I think of him, I think of the words of Tennyson, "Shall I ask the brave soldier who dies by my side in the cause of mankind if our creeds agree?"

I think, too, of a little story that old time newspaperman, George Sekowski, once wrote about a young sailor named Joe Callahan. Joe Callahan's brother, Jim, had been killed during one of the wars in the Pacific. When his ship was near that particular island, he asked the lieutenant if he could go ashore to visit the grave of his brother, who was buried there.

The lieutenant not only permitted it but went with him. He arrived in the cemetery, found the grave of his brother, Jim, Jim Callahan, Irish Catholic. Beside Jim Callahan's grave on one side was the grave of Luther Brown, Lutheran, and on the other side was the grave of Isaac Goldberg, Jew.

Young Joe Callahan said a prayer over each grave. Then he looked up at the lieutenant. He said, "Gee, Lieutenant, my brother always did keep swell company."

Anyone who was ever privileged to spend even a few moments in the presence of Zach Fisher knew that he was truly in swell company. Tony Fisher, you and your lovely wife, Anne—who were gracious enough to come to my Mass at St. Patrick's Cathedral yesterday, when I tried, to the best of my ability in accordance with my Catholic faith, to honor this truly noble Jew, Zachary Fisher, and to invite several thousand people to pray for him and for all of the family—I doubt that you would be offended if I offered you, for all of the Fisher family, perhaps, the one little gift that they don't have and would never expect to receive, a Cardinalatial yarmulke. May I leave this with you? Thank you.

THE HONORABLE RUDOLPH W. GIULIANI, THE MAYOR OF THE CITY OF NEW YORK

Thank you. Distinguished guests. Governor Pataki, all of the distinguished members of the military, elected officials, in particular, Larry Fisher and members of the Fisher family and the family of the *Intrepid*, today we finally get to show our gratitude to Zach. We finally get to turn in some small way the stream of generosity that has flowed only one way toward us to him, and to thank him and to let all of you in the Fisher family know how important he is to everyone in the City of New York and throughout the United States.

What is it that fueled Zach's extraordinary generosity, his extraordinary sense of obligation? I believe it was that Zachary Fisher understood in a very deep and profound sense that freedom is retained only through dedication, commitment and sacrifice, that the wonderful blessings that we have as Americans that make us the luckiest people on the face of the earth do not happen by accident. They happen because there are men and women who are willing to lay down their lives to create it, to protect it and to expand it. At the very core of his being, he understood our obligation to them and then expressed it in a way that most of us are incapable of doing because of the great love and generosity of spirit that he had.

One week ago today was Memorial Day here in New York City. We celebrated it as we do now every year because of Zachary and Elizabeth Fisher, on the *Intrepid*. Rather than being turned into a scrap heap, this ship stands as a proud tribute to the American military and as a very, very strong reminder of the price that we're going to be called on to pay, both now and in the future.

A personal note of debt of gratitude to Zachary and Elizabeth Fisher: Donna's father and my father-in-law, Lt. Commander Bob Kofnovec, served on this ship in the latter part of World War II. To see him return to this ship with his grandson and his granddaughter and explain to them about what it was like to return from a mission, what it was like to land with the slightly warped deck, to see him take them around and show them where he served in the noble cause of defending freedom and to pass on to them that feeling and that sense is a debt that I owe personally to Zachary and Elizabeth Fisher.

But I am not alone in owing that debt; thousands and thousands and thousands of other Americans owe that debt to him also. So for my wife, and for me, I say thank you, very, very much.

It's no surprise that Zach Fisher built this museum. He began building when he was very, very young. At 16 years old he began in the construction business. He and his brothers and family built much of what you see in the most magnificent skyline in the world. It is sometimes described as the eighth wonder of the world, except a wonder that is created by human hands. Zach's hands were one of the most significant in creating it.

Many, many people would have been more than justified in being satisfied with that contribution. Instead, after he made that contribution, enough to be placed in a very special place of honor among his fellow New Yorkers, Zach decided to give back even more to the men and women of our military to help to preserve and then to create this museum, to make certain that the men and women of our military understand that at times of greatest loss there are citizens that care about them.

Beyond what he's done for the military, I should also tell you that he includes in that family the men and women of our police department and the men and women of our fire department. When they have a loss, he is there to financially support them and to morally support them.

I believe it is not coincidental in some plan that exists. When Zach died the other day, within a few hours we lost Capt. Vincent Fowler, who died in the line of duty in Queens fighting a fire to try to protect the lives of others. I bet somehow that Zach and Fire Captain Vincent Fowler—Capt. Fowler is to be buried tomorrow—are standing in heaven and they're looking down and they're saying thank you to each other, Zach saying thank you to Capt. Fowler for putting his life at risk to save others, and Capt. Fowler saying thank you for taking care of his wife and his three children who are left behind.

Zach Fisher wasn't an accident either. He is a product of this beautiful, strong and loving family. His generosity of spirit was not his alone, it is all of yours. As the Mayor of New York City, I thank you for what you've given us, the City of New York. As an American, I thank you for what you have given the men and women who pay the extra price. As a father, I particularly say thank you for what you've done for my children and my family. Thank you very much.

The Honorable Peter F. Vallone, The Speaker of the New York City Council

I first had the great privilege of meeting Zachary Fisher more than a decade ago when he came to City hall looking for what I thought was a financial commitment. Can you imagine, Zachary Fisher looking for financial commitment?

I soon found out that what Zachary was looking for was for the great City of New York to become part of the great work of the Intrepid. Previous speakers referred to him as Mr. Intrepid. That has come to mean to me some very important attributes. He was a kind man. He was a truthful man. He was a just man and he was a peaceful man. He lived what the Prophet Isaiah said three thousands years ago, that some day kindness and truth shall meet, justice and peace shall kiss, peace shall spring out of the earth and justice shall look down from heaven.

This Intrepid is not a monument to war; this Intrepid is a monument to peace and to Zachary Fisher. Just as surely, some day, justice shall look down from heaven, you know and I know that Zachary Fisher is looking down upon all of us and saying, "Keep the faith; keep the peace."

The Honorable Alan G. Hevesi, the Comptroller of the City of New York

Thank you very much, Walter Cronkite, ladies and gentlemen. This is a celebration of a life and it is a period of incredible mourning for the passing of one of America's greatest citizens. I thank you all for being here; it is so important that you are here.

Arnold Fisher developed the theme: We are here in profound sadness, for me as well as many of you, a touch of anger that Zach is taken from us. Because as much as he gave, there was so much more to give.

But here was the quintessential New Yorker, he and his family building a business in the toughest competitive environment possible. They were rough, they were tough, they were uncompromising. They built a great business empire. They refused to suffer fools, Zach particularly, and they competed successfully.

And at the same time, Zach Fisher was one the most caring, decent, compassionate, kindly persons imaginable and one of the sweetest people you'll ever want to meet. He never said no. All the charitable work, all the philanthropy, all the caring for the servicemen who stand between America and her people and values on the one side and evil on the other side, Zach was there for them.

For the families of servicemen and women who died, Zach was there for them. The scholarships, the *Intrepid*, the Alzheimer's program, the Fisher houses, and so many other instances that we don't know about because they haven't been celebrated.

My wife, Carol, who loved Zachary dearly and who would be here now but she is recovering from surgery, was an administrator at Creedmor Psychiatric Hospital and at dinner one night was talking with Zachary about taking care of some of the most desperate people in the world, people who have no control over their own mental faculties. Zachary asked Carol what do they need more than anything else, in addition to their medical care, and she said, "Some respite from the campus of a psychiatric hospital, some ability to get to a ball game or to the theater, to get to a park." Three weeks later, six brand new vans to transport patients all over this magnificent city were provided by Zachary Fisher.

Zachary Fisher's life, however, is not just summed up by his philanthropy and his toughness and his caring but also an unspoken value that needs to be expressed: the profound value of love. As macho and as tough as this man was, and his family, what drove him was a sense of love, particularly for his family, especially for his beautiful wife, Elizabeth—expressed no more dramatically than in the last ten years during her illness—but for the entire family.

In a sense, I am representing another portion of that family, the friends of Zach Fisher, whom he brought into his circle as members of the family with the kind of caring and love and affection that is unprecedented. It is reflected in his decades long friendship for Michael Stern. It is reflected in his incredible caring and loving for Billy White—and one day, Billy, I will tell you about the number of times he spoke behind your back about who you were and who you were going to be—and about all the rest of us who he brought into the circle.

So we have lost a very extraordinary man, tough, rough, relentless, kind, compassionate, loyal, decent, loving, the sweetest man of all, a great friend, a great mentor, the greatest patriot in America, our dear friend, Zach Fisher. God has blessed Zach Fisher; God will bless Zach Fisher as he has blessd us by allowing us to know and to be with Zachary Fisher. thank you all for being here.

A few years ago, a news crew followed Zach as he traveled the country on his mission of good will. They produced a snapshot in the life of a man who they named, and was aptly named, a patriot in the shadows. At this time, I ask you to join me sharing a memory of America's greatest patriot and our dear friend, Zach Fisher. Thank you.

The Honorable Charles Schumer, United States Senator

Well, thank you very much, Walter. And like so many who have preceded me here, it is truly an honor to stand here and remember Zachary Fisher.

When the Founding Fathers had finished writing the Constitution, one of them was approached by a citizen who said, "What have you done?" And that Founding Father responded and said, "We have given you a democracy if you can keep it."

What was meant was that, in this brave new experiment that had never been tried before, were the people of America up to it? Would they be able to keep this democracy? The Founding Fathers wondered about that and they wondered about whether private citizens throughout the country could live up to the ideal that they had created.

Well, Zach Fisher was the apotheosis of the idea that the Founding Fathers wanted for the American citizen. Of course, as a family man, his dedication to his wife was something that they would have very much treasured. As a businessman, somebody who did good for himself and his family but also did good for a whole city by creating that great skyline and the office space that now employs and houses thousands, was also something that they envisioned.

But most of all, it was his volunteerism, his ability to step forward and go that extra mile that made him the citizen they very much wanted to be an American. It would have been easy for Zach, having been so successful in business, having had a loving and large family around him, to just sit back and relax, but he couldn't and wouldn't. His efforts on behalf of so many different charities were right there.

But most of all, it was his volunteerism on behalf of the military—what a combination—that distinguished him beyond any other American citizen that we have known. This museum that we stand on, again, signifies just that. It is both a monument to what happened in the past and to the lives that were risked over and over again.

But Zack had a special genius and he wanted it to be a vision for the future, so that this museum—which, the New York Times wrote, "Zachery Fisher willed into existence"—looks to the children. Every week there are tens of thousands of elementary and high school students who come here who may not have learned otherwise what had happened. There is vocational training. There are summer programs. He is teaching the young people; he is teaching them at this moment, even though he is no longer with us and looking down upon us, of how important it is to have a close link between the citizenry and the military. Teaching the children as we now watch, as we have our soldiers in harm's way overseas, how important it was and is and will be that sacrifices be made.

So, in short, if the George Washingtons and the Thomas Jeffersons and the James Madisons were looking down here on this room and, looking down on Zach Fisher's life, they would smile. He was just the American they wanted all of us to be.

The Honorable George Pataki, The Governor of the State of New York

When I was asked if I could be here this morning, my response was immediate: How could I not be here this morning? As all of us know, Zachary Fisher was always there. He was there for me and my family. He was there for New York and he's always been there for America.

On this solemn day, we pay tribute to one of the greatest Americans of our time, an American whose deeds outran his words, an American whose love of country knew no bounds. Zachary Fisher was a dear friend to all of us and on this day, our hearts—and, indeed, the hearts of men and women across America—are filled with sadness. But none of us can possibly feel the sense of loss that Elizabeth, Ginny and Harry feel today. To you and to Arnold and Richard, Anthony, Ken and the entire Fisher family, God bless you. Our thoughts and our prayers are with you. To Elizabeth, I know that little can be said to ease your pain but I hope your heart is warmed by the fond recollection of Tex McCrary, who described your years with Zachary with these words: "The Fisher story is a love story—love of country, love of the armed forces and love of each other."

Zachary's actions say more about him than our words ever can, but it is appropriate that we join here today on this symbol of America's strength, for it was this symbol of strength and pride, pride in America's armed services, that Zachary devoted his life to renewing. The *Intrepid* is one of his many legacies, one of his many gifts to the people of this nation for generations to come.

I think Zachary would be proud to see us gathered here today on this great monument, for our presence here embodies the fulfillment of his vision which was to create a deep spirit of reverence and appreciation for our military institutions and, more importantly, for the men and women who make them great.

The philanthropic contributions that he, Larry and Elizabeth and the whole family bestowed upon this nation amount to tens of millions of dollars, but the depth of their compassion and generosity is best measured not by dollars but by your boundless love of America.

My wife, Libby, felt that love when she was with Zach for the opening of Fisher House in Albany, where military families will get the services and care they deserve. I felt that love of America right here on the *Intrepid* so many times, most memorably when Zachary and I presented Yitzhak Rabin with the Intrepid Freedom Award. Ten days later, Yitzhak Rabin was taken from us. Last year Zachary received the Medal of Freedom. It is a fitting tribute to one of our great patriots.

Zachary Fisher had a dream for America and for us. He fulfilled that dream. He will be sorely missed but his dream will live on in our memories and in his legacies and in the heart of a grateful nation that mourns his passing. God bless you.

Master Sergeant and Mrs. Glynn Davis, USAF, Fisher House Residents and Volunteers

Tena and I are honored today as just one of the more than 35,000 military families helped by Fisher House. I have been a Fisher House volunteer at Andrews Air Force Base for the past three years, and never dreamed that I would have to call on the services of the program I so deeply love. My story begins while on leave in Georgia in April.

My wife began having back pains and had to be rushed to the military hospital at Fort Gordon. Because of our unique situation, we were referred to the Medical College of Georgia in downtown Augusta. The doctor examining my wife turned to me and said, "Your wife is eight centimeters dilated and you are going to have a baby." My heart started pounding; my hands began to shake. I could not hold back the tears. How could this be? My wife was barely six months into her pregnancy. The stress I was going through was almost too much to bear.

On the 21st of April, my wife gave birth to a 2-pound, 6-ounce, baby boy, who we named Noah. After spending the next two nights in a chair beside my wife, the hospital social worker asked about our plans after my wife's discharge. So far away from home, in a civilian hospital . . . Where would we stay? What would we do? Until this point, my thoughts were only on my son's health.

The social worker suggested the Fisher House at Fort Gordon. After calling and explaining my situation to Mr. Cruz, the Fisher House manager, he said, "You are welcome here at the Fisher House. Our doors are always open for you."

After spending each day visiting our son, here was a place where I knew my wife and I could rest. There was a phone at our bedside so we could call the hospital to check on our son's condition before we went to bed and first thing every morning. There was an answering machine and a computer with e-mail to receive messages of support from family, friends, and co-workers. There was a washer and dryer with soap that was donated, a kitchen to prepare our meals, and often food donated by caring people. This was just what the doctor ordered and relieved a major portion of the stress my wife and I were experiencing, "a true home away from home." All of our needs were graciously met, and that allowed us to focus on Noah.

My story ends on a happy note. Our son was later medivacked to the National Naval Medical Center in Bethesda. He now weighs over three and a half pounds, is doing well, and should be home very soon. Every day we thank God for my son, and for sending this world people like Zachary and Elizabeth Fisher.

We will truly miss Mr. Fisher. I know his spirit and generosity will continue to touch and bless the lives of military families for generations to come, and he will continue to live in our hearts. May God bless us all. Thank you.

The Honorable Richard Danzig, The Secretary of the Department of the Navy

I speak to you this morning on behalf of the President of the United States and Mrs. Clinton, the Secretary of Defense and Mrs. Cohen, and also, beyond that, on behalf of sailors and marines everywhere and, indeed, all members of all the services of the United States military who Zach loved so much.

They loved and admired him so much. You see this if you look closely. Beyond the bright, brave, red coats of the Drum and Bugle Corps, you will see some red eyes. There is real feeling in the military for Zach Fisher.

When I left Andrews Air Force Base this morning, I told the captain who was seeing me off where I was going. He said that he had been in a squadron in which two members had died in the line of duty. The next day, he said—the next day—the Fisher Foundation was there.

It was not so much, he said, the money; it was the caring—not so much the money, the caring. I think Bill White hit exactly the right note at the opening of this ceremony when he quoted Kahlil Gibran and said what really made Zach so special was not just his deeds, but the way in which he cared. He invested; he invested himself.

I think there is an image of giving that speaks of it in a spiritual and almost saintly way, that can make of it something ascetic, something self-denying and self-sacrificing. We tithe ourselves to give to others.

I really don't think that was Zach. Zach gave in a different kind of way. He gave in a way that I think of as loving. It wasn't at all self-abnegating, self-sacrificing. You look at that videotape—Zach wasn't an anonymous donor. He was right in the middle of everything, and we loved him for that.

That kind of giving translated into Zach putting his imprint on all of our lives and everything he did. He knew so many of us. He knew the managers of all those 28 Fisher Houses on a first name basis. He knew so many of the people in this room. He knew so many soldiers and sailors, airmen and marines. That kind of contact made the deeds not only so good but brought with them a kind of loving that I think was infectious, that caused everyone who was touched by it to start to do more themselves.

An account that I much liked was of a recipient of one of the bonds that Zach gave, one of those 113 children in the wake of the Beirut bombing. It came time to go to college at a university in North Carolina and he presented this $10,000 bond to pay for his education. The person in charge of finances and scholarships was confused by it and asked where did it come from and how it fit into the financial aid picture and was referred back to the Fisher Foundation.

He spoke with Zach and then decided that, all things considered, that this student, in light of the example that Zach had set, should get financial aid and keep the bond. He told the student this. The student came back the next day and said, "Can I really do anything I want with this?" The finance director said, "Yes, you can," and feared that it was about to be spent on a car or some such.

The student said, "I want to give the money to my sister so she can get an education also." That is Zach and what he did and the influence he had on all of us. I think it ran further. I think it set for all of us an example of how to give, an example that—precisely because it isn't self-deprecating and self-effacing but instead was so warm and human—created for all of us an example that we could aspire to.

For Zach, giving wasn't some act that diminished you; giving was an act that increased you. It wasn't self-abnegating, it was self-fulfilling. I think for Zach it was like his relationships with his family. As he loved his brothers and his nephews, as he loved Elizabeth, that became a fulfillment for him. And he found in these other activities other forms of fulfillment, and we all saw it and wanted to become a part of it. In our relationship with Zach, we did become a part of it.

There is another realm of life which I think adopts this kind of approach and, in my mind, it is the military. We can talk about the military as a realm of sacrifice, as an arena in which people do heroic things at real cost to themselves. That is a correct picture, but there is another part to the picture and that is how rewarding it is, how richly fulfilling, how the sense of the worth of what you're doing, the sense of the mission, the sense of the intimacy and camaraderie of other people, builds a connection that, in the end, produces a life that is really worth living.

Many observations have been made about why Zach connected so meaningful with the military. I think Michael earlier correctly identified Zach's feelings of patriotism and his sense of how he, too, would have liked to have served in the military but for the bricklaying injury that he'd had as a young man. I think we understand that Elizabeth's performance in the USO and her coming back brought home to Zach a sense of how much the military did and how much civilians could do by working with the military.

But I think, above all, the relationship between Zach and the military was a natural because they are kindred souls, because there is a sense in both Zach and in our uniformed services of what it is to give, to give of yourself, that there are times and circumstances where sacrifices are made that ordinary people would regard as a cost.

But beyond that—beyond that is a sense of how richly we can connect with one another, what it means to relate to one another as though we were family. Zach and the military were a love affair waiting to happen and it was only appropriate and natural that the military took Zach to its heart as he took them to his and that this love affair blossomed. At times when the military was less than fully appreciated by America—and at times, as well, when it was fully appreciated—Zach was there as a member of the family, as somebody who understood that kind of transcendent love, that deeper meaning of doing a higher thing, of having a sense of the most intimate kind of camaraderie.

So I feel now a great sense of loss in Zach's departure. I also feel a sense that he showed us the way. He showed us what it is not merely to give of your resources, but give of yourself and, in the end, how deeply, deeply rewarding that can be. He has drawn all of us into that and for that, Zach, I thank you and God bless you.

GENERAL HENRY SHELTON, USA, THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF

Today, we gather to celebrate the life of an incomparable man . . . a loving husband . . . a wonderful friend . . . and a great American.

Today, we celebrate the life of an admired man . . . a man who counted among his countless friends the men and women who wear the uniforms of our nation and their families.

Today, we celebrate the life of a gallant man . . . a man who considered his greatest blessing and crowning glory to be the love of the woman who was his wife, his partner, and his best friend for over half a century—Elizabeth.

Today, we honor a true giant among men.

Will Rogers once said, "We can't all be heroes. Some of us have to stand by on the curb and clap as they go by."

Today, we all have to stand on the curb and wave farewell . . . as a genuine American hero goes by.

Zach liked to say that he was born with naval aviation—in 1910. At that time, America was still a young power on the world stage. By the time he died, the automobile had replaced the horse and buggy, the aircraft carrier had replaced the battleship, supersonic jets had replaced biplanes, men had walked on the moon, and America stood tall as the world's predominant global power.

Some realities throughout his long life, however, never changed: the need for a strong defense, the need for compassion, and the need for hope.

Zach saw all of this and more, and so he threw his time, energy, and resources behind projects designed to improve: the lives of people who serve their nations and communities; the lives of people who give of themselves for the betterment of others; and the lives of people, suffering from incurable afflictions of the body and spirit.

Zach was, of course, a builder of rare accomplishment. His legacy, however, lies not in the buildings he built, but rather in the spirit of America he upheld.

I remember when I first heard about Zach Fisher. What struck me most was his love of boats and the sea. Now, a lot of us like boats . . . some folks like bass boats, some larger fishing boats, some yachts.

Not Zach! He went out and bought an aircraft carrier! And what a carrier he bought! the USS *Intrepid* . . . the "Fighting I" of Leyte Gulf, a ship synonymous with greatness, not unlike its benefactor—the man we honor today.

And this, the Intrepid Freedom Foundation, is the product of his vision. Zach Fisher saw beyond the rusting hulk of a ship that would soon become razor blades. Zach saw a living monument to freedom, to sacrifice, and to courage.

The ghosts of *Intrepid*—the fighting spirit of the men who served on this glorious ship—move about us today, reminding us that courage and commitment transcend generations.

The ghosts of *Intrepid*, today stand ready to claim their greatest captain.

When I last saw Zach, in February, he was struggling physically. But, typical of Zach, he brushed aside my questions about his health and he grilled me about my health! He was concerned about how I was holding up in Washington.

But above all else, he was most concerned about the troops and what I was doing to take care of them. And when Zach pointed the laser beam of his attention at you, you stood a little taller, and you made sure your facts were correct.

So, I told him the troops were doing well! This was no exaggeration, thanks in no small measure to the incredible generosity of the Fisher House Foundation, the Fisher Armed Services Foundation, and many other manifestations of Zach Fisher's love and concern.

The Fisher name is a watchword for caring, a symbol of patriotism, a true lamplight for thousands of young men and women who guard freedom's frontiers around the world.

Zachary Fisher spent a good portion of his life making certain that those who serve the nation in the dark and dangerous places around the globe were appreciated, loved, taken care of, and treated in a manner befitting their service and dedication to America.

Those who wear the uniforms of America's Armed Forces will forever be indebted to him.

We cannot forget this patriotic American—full of love for his country and full of concern for those who defend her.

We cannot forget this devoted husband—full of love for Elizabeth, the light of his long life.

We cannot forget this wonderful man, so full of greatness and humility, sought not glory for himself, but rather glory for America's fighting men and women.

And, as long as men and women go down to the sea in ships like the *Intrepid*, we shall not forget Zachary Fisher.

Samuel Johnson said, "It matters not how a man dies, but how he lives."

Zach Fisher lived life to the fullest.

And we are a better country, a richer people, and a stronger military for his life.

Like all of you, I am proud to have called Zachary Fisher my friend, and I will miss him greatly.

GENERAL COLIN L. POWELL, USA (RET.), CHAIRMAN, AMERICA'S PROMISE, FORMER CHAIRMAN OF THE JOINT CHIEFS OF STAFF

Elizabeth, members of the family, friends, there is sadness here and there is sorrow here today but there is also happiness and great joy as we celebrate Zach's life and as we reflect on the changing of the seasons.

A reading from Ecclesiastes:

"There is an appointed time for everything and a time for every affair under the heavens, a time to be born and a time to die, a time to plant and a time to uproot the plant, a time to kill and a time to heal, a time to tear down and a time to build, a time to weep and a time to laugh, a time to mourn and a time to dance, a time to scatter stones and a time to gather them, a time to embrace and a time to be far from embraces, a time to seek and a time to lose, a time to keep and a time to cast away, a time to mend and a time to sow, a time to be silent and a time to speak, a time to love and a time to hate, and a time of war and, finally, a time of peace."

The word of God, a tribute to our dear friend, Zachary; who meant so very, very much to us. Now may flights of angels take him to his rest.

Mr. STUMP. Mr. Speaker, I yield myself the balance of my time to just thank all of those that took the time to pay tribute to this great American, one of the best friends probably that the military has ever had.

I also want to thank the gentleman from Illinois (Mr. EVANS) for his cooperation in bringing this bill to the floor.

Mr. REYES. Mr. Speaker, I rise in support of H.J. Res. 46 which honors Zachary Fisher as an honorary veteran. His lifetime support of our military and veterans clearly justifies naming him as an honorary veteran.

When the United States entered World War II in 1941, Mr. Fisher was told he could not serve in the Armed Forces due to a serious knee injury sustained in a construction accident. Determined to do his part, Mr. Fisher used his expertise in construction to help the U.S. Army Corps of Engineers build coastal fortifications. His dedication to the Armed Services continued after the war. Over many decades, he lent his full support to the U.S. military and their families. Mr. Fisher established the Zachary and Elizabeth M. Fisher Armed Services Foundation to serve as a support agency for both military personnel and their families affected by service-related accidents. To date, hundreds of families from all branches of the armed services have benefited from this foundation's support. In addition, the Fisher Armed Services Foundation provides educational scholarship funds to Armed Services personnel and their families. Since 1987, more than 700 students have received scholarships of between $500 and $2,500, allowing them to pursue education opportunities which otherwise would not have been possible.

Moreover, in 1990, Mr. Fisher established the Fisher House Program. Under this program he dedicated more than $15 million for the construction of temporary homes for the families of military personnel receiving care at major military treatment facilities and VA Medical Centers. The houses provide support for families as they serve as a "home away from home." One of these houses is located in my district at Fort Bliss. The presence of a Fisher House in El Paso, and throughout military bases around the country, help ease the minds of America's finest and their families during times of illness.

Mr. Fisher, as exemplified by these philanthropic efforts on behalf of our Nation's veteran's and military, established himself as one of our most dedicated patriots. Through these charitable acts, and numerous others in various civic and community efforts, he set a tremendous example for all Americans to follow. For these reasons, I urge my colleagues to honor Zachary Fisher by unanimously supporting H.J. Res. 46.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from Arizona (Mr. STUMP) that the House suspend the rules and pass the joint resolution, H.J. Res. 46.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

EXPRESSING SENSE OF CONGRESS RELATING TO ALLEGATIONS OF ESPIONAGE AND ILLEGAL CAMPAIGN FINANCING THAT HAVE BROUGHT INTO QUESTION LOYALTY AND PROBITY OF AMERICANS OF ASIAN ANCESTRY

Mr. HYDE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the concurrent resolution (H. Con. Res. 124) expressing the sense of the Congress relating to recent allegations of espionage and illegal campaign financing that have brought into question the loyalty and probity of Americans of Asian ancestry, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. WU. Mr. Speaker, reserving the right to object, and I shall not object, I take this time for the purpose of asking the gentleman to explain the purpose of his request.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. WU. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding.

Today, the House considers H. Con. Res. 124, which recognizes the contributions of Asian Americans to American culture and society, and condemns all forms of discrimination and bias against Asian Americans. This resolution has the bipartisan support of 75 cosponsors and was introduced by the gentleman from Oregon (Mr. WU) and the gentleman from California (Mr. CAMPBELL) on May 27, 1999.

It expresses the sense of Congress that recent allegations of espionage and illegal campaign financing against certain Asian Americans have brought into question the loyalty and probity of all Americans of Asian ancestry. In an effort to counter this stereotypical view as one of ignorance based on generalizations about people of different ethnic backgrounds, it is the sense of Congress that no American should generalize or stereotype the action of an individual to be representative of an entire group.

The resolution calls upon the Attorney General, the Secretary of Energy, and the Commissioner of the Equal Employment Opportunity Commission to vigorously investigate and enforce all allegations of discrimination in public and private workplaces.

GENERAL LEAVE

Mr. WU. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject matter of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WU. Mr. Speaker, further reserving the right to object, I would just like to say that I was not born in America. At the age of 6½ years, I came to America with my family because my parents wanted to start a new life and my father wanted to pursue a graduate education in engineering. I was lucky. My parents pushed me hard to work in school, and I did. I got a good education, considered becoming a physician or a scientist, but went on to law school and began my own law practice in Portland, Oregon.

At our law firm, Cohen & Wu, and we always like to say "Only in America, Cohen & Wu," we focus primarily on high technology and international trade. I traveled overseas frequently for business, and I also spent 6 years negotiating a sister city relationship between my hometown of Portland, Oregon, and my ancestral home of Suzhou, China. Closer to home, I practiced intellectual property law. I worked closely with startup technology firms and worked hands-on with some of the most cutting-edge technologies in the world.

Mr. Speaker, America's greatest strength is that it is an open society, where each citizen has the freedom to pursue his or her dream. Every citizen, every American. Some become doctors or businessmen, others become teachers or scientists, some may also become Members of Congress. I am here in this chamber today because those who came before us fought hard for that freedom and for our open society, and I want to do everything in my power to preserve that freedom and open society for those who come after us.

The events surrounding the Los Alamos controversy and the campaign finance scandals have cast two dark shadows. One is a shadow on our national security; the other is a shadow on the American dream, on our open society of equal opportunity. Had the current political climate existed when I was traveling internationally, when I was quoting high-tech startups in Oregon, I would not have had my successes in the private sector, nor would I be in Congress today.

The danger we face today is twofold: first, of course, is national security, and we must work hard to ensure that security. Second is the real or imagined limits we place on the minds and the hopes of our own people. In preserving our national security, we must be careful that we do not act like the very regimes we fear will obtain our technologies.

Asian Americans have made profound contributions to American life. From the arts to education, from railroad building to serving in the armed forces, Asian Americans have played an integral role in building our great Nation and in preserving its security through diligent hard work. Recent allegations of espionage and illegal fund-raising, however, have caused some Americans to call into doubt the loyalty and probity of Asian Americans. Our Nation was founded upon self-evident ideals, such as due process, the right to life, liberty, and the pursuit of happiness. We cannot afford to sacrifice these American values.

This resolution highlights the strength and diversity of America and underscores the achievements and contributions of Asian Americans of the United States. Mr. Speaker, as the very embodiment of America's free and open society, this Congress must take a leading role in creating room for diversity and prevent future discriminatory acts from taking place. I strongly urge my colleagues to help preserve America's open society and support this piece of legislation.

Finally, Mr. Speaker, I would like to commend the gentleman from California (Mr. CAMPBELL) for joining me in introducing H. Con. Res. 124, and the gentleman from Illinois (Mr. HYDE), the chairman of the committee, as well as the gentleman from Michigan (Mr. CONYERS), the ranking member of the committee, for all of their help in the Committee on the Judiciary.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, when this issue first was presented to the Committee on the Judiciary, I could not help but think of my boyhood days when a close friend, who is still a close friend, Jimmy Wong, and I followed parallel lives; he in a Chinese-American environment rich with the heritage of his forefathers, and mine in the Greek tradition. Both of us had families who operated restaurants. One can imagine the bill of fare in the restaurant of Jimmy Wong's parents and that in my parents' restaurant.

Their son, Jimmy Wong and myself, became school mates. We sold newspapers together in downtown Harrisburg, store to store and platform to platform, and grew together in becoming aficionados of the then current movies and the movie stars and all the current events that were occurring. World War II was running rampant at that time. We shared stories, anecdotes, after-school hours, all of the richness of growing up together in a diverse America.

Therefore, I always grew up with the notion that Chinese-Americans, the thousands upon thousands in our country, have always contributed to the culture and to the traditions and to the wealth of American traditions in their own right as we were developing as a Nation. So it came as a shock to me that we even need this resolution, notwithstanding some of the rigors of investigations and other kinds of alleged wrongdoing. That did not visit upon the Chinese-Americans or Asian-Americans as a whole. It only talked to individuals who may have transgressed or alleged to have transgressed, not the body of Chinese-Americans who have been our neighbors, our friends, our boyhood chums.

I spoke recently with Jimmy Wong, who is a retired attorney in our area. We took an hour on the telephone simply laughing about old times; and I told him, because then I did not know how rapidly this resolution would come to the floor, that I would invite him to the chamber to be here when this resolution was to be debated. Time was not accorded me. I hope he is watching this on C–SPAN. But the point is, for the thousands and thousands of Jimmy Wongs across the Nation, our country loves them, our country knows that they love our country, and I support the resolution.

Mr. WU. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California (Mr. CAMPBELL), my cosponsor of this resolution, and I also wish to thank the gentleman from Pennsylvania (Mr. GEKAS) for his remarks.

Mr. CAMPBELL. Mr. Speaker, I thank the distinguished gentleman from Oregon for yielding to me. I am privileged to stand on the floor with him. I am privileged to stand for the principle we share, that Americans should be judged on their own merits.

The gentleman from Oregon (Mr. WU) and I worked together on this, Mr. Speaker, in order to make sure that in response to recent allegations of espionage, that we refrain from the easy temptation to make a generalization based upon race.

This was particularly important because I had observed among many friends of mine in California a decision on their part to withdraw from the political process, to withdraw from what might attract attention, simply because they were, in this case, Chinese-American, and thought that perhaps it would be wiser to keep a lower profile. What a horrible, sad thing. They would be censoring themselves, Americans censoring themselves because of their concern about a profile at a time of controversy.

What this resolution does, in which I am so proud to join with my colleague from Oregon, is to say, no, that is simply the wrong message to be taken. Every American of Asian ancestry, every American of Chinese ancestry in particular, ought rather to renew his or her involvement in our political affairs to demonstrate that there will be no success for those who would intimidate; and that it is a disservice to our country in a fundamental way to discriminate, as it is a disservice to our country to be engaged in any transfer of nationally secure information.

Lastly, Mr. Speaker, it has also come to my attention from colleagues at Stanford University, a university affection for which the author of this resolution and I have in common, that a number of Americans of Asian ancestry are resisting invitations to go overseas, or might be hesitant to do so, lest they be cast under a cloud of suspicion.

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This was, once again, a form of self-censorship, though in this case not of a political nature but, rather, of a scientific nature. The importance of scientific exchanges for the fruitful development of science indicates this reaction is a regrettable sad one and one that we wish to deter.

So, Mr. Speaker, I am proud to stand with my good friend and colleague, the courageous gentleman from Oregon (Mr. WU) in offering this resolution. I thank the honorable gentleman from Illinois (Mr. HYDE), the chairman of our committee, but for whom we would not be on the floor here today, and I note his steadfast opposition to all forms of discrimination, which is manifest in his support of this resolution as well.

Mr. WU. Mr. Speaker, I thank the gentleman from California (Mr. CAMPBELL) both for his remarks today and his hard work on this resolution.

Mr. Speaker, continuing my reservation of objection, I yield to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, as a member of the House Committee on the Judiciary, I would like to applaud both the gentleman from Oregon (Mr. WU) and the gentleman from California (Mr. CAMPBELL) for their leadership on H. Con. Res. 124 and to the gentleman from Illinois (Mr. HYDE) and to the gentleman from Michigan (Mr. CONYERS).

I was compelled to lend my voice to this for the consternation that I have personally experienced by some of the intimidating tactics that may have resulted from investigations that were occurring in the United States Congress, because this Nation is a blessed nation because of the richness of diversity, but particularly because of the enormous mosaicness of the Asian community from the far reaches of California and Oregon to the far reaches of New York, but particularly in my great State of Texas.

We are enriched by the participation of so many Asians who have contributed to this Nation both in terms of their bravery and serving in our various wars, the Korean War, World War II, as well as the various other altercations that we have had on behalf of freedom, and most recently the Vietnam War and, of course, our conflicts in Bosnia and the Kosovo conflict.

I want to thank the gentlemen for this resolution, for I would want no one to feel that they are any less an American. Anytime Americans are stereotyped, it is the lowest rung of our ladder. But anytime we work together as one human race, we are climbing to the highest rung of the ladder.

I salute the many Asians that I have had the great pleasure of working with in the City of Houston, in the State of Texas; and I would offer to say to them that they stand equal under the sun to all of us and we are better off because of what they have given to this Nation.

This resolution is an appropriate one because it makes a statement that there will be no intimidation, no stereotyping, and no rejection of any group of people.

I applaud my colleagues and I congratulate them and this resolution should be passed and joined by our colleagues so that all of us can stand as equal citizens welcoming our participation in the political process for a great democracy.

Mr. WU. Mr. Speaker, I thank the gentlewoman from Texas (Ms. JACKSON-LEE) for her comments.

Mr. LANTOS. Mr. Speaker, I rise to urge my colleagues to support the adoption of H. Con. Res. 124 expressing the sense of the Congress relating to recent allegations of espionage and illegal campaign financing that have brought into question the loyalty and probity of Americans of Asian ancestry.

Mr. Speaker, I wish to pay tribute to our distinguished colleague from Oregon (Mr. WU), who is the author of this resolution. This resolution is an important reminder to all Americans that we must never impute the actions of an individual to an entire group of people, and a reminder to all of us that America is a land of immigrants and that all Americans—regardless of their ethnic background—are entitled to the privileges and rights that are afforded by our Constitution.

I also want to recognize the principal Republican cosponsor of this legislation, our distinguished colleague from California (Mr. CAMPBELL). I have known Congressman CAMPBELL since he was first elected to the House of Representatives, and I have the highest regard for his integrity and his commitment to the civil rights of all Americans.

Mr. Speaker, the greatness of our nation rests in its diversity. The different cultures and varied experiences that groups of various ethnic origin bring to our nation are major factor in the vigor and strength of our nation. We owe a great deal to the Americans of Asian ancestry for the values and vitality that they bring to our nation.

It is unfortunate, Mr. Speaker, that in the excitement and hysteria surrounding the issue of espionage by agents of the People's Republic of China the loyalty and patriotism of an entire class of American citizens—Americans of Asian ancestry—were brought into question. In the past our nation has condemned such scapegoating of an entire group of people, but now the China espionage hysteria has led to a similar problem with Asian-Americans.

Mr. Speaker, some 120,000 Asian/Pacific Americans serve in positions in the United States government and military—these are loyal, dedicated Americans who make important contributions to our nation and our national security. The resolution we are considering today reaffirms the importance of judging every man and woman by his or her own actions and recognizes the danger of racial or ethnic stereotyping.

Bigotry and racism have no place in the United States, Mr. Speaker, and I urge my colleagues to reaffirm that essential principle by supporting H. Con. Res. 124.

Mr. WU. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 124

Whereas the right to life, liberty, and the pursuit of happiness are truths we hold as self-evident;

Whereas all Americans are entitled to the equal protection of law;

Whereas Americans of Asian ancestry have made profound contributions to American life, including the arts, our economy, education, the sciences, technology, politics, and sports, among others;

Whereas Americans of Asian ancestry have demonstrated their patriotism by honorably serving to defend the United States in times of armed conflict, from the Civil War to the present; and

Whereas due to recent allegations of espionage and illegal campaign financing, the loyalty and probity of Americans of Asian ancestry has been questioned: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) no Member of Congress or any other American should generalize or stereotype the actions of an individual to an entire group of people;

(2) Americans of Asian ancestry are entitled to all rights and privileges afforded to all Americans; and

(3) the Attorney General, the Secretary of Energy, and the Commissioner of the Equal Employment Opportunity Commission should, within their respective jurisdictions, vigorously enforce the security of America's national laboratories and investigate all allegations of discrimination in public or private workplaces.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANTITRUST TECHNICAL CORRECTIONS ACT OF 1999

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1801) to make technical corrections to various antitrust laws and to references to such laws, as amended.

The Clerk read as follows:

H.R. 1801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Antitrust Technical Corrections Act of 1999".

SEC. 2. AMENDMENTS.

(a) ACT OF MARCH 3, 1913.—The Act of March 3, 1913 (chapter 114, 37 Stat. 731; 15 U.S.C. 30) is repealed.

(b) PANAMA CANAL ACT.— Section 11 of the Panama Canal Act (37 Stat. 566; 15 U.S.C. 31) is amended by striking the undesignated paragraph that begins "No vessel permitted".

(c) SHERMAN ACT.—Section 3 of the Sherman Act (15 U.S.C. 3) is amended—

(1) by inserting "(a)" after "SEC. 3.", and

(2) by adding at the end the following:

"(b) Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce in any Territory of the United States or of the District of Columbia, or between any such Territory and another, or between any such Territory or Territories and any State or States or the District of Columbia, or with foreign nations, or between the District of Columbia, and any State or States or foreign nations, shall be deemed guilty of a felony, and, on conviction thereof, shall be punished by fine not exceeding $10,000,000 if a corporation, or, if any other person, $350,000, or by imprisonment not exceeding three years, or by both said punishments, in the discretion of the court.".

(d) WILSON TARIFF ACT.—

(1) TECHNICAL AMENDMENT.—The Wilson Tariff Act (28 Stat. 570; 15 U.S.C. 8 et seq.) is amended—

(A) by striking section 77, and

(B) in section 78—

(i) by striking "76, and 77" and inserting "and 76", and

(ii) by redesignating such section as section 77.

(2) CONFORMING AMENDMENTS TO OTHER LAWS.—

(A) CLAYTON ACT.—Subsection (a) of the 1st section of the Clayton Act (15 U.S.C. 12(a)) is amended by striking "seventy-seven" and inserting "seventy-six".

(B) FEDERAL TRADE COMMISSION ACT.—Section 4 of the Federal Trade Commission Act (15 U.S.C. 44) is amended by striking "77" and inserting "76".

(C) PACKERS AND STOCKYARDS ACT, 1921.—Section 405(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 225(a)) is amended by striking "77" and inserting "76".

(D) ATOMIC ENERGY ACT OF 1954.—Section 105 of the Atomic Energy Act of 1954 (42 U.S.C. 2135) is amended by striking "seventy-seven" and inserting "seventy-six".

(E) DEEP SEABED HARD MINERAL RESOURCES ACT.—Section 103(d)(7) of the Deep Seabed Hard Mineral Resources Act (30 U.S.C. 1413(d)(7)) is amended by striking "77" and inserting "76".

SEC. 3. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION TO CASES.—(1) Section 2(a) shall apply to cases pending on or after the date of the enactment of this Act.

(2) The amendments made by subsections (b), (c), and (d) of section 2 shall apply only with respect to cases commenced on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 1801.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1801, the "Antitrust Technical Corrections Act of 1999," which I have introduced with the gentleman from Michigan (Mr. CONYERS), the ranking member.

H.R. 1801 makes four separate technical corrections to our antitrust laws. Three of these corrections repeal outdated provisions of the law, the requirement that depositions in antitrust cases brought by the Government be taken in public; the prohibition on violators of the antitrust laws passing through the Panama Canal; and a redundant and rarely used jurisdiction and venue provision.

The last one clarifies a long existing ambiguity regarding the application of Section 2 of the Sherman Act to the District of Columbia and the territories.

The committee has informally consulted the antitrust enforcement agencies, the Antitrust Division of the Department of Justice and the Bureau of Competition of the Federal Trade Commission, and the agencies have indicated they do not object to any of these changes.

In response to written questions following the committee's November 5, 1997, oversight hearing on the antitrust enforcement agencies, the Department of Justice recommended two of the repeals and the clarification contained in this bill. The other repeal was recommended to the committee by House Legislative Counsel. In addition, the Antitrust Section of the American Bar Association supports the bill.

Mr. Speaker, I include their comments for the RECORD at this point.

COMMENTS ON THE "ANTITRUST TECHNICAL CORRECTIONS ACT OF 1999" (H.R. 1801) BY THE SECTION OF ANTITRUST LAW OF THE AMERICAN BAR ASSOCIATION

The Antitrust Technical Corrections Act of 1999 (HR 1801) would bring minor but useful revisions to several provisions of the antitrust laws. The Section of Antitrust Law ("Antitrust Section") of the American Bar Association ("ABA") believes that the amendments contemplated in this bill would improve the administration and enforcement of the laws. These views are presented on behalf of the Antitrust Section and have not been approved by the ABA House of Delegates or the ABA Board of Governors and, thus, should not be construed as representing the position of the ABA.

1. CONTENTS OF H.R. 1801

1. Repeal of the Publicity in Taking Evidence Act of 1913 regarding public depositions for use in suits in equity (15 U.S.C. §30).

2. Repeal of the provision of the Panama Canal Act which bars the use of Panama Canal to violators of antitrust laws (15 U.S.C. §31).

3. Addition to 15 U.S.C. §3 to include prohibitions for restraints of trade in and among the Territories of the United States and the District of Columbia.

4. Technical amendments to the Wilson Tariff Act (28 Stat. 570).

2. THE ANTITRUST SECTION OF THE ABA SUPPORTS H.R. 1801

1. Repeal of the Publicity in Taking Evidence Act of 1913 (15 U.S.C. 30).

The publicity in Taking Evidence Act of 1913, 15 U.S.C. §30, requires public depositions in any suit in equity by the United States under the Sherman Act. In most actions under the antitrust laws, judges have discretion to control public access, and option that can be essential in high profile proceedings. Uncontrolled access increases the potential for discovery proceedings devolving into a circus atmosphere. Unexpected or unmanageable crowds seeking to attend a deposition can cause it to be moved, delayed, or altered in a manner that disrupts the discovery phase of a proceeding. The scheduling of such depositions is already difficult, and the cases in which they occur may be on tight deadlines. Section 30 is an anachronism that removes the ability of a judge to control public access to depositions in cases where such cases could be detrimental to the orderly conduct of a case.[1]

There is no reason why one type of action brought by the U.S. should have a special rule for the taking of depositions, especially when that rule is likely to be invoked in situations that would cause disruption and delay. There does not appear to be any compelling interest in forcing depositions in equity cases to be open to any and all audiences, since the Federal Rules of Civil Procedures (see Rules 43(a) and 77(b)) already insure that the public has access to civil antitrust trials. The Antitrust Section believes the issue of public access to depositions ought to remain a matter for the presiding judge to determine. Therefore, it supports the repeal of this antiquated law.

2. Repeal of antitrust provisions of the Panama Canal Act (15 U.S.C. §31)

Pursuant to 15 U.S.C. §31, the Panama Canal is closed to violators of the antitrust laws. Specifically, no vessel owned by any individual or company that is violating the antitrust laws may pass through the canal. Setting aside the ambiguity of the language of this law, any penalty it imposes is in addition to the sanctions available under the Sherman and Clayton Acts. Specifically, criminal violations of the Sherman Act are felonies that are punishable by fines up to $10,000,000 for corporations, or $350,000 for individuals, and/or imprisonment for up to 3 years. Fines of much larger amounts are authorized where profit or injury exceeds $10,000,000.[2] Moreover, pursuant to 15 U.S.C. §6, violators of section one of the Sherman Act are also subject to asset forfeiture. Additionally, section four of the Clayton Act provides treble damages for successful private antitrust claims. Further, section 16 of the Clayton Act allows for injunctive relief.

The Antitrust Section believes it is through the sanctions of the Sherman and Clayton Acts that the antitrust policy of deterrence will be most effectively advanced. There has been a great deal of debate in Congress, in the courts and in the agencies over the proper combination of injunctions, fines, forfeitures, and sentences to ensure competition and deter potential violators. The Panama Canal Act's provision dealing with antitrust penalties is at best unnecessary. At worst it could encourage ill-considered interference with international completion of the foreign relations of the United States.[3] Therefore, the Antitrust Section supports the repeal of this provision.

3. Addition to 15 U.S.C. §3

HR 1801 clarifies that the antitrust laws encompass the District of Columbia and the territories of the United States by adding to 15 U.S.C. §3[4] the following language as section 3(B):

> Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the Territories of the United States and the District of Columbia, or between any of the several States and any Territory of the United States or the District of Columbia, shall be deemed guilty of a felony, and, on conviction thereof, shall be punished by fine not exceeding $10,000,000 if a corporation, or, if any other person, $350,000, or by imprisonment not exceeding three years, or by both said punishment, in the discretion of the court.[5]

Current section 3 (to become 3(a) under the amendment) already covers trade between the District or any Territory and the states or foreign countries. The failure of section 3 to address trade among the Territories and the District simply invites arguments that such circumstances remain outside the reach of the antitrust laws. No good reason has been offered for the failure, and the Section is aware of none. Further, current section 3 uses the terms of section 1 (generally applicable to conspiracies), but not section 2 (applicable to monopolization).[6] Consequently,

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[1] *See* U.S. v. Microsoft, 165 F.3d 952, 953 (D.C. Cir. 1999).

[2] See U.S. v. F. Hoffman-LaRoche LTV, Crim. No. 99-CR-184-R (N.D. Tex May 20, 1999). Hoffman-La Roche agreed to pay $500,000,000 in fines for involvement in a vitamin price-fixing conspiracy.

[3] Especially, in view of the fact that control over the Canal reverts to Panama on January 1, 2000, the United States code should not contain provisions such as these.

[4] Currently, U.S.C §3 prohibits restraints for trade in and among the District Columbia, United States Territories, and other states. The penalties are the same as those set out in section one of the Sherman Act (15 U.S.C. 1).

[5] Compare with section 2 of the Sherman Act (15 U.S.C. §2): Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a felony, and, on conviction thereof, shall be punished by fine not exceeding $10,000,000 if a corporation, or, if any other person, $350,000, or by imprisonment not exceeding three years, or by both said punishment, in the discretion of the court.

[6] Section 3 currently reads: Every contract, combination in form of trust or otherwise, or conspiracy, in restraint of trade or commerce in any

Continued

the new language clarifies that conduct prohibited by section 2 is covered in Washington, D.C. and United States territories. The Antitrust Section supports this correction.

However, it should be noted that as it stands section 2(c) of the bill refers to the wrong section of the United States Code. The correct section to be amended appears to be 15 U.S.C. §3 (not 15 U.S.C. §2 as noted in the bill). The Antitrust Section suggests correcting this minor discrepancy in the bill.

4. Technical amendments to the Wilson Tariff Act (28 Stat. 570).

Section 77 of the Wilson Tariff Act of 1894 gives antitrust jurisdiction to any "circuit court of the United States in the district in which the defendant resides or is found."[7] This section was never codified in the United States Code.

Section 77 is an antiquated piece of legislation that may confuse those that come across it. It is an anomaly to the traditional jurisdiction of federal district courts in construing claims sounding in antitrust law. The jurisdictional provisions of the United States Code vest jurisdiction over cases arising under the antitrust laws in the United States District Courts. A provision allocating jurisdiction of similar cases in different courts can only complicate proceedings and impede the effective administration of antitrust law. By deleting this section, Congress would preserve the general jurisdictional provisions pertaining to the antitrust laws, and would prevent confusion that this section of the Tariff Act may create. Therefore, the Antitrust Section supports this technical amendment.

3. CONCLUSION

HR 1801 is a helpful piece of legislation that helps clarify and update the antitrust laws. The Antitrust Section of the ABA supports the changes contemplated in HR 1801.

Mr. Speaker, I believe all these provisions are noncontroversial and they will help clean up some underbrush in the antitrust laws. I recommend that the House suspend the rules and pass the bill, as amended by the managers' amendment.

Mr. Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1801, the "Antitrust Technical Corrections Act," makes four noncontroversial changes in our antitrust laws to repeal some outdated provisions of the law and to clarify that our antitrust laws apply to the District of Columbia and to the territories.

The gentleman from Illinois (Chairman HYDE) and the gentleman from Michigan (Mr. CONYERS) have worked together on this bill and they have consulted with the Department of Justice Antitrust Division and the Federal Trade Commission Bureau of Competition to ensure these technical changes improve the efficiency of our antitrust laws.

The first change will permit depositions taken in Sherman Act equity cases brought by the Government, to be conducted in private, just as they are in all other types of cases.

In the early days of the Sherman Act, the courts conducted such cases by deposition without any formal trial proceeding. Now that the trials are conducted in public, it is no longer necessary to hold the depositions in public.

The problem with having public depositions became clear during the deposition of Bill Gates during the Microsoft antitrust case. The public deposition created a circus atmosphere, and the D.C. Circuit Court invited Congress to repeal this law. With this change, antitrust depositions will be treated like those in all other cases.

The second change repeals a little-known and little-used provision that prohibits vessels from passing into the Panama Canal if the vessel's owner is violating the antitrust laws. With the return of the Canal to Panama at the end of 1999, it is appropriate to repeal this outdated provision.

The third change clarifies that Sherman Act's prohibitions on restraint of trade and monopolization apply to conduct occurring in the District of Columbia and the various territories of the United States. We believe that it was always Congress' intent for the Sherman Act to apply in the District and the territories, and this amendment merely clarifies the scope of our antitrust laws. However, because this clarification could affect the standards of rights of litigants under pending cases, and to avoid changing the rules in the middle of litigation, this provision will only apply to cases filed on or after the enactment date of this act.

Finally, this bill repeals a redundant jurisdiction and venue provision in Section 77 of the Wilson Tariff Act. Repealing Section 77 will not diminish any jurisdiction of venue rights of litigants because Section 4 of the Clayton Act provides any potential plaintiff with broader rights of jurisdiction and venue than does Section 77.

There is also a manager's amendment that clarifies some technical aspects of H.R. 1801. I recommend that the manager's amendment be adopted and that H.R. 1801 be approved, as amended. With these changes, our antitrust laws will be more clear, consistent, and efficient.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I have the honor of yielding 5 minutes to the distinguished gentleman from Minnesota (Mr. MINGE).

Mr. MINGE. Mr. Speaker, I would like to thank the gentlewoman for yielding me the time.

Mr. Speaker, I would like to begin by stating that I fully support the legislation. I also appreciate the attention to the antitrust activities that has been given by the Committee on the Judiciary in the last month.

The gentleman from Illinois (Chairman HYDE) scheduled hearings on concentration in the agricultural sector and problems of slotting fees in retailing. I had an opportunity to testify at that hearing. What I would like to do is to urge my colleagues to join me and several other Members of this body in focusing attention on what is happening in our economy.

Here in the late 1990s, we have seen an increasing pace in consolidations and mergers in our economy. The level of concentration is growing dramatically. It is continuing a trend that has existed perhaps for several decades, and it is a trend that has some alarming implications. Namely, what type of a competitive marketplace do we as Americans need in order for our economy to continue to be innovative, to continue to be successful, and to continue to thrive and provide leadership in a global economy?

Secondly, what type of concentration can we have in this economy and still have those that deal with the bottlenecks that are created by this concentration treated fairly?

I would like to turn my attention to agriculture in particular. When we look at the ag sector of our economy and recognize that a handful of firms control meat packing, control movement of grain, control seed stock and other supplies that farmers use that are now entering into contracts with farmers to purchase seed, to grow crops based on that seed, and to deliver the crops for more specific uses based upon the genetic character of those seed, we recognize that farmers are increasingly becoming contractors in our economy and they are increasingly dependent upon those contracts for their survival.

Each stage of the process is one that is carefully monitored by larger firms. And as they see the opportunity to capture profit in this process, the farmer's opportunity to survive in our economy is diminished.

It is for this reason that I have joined with my colleague the gentleman from

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Territory of the United States or of the District of Columbia, or in restraint of trade or commerce between any such Territory and another, or between any such Territory or Territories and any State or States or the District of Columbia, or with foreign nations, or between the District of Columbia and any State or States or foreign nations, is declared illegal. Every person who shall make any such contract or engage in any such combination or conspiracy, shall be deemed guilty of a felony, and, on conviction thereof, shall be punished by fine not exceeding $10,000,000 if a corporation, or, if any other person, $350,000, or by imprisonment not exceeding three years, or both said punishments in the discretion of the court. 15 U.S.C.A. §3 (1890).

[7] Wilson Tariff Act. ch. 349, 28 Stat. 509 (Aug. 27, 1894). In its entirety, section 77 reads: That any person who shall be injured in his business or property by any other person or corporation by reason of anything forbidden or declared to be unlawful by this Act may sue therefor in any circuit court of the United States in the district in which the defendant resides or is found, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the costs of suit, including a reasonable attorney's fee. *Id.*

North Dakota (Mr. POMEROY) and my colleague the gentlewoman from Wisconsin (Ms. BALDWIN) to introduce legislation that would impose a moratorium on mergers and consolidations in the ag-tech sector and order an 18-month study of this with recommendations to Congress as to appropriate legislative response.

I will also be dropping legislation within the next few days that will provide farmers in the hog sector with some degree of protection from the vertical integration that has such a devastating impact on their opportunity to continue to raise hogs independently.

What we saw in the poultry sector of agriculture 20 years ago is now happening with hogs. It is estimated that 75 percent of the hogs in this country are marketed pursuant to contracts, not into an open market setting. As we lose the smaller farming operations and the opportunity for farmers to raise hogs, we are losing one of the profit centers that has existed in agriculture.

The word has always been that hogs are the mortgage lifters on the farm. They are the dependable source of income and profit that enable farmers to pay off the mortgages. And without that opportunity, the diversification that is so important in agriculture is lost.

So I would like to urge that my colleagues recognize the seriousness of the problem that we face in the ag sector and that we join together as an institution on a bipartisan basis on behalf of America's farmers to ensure that they continue to have the opportunity to earn a living and be an important part of the rural economy.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Minnesota for bringing this instructive insight to this discussion.

Mr. UNDERWOOD. Mr. Speaker, I rise in support of H.R. 1801 which makes technical corrections in various antitrust laws and to the references of such laws. I thank Chairman HYDE and the Ranking Democrat, Mr. CONYERS, for the work they did on this legislation to ensure the protection of American consumers. I would like to recognize that this legislation, which among other things, clarifies the application of the Sherman Act to the U.S. Territories, is supported by my fellow colleagues from the U.S. Virgin Islands, American Samoa, the District of Columbia, and Puerto Rico.

The challenges faced by U.S. Territories are multi-faceted. In many respects, our relationship with the United States stems from the benefits we provide based on our geography. This benefit which helped us become a part of the American family can also be a disadvantage for the development of our economies. Save for Puerto Rico and the District of Columbia, Guam is the next most populated territory with 150,000 citizens. We are also coincidentally the furthest territory from the U.S. mainland.

Our population and remoteness has proved challenging in the development of our economy. We have worked to develop a top-notch tourism industry and encourage entrepreneurship amongst our residents. Our focus to ensure a healthy tourism industry has resulted in the construction of world class hotels, such as the Hilton, the Nikko Hotel, and the Hyatt. Our success in fostering at least 1.3 million tourists a year has caught the attention of many well-known U.S. based companies, who have established themselves on Guam. Major retailers like K-mart and Costco, trendy restaurants like Hard Rock Café and Planet Hollywood, and numerous fast food restaurants have found a profitable and competitive home in Guam.

Like many other communities in the U.S. with a similar population to Guam, there is a potential for sectors in an industry to monopolize the needs of a community. It's an extremely complex endeavor to prove, that a company is illegally monopolizing an industry, but it's a topic that is inevitably posed to small communities. H.R. 1801 clarifies that small communities, like the U.S. Territories, will not be the subject of monopolization and imposes hefty penalties for companies or individuals found engaged in such business activities. This is good legislation and good protection for consumers, small businesses and entrepreneurs.

Again, I thank Chairman HYDE for introducing this legislation and encourage my colleagues to support this measure.

Mr. JACKSON-LEE of Texas. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and pass the bill, H.R. 1801, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1600

NOTIFICATION OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. KUCINICH. Mr. Speaker, pursuant to clause 2(a)(1) of rule IX, I rise to give notice of my intent to present a question of privilege of the House.

The form of the resolution is as follows:

Calling on the President to abstain from renegotiating international agreements governing antidumping and countervailing measures.

Whereas under Art. I, Section 8 of the Constitution, the Congress has power and responsibility with regard to foreign commerce and the conduct of international trade negotiations;

Whereas the House of Representatives is deeply concerned, that in connection with the World Trade Organization ("WTO") Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, few countries are seeking to circumvent the agreed list of negotiations topics and reopen debate over the WTO's antidumping and antisubsidy rules;

Whereas the built-in agenda for future WTO negotiations, which was set out in the Uruguay Round package ratified by Congress in 1994, includes agriculture trade, services trade, and intellectual property protection but does not include antidumping or antisubsidy rules;

Whereas the Congress has not approved new negotiations on antidumping or antisubsidy rules and has clearly, but so far informally, signaled its opposition to such negotiations;

Whereas strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States;

Whereas it has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations;

Whereas an important part of Congress' participation in the formulation of trade policy is the enactment of official negotiating objectives against which completed agreements can be measured when presented for ratification;

Whereas the current absence of official negotiating objectives on the statute books must not be allowed to undermine the Congress' constitutional role in charting the direction of United State trade policy;

Whereas the WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective:

Whereas opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States;

Whereas conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members; and

Whereas it is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise: Now, therefore, be it

Resolved, That the House of Representatives calls upon the President—

(1) not to participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) to refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) to enforce the antidumping and countervailing duty law vigorously in all pending and future cases.

The SPEAKER pro tempore (Mr. LAHOOD). Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Ohio will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

The gentleman will be notified.

NURSING RELIEF FOR DISADVANTAGED AREAS ACT OF 1999

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 441) to amend the Immigration and Nationality Act with respect to the requirements for the admission of nonimmigrant nurses who will practice in health professional shortage areas.

The Clerk read as follows:

Senate Amendment:

Page 18, after line 5, insert:

SEC. 5. NATIONAL INTEREST WAIVERS OF JOB OFFER REQUIREMENTS FOR ALIENS WHO ARE MEMBERS OF THE PROFESSIONS HOLDING ADVANCED DEGREES OR ALIENS OF EXCEPTIONAL ABILITY.

Section 203(b)(2)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(B)) is amended to read as follows:

"(B) WAIVER OF JOB OFFER.—

"(i) NATIONAL INTEREST WAIVER.—Subject to clause (ii), the Attorney General may, when the Attorney General deems it to be in the national interest, waive the requirements of subparagraph (A) that an alien's services in the sciences, arts, professions, or business be sought by an employer in the United States.

"(ii) PHYSICIANS WORKING IN SHORTAGE AREAS OR VETERANS FACILITIES.—

"(I) IN GENERAL.—The Attorney General shall grant a national interest waiver pursuant to clause (i) on behalf of any alien physician with respect to whom a petition for preference classification has been filed under subparagraph (A) if—

"(aa) the alien physician agrees to work full time as a physician in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs; and

"(bb) a Federal agency or a department of public health in any State has previously determined that the alien physician's work in such an area or at such facility was in the public interest.

"(II) PROHIBITION.—No permanent resident visa may be issued to an alien physician described in subclause (I) by the Secretary of State under section 204(b), and the Attorney General may not adjust the status of such an alien physician from that of a nonimmigrant alien to that of a permanent resident alien under section 245, until such time as the alien has worked full time as a physician for an aggregate of five years (not including the time served in the status of an alien described in section 101(a)(15)(J)), in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs.

"(III) STATUTORY CONSTRUCTION.—Nothing in this subparagraph may be construed to prevent the filing of a petition with the Attorney General for classification under section 204(a), or the filing of an application for adjustment of status under section 245, by an alien physician described in subclause (I) prior to the date by which such alien physician has completed the service described in subclause (II).

"(IV) EFFECTIVE DATE.—The requirements of this subsection do not affect waivers on behalf of alien physicians approved under section 203(b)(2)(B) before the enactment date of this subsection. In the case of a physician for whom an application for a waiver was filed under section 203(b)(2)(B) prior to November 1, 1998, the Attorney General shall grant a national interest waiver pursuant to section 203(b)(2)(B) except that the alien is required to have worked full time as a physician for an aggregate of three years (not including time served in the status of an alien described in section 101(a)(15)(J)) before a visa can be issued to the alien under section 204(b) or the status of the alien is adjusted to permanent resident under section 245.".

SEC. 6. FURTHER CLARIFICATION OF TREATMENT OF CERTAIN INTERNATIONAL ACCOUNTING FIRMS.

Section 206(a) of the Immigration Act of 1990 (8 U.S.C. 1101 note) is amended to read as follows:

"(a) CLARIFICATION OF TREATMENT OF CERTAIN INTERNATIONAL ACCOUNTING AND MANAGEMENT CONSULTING FIRMS.—In applying sections 101(a)(15)(L) and 203(b)(1)(C) of the Immigration and Nationality Act, and for no other purpose, in the case of a partnership that is organized in the United States to provide accounting or management consulting services and that markets its accounting or management consulting services under an internationally recognized name under an agreement with a worldwide coordinating organization that is collectively owned and controlled by the member accounting and management consulting firms or by the elected members (partners, shareholders, members, employees) thereof, an entity that is organized outside the United States to provide accounting or management consulting services shall be considered to be an affiliate of the United States accounting or management consulting partnership if it markets its accounting or management consulting services under the same internationally recognized name directly or indirectly under an agreement with the same worldwide coordinating organization of which the United States partnership is also a member. Those partnerships organized within the United States and entities organized outside the United States which are considered affiliates under this subsection shall continue to be considered affiliates to the extent such firms enter into a plan of association with a successor worldwide coordinating organization, which need not be collectively owned and controlled.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, a number of hospitals with unique circumstances continue to experience great difficulty in attracting American nurses. This is especially true of hospitals serving mostly poor patients in inner city neighborhoods and some hospitals in rural areas. H.R. 441, the Nursing Relief for Disadvantaged Areas Act of 1999, was introduced by the gentleman from Illinois (Mr. RUSH) and has been drafted very narrowly to help precisely these kinds of hospitals. It would create a new temporary registered nurse visa program designated "H–1C" that would provide up to 500 visas a year and that would sunset in 4 years. Because it is so narrowly drafted, it is not opposed by the American Nurses Association.

To be able to petition for an alien, an employer would have to meet four conditions. First, the employer would have to be located in a health professional shortage area as designated by the Department of Health and Human Services. Second, the employer would have to provide at least 190 acute care beds. Third, a certain percentage of the employer's patients would have to be Medicare patients. And, fourth, a certain percentage of patients would have to be Medicaid patients.

The House passed H.R. 441 on May 24, 1999. Two weeks ago, the Senate added two amendments to H.R. 441 and then passed the bill. The first amendment allows certain areas with a shortage of health care professions to have easier access to foreign physicians. The provision directs the Attorney General to waive, in the national interest, the labor certification requirement for certain alien physicians applying for visas in the employment-based third preference immigrant visa category. These national interest waivers will be available to those alien physicians who agree to work full time as a physician in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs. By allowing alien physicians and the medical facilities that employ them to avoid the labor certification process, this provision ensures that residents of areas with a shortage of health care professionals will have access to quality health care. Language is included requiring the alien physicians who benefit from a national interest waiver work as physicians for 5 years in areas with a shortage of health care professionals, an increase of 2 years from the requirement of current law.

The second amendment is a technical clarification to the L visa which is a temporary, nonimmigrant visa. The L visa permits an American company which is part of an international business to make intracompany transfers to this country from abroad of foreign executives, managers and employees with specialized knowledge.

In 1990, Congress in section 206(a) of the Immigration Act of 1990 made a technical clarification to the L visa program to assure that international accounting firms and their related management consulting practices would qualify for use of the L visa. Congress believed that this clarification was needed because, for legal and historical reasons, these firms are not structured in the same way that most international corporations are structured. The laws of different foreign countries pertaining to the accounting profession have caused international accounting and associated management consulting businesses to be generally organized as partnerships held together by contracts with a worldwide coordinating organization. Congress made sure in 1990 that these international positions were not disadvantaged under the L visa program just because they were not structured like traditional corporations.

The second amendment makes sure that our immigration laws keep up with changes in the global economy. It simply assures that any international management consulting firm that separates from an international accounting firm but continues to keep the qualifying worldwide organizational structure may continue to use the L visa as it has in the past. Accordingly, no new category of visa is created and no new influx of L visa holders will occur. Attached to my remarks is an Interpretation of Technical Amendment which further explains this provision.

INTERPRETATION OF TECHNICAL AMENDMENT

"Collective" and "collectively" refer to a relationship between the accounting and management consulting firms or the elected members (partners, shareholders, members, employees) of the various accounting and management consulting firms inclusive of both accounting service firms and management consulting service firms or the elected members (partners, shareholders, members, employees) thereof.

An entity shall be considered to be "marketing its services under the same internationally recognized name directly or indirectly under an agreement" if it engages in a trade or business and markets its trade or business under the same internationally recognized name and one of the following direct or indirect relationships apply to the entity:

(a) It has an agreement with the worldwide coordinating organization, or

(b) It is a parent, branch, subsidiary or affiliate relationship to an entity which has an agreement with a qualifying worldwide coordinating organization, or

(c) It is majority owned by members of such entity with an agreement and/or the members of its parent, subsidiary or affiliate entities, or

(d) It is indirectly party to one or more agreements connecting it to the worldwide coordinating organization, as shown by facts and circumstances.

This provision is intended to provide the basis of continued L visa program eligibility for those worldwide coordinating organizations which may in the future divide or spin-off parallel business units which may independently plan to associate with a non-collective worldwide coordinating organization.

Mr. Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the Nursing Relief for Disadvantaged Areas Act of 1999. I thank the gentleman from Illinois (Mr. HYDE) and the gentleman from Michigan (Mr. CONYERS) for shepherding this legislation through our full committee, I thank the chairman of the Subcommittee on Immigration and Claims, a committee on which I serve as the ranking member, and I particularly thank the distinguished gentleman from Illinois (Mr. RUSH) who had the insight and the leadership to bring this legislation forward.

It is important as we reflect upon and respect the nursing profession of this Nation that we also take into consideration any legislation of this type that would not in any way diminish their ability to serve those who are in need. We are here on the floor today to vote on two amendments passed by the United States Senate 2 weeks ago. This bill passed the full House on May 24, 1999.

The first amendment amends the Immigration and Nationality Act that would loosen residency requirements for foreign physicians who serve in underserved areas in the United States. For those physicians, it would provide waivers of the requirement that an employer sponsor individuals seeking to live and work in the United States. This is a good amendment, Mr. Speaker, as it will encourage physicians from other countries to aid the United States in areas and locales where there is a real health care shortage.

The other amendment, Mr. Speaker, deals with the L visa. The L visa is temporary, a temporary nonimmigrant visa allowing a U.S. company which is part of an international business to make intracompany transfers from overseas of foreign executives, managers and employees with specialized knowledge of America. In 1990, Congress clarified that international accounting firms and their related management consulting practices would be able to use the L visas. The effect of this amendment would be to make sure that any international management consulting firm that separates from an international accounting firm yet continues to maintain the qualifying worldwide organizational structure may continue to use the L visa even if it is no longer connected to an accounting firm.

The registered nurse temporary visa program was created by the Immigration Nursing Relief Act of 1989 and expired in September 1997. The Immigration Nursing Relief Act was enacted in response to a nationwide shortage of nurses sufficient to disrupt the delivery of services to patients in some of the health care institutions and to potentially place patients in jeopardy.

I support H.R. 441, because it creates a new registered nurse temporary visa program that would sunset after 5 years. It would limit the number of visas that can be issued to 500 a year and hospitals would be able to petition for an alien nurse to those in need. H.R. 441 would serve to decrease the nursing shortage in the United States and set up an H-1C visa program.

I would also like to note that the American Nursing Association does not oppose this bill and supports the time limits placed on this bill. Additionally, we will be working with them to ensure that the elements of this bill will ultimately serve its purpose to help those in need of nursing care.

Again, the bill's sponsor's leadership on this issue has been tenacious. He has worked on this issue for well over a year to limit the shortage of health care professionals not only in the First Congressional District of Illinois but in the inner cities and rural communities across this Nation. I support this amendment as it is employer and employee friendly, Mr. Speaker.

I urge my colleagues to support H.R. 441 as amended by the Senate.

Mr. Speaker, I would like to thank the gentleman from Texas, Congressman LAMAR SMITH, the Chairman of our Immigration and Claims Subcommittee on which I serve as Ranking Member, and Congressman BOBBY RUSH, the gentleman from Illinois who had the insight and the leadership to bring this legislation forward. I also would like to thank Mr. HYDE and Mr. CONYERS for passing this bill out of the full Judiciary Committee.

We are here on the floor today to vote on two amendments passed by the U.S. Senate two weeks ago. This bill passed the full House on May 24, 1999. The first amendment amends the Immigration and Nationality Act that would loosen residency requirements for foreign physicians who serve in underserved areas in the United States. For those physicians, it would provide waivers of the requirement that an employer sponsor individuals seeking to live and work in the United States. This is a good amendment Mr. Speaker, as it will encourage physicians from other countries to aid the United States in areas and locales where there is a real health care shortage. This will not displace American doctors.

The other amendment Mr. Speaker deals with the L visa. The L visa is a temporary, nonimmigrant visa allowing a U.S. company which is part of an international business to make intra-company transfers from overseas of foreign executives, managers, and employees with specialized knowledge to America. In 1990, Congress clarified that international accounting firms and their related management consulting practices would be able to use the L visas. The effect of this amendment would be to make sure that any international management consulting firm that separates from an international accounting firm, yet continues to maintain the qualifying worldwide organizational structure, may continue to use the L visa even if it is no longer connected to an accounting firm.

The Registered Nurse Temporary Visa Program was created by the Immigration Nursing

Relief Act of 1989 and expired in September 1997. The Immigration Nursing Relief Act was enacted in response to a nationwide shortage of nurses sufficient to disrupt the delivery of services to patients in some of health care institutions and to potentially place patients in jeopardy.

I support H.R. 441 bill because it creates a new registered nurse temporary visa program that would sunset after 5 years. It would limit the number of visas that can be issued to 500 a year and hospitals would be able to petition for an alien nurse to serve those "in need."

H.R. 441 would serve to decrease the nursing shortage in the United States, and set up a new H1–C visa program.

I would also like to note that the American Nursing Association does not oppose this bill and supports the time limits placed on the bill.

I now would like to yield five minutes to the bill's sponsor Mr. RUSH of Illinois, again whose leadership on this issue has been tenacious as he has worked on this issue for well over a year, to limit the shortage of health care professionals not only in the 1st Congressional District of Illinois, but in the inner cities across this nation.

I support these amendments as they are employer and employee friendly, Mr. Speaker. I urge my colleagues to support H.R. 441, as amended by the Senate.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. RUSH).

Mr. RUSH. Mr. Speaker, I want to thank the gentlewoman from Texas for yielding this time to me.

Mr. Speaker, I want to also thank the gentlewoman from Texas for all of the work that she has done on behalf of this bill at the committee level and at the subcommittee level. I want to thank the gentleman from Illinois (Mr. HYDE), the chairman of the committee, for all his work. I want to also thank the ranking member the gentleman from Michigan (Mr. CONYERS) for all the work that he did on behalf of this bill, and also I want to thank the gentleman from Texas (Mr. SMITH), the chairman of the subcommittee, for all the work that he did on behalf of this bill.

Mr. Speaker, as the sponsor of the Nursing Relief for Disadvantaged Areas Act of 1999, I also support certain provisions that were added in the Senate by unanimous consent and that enjoy strong bipartisan support. Specifically, I refer to a provision added by Senator HATCH which is merely a technical clarification to the L visa.

As my colleagues know, the L visa is a temporary, nonimmigrant visa. The technical amendment permits an American company which is part of an international business, to transfer managers and employees to the United States from a foreign country. This amendment allows American companies to remain competitive.

Additionally, another provision added by Senators LOTT and DASCHLE allow foreign doctors to work for 5 years in disadvantaged areas, provided, and I repeat, provided that no American doctors are available to perform these jobs.

□ 1615

I want to assure my colleagues that these amendments will not take jobs away from our American doctors and these amendments are within the spirit of this legislation.

Hence, I rise today to encourage my colleagues to vote for H.R. 441, as amended by the Senate. As you may know, my reason for introducing and encouraging support for this legislation is quite simple. It will assist the underserved communities of this Nation by providing adequate health care for their residents.

Today there are some areas in this country which experience a scarcity of health professionals. Even though numbers indicate that no nursing shortage exists nationally, such an area exists in my district, the First District of Illinois. The Englewood community, a poor, urban neighborhood with a high incidence of crime, is primarily served by one hospital, and that hospital is the St. Bernard's Hospital. This small community hospital's emergency room averages approximately 31,000 visits per day. Fifty percent of their patients are Medicaid recipients and 35 percent receive Medicare.

The Immigration Nursing Relief Act of 1989 created the H–1A visa program in order to allow foreign-educated nurses to work in the United States. The rationale for the H–1A program, as acknowledged by the AFL–CIO, the American Nurses Association and others, was to address spot shortage areas. St. Bernard's hospital utilized the H–1A program to maintain an adequate nursing staff level.

The H–1A program was vital to St. Bernard's continued existence. Prior to this program, St. Bernard hired temporary nurses. As a result, the hospital's nursing expenditures increased by approximately $2 million in an effort to provide health care to its patients in 1992. This additional cost brought St. Bernard's close to closing its doors.

The H–1A visa program expired on September 30, 1997. Currently, no program exists that would assist hospitals such as St. Bernard's in their efforts to retain qualified nurses. My legislation merely seeks to close a gap created by the expiration of the H–1A program.

H.R. 441 prescribes that any hospital which seeks to hire foreign nurses under these provisions must meet the following stringent criteria: number one, be located in a health professional shortage area; number two, have at least 190 acute-care beds; number three, have a Medicare population of 35 percent; and, number four, have a Medicaid population of at least 28 percent.

Mr. Speaker, these are stringent requirements. This bill needs the support of the Members of this body, and I encourage Members of this body to support this legislation and support H.R. 441.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge all Members to vote to concur to the Senate amendment to H.R. 441 that will enable the bill to go to the President's desk and become the law of the land.

Mr. HYDE. Mr. Speaker, I want to commend our colleague BOBBY RUSH for introducing this important bill and working over the last two years to ensure its enactment into law.

Two years ago, Representative RUSH and I were approached by St. Bernard Hospital and Health Care Center in Chicago. The hospital, which is the only source of health care for an entire impoverished section of the City of Chicago, was having great difficulty attracting sufficient American nurses. St. Bernard's and a number of other inner-city hospitals, perhaps because of the high crime rates in their neighborhoods, were having this problem. So were a number of rural hospitals. St. Bernard's felt that its only viable option to fully meet its nursing needs was to employ foreign nationals.

There isn't a nationwide nursing shortage in the United States. So, there does not appear to be the support to implement a broad-based nurse visa program. However, a narrowly crafted program to help out hospitals in need is eminently justified. This is exactly what H.R. 441 accomplishes. The bill would create a new temporary registered nurse visa program designated "H–1C" that would provide up to 500 visas a year and that would sunset in four years.

To be able to petition for an alien nurse, a hospital would have to meet four conditions. First, it would have to be located in a health professional shortage area as designated by the Department of Health and Human Services. Second, it would have to have at least 190 acute care beds. Third, a certain percentage of its patients would have to be Medicare patients. Fourth, a certain percentage of patients would have to be Medicaid patients.

H.R. 441 meets an undisputed need. Thus, it is not opposed by the American nurses association. I was pleased to move the bill through the Judiciary Committee, and I urge my colleagues to support it.

Mr. SMITH of Texas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and concur in the Senate amendment to H.R. 441.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. KAPTUR. Mr. Speaker, pursuant to clause 2(a)(1) of House Rule IX, I rise to give notice of my intent to present a question of privilege to the House. The form of the resolution is as follows and relates to maintaining antidumping and countervailing measures as relates to our trade laws. It calls on the President to abstain from renegotiating international agreements governing antidumping and countervailing measures.

We know the World Trade Organization is about to meet in Seattle, and whereas under Article I, Section 8 of the Constitution, the Congress has the power and responsibility with regard to foreign commerce and the conduct of international trade negotiations;

Whereas the House of Representatives is deeply concerned that in connection with the World Trade Organization ministerial meeting to be held in Seattle, Washington, later this month, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiation topics and reopen the debate over the World Trade Organization's antidumping and anti subsidy rules;

Whereas the Congress has not approved new negotiations on antidumping or antisubsidy rules and we have clearly, but so far informally, signalled opposition to such negotiations;

Whereas strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors here in our country;

And whereas it has long been and remains the policy of the United States to support antidumping and antisubsidy laws and to defend those laws in international negotiations;

Whereas the current absence of official negotiating objectives on the statute books must not be allowed to undermine the Congress' constitutional role in charting the direction of U.S. trade policy;

Whereas, under present circumstances, launching a negotiation that includes antidumping and antisubsidy issues would affect the rights of the House and the integrity of its proceedings;

Whereas the WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proven effective in view of our trade deficit;

Whereas opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States, which has become the greatest dump market in the world;

Whereas conversely, avoiding another decisive fight over these rules is the best way to promote progress on the other far more important issues facing the World Trade Organization Members;

Whereas it is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the World Trade Organization or otherwise:

Now, therefore, be it resolved that the House of Representatives calls upon the President (1) not to participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda; (2) to refrain from submitting for Congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and (3) also calls upon the President to enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

The SPEAKER pro tempore. Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Ohio will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution and the gentlewoman will be notified.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. TRAFICANT. Mr. Speaker, pursuant to House Rule IX, clause 1, I rise to give notice of my intent to present a question of privilege of the House.

Mr. Speaker, the question of privilege expresses the sense of the House that its integrity has been impuned because the antidumping provisions of the Trade and Tariff Act of 1930, Subtitle B of title VII, have not been enforced.

Therefore, the resolution calls upon the President to, number one, immediately obtain volunteer restraint agreements from Japan, Russia, the Ukraine, Korea and Brazil which limit those countries in July to June fiscal year 1999 to their exports calculated from fiscal year 1998.

Number two, to immediately impose a 1-year ban on imports of hot-rolled steel products and plate steel products that are the product of manufacture of Japan, Russia, the Ukraine, Korea or Brazil, if the President is unable to obtain such volunteer restraint agreements within 10 days.

Number three, to pursue with all tools at his disposal a more equitable sharing of the burden of accepting imports of finished steel products from Asia and the countries within the Commonwealth of Independent States.

Number four, to establish a task force to closely monitor the imports of steel.

Finally, to report to Congress by no later than January 5, with a comprehensive plan for responding to this import surge, including ways of limiting its deleterious effect on employment, prices and investment in the United States steel industry.

The SPEAKER pro tempore. As previously stated by the Chair, the form of the resolution noticed by the gentleman from Ohio will appear in the RECORD at this point, and the Speaker will later designate a time for its consideration and will at that point determine whether the resolution constitutes a question of the privilege. The gentleman will be notified.

SENSE OF CONGRESS SUPPORTING PRAYER AT PUBLIC SCHOOL SPORTING EVENTS

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 199) expressing the sense of the Congress that prayers and invocations at public school sporting events contribute to the moral foundation of our Nation and urging the Supreme Court to uphold their constitutionality.

The Clerk read as follows:

H. CON. RES. 199

Whereas prayers at public school sporting events are entirely consistent with our American heritage of seeking Divine guidance and protection in all of our undertakings;

Whereas sporting events provide a significant and long-lasting impact in character and values development among young people;

Whereas prayers and invocations have been demonstrated to positively affect the fair play and sportsmanlike behavior of both players and spectators at sporting events;

Whereas lower court rulings about prayer at sporting events have placed school and community leaders in the difficult position of choosing between conflicting values, rights, and laws;

Whereas congressional leaders have found value in beginning each legislative day with prayers; and

Whereas statements of belief in a Supreme Power and the virtue of seeking strength and protection from that Power are prevalent throughout our national history, currency, and rituals: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) prayers and invocations at public school sporting events are constitutional under the First Amendment to the Constitution; and

(2) the Supreme Court, accordingly, should uphold the constitutionality of such practices.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentleman from Michigan (Mr. Conyers) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 199.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the sponsor of this resolution, the gentleman from Texas (Mr. BONILLA)

Mr. BONILLA. Mr. Speaker, I thank my friend for yielding me time.

Mr. Speaker, we are very proud of a fall tradition we have in Texas. On weekends, Fridays and Saturdays high school stadiums fill up with people to watch high school football.

These are not just events, Mr. Speaker; they are traditions; communities, student bodies, parents, coming together to watch friendly competition and say hello to friends and neighbors. It is about sportsmanship, it is about brotherhood, it is about values.

Traditionally, before each game, voluntary nondenominational prayers have been held, primarily to wish the players an injury-free game and to wish everyone a safe trip home on the road that night.

This tradition has been threatened by a foolish decision in Federal Court. A parent in a town near Houston apparently felt suppressed by the prayer and filed suit. The 5th Circuit Court agreed, and banned voluntary prayer at sporting events.

I think this court decision is wrong. This resolution gives the U.S. Congress the chance to take a stand. Voluntary prayer should not be banned in States.

In this day and age when parents and communities search for answers in helping our young people, what is wrong with voluntary prayer before kick off? There are no mandates in this resolution. I ask my colleagues to join me in taking a stand. Let us tell the court it was wrong. Let us encourage it to reverse its decision and let the children pray.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, religious freedom has been one of the cornerstones of American democracy since the founding of our Nation, and, like most Members in the body, I remain committed to preserving religious freedom. However, there are serious reservations whether this resolution offers us the best means of protecting our citizens' religious liberties.

To begin with, we have had no deliberative process whatsoever on this complex issue. I was hoping that someone on the other side may enlighten me as to why this could never have come before a subcommittee or a committee for hearings and markup. There has been no opportunity to gauge the seriousness of the problem or determine whether this resolution is an appropriate or reasonable response.

□ 1630

Secondly, the text of the resolution comes very close to not only protecting religious expression, but crossing over and violating the establishment clause. The Supreme Court has consistently held that the coercive mechanics of the State cannot be used to endorse any particular set of religious beliefs. I think we all know that. For public school sporting events, courts have been very generous and have allowed student-led prayers, but have drawn the line at coach-led prayers or using the mechanics of the State, out of fear of a coercive effect.

This resolution appears to go beyond this line, finding that organized and State-led prayer may be constitutional.

Finally, I am concerned that the resolution threatens to abridge our precious separation of powers. The Congress has had enough trouble doing its own business and passing the Nation's budget on time, let alone taking the time to tell the Supreme Court how to resolve highly complex and serious sensitive constitutional arguments.

Under the present constitutional structure of a Bill of Rights protected by an independent judiciary, the courts have done fine in sorting out these issues. Religion is alive and well in America. We have greater religious diversity and more religious observance than any country on the face of the Earth. I seriously question whether this sense of Congress can improve this situation.

Mr. Speaker, if we want to truly protect religious freedom in this country, please reject this well-meaning but flawed resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, first I want to thank my good friend and neighbor, the gentleman from Texas (Mr. BONILLA), for introducing this important resolution. It is vitally important to express the sense of Congress that voluntary prayers before athletic contests are appropriate and even beneficial. This type of prayer is not an unconstitutional establishment of religion. Rather, it is an appropriate and constitutional exercise of our freedom of religion.

It is altogether appropriate before a hard-fought athletic contest to allow individuals involved to offer a prayer that acknowledges the presence of a supreme being, a reminder of the presence of a deity more powerful than the players on the field. Such a prayer can lead to better sportsmanship, fewer injuries, and could even uplift and inspire both prayers and spectators.

The offering of a prayer should not be feared. Those who do not wish to participate do not need to. However, we should not constrain the actions of those who do want to participate.

Voluntary, unofficial prayers before athletic contests were allowed and even encouraged for decades prior to a mid-1960s Supreme Court ruling by the most liberal court of this century. We are overdue in again recognizing the rights of individuals to offer prayers that can do many people much good.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, as the principal Democratic author of House Concurrent Resolution 199, I join the gentleman from Texas (Mr. BONILLA) in expressing my strong support on this measure, which simply calls on the Supreme Court to rule on public prayer at events such as school football games.

Our forefathers included the establishment clause in the first amendment to the Constitution for a reason. They had been subject to religious persecution, and wanted to make this country a place where Americans of every religion and denomination could practice their faith freely, or not practice a faith at all if they so chose. For those of us who believe in a God who grants free will to his creation, this constitutional approach not only makes for good government, it makes for good theology, as well.

Still, a recognition of God and our country's need for divine guidance has been part of this Nation's fabric from the very start. Our currency reflects that, our pledge of allegiance acknowledges it, our Congress honors the tradition of opening prayers, and a respect for God is woven throughout our government's history and practices.

It is in that spirit that I find prayer at football games both positive and constitutional. I would point out that many of the people who would prohibit such prayer also openly advocate for going still further and want to prohibit prayers in Congress, acknowledgment of God in our pledge of allegiance, et cetera.

Finding a balance between conflicting rights and responsibilities, as well as a balance between the rights of society versus the rights of an individual, has been the challenge of our democracy from its beginning. The balance is never achieved once and for all, but rather, requires constant adjustments when one side of the scales becomes imbalanced and in need of countervailing weight.

Recently a newspaper published in my district, the Graham Leader, addressed this very important point, which I share with my colleagues now: "Although school prayer is often cloaked in separation rhetoric, the real issue lies in the definition of individual and group rights. Whose rights should take precedence? In this case, should those who want to pray or hear a prayer" before a game "have that right? Or should those who prefer no prayer have the right to stop it? Whose rights are more important?. . ."

"Democracy centers on the ability to balance individual freedom with the common good. Let's not forget that cooperation sometimes means compromise. We relinquish some rights, and we must endure some offensiveness so others may be granted some rights."

"What the Federal courts and the American Civil Liberties Union seems to have forgotten is that no one group should bear the brunt in each case. Unfortunately, Christians have."

I urge my colleagues to support this measure, which simply urges the Supreme Court to act on this currently conflicting issue, and expresses the sense of Congress that student-led prayers at school sporting events are an exercise of our constitutionally-guaranteed freedoms of speech and religion.

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of House Resolution 199, and I commend my colleague, the gentleman from Texas, for bringing forth this important resolution.

I feel strongly about the right to pray in public, and believe that prayer at public school sporting events is in fact constitutional.

Mr. Speaker, we are truly fortunate to be Americans. The Founders of this great country worked to ensure each citizen's right to life, liberty, and the pursuit of happiness. Our Nation's military has fought and sacrificed to protect and preserve these rights.

America was built upon Judeo-Christian values. Yet this foundation of our culture is so often ignored in today's society, and even frowned upon. Citizens throughout the country are being denied one of the most basic, fundamental rights we have fought so hard to protect, the right to freely express one's religious beliefs. Children have been barred from bowing their heads in private prayers and writing their religious beliefs in school papers, and even from bringing the Bible to school.

Freedom of religion is one of the most protected rights guaranteed to us under the Constitution. There are far too many incidents of students and student athletes being prevented from expression of their religious beliefs.

In Santa Fe, Texas, a U.S. Court of Appeals ruling has forced student athletes to replace their former pre-game invocations with the observance of nonsectarian moments of silence. Just recently, Mr. Speaker, while I was watching an NFL football game, a player was seriously ill. Out of deep concern about their teammate, the members of that team knelt on the football field in front of the national TV audience to pray that he be protected from the injury.

To my knowledge, there was no objection to this practice, so I ask, Mr. Speaker, why are student athletes prohibited from expressing their faith on the field? I feel that this is a tragedy. We must stand up for our students' rights to freely observe their religious beliefs.

In closing, Mr. Speaker, I want to quote Jeff Jacoby, a columnist for the Boston Globe, who brilliantly conveys the belief of the Founding Fathers on freedom on religion.

"Religion can't survive in the absence of freedom, but freedom without religion is dangerous and unstable."

Mr. CONYERS. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this resolution is in direct conflict with a long line of Supreme Court decisions. For example, in 1962 in the Engel decision, the Supreme Court warned that one of the greatest dangers to the freedom of the individual to worship in his own way lies in the government's placing its official stamp of approval upon one particular kind of prayer or one particular form of religious services.

In the Jager decision in 1989, the Supreme Court refused to review a case that specifically held that prayers at public football games violated the establishment clause of the Constitution, even though student clubs designated the individuals who gave the prayers.

In 1997, a Federal court ruled that a moment of silence could be observed before games, but this year, 1999, another circuit court held specifically that prayers before football games were unconstitutional.

The really disturbing aspect of this resolution is not whether we agree with that long line of court decisions, but the fact that we are considering the issue in a political forum.

In the Barnett case in 1943, the court wrote that "The very purpose of the Bill of Rights was to withdraw certain subjects from the vicissitudes of political controversy, to place them beyond the reach of majorities and officials, and to establish them as legal principles to be applied by the courts." One's right to life, liberty, and property, to free speech, to a free press, freedom of worship and assembly, and other fundamental rights cannot be submitted to a vote. They depend on the outcome of no elections.

Yesterday, Mr. Speaker, in the city of Richmond, Virginia, an elementary school was named in honor of former Governor of Virginia Linwood Holton. The program said, Mr. Speaker, that "Linwood Holton was elected Governor of Virginia in 1969—the State's first Republican Governor since 1886. Holton's most enduring legacy is his embrace of racial integration. He supported court-ordered busing to achieve racial balance in schools. While he was governor, he escorted one of his children to attend a predominantly black school. That act, captured on film, displayed a message of social justice to Virginians."

Mr. Speaker, rather than promote a politically popular strategy of massive resistance, Governor Holton supported the Supreme Court ruling. So when he went to the schoolhouse door, he went not to display interposition and nullification, but to display a message of social justice.

Mr. Speaker, this resolution is wrong because it subjects the complicated issue of religious freedom to the vicissitudes of political controversy, and therefore, I urge my colleagues to reject it.

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Speaker, I think the Supreme Court is part of the problem here, not the solution.

I keep hearing this First Amendment mumbo-jumbo. I would like to read it: "Congress shall make no law respecting an establishment of religion", and then the First Amendment says, immediately, "Or prohibiting the free exercise thereof."

The Founders are rolling over in their graves. They did intended to separate church and State, but they never intended to separate God and the American people. This is absolutely ridiculous. The Supreme Court in my opinion is prohibiting in America the free exercise of religion.

It is on our currency. Look behind the gentleman from Illinois (Mr. LAHOOD): "In God we trust." Do we strike that from the Chamber? Do we?

A Nation without God is a Nation without order. An America that restricts God gives license to the devil. We are nitpicking over something that nine Supreme Court members should have enough anatomy to ratify, the free exercise of religion. If a ballplayer wants to say a prayer, I want someone to show me how it is unconstitutional.

They need a shrink over there. I support the resolution, and I think Congress better start drafting laws, because the precedents of the courts are what are running America, and the Founders did not want that, either.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, it is my belief that prayer is nothing less than heartfelt communication with our Creator. I believe in the power of prayer and the reverence for prayer and the sanctity of prayer. That is why I believe any debate on prayer and religious freedom deserves more than a 40-minute debate on a suspension calendar after no committee hearings and with so few Members of this House even present.

Mr. Speaker, I have great respect for my colleagues, the gentleman from Texas (Mr. BONILLA) and the gentleman from Texas (Mr. STENHOLM), and their genuine concerns, but it is the process of handling this resolution, however, on which I wish to comment.

In my opinion, the subject matter of prayer and religious freedom deserves a full and open debate and Committee on the Judiciary hearings and on this floor. To do any less potentially undermines the importance of the first freedom guaranteed in the first 16 words of the Bill of Rights, the freedom of religion.

Let us also recognize that the Constitution, in Article III, makes it clear that the Supreme Court, not the Congress, has the power to determine what is or is not constitutional.

□ 1645

Several weeks ago, the House leadership supported a resolution that said it was, quote, the necessary duty, end quote, of Americans to pray. That resolution, like this one, was on a suspension calendar and had no committee hearings.

I am therefore compelled to question when the leadership of this House will start treating profound issues such as prayer and such as religious freedom and church-State relations with the reverence that our Founding Fathers exhibited in writing our Bill of Rights and our First Amendment.

I would plead with the House leadership today to stop dealing with the principles of the religious establishment and free exercise clauses of the First Amendment with the same quick process and time limits reserved for the naming of Federal office buildings. The Constitution, the Bill of Rights and the high principles enumerated therein deserve far more than a superficial review.

Resolutions and legislation on prayer and religious freedom should always undergo carefully considered hearings and debates of principle and conscience, not hastily organized mini-debates that deny most House Members even a chance to speak.

Mr. Speaker, as a citizen I would hope the Supreme Court would clarify for school districts whether and under what conditions public prayers and invocations at school sporting events are allowed under the First Amendment. It is not right, in my opinion, for schools and communities to be divided by possibly conflicting lower court decisions. I would hope the Supreme Court would expeditiously review any such cases.

Mr. Speaker, to all of us in Congress, however, I would say we have an obligation in the future to review any question affecting the sacred issues of prayer and religious freedom with the careful, thorough and reverent consideration they deserve.

Mr. SMITH of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. HOSTETTLER).

Mr. HOSTETTLER. Mr. Speaker, why are we considering this legislation today? How is the offering of prayer at a football game unconstitutional? The root of this debate can be traced to 1962 when the Supreme Court opined in Engel versus Vitale that, quote, State-sponsored, end quote, prayer was unconstitutional. Why? Because the Supreme Court said that the First Amendment had erected a wall of separation between church and State and that that wall had been applied to the individual States by way of the Fourteenth Amendment.

Where did that logic come from?

It was a line of reasoning that was expounded by Justice Hugo Black in 1947 when he stated, quote, my study of the historical events that culminated in the Fourteenth Amendment and the expression of those who sponsored and favored, as well as those who opposed its submission and passage, persuades me that the provision of the amendment's first section were intended to make the Bill of Rights applicable to the States, end quote.

Today, Mr. Speaker, we do not have to rehash all of Justice Black's research. Fortunately, all that is necessary today is to ask a simple question: What was so apparent in the justice's research that escaped the knowledge of people who actually voted on the Fourteenth Amendment itself?

The Blaine amendment was an amendment to the Constitution that was introduced in 1875 by Representative James Blaine of Maine and it would have become the Sixteenth Amendment to the Constitution. It was introduced and it stated in relevant part, quote, no State shall make any law respecting an establishment of religion or prohibiting the free exercise thereof.

Mr. Speaker, if the Congress at that time believed that the Fourteenth Amendment applied the Bill of Rights to the States, why was this amendment even brought up for consideration? The question is, would it not have been the main reason for dismissing the amendment the fact that it was unnecessary, given the fact that the Blaine amendment was introduced 8 years after the ratification of the Fourteenth Amendment? In fact, in the 44th Congress that considered the Blaine amendment, 15 Senators had been Members of the 39th Congress that adopted the Fourteenth Amendment and 12 others had participated in the ratification or rejection of this amendment by the State legislatures.

Likewise, 50 Members of the House of Representatives had similar backgrounds. In fact, Mr. Blaine voted for the Fourteenth Amendment.

Mr. Speaker, the fact is that the Fourteenth Amendment does not apply the Bill of Rights to the States and if we do not want any more thorough exercise of this we can simply go to the Encyclopedia of the American Constitution that says this: Additionally, the first clause of the proposed amendment provided that no State shall make any laws respecting an establishment of religion or prohibiting the free exercise thereof.

This is an indication, says the Encyclopedia of the U.S. Constitution, that Congress did not believe in 1876 that the Fourteenth Amendment, ratified in 1868, incorporated the religion clauses of the First Amendment.

Mr. Speaker, if I may, I would like to say amen and ask for consideration and approval of the resolution.

Mr. CONYERS. Mr. Speaker, I yield myself 30 seconds, because the gentleman from Indiana (Mr. HOSTETTLER), I thought I misunderstood him at first when he said the Fourteenth Amendment did not apply to the States but he repeated it at least one more time so that I do not have any doubt of that now. Now that that is confirmed, I suppose we can move on back to the debate.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I would like to thank my colleague, the gentleman from Michigan (Mr. CONYERS), for allowing me to speak.

Mr. Speaker, I am a cosponsor of the resolution. Coming from Texas, I noticed a lot of the cosponsors of the resolution are from Texas. There are a lot of things we hold sacred in Texas and one of them is high school football. One can go to any Friday night game or Saturday night game and it is important to the community, and growing up in Texas and having an opportunity to play high school football I know how important that event is for the community.

Since then, I have attended football games both as a State legislator and Member of Congress and participating in the pre-game ceremonies, including giving the prayer as a Member of Congress at some of our high schools. This last February, the Fifth Circuit Court of Appeals in Doe versus Santa Fe Independent School District caused a great deal of concern and ultimately with this coming school year I talked with some of our superintendents in my own district to see how they were dealing with it.

This ruling, while affirming previous court decisions that upheld student-led nonsectarian, nonproselytizing prayer at solemn events like school graduation ceremonies, also stated that invocations before sporting events like football games were not constitutional even if they met that standard.

Mr. Speaker, the courts have been clear on the issue that the guidelines that had previously been issued by the Fifth Circuit Court in Jones versus Clear Creek Independent School District were being followed, so we have a problem. The Supreme Court needs to rule and provide that guidance not only in Texas but hopefully the whole Fifth Circuit and our whole country.

If this sort of activity is constitutional before a graduation ceremony, it should be constitutional. If we in Congress can start our business day as we do, then why would it not be constitutional to pray for the safety of our young men and women before they participate in some sporting event?

I am a firm believer in the First Amendment and I oppose actions that would violate the establishment clause. I ask, though, where is this violation? How does a prayer before a football game act to establish a religion? We cannot go back to the 1950s because it was wrong where children all recited the Lord's Prayer and we know that as a Methodist and Presbyterians, even Catholics, we have a different Lord's Prayer but I do think we can invoke the wish and the hope and the prayer for the safety of the participants.

Mr. SMITH of Texas. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana (Mr. HOSTETTLER).

Mr. HOSTETTLER. Mr. Speaker, I thank the gentleman from Texas (Mr. SMITH) for yielding me additional time.

Just simplifying, the gentleman was unsure of the meaning of the Fourteenth Amendment, the Congress that adopted it, in that section 5 they said the Congress shall have power to enforce by appropriate legislation the provisions of this article. Therefore, they did not believe the Bill of Rights was incorporated into the Fourteenth Amendment and so they gave themselves the capability to, by statute, enforce the Fourteenth Amendment and grant all of us the liberties we so greatly enjoy at this time.

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Speaker, it is kind of ironic we have this religious debate from time to time here, and when we stand in the House well the only lawgiver facing us is Moses, whose head is turned right towards the Speaker; and above the Speaker's head it says, "In God we trust."

It is clear what Congress intended. We open in the morning with a prayer, and clearly Congress may need prayer more than the schools but I think it is a double standard for us to say these things cannot go on in schools but they can go on here in Congress.

Prayer is not for victory. Hopefully everybody understands that in these football games it is not for victory; unless maybe with the exception of Notre Dame, God does not take sides in football games. In general, however, what is disappointing to me is that apparently if one uses our Lord and Saviour's name Jesus Christ in vain it is allowed, but if one uses it in a biblical sense it is not. If I would refer to God damning people because of their behavior, that would be wrong but if one uses it in blasphemy, that is free speech.

Free speech is a one-directional thing. How can it possibly hurt the young students at a football game to acknowledge that there is a Creator; that there is someone higher than them; that hatred is wrong; that violence in an extreme way is wrong? How can the humility that comes from the Bible be wrong at any moment, whether it is a football game or in school?

We are in danger of putting us, the almighty "I," the all-powerful me, in such a preeminent position that we will not even allow kids who voluntarily, in a voluntary activity, after school hours, can pray together. It is a sad day if this amendment does not pass.

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Speaker, I rise today in support of H. Con. Res. 199, which expresses the sense of Congress that prayers and invocations at public school events are constitutional on the First Amendment and that the Supreme Court should uphold the constitutionality of such activities.

Mr. Speaker, it is most ironic that while an increasing number of violent crimes have occurred in our Nation's schools in recent months and even recent years, some Federal courts have ruled to restrict the very expression of faith which can play such a significant role in providing desperately needed moral guidance to our youth. Under the proper guidance of coaches and administrators, team and individual sports can make a significant, positive impact on the character of students and student athletes in their most formative years.

A strong religious message, coupled with good sportsmanship, instilled by adult role models, can make a positive, long-term influence on our Nation's young people.

I join my colleagues who are opposed to these Federal court decisions that would ban organized prayer from sporting events. Student athletes have a clear constitutional right to exercise their religious beliefs, particularly during school and extracurricular activities. I do not believe that students in our country should have to check their religion and their beliefs at the school door.

Our Founding Fathers believed that prayer and even studying the Bible were activities that should be encouraged among our youth rather than suppressed, even in our schools. Our Constitution grants freedom of, not freedom from, religion. Because of these rulings in the past, I am proud to join the gentleman from Texas in support of this resolution to affirm the importance of prayer at sporting events at a pivotal time in the life of our Nation's young people. There can be no compromise in the defense of our commitment to the very principles that have made this Nation, the United States of America, the greatest nation on the face of the Earth.

Mr. CONYERS. Mr. Speaker, I yield 30 seconds to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, comments have been made about the ability of athletes or students to pray voluntarily. There is no prohibition against that. In fact, in 1995, a circuit court ruled that students, quote, are not enjoined from praying either individually or in groups. Students may voluntarily pray together provided such prayer is not done with school participation or supervision.

We are not talking about a student's ability to pray. We are talking about the ability of that student to require everyone else to participate.

□ 1700

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Speaker, I am one of the cosponsors of this resolution, and I rise in strong support of it. I want to thank the gentleman from Texas (Mr. BONILLA) for bringing it to the floor.

Most of the opposition that has been expressed on this this afternoon has been more on the process. We have had the complaints that there have not been adequate hearings in the Committee on the Judiciary, et cetera. That is usually a leading indication that they really cannot argue the policy.

All one has to do is read the Constitution where it talks about freedom of expression and freedom of speech, freedom of religion. I do not believe anybody in everyday America thinks that a public prayer before a football game or some sort of a public event is establishing an official religion.

If one goes back to our Founding Fathers' time and one looks at why they put in the prohibition against establishment of an official religion, it was because, in many of our States, the Anglican church was the official church. If one goes even down to the great State of Texas before it became a State, the Catholic church was the official church of Mexico, one had to convert to Catholicism to come into Texas in the 1820s.

Saying a public prayer before a football game is not the establishment of a religion. It is the acknowledgment that there is a supreme being and that those in attendance and those in participation wish the protection or the blessing of the supreme being as they engage in the contest.

As a United States Congressman, I have given public prayers before football games in Texas. As a football player way back in the dark ages of the

1960s, I have given public prayers during football games. I strongly hope that we will pass this resolution by the two-thirds necessary to suspend the rules.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think this is a debate that bears much more attention than we are able to give it, primarily because it involves children, because it involves guiding children. But it also involves the Constitution.

Mr. Speaker, I am the mother of an eighth grade football player. Football is an intrinsic part of the culture of Texas, as it is in many, many places, as sports are an intrinsic part of America.

I would simply say to my colleagues that we set, I think, not the right tone if we would suggest to those students that they do not have the freedom to exercise their beliefs and pray. But I do think it is equally important for us to protect the isolated or the single person of a different faith.

That is why I bring some concern to this resolution, not because there is not good intention, but because there are the opportunities to have a story, such as Plaintiff Jane Doe, II, who was attending the seventh grade Texas history class, and her teacher handed out advertising regarding a Baptist religious revival, some of which I have attended. In fact, tomorrow I will be hosting a number of religious liberty activists from the 7th Day Adventist Church.

But Jane Doe was not a Baptist, and she was inquired about her religious affiliation. It was noted that she was from the Church of Jesus Christ of the Latter Day Saints, Mormons. Her teacher launched into a diatribe about the non-Christian cult-like nature of Mormonism and its general evils. In fact, in the Duncanville case, the plaintiff's history teacher referred to her as a little atheist.

I would simply say, Mr. Speaker, that this resolution emphasizes too much that we are separated rather than we are welcoming the diversity of religion. It establishes one faith over another. It establishes a religion.

What we are trying to do, Mr. Speaker, is to make sure that this country is free for all religions. I want the football team to pray. I want the Capitol to pray. I want those in the stadium to pray, and they have every right to pray. The idea, of course, is that they cannot force upon others a prayer that others would not want to have.

I applaud those young people who are praying, and I think we, as adults, should create the atmosphere for them to pray. But I do not think we should instruct the Supreme Court to rule against the Constitution where it says there is a separation of church and State.

Mr. CONYERS. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, there has been a discussion here that has been premised upon some things that we probably are not as sure about because we have not had any hearings. I am surprised to hear one Member say that this is a very important matter; but, yet, it skips over the subcommittee and committee of jurisdiction. We rush it to the floor, and then we end up with Members complaining to me repeatedly that the 14th amendment does not apply to the States. Now, we prepared a lot of material to try to point that out to him, that this has been pretty well settled in constitutional law.

But then I said, why? Why do we need to do this? We are not talking about the right of students not to pray. It is how it is done. Students can pray at games. They do all the time. They do it in Texas even. So this is not an issue about whether one has the right to pray or not. It is under what circumstances can prayer be allowed.

Now, Mr. Speaker, pretty conservative members of the court have found that the Constitution forbids school-sponsored prayers, not out of a hostility to religion, but to protect the religious freedom of each student. In other words, one cannot use the State and the school as a State to promote any religion over the other. The entire premise of the Bill of Rights is that individual liberty must be safeguarded and must sometimes trump the desires even of the majority.

So it is in that spirit that I close the debate on this side by pointing out we are not against students praying, athletes praying, prayer at games. That is not the issue. The issue is under what circumstance can State-supported institutions use their facilities to promote any one particular prayer.

I urge that Members reject the measure that is now before the House.

Mr. SMITH of Texas. Mr. Speaker, how much time remains on this side?

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Texas (Mr. SMITH) has 4 minutes remaining.

Mr. SMITH of Texas. Mr. Speaker, I yield the balance of the time to the gentleman from Texas (Mr. BONILLA), who is the sponsor of the resolution, for purposes of closing.

Mr. BONILLA. Mr. Speaker, once again, I thank the gentleman from Texas (Mr. SMITH) for yielding this time.

Mr. Speaker, I would like to start out by thanking the gentleman from Texas (Mr. STENHOLM), former high school football star, for joining me in this effort as the lead cosponsor. I truly appreciate the work he has put in on this bill, and we are hopeful that we will prevail.

Mr. Speaker, there are parents out there in our communities who are crying out for help and crying out for support. A few weeks ago, I was in the fall parade in Devine, Texas, which is just a few miles south of San Antonio. A young man walked up to me, and told me he was a banker, an executive at the local bank. He did not approach me to talk about banking regulations or the banking bill now pending.

He wanted to talk about prayer at high school football games, because in Medina County, for generations, they have traditionally opened games with voluntarily, nonmandated prayers. They have always opened the ceremonies at night by having a prayer.

He could not understand how we have gotten to the point in this country where they are suddenly under a threat of legal action to stop them from doing this. He was just wondering what our country is coming to when we cannot have voluntary nondenominational, nonmandated prayer at our high schools if we so desire.

I told him that day that I would introduce this resolution, and he was just delighted to hear that here in Congress there were many of us who were already concerned about this and we were going to at least try to take a stand in supporting these parents.

During this debate, we have talked about how every day we in Congress open our sessions with a prayer. We have already talked about how we have the words "In God We Trust" above the Speaker's podium. We have talked about how the Supreme Court opens each session with a prayer. So we wonder why the Fifth Court of Appeals would rule that voluntary community prayers would be prohibited and under threat of legal action.

These prayers are not government-mandated events. High school football games are community events. They are made up of, not only parents, teachers, and students, but sponsors and families from around the community. Some of them do not even have students in school, but like to come out and enjoy the physical activities of a great tradition that we have in some parts of our country.

These parents, teachers, and students are not asking us to pass a new law here in Congress. This is a sense of the Congress that simply allows us to go home and tell our constituents that we took a stand on this issue that is very important to them.

So let us not delay any longer. Let us take a stand. Let us let the folks back home know that we are on their side in this very important issue.

Mr. SANDLIN. Mr. Speaker, one of our most fundamental rights is under fire in the court system. The Court of Appeals for the Fifth Circuit, which presides over Texas, Louisiana and Mississippi, recently told our students they cannot pray before a football game or any other sporting event sponsored by their school. This decision is an affront to the Constitution and sends the wrong message to our children.

I am an original cosponsor of House Concurrent Resolution 199, expressing the sense of the Congress that prayers and invocations at public school sporting events contribute to the moral foundation of our nation and urging the Supreme Court to uphold their constitutionality. I have consistently voted in favor of prayer in schools because it is wrong for the government to tell us when and where we can pray. The First Amendment states, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof . . . ."

The United States Supreme Court has interpreted our constitution to all at least some prayer and religious expression in public schools. We have seen, however, that courts and school district officials are having great difficulty in drawing the distinctions between what is allowed and what is prohibited. With respect to our public school system, the government must be neutral on the issue of religion in the pubic schools, serving neither as its agent nor as its adversary. Therefore, constitutionally, a public school should allow a student to pray in school, but should not mandate organized prayer.

In the decision handed down by the Fifth Circuit, this principle of neutrality has been lost. Clearly, a court that prohibits prayers specifically at sporting events is not practicing neutrality towards religion. It is discrimination of one kind of speech—religious speech. Our courts should not ban this form or religious expression or attempt to regulate its content.

Mr. Speaker, I believe faith is essential in establishing one's moral and ethical character. I am sure the Members of this House agree because we say a prayer every day this House is in session. If Members of Congress can say a prayer at the beginning of each legislative day, then students should be allowed to say a prayer before a school sporting event. After all, our children do not check their religious beliefs at the schoolhouse door. We cannot allow a strained, out of touch court decision eclipse their rights.

I urge my colleagues to join me in supporting House Concurrent Resolution 199. Let's give our children the same rights we exercise here in the Congress. Let's protect the constitutional freedoms they are learning about in class, but currently unable to enjoy at the school football game.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res 199.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3064) "An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes."

SENSE OF CONGRESS THAT THE PRESIDENT SHOULD RECOMMEND ACTIONS FOR RELIEVING VICTIMS OF HURRICANE FLOYD

Mrs. FOWLER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 349) expressing the sense of the House of Representatives that the President should immediately transmit to Congress the President's recommendations for emergency response actions, including appropriate offsets, to provide relief and assistance to the victims of Hurricane Floyd.

The Clerk read as follows:

H. RES. 349

Resolved,

SECTION 1. FINDINGS.

The House of Representatives finds the following:

(1) Hurricane Floyd made landfall on the coast of North Carolina on September 15, 1999, as a category two hurricane.

(2) In the State of North Carolina alone, the hurricane caused the deaths of at least 50 individuals, damage to more than 40,000 homes, and billions of dollars in infrastructure damage and agricultural losses.

(3) Citizens of the States of Florida, Georgia, South Carolina, North Carolina, Virginia, Maryland, Delaware, Pennsylvania, New Jersey, New York, and Connecticut have registered for Federal disaster relief aid as a result of Hurricane Floyd.

(4) More than 6 weeks after this disaster, the citizens of these States continue to await critical assistance from the Federal government to rebuild their homes, businesses, and lives.

SEC. 2. SENSE OF THE HOUSE OF REPRESENTATIVES.

It is the sense of the House of Representatives that the President should immediately transmit to Congress the President's recommendations for emergency response actions, including appropriate offsets, to provide relief and assistance to the victims of Hurricane Floyd.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Mrs. FOWLER) and the gentleman from Ohio (Mr. TRAFICANT) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Mrs. FOWLER).

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill notes that the President should immediately transmit to Congress the President's recommendations for emergency response actions, including appropriate offsets, to provide relief and assistance to the victims of Hurricane Floyd.

On September the 14th, 1999, the State of Florida was staring Hurricane Floyd right in the face. Floyd was at that time packing winds of over 140 miles an hour. It was almost three times the size of Hurricane Andrew, which devastated southern Florida in 1992.

We should be thankful that Hurricane Floyd weakened and caused much less damage than initially seemed likely. But that is of little solace, however, to the victims of the heavy rains that Floyd delivered all along the East Coast.

In Florida alone, thousands of residents have registered for disaster assistance. They are among the tens of thousands of flood victims from Florida to Connecticut who need our assistance and need it quickly. However, before Congress can make certain that enough assistance is available, we need the President's estimate of how much additional money is required to meet the needs of these suffering individuals.

Unfortunately, the administration does not seem to think that this is an urgent matter. This resolution should change his mind. Now, if the President does not intend to propose any additional assistance because he believes no further aid is necessary, then we need to hear that. But I can tell my colleagues, based on what I know, we will need additional aid; and I would hope the executive branch, including the Federal Emergency Management Agency, can help us figure out an appropriate amount of assistance so that we can get the ball rolling.

The flooding caused by Floyd has victimized too many people. Let us not victimize them again. I urge support for this resolution.

Mr. Speaker, I yield the balance of my time to the gentleman from North Carolina (Mr. COBLE); and pending that, I ask unanimous consent that the gentleman from North Carolina be permitted to control this time.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Mr. TRAFICANT. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, Hurricane Floyd was the worst natural disaster in the history of our State, North Carolina. Six weeks after the flood waters reached the roof tops of almost 50,000 homes, destroying more than 6,500 homes, an excess of 72,000 North Carolina citizens have now applied to FEMA for help.

□ 1715

That is why I am a cosponsor of this resolution. We need the President to step up to the plate, and he has. We need the Congress to step up to the plate, and we have. But existing FEMA and Department of Agriculture resources are not enough. More is needed if North Carolina is to recover and then rebuild.

While I support this resolution and commend the gentleman from North Carolina (Mr. TAYLOR) for introducing it, I want to disassociate myself with some parts of it.

The resolution calls for the findings of offsets to fund the immediate need of hurricane victims. Such a requirement is inconsistent with the focus of current discussion about providing help. Both Congress and the President must work together, cooperate and pass emergency supplemental legislation. Mr. Speaker, we all know that emergency legislation does not require offsets. Moreover, emergency legislation does not require the President to act, but the Congress can act.

The people of North Carolina face major modifications in life as they have known it. Families have been uprooted. Farmers have been disrupted. Homeowners and business owners have been displaced. They need our help now, not in January. So we need the President and the Congress to work together to make sure that we pass emergency legislation for the people of North Carolina and other States affected by the recent disasters.

Let us take that step together with the administration. Let us do it without offsets. We do not need offsets. So let us pass this resolution to remind us that this is emergency funding that we need. And this really is not a matter of politics. This really is a matter of responding to an emergency.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

I rise today, Mr. Speaker, in support of this resolution. Between September 14 and 17 of this year, Hurricane Floyd ravaged the East Coast, depositing 18 inches of rain on sections of North Carolina, which had not yet begun to recover from the damages brought by Hurricane Dennis only 2 weeks earlier.

It is my understanding, Mr. Speaker, that over 72,000 North Carolinians have registered for Federal disaster assistance. Yet 6 weeks after the disaster, the 11 States that were declared disaster areas continue to await Federal aid.

The Congress is not equipped nor tasked with the responsibility of assessing and estimating natural disasters. This is the job of the executive branch in conjunction with the States. As such, we depend on its expertise when trying to respond to tragedies of this nature, and that is what has brought us here today. President Clinton visited North Carolina almost 5 weeks ago and promised our folks there that, We would help them every step of the way. Well, Mr. Speaker, our folks are still waiting for this help.

The resolution before us today requests that the President immediately transmit to Congress the President's recommendations for emergency response actions, including appropriate offsets, to provide relief and assistance to the victims of Hurricane Floyd. I certainly hope this request does not fall upon deaf ears, because the individuals victimized by this disaster are desperately waiting for our help.

Now, on the issue of offsets, some folks up here, Mr. Speaker, call me a Johnny-One-Note when it comes to the subject of imprudent spending. But when I look at the natural disasters that have plagued our Nation in the last few years, I become frustrated that we have such a difficult time helping our own folks but can find billions of dollars to send overseas for matters such as Kosovo.

Now, I think Kosovo spending is appropriate to mention regarding this resolution, because funds which have already been spent for the Kosovo effort would likely address the needs of the thousands of suffering eastern North Carolinians. But, unfortunately, that fiscal horse is out of the barn. In the future, I hope that we in the Congress, and President Clinton, will carefully and deliberately approach involvement in foreign conflicts prior to spending American taxpayer monies imprudently and recklessly.

As many people know, I was an ardent opponent of our involvement in Kosovo from the very beginning. And this operation, which has cost $6.5 billion, not including what we spent for operations in Bosnia and Haiti, would have adequately addressed the needs of the people of North Carolina, and most of those in other disaster-designated areas along the Eastern Seaboard.

If our government, Mr. Speaker, and I hate to be this critical, but if our government would behave like most American families and save for a rainy day, we would not be standing here 6 weeks after the disasters have wiped out eastern North Carolina begging the President to send us his request. But here we are. And I hope and pray, Mr. Speaker, that before the next 6 weeks pass, the Clinton administration will send us a package so that we can evaluate it and assist our citizens who so desperately need our help.

Finally, Mr. Speaker, I do not want to let this opportunity pass without expressing thanks to the United States Coast Guard for the outstanding job they did. Right now these men and women are working day and night on search and recovery operations resulting from the downing of Egypt Air Flight 990. During Hurricane Floyd, Mr. Speaker, Coast Guard men and women risked their lives to rescue people across eastern North Carolina. And not unlike other Members in this body, I believe this great service that they provide to our country is often overlooked, and I want to recognize that to that end.

I hope, Mr. Speaker, that this Hurricane Floyd problem can be resolved quickly and appropriately.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, let me first express gratitude to the administration and to the Congress for the actions already taken to relieve the suffering of the victims of Hurricane Floyd and to help rebuild North Carolina and other affected States.

Our people are getting help, and I want to specifically thank the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN) for their work to replenish FEMA's disaster account in the VA-HUD appropriations bill to make sure emergency aid will not be delayed. I want to thank the gentleman from New Mexico (Mr. SKEEN), the gentlewoman from Ohio (Ms. KAPTUR), and Secretary Glickman for their work to ensure that our farm families get a fair share of the limited disaster assistance in the agriculture appropriations bill. And we are deeply grateful for the dedication FEMA administrator James Lee Witt has demonstrated in service to our people.

The problem is that the Agriculture Department's and FEMA's existing programs are not sufficient to the present need. Not everyone is being helped, and not everyone is getting the level of help that they need.

This Congress has no business adjourning without finishing the job of addressing the immediate needs created by this disaster, and I want to do all I can to make sure the Federal Government does its part, as we have with other disasters in the past.

We in Congress need to work in cooperation with the administration to help the victims of Hurricane Floyd get back on their feet, rebuild, and recover from their losses. In doing so, we can restore their faith in the future.

The administration and Governor Jim Hunt have been working together to meet North Carolina's needs within existing programs to the maximum extent possible. In the process, they are reaching hard conclusions about what additional funding and authority will be necessary to meet the challenge in North Carolina and other States. I have strongly encouraged the President to expedite this process, for North Carolina and the other States, and to recommend to Congress the legislation necessary to respond. I am an optimist. I believe the administration and Congress will in fact cooperate and will in fact finish this job.

I must say, though, that I have reservations that this resolution seems to create a new orthodoxy in the House that no supplemental or emergency appropriation is in order unless requested by the President. That simply is not so.

In May, in fact, the House passed a supplemental appropriations bill that included $4.75 billion for the Department of Defense that the President did not request. We approved $332 million in agricultural funds that included livestock disaster assistance, housing repair, and flood operations, all items similar to what we are seeking for Floyd victims, and not one dime of that was asked for by the President. We included $1.3 billion in FEMA aid, including funds for the unmet need accounts, although the President requested no unmet needs program. The FEMA disaster relief item included $528 million more than the President had asked for. In total, the Congress approved more than $5 billion in excess of the administration's request. And by the same token, the Congress declined to appropriate many items that the President did recommend.

My point, Mr. Speaker, is simple. Congress is not bound by the President's recommendations; neither is Congress prohibited from acting on a need prior to a presidential request. The House Committee on Appropriations did act in late September, at my request, to approve $508 million that the administration had not yet requested for Hurricane Floyd relief for farmers in the Labor-HHS-Education appropriations bill, and OMB subsequently endorsed that proposal. It is still unclear to me why the congressional leadership chose to strip those funds from that bill, which was cleared for the President this morning by the other body.

So I hope this resolution is not intended to create a new requirement of a presidential request for disaster funding. This is a straitjacket the House has appropriately avoided in the past. It is one we should avoid with the Hurricane Floyd disaster and disasters in the future.

Mr. Speaker, I choose to interpret this resolution as simply affirming that Congress and the President need to work together to respond to the suffering of the victims of Hurricane Floyd and to help rebuild the States that suffered Floyd's wrath. I hope that by passing this resolution we can get past any differences and move forward together to finish the job of assisting the victims of this terrible disaster.

Mr. COBLE. Mr. Speaker, may I ask of the Chair the amount of time I have remaining.

The SPEAKER pro tempore (Mr. LAHOOD). Both sides have 13½ minutes remaining.

Mr. COBLE. Mr. Speaker, I yield 1½ minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for yielding me this time; and, Mr. Speaker, I want to point out that, as has already been indicated, there has been a terrible toll from Florida to North Carolina to New Jersey and beyond. Families have suffered dreadfully, even those beyond the television camera lenses.

Mr. Speaker, I want to say in strong support of this resolution that Hurricane Floyd wreaked havoc upon the Atlantic Seaboard with a path of destruction that included 11 States, yet 6 weeks since the disaster we are still awaiting Federal aid. That has already been outlined.

I want to stress here and bring to the attention not only of the House but to the President that I have introduced, along with the gentlewoman from North Carolina (Mrs. CLAYTON) and many other Members, legislation to provide FEMA grants to small businesses and farms that have been affected by this disaster. It would be a one-time grant, but one that is absolutely essential now for those poor farmers and those poor small businessmen who have exceeded any loan possibilities.

I hope that this will be taken into consideration and it will be recognized that the President can come forward as soon as possible with a range of pieces of help that would include this one-time grant relief that the gentlewoman from North Carolina (Mrs. CLAYTON) and I have proposed.

Mr. Speaker, I rise today in strong support of H. Res. 349, expressing the sense of the House that the President immediately inform Congress of his plans to respond, with appropriate offsets, to the emergency created by Hurricane Floyd.

My Colleagues, as I rise in this House this afternoon, it is raining—and raining hard—once again in North Carolina. I want my colleagues to know how deeply we feel for the flood-ravaged people in eastern and central North Carolina. We must not diminish their suffering, nor the attention they so richly deserve.

But, Mr. Speaker, not all of Floyd's damage shared the spotlight of national attention. This storm took a terrible, hidden, toll in communities far from the television camera lens. From Florida to North Carolina to New Jersey and beyond!

All four of my counties in northern New Jersey suffered some damage as a result of Floyd. The worst damage was in Bergen County—in northeastern New Jersey. Rivers and streams overflowed their banks and submerged whole neighborhoods and business districts. Dams burst. Bridges washed out. Roads were damaged. Municipal buildings and police stations were inundated. The drinking water system was compromised. And the telephone infrastructure was paralyzed for several days due to flooding at a key switching facility in Rochelle Park.

Newspaper reports just this morning pin the public and private damage from Floyd at around $400 million in Bergen County alone.

Mr. Speaker, Hurricane Floyd wreaked havoc up and down the Atlantic seaboard leaving a path of destruction, death and despair. Eleven states have registered for federal disaster aid. But in the six weeks since the disaster, many still await federal aid.

It is obvious from damage assessments that much more aid than currently exists will be needed. The President must come together with Congress and respond to this unprecedented disaster in a fiscally responsible manner.

Mr. Speaker, small businesses and farms are the backbone of the economic life of many of our communities. Federal assistance only in the form of loans is available for these hard working families and many can not afford to take on the extra financial burden.

I also want to bring to attention of this House and the President that I have introduced legislation, along with Congresswoman CLAYTON and many other Members, to provide FEMA grants to small businesses and farms that have been affected by this disaster. It is our intent that this is a one-time grant for a one-time disaster. Our bill would:

Make FEMA grants available up to $20,000 to replace non-insured contents and inventory or repairs as a result of a disaster.

Grants would only be available to small business owners and farmers for emergency needs for a period of 90 days after the Presidents declares a natural disaster.

Small businesses and agricultural enterprises would only be allowed one grant and would not be eligible for grants for any subsequent disaster.

Any business accepting a grant must purchase and maintain flood insurance.

Any business accepting a grant can not use the grant to relocate outside of the community except for federally approved mitigation purposes.

Our bill will be an important component of the relief package for victims of Hurricane Floyd and I strongly urge the President to come forward as soon as possible with a responsible and broad-based response to the disaster that includes this grant relief caused by Hurricane Floyd.

Mr. TRAFICANT. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. ETHERIDGE).

□ 1730

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise today on behalf of thousands of North Carolinians that were devastated by Hurricane Floyd and the floodwaters that followed. It is simply wrong that the lives of these victims have been caught up in this year-end game being played out over the budget.

The lesson here is clear: If they are going to have a disaster, have it early in the appropriations process or risk being thrown around like a hot potato.

I am going to support this resolution today because I believe the administration has a responsibility to come forward with recommendations for a relief package, and I have personally written the President and asked him to do so. But I cannot help but wonder if this resolution is just another rhetorical shot in the Republican leadership's war with the White House over the budget.

We all know we do not have to wait on the President to begin the process. The governor of North Carolina, working closely with FEMA Director James

Lee Witt and other Federal agencies, has provided Congress a strong and critical disaster package. We ought to be using that package to move the process forward.

We do not have to wait for the President. We do not work for the President. We work for the people. I have looked into the eyes of people who have lost everything, Mr. Speaker. The wife who lost her husband, the farmer who lost his crop, the thousands of men, women and children who have lost every possession that they own simply do not have the time for the petty politics being played out here in Washington. They do not care whether it is the President, the Congress, or Santa Claus who brings them relief. They just know they need it and they need it now.

People who are wearing borrowed clothes, who are living in temporary trailers, who are out of work, who have lost their businesses, their possessions, and in some cases at least 50 of their loved ones, these people do not care who proposes, they do not care who disposes. All they care about is getting help that they need to get back on their feet.

I am going to support this resolution. This symbolic gesture is fine and good, but the victims of these disasters need more than symbols. They need money, and they need it now. We need to do more than talk about passing resolutions. We need to act. We need to work together, the President and Congress, to make the future a little brighter for the people of North Carolina and the other States who have lost so much.

I, for one, am committed to working with all of my colleagues, Democrats, Republicans and the administration, to craft and pass a disaster relief package that we can all be proud of.

Mr. COBLE. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Speaker, I rise in support of this resolution and requesting the President to get his request down here to Congress so we can act.

People in North Carolina are really hurting badly. We have heard this before, but I was down there the last couple of days going throughout the area and people are living in homes because they have nowhere else to go that are full of mold. They are starting to get bad respiratory infections. The farmers that are just totally devastated do not know which way to turn or where they are going to go to get help. This story goes on and on. It does not matter what county they are in.

I kept hearing the phrase, "You never seem to have any trouble sending the money overseas to those foreign countries. Why in the world can't you seem to get some down here to help us?" And that is kind of hard to explain.

So I, again, am here in support of this resolution and hope that we can move quickly on this, because people's lives are on hold. They are literally just waiting for some help.

Mr. TRAFICANT. Mr. Speaker, might I inquire about the balance of time?

The SPEAKER pro tempore (Mr. LaHood). Each side has 11 minutes remaining.

Mr. TRAFICANT. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Ohio (Ms. Kaptur), a dynamic woman.

Ms. KAPTUR. Mr. Speaker, I thank the dynamic ranking member for yielding me this time.

Mr. Speaker, I wish to rise in support of this resolution, with full knowledge that the resolution itself is harmless. It basically says we hope the President will work with us on this, but the truth is that this Congress several times this year has had the opportunity to appropriate the money to help the victims in North Carolina, the farmers who have suffered drought related losses all across this country, and we have consistently failed to do that every month.

In fact, in the bill that our committee has responsibility for, the appropriations bill, our committee was dismissed and never called back as Members waited to offer amendments to deal with the serious situation in North Carolina, and the bills that passed in prior weeks here have not accommodated the full range of losses across this country.

So, in a way, I guess it is good to shift the buck up the street, but the truth is that we in the Congress have the power, we have had the power, and there was no reason for our committees to be discharged of their duties.

So those of us who have been to many of these regions recognize the huge losses that exist out there both in life, limb, and property. And it is unconscionable that this Congress would be fiddling around in the closing days of this first session of the 106th Congress in passing a resolution that has no money attached to it when in fact we have had several opportunities to do that.

I would just say to the gentleman from North Carolina, I hope that he would agree to regular order and that the committees of jurisdiction be allowed to act and to meet the needs of the Nation as this resolution is brought forward.

I would also like to enter into the Record the lopsided picture of what is wrong with the bills that have been passed prior this year that do not fully deal with the loss situation affecting regions across this country, not just those that have been affected by Hurricane Floyd, but regions that have truly suffered from drought and economic loss all across rural America. We actually let a two-legged dog get through here and passed it a few weeks ago, but it certainly does not deal with the range of losses across our country.

News From Congresswoman Marcy Kaptur

LOPSIDED FARM BILL: WHAT'S WRONG WITH THIS PICTURE?

The lopsided $8.7 billion fiscal 2000 Agricultural Appropriations relief bill fails to link the major share of assistance to farmer hardship or loss. It provides only $1.2 billion for natural disaster relief across our entire nation. It does not include needed funds for hurricane losses in North Carolina. Yet it then targets $5.5 billion in Agricultural Market Transition Act (AMTA) payments to certain farmers with $1.2 billion of these payments going to just five Congressional Districts. Forty percent of all AMTA payments—$2.2 billion—will be distributed in only five states: Iowa, Texas, Illinois, Nebraska and Kansas.

Five Congressional Districts get as much money in AMTA payments as is available for the entire nation for natural disaster assistance. These AMTA payments will not go to farmers who lost their crops. They go to people who signed production contracts with USDA three years ago based on the average of acreage planted between 1991 and 1995, even though some of them are no longer even actively involved in farming. And this $5.5 billion is added on top of $3 billion in similar payments that were made last year. Taxpayers are now paying more to assist farmers with economic losses than they were before Freedom to Farm was passed in 1996.

Some of us tried to argue that money should be targeted towards those farmers who have suffered the greatest losses. That means starting with the people who have had their entire crops wiped out by drought or Hurricane Floyd, regardless of what they produce.

You may remember hearing during debate that Congress had to pass this bill because "we can't delay payments to farmers." Yet the Republican-led Congress has delayed this bill all year long as rural America faces crisis. Natural disaster victims and those who suffered real losses should be the people who are first in line. This bill does them no justice.

Rather, the first to receive the largest share of taxpayer-borne benefits are individuals who planted and harvested a crop for which they are being paid under "Freedom to Farm". Some people who are no longer actively involved in farming at all will receive payments. These are the people who can expect their check just two weeks after this bill is signed into law, while those who may have lost everything will have to wait! Even then, producers who may have lost everything will get only cents on the dollar, while others who did not suffer natural disasters will get a doubling of payments for crops they harvested or didn't have to plant.

And because of the prejudice in the bill against livestock, dairy, specialty crop and non-feed grain production, some farmers who suffered huge economic losses will receive almost nothing.

Fatal flaws exist with our farm disaster response mechanism. Crop insurance either doesn't provide the right coverage, or in the case of many fruit, vegetable, and livestock producers it doesn't provide any coverage. And while the assistance Congress did provide will certainly be helpful to some, since there isn't enough money to go around, the first applicant doesn't get a penny until the last application is processed. Continuing federal bailouts for failed farm policy is not the solution. Farmers need help in moving value-added products to market. And antitrust laws need to be applied to agriculture to create a competitive playing field for farmers. This bill accomplishes none of these goals.

I and many of our colleagues in the Agricultural Appropriations Conference were prepared to offer amendments to try to begin to address the real dimensions of the crisis. We were never given the chance. We were sent away while a few members handpicked by the majority leaders negotiated this bogus deal without consultation with members of the conference committee or with USDA. And they produced a lopsided deal whereby some of the largest, most profitable farms will be among the bill's biggest beneficiaries. Philip Brasher, the AP Farm Writer notes, "an individual farm could claim up to $460,000 in subsidies a year—double the current restriction," and the bill "creates a new loophole for producers to get around" any cap. The Wichita Eagle quoted one farmer who said "I probably would have made it without the relief, but I am sure glad to get it."

Agriculture is vital to our nation and to world trade. Farmers deserve a fair price for their production, and I certainly agree that farm prices are so low that many producers may be forced out of business without some help. That principle applies from the largest wheat producer to the smallest blueberry producer, from the grandest corn farm to the smallest livestock feed lot. Farmer should not be pitted against farmer, or commodity against commodity. That is the grossest violation of the spirit of Freedom to Farm, along with its exorbitant rising costs.

Every person should know more about what it takes to produce the food that we find in our grocery stores, our restaurants, our school cafeterias, our hospitals, and our homes. If it wasn't for the farmer, many more than just Old Mother Hubbard would find their cupboards are bare. I urge all of my colleagues to demand that equity be restored to our farm programs. Our first resolution of the new millennium should be using food policy to build a sustainable future, not a politically expedient deal.

PRODUCTION FLEXIBILITY CONTRACT (PFC) AND MARKET LOSS ASSISTANCE PAYMENTS (MLA) AS OF OCTOBER 12, 1999

State	1996 PFC	1997 PFC	1998 PFC	1998 MLA	1999 PFC
Alabama	40,467,520	38,637,285	39,652,395	19,680,513	38,391,391
Alaska	113,113	95,744	154,628	75,909	142,563
Arizona	48,636,715	41,342,850	42,505,051	20,979,038	41,248,942
Arkansas	270,218,405	255,665,945	269,503,828	133,470,899	261,207,857
California	214,426,465	194,536,442	200,724,584	99,587,621	194,572,135
Colorado	99,060,318	101,549,848	96,113,822	47,737,482	92,403,334
Connecticut	657,596	1,277,726	966,990	480,786	898,918
Delaware	4,078,892	5,767,472	4,656,452	2,314,615	4,531,736
Florida	7,674,380	8,611,463	8,218,456	4,055,333	7,938,618
Georgia	78,967,887	78,301,242	78,636,870	38,960,173	76,801,353
Idaho	88,020,599	66,870,229	69,767,907	34,591,091	68,048,964
Illinois	336,934,970	591,872,146	468,976,183	233,055,424	453,786,170
Indiana	167,654,680	292,306,113	231,267,914	114,828,722	223,747,809
Iowa	350,204,031	680,482,273	535,614,804	266,154,282	519,964,728
Kansas	422,164,508	416,585,321	398,275,458	197,861,866	386,393,943
Kentucky	44,131,781	69,425,501	58,096,735	28,869,581	56,318,672
Louisiana	142,444,729	136,690,573	142,032,423	70,385,588	137,002,688
Maine	635,174	1,095,546	881,945	436,922	841,779
Maryland	13,191,365	19,553,845	15,820,657	7,855,606	15,362,962
Massachusetts	418,824	803,624	624,087	310,149	573,344
Michigan	77,447,224	122,137,888	98,680,357	48,964,748	94,661,227
Minnesota	261,553,161	383,872,571	325,271,980	161,603,801	314,081,476
Mississippi	141,277,996	128,368,053	134,540,137	66,671,827	130,768,145
Missouri	153,285,922	191,717,004	177,033,330	87,876,328	172,221,428
Montana	161,753,555	120,285,965	128,284,315	63,688,586	123,519,045
Nebraska	303,285,725	490,124,795	400,684,537	199,131,540	388,298,130
Nevada	1,292,856	975,910	966,266	480,632	892,455
New Hampshire	298,590	579,581	443,156	220,246	416,553
New Jersey	2,282,197	3,506,792	2,799,291	1,392,834	2,614,370
New Mexico	20,730,461	22,034,510	20,138,880	9,985,810	19,262,720
New York	23,103,691	38,975,280	30,722,830	15,255,562	29,335,341
North Carolina	59,249,242	70,831,744	63,870,858	31,699,576	61,452,996
North Dakota	309,725,393	245,064,378	247,571,781	123,043,118	241,086,814
Ohio	124,604,065	193,394,113	157,377,107	78,207,627	152,049,988
Oklahoma	186,662,781	144,934,642	151,801,266	75,381,123	145,750,351
Oregon	45,904,919	34,101,905	36,906,952	18,316,880	35,452,257
Pennsylvania	17,640,039	30,342,086	23,856,680	11,844,120	22,706,512
Rhode Island	22,996	42,700	32,620	16,219	31,167
South Carolina	29,480,189	31,484,492	29,833,675	14,814,764	28,697,339
South Dakota	151,923,144	183,138,057	161,761,468	80,363,059	157,964,862
Tennessee	54,024,748	58,275,295	56,163,498	27,921,231	54,463,897
Texas	487,910,686	499,061,577	489,390,775	242,987,274	471,675,111
Utah	8,220,349	7,087,833	7,528,915	3,743,473	7,190,709
Vermont	1,023,526	1,945,013	1,494,511	742,676	1,435,527
Virginia	19,540,254	25,449,752	21,871,161	10,838,183	20,927,048
Washington	116,986,240	87,803,692	93,801,146	46,568,383	89,011,067
West Virginia	1,631,977	2,813,180	2,228,698	1,107,232	2,117,358
Wisconsin	86,504,956	159,860,721	125,601,573	62,437,805	120,841,099
Wyoming	9,062,684	8,587,674	8,607,507	4,283,253	8,187,045
Total	5,186,431,518	6,288,268,390	5,661,756,462	2,811,279,510	5,477,289,938

This page was created by Bradley Karmen on June 24, 1999 and updated on October 13, 1999.

EXPECTED MARKET LOSS PAYMENTS FOR FY 1999

Representative, State, and District	1999 Supplemental Payment
Ackerman, Gary L.: NY—05	$21,000
Aderholt, Robert B.: AL—04	4,736,000
Allen, Thomas H.: ME—01	165,000
Andrews, Robert E.: NJ—01	465,000
Archer, Bill: TX—07	2,454,000
Armey, Richard K.: TX—26	4,318,000
Bachus, Spencer: AL—06	710,000
Baird, Brian: WA—03	1,291,000
Baker, Richard H.: LA—06	3,502,000
Baldacci, John Elias: ME—02	771,000
Baldwin, Tammy: WI—02	40,091,000
Ballenger, Cass: NC—10	1,642,000
Barcia, James A.: MI—05	27,292,000
Barr, Bob: GA—07	663,000
Barrett, Bill: NE—03	306,519,000
Barrett, Thomas M.: WI—05	30,000
Bartlett, Roscoe G.: MD—06	2,927,000
Barton, Joe: TX—06	4,188,000
Bass, Charles F.: NH—02	450,000
Bateman, Herbert H.: VA—01	4,412,000
Becerra, Xavier: CA—30	46,000
Bentsen, Ken: TX—25	2,454,000
Bereuter, Doug: NE—01	122,501,000
Berkley, Shelley: NV—01	12,000
Berman, Howard L.: CA—26	46,000
Berry, Marion: AR—01	173,946,000
Biggert, Judy: IL—13	6,111,000
Bilbray, Brian P.: CA—49	19,000
Bilirakis, Michael: FL—09	10,000
Bishop, Sanford D., Jr.: GA—02	37,418,000
Blagojevich, Rod R.: IL—05	322,000
Bliley, Thomas J., Jr.: VA—07	2,066,000
Blumenauer, Earl: OR—03	186,000
Blunt, Roy: MO—07	5,260,000
Boehlert, Sherwood, L.: NY—23	3,882,000
Boehner, John A.: OH—08	24,549,000
Bonilla, Henry: TX—23	11,776,000
Bonior, David E.: MI—10	2,072,000
Bono, Mary: CA—44	2,039,000
Boswell, Leonard L.: IA—03	99,245,000
Boucher, Rick: VA—09	1,004,000
Boyd, Allen: FL—02	3,681,000
Brady, Kevin: TX—08	6,740,000
Brady, Robert A.: PA—01	43,000
Brown, Corrine: FL—03	66,000
Brown, George E., Jr.: CA—42	2,000
Brown, Sherrod: OH—13	3,970,000
Bryant, Ed: TN—07	10,386,000
Burr, Richard M.: NC—05	1,646,000
Burton, Dan: IN—06	27,257,000
Buyer, Stephen E.: IN—05	75,152,000
Callahan, Sonny: AL—01	4,750,000
Calvert, Ken: CA—43	2,039,000
Camp, Dave: MI—04	20,415,000
Campbell, Tom: CA—15	45,000
Canady, Charles T.: FL—12	107,000
Cannon, Chris: UT—03	1,607,000
Capps, Lois: CA—22	653,000
Capuano, Michael: MA—08	31,000
Cardin, Benjamin L.: MD—03	950,000
Carson, Julia: IN—10	484,000
Castle, Michael N.: DE—00	5,070,000
Chabot, Steve: OH—01	196,000
Chambliss, Saxby: GA—08	17,046,000
Chenoweth, Helen: ID—01	19,658,000
Clay, William (Bill): MO—01	331,000
Clayton, Eva M.: NC—01	38,531,000
Clement, Bob: TN—05	1,543,000

EXPECTED MARKET LOSS PAYMENTS FOR FY 1999—Continued

Representative, State, and District	1999 Supplemental Payment
Clyburn, James E.: SC—06	18,359,000
Coble, Howard: NC—06	1,164,000
Coburn, Tom A.: OK—02	6,003,000
Collins, Mac: GA—03	264,000
Combest, Larry: TX—19	105,448,000
Condit, Gary A.: CA—18	36,180,000
Conyers, John, Jr.: MI—14	93,000
Cook, Merrill: UT—02	188,000
Cooksey, John: LA—05	66,373,000
Costello, Jerry F.: IL—12	18,249,000
Coyne, William J.: PA—14	24,000
Cramer, Robert E. "Bud", Jr.: AL—05	11,791,000
Crane, Philip M.: IL—08	1,032,000
Cubin, Barbara: WY—00	7,583,000
Cummings, Elijah E.: ME—07	627,000
Cunningham, Randy "Duke": CA—51	19,000
Danner, Pat: MO—06	45,003,000
Davis, Danny K.: IL—07	322,000
Davis, Jim: FL—11	7,000
Davis, Thomas M. III: VA—11	117,000
Deal, Nathan: GA—09	527,000
DeFazio, Peter A.: OR—04	1,019,000
DeGette Diana: CO—01	4,092,000
Delahunt, William D.: MA—10	53,000
DeLauro, Rosa L.: CT—03	82,000
DeLay, Tom: TX—22	13,123,000
DeMint, Jim: SC—04	254,000
Dickey, Jay: AR—04	45,782,000
Dicks, Norman D.: WA—06	30,000
Dingell, John D.: MI—16	2,979,000
Dixon, Julian C.: CA—32	46,000
Doggett, Lloyd: TX—10	1,161,000
Dooley, Calvin M.: CA—20	60,371,000
Doolittle, John T.: CA—04	7,295,000
Doyle, Michael F.: PA—18	24,000
Dreier, David: CA—28	46,000
Duncan, John J., Jr.: TN—02	655,000
Dunn, Jennifer: WA—08	25,000
Edwards, Chet: TX—11	15,052,000
Ehlers, Vernon J.: MI—03	6,444,000
Ehrlich, Robert L., Jr.: MD—02	1,287,000
Emerson, Jo Ann: MO—08	55,413,000
Engel, Eliot L.: NY—17	2,000
English, Philip: PA—21	2,557,000
Eshoo, Anna G.: CA—14	45,000
Etheridge, Bob: NC—02	9,917,000
Evans, Lane: IL—17	108,911,000
Everett, Terry: AL—02	9,623,000
Ewing, Thomas W.: IL—15	107,926,000
Farr, Sam: CA—17	610,000
Fattah, Chaka: PA—02	43,000
Filner, Bob: CA—50	19,000
Fletcher, Ernest L.: KY—06	3,394,000
Foley, Mark: FL—16	445,000
Forbes, Michael P.: NY—01	21,000
Ford, Harold E., Jr.: TN—09	1,405,000
Fowler, Tillie K.: FL—04	21,000
Frank, Barney: MA—04	185,000
Franks, Bob: NJ—07	341,000
Frelinguysen, Rodney P.: NJ—11	393,000
Frost, Martin: TX—24	4,835,000
Gallegly, Elton: CA—23	19,000
Ganske, Greg: IA—04	65,138,000
Gejdenson, Sam: CT—02	687,000
Gekas, George W.: PA—17	3,319,000
Gephardt, Richard A.: MO—03	1,267,000
Gibbons, Jim: NV—02	863,000
Gilchrest, Wayne T.: MD—01	11,664,000
Gillmor, Paul E.: OH—05	44,141,000
Gilman, Benjamin A.: NY—20	556,000
Gonzalez, Henry B.: TX—20	770,000
Goode, Virgil H., Jr.: VA—05	2,496,000
Goodlatte, Robert W. (Bob): VA—06	1,249,000
Goodling, William F.: PA—19	2,888,000
Gordon, Bart: TN—06	2,091,000
Graham, Lindsey O.: SC—03	1,496,000
Granger, Kay: TX—12	1,075,000
Green, Gene: TX—29	2,454,000
Green, Mark: WI—08	17,297,000
Greenwood, James C.: PA—08	539,000
Gutierrez, Luis V.: IL—04	322,000
Gutknecht, Gilbert W.: MN—01	97,092,000
Hall, Ralph M.: TX—04	11,117,000
Hall, Tony P.: OH—03	1,579,000
Hansen, James V.: UT—01	4,837,000
Hastert, J. Dennis: IL—14	45,115,000
Hastings, "Doc": WA—04	28,952,000
Hastings, Alcee L.: FL—23	376,000
Hayes Robin: NC—08	8,925,000
Hayworth, J.D.: AZ—06	25,592,000
Hefley, Joel: CO—05	1,295,000
Herger, Wally: CA—02	20,518,000
Hill, Baron: IN—09	29,108,000
Hill, Rick: MT—00	106,649,000
Hilleary, Van: TN—04	4,900,000
Hilliard, Earl F.: AL—07	4,488,000
Hinchey, Maurice D.: NY—26	2,440,000
Hinojosa, Ruben: TX—15	27,749,000
Hobson, David L.: OH—07	31,685,000
Hoeffel, Joe: PA—13	231,000
Hoekstra, Peter: MI—02	9,600,000
Holden, Tim: PA—06	2,779,000
Holt, Rush: NJ—12	1,219,000
Hooley, Darlene: OR—05	1,973,000
Horn, Stephen: CA—38	46,000
Hostettler, John N.: IN—08	32,629,000
Houghton, Amo: NY—31	7,728,000
Hoyer, Steny H.: MD—05	690,000
Hulshof, Kenny C.: MO—09	36,451,000
Hunter, Duncan: CA—52	3,957,000
Hutchinson, Asa: AR—03	672,000
Hyde, Henry J.: IL—06	569,000
Inslee, Jay: WA—01	158,000
Isakson, John: GA—06	5,000
Istook, Ernest J., Jr.: OK—05	14,878,000
Jackson, Jesse L., Jr.: IL—02	322,000
Jenkins, William L.: TN—01	748,000
John, Christopher: LA—07	51,089,000
Johnson, Eddie Bernice: TX—30	546,000
Johnson, Nancy L.: CT—06	632,000
Johnson, Sam: TX—03	2,558,000
Jones, Stephanie Tubbs: OH—11	2,000
Jones, Walter B., Jr.: NC—03	26,186,000
Kanjorski, Paul E.: PA—11	2,570,000
Kaptur, Marcy: OH—09	11,899,000
Kasich, John R.: OH—12	6,496,000
Kelly, Sue W.: NY—19	683,000
Kennedy, Patrick J.: RI—01	13,000
Kildee, Dale E.: MI—09	4,526,000
Kilpatrick, Carolyn C.: MI—15	93,000
Kind, Ron: WI—03	38,628,000
Kingston, Jack: GA—01	6,959,000
Kleczka, Gerald D.: WI—04	1,677,000
Klink, Ron: PA—04	1,447,000
Knollenberg, Joe: MI—11	355,000
Kolbe, Jim: AZ—05	15,779,000
Kucinich, Dennis J.: OH—10	2,000
Kuykendall, Steven T.: CA—36	46,000
LaFalce, John J.: NY—29	5,126,000
LaHood, Ray: IL—18	90,297,000
Lampson, Nick: TX—09	14,232,000
Largent, Steve: OK—01	844,000
Larson, John B.: CT—01	342,000
Latham, Tom: IA—05	227,822,000
LaTourette, Steven C.: OH—19	902,000
Lazio, Rick A.: NY—02	21,000
Leach, James A.: IA—01	56,471,000
Lee, Barbara: CA—09	109,000
Lee, Sheila Jackson: TX—18	2,454,000
Levin, Sander M.: MI—12	839,000
Lewis, Jerry: CA—40	2,000
Lewis, John: GA—05	0
Lewis, Ron: KY—02	15,105,000
Linder, John: GA—11	872,000
Lipinski, William O.: IL—03	322,000
LoBiondo, Frank A.: NJ—02	972,000
Lofgren, Zoe: CA—16	45,000
Lowey, Nita M.: NY—18	2,000
Lucas, Frank D.: OK—06	88,953,000
Lucas, Kenneth: KY—04	3,007,000
Luther, William (Bill): MN—06	5,540,000
Maloney, James H.: CT—05	57,000
Manzullo, Donald A.: IL—16	34,750,000
Markey, Edward J.: MA—07	31,000
Martinez, Matthew G.: CA—31	46,000
Mascara, Frank: PA—20	1,120,000
Matsui, Robert T.: CA—05	4,716,000
McCarthy, Karen: MO—05	653,000
McCollum, Bill: FL—08	5,000
McCrery, Jim: LA—04	10,064,000
McDermott, Jim: WA—07	24,000
McGovern, James P.: MA—03	283,000
McHugh, John M.: NY—24	3,553,000
McInnis, Scott: CO—03	4,517,000
McIntosh, David M.: IN—02	39,744,000
McIntyre, Mike: NC—07	8,277,000
McKeon, Howard P. "Buck": CA—25	46,000
McKinney, Cynthia A.: GA—04	2,000
McNulty, Michael R.: NY—21	2,075,000
Meehan, Martin T.: MA—05	198,000
Menendez, Robert: NJ—13	164,000
Metcalf, Jack: WA—02	475,000
Millender-McDonald, Juanita: CA—37	46,000
Miller, Dan: FL—13	10,000
Miller, Gary G.: CA—41	48,000
Miller, George: CA—07	2,802,000
Minge, David: MN—02	157,170,000
Moakley, John Joseph: MA—09	155,000
Mollohan, Alan B.: WV—01	311,000
Moore, Dennis: KS—03	2,837,000
Moran, Jerry: KS—01	288,220,000
Morella, Constance A.: MD—08	764,000
Murtha, John P.: PA—12	3,058,000
Myrick, Sue: NC—09	456,000
Napolitano, Grace F.: CA—34	46,000
Neal, Richard E.: MA—02	310,000
Nethercutt, George R., Jr.: WA—05	56,771,000
Ney, Robert W.: OH—18	8,354,000
Northup, Anne M.: KY—03	85,000
Norwood, Charles: GA—10	6,626,000
Nussle, Jim: IA—02	146,148,000
Oberstar, James L.: MN—08	11,425,000
Obey, David R.: WI—07	17,486,000
Olver, John W.: MA—01	527,000
Ortiz, Solomon P.: TX—27	21,226,000
Ose, Doug: CA—03	83,019,000
Oxley, Michael G.: OH—04	33,503,000
Packard, Ron: CA—48	2,057,000
Pallone, Frank, Jr.: NJ—06	369,000
Pastor, Ed: AZ—02	29,177,000
Paul, Ron: TX—14	69,843,000
Pease, Edward A.: IN—07	38,639,000
Peterson, Collin C.: MN—07	88,817,000
Peterson, John E.: PA—05	4,442,000
Petri, Thomas E.: WI—06	28,236,000
Phelps, David D. IL—19	87,637,000
Pickering, Charles W. "Chip": MS—03	5,964,000
Pickett, Owen B.: VA—02	504,000
Pitts, Joseph R.: PA—16	1,223,000
Pombo, Richard W.: CA—11	9,099,000
Pomeroy, Earl: ND—00	215,998,000
Porter, John Edward: IL—10	1,032,000
Portman, Rob: OH—02	5,381,000
Price, David E.: NC—04	549,000
Pryce, Deborah: OH—15	10,123,000
Quinn, Jack: NY—30	736,000
Radanovich, George P.: CA—19	36,953,000
Rahall, Nick J. II: WV—03	381,000
Ramstad, Jim: MN—03	9,556,000
Regula, Ralph: OH—16	8,156,000
Reyes, Silvestre: TX—16	300,000
Riley, Bob: AL—03	1,440,000
Rivers, Lynn Nancy: MI—13	2,491,000
Rodriguez, Ciro D.: TX—28	9,099,000
Roemer, Timothy J: IN—03	17,020,000
Rogan, James E.: CA—27	46,000
Rogers, Harold: KY—05	1,173,000
Roukema, Marge: NJ—05	813,000
Roybal-Allard, Lucille: CA—33	46,000
Royce, Edward R.: CA—39	46,000
Rush, Bobby L.: IL—01	322,000
Ryun, Paul D.: WI—01	24,892,000
Rynn, Jim: KS—02	42,948,000
Sabo, Martin Olav: MN—05	761,000
Salmon, Matt: AZ—01	13,350,000
Sanders, Bernard: VT—00	1,717,000
Sandlin, Max: TX—01	5,476,000
Sanford, Marshall "Mark": SC—01	1,742,000
Sawyer, Thomas C.: OH—14	1,888,000
Saxton, Jim: NJ—03	385,000
Scarborough, Joe: FL—01	2,876,000
Schaffer, Bob: CO—04	86,039,000
Schakowsky, Janice D.: IL—09	322,000
Scott, Robert C. (Bobby): VA—03	4,193,000
Sensenbrenner, F. James, Jr.: WI—09	18,653,000
Sessions, Pete: TX—05	3,860,000
Shadegg, John B.: AZ—04	13,350,000
Shaw, E. Clay, Jr.: FL—22	301,000
Shays, Christopher: CT—04	6,000
Sherman, Brad: CA—24	46,000
Sherwood, Don: PA—10	1,853,000
Shimkus, John: IL—20	79,277,000
Shows, Ronnie: MS—04	2,309,000
Shuster, Bud: PA—09	5,905,000
Simpson, Michael ID—02	41,001,000
Sisisky, Norman: VA—04	7,566,000
Skeen, Joe: NM—02	4,963,000
Shelton, Ike: MO—04	26,246,000
Slaughter, Louise McIntosh: NY—28	1,158,000
Smith, Adam: WA—09	25,000
Smith, Christopher H.: NJ—04	811,000
Smith, Lamar S.: TX—21	14,064,000
Smith, Nick: MI—07	26,628,000
Snyder, Vic: AR—02	6,536,000
Souder, Mark E.: IN—04	25,241,000
Spence, Floyd: SC—02	9,003,000
Spratt, John M., Jr.: SC—05	9,916,000
Stabenow, Debbie: MI—08	11,060,000
Stark, Fortney Pete: CA—13	154,000
Stearns, Cliff: FL—06	159,000
Stenholm, Charles W.: TX—17	43,100,000
Strickland, Ted: OH—06	14,739,000
Stump, Bob: AZ—03	16,155,000
Stupak, Bart: MI—01	2,370,000
Sununu, John E.: NH—01	194,000
Sweeney, John E.: NY—22	3,029,000
Talent, James M.: MO—02	2,495,000
Tancredo, Tom: CO—06	1,175,000
Tanner, John S.: TN—08	33,250,000
Tauscher, Ellen O.: CA—10	387,000
Tauzin, W.J. (Billy): LA—03	1,010,000
Taylor, Charles H.: NC—11	677,000
Taylor, Gene: MS—05	507,000
Terry, Lee: NE—02	7,830,000
Thomas, William M.: CA—21	30,032,000
Thompson, Bennie G.: MS—02	96,319,000
Thompson, Mike: CA—01	2,551,000
Thornberry, William M. "Mac": TX—13	12,273,000
Thune, John R.:	161,394,000
Thurman, Karen L: FL—05	684,000
Tiahrt, Todd: KS—04	40,109,000
Tierney, John F.: MA—06	60,000
Toomey, Pat: PA—15	1,731,000
Traficant, James A., Jr.: OH—17	2,250,000
Turner, Jim: TX—02	5,693,000
Udall, Mark: CO—02	3,185,000
Udall, Tom: NM—03	14,385,000
Upton, Fred: MI—06	16,655,000
Velázquez, Nydia: NY—27	14,150,000
Vento, Bruce F.: MN—04	4,849,000
Visclosky, Peter J.: IN—01	5,842,000
Vitter, David: LA—01	120,000

EXPECTED MARKET LOSS PAYMENTS FOR FY 1999—Continued

Representative, State, and District	1999 Supplemental Payment
Walden, Greg: OR—02	25,203,000
Walsh, James T.: NY—25	4,374,000
Wamp, Zach: TN—03	778,000
Waters, Maxine: CA—35	46,000
Watkins, Wes: OK—03	4,284,000
Watt, Melvin L.: NC—12	1,558,000
Watts, J.C. Jr.: OK—04	20,267,000
Waxman, Henry A.: CA—29	46,000
Weldon, Curt: PA—07	827,000
Weldon, Dave: FL—15	165,000
Weller, Jerry: IL—11	33,362,000
Wexler, Robert: FL—19	301,000
Weygand, Robert A.: RI—02	26,000
Whitfield, Edward: KY—01	38,461,000
Wicker, Roger F.: MS—01	21,805,000
Wilson, Heather: MN—01	377,000
Wise, Robert E., Jr.: WV—02	1,777,000
Wolf, Frank R.: VA—10	2,347,000
Woolsey, Lynn C.: CA—06	27,000
Wu, David: OR—01	2,502,000
Wynn, Albert Russell: MD—04	828,000
Young, Don: AK—00	84,000

May be slight variations due to CRP entrance and exits and payment limitations. Prepared by House Agriculture Committee.

So I would say that this is a good step. It is a step, however, that needs to be trumped by Congress itself taking action to deal with the losses relating to Hurricane Floyd and other farm and rural related losses across the country.

Mr. COBLE. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. BURR).

Mr. BURR of North Carolina. Mr. Speaker, I thank my colleague from North Carolina for yielding me the time.

Dennis, Floyd, and Irene are not the list of newborn names but they are simply a list of hurricanes that devastated eastern North Carolina over the past 2 months. The brunt of the damage was leveled by Hurricane Floyd, leaving in its wake a destructive flood that damaged our State and is the worst that we have ever seen.

I ask my colleagues to stop for a minute the blame game and to concentrate on those individuals who live in eastern North Carolina, the individuals that have lost their home, lost their job, are living with friends or relatives or in a trailer, individuals who are still making a home mortgage on a house that does not exist and are being offered, hopefully, grants to rebuild. They are the ones that our hearts should go out to today and, hopefully, that this Federal Government is responsible to help.

Mr. Speaker, to echo the words of the President on September 17 and the days following the hurricane, he said, "We're reminded that the power of the American spirit is even stronger than the power of a hurricane."

Nothing could be more true. As the saying goes in our State, from Murphy to Manteo, the response for assistance has been overwhelming and it has come from every sector of our State. Whether it came from the banking centers in Charlotte or the churches and the civic club in cities in my district, no stone has been left unturned in our State to make sure that these people get assistance that they need to get back on their feet and return to a normal way of life.

Quoting the President again on a September 16 speech at FEMA headquarters, he said, "I know I speak for all when I say we do not want them to feel alone. We want to do everything we possibly can to be a good, loyal, helpful neighbor to them and get them through this."

Mr. Speaker, the citizens of our State have been the good, loyal neighbor the President spoke of. The officials on the ground, FEMA, and the other disaster agencies have been the helpful neighbor as well. It is time for the administration to step forward and be the good, loyal, helpful neighbor we expect of our Federal Government.

Every day that passes without a recommendation for emergency assistance is another day that the loneliness the President so sought to avoid only sets in as reality to storm victims of our State.

I thank the gentleman from North Carolina (Mr. TAYLOR) for bringing this resolution to the floor and especially thank the overwhelming support of our colleagues on both sides of the aisle and our delegation for this resolution.

It has been said that in international affairs partisanship stops at the water's edge. Based on the support of this resolution, it can also be said unequivocally that when a disaster of this magnitude strikes in our State, partisanship stops at our State borders.

Mr. TRAFICANT. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. MCINTYRE).

Mr. MCINTYRE. Mr. Speaker, I thank the gentleman from Ohio for yielding me the time, and I thank all of my fellow North Carolinians on both sides of the aisle for working together to bring this resolution to the floor today.

When we think about just 46 days ago Hurricane Floyd hit the Tarheel State with 15 inches of rain in an area already saturated by Hurricane Dennis and then later, just in the last 2 weeks, to be hit again by a third, Hurricane Irene, we realize that this is a natural disaster truly of Biblical proportions when we talk about flooding, something that has been unseen in this Nation literally since the first settlers arrived, with the 50 lives lost and over 47,000 homes damaged, a thousand roads closed, schools, waste water treatment plants, farmers, our beaches, all of these areas affected in negative ways.

Governor Hunt of North Carolina has put together a very well done package to help this devastation, and he has worked with this administration to reduce the price tag of emergency requests to $17.6 billion. For that we are thankful.

We are thankful also for the hard work of the gentleman from New York (Mr. WALSH), the gentleman from West Virginia (Mr. MOLLOHAN), the gentleman from North Carolina (Mr. PRICE), the gentleman from North Carolina (Mr. TAYLOR) and others who have worked on the Committee on Appropriations to help FEMA get the funding that it has received.

But my fellow colleagues here in the House, there is more that needs to be done. Our farmers need help. Our coastal communities need relief and protection. Our small businesses need aid.

Back in September, on the 29th of the month, all 12 members of our North Carolina delegation from both sides of the aisle asked the President to forward a relief package to Congress by October 15. Obviously, that request has not yet been met. But let us keep pushing together. Let us push the administration to get some of these needs met. And let us push ourselves to do the job.

Let us indeed do not play a blame game. But let us find a way, instead of to complain, a way to help each other.

Recently chosen as the greatest inventor of this century, Henry Ford once said that coming together is a beginning. And we have begun the process. And then he said keeping together is progress. And we have made some progress. But then he said that working together is success. And that is the challenge we have now, to work together with the White House, yes, and to work together here in the Congress, yes, that we allow both tracks to be running parallel, and that indeed we find a way not to find fault but we find a way to get the job done.

This is the people's House and we are here, first and foremost, to represent the people. People that come to America or that have grown up in America realize that, when they have lost their home, there is not anywhere that they can retreat to. They are looking to us to make the advance to help those who have lost so much.

May God grant us the wisdom and the will to find a way to work together and we will succeed.

Mr. COBLE. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. COBLE) has 8 minutes remaining.

Mr. COBLE. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Speaker, I thank the gentleman from North Carolina for yielding me the time.

Hurricane Floyd swept through North Carolina on September 15, 1999, over 6 weeks ago. In September of 1989, when Hurricane Hugo batted the Carolinas, President Bush requested disaster relief, and it was provided by the Congress in less than 2 weeks. Later, Hurricane Andrew devastated Florida and the Gulf States. Within 30 days a bill had been signed into action.

My colleagues, I am here to say today that this delegation from North

Carolina has worked together tirelessly to bring the results and the help that North Carolina needs. They have worked around the clock, and we appreciate that. The private sector broadcasters had a telethon and raised millions of dollars. Personal calls have been made by Senators and House Members.

The private sector, FEMA, the Department of Agriculture, VA-HUD, this Congress has worked to bring aid and relief and money to North Carolina.

The missing ingredient now, Mr. Speaker, that we need is that bill from the White House that will help put the final piece to this puzzle together.

□ 1745

As others have said, this is unprecedented. Fifty confirmed fatalities, thousands of displaced families, 30,000 flooded homes. I cannot help but remember on visits to North Carolina several weeks ago, the looks in the eyes of the people who had lost everything. The Jones family in Pitt County who had been thinking of their tobacco crop at 4 a.m. in the morning, worrying that the power would go out. They went to check, to see if the power was on and they found the water rising in their garage. From there it rose into their living room and on up it went. True, the Coast Guard ended up rescuing these people because of the water.

I have a picture here, Mr. Speaker. We have had instances in the past where crops were lost. But this flood was so bad that even the farm equipment was lost. We see a tractor underwater. The President can come to the table to meet this unprecedented need by putting forward a request for the additional emergency aid that is so essential. In Duplin County as I spoke to a farm family there, I have a sequence of pictures showing the water rising on their poultry houses. It rose, the birds got up on the edges of the house, finally they were all drowned. Unprecedented disaster.

We need the President to come forward with that piece which is an emergency supplemental bill that addresses the needs that have been so carefully and well outlined by my colleagues. I am disappointed that the lack of the initiative has been there. We need help for victims of Hurricane Floyd. President Clinton came to North Carolina, promised relief, and gave us a Federal lawsuit to finish off the tobacco farmers.

Mr. Speaker, the need is there. The people are looking to us. Sixty-five or more State legislators along with the governor have come to help make the case that this help is needed. People in North Carolina are watching and listening. We have helped people all over the world. We are trying to meet every need with every possible source of funds. Now is the time, and I hope the President will respond immediately, if not sooner, with that additional supplemental bill that will provide the relief for North Carolina that we need.

Mr. TRAFICANT. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. WATT) who has worked hard on this issue.

Mr. WATT of North Carolina. Mr. Speaker, let me say at the outset that I intend to vote for this resolution. I do not have any problem at all with encouraging the President to send legislation over here on this issue. I think it is important for us to do that. But this is the second nonbinding resolution that this House has passed on this issue. And to the extent that we are engaging in pointing the finger of blame at somebody else for not passing or moving legislation forward to address the concerns and devastation in North Carolina, I think we are playing politics with this resolution. I would be less than honest if I did not express my concern that this resolution has more to do with politics than it has to do with achieving some objective of really helping the people in North Carolina.

It must be strange to the people in eastern North Carolina to see us come to the floor with a resolution that does not have one dime in it, does not even suggest a dollar amount to help them, and then suggest to them that somehow this is the President's fault that we are not moving forward to try to address their needs.

I have no problem with encouraging the President to submit a bill, but as the gentleman from North Carolina (Mr. PRICE) has indicated, there is no requirement or precedent or necessity for anybody external to this body, the President or anybody else, to come forward with a solution to the problems that face our State.

I want to encourage my colleagues to vote "yes," but I want to be honest about the practical impact of this at the same time.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

I was not even going to get into this, but since my friend from North Carolina mentioned it, that it would be politically motivated, I think we are comparing the timeliness with which we hear from the administration.

In September of 1989 when Hurricane Hugo battered the Carolinas, President Bush requested disaster relief and it was provided by this Congress. This relief was signed into law less than 2 weeks after the hurricane struck. That was my point.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I yield 2½ minutes to the gentleman from Minnesota (Mr. OBERSTAR), our distinguished ranking member.

Mr. OBERSTAR. I thank the gentleman for yielding me this time.

Mr. Speaker, the gentleman from North Carolina (Mr. MCINTYRE) said it best. This was a hurricane and a disaster of biblical proportions. It struck 11 States with enormous widespread consequences, billions of dollars in infrastructure damage, in agricultural losses, and President Clinton responded promptly. The administration did not waste time making their disaster declaration. I commend the President for the way he has responded. In fact, in the last decade, this President has declared 42 major disasters from landfall hurricanes. Cost to FEMA, $7.7 billion. The 10 major disaster declarations for Hurricane Floyd are the most for any single hurricane in our history.

And what are the consequences in North Carolina? What has happened? Seventy-three thousand individuals have been received by FEMA, filed applications registering for assistance. Two hundred sixty-three million dollars already has been spent, and more to come. Four thousand six hundred sixty low-interest SBA loans. 20.7 million dollars reimbursed to local governments for infrastructure. Seven hundred thirty-four travel trailers now occupied. And they are still working.

But what troubles me the most is this resolution that says the President should immediately submit recommendations for emergency response actions, including appropriate offsets. This 106th Congress declared the census an emergency and provided money. We have been doing emergency census, then, for 200 some years. What nonsense. If it is that big a deal, declare it an emergency right now and provide the money. I do not like this kind of nonsense that we are engaged in right here, frankly. Why do we have to have this resolution that calls for an offset? Declare it simply an emergency. Be consistent. Do not play games with the lives, the hopes, the aspirations, the concerns of the people in North Carolina and other places who are deserving of help. Just get on with the business of this Congress. Declare it a disaster, declare it an emergency, provide the funds as we did for the census.

Mr. TRAFICANT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I support the resolution. I will set all the political talk aside. I want to commend FEMA. I think FEMA is doing a respectable job and they are doing everything possible to mitigate these great problems.

I would like to quote my father, now deceased, here today, and I think I will be quoting many of your parents, many not quite with us. Here is the great quote: "If we can find money for people all over the world, we can find money for our own people, the American people."

I think we have talked about this, and we have talked about this. We continue to talk about this. We have seen videos of hogs floating on the flooded plains and fields of North Carolina. It is time for us as a Congress to act.

Whatever that mechanism is that brings that action, so be it. I do agree with the gentleman from Minnesota (Mr. OBERSTAR), if we can declare emergencies on other issues, perhaps we should have done that. But the bottom line, the intent of Congress, I believe is honorable. Let us get on with our business. If we can find money for people all over the world, we can find money for the American people in need, in this case in North Carolina.

Mr. COBLE. Mr. Speaker, the gentlewoman from North Carolina (Mrs. CLAYTON), the gentleman from North Carolina (Mr. MCINTYRE) and the gentleman from North Carolina (Mr. JONES) were most obviously affected in our delegation.

I yield the balance of my time to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, to the gentleman my friend from Durham, NC (Mr. PRICE), I want to read to him that we got word just a few minutes ago from the gentleman from North Carolina (Mr. TAYLOR) that the White House, not the House or Senate leadership, demanded that the $508 million for North Carolina relief be taken out of the Labor-HHS bill. I was not there and I do not know, but I wanted to pass that on since I was asked to share that with the House body.

Mr. Speaker, I will say that we have worked very closely together. This is what I think is good about this Congress and good about America. The American people know when their brothers and sisters are in trouble that they come forward and do what they can to assist them. I think this resolution is proper. I am sorry if it has been read as politics, but I do not really think that it should be, because, right or wrong, there is a belief that we need to have the guidance and the leadership of the President to come forward to the Congress with his recommendation after consulting with OMB with recommendations as to what should be done for the people that have been devastated by Hurricane Floyd, whether it be North Carolina or other parts of the United States that have been devastated.

Some of the frustration that we hear back home, and let me first say that FEMA and these other agencies and the multitude of volunteers has been enormous. It really does the heart well to know how much people care about others that are in trouble, but some of the frustration back home as the gentleman from Ohio (Mr. TRAFICANT) just mentioned is that the citizens in eastern North Carolina who pay the taxes, we are elected in Washington to spend their tax dollars, it is the taxpayer that is in trouble now, particularly in eastern North Carolina as well as other parts, New Jersey and some in Maryland and some other parts that need the help of the Congress. Again, it is their money. It is not our money. It is the people's money, the people that pay the taxes.

One thing that comes to mind that I hear quite frequently in my district, I do not vote for foreign aid. I have been here 5 years and I have yet to vote for foreign aid and I do not intend to vote for foreign aid until I see it down in single digits, $6, $7 billion instead of $12 or $14 billion. We passed a bill that was $12.7 billion in foreign aid and the President wants $4 billion more. Again, I voted against that because I thought the $12.7 billion was too much money.

Another problem that we are having is that people read recently where the President of the United States said, well, we ought to forgive 36 countries that owe the United States of America, they do not owe the United States of America, they owe the people that make up the United States of America, $5 billion. So the people in eastern North Carolina want to know if we can forgive a debt of $5 million, why can we not get a couple of billion out of the Congress to help them as they try to recover from this devastation?

Again, I have to answer these questions back home, so I am bringing it to the floor of the House. This summer, the United States sent $500,000 in flood relief to aid China. Every time I have been on the floor of the House and had a chance to vote, I am opposed to MFN for China. So, Mr. Speaker, it is important that we forget the politics and we talk about coming together and passing legislation that will help the people of eastern North Carolina.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentlewoman from North Carolina (Mrs. FOWLER) that the House suspend the rules and agree to the resolution, House Resolution 349.

The question was taken.

Mr. COBLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. COBLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on House Resolution 349, the resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained. Votes will be taken in the following order:

House Concurrent Resolution 213, by the yeas and nays;

House Resolution 59, by the yeas and nays;

H.R. 3164, by the yeas and nays; and

House Resolution 349, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

ENCOURAGING EDUCATION OFFICIALS TO PROMOTE FINANCIAL LITERACY TRAINING

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 213.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 213, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 411, nays 3, not voting 19, as follows:

[Roll No. 553]

YEAS—411

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly

Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski

LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema

Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—3

Chenoweth-Hage
Paul
Pombo

NOT VOTING—19

Ackerman
Bliley
Borski
Brady (PA)
Cannon
Carson
Diaz-Balart

Ehrlich
Fattah
Hulshof
Lowey
McNulty
Meeks (NY)
Sabo

Scarborough
Serrano
Shows
Sweeney
Weldon (PA)

□ 1821

Ms. HOOLEY of Oregon changed her vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on each additional motion to suspend the rules on which the Chair has postponed further consideration.

SENSE OF HOUSE THAT U.S. REMAINS COMMITTED TO NATO

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 59, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and agree to the resolution, House Resolution 59, as amended, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 278, nays 133, answered "present" 1, not voting 21, as follows:

[Roll No. 554]

YEAS—278

Allen
Andrews
Armey
Bachus
Baird
Baldacci
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bishop
Blunt
Boehlert
Boehner

Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Buyer
Calvert
Camp
Capps
Capuano
Cardin
Castle
Chabot
Clayton
Clement
Clyburn
Cooksey
Costello

Cox
Coyne
Cramer
Crowley
Cummings
Davis (FL)
Davis (VA)
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers

Emerson
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hunter
Hyde
Inslee
Isakson
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka

Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lipinski
Lofgren
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McInnis
McIntyre
Meehan
Meek (FL)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (PA)
Phelps
Pickering
Pickett
Pomeroy
Porter
Portman
Price (NC)

Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Regula
Reyes
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Sanchez
Sandlin
Sawyer
Schakowsky
Scott
Shaw
Shays
Sherman
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Spratt
Stabenow
Stenholm
Strickland
Stupak
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thurman
Tiahrt
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walden
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weller
Wexler
Weygand
Wicker
Wilson
Wise
Wolf
Wu
Wynn

NAYS—133

Abercrombie
Aderholt
Archer
Baker
Baldwin
Ballenger
Barcia
Barr
Bartlett
Barton
Bilbray
Bilirakis
Blagojevich
Blumenauer
Bonilla
Bryant
Burr
Burton
Callahan
Campbell

Canady
Chambliss
Chenoweth-Hage
Clay
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Crane
Cubin
Cunningham
Danner
Davis (IL)
Deal
DeFazio
DeLay
DeMint

Dickey
Doolittle
Duncan
Everett
Filner
Frank (MA)
Gibbons
Goode
Graham
Gutknecht
Hall (TX)
Hansen
Hayworth
Herger
Hill (MT)
Hilleary
Hoekstra
Hostettler
Hutchinson
Istook

Jackson (IL)
Jenkins
Johnson, Sam
Jones (NC)
Kingston
Kucinich
Largent
Lee
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McDermott
McHugh
McIntosh
McKeon
McKinney
Metcalf
Miller, George
Minge
Mink
Moran (KS)
Myrick
Nadler
Norwood
Obey
Paul
Pease
Peterson (MN)
Petri
Pitts
Pombo
Ramstad
Riley
Rivers
Rohrabacher
Royce
Ryun (KS)
Salmon
Sanders
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Sherwood
Shimkus
Shuster
Simpson
Slaughter
Smith (MI)
Souder
Spence
Stark
Stearns
Stump
Sununu
Tancredo
Taylor (NC)
Thune
Tierney
Toomey
Traficant
Vitter
Wamp
Watkins
Watts (OK)
Weldon (FL)
Whitfield
Woolsey
Young (AK)

ANSWERED "PRESENT"—1

Rogan

NOT VOTING—21

Ackerman
Bliley
Borski
Brady (PA)
Cannon
Carson
Diaz-Balart
Ehrlich
Fattah
Hulshof
Lowey
McNulty
Meeks (NY)
Reynolds
Sabo
Scarborough
Serrano
Shows
Sweeney
Weldon (PA)
Young (FL)

☐ 1831

Messrs. VITTER, ADERHOLT, MORAN of Kansas, WHITFIELD, and THUNE changed their vote from "yea" to "nay."

Mrs. CLAYTON changed her vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FOREIGN NARCOTICS KINGPIN DESIGNATION ACT

The SPEAKER pro tempore (Mr. LaHood). The pending business is the question of suspending the rules and passing the bill, H.R. 3164.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Gilman) that the House suspend the rules and pass the bill, H.R. 3164, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 385, nays 26, not voting 22, as follows:

[Roll No. 555]

YEAS—385

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
DeLay
DeMint
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Riley
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Saxton
Schaffer
Schakowsky
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)

NAYS—26

Barr
Bartlett
Berman
Campbell
Chenoweth-Hage
Conyers
Delahunt
Frank (MA)
Gonzalez
Hastings (FL)
Hill (MT)
Jackson (IL)
Lee
McDermott
McKinney
Miller, George
Nadler
Paul
Payne
Pombo
Rodriguez
Sanders
Sanford
Scott
Stark
Watt (NC)

NOT VOTING—22

Ackerman
Bliley
Borski
Brady (PA)
Cannon
Carson
Diaz-Balart
Ehrlich
Fattah
Hulshof
Lowey
McNulty
Meeks (NY)
Reynolds
Sabo
Sawyer
Scarborough
Serrano
Shows
Sweeney
Weldon (PA)
Young (FL)

☐ 1842

Mr. PAYNE and Mr. BARTLETT of Maryland changed their vote from "yea" to "nay."

So (two-thirds having voted in favor therof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconisder was laid on the table.

SENSE OF CONGRESS THAT THE PRESIDENT SHOULD RECOMMEND ACTIONS FOR RELIEVING VICTIMS OF HURRICANE FLOYD

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 349.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The quesion is on the motion offered by the gentlewoman from Florida (Mrs. Fowler) that the House suspend the rules and agree to the resolution, House Resolution 349, on which the yeas and nays are ordered.

There will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 0, not voting 24, as follows:

[Roll No. 556]

YEAS—409

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey

Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)

NOT VOTING—24

Ackerman
Bliley
Borski
Brady (PA)
Cannon
Carson
Diaz-Balart
Ehrlich
Fattah
Hulshof
Hunter
Lowey
McNulty
Meeks (NY)
Reynolds
Sabo
Sawyer
Scarborough
Serrano
Shows
Sweeney
Watkins
Weldon (PA)
Young (FL)

☐ 1849

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2915

Mr. LARGENT. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor from H.R. 2915.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H. RES. 298

Mr. MANZULLO. Mr. Speaker, I ask unanimous consent to have my name withdrawn as a cosponsor for H. Res. 298.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON BANKING AND FINANCIAL SERVICES

The Speaker pro tempore laid before the House the following resignation as a member of the Committee on Banking and Financial Services:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 1, 1999.

Hon. J. DENNIS HASTERT,
Speaker of the House,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: I write to submit my resignation from the Banking and Financial Services Committee.

Thank you for your attention to this matter.

Sincerely,

BARBARA LEE,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON BANKING AND FINANCIAL SERVICES

Mr. FROST. Mr. Speaker, I offer a resolution (H. Res. 351) and I ask unanimous consent for its immediate consideration in the House.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

HOUSE RESOLUTION 351

Resolved, that the following named Member be, and is hereby, elected to the following standing Committee of the House of Representatives:

Committee on Banking and Financial Services: Mr. Ackerman of New York to rank immediately after Mr. Watt of North Carolina.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF RESOLUTION AGREEING TO CONFERENCE REQUESTED BY SENATE ON H.R. 2990, QUALITY CARE FOR THE UNINSURED ACT OF 1999

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 348 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 348

Resolved, That the House disagrees to the Senate amendment to the bill (H.R. 2990) to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans, to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; and for other purposes, and agrees to the conference requested by the Senate thereon.

The SPEAKER pro tempore. The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentlewoman from Rochester, New York (Ms. SLAUGHTER), my colleague and friend on the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate on this subject only.

This resolution before us, Mr. Speaker, does two things. It provides that the House disagrees with the Senate amendment to the bill, H.R. 2990, the Quality Care for the Uninsured Act, and it provides that the House agrees to the conference requested by the Senate.

While this may seem arcane or inside-the-Beltway talk to folks watching at home, the translation is that it allows us to move the process forward on health care reform. That is what we are doing, going forward on health care reform as promised. We can go to conference with the Senate to try to resolve our extensive differences and hopefully to improve the lives of our constituents if we can pass this resolution.

Because H.R. 2990 was not reported by a committee of jurisdiction, no motion to go to conference could be authorized by a committee. While these motions are usually done by unanimous consent, the minority declined to agree to the traditional process, so here we are with this resolution this evening.

I am concerned that the other side of the aisle seems to prefer conflict and confrontation over progress on health care reform. We did pass H.R. 2990 less than a month ago. I would point out it was certainly during the most hectic budget and appropriations season that I recall in a while, and, yet, the minority still objects and protests that we should have appointed conferees earlier. I would point out this is the same minority that was complaining not 2 hours ago on the House floor that we were moving legislation too rapidly. Hopefully we will get something right in their eyes before we end the 106th.

Mr. Speaker, arbitrary time lines and partisan spin games indicate to me that the Democrat minority leadership is not presently really interested in helping more Americans get health insurance because health access is a big piece of this. While they say they are interested in joining our efforts to improve the quality of care for Americans in HMOs, they, instead, drive an agenda of gridlock, of conflict for the sake of conflict, of trying to stall to give some credibility to the minority leader's publicly repeated spin that this is a "do-nothing" Congress.

Well, Mr. Speaker, we reject this sad and cynical approach of doing the Nation's business, especially on something as important as health care. Speaker HASTERT should be commended for keeping his word, for keeping the process moving forward, which is what it is doing.

This resolution is another clear signal that we are committed and serious about health care reform and that we are interested in more than just the next 30-second sound bite.

I would point out that we have had recently a very fine debate in this House on the subject of health care, patient protection, and access. We have come up with a piece of legislation that is significantly different than the other body's. Obviously we need to continue to work forward to sort out those differences. That is what this resolution allows us to do. I am urging a yes vote on this noncontroversial resolution.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Florida (Mr. GOSS), my good friend, for yielding me the time; and I yield myself such time as I may consume.

Mr. Speaker, I rise to speak on the rule governing this motion to go to conference on H.R. 2990, what the majority is calling the Quality Care for the Uninsured Act of 1999. Many of my friends on the other side of the aisle do not want a Patients' Bill of Rights. They have scrubbed those words from the title of the bill and have assigned it a bill number intended to disguise its heritage. But in, amongst everything else, there is a Patients' Bill of Rights, and this is an extremely important motion.

The American people have spoken with a clear and compelling voice. They want reform in managed care, and they want protection from denials and delays which literally threaten their quality of life.

This House responded in overwhelming fashion passing the Norwood-Dingell managed care reform bill by a 275 to 151 vote margin. It was a genuine rout, a convergence of political courage and public support resulting in a good bill which will do the right thing by the American people.

In fact, it was a little too good for our friends who want to scuttle the HMO reform legislation. They are playing their ace in the hole, a parliamentary procedure which combines this very agreeable HMO bill with H.R. 2990, a very disagreeable bill which barely passed the House.

But the trump card will be the will of the American people. They will no longer tolerate being denied access to specialists or to clinical trials. They will not tolerate having medical decisions made by bureaucrats with a clipboard instead of a physician with a stethoscope. They are ready to make a stand. Those of us who voted for the Norwood-Dingell bill are standing with them.

Earlier this year, the other body passed a bill which pales in comparison to the House version. The House needs to send a strong, clear message to the conference committee that it should stand by the Patients' Bill of Rights which the House passed, that we should refuse to swallow the poison pills intended to kill this bill.

Mr. Speaker, I also want to take just a moment to suggest that the conference take action on the vital issue of preventing genetic discrimination in health insurance. The Senate bill at least mentions the issue. The House bill is silent. But this is an issue that must be heard.

Mr. Speaker, I humbly suggest that this is the next frontier of the health care debate. In the next few months, the human genome map will be complete. We are entering an era where we can know whether a person has a gene which might result in conditions from Alzheimer's disease to breast cancer.

This gives us tremendous potential to act in a preventive manner, but this is a double edged sword. If insurance companies are able to use this information against people, if they find out that one has the potential for a disease that is expensive to treat, and they thus deny the coverage, then the advances in research will cut the other way in a very cruel fashion.

□ 1900

I have authored legislation to prevent discrimination based on genetic information, and I offered with my good friend, the gentleman from Ohio (Mr. NEY), an amendment to include such protection in this bill. But the Committee on Rules declined to allow the House to have that debate. Thus, the House bill is perilously silent on this issue. I encourage and hope that the House negotiators will work to improve the genetic discrimination protections included in the Senate bill and protect every American.

Mr. Speaker, let me conclude by saying that we are going to insist that the conferees remain true to the bipartisan vote on this floor in favor of a real patients' bill of rights. I have compared this debate to a card game, and here the majority may very well refuse to even deal a hand to the people who support the Norwood/Dingell approach by refusing to give the supporters of the bill a seat at the conference table. That would be an insult to the Members of this House who represent the millions of Americans who want action on managed care reform.

It has taken far too long to get to this point in the debate. The other body passed a bill earlier this summer; we passed a bill a month ago. The other body appointed conferees 2 weeks ago; the majority in this House is just getting around to it. Maybe it has taken that long for the majority to try to stack the deck, but I am betting the American people will not let them get away with it.

Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I rise in opposition to the rule, and I rise in strong support of what will be the Dingell motion to instruct conferees that will follow, should the rule pass. This motion would guarantee protections for all Americans in managed care plans.

The Republican leadership's strategy has been obvious since this debate began: delay, dilute, and deny.

First, they have pulled out every obstacle in the Republican play book to delay consideration of any patient protections. Then, once the Republican leadership realized they were losing that battle, they moved on to plan B, which was to dilute meaningful reform with a watered down bill they passed in the Senate. Again, the American people overcame the Republican opposition, and we won passage in the House of a strong patients' bill of rights sponsored by the gentleman from Michigan (Mr. DINGELL) and the gentleman from Georgia (Mr. NORWOOD).

The bill had overwhelming bipartisan support both in Congress and across this country. But even this overwhelming support has not stopped the Republican leadership. They have simply moved on to another phase in their strategy, denying supporters of the Norwood/Dingell bill a representative voice on the conference committee and creating a bill that is not supported by the bipartisan majority of this House or by the American people.

I must admit the Republican leadership has been successful in one aspect. Their strategy continues to protect their generous industry contributors. But we will continue to work to overcome whatever obstacle is thrown our way and protect the hard-working American families who are being denied health care coverage in this process who are denied the best advice of their doctors and the ability to enforce those rights we seek to provide.

We will have a meaningful patients' bill of rights, and we will do so with the help of the American people, who have spoken very clearly and very loudly that they do not want to see any more loved ones have to suffer under the present system.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia (Mr. WISE).

Mr. WISE. Mr. Speaker, I prefer that major pieces of legislation be worked out on a bipartisan basis, but it is clear that it is the Republican leadership that controls this House; and it is clear that it is the Republican leadership, regrettably, that is delaying getting this bill to conference.

The House of Representatives passed this important patients' bill of rights 4 weeks ago, and yet has not yet gone to conference with the Senate so that we can get passage of a final bill. Four weeks ago. If this were a patient awaiting surgery, this would be an offense even under the nonexistent patients' bill of rights, even under managed care as it is today. This is shameful. So that is why it is so important that this bill that is now before us go to conference.

Clearly, we need a patients' bill of rights in this country; 200,000 citizens in West Virginia alone in HMOs, and thousands more in managed care plans, need an appeals process. We need to make sure that they can see the specialists that they have been working with. We need to make sure that they have more choice, particularly in choosing their OB-GYN's and their pediatricians.

So why can we not get the Republican leadership to permit this bill to go to conference? It is a shame that we have to come to the floor like this. But if we have to keep forcing it, we will, because the American people are quite clear: they want a patients' bill of rights. They want to make sure in their managed care plans they have rights. They want to make sure that they have some choice. If they can choose a mechanic who works on their car, they ought to be able to choose the doctor that delivers their baby or looks at their children.

That is what this bill is about, and that is why we are trying to force this vote. We are determined to get this bill passed, a patients' bill of rights for all Americans, Mr. Speaker.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman from New York for yielding me this time, and, Mr. Speaker, I think that we should take this particular motion to instruct conferees to go to conference as a step forward.

I hope it is a step forward. I hope it is a response to 80 percent of the American people who have asked us repeatedly to give them HMO reform. I hope it is a response to many of us who procedurally were so anxious to get a patients' bill of rights that we signed a discharge petition, because we were not being heard by the Speaker of the House. Finally, we have gathered together to secure for the people of the United States a bipartisan patients' bill of rights, now called the Quality Care for the Uninsured Act.

Mr. Speaker, this bill is crucial, first of all, because it equalizes the relationship between patient and physician. It puts that relationship above the pencil pushers or the bureaucrats who would deny service. It allows us to escape the drive-by emergency room situations of which we saw the tragedies of in the case before us on the floor of the House when the young boy came here who had gangrene in both his hands and his feet. It also says to us, Mr. Speaker, that women should have the opportunity to have as their primary caretaker an OB-GYN.

The most important aspect of this motion, though, is to ensure that we do not put conferees on that are going to throw poison pills into this process. Put Republican conferees on who will work in a bipartisan way, who have supported this patients' bill of rights, who are part of the bipartisan effort. If we do that, Mr. Speaker, we will respond to the needs of the American people. We will respond to the disparate health care that I see in African American communities, in my community, where there are less people having access to health care because of this convoluted system that we have.

We need to fix the public health system. But right now we need to reform the current system. The HMOs need to be fixed. We need this quality care for the uninsured. We need this process because we need to ensure that we can fix this system that is not working for the American people.

In particular I want to emphasize again, as I was already stating, the inequity in access to health care and what happens when one cannot access quickly doctors, emergency rooms, and specialists. That is a denial of service, because someone says an individual cannot have the service. These are the kinds of things we hear when we go home to our districts.

So besides, as I said, fixing the public health system, which is another issue all together, besides fixing the disparity in health access, which is also another issue, we can do something today. And I would hope, Mr. Speaker, that we would do something, by ensuring that the conferees on this particular conference are those who will work together to get a common good; that is to pass a good health management reform bill that we have before us.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank my colleague for yielding me this time and allowing me to speak on the rule for appointing the conferees to the conference committee.

I am proud to have been a cosponsor of H.R. 2723. This was a bipartisan vote as it passed this House. I would hope our conferees, as they are named, would remember that this House sent that bill to the Senate with a strong majority. It was a bipartisan majority because it addressed the issues that dealt with managed care reform: an outside appeals process, obviously to eliminate the gag rule, also allowing where a reasonable person or a medical necessity could be included in there.

The most important, and I know this will be the toughest issue on the conference committee, was the accountability section in there. And, again, going on the experience that Texas has, it does not do any good not to have the ability to go to the courthouse. Because, ultimately, that makes the appeals process work.

In the State of Texas, in the last 3 years that we have had our bill, we have had actually about half the cases that are being taken to the outside appeals process are being found in favor of the patient. Even a little bit more, 51, 52 percent. But the important part is that the insurance companies then will let that person have that care that they need. And the ones who are losing, well, they have already laid out that they could not make a medical case even to the outside appeals, much less to go to the court. But without the threat of the courthouse there, if people do not have that right, then we do not have that appeals process.

And I think we will not have a lot of lawsuits filed. In fact, in Texas we have had, I think, no more than five; three by one attorney, I understand, in Fort Worth, Texas. So we have not had a groundswell of lawsuits.

I would hope our conferees would remember how strong this bill came out of the House and how it spent a whole day debating it. I know it is a hard issue, but for the people in our country, we need to make sure we stay as close to the House bill as we can. So I support this rule.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume, and would just simply say since this appears to be noncontroversial, I only heard one speaker across the aisle oppose the rule, and it would seem to me that that would be confounding to that speaker's goal, which is to move the process. That is what we are trying to do. So I see no justification for opposing this resolution, if we are trying to move the process forward, and I believe we all are trying to do that, because I agree we have had a great debate in the House about that; and we have come up with product, and it is now time to deal with the other body.

I would point out that the product we have come up with provides for both patient protection and access for those 40-some million Americans who do not have the blessing of any kind of health insurance. And I think that that is a very strong menu for consideration at the conference.

I do think we have lived up to our promise to move the process forward, in my view in a very rapid way, given the way most things move around here.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. HAYES). The Chair will appoint conferees tomorrow.

APPOINTMENT AS MEMBER TO ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE

The SPEAKER pro tempore. Without objection, and pursuant to section 491 of the Higher Education Act (20 U.S.C. 1098(c)), and upon the recommendation of the majority leader, the Chair announces the Speaker's appointment of the following member on the part of the House to the Advisory Committee on Student Financial Assistance for a 3-year term to fill the existing vacancy thereon.

Ms. Judith Flink, Illinois.

There was no objection.

☐ 1915

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HAYES). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

DAY OF HONOR 2000 PROJECT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. BROWN) is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, I come to the floor today to share my support for the Day of Honor 2000 Project, which will give long overdue recognition to the 1.2 million invisible African American World War II veterans.

During the Second World War, these valiant African American soldiers were waging a war on two fronts. They fought gallantly beside their comrades, saving the world from the evils of fascism while battling the bigotry and racism that was still prevalent in the United States military. These same African American war veterans continued their fight against racism at home by forming the grassroots of the civil rights movement.

In my State of Florida, we have the oldest veteran population in the Nation. Unfortunately for these veterans and veterans all across the country, the VA budget continues to be underfunded, causing them to be denied the health care and services they need and deserve.

As our aging veterans population declines, we need programs like the Day of Honor 2000 to remind us of the sacrifices African Americans made to protect their freedom they now enjoy.

I wish Dr. Smith and the other leaders of the Day of Honor 2000 Project the greatest success in portraying the honor and dignity displayed by our African American World War II veterans. These efforts and accomplishments have been ignored for far too long, and I look forward to sharing their achievement for the people today and for the generations to come.

SITUATION IN HAITI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GOSS) is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I had not intended tonight to bring this subject forward, but the situation in Haiti has become so egregious that I think it is necessary to have a series of statements to alert the American public to what has happened.

I feel very sad about the people in Haiti. It is a country that I think has great promise, and it is a country that wishes very much to join the commonwealth of democracies in this hemisphere. Unfortunately, all our hopes seem to have dissipated because of events that have taken place in that country in the past few years and an increasing trend towards self-destruction.

In fact, I daresay if there were a case study of a failed foreign policy of the Clinton administration, Haiti would probably be the first example. And I am sorry to report that.

I think the administration first lost sight of what went wrong in Haiti when they lost sight of the fact that the solution to democracy in any country is the people going about the business of looking after themselves, having accountability and reliance for their own activities on behalf of their community, their country, and putting forth their own social value message about what they stand for and what they want to be.

When another country comes in and tries to do that job or intercedes, and did we ever intercede in Haiti, we sent something like 20,000 troops down there initially armed but, fortunately, at the last minute turned into a non-armed invasion force, as opposed to an armed one, and we spent somewhere between $2 billion and $3 billion, that would be billions of dollars of taxpayers' money, in Haiti in the past few years.

All of that has come to a situation today where, sadly, we are looking at a country that has no legislature. The legislature has been suspended. It would be as if Congress were closed down in the United States of America and the Senators and the Representatives were not allowed to come to Washington and come to this building, the United States Capitol, and go about their business.

I know there are some that would perhaps jokingly say, well, not a bad idea from time to time, with some of the things that happen in Congress and some of the things we do. But the fact of the matter is Congress is a treasured institution and a vital part of our constitutional make-up in this country and a vital part of our Government.

It is in Haiti, too. It is meant to be in any country. They have got to have a legislative branch, a voice for the people, people's voices clearly expressed by representatives of one form or another. Now that has been closed in Haiti.

Equally important in any shared power in a democracy is a judiciary system of some type. And I am sorry to report that a judiciary system which was always feeble and quite weakened and subject to some corruption because there was not much pay involved in being a member of the judiciary in Haiti is even more enfeebled than it was before. It is a system that is broken down. It is not even dysfunctional. It is nonfunctional.

Sadly, a critical part of that judicial system would be the law enforcement system that people rely on in Haiti for law and order. That would now be the police force, the HNP. I am very sorry to report that the HNP recently lost its minister, who was, I gather, forced out of the country of Haiti for political reasons and because he was not kowtowing to the wishes of the behind-the-scene de facto dictator of that country.

So, consequently, we have a very thin reed to lean on when we talk about law enforcement, which is the Haitian National Police. We understand that the incidence of drug use and the incidence of drug smuggling and drug trafficking has expanded very considerably and that, in fact, Haitian citizens and visitors, we have many Haitian Americans who spend time in both the United States and in Haiti, are reporting alarmingly and increasingly that there is not sufficient protection and law and order in Haiti for them to go about any reasonable business, particularly after dark. And certainly if they are involved in any political expression, that is very dangerous.

I am sorry to say there has been a continuing incidence in increased levels of political assassination, intimidation, and harassment, so much so that a former senator from Haiti has come to this country and I recently visited with him and he explained to me some of the very serious problems that are ongoing there, which confirm many of the other reports we are getting from citizens, visitors, business people and so forth that the corruption has become so bad it is very hard to get a loan to do any type of business in Haiti. So even if they want to help out and provide jobs and quality of life, the opportunity is not there.

This is a subject that I will visit again this week in other 5-minute special orders.

TRIBUTE TO REVEREND DR. C.J. BROOKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise to pay tribute to an American citizen of humble origin who developed himself into a scholar, a great preacher, an inspirational leader, a person who was a developer of people, as well as a builder of institutions.

The Reverend Dr. C.J. Brooks was born in Monticello, Arkansas, on February 1, 1934. Being an only child and living in rural America, he developed a great relationship with his dog and other creatures of the animal world.

As young Cleodus grew up in a Christian home, he developed an early interest in preaching and often practiced on his dog and the other animals who followed him around.

Cleodus attended the Drew County High School at the age of 17, realized that he wanted to spend the rest of his life preaching and teaching the gospel. He was licensed and ordained that same year.

After high school, he attended the Morris Booker Memorial College in Dermott, Arkansas, which is about two blocks from my father's home and where my father continues to work, although he is 88 years old, and he never misses a day from going there to do his volunteer work.

He also attended the Arkansas Baptist College in Little Rock, the University of Heidelberg, in Heidelberg, Germany, where he served in the Air Force from 1954 to 1957.

Upon his return, Reverend Brooks attended Arkansas A.M. & N College in Pine Bluff, Arkansas, where he earned his bachelor of arts degree and graduated in 1961.

I might add that Cleodus and I were classmates and he was the president of our freshman class.

Before coming to the Shiloh Missionary Baptist Church in Chicago, Reverend Brooks held pastorates at the Sunset Baptist Church in Texarkana, Texas; Mt. Carmel Baptist Church, Warren, Arkansas; Rosehill Baptist Church, Dermott, Arkansas; and the New Hope Baptist Church, at Chicasaw Plantation in McGhee, Arkansas.

In addition to leading and guiding the Shiloh Baptist Church from 1969 to his death in 1999, Reverend Brooks was an instructor for the Illinois Baptist General State Congress of Christian Education, instructor for the Greater New Era District Baptist Association, Parliamentarian of the parent body of the Illinois Baptist State Convention from 1990 to 1999, and treasurer of the Greater New Era District Association.

During his 30-year tenure at Shiloh Baptist Church in Chicago, Reverend Brooks developed a reputation for being an astute and creative leader. Under his tutelage, the church moved into a new facility, paid off all of its mortgages, developed the Board of Christian Education Ministries, instituted a full service missionary department, a weekly food and clothing ministry, a young people's department, and he personally served as mentor to many young persons, several of whom followed him into the ministry.

On March 25, 1991, the Shiloh Baptist Church Board of Christian Education conferred upon him the Doctor of Divinity Honorary Degree.

Yes, C.J. Brooks, born in rural Arkansas, went from the back roads to the high roads, became a tremendous scholar, great teacher, one of the first leaders that I ever knew, the leader of our freshman class in college, and he continued to lead the rest of his life.

C.J., it was a pleasure knowing you. You have done yourself and your family extremely well. I say may you rest in peace and may the memory of your being always rest with your wife, Carrie, and the members of your church.

SAVING SOCIAL SECURITY FOR THE AMERICAN PEOPLE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Georgia (Mr. KINGSTON) is recognized for 60 minutes as the designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, tonight we need to talk about pizza, not just any pizza, but pepperoni pizza. I mean the hot, juicy, fresh-from-the-oven, thick Friday-night, after-the-football-game pepperoni pizza.

Because if you are like millions of Americans and you engage in that habit on weekends and other nights, you probably have great comfort in knowing that that pepperoni pizza was inspected by the United States Department of Agriculture to make sure that the pepperonis on that pizza were fresh, clean, and pure. I am glad that they do that, because food inspection is safe.

Now, if you have a vegetarian in the family and that person wants just the cheese pizza, USDA cannot inspect that one. That pizza is a special pizza.

□ 1930

That pizza is inspected by the Food and Drug Administration. Now, you may be saying to yourself back home, Wait a minute. You mean to tell me if I have pepperoni on my pizza, the Department of Agriculture inspects it but if I have a cheese pizza, the Food and Drug Administration inspects it. Why is that? Is that not inefficient? Is that not a duplication? I would say yes. And if you are asking that question, you are probably in the great majority of people in the United States of America from Miami to Maine to California and back, but there is one great exception and that is this place called Washington, D.C., because inside the Beltway of Washington, D.C., people think differently. They think, "Pro-government, grow government, grow your agency, grow your department and then along the way if you create a little waste, don't worry about it."

Well, we have got an interesting phenomenon that the Congress is faced with tonight, Mr. Speaker, because we are in what I hope is the home stretch of the budget negotiations. In these budget negotiations, you have two schools of thought, that school that wants to spend more money and that school that wants to spend less money. Now, both schools of thought, I am sure, are good people. They both want a better world for our children. They both want security for our seniors. They want the uninsured to be insured and the unemployed to be employed and they want to make sure the uneducated get educated and those who have need, they want those needs answered. So I would say both sides are good people. But one side wants to spend more money. Now, the question is, where does that money come from?

Well, we are in a situation, Mr. Speaker, where the only place to get new money in this town is Social Security. We on the Republican side of the aisle have said to our colleagues, "We don't want to spend Social Security money on non-Social Security surpluses. And it is time for Washington to stop that habit." There is plenty of waste in our budget, such as the pizza program that we could get some additional savings out, so that the kids who need public services can get those services and the seniors can get them and the children can get their education. We can do this, but we are going to have to squeeze a few pennies out of the dollar. In fact I say few, only one penny. Let me show my colleagues a chart, Mr. Speaker.

This chart, Mr. Speaker, shows what we are trying to do. We are saying in $1 to the United States Government, we want you to save one cent. That is not hard to do. I know it is not hard to do because I have lived on budget. I have got four children, two teenagers, then two children who still love me, and if you are the parent of a teenager, you know what I am talking about. My teen kids are very expensive and my little kids are very expensive, too, and I am not talking about buying clothes for them, I am talking about fixing the drier, getting a new refrigerator, getting new tires for the car because driving the car pools back and forth. That is real expensive. So it is not unusual at all at the end of a month or the beginning of the next one for my wife Libby and I to sit down at the table and say, "Okay, we've got to save some money."

Where are we going to come up with some money? Usually on $5, we have got to come up with 2 or $3 worth of savings and we have to forgo nice things. My daughter, Mr. Speaker, is 16 years old. She thinks I am the worst dresser in the world. I might be except my dad is still alive and I still dress better than he does. But I say to my daughter, "Hey, look, I used to dress well, until I had children, and I cannot afford to anymore. But you ain't looking too bad. I see the nice clothes you're wearing to school."

But we have got to sit around the table, Mr. Speaker, and find money in our savings, in our expenses. All we are asking the Federal Government to do is the same thing, get $5 and find a nickel out of it. Is there anybody in the sound of my voice who could not do that if you had to? If you had $5 and you had to come up with a nickel savings, could you not do that? We do it every day. Do you want the large drink or the medium-sized drink when you go through the McDonald's fast food line? "I don't know. I'm not sure what the money looks like."

Do you want the large French fries or the small French fries? Do you want lettuce and tomato on your sandwich? "I don't know. Is it extra?" Should we pump the gas here at $1.07 a gallon or move down the street where it might be $1.05 a gallon? This is what the American public does every single day all over the country, except in Washington, D.C., where asked if you can come up with a penny out of a dollar, it becomes impossible. Let me show you proof of this.

The President of the United States has a Cabinet. Those are his key advisers. One of the Cabinet members who has been asked to try to come up with a penny on the dollar is Secretary of Interior Mr. Babbitt. He was in a discourse with a reporter the other day, I say the other day, I am talking about October 27, so it was last week. The reporter said, "Is there no more waste in government in your departments?" A simple question. "Mr. Secretary, you're telling us there's no waste in your department."

Secretary Babbitt, and I quote, right here on the chart: "Well, it would take a magician to say there was no waste in government and we are constantly ferreting it out but the answer," remember, the question is, is there no more waste, "but the answer otherwise is yes, you've got it exactly right."

Ladies and gentlemen, I just want to ask you this: If you believe that there is not waste in the Department of Interior, I would like you to e-mail me and tell me your story, because I have never gone to a government business or even a private business where I could not find a way to save some money. I mean, it might be as unimaginative as turning off the lights a little earlier at night. It might be as unimaginative as putting on a valve on some of the water faucets. It might be as unimaginative as having to do a swing shift instead of paying the overtime all the time. I am not sure what the best solution is for the Department of Interior, but I know this: As somebody who sits on the Committee on Appropriations overseeing it, they have a lot of needs, and I can promise you, they have a lot of good projects, and they do not waste lots and lots of money, but I would still say to that very good department that runs our National Park Service and our Fish and Wildlife, "You can still find a penny on a dollar. I know you can. You're good people, you've got that ability, so let's don't fool ourselves. But if you don't, where is the money going to come from?" And the money is going to come from Social Security.

Now, imagine, if you will, that we are in a room that is the size maybe of a triangle, and I am kind of thinking out loud on this, Mr. Speaker, but on one side of the triangle, you have a position staked out and that position is no tax increase. Then on the other side of the room you have a position that says you cannot take the money from Social Security. The other point in the room inevitably says you have got to cut your spending in order to balance the equation.

Now, there are those in this body who still think Social Security is a cash cow for purposes that do not have anything to do with Social Security. In fact, the President of the United States in January in his State of the Union address stood right behind me in the well of the House, Mr. Speaker, right in front of you, and says, "There's going to be a surplus in Social Security. 'Let's protect 62 percent of it." Well, why not 100 percent? And most Members of Congress opposed the President on spending the other 38 percent of Social Security and said, "We're not going to do that. We're going to preserve 100 percent of it." And the President did not like that idea, but we pushed and now we have not spent one nickel of Social Security.

The President tried a tax increase. The tax increase fell on the floor of the House by a vote of 419–0, Democrats and Republicans saying "no" to a tax increase. So now you have got to go back to cutting the penny out of the dollar. That is a savings. I had mentioned the pizza thing, but it does not stop there. Ben & Jerry's ice cream gets this program, government program where they can spend $800,000 exporting their ice cream and advertising overseas. I think it is great for people overseas to have the opportunity to munch down on good old Ben & Jerry's, but I do not think that the taxpayers need to be paying for a private business to do that.

Another example, the President went to Africa last year. I am glad he is traveling and I think it is important to keep our international relations up, but who were the 1,300 Federal employees he took with him to Africa at a cost of $42.8 million? This was not a military exercise. This was good will. One thousand three hundred people to Africa at a cost of $42.8 million. It is absurd. Under our radical plan, all he would have to say to the 1,300 is cut it out, cut it down 1 percent, 13 of you will have to stay at home. I know the gentleman from Colorado has joined me and he is not going to like what I have to say probably, but the mayor of Denver went on the African trip. I want to know, what is Colorado to our Africa policy? Not to pick on your lovely State where my sister and my mother live, but I can tell you one thing, that if the good people of Colorado were interested, then they ought to pay for their own Denver mayor to go to Africa.

I feel the same way about the President's trip to China. He took 500 people to China at a cost of $18.8 million. Who were the 500 people? Why did they need to go? I know the First Lady took a lot of members of her family and friends, but why not say, okay, some of you have to stay at home next trip, and that is not a radical idea. But if they do that, you can save Social Security. Let me yield to my friend from Colorado.

Mr. TANCREDO. I thank the gentleman for yielding. I also thank the gentleman for being as adamant as he has been and prolific in terms of the information he has provided for the American public on this issue. Certainly I should tell the gentleman that I had no input into the decision made by the mayor of Denver to go on that trip and certainly there have been no positive ramifications of that trip, to the extent that I am aware of it, anyway. I am a freshman and have only been here now for about 10 months. There are a lot of things that seem peculiar to me and a lot of things that when I come here and try to go home and then explain to my constituents about what went on and how this debate proceed on various issues, it is sometimes hard for them to understand it. I find myself often in a situation where I will be listening to the debate on this floor or in the committee and there is something about it that just does not ring true. You say to yourself, now, how would this play, how would this debate play out? What if I had to go home and explain this particular debate to the folks back home? And it really, when you think that to yourself while you are sitting there, it has this great effect on you, because it brings you back to reality. I do not know how many times I have said to myself in the last week or so, how would I go home and explain to folks the fact that I did not think that the Federal Government could afford to reduce expenditures by 1 percent? How could I do that?

There is a test I have, Mr. Speaker, and I think it is one you have paraphrased in a different way. I say, how would this play in the Arvada Republican Club? This is a group of gentlemen that have been meeting for years and years and years, gentlemen and ladies now, it used to be a men's club for a long time, it is now co-ed. I have been going to that club for 25 years, meeting on Monday mornings, in the Applewood area at a little restaurant. These are great folks, these are salt-of-the-earth-type people, and I think to myself, how would I stand up in front of them and say, "In order to avoid the possibility of raiding the Social Security trust fund, we have proposed a plan to reduce spending by 1 percent, all agencies, and I think that that would be terrible. I think that that would somehow or other affect the operation of the government."

How would they respond? I mean, they would look at you and say, "Are you kidding? What plane did you just land on? Was it the one from Washington?" Because no one out there, Mr. Speaker, no one out there in the heartland of America thinks for a moment that there is not 1 percent in waste, fraud and abuse. Most people would say that the figure is quite a bit higher than 1 percent, quite a bit more than 1 percent.

□ 1945

They are right. It is far more than 1 percent that we could save if we just put our mind to it.

Mr. KINGSTON. Let me claim back my time for a minute just to underscore your point. The Pentagon had to report as missing two $4 million aircraft engines, two $850,000 tugboats, and one $1 million missile launcher. Anybody seen the missile launcher? We are looking for one missile launcher, $1 million worth. And the tugboats, the missile launcher blew up the tugboats when they put the aircraft engine in it, apparently.

It is absurd. Erroneous Medicare payments waste over $20 billion annually. It is ridiculous.

One example that I think is absurd, in Washington, D.C., which is largely funded by the Federal Government, they appointed a group to find jobs for people who are on welfare. This group had no employment placement experience at all. They got a contract, this is Federal dollars we are talking about, $6.6 million, to place 1,500 people. One year later they had spent $1 million and placed 30 people.

I think the folks in Colorado would run you out on a rail if you said you could not find waste in government, as I know the people in Georgia would do to me, and most Members of Congress.

Mr. TANCREDO. The gentleman is certainly correct in that. And, again, it is one of those peculiar things that you run into as a freshman when you end up here and people argue with great fervor against a 1 percent cut. People suggest that it will be the end of civilization as we know it, that people will be thrown out into the streets, people will go hungry if we in fact were to try to reduce this huge budget expenditure by 1 percent.

But, you know, Mr. Speaker, I wonder sometimes whether or not people really and truly are concerned about the 1 percent cut, or they are worried about the possibility that this could start a trend. What if you could cut 1 percent and nobody could tell the difference? Did you ever think about that?

Mr. KINGSTON. I think the gentleman has raised a good point. I believe you could cut 1 percent and most people would not know the difference. It is interesting that here is a quote I wanted to bring up, when asked why Democrats will not support finding a penny out of every Federal dollar in waste, fraud and abuse, even when the defense budget is $1.8 billion higher than the President requested, the House Democrat leader, Dick Gephardt, responded, "They don't want 50,000 to 70,000 people to be let go at the Department of Defense."

Well, here is the President, his own budget was $1.8 billion less, and now we are asking them to find 1 cent on the dollar, and the Democrats are claiming it is going to lay off 50,000 people. What was their budget going to do? It is just absurd. Only in this town can you have these kind of conversations. Out there in common sense America, you know, this would have been resolved in August, and we would be home by now.

Mr. TANCREDO. If the gentleman will yield further, there is a situation that is analogous to this. I was appointed in 1981 as the regional director for the United States Department of Education, and I resigned my position in the legislature in Colorado to take that responsibility. One of the things we were told we had to do was to try to reduce the size and scope of the Department of Education to more accurately reflect its constitutional role. Well, of course, most of us realize that its constitutional role does not exist. There is not a single word in the Constitution about the Federal Government's role in education.

But, anyway, we began the process of reducing the size of the department.

This was, as I say, September of 1981 when I took over the responsibility in Denver. Region 8, it is responsible for six States, Colorado, Wyoming, Montana, Utah, and the Dakotas. We interact with all of the State departments of education and with school boards all over those six States.

There were 222 people employed in the regional office at that time. In the course of about 4 years, because of budget cuts and transfers and a couple of other things, we were able to actually reduce the number of people in that agency, in that region, by 80 percent. We went from 222 to approximately 65, if memory serves. And, you know what? Here is the important point I want to make.

After that I would go to each one of those six States, to the chief State school officer and to the State boards of education, and I would say, By the way, have you noticed any difference in the service you get from our office, in the quality of the workload, the output, the quality of our work? Have you noticed any difference? And never once, not just with the State departments of education, I would give this speech all the time and I would say, Has anybody noticed a difference? We had gone down 80 percent and no one knows.

That was my point about the 1 percent reduction. The fear is that you could actually reduce the Federal Government by 1 percent, and nobody would know the difference. What would that tell you? What would that tell people who actually want to see the Government expand constantly? It would say to them that we have got a problem here. People recognize it.

That is what I often say, when we, "shut down the Government," this happened several times while I was the regional director of the Department of Education. The President of the United States, President Reagan at that time, and the Congress could not come to closure on the issue. We did shut down the Government at least twice, and it may have been three times. And, you know, I keep asking people, could you tell the difference? Did you know that in fact this happened?

So the frightening part of this whole thing is that you could do it, and nobody would know the difference. That is what scares some of my colleagues.

Mr. KINGSTON. Let me clarify and make sure people understand, you are not saying to shut down the government. You are saying just reduce.

Mr. TANCREDO. No one is even suggesting, not even the most ardent supporters of the President's plan or the ardent opponents of the 1 percent cut, have suggested this would mean a shutdown of government. I am saying if you did, and when it has happened, you wonder to yourself, who knows the difference?

Mr. KINGSTON. Let me read you another quote that is interesting. Deputy Attorney General Eric Holder, when asked if the administration's position is we should not reduce the size of the Federal budget, he responded, "That would certainly be the view of the administration." That was a quote from last Tuesday, October 26.

You know, we are just saying get the waste out of here. I have got a quote right here from DICK GEPHARDT that was from October 24, 1999, and when asked about spending Social Security funds, he says, "I understand there is a feeling now that since we have a surplus, and since we got to get ready for the baby-boomers, that we really ought to try to spend as little of it as possible, and none, if possible."

Well, you know, that is leaving the door cracked. And, you know, again our budget says cut out the waste and you can do it.

A couple of other examples. I do not know if you are aware of this, but approximately 26,000 dead people receive food stamps to the tune of $8.5 million. That would feed a lot of live people. Maybe we should concentrate on those who are not dead and maybe more people would do better. That would be a little healthier.

Supplemental Security Income fraud, and this is a special, basically, payment to people, fraud that exceeds $1 billion a year, including a convicted murderer who has been on death row for 14 years and received $75,000 a year in SSI benefits.

Another example: the Government lost over $3.3 billion on students who never paid back their student loans. Then here is a story of a defense contractor who charged the Government $714 for an electric bell that was worth only $46.

All we are saying is let us go after this before we go after Grandma's Social Security.

I see we have been joined by the gentleman from Minnesota, the heart of Hormel and Spam country.

Mr. GUTKNECHT. Mr. KINGSTON, thank you for yielding and having this special order. I was listening in my office to this, and I really had to come over here for a couple of reasons. First of all, to just highlight how far we have come.

Since I came to Congress in 1994, in fact, next Tuesday we are going to celebrate the 5-year anniversary of the elections of 1994, November 8. We are going to have a class reunion. I am the class president now of that class. I am happy to report virtually all the members are coming back. It is going to be a great reunion.

But, because of that, I have been thinking a lot about what it was like in 1993 and 1994 when Washington believed that Washington had all the answers, whether it was talking about health care reform, we were going to have a government-run, State-run, Federal bureaucratized health care delivery system. And it was interesting, too, I need to make the point about that, when that was first introduced, it was supported by an overwhelming majority of Americans. But then they started to get the facts and public opinion changed.

We were talking then about larger and larger bureaucracies and more and more government spending, more and more government borrowing. Finally, the American people in November of 1994 said enough is enough, and they sent a whole new team of us, 73 Republican freshmen to Congress. They said, You know, we don't expect much from you, but at least balance the budget.

We said, If you will elect us, we will balance the budget by the year 2002, in 7 years. And let us go back and remind ourselves and some of our colleagues of what other folks were saying then.

The folks in the White House were saying you cannot balance the budget in 7 years. You might be able to do it in 10, maybe 8, but not 7. Well, then we went back and forth. But basically what we said is if you dramatically slow the rate of growth in Federal spending, if you begin to reform the entitlements, like welfare, that you can actually balance the budget and provide tax relief at the same time.

I remember the argument that we had about tax relief. You probably remember it well, and the gentleman from Colorado (Mr. TANCREDO) was in Colorado, but you remember some of the arguments raised. They said if you lower the capital gains tax rate, you are going to deny government the tax revenue. This is the quote used over and over again: "You are going to blow a hole in the deficit." Remember that?

We lowered the capital gains tax rate; we lowered it 30 percent. On top of that, we said to every family in America, we are going to make it easier for you to raise your kids. We are going to give you a $500 per child tax credit, and that is now in effect, so that every family in America has more money to spend themselves, because we said that if you limit the growth in Federal spending and you allow families to keep more of what they earn, guess what? The economy will grow faster. And it has.

As a result, we did not have to wait until 2002 to balance the budget. We actually balanced the budget last year. On top of that, we did it for the first time in 40 years without raiding the Social Security Trust Fund. That was a huge milestone.

I know some are saying, Yeah, you balanced the budget. You didn't use Social Security, but what have you done for us lately? That is no small accomplishment. It was accomplished principally by dramatically slowing the rate of growth in government, by letting people keep more of what they earned, and allowing Americans to do what they do best, produce, consume, and create jobs. So the economy grew.

That is a huge accomplishment. But sometimes, though, we as Republicans talk in terms of dollars and cents, percentages, debits and credits; and we start to sound like accountants. Balancing the budget without using Social Security is really about generational fairness, because what it is saying to our parents is you are going to have a more secure retirement. It is saying to working people like ourselves, middle age folks, baby-boomers, the people who are actually working right now, it means you are going to have a stronger economy. And it means to our kids that they can expect a brighter future.

So it is not an accounting exercise; it is really about generational fairness. And that happened because we have slowed the rate of growth in government so that not only do we have the first balanced budget without using Social Security, here is another amazing statistic that most of our colleagues do not know, so I just assume that most Americans do not know it. But for the first time in my memory, I think in my adult lifetime, this year the Federal budget will grow at a slower rate than the average family budget.

In some respects that is an even more important statistic, because we are finally allowing families to catch up. For too long the Federal Government was growing at 2, 3, sometimes almost 4 percent higher than the rate of the average family budget. They could never catch up. All they could do is pay more and more taxes. That is why more and more families had to have both Mom and Dad working so they had less time to spend with their kids. All of a sudden you had more social problems.

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So we have accomplished a great deal. What really got me excited when I listened to the gentlemen over there, when people say that we cannot find 1 percent of waste in the Federal bureaucracy, and we stepped up and we said, listen, Members of Congress, we have to lead by example, so we said, congressional pay raises should be on the table, as well.

Nobody else's pay raise is on the table. I want people to understand that. Nobody's social security cost of living adjustment is on the table, nobody's veterans benefits, just congressional pay. But I think it was the right thing to do. We have to lead by example.

Mr. KINGSTON. Mr. Speaker, I would ask the gentleman, is the White House or the executive branch's salary included?

Mr. GUTKNECHT. I do not believe they are included in that as well.

Mr. KINGSTON. I would ask the gentleman, has the President made the offer?

Mr. GUTKNECHT. I do not remember that he has.

Mr. KINGSTON. So the position on the social security money, do not cut spending?

Mr. GUTKNECHT. All I am saying is, we will lead by example, regardless of what the White House may do. That has been the example all the way through. When we said you have to reform welfare, we sent them a bill. They vetoed it. We sent a second bill, they vetoed it again. The third time, public opinion and the pressure of the polls forced the President to sign the bill. As a result, we had welfare reform.

As a result of that, we have got 50 percent fewer people on welfare today than we had just 4 years ago, 5 years ago. That is an amazing accomplishment.

But back to the story of waste. It bothers me when people with a straight face can say that there is not 1 percent worth of waste in the Federal bureaucracy. Try explaining that to any farmer in America. They are tightening their belts to the tune of 10 percent, 15 percent, maybe 20 percent over what they were receiving just a few years ago for their crops, and so the idea that they cannot trim spending 1 percent really outside of the beltway is not even a funny joke.

So I want to thank the gentleman for what he is doing, and I want to encourage the gentleman to continue to press this case in looking for ways that we can eliminate the waste, fraud, and abuse in the Federal budget.

At the end of the day it is easy to forget in Washington, it is not our money. We are spending other people's money. They work very hard. It is easy to forget, and my colleague mentioned one of my favorite luncheon meats which we serve every Thursday here in the Capitol. I have gone there where they make that luncheon meat. I have watched those people work. They work very, very hard for their money. I think we owe it to them to make certain that we do not waste it. For too long that has been the standard here in Washington. We need to change that standard.

Mr. TANCREDO. Mr. Speaker, if the gentleman will continue to yield, I want to thank the gentleman from Minnesota. I want to elaborate on the point he has made on how incredibly important it is that we have accomplished something so significant, and it has to be heralded. That is that we have not only been able to do economically what the gentleman has suggested, balance the budget far before we thought we were ever going to be able to, not raid the social security trust fund, but we have done something more important than that, I would suggest. We have actually changed the way people think and talk about the social security fund, trust fund.

Before, as the gentleman knows, since 1965, actually, or 1964, it was an accepted practice around here to spend all of the money that came in as a result of social security, FICA taxes, to spend it on government programs, not put it away for social security but spend it on welfare, and spend it, well, not all that much on the military, because that actually went down in the last few years, but spend it on programs.

But now we have the other side fighting on our turf. This is an enormous accomplishment. If we can get the people in this country to concentrate on the fact that social security should be held inviolate, that we should never be able to spend social security dollars on anything but social security-related issues and the trust fund itself, we will have changed the course of history in America, because we will have stopped the government from growing by about $2 trillion over 10 years just because of the way people think.

If they hold our feet to the fire, if everybody out there says, next time, next Congress, 5 years from now, 10 years from now, if they say, no, no, what are you talking about, spending social security trust fund money on something else; if all of a sudden that catches hold and they stop the Congress from doing that just because of public pressure, and frankly, there is nothing else that can stop us, we all know that, if they can do that, we will have accomplished an incredible thing for our children, our grandchildren, and for America.

Mr. KINGSTON. If the gentleman will continue to yield, I think it is historic in its own right that we are even having the debate about not spending the money.

Mr. TANCREDO. It is.

Mr. KINGSTON. Republicans, we have been guilty, and Democrats, they have been guilty, have spent this money in the past. But this Congress has not done it, and so the fact that we are having this dialogue is great.

Here is a chart from the Congressional Budget Office that certifies that we are not spending social security money. This is a number that came from the Congressional Budget Office or our congressional bean counters on October 27, last week.

It said, projected on-budget surplus, $1 billion, under the congressional scoring system. This is from a neutral third party saying that we have not spent social security money.

But again, this is historic that we have this opportunity. I kind of get a little bit charged up, and we do have some finger-pointing, some good bipartisan finger-pointing, in the morning, in the 1-minutes, where Members are saying, they are spending the money, they are not spending the money.

Well, it is good that at least we consider this debatable, because it has not been. Again, both parties have been guilty of it, but this Congress is different. It is such a great position to be in now. But we have to continue with the waste and abuse or we are not going to be able to have these bragging rights come adjournment next week or next month.

We have been joined by our good friend, the gentleman from South Dakota (Mr. THUNE). I know he has been a leader in cutting out fraud and waste in government, and also one who has insisted on not spending the social security money.

I yield to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, I thank the gentleman from Georgia for yielding to me. I am glad to join in with my friend, the gentleman from Colorado, and my friend, the gentleman from Minnesota, with whom I serve on the Committee on Agriculture. That is an issue that is important to our part of the world.

We have found within the existing budget resources we have the wherewithal to fund those important priorities. I do think it is important that we note in this whole debate that we are willing to fight the good fight, to continue this effort to make the Federal government smaller, make it more efficient, find those places in the budget that are wasteful, where the taxpayer dollars are not being used for the best return on the dollar, and guided by a very simple principle, which I think is what is so remarkable about the debate we are having this year.

That principle is this, that we are going to, for the first time in 30 years, not raid social security. I think that the American people whose retirement security, the trust fund, is ought to be delighted. I think this is really a cause for celebration in the Congress, because it is the first time it has happened in 30 years, and it is a tribute to those who have come before, people like the gentleman from Minnesota (Mr. GUTKNECHT), the gentleman from Georgia (Mr. KINGSTON), who came here in the previous classes of Congress and said, we are going to get this Federal budget under control and we are going to make those hard decisions to bring Federal spending into control, and to a place that allows us to be where we are today, and that is the first balanced budget in a very long time.

I think that is historic. It is significant. We need to stay the course. As we all know, and I do well know now, having been here for 3 years, there is a tremendous inertia here in this city to spend money. It is the way it is. Washington spends money.

My dad used to say, when I had a dog that I could not get to behave the way I wanted it to, he would say, it is the nature of the beast. The nature of the Federal beast is to spend money. The only way we can tame that beast is to apply discipline. It takes discipline.

Those decisions are hard, those choices are hard. Yet I feel again very proud of the fact that we have been able to come up with a budget this year which meets all the important priorities: which actually spends more on defense; which beefs up our national security, which is a concern we have all had; which addresses those needs like law enforcement, education, and actually puts more into education than what the President requested in his budget, and yet does not go into or raid the social security trust fund.

In order to do that, what do we have to do? We have to come up with a 1 percent across-the-board reduction in discretionary spending, 1 percent off of all the array of Federal Government agencies and departments as they go through their budgets. They do not even have to look at program areas, they can do this in the form of rooting out bureaucracy and getting rid of a lot of the administrative waste that exists in the government.

I think the American people will believe, and I think most of us in the Chamber here this evening believe, Mr. Speaker, that we can find 1 percent, that we can find that 1 percent in welfare spending and root it out, and thereby allow us to protect our pledge and our commitment to the American people that we will not raid their retirement security.

I do not think Members can see this from there, but there is a chart there which essentially shows the same thing, but this is the amount of the social security trust fund which has been spent over the last 15 years. That chart drops off dramatically, and it is down to zero today because we again adopted as a matter of principle in this debate over the budget that we are not going to raid the social security trust fund, that that is too important to the future of the people of the country who make the investment, who pay the payroll tax at every check. They deserve to know with confidence and assurance that when the time comes, those retirement dollars are going to be there for them.

As this debate ensues, my understanding is that the President will in fact veto this legislation that we will send him, this proposal to reduce spending by 1 percent across-the-board, but I understand that he will be willing to sit down with us and to figure out exactly how we can fund the programs of government, and do it in a way that does not in any way jeopardize social security.

I think that is a critical point. I do believe again, as a matter of practice, in the last several years since the Members came to the Congress, since I joined the class and the gentleman from Colorado (Mr. TANCREDO) joined it most recently in the freshman class this year, there has been a conscious, deliberate effort to bring Federal spending under control, and do it in a way that allows us to shrink the overall cost of government, make it smaller, make it more responsive to the American people, and to shift power out of Washington, D.C. and back into the homes and families of so many Americans who I think have spent a lot of dollars over the years of their tax dollars.

They need to know, again with some degree of certainty, that those dollars are going to be set aside for their retirement security. We do that in this year's budget. I think it is historic, and I look forward to the debate that ensues.

Mr. GUTKNECHT. Mr. Speaker, as a member of the Committee on the Budget, what we are doing here, it is not only historic, it is very difficult. If it were easy to balance the budget, it would have been done 40 years ago. If it were easy to balance the budget without using social security, it would have been done a long time ago.

But we have lowered the bar on ourselves and made it more difficult to balance the budget by, for the first time in 40 years, saying not only are we going to balance the budget using the old way of keeping score, we are going to change the way we keep score.

That is the point the gentleman from Colorado was making. That is why it is so important, because once we change that in the minds of the American people and in the minds of the folks even here in Washington, that that now is off limits, all of a sudden we have changed the game for a long time to come. That is a very historic and important thing. But it made it more difficult.

A couple of things that made it even more difficult, because sometimes we forget it, and the American people certainly forget this, and I think many of our friends on the left would like to forget this, but part of what made it so much more difficult is we have had so many "emergencies" in the last couple of years.

It is not just about hurricanes and earthquakes and floods and droughts and pestilence and the other things that we have had for emergencies, but we have had an emergency in the farm community. It happened for a variety of reasons.

I know some of our friends say, well, it was all freedom to farm. Freedom to farm had nothing to do with the fact that we have had three consecutive worldwide surpluses, and crop prices and commodity prices have dropped through the floor. We had to respond to that. That was an extra almost $9 billion.

On top of that, we have been involved in something like 33 different military adventures over the last 7 years. One of them just in Kosovo and Bosnia has ultimately cost us $16 billion. That $16 billion was not accounted for in our original budget plans over the years.

A lot of our friends are saying, well, but even with that we had to use some gimmicks. I do not like the term gimmicks, but there are some things in the budget I wish we did not have to do. I wish we were not talking about a 1 percent across-the-board cut, though I think we should do it. I wish we were not talking about advanced funding or forward funding.

But the truth is the President put some of those things into his budget when he submitted it back in February.

Mr. KINGSTON. Actually, $18 billion comes right out of the Clinton White House budget. It is interesting that when the White House does it, it is sound accounting procedures, but when Republicans do it, it is a gimmick.

Mr. GUTKNECHT. The point is, we have all of a sudden been confronted with some expenditures, whether it was in agriculture or other emergencies here in the United States, and people say, what about the Census? The Census is not an emergency. That is correct, but do Members know what, for some reason, and it was an honest mistake I believe on the parts of all the negotiators, when we negotiated the balanced budget agreement in 1997 with the White House, which in itself was an historic agreement, and I was there the day the President signed it, but for some reason we did not include that $4 billion in our future spending plans, so some way or another we have to figure out a way to pay for it. Whether we call it an emergency or take it in regular spending, it still amounts to total spending.

What we have said is, we are going to limit total discretionary spending to about $592 billion. That is still a lot of money, and I am convinced in my bones that there is more than enough money in that budget to meet the legitimate needs of the Federal government and everybody who depends upon it.

There is not enough room in there for all of this fraud and waste and some of the things Members have been talking about. But the point I want to make is we have made it more difficult on ourselves to balance the budget because we have lowered the bar with the social security trust fund.

The President and some other factors have made it even more difficult because of Kosovo, because of Bosnia, because of emergencies, because of what is happening out in farm country.

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But you have got to hand it to our leadership. They have found a way, and in some respects using creative accounting, I will admit that, but they found a way to make room for all those needs and requirements to take care of the legitimate needs of our veterans, take care of the legitimate needs of educations, funding education at a higher level than the President asked for, funding veterans programs at $1.7 billion more than the President asked for, actually finding more money for defense, trying to squeeze other areas of the budget.

Frankly, I am very, very proud of this budget; and I am very proud of this Congress, because we will have done something and hopefully started a new chapter for America that it will take many, many years to reverse. In fact, I hope it never goes back to the way it used to be.

Mr. KINGSTON. Mr. Speaker, I yield to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Speaker, in Colorado, we passed several years ago, I think it was 1994, we passed something referred to as the Tabor amendment. It simply says that the government of the State of Colorado cannot spend more than it takes in, nor can it increase taxes by any more than a percentage equivalent of increase in population growth and inflation. That is it. If we take in more money than that formula allows, it must be returned to the people.

Now, first of all, during the course of that debate, we heard the same kind of things from the people opposing it as we heard from the people who are worried about this 1 percent savings that we are proposing here, that it could not happen, that government cannot operate under such constraints, that there would, in fact, be people out in the street, there would be people hungry at night, that essentially it would be the end of civilization as we know it.

Well, we passed this in 1994. Every single tax increase above that budget cap that is set now in the Constitution allowing growth only for population and inflation, and inflation has been very low, every budget increase at any level, State of Colorado, local districts, special districts, whatever, has to go to a vote of the people.

Now, what has happened, the people in their wisdom have accepted some things, have passed some budget increases, and have rejected many others. It was not as if there was a wholesale disregard. No, people understood very well that some aspects of government needed an increase and some did not.

But my point is this, that not only did we avoid the dire consequences that were suggested as a possibility if we were to pass such a draconian measure, but the economy has gone wild. Jobs increased tenfold. Every single good thing that could possibly happen in the economy has happened in the State of Colorado.

We are paying the price in a way because, of course, now we have the problems with infrastructure catching up to the economy's growth. But those are good problems to have. They are in the exact opposite of the kinds of things that people said would happen if we were to try to constrain ourselves.

I assure the American public tonight that if we took 1 percent off of next year's budget, that there would not be the kind of dire consequences that our friends on the left suggest would occur, that we can live within a 99 percent budget. We can do it. Believe it or not, America, it can happen.

Mr. KINGSTON. Mr. Speaker, reclaiming my time, we have about 3 or 4 minutes left, so I wanted to give everybody a chance to close. But one of the things I want to point out is that there are many Members on the Democratic side of the aisle who say it is hard to argue against 1 percent reduction. We think we can do it. We, too, do not want to spend Social Security. So it is really a matter of let us work through it with the White House and get this thing done because I think that so often we look at this as Republican/Democrat, but there is this Congress, legislative branch versus the executive branch.

But the vision is clear. Do not spend Social Security money. Do not increase taxes. But balance the budget through spending less. There is a lot of bipartisan agreement on it. What we need to do is finish the agreement up and leave town. I think the people in America feel a lot better when Congress is out of session rather than when we are in session.

Mr. THUNE. Mr. Speaker, if the gentleman will yield, I would also add, too, to what he just said that, another thing that is important, and I hear all across South Dakota when I travel the State is, why do you guys not do something about paying down the Federal debt?

That is something now for 2 years in a row we are actually going to pay down debt. The reason that we are able to do that is because, again, through the hard work of the American people and generating the surplus and to agree that Congress has any control over this, it is in the area of controlling fiscal or Federal spending and keeping the tax burden under control, which we did, and we reduced taxes.

The gentleman from Minnesota (Mr. GUTKNECHT) noted earlier that reducing the capital gains tax actually increased revenues and put us in a position now where we are running surpluses. But the reality, of course, again is that we would not be in this position if we had not exercised control over Federal spending.

It allows us to pay down Federal debt, which is a huge, huge priority, ought to be, so that for the next generation on whose back all of this is going to fall someday, we are actually lifting that load.

So there are a lot of awful good things in here. I think, again, in the interest of trying to do this in a responsible way, asking Federal agencies and departments to come up with 1 percent in savings, we have all heard about the illustration, some of my favorite ones, $850,000 for Ben and Jerry's ice cream to go to Russia and the $1 million outhouse at the top of Glacier National Park. Those are examples of things that we are talking about, finding that 1 percent that allows us to balance this budget without raiding Social Security.

That is a huge accomplishment. Again, at the same time, couple that with allowing us to pay down the Federal debt. So these are all things that are incorporated in this budget process this year, and we ought to do the best we can to resolve the differences with the White House and to go home.

Mr. GUTKNECHT. Mr. Speaker, if the gentleman will yield, just in summation, I would say that, really, the central questions are these: What are we going to do to guarantee our parents a more secure retirement, and what are we doing to make certain we leave our kids a legacy that we are proud of in terms of debt?

I think the answer is we have to dramatically control, slow and control the rate of growth and Federal spending. If we do that, then everything else gets so much easier. The economy is stronger, interest rates are lower, everything gets better.

We have made it clear, and if the President does not like our 1 percent plan or some of the other things, we have made it clear is simply this, we will not raise taxes. We will not raid the Social Security. We will not close down the Government. Everything else is negotiable.

We are willing to meet the President more than halfway. We are not saying our plan is the only plan. But we are saying we are going to stop the raid on Social Security. We are not going to raise taxes. We are not going to close down the Government. Beyond that, we will negotiate in good faith, and everything else is on the table. Really, it is about what kind of a future we are going to leave to our kids.

Mr. TANCREDO. Mr. Speaker, if the gentleman will yield for just a second, once again, I wanted to reiterate something that the gentleman from Minnesota (Mr. GUTKNECHT) said earlier, and it is so important to remember, that when we are talking about numbers here, people have a tendency to just sort of glaze over and say, ah, it is just numbers. It does not matter. But it does matter. It matters in people's lives.

What we do here, the actions we take here, the votes that we cast every day have an impact on what happens in the lives of Americans all over this land. If we can actually slow the growth of Government down, if we can reduce the amount that the Government would have grown in the next 10 years by $2 trillion, by simply holding Social Security sacrosanct, it is more than just a paper accomplishment.

It means lives will change. It means that people will be able to buy homes that would never have been able to buy a home because interest rates will go down. It will mean that people will be able to take vacations they never thought they could take. They will be able to leave to their grandchildren and children an estate that is worth something, worth real dollars, because the Government will not confiscate it all in the process. It actually matters when we talk about reducing the size and the scope of Government. They are not just words. They affect the way people live.

I want to say, as a freshman, once again, I am proud to be a Member of this Congress. I am proud to join my colleagues here who have done yeoman's work before I ever got here to get us to the point where we are today. I realize I can take very little credit for what we have accomplished. It is a result of the efforts that the gentlemen here, my colleagues, have put forward over these years to get us where we are.

I simply want to tell my colleagues that, I mean this from the bottom of my heart, I thank them all for their patriotism, for their love of America, for what they have done for the country.

Mr. KINGSTON. Mr. Speaker, I yield to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, I cannot add to that. But I would say, on behalf of the people that I serve in the State of South Dakota, that we believe, again, that, as a matter of principle, that the Federal Government is too big, and it spends too much, and that we can find ways to continue to reduce the cost of government, making it more efficient, find that 1 percent in savings that enables us to protect and preserve and safeguard the retirement security for every South Dakotan, for every American by not having to dip in and to raid the Social Security Trust Fund. That is a principle that is nonnegotiable.

I hope that in these negotiations that will come up now with the White House that we can come up with a solution that serves the people of this country who depend upon programs that are essential but at the same time allows us to balance this budget, stay on the track that we are on, the course that we are on, and do it in a way that keeps us from going into Social Security, which is a change, a long change, a departure from precedent that has been on the books for a long time, again, as the gentleman from Minnesota (Mr. GUTKNECHT) noted, going back to the 1950s, I think, where we actually are going to be able to do this and say, that going into the new millennium, the new century, that this is the new way of doing business around here; that when we create a trust fund, that we want to keep it for that purpose.

So, again, I thank the gentleman from Georgia (Mr. KINGSTON) for yielding; and, hopefully, again, we will wrap this thing up soon and get this process completed.

Mr. KINGSTON. Mr. Speaker, let me thank the gentleman from South Dakota (Mr. THUNE) and the gentleman from Colorado (Mr. TANCREDO) and the gentleman from Minnesota (Mr. GUTKNECHT) for playing a part in this vital negotiation and this great debate that we are having, and it is worthwhile.

We are trying to save Social Security. We are trying not to increase taxes. We are trying to ferret out waste in government. Who are we doing it for? We are doing for that family that drives an extra block to buy gas for $1.05 a gallon instead of for $1.07. We are doing it for that family who pushes to order medium Cokes instead of large Cokes at restaurants, chicken instead of steak. We are doing it for that family who gets three quotes a year on their automobile insurance. We are doing it for a family that does not buy a new suit unless the clothes are on sale. Finally, we are doing it for that family who will never buy cereal unless they have a 20-cents-off coupon that they clipped out of the newspaper.

That is what this is about, 1 cent on the dollar. It is not hard. American families do it every single day. Congress can certainly do its part here in Washington, D.C.

SOCIAL SECURITY

The SPEAKER pro tempore (Mr. HAYES). Under the Speaker's announced policy of January 6, 1999, the gentleman from North Dakota (Mr. POMEROY) is recognized for 60 minutes as the designee of the minority leader.

Mr. POMEROY. Mr. Speaker, I commend my colleagues, good men, good men all, and certainly articulate advocates for their position. I am pleased to be able to represent a different view because, quite frankly, there is more to this story than we have just heard, and I want to represent it in the next hour.

What I will do in the course of this hour is spend most of the time talking actually about the Social Security program, its vital importance to America's families, the need for addressing and strengthening Social Security, and also putting in perspective the absolute baseless attacks being waged by the majority on the minority relative to this important program.

At the outset, however, having sat patiently while the preceding side was making their points, there are some things that, frankly, must be said to put their presentation in perspective.

I want to start by saying that here on November 2, we are now more than 1 month into the new fiscal year. That fiscal year, of course, starts October 1.

That is the time when Congress and the President are to have all the new spending bills in place, funding the Government for the new fiscal year. It is a 12-month fiscal year. We are 1 month into it.

We do not have all the spending bills in place. In fact, a very substantial portion of the Federal budget has not been put in place.

Why is this? Well, frankly, the responsibility falls on the majority party to pass the budget and to get the appropriations bill out. We saw, even as late, as late last week the fumbling around, the frantic scratching for votes, the efforts to get the majority behind the appropriations bills. They have done this, taken us well into the new fiscal year without meaningful negotiations with the White House. There have been talks beginning very recently.

□ 2030

But for the most part it is one side setting down their side, the other side setting down their side; and at least to some of us, it looks like never the twain shall meet. We know it will be broken sooner or later. But rather than have these bills passed in a timely measure last summer, so that the differences with the White House could be ironed out in September, putting the bills in place by the new fiscal year, we are now well into the new fiscal year and no end in sight.

That is why it concerned me deeply to hear a member of the majority say in the preceding presentation that during the two Government shutdowns of 1995 nobody noticed, nobody cared. I will give him this. The gentleman that said that is a freshman. He was not here at the time, and so maybe he was not simply paying attention. But every Member of Congress knows that shutting the Government down was a failure of Congress.

At that time, Speaker Gingrich was the leader of this chamber, and it was a distinct failure of Speaker Gingrich and the Republican majority, one that will live in infamy in the days of this chamber; the House of Representatives unable to get its work done causing the Federal Government to shut down. Taxpaying Americans unable to even enjoy the national parks or, for that matter, to go up in the Washington Monument down on the Mall because of the political gamesmanship and the abdication of responsibility to get the spending packages put in place.

So here we are, once again under a Republican majority, once again deeply into the fiscal year without the new spending bills in place, and now we have Members of the Republican majority saying this government shutdown is not such a bad idea. It really leaves me concerned about where this outfit is heading. Because I would hope, as long as I am in this chamber representing the State of North Dakota, we never, ever see such a pathetic time when this body shuts the Government down because it cannot get its work done.

The failure of this outfit, the majority, to fund the government is only part of their failure up to this point. Let us look at the legislative record. What do the American people want? I have a good notion they want a patients' bill of rights. They want protections when within an HMO they are not sure who they are getting care from, their physician or an insurance executive somewhere across the country at some call center.

This Congress, the majority leadership, did everything possible to delay and frustrate efforts to get a patients' bill of rights passed. And, frankly, they lost. Months later than it should have happened, we passed, the majority and joined by a few courageous Members of the majority, a patients' bill of rights law, or a proposal, that now languishes at the end of the session because, having passed it out of this chamber, they continue to frustrate efforts to get the enactment completed and get it hastened on.

I have a feeling that the American public wants basic gun safety legislation, something as basic as trigger locks, so that we do not have children shooting children with their dad's gun accidentally in the homes anymore. Something as basic as closing the loopholes for gun sales that would have a registered gun dealer having to run background checks, but an unregistered gun dealer at a gun show not having a similar requirement. It does not make sense. The American people want it addressed. This group has done everything possible to keep that legislation off the floor and to keep this bill from becoming law.

Prescription drug coverage within Medicare. I represent in North Dakota maybe more seniors than a lot of people, but there is a crying need for prescription drug coverage in Medicare. We have seen since the Medicare program was created more than 30 years ago an evolution in how the program works. More and more outpatient. Not so much those long hospital stays of days gone by, but more and more reliance upon prescription drugs. And there are wonderful breakthroughs in medicine that have allowed prescription drugs to play a bigger and bigger role in terms of health maintenance.

The ironic thing is many of us believe if seniors have the ability to pay for the prescription drugs they need, many of them will stay out of the hospitals and we will ultimately save the Medicare money while preserving lives, while enhancing quality of life. Prescription drugs in Medicare ought to have been on this floor for debate and consideration, but the majority has stopped it.

We have a Social Security program, and I am going to talk about this in some detail, that needs additional finances. We are at the critical point in our Nation's history where we have surplus dollars to apply to the shortfall that will be coming in Social Security. But the majority has kept off this floor a proposal, any proposal, to strengthen the life of that trust fund a single day. They have done nothing to prolong Social Security, to strengthen Social Security. That is the record aside from the appropriations.

Let us talk about what they have said in the appropriations, and let us start with a few charts that I have with me. The budget bill they were talking about, the great big one with that 1 percent across-the-board cut, does nothing to protect Social Security. It does nothing to lengthen the trust fund by a single day. That bill does nothing to provide prescription drug coverage in the Medicare program. And that bill hurts every American family in some way.

My colleagues might ask how can a bill hurt every American family in some way. For one thing, it does not provide the funding for the President's Police on the Beat program. This COPS on the Beat program, which has been responsible for putting 100,000 law enforcement personnel out on the beat needs continuation and it needs to be improved. And our side believes that ought to be achieved in this bill they have just been talking about. They do nothing about COPS on the Beat, and they would let this program simply expire quietly, and this enhanced law enforcement protection for American citizens that many of us believe has had such an important role in reducing the crime rates would go away.

So that is what was not in their plan. What was in their plan was an awful lot of phony accounting. They have talked, and I have just sat here and if I heard it once, I heard it at least 30 times, how they are not touching the Social Security revenues to fund their budget. I guess they operate, and they are good men, do not get me wrong, they are friends of mine; but I am afraid they are either operating under denial or the old adage that if we say something long enough, no matter how untrue, we begin to believe it ourselves and we hope others begin to believe it as well. Well, something like whether or not they are telling the truth and whether they are spending the Social Security Trust Fund money has to be more than what we might stand up and say by way of empty words.

Let us look at what the Congressional Budget Office says. Because this is the outfit that Congress charges to do the scorekeeping on the spending bills that pass this chamber. Clearly, it is not enough for any individual legislator to pass a bill and say, well, that is not going to cost very much, and that is why Congress has established this nonpartisan central office, the Congressional Budget Office, to keep a score on the bells.

This says it all. CBO makes it clear. They spend $17 billion of Social Security surplus. And the report from CBO states, and I quote, "Outlays from congressional action on appropriation legislation, including the latest action on all 13 regular appropriations bills, would also exceed the discretionary caps by more than the CBO estimate of the on-budget surplus. After taking that surplus into account, CBO projects an on-budget deficit of about $17 billion." An on-budget deficit of $17 billion.

Well, what does that mean? That means they are into the Social Security Trust Fund for $17 billion. Now, if my colleagues think this is some kind of accounting gobbledygook, let me quote from a Wall Street Journal story which puts it in slightly more user-friendly language. This is a story that ran in the Wall Street Journal on Friday, October 29. Under the headline, "CBO Estimates That GOP Exceeds Spending Targets by Over $31 Billion," the story reads: "Congressional Budget Office estimates show that Republicans are more than $31 billion over their initial spending targets for this year, risking the Government having to borrow again from Social Security."

Now, those are not my words; that is the analysis of the Wall Street Journal. "Prior appropriations bills have exceeded Mr. Clinton's request for funding everything from veterans' medical care and the Pentagon to the Environmental Protection Agency. Even with the 1 percent quote, the Labor-Education and Health bill," which is expected to be passed by the Senate on Monday, "includes major spending increases over last year."

Anyone listening to the prior hour heard ad nauseam about the 1 percent across-the-board cut. What is the cumulative effect of that 1 percent cut? "Even with the 1 percent cut, the Labor-Education and Health bill includes major spending increases over last year." Those are not my words; those are the Wall Street Journal's words.

The final paragraph of this story sets out what I think is the most egregious of the gimmicks used in trying to patch together a budget to camouflage their raiding of the Social Security fund. The GOP continues to work from what amounts to two sets of books, one based on the CBO, the Congressional Budget Office, and the other on spending estimates by the Office of Management and Budget. When OMB's numbers are favorable, the House and Senate Committee on the Budget members simply direct CBO to adjust its estimates accordingly. These changes add up to billions of dollars over the years.

I might say that as a former Committee on the Budget member, this is without precedent. The Congressional Budget Office is the scoring entity established under the Budget Act to evaluate what Congress is spending. But here we have the majority using two sets of books. If OMB gives a better number, they use the OMB number, and they do it in their appropriations. They direct CBO not to use its own scoring methodology but just to accept the higher number, the one that benefits them.

By using two sets of books, they have destroyed the validity of CBO's accounting and damaged very much the budget integrity of the Congressional Budget Act.

Mr. MINGE. Will the gentleman yield for a moment?

Mr. POMEROY. Mr. Speaker, I will yield to the gentleman from Minnesota (Mr. MINGE), and I am very pleased the gentleman has joined me, a distinguished member of the Committee on the Budget.

Mr. MINGE. Well, I thank my colleague, and I would just like to comment for the benefit of our colleagues on this problem with CBO scoring.

I think that it is sort of easy to forget that we established the Congressional Budget Office, or CBO, in order to get away from inaccurate projections that were being developed back in the 1980s. There were always these rosy scenarios that we were going to have the deficit problem licked, it was just around the corner, that the deficit was going to decline. And I still remember sitting home there in Minnesota as a citizen in the community and thinking, gee, this is positive. And then at the end of the year, it was a big disappointment. It was a letdown.

And it was because the White House and Congress were using all sorts of different projections and coming up with these rosy scenarios. So the Congressional Budget Office was really directed to be nonpartisan, to be objective, and it was to be beyond the influence of parties in Congress and it was to be independent of the White House, because the White House and the Office of Management and Budget had become notorious for these rosy scenarios.

So in the late 1980s and the early 1990s, we had a Congressional Budget Office with some rigor, and everybody, I think even the folks at the White House, Republican or Democrat, were respecting the projections from the Congressional Budget Office, or its estimates, its so-called scoring, as being the most accurate.

And the gentleman has raised an excellent point, because I think one of the things that troubles me most about what we have seen here in the last few months is the abuse of the Congressional Budget Office; instead of relying on its objective estimates, picking and choosing when the Congressional Budget Office estimates will be used and when the Office of Management and Budget's estimates will be used. And, of course, if we pick the most favorable from the two different entities, we can develop a much more positive projection as to what is going to happen. The so-called rosy scenario.

☐ 2045

And that is back to the smoke and mirrors problems that we had in the 1980s and the beginning of the 1990s.

Mr. POMEROY. Mr. Speaker, reclaiming my time, and I ask the gentleman to please stay and participate in this dialogue, but I think we got into serious deficit trouble in the 1980s because we had phony numbers, and what this outfit is doing is using once again phony numbers.

Let us just put it in a family context. Let us say, for example, I make a living on commission sales. I sell and I get a percentage of what I sell. That is my income. Well, let us say I want to really spend money. And so, I just go ahead and figure, well, this year I am suddenly going to make a great deal more than I ever had before and, in fact, I spend the money.

But then the income does not come in as I have projected, I pretty much earned what I always earned and I am in a big financial hole. Well, applying to the Nation, that is what happened to us in the 1980s. And now this outfit, the majority, that parades around on the floor beating their chests about how they are saving Social Security, are doing it with cooked books.

Would not we all like to have two sets of books? Let us just play with this idea for a minute. Think about applying for an equity loan on your mortgage and someone is going to say, well, how much is your home worth? Well, on the one hand, you can have an appraiser go out and do an estimate, or on the other hand, you could have your brother-in-law give his idea of what the home is worth; and, by the way, you pick the higher one.

Take the instance of a checkbook. Which is the real value of the amount in the checkbook, the present value of the cash on hand or that cash-on-hand figure reduced by the number of checks you have already written?

Well, if you could just kind of automatically pick whichever figure you wanted, you would pick the higher one and forget about those checks outstanding. And so it goes.

Let us say you are applying for a loan and you say, well, how much do you make? And you say, well, do you want to take the employer's estimate, your employer's verification of what you are paid, or do you want to take my idea of what I am worth? Pick your figure.

When you use two books, you could do anything and it leads you to an absolutely absurd result.

Mr. MINGE. Mr. Speaker, if the gentleman will continue to yield, I worked with certified public accountants, and you always look to an independent accountant for the best analysis of your financial condition.

One thing that is just absolutely fundamental in the accounting profession is that you use standards and you apply them consistently. And when you are picking and choosing how you are going to apply your standards, you are setting yourself up for a very unfortunate accounting surprise.

And for those folks in our body, those among our colleagues that are familiar with accounting, you know, number one, you need to have standards which make accounting sense. Secondly, you have to apply them consistently. And the third thing, which relates to what my colleague was just talking about, is, again speaking in accounting principles, to use an accrual basis of accounting.

If you are keeping track of your obligations as they accrue, it is a whole lot harder to take an arbitrary cut-off like the end of a fiscal year and say, well, just ignore what the obligations might be as they come due just after the end of the fiscal year because that is another year. You cannot do that with the accountants. CPAs or the independent accountant say, no, we are not that easily fooled.

But what has happened here with the Republican bills that have been passed is they are trying to fool us, they are saying we will put it off into the next year, do not worry about it. And one thing I noticed is that, with the National Institutes of Health, NIH, and medical research, that they are trying to take the money instead of regular pay for our research scientists and the universities as their bills are incurred, they are putting it off until the last month of the year. And it is nuts. It takes us away from the objective type of accounting that is so important to the integrity of this institution.

I think it is tragic that we have struggled for the last 7 years to try to bring this type of discipline into this institution and here in 1999 it is being destroyed.

The previous chart that my colleague had up refers to the Committee on the Budget directing the CBO to adjust its estimates.

I am on the Committee on the Budget. We had no committee meeting. The Committee on the Budget has not participated in this. This has come directly from the leadership in the House of Representatives and the Senate, the Republican leadership. And that, too, I think is very disappointing.

If we are going to do this in an objective and bipartisan fashion like we should in dealing with the Office of Management and Budget or CBO, it ought to be committee action. There ought to be discussion. There ought to be debate. We ought to know what is happening.

If my colleague would just indulge me for a moment, I would like to also mention some legislation which I introduced on Thursday as this final appropriations bill passed.

I could see that our leadership here in Congress had done exactly what the Wall Street Journal article indicated. The Congressional Budget Office Director had written to me, saying we are $17 billion into the Social Security trust fund by our analysis, our independent analysis of the bills that have passed. And I said, if that is the case, then the leadership in this. Congress has the responsibility to assure not just the other Members of Congress, not just the Social Security retirees, but all the American people that we are not going to be invading the Social Security trust fund by some type of enforcement mechanism.

Unfortunately, there is not an enforcement mechanism to be seen in these series of appropriations bills, just a lot of empty promises about how they are protecting the Social Security trust fund, as my colleague said, beating their chest.

So what I placed in this bill is essentially an obligation that we would have with the American people that, if indeed CBO is right and we are into the Social Security trust fund, that we will restore to that trust fund out of the surpluses in fiscal year 2001 all the money that we have taken before we start talking about tax cuts in 2001 or before we start talking about expanding programs and new programs.

I have had an unwillingness on the part of my colleagues on the other side of the aisle to join me in this legislation. I think it is critical if we are going to keep the faith of the American people. We cannot cut ourselves any slack. That would be a mistake. But, at a minimum, if we are going to pass this kind of legislation, which I think is irresponsible, we ought to be willing to be forthright and we ought to have enforcement mechanisms in that legislation so that we are protecting the Social Security surplus from the continued raids on the Social Security trust fund.

Mr. POMEROY. Reclaiming my time, Mr. Speaker, the gentleman has established a reputation in this body as being a very serious-minded budgeteer for fiscal restraint, fiscal discipline, and functioning under due order.

The issues in terms of if we were having a genuine debate between the parties, which party, the minority or the majority, might do a better job of protecting Social Security, what a wonderful debate it would be. It would be a competition between the parties that would be healthy, that would bring out our best, that would strengthen Social Security, our most vital program.

But a debate like that will only be possible if each side levels with the American people. For one party to simply say they are protecting Social Security when indeed they are spending $17 billion of the surplus and denying every penny of it, that puts us on a track where this will not be a real debate, it will be about who can sell their lie. And that is not the way the American people deserve to have congressional debate unfold about the Social Security program.

Mr. Speaker, I yield to my friend, the distinguished gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Speaker, sitting here listening to my colleague, I was thinking what the American people must wonder about us as they sit at home and they watch us argue this matter and supposedly well-meaning and intellectually honest individuals differing so sharply on what the real situation is.

That is the benefit of having the Congressional Budget Office, because the Congressional Budget Office is not beholden to either political party, it is not beholden to any particular position. It was established to give us accurate and valid information. The American people, I believe, need to know that the leadership in this House has corrupted the Congressional Budget Office.

It is a sad day, I think, for us. Because if we cannot have some clear standard that we can all look to and that the American people can look to, then the American people are left out there to wonder who can they believe, which ones of us can they trust.

I think it is important for us to get this word out that the Congressional Budget Office, which is supposed to serve all of us who represent constituents across this country, was established to give us accurate, valid information and then we can take that information and use it to make decisions. But if that information is corrupted by directions from the leadership of this House, then where do we go for valid information? And we are left to flounder and then we end up, as I think we are experiencing during this end game with the budget process, with simply trading accusations back and forth.

It is not our side that has corrupted the Congressional Budget Office. It is the leadership. It is the Republican leadership in this House. And the American people, I believe, need to hold them responsible.

What they have done, I think, transcends this current crisis that we are experiencing up here, but it has the potential for a long time in the future to prevent us from making the kinds of wise and thoughtful decisions that the CBO enables us to make if they can do their job without unnecessary and unwarranted interference.

Mr. POMEROY. Mr. Speaker, reclaiming my time, the Wall Street Journal article says it very directly: "GOP continues to work from what amounts to two sets of books."

Now, it was not always that way. The gentleman was part of that historic bipartisan Balanced Budget Act that passed in 1997. At that time, Republicans and Democrats alike agreed that Congressional Budget Office numbers would prevail, that the budgets would be scored not by the White House OMB estimates but by the Congressional Budget Office numbers.

How unfortunate now that, while the minority is staying with the Congressional Budget Office numbers as part of the Budget Enforcement Act of Congress, the majority wants to use, and I quote from the Wall Street Journal, "two sets of books" to basically cover what amounts to spending to the tune of $17 billion of Social Security surplus.

We are very pleased to note the presence on the floor of the senior Democrat on the Committee on the Budget, a key negotiator that brought that Balanced Budget Act together in 1997, the gentleman from South Carolina (Mr. SPRATT).

Mr. Speaker, I yield to the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, I think it is in order just to take a minute to say we have every reason to be celebrating our success. Three times in the 1990s we stood up to the problem of the deficit which had plagued fiscally the 1980s: In 1990, when we passed the Bush Budget Summit Agreement; in 1993, Democrats only, just our side of the aisle, one vote would have made the difference, we put on the board the votes to pass the Clinton Deficit Reduction Act. And then, in 1997, we came around to finish the job.

As it turned out, the deficit was already down below $25 billion that year. But we wiped that out and went on to put the Government on a fiscally even keel for the next 5 years. And now we are enjoying the fruits of that and we ought to celebrate it.

Last year, for the first time in 30 years, we had a surplus of $70 billion. This year, when we closed the books on fiscal year 1999, we had a surplus of $125 billion. Now, that is using the yardstick that we have used since 1969, including all expenditures, all revenues of the Federal Government, and so-called unified or consolidated budget. If you back out Social Security, the biggest account in the budget, this year, for the first time in eons, we are just about in balance without including Social Security, a billion dollars in a budget of a trillion, 800 billion dollars.

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We are just about in balance with our Social Security. So we developed a new objective. Just as we were crossing the goal line, we moved the goal post back. We said, "It's not good enough to balance the budget using Social Security. Let's balance the budget without using the surpluses in Social Security and let's not borrow from the Social Security trust account in the future."

The President was the first to propose that we use the Social Security surpluses to buy down debt held by the public, outstanding Treasury debt. The benefit of that would be if we dedicate ourselves completely to it over the next 10 years, we would retire $1.8 trillion in debt, half the outstanding debt held by the public of this country. And then over the next 15 years, we could retire nearly all of it, more than $3 trillion of publicly held debt. Then in 2020, 2024 when the Administrator of Social Security has to take those bonds which he holds as trustee and liquidate them, cash them in so he can meet benefit payments, the Treasury will be in better shape fiscally than ever to roll the bonds and pay the debt because it will have very little debt held by the public at that point in time. This is a fundamentally important thing, and basically both parties are coming together on trying to do that as one of the legs in the stool that will keep Social Security up.

So this year we said we would like to stay out of the Social Security surplus. My colleagues on the other side said they were going to do that. The problem is they really have not shot squarely with the budget that they presented on the floor.

And so I wrote Mr. Crippen, Dr. Crippen, a Republican appointee, a good man, he has a Republican partisan background, he is their appointee to head the Congressional Budget Office, CBO, supposed to be neutral and nonpartisan. It is our budget shop. I asked him since he is the scorekeeper, he is the umpire, he is the arbiter in these matters and they are the experts with a good track record of predicting the effects of legislation that we pass around here that we call the budget, the 13 appropriations bills that make up the annual budget, give me the latest, give us the latest update. When you have passed the 13th of these 13 bills, tell us where we stand.

He wrote me back a letter telling it like it is. He said, Dear Mr. Spratt, look at table 1. Total spending in these 13 different appropriation bills by our calculation, and that is outlays, that is dollars actually spent in fiscal year 2000, the year that we are in right now, will come to $614.1 billion. He said if you apply an across-the-board cut of 1 percent to that, you will whittle off about $3.5 billion of it, leaving a net of $610 billion. He said in 1997 when you did the balanced budget agreement of 1997 and you capped discretionary spending, the cap or ceiling that you put on discretionary spending this year was $579.8, $580 billion. If you spend $610 billion which is what these 13 bills did, according to Dr. Crippen, you are $30.7 billion over and above those discretionary caps. That is the first violation.

Secondly, more importantly, when you go $30 billion over, you have got a $14 billion surplus out there that we project for fiscal year 2000. That surplus would obtain if you hit the target of $580 billion in total spending. But if you are $30 billion over it, then you will use up the $14 billion surplus and be $17 billion in deficit. That deficit will have to come out of Social Security. That means that you will be $17 billion into the Social Security account. That is the straightforward accounting of the matter. No way you can cover that up. They tried to dispense with it with what we call scorekeeping gimmicks, delayed obligations, advance funding, all of these different things, there is a lengthy list of them provided, and they are all shams. The truth of the matter is right here. Dr. Crippen told it the way it is. They are $17.1 billion into the Social Security trust fund as a result of bills that this Congress passed under the majority leadership of the Congress in the House and the Senate.

Mr. POMEROY. I want to ask the gentleman a question if he would be so kind.

Two very distinctly different versions of this 1 percent cut have been presented on the floor tonight. I have quoted the Wall Street Journal that says even with the 1 percent cut, the Labor, Education, Health bill expected to be passed by the Senate on Monday includes major spending increases over the last year. That is what I believe that 1 percent cut does. The other side has said that 1 percent cut eliminates any spending into the Social Security revenues, so if you voted against that 1 percent cut, then you are voting to spend Social Security. That is their argument and they repeat it again and again and again.

Would you discuss whether there is any basis to their argument.

Mr. SPRATT. Dr. Crippen sent me two tables in response to my request. Under his letter of October 28, he said, CBO has also calculated the across-the-board cut that would be necessary to eliminate the estimated on-budget deficit, the deficit without Social Security, for this year under two scenarios. Table 2 presents their estimate of what would be necessary in the way of across-the-board cuts to wipe out this deficit of $17.1 billion that otherwise will come out of Social Security.

He said, if you cut completely across the board, defense, veterans, everything, it will take a 4.8 percent across-the-board cut, not a .97 percent cut but a 4.8 percent. Now, he said if you cut 4.8 percent, you are going to wipe out the pay raise and everything that you have provided for personnel this year, important initiatives in the defense bill. Your initiative to get $1.7 billion of additional funding for veterans health care will be largely wiped out. So if you exclude veterans health care and if you exclude defense programs, the across-the-board cut would have to be 10.8 percent, not 1 percent or .97 percent. It would have to be 10.8 percent. So the whole 1 percent across-the-board cut is a ruse. According to the Director of the Congressional Budget Office, Dr. Dan Crippen, the minimal cut would be 4.8 percent in order to rectify these books and stay out of Social Security.

Mr. MINGE. I have worked with the gentleman on the Committee on the Budget for the past 3 years. I have never worked with another committee member who has delved into the subject matter of the committee as thoroughly as he has. I was very interested in the comment that the gentleman made at the outset. That is, it has been historic. For the first time in decades we have balanced the budget using Social Security and now we have come within just a fraction of an inch of balancing the budget with Social Security off the budget, and so really it is a historic time. We ought to be rejoicing and we ought to be facing up to any problems that we have, having come this close to this accomplishment. But instead, what troubles me is that we are corrupting the integrity of the budget process to be able to boast that we have done something we have not quite done yet. I think that the damage that this does to the integrity of this institution is tragic.

Mr. SPRATT. If the gentleman will yield, to the discipline of the budget rules that have brought us from a $290 billion deficit 7 short years ago to a surplus this year, measured by the same technique, of $125 billion. Rules, processes, procedures have helped us travel that far in this period of time. If you undercut and trash those rules, we will soon lose what we have accomplished.

Mr. MINGE. That is exactly my point. We are corrupting the process here to be able to boast that we have done something that has not quite been achieved. I think that is one tragedy. The second is, we have not even talked here in our discussion about Social Security about the enormous and really it was a phony tax cut proposal that was passed through these bodies this fall. There was an effort to I think pander to the American people about a tax cut that many of our colleagues would never have voted for if they had expected the President to sign it, and that would have destroyed our opportunity to say that we were indeed balancing the budget without using Social Security. There was no really effective enforcement mechanism there, there is no effective enforcement mechanism now, and the consequence is that what we are doing is we are sowing the seeds of disillusionment of the American people of this institution. I think that we ought to be forthright, we ought to have the integrity to stand up and say, it might be next year if that is really what we are doing, and the leadership in this body is taking us down this sort of rosy scenario path. What I really resent about this path is that we again are attempting to mislead our citizens. This Wall Street Journal article lays it out factually. I think that if the Wall Street Journal is taking a critical eye of this, this claim by the Republicans in this body, the entire Nation should know that we have to really sit up and watch what is happening. We cannot let the leadership fool us or fool the American people in what is happening.

Mr. POMEROY. Reclaiming my time, the parties have agreed on some fundamental principles of budgeting. Going to use real numbers, commonly agreed to, as scored by the Congressional Budget Office, an office established for that very purpose. Secondly, we are going to operate under budget caps, caps that limited the amount of money that could be spent. Thirdly, we were going to have pay-as-you-go, so if you, operating within those caps, were adding spending, you had to cut spending somewhere else. Those are the three core elements the parties have agreed to in terms of budget discipline that got us out of this god-awful deficit and into the situation where the surplus is today. I think the gentleman from Minnesota makes such a great point in expressing his real alarm at now the Republican majority tearing apart those agreed principles of budget discipline.

I think of it kind of like a dam holding back a wall of water. Just think about it being these budget discipline principles holding back a flood of Federal spending. If one party starts to say, "We're not going to use real numbers anymore, we're not going to use the Congressional Budget Office anymore, we'll use them some but when it is to our advantage, we'll use something else, we're going to keep two sets of books," when the budget number integrity starts to go, look out, because there is going to be a wall of spending trying to hustle through that very opening.

Mr. SPRATT. If the gentleman will yield again, I would like to pick up on what the gentleman from Minnesota said, and that is that this is a pretty special time. For the first time in the 17 years that I have been here, we are literally able, fiscally able to do something about Social Security's long-run future and Medicare's long-run future. Heretofore, we have had to struggle year to year with the deficits that have beset our budgets. We simply did not have the wherewithal to muster the energy and do something about Social Security. Now we can do something, if we will. The question before us is, do we have the will to do it?

Last August, just as soon as CBO and OMB had both projected large accumulations of surpluses over the next 10 to 15 years, the first action we got from our colleagues on the other side was a large tax bill. And I think some of the surplus should be given back to the American people in the form of tax reduction, no question about it. But I think the American people want us to fix Social Security for the long run and we have got the opportunity now.

If we had voted for that tax bill last summer, and the President signed it, the wherewithal to deal with Social Security would have been gone and the problem we have right now, closing the budget this year, we are 1 month into a new fiscal year, do not have a budget, only foreshadows the problems we would have had in 2001, 2002, on past 2010, as far as the eye can see, if that tax bill had been passed. It would have left us strapped and unable to do anything about Social Security, much less Medicare.

Mr. POMEROY. Reclaiming my time and on that point, there are three ways you shore up Social Security for the long haul. One way to do it is cut benefits. We are going to run out of the Social Security trust fund in the year 2034, so what are we going to do to prop it up for the long haul? With the average Social Security check in this country being somewhere around $700 and one-third of all recipients depending almost entirely on that check to live, two-thirds depending on that $700 check for more than half their income, I do not think cutting benefits is what we want to do. I do not think we ought to raise the retirement age. Americans are looking forward to their promised Social Security check. What do you want to take the retirement age to? 70? 72? 75? We do not want to go that way. So cutting benefits, I do not think, is the way to go.

□ 2115

The second thing you could do is raise taxes. Well, the tax already is 12.4 percent to support Social Security, the payroll tax. More Americans in this country pay higher FICA taxes supporting Social Security than they pay income tax. So I surely do not think you want to do any more on raising taxes.

That gets us to the third and only other alternative, and that is to take some of the general fund money and put it into Social Security so you prolong the life of Social Security and have it there, guaranteed, so those benefits will be there as we baby-boomers move into retirement and as our children move into retirement after us.

Now the tax cut passed by the majority, vetoed thankfully by the President, would have taken all the general fund revenues and basically sent them out the door in a tax cut that disproportionately benefited the wealthiest people in this country. The general fund revenues are gone. That means Social Security faces being balanced by benefit cuts or tax increases as the only other alternatives. So, thankfully, while this majority has not been very good about getting the spending bills put in order, they did get that tax cut bill passed, but, fortunately, it was stopped.

We are joined tonight by a very distinguished Member of this body, the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, I thank the gentleman. I was intrigued with the gentleman's suggestion about the various paths open to us to strengthen Social Security. I think it is worth mentioning that in 1983, when the Social Security Trust Fund was rescued and put on a path to solvency, we started deliberately running surpluses in Social Security, and we are enjoying those surpluses today. But we were running those surpluses for a purpose, so that the assets will be there when the baby-boomers retire and when the strains on the fund become much greater. Those surpluses are being invested by law in Treasury bonds at market rates of interest.

But is it not true that when the time comes to make good on those obligations, we would have a terrible time doing that were we to be saddled with a publicly held national debt of the dimensions that we now are, $3.5 trillion, costing this country something like $230 billion annually in interest costs?

So is it not prudent, is it not just common sense, to use our surpluses now to get that publicly held debt down, to get that interest cost off of our back? Ten years from now, 15 years from now, when the strains on the Social Security Trust Fund are much greater, then we will be in a much stronger position to make good on those obligations.

Mr. POMEROY. Reclaiming my time, the gentleman has laid out, I think, the construct of what is emerging as the single best way to shore up Social Security for the long haul: take the surplus dollars and pay down debt held by the public. Fifteen cents out of every taxpayer dollar today goes to pay interest. It is unavailable for tax relief, it is unavailable for any positive function, it simply pays interest, fifteen cents out of every dollar.

We take that debt held by the public down and bring it down dramatically as these surpluses would allow. There is going to be a huge budget savings. We are not going to have to pay that interest anymore. Anyone who has ever retired a credit card debt or pays off a home mortgage knows how that one works. You do not pay the debt; you do not have the interest cost.

Well, if we take the general fund savings that we are not paying in interest and put it into the Social Security Trust Fund to shore up Social Security, we can move the life of the trust fund from 2034 to 2050. Now, that takes us as a country well past the period of time when most of us baby-boomers are going to be drawing upon the Social Security program. It is a major boost to the solvency of the program.

I think especially as the ending days of this session grind on, it is the clear difference between how the parties would treat Social Security. The proposals of the majority would not extend the life of Social Security by a single day, not a single day. On the other hand, you pay down the debt, you take the interest savings, you put it into the trust fund, you can push the life of the trust fund to 2050 and, at the same time, leave this country in the strongest financial position it has been relative to debt since 1917, bringing that 15 cents on the dollar of interest cost down to 2 cents on the dollar in interest costs.

If we could be part of that, working together with the majority to actually lengthen the life of the trust fund, we would really be doing something for the American people.

But contrast that plan with the plan that essentially purports to do something about Social Security, but uses every budget gimmick, including double bookkeeping, to try and mask a raid on Social Security, and, in any event, does not add a single day to the life of the trust fund. That really is the alternative offered by the respective parties late in this going.

I yield to the ranking member of the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, I would like to make a point that is a little different from the one the gentleman has been on, and that is we achieve these budget surpluses with real budget discipline. Among other things, we impose cost curbs and controls, discretionary spending ceilings, for example, that have held spending down for the last 10 years. As a consequence, we have reduced spending in the Federal budget to where today it is about 19 percent of the total economy. In other words, out of every dollar this economy produces, the Government takes a bite of about 19 cents.

As recently as the mid-1980s, in the peak pinnacle of the Reagan years, we were spending, the Federal Government, as a percentage of GDP, 23.6 percent, as opposed to 19 percent going to 18 percent in a few years under the budget we have now in place. 3 to 4 percentage points less than we were spending just 15 years ago.

Now, why is that significant for Social Security? In order to pay for the long-run cost of Social Security, once the ratio of those working to those retired drops to about 2.2 to 1, we will need to shift resources out of our GDP into the Social Security program, because we have lowered spending. We will need to shift about 2.7 percent maximum of our total economy in order to fund the peak demands of the Social Security system after the baby-boomers fully retire.

Because we have adjusted spending, we have laid the basis, the foundation, for making that adjustment in the future, another way that we position ourselves to finally stand up to this problem, address the problem, rise to the opportunity, and it will be a shame if we blow this opportunity and do something else before we have saved and made Social Security solvent for the long run, because it is bedrock for 40 million Americans, and it will be bedrock for millions more before our work is done.

Mr. POMEROY. Reclaiming my time, and I want to direct a question to the gentleman from North Carolina (Mr. PRICE), particularly given his expertise on the Committee on Appropriations, the other side maintains that their 1 percent across-the-board cut takes no spending out of the Social Security Trust Fund. Now, the Congressional Budget Office has said that is not true. In fact, it shows that they are into the Social Security Trust Fund to the tune of $17 billion.

It says if they wanted to actually get that money down so it was not in the Social Security Trust Fund, rather than a 1 percent cut, it would be almost a 5 percent cut, and that is across the board.

Now, that would include wiping out the pay raise that we gave the men and women in our military. It would include wiping out the important additions we have made in veterans health, so that this Nation can continue its health commitment to its veterans.

If you take the Defense Department and you take veterans health off the table, you say well, we cannot cut that 4.8 percent, take that off the table, then you are talking almost an 11 percent, 10.8 percent across the board, in order to get Congress out of the Social Security surplus.

Would the gentleman on the Committee on Appropriations have any opinions in terms of whether or not this would be any way to run a country?

Mr. PRICE of North Carolina. Mr. Speaker, the gentleman is exactly right. We can look back and say how much better it would have been, how much better off we all would be, had we had a realistic budget resolution 8 months ago, had we agreed not to engage in this budget gimmickry and this budget gamesmanship and had simply met our obligations.

Other speakers have said tonight there was the potential there, and I hope there still is, for considerable bipartisan agreement. We, after all, in 1997 came together on a Balanced Budget Act, and both parties are largely agreed or at least profess agreement that we ought to be using the Social Security surplus to buy down debt and to ensure the future of Social Security.

But what we have now at the end of this session is a confusing and convoluted process. The gentleman from South Carolina (Mr. SPRATT) has referred to this directed scoring. All in the world that means is the Congress tells people who are supposed to be neutral, fair scorekeepers, tells them how to cook the books. Surely that is not what this budget process had in mind, the architects of this process.

Then all this emergency spending that is not really emergencies, and then this 1 percent across-the-board cut, which is out there I suppose for show, but, as the gentleman says, does not even come close to doing what the Republican majority has said that they intend to do.

So I do not know quite how we are going to resolve this congressional session; but I do know that we need to come together, we need to be honest with one another and with the American people, and we need heretofore to abide by the rules of the budget process and never again go through this kind of deceptive and convoluted end-of-session budget game.

Mr. POMEROY. Mr. Speaker, reclaiming my time, I would like to see us start as we push toward conclusion by at least being honest with the American people. Maybe they will agree with our side; maybe they will agree with that side, but we owe it to the people we are here to represent to at least be square with them, tell it like it is, and that is why I believe these budget gimmicks, two sets of books, emergency funding declarations, claiming you have not spent Social Security when you have spent Social Security, does such a terrible injustice to our efforts to try and resolve the differences and end this session.

Clearly, it is in nobody's interest to be lurching along from continuing resolution to continuing resolution. I think as we do that, we even raise the prospects of another Federal shutdown, something one of the speakers from the majority alleged tonight was not all that bad a result. Well, I surely would hope we would not go there and we would end this on budget numbers.

As we conclude this special order, I yield to the gentleman from South Carolina for any concluding remarks he might have.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for calling this special order.

Mr. POMEROY. Mr. Speaker, I very much appreciate the gentleman bringing his expertise to the floor. It is a late hour here on the floor of the House of Representatives. I thank both gentlemen so much for the contributions each has made.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2389, COUNTY SCHOOLS FUNDING REVITALIZATION ACT OF 1999

Mr. SESSIONS, from the Committee on Rules (during the special order of Mr. POMEROY), submitted a privileged report (Rept. No. 106–437) on the resolution (H. Res. 352) providing for consideration of the bill (H.R. 2389) to restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. SESSIONS, from the Committee on Rules (during the special order of Mr. POMEROY), submitted a privileged report (Rept. No. 106–438) on the resolution (H. Res. 353) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3194, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. SESSIONS, from the Committee on Rules (during the special order of Mr. POMEROY), submitted a privileged report (Rept. No. 106–439) on the resolution (H. Res. 354) providing for consideration of the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 900, FINANCIAL SERVICES MODERNIZATION ACT

Mr. SESSIONS, from the Committee on Rules (during the special order of Mr. POMEROY), submitted a privileged report (Rept. No. 106–440) on the resolution (H. Res. 355) waiving points of order against the conference report to accompany the Senate bill (S. 900) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 2130

ILLEGAL NARCOTICS AND AMERICA'S NATIONAL DRUG CONTROL POLICY

The SPEAKER pro tempore (Mr. RILEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes.

Mr. MICA. Mr. Speaker, it is good to come to the floor again tonight to talk about a subject which I try to address the House on each Tuesday, if possible, but at least once a week, to come before the forefront of the House of Representatives and the American people what I have as a congressional responsibility, and that is the issue of illegal narcotics and our national drug control policy.

In this session of Congress, I have been responsible as chairman of the Subcommittee on Criminal Justice, Drug Policy, and Human Resources for helping to bring together a coherent national drug policy, and also carry forward a program started by the new majority to restart the war on drugs.

I will talk about what has happened with the so-called war on drugs in my remarks tonight. I will try to review a little bit of some of the current controversy concerning the war on drugs, and how to attack the problem of illegal narcotics and drugs, and then to trace some of the history and problems we were not able to get into last week, particularly on how we got ourselves into this situation with Colombia and the current situation with Panama that has made the news with many of our operations being closed down there, not only from a military standpoint, but also from the standpoint of trying to curtail illegal narcotics from their source from Panama as a forward operating location.

Tonight I feel a little bit caught between the left and the right on the issue of illegal narcotics. I took over the chairmanship and responsibility of trying to develop a policy that would be more effective, and inherited that responsibility, as I said before, from the gentleman from Illinois (Mr. HASTERT), who is now the Speaker of the House, who did a tremendous job in restarting our national effort to combat illegal narcotics.

I took on this responsibility without a whole lot of preconceived notions, but again, a philosophy that is probably on the tough side of the agenda in dealing with illegal narcotics. But I found myself again this week sort of attacked a little bit from the right and a little bit from the left on the issue, both by some national columnists and some local columnists.

We have done our best to provide an open, honest forum in our subcommittee hearings to intelligently discuss the options at hand and look at things that we have done in the past relating to illegal narcotics and our approach, and see what went wrong and how we go forward, because this problem does have an incredible social cost.

As I have said, it is not just dollars and cents, but there is a human cost in tragedies across this Nation. There are hundreds of thousands of people, nearly 2 million Americans, in jail, and some 70 or 80 percent of them are there because of illegal narcotics crime activities. There have been 15,200-plus deaths, up almost 8 percent over the previous year, drug-induced deaths.

The social cost is estimated at a quarter of a trillion dollars, a tremendous social cost in the problem of drug abuse and illegal narcotics, and then the cost to our judicial system, our health care system, our economic system, with lost unemployment, not to mention lost opportunities for so many Americans.

But as I said, I am trapped a little bit tonight between the right and left. Some are saying that we have to learn to live with drugs, such as Ethan Nadelmann, who wrote this story which actually appears today in the Washington Post, I think it is a national column.

Mr. Nadelmann is director of the Lindesmith Center, a drug policy institute with offices in New York and Chicago. I am told he is funded by Mr. Soros and some others who have advocated a little bit more liberal drug policy approach.

He does attack the current approach to illegal narcotics, and he says in his article, "Let's start by dropping the 'zero tolerance' rhetoric and policies and the illusionary goal of drug-free societies."

I think we have only to look at comparing, and I have done this before, a zero tolerance tough enforcement approach versus a more liberal approach, laissez-faire, towards illegal narcotics. We have good examples in the United States, and I have cited them before.

One, of course, is Baltimore. I have had this chart up several times before. Baltimore adopted sometime ago a very laissez-faire, liberal drug approach, much as has been advocated by the administration in this budget battle that we have had in the past few weeks in funding the District of Columbia, one of the 13 appropriations measures we must pass to fund the government, and a Federal responsibility.

But tucked in within that legislation to fund the government were provisions to liberalize needle exchange, to liberalize some of the approaches to marijuana, and a more liberal approach towards what are now illegal narcotics.

We cite, again, a great example of Baltimore, which in 1996 had almost 39,000 drug addicts. This is the liberal approach. Now, they have gone from 39,000 in 1996 to somewhere in the range of 60,000 today. So today we have one in 10, and a city council person whom I have quoted before from Baltimore on the city council there has estimated that the real figures may be closer to one in eight.

If we took this model, and we have a population of the United States we will say rounded off to 270 million, 280 million people, and if we had one in 10, our Nation, using this model, would have some 27 million to 28 million people addicted to drugs.

Not only do we have the problem of drug addiction, we have the continual problem of death and other incredible costs, social costs. Baltimore is one of the few major cities that did not have a reduction in deaths. In fact, it remained the same from 1997, and in 1998 the figures were 312 deaths in the city, for a liberal policy. So we had a huge increase in addiction with the liberalization. This is an example of that liberal policy.

The zero tolerance policy, which is bashed in Mr. Nadelmann's column today advocating, again, dropping this zero tolerance rhetoric, zero tolerance, Rudy Giuliani, the mayor of New York, has employed that, and it has worked very well. We have gone from over 2,200 deaths to 629 deaths. Again, think of Baltimore, which has a small population, 600,000, and 15 times that population in New York City, and half the deaths in Baltimore, 312 in one year versus 629 for a city of a multi-million population. This is the zero tolerance policy Mr. Nadelmann would like us to drop in his article today on the liberal side.

I think this is part of the flaw of his reasoning on this. Again, we have some pretty hard evidence here. He goes on, and I would like to also cite his article in today's Washington Post.

He says,

> With some foresight today, drug policymakers might finally grasp that their relentless efforts to eradicate coca crops have little impact on availability, price, or use of cocaine anywhere in the world.

This is his statement today, November 2.

I just wanted to share with my colleagues and the American people the latest information I have today. This chart actually was provided to me this afternoon by the vice president of Bolivia, who was visiting Washington. He met with me this afternoon. He presented this chart, again, the same day this article appears. He says, ". . . the policymakers might finally grasp their relentless efforts to eradicate coca crops have little impact on the availability."

Well, here is a project that the gentleman from Illinois (Mr. HASTERT) started several years ago when the Republicans gained control of the majority. As we can see in the early nineties, we saw some decrease. This is under the Bush administration, the end of the Bush administration. We see the beginning of the Clinton administration, where we see the increase in coca cultivation.

What happened here is that the international programs were cut by the Democrat majority. Now, they had a complete majority to do basically anything they wanted to in the House of Representatives and in the Senate, and President Clinton controlled the executive agency, so what they did in fact was slash the budgets for the number one responsibility, which was stopping the production at their source, the most cost-effective. So we saw an increase in production in the Clinton years, 1993 over here to where the Republicans take over in 1995.

It took us from 1995 to 1996 really to get in place a very cost-effective program. I asked the vice president, how much American money would you estimate that has gone into coca eradication and alternative crop programs? And it is about $30 or $40 million over the past several years.

So with very few dollars out of $17.8 billion, $30 or $40 million in several years, and again, if we go back to what happened in the Bush administration, we could trace this back to the Reagan administration, in very few years we have cut, for almost no money in comparison to what we are spending these huge amounts on for other efforts, we have cut coca cultivation.

Again, Mr. Nadelmann is wrong. His facts are wrong. The production in just Bolivia is cut some 50 percent in 2 or 3 years, and we have a program working with them now with very few dollars to eradicate the production.

Now, if I put up Peru, Peru and Bolivia, they accounted for about 90 percent of all the coca cultivation back in the beginning here, in the 1992 area, when the Clinton administration took over. Bolivia has had a 50 percent reduction, Peru has had a 60 percent reduction. Both have tough zero tolerance policies, and both with a little bit of help from their friends, very little U.S. money, but a determination for a zero tolerance for going after coca cultivation.

The only chart that we would show where there has been an increase in cultivation would, of course, be Colombia, where the administration blocked assistance, aid, and stopped everything for a number of years. We saw that soar, until just the last year they have awakened to the problem that they have created through their policy of not stopping drugs at their source.

Again, we have been able to affect this. We have also been able to affect the consumption and use of cocaine, which has dropped, and again, another chart shows the long-term prevalence of cocaine use here. We saw in the

Reagan administration this levelling out, a dropping under Bush, the Bush administration, and again, the beginning of an increase when President Clinton took over, and now we see a drop in 1998 for the first time. We are seeing a drop again because of the decrease in availability of cocaine, particularly from Peru and Bolivia, where we have been successful.

However, we have been unsuccessful in Colombia, where the administration has fought every attempt to get resources and assistance there for the past several years, and turned Colombia from a non-producer, it was a transit and processing country, into a producer of cocaine.

So I think both of these charts demonstrate exactly what has happened when you have a tough policy, and when you have eradication programs that are cost-effective in countries such as the Bolivia model here and the Peruvian model, which would be very similar to what is shown here and presented by the vice president of Bolivia to me today.

□ 2145

So, again, hit from the left by Mr. Nadelmann, we do search for the most cost effective means to deal with this problem. But I think he has missed the point, again, based on the facts and information that we have.

Then a good friend who is a local columnist, but also a national columnist, Charlie Reese, who is well respected from the conservative side, last week, he gave us a broad side on the narcotics issue. He said, what do prohibition and drug war have in common, is his question. Sure failure.

One of his comments is, if we ended the war on drugs, legalized these drugs, and allowed people to buy them by prescription or from carefully licensed and regulated dealers, would everyone in the United States go to Haites and everyone become an addict?

Well, again, I will cite one of the best examples we have of a liberal policy, which I think will soon be changed after this election in Baltimore because of the devastation that it has done in that community. But we have seen an addiction problem turn from a small problem into an incredible problem where 1 in 10 are some of our official statistics, but 1 in 8, again according to elected local official there, are now addicts.

Now, addicts do not come cheap. They have a tremendous cost on the health system, on society dealing with their addiction. I would imagine if we compared the cost of dealing with someone who is addicted and has an addiction problem and, again, their lost productivity, their health problems, supporting their addiction, loss to their families, and employment, economic opportunity, I think we would see a very serious charge in cost to society. We have seen that with the degradation of the community, both from an economic standpoint and from a life-style standpoint in Baltimore.

So I can answer the question for Mr. Reese, does everyone become an addict? No, everyone will not become an addict. But 1 in 10 might become subject to addiction under this liberalized policy.

There are some countries where they have tried to liberalize some of the access to drugs like marijuana; and I would cite here the Netherlands. The Netherlands has legalized in small quantities, they did try this, marijuana. It is sold across the counter in limited quantities, as I said.

In talking with officials recently from the Netherlands, we found, first of all, they have reduced the amount that is available. Secondly, they have not only reduced the amount, but they have increased the penalties. They have gotten tougher on enforcement because they found that the liberal approach did not work. And others that took advantage of this situation, they found themselves also with higher addiction rates.

So we have one example of one narcotic, both with tremendous problems, and both with trying it and then backing off from it. That is just dealing with marijuana.

Mr. Reese in his article goes on to say there is nothing inherently evil in morphine, heroin, marijuana, or cocaine. They each produce certain effects just as other drugs do. But those effects do not cause people to commit crimes.

Here again, I would have to differ with my good friend and columnist on the conservative side, Mr. Reese. We know that these drugs do cause some very serious side effects. I try to cite, not only the statistics in the drug-induced deaths, some 15,200 we were up to last year, the societal costs, which I have cited again tonight, but then some of the other cases that are not reported.

We took the case, I believe it was Baby Sabrina, where the father allegedly was high on cocaine, according to some tapes that were obtained. The baby, everyone in Florida and around the country was concerned about its disappearance, and we find that the child may, in fact, have been a victim of a parent who was involved with cocaine.

The Sheppard case which is so celebrated, the anti-gay case in Wyoming is another case, if one reads below the lines, the individuals involved there admit to being high on narcotics and alcohol. I am certain that that influenced their action.

The New Jersey bus driver we cited who was under the influence of marijuana and some 20-plus people died in that bus accident. Plus we have seen what crack cocaine and the effects of other illegal narcotics have upon people.

So I would have to disagree with Mr. Reese that the effects do not cause people to commit crime. He says what causes the crime is drug prohibition. Again, I would have to disagree with him.

Not to mention the tremendous problem we have with growing illegal narcotics, which is methamphetamine. Now methamphetamine is so common that it has become epidemic through the Midwest and through the West, much of it produced, we have found through our subcommittee hearings and investigations, in Mexico and finding its way into the United States.

But we find that, in fact, methamphetamine and some other drugs, where they have done these brain scans, a normal brain as shown here, a brain on meth for a short period of time, one can already see the change in some of the brain activities. The next figure here shows meth after some continued use. It almost patterns the last image here which is Parkinson's disease.

So we know that certain illegal narcotics, and that is why they are illegal, have very serious damage to the bodies and the brain. This is what can happen. So we do have this problem in dealing with illegal narcotics.

So I am a little bit hit from the right, a little bit hit by the left on the issue. We are trying to find out what are viable solutions. We have looked at the questions of decriminalization, of treating some of the drug problem more as a health problem. But that has very serious cost implications.

We have also seen that, as we take the liberal turn, we have increased addiction. We have a serious problem with our treatment programs in that very few of them are effective the first time around, and sometimes the second and third time around, and sometimes not at all.

So we increase the level of addiction. We increase the level of potential people who cannot be helped and who have become wards and charges because of their addiction to the State and to the Federal Government, of course to communities and families throughout the country.

So we do take a very serious look at trying to find alternatives to the current way we go after illegal narcotics and drug abuse. But, again, nothing can be more effective than stopping illegal narcotics at their source and stopping the production at their source and then stopping illegal narcotics before they get to our borders. Once they get to our borders, it is pretty much a tough situation for law enforcement.

One time a DEA agent described this to me when I was visiting in South America, he said, "Mr. Mica, this is a little bit like having a garden hose and having a sprinkler with a 360-degree radius." He said, "You can get cans and go out and try to catch all of the sprinkles from that 360-degree sprinkler or", he says, "you can come up here to the hose, and you can choke the water at its source, and it stops."

That is a little bit of what our Federal responsibility is, with limited number of dollars, we try to stop the illegal narcotics first at their source; and then, as they leave the source, once it gets to the streets and into the communities and schools, neighborhoods, it is almost impossible for our enforcement people to handle.

But we do find that where we do have the zero tolerance policies that we have a much better success rate in dealing with the problem and stemming addiction, stemming illegal activity with again zero tolerance as opposed to the liberalized policy which has been advocated.

Now, that brings us to the point that I also raise about what has taken place. The war on drugs basically was closed down in 1993 with the advent of the Clinton administration, with the advent of a majority in both the House and Senate.

If we look at the areas, again, that I have talked about tonight, the international areas of spending, we see, again, the first responsibility and most cost effective way to deal with illegal narcotics is to stop them at their source.

This chart shows, again, 1991, 1992, in the Bush administration, advent of the Clinton administration, the cutting of international programs. Federal drug spending on international programs, that is stopping drugs at their source, declined 21 percent in 1 year after the Clinton administration took office. Federal drug spending decreased from $660 million in 1992 to $523 million in 1993. This chart shows exactly what took place there.

Now, this is one key element to stopping drugs at their source. The other one, as I said, is the interdiction program; and that is, stopping drugs as they come from the source.

The same thing happened. Again, we have in the beginning of this chart here the expenditures during the end of the Bush administration, the beginning of the Clinton administration, the Clinton administration, the Republican Congress. In interdiction, Federal drug spending on interdiction declined 23 percent 1 year after the Clinton administration took office. Federal drug spending decreased from $1.96 billion in 1992 to $1.5 billion in 1993. So basically we closed down the two primary areas of Federal responsibility.

We cannot have State and local governments and other communities really dealing with these source countries or getting drugs stopped at the border. That is clearly a Federal responsibility.

What is interesting is if we took these charts and we took drug use, and I have had this chart up once before that our staff produced, but these are exact statistics, again, the Reagan administration, it says Reagan administration right here, we go into the Bush administration, a decline in the prevalence of drug use. This is all drugs.

Then we see the Bush administration ending and the Clinton administration, the change in policy, the change in stopping drugs at their source from coming into the country, we saw a flood of drugs coming in. We saw the end of programs to stop drugs at their source. That was a Federal war on drugs. That basically ended. We see this dramatic increase.

This chart, again, every American and every Member of Congress should be aware of, we get to the beginning of the Republican administration where we have restored money back to the 1991, 1992 levels, and small amounts of money in comparison to an $18 billion program. This is maybe 5 percent, 10 percent of that entire program expended on a source country and also on interdiction.

□ 2200

But this shows, without a doubt, that that policy does not work; that we did not have a war on drugs; that when we have a war on drugs, we see a decline and when we do not have one, we see an increase. When we have more of a zero tolerance policy, the same thing, the same pattern occurs.

So, again, in those areas, we have not met our responsibility, or at least the old majority did not meet their responsibility. The new majority did. And we are trying to put things back to the 1991–1992 level as far as our efforts to keep illegal narcotics coming into our country.

What is interesting is we often hear, and some of the liberal columnists and the liberal side also say that we should just spend more money on treatment. And that was part of the mantra of the Clinton experiment that failed. Federal drug spending on treatment programs increased 37 percent during the Clinton administration in 1992 to 1993. We went from $2.2 billion to $3.2 billion.

Now, I will say that I believe treatment is very important. We have had problems with programs not having high success rates, and with high failures rates we do need to sort through that. There is nothing wrong with spending every available dollar we can on treatment programs. But, in fact, that was the policy that we had here, and we see the decreases in the two areas which I mentioned that are so important, and then the emphasis on just treatment.

Federal drug spending on treatment increased 12 percent from 1993 to 1995. Even under the new Republican administration, and we are accused sometimes of reducing spending too much, in this important area we have had a 12 percent increase from the time we took responsibility here to the current funding year. So we have continued to put money into treatment all through this period, but again a change in emphasis.

So those are some of the points that I wanted to make about the war on drugs being a failure, again being attacked by the right and being attacked by the left and some of those folks in between. But we have, as a new majority, tried to act responsibly. We have put some of these programs back together under a Republican-controlled Congress. Under the new majority, Federal drug spending on interdiction was increased 84 percent from 1995 to 1999, and that was to get us back to the level of 1991 and 1992 spending.

Federal drug spending on international programs, stopping illegal narcotics from their source to our borders, was increased 170 percent during the Republican-controlled Congress from 1995 to 1999, again, getting us back to the levels that we were at when we so effectively dealt with the problem of illegal narcotics.

Now, we all know that we have been able to curtail some illegal narcotics coming into the United States, and I demonstrated tonight two examples, very cost-effective examples, both in Bolivia and Peru. I have also spoken about Colombia. Right now about 70 percent of the illegal cocaine and heroin coming into the United States comes from Colombia. How did we get into a situation where Colombia, which some 6 years ago was really not even on the radar screen as far as production of coca, for cocaine, or production of heroin? In fact, there was almost no heroin produced in Colombia.

I think it was a series of very strategic errors by this administration that got us to the situation we are in. And let me cite a little bit of the history of how we got to where we are with Colombia now being the source of about 70-plus percent of the hard narcotics coming into the country.

In 1994, the Clinton administration stopped providing information and intelligence to the Colombians regarding drug flights tracked by the United States, which eliminated the effectiveness of Colombia's shootdown policy. So a very sharp directive by the Clinton administration, a change in policy, first stopping in 1994 the providing of information-sharing.

The Colombians were using information and intelligence we gave them to go so far as to shoot down those trafficking in illegal narcotics. This is the first step in the beginning of the disaster that we are now inheriting, and the American taxpayers will have the tab for in a few more weeks, once we get passed this current appropriations discussion and resolution.

The next step in this failed policy of bringing Colombia to the forefront of illegal narcotics production and activity was in 1996 and 1997. The Clinton administration distorted the certification law that Congress had passed back in the mid-1980s and decertified Colombia because the administration said Colombia was not doing enough in the fight against drugs, effectively stopping all United States anti-narcotics assistance to Colombia.

Now, we passed in the mid-1980s a law that was called the decertification law that basically says that each year the administration must assess if countries are assisting in, one, stopping the production, and, two, stopping the trafficking of illegal narcotics. That is what must be certified. If they are certified as cooperating, then they are eligible for United States foreign aid, financial assistance, and trade benefits. However, we provided in that law, and I remember working on the law with Senator Hawkins and others in the mid-1980s when it was passed, a national security interest waiver.

And certainly it is in the national security interest of the United States to make certain that assistance to a country like Colombia, which was producing illegal narcotics and was a source of illegal narcotics, might be decertified because some of their officials were not cooperating. But also we could grant a waiver, which would allow us to continue giving resources just for the fight against illegal narcotics.

So a law that was carefully crafted to take into consideration situations like Colombia was ignored by the administration. In 1996 and 1997, the administration blocked every bit of assistance into Colombia. So first we had the 1994 shootdown policy and information-sharing policy fiasco and then in 1996 and 1997 a distortion and misapplication of the decertification law by the Clinton administration.

What did that harvest? What were the results? What we did here, after a tremendous amount of effort in 1998, last year, after pressure from many Members of Congress on both sides of the aisle, when we saw what was happening, we finally got Colombia certified with a national interest waiver so that equipment and resources could go to Colombia to fight the war on drugs there. And again, we have to remember that they stopped all of the assistance going into Colombia from basically 1993–94 to 1998.

The results were devastating for Colombia. In fact, according to a New York Times article, published October 25, a few weeks ago, 35,000 Colombians have been killed in the past decade because of the country's internal conflict. And the conflict there is Marxist terrorist groups financed by illegal narcotics activities. According to an Orlando Sentinel article published October 10, 23,000 people were slain in Colombia in 1998 alone.

So if we look at the results from 1996 to 1998, when we stopped all of the aide and assistance, we had 23,000 people killed in Colombia alone in that 1 year. The Colombia National Police reported that since 1990, approximately 4,600 Colombian policemen have been killed in the line of duty, and many of them in fighting against the illegal narcotics trafficking. Again, we withheld aid and assistance for many years.

According to The New York Times, another recent article, 1.5 million Colombians have been misplaced in the last decade because of the country's internal conflict. And I am told in 1 year, over 300,000 were displaced, a tragedy, a disruption of a society equal to Bosnia, equal to the conflict that we have seen in the Balkans, in Kosovo, not only in number of lives taken but in displaced individuals from their homes and their communities.

Now, my colleagues might say, and I have heard some people say this, that I need to tell what the Republicans have done to deal with this. As I said, we put tremendous pressure last year on Colombia. But to go back to 1994, we urged the change in the policy, the shootdown policy and information sharing. We finally did get some minor changes in this. And just in the last few months, the administration has gone back to a policy of providing information sharing. But repeatedly, time after time, we requested the administration to go back to providing assistance.

What was very sad is during this period of time, even resources that we appropriated, the President took some of the money, we know, and diverted it to Haiti. Some of it was diverted to Bosnia. The Vice President, I am told, directed U–2 overflights, which provided information so they could go after drug traffickers and the rebel activity there, he ordered those U–2 planes sent to Alaska to check for oil spills. In the meantime, thousands dead, a civil war financed by illegal narcotics, profits raging, and tremendous disruption.

So Republicans, at every juncture, and since we took the majority, have provided funding, assistance, and requested the administration to move forward. Last year, we provided $287 million to Colombia. This morning, I was to have a meeting with representatives from the Department of State, Department of Defense, National Security Council, and others, who are involved in expending this money and making certain that it gets to Colombia, for a report on where that money has been spent. Unfortunately, that was canceled by the administration this morning.

I think their strategy is to keep as quiet as possible about how the money has been spent, to not come forward and answer questions as to why equipment, resources and what the Congress, the Republican majority, provided to deal with that situation, what has been done with those funds and how that has been expended and what has not been done.

There is also a great reluctance to talk about the $1.5 billion plan that was presented but not officially introduced to the Congress some weeks ago to deal with the escalating problems now that the administration faces.

□ 2215

We face a Bosnia and Kosovo right in our own backyard here with Colombia financed again by narco-terrorists.

What is sad is I held hearings as recently as August of 1999 and found that helicopters, riverine patrol aircraft, crop spraying aircraft, and support equipment that were supposed to be delivered still had not been delivered. And again, under the Republican Congress, we provided resources and hard dollars that should have been there.

As of October 1999, only a fraction of that assistance has been delivered. Unfortunately, again the administration canceled a meeting today to report on what they have done with the balance. I think that is partly due to trying to get the Congress out of town before they present the Congress officially and the American people with a multi-billion-dollar tab for their mistakes and errors in Colombia.

This is a big business, though, for the guerillas in Colombia. They earn, according to a Reuter's report, up to $600 million a year profits from the drug trade. So the Marxist terrorist guerillas are disrupting this country and the region by fueling it and financing it through the profits of illegal narcotics.

In fact, General McCaffrey, who is our drug czar, has said that there is no line and no distinction between the terrorists and narco-terrorists' illegal drug activities. So we have now seen what has turned from a minor problem at the beginning of this administration that could have been contained with the proper policy into a major problem and a disruption of the entire region.

General McCaffrey, again our drug czar, stated in a hearing that we had, "The United States has paid inadequate attention to a serious and growing emergency." I would like to echo his statement.

Unfortunately, now the huge bill and tab comes forward; and, unfortunately, now to this date, we still do not have before the Congress a solid plan to deal with that. And I think they are embarrassed because of the current budget battle and appropriations battle of coming forward with that plan at this point. But we are looking for probably a $1.5 billion tab on those mistakes.

This situation is so serious that last week we had an estimated 2 million people in Colombia who went into the streets and demonstrated for peace. I wish I could tell those Colombians that our policy had not gotten them into this situation but, in fact, it has. And now we are going to pay very dearly.

What is sad about the situation in Colombia, and let me put this up here, we have Colombia down here and we have Mexico through here and we see that narcotics are coming up in Colombia through the Isthmus of Panama, Central America into Mexico. This is, basically, the pattern that we see today.

I have a little better chart showing Colombia specifically and Panama. This shows some of the guerilla activity. But here is Panama right here, a very strategic location. Colombia, the darkest areas are the opium growing areas here. A little bit lighter areas here cocaine.

Now, again, in 1992 there was almost no production. This was mostly a transiting and a processing country. And now we see these production areas. Again, I think all beneficiaries of a failed policy. But we see the strategic location with Panama. And again, if I had the other chart up here, we would see the transiting through Mexico into the United States and the sea routes and these circles here showing the guerilla activity, and now they control about two-thirds of the land area in Colombia.

What is of particular concern to some of us who have responsibility in this area is that this whole problem is now escalating and affecting the region. This region produces, I am told, about 20 percent of all the oil consumed in the United States comes from this region.

Panama, who has been a strategic location, and we have as of today this headline in the Washington Post. It says, "U.S. Air Force Leaves Panama. A little quiet, but finally yesterday the last wave of U.S. airmen and women pulled out of Panama yesterday when Howard Air Force Base reverted to Panamanian control closing eight decades of U.S. air power."

Now, we had all of our forward operating drug locations out of Panama right in this area. We have lost that capability in Panama. What is of concern are the reports that I am getting.

Here is a report from a news account last week. It says, a leading Panamanian clerk says continuing incidents along the border of Colombia could affect future Panama Canal operations."

And this clerk, again his name is Romulo Emiliani, a Roman Catholic bishop, said, "If Panama falls into instability, the Panama Canal could lose its users."

Well, in fact, yesterday with a news account that I read, we did lose our base at Howard Air Force Base, not only the strategic military location, but this was the site of 15,000 annual flights into South America, into Central America over the drug producing region. Again, we provided information, sharing, to the Colombians, the Bolivians, the Peruvians and others to interdict illegal narcotics at their source and we were restarting these again in Panama.

One of the problems we have is we have lost this installation. Yesterday, the last Air Force folks moved out. May 1 all flights stopped. That did not come at any small price to the taxpayers. The United States is surrendering 70,000 acres of land to Panama as they assume control of the canal.

The United States has also lost 5,600 buildings to Panama and the resources at the canal. The United States is, in fact, surrendering in the next few days here some 10 to 13 billion dollars in infrastructure to Panama.

There is a great contrast between what the Republicans have done on the narcotics issue in Panama and the Democrats. It is ironic to know that some 10 years ago George Bush sent American troops into Panama because Mr. Noriega, the Panamanian leader, was we know involved in illegal narcotics trafficking and drug smuggling through this region. We sent troops in there and actually Americans died taking back this area and arresting him, and he now is in prison.

This year the Clinton administration is turning back the Panama Canal. What is sad is they have turned the Panama Canal back to primarily red Chinese dominated firms. And that would be bad enough by itself, but in fact almost everyone who has looked at this say they were illegal or corrupt tenders that allowed the Panamanians to give the control, both the Pacific and Caribbean port access, to again red Chinese interests, a great contrast again between what the Bush administration did and what the Clinton administration is doing in the next few weeks here.

What is also a particular concern is that again the instability from Colombia, and this cleric does cite that, will influence Panama has caused destabilization on the Venezuelan side. And even Equador is having difficulty in keeping these narco-terrorists from invading into their border.

So we see what has turned into a small problem a big problem. The price of moving our forward operating locations from Panama now down to Manta, Equador and up to Caracas, Aruba is also of great concern to me as chairman the Subcommittee on Drug Policy. It is a concern because right now we only have a fraction of the previous overflights and information, so we have the possibility of more illegal narcotics coming into our country when we are trying to, in fact, restart these programs.

What concerns me is the administration came forward with their first proposal with $70-plus million to move these locations. Of course, we just lost 10 to 13 billion dollars in getting kicked out and losing 5,600 buildings. So now we have to replace that with infrastructure and expenditures in Equador and also in the Netherlands Antilles. But again, we have the administration having failed to negotiate any long-term agreements with either the Antilles or with Equador.

We have a short-term agreement with one for several more months and another one that expires in April. Then the administration came back after asking for $70-plus million and asked for another $40 million.

I sent some of our staff down to look at what the cost would be, and we may be at a quarter of a billion dollars, according to our staff report and their investigation of this situation, plus not operating at anywhere near full capacity in this arena, which is so important now in trying to keep some of this activity curtailed and on the verge of spending $1.5 billion that the administration, we expect, as the November surprise after Congress exits stage right and resolves some of the financial problems that we have right now.

So that is a little bit of the situation we find ourselves in tonight. It is not a pretty scene. It is complex both in addressing the drug abuse and illegal narcotics activities in the United States, let alone the international problems and challenges we face.

Mr. Speaker, I am pleased to be joined by the gentleman from Indiana (Mr. SOUDER), who is a member of our subcommittee who has done incredible work at great personal sacrifice, tremendous time and effort on the illegal narcotics problem, one of the stars of our subcommittee.

Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. RILEY). The gentleman from Florida (Mr. MICA) has 1½ minutes remaining.

Mr. MICA. Mr. Speaker, I am pleased to yield to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Speaker, I wanted to congratulate the chairman on his leadership and his diligence in coming down here to the House to keep America informed as to this process.

I was privileged to join the chairman when we were in Colombia, Bolivia, Peru, Panama again this last winter, as we have been multiple times.

This week we finally have Blackhawk helicopters going into Colombia that we fought 4 years to get there. It has been a very frustrating process, and I commend the persistence of the gentleman.

The President is quick to make promises to Colombia, as he did to President Pastrano when he was recently here when the cameras were going. But when the rubber hits the road and we are in the budget negotiations, all of a sudden there is not any money for their anti-narcotics force.

I really appreciate the leadership of the gentleman to keep that pressure on, and it is a privilege to work with him and his subcommittee.

Mr. MICA. Mr. Speaker, reclaiming my time, I thank the gentleman for his efforts and others in the Congress, both sides of the aisle. Some serious mistakes have been made in the past. We cannot afford to make them in the future. A lot of hard-earned taxpayers' money is going into this effort, whether it is eradication, interdiction, treatment, enforcement, whatever the expenditure. And then we have an incredible loss of human life and resources that are in this country. So we will continue our efforts.

□ 2230

NORTHWEST TERRITORY OF THE GREAT LAKES, AMERICA'S FIRST FRONTIER

The SPEAKER pro tempore (Mr. RILEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Indiana (Mr. SOUDER) is recognized for 60 minutes.

Mr. SOUDER. Mr. Speaker, I would like to reiterate what I just said a minute ago as far as the gentleman from Florida's work for many years as a Senate staffer and then as a leader here in the House and has been down in the region for multiple times. You can hear the frustration in his voice about the mismatch, particularly in the past, between the rhetoric and the action. And while General McCaffrey, the drug czar, and General Wilhelm in SouthCom and others are aggressively working to try to interdict these drugs before they hit our country and working with us in multiple areas, this has been a frustrating process because a lot of times over at the White House, the rhetoric is not matching the action. Those who are paying for that are our kids in the streets, families that are being wrecked, our jail systems and prison systems that are clogged with people who have abused illegal narcotics, partly because we have let down our interdiction guard and this stuff has flooded our Nation at a very cheap price and high purity.

I am here tonight to talk about a totally different issue. I serve on the Subcommittee on National Parks of the Committee on Resources. One of my goals has been to work with a number of the historic areas in this country in trying to work with historic preservation. I plan this week to introduce a bill along with many of my colleagues from the Midwest called the Northwest Territory of the Great Lakes, America's First Frontier National Heritage Area. I want to give a little bit of background about this tonight and set up this piece of legislation which I believe has been a long time in coming and is a very important thing for the Midwest.

Many people are not even aware of what the Northwest Territory is, and that is why we have to put the Northwest Territory of the Great Lakes. They think it is someplace up in Canada or somewhere around Washington and Oregon, in the northwestern part of the continental United States, but in fact the Northwest Territory in the famous Northwest Ordinance of 1787 was America's first western frontier. At the end of the American Revolution in the treaty with Great Britain, we all of a sudden received lands that heretofore had not been part of the Continental Congress of the United States Government. So even while we were under the Articles of Confederation, they were busy putting together the first guidelines of how a democratic government would work in new areas. In 1785 they passed laws on how to subdivide the land, which we still largely use today, as new settlers were moving in and what relations, good and bad, we would have with Native Americans, the Indian tribes in those zones.

Basically the Northwest Territory, which did not have State divisions at that point, and this map, I want to thank the Library of Congress for this. They somewhat cut off the eastern side of Ohio but it is Ohio, Indiana, Michigan and Illinois that were the original Northwest Territory. This area of Wisconsin that includes part of Minnesota at that time was part of Illinois, and so for the purposes of our act, up until the point of the end of this pioneer period, Wisconsin would be included but actually Wisconsin became a separate territory as did Minnesota and historically, while geographically was part of that Northwest Territory, was not considered as a territory or State. In other words, once there were significant numbers of people there, they were not really part of the Northwest Territory.

At the point of the original Northwest Territory and the Ordinance, there were not very many people here. The bulk of the people were in the eastern side of Ohio, just across from Pittsburgh, pretty heavily around Cincinnati, and some in the southern part of Indiana, a few in Vincennes, in the southern part of Illinois, some along the Ohio River. The rest of this was Indian land, a few scattered French villages where traders of questionable allegiance were still located and a number of British forts. The British were in fact supposed to have left this territory but did not. They were still in the Detroit area, up in the Mackinac area, in the Fort Dearborn area, around Chicago, and did not really leave until John Jay's treaty later, just before 1800, around 1793 to 1795. They started moving back across over to the Windsor, Canada, area, but amazingly they still kept some Canadian troops down as far as what is now Fort Wayne and other critical points, as well as British agents stirring up the different tribes in hopes of coming back. And then once again around the War of 1812 time, the British came back in and it was not really until the War of 1812 that this really became part of the United States rather than Canada, which is another important part of this.

At the time that the British ceded this to the United States, the Native Americans continued to claim all of Ohio down to the Ohio River, most of Indiana, all of Illinois and basically all of Michigan. So while the British gave us control of this, they gave us control without treaty and without any justification as far as the Indians were concerned. The British felt they could continue to control that area, so they did not give it up.

So why should this be a heritage area and what are we looking at here? First off, we are defining this fairly tightly. The period that would be covered is from 1785 until 1830. Why 1830? By 1830, even northwest Ohio was starting to get fairly well settled. We have not finalized it, maybe 1835, 1830, but somewhere in that area. A book on the Ohio frontier considers the end of their frontier period at 1830. Indian removal in Indiana finally occurred in its final stages in the 1840s. Michigan by 1840. The degree that they had settlers there, most of them by that point were farmers which is a sign that it has been pacified and the pioneer period is certainly down. In Illinois, it was starting to get pretty heavily settled from central up and some around the Fort Dearborn/Chicago area, and really after the Black Hawk so-called war where the Indians were removed from Illinois, that time period around 1830, 1835 was really the end of the frontier period.

So the sites that would be covered by this heritage area would fall first in a date period of 1785 to the middle 1830s. What is the dominant thing and why did I select tonight this particular map? One of the things that becomes really apparent is there were not highways, there were not canals, there were not railroads, there were not air systems. The United States in that period was defined by its rivers and rivers were our highways. In other words, to understand the Northwest Territory, or really any part of the United States and any part of any heritage area that we should do should start with the topography, it should start with the geography and with the landscape and nature itself, because that is really what our heritage is and that is how we largely developed. If it was not actually around a river or the Great Lakes, which is really a defining region as well and also another major part of communication, the other way it could get defined is, for example, the capital of Ohio is Columbus. Why Columbus? Because it is right in the center. The capital of Indiana is Indianapolis, right in the center. The capital of Illinois is Springfield, right in the center. The capital of Wisconsin is Madison, right in the center. The capital of Michigan is Lansing which is just south center but certainly the center between Grand Rapids, Kalamazoo and so on and Detroit. In other words, if it was not a river that determined it, it was still geographical that your capital was in the center of where the people were. That was even true in the early days. The first capital in Indiana, the territorial capital was in Vincennes because that was the kind of population center, that is where William Henry Harrison was based. The first state capital was in Corydon because most of the people were in southern Indiana. The first capital in Ohio was Chillicothe because that was kind of where the people were between Cincinnati and the eastern side, and then it moved up to Columbus, in between Cleveland, Toledo, Cincinnati and the different cities. So you can understand first the heritage of an area by understanding its geography.

Now, a couple of things jump out from this. First off, the importance of the Ohio River. There would be no Lewis and Clark adventure if we had not settled this area first. For one reason, if you could not control the Ohio River, you could not get to the Missouri River and to go to the West. Thomas Jefferson understood that and he knew that unless he could get pacification and settlement in this area, he was not going to make the Louisiana Purchase, that is why this is the first frontier, and he was not going to send Lewis and Clark out. In fact, Lieutenant William Clark was not worried about going to the Pacific Ocean, he was up in the area at the Battle of Fallen Timbers and other battles in this area because this was the first frontier.

My hometown of Fort Wayne, Indiana, was important for another reason. If we had a larger U.S. map here, if you started and came in from Quebec City, which at that time was the key French settlement and went down through Montreal and then wanted to get to New Orleans, you would go down through the St. Lawrence River, down through Lake Ontario, Lake Erie to around what is present day Toledo, come down the Maumee River, at the Maumee River there was a portage at an Indian village called Kekionga. In Kekionga there was a small portage, you could either go to Boy Creek, Little Wabash, and connect with the Wabash River which then went down Indiana, all the way down to here, connected the Ohio River, which then connected the Mississippi River, which was then, of course, New Orleans.

Now Chief Little Turtle, the war chief of the Miami Indians of Indiana, said and referred to the village of Kekionga as that "glorious gate which the Miamis had the happiness to own and through which all the good words of their chiefs had to pass north to the south and from east to the west." What did he mean by that? Since that was the only portage of navigable rivers for the French, it became a critical area. In fact one French fort, two British forts and two American forts eventually were at that location now called Fort Wayne, because it was not only critical this way but there was as much traffic if you wanted to go from this Great Lake to this Great Lake. You had two choices. Either go up like this and all the way through the straits of Mackinac and on down or you could come into Fort Wayne, portage and come to Fort Dearborn this way. That is what Chief Little Turtle meant when he said it was east-west and north-south. It became a critical junction.

There were other critical junctions as well, some less important. For example, to the Indians, this area of the Great Miami River which Anthony Wayne later went up and the different battle things was never really an important navigable river to the modern Native Americans because there were always settlers pushing in along the Ohio River and it was a battle zone and not somewhere where the Native Americans really developed a stable community or was within their own land structure. The French and the British tended to concentrate up in these zones. The fur trade was better here, the timber trade was better and they tended to be concentrated up this direction. The settlers coming across into Kentucky and across from Pennsylvania were tending to come further south.

So you have to understand the geography. Now, understand the importance of this Northwest Territory. If this had been part of Canada from here up, we would have lost the agriculture, the farm belt of the United States, some of the best producing agriculture land, timber land, iron and copper and many of the critical natural resources that today are so important to our country.

There were also critical battles here that were decisive in the settlement of the United States. Among the important battles was where Harmar and St. Clair were defeated, eventually Anthony Wayne came up, this area along the Great Miami River, the Indians fled from Kekionga and Fort Wayne to try to get up by the British at Fort Miami by Toledo and at the Battle of Fallen Timbers was really the major breakthrough for the United States settlement of the Midwest. After that period, the next big battle was the Battle of Tippecanoe where William Henry Harrison won right near Lafayette and what is now Purdue University. There also was a battle just across from Detroit over in Ontario, the Battle of Thames. The battle which is now celebrated at Put-in-Bay where Commodore Oliver Hazard Perry defeated the British in control of the Great Lakes and really settled the fact of whether this was going to be part of Canada and the United States. So there were a number of very critical battles.

There were also a lot of interesting people. Mad Anthony Wayne as he was called is certainly an interesting individual, very important in the American Revolution. At Stony Point, at Valley Forge, other critical battles. In fact, we have a number of his items in Fort Wayne at our Allen County Historical Museum. Next Monday we are having an official dedication of a new letter for our public library in the Indiana Collection. I include the following material for the RECORD at this point.

RARE GEN. WAYNE LETTER DISPLAYED AT LIBRARY

(By Bob Caylor)

A magnificently preserved Revolutionary War letter written by Gen. "Mad" Anthony Wayne will find a place of honor in the city that grew from a fort he founded.

The letter was written by Wayne in 1782, just three days before his troops met the British in a skirmish along the Combahoe River in South Carolina. Theirs would be the last American-British fighting of the war.

The letter was donated to the Allen County Public Library earlier this year. The library will place it on display in its rare-books room in a dedication ceremony Monday.

Gen. Wayne, a surveyor before the war began, was not a prolific correspondent like many of the Founding Fathers, and letters from his pen are uncommon.

"Apparently they are fairly rare," said Steven Fortriede, the library's associate director. "As far as we know, there's nothing similar in Fort Wayne."

Bringing the letter to Fort Wayne took the combined efforts of a Fort Wayne history buff, a circle of generous donors and a Noblesville man who trades in rare military artifacts.

It began early this year, when Duane Arnold, owner of the Gentleman Soldier Gallery in Noblesville, learned a private collector in Indiana was looking to sell the letter. It had been in his collection for about 20 years, and he likely would have sold it out of state, Arnold said.

"I thought if possible, we should try to keep it in state," he said.

Arnold, who was born in Fort Wayne, has clients in this area. Among them is Fort Wayne attorney Jack Lawson, who collects Revolutionary and Civil War weapons.

"Jack is someone who's very interested in history and very committed to Fort Wayne," Arnold said.

He showed Lawson, the letter, and Lawson hit on the idea of finding donors to divide the $10,000 price and then donating the letter for public display.

Hew had no trouble finding takers.

"Once it was explained to (potential donors) what the letter was and what its historical significance was, we had no difficulty," Lawson said.

Mostly, he appealed to donors' civic spirit. "This belongs to Fort Wayne. It would be a monument for the city," he told them.

Wayne's letter was written Aug. 24, 1782, from Drayton Hall in South Carolina. In it, Wayne tells Gen. Nathaniel Green what forces he believed he would need to handle the British.

Drayton Hall, incidentally, survived the devastation of the Civil War, adding another dimension of historical appeal to the letter.

"We can see the house. We can imagine the room in which Anthony Wayne actually wrote the letter," Arnold said.

> Gen. Wayne's military career converged with local history a dozen years later, when he led an American army in a campaign against Indians through what is now Ohio and Indiana. His Fort Wayne at the confluence of our three rivers was established in 1794.
>
> Arnold said Wayne's military success against Chief Little Turtle opened the path to settlement here much earlier.
>
> "Without Anthony Wayne's actions, it's extremely unlikely that Indiana would have been achieving statehood within about 20 years after that time," he said.

> [From the Allen County Public Library]
>
> WAYNE'S LETTER TO GEN. GREEN—DRAYTON HALL, 24 AUGUST, 1782
>
> 'DEAR SIR: If a detachment from this army be deemed expedient to prevent the enemy from effecting a forage at Combahe I wish to take charge of it; two hundred infantry & one hundred dragoons with two Howitz (ers; ed. note) will be fully adequate to the business and to make the Britons suffer for their temerity should they commit themselves on shore.—The horse can be foraged, & the troops rationed without difficulty, whilst on this duty.
>
> Yours very sincerely,
>
> *Anthony Wayne.*
>
> N.B. Should this request then meet your approbation I would wish to march this evening at—biding.

This letter is a letter that Anthony Wayne wrote regarding his preparations in putting together this battle, and this article details how this letter came into possession, how often historic letters like this are lost, and also gives some background on Anthony Wayne which I am going to read briefly here. He was nicknamed "Mad" long before he founded Fort Wayne. I am reading from Bob Caylor's article in the Fort Wayne News-Sentinel this afternoon.

☐ 2245

Naturally it is not easy to separate romantic lore from fact when it comes to Revolutionary War heroes, but an appealing tale purports to explain the general's nickname. In 1779, General Washington summoned young General Wayne, then only 34 years old but already distinguished in battle, and asked him to storm Stony Point, a British fort on the Hudson River. Stony Point was a forbidding target. It sat atop a high rocky hill surrounded by water on three sides. The only land approach was through a marsh that flooded daily. Anthony Wayne was not put off. "General, if you will only plan it, I will storm hell," Wayne told him. "Perhaps, General Wayne, we had better try Stony Point first," Washington responded. Overhearing this exchange, a soldier exclaimed Wayne surely was mad, and a nickname was born.

Now, after two devastating defeats of the American armies, the largest defeats in American history, other than at Wounded Knee, and arguably St. Clair's defeat was a lot more significant and larger than Wounded Knee, one occurred right at Fort Wayne where Harmar's army was set back and had to retreat in disgrace, and St. Clair lost something on the order of wounded and injured 80 percent of his troops in that, General Washington said unless we can control the junction at Kekionga, the West will be lost. And he said I have to call Anthony Wayne out of retirement.

Mad Anthony Wayne trained for a year, set up a string of forts through Congressman BOEHNER's district all the way up to Fort Recovery in a whole string, because he wanted to make sure, unlike St. Clair and Harmar, that he had the supplies behind him as he moved into this tricky territory.

Little Turtle, who was the war chief of the Miamis, kind of saw the handwriting on the wall. In fact, this is a description from a book about Anthony Wayne by Harry Emerson Wildes that is fascinating commentary on Little Turtle, but also on Anthony Wayne.

> Little Turtle, tall, sour disposition, crafty war chief of the Miamis, was inclined to head Wayne's invitation to negotiate piece. The 40 year old warrior, veteran of both the Harmar and St. Clair campaigns, called his fellow chiefs into conference. Standing straight before him, his foot long silver earrings jingling as he tossed his head, his 3 huge nose jewels glittering in the firelight, he told Stalwart Buckongehelas, leader of the Delaware Indians, and Blue Jacket, Shawnee war chief, that Indian luck had been too good to last.

Now, this is part of the remaining what remains of Little Turtle's speech.

> We have beaten them twice under separate commanders. We cannot expect the same good fortune always to attend us. The Americans are now led by a chief who never sleeps. Night and day are alike to him. Notwithstanding the watchfulness of our young men, we have never been able to surprise him. Think well of this. There is something that whispers to me it would be prudent to listen to his offers of peace.

Now, in fact Little Turtle because of Blue Jacket and Buckongehelas leading the Delawares and the Shawnees and many Miamis into battle, they did have the battle with Anthony Wayne. Anthony Wayne then defeated them at Fallen Timbers. The British would not allow them into their fort. At that point the tribes scattered. Anthony Wayne marched back down the Maumee River to control the junction at Fort Wayne that was so critical and build a fort. Later there was a second fort built there as well and on a little bit higher ground.

Now, that fort, Anthony Wayne left a strong garrison there, because he knew they had to control that junction. Then he marched back down to Greenville. Little Turtle and the other Indian chiefs wanted to have the peace negotiations up in Fort Wayne. Anthony Wayne figured out that if he went up to Kekionga, he would be too far and separated from the Great Miami River where the supplies came. So he said you have to come down to Greenville.

After much kicking around, after all, they had been defeated and most of their crops had been destroyed, the Indians reluctantly came to Greenville, and the Treaty of Greenville became really the first big treaty in the settlement of the Northwest.

I will also mention Commodore Oliver Hazard Perry. William Henry Harrison, I have a document that I want to show here too, this beautiful piece of political and historic memorabilia that has been loaned to my office by a friend of mine, Mike Tonger, who has a business here in town, and he has let us display this in the front office. This is a scarf, often one of the pieces of political memorabilia that people would distribute or collect related to different campaigns.

General William Harrison, Indiana has no native born presidents of the United States, but we have two that spent significant, actually three, that have spent significant time in Indiana. Two of them are Harrisons, who are from Virginia, Benjamin Harrison, who was in Indiana at the time he was elected president, and William Henry Harrison, who headed the Indiana territory and fought many battles in Indiana, and then our third is Abraham Lincoln. Abraham Lincoln was born in Kentucky, finished his life in Illinois, but, as we say in Indiana, Indiana made Lincoln, Lincoln made Illinois.

But William Henry Harrison spent much of his life in Indiana. Because after the period of time from when Anthony Wayne won his battle and the Treaty of Greenville we had a period of peace, but it was a very restless peace. And William Henry Harrison, then in charge of the Northwest Territory, based down in Vincennes, Indiana, William Henry Harrison was constantly pushing the Indian tribes for additional land concessions, because people wanted to move up from the Ohio river and farther up into different states.

He had two treaties, the First Treaty of Fort Wayne, the Second Treaty of Fort Wayne, there were a couple of other treaties, but that was causing a backlash among the Indian tribes in the Midwest. Probably one of the most dynamic Indian leaders, much written about, very colorful, dramatic, what, charismatic leader, it was Tecumseh. Tecumseh decided what was needed was the Indian tribes to separate their kind of competitiveness and develop into a confederation. This confederation was his dream. He even went to the southern parts of the United States to recruit different Indian tribes, saying look, these Americans are coming across, they are taking our lands. No matter what they tell us, all they want is more lands. They cheat us, they give us beads and a few dollars and take thousands of acres. We need to unite as a confederation.

He won some allies in the south and brought them north. But while he was away his brother the Prophet, so-called, there is a lot of debate why the

Prophet got his name, he clearly had one eye, was very colorful, was a medicine man of some sorts, he basically was trying to stir his people to earlier action, got a little restless.

William Henry Harrison sitting down there in Vincennes, said now is a good time to teach these guys a lesson. He marched up from Vincennes to what was called Prophet's Town. Prophet, because he was giving these mystical trances and dances and celebrations, was gathering a lot of Indians around, including many Miami from the Kekionga area, who, while their chiefs were not too enamored of this, a lot of their young braves felt the older Indians were giving up too soon, and so many of them joined the Prophet.

William Henry Harrison marched up, they had some exchanges, a lot of debate about what exactly happened here, but basically common historical assumption would be that one night when the Indians were celebrating and drunk, William Henry Harrison walked in and wiped them out. That, of course, became the famous battle of Tippecanoe, which was the slogan that led him to be President of the United States, Tippecanoe and Tyler too. Tyler, of course, was the Virginian who became president, because Harrison got pneumonia when he was giving his address here at his inaugural address, got pneumonia and Tyler became another one of the accidental presidents. But it was the battle of Tippecanoe that led to the slogan.

Now, the Whig party never really did elect a president based on any Whig principles, which were kind of whatever the other party wasn't. But they had great slogans and they often ran generals, like Zachary Taylor and William Henry Harrison.

You can tell from this famous historical piece of political memorabilia here that what is notably from this it is not a party platform. It is not like when William Henry Harrison is elected, this is what he is going to do. What it says is here is the hero of Tippecanoe, William Henry Harrison, hero of Tippecanoe. These barrels say hard cider, which is basically alcohol, and so he was known as the log cabin and hard cider man.

The slogan here talks about the log cabin, how he was born in a log cabin. It talks about him being a hero of Tippecanoe. The glorious field of Tippecanoe to the log cabin of North Bend.

Now, that is the pitch that William Henry Harrison had, not that he was going to lower taxes, keep government small, build more rivers. It is that you are going to get a lot of hard cider, he was from a log cabin, and he won this battle of Tippecanoe by blind-siding the Indians when they were drunk.

Now, beyond that William Henry Harrison was actually a pretty good territorial governor. He won the battle of Thames over by East of Windsor that was very important and seemed to be good at balancing the politics of the era, and part of his political skill was that he did not put out a party platform. He ran on hard liquor and log cabin and the battle of Tippecanoe.

I mentioned earlier Lieutenant William Clark of Lewis and Clark fame was here. I mentioned Tecumseh, the Prophet. Blue jacket is a half breed, as they would say, part anglo, part Native American, who became the leader of the Shawnee. In Ohio they have one of the state parks, a famous play about him that you can go see at night during the summers. There are a number of books about him. He was a fascinating character.

A number of other interesting characters in the Northwest Territory were Arthur St. Clair, who, even though he had the most humiliating defeat in American history, became a Governor of Ohio. He did not understand why people wanted to join Jefferson's party and kind of went down as a sour old man with that. But was a very significant person, has St. Clair's, Ohio, and other places named after him.

In Indiana, we had Jonathan Jennings, our first Member of Congress from Indiana, key settler in the Corydon area. William Wells, who married Little Turtle's daughter. William Wells, nobody trusted William Wells. He married Little Turtle's daughter. When Anthony Wayne is marching up to try to defeat the Indians, William Wells is working as his scout. Meanwhile, Henry Harrison never trusted him because even though he was on the side of the Americans, he never knew whether he was working for Little Turtle or the Americans, or, as is more likely the case, himself, whichever served best.

But in the end William Wells died serving the American government, because he was sent over to Fort Dearborn in Chicago during this period between wars, between the settlement of the Treaty of Greenville and the War of 1812, William Wells was told to evacuate the people at Dearborn in spite of the fact there were warnings of an ambush, and he was ambushed and massacred along with all the other people from Fort Dearborn, with the exception of just a couple who escaped.

In Fort Wayne we have a number of things named after William Wells, Wells Street. We have one of the major streets along near the Kekionga Village area and where the forts were is called Spy Run, because he was a spy. Just south of Fort Wayne, the first county to the south-southwest is Wells County. So many of these names are still historic.

I wanted to touch on one other interesting person from this time period related to my home area, and that is Johnny Appleseed.

Johnny Appleseed, like many other settlers, came in after this period of the War of 1812 and the frontier opened, all of a sudden settlers came in. Johnny Appleseed was born in Ohio in 1774. The first reference to his name, and he is buried in Fort Wayne today. The first reference to his nickname Appleseed is found in a letter from William Slaughter to Reverend Haley of Avignon, Virginia. "That was Mr. John Chapman whom you must have heard me speak of. They call him John Appleseed out there in Ohio."

The first discovered order for apple trees was in 1818. He was just a really interesting gentleman. We have a Johnny Appleseed stamp that was issued by the post office. This is his grave site. This is actually something that was done in probably third grade by my son, because Johnny Appleseed is a big folk hero in Indiana. It says, "Johnny Appleseed, bright red and shiny; some are big, others tiny; one bite and you will see, just how delicious an apple can be."

Now, how did this, you know, start and what kind of guy was Johnny Appleseed? Well, he was an interesting character. In fact, let me just read this description about him. That he was known for having, what this is is a pan on his head, because he would walk around, he would have this pan on his head, move around, talk to different people, and it said he had such a remarkable passion for rearing and the cultivation of apple trees from the seed and pursued it with so much zeal and perseverance as to cause him to be regarded by the few settlers just then beginning to make their appearance in the country with a degree of almost superstitious admiration.

He also believed, and in the reason he planted apples, and he systematically did this. For example it said that he would clear a few rods of land in some open part of the forest, girdle the tree standing around it, surround it with a brush fence and plant his apple seeds. This done, he would go off some 20 miles or so, select another favorable spot, and again go through the same operation. In this way, without family and without connection, he rambled from place to place and employed his time, I may say, his life, planting apple trees.

□ 2300

His goal was to live for others. His dad was a preacher. He was an itinerant pastor as well, and frequently preached. His goal was to serve others.

One other interesting reference to this period, anybody living in the frontier period had to be aware of the battles and the conflict between the Native Americans and the American settlers.

So Johnny Appleseed himself, according to a man named Amariah Watson of Washington Township, said that during the war of 1812, Chapman, like Paul Revere, he was called the Paul Revere of the Midwest, sped through northern Ohio to warn settlers of expected Indian attacks on frontier outposts. This is at the start of the War of 1812. The British were arming the Indian tribes.

What this man who was a contemporary of Johnny Appleseed reported was Johnny Appleseed traveled through like Paul Revere, running from village to village shouting, "Flee for your lives, flee for your lives, the British and Indians are coming upon you and destruction followeth upon their footsteps."

There was a more colorful version that supposedly Johnny Appleseed said, but the other is more likely, because this is a bit long to go running from house to house. It fits, kind of, the preacher. "The spirit of the Lord is upon me and he hath anointed me to blow the trumpet in the wilderness, and sound an alarm in the forest; for, behold, the tribes of the heathen are round about your doors, and a devouring flame followeth after them."

So even Johnny Appleseed played a role in this period of the Northwest Territory, in the settlement. So we had a lot of interesting people that were involved, and it is part of American history that is often overlooked.

We also had a number of historic sites, such as the Battle of Fallen Timbers. This Thursday in the Subcommittee on National Parks we are having a hearing on a bill from Senator DEWINE of Ohio and the gentlewoman from Ohio (Ms. KAPTUR) regarding expanding this as a national historic site and developing this.

I am a strong supporter of this legislation because I believe the Battle of Fallen Timbers has been too long ignored. The Battle of Tippecanoe, which is now being developed at Prophetstown, Indiana, our newest State park in Indiana where we will have our first museum. It is not called Angloana or Germanana, even though a large percentage of the population is Germans. It is called Indiana. Other than the Eiteljorg Museum of American Indian art, we have no museum in Indiana paying tribute to our Native Americans. In Prophetstown, this will be corrected.

In Fort Wayne, we have the Chief Richardville House. Little Turtle was the war chief of the Miamis. Chief John Baptiste Richardville was the Miami civil chief from 1816 until his death in 1841. His house, now we are sorting this through, may be the only remaining Native American building east of the Mississippi. It certainly appears to be the oldest Native American building still standing east of the Mississippi.

Richardville was known, at least by legend, as the richest Indian in this country. This trade center, it is one of only a few of these buildings that were known to exist. It is the oldest known Native American structure east of the Mississippi still located on its original site. Some have been moved to different complexes, but this is actually at the site where it was, a Native American structure.

Indiana is finally taking the means to start the project. Senator Thomas Wyss of Fort Wayne and David Long helped secure $150,000 of Indiana funds for the Richardville house. This needs to be matched and developed. It needs to become a State historic site. On top of that, this Saturday it is going to be recognized as part of the national Save America's Treasures project coming out of this administration and through the National Trust for Historic Preservation. It is a very important site that we need to preserve in Fort Wayne because Richardville was the leader of the Miami Nation, their civil chief, for many years.

In fact, down in Huntington, Indiana, we have the La Fontaine house roughly shortly after that time period. La Fontaine is interesting, as well. He was the son-in-law of John Baptiste Richardville, and was the last Miami chief before the Miami Nation was removed from the State of Indiana. The forks of the Wabash down at Huntington is a critical area, as is Mississinewa.

I would be remiss if I did not point out a couple of the other historic sites that will be named specifically in our bill.

I mentioned the capitals, like Corydon and Chillicothe, but in addition, the Straits of Mackinaw were a critical trade route to the fur trade and others, and were battled over by the French and British. Until the war of 1812, it really was not established that that was going to be under American control at Mackinac as well as at Mackinaw. I also mentioned the Treaty of Greenville. One of the more important settlement roads was Zane's Trace in Ohio.

What this heritage area is going to try to do is pull together the time periods, 1785 to 1830. It is going to try to pull together these geographic boundaries of Ohio, Illinois, Michigan, and Illinois, including Wisconsin, highlight the sites of significance to that time era only, market and connect them together thematically, promote the preservation, education, and utilization of such sites, which could include additional land, interpretive centers, and other appropriate development.

Once again I want to go through these critical periods. Attempted American settlement and the resulting wars, the Indian counterattack, the Americans' final victories during the War of 1812, then the American settlement accelerates and demands land. Then, as part of that, in spite of the promises made over and over to the different Indian tribes, those treaties were broken, and eventually the Indians for the most part were removed from the Midwest to Oklahoma, to Iowa, to Kansas, and to the west, and laid on top of the other Indian tribes, which caused some of the later conflict.

In addition to the rivers, we have our Great Lakes, our farmland, our resources. We have Indian Nations: the Miami, the Shawnee, the Delaware, Potawatomie, the Chippewa, the Sac, the Ottawa. We have the different battles, the traders, the settlers. Then the one thing I want to spend a little bit more time on are a number of the Indian chiefs.

We hear so much about the Indians of the Southwest and the West, and so little about those in the Midwest. Yet, think about a couple of points here. One is, California, New Mexico, Arizona, Utah, Nevada, do not together equal the population of the four Midwestern States, Ohio, Michigan, Illinois, and Indiana. Their number of Native Americans did not equal the number of Indian nations. They certainly did not achieve the success in war against the American armies that the Indiana nations of the Midwest achieved.

While they have creative pottery, there are remnants of creativity from the Midwest too. It is just that, quite frankly and bluntly, we did not do as good a job of preserving that in the Midwest because we removed them. It does not mean that the history is not there and that we should not look to preserve that history.

We have bits and pieces of this in Indiana. Chief Leopold Pokagon, whose village, Pokagon Village, was just across the Michigan line, just north of Notre Dame and St. Mary's on U.S. 31 and then just west, but Leopold Pokagon and his son Simon Pokagon have a State park named after them in my district, Pokagon State Park, and the Potawatomie Inn there. We finally started to pay tribute to the Potawatomies in Indiana, who have been ignored, much like the Miami were.

Right near my hometown where I grew up in Graybill, the town of Cedarville, now Leo-Cedarville, at that critical junction of the Cedar Creek and St. Joe River, there is Metea Village. Now we have a small county park there, Metea Park. We are starting to pay some recognition to him.

We have other Miami chiefs who have been ignored: Pecan (Pecanne), who is up near the Elkhart area, and LeGris, and Hibou, the owl. They were other important Miami chiefs. One of my favorites is Bad Bird, the chief of the Chippewas. We had many different interesting Native American leaders.

One kind of unusual story is Francis Slocum, Maconaquah, who was captured at age 5 in Wilkes-Barre, Pennsylvania, was transported to the Mississinewa River. Her husband died. She raised her two girls. She was discovered by a Mr. Ewing at Mississinewa when she was very old.

She had so acclimated herself and become such an Indian herself that when they approached her about leaving, she said, to go back in the Anglo civilization would make me like a fish out of water. She said, I am now an Indian, a Native American.

There are many stories like Francis Slocum that exist in our heritage that we need to do a better job of preserving. So I am pleased that most of the Members of Congress, Republican and Democrat, from our Northwest Territory area are going to cosponsor this. We are looking forward to hearings here in Washington and in the field, and working with the Governors of each State in developing this. I think it can be a big asset.

In the Midwest, unlike in the West, where they have many national parks, and the East tends to have historic sites and fewer parks, the West tends to have national parks, in the Midwest we have very little. We have very little that helps us develop for tourism, we have very little that helps us develop different assets in our community.

☐ 2310

I think this is one step toward some equalization in developing the history of the Midwest, and I am excited and looking forward to doing this. As we develop a management entity with this, this can be one of the most exciting things that has happened in the Midwest for many years.

I also want to take a few minutes tonight because today was an important day. One of the things in the northwest ordinance and in American history that we value most is the ability to participate in electing our own leaders. Today was a very important day in Indiana, because we elected mayors and city council members across the State and in my district.

For those who first say that their vote does not matter, we have had an extraordinary number of extremely close elections tonight. Some of these are still pending. Fort Wayne, the biggest city in my district, around 230,000 people, it appears, but it is far too early to say, even though 99 percent of the vote is in, that in a very close vote, both candidates are friends of mine, both of them ran tremendous campaigns, but the Democratic candidate for mayor appears to be pulling an upset, but right now is ahead by 174 votes out of way over 40,000.

Whoever of these candidates ultimately is our mayor we can be proud in Fort Wayne in working with them because they ran a terrific campaign. But once again, this shows the importance of every person participating in finding good quality candidates and then people participating.

In our city council races in what were expected to be not very close races, Tom Freistroffer, a Democratic candidate, right now is 129 votes ahead of the third place person on the Republican ticket, my friend, Rebecca Ravine.

All three Republican candidates were outstanding candidates, as were the Democratic candidates. This is an unusual race in the sense that we did not have anybody who was really a weak candidate. Tom Freistroffer, even though he is a Democrat, was a Notre Dame grad, so I appreciate him very much for at least that. But I am still hoping the Republicans pull out this election tonight.

It was extraordinary. We had an upset in another city council race in one of the councilmanic districts. We have another one that was decided by barely over 100 votes. In New Haven, Indiana, the election there was decided by only 145 votes. In Kendallville, Indiana, the vote was won by the incumbent mayor over Suzanne Handshoe who ran an excellent campaign, but the Democratic mayor hung on in that race by about 180 votes.

In Auburn, a close friend and supporter of mine, won the mayor's race there by about 400 votes. The Republican in Columbia City, Ronald Glassley, pulled a big upset and won that by 48 votes.

In Huntington, the incumbent mayor was defeated by an overwhelming margin by a person, Terry Abbett, who had won a number of races and who always runs really well, but nobody expected he got nearly 70 percent. That was not one that was a cliff hanger.

But it is important to understand that the recruitment first of quality candidates by both sides is always important in the electoral process. The second is, once again in Indiana tonight, in a big upset in the Indianapolis mayor's election, potentially in Fort Wayne, other parts of Indiana, very close vote margins.

When you hear the debates we have here on the House floor and you hear the kind of combat that is occurring and you wonder how come people cannot just sit down and work these things out, our country right now is very closely divided between the two parties. Election after election is showing this. That means we rub hard at the edges. Because what we do on this floor, what we do in mayors' offices and governors' officers are very important to the future of this country.

The project that I spent most of my time talking about tonight, the Northwest Territory, anchored the first American attempt to spread the American philosophy of democracy beyond the original 13 States and into the northwest. It talked about the promotion of religion, the promotion of education, the promotion of good citizenship, how we would set up property values, how we would set up the respect for law.

That is what we should be concentrating on in this country, regardless of whether one is a Republican or Democrat, is how to uphold the traditions, the history and kind of all that went before us, all that is going on now, and we want to pass that on to the next generation. Part of that is understanding how we got where we are, and it is critical to understanding where we will go next.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SAWYER (at the request of Mr. GEPHARDT) for today after 6:25 p.m. and November 3 on account of illness in the family.

Mr. DIAZ-BALART (at the request of Mr. ARMEY) for today on account of family reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. BROWN of Florida) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mrs. JONES of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. GOSS) to revise and extend their remarks and include extraneous material:)

Mr. GILLMOR, for 5 minutes, November 3.

Mr. METCALF, for 5 minutes, today.

Mrs. KELLY, for 5 minutes, November 3.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker.

H.R. 2303. An act to direct the Librarian of Congress to prepare the history of the House of Representatives, and for other purposes.

H.R. 3064. An act making appropriations for the District of Columbia, and for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2000, and for other purposes.

ADJOURNMENT

Mr. SOUDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 15 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 3, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5099. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Sanitation of Requirements for Official Meat and Poultry Establishments [Docket No. 96–037F] received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5100. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Aeration of Imported Logs, Lumber, and Other Unmanufactured Wood Articles That Have Been Fumigated [Docket No. 99–057–1] received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5101. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Propargite; Partial Stay of Order Revoking Certain Tolerances [OPP–300891A; FRL–6390–4] (RIN: 2070–AB78) received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5102. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Buprofezin; Extension of Tolerance for Emergency Exemptions [OPP–300937; FRL–6387–4] (RIN: 2070–AB70) received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5103. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Glufosinate Ammonium; Pesticide Tolerance [OPP–300945; FRL–6391–5] (RIN: 2070–AB78) received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5104. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Availability of Funds and Collection of Checks [Regulation CC; Docket No. R–1034] received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5105. A letter from the Legislative and Regulatory Activities Division, Department of the Treasury, Comptroller of the Currency, transmitting the Department's final rule—Investment Securities; Rules, Policies, and Procedures for Coporate Activities; and Bank Activities and Operations [Docket No. 99–14] (RIN: 1557–AB61) received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5106. A letter from the Under Secretary Food, Nutrition and Consumer Services, Department of Agriculture, transmitting the Department's final rule —Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Food and Nutrition Services and Administration Funding Formulas Rule (RIN: 0584–AC64) received October 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5107. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Federal Family Education Loan (FFEL) Program (RIN: 1845–AA06) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5108. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Student Assistance General Provisions (RIN: 1845–AA04) received October 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5109. A letter from the Secretary of Education, transmitting the Federal Perkins Loan Program; to the Committee on Education and the Workforce.

5110. A letter from the Secretary of Education, transmitting the Secretary's Recognition of Accrediting Agencies; to the Committee on Education and the Workforce.

5111. A letter from the Secretary of Education, transmitting the Federal Family Education Loan (FFEL) Program; to the Committee on Education and the Workforce.

5112. A letter from the Secretary of Education, transmitting Student Assistance General Provisions; General Provisions for the Federal Perkins Loan Program, Federal Work-Study Program, and Federal Supplemental Educational Opportunity Grant Program; and Federal Pell Grant Program; to the Committee on Education and the Workforce.

5113. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Bay Area Air Quality Management District [CA 211–0189; FRL–6466–4] received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5114. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Federal Plan Requirements for Municipal Solid Waste Landfills That Commenced Construction Prior to May 30, 1991 and Have Not Been Reconstructed Since May 30, 1991 [AD–FRL–6469–8] (RIN: 2066–AISU) received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5115. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Persistent Bioaccumulative Toxic (PBT) Chemicals; Lowering of Reporting Thresholds for Certain PBT Chemicals; Addition of Certain PBT Chemicals; Community Right-to-Know Toxic Chemical Reporting [OPPTS–400132C; FRL–6389–11] (RIN: 2070–AD09) received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5116. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Delegation of the Accidental Release Prevention Requirements: Risk Management Programs Under Clean Air Act Section 112(r)(7): State of Ohio [FRL–6465–7] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5117. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; Minnesota [MN–42–01–7267; FRL–6465.3] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5118. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; Minnesota [MN58–01–7283; FRL–6465–4 and 81] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5119. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Maintenance Plan Revisions: Ohio [OH 129–1a; FRL–6464–5] received October 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5120. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to the Government of Canada (Transmittal No. DTC 152–99), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5121. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with the United Kingdom [Transmittal No. DTC 121–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5122. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Mexico [Transmittal No. DTC 104–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5123. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Turkey [Transmittal No. DTC 115–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5124. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Belgium [Transmittal No. DTC 119–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5125. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Turkey [Transmittal No. DTC 158–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5126. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Korea [Transmittal No. DTC 153–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5127. A letter from the Chief Financial Officer and Assistant Secretary for Administration, Department of Commerce, transmitting an inventory of functions performed by the Agency that are not inherently governmental after the inventory has been reviewed by the Office of Management and Budget; to the Committee on Government Reform.

5128. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Administration's final rule—Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Reef Fish Fishery of the Gulf of Mexico; Closure of the Commercial Red Snapper Component [I.D. 102099B] received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5129. A letter from the Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Regulations Governing the Taking of Marine Mammals by Alaskan Natives; Marking and Reporting of Beluga Whales Harvested in Cook Inlet [Docket No. 990414095–9251–02; I.D. 033199B] (RIN: 0648–AM57) received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5130. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Duluth Ship Canal (Duluth-Superior Harbor), MN [CGD09–99–077] (RIN: 2115–AE47) received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5131. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Debbies Creek, New Jersey [CGD05–98–111] (RIN: 2115–AE47) received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5132. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Vessel Indentification System [CGD 89–050] (RIN: 2115–AD35) received October 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURTON: Committee on Government Reform. H.R. 2904. A bill to amend the Ethics in Government Act of 1978 to reauthorize funding for the Office of Government Ethics' with amendments (Rept. 106–433, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEACH. Committee of Conference. Conference report on S. 900. An act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes (Rept. 106–434). Ordered to be printed.

Mr. YOUNG of Alaska. Committee on Resources. H.R. 3077. A bill to amend the Act that authorized construction of the San Luis Unit of the Central Valley Project, California, to facilitate water transfers in the Central Valley Project; with an amendment (Rept. 106–435). Referred to the Committee on the Whole House on the State of the Union.

Mr. ARCHER: Committee on Ways and Means. H.R. 3075. A bill to amend title XVIII of the Social Security Act to make corrections and refinements in the Medicare Program as revised by the Balanced Budget Act of 1997; with an amendment (Rept. 106–436 Pt 1). Ordered to be printed.

Ms. PRYCE of Ohio. Committee on Rules. House Resolution 352. Resolution providing for consideration of the bill (H.R. 2389) to restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and for other purposes (Rept. 106–437). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 353. Resolution providing for consideration of motions to suspend the rules (Rept. 106–438). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 354. Resolution providing for consideration of the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–439). Referred to the House Calendar.

Mr. SESSIONS: Committee on Rules. House Resolution 355. Resolution waiving points of order against the conference report to accompany the bill (S. 900) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes (Rept. 106–440). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

[The following action occurred on Oct. 29, 1999]

Pursuant to clause 5 of rule X, the Committee on Resources discharged. H.R. 2389 referred to the Committee of the Whole House on the State of the Union.

[The following action occurred on Nov. 1, 1999]

Pursuant to clause 5 of rule X, the Committee on the Judiciary discharged. H.R. 2904 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 2904. Referral to the Committee on the Judiciary extended for a period ending not later than November 2, 1999.

H.R. 3075. Referral to the Committee on Comemrce extended for a period ending not later than November 5, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. EVANS (for himself, Mr. Filner, Mr. Doyle, Mr. Rodriguez, Mr. Shows, Ms. Carson, Ms. Berkley, Mr. Abercrombie, and Mr. Holden):

H.R. 3193. A bill to amend title 38, United States Code, to reestablish the duty of the Department of Veterans Affairs to assist claimants for benefits in developing claims and to clarify the burden of proof for such claims; to the Committee on Veterans' Affairs

By Mr. ISTOOK:

H.R. 3194. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. KILDEE (for himself and Mr. Castle):

H.R. 3195. A bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CALLAHAN:

H.R. 3196. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. DOGGETT (for himself, Mr. Stark, Mr. Matsui, Mr. Coyne, Mr. Levin, Mr. McDermott, Mr. Neal of Massachusetts, Mr. Becerra, Mrs. Thurman, Mr. Waxman, Mr. Brown of Ohio, Mr. Allen, Mr. Frank of Massachusetts, Mr. Ackerman, Mr. Barrett of Wisconsin, Mr. Bentsen, Mr. Berry, Mr. Bishop, Mrs. Capps, Mr. Capuano, Mr. Cummings, Ms. DeGette, Mr. Edwards, Mr. Evans, Mr. Filner, Mr. Ford, Mr. Gonzalez, Mr. Green of Texas, Mr. Hinchey, Ms. Hooley of Oregon, Ms. Jackson-Lee of Texas, Ms. Kilpatrick, Mr. Kind, Mr. Kucinich, Mr. Lampson, Mr. Lantos, Mr. Markey, Mr. McGovern, Ms. McKinney, Mrs. Meek of Florida, Mr. Menendez, Mr. George Miller of California, Mr. Olver, Ms. Pelosi, Ms. Rivers, Mr. Rodriguez, Mr. Sanders, Mr. Sandlin, Ms. Schakowsky, Mr. Serrano, Ms. Slaughter, Mr. Strickland, Mr. Tierney, Mrs. Jones of Ohio, Mr. Vento, and Ms. Woolsey):

H.R. 3197. A bill to amend the Internal Revenue Code of 1986 to prevent the abuse of the enhanced charitable deduction for contributions of drugs; to the Committee on Ways and Means.

By Mr. ENGLISH (for himself, Mr. Visclosky, Mr. Evans, Mr. Ney, and Mr. Regula):

H.R. 3198. A bill to amend title VII of the Tariff Act of 1930 to provide that the provisions relating to countervailing duties apply to nonmarket economy countries; to the Committee on Ways and Means.

By Mr. FILNER:

H.R. 3199. A bill to direct the Secretary of Veterans Affairs to establish a national cemetery for veterans in the San Diego, California, metropolitan area; to the Committee on Veterans' Affairs.

By Mrs. FOWLER:

H.R. 3200. A bill to revise the boundaries of Fort Matanzas National Monument in the State of Florida to include additional land and to authorize the acquisition of the land, and for other purposes; to the Committee on Resources.

By Ms. NORTON:

H.R. 3201. A bill to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Carter G. Woodson Home in the District of Columbia as a National Historic Site, and for other purposes; to the Committee on Resources.

By Mr. SAXTON:

H.R. 3202. A bill to require door delivery of mail sent to persons residing in senior communities; to the Committee on Government Reform.

By Mr. STEARNS (for himself, Mr. OXLEY, Mr. FROST, Mr. SESSIONS, Mr. FOLEY, Mr. DOYLE, and Mr. MASCARA):

H.R. 3203. A bill to amend the Communications Act of 1934 to reduce restrictions on media ownership, and for other purposes; to the Committee on Commerce.

By Mrs. TAUSCHER (for herself, Mr. BRADY of Texas, Mr. BARCIA, Mr. BARRETT of Wisconsin, Mr. FOLEY, Mr. LAMPSON, Mr. GILMAN, Mr. FROST, Mr. SANDLIN, Mr. GUTKNECHT, Mr. ETHERIDGE, Mr. COOK, Mr. LARSON, Ms. LOFGREN, Ms. DELAURO, Mr. GREEN of Texas, Ms. HOOLEY of Oregon, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BONIOR, Ms. BERKLEY, Ms. BROWN of Florida, Mr. MARTINEZ, Ms. CARSON, Mrs. LOWEY, Mr. MCGOVERN, Ms. MILLENDER-MCDONALD, Ms. NORTON, Mr. STUPAK, Mr. THOMPSON of Mississippi, Mrs. JONES of Ohio, Mr. UNDERWOOD, Mr. WEINER, Ms. WOOLSEY, and Ms. SANCHEZ):

H.R. 3204. A bill to amend the Safe and Drug-Free Schools and Communities Act of 1994 to prevent the abuse and abduction of children; to the Committee on Education and the Workforce.

By Mr. SMITH of Michigan (for himself, Mr. BARTON of Texas, and Mr. ROHRABACHER):

H.J. Res. 74. A joint resolution proposing a spending limitation amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself, Ms. PELOSI, Mr. GILMAN, Mr. GEJDENSON, Mr. WOLF, Mr. GEPHARDT, Mr. PAYNE, Mr. ROHRABACHER, Mr. LANTOS, Mr. PORTER, Mr. BERMAN, Mr. TIAHRT, Mr. MALONEY of Connecticut, Mr. CAPUANO, Mr. PITTS, Mr. EVANS, Ms. KAPTUR, Mr. TIERNEY, Mr. BROWN of Ohio, and Mr. ACKERMAN):

H. Con. Res. 218. Concurrent resolution expressing the sense of the Congress that the Government of the People's Republic of China should stop its persecution of Falun Gong practitioners; to the Committee on International Relations.

By Mr. FRELINGHUYSEN:

H. Con. Res. 219. Concurrent resolution expressing the sense of Congress regarding the preservation of full and open competition for contracts for the transportation of United States military cargo between the United States and the Republic of Iceland; to the Committee on Armed Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TANCREDO (for himself, Mr. SMITH of New Jersey, and Mr. PITTS):

H. Res. 350. A resolution expressing the sense of the House of Representatives with respect to private companies involved in the trafficking of baby body parts for profit; to the Committee on Commerce.

By Mr. FROST:

H. Res. 351. A resolution designating minority membership on certain standing committees of the House; considered and agreed to.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Ms. SCHAKOWSKY introduced a bill (H.R. 3205) for the relief of Valentina Ovechkina; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. OXLEY.

H.R. 125: Ms. DELAURO and Mr. BROWN of Ohio.

H.R. 148: Mr. GALLEGLY.

H.R. 219: Mr. CALVERT.

H.R. 239: Mr. GILCHREST, Mr. PHELPS, Ms. DANNER, Mr. ETHERIDGE, Mr. COOK, Mr. LEWIS of California, Mr. SANDLIN, Mr. STUPAK, Mr. KLECZKA, Mr. GIBBONS, and Ms. DELAURO.

H.R. 443: Ms. ROYBAL-ALLARD, Mr. FORBES, Mrs. NAPOLITANO, and Mrs. CAPPS.

H.R. 460: Mr. UNDERWOOD.

H.R. 623: Mrs. FOWLER.

H.R. 721: Mr. ACKERMAN and Mr. WALSH.

H.R. 750: Mr. FILNER.

H.R. 827: Mr. UNDERWOOD, Ms. JACKSON-LEE of Texas, Mr. BAKER, and Mr. PICKERING.

H.R. 860: Mr. ROTHMAN.

H.R. 1020: Mr. DUNCAN, Mr. GEJDENSON, and Mr. PRICE of North Carolina.

H.R. 1040: Mr. BARR of Georgia.

H.R. 1044: Mr. SESSIONS, Mr. CHAMBLISS, Mr. RAMSTAD, and Mr. FOLEY.

H.R. 1046: Mr. TURNER.

H.R. 1080: Mr. WYNN and Mr. FILNER.

H.R. 1089: Mr. COX and Mr. BARRETT of Wisconsin.

H.R. 1111: Mr. UDALL of New Mexico.

H.R. 1130: Mr. FILNER.

H.R. 1178: Mr. BAKER.

H.R. 1221: Mr. WELDON of Pennsylvania.

H.R. 1237: Mr. CASTLE and Mr. ALLEN.

H.R. 1274: Mr. PAYNE.

H.R. 1280: Ms. JACKSON-LEE of Texas.

H.R. 1304: Mr. UDALL of Colorado.

H.R. 1346: Mrs. MINK of Hawaii.

H.R. 1349: Mr. SOUDER.

H.R. 1356: Mr. HILLIARD, Ms. LEE, Ms. MCKINNEY, Mr. BALLENGER, Mr. COOKSEY, and Mr. HOEFFEL.

H.R. 1358: Mr. SANDERS and Mr. DEFAZIO.

H.R. 1432: Mr. HOLDEN, Mrs. JONES of Ohio, Ms. ESHOO, and Mr. FROST.

H.R. 1505: Mr. UDALL of New Mexico and Mr. WEINER.

H.R. 1515: Mr. UDALL of New Mexico, Ms. PELOSI, and Mr. GONZALEZ.

H.R. 1621: Mr. INSLEE, Mrs. JONES of Ohio, Mr. LARSON, and Mr. MASCARA.

H.R. 1839: Mr. HORN and Mr. ROTHMAN.

H.R. 1843: Mr. FORD, Mr. PICKERING, and Mr. BAKER.

H.R. 1857: Mr. PAYNE.

H.R. 1885: Mr. LARSON, Mr. FILNER, and Mr. NADLER.

H.R. 1899: Mr. HOLDEN and Mr. PRICE of North Carolina.

H.R. 1926: Mr. STUPAK and Mr. BATEMAN.

H.R. 2053: Mr. ACKERMAN and Mr. PAYNE.

H.R. 2059: Mrs. THURMAN and Mr. GALLEGLY.

H.R. 2086: Mr. PICKERING and Mr. BILBRAY.

H.R. 2106: Mrs. LOWEY.

H.R. 2121: Mr. FRANK of Massachusetts.

H.R. 2200: Mrs. LOWEY.

H.R. 2308: Mr. MCINTYRE.

H.R. 2321: Mr. MATSUI and Mr. PAYNE.

H.R. 2333: Ms. LEE, Ms. VELÁZQUEZ, Ms. PELOSI, Mrs. MINK of Hawaii, Mr. SANDERS, Ms. NORTON, Mr. UNDERWOOD, Mr. BLAGOJEVICH, and Mr. KLINK.

H.R. 2345: Mr. DEFAZIO and Ms. SCHAKOWSKY.

H.R. 2425: Mr. WELDON of Pennsylvania and Ms. DELAURO.

H.R. 2463: Mrs. THURMAN.

H.R. 2486: Mr. BARCIA, Ms. ROYBAL-ALLARD, and Ms. SCHAKOWSKY.

H.R. 2548: Mr. SMITH of Michigan, Mr. DEFAZIO, Mr. FROST, and Mr. BACHUS.

H.R. 2569: Ms. ESHOO.

H.R. 2655: Mr. OXLEY, Mr. CAMPBELL, and Mrs. MYRICK.

H.R. 2680: Mr. RANGEL.

H.R. 2691: Mr. OWENS.

H.R. 2720: Mr. GREENWOOD, Mrs. ROUKEMA, Mr. DEFAZIO, Mrs. THURMAN, and Mr. FRANKS of New Jersey.

H.R. 2738: Ms. KILPATRICK, Mr. EVANS, Mr. OLVER, Mr. BARRETT of Wisconsin, and Mrs. THURMAN.

H.R. 2749: Mr. PICKERING, Mr. GARY MILLER of California, and Mrs. FOWLER.

H.R. 2798: Mr. BILBRAY, Mr. CUNNINGHAM, Mr. CALVERT, Mr. LEWIS of California, Mr. MCKEON, Mr. RADANOVICH, Mr. HORN, Mrs. BONO, Mr. HUNTER, Mr. CONDIT, Mr. SHERMAN, Mr. MATSUI, Mr. FILNER, Ms. SANCHEZ, Mrs. NAPOLITANO, Ms. LOFGREN, Ms. ROYBAL-ALLARD, Mr. LANTOS, Mr. FARR of California, Ms. LEE, Ms. MILLENDER-MCDONALD, Mr. BECERRA, Mr. BERMAN, Mr. MARTINEZ, Ms. WATERS, Mr. WAXMAN, Mr. REYES, and Mr. MCDERMOTT.

H.R. 2824: Mr. OWENS.

H.R. 2840: Mr. SANDERS.

H.R. 2859: Mr. WYNN, Mr. LEWIS of Georgia, Mr. OLVER, Mr. BERMAN, Mr. CAPUANO, Mr. FILNER, and Mr. WAXMAN.

H.R. 2899: Mr. WAXMAN and Ms. SCHAKOWSKY.

H.R. 2925: Mrs. EMERSON and Mr. OWENS.

H.R. 2927: Mr. OWENS.

H.R. 2929: Mr. CONYERS, Ms. LEE, Mr. PRICE of North Carolina, Mr. HINCHEY, Mr. WAXMAN, Mr. RAHALL, Mrs. CAPPS, Mr. MARTINEZ, Mr. KUCINICH, Ms. SCHAKOWSKY, and Mr. SHERMAN.

H.R. 2939: Mr. PETERSON of Minnesota, Mr. MCGOVERN, and Mr. BROWN of Ohio.

H.R. 2947: Mrs. THURMAN.

H.R. 2953: Mr. CLYBURN and Mrs. THURMAN.

H.R. 2960: Mr. HAYWORTH.

H.R. 2965: Mr. CALLAHAN, Mr. FRELINGHUYSEN, Mr. BOEHLERT, and Mr. FLETCHER.

H.R. 2966: Mr. BOUCHER, Mr. COOKSEY, Mr. CRAMER, Mr. LUCAS of Oklahoma, Mr. SKELTON, and Mr. TERRY.

H.R. 2969: Mr. COOK, Ms. KILPATRICK, Mr. MARTINEZ, and Mr. HINCHEY.

H.R. 2985: Mr. PETERSON of Pennsylvania.

H.R. 3058: Ms. MILLENDER-MCDONALD and Mrs. MALONEY of New York.

H.R. 3062: Mr. KUCINICH.

H.R. 3075: Mr. GUTKNECHT, Mr. ISAKSON, Ms. GRANGER, and Mr. BATEMAN.

H.R. 3081: Mr. SHOWS.

H.R. 3082: Mr. GEKAS and Mr. NEAL of Massachusetts.

H.R. 3083: Mrs. JONES of Ohio, Mr. FRANK of Massachusetts, and Mr. PAYNE.

H.R. 3086: Mr. OWENS.

H.R. 3091: Mr. MCGOVERN, Mr. ABERCROMBIE, Mr. LAFALCE, Mrs. JONES of Ohio, Ms. KILPATRICK, Mr. TRAFICANT, Mr. MICA, Ms. Kaptur, Mr. Cummings, Mr. Pascrell, Mr. Murtha, Mr. Filner, Mr. Payne, Mr. Gilman, Mr. Jackson of Illinois, and Mr. Walsh.

H.R. 3100: Mr. Bass, Mr. McHugh, and Mr. Hilliard.

H.R. 3105: Mr. Kucinich and Ms. Schakowsky

H.R. 3110: Mrs. Johnson of Connecticut.

H.R. 3144: Ms. Sanchez, Mr. Baldacci, Mr. Stark, and Mr. McIntyre.

H.R. 3150: Mr. Bonior and Mr. Nadler.

H.R. 3180: Mr. Ney.

H.J. Res. 48: Mr. Bliley and Mr. Hoeffel.

H.J. Res. 53: Mr. Ballenger, Mr. Ewing, and Mr. Stearns.

H.J. Res. 70: Mr. Hefley and Mr. Maloney of Connecticut.

H. Con. Res. 115: Mr. Doyle.

H. Con. Res. 193: Mr. Petri.

H. Con. Res. 199: Mr. Aderholt.

H. Res. 187: Mr. Tierney.

H. Res. 254: Mr. LaHood, Mrs. Lowey, and Mr. Phelps.

H. Res. 320: Mr. Shimkus, Mr. Phelps, Mr. Weller, Mr. Hyde, Mr. Gutierrez, Mrs. Biggert, and Mr. Blagojevich.

H. Res. 325: Mr. Reyes and Mr. Rush.

H. Res. 347: Ms. DeLauro, Mr. Holden, Mrs. McCarthy of New York, Mrs. Morella, Mr. Frank of Massachusetts, Mr. Underwood, Mr. Thompson of California, Mr. Tierney, and Mr. Klink.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2915: Mr. Largent.

H. Res. 298: Mr. Manzullo.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 3081

Offered By: Ms. Berkley

Amendment No. 1: In section 274(n)(4)(A) of the Internal Revenue Code of 1986, as proposed to be added by section 203 of the bill, strike "55 percent" and insert "75 percent" and strike "60 percent" and insert "100 percent".

H.R. 3081

Offered By: Mr. Terry

Amendment No. 2: Strike subtitle A of title V and insert the following new subtitle (and conform the table of contents accordingly):

Subtitle A—Repeal of Estate, Gift, and Generation-Skipping Taxes; Repeal of Step Up in Basis At Death

SEC. 501. REPEAL OF ESTATE, GIFT, AND GENERATION-SKIPPING TAXES.

(a) In General.—Subtitle B is hereby repealed.

(b) Effective Date.—The repeal made by subsection (a) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after December 31, 2008.

SEC. 502. TERMINATION OF STEP UP IN BASIS AT DEATH.

(a) Termination of Application of Section 1014.—Section 1014 (relating to basis of property acquired from a decedent) is amended by adding at the end the following:

"(f) Termination.—In the case of a decedent dying after December 31, 2008, this section shall not apply to property for which basis is provided by section 1022.".

(b) Conforming Amendment.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking "and" at the end of paragraph (26), by striking the period at the end of paragraph (27) and inserting "; and", and by adding at the end the following:

"(28) to the extent provided in section 1022 (relating to basis for certain property acquired from a decedent dying after December 31, 2008).".

SEC. 503. CARRYOVER BASIS AT DEATH.

(a) General Rule.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following:

"SEC. 1022. CARRYOVER BASIS FOR CERTAIN PROPERTY ACQUIRED FROM A DECEDENT DYING AFTER DECEMBER 31, 2008.

"(a) Carryover Basis.—Except as otherwise provided in this section, the basis of carryover basis property in the hands of a person acquiring such property from a decedent shall be determined under section 1015.

"(b) Carryover Basis Property Defined.—

"(1) In general.—For purposes of this section, the term 'carryover basis property' means any property—

"(A) which is acquired from or passed from a decedent who died after December 31, 2008, and

"(B) which is not excluded pursuant to paragraph (2).

The property taken into account under subparagraph (A) shall be determined under section 1014(b) without regard to subparagraph (A) of the last sentence of paragraph (9) thereof.

"(2) Certain property not carryover basis property.—The term 'carryover basis property' does not include—

"(A) any item of gross income in respect of a decedent described in section 691,

"(B) property which was acquired from the decedent by the surviving spouse of the decedent but only if the value of such property would have been deductible from the value of the taxable estate of the decedent under section 2056, as in effect on the day before the date of the enactment of the Wage and Employment Growth Act of 1999, and

"(C) any includible property of the decedent if the aggregate adjusted fair market value of such property does not exceed $2,000,000.

For purposes of this subsection, the term 'adjusted fair market value' means, with respect to any property, fair market value reduced by any indebtedness secured by such property.

"(3) Limitation on exception for property acquired by surviving spouse.—The adjusted fair market value of property which is not carryover basis property by reason of paragraph (2)(B) shall not exceed $3,000,000. The executor shall allocate the limitation under the preceding sentence among such property.

"(4) Phasein of carryover basis if property exceeds $1,300,000.—

"(A) In general.—If the aggregate adjusted fair market value of the includible property of the decedent exceeds $1,300,000, but does not exceed $2,000,000, the amount of the increase in the basis of includible property which would (but for this paragraph) result under section 1014 shall be reduced by the amount which bears the same ratio to such increase as such excess bears to $700,000.

"(B) Allocation of reduction.—The reduction under subparagraph (A) shall be allocated among only the excepted includible property having net appreciation and shall be allocated in proportion to the respective amounts of such net appreciation. For purposes of the preceding sentence, the term 'net appreciation' means the excess of the adjusted fair market value over the decedent's adjusted basis immediately before such decedent's death.

"(5) Includible property.—

"(A) In general.—For purposes of this subsection, the term 'includible property' means property which would be included in the gross estate of the decedent under any of the following provisions as in effect on the day before the date of the enactment of the Wage and Employment Growth Act of 1999:

"(i) Section 2033.

"(ii) Section 2038.

"(iii) Section 2040.

"(iv) Section 2041.

"(v) Section 2042(1).

"(B) Exclusion of property acquired by spouse.—Such term shall not include property which is not carryover basis property by reason of paragraph (2)(B).

"(c) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(b) Miscellaneous Amendments Related To Carryover Basis.—

(1) Capital gain treatment for inherited art work or similar property.—

(A) In general.—Subparagraph (C) of section 1221(3) (defining capital asset) is amended by inserting "(other than by reason of section 1022)" after "is determined".

(B) Coordination with section 170.—Paragraph (1) of section 170(e) (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following: "For purposes of this paragraph, the determination of whether property is a capital asset shall be made without regard to the exception contained in section 1221(3)(C) for basis determined under section 1022.".

(2) Definition of Executor.—Section 7701(a) (relating to definitions) is amended by adding at the end the following:

"(47) Executor.—The term 'executor' means the executor or administrator of the decedent, or, if there is no executor or administrator appointed, qualified, and acting within the United States, then any person in actual or constructive possession of any property of the decedent.".

(3) Clerical amendment.—The table of sections for part II of subchapter O of chapter 1 is amended by adding at the end the following new item:

"Sec. 1022. Carryover basis for certain property acquired from a decedent dying after December 31, 2008.".

(c) Effective Date.—The amendments made by this section shall apply to estates of decedents dying after December 31, 2008.

SEC. 504. REDUCTIONS OF ESTATE AND GIFT TAX RATES PRIOR TO REPEAL.

(a) Maximum Rate of Tax Reduced to 50 Percent.—

(1) In general.—The table contained in section 2001(c)(1) is amended by striking the two highest brackets and inserting the following:

"Over $2,500,000 .... $1,025,800, plus 50% of the excess over $2,500,000.".

(2) Phase-in of reduced rate.—Subsection (c) of section 2001 is amended by adding at the end the following new paragraph:

"(3) Phase-in of reduced rate.—In the case of decedents dying, and gifts made, during 2001, the last item in the table contained in paragraph (1) shall be applied by substituting '53%' for '50%'.".

(b) REPEAL OF PHASEOUT OF GRADUATED RATES.—Subsection (c) of section 2001 is amended by striking paragraph (2) and redesignating paragraph (3), as added by subsection (a), as paragraph (2).

(c) ADDITIONAL REDUCTIONS OF RATES OF TAX.—Subsection (c) of section 2001, as so amended, is amended by adding at the end the following new paragraph:

"(3) PHASEDOWN OF TAX.—In the case of estates of decedents dying, and gifts made, during any calendar year after 2002 and before 2009—

"(A) IN GENERAL.—Except as provided in subparagraph (C), the tentative tax under this subsection shall be determined by using a table prescribed by the Secretary (in lieu of using the table contained in paragraph (1)) which is the same as such table; except that—

"(i) each of the rates of tax shall be reduced by the number of percentage points determined under subparagraph (B), and

"(ii) the amounts setting forth the tax shall be adjusted to the extent necessary to reflect the adjustments under clause (i).

"(B) PERCENTAGE POINTS OF REDUCTION.—

"For calendar year:	**The number of percentage points is:**
2003	1.0
2004	2.0
2005	3.0
2006	4.0
2007	5.5
2008	7.5.

"(C) COORDINATION WITH INCOME TAX RATES.—The reductions under subparagraph (A)—

"(i) shall not reduce any rate under paragraph (1) below the lowest rate in section 1(c), and

"(ii) shall not reduce the highest rate under paragraph (1) below the highest rate in section 1(c).

"(D) COORDINATION WITH CREDIT FOR STATE DEATH TAXES.—Rules similar to the rules of subparagraph (A) shall apply to the table contained in section 2011(b) except that the Secretary shall prescribe percentage point reductions which maintain the proportionate relationship (as in effect before any reduction under this paragraph) between the credit under section 2011 and the tax rates under subsection (c).".

(d) EFFECTIVE DATES.—

(1) SUBSECTIONS (a) AND (b).—The amendments made by subsections (a) and (b) shall apply to estates of decedents dying, and gifts made, after December 31, 2000.

(2) SUBSECTION (c).—The amendment made by subsection (c) shall apply to estates of decedents dying, and gifts made, after December 31, 2002.

EXTENSIONS OF REMARKS

SALUTING THE SPIRIT OF WALTER PAYTON

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. HASTERT. Mr. Speaker, yesterday was a sad day for everyone in Chicagoland and for everyone who loved sports. But it was also a sad day for everyone who cherished the life of a special man whose influence extended far beyond the stadiums in which he played.

With the death of Walter Payton, we not only have lost one of football's greatest stars, but we have also lost one of America's greatest citizens.

His nickname was "Sweetness," the perfect description for a Hall of Fame running-back whose silky smooth performance on the football field was the bane of most defenses.

There is no doubt that Walter Payton will be remembered for his records, especially his remarkable all-time rushing total of 16,726 yards over his 13-year career. More importantly, however, he will be remembered for the grace and dignity with which he carried himself both on and off the field.

A lifelong Chicago Bears fan, I have sat in the bitter cold of Soldier Field only to have my spirit warmed by Water Payton's fierce determination and his amazing feats of athletic prowess. But I also saw the way he warmed people's hearts in his everyday life. He was someone who recognized the power of faith and the value of teamwork.

As a local business owner in my district, Walter Payton played an important role in the economic revitalization of downtown Aurora, IL. While he built a successful restaurant and created new jobs for the area, he also became an integral part of the community.

It was the same with the Bears. Walter Payton was the glue that often held a fractious team together. By his own example and leadership, he helped younger players meet new challenges, while at the same time encouraging veterans to reach new heights.

As a high school coach, I saw the way Walter Payton inspired young athletes to strive to do their best. He was a true role model because he exemplified an important life lesson that teaches us that success requires hard-work, discipline, and concentration.

It was a philosophy that made him physically powerful and spiritually centered. And it should come as no surprise that he approached his recent illness head-on, with the same courage and grit he displayed on the field.

But there was another side to Walter Payton—the playful and mischievous side that delighted fans, friends, and teammates. Walter Payton had the confidence to live his life to the fullest. And he had the rare ability to make us revel in that life along with him.

Just last February, Walter Payton said: "It's just like football. You never know when or what your last play is going to be. You just play it and play it because you love it. Same way with life. You live life because you love it. If you can't love it, you just give up hope."

Walter Payton never gave up hope. It is with fondness for that spirit that we remember him today and forever.

* * *

HONORING JAMESETTA A. HALLEY-BOYCE, PH.D

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. TOWNS. Mr. Speaker, I rise today to honor Dr. Jamesetta A. Halley-Boyce.

Dr. Jamesetta A. Halley-Boyce, a native New Yorker received her Ph.D. in Health Care Services Administration from the Walden University of Indiana at Bloomington. She received her Bachelor's Degree in Nursing from Hunter College and her Master's from New York University. She holds a Certificate of Training from the Johnson and Johnson Fellows Program (Class of 1985) in Management for Executive Nurses, from the University of Pennsylvania, Wharton School of Business.

During her twenty-one year career with the Department of Veterans Affairs, she held increasingly more challenging assignments in nursing leadership positions as VA Medical Centers throughout the United States. Her last assignment was Chief of Nursing Service at the Brooklyn VAMC where her responsibilities included the delivery of nursing care at the Medical-Surgical Hospital on the Main Campus, the Ambulatory Care Clinic at Ryerson Street in Brooklyn and the St. Albans Extended Care Center in Queens, New York. Additionally, Dr. Halley-Boyce has served as Chief of Nursing at the VAMCs in Asheville, North Carolina, Northport, Long Island, New York, and East Orange, New Jersey. In 1987, Dr. Halley-Boyce appeared before the Committee on Veterans Affairs, U.S. House of Representatives, to give testimony as the Chief, Nursing Service member of a panel of VA field experts. The two-day hearings addressed the impact of the President's proposed fiscal year 1988 Veterans Administration Budget.

Recognized as a leader in the profession of Nursing, Dr. Halley-Boyce has held elected offices in the New Jersey State Nurses' Association, the New York State Nurses' Association's Council on Human Rights and the Interprofessional Relations Committee of the Medical Society of the County of Kings, Inc. She is past President of the Greater New York/Nassau/Suffolk Organization of Nurse Executives and is a previous Board Member of the New York State Organization of Nurse Executives. She is the only professional nurse on the Editorial Board of the Medical Herald, a National Urban Health Care Newspaper. Dr. Halley-Boyce is a recognized expert on quality management in the delivery of health care services and has lectured widely and published on this subject. She has held numerous faculty appointments; at the Seton Hall University, the University of Tennessee at Knoxville, Duke University, Thomas Edison State College, the State University Center at Stony Brook, and currently at the SUNY-Health Science Center at Brooklyn. In 1991, she founded the Chi Eta Phi Sorority, Inc. Mentor Program partnership with the SUNY Health Science Center at Brooklyn College of Nursing and University Hospital's Department of Nursing Services. As a result of that Membership Program, several hundred student nurses at UHB and most recently at New York City Technical College, have successfully made the transition into the profession of nursing.

In October 1990, Dr. Halley-Boyce joined the State of New York Health Science Center at Brooklyn, Downstate Medical Center, as the Chief Nurse Executive Officer. She currently serves as the Interim Vice President for Hospital Affairs & Chief Executive Officer of University Hospital of Brooklyn. Dr. Halley-Boyce, a Diplomate of the American College of Healthcare Executives (ACHE) was appointed a member of the Regent's Advisory council for the New York area in 1997. Dr. Halley-Boyce is also an active member of several other professional organizations on the national, state and local levels, including the National Association of Health Services Executives, the American Organization of Nurse Executives, American Nurses' Association, Sigma Theta Tau, Delta Sigma Theta Sorority and Chi Eta Phi Sorority.

In addition to her distinguished professional career and active membership in several professional organizations, Dr. Halley-Boyce has also received several awards for achievement, leadership and outstanding community service. Awards such as: Federal Executive Manager of the Year 1990, awarded by the Greater New York Federal Executive Board; The Community Service Award for Outstanding Contribution and Dedication to the Brooklyn Community by the HSCB/UHB Community Advisory Board; and the Women of Distinction Award by the YMCA of Brooklyn.

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TRIBUTE TO WANGKAY FANG

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to WangKay Fang, a leader in the Hmong community who passed away on October 6, 1999 in Fresno. Mr. Fang left

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

behind six brothers, nine sisters, five daughters, three sons and twelve grandchildren, along with many fellow countrymen and women.

Mr. Fang will forever be remembered as one of the respected Hmong leaders who spent his entire life dedicated to helping his fellow countrymen during and after the cold war in Laos. During the U.S./Vietnam War, Captain WangKay Fang served 15 years for the United States Secret Army operation, in Laos under the command of General Vang Pao. His service and dedication shall remain etched in history for generations to come. Mr. Fang's military leadership has contributed to the common interests of the world in order to protect against the spread of communism, and preserve peace, freedom and democracy in Southeast Asia.

During the U.S./Vietnam War, Mr. Fang was the mission commander of the Special Guerrilla Unit to fight against communists and rescue U.S. pilots shot down in Laos. In addition, Mr. Fang was in charge of the military department for medical personnel.

Mr. WangKay Fang arrived in the United States in August, 1976 as a political refugee from Laos. His family re-settled in California. Mr. Fang worked diligently to address the Hmong and Laotian resettlement difficulties in a new society. During his 24 years of re-settlement in the United States, Mr. Fang took on numerous leadership roles: chairman of the Hmong International New Year in Fresno from 1966–1998; co-founder of the Hmong Youth Foundation of Fresno; co-founder and President of the United Hmong International Council from 1996–1998; co-founder and Vice President of the Hmong National Council of Fresno from 1994–1996; co-founder and board member of the Hmong Council from 1981–91, and vice president from 1992–1994; Board member for the Lao Community of Fresno from 1981–1991; co-founder and board member for the Lao Family Community headquarters in Orange County from 1978–1981.

Mr. Fang is also an active member of political advocacy in the Hmong community worldwide. He has dedicated his entire life in the United States to the promotion of freedom, democracy and human rights for the people and region of Southeast Asia.

Mr. Speaker, I rise to honor Mr. WangKay Fang for his dedication to preserve freedom. Mr. Fang is honored by his family members and his fellow countrymen as an honorable leader who was generous and honest. I urge my colleagues to join me in extending my condolences to the Hmong and Laotian community.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. GUTIERREZ. Mr. Speaker, on Monday, November 1, 1999 I was unavoidably absent from this chamber and therefore missed rollcall vote 550 (on passage of H.R. 348), rollcall vote 551 (on passage of H.R. 2737) and rollcall vote 552 (on passage of H.R. 1714). I want the record to show that had I been present in this chamber I would have voted "yes" on rollcall votes 550 and 551 and "no" on rollcall vote 552.

CONGRATULATIONS TO THE CLEVELAND BROWNS

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mrs. JONES of Ohio. Mr. Speaker, I rise today to congratulate the Cleveland Browns football team on their first NFL win as an expansion team. This win, in only their 8th game since being reincarnated, was impressive and magical. As a loyal fan of the team, I watched quarterback Tim Couch's last second "Hail Mary" 56-yard pass sail into the awaiting hands of wide receiver Kevin Johnson. The prayers of Cleveland fans were answered with the 21–16 win.

I applaud the team and its "never-say-die" attitude and efforts to win against the New Orleans Saints in this game. The two first-year players involved in the winning play, Couch and Johnson, have proven themselves stars already in their rookie season. But the efforts of the whole team and the entire Browns organization must be applauded. From owner Al Lerner and Team President Carmen Policy down to the individual players, everyone has exemplified themselves and the City of Cleveland by playing with the heart of champions.

I congratulate the Cleveland Browns on this historic win, the first of what will undoubtedly be many exciting victories.

HONORING MAXINE C. BROWN-REID

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. TOWNS. Mr. Speaker, I rise today to honor Maxine C. Brown-Reid, a leader in healthcare.

As Deputy Executive Director at Kings County Hospital Center, Ms. Brown-Reid is responsible for Network Ambulatory Care Services, Managed Care and Community Health. Her areas of responsibility include the hospital's clinics and Emergency Departments (except Behavioral Health Services), the East New York Diagnostic and Treatment Center, ten Family Health Services Clinics and the Flatbush Health Center, the newest off-site facility.

Ms. Brown-Reid began her tenure with Kings County Hospital Center in 1982 as an Administrative Resident to the Executive Director. At the end of the one year program, she was appointed as Assistant Director for Pediatric Outpatient Services, followed by a promotion to Associate Director of Maternal and Child Health Services, Outpatient.

After seven years at Kings County Hospital Center, Ms. Brown-Reid relocated to Jacksonville, Florida, where she was the first black Administrator for Emergency Services at University Medical Center. Upon her return to New York, Ms. Brown rejoined the Network family by accepting a position as Deputy Executive Director at the East New York Diagnostic and Treatment Center, and while there she was promoted to her current Network position.

Ms. Brown-Reid received her undergraduate degree from Fordham University and her MPA from New York University. She is also a member of the American College of Healthcare Executives and the American Hospital Association's Society for Ambulatory Care Professionals.

Mr. Speaker, I would like you and my colleagues from both sides of the aisle to join me in honoring Ms. Maxine C. Brown-Reid.

HONORING STAVROS NICHOLAS KALOMIRIS AND VIOLET RECKAS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Stavros Kalomiris and Violet Reckas. They were the recipients of St. George Greek Church's Georgie Awards.

Stavros Nicholas Kalomiris: Stavros was born in Anniston, Alabama, on April 2, 1925. His family moved to Fresno when he was 8 months old. Stavros graduated from Fresno High School in 1943. He then joined the Marine Corps after graduation and served in the Pacific Theater for 3 years. Stavros saw action on Iwo Jima. He returned to Fresno after the war.

On February 17th, 1952, he married Clara Mitchell from Stockton, California. They have 3 children and 7 grandchildren. Stavros worked for the City of Fresno, Street Department, for 25 years and retired in 1978.

Stavros served on the St. George Parish Council in 1959 and 60. He also served as St. George Youth Advisor for over 10 years and ran Camp Keola at Huntington Lake for many years before St. Nicholas Ranch was established. Stavros assisted Father Bakas at St. Nicholas Ranch by transporting campers to and from the ranch.

Stavros has been a life long member of St. George Golden Age activities as tour director for over 10 years and a member of the Order of Ahepa for over 40 years.

Stavros volunteers at Special Olympics every year. He and his family have been a very important part of St. George Church and the Greek Community for many years.

Violet Reckas: Vi is one of nine children born to Peter and Vasiliki Reckas. A native of Fresno, Vi's affinity for ecclesiastical music came naturally: her father was a cantor for the Church which, at the time, was but a few blocks away from the family home. Vi attended Edison High School, and wound up working in the family bakery during World War II while her brothers were away.

The St. George Choir has been organized by her brother John prior to the war. Vi took over the direction of the choir at the urging of Dr. Limberakis during his tenure at St. George. During the 80's, Vi's outstanding work with the choir was recognized by (Bishop) Metropolitan Anthony Lakovos with a Gold Medallion. Vi's involvement with the choir became somewhat curtailed in 1991 when a tumor was discovered.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. GUTIERREZ. Mr. Speaker, on Monday, October 18, 1999 I was unavoidably absent from this chamber and therefore missed rollcall vote 508. I want the record to show that had I been present in this chamber I would have voted "yea" on vote 508.

I also missed rollcall vote 512 on Tuesday, October 19, 1999. I want the record to show that if I had been able to be present in this chamber when this vote was cast, I would have voted "no" on rollcall vote 512.

IN HONOR OF MEXICAN-AMERICAN VETERANS

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Ms. SANCHEZ. Mr. Speaker, today I rise to pay tribute to the Mexican-American veterans who have served the United States of America in war and peace throughout the course of our nation's history.

Hispanos fought against the British during the American Revolution. In 1779, General Bernardo de Galvez of New Orleans led an army against the British, defeating them in key battles along the Mississippi River at Baton Rouge and Pensacola, Florida. The General's army captured eight British warships and over 5,000 British soldiers. And in 1836, Mexican-Americans fought in the battle for the Lone Star State, Texas. Nine Mexican-Americans died during the Battle of the Alamo.

Historically, over 500,000 Mexican-Americans served during World War II and the Korean War. In the Vietnam War, Mexican-Americans represented 20% of the combat troops, yet were only 10% of the total population of the United States! And in April of 1999, two of the Americans who were captured and held in Kosovo as prisoners of war were Latinos, Sgt. Andrew Ramirez and Spec. Steven Gonzales.

Patriotic, heroic, and loyal to their country, Mexican-Americans have stood united against the enemies who have threatened America's freedom. Colleagues, please join me today in saluting the Mexican-American Veterans who have honored our country with their bravery and dedication.

HONORING ROBERT "RED" McKEON ON RECEIVING THE FIREFIGHTER OF THE YEAR AWARD FROM THE NATIONAL VOLUNTEER FIRE COUNCIL

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. GEJDENSON. Mr. Speaker, I rise today to congratulate Robert "Red" McKeon on receiving the Firefighter of the Year award from the National Volunteer Fire Council. Red embodies the characteristics which make volunteer firefighters extraordinary public servants.

Red McKeon has been active in the volunteer firefighter community on the local, state, national and international levels for more than fifty years. In 1944, he joined the Occum Volunteer Fire Department in Occum, Connecticut. After serving in a number of positions, he became Chief in 1960. He served in that position for the next thirty four years. This tenure is a testament to Red's leadership skills, innovative practices and commitment to his community. Under Red's leadership, the Occum Volunteer Fire Department achieved a number of "firsts" in the State of Connecticut. Occum was the first department to have two-way radio communication equipment in fire trucks and other vehicles; the first to have a computer in the station which could provide a wide array of training to keep skills sharp; and the first department to have certified firefighters and emergency medical technicians. In 1970, Red established the Occum volunteer ambulance service to ensure that the residents of Occum and the surrounding communities could receive state-of-the-art emergency medical treatment within minutes.

Red has been a pioneer in other areas as well. He has worked for a number of years to develop a pension system for volunteer firefighters. Unlike their career counterparts, our volunteer firefighters do not receive a pension after decades of service to their communities. Red worked to establish a system in the State of Connecticut which allows communities to establish voluntary retirement programs for volunteers. Under Red's plan, communities can provide a small, but extremely crucial, amount of retirement income to men and women who have safeguarded our lives and property for decades. This is another example of Red's commitment to the volunteer firefighters of Connecticut.

Red has also served in a number of state and national volunteer firefighter organizations. He has been a member of the Connecticut State Firemen's Association since 1944 serving as its President between 1977 and 1978 and Treasurer since 1979. He has also participated in a wide array of other state-based organizations, including the Fire Chiefs' Technical Advisory Committee, Emergency Medical Advisory Committee, and the Fire Department Safety Officers Association.

On the national level, Red has been an active member of the National Volunteer Fire Council—the largest volunteer firefighter organization in the country—for many years. Between 1991 and 1994, he served as the Council's President following five years as Second Vice President. As Vice President and President, Red worked on behalf of volunteers across the country to ensure that they received the latest firefighting and emergency medical training and were represented with a united voice at all levels of government. In this capacity, Red was a trusted advisor to Congress and the Executive branch.

Mr. Speaker, Red McKeon exemplifies the very best of volunteer firefighters across this country. Over fifty five years of active service as a volunteer firefighter, Red has worked tirelessly to modernize and strengthen volunteer fire departments in eastern Connecticut and nationwide. I commend him for receiving the Firefighter of the Year award and thank him for his service to Connecticut and the nation.

HONORING DOCTOR VINCENT CALAMIA

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. TOWNS. Mr. Speaker, I rise today to honor Dr. Vincent Calamia, a shining example of what physicians in this country should aspire to be.

Dr. Vincent Calamia, F.A.C.P., F.A.C.E. is the President of the largest group practice in New York City, University Physicians Group, as well as the Director of Geriatrics at Staten Island University Hospital. He also conducts a private practice in Endocrinology on Staten Island. Dr. Calamia is a Diplomate in Internal Medicine, Endocrinology, Geriatrics, and Quality Assurance. In addition, he is Clinical Assistant Professor of Medicine at the State University of New York at Brooklyn.

Mr. Speaker, one would think with all these responsibilities that Dr. Calamia would not have time for much else in his life, but he makes a generous portion of his time available for medical humanitarian efforts. He serves on the Board of the MSO of the North Shore Long Island Jewish Health System, Board of the MSO of the Beth Israel Health System, and on the Board of the Alzheimer's Association of Staten Island. Dr. Calamia is also Vice President of the Children's Foundation of the Ukraine, which supports orphanages in the Ukraine. This coming summer with the help of Dr. Eugene Holuka and under the auspices of the Forum Club, the Foundation will be sponsoring the open-heart surgery of two children at Columbia Presbyterian Hospital.

Mr. Speaker, I would like you and my colleagues from both sides of the aisle to join me in honoring Dr. Vincent Calamia.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. GUTIERREZ. Mr. Speaker, on Thursday, September 23, 1999, I was unavoidably absent from this chamber and therefore missed rollcall vote 442. I want the record to show that had I been present in this chamber I would have voted "yea" on this vote.

I also missed rollcall vote 456 on Tuesday, September 28, 1999. I want the record to show that if I had been able to be present in this chamber when this vote was cast, I would have voted "yea" on rollcall vote 456.

IN HONOR OF PLAST, UKRAINIAN AMERICAN YOUTH ORGANIZATION

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor the Greater Cleveland chapter of PLAST, Ukrainian American Youth Organization on their fiftieth anniversary. I am honored to attend the commemorative event celebrating this momentous occasion on December 5, 1999.

PLAST was founded in Ukraine in 1911. Because of the Soviet Union's rule over Ukraine after World War II, PLAST was eradicated from its native land. Post-World War II immigrants brought their Ukrainian ancestry with them to the free world and build up PLAST wherever they settled. The city of Cleveland was fortunate to have a chapter of PLAST develop and flourish in the area.

Now, three generations later, PLAST is still nurturing its youth in the Greater Cleveland area. The organization is dedicated to developing character, citizenship, and ethnic pride. They also share a profound love of nature and express this through their many services around the community. As important as anything, PLAST also values and teaches leadership qualities among American youth of Ukrainian ancestry. The honor and integrity the youth are developing through PLAST will stay with them throughout their life as they become the leaders of our community.

I urge my fellow colleagues to please join me in recognizing the fiftieth anniversary of such an honorable organization as the Cleveland chapter of PLAST, Ukrainian American Youth Organization and wish them many more years of growth and success.

PERSONAL EXPLANATION

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mrs. JONES of Ohio. Mr. Speaker, on October 18, 1999, I was unavoidably detained and was not able to vote on the following measures:

I would have voted "yea" on rollcall vote 505;

I would have voted "yea" on rollcall vote 506;

I would have voted "yea" on rollcall vote 507; and

I would have voted "yea" on rollcall vote 508.

Once again, Mr. Speaker, on November 1, 1999, I was unavoidably detained and was not able to cast my vote on the following measures:

On rollcall vote 550 I would have voted "yea";

Also on rollcall vote 551 I would have voted "yea"; and

Lastly on rollcall vote 552, I would have voted "yea."

INTRODUCTION OF SMART KIDS—SAFE KIDS ACT

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mrs. TAUSCHER. Mr. Speaker, I rise today to introduce a crucial piece of legislation designed to prevent abuse and abduction of our nation's children.

As the mother of an eight-year-old, I know all too well the efforts we go through as parents to keep our children safe and protected. We worry about the times children may be unsupervised or find themselves in unfamiliar situations.

In my district, there is a civic group called Smart Kids—Safe Kids that works to educate our children about the signs of abuse and who to talk to about abuse. Schools and community groups are trying to fight back against the horrors of child abuse and abduction, but unfortunately, they just do not have the resources they need to do so effectively.

The Smart Kids—Safe Kids Act, which I am introducing with my Republican colleague KEVIN BRADY, will make specific child safety programs eligible for federal grants already available to school based organizations. These programs will teach students from preschool through grade 12 the skills to identify and cope with potentially dangerous and threatening situations. And it gives students guidance to encourage them to seek advice for anxiety, threats of abuse and actual abuse.

When our children know the rules, they are smart kids; and Smart Kids can be Safe kids.

INTRODUCTION OF SMART KIDS—SAFE KIDS ACT

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. BRADY of Texas. Mr. Speaker, I'm pleased to announce that over 30 members will join Congresswoman ELLEN TAUSCHER and myself in introducing the Smart Kids—Safe Kids Act. This bipartisan legislation is designed to help prevent the abuse and abduction of children.

In every city in every congressional district across the nation, our children are being led into harms way. While a majority of child abductions are by non-custodial parents, many are not. And helping prevent these kind of tragedies from occurring in the future is something we should all work towards. Unfortunately, this is a threat that knows no boundaries and can happen anytime.

For example, on September 12, 1995, in Conroe, Texas, 12-year-old Samuel McKay Everett was lured from home by a family friend on the pretext that his mother and father had been in an awful accident. McKay was then forced into the trunk of a car and driven 300 miles to Louisiana. Tragically, McKay was brutally murdered. Since the time of McKay's abduction, I have worked with his family and friends to help prevent this type of tragedy from happening again.

Smart Kids/Safe Kids will amend the Safe and Drug-Free Schools and Communities Act to help make specific safety programs available to our children. It will authorize grants for age—appropriate, developmentally based, or community oriented safety programs for all students, from preschool level through grade 12, that address prevention and education of child abuse and abduction. These programs will focus on teaching students the skills to identify and cope with potentially dangerous and threatening situations. They will also provide guidance to students that encourages them to seek advice for anxiety, threats of abuse, or actual abuse and to confide in a trusted adult regarding an uncomfortable or threatening situation.

We can arm our children with effective tools to avoid potentially dangerous situations. When our children know the rules, they are smart kids; and Smart Kids can be Safe Kids. I urge my colleagues to support this legislation.

TRIBUTE TO TUN PETE PANGELINAN

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. UNDERWOOD. Mr. Speaker, I rise to pay tribute to Pedro Muna Pangelinan, better known as Tun Pete of Yona, Guam. Tun Pete passed away on October 25, 1999 at the age of 86. During his life time, he experienced many events in Guam's history and he served his island community and family in ways which bring honor and dignity to the name Tun Pete.

Tun Pete lived a simple existence which was steeped in his personal pride in the Chamorro way of life. He understood that being Chamorro was not a slogan or just a matter of personal identity, but was part of a long cultural tradition which needed to be nurtured, practiced and passed on to future generations. During the course of his life, he became a master trapmaker, accomplished and creative weaver and a cultural teacher of the generations which came after him. While the younger people were more schooled, Tun Pete demonstrated that he was much wiser and more knowledgeable about many important things in life.

Tun Pete became a legend in Guam through his ability to make bamboo traps for shrimp in Guam's rivers and streams and through his creative application of coconut leaf weaving techniques passed down in Guam for generations. Tun Pete took the craft of weaving to new creative expressions as he made baskets for Easter egg hunts, center pieces and chandeliers for christenings and weddings. He even made them for the occasional political event for candidates he felt close to and I am especially grateful and honored for the courtesies he extended to me.

Tun Pete's abilities were eventually recognized by the people of Guam and he became a teacher in the Chamorro Language and Culture program and demonstrated his talents to students at the Guam Community College and the University of Guam. The expertise and talent of this quiet, unassuming gentleman who worked as a custodian at M.U. Lujan Elementary School finally received the acclaimation he so richly deserved. He received the Governor's Art Award in 1992 for life time achievement and he wove all of the hats used by the Guam Governor's Youth Band in President Carter's inaugual parade in 1977.

Tun Pete also became recognized as a leader for our manamko's (senior citizens) in Guam. He participated in community meetings, spoke out for justice for Guam's World War II generation, spoke out for fairness and respect for the manamko'. He was elected Rai (king) of the May 1994 celebration of Senior Citizen's month in recognition of his popularity and advocacy.

The island of Guam, the people of Yona, my family will all miss Tun Pete enormously. He demonstrated that personal dignity can overcome handicaps in life that few of us will ever have to deal with. He was a personal inspiration to me, my wife Lorraine and to countless children in Guam.

Tun Pete leaves behind his children and their spouses, Antonia Pangelinan Taitano, Pedro Taitano and Teresita Pangeliman, Priscilla and Pedro Santos, Theophelia and Jesus Camacho, Joaquin and Julie Pangelinan. Si Yu'os ma'ase' Tun Pete put todo I che'cho'mu. (Thank you Tun Pete for all of your work.)

TRIBUTE TO AL ZANE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. LEWIS of California. Mr. Speaker, I rise today to commemorate the retirement of my very good friend, Alexander Zane. Al has had a distinguished career spanning twenty-five years and thirteen diverse career assignments with the Naval Criminal Investigative Service (NCIS). I am proud to say that one of those assignments was in my congressional office where Al worked with the same dedication and professionalism for which he is well known and respected.

Al Zane came to my office in July, 1995 when I took the helm of the Appropriations Subcommittee on Veterans Affairs and Housing and Urban Development (VA–HUD). As a seasoned professional, Al dove right in to investigating allegations of fraud at the Department of Housing and Urban Development, which was no easy task. He served on my staff until February, 1997 and made contributions that are now being felt in communities across the United States. In addition to his professionalism, Al's ready smile, easy laugh and sincere friendship endeared him to my staff and made him a pleasure to work with. Truly, my staff and I were all sorry when Al's detail to our office was concluded.

Mr. Speaker, please join me in expressing my gratitude to Alexander Zane for his dedicated service and wishing he, his wife, Mary, and family the very best in the years to come.

LUZ BENAVIDES

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. ORTIZ. Mr. Speaker, I rise today to commend and honor Luz Benavides of Corpus Christi, Texas, who has just been awarded the Vida De Oro (Life of Gold) Award, bestowed by the American Association of Retired People (AARP) to recognize those who offer their time and services for the needs of the community.

I have known Luz Benavides for my entire adult life and she is the model of someone who lives a life of gold. She is one of three people who will be honored Saturday night at the Omni Bayfront in Corpus Christi for making major contributions to the senior community by virtue of her everyday hard work, nearly always out of the limelight.

Luz is 86 years old and a familiar face in the Coastal Bend of Texas, for she is involved in a host of activities, including the Nueces County Senior Citizens organization, the local AARP chapter, the Retired Senior Volunteer Program, the Senior Community Services, lobbying for issues about which she is passionate, and always helping her neighbors in need.

Luz embodies the powerful instruction of Christianity by visiting the sick and helping the needy. She also works with the Salvation Army, helping the homeless people in the Corpus Christi area, helping them find shelter in the winter months.

She is a political activist, working tirelessly in issue-related campaigns at all levels and on issues that matter to her and which affect all of us. She speaks mostly to issues that affect the elderly, the disabled and the neglected. Recently, she has lent her voice to the nursing home reform campaign in Texas.

She's never owned or operated a car, which is a tricky business in a sprawling city like Corpus Christi. Interestingly, she has never let that be an obstacle to the good deeds she does for the people she helps on a daily basis. When my mother died, Luz found a way to get from Corpus Christi to Robstown, my hometown nearby, to be with me for the funeral.

One of the most important things she does is to encourage people to vote and to participate in our democracy. She admonishes people that, "Su voto es su voz," your vote is your voice. There is no greater gift in our democracy and Luz knows that. She will stay at the polls the entire day on election day. That is all the more incredible knowing that she remains on post from the time the polls open until the time they close. She stands the whole time, and unless someone brings her food, she doesn't eat.

I ask my colleagues to join me today in recognizing a beautiful person who is being honored for the everyday work she does for the Coastal Bend community, Luz Benavides.

TRIBUTE TO KING BURSTEIN

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. COX. Mr. Speaker, I rise today to honor the 70th birthday of a fine American, true friend, and outstanding community activist: Mr. King Burstein. King was born on November 10, 1929 in Malden, Massachusetts. Upon graduating from the University of California at Los Angeles, King began working with his father and his brother in a leather findings business.

In 1961, King was married, and in the next few years, he and his wife Lee became parents of two fine sons. In the 1970s, King—along with his brother—relocated the family leather business to Orange County.

King, together with Lee, has long been involved in community affairs and both national and local political issues. From his city council to the White House, King actively participates in the self-government that is the essence of our democracy. He has an admirable passion for doing what is right, and never hesitates to give time and resources when needed.

King and Lee have also been very involved with their temple, Temple Bat Yahn. King in particular is a leader in promoting education on key public policy issues both for members of his temple and for elected officials. He is extraordinarily well-read, and always informed about the significant issues of the day.

I am not alone among my colleagues here in the chamber in calling King Burstein a good personal friend. Those of you who do not know King personally will nonetheless recognize in him the same outstanding qualities that characterize that rare individual among your own constituents who is a true national leader. In recognition of his contributions to our county, to his community, and to his family, I know you will all join me in wishing King a very happy and prosperous 70th birthday, and many more to come.

SENATE—*Wednesday, November 3, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND.]

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, giver of every good gift for our growth as Your people, we ask for health and strength only that we may serve You. You alone know what is good for us. Therefore, grant us only what is best for us. We have no other purpose than to spend our days seeking and doing Your will.

We acknowledge our utter dependence on You. All that we have and are we have received from You. You sustain us day by day and moment by moment. We deliberately empty our minds and our hearts of anything that does not glorify You. We release to You any pride, self-serving attitudes, or willfulness that may have been harbored in our hearts. We ask You to take from us anything that makes it difficult not only to love but to like certain people. May our relationships reflect Your initiative, love, and forgiveness.

We commit to You the work of this day. Fill this Chamber with Your presence and each Senator with Your power so that whatever is planned or proposed may bring our Nation closer to Your righteousness in every aspect of our society. You are our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Colorado is recognized.

SCHEDULE

Mr. ALLARD. Mr. President, today the Senate will resume consideration of the CBI/African trade bill. Amendments to the bill are expected to be offered during the postcloture debate, and therefore Senators can expect votes throughout the day. The Senate may also begin consideration of the conference report to accompany the financial services modernization bill during today's session of the Senate. It is hoped the Senate can complete action on the African trade bill and the financial services conference report by tomorrow's session. It is also still possible an agreement can be reached regarding the bankruptcy reform bill so the Senate can consider that legislation prior to the impending adjournment.

I thank my colleagues for their attention.

MEASURE PLACED ON THE CALENDAR

Mr. ALLARD. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDENT pro tempore. The clerk will now read the bill for the second time.

The bill clerk read as follows:

> A bill (H.R. 1883) to provide for the application of measures to foreign persons who transfer to Iran certain goods, services or technology, and for other purposes.

Mr. ALLARD. Mr. President, I object to further proceedings on this bill at this time.

The PRESIDENT pro tempore. Under the rule, the bill will be placed on the calendar.

Mr. ALLARD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

AFRICAN GROWTH AND OPPORTUNITY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 434, which the clerk will report.

The bill clerk read as follows:

> A bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa.

Pending:

> Lott (for Roth/Moynihan) amendment No. 2325, in the nature of a substitute.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

AMENDMENT NO. 2360

(Purpose: To establish trade negotiating objectives for the United States for the next round of World Trade Organization negotiations that enhance the competitiveness of the United Stated agriculture, spur economic growth, increase farm income, and produce full employment in the United States agricultural sector)

Mr. CONRAD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from North Dakota [Mr. CONRAD], for himself and Mr. GRASSLEY, proposes an amendment numbered 2360.

Mr. CONRAD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . AGRICULTURE TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) United States agriculture contributes positively to the United States balance of trade and United States agricultural exports support in excess of 1,000,000 United States jobs;

(2) United States agriculture competes successfully worldwide despite the fact that United States producers are at a competitive disadvantage because of the trade distorting support and subsidy practices of other countries and despite the fact that significant tariff and nontariff barriers exist to United States exports; and

(3) a successful conclusion of the next round of World Trade Organization negotiations is critically important to the United States agricultural sector.

(b) OBJECTIVES.—The agricultural trade negotiating objectives of the United States with respect to the World Trade Organization negotiations include—

(1) immediately eliminating all export subsidies worldwide while maintaining bona fide food aid and preserving United States market development and export credit programs that allow the United States to compete with other foreign export promotion efforts;

(2) leveling the playing field for United States producers of agricultural products by eliminating blue box subsidies and disciplining domestic supports in a way that forces producers to face world prices on all production in excess of domestic food security needs while allowing the preservation of non-trade distorting programs to support family farms and rural communities;

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

(3) disciplining state trading enterprises by insisting on transparency and banning discriminatory pricing practices that amount to de facto export subsidies so that the enterprises do not (except in cases of bona fide food aid) sell in foreign markets at prices below domestic market prices or prices below the full costs of acquiring and delivering agricultural products to the foreign markets;

(4) insisting that the Sanitary and Phytosanitary Accord agreed to in the Uruguay Round applies to new technologies, including biotechnology, and clarifying that labeling requirements to allow consumers to make choices regarding biotechnology products or other regulatory requirements cannot be used as disguised barriers to trade;

(5) increasing opportunities for United States exports of agricultural products by first reducing tariff and nontariff barriers to trade to the same or lower levels than exist in the United States and then eliminating barriers, such as—

(A) restrictive or trade distorting practices that adversely impact perishable or cyclical products;

(B) restrictive rules in the administration of tariff-rate quotas; and

(C) unjustified sanitary and phytosanitary restrictions or other unjustified technical barriers to agricultural trade;

(6) encouraging government policies that avoid price-depressing surpluses; and

(7) strengthening dispute settlement procedures so that countries cannot maintain unjustified restrictions on United States exports in contravention of their commitments.

(c) CONSULTATION WITH CONGRESSIONAL COMMITTEES.—

(1) CONSULTATION BEFORE OFFER MADE.—Before the United States Trade Representative negotiates a trade agreement that would reduce tariffs on agricultural products or require a change in United States agricultural law, the United States Trade Representative shall consult with the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate and the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives.

(2) CONSULTATION BEFORE AGREEMENT INITIALED.—Not less than 48 hours before initialing an agreement relating to agricultural trade negotiated under the auspices of the World Trade Organization, the United States Trade Representative shall consult closely with the committees referred to in paragraph (1) regarding—

(A) the details of the agreement;

(B) the potential impact of the agreement on United States agricultural producers; and

(C) any changes in United States law necessary to implement the agreement.

(3) NO SECRET SIDE DEALS.—Any agreement or other understanding (whether verbal or in writing) that relates to agricultural trade that is not disclosed to the Congress before legislation implementing a trade agreement is introduced in either house of Congress shall not be considered to be part of the agreement approved by Congress and shall have no force and effect under United States law or in any dispute settlement body.

(d) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) reaching a successful agreement on agriculture should be the top priority of United States negotiators; and

(2) if the primary competitors of the United States do not reduce their trade distorting domestic supports and export subsidies in accordance with the negotiating objectives expressed in this section, the United States should increase its support and subsidy levels to level the playing field in order to improve United States farm income and to encourage United States competitors to eliminate export subsidies and domestic supports that are harmful to United States farmers and ranchers.

Mr. CONRAD. Mr. President, the amendment Senator GRASSLEY and I are offering is to set the negotiating objectives for agriculture for our trade negotiators at the next round of trade talks. I don't think anybody in this Chamber appreciates any more than the current occupant of the chair how serious the crisis in agriculture is in our part of the country. We have seen what I call a triple whammy to American agricultural producers: bad prices, bad weather, and bad policy. That triple whammy has threatened literally tens of thousands of farm families.

Certainly, in my State, where we had a special crisis team at USDA analyze the circumstances when the Secretary of Agriculture was coming to North Dakota a year ago, that team said that if something dramatic did not happen in the next 2 years, we would lose 30 percent—and perhaps more—of the farm families in North Dakota. That is how serious the circumstances are.

I will put up a couple of charts to demonstrate the problem we face.

The key determinant to farm income is farm prices. Farm prices, as this chart shows, are at a 53-year low in real terms. This chart depicts wheat and barley prices from 1946 to 1999, and it shows these prices in constant dollars. So we are comparing apples to apples. What one can see is that prices have had a long-term downward trend over this 53-year period, with one major interruption that occurred back in the 1970s. I think we all recall those times, when we saw a tremendous spike in virtually all commodity prices. But over the long term, when we compare on a fair basis, what we see is constantly declining prices, and we see now the lowest prices in 53 years in real terms. That is why we see so many serious concerns in farm country about what the future holds.

This chart represents a little different way of looking at what faces our producers because this looks at not only the prices farmers receive—that is the red line—but also what the farmers are paying for the inputs to produce their crops. This looks at over a 10-year period. One can see that the prices farmers are paying for their inputs have escalated rather dramatically during this 10-year period. That is not true about the prices farmers are receiving. Those prices peaked at the time we were discussing the last farm bill, in 1996.

It was very interesting that, at the time we were told farmers were going to have a remarkable situation—they were faced with what we were told at the time was permanently high farm prices because of export demand—those permanently high prices lasted about 90 days. That was just about the time we were passing the last farm bill. After that, prices collapsed and collapsed on a continuous basis. We have had nothing but one way for prices, and that is down, down, down. That is the reason we have seen a collapse of farm income.

This chart is another way of looking at what is happening. This shows a comparison of the prices farmers receive—the red line—to the cost of their production, which is the green line. This is for wheat. Wheat is the dominant commodity in my State. You can see the cost of production is about $5 a bushel. But ever since the last farm bill passed, we have been well below the cost of production. In fact, now we are down to about $2.50, $2.60, $2.70 a bushel, depending on the day and market conditions at the time—far below the cost of production. This is what is undermining financial security for American producers.

It is not just wheat. If I had put up the chart on corn, or barley, or on virtually any commodity, one would see the same pattern. It is not just in crops; it is also in livestock. Last year, we saw hogs go down to 8 cents a pound. It costs 40 cents a pound to produce a hog. So this combination of high input costs for farmers yet low prices for what they sell has put farmers in a cost/price squeeze. That squeeze is getting tighter and tighter. It is eliminating farm income.

That is why this next round of trade talks is so critically important because, very frankly, we have been playing a losing hand in agriculture. I think anybody who has really studied the matter understands that our chief competitors—the Europeans—are outspending us, outhustling us, and, as a result, they are winning markets all across the world that were once ours.

If we just pierce the veil here and look below the surface, I think what we see is very revealing. This shows what Europe has been doing in terms of agricultural support over the last 3 years; that is the red box. That is what Europe is spending per year, the average for the last 3 years. The blue box is what the United States is spending under the last farm bill. You can see that the disparity is enormous. The Europeans are spending $44 billion a year, on average; the United States, under the terms of the last farm bill, is spending $6 billion a year—a 7-to-1 disparity.

It is very hard to be successful or to have a level playing field when the opponents are outspending you 7-to-1. We would never permit this in a military confrontation. Why we permit it in a trade confrontation eludes me. It is a guaranteed path to disaster. That is precisely what has happened.

If we look at this in a somewhat different way, if we look at it in terms of export subsidy for agricultural commodities, and we look at various regions of the world, we see another interesting picture emerge. This shows in the last year for which we have full figures, 1996, who was doing what with respect to agricultural trade subsidy. There are our European friends again. They are the blue hunk of the pie; 83.5 percent of all world agricultural export subsidy belongs to the Europeans. Here is the U.S. share, at 1.4 percent, this little piece of the pie right here.

I know a lot of my colleagues think we are spending too much on agriculture. I hear it all the time from some of our colleagues from more urban areas.

I say to them that you have to look at what is happening in the rest of the world. You have to look at what our competitors are doing. If you look at what our competitors are doing, it is dramatic and it is clear.

Here are the Europeans. Nearly 84 percent of all world agricultural export subsidy is accounted for by the Europeans. The United States is 1.4 percent.

These aren't KENT CONRAD's figures. These aren't the figures from the Governor of North Dakota. These aren't figures from the agriculture commissioner of North Dakota. These are the statistics from the U.S. Department of Agriculture. They show Europe is outspending us on agricultural export subsidies by 60 to 1. How are you going to win a fight when you are outgunned 60 to 1? This is totally unfair to our farmers. They don't have a level playing field from which to compete. They have a playing field that is totally distorted. We have to change this playing field. We have to level it out. We have to make it possible for our farmers to compete fairly.

We are willing to compete against anybody at any time. But it is not fair to say to our farmers: You go out there and take on the French and German farmers, and while you are at it, take on the French and German Governments as well. That isn't a fair fight.

We shouldn't abandon our farmers to that kind of circumstance. But that is precisely what we have done because in the last farm bill we cut our support to producers in half. Under the previous farm bill, we were spending, on average, $10 billion a year to support our producers in the face of the competition from the Europeans who were spending $50 billion a year during that period.

What did we decide to do? Did we decide to level the playing field? No. We engaged in unilateral disarmament on the pretext that if we cut somehow we would set a good example for the Europeans and they would follow right along.

Guess what. We cut our support in half for agricultural producers under the new farm bill, down to $5 billion a year on average. What did the Europeans do? Did they follow suit? Did they take our "good example"? I put that in quotes, our "good example." No. The Europeans kept right on spending.

Do you know why? Because they have a strategy and they have a plan. Their strategy and plan is to dominate world agricultural trade. They are doing it the old-fashioned way. They are buying these markets.

I have spent a good deal of time talking to the European negotiators. What they have shared with me is as clear as it can be. They have said to me: Senator, we believe we are in a trade war with the United States on agriculture. We believe at some point there will be a cease-fire in this trade war. We believe there will be a cease-fire in place, and we want to occupy the high ground. The high ground in this contest is world market share. That is exactly the strategy and plan of our European friends.

They have said to me: You know, Senator, we have much higher levels of support in our country than you have in yours, and we believe in all of these negotiations instead of leveling the playing field, and instead of closing the gap, that we will be able to secure equal percentage reductions in the level of support on both sides.

If you think about it, they have much higher levels of support in Europe, as I have demonstrated, than we do in this country. They seek to get equal percentage reductions from those unequal bases leaving Europe always on top. That is their strategy. That is their plan. Oh, how well it is working.

In the last trade talks, although the levels of support were dramatically uneven, was there any closing of the gap? Not at all, not any closing of the gap. They didn't come down. We didn't go up. Both of us did not engage in a pattern and practice that would narrow the differences. Instead, what they won were equal percentage reductions from those unequal bases maintaining European dominance.

If we let that happen again, shame on us, because we will be consigning our farmers to the dustbin of financial failure. There is no other way this can come out. That is going to be the absolute assured result if we come back with another failed negotiation.

Some people blame our negotiators. I personally do not. I blame us because we have sent unarmed negotiators to the negotiations.

In my previous job, mostly what I did was negotiate. One thing I learned very early on in my previous life was that you don't win in negotiation unless you have leverage. You have to have leverage in order to prevail in a negotiation.

Our negotiators have no leverage. What leverage do they conceivably have when we send them in there and the other side is outgunning us on export subsidies 60 to 1? How are they going to win a negotiation with that sort of fact? How are they going to win when Europe has 84 percent of the world's export subsidy and we have 1.4 percent? How are we possibly going to prevail in that kind of negotiating climate? I say there is very little chance that we are.

That is why I have introduced the FITEA bill, Farm Income and Trade Equity Act, to try to level the playing field, to rearm our negotiators to give us a chance to prevail in these negotiations.

That bill is gaining steam. It has gotten broad support in my own home State of North Dakota. I believe it is going to get even greater support around the country.

Earlier this week, I went to meet in Baltimore with the State presidents of the National Farmers Union. I gave them an outline of the FITEA plan. I hope they will endorse it.

The national rural electric service areas have before them at their regional meetings opportunities to endorse the FITEA plan. It has already been endorsed by eight or nine of the national rural electric service areas.

We have to give our negotiators leverage. But at the same time we have to also give them instructions. We have to tell them what their negotiating objectives are in this next round of trade talks. It is our responsibility. We can't leave it to the President. Certainly, it is his obligation as well. But Congress has a role to play. I believe we ought to take the opportunity to send a clear message to our trade ambassador and her assistants as to what their negotiating objectives are with respect to agriculture.

That is what we have before us in the amendment offered on a bipartisan basis by Senator GRASSLEY of Iowa and myself. Senator GRASSLEY and I serve on both the Agriculture Committee and the Finance Committee. We have a special responsibility. We have taken it seriously. That is why we have come forward with a set of negotiating objectives for our trade ambassador in this next round of trade talks.

This amendment sets out seven principal negotiating objectives for agriculture:

No. 1, we should insist on the immediate elimination of all export subsidy programs worldwide. The elimination of all export subsidies worldwide should be the negotiating objective.

No. 2, we should insist that the European Union and others adopt domestic farm policies that force their producers to face world market prices at the margin so they do not produce more than is needed for their own domestic markets.

It is one thing for a country to adopt domestic policy that supports higher prices to meet domestic demand. It is quite another thing for them to have higher prices domestically and, therefore, develop greater production than they need for the domestic market and then dump that surplus on the world market at fire sale prices depressing prices for everyone.

Objective No. 2 is to insist that the E.U. and others adopt domestic farm policies that force their producers to face world prices at the margin.

No. 3, we should insist that State trading enterprises, such as the Canadian Wheat Board, are disciplined so that their actions are transparent and so they do not provide de facto export subsidies.

Sometimes we fool ourselves with our own rhetoric around here. We talk about free markets. Many are strong supporters of free markets. In agriculture, there are no free markets. We can see, through what the Europeans are doing and spending to buy these markets, that we are not dealing in a free-market circumstance in world agricultural trade.

We are certainly not dealing with it with respect to our neighbors to the north in Canada. There, individual farmers don't market their commodities; they have a wheat board that markets for them. A very significant portion of production goes to the wheat board, and they market on behalf of all of their farmers. Does anyone think that gives them all kinds of opportunities to play games in world markets? Absolutely, because the prices they charge are not transparent. Anyone can learn our prices any minute of any day by going to the Chicago Board of Trade and seeing what commodities are selling for. Try to find out what our friends to the north are selling for. They don't have a transparent market. They are not advertising their prices, except to the major buyers in the world. The few times we have a glimpse of what they are doing, we find they go to buyers before other countries and say: Whatever the United States is selling for, we are selling for 5 cents less a bushel. That is what they are doing in order to take markets that have traditionally been ours. We have to wake up and smell the coffee.

No. 4, we should insist on the use of sound science when it comes to sanitary and phytosanitary restrictions. Too often, these are hidden protectionist trade barriers. On genetically modified organisms, we should insist foreign markets be open to our products, but obviously we can't force consumers to buy what they don't want. We have to give consumers the ability to make an informed choice on whether they want to buy these products without letting inflammatory labels be used as hidden trade barriers.

No. 5, we should insist our trading partners immediately reduce their tariffs on our agricultural exports to levels no higher than ours, and then further reduce these barriers on a cooperative and comprehensive basis.

No. 6, we should seek cooperative agricultural policies to avoid price-depressing surpluses or food shortages. My own long-term view for agriculture is, we desperately need to have among the major producers a common set-aside policy, a common conservation reserve policy, and a common food reserve policy.

No. 7, we should strengthen disputes settlement and enforce existing commitments. The United States honors its international obligations, but all too often our trading partners refuse to live up to their commitments and use the dispute settlement process to delay our efforts to call them to account. That is totally unacceptable, and we need to send that message very clearly.

These are the seven principles we believe we should send as an instruction to our trade ambassador. We should say very clearly that we believe these are the things they need to accomplish in this next round of trade talks. I also think we should say: Don't bring back under any circumstances equal percentage reductions in support from these unequal bases. Don't do that. That way lies permanent inferiority in the position of world agricultural trade. If we want to fritter away our long-term dominance, that is the path for such a result.

I urge my colleagues to give very careful consideration to this amendment. Senator GRASSLEY and I have worked in a bipartisan way in consultation with other colleagues. We believe these are the appropriate negotiating objectives for our trade representatives in the agricultural sector.

Let me end where I began. American agriculture is in crisis. We desperately need a victory in the next round of trade talks, and we need it soon. Our farmers simply cannot survive year after year in a circumstance in which our major competition outspends us 7-1 on domestic support and 60-1 on export subsidies.

I believe our farmers can compete against any producer anywhere in the world but they have to have a level playing field. They have to have a country that is fighting for them when our chief competitors are fighting for their producers at every set of trade talks.

I hope very much our colleagues will support this amendment that lays out clear negotiating objectives for our trade representatives in this next round of trade talks. I believe this amendment is a first step in that process. I urge my colleagues to support it. I welcome cosponsorship, as I know Senator GRASSLEY would, from other Members who are concerned about these issues.

I yield the floor.

Mr. WELLSTONE. If my colleague will yield for a question, I don't intend to take the floor.

After the Conrad amendment is disposed of, is it the intention of the chairman to have votes?

Mr. ROTH. I am going to ask unanimous consent to set aside this amendment. Senator GRASSLEY desires the opportunity to comment. I think we will stack votes as we did yesterday. It would be in order for another amendment to be raised.

Mr. WELLSTONE. I need to go to a markup.

Mr. ROTH. We will be ready in a minute for another amendment.

Mr. MOYNIHAN. Mr. President, if I could say to my friend from Minnesota, if he has 5 minutes, he can start.

Mr. ROTH. In the meantime, I ask unanimous consent to lay aside this amendment. As I said, Senator GRASSLEY, the cosponsor of this legislation, desires the opportunity to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. I ask unanimous consent that Senator ENZI and Senator ASHCROFT be listed as original cosponsors of the Conrad-Grassley amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, if I might comment on the remarks of my friend from North Dakota regarding the Seattle ministerial conference which begins at the end of this month. There is no wide agreement on what the next round of negotiations will address. However, there is no doubt that agriculture will be one of the matters addressed in the next round. There is much disagreement in other areas.

The idea of our setting some negotiating objectives is a good idea, in my view, and I think the chairman agrees.

Mr. ROTH. Mr. President, I share that opinion. There is no question but it is appropriate for Congress to help set these objectives.

I say to my distinguished colleague from North Dakota, I agree very much about the need to develop a level playing field. One of my concerns is the fact our markets are the most open markets in the world. That obviously includes agriculture. The purpose of these negotiations should be to lower them in such a way that everyone is on an even playing field. I am very sympathetic to what the Senator is proposing.

Mr. MOYNIHAN. I am sure the chairman will agree, and I cannot doubt that my friend from North Dakota will agree, it would be much better if the President were to go to Seattle with the traditional trade negotiating authority other Presidents have had. This President does not. It is not for the lack of the Finance Committee trying to give it to him. There has been a real breakdown at both ends of the avenue, as it were. The White House has let small political considerations enter into their calculations. We are not unknown to such failings ourselves.

But the fact is, at the end of the 20th century the President of the United States does not have the negotiating authority he has had, in essence, for 65 years—since the Reciprocal Trade Agreements Act of 1934. The more, then, ought we try to speak to the coming negotiations in the manner suggested; the more, then, should we get this legislation passed else the President might decide not to go at all.

Mr. ROTH. I think that would be a very serious setback. Let me comment on fast track. As the Senator said, our committee, of course, has acted on that. I regret the President does not have this authority. I have to say I do not think negotiations can be effective until the President obtains it. Does the Senator agree with that?

Mr. MOYNIHAN. It is an elemental fact in international relations that most countries have a unitary legislative/executive branch, such that if the Prime Minister of Great Britain sends his Foreign Secretary to negotiate, that Foreign Secretary represents a majority in the House of Commons. Any agreement they reach will be ratified.

That is not the case with us. The world discovered this in 1919 when the Treaty of Versailles, negotiated by President Wilson, was not ratified in this Chamber. That sank in over the next 20 years. So we have been giving the President this authority so his representatives can say: If I make an agreement, we will keep the agreement.

Absent that, I do not know what will come. I think I am correct—I take the liberty of asking my able assistant, Dr. Podoff—we have never had a multilateral GATT or WTO negotiation without the President having traditional negotiating authority, have we, to complete the negotiations? No.

This, sir, would be the first time—the first time. That is not an experiment I think we should be running, but perhaps we can make up for it in time. In the meantime, I welcome the thoughts of my friend, our colleague on the Committee on Finance.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the chairman and ranking member for their consideration. They have been most patient in listening to me today and on the Finance Committee as I have talked about these issues. I appreciate, too, they believe, as I do, it is appropriate for us to lay out negotiating objectives for our trade representatives for this next round. I hope very much our colleagues will support this amendment. I think it is important to send a signal as to what we expect our trade representatives to focus on in the agricultural sector.

Again, I thank our chairman and our ranking member very much for their assistance this morning. I note my cosponsor, Senator GRASSLEY, is held up in committee. He would very much like to speak on this amendment before it is finally considered. So I appreciate the consideration of the chairman and ranking member with respect to providing time for him as well.

I yield the floor.

Mr. GRASSLEY. Mr. President, today I rise in support of an amendment I am sponsoring with Senator CONRAD to establish trade negotiating objectives for the new round of multilateral trade negotiations the United States will help launch in about four weeks with 133 other WTO member nations in Seattle.

The principles contained in this amendment are important because the upcoming negotiations in agriculture are so vital to our farm economy, and vital to the United States.

The last multilateral trade round, the Uruguay Round, established, for the first time, multilateral rules on market access, export subsidies, and domestic support for agriculture.

But as significant as the Uruguay Round was for agriculture, it was only a first step. Much remains to be done.

Agricultural tariffs in industrial countries still average more than 40 percent, compared with tariffs of 5 to 10 percent in manufactured goods.

The average world agricultural tariff is 56 percent. In the United States, it is 3 percent. But tariffs for some agricultural products reach 200 percent or more.

Export subsidies are still far too high, and distort trade in third-country markets.

Producer subsidy equivalents, which measure assistance to producers in terms of the value of transfers to farmers generated by agricultural policy, are also far higher in the European Union than in the United States.

These transfers are paid either by consumers or by taxpayers in the form of market price support, direct payments, or other support.

The Producer subsidy equivalent for all agricultural products in the EU has averaged around 45 percent.

In the United States, the producer subsidy equivalent is only 16 percent.

So-called "Blue Box" spending is also out of control. This is the trade-distorting spending that was authorized in the Uruguay Round.

Currently, the United States has no programs that fall within the Blue Box. But the European Union maintains huge trade-distorting subsidy payments.

We should finally admit that the Blue Box is a mistake, and eliminate it completely.

State trading enterprises allow some countries to undercut United States exports into third markets and restrict imports.

And the principle of sound science is being thwarted with regard to bio-engineered products, to the great detriment of our farm economy.

We need to address all of these issues in the upcoming WTO negotiations.

But we also need to make certain that when we negotiate with our trading partners, that the deal we finally implement is the one that was actually negotiated, and not a different agreement that was changed later through secret understanding or side arrangement.

This is an important principle of international law. It is also a basic principle of equity and fairness.

Only after the WTO Agreement was signed into law did some of us in the Senate learn for the first time that there was more to the Uruguay Round agreement than we originally thought, due to secret side agreements.

This must not happen again.

The amendment I am offering with Senator CONRAD will insure that this practice will end.

The only trade deal that should be enforced is the one the parties actually negotiated.

I strongly urge my colleagues to adopt this amendment, so that we can get this new round of trade negotiations off to the best possible start.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, am I correct, then, the understanding is before a final vote on this amendment, Senator GRASSLEY will be speaking and right now I will go forward with my amendment? Is that correct?

Mr. President, before I send this amendment to the desk, I want to emphasize one issue that this amendment does not speak to directly but which is very much on my mind. There is an (A) and a (B) part to this issue.

The (A) part is the economic convulsion in agriculture that has taken place all across our land, and certainly in our State of Minnesota. I also hasten to add there is no question in my mind that if we do not change the course of policy, we are going to lose a whole generation of producers.

The (B) part of what I want to say before going forward with this amendment is that I have, for at least the last 6 weeks, if not longer, been involved in what I would almost have to describe as a ferocious fight to have the opportunity to bring an amendment to the floor that speaks to at least part of what is going on with this crisis in agriculture. No one amendment is the be-all or end-all. But one amendment would deal with all the mergers that are taking place and the ways in which these conglomerates are driving out family farmers across the land, the whole problem of concentration of power in the food industry, in agriculture.

Other colleagues from agricultural States such as Minnesota have other ideas, but the point is that we want an opportunity to bring an amendment to the floor that speaks to what is going on in agriculture. I thought we would have the opportunity to do that on this trade bill. We have been clotured out. Last week, we were successful in blocking cloture. Now we have been clotured out, with the understanding this will happen on the bankruptcy bill.

I want to express my skepticism on the floor of the Senate today as to whether or not that bankruptcy bill will be brought to the floor and whether or not we will have that opportunity. I want to express some indignation in advance if, in fact, we end up closing out this part of our session and going home without having had any debate, further debate about agriculture, and any effort whatsoever to alleviate the pain and misery in the countryside. I think it should be a top priority for us.

Over the next several days, whatever period we are dealing with, I am going to continue to fight to get this amendment out there. My understanding is we have an agreement that there will be an amendment on agriculture that will be part of the debate we will have when the bankruptcy bill comes to the floor, along with minimum wage, along with East Timor. That is the commitment that has been made. I certainly hope we will see that commitment carried out.

AMENDMENT NO. 2487

(Purpose: To condition trade benefits for Caribbean countries on compliance with internationally recognized labor rights)

Mr. WELLSTONE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Only filed amendments may be called up. Does the Senator have a filed amendment?

Mr. WELLSTONE. I am sorry, the amendment has been filed. I do not need to send it to the desk.

The PRESIDING OFFICER. Which number is the amendment?

Mr. WELLSTONE. Since I did not know it had been filed, I will speak on the amendment.

Mr. MOYNIHAN. Is it 2487?

Mr. WELLSTONE. Mr. President, 2487 is the number.

Mr. MOYNIHAN. Mr. President, might I just slip over and make sure we have the right amendment?

Mr. WELLSTONE. I apologize. I did not know the amendment had been filed.

When I talk about labor rights, my colleague from New York is very familiar with the ILO. This is his fine work. What we are talking about is the right of association, the right to organize and bargain collectively, the prohibition on the use of any form of coerced or compulsory labor, some kind of international minimum wage for the employment of children age 15, and acceptable working conditions.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

At the appropriate place, add the following:

SEC. . ENCOURAGING TRADE AND INVESTMENT MUTUALLY BENEFICIAL TO BOTH THE UNITED STATES AND CARIBBEAN COUNTRIES.

(a) CONDITIONING OF TRADE BENEFITS ON COMPLIANCE WITH INTERNATIONALLY RECOGNIZED LABOR RIGHTS.—None of the benefits provided to beneficiary countries under the CBTEA shall be made available before the Secretary of Labor has made a determination pursuant to paragraph (b) of the following:

(1) The beneficiary country does not engage in significant violations of internationally recognized human rights and the Secretary of State agrees with this determination; and

(2)(A) The beneficiary country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones) as determined under paragraph (b), including the core labor standards enumerated in the appropriate treaties of the International Labor Organization, and including—

(i) the right of association;

(ii) the right to organize and bargain collectively;

(iii) a prohibition on the use of any form of coerced or compulsory labor;

(iv) the international minimum age for the employment of children (age 15); and

(v) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

(B) The government of the beneficiary country ensures that the Secretary of Labor, the head of the national labor agency of the government of that country, and the head of the Inter-American Regional Organization of Workers (ORIT) each has access to all appropriate records and other information of all business enterprises in the country.

(b) DETERMINATION OF COMPLIANCE WITH INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—

(1) DETERMINATION.—

(A) IN GENERAL.—For purposes of carrying out paragraph (a)(2), the Secretary of Labor, in consultation with the individuals described in clause (B) and pursuant to the procedures described in clause (C), shall determine whether or not each beneficiary country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones).

(B) INDIVIDUALS DESCRIBED.—The individuals described in this clause are the head of the national labor agency of the government of the beneficiary country in question and the head of the Inter-American Regional Organization of Workers (ORIT).

(C) PUBLIC COMMENT.—Not later than 90 days before the Secretary of Labor makes a determination that a country is in compliance with the requirements of paragraph (a)(2), the Secretary shall publish notice in the Federal Register and an opportunity for public comment. The Secretary shall take into consideration the comments received in making a determination under such paragraph (a)(2).

(2) CONTINUING COMPLIANCE.—In the case of a country for which the Secretary of Labor has made an initial determination under subparagraph (1) that the country is in compliance with the requirements of paragraph (a)(2), the Secretary, in consultation with the individuals described in subparagraph (1), shall, not less than once every 3 years thereafter, conduct a review and make a determination with respect to that country to ensure continuing compliance with the requirements of paragraph (a)(2). The Secretary shall submit the determination to Congress.

(3) REPORT.—Not later than 6 months after the date of enactment of this Act, and on an annual basis thereafter, the Secretary of Labor shall prepare and submit to Congress a report containing—

(A) a description of each determination made under this paragraph during the preceding year;

(B) a description of the position taken by each of the individuals described in subparagraph (1)(B) with respect to each such determination; and

(C) a report on the public comments received pursuant to subparagraph (1)(C).

(c) ADDITIONAL ENFORCEMENT.—A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under this section with respect to any CBTEA beneficiary country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek the value of any damages caused by the failure of a country or company to comply.

Mr. WELLSTONE. Mr. President, this amendment would provide for mutually beneficial trade between the United States and Caribbean countries by actually rewarding countries that comply with internationally recognized core labor rights with increased access to U.S. markets for certain textile goods.

That is what this should be about. We ought to reward countries that are willing to comply with internationally recognized core labor rights with increased access to the U.S. market.

This amendment provides for enforceable standards—let me emphasize this. I say to my colleagues, and I know they—believe me, I am an internationalist. I very much want to see expanded trade. I very much want to see expanded relations with other countries. The question is the terms of trade, and I am especially focused on the need to have enforceable labor standards.

Under this amendment, before any of the benefits of the CBI trade bill can go into effect, the Secretary of Labor will have to determine a CBI country is providing for enforcement of the core ILO labor rights. That is what this amendment does.

The Secretary will make this determination after consulting with labor people from the region and after consideration of public comments. But the Secretary of Labor will make the determination to make sure the country with which we have trade relations is providing for the enforcement of the ILO core labor rights. I want to make sure these standards are enforceable. U.S. citizens will also have a private right of action in district courts to enforce these provisions.

The alternatives in the CBI Parity bill are unenforceable. That is my dissent from this legislation. The CBI Parity bill merely includes labor rights as an eligibility criterion which can only be enforced by the administration. But the administration already enforces the GSP program and has never, not one time, suspended a CBI country, despite their terrible labor rights records.

Later on, I will provide, from my point of view, too much by way of documentation. That is to say, the number of petitions that have been filed with the USTR under the GSP program. Every single time the petition has been withdrawn. There has been no real response.

If the administration will not use its GSP leverage to improve labor rights in these countries, why would we expect them to use an eligibility criterion? The ILO is not an option because it does not have the enforcement power. I want to make sure there are some enforceable labor standards that will apply to this CBI trade agreement.

Some examples of GSP workers' rights cases accepted for review against major CBI countries are as follows:

Costa Rica, 1993, right of association, right to organize and bargain collectively, acceptable working conditions, petition withdrawn. That is the outcome.

Dominican Republic, 1989–1991, right of association, right to organize and bargain collectively—these are core labor rights—forced labor, child labor, review terminated in 1991 due to introduction of "labor code reform."

El Salvador, 1990–1994, right of association, right to organize and bargain collectively, review terminated.

Guatemala, 1992–1997, right of association, right to organize and bargain collectively, again, review terminated.

The list goes on.

What we want to do is parallel to what Senator FEINGOLD has done in his HOPE for Africa bill. That is, we want to apply some enforceable labor standards. We want to reward countries that comply with internationally recognized core labor rights. In this amendment, we call for the Secretary of Labor to determine whether or not a CBI country is providing for the enforcement of ILO core labor rights. Why wouldn't we want to do that in a piece of trade legislation? When will we?

Supporters of CBI parity complain that NAFTA-like benefits will help Caribbean workers. I have heard that argument made over and over. I want to read from a report that came out in October of 1999: "Six years of NAFTA: A review from inside the maquiladoras."

This 1999 report on the Mexican maquiladoras shows wages and conditions have actually deteriorated since passage of NAFTA. This was a joint effort between the Comite Fronterizo de Obreras and the American Friends Service Committee. I will quote from relevant sections of the report, "Six years of NAFTA: A review from inside the maquiladoras":

> In Mexican manufacturing, real wages have fallen by more than 20 percent since 1994. It is not only that real wages have remained stagnant overall, failing to keep pace with inflation, but wage levels have also come under attack wherever they are over the threshold considered competitive by the maquiladoras.

One sees over and over, in going through this report, wage levels dropping, basic violations of the people to organize, and failure to enforce child labor standards. When I hear about NAFTA-like benefits, I have to question whether or not this is the future.

I will speak about the CBI countries and what I call the race to the bottom. The CBI countries with the fastest export growth to the United States have also experienced the steepest decline in wages in the region. Over the last 10 years, textile and apparel imports from Honduras exploded by a whopping 2,523 percent. Yet from the 10 years spanning 1985 to 1996, wages of Honduran workers declined by 59 percent.

I will repeat this since we are talking about the benefits for the workers in these countries. I am not making an argument that we should have enforceable labor standards because I only care about workers in our country. I do care about workers in our country, and I do worry that the message we're sending to workers in our country, if we do not have enforceable labor standards in this agreement, is: If you dare to organize and bargain collectively to get a better wage and a better standard of living for yourselves and your families, then these companies will just go to the Caribbean countries.

That is part of the message. Let me tell you why I think it is the message. This is a list of approximate apparel wages around the world. In the United States, the average is $8.42. Do my colleagues know what it is in Colombia? Seventy to 80 cents; Dominican Republic, 69 cents; El Salvador, 59 cents; Guatemala, somewhere between 37 to 50 cents; Haiti, 30 cents; Honduras, 43 cents; Nicaragua, 23 cents.

I am worried that not only is the message to workers in our country: Look, we will just go to these countries where we can pay 23 or 40 cents an hour; you cannot compete with them so you dare not call for better wages and working conditions.

I am also worried the message we're sending to these countries is: Yes, there is going to be economic expansion and there is going to be more trade, but the only way you can get the foreign investment is if you agree to work for less than 50 cents an hour.

Again, I will give some figures. CBI countries with the fastest export growth to the United States have also experienced the sharpest decline in wages in the region. Maybe my colleagues can explain to me why this is the case.

Over the last 10 years, in Honduras: Apparel imports from Honduras exploded 2,523 percent. Yet for the same 10 years, the wages in Honduras declined by 59 percent.

In El Salvador: Apparel exports to the United States have increased 2,512 percent, while wages have decreased 27 percent.

In contrast, Jamaica's export growth has been less impressive, culminating in an actual 17 percent decline over the past year. One explanation is that Jamaica's high rate of unionization has ensured that workers' wages have increased.

So here is the message. May I simply say to my colleagues why enforceable IOL standards are important: The basic right to be able to organize and not wind up in prison; the basic right to be able to bargain collectively and not wind up in prison. It is because if we do not have enforceable labor standards—and we do not in this trade legislation right now, and this amendment puts enforceable labor standards into this legislation—then we are saying to workers in our States: You had better not ask for more by way of wages. You had better not be too assertive for yourselves or your families because we'll just go to these CBI countries and we'll pay 50 cents an hour or less.

What it says to the workers in these countries—and I just gave you some aggregate data—is: By the way, we're not going to guarantee your right to organize. We're not going to guarantee any fair labor standards. We're not going to guarantee any IOL standards that will be enforceable. Therefore, the only way you get the investment is if you're willing to work under sweatshop conditions.

As a matter of fact, in the CBI countries, their growth in exports to our country has been unbelievable—dramatic growth—but the wages have declined. The only country where that has not happened is Jamaica, which is a country where there has been unionization. So the message is: You don't get the trade, you don't get the investment, if you dare to unionize.

I say to colleagues, there are many articles, many testimonies, and there is a GAO report which shows that workers' rights have not been respected and are not respected in Central America, Haiti, and the Dominican Republic. I do not think my colleagues are going to argue with me on this. It seems the evidence is irrefutable on that point.

Without this amendment, the CBI Parity bill is going to help defeat unionizing drives in our textile plants and American workers will compete with Caribbean apparel workers who are willing to work for 30 cents an hour—23 cents an hour actually in Nicaragua, 80 cents an hour in Colombia. The United States apparel workers make, on the average, $8.42, which is not a lot of money.

There is a bitter irony: Many of these workers in U.S. textile plants are actually immigrants from these very same countries. A large number of them are poor, they barely make a living wage, they are women, they are minorities. Without this amendment, the CBI parity bill will merely encourage United States corporations to set up sweatshops in the Caribbean. My amendment is an anti-sweatshop amendment.

To summarize, there ought to be enforceable labor standards. There are not any in this trade bill. Without enforceable labor standards, we are not on the side of human rights, we are not on the side of people in the CBI countries wanting to organize and to be able to do well for their families, and we are not on the side of wage earners in our country who are going to lose their jobs to workers in Honduras who work for 40 cents an hour.

We ought to at least have enforceable IOL standards. That is exactly what this amendment speaks to.

I reserve the remainder of my time.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I congratulate the Senator from Minnesota for his remarks and tell him that he finds no difference of view among the managers of this legislation. We have a managers' amendment to address it.

The large issue, sir, that has emerged in the context of the World Trade Organization is the relevance of the international labor conventions negotiated under the auspices of the International Labor Organization, which began here in Washington in 1919. The first were adopted at the Pan-American Union Building. The Offices of the ILO itself were provided by then-Assistant Secretary of the Navy Franklin D. Roosevelt.

The problem is, at the time, these trade treaties—they were trade treaties—were designed to say, just as the Senator has said: If you, country X, have a minimum wage, and country Y does not, country Y will have trade advantages which will end up with employment in the original country. So do it together—improve labor standards together by means of international labor treaties. It is a principle.

We did not, until now, have any transparency. There was no inspection—a new idea, a post-World War II idea—an important key idea. There was no ranking, no reporting. We are getting there. The International Labor Organization, in 1998, issued this wonderful document: "ILO Declaration on Fundamental Principles and Rights at Work." And there they are, the four basic principles. We have a lot to do in this regard, but we have begun.

So I congratulate the Senator. He is going to speak later and longer.

I know the Senator from Montana, under some pressure of time, would like to speak now, as I understand it, on the most agreeable subject of why this is an important bill and why he voted for it in the Finance Committee.

Mr. WELLSTONE. Mr. President, before yielding to the Senator from Montana—I will be pleased to accommodate him—my understanding is that before we come to a final vote, there will be an opportunity for further discussion of this amendment. There are some additional comments I want to make, especially in response to the very helpful comments of the Senator.

Mr. MOYNIHAN. We understand that.

Mr. WELLSTONE. I thank the Senator.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Montana.

Mr. BAUCUS. Mr. President, like many of my colleagues, I was very disappointed last week when it appeared that we would not have a chance to act on this very important piece of legislation. I was disappointed for several reasons.

First, because there's a lot more at stake here than the four basic elements of this bill: CBI, Africa Trade, TAA and GSP. All four are important, and I will say a few words about each one of them.

But even more important is the signal that we send now. At the end of this month, the United States will host the World Trade Organization ministerial meeting in Seattle. The WTO writes and enforces the rules governing some $6 trillion in international trade. Delegations from over 130 nations will come participate in the meeting. They will launch a new global round of negotiations aimed at expanding trade.

All of those delegations will have a common concern: Does the United States still intend to lead the world on trade? They will look at the way we deal with the trade bill before us as an indication of how they should answer that question.

The signals we have sent them recently are not encouraging.

First, we have failed to pass legislation granting negotiating authority to the U.S. Trade Representative. This undercuts our ability to persuade other nations to offer concessions, since we are not in a position to make credible offers.

Second, the United States has not put forward the kind of visionary, far-reaching proposals needed at the onset of trade talks. Rather than leading the way forward, we seem to have adopted another strategy: offend the fewest number of people as possible.

While we send these weak signals, other countries have moved into the breach to advance their own interests. The European Union and Japan mounted campaigns to paint us as foot-draggers on trade. They say that our proposals for trade negotiations are too narrow to allow for any real bargaining. They claim that they want to talk about the full range of trade issues, while we want to pull major portions of the trade system off the table.

We know what they are really up to. They want to undercut the talks and make them drag on for years. That way they can avoid living up to their responsibilities on agriculture. Unfortunately, a number of countries are persuaded by the picture of America's trade policy that Europe and Japan are painting.

This bill is the only opportunity the Senate will have before the Seattle meetings to show where America stands. It is vitally important that we pass this legislation to demonstrate our commitment to free market principles, and to open, fair trading system.

Mr. President, I filed two amendments to the bill, both of them trade-related. Both of them are on issues which are extremely important to Americans. I was very disappointed that we were locked out of discussing them last week.

One of the amendments allowed for tariff cuts on environmental goods as part of a global agreement in the WTO. The measure has the support of both business and environmental groups. This is a rare instance where both sides of the trade-environment debate agree on something. It's a shame that the Senate cannot move forward on something so sensible.

The second amendment concerned agricultural subsidies. American farmers are the most productive in the world. But they're being frozen out of foreign markets by European and Japanese subsidies. I filed an amendment that would fight back by funding our Export Enhancement Program.

This amendment required the Secretary of Agriculture to target at least two billion dollars in Export Enhancement Program funds into the EU's most sensitive markets if they fail to eliminate their export subsidies by 2003. It's time to start fighting fire with fire. This "GATT trigger" should provide leverage in the next round of the WTO in reducing grossly distorted barriers to agricultural trade.

In addition to these amendments, Mr. President, I also filed a resolution in the form of an amendment about another important trade issue: telecommunications. It calls on the Administration to continue to pursue efforts to open the Japanese telecommunications market. This is another example of how Japan must shoulder its responsibilities as a major trading nation. It cannot benefit from access to foreign markets unless its offers access to its home market. It's simply a question of fairness.

Mr. President, I voted against cloture last week because I objected to the way the Majority Leader handled the bill. I was denied the ability to do what the people of Montana sent me here to do: debate and pass legislation. But I support the bill itself. I support each of its elements—the Caribbean Basin Initiative, the Africa Growth and Opportunity Act, and the renewal of both Trade Adjustment Assistance and the Generalized System of Preferences.

CARIBBEAN BASIN PARITY INITIATIVE (CBI)

I have long supported efforts to extend additional tariffs preferences to the Caribbean Basin. But with conditions. The benefits should be conditioned on the beneficiary countries' trade policies, their participation and cooperation in the Free Trade Area of the Americas ("FTAA") initiative, and other factors. This trade bill is substantially similar to the version I supported in the 105th Congress with some reservation.

I see a flaw in this bill, however, and would like to work to repair it. The bill suggests criteria the President can use when deciding whether to grant CBI benefits. It is a long list of about a dozen items. Criteria like Intellectual Property Rights. Investment protections. Counter-narcotics. Each one is important. The bill should make these criteria mandatory.

In particular, I believe that the President should be required to certify that CBI beneficiaries respect worker rights, both as a matter of law and in practice. We can't maintain domestic support for open trade here at home unless our programs take core labor standards into account.

We want to help our Caribbean neighbors compete effectively in the U.S. market. But we don't want them to compete with U.S. firms by denying their own citizens fundamental worker rights.

It only seems reasonable that as we help the economic development of these nations, we also help them enforce the laws already on their books. The majority of these countries already have the power and only need the will to ensure that their citizens see the benefits of enhanced trade—decent wages, decent hours and a decent life.

Overall, I believe that CBI parity is the right thing to do—if it does what it is intended to do. That is lift the people of the hurricane devastated countries out of poverty and ensure them a better way of life.

I also believe that the United States must lead by example. Sensitivity to labor and environment must play a role in our trade decisions and actions around the world.

It's tragic that partisan politics keeps the United States Senate from taking these actions.

AFRICAN GROWTH AND OPPORTUNITY ACT

I have the same concerns about labor in terms of the African Growth and Opportunity portion of the bill. But I supported the Chairman's mark, which included a provision requiring U.S. fabric for apparel products produced in eligible sub-Saharan African countries.

Developing markets is in the best interest of us all. And the trade bill would help Africa move in that direction. But this bill is about more than trade. It is about hope.

It is about bringing the struggling nations of sub-Saharan Africa into our democratic system. It is about establishing stability and a framework wherein the citizens of these nations can enjoy the fruits of prosperity. It is about building a bridge between the United States and Africa that will be a model for all nations.

TRADE ADJUSTMENT ASSISTANCE

The third part of the bill renews the Trade Adjustment Assistance Program. We cannot expect to maintain a domestic consensus on trade if we fail to assist those who are adversely affected. For 37 years, this program helped Americans adjust to the forces of globalization.

I would like to acknowledge Senator MOYNIHAN, who originated this program, in another demonstration of his wisdom and foresight. I have seen the effects of this program in Montana. The renewal of Trade Adjustment Assistance translates to 330 Montana employees impacted and approximately $44 million in gross annual sales preserved.

This legislation is long overdue. TAA authorization expired on June 30. There are families who are displaced in the world economy, and they are living off this transitional benefit—200,000 eligible workers.

While we delay, certified firms anxiously await funding. This is fundamentally unfair—especially for employees of firms fighting import competition that is beyond their control. They cannot afford to wait while TAA is caught up in the annual battle for funding as the "perennial bargaining chip" for other trade proposals. That's just ineffective government. It's time to pass this legislation.

GENERALIZED SYSTEM OF PREFERENCES

Finally, let me say a word about GSP renewal. This is the fourth part of the trade bill. This is also a question of effective government. Over the years, the program has lapsed periodically when renewal legislation was delayed. Like TAA, the latest lapse occurred on June 30. Four months later, we still haven't acted on its renewal.

Who gets hurt? Not just foreign companies. A lot of American firms get hurt. That includes both American importers and exporters. A lot of the American firms produce abroad and then export to the United States. Much of this is internal company trade. That's the reality of today's global economy.

When GSP lapses, these companies are suddenly required to deposit import duties into an account. Customs holds the money until renewal legislation is signed. Eventually the companies get their money back. But they don't know how long renewal legislation will take. So they don't how much they'll have to set aside, or how long the money will be in escrow.

How can we expect businesses to operate efficiently under such conditions? These cycles of GSP lapsing and then being renewed represent government at its worst. We have a responsibility to provide business and consumers with a consistent, predictable set of rules. We need to fix this GSP lapse as quickly as possible.

Mr. President, a lot of effort, a lot of thought, a lot of time has gone into this bill. Much time has also gone into formulating amendments. It was a great disappointment to see this effort unravel over partisan politics. We have a second chance this week. Let's not squander the opportunity. We can and should work together to pass this bill.

We were elected to this body to pass legislation not to bicker. Let's do what the people sent us here to do.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I rise briefly to express the wish that every Member of the Senate will have heard, or will have read, the remarks of the Senator from Montana. There speaks the American voice. I trust it will be heard. Thanks to him, it will prevail.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I rise to address the African Growth and Opportunity Act and to discuss two amendments I hope to offer. I would like to begin by thanking the chairman and the ranking member of the committee for their good work on this bill. Anyone who has spent time in Africa knows the poverty and environmental problems inherent on that continent. The Africa Growth and Opportunity Act, I believe, is the most hopeful vehicle for positive change that has come about. It opens the door to trade, investment, economic growth, and a higher quality of life for people of African nations. It will give Africans options and new abilities to build economically, to develop, to improve opportunities for trade worldwide, and to build new businesses on African and Caribbean soil.

Sub-Saharan Africa is a market of some 700 million people. Yet less than 1 percent of our Nation's total trade is currently conducted with nations of this region. Expanding trade with this emerging market will help keep America competitive with Europe and Asia, who are already expanding their markets in the African nations. As the nations of sub-Saharan African reform their economies to spur economic growth, U.S. exporters will have access to new and larger markets for their products. This, in the long run, creates and sustains American jobs.

Just as important, this legislation contains provisions to support and encourage democracy and human rights in sub-Saharan Africa. A country is not eligible for trade and investment benefits if it engages in gross violations of internationally recognized human rights and does not respect basic labor rights, such as the right to organize and bargain, the right of association, and acceptable working conditions. Now, I recognize that those rights aren't as strong and enforceable as some might want. Nonetheless, they are the basic rights that are inherent in virtually every trade bill.

Finally, as President Clinton noted, deepening our economic ties with these nations will also strengthen our cooperative efforts to address a host of transnational threats, such as environmental degradation, infectious disease, and illicit drug trafficking. I had intended to offer an amendment to address any potential impact this legislation might have on the domestic apparel industry of our Nation. The amendment I would have introduced would have created a tax credit of 30 percent for the first $12,300 in the first year of employment, rising to 50 percent over 5 years for domestic garment and sewn manufacturers who hire a worker who is at or below the poverty line in this country. For an individual, that is $8,240; for a family of four, it is $16,700.

However, both the chairman and the ranking member of the Finance Committee have made it clear they don't believe tax credit amendments should be offered to this legislation, and I respect that. The offset we also had in mind, it turns out, has been utilized. However, the amendment has been scored. I will not offer this domestic textile worker tax credit amendment on this bill, though my intention is to offer it as a separate bill with an offset at a later time.

I think this legislation would provide real incentive for domestic manufacturers to keep jobs in the United States, to hire American workers, and to keep them on the job. Moreover, by targeting the benefits to employees who, before being hired, are living at or below the poverty line, the amendment would also help move families off of welfare and public assistance and provide them good jobs in which they can support themselves and their families.

My second amendment addresses the need for the United States to remain in the forefront of the fight against HIV/AIDS in Africa.

Mr. President, this bill inadvertently threatens to undermine the fight against AIDS in Africa. Approximately 34 million people, if you can believe it, in sub-Saharan Africa—that is the equivalent of the population of the State of California—are or have been infected with AIDS or HIV. And 11.5 million people of those infected have died—11.5 million people. These fatalities comprise 83 percent of the world's total HIV/AIDS-related death. Eighty-three percent of the death from AIDS in the world are in the sub-Saharan African countries. So the impact of AIDS in Africa is huge. It continues to be a major threat to the well-being of the entire African Continent. Frankly, it even threatens the well-being of this legislation if it is left unaddressed.

Unfortunately, this legislation carries with it intellectual property rights for the American pharmaceutical companies which prevent the licensing, manufacture, and sale of cheaper generic AIDS drugs. That is a practice known as "compulsory licensing."

Without compulsory licensing, a practice fully consistent with international law, the vast majority of HIV/AIDS patients in Africa could not afford the more expensive drugs from American pharmaceutical companies and, thus, more will suffer and die simply without treatment. AIDS drugs in this country literally cost several hundred dollars a month. They must be taken several times a day regularly, and they often necessitate other drugs to ward off serious side effects of AIDS-reducing drugs.

The amendment I have authored, which is cosponsored by Senator FEINGOLD, on which we have worked with the staff on both sides, and which we believe will be acceptable to both sides, draws on a provision in Senator FEINGOLD's HOPE for Africa bill. It allows the countries of sub-Saharan Africa to pursue compulsory licensing by preventing the U.S. Government from enforcing one specific U.S. intellectual property right that, when implemented, would prevent the license, manufacture, and sale of generic AIDS drugs in Africa.

For those of my colleagues who may be concerned that this amendment may undermine wider intellectual property rights, this amendment acknowledges the World Trade Organization's agreement on trade-related aspects of intellectual property and that that is the presumptive legal standard for intellectual property rights.

The WTO, however, allows countries flexibility in addressing public health concerns, and the compulsory licensing process under this amendment is consistent with the WTO's balancing of intellectual property rights with the moral obligation to meet public health emergencies such as the HIV/AIDS epidemic in Africa.

When 11 million people die of a single disease, it certainly deserves and merits this kind of consideration.

In effect, this amendment will allow the countries of sub-Saharan Africa to continue to determine the availability of HIV/AIDS pharmaceuticals in their countries, and provide their people with more affordable HIV/AIDS drugs.

It is clearly in the national interest of the United States to prevent the further spread of HIV/AIDS in Africa, and I believe that this amendment is an important improvement to this legislation if we are to continue to assist the countries of the region to bring this deadly disease under control.

I am pleased to support the African Growth and Opportunity Act and the Caribbean Basin Initiative because I believe they are both in the national interest of this country.

I thank both the chairman and the ranking member for their support of this amendment.

I yield the floor.

Mr. FEINGOLD. Mr. President, I rise today to express my strong support for the amendment of the Senator from California to the African Growth and Opportunity Act. First, let me thank Senator FEINSTEIN for her leadership on this critical issue. This very provision is incorporated in my own HOPE for Africa bill, S. 1636, and I am especially pleased she is offering that language as an amendment to this bill today.

AGOA's aim is to strengthen economic ties between the United States and the diverse states of sub-Saharan Africa, fostering economic development and mutually beneficial growth. I think that we can all agree that this is a worthy goal. The disagreement is about how we get from here to there.

It is my belief that no U.S.-Africa trade bill will succeed unless it addresses the underlying context for growth and development in Africa. The United States needs to pass legislation that will help set the stage for a real economic partnership.

The Feinstein-Feingold amendment is a good start because it is impossible to address Africa's economic and social development problems without taking serious action to combat the region's HIV/AIDs epidemic.

In 1998, four out of every five HIV/AIDs-related deaths occurred in sub-Saharan Africa. In fact, HIV/AIDS kills over 5,000 Africans each day.

Common decency tells us that this is a humanitarian catastrophe. Basic logic also tells us that it is economically devastating.

AIDS attacks the most productive segment of society—the young adults who would otherwise be the engine in Africa's economy. And it leaves far too many children orphaned, preparing to take their place in society without the guidance and security that their parents would have provided.

And the health-care costs associated with AIDS are astronomical. Life-savings medications can cost $12,000 per year—an impossible burden in countries where average per-capita annual income often barely exceed $1,000.

How can the United States expect to find a strong economic partner in Africa if it ignores these facts?

This amendment does not hide from these realities. It approaches them head-on, by prohibiting U.S. funds from being used to change the intellectual property laws of African states.

That means that taxpayer dollars will not be spent to help pharmaceutical companies undermine the legal efforts of some African states to gain and retain access to lower cost pharmaceuticals.

It is important to be clear—this amendment does not allow African states to "get away with something." It explicitly refers to the legal means by which these countries are entitled to address their public health emergencies.

These legal methods, which are permitted under the agreement on Trade Related Aspects of Intellectual Property, or TRIPS, lower prices for consumers by creating competition in the market for patented goods through a procedure called compulsory licensing. TRIPS is an agreement administered by the World Trade Organization.

Compulsory licensing does not ignore the rights of patent-holders. Pharmaceutical companies holding patents on HIV/AIDS drugs are paid a royalty under these arrangements.

This amendment simply prohibits the United States from spending money to undermine an entirely legal fight for survival that is being waged in Africa today.

It is legal. It is the right thing to do. And ultimately, it is in America's interest, as healthier African people will undoubtedly lead to healthier African economies.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I appreciate the remarks of the distinguished Senator from California. She seeks to address a most critical problem, one that is unbelievable, as she pointed out, with 11 million a year dying from this disease.

We have been working. We expect to come together on an amendment that will be acceptable to both sides.

Mrs. FEINSTEIN. I thank the chairman very much. I appreciate that.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, Federal Reserve Board Chairman Alan Greenspan has said numerous times that increased trade has raised the standard of living and the quality of life for almost all countries involved in trade, and especially the quality of life in our own country. Chairman Greenspan believes the No. 1 benefit of trade is not simply jobs but an enhanced standard of living. I can think of no more important enhancement to the standard of living of America's hardest pressed working families than to increase the minimum wage. Surely, it is appropriate to send a message on this legislation that increased trade must definitely mean a better quality of life for the working poor.

I had hoped to offer an amendment to this bill to raise the minimum wage. Regrettably, it was perhaps the only vehicle that was going to be left in this year of this particular session. But the majority leader's actions prevented me from doing that. This trade bill has been offered to enhance the standard of living for workers in Africa and the Caribbean. I am certainly in favor of that. But there are honest disagreements as to whether the proposal before us effectively does so.

While we express our concern for the workers in these nations, we cannot forget the workers in our own country. I believe the American people will hold this Congress responsible for refusing to address so many issues which are critical to our families and our communities, and the majority, I believe, has once again turned a deaf ear to the pleas of the American people for action. I regret this latest missed opportunity.

I take this opportunity as we are coming into the final days of this congressional year to express what I know has to be the frustration of about 12 million Americans who had hoped this Congress would have raised the minimum wage, or at least had the opportunity to debate this issue and discuss this issue and consider this issue during this past summer, or this past fall, or even prior to the time that we were going to go into recess. But we have been denied the opportunity to do so. Every legislative possibility has been excluded from us doing so up to this time, and even excluded on this piece of legislation.

I join with all of those who share this enormous frustration and a certain amount of disgust at the way this issue is being treated as we are moving into these final days.

We now have seen some modification or adjustment to prior positions of opposition to any increase in the minimum wage which had been expressed by the Republican leadership in the House and also in the Senate. Now, evidently, there is a bidding war in the House of Representatives—hopefully, it won't take place in the Senate, but certainly in the House of Representatives—about not what we can do for the working poor but how many additional tax breaks we can add on to the minimum wage when we consider it in the House of Representatives.

If we extend the minimum wage over a longer period of time, for some 3 years, actually the benefits that special interests would receive by the tax considerations, which in the House position would reach $100 billion over 10 years, which isn't paid for, the only way you could assume they could be paid for would be out of Social Security because it is not paid for—and the bidding war wants to keep adding that until finally, evidently, the financial interests, which are the most opposed to any increase in the minimum wage, would finally say: All right, let's go ahead because the benefits we are going to receive so exceed and outweigh the modest increase in the increase in the minimum wage that it is worthwhile.

As we are coming to the end of this session, we are finding that this Senate refuses to address an issue which cries out for fairness and decency as the minimum wage slips further and further back for working families at the lower end of the economic ladder, who are in many instances doing such important work as teachers aides in the classrooms of this country, are doing important work in nursing homes and looking after the elderly people, or working in the great buildings of this country at nighttime in order to clean them so the American economy and efficiency can continue during the course of the day, that we have decided in this body evidently that we are going to leave this session granting ourselves a $4,600 pay increase and denying a one dollar-an-hour pay increase for over 11 million of our fellow citizens who are working at the lower rung of the economic ladder. That is not right. That is not fair. That is wrong.

We ask ourselves: Why should this be the case? Certainly we have not heard those who have resisted us in bringing this matter to the floor make the economic argument that, well, this will mean an increase in the numbers of unemployed Americans. They haven't been willing to make that. They have made it at other times, and it was so totally refuted during the last increases in the minimum wage that they evidently are not prepared to come out and debate that issue.

The other argument, that it was going to be an inflator in terms of our general economy, has been refuted completely, as a practical matter. The last time we raised the minimum wage it was demonstrated effectively that there was virtually no increase in the cost of living. We are denied the opportunity of even hearing a well thought out argument for opposing the minimum wage. All we hear is the same, tired, old arguments that have been disproved time in and time out.

What we see as a result is that without the increase in the minimum wage, there is a continued deterioration in the purchasing power of the minimum-wage workers. Even without the minimum wage, if we did not consider it until even 2000 or 2001, we would be back to $4.80 an hour, close to the lowest point in the last 40 years of minimum wage, at a time of unprecedented economic prosperity for everyone except those at the lowest rung of the economic ladder.

We will not even debate the issue. If Members want to vote against it, they can do so, but why deny Members the opportunity to debate the issue and take the time on this particular measure? Members cannot make the argument that it will take a lot of time after what we have gone through in the past days where, effectively, from a parliamentary point of view, we were in a stalemate in the Senate without any amendments being even considered on the trade bill for a number of days.

We could have dealt with this issue in a matter of hours. We are certainly prepared to deal with this issue in a relatively short time period—a few hours if necessary. Obviously, the majority, the Republicans, retain their rights in terms of a very modest increase in the minimum wage, 50 cents next year and 50 cents the following year. That is too high for our Republican friends. We can debate that and at least have the Senate work its will. The position taken by the Republican leadership on the other side has been, if we are going to extend it, they will deny us the opportunity to bring the minimum wage up this year. If we bring it up at the end of the session, we will put it, effectively, well into next year and carry it on to the following year, which will extend it perhaps $1.00 over 5 years.

Still, we will carry on the tax goodies which, over a 10-year period in the proposal recommended by the Republican leadership, will be $100 billion in tax breaks for the special interests. That is what is happening. That is what is so unacceptable.

This morning, there was an excellent editorial in the Washington Post, and I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 3, 1999]

THE MINIMUM WAGE SQUEEZE

> The minimum wage should be increased, and the increase should not become a political football. Unfortunately, there is more than a little risk that it will become a football in the remaining days of the session.
>
> The wage, now $5.15 an hour, was last increased in 1997. The president has proposed taking it up another dollar an hour: 50 cents next Jan. 1 and 50 cents a year thereafter. Republicans and some Democrats would spread the increase over an additional year. That's something reasonable people can disagree about. The wage ought not be allowed to lose ground to inflation, and perhaps in real terms ought to be a set higher than it has been in recent years, though the government powerfully supplements it with the earned-income tax credit, food stamps and other benefits.
>
> The wage itself, however, has become almost a secondary issue. Those sponsoring a slower increase also want to use the bill as a vehicle for some of the tax cuts the president vetoed earlier in the year. Ostensibly, these are to make whole the smaller businesses that would have to pay the higher wage. But the data suggest that little of the benefit would go to such employers. These are costly cuts in the estate tax, tax treatment of pension set-asides, etc., that would mainly go to people of very high income. No provision is made to offset the costs, which tend to be understated in that early on they would be relatively low and only later begin to rise.
>
> The president has rightly threatened, mainly on these fiscal grounds, to veto the bill. It may well be that the bill will have to include some tax relief to pass, but the relief should be targeted and paid for. The gatekeepers seek too heavy a toll. The price of a bill to help the working poor ought not be an indiscriminate tax cut for those at the very top of the economic mountain.

Mr. KENNEDY. This article reminds everyone how the interests of some of the hardest working Americans are being toyed with by the Republican leadership. They say maybe we will add a little more in terms of tax breaks if we consider the increase in the minimum wage.

This increase is a matter of enormous importance and consequence for the people receiving it. Sixty percent are women; over 75 percent of minimum wage workers heading up families are women. It is an issue in terms of children. It is a family issue. It is an issue relating to men and women of color since one-third of those who receive the minimum wage are men and women of color. It is a civil rights issue, a family issue, a children's issue, a women's issue. It is a fairness issue. Yet we are denied it.

How quickly this institution went ahead with a $4,600-per-year increase for their pay while denying this side the opportunity to vote on 50 cents an hour over each of the next two years for the minimum-wage worker, an increase of $2,000 a year for people working at the lower end of the economic ladder. Yet, $4,600 for the Members of Congress.

It is wrong to play with the life and the well-being of these workers. They are being toyed with by considering how much in additional tax breaks we will provide for special interests. That is what the bidding is that is going on. It is not the Congress or leadership acting in these workers' best interest.

What does $2,000 mean to a minimum-wage family? The two increments, of 50 cents each, mean 7 months' of grocery. That means a lot to a family. It is 5 months of rent. It is 10 months of utilities. It is 18 months of tuition and fees at a 2-year college for a family of four living on the minimum wage.

While many parts of our country have experienced the economic boom, we have found another very important area of need for minimum-wage workers: Housing. In so many areas of this country, the housing costs have gone off the chart and are virtually out of the reach of the minimum-wage workers. The hours a minimum-wage worker would have to work in Boston for a one-room apartment—100 a week. It is absolutely impossible to understand why we are not dealing with this issue.

This chart/table shows what happened when we had the increase in the minimum wage in 1996 and 1997. The unemployment rates continued to go down. This is true in the industry that has expressed the greatest reservation about a minimum-wage increase, the restaurant industry. They have increased their total workers by 400,000 over the period since the last increase in the minimum wage. They are out here day in and day out trying to undermine and lobby against the increase in the minimum wage.

This is not just an issue in which Democrats are interested, although we are interested in and we are committed to it. I daresay if we had a vote on an increase in the minimum wage, the way we have identified it, we would get virtually every member of our party and perhaps a few courageous Republicans as well.

This is what Business Week says about the increase in the minimum wage:

> Old myths die hard. Old economic theories die even harder . . . higher minimum wages are supposed to lead to fewer jobs. Not today. In a fast-growth, low-inflation economy, higher minimum wages raise income, not unemployment.

This is from Business Week—not a labor organization, although they would agree—from Business Week, which understands it. They have probably reviewed carefully what happened in the State of Oregon that now has the highest minimum wage with the largest growth rate in terms of reduction of unemployment when they introduced the minimum wage. Why? Because people not working went into the labor market, it created more economic activity, and they paid more in taxes. The whole economy moved along together. We are glad to debate it if people want to dispute that.

What does this mean in people's lives?

Melissa Albis lives in North Adams, MA. She works for the local Burger King for $5.25 an hour. She has five children all under 12. She is struggling to pay her $550-a-month rent and is looking for less expensive housing because she fears she and her children will be evicted if she cannot earn more.

Cathi Zeman, 52 years old, works at the Rite Aid in Canonsburg, PA, a town near Pittsburgh. She earns $5.68 an hour: Base pay of $5.43, plus .25 for being a "key carrier." Her husband has a heart condition and is only able to work sporadically, so she is the primary earner in her family. An increase in minimum wage means a lot to Cathi.

Shirley Briggs is a senior citizen living near Williamstown, MA. Her husband passed away in 1982, and even though she has arthritis, she works for $5.50 an hour to try to make ends meet. Even with supplement income and Social Security, she has trouble paying for medicine. "My income is not enough to live." Minimum wage means a lot to Shirley.

Dianne Mitchell testified in June 1998 that she made $5.90 an hour at a laundry in Brockton, MA. For Dianne, with three daughters and a granddaughter, living on minimum wage is nerve-wracking. She is "always juggling food and utilities," even having to choose one over the other. An increase in the minimum wage would give women like Dianne peace of mind—they could provide for their families.

Cordelia Bradley testified at a Senate forum last year she was working at a clothing chain store outside of Philadelphia. She and her son lived in a rented room for $300 a month. She hoped to have her own apartment, but at the current minimum wage that goal was out of reach.

Kimberly Frazier, also from Philadelphia, testified she was a full-time child care aide earning $5.20. A child care aide, how many times are we going to hear long speeches about children and looking out for children; children are our future; we need to do more caring for children. Kimberly Frazier is earning $5.20 an hour as a full-time child care aide. With three children, her pay barely covers the bills for rent, food, utilities, and clothes for her children. For Kimberly and her family, a pay increase of $1 an hour could make a real difference.

This is enormously important to individuals. Republicans want to see how little they can do for the workers, and how much, evidently, they can do for the corporations and special interests. You cannot look at the conduct of leadership in these last 4 weeks and not understand that is what is happening. The workers are being nickled and dimed. This is absolutely unacceptable.

We are going to continue. The days are going down, the hours are going down, but we are resolute in our determination, and we are not going to have a bidding war out here on the floor of the Senate on this issue. We are not going to permit the toying with the lives of American workers who are playing by the rules, working 40 hours a week, 52 weeks a year, who want to provide for their children. They should not have to live in poverty in the United States of America. By denying us the opportunity to do something about this, the leadership, Republican leadership, is denying us a chance to deal with that issue, and it is fundamentally and basically wrong.

I will speak just briefly on another matter.

In passing the Norwood-Dingell bill, a large bipartisan majority in the House voted for strong patient protections against abuses by HMOs. Despite an extraordinary lobbying and disinformation campaign by the health insurance industry, the House approved the bill by a solid majority of 275 to 151. Mr. President, 68 Republicans as well as almost every Democrat in the House stood up for patients and stood up against industry pressure.

Now the insurance industry and its friends in the Republican leadership are at it again. Their emerging strategy is, once again, to delay and deny relief that American families need and that the House overwhelmingly approved. Every indication is that the intention of the Republican leadership is to see that this legislation, as it passed the House of Representatives, will not reach the President for his signature.

According to the Los Angeles Times, Senator LOTT's response to the passage of the House bill is that the House-Senate conferences on other legislation have a higher priority and resolving the differences on this bill will take some time.

According to the Baltimore Sun, Senator LOTT also indicated Congress might not have the time to work out differences or approve a final bill before it adjourns for the year. Senator NICKLES said the conference committee will probably not begin serious work until early next year.

I say: Why don't we consider the House bill—the bill that passed the House overwhelmingly with 68 Republicans—a bipartisan bill with Democrats and Republicans working together? Why don't we pass that in the Senate this afternoon? We could do that. I certainly urge that we go ahead and do that today. Every day we fail to pass the Patients' Bill of Rights, we are permitting insurance company accountants to make medical decisions that doctors and nurses and other trained medical personnel should have the opportunity to make. That is why the Patients' Bill of Rights is so important.

We believe that medical professionals, trained, dedicated and committed to their patients, should make those decisions, not accountants. This chart shows what we will see as long as we permit accountants to make health care decisions. We are going to see about 35,000 patients every single day will have needed care delayed. Specialty referrals will be denied to 35,000 patients. It may be that a child with cancer will see a pediatrician but doesn't get the necessary referral to see a pediatric oncologist. Mr. President, 31,000 patients are forced to change doctors every day; 18,000 are forced to change medication because the HMOs refused to reimburse the medicine their physician prescribed. The final result is that 59,000 Americans every day experience unnecessary added pain and suffering; 41,000 Americans see their conditions worsen every day that we fail to act.

We still have time to act in the final days of this session. Republicans are beginning to lay the groundwork for a failed conference. Comparing the Senate and House bills, Congressman BILL THOMAS says you don't see many crossbreeds between Chihuahuas and Great Danes walking around. That is quite a quote—we don't see many crossbreeds between Chihuahuas and Great Danes walking around.

I say, let's do what every health care professional organization in the United States has urged us to do, and pass the House bill. I am still waiting for the other side to list one major or minor health organization that supports their proposal: Zero, none, none. Every one of them—every doctors' organization, patients' organization, nursing organization, children's organization, women's health organization, consumer organization—supports our proposal.

Here is how Bruce Johnston of the U.S. Chamber of Commerce put it:

> To see nothing come out of the conference is my hope. The best outcome is no outcome. But if the strategy of delay and denial ultimately breaks down, the Republican leadership once again has an alternative to try to weaken the House bill as much as possible.

As the Baltimore Sun reported:

> The House majority whip suggested the Republican-dominated House conference would not fight vigorously for the House-approved measure in the conference committee. Mr. DeLay said, "Remember who controls the conference: the Speaker of the House."

That ought to give a lot of satisfaction to parents who are concerned about health care for their children. It ought to give a lot of satisfaction to the doctors who are trying to provide the best health care. This is what the House majority whip suggested: Remember who controls the conference: the Speaker of the House—unalterably opposed to the program.

The conference that produces legislation that looks like the Senate Republican bill will break faith with the American people, make a mockery of the overwhelming vote in the House of Representatives, and cause unnecessary suffering for millions of patients. Every day we delay in passing meaningful reforms means more patients will suffer and die.

Finally, I do not think, when we consider minimum wage and consider health, we have addressed these issues in the last few days. These are the matters about which most families are concerned. These are the issues they want addressed. The Republican leadership is considering what they will do on the bankruptcy issue. We have seen great economic prosperity. Do you know who is going bankrupt, by and large? It is the men and women who have lost out in the mergers, the supermergers that have brought extraordinary wealth and accumulation of wealth to individual stockholders. It is families who have had to pay increased costs for prescription drugs. It is women who are not receiving their alimony payments or women who are not getting child care support—there are some 400,000 of them. These are the individuals who are going into bankruptcy. Their needs should be protected.

We have to ask ourselves, if we are going to call bankruptcy up, why aren't we dealing with minimum wage? Why aren't we working on the Patients' Bill of Rights? Why are we not coming to grips with these issues, which are at the center of every working family's hopes and dreams.

In the months since the House passed the Norwood-Dingell bill and the Republican leadership has failed to allow a conference to proceed, 1 million patients have had needed care delayed; 1 million patients have been denied or delayed referral to a specialist; 940,000 patients have been forced to change doctors; more than 535,000 patients have been forced to change medication; Mr. President, 1.8 million patients have experienced added pain and suffering as a result of health plan abuses, and 1.2 million patients have seen their conditions worsen because of health plan abuses.

In the final days of this Congress, we can still take some important steps that will have a direct impact on the well-being of families who are at the lower end of the economic ladder. We can still take important steps that will have a direct impact on families who are faced with health care challenges. We can have a positive impact. We have had the hearings. We have had the debates. We have had the deliberations. All we need is to have the vote the way the House of Representatives had the vote. We can pass what has been a bipartisan bill in the House of Representatives in a matter of a few short hours.

The Republican leadership has waited a month since the House bill was passed to start this conference, effectively pushing action to next February at the earliest. Today is another litmus test of their intention with the appointment of House conferees. We expect those conferees to be stacked against meaningful reform.

We are prepared to participate in a fair conference, and we are willing to enter into a reasonable compromise, but we are sending notice today that we will not tolerate a charade designed only to protect insurance company profits while patients continue to suffer. We will come back to this issue over and over until the American people prevail.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BURNS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2408

Mr. FEINGOLD. Mr. President, I would like to very much thank the chairman and manager of the bill for accepting amendment No. 2408, which I offered and was cosponsored by Senator DURBIN of Illinois, with regard to anticorruption efforts and the desire to do something about the fact that bribery is an important problem worldwide. It poisons the business environment and distorts the normal practices of the marketplace. Bribery undermines democracy and leads to a lower global economy, and when corruption goes unchecked, everybody loses.

To pass the U.S. trade package without addressing corruption simply doesn't make sense, particularly if the package claims to actually promote growth and opportunity in Africa. Of the 16 sub-Saharan African states rated in the Transparency International 1999 Corruption Perception Index, 12 ranked in the bottom half.

The amendment Senator DURBIN and I have offered expresses a sense of Congress that the United States should encourage the accession of sub-Saharan African companies to the OECD Convention combating bribery of foreign officials in international business transactions. The OECD Convention criminalizes bribery of foreign officials to influence or retain business. Some have had said OECD standards are too demanding for the developing economies of Africa. But if we are going to engage in a new economic partnership with Africa, I think we need to leave this double standard behind. Transparency, integrity, and the rule of law are as important in Mali and Botswana as they are right here at home.

Ever since Congress passed the Foreign Corrupt Practices Act of 1977, under the leadership of one of my predecessors, Senator William Proxmire of Wisconsin, we have shared a consensus in this country that economic relations depend upon a foundation of fair play. This amendment incorporates that reality in African trade regulations. This anticorruption amendment also sends an important signal. It tells sub-Saharan states that responsibilities come with benefits in any trade partnership. If this Congress is serious about engaging Africa economically, we have to make these responsibilities crystal clear.

I, again, thank the Chair for accepting this amendment. I also commend Senator DURBIN, who has taken the lead—and I joined him—on another amendment having to do with this corruption issue. I am hopeful and optimistic that item will be accepted as well.

We have provided two different important provisions that will move forward with regard to the corruption problem in general and specifically with regard to the African nations.

AMENDMENT NO. 2409

(Purpose: To establish priorities for providing development assistance)

Mr. FEINGOLD. Mr. President, with regard to amendment No. 2409, I urge Members to look at the Statement of Policy in the text of the African Growth and Opportunity Act. In this section the bill asserts congressional support for a series of noble causes, such as supporting the development of civil societies and political freedom in the region, and focusing on countries committed to accountable government and the eradication of poverty.

But then those causes seem to disappear. The implication is that the United States plans to support for these worthy goals—goals that are in our own self-interest—through a series of limited trade benefits.

Nowhere does AGOA mention the role that development assistance plays in pursuing the very ends that it advocates—the eradication of poverty and the development of civil society.

This omission sends an alarming signal. It suggests that the United States may delude itself into thinking that trade alone will stimulate African development.

Trade alone cannot address the crippling effects of the HIV/AIDS epidemic, which has lowered life expectancies by as much as seventeen years in some African countries. Striking at the most productive segment of society—young adults—HIV/AIDS has dealt a brutal blow to African economic development, and has left a generation of orphans in its wake.

And trade alone will not provide sufficient access to education or to reproductive health services for African women—yet both elements are crucial to developing Africa's human resources.

This amendment expresses a sense of Congress that the HIV/AIDS epidemic and chronic food insecurity should be key priorities in U.S. assistance to Africa. It also prioritizes voluntary family planning services, including access to prenatal healthcare; education and vocational training, particularly for women; and programs designed to develop income-generating opportunities, such as micro-credit projects.

This amendment also mandates that the Development Fund for Africa be reestablished for aid authorized specifically for African-related objectives. The DFA allows USAID more flexibility in its Africa program. Perhaps most importantly, it is symbolic of U.S. commitment to African development.

In addition, my amendment requires USAID to submit a report to help the United States to get smarter about how it administers development assistance, and will ensure that our assistance fosters dynamic civil societies across the diverse nations of Africa.

This amendment sends an important signal. Even as the United States considers closer trade relations with sub-Saharan Africa, this country will not abandon its commitment to responsible and well-monitored development assistance.

Mr. President, I understand that a point of order is likely to be raised to this amendment. I understand the consequence of that. But I want to offer the amendment. I call up amendment No. 2409.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. FEINGOLD) proposes an amendment numbered 2409.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new title:

TITLE —DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICAN COUNTRIES

SEC. 01. FINDINGS.

(a) IN GENERAL.—Congress makes the following findings:

(1) In addition to drought and famine, the HIV/AIDS epidemic has caused countless deaths and untold suffering among the people of sub-Saharan Africa.

(2) The Food and Agricultural Organization estimates that 543,000,000 people, representing nearly 40 percent of the population of sub-Saharan Africa, are chronically undernourished.

(b) AMENDMENT TO FOREIGN ASSISTANCE ACT OF 1961.—Section 496(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(a)(1)) is amended by striking "drought and famine" and inserting "drought, famine, and the HIV/AIDS epidemic".

SEC. 02. PRIVATE AND VOLUNTARY ORGANIZATIONS.

Section 496(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(e)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

"(2) CAPACITY BUILDING.—In addition to assistance provided under subsection (h), the United States Agency for International Development shall provide capacity building assistance through participatory planning to private and voluntary organizations that are involved in providing assistance for sub-Saharan Africa under this chapter.".

SEC. 03. TYPES OF ASSISTANCE.

Section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) is amended by adding at the end the following:

"(4) PROHIBITION ON MILITARY ASSISTANCE.—Assistance under this section—

"(A) may not include military training or weapons; and

"(B) may not be obligated or expended for military training or the procurement of weapons.".

SEC. 04. CRITICAL SECTORAL PRIORITIES.

(a) AGRICULTURE, FOOD SECURITY AND NATURAL RESOURCES.—Section 496(i)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(1)) is amended—

(1) in the heading, to read as follows:

"(1) AGRICULTURE, FOOD SECURITY AND NATURAL RESOURCES.—";

(2) in subparagraph (A)—

(A) in the heading, to read as follows:

"(A) AGRICULTURE AND FOOD SECURITY.—";

(B) in the first sentence—

(i) by striking "agricultural production in ways" and inserting "food security by promoting agriculture policies"; and

(ii) by striking ", especially food production,"; and

(3) in subparagraph (B), in the matter preceding clause (i), by striking "agricultural production" and inserting "food security and sustainable resource use".

(b) HEALTH.—Section 496(i)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended by striking "(including displaced children)" and inserting "(including displaced children and improving HIV/AIDS prevention and treatment programs)".

(c) VOLUNTARY FAMILY PLANNING SERVICES.—Section 496(i)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(3)) is amended by adding at the end before the period the following: "and access to prenatal healthcare".

(d) EDUCATION.—Section 496(i)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(4)) is amended by adding at the end before the period the following: "and vocational education, with particular emphasis on primary education and vocational education for women".

(e) INCOME-GENERATING OPPORTUNITIES.—Section 496(i)(5) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(5)) is amended—

(1) by striking "labor-intensive"; and

(2) by adding at the end before the period the following: ", including development of manufacturing and processing industries and microcredit projects".

SEC. 05. REPORTING REQUIREMENTS.

Section 496 of the Foreign Assistance Act of 1961 (22 U.S.C. 2293) is amended by adding at the end the following:

"(p) REPORTING REQUIREMENTS.—The Administrator of the United States Agency for International Development shall, on a semiannual basis, prepare and submit to Congress a report containing—

"(1) a description of how, and the extent to which, the Agency has consulted with nongovernmental organizations in sub-Saharan Africa regarding the use of amounts made available for sub-Saharan African countries under this chapter;

"(2) the extent to which the provision of such amounts has been successful in increasing food security and access to health and education services among the people of sub-Saharan Africa;

"(3) the extent to which the provision of such amounts has been successful in capacity building among local nongovernmental organizations; and

"(4) a description of how, and the extent to which, the provision of such amounts has furthered the goals of sustainable economic and agricultural development, gender equity, environmental protection, and respect for workers' rights in sub-Saharan Africa.".

SEC. 06. SEPARATE ACCOUNT FOR DEVELOPMENT FUND FOR AFRICA.

Amounts appropriated to the Development Fund for Africa shall be appropriated to a separate account under the heading "Development Fund for Africa" and not to the account under the heading "Development Assistance".

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I object to this amendment on the grounds that the Senator's amendment is inconsistent with the unanimous consent setting the terms of this debate. I appreciate the distinguished Senator's interest in this matter.

I make a point of order the amendment is not within the jurisdiction of the Finance Committee. It seems to me the appropriate place to debate this is in the context of the foreign operations appropriations bill or a foreign relations bill. For these reasons, I urge my friend to withdraw this amendment.

The PRESIDING OFFICER. The Senator's point is well taken and the amendment falls.

Mr. FEINGOLD. In light of the concerns raised by the chairman, I will withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. ROTH. On the first matter dealing with the anticorruption, we are in agreement. I congratulate and thank the Senator for his leadership in this matter. Because of his interest, as well as others, we are including a specific anticorruption provision in the managers' amendment.

I thank the distinguished Senator for his cooperation.

Mr. SPECTER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I ask unanimous consent the Wellstone amendment be temporarily laid aside so that I may proceed with another amendment.

The PRESIDING OFFICER (Mr. HAGEL). Without objection, it is so ordered.

AMENDMENT NO. 2347, AS MODIFIED

Mr. SPECTER. Mr. President, I am sending an amendment to the desk on behalf of Senator BYRD, Senator HATCH, Senator HOLLINGS, Senator HELMS, Senator SANTORUM, and myself relating to a private right of action. I ask it be immediately considered.

The PRESIDING OFFICER. I am informed by the Parliamentarian the Senator can only call up an amendment that has been filed.

Mr. SPECTER. This amendment has been filed.

The PRESIDING OFFICER. Does the Senator have the number?

Mr. ROTH. I give the Senator permission to make modifications, if that is necessary.

Mr. SPECTER. Mr. President, as I have discussed with the distinguished chairman of the committee, it is amendment No. 2347. There have been two minor changes made which I have discussed with the distinguished chairman of the committee.

The PRESIDING OFFICER. The Chair notifies the Senator it takes a unanimous consent to modify the amendment.

Mr. SPECTER. I ask unanimous consent to modify the amendment. The modifications are minor.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 2347), as modified, is as follows:

At the appropriate place, insert the following new title:

TITLE —PRIVATE RIGHT OF ACTION FOR DUMPED AND SUBSIDIZED MERCHANDISE

SEC. 01. SHORT TITLE.

This title may be cited as the "Unfair Foreign Competition Act of 1999".

SEC. 02. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) ACTION FOR DUMPING VIOLATIONS.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801. IMPORTATION OR SALE OF ARTICLES AT LESS THAN FOREIGN MARKET VALUE OR CONSTRUCTED VALUE.

"(a) PROHIBITION.—No person shall import into, or sell within, the United States an article manufactured or produced in a foreign country if—

"(1) the article is imported or sold within the United States at a United States price that is less than the foreign market value or constructed value of the article; and

"(2) the importation or sale—

"(A) causes or threatens to cause material injury to industry or labor in the United States; or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) CIVIL ACTION.—An interested party whose business or property is injured by reason of an importation or sale of an article in violation of this section may bring a civil action in the United States District Court for the District of Columbia Circuit against any person who—

"(1) manufactures, produces, or exports the article; or

"(2) imports the article into the United States if the person is related to the manufacturer or exporter of the article.

"(c) RELIEF.—

"(1) IN GENERAL.—Upon an affirmative determination by the United States District Court for the District of Columbia Circuit in an action brought under subsection (b), the court shall issue an order that includes a description of the subject article in such detail as the court deems necessary and shall—

"(A) direct the Customs Service to assess an antidumping duty on the article covered by the determination in accordance with section 736(a) of the Tariff Act of 1930 (19 U.S.C. 1673e); and

"(B) require the deposit of estimated antidumping duties pending liquidation of entries of the article at the same time as estimated normal customs duties on that article are deposited.

"(d) STANDARD OF PROOF.—

"(1) PREPONDERANCE OF EVIDENCE.—The standard of proof in an action brought under subsection (b) is a preponderance of the evidence.

"(2) SHIFT OF BURDEN OF PROOF.—Upon—

"(A) a prima facie showing of the elements set forth in subsection (a), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

"(e) OTHER PARTIES.—

"(1) IN GENERAL.—Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

"(2) SERVICE ON DISTRICT DIRECTOR OF CUSTOMS SERVICE.—A foreign manufacturer, producer, or exporter that sells articles, or for whom articles are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service for the port through which the article that is the subject of the action is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, and all lawful process may be served on the District Director in any action brought under subsection (b) against the manufacturer, producer, or exporter.

"(f) LIMITATION.—

"(1) STATUTE OF LIMITATION.—An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrues.

"(2) SUSPENSION.—The 4-year period provided for in paragraph (1) shall be suspended—

"(A) while there is pending an administrative proceeding under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.) relating to the article that is the subject of the action or an appeal of a final determination in such a proceeding; and

"(B) for 1 year thereafter.

"(g) NONCOMPLIANCE WITH COURT ORDER.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h) CONFIDENTIALITY AND PRIVILEGED STATUS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be maintained in any action brought under subsection (b).

"(2) EXCEPTION.—In an action brought under subsection (b) the court may—

"(A) examine, in camera, any confidential or privileged material;

"(B) accept depositions, documents, affidavits, or other evidence under seal; and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) EXPEDITION OF ACTION.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) DEFINITIONS.—In this section, the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', 'interested party', and 'material injury', have the meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

"(k) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

"(l) NULLIFICATION OF ORDER.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(b) ACTION FOR SUBSIDIES VIOLATIONS.—Title VIII of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 71 et seq.) is amended by adding at the end the following new section:

"SEC. 807. IMPORTATION OR SALE OF SUBSIDIZED ARTICLES.

"(a) PROHIBITION.—No person shall import into, or sell within, the United States an article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of the article; and

"(2) the importation or sale—

"(A) causes or threatens to cause material injury to industry or labor in the United States; or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) CIVIL ACTION.—An interested party whose business or property is injured by reason of the importation or sale of an article in violation of this section may bring a civil action in the United States District Court for the District of Columbia Circuit against any person who—

"(1) manufactures, produces, or exports the article; or

"(2) imports the article into the United States if the person is related to the manufacturer, producer, or exporter of the article.

"(c) RELIEF.—

"(1) IN GENERAL.—Upon an affirmative determination by the United States District Court for the District of Columbia Circuit in an action brought under subsection (b), the court shall issue an order that includes a description of the subject article in such detail as the court deems necessary and shall—

"(A) direct the Customs Service to assess a countervailing duty on the article covered by the determination in accordance with section 706(a) of the Tariff Act of 1930 (19 U.S.C. 1671e); and

"(B) require the deposit of estimated countervailing duties pending liquidation of entries of the article at the same time as estimated normal customs duties on that article are deposited.

"(d) STANDARD OF PROOF.—

"(1) PREPONDERANCE OF EVIDENCE.—The standard of proof in an action filed under subsection (b) is a preponderance of the evidence.

“(2) SHIFT OF BURDEN OF PROOF.—Upon—

“(A) a prima facie showing of the elements set forth in subsection (a), or

“(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question from the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

“(e) OTHER PARTIES.—

“(1) IN GENERAL.—Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

“(2) SERVICE ON DISTRICT DIRECTOR OF CUSTOMS SERVICE.—A foreign manufacturer, producer, or exporter that sells articles, or for which articles are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service for the port through which the article that is the subject of the action is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, and all lawful process may be served on the District Director in any action brought under subsection (b) against the manufacturer, producer, or exporter.

“(f) LIMITATION.—

“(1) STATUTE OF LIMITATIONS.—An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrues.

“(2) SUSPENSION.—The 4-year period provided for in paragraph (1) shall be suspended—

“(A) while there is pending an administrative proceeding under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) relating to the article that is the subject of the action or an appeal of a final determination in such a proceeding; and

“(B) for 1 year thereafter.

“(g) NONCOMPLIANCE WITH COURT ORDER.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

“(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

“(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

“(h) CONFIDENTIALITY AND PRIVILEGED STATUS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be maintained in any action brought under subsection (b).

“(2) EXCEPTION.—In an action brought under subsection (b) the court may—

“(A) examine, in camera, any confidential or privileged material;

“(B) accept depositions, documents, affidavits, or other evidence under seal; and

“(C) disclose such material under such terms and conditions as the court may order.

“(i) EXPEDITION OF ACTION.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

“(j) DEFINITIONS.—In this section, the terms 'subsidy', 'material injury', and 'interested party' have the meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

“(k) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

“(l) NULLIFICATION OF ORDER.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).”.

(c) ACTION FOR CUSTOMS FRAUD.—

(1) AMENDMENT OF TITLE 28, UNITED STATES CODE.—Chapter 95 of title 28, United States Code, is amended by adding at the end the following new section:

“§1586. Private enforcement action for customs fraud

“(a) CIVIL ACTION.—An interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)) may bring a civil action in the United States District Court for the District of Columbia Circuit, without respect to the amount in controversy.

“(b) RELIEF.—Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, the interested party shall—

“(1)(A) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the merchandise in question; or

“(B) if injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

“(2) recover the costs of suit, including reasonable attorney's fees.

“(c) DEFINITIONS.—For purposes of this section:

“(1) INTERESTED PARTY.—The term 'interested party' means—

“(A) a manufacturer, producer, or wholesaler in the United States of like or competing merchandise; or

“(B) a trade or business association a majority of whose members manufacture, produce, or wholesale like merchandise or competing merchandise in the United States.

“(2) LIKE MERCHANDISE.—The term 'like merchandise' means merchandise that is like, or in the absence of like, most similar in characteristics and users with, merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

“(3) COMPETING MERCHANDISE.—The term 'competing merchandise' means merchandise that competes with or is a substitute for merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

“(d) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in an action brought under this section, as a matter of right. The United States shall have all the rights of a party.

“(e) NULLIFICATION OF ORDER.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).”.

(2) TECHNICAL AMENDMENT.—The chapter analysis for chapter 95 of title 28, United States Code, is amended by adding at the end the following new item:

“1586. Private enforcement action for customs fraud.”.

SEC. 03. AMENDMENTS TO THE TARIFF ACT OF 1930.

(a) IN GENERAL.—Title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) is amended by inserting after section 753 the following new section:

“SEC. 754. CONTINUED DUMPING AND SUBSIDY OFFSET.

“(a) IN GENERAL.—Duties assessed pursuant to a countervailing duty order, an antidumping duty order, or a finding under the Antidumping Act of 1921 shall be distributed on an annual basis under this section to workers for damages sustained for loss of wages resulting from the loss of jobs, and to the affected domestic producers for qualifying expenditures. Such distribution shall be known as the 'continued dumping and subsidy offset'.

“(b) DEFINITIONS.—As used in this section:

“(1) AFFECTED DOMESTIC PRODUCER.—The term 'affected domestic producer' means any manufacturer, producer, farmer, rancher, or worker representative (including associations of such persons) that—

“(A) was a petitioner or interested party in support of the petition with respect to which an antidumping duty order, a finding under the Antidumping Act of 1921, or a countervailing duty order has been entered, and

“(B) remains in operation.

Companies, businesses, or persons that have ceased the production of the product covered by the order or finding or who have been acquired by a company or business that is related to a company that opposed the investigation shall not be an affected domestic producer.

“(2) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Customs.

“(3) COMMISSION.—The term 'Commission' means the United States International Trade Commission.

“(4) QUALIFYING EXPENDITURE.—The term 'qualifying expenditure' means an expenditure incurred after the issuance of the antidumping duty finding or order or countervailing duty order in any of the following categories:

“(A) Plant.

“(B) Equipment.

“(C) Research and development.

“(D) Personnel training.

“(E) Acquisition of technology.

“(F) Health care benefits to employees paid for by the employer.

“(G) Pension benefits to employees paid for by the employer.

“(H) Environmental equipment, training, or technology.

“(I) Acquisition of raw materials and other inputs.

“(J) Borrowed working capital or other funds needed to maintain production.

“(5) RELATED TO.—A company, business, or person shall be considered to be 'related to' another company, business, or person if—

“(A) the company, business, or person directly or indirectly controls or is controlled by the other company, business, or person,

“(B) a third party directly or indirectly controls both companies, businesses, or persons, "(C) both companies, businesses, or persons directly or indirectly control a third party and there is reason to believe that the relationship causes the first company, business, or persons to act differently than a nonrelated party.

For purposes of this paragraph, a party shall be considered to directly or indirectly control another party if the party is legally or operationally in a position to exercise restraint or direction over the other party.

"(6) WORKERS.—The term 'workers' refers to persons who sustained damages for loss of wages resulting from loss of jobs. The Secretary of Labor shall determine eligibility for purposes of this section.

"(c) DISTRIBUTION PROCEDURES.—The Commissioner in consultation with the Secretary of Labor shall prescribe procedures for distribution of the continued dumping or subsidies offset required by this section. Such distribution shall be made not later than 60 days after the first day of a fiscal year from duties assessed during the preceding fiscal year.

"(d) PARTIES ELIGIBLE FOR DISTRIBUTION OF ANTIDUMPING AND COUNTERVAILING DUTIES ASSESSED.—

"(1) LIST OF WORKERS AND AFFECTED DOMESTIC PRODUCERS.—The Commission shall forward to the Commissioner within 60 days after the effective date of this section in the case of orders or findings in effect on such effective date, or in any other case, within 60 days after the date an antidumping or countervailing duty order or finding is issued, a list of petitioners and persons with respect to each order and finding and a list of persons that indicate support of the petition by letter or through questionnaire response. In those cases in which a determination of injury was not required or the Commission's records do not permit an identification of those in support of a petition, the Commission shall consult with the administering authority to determine the identity of the petitioner and those domestic parties who have entered appearances during administrative reviews conducted by the administering authority under section 751.

"(2) PUBLICATION OF LIST; CERTIFICATION.—The Commissioner shall publish in the Federal Register at least 30 days before the distribution of a continued dumping and subsidy offset, a notice of intention to distribute the offset and the list of workers and affected domestic producers potentially eligible for the distribution based on the list obtained from the Commission under paragraph (1). The Commissioner shall request a certification from each potentially eligible affected domestic producer—

"(A) that the producer desires to receive a distribution;

"(B) that the producer is eligible to receive the distribution as an affected domestic producer; and

"(C) the qualifying expenditures incurred by the producer since the issuance of the order or finding for which distribution under this section has not previously been made.

"(3) DISTRIBUTION OF FUNDS.—The Commissioner in consultation with the Secretary of Labor shall distribute all funds (including all interest earned on the funds) from assessed duties received in the preceding fiscal year to workers and to the affected domestic producers based on the certifications described in paragraph (2). The distributions shall be made on a pro rata basis based on new and remaining qualifying expenditures.

"(e) SPECIAL ACCOUNTS.—

"(1) ESTABLISHMENTS.—Within 14 days after the effective date of this section, with respect to antidumping duty orders and findings and countervailing duty orders in effect on the effective date of this section, and within 14 days after the date an antidumping duty order or finding or countervailing duty order issued after the effective date takes effect, the Commissioner shall establish in the Treasury of the United States a special account with respect to each such order or finding.

"(2) DEPOSITS INTO ACCOUNTS.—The Commissioner shall deposit into the special accounts, all antidumping or countervailing duties (including interest earned on such duties) that are assessed after the effective date of this section under the antidumping order or finding or the countervailing duty order with respect to which the account was established.

"(3) TIME AND MANNER OF DISTRIBUTIONS.—Consistent with the requirements of subsections (c) and (d), the Commissioner shall by regulation prescribe the time and manner in which distribution of the funds in a special account shall made.

"(4) TERMINATION.—A special account shall terminate after—

"(A) the order or finding with respect to which the account was established has terminated;

"(B) all entries relating to the order or finding are liquidated and duties assessed collected;

"(C) the Commissioner has provided notice and a final opportunity to obtain distribution pursuant to subsection (c); and

"(D) 90 days has elapsed from the date of the notice described in subparagraph (C).

Amounts not claimed within 90 days of the date of the notice described in subparagraph (C), shall be deposited into the general fund of the Treasury.".

(b) CONFORMING AMENDMENT.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting the following new item after the item relating to section 753:

"Sec. 754. Continued dumping and subsidy offset.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to all antidumping and countervailing duty assessments made on or after October 1, 1996.

Mr. SPECTER. Mr. President, as noted, there are two modifications to the amendment. They are minor modifications. One relates to the court which will have jurisdiction. Instead of the Court of International Trade, it will be the U.S. District Court for the District of Columbia. And the second is the striking of language citing antitrust laws, which has been deleted to avoid any possible question as to whether this is a Finance Committee jurisdictional matter and appropriate amendment for this bill.

The essence of this bill is to provide a private right of action to damaged, injured parties when goods are imported into the United States which are dumped in violation of U.S. trade laws and in violation of international trade laws. Many American industries have been decimated as a result of this illegal practice, and the existing remedies are totally insufficient to provide adequate safeguards for the violation of these trade laws.

This bill does not deal with any issue of inappropriate consideration for domestic industries and is really not protectionist, as that term has been traditionally defined. The international trade laws are specific that the goods ought not to be sold in the United States at a lower price than they are sold in the country from which the exports are made and imported into the United States. Our trade laws in the United States preclude dumped goods from coming into this country. International trade laws preclude dumped goods.

This is an approach I have been advocating for more than 17 years now, with my initial bill having been introduced in the 97th Congress, S. 2167, on March 4, 1983. I followed up with similar legislation in the 98th Congress, S. 418 on February 3, 1983; in the 99th Congress, with S. 236; in the 100th Congress, with S. 361; in the 102d Congress, with S. 2508. The thrust has always been the same, that is to provide a private right of action so injured parties could go into Federal court and secure redress on their legal rights because the proceedings through section 201, through the Department of Commerce, through the International Trade Commission, are so long that they are virtually ineffective.

If an injured party goes into the Federal court under the Federal Rules of Civil Procedure, it is possible to get a temporary restraining order on affidavits within 5 days, then a prompt preliminary hearing and a preliminary injunction and prompt equitable proceedings for a permanent injunction.

The initial legislation, which was introduced back in 1982, called for injunctive relief. The pending amendment provides for a remedy of duties or tariffs equal to the amount of the dumping, the difference between what the product would be sold at in the United States compared to what the product is being sold at in the home country.

I have a list of antidumping duty orders in effect on March 1, 1999. I ask unanimous consent this list be printed in the CONGRESSIONAL RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SPECTER. Mr. President, on the 5 pages which I am submitting, there are some 290 items which are being subjected to the antidumping orders as of March 1 of this year.

Some illustrative provisions: In Argentina, there is a dumping order on carbon steel; as to Bangladesh, a dumping order on cotton shop towels; Belgium, a dumping order on sugar; Canada, a dumping order on red raspberries; Chile, a dumping order on fresh cut flowers; China, a dumping order on garlic. So the list goes on and on and on.

When I testified at the hearing before the Finance Committee in favor of this bill, the Senator from North Dakota, Mr. CONRAD, made a comment that this kind of provision might well be applied to wheat and wheat farmers, where they are subjected to dumping from other countries. I suggest to my colleagues who are listening to this on C-SPAN, or to the staffs, that there is hardly a State—there may be no State—which is unaffected by dumping where goods come in from a foreign country and are sold in the United States at a price lower than they are being sold in the foreign country in violation of U.S. trade laws and in violation of international trade laws.

The remedy has been modified to provide for the duties or tariffs, as I have stated, in order to comply with GATT, because a question had arisen as to whether injunctive relief was appropriate under GATT. I frankly believe it is. But to avoid any problem, the relief has been modified to duties or tariffs.

The difficulty with the proceedings with the existing laws is the tremendous length of time which is taken. For an illustration, there was an anti-dumping order issued as to salmon. It was initiated on July 10, 1997. The order was finally issued on July 30, 1998—time elapsed, 380 days.

A second illustrative case involved garlic from China, initiated on February 28, 1994; the order issued on November 16, 1994—200 days.

A third illustration, magnesium from Ukraine: Initiated April 26, 1994; the order issued May 12, 1995—360 days.

Hot rolled steel from Japan: The initiation of the action was October 27, 1998; the order issued on June 19, 1999. These are only illustrative of the enormous lapse in time.

Contrasted with what can happen in a court of equity, a temporary restraining order can be issued within 5 days on affidavits, prompt proceedings for preliminary injunctions, prompt proceedings for injunctive relief generally.

The difficulty with existing law is that the decisions are made based upon political considerations and foreign relations, and not based upon what is right for American industries who are being undersold by these dumped goods and have suffered a tremendous loss of employment.

My State, Pennsylvania, has been victimized by dumping for the past 2 decades. Two decades ago, the American steel industry employed some 500,000 individuals. Today that number has dwindled to 160,000, notwithstanding the fact that the American steel industry has spent some $50 billion in modernizing.

Under existing laws, the executive branch has the authority to issue suspension agreements. One illustration of that was a suspension agreement issued on July 13 of this year when Secretary Daley announced the United States and Russia had reached agreements to reduce imports of steel. That was immediately followed by strenuous objections by a number of steel companies operating out of my State, Pennsylvania—Bethlehem Steel, LTV, National Steel Corporation, U.S. Steel Group—where they made strenuous objection to these suspension agreements which undermine the effectiveness and credibility of U.S. trade laws and a rule-based international trade system.

I recall, in 1984, a time when the American steel industry was especially hard hit by imports, dumped imports.

The International Trade Commission had issued an order 3-2 in favor of the position of American Steel. The President had the authority to overrule that decision. Senator Heinz and I then made the rounds and talked to International Trade Representative Brock who agreed that the International Trade Commission order in favor of American Steel should be upheld. We talked to Secretary of Commerce Malcolm Baldrige who similarly agreed. We then talked to Secretary of State George Shultz who disagreed, as did Secretary of Defense Weinberger, with Secretary of State Shultz putting it on grounds of U.S. foreign policy and Secretary of Defense Weinberger putting it on grounds of U.S. defense policy.

When these matters are left to the executive branch, the executive branch inevitably does a balancing of what is happening in Russia, what is happening in Argentina, what is happening in Japan, what is happening in Korea.

It is certainly true that when the suspension agreements were entered into by Secretary Daley on July 13, 1999, the Russian economy was in a precarious state, but then so were certain aspects of the economy of western Pennsylvania.

The thrust of taking the matter to the courts is that justice will be done in accordance with existing law, contrasted with what the desirability may be for U.S. foreign policy or for U.S. defense policy.

There is stated from time to time a reluctance to take matters to the court, but my own view, having had substantial practice in the Federal courts as well as the State courts, is that is where justice is done. If there is a case that could be made to show there is a violation of U.S. trade laws and foreign trade laws on dumping, those legal principles will be administered by the courts. Where the wheat industry is being victimized by dumping or the steel industry is being victimized by dumping or the sugar industry is being victimized by dumping or the fresh cut flower industry is being victimized by dumping, justice will be done in the Federal courts.

I yield the floor.

EXHIBIT 1

ANTIDUMPING DUTY ORDERS IN EFFECT ON MARCH 1, 1999

[Duty orders revoked by Sunset Review remain in effect until Jan 1, 2000]

CASE NUM AND COUNTRY		PRODUCT	DAT INI
A-357-007	ARGENTINA	CARBON STEEL WIRE ROD	12/
A-357-405	ARGENTINA	BARBED WIRE AND BARBLESS WIRE STRAND	12/
A-357-802	ARGENTINA	L-WR WELDED CARBON STEEL PIPE & TUBE	06/
A-357-804	ARGENTINA	SILICON METAL	09/
A-357-809	ARGENTINA	LINE AND PRESSURE PIPE	07/
A-357-810	ARGENTINA	OIL COUNTRY TUBULAR GOODS	07/
A-831-801	ARMENIA	SOLID UREA	08/
A-602-803	AUSTRALIA	CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS	07/
A-832-801	AZERBAIJAN	SOLID UREA	08/
A-538-802	BANGLADESH	COTTON SHOP TOWELS	04/
A-822-801	BELARUS	SOLID UREA	08/
A-423-077	BELGIUM	SUGAR	08/
A-423-602	BELGIUM	INDUSTRIAL PHOSPHORIC ACID	12/
A-423-805	BELGIUM	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-351-503	BRAZIL	IRON CONSTRUCTION CASTINGS	06/
A-351-505	BRAZIL	MALLEABLE CAST IRON PIPE FITTINGS	08/
A-351-602	BRAZIL	CARBON STEEL BUTT-WELD PIPE FITTINGS	03/
A-351-603	BRAZIL	BRASS SHEET & STRIP	04/
A-351-605	BRAZIL	FROZEN CONCENTRATED ORANGE JUICE	06/
A-351-804	BRAZIL	INDUSTRIAL NITROCELLULOSE	10/
A-351-806	BRAZIL	SILICON METAL	09/
A-351-809	BRAZIL	CIRCULAR WELDED NON-ALLOY STEEL PIPE	10/
A-351-811	BRAZIL	HOT ROLLED LEAD/BISMUTH CARBON STEEL PRODUCTS	05/
A-351-817	BRAZIL	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-351-819	BRAZIL	STAINLESS STEEL WIRE ROD	01/
A-351-820	BRAZIL	FERROSILICON	02/
A-351-824	BRAZIL	SILICOMANGANESE	12/
A-351-825	BRAZIL	STAINLESS STEEL BAR	01/
A-351-826	BRAZIL	LINE AND PRESSURE PIPE	07/
A-122-047	CANADA	ELEMENTAL SULPHUR	02/
A-122-085	CANADA	SUGAR & SYRUP	04/
A-122-401	CANADA	RED RASPBERRIES	07/

ANTIDUMPING DUTY ORDERS IN EFFECT ON MARCH 1, 1999—Continued

[Duty orders revoked by Sunset Review remain in effect until Jan. 1, 2000]

CASE NUM AND COUNTRY		PRODUCT	DAT INI
A-122-503	CANADA	IRON CONSTRUCTION CASTINGS	06/
A-122-506	CANADA	OIL COUNTRY TUBULAR GOODS	08/
A-122-601	CANADA	BRASS SHEET & STRIP	04/
A-122-605	CANADA	COLOR PICTURE TUBES	12/
A-122-804	CANADA	NEW STEEL RAILS	10/
A-122-814	CANADA	PURE AND ALLOY MAGNESIUM	10/
A-122-822	CANADA	CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS	07/
A-122-823	CANADA	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-337-602	CHILE	FRESH CUT FLOWERS	06/
A-337-803	CHILE	FRESH ATLANTIC SALMON	07/
A-337-804	CHILE	PRESERVED MUSHROOMS	02/
A-570-001	CHINA PRC	POTASSIUM PERMANGANATE	03/
A-570-002	CHINA PRC	CHLOROPICRIN	05/
A-570-003	CHINA PRC	COTTON SHOP TOWELS	09/
A-570-007	CHINA PRC	BARIUM CHLORIDE	11/
A-570-101	CHINA PRC	GREIG POLYESTER COTTON PRINT CLOTH	09/
A-570-501	CHINA PRC	NATURAL BRISTLE PAINT BRUSHES & BRUSH HEADS	03/
A-570-502	CHINA PRC	IRON CONSTRUCTION CASTINGS	06/
A-570-504	CHINA PRC	PETROLEUM WAX CANDLES	09/
A-570-506	CHINA PRC	PORCELAIN-ON-STEEL COOKING WARE	12/
A-570-601	CHINA PRC	TAPERED ROLLER BEARINGS	09/
A-570-802	CHINA PRC	INDUSTRIAL NITROCELLULOSE	10/
A-570-803	CHINA PRC	HEAVY FORGED HAND TOOLS, W/WO HANDLES	05/
A-570-804	CHINA PRC	SPARKLERS	07/
A-570-805	CHINA PRC	SULFUR CHEMICALS (SODIUM THIOSULFATE)	08/
A-570-806	CHINA PRC	SILICON METAL	09/
A-570-808	CHINA PRC	CHROME-PLATE LUG NUTS	11/
A-570-811	CHINA PRC	TUNGSTEN ORE CONCENTRATES	02/
A-570-814	CHINA PRC	CARBON STEEL BUTT-WELD PIPE FITTINGS	06/
A-570-815	CHINA PRC	SULFANILIC ACID	10/
A-570-819	CHINA PRC	FERROSILICON	06/
A-570-820	CHINA PRC	COMPACT DUCTILE IRON WATERWORKS FITTINGS	08/
A-570-822	CHINA PRC	HELICAL SPRING LOCK WASHERS	10/
A-570-825	CHINA PRC	SEBACIC ACID	08/
A-570-826	CHINA PRC	PAPER CLIPS	11/
A-570-827	CHINA PRC	PENCILS, CASED	12/
A-570-828	CHINA PRC	SILICOMANGANESE	12/
A-570-830	CHINA PRC	COUMARIN	01/
A-570-831	CHINA PRC	GARLIC, FRESH	02/
A-570-832	CHINA PRC	PURE MAGNESIUM	04/
A-570-835	CHINA PRC	FURFURYL ALCOHOL	06/
A-570-836	CHINA PRC	GLYCINE	07/
A-570-840	CHINA PRC	MANGANESE METAL	12/
A-570-842	CHINA PRC	POLYVINYL ALCOHOL	04/
A-570-844	CHINA PRC	MELAMINE INSTITUTIONAL DINNERWARE	03/
A-570-846	CHINA PRC	BRAKE ROTORS	04/
A-570-847	CHINA PRC	PERSULFATES	08/
A-570-848	CHINA PRC	FRESHWATER CRAWFISH TAILMEAT	10/
A-583-008	CHINA TAIWAN	SMALL DIAM. WELDED CARBON STEEL PIPE & TUBE	05/
A-583-080	CHINA TAIWAN	CARBON STEEL PLATE	10/
A-583-505	CHINA TAIWAN	OIL COUNTRY TUBULAR GOODS	08/
A-583-507	CHINA TAIWAN	MALLEABLE CAST IRON PIPE FITTINGS	08/
A-583-508	CHINA TAIWAN	PORCELAIN-ON-STEEL COOKING WARE	12/
A-583-603	CHINA TAIWAN	TOP-OF-THE-STOVE STNLS STEEL COOKING WARE	02/
A-583-605	CHINA TAIWAN	CARBON STEEL BUTT-WELD PIPE FITTINGS	03/
A-583-803	CHINA TAIWAN	LIGHT-WALLED RECT. WELDED CARBON STEEL PIPE & TUBE	07/
A-583-806	CHINA TAIWAN	TELEPHONE SYSTEMS & SUBASSEMBLIES THEREOF	01/
A-583-810	CHINA TAIWAN	CHROME-PLATED LUG NUTS	11/
A-583-814	CHINA TAIWAN	CIRCULAR WELDED NON-ALLOY STEEL PIPE	10/
A-583-815	CHINA TAIWAN	WELDED ASTM A-312 STAINLESS STEEL PIPE	12/
A-583-816	CHINA TAIWAN	STAINLESS STEEL BUTT-WELD PIPE FITTINGS	06/
A-583-820	CHINA TAIWAN	HELICAL SPRING LOCK WASHERS	10/
A-583-821	CHINA TAIWAN	STAINLESS STEEL FLANGES	02/
A-583-824	CHINA TAIWAN	POLYVINYL ALCOHOL	04/
A-583-825	CHINA TAIWAN	MELAMINE INSTITUTIONAL DINNERWARE	03/
A-583-826	CHINA TAIWAN	COLLATED ROOFING NAILS	12/
A-583-827	CHINA TAIWAN	STATIC RANDOM ACCESS MEMORY	03/
A-583-828	CHINA TAIWAN	STAINLESS STEEL WIRE ROD	08/
A-301-602	COLOMBIA	FRESH CUT FLOWERS	06/
A-331-602	ECUADOR	FRESH CUT FLOWERS	06/
A-447-801	ESTONIA	SOLID UREA	08/
A-405-802	FINLAND	CUT-TO-LENGTH CARBON STEEL PLACE	07/
A-427-001	FRANCE	SORBITOL	07/
A-427-009	FRANCE	INDUSTRIAL NITROCELLULOSE	07/
A-427-078	FRANCE	SUGAR	08/
A-427-098	FRANCE	ANHYDROUS SODIUM METASLICATE	06/
A-427-602	FRANCE	BRASS SHEET & STRIP	04/
A-427-801	FRANCE	ANTIFRICTION BEARINGS	04/
A-427-804	FRANCE	HOT ROLLED LEAD/BISMUTH CARBON STEEL PRODUCTS	05/
A-427-808	FRANCE	CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS	07/
A-427-811	FRANCE	STAINLESS STEEL WIRE ROD	01/
A-427-812	FRANCE	CALCIUM ALUMINATE CEMENT AND CEMENT CLINKER	04/
A-100-001	GENERAL ISSUES	ANTIFRICTION BEARINGS	04/
A-100-003	GENERAL ISSUES	CARBON STEEL FLAT PRODUCTS (FILED 30-Jun-92)	07/
A-833-801	GEORGIA	SOLID UREA	08/
A-428-811	GERMANY UNITED	HOT ROLLED LEAD/BISMUTH CARBON STEEL PRODUCTS	05/
A-428-814	GERMANY UNITED	COLD-ROLLED CARBON STEEL FLAT PRODUCTS	07/
A-428-815	GERMANY UNITED	CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS	07/
A-428-816	GERMANY UNITED	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-428-820	GERMANY UNITED	SEAMLESS LINE AND PRESSURE PIPE	07/
A-428-821	GERMANY UNITED	LARGE NEWSPAPER PRINTING PRESSES & COMPONENTS	07/
A-428-082	GERMANY WEST	SUGAR	08/
A-428-602	GERMANY WEST	BRASS SHEET & STRIP	04/
A-428-801	GERMANY WEST	ANTIFRICTION BEARINGS	04/
A-428-802	GERMANY WEST	INDUSTRIAL BELTS	07/
A-428-803	GERMANY WEST	INDUSTRIAL NITROCELLULOSE	10/
A-428-807	GERMANY WEST	SULFUR CHEMICALS	08/
A-484-801	GREECE	ELECTROLYTIC MANGANESE DIOXIDE	06/
A-437-601	HUNGARY	TAPERED ROLLER BEARINGS	09/
A-533-502	INDIA	WELDED CARBON STEEL PIPES & TUBES	08/
A-533-806	INDIA	SULFANILIC ACID	06/
A-533-808	INDIA	STAINLESS STEEL WIRE ROD	01/
A-533-809	INDIA	STAINLESS STEEL FLANGES	02/
A-533-810	INDIA	STAINLESS STEEL BAR	01/
A-533-813	INDIA	PRESERVED MUSHROOMS	02/
A-560-801	INDONESIA	MELAMINE INSTITUTIONAL DINNERWARE	03/

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[Duty orders revoked by Sunset Review remain in effect until Jan. 1, 2000]

CASE NUM AND COUNTRY		PRODUCT	DAT INI
A-560-802	INDONESIA	PRESERVED MUSHROOMS	02/
A-507-502	IRAN	IN SHELL PISTACHIOS	10/
A-508-602	ISRAEL	OIL COUNTRY TUBULAR GOODS	04/
A-508-604	ISRAEL	INDUSTRIAL PHOSPHORIC ACID	12/
A-475-059	ITALY	PRESSURE SENSITIVE PLASTIC TAPE	05/
A-475-401	ITALY	BRASS FIRE PROTECTION PRODUCTS	02/
A-475-601	ITALY	BRASS SHEET & STRIP	04/
A-475-703	ITALY	GRANULAR POLYTETRAFLUOROETHYLENE RESIN	12/
A-475-801	ITALY	ANTIFRICTION BEARINGS	04/
A-475-802	ITALY	INDUSTRIAL BELTS	07/
A-475-811	ITALY	GRAIN-ORIENTED ELECTRICAL STEEL	09/
A-475-814	ITALY	SEAMLESS LINE AND PRESSURE PIPE	07/
A-475-816	ITALY	OIL COUNTRY TUBULAR GOODS	07/
A-475-818	ITALY	PASTA, CERTAIN	06/
A-475-820	ITALY	STAINLESS STEEL WIRE ROD	08/
A-588-028	JAPAN	ROLLER CHAIN OTHER THAN BICYCLE	02/
A-588-041	JAPAN	METHIONINE, SYNTHETIC	08/
A-588-045	JAPAN	STEEL WIRE ROPE	08/
A-588-054	JAPAN	TAPERED ROLLER BEARINGS, UNDER 4"	12/
A-588-056	JAPAN	MELAMINE IN CRYSTAL FORM	12/
A-588-068	JAPAN	P.C. STEEL WIRE STRAND	11/
A-588-401	JAPAN	CALCIUM HYPOCHLORITE	05/
A-588-405	JAPAN	CELLULAR MOBILE TELEPHONES & SUBASSEMBLIES	11/
A-588-602	JAPAN	CARBON STEEL BUTT-WELD PIPE FITTINGS	03/
A-588-604	JAPAN	TAPERED ROLLE BEARINGS, OVER 4"	09/
A-588-605	JAPAN	MALLEABLE CAST IRON PIPE FITTINGS	09/
A-588-609	JAPAN	COLOR PICTURE TUBES	12/
A-588-702	JAPAN	STAINLESS STEEL BUTT-WELD PIPE FITTINGS	04/
A-588-703	JAPAN	INTERNAL COMBUSTION IND FORKLIFT TRUCKS	05/
A-588-704	JAPAN	BRASS SHEET & STRIP	08/
A-588-706	JAPAN	NITRILE RUBBER	09/
A-588-707	JAPAN	GRANULAR POLYTETRAFLUOROETHYLENE RESIN	12/
A-588-802	JAPAN	3.5" MICRODISKS AND MEDIA THEREFOR	03/
A-588-804	JAPAN	ANTIFRICTION BEARINGS	04/
A-588-806	JAPAN	ELECTROLYTIC MANGANESE DIOXIDE	06/
A-588-807	JAPAN	INDUSTRIAL BELTS	07/
A-588-809	JAPAN	TELEPHONE SYSTEMS & SUBASSEMBLIES THEREOF	01/
A-588-810	JAPAN	MECHANICAL TRANSFER PRESSES	02/
A-588-811	JAPAN	DRAFTING MACHINES & PARTS THEREOF	05/
A-588-812	JAPAN	INDUSTRIAL NITROCELLULOSE	10/
A-588-813	JAPAN	MULTIANGLE LASER LIGHT SCATTERING INSTR	04/
A-588-815	JAPAN	GRAY PORTLAND CEMENT AND CEMENT CLINKER	06/
A-588-816	JAPAN	BENZYL P-HYDROXYBENZOATE (BENZYL PARABEN)	07/
A-588-823	JAPAN	PROF ELECTRIC CUTTING/SANDING/GRINDING TOOLS	06/
A-588-826	JAPAN	CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS	07/
A-588-829	JAPAN	DEFROST TIMERS	02/
A-588-831	JAPAN	GRAIN-ORIENTED ELECTRICAL STEEL	09/
A-588-833	JAPAN	STAINLESS STEEL BAR	01/
A-588-835	JAPAN	OIL COUNTRY TUBULAR GOODS	07/
A-588-836	JAPAN	POLYVINYL ALCOHOL	04/
A-588-837	JAPAN	LARGE NEWSPAPER PRINTING PRESSES & COMPONENTS	07/
A-588-838	JAPAN	CLAD STEEL PLATE	10/
A-588-840	JAPAN	GAS TURBO COMPRESSORS	06/
A-588-843	JAPAN	STAINLESS STEEL WIRE ROD	08/
A-834-801	KAZAKHSTAN	SOLID UREA	08/
A-834-804	KAZAKHSTAN	FERROSILICON	06/
A-779-602	KENYA	FRESH CUT FLOWERS	06/
A-580-507	KOREA SOUTH	MALLEABLE CAST IRON PIPE FITTINGS	08/
A-580-601	KOREA SOUTH	TOP-OF-THE-STOVE STNLS STEEL COOKING WARE	02/
A-580-603	KOREA SOUTH	BRASS SHEET & STRIP	04/
A-580-605	KOREA SOUTH	COLOR PICTURE TUBES	12/
A-580-803	KOREA SOUTH	TELEPHONE SYSTEMS & SUBASSEMBLIES THEREOF	01/
A-580-805	KOREA SOUTH	INDUSTRIAL NITROCELLULOSE	10/
A-580-807	KOREA SOUTH	POLYETHYLENE TEREPHTHALATE (PET) FILM	05/
A-580-809	KOREA SOUTH	CIRCULAR WELDED NON-ALLOY STEEL PIPE	10/
A-580-810	KOREA SOUTH	WELDED ASTM A-312 STAINLESS STEEL PIPE	12/
A-580-811	KOREA SOUTH	CARBON STEEL WIRE ROPE	05/
A-580-812	KOREA SOUTH	DRAMS OF 1 MEGABIT & ABOVE	05/
A-580-813	KOREA SOUTH	STAINLESS STEEL BUTT-WELD PIPE FITTINGS	06/
A-580-815	KOREA SOUTH	COLD-ROLLED CARBON STEEL FLAT PRODUCTS	07/
A-580-816	KOREA SOUTH	CORROSION-RESISTANT CARBON STEEL FLAT PRODUCTS	07/
A-580-825	KOREA SOUTH	OIL COUNTRY TUBULAR GOODS	07/
A-580-829	KOREA SOUTH	STAINLESS STEEL WIRE ROD	08/
A-835-801	KYRGYZSTAN	SOLID UREA	08/
A-449-801	LATVIA	SOLID UREA	08/
A-451-801	LITHUANIA	SOLID UREA	08/
A-557-805	MALAYSIA	EXTRUDED RUBBER THREAD	09/
A-201-504	MEXICO	PORCELAIN-ON-STEEL COOKING WARE	12/
A-201-601	MEXICO	FRESH CUT FLOWERS	06/
A-201-802	MEXICO	GRAY PORTLAND CEMENT AND CEMENT CLINKER	10/
A-201-805	MEXICO	CIRCULAR WELDED NON-ALLOY STEEL PIPE	10/
A-201-806	MEXICO	CARBON STEEL WIRE ROPE	05/
A-201-809	MEXICO	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-201-817	MEXICO	OIL COUNTRY TUBULAR GOODS	07/
A-841-801	MOLDOVA	SOLID UREA	08/
A-421-701	NETHERLANDS	BRASS SHEET & STRIP	08/
A-421-804	NETHERLANDS	COLD-ROLLED CARBON STEEL FLAT PRODUCTS	07/
A-421-805	NETHERLANDS	ARAMID FIBER OF PPD-T	07/
A-614-502	NEW ZEALAND	LOW FUMING BRAZING COPPER WIRE & ROD	03/
A-614-801	NEW ZEALAND	FRESH KIWIFRUIT	05/
A-403-801	NORWAY	FRESH & CHILLED ATLANTIC SALMON	03/
A-455-802	POLAND	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-485-601	ROMANIA	UREA	08/
A-485-602	ROMANIA	TAPERED ROLLER BEARINGS	09/
A-485-801	ROMANIA	ANTIFRICTION BEARINGS	04/
A-485-803	ROMANIA	CUTOTO-LENGTH CARBON STEEL PLATE	07/
A-821-801	RUSSIA	SOLID UREA	08/
A-821-804	RUSSIA	FERROSILICON	06/
A-821-805	RUSSIA	PURE MAGNESIUM	04/
A-821-807	RUSSIA	FERROVANADIUM AND NITRIDED VANADIUM	06/
A-559-502	SINGAPORE	SMALL DIAMETER STANDARD & RECTANGULAR PIPE & TUBE	12/
A-559-601	SINGAPORE	COLOR PICTURE TUBES	12/
A-559-801	SINGAPORE	ANTIFRICTION BEARINGS	04/
A-559-802	SINGAPORE	INDUSTRIAL BELTS	07/
A-791-502	SOUTH AFRICA	LOW FUMING BRAZING COPPER WIRE & ROD	03/
A-791-802	SOUTH AFRICA	FURFURYL ALCOHOL	06/

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[Duty orders revoked by Sunset Review remain in effect until Jan. 1, 2000]

CASE NUM AND COUNTRY		PRODUCT	DAT INI
A-469-007	SPAIN	POTASSIUM PERMANGANATE	03/
A-469-803	SPAIN	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-469-805	SPAIN	STAINLESS STEEL BAR	01/
A-469-807	SPAIN	STAINLESS STEEL WIRE ROD	08/
A-401-040	SWEDEN	STAINLESS STEEL PLATE	05/
A-401-601	SWEDEN	BRASS SHEET & STRIP	04/
A-401-603	SWEDEN	STAINLESS STEEL HOLLOW PRODUCTS	11/
A-401-801	SWEDEN	ANTIFRICTION BEARINGS	04/
A-401-805	SWEDEN	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-401-806	SWEDEN	STAINLESS STEEL WIRE ROD	08/
A-842-801	TAJIKISTAN	SOLID UREA	08/
A-549-502	THAILAND	WELDED CARBON STEEL PIPES & TUBES	03/
A-549-601	THAILAND	MALLEABLE CAST IRON PIPE FITTINGS	09/
A-549-807	THAILAND	CARBON STEEL BUTT—WELD PIPE FITTINGS	06/
A-549-812	THAILAND	FURFURYL ALCOHOL	06/
A-549-813	THAILAND	CANNED PINEAPPLE FRUIT	07/
A-489-501	TURKEY	WELDED CARBON STEEL PIPE & TUBE	08/
A-489-602	TURKEY	ASPIRIN	11/
A-489-805	TURKEY	PASTA, CERTAIN	06/
A-489-807	TURKEY	REBAR STEEL	04/
A-843-801	TURKMENISTAN	SOLID UREA	08/
A-823-801	UKRAINE	SOLID UREA	08/
A-823-802	UKRAINE	URANIUM	12/
A-823-804	UKRAINE	FERROSILICON	06/
A-823-806	UKRAINE	PURE MAGNESIUM	04/
A-412-801	UNITED KINGDOM	ANTIFRICTION BEARINGS	04/
A-412-803	UNITED KINGDOM	INDUSTRIAL NITROCELLULOSE	10/
A-412-805	UNITED KINGDOM	SULFUR CHEMICALS	08/
A-412-810	UNITED KINGDOM	HOT ROLLED LEAD/BISMUTH CARBON STEEL PRODUCTS	05/
A-412-814	UNITED KINGDOM	CUT-TO-LENGTH CARBON STEEL PLATE	07/
A-461-008	USSR	TITANIUM SPONGE	11/
A-461-601	USSR	SOLID UREA	08/
A-844-801	UZBEKISTAN	SOLID UREA	08/
A-307-805	VENEZUELA	CIRCULAR WELDED NON-ALLOY STEEL PIPE	10/
A-307-807	VENEZUELA	FERROSILICON	06/
A-479-801	YUGOSLAVIA	INDUSTRIAL NITROCELLULOSE	10/

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in opposition to my colleague's amendment. I do so do for three reasons. First, there is no evidence that the current antidumping and countervailing duty laws have failed to deliver relief to injured industries. My colleague argues that the amendment is required to address the unfair trade practices facing the steel industry. I would have preferred not to have to revisit the many points that were made in the context of the debate over the steel quota legislation this past summer. This bill is about trade and investment with Africa, the Caribbean, and Central America. I prefer we keep our focus there. That said, since my colleague's amendment has raised those issues before us yet again, I think it is important to remind my colleagues about the points that were made at length in this past summer's debate.

You may recall that, at the time, the steel industry and the steelworkers made the point that they faced a sudden surge of increased imports of steel and were sufficiently threatened that they sought to impose direct quotas on imports of various steel products. They argued that the existing import relief laws were inadequate to the task of addressing that surge. What the debate revealed was quite a different story. In fact, while imports into the United States did surge dramatically in the wake of the Asian financial crisis, they then dropped precipitously in response to the filing of a series of antidumping measures. Imports have continued that downward trend as a result of those unfair trade actions and the suspension agreements negotiated by the Commerce Department that effectively blocked any further imports of hot and cold rolled products from Russia and other countries engaged in below cost sales into the United States market. What lessons should we draw from that experience? One is that the existing laws work exactly as they are intended. They provide an effective and efficient means of obtaining relief from unfairly dumped or subsidized imports. Indeed, as the Wall Street Journal pointed out in an article published in the midst of the steel industry's filing of dumping actions this past year, the mere filing of an unfair trade action under existing laws has a dramatic impact on prices. The article quoted Curtiss Barnette, the chief executive of Bethlehem Steel as acknowledging that trade cases had become a "part of the Bethlehem's "normal business-planning process," and acknowledging that, even where dumping actions failed, "You have won some interim relief and you have said you're going to protect your rights."

Nicholas Tolerico, executive vice president of Thyssen, a Detroit-based steel processing and importing unit of a German steelmaker, made the point even more emphatically. He indicated that, among importers faced with the prospect of an antidumping action, "the response is just to stop importing." The same holds true for foreign exporters faced with unfair trade complaints even when they eventually win cases. The article quoted the chairman of Ispat International, one of the largest steel manufacturers in the world to the effect that his company had cut exports to the United States from a wire-rod mill in Trinidad and Tobago by 40 percent simply due to the risk inherent in trade litigation even though Trinidad's steelmakers eventually won the case. Why is that the case? Some statistics might help here.

The reason that both exporters and importers of steel halt trade the minute a trade case is filed is because of the record compiled by U.S. industry. The Department of Commerce grants relief to the petitioning industry in over 90 percent of the cases filed under the antidumping and countervailing duty laws. Due to the deference that the Court of International Trade is obliged to pay to the Commerce Department's decisions under current law, the Department's decisions are upheld over 90 percent of the time. In other words, if you are an exporter of steel facing an unfair trade action in the United States, there is a 9 in 10 chance that you will face some considerable penalty. Given that steel is a commodity product, and microeconomic theory would dictate that all such products would be priced to the margin, you, as the foreign exporter, are likely to find yourself priced out of the competitive U.S. market with even a slight dumping our countervailing duty added onto the price of your current shipments.

Now, let's look at it from an importer's perspective. Let's say you are in the automobile industry in the United States, or one of the other steel consuming industries that employ more than 40 persons in the United States for every person employed in the steel industry here. In fact, let's say you are the plant manager for the Dodge Durango plant in Delaware and you are operating as efficiently as you possibly can to compete with your competition in the hotly contested market for sport utility vehicles. You operate on the basis of "just in time" delivery to ensure that you carry as little inventory as possible. You do that, in part, to reduce the associated costs and, in part, to take advantage of any change in prices for component parts that may help you compete in your market. That, however, can make you more vulnerable to price swings in the market for component parts. Then, suddenly, the steel industry files a series of dumping actions. Do you continue to import steel when you could be faced with a dramatic increase in price if the case succeeds? No. You stop importing from the targeted country or companies in order to reduce your risk.

The net result is that the cases filed before the Commerce Department begin to raise prices as soon as they are filed simply because the market is responding to the fact that the Commerce Department, 9 cases out of 10, is going to impose a significant penalty at the end of the day. Now, would the result be the same if these cases were litigated before the Federal courts, as my colleague's amendment would require? I strongly doubt that. The cases are complex, the facts frequently are in dispute, and the outcome less assured because of the nature of the litigation process.

Those who have spent time litigating in the Federal courts tell me that they do not quote odds on cases to their clients even on sure winners due solely to the risks of litigation. Those with experience litigating before Federal courts tell me that the likely result of a shift of jurisdiction from the administrative agencies to the courts would be a more intrusive review—without the deference the courts currently pay to Commerce Department decisions. The net result would be greater uncertainty as to the result in these cases, which, for the steel industry, would ultimately spell a less reliable outcome than they currently achieve before the administrative agencies.

In short, the dumping and countervailing duty laws appear to be working as designed and the change suggested by my colleague would simply increase the uncertainty of the outcome from the steel industry's perspective. Second, there is no evidence that shifting the burden of investigating foreign unfair trade practices to the courts would in any way enhance the prospect for prompt relief. At hearings earlier this year before the Finance Committee, those who have litigated under the "rocket docket" at the Commerce Department and the International Trade Commission have complained about the fact that they do not get relief as promptly as they like. But, no one suggested that a shift of jurisdiction to the courts would some how improve the situation. Given the record of the courts in handling complex economic litigation in other areas, it is not clear to me that shifting the burden of the initial investigation to the courts, with any allowance at all for the normal process of discovery between private litigants, would provide a benefit to the petitioning industry in these cases.

While both petitioners and respondents complain about their treatment before the administrative agencies, largely due to what they consider to be the arbitrary basis for their decisions, both sides to the litigation seem to agree that the cases themselves are completed as rapidly as possible. That not only helps provide relief to the petitioning industry on as timely a basis as practical, it also has the significant benefit of deciding the issue for the rest of the players in the marketplace. What that really does is reduce the uncertainty in the market that the filing of the case creates. So the plant manager at the Dodge Durango facility in Delaware can rely on decisions in making his own assessment of who to purchase steel from for the coming production run.

Finally, let me say that my colleague's proposal may simply be ahead of its time. What it suggests is something akin to an antitrust remedy—in other words, litigation between private parties that reduces the Government's role in the process. I personally think that there would be real merit to examining that sort of proposal in the Finance Committee in the future. And I would welcome the opportunity to do so rather than forcing a vote on the proposal today. The reason I say that the proposal may be ahead of its time is that an antitrust remedy is relevant when the actions involved are solely those of private parties. That is not the case with most foreign unfair trade practices today. Even dumping is not solely a function of private pricing decisions by foreign producers. As long as governments continue to distort markets, whether through high import tariffs on U.S. steel exports or heavy subsidies to their own domestic producers, prices in the marketplace for products like steel will not equilibrate based solely on private actions.

Thus, for example, dumping is often the result of a country maintaining a closed market in which its companies can maintain a relatively high profit margin, which effectively allows those producers to cross-subsidize their exports to the United States. A private right of action does not reach that conduct. That is conduct that the United States must address at its root—which is the government-induced distortion of the market, rather than the private pricing decisions of the foreign producers.

What that means for the propose shift of the jurisdiction to the Federal courts proposed by my distinguished colleague's amendment is that it is premature. Neither he nor I would suggest that the steel industry's current conditions are shaped solely by private pricing decisions. In fact, the principal problem facing the steel industry is the global overcapacity created by government protection of their home markets and subsidization of their exports to our shores. I therefore, ask my colleague to withdraw his amendment in order that the Finance Committee could take a look at the proposal and explore the ramifications of the farsighted suggestions in greater depth. Failing that, I must oppose the amendment and urge my colleagues to do so as well.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I join in the Chairman's request and also in his very proper remarks about the senior Senator from Pennsylvania. I believe it has been since 1982 that the Senator began offering amendments to this effect. The antidumping laws themselves have a much longer history and have been through several major revisions, most recently in the Uruguay Round, which we implemented in the Uruguay Round Agreements Act in 1994.

I think the idea of looking into this, as the Chairman suggests, is a very good one. But for the moment, sir, it is ineluctably the case that the amendment, as drafted, is inconsistent with the World Trade Organization's antidumping agreement in a number of significant ways. It does not say that we are wrong, but that we would be up against the agreed-upon international trading rules.

We have an international meeting of the World Trade Organization at the end of this month in Seattle. I do not think we should arrive there this way, particularly as other countries are seeking to reopen negotiations once again on these issues, arguing that they are an antiquated idea.

So I join in expressing the hope that the amendment might be withdrawn. We can take the idea with us to Seattle as something for other countries to consider when they approach our Government about modifying our existing laws.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the antidumping procedures are not antiquated at all. I have noted some 290 antidumping orders in effect as of March 1 of 1999 dealing with a wide variety of products: Steel, sugar, towels, raspberries, fresh cut flowers—the list goes on and on.

The grave difficulty is that the enforcement rests with the executive branch, and the executive branch is more concerned with foreign policy matters and defense policy than with any specific U.S. industry.

The trade-off is made, decimating industries and costing thousands of jobs in an unfair way. As of July 12 of this year, there were bankruptcies of five medium-size steel companies, Acme Steel, Laclede Steel, Gulf States, Qualtech, and Geneva.

When the argument is made that there will be an effect on prices of automobile manufacturers, that is true. But our laws are designed to provide fairness as fairness and justice relate to the steel industry and the auto industry. The auto industry ought not to be able to buy steel from a foreign importer where it is dumped—sold in the United States at a price lower than it is sold in the foreign country.

When the distinguished chairman of the committee makes a reference to wire rod, it ought to be noted that steel wire rods continued at record high levels, more than 14 percent over levels about a year ago in September of 1998. The wire rod industry has sustained serious damage, losses of some $94 million during the first half of 1999. A petition was filed on December 30, 1998, and the President, expected to make his determination by September 27, 1999, to postpone that decision, on September 28, claimed that the matter was still under review. To date, there hasn't been a decision.

Contrast that with what could be obtained in a court of equity, where a decision could be made on affidavits on an ex parte order in 5 days, within a few weeks on a preliminary injunction. It is not true that the Federal courts are unable to handle these serious matters. They do handle complicated antitrust matters all the time and deal with complex economic matters. If a damaged party is in a position to prove the case, they move into court and get a prompt decision in a court of equity, certainly nothing like a year's delay.

The line pipe industry filed a section 201 petition with the ITC claiming that, in 1998, some 331,000 net tons of lime pipe had been imported into U.S. markets at an increase of 49.5 percent over 1997. This petition was filed on June 30, 1999. The ITC issued an affirmative finding on October 28, 1999, but the President is not expected to review the matter until December 17 of this year, long after an equitable court would have been able to take care of it.

The lamb issue is similar. On September 30, 1998, the American sheep industry filed a section 201 petition to stop the flood of imported lamb into the United States. During the 1998 Easter/Passover season, U.S. slaughtered lamb prices were at a 4-year low, some 60 cents a pounds. On March 26, 1999, the ITC unanimously decided in favor of the industry and forwarded its recommendation to the President for decision by late May. In this case, the President did not make a decision to provide relief to the industry until July 7, 1999, which shows the enormous delay in proceedings under the International Trade Commission.

When the suggestion is made about having the matter taken up in Seattle, the grave difficulty is that the international trade agreements leave the ultimate discretion with the executive branch, and that works to the disadvantage of the American company and the American workers. We have provided that there would not be an opportunity for judge shopping, to go into a court in a jurisdiction where the industry was located where most of the damage had been done, by providing that the jurisdiction would be lodged in the U.S. District Court for the District of Columbia.

I think it is a matter of fundamental fairness as to whether our trade laws will be enforced, our trade laws consistent with GATT.

We see, again and again, enormous delays, very little effect, and then the executive branch taking over with suspension agreements to protect the Russians instead of seeing to it that there is justice for American industry and for American workers. This goes far beyond the question of steel, which is a major matter in my State. It goes to virtually every product on the books, as illustrated by the some 290 products which are subjected to antidumping orders in effect as of March 1, 1999.

This is an idea I have been pushing since 1982. My own experience in the court system, as a trial lawyer, shows me that when you go to court, you get the laws enforced—you have justice—contrasted with the executive branch decision, which will vary on many collateral considerations: U.S. foreign policy and U.S. defense policy.

I urge my colleagues to support this important amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. VOINOVICH). Is there a sufficient second?

There is not a sufficient second.

Mr. SPECTER. What does it take for a sufficient second?

The PRESIDING OFFICER. One-fifth of those Senators present.

Mr. SPECTER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. SPECTER. The determination is one-fifth of the Senators present?

The PRESIDING OFFICER. That is the Constitution.

Mr. SPECTER. If there are two Senators present and both agree to a rollcall—

The PRESIDING OFFICER. The presumption is that there are 51 Senators present, and it takes 11 in order to get the yea and nay call.

Mr. SPECTER. That is a rebuttable presumption, Mr. President. As the Chair notes, there are not 51 Senators present.

The PRESIDING OFFICER. The Chair is precluded from determining who is present without having a quorum call.

Mr. SPECTER. Well, if the quorum shows there is not a quorum present, then what?

The PRESIDING OFFICER. The Senate cannot proceed.

Mr. SPECTER. Except by unanimous consent to remove the quorum call?

The PRESIDING OFFICER. And by——

Mr. SPECTER. At which point, the Chair could make a determination if there were 51 Senators present until the quorum call, and with the 51 Senators not being present, the Senate could not proceed, so it is circular.

The PRESIDING OFFICER. Those are the rules of the Senate.

Mr. SPECTER. I shall move to ask for the yeas and nays at a later time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2487

Mr. WELLSTONE. Mr. President, I had a chance to speak earlier about the amendment I had introduced, and then we cut off the discussion to enable Senator BAUCUS to have a chance to speak on the floor. I look forward to comments by my colleague from Delaware, but I think what I will first try to do is summarize this amendment and then hear what my colleague, Senator ROTH, has to say.

This amendment would provide for mutually beneficial trade relations—that is what we talked about earlier—between the U.S. and Caribbean countries by rewarding those countries that comply with internationally recognized core labor rights with increased access to the U.S. market for certain textile goods.

Secondly, it would provide for enforceable labor standards. Before any of the CBI trade bill's benefits could go into effect, the Secretary of Labor would have to determine that a CBI country is providing for enforcement of ILO core labor rights. The Secretary would make this determination after consulting with labor officials in these other countries and after public comments. But the Secretary of Labor makes the final decision. U.S. citizens would have a private right of action in district court to enforce these provisions.

This amendment would basically apply the labor standards of Senator FEINGOLD's HOPE for Africa bill to CBI countries. Supporters of CBI parity claim that NAFTA-like benefits will help the Caribbean workers. I want to point out again—because I am an internationalist and I am interested in mutually beneficial trade—that an October 1999 report on Mexican maquiladoras by the Comite Fronterizo de Obreros shows that wages and conditions have actually deteriorated since NAFTA. If NAFTA hasn't helped Mexican workers, why would NAFTA parity help CBI workers? I already presented data this morning, and I won't do it again.

In October of 1999, the CFO Border Committee of Women Workers issued a report detailing what happened to workers in the Mexican maquiladoras since the passage of NAFTA. They found that the maquiladoras paid the lowest wages in Mexican industry; that real wages in Mexican manufacturing have declined by more than 20 percent since 1994; that wage levels have come under attack whenever they are over the threshold considered competitive by the maquiladoras; that border workers have endured a sharp decline in their standard of living since NAFTA; that the practice of using child labor in the maquilas is widespread; and that in the name of NAFTA, Mexican companies, aided by their government, are "waging a tireless and surreptitious campaign of dirty tricks to stamp out unions in the maquiladoras." That is the report.

The same is true of the CBI countries. Those countries, which have the fastest growth in exports to the United States, have experienced the steepest decline in wages in the region. Honduran apparel exports to the United States increased 2,523 percent over the last 10 years but wages declined by 59 percent. In El Salvador, it was 2,512 percent and wages declined 27 percent. Jamaica had the least export growth, one reason being the rate of unionization in Jamaica.

You have average wages of 78 cents in Colombia, 69 cents in the Dominican Republic, 30 cents in Guatemala, and 23 cents in Nicaragua.

Basically, what we are saying again to workers in our own country is, if you organize and try to bargain collectively to make a better wage, these apparel companies will just go to these Caribbean countries. We will just basically undercut your right to organize.

I am in favor of the right of people to organize in our country. What we say to the workers in these countries is that if you want to make more than 35 cents an hour, or 43 cents an hour, and you join a union, or try to bargain collectively, we will deny you your right to do so. We don't have any enforceable labor standard to make sure these abuses don't continue to take place.

Sometimes I think the wage earners in our country are portrayed in some of this debate as if they are greedy or are portrayed as if they look backward and they don't understand this new international economy. I think in many ways this debate is about that.

What would you think if you were working for $8.50 an hour and you saw adopted on the floor of the Senate a trade agreement without any enforceable labor standard, which meant you were going to be competing against people who make 30 cents an hour or against people making 30 cents an hour in Guatemala? They are never going to get to $8.50. But don't we want to take these ILO standards and basic human rights standards and make sure they are enforceable? That way you can have the uplifting of the living standards of people in these countries.

Without this amendment, this CBI parity bill is going to merely encourage U.S. corporations to set up sweatshops in the Caribbean. This is an antisweatshop amendment. This amendment does not require that CBI countries match U.S. wages in work and working conditions, although 67 percent of the American people think the minimum wage of our trading partners should be raised to U.S. levels. That is not going to happen. But that is not what the amendment does. It only requires these countries to respect the core ILO labor standards before we give them additional benefits.

It is a human rights amendment. This amendment basically says we should not be encouraging these CBI countries to compete against our workers by setting up sweatshops, and it says that we have to make sure there is some means of enforcing such antisweatshop standards.

I want to support trade agreements. People in our country want to support trade agreements. But do you want to know something. The reason the trade policy is losing its legitimacy with the American people—I think probably poll after poll shows that the American people are suspicious of these trade agreements—is because they know they put our workers in a terrible position because they know there aren't enforceable labor standards, because they know there aren't enforceable human rights standards, and they tout these trade agreements as being great for the apparel industry, great for these corporations, and terrible for wage earners.

That is what this vote on this amendment is all about. Are you on the side of working people in our country so that they know they can organize in textile plants and the apparel industry, and they won't basically be shut out and the companies won't be able to say, goodbye; we are going to these other countries because we don't have to abide by any labor standards? Are you on the side of these workers or are you on the side of these corporations? American workers compete with Caribbean apparel workers earning from 23 cents an hour in Nicaragua to 80 cents an hour in Colombia. Our workers make about $8.42, on average.

Who is going to benefit from extending NAFTA benefits to the CBI countries without enforceable labor standards?

All I am asking with this amendment, I say to my colleague from Delaware, is enforceable labor standards. It is not going to be the textile workers. It is not going to be the workers in the CBI countries. It is going to be the American textile companies that want to shift production to sweatshops offshore so they can save labor costs.

Can I repeat that one more time?

Who is going to benefit from this trade legislation without this amendment? Who is going to benefit from extending NAFTA benefits to the CBI countries without enforceable labor standards? Not American textile workers; not working people in our country; not the workers in the CBI countries. It is the American textile companies that are going to benefit that want to shift production to sweatshops offshore so they can save labor costs.

I say to Republicans and Democrats alike: Whose side are you on? If you are on the side of working people, if you are on the side of the right of people to be able to organize, if you are on the side of working people in these CBI countries and poor people in these CBI countries, and you are on the side of human rights of people in these countries, at the very minimum, we ought to vote for this amendment which will put some teeth into some enforceable labor standards. The alternatives to this amendment are unenforceable.

Let me be clear about that. I don't want a Senator to come to the floor and say we have already dealt with labor standards. The CBI parity merely includes labor rights as an eligibility criteria which can only be enforced by the administration. The administration already enforces the GSP program and has never suspended one CBI country despite their terrible labor rights record.

If the administration won't use its GSP leverage to significantly improve labor rights, why would it use eligibility criteria? Nobody can seriously argue that this administration would deny eligibility to a CBI country based on labor rights violations. They have never done it.

The GAO issued a report last year that listed the various GSP worker rights in CBI countries accepted for review. In each case—I gave examples earlier, so I will not do it again—the petitions were withdrawn usually after some nominal changes in the CBI country labor law. But in one CBI country after another, labor laws are flouted, often openly.

There have been 95 worker rights petitions against CBI countries under GSP. None, not one, has led to investigation and suspension. The ILO is not an acceptable substitute because it has no enforcement power.

This amendment speaks to the compelling need to have enforceable labor standards. The ILO has no enforcement power. The managers' amendment directs the President to "seek the establishment in the ILO of a mechanism to ensure the effective implementation of each of the core labor conventions that ILO members have ratified." I commend Senators GRAHAM and MOYNIHAN for their effort in this direction. But, again, I have to say this on the floor of the Senate. The ILO has no enforcement power, so I am not sure how the ILO can ensure effective implementation. I think enforceable standards for core ILO labor rights need to be built into the trade agreement itself.

Let me repeat that.

You have to take these basic ILO labor rights, and you have to make sure that enforceable standards are there built into the trade agreement. Otherwise, what you have is a CBI parity bill which is going to actually provide an incentive for CBI countries to move in the opposite direction.

I welcome the provision in the managers' amendment on increased transparency. Let me repeat that. I think it is a good idea. It will be useful. But I don't believe it is an enforceable standard that will encourage CBI countries to improve conditions for working people. That is what this is all about. I don't want anybody to misunderstand this amendment. This amendment is based upon a belief in the importance of international trade relations. It is based upon the importance of making sure we address the standard of living in CBI countries and the standard of living of working people in our country. But you can't do that unless you have enforceable labor standards. That is what this amendment calls for.

I reserve the remainder of my time. I will wait to hear what my colleagues have to say.

AMENDMENT NO. 2402

(Purpose: To clarify the acts, policies, and practices that are considered unreasonable for purposes of section 301 of the Trade Act of 1974)

Mr. DORGAN. Mr. President, I filed on a timely basis an amendment numbered 2402. I ask unanimous consent to set aside the pending amendment, and I ask for consideration of amendment No. 2402.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative assistant read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 2402.

Mr. DORGAN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . UNREASONABLE ACTS, POLICIES, AND PRACTICES.

Section 301(d)(3)(B)(i) of the Trade Act of 1974 (19 U.S.C. 2411(d)(3)(B)(i)) is amended by striking subclause (IV) and inserting the following:

"(IV) market opportunities, including the toleration by a foreign government of systematic anticompetitive activities, which include predatory pricing, discriminatory pricing, or pricing below cost of production by enterprises or among enterprises in the foreign country (including state trading enterprises and state corporations) if the acts, policies, or practices are inconsistent with commercial practices and have the effect of restricting access of United States goods or services to the foreign market or third country markets,".

Mr. ROTH. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. ROTH. Mr. President, I ask consent a vote occur on or in relation to the pending amendment No. 2487, of Senator WELLSTONE, and No. 2347, the Specter amendment, at 3:30, with 4 minutes prior to each vote for explanation. I further ask consent it be in order for me to make a motion to table at this point on both amendments with one show of seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. I move to table the above-described amendments, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DORGAN. Mr. President, amendment No. 2402 deals with section 301 of the Trade Act. As a backdrop for this discussion, I wish to mention quickly several pieces of information.

First, we discuss the issue of trade with a backdrop of a trade deficit that is quite alarming. Almost everyone in this country now says a $25 billion-a-month trade deficit is unsustainable. The merchandise deficit is worse than this. But this is the trade deficit of goods and services. The trade deficit is spiking up, up, up, way up—a very difficult circumstance for this country. We must do something to address it.

What does this deficit result from? This chart shows imports and exports. We can see exports are a flat line, with imports spiking dramatically.

The section 301 trade law remedy, which I intend to discuss briefly in a moment, describes something that relates to a trade dispute we have not only with Canada but others, a state-sanctioned monopoly selling Canadian wheat. This is what has happened with respect to the shipment of Canadian durum wheat into this country. It was almost nothing and then spikes up. It came down when this country enforced a tariff rate quota against Canada. This is unfair trade by a state-sanctioned monopoly with secret prices. It is unfair to our farmers who have flat prices. We produce more than we can use or consume domestically, and we have an avalanche of Canadian grain coming into our country traded unfairly by a state trading enterprise.

Is this problem receding or growing? The first 6 months of this year is nearly double the first 6 months of last year. Last year was a record high. This is just durum wheat, a small issue, but big in North Dakota and big for family farmers—just one issue.

What about a state trading enterprise or state monopoly that trades Canadian grain, or agricultural products to Australia, and decides they will have a trade relationship that doesn't play fair, for example, in Algeria? Assume that Canadians say: We will use our state trading enterprise and we intend to ship our grain to Algeria at 10 cents a bushel and take away the United States Algerian market. Is it fair trade? Is it actionable for the United States to file a 301 trade complaint? I think it ought to be. The law is unclear.

I propose with this amendment a simple process to clarify that section 301, a remedy in trade law, can be applied to predator pricing by state trading enterprises in third-country markets. Very simple. The law is completely unclear whether this now exists. I think it does; some people think it does not. In any event, I think it ought to.

If a state trading enterprise—for example in Canada, the Canadian wheat board—decides to push the United States out of a foreign market with predator pricing, is that not actionable by the United States? Of course, it should be. Our amendment clarifies that the actions, policies, and practices that are unreasonable and inequitable, that destroy market opportunities, are actionable under 301.

Anyone who is proud we have eliminated the fiscal policy deficit in our country—and I am among those—ought to be alarmed by this chart. Our budget policies have created a fiscal policy that is largely now in balance. We do not have growing, swollen Federal budget deficits, and that is a success; it belongs to everyone involved in public policy. However, this is a failure; this is a deficit that is running out of control.

The trade deficit is a very serious problem. We must remedy it. One way to remedy it is to be able to respond to unfair trading practices with remedies that work. This green book produced by the U.S. trade ambassador describes foreign trade barriers. In the bowels of this book rests the story about why our producers are unable to access foreign markets. It is a big, thick book, nearly 500 pages, country after country after country. One way to address these issues is to decide we are going to take action against those that discriminate against American producers with unfair trade practices.

A final point. I turn to Japan in this green book. Japan has agreed to gradually reduce tariffs on imports of beef, pork, fresh oranges, cheese, et cetera.

Japan has a $50 to $60 billion trade surplus with us; we have a deficit with them, and it has gone on forever. Even after our negotiations on beef, if one buys a T-bone steak in Tokyo this afternoon, there is a 40.5-percent tariff on every single pound of beef that goes into Japan. It is unforgivable. This country cannot persuade our trade partners to trade fairly.

I ask we include in this piece of legislation something that strengthens section 301, that gives the United States a remedy to go after unfair trade practices. I hope the majority and minority will decide to accept this amendment and take it to conference. It is a small amendment. Nonetheless, I think it is very important to American producers—not just farmers but manufacturers, all producers.

I ask for some time to discuss this amendment with staff. Therefore, I ask that the amendment be set aside.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

AMENDMENT NO. 2430

(Purpose: To limit preferential tariff treatment to countries with a gross national product that does not extend 5 times the average gross national product of all eligible sub-Saharan African countries)

Ms. LANDRIEU. Mr. President, I ask unanimous consent to lay aside the pending amendment and call up amendment 2430.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Ms. LANDRIEU] proposes an amendment numbered 2430.

Ms. LANDRIEU. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATIONS ON PREFERENTIAL TREATMENT.

Notwithstanding any other provision of law, the President may not exercise the authority to extend preferential tariff treatment to any country in sub-Saharan Africa provided for in this Act, unless the President determines that the per capita gross national product of the country (calculated on the basis of the best available information including that of the International Bank for Reconstruction and Development) is not more than 5 times the average per capita gross national product of all sub-Saharan African countries eligible for such preferential tariff treatment under this Act.

Ms. LANDRIEU. Mr. President, I say to the Senator from Delaware that I am fully supportive of the efforts to provide opportunity for trade that will be mutually beneficial between the United States and Africa and the Caribbean. I have been to the floor now on more than one occasion talking about the merits of this bill. It is not perfect, but it is a good piece of legislation, and one I am convinced will be mutually beneficial to the nations included.

I believe my amendment will make this bill better and will clarify something which I think was the intention of this bill but may have been lost in the drafting.

This amendment simply says we will prohibit countries with a per capita GDP five times the average of all sub-Saharan African nations from participating in the Generalized System of Preferences portion of this legislation. Let me explain.

The African Growth and Opportunity Act, I believe, should live up to its billing; namely, this legislation should provide an opportunity for growth in Africa, not outside of Africa. As I stated last week, this bill is also an opportunity for businesses in my home State and for the whole country, but it is important we do not lose sight of this objective.

Faced with tight budgets, the United States will not make the same contributions to foreign aid as we have in the past. To replace this shortfall, we are relying on the great American promise of opportunity. In this case, the opportunity is represented by access to the greatest market in the world—our market. In essence, this bill is an invitation for Africa and the Caribbean to offer their best to America, to compete in our marketplace and, in so doing, raise the standard of living on both sides of the relationship.

The success of this new relationship between Africa and America rides on the ability of poor African States to capitalize on greater market access. Until now, they have been unable to do so, but one of the promises of this bill is it will attract additional investment in the region. With the necessary infrastructure and capital, Africa may compete in international markets and establish the requisites for a robust manufacturing base. The question becomes: If new foreign investment comes to Africa, where will it be applied?

I believe it is the intent of my colleagues in the Senate, as well as in the House, to assist the countries generally known as sub-Saharan Africa. We want to turn around two decades of economic decline in places such as Kenya, Tanzania, Liberia, and Ghana. That is the point of this amendment.

If the United States is going to take this step, it is important we make certain the results assist the intended nations. We need to have confidence that the direct investment inspired by this legislation is directed to the countries that need it most.

I restate that this amendment I am offering will try to make a good bill even better by prohibiting the Generalized System of Preferences to countries with a per capita GDP five times the average of all the sub-Saharan nations. The average per capita GDP in Africa, for anyone's interest, is $1,798. Thus, the cutoff of participation would be a per capita GDP of $8,987. This per capita cutoff is more than $2,500 more than South Africa, and also more than the per capita GDP in Russia, Brazil, Turkey, Hungary, and Poland. It is a reasonable cap.

Why is this important? This amendment does not seek to target any particular country, but it is important to know there is an island nation off the coast of Africa, Mauritius, that already has a GDP of $10,300. Furthermore, this island is closer to Africa than any other continent, and it is hardly the kind of place I believe our colleagues or the American public would conceive as part of sub-Saharan Africa.

One might well wonder how this island of over 1 million people has been able to attain such economic success. The answer is a well-developed textile industry. Through investments, Mauritius has managed to create a mature apparel processing shipment and manufacturing hub right in the middle of the Indian Ocean. It is a very tiny island with over 1 million inhabitants, but it is well developed. Its GDP would make countries in Europe green with envy. Mauritius can proudly boast of unemployment rates that would be welcomed in countries in Europe and is unheard of on the African Continent.

Unfortunately, I am afraid if nations similar to this are included in the African Growth and Opportunity Act, much of, if not all of, the opportunity will go to the country that is already successful and hardly needs our assistance and directed help.

If, after a hard-fought battle to bring this legislation to the floor, all we accomplish is to raise the standards of a small island where standards are already raised and already has a successful industry, I do not think we have done much, and we have truly toiled in vain.

Again, this amendment creates objective and dynamic criteria for who can and cannot participate. It does not attempt to single out any particular place. But I do use that as an example of something I do not think is our intention.

If we are successful, the average per capita GDP of Africa will increase as the continent moves forward. A more wealthy nation, such as the one I have described, may be eligible to participate later on. However, at this juncture, I believe we must remain focused on our objective. That is why I urge our manager, the Senator from Delaware, to take a look at this amendment. I hope it can be acceptable to both sides as we work to make this bill even better.

I do not think it was our intention to move investments to a place that is already developed, and it is not fair to our industry in the United States. Our intention is to increase and bolster the infrastructure investment in the continent of Africa itself, particularly countries that are known as sub-Saharan Africa.

So with this small amendment, we can correct and make that clear. I urge my colleagues to support this amendment and thank them for their attention on this matter.

I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I oppose my colleague's amendment.

I do so because this amendment will undermine the very objectives this legislation is trying to further. In essence, this amendment says that if a country has managed to do well in that desperately poor and politically unstable region, its access to our market will be cut dramatically. I can't imagine a more damaging or more ironic signal to send.

Let me be a little more specific about my concerns. The purpose of this legislation is to use tariff preferences to spur investment in the sub-Saharan African countries. That investment will help create economic growth and create jobs in a region that has suffered so terribly for so long.

My colleague's amendment, however, would tell the Africans to watch out if they start succeeding, because their access to our market will be taken. It is an ironic signal to send.

While the signal that it will send to the Africans is unfortunate, the signal it will send to investors is particularly damaging.

Let me explain. This legislation is designed to encourage increased investment in the sub-Saharan region. This amendment would undermine that objective by telling investors that they cannot count on the market access that this legislation provides over the long term. As an investor, nothing is more troubling than uncertainty. When investors cannot count on what the future will hold in terms of market access, then they will avoid the region.

Given the political and economic uncertainties that already exist in that region—and given the disincentives that this creates for investors—adding more uncertainty through this amendment would be particularly cruel.

This amendment also ignores the fact that trade among the African countries themselves is vital to their economic future and to the effectiveness of this legislation. The rules of origin in my legislation are specifically designed to encourage the Africans to enter into economic partnership amongst themselves.

Such partnering is particularly important among these nations because they each have different resources and capabilities. We should, therefore, encourage each of these countries to take advantage of their comparative advantage.

My colleague's amendment, however, would selectively exclude certain countries in that region. This, unfortunately, will undermine the process of economic integration and partnering among the African nations that is vital to sound economic development in that region.

This amendment seems to suggest that the economic growth of the sub-Saharan region must rely exclusively on trade with the United States. While we would all like to think that that is enough to spur growth and investment in that region, we all know that it is not.

For these reasons, I oppose this amendment.

Ms. LANDRIEU addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, could I ask unanimous consent to respond for a moment?

Mr. ROTH. I could not hear the Senator.

Ms. LANDRIEU. I ask unanimous consent for an additional 2 minutes to respond.

Mr. HARKIN. Please do.

Ms. LANDRIEU. The Senator from Delaware should know I am going to certainly support this bill. It is not my intention to offer an amendment that would in any way weaken this bill. But I also believe very strongly that we should not be presenting false hope or providing loopholes or providing special treatment; that if our objective is clearly to develop Africa, the continent of Africa, and not islands off its shore, if it is to really develop sub-Saharan Africa, then we should shape a bill that will actually do this.

I say to the Senator, without this amendment, which clearly outlines that the per capita GDP I am suggesting is five times higher than any African nation currently—if we do not adopt this amendment, I could see clearly that the industries would just continue to go over to this one island off Africa, undercut some of the American industries, not result in investment in Africa, and give help to a particular place that does not need help. That does not make any sense to me.

So I offer this amendment in good faith. I have to say, respectfully, I do not understand the arguments against this amendment because, again, the per capita GDP in Africa is currently $1,798, and the business community knows they would be free to continue to do work until the per capita income reached $10,000, which is the cap. That would be many years down the line and would give them the stability they need but not allow us to be circumvented by an island that is not part of sub-Saharan Africa and I think could undercut our intentions.

I thank the Senators for extending me the time to respond. I look forward to a vote on this later today.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 2487

Mr. ROTH. These comments I will now make are in connection with the Wellstone amendment No. 2487.

Mr. President, I rise in opposition to the Wellstone amendment No. 2487. This amendment is very similar to one we tabled yesterday, and should be tabled today for similar reasons.

This amendment denies benefits until the U.S. Secretaries of Labor and State determine that the beneficiary country is enforcing internationally recognized human rights. In and of itself, this is unnecessary and duplicative. The managers substitute already contains criteria that the President must take into account in determining a beneficiary country's eligibility that includes the internationally agreed upon core labor standards.

I will address later in my statement the concern of the Senator from Minnesota as to the use of these criteria.

But this amendment goes further. It would force beneficiary countries to guarantee that the head of the national labor agency of that country, the U.S. Secretary of Labor, and an international union bureaucrat have access to all the private business information and records of all business enterprises in that country.

This undermines the sovereignty of these nations, and represents an intrusion on the privacy of their small businesses. The practical effect would be that no country would ever allow an international union head to peek into the business dealings of all of their citizens. These countries simply would not choose to enjoy the trade benefits offered in this bill—and rightly so.

This amendment would also create an unprecedented private cause of action in U.S. courts if a U.S. citizen wants to seek compliance by those countries with the labor standards. This would invite unnecessary, wasteful litigation, and would create novel discovery activities by U.S. courts, to say the least.

To sum up, the provisions of this amendment would simply eviscerate the goals of this bill and is nothing more than protectionism by another name. The labor standards in the managers' substitute and the flexibility given to the President provide an appropriate means for regular dialog with the beneficiary countries on labor issues.

Let me be clear that the labor standards in the managers' substitute—and which are reflected in current law—are effective. As my colleague may know, CBI benefits are linked to a country's eligibility for the GSP program. If a country violates one of the requirements of the GSP program by, for example, failing to afford workers internationally recognized workers' rights, then that country will lose eligibility for both GSP and the CBI program.

The labor standards under the GSP program are not meaningless. In fact, 11 countries have been suspended from GSP benefits since 1985 for labor standard violations. Six countries are currently suspended. What this should tell us is that the system works, both under GSP and under my legislation for the CBI countries.

As evidence of the effectiveness of these criteria, I cite a June 1998 GAO report that concluded that the GSP and CBI programs have led to improvements of workers' rights in the beneficiary countries.

This is not the only evidence, however. In fact, the best way to tell whether the management's amendment presents an effective approach to the protection of labor standards is by asking those most affected: namely, the workers. I have with me a list of the labor unions in the Caribbean and Central America who endorse my approach on this issue. These leaders understand that the manager's amendment provides an effective way to protect workers, while at the same time spurring investment and economic growth that creates jobs.

I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CBI UNIONS THAT SUPPORT CBI TRADE ENHANCEMENT

EL SALVADOR

Ricardo Antonio Soriano, Secrétary General of FESINCONSTRANS, Federación de Sindicatos de la Industria de la Construcción Similares Transportes y, Otras Actividades.

Aníbal Somoza Peñate, Secretary General of CGS, Confederación General de Sindicatos.

Israel Huiza, Secretary General of FESINTRABS, Federación de Sindicatos de Trabajadores de Alimentos, Bebidas y Similares.

Miguel Ramírez, Secretary General of FESTRAES, Federación Sindical de Trabajadores de El Salvador.

Miguel Angel Lantan, President of FUNEPRODES, Fundación para la Educacion Progreso y Desarrollo del Obrero Salvadoreño.

Salvador Carazo, Secretary General of OSILS, Organización de Sindicatos Independientes, Libres Salvadoreños.

Jesús Amado Pérez Marroquin, Secretary General de FLATICOM, Federación Laboral de Sindicatos, Independientes de Transporte, Comercio y Maquila.

Juan José Huezo, FENASTRAS, Federación Nacional Sindical de Trabajadores Salvadoreños.

Juan Edito Juárez, FUSS, Federación Unitaria Sindical de El Salvador.

HAITI

Fignole St. Cyr, Secretary General, Centrale Autonome des Travailleurs, Haitiens (CATH).

Marc Antoine Destin, Secretary General, Confédération des Taravailleurs Haitiens (CTH).

Jacques Pierre, President, Konfederasyon Ouvriye Travayé Ayisyen (KOTA).

Patrick Numas, Secretary General, Organisation Général Indépendante des Tavailleurs Haitiens (OGITH).

DOMINICAN REPUBLIC

Mariano Negrontejada, Secretary General, Confederación Nacional de Trabajadores Dominicanos (CNTD).

Jacobo Ramos, Secretary General, Federación Unitaria de Trabajadores de Zonas Francas (FENATRAZONAS).

HONDURAS

Israel Salina, Secretary General, Confederación Unitaria de Trabajadores de Honduras (CUTH).

Felicito Avila Ordoñez, President, Central General de Trabajadores (CMT).

Felicito Avila Ordoñez, President, Central de Trabajadores.

JAMAICA

Lloyd Goodleigh, General Secretary, Jamaica Confederation of Trade Unions.

Mr. ROTH. For these reasons, I oppose the amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, in the discussion of this trade bill, we hear a lot of talk about the different things involved in trade and how we want to lift countries up; that the essence of this trade bill before us is to open up the avenues and the corridors of free trade so people living in Third World countries, in Africa specifically, can begin to enjoy some of the benefits of increased production, increased distribution of goods and services, and an increased standard of living. That is what the proponents of the trade bill are arguing.

I am not here to argue against that. I believe free trade, if it is practiced as free trade, it can have genuine beneficial effects on all parties involved. There are anomalies, however, in the trade structure that keep the benefits of open and free trade from being genuinely and broadly distributed among people in Third World countries. There are a lot of these, but I believe the single most important feature, institution or practice of Third World countries that inhibits their economic growth, inhibits their social growth, even if they are allowed into a free trade structure, is the use and practice of abusive child labor.

Child labor is the last vestige of slavery on the face of the Earth. It is widespread. It is condoned—if not openly, at least passively—by many of the major industrial nations of the world. I think it is time we get rid of this last vestige of slavery: child labor.

I have an amendment that is very simple and straightforward. It builds on the international consensus that emerged from the ILO conference in Geneva this summer in which the delegates unanimously adopted a convention to eliminate the worst forms of child labor. The amendment simply states that in order to be eligible for the trade benefits in this bill, a country must meet and effectively enforce the standards regarding child labor, as established by the ILO convention 182 for the Elimination of the Worst Forms of Child Labor. It is just that simple. In other words, if a country wants the benefits of this trade bill, they must meet and effectively enforce the standards of the recently adopted ILO convention 182.

This convention defines the worst forms of child labor as: all forms of slavery, debt bondage, forced or compulsory labor, or the sale and trafficking of children, including forced or compulsory recruitment of children for use in armed conflict; child prostitution, children producing and trafficking narcotic drugs; or any other work which by its nature or the circumstances in which it is carried out, is likely to harm the health, the safety, and the morals of children. These are the provisions of ILO convention 182.

As I stated earlier, for the first time in history, this last June, the world spoke with one voice in opposition to abusive and exploitative child labor. Countries from across the political, economic, and religious spectrum—from Jewish to Moslem, from Buddhist to Christians—came together to proclaim unequivocally that "abusive and exploitative child labor is a practice which will not be tolerated and must be abolished."

So gone is the argument that abusive and exploitative child labor is an acceptable practice because of a country's economic circumstances. Gone is the argument that abusive and exploitative child labor is acceptable because of cultural traditions. And gone is the argument that abusive and exploitative child labor is a necessary evil on the road to economic development. When this convention was approved, the United States and the international community as a whole laid these arguments to rest and laid the groundwork to begin the process of ending the scourge of abusive and exploitative child labor.

Additionally, for the first time in its history, the U.S. tripartite group to the ILO—consisting of representatives from government, business, and labor—unanimously agreed on the final version of the ILO convention 182.

I believe strongly that the time has come to say to countries: If you want the trade benefits outlined in this bill, you must, at a minimum, enforce international standards on abusive and exploitative child labor. That is at a minimum.

So let me be clear about what is meant by abusive and exploitative child labor. This is not about kids working on the family farm. It is not about kids who work after school. There is nothing wrong with that. I worked in my youth when I was in school. Probably most of us in the Chamber today worked when we were young and in school. There is nothing wrong with that, and that is not what we are talking about. The convention that the ILO adopted in June deals with children who are chained to looms, who handle dangerous chemicals, who ingest metal dust from working around machinery, children who are forced to sell illegal drugs, forced into prostitution, forced into armed conflict, forced to work in factories where furnace temperatures exceed 1,500 degrees.

Let me refer to this chart again and repeat, for the sake of emphasis, what the convention does. It abolishes the harshest forms of child labor, including child slavery, child bondage, child prostitution, use of children in pornography, trafficking in children, the forced recruitment of children for armed conflict, the recruitment of children in the production or sale of narcotics, and hazardous work by children. Those are the abusive and exploitative forms of child labor that are covered.

According to the ILO, in Latin America and the Caribbean there are an estimated 17 million children working. In Africa—and we are on the Africa trade bill—80 million children are working. In Asia, about 153 million children are working. There are about half a million in Oceania, in the islands of the southwest Pacific. This totals about 250 million children world wide that are working full time.

They are forced to work with no protective equipment under hazardous and slave-like conditions. They endure long hours for little or no compensation. They simply work only for the economic gain of others. They are denied an education and denied the opportunity to grow and develop.

I paint this in sharp contrast to afterschool jobs that kids have so they can have some more spending money to buy the latest CD. These kids are not buying CDs. They are not even in school. They are kept out of school and are forced to work.

Again, I know firsthand what this is about. I have some charts here, some pictures. Last year, my legislative assistant, Rosemary Gutierrez, and I traveled to several countries in South Asia to investigate child labor. This happens to be a picture that was taken outside of a compound in Katmandu, Nepal. This was on a Sunday evening, shortly after dark, maybe about 7 or 7:30 in the evening. I had heard repeated stories about children who were working, making carpets, children as young as 5 to 7 years of age. But I also knew from others I had talked to that if you asked to visit one of these plants, by the time you got there, they had the kids out the back door. So nobody could ever see them.

Well, it turned out that, through mutual acquaintances, we located a young man—I don't know how old he is now, maybe 21 or 22 years old—who had been a former child laborer in one of these plants. He knew of a plant where he knew the guard at the gate on this Sunday evening in question. So what we did is, we got in an unmarked car and we drove to the outskirts of Katmandu and went up to this compound. Later, we found out we were mistaken and the owner was in fact there. So we went up to the gate, four or five of us, with this young Nepalese man. He got us in the gate.

This was the picture I took outside the gate. There is a sign posted very prominently in Nepalese and in English. As you can see, it says, "Child labour under the age of 14 is strictly prohibited." They have these signs all over. So I took a picture of it.

We went to the gate of this compound. We walked down a fairly narrow alleyway. There were low-lying buildings on our left and right. We went down a few hundred yards and turned to our left to this carpet factory. We went into the carpet factory. Mind you, this is on a Sunday evening, and it is about 7:30. Here is what we found. I can tell you this is what we found because I took the picture. There were dozens and dozens of kids working in this building, with a lot of dust around; carpets put off a lot of dust when they make them. I took this picture of these two kids. I had the young man who spoke Nepalese there, and we were able to talk to them a little.

As best I could figure out, he was about 7 and she was about 8. This was at 7:30 in the evening. You can't see because the flashbulb wasn't strong enough, but there are dozens of children sitting in rows up and down the aisles working.

Here is a better picture, and I am in it. My staff assistant took this picture. These kids are 8, 9, 10, 11 years old, all the way back here, on both sides, up and down, working at 7:30 at night. These are kids who work probably 12 to 14 hours a day, 6 to 7 days a week. When they are not working, they are taken out of here to those low-lying buildings where they sleep and eat; that is where they live. They are not allowed to go out. They are not allowed to go out on the streets. They are not allowed to get an education, go to school. They go from their little Quonset hut, where they stay like stacks of cord wood. Then they are herded in here, work 12 to 14 hours a day, and they are herded back into the building. They are 7, 8, 9 years of age.

I said: What happens when they get to be 12, 13, or 14? I didn't see any children there that old there. Well, sometimes the boys go into different kinds of work, and the girls are sold into prostitution. You don't have to take my word for that; you can talk with anybody in the U.N., the ILO, and talk about the trafficking of young girls from Nepal to India, some as far away as Saudi Arabia.

I met with some young girls who had been sold into prostitution. There is an organization in Nepal of women trying to repatriate these young women, get them back to their country and their villages. Some were sent as far away as Saudi Arabia. Trafficking in prostitution—that is what we are talking about in this amendment. We are not talking about kids working after school. We are talking about these kids. Should a country that permits this and condones this and doesn't take active steps to stop it—should they, I ask you, get the benefits of this trade bill?

Here is another kid. I did not take this picture. This is not my picture. I admit that. But there is a young boy in the Sialkot region of Pakistan. He is 8 years old. His name is Mohammad Ashraf Irfan. You may not be able to see it from there, but he is making surgical equipment. These are scissors used in surgery that are shipped to this country. Think about that. Think about that the next time you go into the doctor's office. It is clean, it is sterile, you have a wound, and they are going to sew you up or they are going to make you well again. You see those little scissors come out, or the little knife, and the things they use. Think about Ashraf here who is 8 years old. Look at him. The next time you go into a doctor's office, think about Ashraf and think about hundreds of thousands like him sitting there day after day. He has no protective goggles, no protective equipment on his hands, and he is making surgical equipment to be used in the finest of doctor's offices and hospitals in Europe and America. That is what we are talking about in this amendment.

I believe our goal must be to encourage and to persuade other countries to build on the prosperity that comes with trade and to lift their standards up. Exploited child labor in other countries not only penalize Ashraf to a lifetime of illiteracy, low wages, bad health, and not only does it condemn him to that, and hurt his life, but the fact they exploit him means that it unfairly puts workers in our country and other countries at a disadvantage.

You can't compete with slavery. This is slavery. You can dress it up and call it what you want. But this is about the nearest thing you can get to slavery. Yet, unfortunately, the legislation before us does not address this issue. It simply relies on the criteria of the Generalized System of Preferences, or GSP, to extend countries trade benefits.

Is that adequate to what we know is going on in the world?

This criteria in GSP has been on the books since 1984—15 years. And child labor today is worse than it was 15 years ago.

Let me explain that the USTR, our own Trade Representative office, in its implementation and enforcement of GSP, has, I believe, abused the language in the statute that calls for taking steps to afford respect for workers' rights, including child labor. They have interpreted that any gesture made by a country will satisfy the requirements of GSP.

There is a list of five internationally recognized workers' rights provisions in GSP. Here they are: One, the right of association; two, the right to organize and bargain collectively; three, a prohibition on the use of any form of forced or compulsory labor; four, a minimum age for employment of children; five, acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

If a country takes steps—we don't say how big a step—if a country takes one teeny, little bit of a step in any one of those areas, they are allowed GSP benefits. They may have the most abusive forms of child labor, but if they have taken steps —for example, to have the right of free association—there you go. They have satisfied the requirements. Quite frankly, these countries should be taking steps in all five areas and enforcing the laws they have on the books.

The fact is, there are laws in Nepal against the use of child labor in these looms. There are laws in Pakistan against what Ashraf Irfan is doing. They all have laws on the books. They are just not enforcing them. Many of these countries have been able to provide cosmetic and unenforceable actions. Then they are recognized as having taken steps, and they are off the hook. In fact, the principal sponsor of the GSP criteria, an individual I served with in the House of Representatives, Representative Don Pease, wanted to set a high standard to ensure that countries not only have laws on their books with regard to these rights and minimum age requirements but that they were also being enforced. When it got to conference, it was watered down. We have that today. If they meet just one of those criteria, that is all they have to do.

Fifteen years later after GSP, we now have a universal standard adopted this June by the ILO in Geneva. The ILO convention 182 is a well-defined, internationally accepted standard that I believe should be the criteria in granting any country U.S. trade benefits. ILO convention 182 that will hold everyone to one real and enforceable standard that was unanimously agreed to in Geneva this past June.

Again, as I have said before, I believe in free trade. I voted for the North American Free Trade Agreement. But I also believe in a level playing field. I also believe you should use trade to try to lift countries up—not lift countries up on the backs of children but to lift those countries up alongside of us.

U.S. workers can't compete with slaves. U.S. workers can't compete with 8-year-old kids working 12 and 14 hours a day who are paid almost nothing. You can dress it up any way you want. You can use whatever fancy words and language you want. That is slavery. These kids don't have a choice. They are forced to work in unbearable conditions. They don't have a choice. They do not have any freedom and liberty. Is that not the definition of slavery? Children are exploited for the economic gain of others. The child loses, the family loses, this country loses, and we in the world lose, too.

Every child lost to the workplace in this manner is a child who will not receive an education, learn a valuable skill, and help this country develop economically, or become a more active participant in the global market. When just one child is exploited in this manner, every one of us is diminished.

Recently, I came across a startling statistic. According to the UNICEF report entitled "The State of the World's Children 1999," nearly 1 billion people will enter the 21st century—the new millennium—1 billion people will enter unable to read a book, or unable to sign their name because they are illiterate. This is a formula for instability, violence, and conflict down the road.

Nearly one-sixth of all humanity—think about it; three and a half times the population of the United States—next year won't even be able to read a book or sign their name.

This is the reason: Because they were denied an education when they were young. They were forced to work in front of rug looms, or making surgical equipment, glassware, and metals in mines and places such as that.

I believe it is shocking. I believe children making pennies a day spells disaster and conflict down the road. In cold, hard, economic terms, children making pennies a day will never buy a computer, they will never buy the software to run it, they will never purchase the latest music CD or a VCR to play American-made movies.

By allowing abusive and exploitative child labor to continue, we not only doom the child to a future of poverty and destitution, we doom future markets for American goods and services.

Why in our trade bill do we not just look one foot in front of our nose? We think about next year or the year after. Why not think about 10, 15, or 20 years from now, when 8-year-old Ashraf Irfan is in his twenties and thirties? What will he be buying? Will he buy a computer? Will he buy software and log on to the Internet? Will he buy clothes? No; he will be functionally illiterate. He will go to a store and watch television and see how the rest of the world lives and say, Why do I live like this?

It is ripe for revolutions, wars, insurrections, and instability all over the world.

Some say child labor shouldn't be dealt with in trade measures. I think this is wrongheaded thinking and closed minded. I believe we should be addressing child labor issues on trade measures. After all, we are ultimately talking about our trade policy. Not too long ago, agreements on intellectual property rights were not considered measures to be addressed by trade agreements. In the beginning, only tariffs and quotas were addressed by GATT because they were the most visible trade-distorting practices.

As time went on and as we began to develop more and more intellectual property in this country, we said we ought to include intellectual property rights and services, too. Now they have become an integral part of our trade agreements. The trade bill two years ago had several pages on intellectual property rights and one small, ineffectual paragraph on child labor. Now the WTO will consider rules dealing with foreign direct investment. That is another new step. A part of our trade agreements will now involve foreign direct investment and competition policy.

When I looked at the trade bill two years ago and saw all the pages dealing with intellectual property rights and I saw the little, ineffectual paragraph that actually turned the clock back on child labor, I thought to myself, if we can protect a song, can't we protect a kid? Think about it. We are going to protect someone's song so it can't be stolen, used, recorded, or sung by anybody else in the world—we can protect that; but we can't protect this kid? Tell me that child labor is not an apt policy for trade policy and trade bills. I believe it is time we do this. We as a nation cannot ignore what is happening.

In 1993, this Senate put itself on record in opposition to the exploitation of children for economic gain by passing a sense-of-the-Senate resolution that I submitted. That was in 1993. It was a sense-of-the-Senate resolution. Nonetheless, it passed. In 1994, I requested the Department of Labor to begin a series of reports on child labor. These reports now consist of five volumes representing the most comprehensive documentation ever assembled by the Government on this issue. Earlier this year, President Clinton issued an Executive order prohibiting the U.S. Government from procuring items made by forced or indentured child labor. We are making progress.

Some may say we have not even ratified convention 182 ourselves, so how do we expect others to abide by that? The chairman of the committee, Senator HELMS, had a hearing about 2 weeks ago on this. I thought it was a great hearing. I am pleased to report to my colleagues, just today the Senate Foreign Relations Committee reported out the new ILO convention. I am hopeful we will have it on the floor to get a unanimous vote and to ratify that before we leave this year. I have every reason to believe we will before we leave this year.

Mr. REID. Will the Senator yield?

Mr. HARKIN. I am happy to yield to the Senator.

Mr. REID. We are going to have a couple of votes at 3:30. There is no time agreement. The Senator may speak as long he desires. Both managers of the bill are in a position to accept the amendment of the Senator or, if the Senator desires a recorded vote, we can have that, too. They are willing to accept this amendment. There is an order in effect that there will be two votes at 3:30.

Mr. HARKIN. I will abruptly finish my remarks.

Mr. REID. And then make a decision.

Mr. HARKIN. Normally, I would say fine to accept it, but since the Foreign Relations Committee passed it out this morning and I believe we will have it before the Senate before the end of the year, I think it is important for the Senate to express itself on this issue on the forms of abusive and exploitative child labor. It is important we do that. We have taken so many steps and come so far, we ought to do that. I am hopeful my colleagues will support this.

My amendment is cosponsored by Senator HELMS, the chairman of the Foreign Relations Committee, and Mr. WELLSTONE from Minnesota. There is a pretty broad philosophical spectrum encompassed on this amendment.

I ask unanimous consent the pending amendment be temporarily set aside, and I ask to call up my amendment No. 2495.

Mr. REID. Reserving the right to object, what was the unanimous consent request?

Mr. HARKIN. To set aside the amendment and call up my amendment.

Mr. REID. Mr. President, we are trying to work out a time sequence. The Landrieu amendment is now pending. It is my understanding that we have two votes set and Landrieu makes three votes; is the Senator willing to make his the fourth vote in that stack?

Mr. HARKIN. Yes; I have no problem.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment?

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Iowa has the floor and has stated a unanimous consent request.

Mr. HARKIN. I ask unanimous consent the pending amendment be temporarily set aside, and I ask that my amendment No. 2495 be called up.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, I say to my friend, he has no problem, if his amendment is called up, having his the fourth after these other three?

Mr. HARKIN. No. I don't have any problem with that, no.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. I object.

The PRESIDING OFFICER. The Senator from Delaware objects. Objection is heard. The Senator from Iowa continues to have the floor.

Mr. HARKIN. Mr. President, I thought I had just agreed to have the amendment voted on.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HARKIN. I will yield for a question to my colleague from Nevada. We are trying to work out an arrangement.

Mr. REID. I say to my friend, and the manager of the bill, this is my understanding of what the managers want to occur. We already have two amendments pending and there are motions to table those two amendments. The Landrieu amendment is going to come on as the third matter. They also want to move to table that. That can only be done while the amendment is pending. So that amendment is pending now.

I suggest there be a tabling motion made and then the Senator will offer his amendment, and his amendment be voted up or down.

Mr. HARKIN. Mr. President, let me see if I can revise my unanimous consent.

I ask unanimous consent after the Landrieu amendment is disposed of, in whatever form that disposal may take, that I be recognized to call up my amendment, amendment No. 2495, and to have the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there objection? The Senator is advised he cannot obtain the yeas and nays by unanimous consent. That part of his consent cannot be granted.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. First, we will have the unanimous consent request. Is there objection to the unanimous consent request?

The Chair hears none, and it is so ordered.

Mr. HARKIN. I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ROTH. Mr. President, I ask consent a vote occur on or in relation to the pending amendment—the Landrieu amendment to H.R. 434 in the voting sequence occurring at 3:30 p.m. today, with all the parameters provided for the first two amendments in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I ask unanimous consent to set aside the Landrieu amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2505

(Purpose: To authorize the extension of permanent normal trade relations to Albania and Kyrgyzstan, and for other purposes)

Mr. ROTH. Mr. President, I send to the desk the managers' amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 2505.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LEVIN. Mr. President, President Clinton recently emphasized that while expanding trade, we also need to have basic labor standards so that people who work receive the dignity and reward of their work. The President said the WTO should create a working group in Seattle on trade and labor and asked, "How we can deny the legitimacy or the linking of these issues, trade and labor, in a global economy?"

How, indeed? The rhetoric sounds right—that we should link the granting of trade benefits to whether countries are abiding by internationally recognized standards on such things as child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights. This should be especially the case when these countries have freely undertaken such obligations in treaties or conventions. This is a laudable objective and one that the Administration is now promoting. But how do we implement this objective?

We have our first test case under consideration before the Senate today. We should begin to promote standards on such things as child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights as part of our trade relationships by considering progress on those goals when unilaterally granting a trade benefit. In considering whether to grant a country a unilateral trade benefit, the President surely ought to consider the extent to which that country has undertaken its own existing obligations, obligations under treaties and conventions it has freely entered into relative to child labor, collective bargaining, the use of forced or coerced labor, occupational health and safety and other worker rights. Unfortunately, in the bill under consideration today, the President is not required to even consider this factor.

Mr. President, the trade bill we are considering contains two provisions that would provide trade benefits to certain countries unilaterally without asking that reciprocal action be taken.

This bill is flawed and it doesn't live up to our repeatedly stated beliefs. It contains no required consideration of the extent to which a beneficiary country has undertaken to live up to its own commitments to internationally recognized standards on such things as child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights, before the country may receive the trade benefit conferred in the bill. I believe the extent to which a country demonstrates a willingness to abide by its own commitments freely undertaken, be it to labor standards, or anything else, should be an element that is at least considered when determining a country's eligibility to receive special benefits.

As the bill is currently written, before granting the trade benefits, the President must make certain determinations, such as determining if the country has demonstrated a commitment to undertake WTO obligations and to take steps to join the Free Trade Agreement of the Americas (FTAA). Only as a secondary consideration, the President may consider, when determining if the country has demonstrated a commitment to the WTO and FTAA, additional criteria, including the extent to which the country provides internationally recognized worker rights.

This is not strong enough because it is a discretionary standard that the President is not required to even consider and it is also only a secondary consideration that can be taken into account when making a determination as to whether a country has demonstrated a commitment to pursue certain other ends. It is not an end in itself.

It seems to me that the type of trade benefit we are considering today, a one-way-granting by the United States of duty free treatment, is a logical place to include a consideration of whether a country is attempting to live up to its own obligations it has freely undertaken with regard to standards on such things as child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights.

The President has said he wants to start to link trade and labor standards and will take steps to try to achieve this in the next round of WTO negotiations starting in Seattle. We should start here at home by requiring that the extent to which a beneficiary country has demonstrated a commitment to abide by obligations it has already undertaken in treaties and conventions it has freely entered into relative to child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights. If we can't even include such a consideration in today's legislation, how do we expect to succeed in including such provisions in a multilateral negotiation of over 130 member nations?

Mr. President, I am offering an amendment which would require consideration of internationally recognized labor standards when determining if a CBI country may benefit from unilateral trade preferences. My amendment would require the President, when designating a CBTEA beneficiary country, to consider the extent to which the country provides internationally recognized worker rights, such as the right of association, the right to organize and bargain collectively; prohibition on the use of any form of coerced or compulsory labor and a minimum age for the employment of children.

Most CBI countries are signatories of the International Labor Organization conventions. Considering the extent to which these countries abide by their own international obligations is the least we can do when considering whether they deserve to receive unilateral trade preferences from us.

Mr. MACK. Mr. President, I rise today to thank the chairman of the committee, Mr. ROTH, for including in the manager's package an amendment by Mr. SARBANES and myself expressing the sense of the Congress with respect to the issue of debt relief for poor countries. Our resolution simply expresses the desire of this body to work with the President and the international community to forgive the debt owed to us by the world's poorest countries in exchange for commitments from these countries to reform their economies and work toward a better quality of life for their people. This follows on legislation we introduced earlier this month to accomplish this important objective.

Our effort today is premised on the notion that we must help these poverty-stricken nations break the vicious cycle of debt and give them the economic opportunity to liberate their futures. This issue has united people of diverse interests and backgrounds from all around the world. There is a growing sense across the cultural and political spectrum that debt burdens are a major impediment to economic reform and the alleviation of the abject poverty facing the world's poorest countries. And there is increasing certainty that debt forgiveness—if done right—can be a positive force for change in the developing world. Our resolution makes clear that the objectives of debt relief should be the promotion of policies that promote economic growth, openness to trade and investment, and the development of free markets. I am glad the full Senate is joining us in this endeavor.

Today, Mr. President, the world's poorest countries owe an average of $400 for every man, woman, and child within their borders. This is much more than most people in these countries make in a year—in fact more than one billion people on Earth today live on less than a dollar a day. Debt service payments in many cases consume a majority of a poor country's annual budget, leaving scarce domestic resources for economic restructuring or such vital human services as education, clean water and sanitary living conditions. In Tanzania, for example, debt payments would require nearly four-fifths of the government's budget. In a country where one child in six dies before the age of five, little money remains to finance initiatives that would improve the country's economic prospects, its openness to trade and investment, or the standard of living of its people. Among sub-Saharan African countries—many of the very countries we're looking to help in the trade package before us today—one in five adults can't read or write.

Mr. President, the problems in the developing countries that yield such grim statistics will never be solved without a monumental commitment of will from their leaders, their citizens, and the outside world. We cannot solve all these problems today. Rather, we are simply affirming to the world that the small step of debt relief is one that can and should be taken without delay.

The effort to forgive the debts of the world's poorest countries has been ongoing for more than a decade. During this time the international community and the G7 came to the realization that the world's poorest countries are simply unable to repay the debt they owe to foreign creditors. What's more, the payments that are being made are hampering progress toward more free, open, and economically vibrant economies. The external debt for many developing nations is more than twice their gross domestic product, leaving many unable to even make interest payments. We must accept the fact that this debt is unpayable. The question is not whether we'll ever get paid back, but rather what we can encourage these heavily indebted countries to do for themselves in exchange for our forgiveness.

In Uganda, for example, debt relief obtained under the existing debt forgiveness programs has cleared the way for a doubling of classroom size, allowing twice as many children to attend school as before. This type of benefit is real. It is tangible. And it will bring untold benefits to the country in future years. We must do more to encourage these types of programs and debt relief is one vehicle that can help effect real change in the developing world.

Prudent debt relief is in all of our best interests. It is an investment in the commitment of the world's poorest countries to implement sound economic reforms and help their people live longer, healthier and more prosperous lives.

Our amendment today is another step toward this goal and I thank my colleagues for their support.

Mr. BINGAMAN. Mr. President, I rise today to address the Trade Adjustment Assistance program.

Let me begin by stating—as others have on this issue—that I believe strongly in the concept of free and fair trade, and I have always supported legislation that opens foreign markets, assures that trade agreements are enforceable, and provides the opportunity for competitive U.S. firms to do business overseas. I support legislation of this type because I feel that in the long run it increases the economic welfare of our nation and leads to substantial and measureable benefits for Americans. Exports now generate over one-third of all economic growth in the United States. Export jobs pay ten to fifteen percent more than the average wage. Depending upon who you listen to, it has generated anywhere from two to eleven million jobs over the last ten years. Without expanded trade brought on as a result of globalization, we will end up fighting over an ever-decreasing domestic economic pie. Trade is inevitable, it is the terms of trade that we debate.

And this debate is important, because while many Americans are enjoying unprecedented opportunities as a result of the process of globalization, others are not so fortunate. Clearly, free trade has negative attributes, and the United States has not been immune to them. In my state alone over the last two years we have seen several thousand people laid off in trade-related plant closures—from high-tech to apparel to copper. Many more New Mexicans have been forced to find other work because they can no longer compete on an international basis. The vast majority of these people live in rural communities where there really isn't anything else for them to do in terms of employment. When I talk to these people, they ask me: Where am I supposed to work now? Where do I find a job with a salary that allows me to support a family, own a house, put food on the table, and live a decent life? Where are the benefits of free trade for me now that my company has gone overseas? What good are cheaper products when I no longer have a salary to pay for them?

These are tough questions, especially from someone who is trying to pay a mortgage, or get their children an education, or buy food for the table, and they deserve an answer. In my opinion, the answer does not lie in protectionism, as many would suggest, because it is no longer a legitimate option. It is impossible to go back in time and trade only within our own borders. Instead the answer lies in the development of programs that provide people with the skills to be gainfully employed and provide companies with the tools so they can become internationally competitive. It is through workforce development and technological innovation. Globalization is inevitable. It is not going to stop. Therefore, the question for us in this Chamber is: How we can manage it to benefit the national interest of the United States? How can we make it work for our people? How can we establish an environment where high-wage jobs can be obtained and communities sustained?

The Trade Adjustment Assistance program is supposed to do just that. As my good friend and colleague Senator MOYNIHAN has pointed out on the floor many times, this program and its component parts are part of a very reasonable agreement with American workers and companies: If Americans lose their jobs as a result of trade agreements entered into by the U.S. Government, then the U.S. government should assist these Americans in finding new employment with equivalent or better wages. If the U.S. government supports an open trading system, it is responsible to repair the negative impacts this policy has on its citizens. If you lose a job because of U.S. trade policy, you should have some help from the U.S. Government in getting unemployment benefits and retraining to get a new job that pays you as much or more as you were getting before.

And, since its inception, the Trade Adjustment Assistance program has attempted to do just that. It has over the years consistently helped individuals and companies in communities across the United States deal with the transitions that are an inevitable part of a changing international economic system. It helps people that can work and want to work to continue to work in productive jobs that contribute to the economic welfare of our country.

But, as good as the Trade Adjustment Assistance program is, it is not without flaws, and these flaws frequently make the program difficult to use for those that need it most. Even worse, in some cases, it is simply unavailable for those who need it most.

What are some concrete examples of these problems? In my state of New Mexico, we have over the last few years seen a serious lack of coordination between the federal and state agencies responsible for the provision of unemployment benefits and retraining, and we have seen a near complete incompatibility of application procedures. This lack of harmonization has made potential recipients run in circles to find information and advice that would help them find viable work.

We have passed legislation that provides benefits to some individuals that are not available to others. For instance, the NAFTA Trade Adjustment Assistance program provides unemployment benefits and retraining for those who have been negatively impacted by trade or shifts in production overseas, but the Trade Adjustment Assistance program only provides retraining in the case of former, not the latter. Furthermore, secondary workers—individuals who with their company provide direct inputs into primary manufacturing facilities—are not eligible for any support at all, this in spite of the fact that they too may lose their jobs when a primary facility is forced to close. How do you explain these programmatic differences to workers who need help, and need it now?

Another problem: Trade Adjustment Assistance provides assistance to workers in specific communities, but it does not provide assistance to those communities that have been significantly impacted by trade or shifts in production overseas. No evaluation of community needs, no strategic plan for economic development, no technical assistance to help a community recover from what has happened. Thus, while we provide federal funds so workers can retrain to find employment, in many cases there is no simply gainful employment to be had in the community. There is no work to retrain for that pays a living wage. In other words, there is no linkage between retraining programs and community workforce needs. Individuals thus have a choice: stay in town on unemployment until it runs out, take a lesser paying job that disallows them from providing for themselves and their family, or relocate to a region that has employment to offer. In either case, the community loses. And this is happening with disturbing frequency not only in New Mexico, but in rural communities across the United States. Ask any of my colleagues, and they will tell you they have heard the same story.

I would argue that in some very specific cases foreign trade or the transfer of production overseas has had a such an impact on a community that it is analogous to a natural disaster. The impact on the community is so severe, pervasive, and painful that it is equivalent to a flood, tornado, or earthquake. In many cases, not just individuals, but an entire community has become dislocated, and is not prepared as a political or economic entity to take the steps needed to recover. Not only the individuals, but the community, needs help to get back on its feet.

So what must be done in these circumstances? In this country we have organized a unique approach to first anticipate, and then respond to, natural disasters—the Federal Emergency Management Agency, or FEMA—and it is designed to integrate the federal/state/local activities to obtain optimal recovery. Why not have this kind of coordinated program for trade? We organize this kind of response through the Department of Defense and the Office of Economic Adjustment when a military base closes in a community. Why not have such a program for communities affected by trade? I am not talking about giving funds to those in need in perpetuity. I am talking about establishing a coherent strategic plan with an entry and exit policy that helps individuals and communities develop a workforce plan, create good jobs for their citizens, and become viable economic competitors in the international marketplace.

The time is ripe to examine these issues, and in my view it is time to think outside the box. There are too many inconsistencies in existing unemployment and re-training benefit programs—Trade Adjustment Assistance, NAFTA Trade Adjustment Assistance, the Job Training Partnership Act, the Workforce Investment Act, and unemployment insurance—and they must be examined so we can make them efficient and effective mechanisms for our workers. In my view, these problems are not necessarily the fault of the Department of Labor, which administers many of the programs I refer to today. The problems are indicative of an ad hoc approach to policy formation over the years, and it is time to align these programs so they will have the maximum benefit effect for those who need them. Trade Adjustment Assistance is an excellent idea and it has served us well, but it is time that it be refined to better fit the needs of an increasingly interdependent international political economy.

To this end, I offer a very straightforward amendment today, and an action that I see as a first, but very important, step to more comprehensive Trade Adjustment Assistance reform. The immediate goal of the amendment is to obtain the information necessary to make informed decisions on how to proceed in future legislation. My amendment asks that the General Accounting Office study this issue, and, within nine months, offer Congress specific data and recommendations concerning the efficiency and effectiveness of federal inter-agency and federal and state coordination of unemployment and retraining activities associated with the following programs: the Trade Adjustment Assistance program, the NAFTA Trade Adjustment Assistance program, the Job Training Partnership Act, the Workforce Investment Act, and the Unemployment Insurance Program. The report will examine the activities since the enactment of the NAFTA agreement on January 1, 1994, and will include analysis of many of the issues I mentioned previously: the compatibility of program requirements and application procedures related to the unemployment and retraining of dislocated workers in the United States, the capacity of these programs to assist primary and secondary workers negatively impacted by foreign trade and the transfer of production to other countries, and the effectiveness of the aforementioned programs relative to the re-employment of United States workers dislocated by foreign trade and the transfer of production to other countries. This is an unambiguous and uncomplicated amendment, and it will help us chart a course for the future.

Trade Adjustment Assistance is a necessary part of our national trade policy toolbox, and I believe it has done an admirable job over the years. But we all know it will become even more important as our country becomes more integrated into the global economy. For this reason, it is time that it be made more effective, and that its goals be better defined. I believe this amendment will assist us in this effort, and I hope that my colleagues will support the passage of this bill when it comes to a vote.

Mr. LIEBERMAN. Mr. President, I rise to present legislative background and history on a provision contained in the Manager's Amendment to the African Growth and Opportunity Act adopted this evening by consent. Constituents in my state in the wool fabric industry have been concerned about any revision to tariff reduction and phase-out schedules that would unfairly alter their competitive posture and force layoffs of Connecticut employees.

The final language in the provision states that, "It is the sense of the Senate that U.S. trade policy should place a priority on the elimination or amelioration of tariff inversions that undermine the competitiveness of the U.S. consuming industries, while taking into account the conditions in the producing industry in the United States, especially those currently facing tariff phase-outs negotiated under prior trade agreements." I want to note that this provision as adopted was modified to reflect specific concerns I raised about it. While this provision merely expresses a "sense of the Senate" and is in no way law or binding, I do want to provide background on the intent of the provision.

I note, first, that language in the provision as originally proposed directing the inclusion of the "wool fabric" industry sector in this provision was specifically deleted in the version that passed in the Manager's Amendment, underscoring the Senate's clear intent that this provision is not directed at this sector.

Second, the provision specifically requires that full account be taken of "conditions" in the various "producing industry in the United States," indicating that whatever further action Congress may want to consider in the future on this issue, or that the U.S. Trade Representative may raise in future negotiations, must assure fairness and equitable treatment to those currently producing in the United States. Furthermore, the language specifically states that special attention and equity is to be provided to "those currently facing tariff phase-outs negotiated under prior trade agreements." Since my constituents in the wool fabrication sector specifically fall into exactly that posture, properly relying on phase-out schedules negotiated in prior trade agreements, this protection and assurance is directed at their concerns, which, in turn, is why their industry sector was dropped from application of this provision.

I further appreciate the assurances provided me by the Managers of this bill that I will be provided full notice of any consideration of this issue in conference and that it will be resolved in a manner satisfactory to me in representation of my constituent's concerns.

Mr. ROTH. Mr. President, the managers' amendment has been worked on by the distinguished ranking member, Senator MOYNIHAN, and myself. We have worked with Members on both sides of the aisle. This represents the results. There is no objection from the Democrat or Republican side.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, may I simply confirm the chairman's statement. I thank all who have worked very hard on this extensive measure.

The PRESIDING OFFICER. Is there further debate on the managers' amendment?

Mr. ROTH. I ask for a voice vote.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2505) was agreed to.

Mr. ROTH. I thank the ranking member of the committee for his cooperation and help.

I think now we are about ready to proceed with the votes.

A quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2487

The PRESIDING OFFICER. The Senator from Minnesota is entitled to 2 minutes of his time.

Mr. WELLSTONE. Mr. President, this amendment provides for enforceable labor standards. This is about the terms of trade and wanting to make sure with the CBI countries that when it comes to the right to organize and bargain collectively, people are not imprisoned for asserting this right, and that basic human rights and basic labor rights are met. In that way, we will have a trade agreement with enforceable labor standards that says to wage earners in our country: You are not going to lose your job in the apparel industry to other countries because they are paying 35 cents an hour and violate basic labor rights. It also says to workers in CBI countries: It is a benefit to you; you do not have to depend on investment by only making 35 or 40 cents an hour and not able to have basic human rights and labor rights.

This amendment calls for enforceable labor rights. It is the right thing to do. It is all about the right terms of trade, and I hope my colleagues will vote for this amendment.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from New York.

Mr. MOYNIHAN. Mr. President, the managers' amendment which has just been adopted at the behest of Senator LEVIN, myself, and others, requires that core labor standards are necessary matters that the President must consider in granting these trade privileges. Of course, the Generalized System of Preferences incorporates substantially the same measures. The President is authorized to consider countries' compliance with these standards. Indeed, the President has already endorsed the core labor standards through the ILO Declaration adopted in 1998. There is no need to micromanage his handling of foreign affairs.

In the interest of moving this measure along, with full agreement with the purposes of the Senator from Minnesota, I move to table the amendment.

The PRESIDING OFFICER. All time having been used or yielded back, the question is on agreeing to the motion to table amendment No. 2487. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The result was announced—yeas 66, nays 31, as follows:

[Rollcall Vote No. 349 Leg.]

YEAS—66

Abraham
Allard
Ashcroft
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Bunning
Burns
Cochran
Coverdell
Craig
Crapo
Daschle
DeWine

Dodd
Domenici
Edwards
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe

Kerrey
Kyl
Landrieu
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Roth
Santorum
Sessions
Shelby

Smith (NH)
Smith (OR)
Stevens

Thomas
Thompson
Thurmond

Voinovich
Warner
Wyden

NAYS—31

Akaka
Baucus
Boxer
Byrd
Campbell
Cleland
Collins
Conrad
Dorgan
Durbin
Feingold

Harkin
Hollings
Jeffords
Johnson
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski

Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Torricelli
Wellstone

NOT VOTING—2

Inouye
McCain

The motion was agreed to.

AMENDMENT NO. 2347

The PRESIDING OFFICER. There are now 4 minutes equally divided before a vote on the motion to table amendment No. 2347.

The Senator from Pennsylvania, Mr. SPECTER, is recognized.

Mr. SPECTER. Mr. President, this amendment provides for a private right of action to go into Federal court and stop dumped goods from coming into the United States in order to enforce U.S. trade laws and international trade laws, consistent with GATT.

For example, today, if you take a case under 30201, the International Trade Commission takes up to a year to have it acted on, and then the administration can have a suspension order and eliminate it totally. Dumped goods are unfairly taking jobs from farmers, where dumped wheat comes into the United States. Textiles are dumped, steel is dumped, lamb is dumped; and the administration consistently decides these cases—as they did on steel with Russia—on a suspension agreement as to what is going to help the Russian economy for foreign policy and defense reasons, as opposed to seeing to it that United States trade laws are enforced that prohibit dumping—selling in the United States at a lower cost than illustratively selling in Russia.

This would give an injured party a chance to go to court and get an injunction within a few weeks, to have countervailing duties imposed, which would be an effective way to see to it that our antidumping laws are enforced and we do not have the disintegration of industries such as steel or unfair practices for wheat farmers, lamb farmers, and the like.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I rise in opposition to my colleague's amendment. I do so because there is no evidence that the current antidumping and countervailing duty laws have failed to deliver relief to injured industries. Indeed, it is not clear to me that shifting the burden of the initial investigation to the courts, with any allowance at all for the normal process of discovery between private litigants, would help the petitioning industry in these cases.

While both petitioners and respondents complain about their treatment before the administrative agencies, largely due to what they consider to be the arbitrary basis for their decisions, both sides to the litigation seem to agree that the cases themselves are completed as rapidly as possible. They also agree that the current system provides more certainty and predictability.

Given that, I urge my colleagues to think carefully about the implications of shifting these cases to the Federal courts. While the system is not perfect, the fact is that petitioners have been very successful in these cases. Moreover, the system is surprisingly quick and responsive, given the complexity of these cases. Anybody who has spent years before the Federal courts in a complex commercial matter can tell you that the current system of litigation of unfair trade cases administratively is quite rapid.

For these reasons, I urge my colleagues to vote to table the amendment. No such change, as proposed by this amendment, should be adopted without thorough study on the part of the appropriate committee.

Mr. President, I ask unanimous consent that this rollcall vote and future rollcalls in this series be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time has expired. The question is on agreeing to the motion to table amendment No. 2347. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that, if present and voting the Senator from Massachusetts (Mr. KENNEDY) would vote "no".

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 42, as follows:

[Rollcall Vote No. 350 Leg.]

YEAS—54

Abraham
Allard
Ashcroft
Bennett
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Cochran
Coverdell
Daschle
Dodd
Domenici
Enzi

Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hutchinson
Kerrey
Kerry
Kyl
Landrieu

Lautenberg
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Murray
Nickles
Reid
Roberts
Roth
Schumer
Smith (OR)

Stevens
Thomas
Thompson
Voinovich
Warner
Wyden

NAYS—42

Akaka
Baucus
Bayh
Biden
Bunning
Burns
Byrd
Campbell
Cleland
Collins
Conrad
Craig
Crapo
DeWine
Dorgan
Durbin
Edwards
Feingold
Hatch
Helms
Hollings
Hutchison
Inhofe
Jeffords
Johnson
Kohl
Leahy
Levin
Mikulski
Reed
Robb
Rockefeller
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Snowe
Specter
Thurmond
Torricelli
Wellstone

NOT VOTING—3

Inouye
Kennedy
McCain

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2430

The PRESIDING OFFICER. Under the previous order, there will be 4 minutes equally divided for a vote on the motion to table the LANDRIEU amendment.

Ms. LANDRIEU. Mr. President, I will not ask my colleagues to vote. I will ask for the vote to be vitiated. However, I want to spend 1 minute on this amendment because there seems to be a misunderstanding about some of the facts. With all respect to the chairman and ranking member who do not support this amendment, perhaps we will have longer to debate this in the years to come.

It is my understanding—and I am supporting this bill—that our idea is to help develop the continent of Africa in a mutually beneficial way that helps our Nation, also. However, in the current draft of the bill, there is an island that is included which is technically part of Africa. There are 1 million inhabitants and the per capita GDP is $10,300, far exceeding other nations, such as Sudan with a GDP of $875; Ethiopia, with a GDP of $520; Somalia, with a GDP of $600 per year per capita.

I don't understand why we are including some islands that are already doing very well—in fact, better than some of our European nations. I bring this to the attention of the Senate. I will not ask for a vote. The ranking member has said there are administrative provisions in this trade agreement that make it clear our efforts are directed to the nations that need development and not to give preferential treatment to nations or areas that are already quite developed.

That is my only point. I am not going to ask the Senate to vote on it. Perhaps we will have a time to discuss this in the next year or the next Congress.

Mr. MOYNIHAN. Mr. President, I thank my distinguished colleague. She is absolutely right. We should address this issue. We will. I thank her for bringing it before us and do not forget to come back.

I yield the floor.

Mr. ROTH. Mr. President, I ask unanimous consent we dispense with the vote on the motion to table the Landrieu amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa.

Mr. HARKIN. Mr. President, I believe my amendment is next in order?

The PRESIDING OFFICER. The Chair has an inquiry. Is it the intention of the Senator from Delaware—is the motion to withdraw the amendment?

Mr. ROTH. The Senator withdrew her amendment and I asked unanimous consent we dispense with the vote on the motion to table.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 2430) was withdrawn.

The PRESIDING OFFICER. The Senator from Iowa is recognized under the previous order.

Mr. HARKIN. For how long? Is it 2 minutes?

The PRESIDING OFFICER. The Senator is recognized to offer an amendment.

Mr. HARKIN. I thought my amendment was pending, under the unanimous consent agreement.

The PRESIDING OFFICER. The Senator would need to call up the amendment.

AMENDMENT NO. 2495

(Purpose: To deny benefits under the legislation to any country that does not comply with the Convention for the Elimination of the Worst Forms of Child Labor)

Mr. HARKIN. I call up amendment 2495.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 2495.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATIONS ON BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law, no benefits under this Act shall be granted to any country (or to any designated zone in that country) that does not meet and effectively enforce the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

(b) REPORT.—Not later than 12 months after the date of enactment of this Act and annually thereafter, the President, after consultation with the Trade Policy Review Committee, shall submit a report to Congress on the enforcement of, and compliance with, the standards described in subsection (a).

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, under the understanding, I am going to take just a couple of minutes. Even though there was no time agreement, there was an understanding. I know people want to vote on this.

The PRESIDING OFFICER. If the Senator will yield, the Senate will be in order.

The Senator from Iowa.

Mr. HARKIN. Mr. President, this amendment is cosponsored by my colleague from North Carolina, the chairman of the Foreign Relations Committee, Senator HELMS, and also by my friend from Minnesota, Mr. WELLSTONE. As you can see, this has broad philosophical support.

I also at this moment inform my colleagues and thank Senator HELMS for reporting out just this morning, from the Foreign Relations Committee, the Convention 182 on the Elimination of the Worst Forms of Child Labor. That is record time. It was just adopted in June of this year. Then it had to go through some legal reviews and the President submitted to the Senate on August 5, 1999. So I want the chairman to know how much we appreciate the expeditious handling of that and the fact it is reported out. I am hopeful we can get a vote on it before we go out toward the end of this year.

The reason I had the clerk read the entire amendment is because it is not very long and not very convoluted. All it says, basically, is no country will get the benefits of this bill unless they adopt and enforce the provisions of this Convention 182 that was just adopted in June.

I might point out that there are 160 signators to this Convention. It is the first time in history the entire three representatives of the ILO Tripartite group, which are representatives from government, business, and labor agreed on the final form of a convention out of ILO. So it has broad support.

This talk about the worst forms of child labor, child prostitution, child trafficking in drugs, child trafficking itself, hazardous work, any forms of bondage or slavery—all of those are listed under 182. All this amendment says is the benefits of this bill cannot go to any country that does not adopt and enforce the provisions of 182.

I hope we can get a vote on the convention itself before we go out this fall. I believe it will say to all these countries in Africa: We are willing to trade with you, we are willing to help, but if you are going to have child prostitution, if you are going to traffic in kids, going to use kids in the drug trade, if you are going to chain them to looms, and you are not going to let them go to school, you are not going to permit them to have their own childhood—you are not going to get the benefits of this trade bill.

I think it is the least we can do, to try to help take one more step forward in eliminating child labor throughout the world.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, we can all thank the Senator from Iowa for bringing this matter forward. I think we are all close to being unanimously in support of the objectives.

I note, of 160 signatories to the convention, only one country has ratified it; that is the Seychelles, an island complex in the Indian Ocean with a population of 75,000.

Building up an international regime in which this convention will take hold and have consequences for the children is going to be the work of a generation. It will be well worth it, but we are only at the beginning. The chairman of the Foreign Relations Committee is to be congratulated and thanked for reporting the bill out. But we have not ratified it. That is the situation we face. But let us go forward with this vote.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 2495.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that, if present and voting, Mr. KENNEDY would vote "aye."

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 351 Leg.]

YEAS—96

Abraham	Domenici	Kyl
Akaka	Dorgan	Landrieu
Allard	Durbin	Lautenberg
Ashcroft	Edwards	Leahy
Baucus	Enzi	Levin
Bayh	Feingold	Lieberman
Bennett	Feinstein	Lincoln
Biden	Fitzgerald	Lott
Bingaman	Frist	Lugar
Bond	Gorton	Mack
Boxer	Graham	McConnell
Breaux	Gramm	Mikulski
Brownback	Grams	Moynihan
Bryan	Grassley	Murkowski
Bunning	Gregg	Murray
Burns	Hagel	Nickles
Byrd	Harkin	Reed
Campbell	Hatch	Reid
Cleland	Helms	Robb
Cochran	Hollings	Roberts
Collins	Hutchinson	Rockefeller
Conrad	Hutchison	Roth
Coverdell	Inhofe	Santorum
Craig	Jeffords	Sarbanes
Crapo	Johnson	Schumer
Daschle	Kerrey	Sessions
DeWine	Kerry	Shelby
Dodd	Kohl	Smith (NH)
Smith (OR)	Thomas	Voinovich
Snowe	Thompson	Warner
Specter	Thurmond	Wellstone
Stevens	Torricelli	Wyden

NOT VOTING—3

Inouye	Kennedy	McCain

The amendment (No. 2495) was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 2359, AS MODIFIED

Mr. ROTH. Mr. President, I ask unanimous consent the previously agreed to Grassley-Conrad amendment No. 2359 be modified. Further, the modifications have been agreed to by both sides. I ask unanimous consent that the modification be adopted.

Mr. MOYNIHAN. I so move.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2359), as modified, was agreed to, as follows:

At the end, insert the following new title:

TITLE —TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Subtitle A—Amendments to the Trade Act of 1974

SEC. 01. SHORT TITLE.

This title may be cited as the "Trade Adjustment Assistance for Farmers Act".

SEC. 02. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.

(a) IN GENERAL.—Title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end the following new chapter:

"CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

"SEC. 291. DEFINITIONS.

"In this chapter:

"(1) AGRICULTURAL COMMODITY PRODUCER.—The term 'agricultural commodity producer' means any person who is engaged in the production and sale of an agricultural commodity in the United States and who owns or shares the ownership and risk of loss of the agricultural commodity.

"(2) AGRICULTURAL COMMODITY.—The term 'agricultural commodity' means any agricultural commodity (including livestock, fish, or harvested seafood) in its raw or natural state.

"(3) DULY AUTHORIZED REPRESENTATIVE.—The term 'duly authorized representative' means an association of agricultural commodity producers.

"(4) NATIONAL AVERAGE PRICE.—The term 'national average price' means the national average price paid to an agricultural commodity producer for an agricultural commodity in a marketing year as determined by the Secretary of Agriculture.

"(5) CONTRIBUTED IMPORTANTLY.—

"(A) IN GENERAL.—The term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(B) DETERMINATION OF CONTRIBUTED IMPORTANTLY.—The determination of whether imports of articles like or directly competitive with an agricultural commodity with respect to which the petition under this chapter was filed contributed importantly to a decline in the price of the agricultural commodity shall be made by the Secretary of Agriculture.

"(6) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"SEC. 292. PETITIONS; GROUP ELIGIBILITY.

"(a) IN GENERAL.—A petition for a certification of eligibility to apply for adjustment assistance under this chapter may be filed with the Secretary by a group of agricultural commodity producers or by their duly authorized representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that the Secretary has received the petition and initiated an investigation.

"(b) HEARINGS.—If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

"(c) GROUP ELIGIBILITY REQUIREMENTS.—The Secretary shall certify a group of agricultural commodity producers as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(1) that the national average price for the agricultural commodity, or a class of goods within the agricultural commodity, produced by the group for the most recent marketing year for which the national average price is available is less than 80 percent of the average of the national average price for such agricultural commodity, or such class of goods, for the 5 marketing years preceding the most recent marketing year; and

"(2) that either—

"(A) increases in imports of articles like or directly competitive with the agricultural commodity, or class of goods within the agricultural commodity, produced by the group contributed importantly to the decline in price described in paragraph (1); or

"(B) imports of articles like or directly competitive with the agricultural commodity, or class of goods within the agricultural commodity, produced by the group account for a significant percentage of the domestic market for the agricultural commodity (or class of goods) and have contributed importantly to the decline in price described in paragraph (1).

"(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT YEARS.—A group of agricultural commodity producers certified as eligible under section 293 shall be eligible to apply for assistance under this chapter in any qualified year after the year the group is first certified, if the Secretary determines that—

"(1) the national average price for the agricultural commodity, or class of goods within the agricultural commodity, produced by the group for the most recent marketing year for which the national average price is available is equal to or less than the price determined under subsection (c)(1); and

"(2) the requirements of subsection (c)(2)(A) or (B) are met.

"(e) DETERMINATION OF QUALIFIED YEAR AND COMMODITY.—In this chapter:

"(1) QUALIFIED YEAR.—The term 'qualified year', with respect to a group of agricultural commodity producers certified as eligible under section 293, means each consecutive year after the year in which the group is certified that the Secretary makes the determination under subsection (c) or (d), as the case may be.

"(2) CLASSES OF GOODS WITHIN A COMMODITY.—In any case in which there are separate classes of goods within an agricultural commodity, the Secretary shall treat each class as a separate commodity in determining group eligibility, the national average price, and level of imports under this section and section 296.

"SEC. 293. DETERMINATIONS BY SECRETARY.

"(a) IN GENERAL.—As soon as possible after the date on which a petition is filed under section 292, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning group meets the requirements of section 292(c) (or (d), as the case may be) and shall, if so, issue a certification of eligibility to apply for assistance under this chapter covering agricultural commodity producers in any group that meet the requirements. Each certification shall specify the date on which eligibility under this chapter begins.

"(b) NOTICE.—Upon making a determination on a petition, the Secretary shall promptly publish a summary of the determination in the Federal Register together with the Secretary's reasons for making the determination.

"(c) TERMINATION OF CERTIFICATION.—Whenever the Secretary determines, with respect to any certification of eligibility under this chapter, that the decline in price for the agricultural commodity covered by the certification is no longer attributable to the conditions described in section 292, the Secretary shall terminate such certification and promptly cause notice of such termination to be published in the Federal Register together with the Secretary's reasons for making such determination.

"SEC. 294. STUDY BY SECRETARY WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION.

"(a) IN GENERAL.—Whenever the International Trade Commission (in this chapter referred to as the 'Commission') begins an investigation under section 202 with respect to an agricultural commodity, the Commission shall immediately notify the Secretary of the investigation. Upon receipt of the notification, the Secretary shall immediately begin a study of—

"(1) the number of agricultural commodity producers producing a like or directly competitive agricultural commodity who have been or are likely to be certified as eligible for adjustment assistance under this chapter, and

"(2) the extent to which the adjustment of such producers to the import competition may be facilitated through the use of existing programs.

"(b) REPORT.—The report of the Secretary of the study under subsection (a) shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 202(f). Upon making his report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

"SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL COMMODITY PRODUCERS.

"(a) IN GENERAL.—The Secretary shall provide full information to producers about the benefit allowances, training, and other employment services available under this title and about the petition and application procedures, and the appropriate filing dates, for such allowances, training, and services. The Secretary shall provide whatever assistance is necessary to enable groups to prepare petitions or applications for program benefits under this title.

"(b) NOTICE OF BENEFITS.—

"(1) IN GENERAL.—The Secretary shall mail written notice of the benefits available under this chapter to each agricultural commodity producer that the Secretary has reason to believe is covered by a certification made under this chapter.

"(2) OTHER NOTICE.—The Secretary shall publish notice of the benefits available under this chapter to agricultural commodity producers that are covered by each certification made under this chapter in newspapers of general circulation in the areas in which such producers reside.

"SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICULTURAL COMMODITY PRODUCERS.

"(a) IN GENERAL.—Payment of a trade adjustment allowance shall be made to an adversely affected agricultural commodity producer covered by a certification under this chapter who files an application for such allowance within 90 days after the date on which the Secretary makes a determination and issues a certification of eligibility under section 293, if the following conditions are met:

"(1) The producer submits to the Secretary sufficient information to establish the amount of agricultural commodity covered by the application filed under subsection (a), that was produced by the producer in the most recent year.

"(2) The producer certifies that the producer has not received cash benefits under any provision of this title other than this chapter.

"(3) The producer's net farm income (as determined by the Secretary) for the most recent year is less than the producer's net farm income for the latest year in which no adjustment assistance was received by the producer under this chapter.

"(4) The producer certifies that the producer has met with an Extension Service employee or agent to obtain, at no cost to the producer, information and technical assistance that will assist the producer in adjusting to import competition with respect to the adversely affected agricultural commodity, including—

"(A) information regarding the feasibility and desirability of substituting 1 or more alternative commodities for the adversely affected agricultural commodity; and

"(B) technical assistance that will improve the competitiveness of the production and marketing of the adversely affected agricultural commodity by the producer, including yield and marketing improvements.

"(b) AMOUNT OF CASH BENEFITS.—

"(1) IN GENERAL.—Subject to the provisions of section 298, an adversely affected agricultural commodity producer described in subsection (a) shall be entitled to adjustment assistance under this chapter in an amount equal to the product of—

"(A) one-half of the difference between—

"(i) an amount equal to 80 percent of the average of the national average price of the agricultural commodity covered by the application described in subsection (a) for the 5 marketing years preceding the most recent marketing year, and

"(ii) the national average price of the agricultural commodity for the most recent marketing year, and

"(B) the amount of the agricultural commodity produced by the agricultural commodity producer in the most recent marketing year.

"(2) SPECIAL RULE FOR SUBSEQUENT QUALIFIED YEARS.—The amount of cash benefits for a qualified year shall be determined in the same manner as cash benefits are determined under paragraph (1) except that the average national price of the agricultural commodity shall be determined under paragraph (1)(A)(i) by using the 5-marketing-year period used to determine the amount of cash benefits for the first certification.

"(c) MAXIMUM AMOUNT OF CASH ASSISTANCE.—The maximum amount of cash benefits an agricultural commodity producer may receive in any 12-month period shall not exceed $10,000.

"(d) LIMITATIONS ON OTHER ASSISTANCE.—An agricultural commodity producer entitled to receive a cash benefit under this chapter—

"(1) shall not be eligible for any other cash benefit under this title, and

"(2) shall be entitled to employment services and training benefits under sections 235 and 236.

"SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.

"(a) IN GENERAL.—

"(1) REPAYMENT.—If the Secretary, or a court of competent jurisdiction, determines that any person has received any payment under this chapter to which the person was not entitled, such person shall be liable to repay such amount to the Secretary, except that the Secretary may waive such repayment if the Secretary determines, in accordance with guidelines prescribed by the Secretary that—

"(A) the payment was made without fault on the part of such person, and

"(B) requiring such repayment would be contrary to equity and good conscience.

"(2) RECOVERY OF OVERPAYMENT.—Unless an overpayment is otherwise recovered, or waived under paragraph (1), the Secretary shall recover the overpayment by deductions from any sums payable to such person under this chapter.

"(b) FALSE STATEMENTS.—If the Secretary, or a court of competent jurisdiction, determines that a person—

"(1) knowingly has made, or caused another to make, a false statement or representation of a material fact, or

"(2) knowingly has failed, or caused another to fail, to disclose a material fact,

and as a result of such false statement or representation, or of such nondisclosure, such person has received any payment under this chapter to which the person was not entitled, such person shall, in addition to any other penalty provided by law, be ineligible for any further payments under this chapter.

"(c) NOTICE AND DETERMINATION.—Except for overpayments determined by a court of competent jurisdiction, no repayment may be required, and no deduction may be made, under this section until a determination under subsection (a)(1) by the Secretary has been made, notice of the determination and an opportunity for a fair hearing thereon has been given to the person concerned, and the determination has become final.

"(d) PAYMENT TO TREASURY.—Any amount recovered under this section shall be returned to the Treasury of the United States.

"(e) PENALTIES.—Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment authorized to be furnished under this chapter shall be fined not more than $10,000 or imprisoned for not more than 1 year, or both.

"SEC. 298. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated and there are appropriated to the Department of Agriculture for fiscal years 2000 through 2001, such sums as may be necessary to carry out the purposes of this chapter not to exceed $100,000,000 for each fiscal year.".

"(b) Proportionate Reduction.—If in any year, the amount appropriated under this chapter is insufficient to meet the requirements for adjustment assistance payable under this chapter, the amount of assistance payable under this chapter shall be reduced proportionately.".

(b) Conforming Amendment.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the items relating to chapter 5, the following:

"Chapter 6—Adjustment Assistance for Farmers

"Sec. 291. Definitions.
"Sec. 292. Petitions; group eligibility.
"Sec. 293. Determinations by Secretary.
"Sec. 294. Study by Secretary when International Trade Commission begins investigation.
"Sec. 295. Benefit information to agricultural commodity producers.
"Sec. 296. Qualifying requirements for agricultural commodity producers.
"Sec. 297. Fraud and recovery of overpayments.
"Sec. 298. Authorization of appropriations.".

Subtitle B—Revenue Provisions Relating to Trade Adjustment Assistance

SEC. 10. REFERENCE.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 11. MODIFICATIONS TO ASSET DIVERSIFICATION TEST.

(a) In General.—Subparagraph (B) of section 856(c)(4) is amended to read as follows:

"(B)(i) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)),

"(ii) not more than 20 percent of the value of its total assets is represented by securities of 1 or more taxable REIT subsidiaries, and

"(iii) except with respect to a taxable REIT subsidiary and securities includible under subparagraph (A)—

"(I) not more than 5 percent of the value of its total assets is represented by securities of any one issuer,

"(II) the trust does not hold securities possessing more than 10 percent of the total voting power of the outstanding securities of any one issuer, and

"(III) the trust does not hold securities having a value of more than 10 percent of the total value of the outstanding securities of any one issuer.".

(b) Exception for Straight Debt Securities.—Subsection (c) of section 856 is amended by adding at the end the following new paragraph:

"(7) Straight debt safe harbor in applying paragraph (4).—Securities of an issuer which are straight debt (as defined in section 1361(c)(5) without regard to subparagraph (B)(iii) thereof) shall not be taken into account in applying paragraph (4)(B)(ii)(III) if—

"(A) the issuer is an individual, or

"(B) the only securities of such issuer which are held by the trust or a taxable REIT subsidiary of the trust are straight debt (as so defined), or

"(C) the issuer is a partnership and the trust holds at least a 20 percent profits interest in the partnership.".

SEC. 12. TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES.

(a) Income From Taxable REIT Subsidiaries Not Treated as Impermissible Tenant Service Income.—Clause (i) of section 856(d)(7)(C) (relating to exceptions to impermissible tenant service income) is amended by inserting "or through a taxable REIT subsidiary of such trust" after "income".

(b) Certain Income From Taxable REIT Subsidiaries Not Excluded From Rents From Real Property.—

(1) In general.—Subsection (d) of section 856 (relating to rents from real property defined) is amended by adding at the end the following new paragraphs:

"(8) Special rule for taxable REIT subsidiaries.—For purposes of this subsection, amounts paid to a real estate investment trust by a taxable REIT subsidiary of such trust shall not be excluded from rents from real property by reason of paragraph (2)(B) if the requirements of either of the following subparagraphs are met:

"(A) Limited rental exception.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in section 856(d)(2)(B). The preceding sentence shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents made by the other tenants of the trust's property for comparable space.

"(B) Exception for certain lodging facilities.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor.

"(9) Eligible independent contractor.—For purposes of paragraph (8)(B)—

"(A) In general.—The term 'eligible independent contractor' means, with respect to any qualified lodging facility, any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate the facility, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

"(B) Special rules.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility by reason of any of the following:

"(i) The taxable REIT subsidiary bears the expenses for the operation of the facility pursuant to the management agreement or other similar service contract.

"(ii) The taxable REIT subsidiary receives the revenues from the operation of such facility, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

"(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

"(I) January 1, 1999, or

"(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility.

"(C) Renewals, etc., of existing leases.—For purposes of subparagraph (B)(iii)—

"(i) a lease shall be treated as in effect on January 1, 1999, without regard to its renewal after such date, so long as such renewal is pursuant to the terms of such lease as in effect on whichever of the dates under subparagraph (B)(iii) is the latest, and

"(ii) a lease of a property entered into after whichever of the dates under subparagraph (B)(iii) is the latest shall be treated as in effect on such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) Qualified lodging facility.—For purposes of this paragraph—

"(i) In general.—The term 'qualified lodging facility' means any lodging facility unless wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility.

"(ii) Lodging facility.—The term 'lodging facility' means a hotel, motel, or other establishment more than one-half of the dwelling units in which are used on a transient basis.

"(iii) Customary amenities and facilities.—The term 'lodging facility' includes customary amenities and facilities operated as part of, or associated with, the lodging facility so long as such amenities and facilities are customary for other properties of a comparable size and class owned by other owners unrelated to such real estate investment trust.

"(E) Operate includes manage.—References in this paragraph to operating a property shall be treated as including a reference to managing the property.

"(F) Related person.—Persons shall be treated as related to each other if such persons are treated as a single employer under subsection (a) or (b) of section 52.".

(2) Conforming amendment.—Subparagraph (B) of section 856(d)(2) is amended by inserting "except as provided in paragraph (8)," after "(B)".

(3) Determining rents from real property.—

(A)(i) Paragraph (1) of section 856(d) is amended by striking "adjusted bases" each place it occurs and inserting "fair market values".

(ii) The amendment made by this subparagraph shall apply to taxable years beginning after December 31, 2000.

(B)(i) Clause (i) of section 856(d)(2)(B) is amended by striking "number" and inserting "value".

(ii) The amendment made by this subparagraph shall apply to amounts received or accrued in taxable years beginning after December 31, 2000, except for amounts paid pursuant to leases in effect on July 12, 1999, or pursuant to a binding contract in effect on such date and at all times thereafter.

SEC. 13. TAXABLE REIT SUBSIDIARY.

(a) In General.—Section 856 is amended by adding at the end the following new subsection:

"(l) Taxable REIT Subsidiary.—For purposes of this part—

"(1) IN GENERAL.—The term 'taxable REIT subsidiary' means, with respect to a real estate investment trust, a corporation (other than a real estate investment trust) if—

"(A) such trust directly or indirectly owns stock in such corporation, and

"(B) such trust and such corporation jointly elect that such corporation shall be treated as a taxable REIT subsidiary of such trust for purposes of this part.

Such an election, once made, shall be irrevocable unless both such trust and corporation consent to its revocation. Such election, and any revocation thereof, may be made without the consent of the Secretary.

"(2) 35 PERCENT OWNERSHIP IN ANOTHER TAXABLE REIT SUBSIDIARY.—The term "taxable REIT subsidiary' includes, with respect to any real estate investment trust, any corporation (other than a real estate investment trust) with respect to which a taxable REIT subsidiary of such trust owns directly or indirectly—

"(A) securities possessing more than 35 percent of the total voting power of the outstanding securities of such corporation, or

"(B) securities having a value of more than 35 percent of the total value of the outstanding securities of such corporation.

The preceding sentence shall not apply to a qualified REIT subsidiary (as defined in subsection (i)(2)). The rule of section 856(c)(7) shall apply for purposes of subparagraph (B).

"(3) EXCEPTIONS.—The term 'taxable REIT subsidiary' shall not include—

"(A) any corporation which directly or indirectly operates or manages a lodging facility or a health care facility, and

"(B) any corporation which directly or indirectly provides to any other person (under a franchise, license, or otherwise) rights to any brand name under which any lodging facility or health care facility is operated.

Subparagraph (B) shall not apply to rights provided to an eligible independent contractor to operate or manage a lodging facility if such rights are held by such corporation as a franchisee, licensee, or in a similar capacity and such lodging facility is either owned by such corporation or is leased to such corporation from the real estate investment trust.

"(4) DEFINITIONS.—For purposes of paragraph (3)—

"(A) LODGING FACILITY.—The term 'lodging facility' has the meaning given to such term by paragraph (9)(D)(ii).

"(B) HEALTH CARE FACILITY.—The term 'health care facility' has the meaning given to such term by subsection (e)(6)(D)(ii).".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 856(i) is amended by adding at the end the following new sentence: "Such term shall not include a taxable REIT subsidiary.".

SEC. 14. LIMITATION ON EARNINGS STRIPPING.

Paragraph (3) of section 163(j) (relating to limitation on deduction for interest on certain indebtedness) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) any interest paid or accrued (directly or indirectly) by a taxable REIT subsidiary (as defined in section 856(l)) of a real estate investment trust to such trust.".

SEC. 15. 100 PERCENT TAX ON IMPROPERLY ALLOCATED AMOUNTS.

(a) IN GENERAL.—Subsection (b) of section 857 (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following new paragraph:

"(7) INCOME FROM REDETERMINED RENTS, REDETERMINED DEDUCTIONS, AND EXCESS INTEREST.—

"(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year of the real estate investment trust a tax equal to 100 percent of redetermined rents, redetermined deductions, and excess interest.

"(B) REDETERMINED RENTS.—

"(i) IN GENERAL.—The term 'redetermined rents' means rents from real property (as defined in subsection 856(d)) the amount of which would (but for subparagraph (E)) be reduced on distribution, apportionment, or allocation under section 482 to clearly reflect income as a result of services furnished or rendered by a taxable REIT subsidiary of the real estate investment trust to a tenant of such trust.

"(ii) EXCEPTION FOR CERTAIN SERVICES.—Clause (i) shall not apply to amounts received directly or indirectly by a real estate investment trust for services described in paragraph (1)(B) or (7)(C)(i) of section 856(d).

"(iii) EXCEPTION FOR DE MINIMIS AMOUNTS.—Clause (i) shall not apply to amounts described in section 856(d)(7)(A) with respect to a property to the extent such amounts do not exceed the one percent threshold described in section 856(d)(7)(B) with respect to such property.

"(iv) EXCEPTION FOR COMPARABLY PRICED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) such subsidiary renders a significant amount of similar services to persons other than such trust and tenants of such trust who are unrelated (within the meaning of section 856(d)(8)(F)) to such subsidiary, trust, and tenants, but

"(II) only to the extent the charge for such service so rendered is substantially comparable to the charge for the similar services rendered to persons referred to in subclause (I).

"(v) EXCEPTION FOR CERTAIN SEPARATELY CHARGED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

"(I) the rents paid to the trust by tenants (leasing at least 25 percent of the net leasable space in the trust's property) who are not receiving such service from such subsidiary are substantially comparable to the rents paid by tenants leasing comparable space who are receiving such service from such subsidiary, and

"(II) the charge for such service from such subsidiary is separately stated.

"(vi) EXCEPTION FOR CERTAIN SERVICES BASED ON SUBSIDIARY'S INCOME FROM THE SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if the gross income of such subsidiary from such service is not less than 150 percent of such subsidiary's direct cost in furnishing or rendering the service.

"(vii) EXCEPTIONS GRANTED BY SECRETARY.—The Secretary may waive the tax otherwise imposed by subparagraph (A) if the trust establishes to the satisfaction of the Secretary that rents charged to tenants were established on an arms' length basis even though a taxable REIT subsidiary of the trust provided services to such tenants.

"(C) REDETERMINED DEDUCTIONS.—The term 'redetermined deductions' means deductions (other than redetermined rents) of a taxable REIT subsidiary of a real estate investment trust if the amount of such deductions would (but for subparagraph (E)) be decreased on distribution, apportionment, or allocation under section 482 to clearly reflect income as between such subsidiary and such trust.

"(D) EXCESS INTEREST.—The term 'excess interest' means any deductions for interest payments by a taxable REIT subsidiary of a real estate investment trust to such trust to the extent that the interest payments are in excess of a rate that is commercially reasonable.

"(E) COORDINATION WITH SECTION 482.—The imposition of tax under subparagraph (A) shall be in lieu of any distribution, apportionment, or allocation under section 482.

"(F) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph. Until the Secretary prescribes such regulations, real estate investment trusts and their taxable REIT subsidiaries may base their allocations on any reasonable method.".

(b) AMOUNT SUBJECT TO TAX NOT REQUIRED TO BE DISTRIBUTED.—Subparagraph (E) of section 857(b)(2) (relating to real estate investment trust taxable income) is amended by striking "paragraph (5)" and inserting "paragraphs (5) and (7)".

SEC. 16. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by sections 11 through 15 shall apply to taxable years beginning after December 31, 2000.

(b) TRANSITIONAL RULES RELATED TO SECTION 11.—

(1) EXISTING ARRANGEMENTS.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendment made by section 11 shall not apply to a real estate investment trust with respect to—

(i) securities of a corporation held directly or indirectly by such trust on July 12, 1999,

(ii) securities of a corporation held by an entity on July 12, 1999, if such trust acquires control of such entity pursuant to a written binding contract in effect on such date and at all times thereafter before such acquisition,

(iii) securities received by such trust (or a successor) in exchange for, or with respect to, securities described in clause (i) or (ii) in a transaction in which gain or loss is not recognized, and

(iv) securities acquired directly or indirectly by such trust as part of a reorganization (as defined in section 368(a)(1) of the Internal Revenue Code of 1986) with respect to such trust if such securities are described in clause (i), (ii), or (iii) with respect to any other real estate investment trust.

(B) NEW TRADE OR BUSINESS OR SUBSTANTIAL NEW ASSETS.—Subparagraph (A) shall cease to apply to securities of a corporation as of the first day after July 12, 1999, on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than—

(i) pursuant to a binding contract in effect on such date and at all times thereafter before the acquisition of such asset,

(ii) in a transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Internal Revenue Code of 1986, or

(iii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(C) LIMITATION ON TRANSITION RULES.—Subparagraph (A) shall cease to apply to securities of a corporation held, acquired, or received, directly or indirectly, by a real estate investment trust as of the first day after July 12, 1999, on which such trust acquires any additional securities of such corporation other than—

(i) pursuant to a binding contract in effect on July 12, 1999, and at all times thereafter, or

(ii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(2) TAX-FREE CONVERSION.—If—

(A) at the time of an election for a corporation to become a taxable REIT subsidiary, the amendment made by section 11 does not apply to such corporation by reason of paragraph (1), and

(B) such election first takes effect before January 1, 2004,

such election shall be treated as a reorganization qualifying under section 368(a)(1)(A) of such Code.

SEC. 17. HEALTH CARE REITS.

(a) SPECIAL FORECLOSURE RULE FOR HEALTH CARE PROPERTIES.—Subsection (e) of section 856 (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULE FOR QUALIFIED HEALTH CARE PROPERTIES.—For purposes of this subsection—

"(A) ACQUISITION AT EXPIRATION OF LEASE.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease).

"(B) GRACE PERIOD.—In the case of a qualified health care property which is foreclosure property solely by reason of subparagraph (A), in lieu of applying paragraphs (2) and (3)—

"(i) the qualified health care property shall cease to be foreclosure property as of the close of the second taxable year after the taxable year in which such trust acquired such property, and

"(ii) if the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in clause (i) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property.

Any such extension shall not extend the grace period beyond the close of the 6th year after the taxable year in which such trust acquired such qualified health care property.

"(C) INCOME FROM INDEPENDENT CONTRACTORS.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property by reason of subparagraph (A) or paragraph (1), income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

"(i) any lease of property in effect on the date the real estate investment trust acquired the qualified health care property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date), or

"(ii) any lease of property entered into after such date if—

"(I) on such date, a lease of such property from the trust was in effect, and

"(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

"(D) QUALIFIED HEALTH CARE PROPERTY.—

"(i) IN GENERAL.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

"(I) is a health care facility, or

"(II) is necessary or incidental to the use of a health care facility.

"(ii) HEALTH CARE FACILITY.—For purposes of clause (i), the term 'health care facility' means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility (as defined in section 7872(g)(4)), or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 18. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.

(a) DISTRIBUTION REQUIREMENT.—Clauses (i) and (ii) of section 857(a)(1)(A) (relating to requirements applicable to real estate investment trusts) are each amended by striking "95 percent (90 percent for taxable years beginning before January 1, 1980)" and inserting "90 percent".

(b) IMPOSITION OF TAX.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking "95 percent (90 percent in the case of taxable years beginning before January 1, 1980)" and inserting "90 percent".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 19. CLARIFICATION OF EXCEPTION FOR INDEPENDENT OPERATORS.

(a) IN GENERAL.—Paragraph (3) of section 856(d) (relating to independent contractor defined) is amended by adding at the end the following flush sentence:

"In the event that any class of stock of either the real estate investment trust or such person is regularly traded on an established securities market, only persons who own, directly or indirectly, more than 5 percent of such class of stock shall be taken into account as owning any of the stock of such class for purposes of applying the 35 percent limitation set forth in subparagraph (B) (but all of the outstanding stock of such class shall be considered outstanding in order to compute the denominator for purpose of determining the applicable percentage of ownership).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 20. MODIFICATION OF EARNINGS AND PROFITS RULES.

(a) RULES FOR DETERMINING WHETHER REGULATED INVESTMENT COMPANY HAS EARNINGS AND PROFITS FROM NON-RIC YEAR.—Subsection (c) of section 852 is amended by adding at the end the following new paragraph:

"(3) DISTRIBUTIONS TO MEET REQUIREMENTS OF SUBSECTION (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

"(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from the earliest earnings and profits accumulated in any taxable year to which the provisions of this part did not apply rather than the most recently accumulated earnings and profits, and

"(B) to the extent treated under subparagraph (A) as made from accumulated earnings and profits, shall not be treated as a distribution for purposes of subsection (b)(2)(D) and section 855.".

(b) CLARIFICATION OF APPLICATION OF REIT SPILLOVER DIVIDEND RULES TO DISTRIBUTIONS TO MEET QUALIFICATION REQUIREMENT.—Subparagraph (B) of section 857(d)(3) is amended by inserting before the period "and section 858".

(c) APPLICATION OF DEFICIENCY DIVIDEND PROCEDURES.—Paragraph (1) of section 852(e) is amended by adding at the end the following new sentence: "If the determination under subparagraph (A) is solely as a result of the failure to meet the requirements of subsection (a)(2), the preceding sentence shall also apply for purposes of applying subsection (a)(2) to the non-RIC year.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2000.

SEC. 21. MODIFICATION OF ESTIMATED TAX RULES FOR CLOSELY HELD REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Subsection (e) of section 6655 (relating to estimated tax by corporations) is amended by adding at the end the following new paragraph:

"(5) TREATMENT OF CERTAIN REIT DIVIDENDS.—

"(A) IN GENERAL.—Any dividend received from a closely held real estate investment trust by any person which owns (after application of subsections (d)(5) and (l)(3)(B) of section 856) 10 percent or more (by vote or value) of the stock or beneficial interests in the trust shall be taken into account in computing annualized income installments under paragraph (2) in a manner similar to the manner under which partnership income inclusions are taken into account.

"(B) CLOSELY HELD REIT.—For purposes of subparagraph (A), the term 'closely held real estate investment trust' means a real estate investment trust with respect to which 5 or fewer persons own (after application of subsections (d)(5) and (l)(3)(B) of section 856) 50 percent or more (by vote or value) of the stock or beneficial interests in the trust."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to estimated tax payments due on or after November 15, 1999.

SEC. 22. CONTROLLED ENTITIES INELIGIBLE FOR REIT STATUS.

(a) IN GENERAL.—Subsection (a) of section 856 (relating to definition of real estate investment trust) is amended by striking "and" at the end of paragraph (6), by redesignating paragraph (7) as paragraph (8), and by inserting after paragraph (6) the following new paragraph:

"(7) which is not a controlled entity (as defined in subsection (l)); and".

(b) CONTROLLED ENTITY.—Section 856 is amended by adding at the end the following new subsection:

"(l) CONTROLLED ENTITY.—

"(1) IN GENERAL.—For purposes of subsection (a)(7), an entity is a controlled entity if, at any time during the taxable year, one person (other than a qualified entity)—

"(A) in the case of a corporation, owns stock—

"(i) possessing at least 50 percent of the total voting power of the stock of such corporation, or

"(ii) having a value equal to at least 50 percent of the total value of the stock of such corporation, or

"(B) in the case of a trust, owns beneficial interests in the trust which would meet the requirements of subparagraph (A) if such interests were stock.

"(2) QUALIFIED ENTITY.—For purposes of paragraph (1), the term 'qualified entity' means—

"(A) any real estate investment trust, and

"(B) any partnership in which one real estate investment trust owns at least 50 percent of the capital and profits interests in the partnership.

"(3) ATTRIBUTION RULES.—For purposes of this paragraphs (1) and (2)—

"(A) IN GENERAL.—Rules similar to the rules of subsections (d)(5) and (h)(3) shall apply; except that section 318(a)(3)(C) shall not be applied under such rules to treat stock owned by a qualified entity as being owned by a person which is not a qualified entity.

"(B) STAPLED ENTITIES.—A group of entities which are stapled entities (as defined in section 269B(c)(2)) shall be treated as one person.

"(4) EXCEPTION FOR CERTAIN NEW REITS.—

"(A) IN GENERAL.—The term 'controlled entity' shall not include an incubator REIT.

"(B) INCUBATOR REIT.—A corporation shall be treated as an incubator REIT for any taxable year during the eligibility period if it meets all the following requirements for such year:

"(i) The corporation elects to be treated as an incubator REIT.

"(ii) The corporation has only voting common stock outstanding.

"(iii) Not more than 50 percent of the corporation's real estate assets consist of mortgages.

"(iv) From not later than the beginning of the last half of the second taxable year, at least 10 percent of the corporation's capital is provided by lenders or equity investors who are unrelated to the corporation's largest shareholder.

"(v) The corporation annually increases the value of its real estate assets by at least 10 percent.

"(vi) The directors of the corporation adopt a resolution setting forth an intent to engage in a going public transaction.

No election may be made with respect to any REIT if an election under this subsection was in effect for any predecessor of such REIT. The requirement of clause (ii) shall not fail to be met merely because a going public transaction is accomplished through a transaction described in section 368(a)(1) with another corporation which had another class of stock outstanding prior to the transaction.

"(C) ELIGIBILITY PERIOD.—

"(i) IN GENERAL.—The eligibility period (for which an incubator REIT election can be made) begins with the REIT's second taxable year and ends at the close of the REIT's third taxable year, except that the REIT may, subject to clauses (ii), (iii), and (iv), elect to extend such period for an additional 2 taxable years.

"(ii) GOING PUBLIC TRANSACTION.—A REIT may not elect to extend the eligibility period under clause (i) unless it enters into an agreement with the Secretary that if it does not engage in a going public transaction by the end of the extended eligibility period, it shall pay Federal income taxes for the 2 years of the extended eligibility period as if it had not made an incubator REIT election and had ceased to qualify as a REIT for those 2 taxable years.

"(iii) RETURNS, INTEREST, AND NOTICE.—

"(I) RETURNS.—In the event the corporation ceases to be treated as a REIT by operation of clause (ii), the corporation shall file any appropriate amended returns reflecting the change in status within 3 months of the close of the extended eligibility period.

"(II) INTEREST.—Interest shall be payable on any tax imposed by reason of clause (ii) for any taxable year but, unless there was a finding under subparagraph (D), no substantial underpayment penalties shall be imposed.

"(III) NOTICE.—The corporation shall, at the same time it files its returns under subclause (I), notify its shareholders and any other persons whose tax position is, or may reasonably be expected to be, affected by the change in status so they also may file any appropriate amended returns to conform their tax treatment consistent with the corporation's loss of REIT status.

"(IV) REGULATIONS.—The Secretary shall provide appropriate regulations setting forth transferee liability and other provisions to ensure collection of tax and the proper administration of this provision.

"(iv) Clauses (ii) and (iii) shall not apply if the corporation allows its incubator REIT status to lapse at the end of the initial 2-year eligibility period without engaging in a going public transaction if the corporation is not a controlled entity as of the beginning of its fourth taxable year. In such a case, the corporation's directors may still be liable for the penalties described in subparagraph (D) during the eligibility period.

"(D) SPECIAL PENALTIES.—If the Secretary determines that an incubator REIT election was filed for a principal purpose other than as part of a reasonable plan to undertake a going public transaction, an excise tax of $20,000 shall be imposed on each of the corporation's directors for each taxable year for which an election was in effect.

"(E) GOING PUBLIC TRANSACTION.—For purposes of this paragraph, a going public transaction means—

"(i) a public offering of shares of the stock of the incubator REIT;

"(ii) a transaction, or series of transactions, that results in the stock of the incubator REIT being regularly traded on an established securities market and that results in at least 50 percent of such stock being held by shareholders who are unrelated to persons who held such stock before it began to be so regularly traded; or

"(iii) any transaction resulting in ownership of the REIT by 200 or more persons (excluding the largest single shareholder) who in the aggregate own at least 50 percent of the stock of the REIT.

For the purposes of this subparagraph, the rules of paragraph (3) shall apply in determining the ownership of stock.

"(F) DEFINITIONS.—The term 'established securities market' shall have the meaning set forth in the regulations under section 897."

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 856(h) is amended by striking "and (6)" each place it appears and inserting ", (6), and (7)".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after July 14, 1999.

(2) EXCEPTION FOR EXISTING CONTROLLED ENTITIES.—The amendments made by this section shall not apply to any entity which is a controlled entity (as defined in section 856(l) of the Internal Revenue Code of 1986, as added by this section) as of July 14, 1999, which is a real estate investment trust for the taxable year which includes such date, and which has significant business assets or activities as of such date. For purposes of the preceding sentence, an entity shall be treated as such a controlled entity on July 14, 1999, if it becomes such an entity after such date in a transaction—

(A) made pursuant to a written agreement which was binding on such date and at all times thereafter, or

(B) described on or before such date in a filing with the Securities and Exchange Commission required solely by reason of the transaction.

SEC. 23. MODIFICATION OF INDIVIDUAL ESTIMATED TAX SAFE HARBOR.

(a) IN GENERAL.—The table contained in clause (i) of section 6654(d)(1)(C) (relating to limitation on use of preceding year's tax) is amended by striking all matter beginning with the item relating to 1999 or 2000 and inserting the following new items:

"1999	106.5
2000	106
2001	112
2002 or thereafter	110".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any installment payment for taxable years beginning after December 31, 1999.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 2360, AS MODIFIED

Mr. CONRAD. Mr. President, I call up my amendment No. 2360.

The PRESIDING OFFICER. The amendment has been reported earlier. It is now pending.

Mr. CONRAD. I ask unanimous consent to modify my amendment and send the modification to the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

At the end of the bill, insert the following new section:

SEC. . AGRICULTURE TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) United States agriculture contributes positively to the United States balance of trade and United States agricultural exports support in excess of 1,000,000 United States jobs;

(2) United States agriculture competes successfully worldwide despite the fact that United States producers are at a competitive disadvantage because of the trade distorting support and subsidy practices of other countries and despite the fact that significant tariff and nontariff barriers exist to United States exports; and

(3) a successful conclusion of the next round of World Trade Organization negotiations is critically important to the United States agricultural sector.

(b) OBJECTIVES.—The agricultural trade negotiating objectives of the United States with respect to the World Trade Organization negotiations include—

(1) immediately eliminating all export subsidies worldwide while maintaining bona fide food aid and preserving United States market development and export credit programs that allow the United States to compete with other foreign export promotion efforts;

(2) leveling the playing field for United States producers of agricultural products by eliminating blue box subsidies and disciplining domestic supports in a way that forces producers to face world prices on all production in excess of domestic food security needs while allowing the preservation of non-trade distorting programs to support family farms and rural communities;

(3) disciplining state trading enterprises by insisting on transparency and banning discriminatory pricing practices that amount to de facto export subsidies so that the enterprises do not (except in cases of bona fide food aid) sell in foreign markets at prices below domestic market prices or prices below the full costs of acquiring and delivering agricultural products to the foreign markets;

(4) insisting that the Sanitary and Phytosanitary Accord agreed to in the Uruguay Round applies to new technologies, including biotechnology, and clarifying that labeling requirements to allow consumers to make choices regarding biotechnology products or other regulatory requirements cannot be used as disguised barriers to trade;

(5) increasing opportunities for United States exports of agricultural products by first reducing tariff and nontariff barriers to trade to the same or lower levels than exist in the United States and then eliminating barriers, such as—

(A) restrictive or trade distorting practices that adversely impact perishable or cyclical products;

(B) restrictive rules in the administration of tariff-rate quotas; and

(C) unjustified sanitary and phytosanitary restrictions or other unjustified technical barriers to agricultural trade;

(6) encouraging government policies that avoid price-depressing surpluses; and

(7) strengthening dispute settlement procedures so that countries cannot maintain unjustified restrictions on United States exports in contravention of their commitments.

(c) CONSULTATION WITH CONGRESSIONAL COMMITTEES.—

(1) CONSULTATION BEFORE OFFER MADE.—Before the United States Trade Representative negotiates a trade agreement that would reduce tariffs on agricultural products or require a change in United States agricultural law, the United States Trade Representative shall consult with the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate and the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives.

(2) CONSULTATION BEFORE AGREEMENT INITIALED.—Not less than 48 hours before initialing an agreement relating to agricultural trade negotiated under the auspices of the World Trade Organization, the United States Trade Representative shall consult closely with the committees referred to in paragraph (1) regarding—

(A) the details of the agreement;

(B) the potential impact of the agreement on United States agricultural producers; and

(C) any changes in United States law necessary to implement the agreement.

(3) NO SECRET SIDE DEALS.—Any agreement or other understanding (whether verbal or in writing) that relates to agricultural trade that is not disclosed to the Congress before legislation implementing a trade agreement is introduced in either house of Congress shall not be considered to be part of the agreement approved by Congress and shall have no force and effect under United States law or in any dispute settlement body.

(d) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) reaching a successful agreement on agriculture should be the top priority of United States negotiators; and

(2) if the primary competitors of the United States do not reduce their trade distorting domestic supports and export subsidies in accordance with the negotiating objectives expressed in this section, the United States should take steps to increase the leverage of United States negotiators and level the playing field for United States producers in order to improve United States farm income and to encourage United States competitors to eliminate export subsidies and domestic supports that are harmful to United States farmers and ranchers.

Mr. CONRAD. Mr. President, for point of clarification, this is a matter that has now been negotiated so that we could reach agreement on the negotiating objectives for our trade representatives at the WTO Round.

I thank all the Members who have participated in this, certainly my cosponsor, Senator GRASSLEY of Iowa, and a special thanks to the chairman of the committee and the ranking member of the committee for their assistance in working this out.

I thank the Chair and yield the floor.

Mr. ROTH. Mr. President, we are prepared to accept the modification.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, without objection, it is so ordered. The amendment, as modified, is agreed to.

The amendment (No. 2360), as modified, was agreed to.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 2427, AS MODIFIED

(Purpose: To provide expanded trade benefits to countries in sub-Saharan Africa)

Mr. FEINGOLD. Mr. President, I call up amendment No. 2427 and ask unanimous consent that it be modified with the language I send to the desk.

The PRESIDING OFFICER. Is there objection to the request?

Mr. ROTH. Mr. President, I reserve the right to object.

Would the Senator tell me what the modification is?

Mr. FEINGOLD. I say to the Senator, we have worked this out with you and your staff. What it does is add a certain number of items, goods, to the Lome Treaty product list of items that could be covered under this agreement. Actually, it makes it consistent with the legislation we have before us.

I believe we worked this out in advance with the Senator.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HAGEL). Without objection, it is so ordered.

Is there objection to the request of the Senator from Wisconsin? Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 2427.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

Strike sections 111 through 114 and insert the following:

SEC. 111. ENCOURAGING MUTUALLY BENEFICIAL TRADE AND INVESTMENT.

(a) FINDINGS.—Congress makes the following findings:

(1) A mutually beneficial United States Sub-Saharan Africa trade policy will grant new access to the United States market for a broad range of goods produced in Africa, by Africans, and include safeguards to ensure that the corporations manufacturing these goods (or the product or manufacture of the oil or mineral extraction industry) respect the rights of their employees and the local environment. Such trade opportunities will promote equitable economic development and thus increase demand in African countries for United States goods and service exports.

(2) Recognizing that the global system of textile and apparel quotas under the MultiFiber Arrangement will be phased out under the Uruguay Round Agreements over the next 5 years with the total termination of the quota system in 2005, the grant of additional access to the United States market in these sectors is a short-lived benefit.

(b) TREATMENT OF QUOTAS.—

(1) KENYA AND MAURITIUS.—Pursuant to the Agreement on Textiles and Clothing, the United States shall eliminate the existing quotas on textile and apparel imports to the United States from Kenya and Mauritius, respectively, not later than 30 days after each country demonstrates the following:

(A) The country is not ineligible for benefits under section 502(b)(2) of the Trade Act of 1974 (19 U.S.C. 2462(b)(2)).

(B) The country does not engage in significant violations of internationally recognized human rights and the Secretary of State agrees with this determination.

(C)(i) The country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones) as determined under paragraph (5), including the core labor standards enumerated in the appropriate treaties of the International Labor Organization, and including—

(I) the right of association;

(II) the right to organize and bargain collectively;

(III) a prohibition on the use of any form of coerced or compulsory labor;

(IV) the international minimum age for the employment of children (age 15); and

(v) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

(ii) The government of the country ensures that the Secretary of Labor, the head of the national labor agency of the government of that country, and the head of the International Confederation of Free Trade Unions-Africa Region Office (ICFTU-AFRO) each has access to all appropriate records and other information of all business enterprises in the country.

(D) The country is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (d).

(E) The country is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

(F) The cost or value of the textile or apparel product produced in the country, or by companies in any 2 or more sub-Saharan African countries, plus the direct costs of processing operations performed in the country or such countries, is not less than 60 percent of the appraised value of the product at the time it is entered into the customs territory of the United States.

(G) Not less than 90 percent of employees in business enterprises producing the textile and apparel goods are citizens of that country, or any 2 or more sub-Saharan African countries.

(H) The country has established, or is making continual progress toward establishing—

(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise.

(2) OTHER SUB-SAHARAN COUNTRIES.—The President shall continue the existing no quota policy for each other country in sub-Saharan Africa if the country is in compliance with the requirements applicable to Kenya and Mauritius under subparagraphs (A) through (H) of paragraph (1).

(3) TECHNICAL ASSISTANCE.—The Customs Service shall provide the necessary technical assistance to sub-Saharan African countries in the development and implementation of adequate measures against the illegal transshipment of goods.

(4) OFFSETTING REDUCTION OF CHINESE QUOTA.—When the quota for textile and apparel products imported from Kenya or Mauritius is eliminated, the quota for textile and apparel products from the People's Republic of China for each calendar year in each product category shall be reduced by the amount equal to the volume of all textile and apparel products in that product category imported from all sub-Saharan African countries into the United States in the preceding calendar year, plus 5 percent of that amount.

(5) DETERMINATION OF COMPLIANCE WITH INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—

(A) DETERMINATION.—

(i) IN GENERAL.—For purposes of carrying out paragraph (1)(C), the Secretary of Labor, in consultation with the individuals described in clause (ii) and pursuant to the procedures described in clause (iii), shall determine whether or not each sub-Saharan African country is providing for effective enforcement of internationally recognized worker rights throughout the country (including in export processing zones).

(ii) INDIVIDUALS DESCRIBED.—The individuals described in this clause are the head of the national labor agency of the government of the sub-Saharan African country in question and the head of the International Confederation of Free Trade Unions-Africa Region Office (ICFTU-AFRO).

(iii) PUBLIC COMMENT.—Not later than 90 days before the Secretary of Labor makes a determination that a country is in compliance with the requirements of paragraph (1)(C), the Secretary shall publish notice in the Federal Register and an opportunity for public comment. The Secretary shall take into consideration the comments received in making a determination under such paragraph (1)(C).

(B) CONTINUING COMPLIANCE.—In the case of a country for which the Secretary of Labor has made an initial determination under subparagraph (A) that the country is in compliance with the requirements of paragraph (1)(C), the Secretary, in consultation with the individuals described in subparagraph (A), shall, not less than once every 3 years thereafter, conduct a review and make a determination with respect to that country to ensure continuing compliance with the requirements of paragraph (1)(C). The Secretary shall submit the determination to Congress.

(C) REPORT.—Not later than 6 months after the date of enactment of this Act, and on an annual basis thereafter, the Secretary of Labor shall prepare and submit to Congress a report containing—

(i) a description of each determination made under this paragraph during the preceding year;

(ii) a description of the position taken by each of the individuals described in subparagraph (A)(ii) with respect to each such determination; and

(iii) a report on the public comments received pursuant to subparagraph (A)(iii).

(6) REPORT.—Not later than March 31 of each year, the President shall publish in the Federal Register and submit to Congress a report on the growth in textiles and apparel imported into the United States from countries in sub-Saharan Africa in order to inform United States consumers, workers, and textile manufacturers about the effects of the no quota policy.

(c) TREATMENT OF TARIFFS.—The President shall provide an additional benefit of a 50 percent tariff reduction for any textile and apparel product of a sub-Saharan African country that meets the requirements of subparagraphs (A) through (H) of subsection (b)(1) and subsection (d) and that is imported directly into the United States from such sub-Saharan African country if the business enterprise, or a subcontractor of the enterprise, producing the product is in compliance with the following:

(1) Citizens of 1 or more sub-Saharan African countries own not less than 51 percent of the business enterprise.

(2) If the business enterprise involves a joint-venture arrangement with, or related to as a subsidiary, trust, or subcontractor, a business enterprise organized under the laws of the United States, the European Union, Japan, or any other developed country (or group of developed countries), or operating in such countries, the business enterprise complies with the environmental standards that would apply to a similar operation in the United States, the European Union, Japan, or any other developed country (or group of developed countries), as the case may be.

(d) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) OBLIGATIONS OF IMPORTERS AND PARTIES ON WHOSE BEHALF APPAREL AND TEXTILES ARE IMPORTED.—

(A) IN GENERAL.—Notwithstanding any other provision of law, all imports to the United States of textile and apparel goods pursuant to this Act shall be accompanied by—

(i)(I) the name and address of the manufacturer or producer of the goods, and any other information with respect to the manufacturer or producer that the Customs Service may require; and

(II) if there is more than one manufacturer or producer, or if there is a contractor or subcontractor of the manufacturer or producer with respect to the manufacture or production of the goods, the information required under subclause (I) with respect to each such manufacturer, producer, contractor, or subcontractor, including a description of the process performed by each such entity;

(ii) a certification by the importer of record that the importer has exercised reasonable care to ascertain the true country of origin of the textile and apparel goods and the accuracy of all other information provided on the documentation accompanying the imported goods, as well as a certification of the specific action taken by the importer to ensure reasonable care for purposes of this paragraph; and

(iii) a certification by the importer that the goods being entered do not violate applicable trademark, copyright, and patent laws.

(B) LIABILITY.—The importer of record and the final retail seller of the merchandise shall be jointly liable for any material false statement, act, or omission made with the intention or effect of—

(i) circumventing any quota that applies to the merchandise; or

(ii) avoiding any duty that would otherwise be applicable to the merchandise.

(2) OBLIGATIONS OF COUNTRIES TO TAKE ACTION AGAINST TRANSSHIPMENT AND CIRCUMVENTION.—The President shall ensure that any country in sub-Saharan Africa that intends to import textile and apparel goods into the United States—

(A) has in place adequate measures to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) will cooperate fully with the United States to address and take action necessary to prevent circumvention of any provision of this section or of any agreement regulating trade in apparel and textiles between that country and the United States.

(3) STANDARDS OF PROOF.—

(A) FOR IMPORTERS AND RETAILERS.—

(i) IN GENERAL.—The United States Customs Service (in this Act referred to as the "Customs Service") shall seek imposition of a penalty against an importer or retailer for a violation of any provision of this section if the Customs Service determines, after appropriate investigation, that there is a substantial likelihood that the violation occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there has been a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

(B) FOR COUNTRIES.—

(i) IN GENERAL.—The President may determine that a country is not taking adequate measures to prevent illegal transshipment of goods or to prevent being used as a transit point for the shipment of goods in violation of this section if the Customs Service determines, after consultations with the country concerned, that there is a substantial likelihood that a violation of this section occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—

(I) IN GENERAL.—If a country fails to cooperate with the Customs Service in an investigation to determine if an illegal transshipment has occurred, the Customs Service shall base its determination on the best available information.

(II) EXAMPLES.—Actions indicating failure of a country to cooperate under subclause (I) include—

(aa) denying or unreasonably delaying entry of officials of the Customs Service to investigate violations of, or promote compliance with, this section or any textile agreement;

(bb) providing appropriate United States officials with inaccurate or incomplete information, including information required under the provisions of this section; and

(cc) denying appropriate United States officials access to information or documentation relating to production capacity of, and outward processing done by, manufacturers, producers, contractors, or subcontractors within the country.

(4) PENALTIES.—

(A) FOR IMPORTERS AND RETAILERS.—The penalty for a violation of any provision of this section by an importer or retailer of textile and apparel goods—

(i) for a first offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 200 percent of the declared value of the merchandise, plus forfeiture of the merchandise;

(ii) for a second offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 400 percent of the declared value of the merchandise, plus forfeiture of the merchandise, and, shall be punishable by a fine of not more than $100,000, imprisonment for not more than 1 year, or both; and

(iii) for a third or subsequent offense, or for a first or second offense if the violation of the provision of this section is committed knowingly and willingly, shall be punishable by a fine of not more than $1,000,000, imprisonment for not more than 5 years, or both, and, in addition, shall result in forfeiture of the merchandise.

(B) FOR COUNTRIES.—If a country fails to undertake the measures or fails to cooperate as required by this section, the President shall impose a quota on textile and apparel goods imported from the country, based on the volume of such goods imported during the first 12 of the preceding 24 months, or shall impose a duty on the apparel or textile goods of the country, at a level designed to secure future cooperation.

(5) APPLICABILITY OF UNITED STATES LAWS AND PROCEDURES.—All provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws, shall apply to imports of textiles and apparel from sub-Saharan African countries, in addition to the specific provisions of this section.

(6) MONITORING AND REPORTS TO CONGRESS.—Not later than March 31 of each year, the Customs Service shall monitor and the Commissioner of Customs shall submit to Congress a report on the measures taken by each country in sub-Saharan Africa that imports textiles or apparel goods into the United States—

(A) to prevent transshipment; and

(B) to prevent circumvention of this section or of any agreement regulating trade in textiles and apparel between that country and the United States.

(e) DEFINITION.—In this section, the term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

SEC. 112. GENERALIZED SYSTEM OF PREFERENCES.

(a) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—Section 503(a)(1) of the Trade Act of 1974 (19 U.S.C. 2463(a)(1)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) ELIGIBLE COUNTRIES IN SUB-SAHARAN AFRICA.—

"(i) IN GENERAL.—

"(I) DUTY-FREE TREATMENT.—Subject to clause (ii), the President may provide duty-free treatment for any article described in subclause (II) that is imported directly into the United States from a sub-Saharan African country.

"(II) ARTICLE DESCRIBED.—

"(aa) IN GENERAL.—An article described in this subclause is any article described in section 503(b)(1) (B) through (G) (except for textile luggage) or an article set forth in the most current Lome Treaty product list, that is the growth, product, or manufacture of a sub-Saharan African country that is a beneficiary developing country and that is in compliance with the requirements of subsections (b) and (d) of section 111 of the African Growth and Opportunity Act, with respect to such article, if, after receiving the advice of the International Trade Commission in accordance with subsection (e), the President determines that such article is not import-sensitive in the context of all articles imported from United States Trading partners. This subparagraph shall not affect the designation of eligible articles under subparagraph (B).

"(bb) OTHER REQUIREMENTS.—In addition to meeting the requirements of division (aa), in the case of an article that is the product or manufacture of the oil or mineral extraction industry, and the business enterprise that produces or manufactures the article is involved in a joint-venture arrangement with, or related to as a subsidiary, trust, or subcontractor, a business enterprise organized under the laws of the United States, the European Union, Japan, or any other developed country (or group of developed countries), or operating in such countries, the business enterprise complies with the environmental standards that would apply to a similar operation in the United States, the European Union, Japan, or any other developed country (or group of developed countries), as the case may be.

"(ii) RULE OF CONSTRUCTION.—For purposes of clause (i), in applying section 111(b)(1) (A) through (H) and section 111(d) of the African Growth and Opportunity Act, any reference to textile and apparel goods or products shall be deemed to refer to the article provided duty-free treatment under clause (i).".

(b) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 505 the following new section:

"SEC. 505A. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

"No duty-free treatment provided under this title shall remain in effect after September 30, 2006 in the case of a beneficiary developing country that is a sub-Saharan African country.".

(d) DEFINITIONS.—Section 507 of the Trade Act of 1974 (19 U.S.C. 2467) is amended by adding at the end the following:

"(6) SUB-SAHARAN AFRICAN COUNTRY.—The terms 'sub-Saharan African country' and 'sub-Saharan African countries' mean a country or countries in sub-Saharan Africa, as defined in section 104 of the African Growth and Opportunity Act.

"(7) LOME TREATY PRODUCT LIST.—The term 'Lome Treaty product list' means the list of products that may be granted duty-free access into the European Union according to the provisions of the fourth iteration of the Lome Covention between the European Union and the African-Caribbean and Pacific States (commonly referred to as 'Lome IV') signed on November 4, 1995.".

(e) CLERICAL AMENDMENT.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new item:

"505A. Termination of benefits for sub-Saharan African countries.".

(f) EFFECTIVE DATE.—The amendments made by this section take effect on the date that is 30 days after the date enactment of this Act.

SEC. 113. ADDITIONAL ENFORCEMENT.

A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under subparagraphs (A) through (H) of section 111(b)(1), section 111(c), and section 111(d) of this Act with respect to any sub-Saharan African country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek three times the value of any damages caused by the failure of a country or company to comply. The amount of damages described in the preceding sentence shall be paid by the business enterprise (or business enterprises) the operations or conduct of which is responsible for the failure to meet the standards set forth under subparagraphs (A) through (H) of section 111(b)(1), section 111(c), and section 111(d).

SEC. 114. UNITED STATES-SUB-SAHARAN AFRICAN TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual meetings between senior officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the President, after consulting with the officials of interested sub-Saharan African governments, shall establish a United States-Sub-Saharan African Trade and Economic Cooperation Forum (in this section referred to as the "Forum").

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) FIRST MEETING.—The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to invite their counterparts from interested sub-Saharan African governments and representatives of appropriate regional organizations to participate in the first annual meeting to discuss expanding trade and investment relations between the United States and sub-Saharan Africa.

(2) NONGOVERNMENTAL ORGANIZATIONS.—

(A) IN GENERAL.—The President, in consultation with Congress, shall invite United States nongovernmental organizations to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) PRIVATE SECTOR.—The President, in consultation with Congress, shall invite United States representatives of the private sector to host meetings with their counterparts from sub-Saharan Africa in conjunction with meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) ANNUAL MEETINGS.—As soon as practicable after the date of enactment of this Act, the President shall meet with the heads of the governments of interested sub-Saharan African countries for the purpose of discussing the issues described in paragraph (1).

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the two floor leaders—the chairman and ranking member of the Finance Committee—for allowing me to make this modification to my amendment.

I understand they will be opposing it, but I very much appreciate their willingness to allow me to offer it in the form I want.

The African Growth and Opportunity Act is all about increasing our level of trade with sub-Saharan Africa. That's a worthy goal, because the current level of trade between the American and the African people is depressingly small. Africa represents only 1 percent of U.S. imports, 1 percent of U.S. exports, and 1 percent of U.S. foreign direct investment. AGOA's supporters want to see those numbers increase, and that is what I want as well. However, the principal trade benefit appearing in AGOA is temporary preferential access to the U.S. market for textiles and apparel. This kind of legislation discourages the economic diversification that Africa needs to build economic strength.

AGOA does renew the GSP program, but does not amend it to provide duty-free benefits for many of Africa's primary exports. This amendment, if accepted, will make the African Growth and Opportunity Act much more meaningful in terms of potential trade, while at the same time ensuring that this legislation does no harm. It expands the list of African products eligible for duty-free access to U.S. markets, while at the same time adding important qualifications to ensure that growth does not come at the expense of human development.

My amendment would make goods listed under the Lome Convention eligible for duty-free access, provided those goods are not determined to be import-sensitive by the President of the United States. Products covered include all of sub-Saharan Africa's industrial products, all primary mineral products, and most of Africa's agricultural products, such as fruits, nuts, cereals, cocoa, and basketware. These provisions mean more trade opportunities for more African people.

That's an important idea—opportunities for African people. In fact, unlike the African Growth and Opportunity Act as it stands now, this amendment would ensure that Africans themselves are employed at the firms receiving benefits. My amendment requires that any textile firm receiving trade benefits must employ a workforce that is 90 percent African. In addition, my amendment requires that 60 percent of the value-added to a product comes from Africa. These provisions hold out an incentive to African governments, businesses, and civil societies to develop their human resources. And that would not only be good for Africa, but it would be good for America as well, as our trade partners in the region gain economic strength. At the same time that this amendment does more for Africans, it also takes important steps to protect American jobs from being lost to transshipment.

Trans-shipment occurs when textiles originating in one country are sent through another before they come to the United States. In this way, the actual country of origin can ignore U.S. quotas. Approximately $2 billion worth of illegally transshipped textiles enter the United States every year. The U.S. Customs Service has determined that for every $1 billion of illegally transshipped products that enter the United States, 40,000 jobs in the textile and apparel sector are lost.

Those who think that transshipment isn't going to be a problem in Africa had better think again. An official website of China's Ministry of Foreign Trade and Economic Cooperation quoted an analyst as saying that:

> Setting up assembly plants with Chinese equipment, technology and personnel could not only greatly increase sales in African countries, but also circumvent the quotas imposed in commodities of Chinese origin imposed by European and American countries.

The Chinese know that standard United States protections against transshipment are weak and easy to defeat.

The African Growth and Opportunity Act, as it currently stands, relies on the same old weak protections that have led to these statistics—the same textile visa system that China and the other countries have manipulated in the past. This inadequate system requires government officials in the country of manufacturing to give textiles visas before those textiles can be exported, in order to certify the goods' country of origin. But often, corrupt officials simply sell visas to the highest bidder.

My amendment would create a new system—one that makes the U.S. importer responsible for certifying where textiles and apparel were produced. This gives U.S. entities a strong financial stake in the legality of their imports. Instead of relying on foreign officials, this standard relies on the American companies who operate right here, under American law. This amendment also requires foreign governments to cooperate with Customs Service investigations into transshipment, or risk losing their trade benefits.

If we pass this amendment, countries that want to skirt U.S. trade regulations will have to re-think their designs on Africa. As the Senate moves to increase the levels of legal trade between the United States and Africa, we must think carefully about the context in which we conduct our trade relations. Labor rights, human rights, and environmental protections are given short shrift by the current version of the African Growth and Opportunity Act. This is a recipe for social unrest and distorted development, and it is clearly in the United States' best interest to address these issues.

We are all affected when logging and mining deplete African rainforests and increase global warming. We are all degraded when the products we buy and use are created by exploitation and abuse. And we all reap the benefits of an Africa where freedom and human dignity reign, creating a stable environment in which business can thrive. American ideals and simple good sense require that we be vigilant in this regard. This amendment contains provisions to address labor rights, human rights, and environmental protection. Mr. President, Africa labor unions have been opposing AGOA for good reasons. This amendment takes their concerns seriously. It clearly spells out the labor rights that our trade partners in Africa must enforce in order to receive benefits. These include the right of association, the right to organize and bargain collectively, a prohibition on forced labor, minimum age of 15, and provisions for acceptable conditions with respect to wages, hours, and safety.

This amendment also provides for a monitoring procedure that involves the Africa Region branch of the International Confederation of Free Trade Unions in compliance reporting. These provisions go far beyond the labor protections in the current bill, which are linked to GSP—and they do so for a reason. GSP labor rights provisions are rarely enforced. Some African countries—such as Equatorial Guinea—receive GSP currently yet do not allow the establishment of independent free trade unions. Clearly, GSP is not enough to ensure the growth and opportunity are not exchanged for abuse and exploitation.

This amendment would also deny benefits to countries engaging in significant human rights abuses. Mr. President, that is stronger language than AGOA currently contains, and it sends a clear signal about the kinds of partners the United States is seeking in Africa. As it stands, AGOA contains no environmental provisions whatsoever. Yet in some African countries like Tanzania, 85 percent of the population lives directly off the land. Clearly, development in Africa is contingent on environmental sustainability. My amendment grants additional trade benefits to U.S. and other foreign investors from developed countries when they use the same environmental technology and practices in Africa that they use at home. This amendment makes AGOA more important and more responsible. If we are serious about engaging in Africa, let's make a genuine effort, rather than a token one. Let's make a responsible effort rather than an indifferent one.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, regretfully, but once again, I rise in opposition to this measure. It would add overly restrictive African content and citizenship requirements, and the transshipment penalties are extraordinary. On the matter of citizenship, sir, I would not doubt that there are 30 garment shops, factories, if you like, floors or lofts, in New York City, in Manhattan, where a majority of the employees are not American citizens. They are legal immigrants, they have rights of American workers, they are paid, and they pay taxes. But in the course of the last three centuries, we have seen enormous movements of labor from one place to another, a lot of recycling.

If I could take one moment, since it is quiet and we have some distinguished Senators here, recently there was a study of illegal immigration from Mexico by some very fine sociologists, American and Mexican. The question is, Under what circumstances would illegal immigration increase? The answer is that immigration would increase if you sealed the borders because it is circular. People come up north to work. They raise money, and they go back and they can buy a car. Then they return. If there was a real wall, they would not go back. The world economy has been such since the 18th century. Exceedingly, these are good intentions of the Senator who offered essentially the same amendment yesterday.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, I hope Senators are not confused by the comments of the Senator from New York. Certainly, the 90-percent requirement with regard to workers in Africa is one of many provisions in this. This is not the same amendment as yesterday. This involves labor protections, human rights protections, environmental protections, expanding the list of goods. This is a much broader alternative. In fact, it is essentially the HOPE alternative. So I hope the Senators vote for this. Although we received 44 votes on the transshipment amendment, this is by no means a vote on this particular provision. I want to be clear about that.

Mr. MOYNIHAN. Mr. President, the Senator is right. If I mischaracterized his amendment, I apologize. It is an extension of yesterday's amendment. Would he accept that characterization?

Mr. FEINGOLD. It covers a range of topics that have nothing to do with yesterday's amendment. It expands the number of products and trade and an alternative provision of what should be done. The Senator is correct that a couple of provisions are the same. I think many other provisions are of substantial importance, and I hope people regard this as an alternative approach.

Mr. MOYNIHAN. I accept the Senator's account.

Again, I make a motion to table the amendment.

Mr. ROTH. Mr. President, I ask unanimous consent that we set aside the Feingold amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 2410

(Purpose: To provide expedited trade adjustment assistance for certain textile and apparel workers)

Mr. THURMOND. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND] proposes an amendment numbered 2410.

Mr. THURMOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . TRADE ADJUSTMENT ASSISTANCE FOR TEXTILE AND APPAREL WORKERS.

Notwithstanding any other provision of law, workers in textile and apparel firms who lose their jobs or are threatened with job loss as a result of either (1) a decrease in the firm's sales or production; or (2) a firm's plant or facility closure or relocation, shall be certified by the Secretary of Labor as eligible to receive adjustment assistance at the same level of benefits as workers certified under subchapter D of chapter 2 of title II of the Trade Act of 1974 not later than 30 days after the date a petition for certification is filed under such title II.

Mr. THURMOND. Mr. President, as we consider the African Growth and Opportunity Act, I rise to speak about the status of the United States textile and apparel industry. Last week I made a more complete statement regarding the demise of the industry, done in the name of free trade, under the guise of promoting market-based economies and democratic governments in developing countries.

The result of these trade agreements on the textile and apparel industry in the United States has been a flood of imports and a significant impact on employment. In my own state, the loss of textile and apparel jobs has been particularly devastating. Since 1987, South Carolina has lost nearly one-third of all textile jobs and over 50 percent of all its apparel jobs.

Another concern I have is how our legislation impacts our broader foreign policy and drug control objectives. I am concerned that as we propose to drastically increase container shipping through the Caribbean, we will be exposing our Nation to the potential for a tremendous increase in illicit drug imports.

Mr. President, the key to resolving many of our hemispheric problems is coordinating our criminal justice efforts, defense requirements, foreign policy, and economic and trade strategy toward Latin American countries. We cannot afford to look at these in isolation of one another.

Finally, let me highlight some of the more dangerous elements of legislation which some in Congress are proposing. While the Senate bill alleviates some of the worst of these issues, I want the record to be clear on why these provisions must never become law. If, by some chance, this bill moves to a conference with the House, there may be an effort to incorporate some of these proposals. This would be a terrible mistake.

There are some in Congress who would favor the quota-free entry into the United States for apparel made in the Caribbean Basin countries from fabric produced anywhere in the world. Such a provision would void the Uruguay Round Agreement on Textiles and Clothing.

Another flawed proposal is the scheme to use Tariff Preference Levels, whereby fabric produced anywhere in the world may be used in apparel sewn in the Caribbean Basin countries and imported duty-free and quota-free into the United States. Such preferences are permitted under NAFTA. Canada has used its preferences to export into the United States textile and apparel products made of non-North American yarns and fabrics. This violation of NAFTA has permitted $300 million from textile mills in Europe and Asia to severely damage U.S. manufacturers of wool suits and wool fabrics as well as other U.S. producers. Likewise, Mexico is now sending textiles and apparel made from cheap Asian yarns and fabrics into the United States. Tariff Preference Levels are bad for the American textile and apparel industry and for its workers. They must not be permitted to be extended further.

Perhaps the worst provisions proposed in the House bill are those related to transshipment. Transshipment is the practice of producing textile and apparel goods in one country, and shipping it to the United States using the quota and tariff preferences reserved for a third country. The most egregious part of the House bill is that it fails to include provisions for origin verification identical to those in Article 506 of the North American Free Trade Act. This could lead to Africa and the Caribbean Basin being used as an illegal transshipment point by Asian manufacturers. It would encourage the use of non-U.S. produced fiber and fabric in apparel goods entering the United States duty-free.

Finally, the House bill grants overly generous privileges and preferences to African and the Caribbean Basin countries in a unilateral fashion. There is little incentive for these countries to grant reciprocal access for products made in the United States.

Mr. President, there is no question that unfair trade policies have negatively impacted employment levels in this important sector of our economy. There is no reason to believe the trade bills we are debating will lead to a different result. Furthermore, these bills raise serious national defense and foreign policy questions. Finally, many provisions, which unfortunately might be included in the final legislative product, would cause unnecessary harm to the textile and apparel industry in the United States. The textile and apparel firms may survive as they adapt to our legislative actions and changing economic conditions. American textile workers may not be so fortunate. This is my main concern—for those textile and apparel workers who work hard, pay their taxes and raise their families. This is why I have reservations about this bill.

Mr. President, that is also why I am proposing an amendment to this bill. My amendment would correct an injustice in the current Trade Adjustment Assistance Program. If you accept the premise that it is good policy for the Senate to enact legislation that will result in Americans losing their jobs, then you must agree that Trade Adjustment Assistance is a program which deserves our support. This program provides extended unemployment insurance coverage and retraining benefits to displaced workers. It is the least we can do for the Americans working in the textile and apparel industry who will lose their jobs because of this bill.

My amendment would correct weaknesses in the current program. The Department of Labor would have 30 days to certify that the employees who are going to lose or who have lost their jobs would be eligible for the highest possible level of benefits available under the Trade Adjustment Assistance Program.

Mr. President, I call up amendment number 2410 and ask for its immediate consideration.

Mr. President, this amendment is very simple. It clarifies that textile workers who lose their job as a result of plant closure or relocation or as a result of a decrease in production or sales, shall receive trade adjustment assistance benefits from the Department of Labor. These benefits shall be the same as those available to workers who become employed as a result of NAFTA-related job losses.

I urge support for this amendment. It is the least we can do for the thousands of Americans who are going to lose their jobs as a result of this legislation. I yield the floor.

Mr. ROTH. Mr. President, I ask for a voice vote on amendment No. 2410 at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2410) was agreed to.

Mr. NICKLES. Mr. President, for the information of our colleagues, I think we are getting close to a vote on the Feingold amendment momentarily, or in the next few moments, and a vote on final passage.

First, I want to compliment Senator ROTH and Senator MOYNIHAN for their leadership in managing this bill. This wasn't the easiest bill in the world to manage. They handled it professionally and with great class. I think we are getting ready to pass a good bill. I think we are going to pass a bill that proves, one, the Senate in 1999 is not isolationist and protectionist. It proves we can help a lot of our fellow people across the world by expanding trade, whether they be in Africa or whether they be in the Caribbean nations. We want to help them through trade, which we believe is mutually beneficial.

So I particularly compliment the two managers of this bill for their outstanding work and bringing to a close a bill that I think will be a real compliment to the first session of this Congress.

AMENDMENT NO. 2480

(Purpose: To provide a waiver of a section 901(j) denial of foreign tax credit in the national interest of the United States, and to expand trade and investment opportunities for U.S. companies and workers)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 2480.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . APPLICATION OF DENIAL OF FOREIGN TAX CREDIT REGARDING TRADE AND INVESTMENT WITH RESPECT TO CERTAIN FOREIGN COUNTRIES.

(a) IN GENERAL.—Section 901(j) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., regarding trade and investment with respect to certain foreign countries) is amended by adding at the end the following new paragraph:

"(5) WAIVER OF DENIAL.—

"(A) IN GENERAL.—Paragraph (1) shall not apply with respect to taxes paid or accrued to a country if the President—

"(i) determines that a waiver of the application of such paragraph is in the national interest of the United States and will expand trade and investment opportunities for U.S. companies in such country, and

"(ii) reports such waivers under paragraph (B).

"(B) REPORT.—Not less than 30 days before the date on which a waiver is granted under this paragraph, the President shall report to Congress—

"(i) the intention to grant such waiver, and

"(ii) the reason for the determination under subparagraph (A)(i).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on or after February 1, 2001.

Mr. NICKLES. Mr. President, the essence of this amendment is to allow the President of the United States a waiver to section 901, which denies foreign tax credits if he determines it is in the national interest of the United States and also to expand trade and investment opportunities for U.S. companies and workers.

Again, I appreciate the cooperation of both managers of this bill.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. ROTH. I call for a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2480) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. I thank my colleagues.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 2402

Mr. ROTH. Mr. President, I call up the Dorgan amendment No. 2402.

There is no further debate on this amendment. I ask that we proceed with a voice vote.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2402) was agreed to.

AMENDMENT NO. 2427

Mr. ROTH. Mr. President, we are now prepared to return to Senator Feingold's amendment, No. 2427 and proceed with the vote.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2427. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. McCain) is necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), and the Senator from Wisconsin (Mr. Kohl) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. Kennedy) would vote "no."

The result was announced—yeas 66, nays 29, as follows:

[Rollcall Vote No. 352 Leg.]

YEAS—66

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Cochran
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kerrey
Kyl
Landrieu
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Rockefeller
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner
Wyden

NAYS—29

Akaka
Biden
Boxer
Bryan
Byrd
Campbell
Cleland
Collins
Dorgan
Durbin
Edwards
Feingold
Harkin
Hollings
Jeffords
Johnson
Kerry
Lautenberg
Leahy
Levin
Mikulski
Reed
Reid
Sarbanes
Schumer
Snowe
Specter
Torricelli
Wellstone

NOT VOTING—4

Inouye
Kennedy
Kohl
McCain

The motion to table was agreed to.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION TO AMENDMENT NO. 2505

Mr. ROTH. Mr. President, I ask unanimous consent that the previously agreed to managers' amendment be modified with a technical change which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

SEC. 621. SENSE OF THE SENATE REGARDING TARIFF INVERSIONS.

It is the sense of the Senate that United States trade policy should, while taking into account the conditions of United States producers, especially those currently facing tariff phase-outs negotiated under prior trade agreements, place a priority on the elimination or amelioration of tariff inversions that undermine the competitiveness of United States consuming industries.

AMENDMENT NO. 2325

Mr. ROTH. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on the substitute amendment and the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2325) was agreed to.

Mr. ROTH. Mr. President, I further ask unanimous consent that the cloture motion on the underlying bill be vitiated and the bill be read a third time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

Mr. ROTH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. LEVIN. Mr. President, this is a difficult vote for me. This bill contains provisions I support such as the reauthorization of the Trade Adjustment Assistance Act (TAA) and the Africa Growth and Opportunity Act. But the CBI provision of the bill is troubling because it extends benefits unilaterally without assurances that reciprocal trade benefits will be granted to U.S. products.

However, with the adoption of the Levin-Moynihan amendment some progress is assured because under this amendment, the President would be required to take into consideration the extent to which a country provides internationally recognized worker rights, including child labor, collective bargaining, the use of forced or coerced labor, occupational health and safety and labor standards before the trade benefit can be granted.

The adoption of this amendment is a major reason I have decided to vote for this bill.

I hope this provision can be further strengthened in Conference. However, at a minimum, Senator Moynihan has assured me a strong effort will be made to retain the provision in Conference.

Mr. President, I ask unanimous consent that an analysis of the amendment be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

COMPARISON OF LEVIN-MOYNIHAN AMENDMENT WITH UNDERLYING BILL

(Criteria for Designating CBTEA Beneficiary Country)

Under the Senate bill prior to adoption of the Levin-Moynihan amendment, to designate a beneficiary CBTEA country, the President must determine that a country has demonstrated a commitment to three things: (I) undertake its obligations under the WTO on or ahead of schedule; (II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and (III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

It then allows the President to consider ten criteria for making the determination that a country has demonstrated a commitment to the above three things. Among the ten criteria that can be considered is: the extent to which a country provides protection of intellectual property rights; the extent to which the country provides protections to investors and investment of the U.S. and; the extent to which the country provides internationally recognized worker rights.

The Levin-Moynihan amendment would require that in designating a beneficiary country, the President must consider the extent to which that country has demonstrated a commitment to each of the 13 criteria in the underlying bill. In other words, the Levin-Moynihan amendment elevates the criteria in the underlying bill to a mandatory status for consideration. Under this amendment, the President, in designating a country as a CBTEA country, must take into account, for instance, the extent to which the country provides internationally recognized worker rights, including:

(a) the right of association, (b) the right to organize and bargain collectively, (c) prohibition on the use of any form of coerced or compulsory labor, (d) a minimum age for the employment of children, and (e) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

Some of the other specifically recognized items for mandatory consideration in our amendment are: (a) whether the country has met specific counter-narcotics certification criteria, (b) the extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, (c) the extent to which the country affords to products of the U.S. tariff treatment that is no less favorable then the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such a country is a party, other then the Central American Common Market or the Caribbean Community and Common Market.

Under the Levin-Moynihan amendment consideration of these items is no longer just an option. The President must take these factors into consideration.

Mr. KOHL. Mr. President, this bill was not an easy bill for me to support. While I believe that fostering trade with our neighbors leads to growth both here and abroad, I also know that some companies use trade to take advantage of foreign low wage workers. I had hoped that this bill would take stronger measures to ensure that labor and environmental rights received greater respect.

I opposed cloture initially on this bill because it would unfairly limit the ability to improve the bill. After an agreement was worked out to allow trade related amendments, I decided to support cloture to move the legislation forward. I supported amendments that would have required labor and environmental agreements and stricter oversight of imports to avoid trans-shipment. I was disappointed that these amendments were not agreed to, but I encourage the conferees to continue fighting for these important issues.

Some important changes were made. The Senate included a provision to help our farmers cope with the negative effects of trade agreements. This Trade Adjustment Assistance for farmers parallels the Trade Adjustment Assistance program that has helped so many industrial workers. Senator HARKIN offered an amendment that will go a long way toward eliminating child labor in these developing countries if they hope to take advantage of the benefits in this legislation. This provision makes the bill more humane, and reflects our moral values, not just our economic interests.

While the bill is not perfect, increasing opportunity for some of the poorest countries is an important goal and deserves the support of the Senate. The countries of the Caribbean and sub-Saharan Africa know that trade and investment coupled with aid programs are more effective than foreign aid alone. The countries involved support this bill and look forward to a chance to sell their products in our market.

The struggle for labor standards is a long road, but that journey cannot start if people do not have jobs. There is no way to improve working conditions for the unemployed. Only when trade and investment bring jobs to these countries will workers be able to organize and fight for better conditions. Many of these countries are new democracies that have much to learn about the benefits of protecting their workers. We should remember that the United States is a democracy that is 225 years old, and that the backbone of our labor laws are only 65 years old. Those laws did not come easily. There was a long, bitter, and sometimes bloody fight before the United States saw the wisdom of protecting workers rights. We need to continue our efforts, both at the government and non-governmental level, to convince these countries to follow our example. Unfortunately, our trade negotiators have only recently come to the conclusion that labor rights matter to workers here and abroad.

Making access to the U.S. market difficult is not going to improve the lot of workers in Africa and the Caribbean. The more we do to engage these countries and improve the climate for investment, the closer these countries get to moving out of poverty and toward prosperity.

● Mr. McCAIN. Mr. President, I am, unfortunately, unable to be present for this vote, but would like to express my support for the final passage of the amended version of H.R. 434, the African Growth and Opportunity Act. This legislation includes a modified version of the African Growth and Opportunity Act, the United States-Caribbean Basin Trade Enhancement Act, and reauthorization of the Generalized System of Preferences (GSP) and Trade Adjustment Assistance (TAA) programs.

This legislation will end up helping more than 1 billion people begin to enjoy the benefits of democracy and the free market system. Unfortunately when most Americans think of recent politics in Sub-Saharan Africa and the Caribbean, they only think of dictatorships, civil wars, and people crushed in the grip of poverty. It is a compelling portrait and shows the necessity of this legislation.

However, there is hope in the nightly news reports. Both in the Caribbean and in Africa, democracy and economic development are emerging from the shambles of the past. According to a 1998 global survey by Freedom House, 30 countries in Africa are now politically free or partially free. In addition, these countries are beginning to pursue policies of economic development that will help their citizens rise above the debilitating poverty of the past. In 1998, while the Asian economic crisis pummelled other countries, Africa's economies actually grew by an average rate of 3.1 percent.

Democracy and market economics also are established in the Caribbean. The civil wars in El Salvador, Nicaragua, and Guatemala have ended. Unfortunately, many of these countries are still suffering from the effects of Hurricanes Mitch and Georges, and need these trade benefits to rebuild their economies.

This year's elections in Nigeria and South Africa, and the upcoming election in Guatemala, exemplify the democratic developments in Africa and the Caribbean. As the bulwark of freedom and liberty, the United States must do all that it can to ensure that democracy and market economics continue to spread and grow. This legislation is crafted to aid these transformations.

The African Growth and Opportunity Act establishes a special GSP program to give duty and quota-free treatment to selected African textiles and goods, and enhances cooperation between the United States and Sub-Saharan Africa. It is my hope that the President will use the provisions of this legislation to seriously pursue a free trade agreement with the leaders of Sub-Saharan African countries. The United States-Caribbean Basin Trade Enhancement Act grants selected exports from Caribbean nations the duty- and quota-free treatment that has benefitted Mexico in the North American Free Trade Agreement.

Finally, the reauthorization of the GSP program helps many other developing countries benefit from preferential trade treatment. These GSP provisions will help developing countries become members of the global community and prosper in the growing world marketplace. Also, this legislation will reinforce the core American values of freedom and equal opportunity that are a cornerstone of our great country. This legislation is based on the commonsense principle that if you give a nation a handout, you feed it for a day, but if you teach its people to grow and trade, you assist them in becoming independent and self-reliant.

This legislation also helps U.S. workers and companies. U.S. exports to the Caribbean nations exceeded $19 billion last year, and produced a $2 billion trade surplus. This trade has created 400,000 American jobs. In 1998, the United States exported $6.5 billion in goods to Sub-Saharan Africa. This trade supported over 100,000 American jobs. However, the United States only has a 7% share in the African market, while Europe has a 40% share. More U.S. trade and investment in both the Caribbean and Sub-Saharan Africa will increase U.S. market share and create more American jobs.

While I support this legislation, I believe that it can be improved during the conference with our colleagues from the House side. The House-passed version of the African Growth and Opportunity Act includes programs under the auspices of the Export-Import Bank and Overseas Private Investment Corporation that will give American companies incentives to invest in Africa. Also, I am concerned that the Congressional Budget Office estimates that "almost no apparel imports would qualify for special treatment" under the textile provisions of the Finance Committee amendment. The House-passed version of the bill removes quotas and duties on all African textile imports, and will be of much greater benefit to the African nations as well as to the U.S. It is my hope that the conferees will adopt these provisions in the House-passed version of the African Growth and Opportunity Act. These measures will ensure true economic development and increased U.S. market access in Africa.

In addition, I have some concerns about the provision of the bill referring to the excise tax collected on rum. This provision increases by $3.00 the amount of the excise tax on rum that is transferred to Puerto Rico and the U.S. Virgin Islands retroactively from June 30, 1999, to October 1, 1999. The bill earmarks $0.50 of this tax for the Puerto Rico Conservation Trust Fund. I am aware of the importance of helping our territories to become economically self-reliant, while also protecting their environments. However, I believe that we should look at more efficient ways to achieve this goal. It makes no sense for the federal government to collect a tax and then turn it all back over to the territories. I hope that this provision will be stricken from this legislation, and that we can more thoroughly examine how to help our territories achieve economic growth without unnecessary federal bureaucracy and taxation.

I am also concerned about certain other provisions that have found their way into this legislation. This legislation includes a provision to extend TAA benefits to farmers and fishermen. I know that the collapse of foreign markets abroad has hurt American farmers and believe that this issue should be given more consideration. I am also concerned by provisions included for Oregon power plant workers to apply for TAA benefits after their eligibility has expired, provisions to allow a company with operations in Connecticut and Missouri to obtain a refund on duties it paid on imports of nuclear fuel assemblies, and $2 million earmark for a two-year study on how American Land Grant Colleges and not-for-profit international organizations can improve the flow of American farming techniques and practices for African farmers. These measures should be examined in the usual authorization process to ensure that it is considered on merit and not special interests. It should not be attached to this legislation when Senators have not had a chance to examine the costs and benefits.

In conclusion, I support this historic legislation to ensure the progress of democracy and economic development in Africa, the Caribbean, and other developing countries. By promoting freedom and interdependence, the United States can help millions of people live in a future without repression where any child's potential is limited only by their dreams.●

Mr. SCHUMER. Mr. President, I rise today to speak on an issue of utmost importance to American suit manufacturers in New York and around the country, an issue that my colleague PAT MOYNIHAN has been fighting on for many years.

I am referring to an anomaly in America's tariff policy, that harms American companies like Hickey-Freeman, Pietrafesa, and other producers of fine wool suits.

Our response will determine whether this country will be able to support companies that manufacture suits with a "Made in America" label.

My general belief is that free trade is a boon to the overall economy. But our wool tariff policy is a patchwork quilt of part free trade, part high tariff, part no tariff: policies stitched together with no rhyme or reason as to how it will impact U.S. companies and consumers.

Under the current tariff schedule, U.S. suit companies that must import the very high quality wool fabric used to make high-end men's suits pay a tariff of 30 percent on that fabric. These American companies, in turn, compete with companies that import finished wool suits from other countries, which pay a 19 percent tariff on the finished suit. And since the NAFTA agreement, U.S. importers of suits made in Canada and Mexico pay no tariff whatever.

And those Canadian and Mexican suit manufacturers pay no, or very low, duties on their imported wool fabric from Italy and elsewhere. They, in effect, get a perfectly free ride into the U.S. market, while American clothing companies, employing American textile workers, have to pay to play.

Where is the consistency here? All we have today are randomly placed zero, 19 percent, or 30 percent tariffs with no concern over the big picture: American companies and American jobs.

In fact, U.S. companies have been fighting a war of attrition for nearly ten years, a war which they are slowly losing, due solely to American laws.

So we are now at a crossroads.

Some domestic fabric manufacturers support the tariff policies because they argue that Hickey-Freeman and other high-end suit manufacturers ought to buy their fabric here in the U.S. That would be great—if there was ample domestic supply of the fabric these suit companies require: But there is not.

According to leading American fabric manufacturers, U.S.-produced high-end wool fabric supply falls short of demand by more than 2.5 million square meters. That leaves Hickey-Freeman, a Rochester, New York, institution since 1899, Pietrafesa of Syracuse New York, and dozens of other fine suit manufacturers with two options: import more than half of their wool fabric at a 30 percent tariff, or shift their operations to countries where they will not be hindered by the restrictive added costs they face here.

In other words, these American companies are virtually compelled to move their operations out of the U.S. by these irrational U.S. laws.

That is why the textile workers unions are fighting hard to repeal these unfair tariff policies. Indeed, since 1991, fine suit manufacturers in New York and around the country have been forced to close dozens of manufacturing facilities, and lay off more than 10,000 employees.

Don't get me wrong: I support the idea of free trade. I believe that our nation is the strongest and most prosperous on earth, and in such a strong global leadership position, due to our open trading system, and our principles of free trade which we help instill on other nations around the world.

But what I'm talking about today is not free trade. It is a hodge-podge of non-sensical trade laws. These wool tariffs give the advantage to foreign companies in other countries in their ability to compete in our market.

All I ask for is a level playing field—I believe that under fair trade and competition the U.S. worker and U.S. industries will prevail. But they will not be given a chance if the deck is stacked against them. Under current law, the game is fixed.

Now, I recognize that good faith negotiations are ongoing between American fine wool suit manufacturers, domestic wool producers, Senators MOYNIHAN and ROTH, Members of this body from interested states, and the White House. Senator MOYNIHAN has, for many years, made this unfair wool tariff a cornerstone of his efforts to ensure fair trade. And I am doing what I can to help move these negotiations along.

But I want to make clear that we need to resolve this issue as soon as possible. The American fine suit industry and their employees can wait no longer. Too many jobs have already been lost due to these tariffs, and too many more remain on the line.

The trade package currently under consideration in the Senate provides the best opportunity to finally provide economic justice to American companies struggling to compete in a global trading system which is still struggling to work out its kinks.

I believe that reasonable minds will resolve this issue when the facts are clear to all involved. And the main fact is that loyal, productive, U.S. companies are currently at a serious disadvantage in its own home economy. That should not stand.

AMENDMENTS NO. 2379 AND NO. 2483

Mr. LIEBERMAN. Mr. President, I rise to explain my reasons for voting to table amendments No. 2379 and No. 2483 sponsored by Senator HOLLINGS. The two amendments would have required the United States to negotiate side agreements with the countries named in the African Growth and Opportunity Act and the United States-Caribbean Basin Trade Enhancement Act concerning labor standards and the environment similar to the North American Agreement on Labor Cooperation and the North American Agreement on Environmental Cooperation. Mandating that the United States negotiate agreements before providing the benefits granted to these countries under this act would have had the effect of nullifying the bill.

Labor and environmental issues should be considered when negotiating trade agreements. In today's global economy, the economic actions of one country can have profound implications for the entire world economy. We witnessed this firsthand with the recent global economic crisis. Just as the economic decisions of one person in Indonesia can have significant consequences for someone in Germany, the living standards, working conditions, and the environment standards of workers in Peru or Malaysia can have an impact on our workers here in the United States.

The two amendments offered by Senator HOLLINGS have admirable goals, however they are unworkable in the context of this bill. Because this bill calls for the United States to take the unilateral action of reducing tariffs on a wide range of products in order to provide incentive for these countries to develop their economies, it would be out of place to mandate negotiations that were designed to accompany bilateral trade agreements. If we are serious about protecting workers and the environment, we should include them as part of a bilateral negotiation when our trading partners will have obligations to fulfill.

Our goal with this bill is to improve and grow the economies of sub-Saharan Africa and the Caribbean Basin. We are doing this by opening our markets in the hope that these economies will integrate into the world economy as responsible trading partners and will develop as future markets for our exports.

The two amendments offered by Senator HOLLINGS would have had the effect of neutralizing the underlying bill to support economic development in sub-Saharan Africa and the Caribbean Basin. I could support similar amendments when they are raised in the context of trade agreements when side agreements can be enforced.

TARIFFS ON WOOL FABRICS

Mr. DURBIN. Mr. President, I rise to commend the chairman and ranking member for their efforts on an issue that is important to workers in Illinois, as well as those in New York and other states. Specifically, I refer to their efforts and leadership in addressing the need to modify tariffs on wool fabrics used in the men's suit industry. I am proud to be an original cosponsor of S. 218 introduced by Senator MOYNIHAN at the beginning of this year, and have worked with both Senators from New York and many other colleagues on both sides of the aisle, on this issue.

Because of a loophole in NAFTA, Canadian suitmakers have become our largest source of imported suits at the expense of tens of thousands of American workers who have seen their plants close. I am a supporter of NAFTA—I voted for it and I believe it is good trade policy for our country. However, as part of NAFTA, concessions were made by our U.S. negotiators to allow Canada to bring Canadian manufactured suits in to the United States, duty-free. Canada proceeded by removing its tariffs on imported wool fabrics, setting up a situation where its manufacturers could import the same fine wool fabrics American manufacturers import, manufacture a suit in Canada, and export that suit to the United States, without paying a single tariff. Our U.S. manufacturers are forced to pay over 30 percent in tariffs for this same fine wool fabric. All our manufacturers ask for from us is to provide a level playing field on which they can compete.

This has been a difficult issue to resolve because of the various stakeholders involved. However, unless the final trade bill offers some relief for this industry, more Americans will lose their jobs as a result of our own U.S. trade policies.

The pending amendment will allow this issue to be resolved in conference, and I commend both our majority and minority committee leaders for their efforts.

Mr. MOYNIHAN. Mr. President, I also thank my chairman for his work, and that of his staff, in addressing an issue that I have worked on for many years. I first started this effort with my friend Congresswoman LOUISE SLAUGHTER a number of years ago. Since that time even more Americans have lost their jobs as a result of tariffs on wool fabric—fabric that is not produced in the quantity and quality needed by our domestic industry. I believe that we are close to finalizing an approach to finally resolve this issue, and I commend the chairman for his willingness to work with us on this important matter.

Mr. SCHUMER. Mr. President, on behalf of the thousands of workers in New York, I join my colleagues in thanking both Chairman ROTH and Senator MOYNIHAN for their work on this issue. Earlier this year I was visited by one of these workers, Mr. Fred Cotraccia, a Shop Steward for Hickey-Freeman of Rochester, NY. At that time he explained to me the importance of providing relief to the suit manufacturing industry, and he presented me with a teddy bear dressed in an American-made, hand-made, fine wool fabric suit. In a letter from him accompanying the bear he says, "Please stand up for American jobs . . . My livelihood and the livelihood of thousands of other hard working American employees, depends on you supporting our jobs—please choose 'made in America.' "

A number of my Senate colleagues received a similar type letter, and a similar request to help save their jobs. I believe we have made significant strides in finding a way to provide relief to this industry at the expense of no one, but to the benefit of many.

Mr. KERRY. Today we must vote on a package of bills that are intended to promote trade and thereby lift-up the economies of sub-Saharan African and Carribean Basin nations. I believe strongly in that premise. I believe that free and fair trade can improve the lives of workers in developing nations and is vital to improve our economy at home. On balance, this achieves those goals, and I therefore support it.

Much of the debate surrounding this package of trade bills has centered on the provisions dealing with Africa. This is proper, as it is the AGOA portion of the bill that I am most concerned about. Many argue that AGOA is the last chance for Africa to develop a textile industry. In 2005, current quotas on textiles from Asia and other parts of the world will be lifted. If we lift those quotas on sub-Saharan African countries now, those countries may have some chance to develop their textile industry in the next five years, before Asia—especially China—has a chance to dominate textile manufacturing. If Africa does not develop its textile industry now, there is no way it will be able to compete with China in 2005. This would not only hurt African nations, who will be without a textile industry, but it will hurt US apparel manufacturers, who will have one less resource to produce their products and will be forced to send more of their work to China.

That said, this bill fails to address many of the crucial problems facing Africa, and it would be tragic if this were the final word on Africa. First, this bill fails to address the perhaps the single greatest barrier to economic growth and development in Africa: the spread of AIDS. Unless our efforts to combat this epidemic are bolstered immediately, this public health disaster will result in severe economic distress for African countries. The effect of this disease, which strikes people in their most economically productive years, cannot be ignored if we expect these countries to be effective trading partners. It is imperative and entirely appropriate to include AIDS relief in this legislation. A recent study in Namibia estimated that AIDS cost the country almost 8 percent of its GNP in 1996. Another analysis predicts that Kenya's GDP will be 14.5 percent smaller in 2005 than it would have been without AIDS, and that income per person will be 10 percent lower.

The microeconomic outlook is not much better. Businesses across sub-Saharan Africa are already suffering at the hands of HIV. In Zimbabwe, for instance, life insurance premiums grew four-fold in just two years because of AIDS deaths. Some companies there have reported a doubling of their health bills. In Botswana, companies estimate that AIDS-related costs will soar from under one percent of wages in 1999 to five percent by 2005. In Zambia and Tanzania, some companies have already reported that costs resulting from AIDS-related health costs and lower productivity have exceeded total profits. Without addressing a health crisis of this enormity, we are ignoring one of the most important impediments to development of the African continent.

The second concern I have with the AGOA bill is that it ignores the great albatross of debt that hangs around the neck of the African people and is a tremendous impediment to their economic growth and development. AGOA provides no debt relief to Africa, despite the fact that Africa's crushing $230 billion debt burden is a massive obstacle to economic and social progress. By ending the vicious circle of debt and debt servicing, debt relief for Africa would open the way for private investment in African enterprises, investment that is critical to the long-term development and growth of every economy.

I believe that the United States should play a prominent role in reducing the debt burden of nations that are unable to achieve sustainable economic growth and development under the constraint of servicing their national debts. Our economic relationship with Africa must take the long view and advance policies that will build a solid basis for continued growth, rather than simply extending the short-sighted, debt-centered policies of decades past.

Unfortunately, many amendments that would have begun to address the weaknesses of the AGOA bill failed on the Senate floor. I supported amendments that would have improved labor and environmental standards and that would have better addressed transhipment concerns. Although those amendments failed, I will, nevertheless, support this package, not because I am fully satisfied with its treatment of Africa, but because as a whole, the package includes other important trade measures that will not only bolster the economies of developing nations, but will have a positive economic impact here at home. I have long been a proponent of Trade Adjustment Assistance as a way to help U.S. workers and industries that have been harmed by trade. The Generalized System of Preferences is also a crucial to developing countries by stimulating their exports. I am pleased that this package includes these very important programs.

Finally, the CBI portion of the package will put our neighbors in the Caribbean on more equal footing with Mexico. By providing duty free treatment to apparel assembled in the Caribbean basin only if US fabrics are used, this bill will strengthen the economy and long term stability of Caribbean Basin countries. This will go a long way to help them to recover from the extensive damage they suffered during Hurricanes Mitch and Georges. The U.S. has a trade surplus with Caribbean Basin which has led to more and better jobs in my home state of Massachusetts and throughout the country.

Because the balance of the package of trade bills before us today is favorable, I support the bill with the sincere hope that we revisit the issues of concern to sub-Saharan Africa soon.

Mr. MOYNIHAN. Mr. President, we have stepped back from the brink. A week ago it appeared that we would reject this essential trade legislation. The first in five years. Weeks before the opening of the Third Ministerial Conference of the World Trade Organization, which will launch a new round of trade negotiations. Here in the United States, in Seattle.

As a tribute to the patience of our esteemed chairman, Senator ROTH, and our leaders Senators LOTT and DASCHLE, we somehow agreed to revive the bill. We now move one step closer to providing the President with legislation that will confirm, when he arrives in Seattle, that the United States Senate remains committed to open trade policies.

I join the chairman of the Finance Committee in urging the Senate's support for this package of trade measures which includes the Finance Committee's sub-Saharan African and CBI trade bills, as well as the reauthorization of the Generalized System of Preferences (GSP) and the Trade Adjustment Assistance (TAA) programs. Each of these measures was approved by the Finance Committee with near unanimous support.

Federal Reserve Board Chairman Greenspan noted, in a speech he delivered in Boston on June 2, the "recent evident weakening of support for free trade in this country." We appear to be turning against trade policies that we have pursued for 65 years. It is hard to understand this in a period when, as the New York Times reported last Friday:

> The American economy turned in its best quarterly performance of the year this summer, virtually guaranteeing enough momentum to carry the nation to its longest economic expansion in history early next year.

Let me repeat that last phrase—"its longest economic expansion in history. . . ." Not just peacetime, or just wartime, but "in history."

And what are the benefits of this unprecedented economic expansion—an expansion that started in April 1991, is now in its eighth year, will break the record of 107 months in February 2000, and shows no sign of ending? The answer is clear: an unemployment rate of 4.2 percent—a level not seen in almost 30 years; and near zero inflation.

To what can we attribute this remarkable performance of the American economy?

I dare say that if the Hawley-Smoot Tariff Act of 1930 was one of the causes of World War II, then trade liberalization is one of the reasons for the unprecedented expansion.

Other factors I would cite are just-in-time inventories—made possible by the information age, the 1993 deficit reduction act, Alan Greenspan, and perhaps some "good luck."

Given the tremendous transformation of the American economy—between 1960 and 1998 manufacturing employment dropped from 30 to 15 percent of total employment—there inevitably were and will be dislocations. Since 1962 we have eased the cost of dislocation to workers by providing Trade Adjustment Assistance—assistance which will expire at the end of this week. More than 200,000 workers are eligible for trade adjustment assistance. The bill before us would continue Trade Adjustment Assistance, something we ought to do as we enact trade liberalization policies.

I would also note that this legislation reflects our commitment to honor the ILO's core labor standards, a commitment made by all 174 members of the ILO. The Declaration on Fundamental Principles and Rights at Work, adopted at the 86th International Labor Conference, declares that "all members, even if they have not ratified the Convention in question, have an obligation, arising from the very fact of membership in the Organization, to respect, to promote, and to realize, in good faith" these core labor standards; (1) freedom of association and the effective recognition of the right to collective bargaining; (2) the elimination of all forms of forced or compulsory labor; (3) the effective abolition of child labor; and (4) the elimination of discrimination in respect of employment and occupation.

Under the managers' substitute the President must assess the compliance of the CBI and sub-Saharan African countries with these core labor standards—these "internationally recognized worker rights."

The Generalized System of Preferences—which we put in place a quarter century ago—was the United States' response to the plea of developing countries that the industrial world ought to give them an opportunity—and a bit of an incentive—to compete in world markets. The theme then—as today—was that "trade, not aid" would ultimately wean countries from their dependence on foreign aid and help diversify their economies. This legislation will continue this important program.

The bill puts in place—at long last—a trade policy with respect to sub-Saharan Africa, a policy that is long overdue. The economic challenges facing sub-Saharan Africa today may be even greater than they were at the height of the cold war. Consider the differing paths of South Korea and Ghana: in 1958, the year after Ghana achieved independence, its per capita GDP, at $203, exceeded that of South Korea ($171 at the time). Forty years later, in 1998, South Korea's per capita income had soared to $10,550, even after the Asian financial crisis, while Ghana's stood at a modest $390.

The Africa trade legislation in this package will not reverse years of neglect and decline, but it may provide a decent start.

And we endorse with this legislation President Reagan's Caribbean Basin Initiative—begun in 1983—updating the program to enable the CBI countries to remain competitive even as the NAFTA has eroded their market positions. The chairman and I met 6 weeks ago with the Presidents and Vice Presidents and Foreign Ministers of a number of the CBI states—the Dominican Republic, Honduras, Trinidad and Tobago, Costa Rica. They made a simple request—that we allow our trade to grow. And so this legislation will do.

This is legislation which deserves strong support here in the Senate, so that we can quickly move to a conference with the House and send the President to Seattle negotiations with the bipartisan backing of trade liberalization.

The PRESIDING OFFICER. The question is, Shall the bill, as amended, pass? The yea and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Pennsylvania (Mr. SANTORUM) are necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KENNEDY) would vote "no."

The result was announced—yeas 76, nays 19, as follows:

[Rollcall Vote No. 353 Leg.]

YEAS—76

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Campbell
Cochran
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Durbin
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Rockefeller
Roth
Schumer
Sessions
Shelby
Smith (OR)
Specter
Stevens
Thomas
Thompson
Torricelli
Voinovich
Warner
Wyden

NAYS—19

Akaka
Boxer
Bunning
Byrd
Cleland
Collins
Dorgan
Edwards
Feingold
Helms
Hollings
Leahy
Reed
Reid
Sarbanes
Smith (NH)
Snowe
Thurmond
Wellstone

NOT VOTING—4

Inouye
Kennedy
McCain
Santorum

The bill (H.R. 434), as amended, was passed.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROTH. Mr. President, I want to take a few seconds to thank my colleagues on both sides of the aisle for a very strong bipartisan support for the bill. I also want to extend my thanks to the majority and minority leaders who worked so hard to find the compromise that enabled the legislation to move forward.

Let me underscore and emphasize that we would not be where we are if it had not been for my good friend, Senator MOYNIHAN. His patience, his historical perspective on trade, and the key role he has played through the years were instrumental in getting this legislation through. I want to say I think it gives a clear statement to our neighbors in the Caribbean, Central America, and Africa that we are willing to invest in a long-term economic relationship—a relationship of partners and a common endeavor of expanding trade, enhancing economic growth, and improving living standards.

I also think, most importantly, it will send a very clear signal to our partners around the world that isolationism is dead, that liberal trade policies are still supported overwhelmingly. It signals, I believe, that the United States is prepared to engage constructively in the wider world around us and to provide the kind of leadership necessary to reach our common goals.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I stand here to assert that we would not be here at this moment without the revered chairman of the Committee on Finance. He has kept to a party tradition that goes back generations. He has enabled us, sir, to pass the first trade bill in this Senate in 5 years. We were beginning to send a signal that was ominous and could have been, in the end, ruinous. But we have stepped back from that brink, and we have WILLIAM ROTH of Delaware to thank.

I thank all of our wornout and excellent associates, David Podoff, Debbie Lamb, Linda Menghetti, and Tim Hogan on our side, and all of the majority staff. I see Frank Polk over there, and Grant Aldonas, Faryar Shirzad and Tim Keeler. It is a fine moment. Let us hope we make the most of it, sir.

With great thanks to all, I yield the floor.

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer appointed Mr. ROTH, Mr. GRASSLEY, Mr. LOTT, Mr. HELMS, Mr. MOYNIHAN, Mr. BAUCUS, and Mr. BIDEN conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

VIOLENCE IN SEATTLE

Mr. DURBIN. Mr. President, during the course of our debate on the floor of the Senate today, we have considered a myriad of important amendments to a very important trade bill. The attention of Senators on both sides of the aisle was focused on the floor, of course, but it was also focused on our Cloakrooms, the rooms that are a few feet away from me. Again, on television, every time we walked in the Cloakroom, we looked up to see another all-news channel with pictures that were incredible. Of course, the footage today comes from the city of Seattle, WA. Seattle, WA, has become another battlefront in America's endless gun war. Seattle, WA, erupted in violence today.

As I stand here now, I don't know if they have been able to apprehend the terrorist who was involved in this. They were searching for him. The latest news suggests that two people are dead and two are critically wounded. I know some eight or nine schools have been locked down with children inside in the surrounding neighborhood, for fear they might become victims of senseless gun violence as well.

One of my colleagues in the Senate, PATTY MURRAY, lives in Seattle, WA, just a few blocks away from the scene. She has been on the phone all day calling her son, a grown man who is working at a business nearby, to make certain he was safe. Her plea to her son to take care, I am sure, has been repeated over and over thousands of times by the residents in Seattle who are worried about their loved ones who might be in the path of another gun terrorist.

This surreal scene that seems to be unfolding in Seattle as we watch the television screen shows SWAT teams going through the neighborhoods of that lovely city with bulletproof shields, trying to find this gun terrorist, schools locked down, people staying behind closed doors for fear if they walk out in the street, they will literally be killed, as two already have been.

This is what happened today in the State of Washington. But America's families should also know what did not happen today in the city of Washington—Washington, DC. What did not happen today was a meeting between House and Senate conferees to finish work on a commonsense gun control bill to try to keep guns out of the hands of those who would misuse them—kids, criminals, people with a history of violent mental illness.

The Nation was shocked and the Senate was shocked a few months ago with the Columbine killings—shocked into finally doing something. We passed a bill by one vote, the tie-breaking vote being that of Vice President Al Gore, who came to this floor and voted for the bill which provided, very modestly, that before a person can buy a gun at a gun show, we have the right to know whether they have ever been convicted of a violent crime or whether they have a history of violent mental illness.

Is it a radical idea to try to keep guns out of the hands of kids, criminals, and those who are unstable? Most American families don't find that radical. I am glad we passed that bill. We sent it over a few hundred feet away to the House of Representatives so that, in our bicameral Government, they could do their part of the job.

Well, in the ensuing time between it leaving the Senate and arriving in the House, the people with the gun lobbies in Washington got very busy. They lined up enough votes to literally stall and kill that bill. So we have the only attempt in this congressional session for sensible gun control being stopped in its tracks by the gun lobby on Capitol Hill. Yet day after frightening day, another city across the United States of America is subjected to senseless gun violence.

Today, it was Seattle. Yesterday, it was Honolulu, HI, where a man walked into the company where he once worked and killed seven people with a handgun, a man who had a history of psychological problems. When they finally apprehended him and searched his home, they found some 18 different weapons, semiautomatic weapons, shotguns, and handguns—a small arsenal in the hands of a person who was turned down when he attempted to get a firearm owner's permit in 1994.

That was Honolulu yesterday; Seattle today, two more victims.

I need not tell you that nothing happened on Capitol Hill yesterday to deal with gun violence, and nothing happened today as this senseless violence unfolds in Seattle. You have to ask yourself whether the men and women elected to the Senate and to the House of Representatives can walk blindly by the television screens and ignore this endless war of gun violence in America that unfolds every day.

Have we become so oblivious to the pain that is being visited upon America by the proliferation of guns in the hands of those who shouldn't have them? You would have to draw the conclusion that the gun lobby has blinded this Congress to the reality of gun violence in America.

Sadly, what happened in Honolulu yesterday and is happening in Seattle even as we speak is repeated day in and day out across America. We lose 13 children every single day in America, as many children as were killed in Columbine we lose every day in gun violence.

Have we become so callous we can't even feel this any longer, that we don't understand what is happening to our country, this great and noble Nation which has allowed itself to disintegrate into areas of violence that, frankly, people around the world can't even understand? How can this Nation that has so much to say for itself stand by and do literally nothing when it comes to this gun violence?

This Congress has been at its worst when it comes to responding to this national crisis—at its worst. This Congress has been a captive of the gun lobby, unable and unwilling to promote even the most basic and modest provision in the law to protect families across America. We stand idly by.

Some even argue, well, the answer is to give everyone in America a gun. What a solution that would be, the so-called "concealed carry law." So that no matter what restaurant you walk into, what high school basketball game you attend, what mall you stroll through, never knowing if that little argument in the corner is going to erupt into gunfire because people are packing guns right and left. What an answer. That is no answer whatsoever. America's families know it.

Let me tell you something else that recently happened. Senator BOXER of California put a provision in an appropriations bill which said as follows: No licensed gun dealer in the United States can sell a gun to a person they know to be intoxicated. They accepted the amendment on the floor. As soon as it got to conference, the gun lobby took it out. Think about that. They would even want us to allow gun dealers to sell guns to intoxicated people. How irresponsible can you be?

When I tried to put in an amendment that held gun owners who are licensed legally responsible for the safe storage of their own guns away from children—beaten back by the gun lobby, unacceptable. Many States have put that standard in the law. But in Washington we wouldn't even consider it as we see day after weary day children finding the gun cabinet, reaching in, getting a handgun, killing themselves, or some innocent playmate whose family may not have even known there was a gun in the residence.

When we tried to put a provision in the law to say you can't buy more than one gun a month in the United States, unacceptable: one gun a month, unacceptable.

This fellow in Honolulu and others build up a personal arsenal and build up their own psychological problems to the point where they break and turn on innocent people.

I hope those who serve in Congress understand that we will be held accountable and should be held accountable. But I hope even more that families across America who are afraid of gun violence in their communities and who are fed up with what the gun lobby has done to this Congress will speak out. That is the only way this will change. You have to ask your candidate for Congress, the House Member or Senate: Where do you stand? Where are you going to be when it comes to sensible gun control? Will you stand up for the families of America or will you stand up for the gun lobby and the National Rifle Association? It is a very basic question. If it is not asked and answered, the sad reality is that what happened today in Seattle and what happened yesterday in Honolulu could happen in anyone's hometown tomorrow.

We have been told by the chairman of the House Judiciary Committee, Henry Hyde, that it is not likely the conference will meet in the next few days on this gun control bill. That is a shame. We may leave this year doing absolutely nothing to make America's streets safer.

Frankly, this Congress, again, has put first things last. We have done some good things today; we are proud of them, I am sure. But tonight's news will not herald our accomplishments on the Senate floor. Tonight's news reports another tragedy in America, a tragedy in America which this Senate and this House of Representatives refuses to even acknowledge.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I can't help but lament that we have an administration that has prosecuted fewer people for gun violations than any administration in modern history. That is something that could be done today. It could have started this afternoon; It could have begun 7 years ago; but it was not.

FINANCIAL SERVICES MODERNIZATION ACT OF 1999—CONFERENCE REPORT

Mr. GRAMM. Mr. President, it is with great pleasure that under the previous agreement I call up the conference report to accompany S. 900, the Financial Services Modernization Act of 1999.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 900), to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective House as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment and the House agree to the same.

That the House recede from its amendment to the title of the bill; signed by a majority of the conferees on the part of both Houses.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 2, 1999.)

Mr. GRAMM. Mr. President, in case any of our colleagues are watching, let me try to outline what we were going to do tonight.

Senator SARBANES and I are going to make opening statements tonight. It is our understanding that no one else wishes to speak tonight. Then it would be our objective to reserve the remainder of our time for the debate tomorrow. Then the Senate would begin the process of shutting down for the evening.

Mr. SARBANES. Mr. President, will the chairman yield?

Mr. GRAMM. I am happy to yield.

Mr. SARBANES. Mr. President, as I understand it, there is a time agreement which has been entered into, which I hope all Members are aware of, with 4 hours equally divided between the chairman and the ranking member. There is an hour for Senator SHELBY, and an hour for Senator WELLSTONE, 30 minutes for Senator BRYAN, and 20 minutes for Senator DORGAN.

I understand Senator WELLSTONE intends to be here in the morning at 9:30 to start using his time, which is when the Senate will come in. I presume we will then work right straight through.

I think we ought to say to Members that we intend to try to carry this thing through to completion and run our time straight through, which would enable us to finish this bill by mid afternoon.

I understand the House would like to act on this matter yet tomorrow. Of course, that would be assisted, if we could move it through the Senate in a reasonable time.

Parliamentary inquiry: If quorum calls are registered, is the time then drawn down equally from allocations of time?

The PRESIDING OFFICER. Only by unanimous consent. Otherwise, it is charged to the side to which it is assigned.

Mr. SARBANES. I am sure the chairman and I can work that out between us. I think it would be our intention not to have quorum calls. We want people to come and use this time, and not end up drawing it down.

I think we ought to, in effect, alert our Members to that effect, and also of our desire to be able to move straight through. So for Members who wish to speak beginning about 10:15 or 10:30, the thing will be open for Members to get time and speak on this conference report.

Mr. GRAMM. Mr. President, I join Senator SARBANES in urging Senators who want to speak on the bill, and I know there will be many, to be here. The clock will run. We will have to take a break right before 12 o'clock to swear in Senator Chafee, but except for that period of time where we will be off this bill, it will be my intention, and I know it is the intention of the leadership on both sides of the aisle, to stay on the bill until we finish it.

Today we are bringing to the floor a bill that has been a long time in the making. When Glass-Steagall was adopted, Franklin Roosevelt called it the most important and far-reaching legislation ever enacted by the American Congress. In fact, Time magazine just yesterday called it the defining financial legislation of the 20th century. Yet, while it is both of those, or has become both of those, Senator Glass almost immediately after the adoption of the Act bearing his name began to have second thoughts and started the process of overturning Glass-Steagall.

We are here today with a bill which I believe will prove to be the most important banking bill in 60 years. It does overturn the key provision of Glass-Steagall that basically divided the American financial system into securities and banking halves. In the process an unnatural competitive environment was created, and over time, the market and the regulators have through a variety of innovations sought to undo this separation.

This bill we bring to the floor of the Senate basically knocks down the barriers in American law that separate banking from insurance and banking from securities. These walls, over time, because of innovative regulators and because of the pressure of the market system, have come to look like very thin slices of Swiss cheese. As a result, we already have substantial competition occurring, but it is competition that is largely inefficient and costly, it is unstable, and it is not in the public interest for this situation to continue.

The Financial Services Modernization Act strikes down these walls and opens up new competition. It will create wholly new financial services organizations in America. It will literally bring to every city and town in America the financial services supermarket.

Americans today spend about $350 billion on financial services—on fees and charges and interest. Most people who have looked at the capacity for our markets under a more rational system believe, as I believe, that there are tens of billions of dollars of savings for the American consumer that will be produced by the reforms of this bill.

This bill will allow Dicky Flatt, a printer in Mexia, Texas, to go to the bank and take the checks he has received in his print shop that day and do his banking, deal with his insurance business, work on the retirement program that he and his wife and his employees have, all in one location with all the efficiencies and synergies that come from that.

This is a dramatic bill that will produce new products. It will produce a diversity of financial services and products that we have never seen before. Because of the competition in allowing these three major industries to compete head on, these products will be produced and these services will be provided at lower prices than we have ever seen.

There has been great debate in the media, and it will go on until the facts are in, as it should. That is what happens in a free society. But when people ask me who benefits from this bill, I answer, everybody who uses financial services will benefit from this bill: Everybody who borrows money, everybody who has a checking account or a credit card, everybody who buys insurance or securities, everybody who is engaged in modern financial transactions. When you sum all that up, that is everybody in America, for all practical purposes.

Once we had decided to tear down these barriers, the logical question was, in providing these new financial services and these new products, how were they going to be provided? Were they going to be provided within the bank itself, or were they going to be provided in a holding company, separated from the bank? We had a very heated debate and, I believe, a debate with very high intellectual content on that subject on the floor of the Senate. It was decided in the Senate by a relatively close vote. It is one of these issues on which everybody's eyes glaze over, but it is an issue that has profound importance.

What we have produced in this bill, which is what is always produced in the legislative process, is a compromise. I think the compromise on the question of whether banks should provide these new services within the bank or outside the bank is a good compromise, and I strongly support it. I want to congratulate Larry Summers, the Secretary of the Treasury, and Alan Greenspan, the Chairman of the Board of Governors of the Federal Reserve System, for working out this compromise. I very strongly support it.

The compromise allows banks, under very limited circumstances, to provide some of these expanded services within the bank. Basically, those circumstances try to deal with two problems about which many have been concerned. I have been concerned about them, Alan Greenspan was concerned about them, and others were as well. We were concerned about safety and soundness and concentration of financial activities within a bank, driven by the potential for a bank benefiting from a subsidy because deposits are insured by the taxpayer, because the bank has access to the Fed window in borrowing money at lower rates than anybody else, and because of the bank's access to the Fed wire, and transferring funds risk free.

I believe the compromise deals with that by very severely limiting what banks can do within the bank, requiring that banks, in order to provide even limited financial services within the bank, be extremely well managed and well capitalized. That is, they have to have at least an A rating on their subordinated debt. Subordinated debt is the last debt to be paid, so if you are a bank and you have outstanding subordinated debt, that obligation is paid after the depositors, after the creditors, after everybody. For a bank to have an A or an AA or an AAA rating, it has to be extraordinarily well managed and well capitalized, and banks will not be able to engage in activities within the bank unless they meet that test.

We eliminate the double counting of assets that is inherent in providing these services within the bank. If you provide securities activities and services within the bank by setting up a securities operating subsidiary in the bank, you put capital into that securities business, but because it is under the umbrella of the bank, it counts as part of the capital of the bank even though it is committed to capitalizing the securities business. What we require in this compromise—and I think wisely require—is that we eliminate this double counting by saying the capital that is invested in the subsidiary cannot count as part of the capital of the bank.

We limit all subsidiaries that banks can engage in, and the investments they can make within the bank itself, to no more than 20 percent of the capital of the bank.

So these are very strict limitations. We have an outright prohibition on many activities. In terms of where we started and in terms of the legitimate concerns that were raised on both sides, I think this is a very strong and a very good compromise.

The second major feature of the bill is that we promote and strengthen functional regulation. Under the bill, the general rule is that if you are a bank and you are in the securities business, you are regulated by the Securities and Exchange Commission. If you are a bank and you are in the insurance business, you are regulated by the state insurance commissioner in the area where you are engaged in the insurance business. If you are a bank and you are engaged in banking, you are regulated by the bank regulator. By opting for functional regulation, we preserve consumer protection, we lower costs.

One of the issues on which an extraordinary amount of time was spent and which for 99.99 percent of the American people would be meaningless is the whole issue about swaps and derivatives. We currently have literally trillions of dollars of swaps and derivatives in the global economy that have become the underpinnings of the financial structure of the country. They are used by sophisticated parties. We went to great lengths in this bill not to upset the current regulatory environment for these products, to see that we did not create any new law giving anybody any new, or removing any existing, jurisdiction over swaps or derivatives. I thank Chairman Levitt and Chairman Greenspan for their help on this issue.

Probably the most contentious issue in the bill, as it turned out, was not the decision to repeal Glass-Steagall but what to do with the so-called Community Reinvestment Act, or CRA. The CRA was a bill created in 1977, that started out as a very small program, but over the years it has grown to be a very large program with increased enforcement and with greater impact due to the tremendous mergers taking place among financial institutions in America. CRA has literally become bigger than General Motors, Ford, and Chrysler combined. It has evolved in such a way that it not only involves loans but cash payments.

Concerns were raised—and I as chairman of the committee raised many of those concerns—that we needed to begin to see a reform process. We have two changes in the bill that are related to reforming CRA. By far the most important is the sunshine provision. The sunshine provision is very important because it recognizes that banks are making CRA payments as part of compliance practices, that while these payments are made with private funds, they are made under public direction. As a result, this money takes on a very clear government tint because it is paid substantially in part as a way of complying with a Federal mandate that has become a cost of business for people who are engaged in commercial banking in America. Because of the fact that these funds are paid as a result of a Federal mandate and a Federal law and a Federal regulatory process, these funds do take on the characteristic of public funds.

A decision was made in this bill to make two fundamental changes that I believe will change CRA's operation in America. The first was a decision to require a public disclosure and reporting of CRA agreements. I believe this is fundamentally important. If I am a community activist and I am paid $175,000 in cash by a bank to promote objectives within the community, if people who live in the community don't know that I received the $175,000, purportedly to serve the needs of the community, how can they hold me accountable as to how I used the money?

Second, we require on an annual basis both the bank and the recipient of money and things of value under the Community Reinvestment Act to disclose in a report what was done with the money. The language of the bill is very precise and quite demanding on this subject. While we have made a strong effort to give the regulators the ability within this language to reduce regulatory burden and paperwork, the language of the law is very clear, and regulators are given no power to decide to negate or refuse to implement this law as it is written. The language is very clear. The language says in setting out the reporting requirement: "The accounting referred to in [the report] shall include a detailed, itemized list of the uses to which such funds have been made, including compensation, administrative expenses, travel, entertainment, consulting and professional fees paid, and such other categories, as determined by regulation by the appropriate Federal banking agency with supervisory responsibility over insured depository institution."

It is our intent that the regulators clearly have the authority within reason to try to minimize regulatory burden. If some of this information is included in someone's tax return and they want to submit their tax return in lieu of the report, clearly the regulator has the power to allow that to be done and to make the tax return public. If the tax return did not include this information, it could not be accepted in lieu of this information.

The flexibility is flexibility in a reasonable enforcement of the law; it is not flexibility on the part of the regulator to decide to negate the law. As chairman, I say when we wrote "detailed" and "itemized," we meant it.

As I have discussed with other Members, if one is talking about taking somebody to lunch at McDonald's—we are talking about de minimus amounts—obviously the regulator has the ability to set rules of reason. If one is talking about expenditures of substantial amounts of money either in individual expenditures or the aggregate of those expenditures, or talking about reporting items specifically listed in the law when we wrote it, we meant it. This is critically important. If one is a CRA activist in a city, and they go to Atlanta to a CRA conference, that is a legitimate expenditure to be reported. People expect to see that on their report. If they went to Hawaii for 3 weeks, that should be reported, and people at the local newspaper would have a right, and I think a responsibility, to ask what they were doing with that expenditure.

What we are trying to do is reasonable. I urge the regulators to comply with the law and enforce it as it has been written.

The second reform of CRA we undertake is regulatory relief. Our ranking member and I got a good laugh out of my arithmetic. Senator BYRD objected to people bringing calculators or computers on the floor, so without the aid of my trusty calculator, I estimated the cost of compliance with CRA was $1 trillion when I meant to say $1 billion. The point is, for small banks, many of whom have fewer than 10 employees, $1 billion is a lot of money. What we have done in regulatory relief is this. We said that every bank in America with less than $250 million in assets will be audited for CRA compliance once every 4 years as the normal audit process if they had a satisfactory rating on their last CRA evaluation. If they had the highest CRA rating, an outstanding, then they would be audited every 5 years. People who work hard to get an outstanding rating would thereby be rewarded.

We put into the language the flexibility, for reasonable cause, that the regulators could go back on a case-by-case basis and reduce or increase the intervals at which such audits would occur. By reasonable cause, we mean based on the actions of the bank, the record of the bank. We are not here giving or intending to give, nor can it be reasonably construed to give to the regulators, any kind of blank check to alter the intention of this law. If they have a finding on a factual basis that something has changed, they have the right, as anyone would expect, to go in and to audit more or less frequently. However, they have to have a finding based on facts.

When this bill came to the floor of the Senate about a year ago, it had two provisions expanding CRA. One was a provision that said that being out of compliance with CRA was a violation of banking law and could have, in extreme circumstances, subjected a bank officer or director to fines of up to $1 million, and could have given the regulator the ability to impose strong sanctions against the bank as well. That provision is not present in this bill.

The second provision of the old bill required a maintenance of a CRA rating in order for a bank to conduct certain activities. That provision is not in this bill. That is critically important, because that would literally have given the regulator the ability to force a financial services holding company, that might have hundreds of billions of dollars in assets in the holding company, to unwind investments as a result of literally one branch being out of compliance with CRA.

This bill is very simple and, again, the language is very precise, and meant to be. It says that on the day you become a financial services holding company, you have to have been in compliance with your last CRA report. In other words, with the last audit that was done, you have to have had one of those two ratings, satisfactory or outstanding. This would be in the last CRA report that was filed, and if you had that rating, you are automatically qualified.

Once a company becomes a financial services holding company, they can invest any amount of their money and grow any activity already in engaged in within the financial services holding company, without regard to CRA. If they want to commence a new activity, on the date they make that undertaking they have to have been in compliance with CRA as certified on their last CRA report. This does not trigger a new audit. This does not entertain any new protest. It simply is a verification by the regulator that on that day of commencing their new activity, their most recent evaluation will have shown that they had at least a satisfactory CRA rating.

The next issue we dealt with was financial privacy. When we dealt with the bill in the Senate, this had not yet become an issue that had inflamed the public's consciousness. We adopted the provisions of the minority substitute related to privacy, and it basically had to do with people who willfully misrepresent themselves to get financial data. We come down on them like a ton of bricks, as we should. But by the time the House acted, financial privacy had become a substantial issue, and the House included very extensive privacy provisions.

We have made changes to those privacy provisions, and I believe we have strengthened them, and we have made the bill better. I want to very briefly say a couple of things about privacy.

Obviously, in the new world in which we live, we have become accustomed to people knowing a great deal about us. The day I turned 50, I got a kit from AARP with all kinds of applications for AARP and a tube of Preparation H. One might say my privacy was invaded, that somehow AARP found out I was 50 years old. My children got a great laugh out of the Preparation H. One could say that somehow my privacy had been breached, but do we really want a society where an organization such as AARP cannot get access to information about when we turn 50 and invite us to join? I chose not to join because 50 sounded younger every minute to me; 57 sounds younger than it used to.

I have hunting dogs, and like many people who have enlightened habits, I subscribe to Gun Dog magazine. I guess because I subscribe to Gun Dog magazine, I get every hunting catalog, every fishing catalog, every dog food catalog, every dog accessory catalog on the planet. I literally get two or three of them a week. Quite frankly, I love getting them.

Did Gun Dog magazine violate my most intimate secrets by selling the list so that I get, every once in a while, free samples of dog food or dog bones or a dried pig's ear? I get a lot of things in the mail. I do not think my privacy is being violated. Maybe some people object to that, but I do not.

What I have tried to do, and what I think we have done in this bill, is we tried to set a rule of reason. Above the archway going into Delphi, the ancient Greeks wrote: Moderation in all things. It is a hard thing for somebody who feels as strongly about things as I do to remember, but everyone should remember it.

We did not want to kill off the information age before it was ever born. We are not writing the final word on privacy. This is something we want to watch and follow and see where abuses are and, when they occur, try to fix them. But, on the other hand, we all benefit. Some people could say we lose.

I do not get a Neiman Marcus catalog. One might ask: How come I do not? Neiman Marcus catalogs cost a lot of money to print and mail, and they have somehow figured out enough about me to figure that I do not buy luxury items, so they do not send me a Neiman Marcus catalog. Again, is that an invasion of my privacy? Is my freedom somehow diminished? I do not think so. The point is, if Neiman Marcus can get the catalog to people who are likely to buy something, they can sell it at a lower price, so society benefits.

This is what we did on privacy: The most important thing we did was not in the House bill. It was an amendment that was offered by Senator GRAMS and Senator SANTORUM that put into the bill for the first time a full disclosure requirement. It requires every bank in America, when you open your account, to tell you precisely what their policy is: Do they share personal financial information within the bank? Do they share it outside the bank? We have a comprehensive listing of the conditions they have to meet. Do they disclose nonpublic information once you are no longer a customer? And what do they do to protect information?

Why is this important? This is important because this is the ultimate protection of privacy. If I do not believe a bank protects my privacy, I do not want to bank with them. I can bank with somebody else. If millions of people feel the way I do, you will get banks that will set out policies of not sharing information, and they will attract customers.

For example, I am proud to have an American Express card. American Express is a great American company. And I am proud I have been a member since 1970 something. They say that they do not share my information on that card with anybody.

I do not get that same guarantee from another card, but I get that guarantee from American Express. I happen to have a variety of credit cards. Obviously, I am not very worried about it, but if I were worried about it, I could just use my American Express Card. So I have an opt-in when people give me full information. If I do not like their policy, I do not become their customer. I can opt out. That is the basic freedom.

I just add, freedom is based on knowledge and the right to choose, not based on government. I believe that we are guaranteeing that with full disclosure.

Second, we adopted the House provision that said if the bank was going to use, or the financial services holding company was going to let people outside the bank have access to, the information, they have to give you the right to opt out. That provision was adopted.

Finally, we have a provision in the language which will allow financial institutions to partner with other financial services providers. This will give flexibility that we hope will be implemented to allow, in particular, small banks to share information with their business partners in a manner so that they can compete with a larger corporation that does a variety of activities within the corporation or among its affiliates.

Let me talk about one other issue, and then I want to say some thanks and stop, because I know Senator SARBANES wants to speak, and we want to go home.

This is not the end of the process. I believe this is the most important banking bill in 60 years. But there will be another banking bill within 10 years, and it will deal with commerce. Banking and commerce is already a reality. This bill is a pause, and it is only a pause, and it is not going to last very long.

One of the things that is in this bill, which I am opposed to—it was adopted by a two-thirds vote in the Senate, and here we live by majority rule, by and large—but basically this was a provision that said if you went in and invested money as a commercial company, in a thrift—and many people did when many thrifts were in trouble and we did not have money enough to shut them down—that now you cannot sell your charter unless the charter is broken apart into its component parts.

I do not believe this provision and other prohibitions against commerce and banking will last very long. It is just my opinion. I do not view with any great horror the possibility of going to Wal-Mart and having them sell financial services. In fact, I view it as something that would be good. They now do it all over America in partnership with city banks in those towns, but they can only get partners where they have enough customers to make it worthwhile to the bank.

The idea they might someday be able to provide the service as part of the overall functioning of Wal-Mart, through a thrift charter or through a credit union charter or a banking charter, I see that as a positive thing. I suspect that a very substantial number of Wal-Mart employees do not have a banking relationship with a credit union or an S&L or a bank. Many of their customers do not. And taking services to them, I would view as a public good, not a public evil. But other people see it differently.

What we are doing in this bill is agreeing that we have a pause. I do not believe it will last long. I think in 10 years we will have widespread commerce and banking in America.

I want to just say some thanks.

I thank Al D'Amato. I do not want people to forget that this bill did not start on my watch as chairman. This bill started when Al D'Amato was chairman of the Senate Banking Committee. And while that bill did not become law, and while in some ways this bill is very different from that bill, in other ways the two bills are very similar.

Al D'Amato did probably his best legislative work in his career in helping to move this process forward. When we started, we started where Al D'Amato left off. So I think the former chairman of this committee is due a substantial amount of the credit. I wanted to be sure that I began with that, and I did not want to forget to say that.

I thank Senator LOTT for his strong, committed support. I think it is clear, without his support, with the long and difficult negotiations we have had, that this bill would be very different from what it is today. I can assure you, as every Member of the Senate knows, when you have your leadership's support, it is like having a good stone wall to your back in a gun fight. It does not keep you from getting killed, but at least nobody shoots you in the back. It has been a very important thing to me as we have negotiated out this bill, very important in a difficult process.

I thank Senator SARBANES, who is very knowledgeable and experienced on these issues. I thank him for his input, and that has been input that has varied, from issues to issues themselves, to advice on how, as a brand new chairman, I was conducting my part of the conference. I would have to say that more often than not I think he was right in the comments he made. I believe I have learned from that process.

I thank Senator JOHNSON, the first Democrat who signed the conference report.

I thank Senators DODD and EDWARDS and SCHUMER and BAYH. They were real catalysts in getting the administration together with us to push the ball over the goal line. I think they contributed significantly in doing that.

I thank Chairman LEACH, the chairman of the House Banking Committee, who also served as the chairman of the conference. There have been people in the media who tried to portray this conference as a contest somehow between Congressman LEACH and me. I do not think that is fair to me or to Congressman LEACH. I think Chairman LEACH did a great job. I think he contributed to the process. I would have to say there were difficult times in trying to work things out. Our approaches were very different. But in the end, it worked. And the great thing about success is, it has a thousand parents, and we can all claim credit; and we would have all rightly gotten blamed had we failed.

I thank Chairman BLILEY. I knew TOM much better than I knew Congressman LEACH when we started the process. I thank him for his leadership on securities issues and on the bill itself.

I thank Congressmen LAFALCE and VENTO, the ranking Democrat members of the House Banking Committee, for their input and their knowledge and their leadership.

I thank Congressman RICHARD BAKER, who I believe is a very talented young man, and certainly one of the most knowledgeable people in the House of Representatives on banking issues.

I thank Larry Summers and Gene Sperling. I had many hours of negotiating with them and others, and alone with them. If you could make a living selling them something or buying something from them to resell, you would be pretty good. They negotiated hard. They were totally honorable in their negotiations. I am glad that we reached a product that they have enthusiastically endorsed and I have endorsed.

I thank Arthur Levitt, Chairman of the Securities and Exchange Commission. Chairman Levitt raised legitimate security concerns that I thought should be addressed. I and others sat down with Chairman Levitt and heard him out, and he had a substantial impact on the bill.

I thank Federal Reserve Board Chairman Alan Greenspan. I have said it on many occasions—and I am always happy to say it again—Alan Greenspan is the greatest central banker in American history; therefore by definition, the greatest central banker in the history of the world. He probably had as much impact on this bill as any non-Member did. His input and impact were always positive. And from the operating subsidiary issue, to virtually hundreds of other issues, his input was critically important.

And his general counsel, Virgil Mattingly, is one of these indispensable people who the public never knows about—thinks of them as faceless bureaucrats—but the reality is, his institutional knowledge and good sense had a substantial impact on this bill.

I thank all of my Republican colleagues on the conference. We had, at least in my opinion, an effort on the part of some on the House side to try to satisfy everybody. As a result, we got all sorts of amendments that came over to our side of the conference which basically were in conflict with the underlying logic of the bill, many of them popular, as various interest groups tried to go back and recut their deal once more or gain some special privilege or special advantage. I thank Senator SHELBY, Senator MACK, Senator BENNETT, Senator GRAMS, Senator ALLARD, Senator HAGEL, Senator ENZI, Senator SANTORUM, Senator BUNNING, and Senator CRAPO for consistently and courageously voting down every one of those amendments.

We have one of the cleanest pieces of major legislation I have seen and, I believe, one of the cleanest bills that has passed Congress in the last 20 years, in large part because these Members knew what they wanted to do. They took a position, and they stuck with it consistently throughout the process.

I thank Senator BENNETT, who was chairman of the Subcommittee on Financial Institutions, the subcommittee with jurisdiction over major portions of this bill. I thank Senator HAGEL for his leadership on Federal Home Loan Bank issues. I thank Senators GRAMS and SANTORUM on privacy issues.

Finally, I want to thank some people on my staff. I thank Dina Ellis, who has done all the hard work on CRA. She is a very sweet lady with a very soft voice, but she is a very serious, tough person. Much of our success in bringing sunshine to CRA and regulatory relief to smaller banks has been due to her great work.

I thank Christi Harlan, who has taken the dullest of issues that are totally incomprehensible to most people and done an excellent job in trying to communicate to the media in a form they could understand what was going on and why it mattered.

I thank Steve McMillin, who is an indispensable staff member to me. He came to work for me right out of college from the University of Texas. I am from Texas A&M, so I didn't start with any kind of overwhelming expectations. But Steve McMillin has become an indispensable person to me as a legislator. It would be virtually impossible to run my office and do what I do without him.

I thank Geoff Gray for his legal work in burrowing in on the issues that didn't seem important until he spoke up. But when he spoke up, they became very important.

I thank Linda Lord. Linda Lord, throughout this process, has known more about this bill and more about the underlying law that it changed than all the staff members of all the Members of the House and Senate, of all the staff members of the Treasury and the Federal Reserve Bank and the Securities and Exchange Commission, and all of the outside lawyers who were hired by people to represent their interests, all combined. Her knowledge and the force with which she has presented it have had a dramatic impact on this bill. In fact, the words of this bill are largely her words. She has been an indispensable person in doing this bill.

I thank Joe Kolinski, who organized the conferences. It was a nightmare, moving from place to place. He was able to do it all. The mikes always worked. There was plenty of water. It was always crowded, which made people uncomfortable and got them to move on, which was very helpful.

Finally, I thank our staff director, Wayne Abernathy. Wayne started on the Banking Committee as an intern and is now the staff director. He knows everything about these issues. I trust his judgment as well as I trust my own judgment. I think I can sum up his contribution—the way I feel about him—by simply quoting a great philosopher who once said: In no way can you get a keener insight into the true nature of a leader than by looking at the people with whom he surrounds himself. I would be very proud to have anybody on Earth judge me by Wayne Abernathy. I think they would be giving me mercy and not justice by doing it.

I thank everybody for their contribution, and I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Maryland.

Mr. SARBANES. Mr. President, I rise in support of the conference report on the Financial Services Modernization Act of 1999.

The Congress has struggled for over two decades with the issue of whether to permit banks to affiliate with securities firms and insurance companies. This issue raises important questions for the safety and soundness of the financial system, important questions about the concentration of economic power, important questions about consumer protection, and important questions about access to credit for all Americans.

These are far-reaching and difficult public policy issues. The fact that they are so far-reaching and difficult, combined with differences among affected financial sectors—sectors of the financial industry over what should be contained in legislation and how to balance the concerns of consumers, the important consideration of safety and soundness and of assuring that the credit system will work to the benefit of all Americans—has made the enactment of a bill a significant challenge over an extended period of time.

In recent years, actions by regulators have permitted significant affiliations between banks and nonbank financial companies to take place. It is very important to keep that in mind as we consider enacting a piece of legislation because one has to be very much aware of what has transpired and the changes that have taken place in the financial arena as they consider the changes this legislation would now permit. Very frankly, the issue for Congress is not whether these affiliations should occur, because they have occurred one way or another, but whether they should take place on an orderly basis in the context of a responsible statutory framework or, instead, on an ad hoc basis as permitted by the regulators.

In my view, the preferable circumstance is for these affiliations to take place in the context of a responsible statutory framework established by the Congress, a framework that provides the regulators sufficient authority to protect the safety and soundness of the financial system, which maintains the separation of banking and commerce, protects consumers, preserves the relevance of the Community Reinvestment Act, and provides a choice to banks to conduct their expanded activities either through a holding company or a subsidiary of the bank.

It was not clear at the beginning of this Congress whether these goals could be achieved. The Senate passed a bill by the relatively close margin of 54-44 that, in my judgment, did not meet these objectives and was the object of a strong veto threat by the President. The House of Representatives, on the other hand, had passed a bill that largely met these objectives and that the Administration was prepared to support.

Today I am pleased to say to my colleagues that, in my view and in the view of the Administration, the bill produced by the conference committee is perceived as basically meeting the necessary standards. It is for that reason I am prepared to support the conference report. It is my understanding that the President is prepared to sign this legislation into law.

I ask unanimous consent that a letter from Secretary Summers to Senator DASCHLE stating the Administration's position, indicating their strong support for this legislation and urging its adoption, be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SARBANES. Mr. President, I want to take a few minutes to lay out why, on balance, I believe the enactment of this conference report is in the public interest.

First, the legislation gives the regulators significant authority to supervise newly affiliated financial companies and protect the safety and soundness of the financial system. I started with the safety and soundness issue because I think it is paramount. I think the U.S. economy, in large part, depends on the confidence in the safety and soundness of our economic and financial institutions. If we are to lose that confidence, which exists not only in this country, but around the world, I think we would be in severe difficulties in a very broad and fundamental economic sense. So safety and soundness, I think, always has to be at the very top of the list of our concerns.

Specifically, section 114 of the conference report provides the Federal Reserve, the Comptroller of the Currency, and the FDIC authority to place restrictions or requirements on relationships or transactions between a bank and an affiliated company or a subsidiary, appropriate to prevent an evasion of any provision of law applicable to depository institutions, or—and I quote the bill now, soon to become a statute, I hope—"to avoid any significant risk to the safety and soundness of depository institutions, or any Federal deposit insurance fund, or other adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices."

This important and broad delegation of authority to require "firewalls" to protect the federally insured bank from nonbank affiliates or subsidiaries emphasizes the important burden being placed on the regulators by this legislation to develop a coherent, responsible, safe and prudent approach to the supervision of the financial system. The permission contained herein for the expansion of activities calls for vigilant supervision of the financial system by the regulators. The legislation, in my view, provides the regulators the authority to do the job, but the responsibility will be on them to carry it out.

So this "firewall" provision that is in the conference report, which was actually taken from the House bill—we had no comparable provision on this side—gives the regulators the authority, I believe, to ensure a responsible, safe, and prudent approach. But it places, I think, a significant responsibility upon the regulators to exercise this authority in a way that it ensures that these objectives are realized.

This legislation also codifies a principle of functional regulation under which bank activities are generally supervised by bank regulators, securities activities by securities regulators, and insurance activities by insurance regulators. New financial activities are the joint responsibility of the Federal Reserve and the Treasury, which also serve as the umbrella regulators respectively of a financial holding company or a bank and its operating subsidiaries.

Now, secondly, the conference report strengthens the separation that currently exists in our financial system between banking and commerce. Financial authorities, including Federal Reserve Chairman Alan Greenspan, Treasury Secretary Larry Summers, former Treasury Secretary Bob Rubin, former Federal Reserve Board Chairman Paul Volcker, and many other commentators, such as Henry Kaufman, Gerald Corrigan—and the list goes on—have expressed strong concerns about the mixing of banking and commerce, particularly in light of the recent experiences in Asia.

The conference report, therefore, closes the so-called unitary thrift holding company loophole to the separation of banking and commerce. The report before us prohibits all unitary thrift holding companies from having commercial affiliates. In addition, it prohibits exists unitary thrift holding companies from being transferred to commercial companies. This prohibition on transfer to commercial companies was added to the Senate bill on the floor by an amendment offered by my colleague, Senator JOHNSON of South Dakota, and it carried in the Senate by a 2-to-1 vote and was subsequently adopted by the conference committee.

In addition, the conference report contains important limitations similar to the House bill on merchant banking activities and activities complementary to financial activities that are designed to maintain the separation of banking and commerce.

In regard to merchant banking, the conference report allows a financial holding company to retain a merchant banking investment only for a limited period of time and generally prohibits the company from routinely managing or operating a nonfinancial company held as a merchant banking investment. Importantly, the conference report also gives the Federal Reserve and the Treasury the authority to jointly develop implementing regulations on merchant banking activities that they deem appropriate to further the purposes and prevent evasions of the conference report and the Bank Holding Company Act. Under this authority, the Federal Reserve and the Treasury may define relevant terms and impose such limitations as they deem appropriate to ensure that this new authority does not foster conflicts of interest or undermine the safety and soundness of depository institutions, or the conference report's general prohibition on the mixing of banking and commerce.

In regard to activities determined by the Federal Reserve Board to be complementary to financial activities, it is expected that such activities will not be significant in size, and determinations will be made on a case by case basis.

Third, with respect to consumer protections, the conference report contains important protections for consumers regarding the sale of uninsured financial products by banks. The conference report provides the Securities and Exchange Commission significant authority to supervise the securities activities of banks and includes several crucial investor protections. The conference report incorporates provisions to ensure the SEC can adequately regulate bank-sponsored mutual funds. These provisions are necessary to ensure that the SEC has adequate information about and inspection authority over bank investment advisers to inspect for trading violations, such as front-running and personal trading.

The provisions also address potential significant conflicts of interest that may impact banks that advise registered investment companies. The conference report also ensures SEC protections for new hybrid products and for most sales of securities by banks. It also includes protections for sales of sophisticated securities instruments to retail investors.

Similarly, the conference report requires the Federal banking agencies to issue consumer protection regulations within one year, applicable to the sale of insurance by any bank or other depository institution, or by any person on behalf of such an institution. The regulations will give protection over several aspects of insurance sales, such as sales practices, including anti-tying and anti-coercion rules; advertising; location, limiting sales to an area physically segregated from where deposits are taken; and qualification and licensing of sales personnel.

The conference report also preserves important authorities for the States to provide consumer protection on bank sales of insurance products. These protections were in the House bill and were included in the Senate bill by an amendment offered by Senator BRYAN during the markup in the Banking Committee. It was in the legislation that came to the Senate floor, and was passed by the Senate.

Fourth, with respect to the operating subsidiary issue, the conference report contains a provision authorizing banks to conduct certain new activities through an operating subsidiary of the bank. I will not go into this provision in detail. I simply note that it was worked out between the Treasury and the Federal Reserve over an extended period of time, and was crucial to the Administration giving its support to this bill. It will give financial services firms some latitude in choosing the corporate structure that best serves their customers.

In regard to the Community Reinvestment Act, this legislation establishes a fundamental principle: No bank or financial holding company can engage in any new activities authorized by the bill, or engage in any new merger or acquisition authorized by the bill, if the bank or financial holding company does not have a satisfactory CRA rating.

This requirement on a bank or financial holding company for a satisfactory CRA rating in order to benefit from the new powers provided by the legislation was necessary to preserve the relevance of CRA in the new financial world which will be created by this bill. Without it, a bank's CRA performance would have become irrelevant to what will likely be the most intense area of activity in the financial industry. And the acceptance of this provision was essential for the Administration, and indeed for the Democratic members of the conference committee, to support the conference report.

The conference report does not contain two provisions with respect to CRA that were in the Senate bill, and I think would have been very damaging. One would have provided a safe harbor for banks from public comment on their CRA performance when they submitted an application to a regulator. The second exempted rural banks with assets under $100 million from CRA altogether.

The conference report does contain a provision providing for banks with assets under $250 million to have CRA examinations once every 4 years if they have a satisfactory rating, and once every 5 years if they have an outstanding rating. The regulators do retain authority to examine a bank at any time for reasonable cause.

The conference report also contains a provision requiring public disclosure and reporting on CRA agreements. The conference report explicitly directs the regulators to ensure that regulations prescribed by the agencies do not impose an undue burden on parties. In this regard, the statement of managers specifically provides that the reporting requirements of the provision can be fulfilled by the submission of a group's annual audited financial statement, or its Federal income tax return.

This was a provision that was intensely discussed and negotiated. The concept of public disclosure which was in the Senate bill was accepted by the conferees. The question that had to be worked out was exactly what did that mean and what was the reach of it and the requirements of it. As with many other provisions of this bill, the regulators will carry a particular responsibility to implement these provisions in a reasonable and responsible way.

Finally, let me point out where the conference report does not fully address two important areas. First, I do not think that the right of an individual to financial privacy is adequately protected. I expect that issue will be discussed at some length by some of my colleagues in the course of the debate on this conference report. Second, we have not dealt with what I think is a very important issue of what is called "too big to fail."

On the issue of privacy, last January I introduced the "Financial Information Privacy Act of 1999" together with a number of my colleagues, some of whom serve on the Banking Committee. I am frank to say I believe the central issue in this debate on privacy boils down to answering the question: To whom does this personal financial information belong, the individual, or the financial institution? I think upon reflection most people would answer the individual.

This legislation introduced earlier this year would have given an individual the right to "opt out", which would mean the right to say "no" to the sharing of or selling of his or her personal information to an affiliate within a financial services holding company. It also would have required an "opt-in" for the selling of such information to a third party. An "opt-in" would require a customer's informed consent before selling or sharing confidential customer information with an unaffiliated third party.

Neither of these provisions are included in the legislation before us. However, we were able to include in the conference report an amendment that I proposed which ensures that the Federal Government will not preempt stronger State financial privacy laws that exist now or may be enacted in the future. As a result, States will be free to enact stronger privacy safeguards if they deem it appropriate.

I am very frank to say that I think Americans are becoming increasingly concerned about this issue of financial privacy protection. I predict that this issue of privacy will not go away with the passage of this legislation. I know Senators BRYAN and SHELBY took a very strong lead in the conference committee on the privacy issue, along with a number of their colleagues from the House. Many of those who were very supportive of that effort will want to speak at some length on this subject during the discussion of this conference report, and they have specifically reserved time in order to do that.

The conference report also fails to deal with the creation of institutions which may be deemed "too big to fail." The legislation before us substantially transforms the structure of the financial services industry by eliminating restrictions on the affiliations of banks, insurance companies, and securities firms. Despite the benefits which may accrue from such affiliations, there continue to be legitimate concerns that mergers permitted under this bill would create financial organizations so large that they would be deemed "too big to fail."

Organizations as diverse as the American Enterprise Institute, the Brookings Institution, and the former Bankers Roundtable have repeatedly encouraged us to address the "too big to fail" problem by requiring large banking organizations to back some portion of their assets with subordinated debt. Regrettably, the conference report contains no such mandatory subordinated debt requirement or other market policing mechanisms. The report does contain an 18-month study to be conducted by the Federal Reserve Board and the Treasury Department regarding the use of subordinated debt to protect the financial system, and to protect federally ensured deposit funds from the "too big to fail" institutions.

While obviously I think it would have been better to address this issue directly in the legislation, I certainly hope that 18 months from now, if not sooner, the Federal Reserve Board and the Treasury will present the Congress with a joint recommendation together with legislative proposals on how best to deal with the issue of "too big to fail." In trying circumstances, the consequences of failing to deal with this issue could be extremely severe. I am hopeful that the Federal Reserve Board and the Treasury will come back with a joint set of recommendations we can place into law.

These issues—dealing comprehensively with privacy and with "too big to fail"—remain to be addressed as we move into the future.

Finally, I want to make a brief observation about the context in which we are working and have to consider this legislation. The need for this legislation has been influenced by the marketplace. In seeking to respond to the financial needs of their customers, securities firms have offered bank-like products, banks have offered insurance-like products, and both banks and insurance companies have engaged in significant securities activities. This blurring of the lines among banks, securities, and insurance products has been taking place in the marketplace since at least the mid-1970s.

Those who look at this endeavor and say we don't want to allow any of this affiliation to take place need to appreciate and understand, it has been happening in a significant way. A development which began the blurring of the distinction between securities and bank products was the offering by securities firms of cash management accounts. That development added a bank deposit transaction feature to a securities account. It allows customers to write checks on their money market funds, enabling those accounts to function much like the traditional checking account. Subsequently, marketplace changes, regulatory actions, and court decisions have enabled banks to sell insurance and to develop annuity products that have insurance characteristics but are defined as bank products.

On the commercial banking side, interpretations of existing laws have brought about a significant shift in ownership of firms underwriting securities. As of this past September, all the top 20 bank holding companies had what are known as section 20 subsidiaries that may engage under certain conditions in securities underwriting.

Updating our financial services laws is not only important to enable financial services firms to respond to the financial service needs of their customers, it is also important in order to ensure that appropriate regulatory oversight is maintained in the evolving marketplace.

In my view, this conference report will put in place a rational legislative framework for the future evolution of the U.S. financial services industry. It is a framework that will preserve safety and soundness, maintain the separation of banking and commerce, provide meaningful consumer protections, and preserve the relevance of the Community Reinvestment Act. I urge my colleagues to support this legislation.

I extend my congratulations to the chairman of the Banking Committee, Senator GRAMM. It has been a long ride, as one might say, with its ups and downs. However, the ship has been brought into port, so to speak. With the various accommodations worked out in the course of the conference, I expect the very close vote on the Senate bill will shift very markedly in the direction of support for this conference report.

I echo Senator GRAMM's commendation of House Banking Committee Chairman LEACH who was chairman of the conference committee. Chairman LEACH showed great fairness and calm under pressing circumstances. He kept the process working at times when it might otherwise have been in some jeopardy. Congressman LAFALCE as ranking member of the House Banking Committee, Congressman BLILEY and Congressman DINGELL, the chairman and ranking member of the House Commerce Committee, and indeed all the members of the conference who in one way or another played very constructive roles in trying to work this situation out deserve commendation.

I am particularly grateful to my Democratic colleagues on the Banking, Housing, and Urban Affairs Committee for working through and joining together as we sought to achieve legislation that would meet our desires and meet the perceptions of the Administration and therefore bring about a Presidential signature at the end of this process. All Members on both sides of the aisle did not want to go through this very extended process and then have it vetoed and have to start all over again. Fortunately, we have accomplished that.

Federal Reserve Board Chairman Greenspan played a significant role, as did the members of his staff who are extremely able, as did Treasury Secretary Summers and the members of his Treasury staff. I also acknowledge the role Bob Rubin has played in shaping where we are today, although he is no longer Secretary of the Treasury. Chairman GRAMM appropriately recognized the role Chairman D'AMATO played in moving this legislation along. The Chairman of the SEC, Arthur Levitt, was important on the investor protection provisions.

Finally, I thank the staff on this side of the aisle. Chairman GRAMM has recognized staff on his side of the aisle. I have high respect for their commitment and their competency. I don't think people fully appreciate the kind of dedication staff provides when Members are working through a very complex, complicated piece of legislation such as this. In this we have not only the concepts on which to reach agreement, but we have to work the concepts in the statutory language in a way that embodies what the understanding was that will also work in a technical and complex way. We are dealing with the sort of issues where, if it does not work, there are problems. I am hopeful we won't have to come back with extended technical corrections with respect to this legislation. If that is the case, obviously, we bow our heads to the staff.

On our side, I acknowledge our staff director Steve Harris, Marty Gruenberg, Patience Singleton, Dean Shahinian, Mitchell Feuer, Michael Beresik, Jonathan Miller, Yael Belkind, Erin Hanson, and Christen Schaefer. That is a long list, but it is a long list because some of the people are no longer on the staff. This issue has been going on long enough that people have come and gone. A number of those I listed are no longer on the staff, but they were here through at least part, if not a lot, of this effort. They made a significant contribution. It would be an oversight not to reference them.

Tomorrow, obviously, we will resume the debate. We will have the opportunity to hear from a number of our colleagues on this issue. I anticipate we will be able to go to a vote by mid-afternoon on this very important piece of legislation.

I yield the floor.

EXHIBIT 1

DEPARTMENT OF THE TREASURY,
Washington, DC, November 3, 1999.
Hon. TOM DASCHLE,
U.S. Senate,
Washington, DC.

DEAR TOM: The Administration strongly supports passage of S. 900, the Gramm-Leach-Bliley Act of 1999. This legislation will modernize our financial services laws to better enable American companies to compete in the new economy.

The bill makes the most important legislative changes to the structure of the U.S. financial system since the 1930s. By allowing a single organization to offer any type of financial product, the bill stimulate competition, thereby increasing choice and reducing costs for consumers, communities and businesses. Americans spent over $350 billion per year on fees and commissions for brokerage insurance, and banking services. If increased competition yielded savings to consumers of even 5 percent, they would save over $18 billion per year.

Removal of barriers to competition will also enhance the stability of our financial services system. Financial firms will be able to diversify the product offerings and thus their sources of revenue. They also will be better able to compete in global financial markets.

The President has strongly supported the elimination of barriers to financial services competition. He has made clear, however, that any financial modernization bill must also preserve the vitality of the Community Reinvestment Act, enhance consumer protection to the privacy and other areas, follow financial services firms to choose the corporate structure that best serves their customers, and continue the traditional separation of banking commerce. As approved by the Conference Committee, S. 900 accomplishes each of these goals.

With respect to CRA, S. 900 establishes an important, prospective principle: banking organizations seeking to take advantage of new, non-banking authority must demonstrate a satisfactory record of meeting the credit needs of all the communities they serve, including low and moderate income communities. Thus, S. 900 for the first time prohibits a bank or holding company from expanding into newly authorized businesses such as securities and insurance underwriting unless all of its insured depository institutions have a satisfactory or better CRA rating. Furthermore, CRA will continue to apply to all banks, and existing procedures for public comment on, and CRA review of, any application to acquire or merge with a bank will be preserved. The bill offers further support for community development in the form of a new program to provide technical help to low- and moderate-income micro-entrepreneurs.

The bill includes other measures affecting CRA that have been narrowed significantly from their earlier Senate form. The bill includes a limited extension of the CRA examinational cycle for small banks with outstanding or satisfactory CRA records, but expressly preserves the ability of regulators to examine a bank any time for reasonable cause, and does not affect regulators ability to inquire in connection with an application. Finally, the bill includes a requirement for disclosure and reporting of CRA agreements. We believe that the legislation and its legislative history have been constructed to prevent undue burdens from being imposed on banks and those working to stimulate investment in underserved communities.

In May, the President stressed the importance of adopting strong and enforceable privacy protections for consumers financial information. S. 900 provides protections for consumers that extend far beyond existing law. For the first time, consumers will have an absolute right to know if their financial institution intends to share or sell their personal financial data, and will have the right to block sharing or sale outside the financial institutions' corporate family. Of equal importance, these restrictions have teeth. S. 900 gives regulatory agencies full authority to enforce privacy protections, as well as new rulemaking authority under the existing Fair Credit Reporting Act. The bill also expressly preserves the ability of states to provide stronger privacy protections. In addition, it establishes new safeguards to prevent pretext calling, by which unscrupulous operators seek to discover the financial assets of consumers. In sum, we believe that this reflects a real improvement over the status quo; but, we will not rest. We will continue to press for even greater protections—especially effective choice about whether personal financial information can be shared with affiliates.

We are pleased that the bill promotes innovation and competition in the financial sector, by allowing banks to choose whether to conduct most new non-banking activities, including securities underwriting and dealing, in either a financial subsidiary or an affiliate of a bank.

The bill also promotes the safety and soundness of the financial system by enhancing the traditional separation of banking and commerce. The bill strictly limits the ability of thrift institutions to affiliate with commercial companies, closing a gap in existing law. The bill also includes restrictions on control of commercial companies through merchant banking.

Although the Administration strongly supports S. 900, there are provisions of the bill that concern us. The bill's redomestication provisions could allow mutual insurance companies to avoid state law protecting policyholders, enriching insiders at the expense of consumers. The Administration intends to monitor any redomestications and state law changes closely, and return to the Congress if necessary. The bill's Federal Home Loan Bank provisions fail to focus the System more on lending to community banks and less on arbitrage activities short-term lending that do not advance its public purpose.

The Administration strongly supports S. 900, and urges its adoption by the Congress.

Sincerely,

LAWRENCE H. SUMMERS.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank Senator SARBANES for his kind remarks and for remembering Bob Rubin, who was a very major contributor to this bill. Let me also say that I think it would be helpful if in the morning everyone will come over so we do not have long pauses. My concern is that we do have a lot of people who are going to want to speak on this bill. We are going to be forced to try to stay with the schedule because the House wants to vote on this tomorrow afternoon. So I hope people will come over and speak so we do not end up with this problem where people are given 1 or 2 minutes when they have something they need to say.

I think that can be avoided if people come over early.

Mr. SARBANES. If the chairman will yield, I want to echo the chairman's comments. I say to our colleagues, if Senators will come early on and we can perhaps sequence them, we can give them more time than if some of the time is used up in quorum calls. Waiting for people to come becomes lost time. Then, when people come over, we may be very limited in how much time we have available to give them.

If Senators have statements they want to make of some consequence, we very much hope they will come over and do that.

Mr. GRAMM. Mr. President, we both want to reserve the remainder of our time for use tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. GRAMM. Mr. President, I now ask unanimous consent there be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

WOOL TARIFFS

Mr. MOYNIHAN. Mr. President, a moment on a matter that is not included in the trade legislation that has just been approved by the Senate—the near-exorbitant tariff on fine wool fabrics. This modest proposal appears to have generated an inordinate amount of controversy, all the more baffling because the facts are so persuasive.

We have just a few suit manufacturers left in the United States, including Hickey-Freeman, which has produced fine tailored suits in Rochester, New York since 1899. Our tariffs are stacked against them.

There is only a limited supply in the United States of fine wool fabric. The suit makers must import significant quantities of this fabric, at a current tariff rate of 30.6%. But importers can bring in completely finished wool suits duty free from Canada and Mexico, and subject to a 19.8% duty when imported from other sources. This anomaly in our tariff schedule—this tariff "inversion"—puts domestic manufacturers of wool suits at a significant disadvantage.

Senators SCHUMER, DURBIN, HAGEL, MIKULSKI, SPECTER, NICKLES, FITZGERALD, SANTORUM, GRAMM, and THOMPSON have joined me in sponsoring a very modest measure that would provide temporary relief to the suit-makers. We have proposed that the tariff on the very finest wool fabric—produced in only limited quantities in the United States—be suspended for a short period, and that the tariff on other classes of fine wool fabric be reduced to 19.8%—hardly a negligible tariff. This was an effort to provide some relief to our suit makers.

Through the good offices of the Chairman of the Finance Committee, we undertook to address the concerns that has been raised when our bill was first introduced. After a series of meetings with all of the interested parties—and there are many—we modified our proposal to address, in a constructive way, the concerns that were raised.

Our first compromise proposal was rejected out of hand. No counterproposal was forthcoming. The objection stems chiefly from two sources: a fabric manufacturer that is not currently producing the fine wool fabric at issue—but promises to do so in the future, principally from a plant it is building in Mexico; and from the American Sheep Industry Association—this despite the fact that wool of the quality required for suit fabric is sourced overwhelmingly from Australia.

I am at a loss to explain the vehemence of the opposition. The fabric producer that so strongly opposes this legislation—Burlington Industries—is positioning itself to compete in the global market. As it ought to do.

On January 26, 1999, the company announced a major reorganization. To quote, "operations will be streamlined and U.S. capacity will be reduced by 25%." Let me repeat: "U.S. capacity will be reduced by 25%." The company announced that 2900 jobs would be eliminated, an announcement made just one month after the company reported to its shareholders—on December 2, 1998, that "we have launched a major growth initiative in Mexico."

There followed an announcement to its customers that the fine wool fabric used to manufacture men's suits—so called "fancies"—would not be available for a time.

Even so, we cannot get agreement on tariff relief for our suit makers, who have greater need than ever for imported fabric. They must still pay a 31% tariff on imported fine wool fabric. We ought to enable them to remain competitive, just as Burlington has taken steps to remain competitive.

We have kept at it. In recent days, our efforts have intensified. With a great deal of good will on the part of all interested parties, it appears that we may be inching toward an agreement that would, in fact, benefit all parties in some measure.

We have included a place-holder in the trade legislation—not a solution to the wool tariffs problem, but a provision that will allow our discussions to continue over the next several days.

I do thank the chairman and his staff—particularly Grant Aldonas—for their efforts, as well as the considerable interest and attention of Senators DURBIN, SCHUMER, and BAUCUS, all of whom are eager, as am I, to work this out. I intend to continue to work with our chairman and with others to resolve this matter.

PRESCRIPTION DRUGS

Mr. WYDEN. Mr. President, the issue of prescription drugs for the Nation's senior citizens is back in the headlines this morning with yet another study having been published that millions of senior citizens in America cannot afford their prescriptions.

This is the 12th time I have come to the floor in recent days to talk about this issue because I think it is so critical that the Senate act in a bipartisan way to deal with what are clearly the great out-of-pocket costs for the Nation's older people. Specifically, as this poster next to me says, I have been urging senior citizens to send in copies of their prescription drug bills to each of us in the Senate in Washington, DC.

The reason I hope we will hear from seniors around the country is there is one bipartisan bill, one that is before the Senate now, to deal with this question of prescription needs for seniors. It is the bill on which Senator OLYMPIA SNOWE and I have teamed up in recent months, and 54 Members of this body, the majority, have already voted for the funding plan that is laid out in the Snowe-Wyden legislation. So we have 54 Members of the Senate on record as supporting a specific plan to cover prescription drugs for the Nation's older people.

The model in the Snowe-Wyden legislation is something that every Member of the Senate is familiar with because it is the model we have for health care for ourselves and our families. The Snowe-Wyden legislation is called SPICE, the Senior Prescription Insurance Coverage Equity Act. It would ensure that seniors would get their medicine at an affordable rate because our bill would allow them the bargaining power that big organizations, big purchasers such as the health maintenance organizations would have.

The tragedy today with respect to our Nation's seniors and prescriptions is they get shellacked twice; first, because Medicare does not cover prescriptions. When the program began in 1965, it did not cover prescriptions initially. Second, because the big buyers, the health maintenance organizations and the other big purchasers, are able to use their clout in the marketplace, those folks can get a discount and a senior citizen in rural Oregon or rural New Mexico or another part of this country in effect has to subsidize with their dollars the break the large organizations are getting.

Frankly, there are other ideas for dealing with this issue. Colleagues on both sides of the aisle have them. What I am trying to do to support the Snowe-Wyden bipartisan legislation is to come to the floor and, as this poster says, ask our seniors to send copies of their prescription drug bills directly to us in the Senate in Washington. I am going to, as I have done on 11 previous occasions recently, actually read from some of these bills so we can make the case for how urgent this need is.

For example, I recently received a letter from a woman in Portland who described to me what she and her husband are facing with respect to their prescription drug costs. This couple in Portland has a combined income of about $1,500 a month. She spends, from that $1,500-a-month income, $230 on prescription drugs and he spends about $180 a month. So the two of them, an elderly couple in Portland, are spending more than $400 a month on prescription drugs. They are spending upwards of $4,000 a year on their prescription medicine and, as they reported to me, they have no insurance to cover these costs.

This morning in Washington we saw, again, more press conferences on this issue. I guess we can go day after day having dueling press conferences with respect to this issue of prescription drugs. We can have a lot of finger pointing, we can have a lot of bickering, a lot of quarreling about how serious the problem is and what to do about it, but there is one bipartisan bill that uses marketplace forces to try to deal with this issue. The Snowe-Wyden legislation steers clear of price controls. We do not have a Federal regime for handling this benefit. It is not one-size-fits-all Federal policy. It uses marketplace forces to make sure seniors have choices and options and alternatives for their prescription medicines. It is based on a model that all of us are pretty familiar with because we utilize the Federal Employees Health Benefits Plan.

I want to go through a couple more of these cases. I know the distinguished Senator from Louisiana is here to speak on an important matter, as are other colleagues. But I do, as part of this effort, want to highlight with these specific cases some of what we are seeing all across this country as seniors walk this economic tightrope, balancing their food costs against their fuel costs, and their fuel costs against their medical bills and find themselves, again and again, not in a position to pay for their prescriptions.

I received another letter in the last few days from a senior citizen in Oregon. She is on seven prescriptions. She has heart disease; she has high blood pressure and diabetes. She and her husband exist on Social Security and a tiny disability check. They get a couple of thousand dollars a month maximum in their income. Every month, they spend at least $300 of it on prescription drugs. That is just the wife in the household. Her husband has to spend additionally on prescription drugs. This particular elderly person wrote and said if it were not for the free samples that she was getting from her physician, she simply could not meet her expenses.

Another letter I received described a senior taking five prescription drugs. She has high blood pressure and high thyroid. She has an income of a little under $1,000 a month. She spends about $100 a month on prescription drugs. And she wrote me:

> I am lucky that my kids will give me a hand when I have difficulty in affording my prescriptions.

As part of this effort to have the Senate deal with this urgent need for older people in a bipartisan way, I would like to see the Senate consider the one bipartisan bill before us now, the Snowe-Wyden legislation. But I am sure colleagues have other ideas, and I think if we will listen to the senior citizens of this country who are sending me and our colleagues copies of these bills—as the poster says, "Send in copies of prescription drug bills directly to us here in the Senate"—we can help the Senate deal with this issue on a bipartisan basis.

I am going to wrap up this afternoon with a question I hope a lot of colleagues are asking with respect to prescription drug coverage: Can our Nation afford to cover prescription drug costs of older people? My answer to that is: I believe we cannot afford not to ensure that our seniors get this coverage. I want to cite an example before I wrap up.

Last week, I talked about the evidence we are seeing with the new anticoagulant drugs. These are important drugs that can help seniors prevent strokes and debilitating illnesses. As a result of seniors taking these medicines, which cost about $1,000 a year, there is documented medical evidence now that these drugs can help prevent strokes, which cost upwards of $100,000 a year. So think about the investment, the wise investment—not just from a health standpoint, not just from the standpoint of trying to make sure our seniors get a fair shake but purely from a financial standpoint—the benefit of having seniors get prescription drug coverage, getting, for example, these anticoagulant drugs that cost about $1,000 a year, and seeing a savings as a result of the older person not having a stroke, of that person not incurring $100,000 in expenses that would be involved in treating the stroke.

I was director of the Gray Panthers at home for about 7 years before I was elected to the Congress. Prescription drugs were important then. You would always hear from seniors that they want this coverage. But the prescriptions today are even more important because they can help keep seniors well. Prescriptions today, helping to lower blood pressure, helping lower cholesterol, are drugs that are going to help us hold costs down for the Medicare program.

As we all know, Medicare Part A, the hospital portion, the institutional portion of the program is particularly expensive, and these drugs today, if we can get decent Medicare coverage for the Nation's older people, will help us save some of the money that would otherwise be spent under Part A of the program when seniors incur these debilitating illnesses.

I intend, as I have done now on 12 occasions, to keep coming to the floor to urge seniors to send in copies of their prescription drug bills directly to us in the Senate in hopes we can get bipartisan action. I am very proud that the Snowe-Wyden funding plan got 54 votes, a majority of votes in the Senate already for going forward with a specific plan to fund this program, but I am sure colleagues have other ideas.

The distinguished chairman of the Finance Committee is here. He has been very involved in the question of Medicare. I was very honored when Senator MOYNIHAN, last week, spoke favorably about the SPICE legislation we have introduced. Colleagues have plenty of ideas on how to deal with it, but what is important is we go forward in a bipartisan way and not wait until after another election which is literally a year away.

In the hope the Senate will act in a bipartisan way, I intend to keep coming back to the floor to discuss this issue.

I yield the floor.

Ms. LANDRIEU. Mr. President, I thank the Senator from Oregon for his terrific statement and his terrific work with our colleague from Maine on a very important piece of legislation. The President has said time and again, as have most of us, as the Senator from Oregon has pointed out, that we would never even think of designing a Medicare program today without having prescription drug coverage. It would be unthinkable, particularly because of the advances in science and technology which, at a minimal cost, help keep people well and out of hospitals and out of difficulty and pain and suffering. It would be cost-effective to the taxpayer.

I thank him and commit to him my intention to continue to work with him and with many Members on both sides of the aisle until we can resolve this problem and answer the legitimate needs and requests of our seniors in America.

BANKRUPTCY JUDGES

Mr. ROTH. Mr. President, the Delaware bankruptcy court has come to fully understand the old adage that "the reward for a job well done is more work". Long recognized as one of the nation's quickest, most innovative and fairest, The Delaware corporate bankruptcy court's caseload has grown to the point that at least one additional judge is necessary. I want to commend a number of my congressional colleagues for joining with me to address this situation.

Yesterday, Senator GRASSLEY and Representative GEKAS held a joint hearing on the need for additional bankruptcy judges. Representative MIKE CASTLE was among those who testified at this hearing, and I understand he eloquently elaborated on Delaware's status as the busiest bankruptcy venue per judge in the nation.

Simply put, more capable judges are needed to tend to corporate bankruptcy cases in Delaware and a select number of other states. Realizing this, Senator PAUL COVERDELL has introduced S. 1830, to provide for the appointment of additional temporary bankruptcy judges. I, along with Senator BIDEN and a number of other Senators, have cosponsored this vital proposal.

I commend my fellow sponsors of this legislation as well as the chairmen of the subcommittees of jurisdiction for holding yesterday's hearing. I look forward to working with them on this important matter in the future.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, November 2, 1999, the Federal debt stood at $5,668,409,010,147.10 (Five trillion, six hundred sixty-eight billion, four hundred nine million, ten thousand, one hundred forty-seven dollars and ten cents).

One year ago, November 2, 1998, the Federal debt stood at $5,539,037,000,000 (Five trillion, five hundred thirty-nine billion, thirty-seven million).

Five years ago, November 2, 1994, the Federal debt stood at $4,730,361,000,000 (Four trillion, seven hundred thirty billion, three hundred sixty-one million).

Ten years ago, November 2, 1989, the Federal debt stood at $2,864,778,000,000 (Two trillion, eight hundred sixty-four billion, seven hundred seventy-eight million).

Fifteen years ago, November 2, 1984, the Federal debt stood at $1,619,801,000,000 (One trillion, six hundred nineteen billion, eight hundred one million) which reflects a debt increase of more than $4 trillion—$4,048,608,010,147.10 (Four trillion, forty-eight billion, six hundred eight million, ten thousand, one hundred forty-seven dollars and ten cents) during the past 15 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

AGREEMENT FOR COOPERATION BETWEEN THE UNITED STATES OF AMERICA AND AUSTRALIA CONCERNING TECHNOLOGY FOR THE SEPARATION OF ISOTOPES OF URANIUM BY LASER EXCITATION—MESSAGE FROM THE PRESIDENT—PM 70

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement for Cooperation Between the United States of America and Australia Concerning Technology for the Separation of Isotopes of Uranium by Laser Excitation, with accompanying annexes and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the Agreement, and an unclassified Nuclear Proliferation Assessment Statement (NPAS) concerning the Agreement. (In accordance with section 123 of the Act, as amended by title XII of the Foreign Affairs Reform and Restructuring Act of 1998 (Public Law 105-277), a classified annex to the NPAS, prepared by the Secretary of State in consultation with the Director of Central Intelligence, summarizing relevant classified information, will be submitted to the Congress separately.) The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the Agreement and the views of the Nuclear Regulatory Commission, is also enclosed.

A U.S. company and an Australian company have entered into a contract jointly to develop and evaluate the commercial potential of a particular uranium enrichment process (known as the "SILEX" process) invented by the Australian company. If the commercial viability of the process is demonstrated, the U.S. company may adopt it to enrich uranium for sale to U.S. and foreign utilities for use as reactor fuel.

Research on and development of the new enrichment process may require transfer from the United States to Australia of technology controlled by the United States as sensitive nuclear technology or Restricted Data. Australia exercises similar controls on the transfer of such technology outside Australia. There is currently in force an Agreement Between the United States of America and Australia Concerning Peaceful Uses of Nuclear Energy, signed at Canberra July 5, 1979 (the "1979 Agreement"). However, the 1979 Agreement does not permit transfers of sensitive nuclear technology and Restricted Data between the parties unless specifically provided for by an amendment or by a separate agreement.

Accordingly, the United States and Australia have negotiated, as a complement to the 1979 Agreement, a specialized agreement for peaceful nuclear cooperation to provide the necessary legal basis for transfer of the relevant technology between the two countries for peaceful purposes.

The proposed Agreement provides for cooperation between the parties and authorized persons within their respective jurisdictions in research on and development of the SILEX process (the particular process for the separation of isotopes of uranium by laser excitation). The Agreement permits the transfer for peaceful purposes from Australia to the United States and from the United States to Australia, subject to the nonproliferation conditions and controls set forth in the Agreement, of Restricted Data, sensitive nuclear technology, sensitive nuclear facilities, and major critical components of such facilities, to the extent that these relate to the SILEX technology.

The nonproliferation conditions and controls required by the Agreement are the standard conditions and controls required by section 123 of the Atomic Energy Act, as amended by the Nuclear Non—Proliferation Act of 1978 (NNPA), for all new U.S. agreements for peaceful nuclear cooperation. These include safeguards, a guarantee of no explosive or military use, a guarantee of adequate physical protection, and rights to approve re-transfers, enrichment, reprocessing, other alterations in form or content, and storage. The Agreement contains additional detailed provisions for the protection of sensitive nuclear technology, Restricted Data, sensitive nuclear facilities, and major critical components of such facilities transferred pursuant to it.

Material, facilities, and technology subject to the Agreement may not be used to produce highly enriched uranium without further agreement of the parties.

The Agreement also provides that cooperation under it within the territory of Australia will be limited to research on and development of SILEX technology, and will not be for the purpose of constructing a uranium enrichment facility in Australia unless provided for by an amendment to the Agreement. The United States would treat any such amendment as a new agreement pursuant to section 123 of the Atomic Energy Act, including the requirement for congressional review.

Australia is in the forefront of nations supporting international efforts to prevent the spread of nuclear weapons to additional countries. It is a party to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and has an agreement with the International Atomic Energy Agency (IAEA) for the application of full-scope safeguards to its nuclear program. It subscribes to the Nuclear Supplier Group (NSG) Guidelines, which set forth standards for the responsible export of nuclear commodities for peaceful use, and to the Zangger (NPT Exporters) Committee Guidelines, which oblige members to require the application of IAEA safeguards on nuclear exports to nonnuclear weapon states. In addition, Australia is a party to the Convention on the Physical Protection of Nuclear Material, whereby it has agreed to apply international standards of physical protection to the storage and transport of nuclear material under its jurisdiction or control.

The proposed Agreement with Australia has been negotiated in accordance with the Atomic Energy Act of 1954, as amended, and other applicable law. In my judgment, it meets all statutory requirements and will advance the nonproliferation, foreign policy, and commercial interests of the United States.

A consideration in interagency deliberations on the Agreement was the potential consequences of the Agreement for U.S. military needs. If SILEX technology is successfully developed and becomes operational, then all material produced by and through this technology would be precluded from use in the U.S. nuclear weapons and naval nuclear propulsion programs. Furthermore, all other military uses of this material, such as tritium production and material testing, would also not be possible because of the assurances given to the Government of Australia. Yet, to ensure the enduring ability of the United States to meet its common defense and security needs, the United States must maintain its military nuclear capabilities. Recognizing this requirement and the restrictions being placed on the SILEX technology, the Department of Energy will monitor closely the development of SILEX but ensure that alternative uranium enrichment technologies are available to meet the requirements for national security.

I have considered the views and recommendations of the interested agencies in reviewing the proposed Agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the Agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this Agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. My Administration is prepared to begin immediately the consultations with the Senate Foreign Relations Committee and House International Relations Committee as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 3, 1999.*

MESSAGE FROM THE HOUSE

At 11:07 a.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 170. An act to require certain notices in any mailing using a game of chance for the promotion of a product or service, and for other purposes.

H.R. 1801. An act to make technical corrections to various antitrust laws and to references to such laws.

H.R. 2513. An act to direct the Administrator of General Services to acquire a building located in Terre Haute, Indiana, and for other purposes.

H.R. 3137. An act to amend the Presidential Transition Act of 1963 to provide for training of individuals a President-elect intends to nominate as department heads or appoint to key positions in the Executive Office of the President.

H.R. 3164. An act to provide for the imposition of economic sanctions on certain foreign persons engaging in, or otherwise involved in, international narcotics trafficking.

H.J. Res. 46. Joint resolution conferring status as a honorary veteran of the United States Armed Forces on Zachary Fisher.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 124. Concurrent resolution expressing the sense of the Congress relating to the recent allegations of espionage and illegal campaign financing that have brought into question the loyalty and probity of Americans of Asian ancestry.

H. Con. Res. 193. Concurrent resolution expressing the support of Congress for activities to increase public participation in the decennial census.

H. Con. Res. 199. Concurrent resolution expressing the sense of the Congress that prayers and invocations at public school sporting events contribute to the moral foundation of our Nation and urging the Supreme Court to uphold their constitutionality.

H. Con. Res. 213. Concurrent resolution encouraging the Secretary of Education to promote, and State and local educational agencies to incorporate in their educational programs, financial literacy training.

The message further announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 468. An act to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirement, and improve the delivery of services to the public.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 441) to amend the Immigration and Nationality Act with respect to the requirement for the admission of nonimmigrant nurses who will practice in health professional shortage areas.

The message further announced that pursuant to section 491 of the Higher Education Act of 1965 (20 U.S.C. 1098(c)), and upon the recommendation of the Majority Leader, the Speaker appoints the following member on the part of the House to the advisory Committee on Student Financial Assistance for a 3 year term to fill the existing vacancy thereon: Ms. Judith Flink of Illinois

ENROLLED BILL SIGNED

At 11:50 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 974. An act to establish a program to afford high school graduates from the District of Columbia the benefits of in-State tuition at State colleges and universities outside the District of Columbia, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

ENROLLED BILL SIGNED

At 5:12 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 441. An act to amend the Immigration and Nationality Act with respect to the requirements for the admission of nonimmigrant nurses who will practice in health professional shortage areas.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 6:36 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3194. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2990) to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans, to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; and for other purposes", and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on Commerce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. BILIRAKIS, Mr. SHADEGG, Mr. DINGELL, and Mr. PALLONE.

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. ARCHER, Mr. THOMAS, Mrs. JOHNSON of Connecticut, Mr. RANGEL, and Mr. STARK: *Provided*, That MCCRERY is appointed in lieu of Mrs. JOHNSON of Connecticut for consideration of title XIV of the House bill and sections 102, 111(b) and 304 and title II of the Senate amendment.

From the Committee on Education and the Workforce, for consideration of the House bill, and the Senate amendment, Mr. BOEHNER, Mr. TALENT, Mr. FLETCHER, Mr. CLAY, and Mr. ANDREWS.

As additional conferees from the Committee on Government Reform, for consideration of section 503 of the Senate amendment, and modifications committed to conference: Mr. BURTON of Indiana, Mr. SCARBOROUGH, and Mr. WAXMAN.

As additional conferees for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. GOSS and Mr. BERRY.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 1883. An act to provide the application of measures to foreign persons who transfer to Iran certain goods, services, or technology, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HELMS, from the Committee on Foreign Relations, without amendment:

H.R. 1477. A bill to withhold voluntary proportional assistance for programs and projects of the International Atomic Energy Agency relating to the development and completion of the Bushehr nuclear power plant in Iran, and for other purposes.

H.R. 1794. A bill concerning the participation of Taiwan in the World Health Organization (WHO).

By Mr. HELMS, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 208. A resolution expressing the sense of the Senate regarding United States policy toward the North Atlantic Treaty Organization and the European Union, in light of the Alliance's April 1999 Washington Summit and the European Union's June 1999 Cologne Summit.

S. Res. 209. A resolution expressing concern over interference with freedom of the press and the independence of judicial and electoral institutions in Peru.

By Mr. HELMS, from the Committee on Foreign Relations, without amendment:

S. 923. A bill to promote full equality at the United Nations for Israel.

S. Con. Res. 30. A concurrent resolution recognizing the sacrifice and dedication of members of America's non-governmental organizations and private volunteer organizations throughout their history and specifically in answer to their courageous response to recent disasters in Central America and Kosovo.

By Mr. HELMS, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 68. An original concurrent resolution expressing the sense of Congress on the occasion of the 10th anniversary of historic events in Central and Eastern Europe, particularly the Velvet Revolution in Czechoslovakia, and reaffirming trends of friendship and cooperation between the United States and the Czech and Slovak Republics.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. JEFFORDS for the Committee on Health, Education, Labor, and Pensions:

Stephen Hadley, of the District of Columbia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 2003.

Zalmay Khalilzad, of Maryland, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 2001.

Charles Richard Barnes, of Georgia, to be Federal Mediation and Conciliation Director.

Paul Steven Miller, of California, to be a Member of the Equal Employment Opportunity Commission for a term expiring July 1, 2004. (Reappointment)

A. Lee Fritschler, of Pennsylvania, to be Assistant Secretary for Postsecondary Education, Department of Education.

Irasema Garza, of Maryland, to be Director of the Women's Bureau, Department of Labor.

T. Michael Kerr, of the District of Columbia, to be Administrator of the Wage and Hour Division, Department of Labor.

Anthony Musick, of Virginia, to be Chief Financial Officer, Corporation for National and Community Service.

Amy C. Achor, of Texas, to be a Member of the Board of Directors of the Corporation for National and Community Service for a term expiring October 6, 2003.

Linda Lee Aaker, of Texas, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

Edward L. Ayers, of Virginia, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

Pedro G. Castillo, of California, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

Peggy Whitman Prenshaw, of Louisiana, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.

Theodore William Striggles, of New York, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

Ira Berlin, of the District of Columbia, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

Evelyn Edson, of Virginia, to be a Member of the National Council on the Humanities for a term expiring January 26, 2004.

Michael Cohen, of Maryland, to be Assistant Secretary for Elementary and Secondary Education, Department of Education.

By Mr. THOMPSON for the Committee on Government Affairs:

John F. Welsh, of Connecticut, to be a Governor of the United States Postal Service for a term expiring December 8, 2006.

LaGree Sylvia Daniels, of Pennsylvania, to be a Governor of the United States Postal Service for a term expiring December 8, 2007.

Joshua Gotbaum, of New York, to be Controller, Office of Federal Financial Management, Office of Management and Budget.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HELMS for the Committee on Foreign Relations:

David H. Kaeuper, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Congo.

Nominee: David H. Kaeuper.

Post: Republic of Congo.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.
2. Spouse: none.
3. Children and spouses: none.
4. Parents: none.
5. Grandparents: none.
6. Brothers and spouses: none.
7. Sisters and spouses: Miriam (sister) and Alan Rosar: 250.00, 10/98, Rep. David McIntosh; 250.00, 10/96, Rep. David McIntosh; 100.00, 10/94, Rep. David McIntosh; 100.00, —/94, Sen. Richard Lugar.

James B. Cunningham, of Pennsylvania, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Deputy Representative of the United States of America to the United Nations.

John E. Lange, of Wisconsin, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana.

Nominee: John E. Lange.

Post: U.S. Ambasador to Botswana.

Nominated: June 9, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.
2. Spouse: Alejandra M. Lange: none.
3. Children: Julia A. Lange, none.
4. Parents: Edward W. Lange, deceased; Marion E. Lange, none.
5. Grandparents: Paul and Delia Lange, deceased; George and Katherine Bosch, deceased.
6. Brothers: none.
7. Sisters and spouses: Cynthia and Dale Bennett, none; Barbara and David Wetland, none.

Delano Eugene Lewis, Sr., of New Mexico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa.

Nominee: Delano E. Lewis.

Post: The Republic of South Africa.

Nominated: June 9, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: Delano E. Lewis, Sr.: none.

$200.00, 1996, Dem. Natl. Comm.;
$200.00, 1994, Dem. Natl. Comm.;
$100.00, 1996, Loretta Sanchez, H.R. Calif.;
$100.00, 1996, Connie Morella, H.R. MD;
$100.00, 1994, Connie Morella, H.R. MD;
$100.00, 1998, Kevin Chavous, DC Mayor.

2. Spouse: Gayle Lewis: none.
3. Children and spouses:

a. Delano E. Lewis, Jr. & Jacqueline Lewis: none.

b. Geoffrey Paul Lewis, Sr. & Lisa Lewis: $100.00, 9/94, Ron Magus, DC City Council.

c. Brian Patrick Lewis: none.

d. Phill Lewis & Megan Lewis—jointly: $500.000, 7/98, Barbara Boxer, U.S. Senate.

4. Raymond E. Lewis, father: none; Enna Lewis, mother, deceased before reporting period: none.

5. Grandparents: Deceased before reporting period.

a. Matilda Lewis Goss & Ernest Lewis.

b. Martha Wordlow & Ned Wordlow.

6. Brothers and spouses: none.

7. Sisters and spouses: none.

Avis Thayer Bohlen, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State (Arms Control). (New Position)

Donald Stuart Hays, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Representative of the United States of America to the United Nations for U.N. Management and Reform, with the rank of Ambassador.

Donald Stuart Hays, of Virginia, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations for UN Management and Reform.

Michael Edward Ranneberger, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali.

Nominee: Michael E. Ranneberger.

Post: Mali.

Nominated: June 28, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.
2. Spouse: none.
3. Children and spouses: none.
4. Parents: Edward Ranneberger, none.
5. Grandparents: deceased.
6. Brothers and spouses: Robert Ranneberger, none.
7. Sisters and spouses: none.

Harriet L. Elam, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal.

Nominee: Harriet L. Elam.

Post: U.S. Amb. to the Republic of Senegal.

Nominated: July 1, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: $50.00, 1995, Sen. John Kerry, (D) MA.; $125.00, 1998, Cong. Jesse Jackson, Jr. (D) IL.
2. Spouse: N/A; I am single, none.
3. Children and spouses: none.
4. Parents Robert H. and Blanche D. Elam (deceased since 1974); neither of them made campaign contributions.

5. Grandparents: Henrietta Lee and Sherman Justin Lee (deceased). Since both were deceased before I was born, I cannot comment on the question posed.

6. Brothers and spouses: Judge Harry J. Elam and Mrs. Barbara C. Elam (no contributions; Charles H. Elam (deceased 1997—none), Clarence R. Elam (deceased 1985—none).

7. Sisters and spouses: Annetta H. Capdeville (sister, currently in a nursing home with Alzheimers; no campaign contributions. Andrew L. Capdeville (brother in law, is blind and has made no campaign contributions.

Gregory Lee Johnson, of Washington, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Nominee: Gregory Lee Johnson.

Post: Kingdom of Swaziland.

Nominated: July 1, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: Lyla J. Johnson, none.

3. Children and spouses: Cater K. Johnson (son) and Kimberly A. Johnson (daughter), none.

4. Parents: Edith Johnson (mother) and Orville L. Johnson (father/deceased), none.

5. Grandparents: Mamie (Evans) Robertson (deceased), none; William Robertson (deceased), none; Viola Brown (deceased), none Buford Johnson (deceased), none.

6. Brothers and spouses: Dennis P. Johnson and Pauline Johnson, none.

7. Sisters and spouses: no sisters.

Jimmy J. Kolker, of Missouri, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burkina Faso.

Nominee: Jimmy Kolker.

Post: Ambassador to Burkina Faso.

Nominated: July 1, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: $650, 1998, Rush Holt for Congress; $200, 1996, Rush Holt for Congress.

2. Spouse: Britt-Marie Forslund, none.

3. Children and spouses: Anne and Eva Kolker, none.

4. Parents: Leon Kolker, $25, 1998, Tom Daschle for Senate; Harriette Coret, none.

5. Grandparents: Max and Rose Kolker deceased; Fannie and Joe Buckner deceased.

6. Brothers and spouses: Danny Kolker, and Annette Fromm, $400, 1996, Rush Holt for Congress; $100, 1996, Democratic National Ctte; $25, 1994, John Selph for Congress.

7. Sisters and spouses: none.

Joseph W. Prueher, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

Nominee: Joseph W. Prueher.

Post: People's Republic of China.

Nominated: September 8, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Myself: none.

2. Spouse: Suzanne P. Prueher, none.

3. Children and spouses: Anne B. Prueher, none, Joshua W. Prueher, none, Elizabeth F. Prueher (wife), none.

4. Parents: Bertram J. Preuher, deceased; Jean F. Prueher, $25.00, 1996 & 1997, Sen. Bill Frist.

5. Grandparents: deceased.

6. Sisters and spouses: Elizabeth A. Thornton, none; Daniel Thornton, none; Martha B. Conzelman, none; James G. Conzelman, Jr., none.

Mary Carlin Yates, of Washington, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Burundi.

Nominee: Mary Carlin Yates.

Post: Burundi.

Nominated: September 22, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: John M. Yates, none.

3. Children and spouses: Catherine, John, Maureen, Paul, Greg Yates, none.

4. Parents: Barbara Carlin, none; Edward T. Carlin, deceased.

5. Grandparents: deceased.

6. Brothers and spouses: Ted Carlin, Jr., and Phyllis Carlin, none.

7. Sisters and spouses: Patty Carlin Fabrikant and Murvin Fabrikant, none.

Charles Taylor Manatt, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

Nominee: Charles Taylor Manatt.

Post: Ambassador to the Dominican Republic.

Nominated: September, 28, 1999.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: see attached.

2. Spouse: see attached.

3. Children and spouses: Timothy T. Manatt, none; Michele Manatt Anders—see attached; Wolfram Anders, none; Daniel C. Manatt—see attached.

4. Parents: William Price Manatt, deceased; Lucille Helen Taylor Manatt, deceased.

5. Grandparents: John R. and Nonie Manatt, deceased; Charles & Gertie Taylor, deceased.

6. Brothers and spouses: Richard P. Manatt, none; Jackie Manatt, none.

7. Sisters and spouses: none.

1995-1996

Charles T. Manatt—Federal Contributions

Charles T. Manatt:

DNC Services Corp, DNC—4/19/95—$10,000
Clinton/Gore '96 Primary Committee—5/26/95—$1,000
DNC Services Corp. DNC—12/22/95—$10,000
DNC Servcies Corp. DNC—2/23/95—$250
Karen McCarthy for Congress—3/24/96—$250
Krogmeier for Congress—3/14/96—$350
Beshear for US Senate—5/28/96—$500
Friends of Max Cleland for the US Senate Inc—6/4/96—$500
Coffin for Congress—6/28/96—$250
Reed Committee—4/24/96—$1,000
Friends of Senator Carl Levin—6/14/96—$250
Julian C. Dixon Democrat for Congress—5/29/96—$500
Toricelli for US Senate—6/25/96—$1,000
Friends of Tom Strickland—7/12/96—$500
Kerrey for US Senate—2/16/96—$1,000
Clinton/Gore '96 Gen Election Legal/Acctg Compliance—9/26/96—$1,000
Boswell for Congress—10/4/96—$500
Docking for US Senate—10/7/96—$400
Karpan for Wyoming—10/17/96—$250
Swett for Senate—10/23/96—$250
Coopersmith for Congress 10/31/96—$500
Democratic Congressional Campaign Committee—3/30/95—$1,000
Golden State PAC (Manatt, Phelps & Phillips)—4/27/95—$1,181
Bill Bradley for US Senate—6/9/95—$1,000
Friends of Max Baucus—4/19/95—$500
Kerry Committee—6/20/95—$500
Kerry Committee—6/23/95—$250
Kerry Committee—6/16/95—$1,000
Wyden for Senate—12/8/95—$500
Fazio for Congress—11/22/95—$500
Friends of Jane Harman—12/29/95—$1,000
Leahy for US Senator Committee—8/7/95—$250
Murray for Congress—2/28/96—$500
Blumenauer for Congress—3/25/96—$500
Price for Congress—3/27/96—$500
Friends of Mark Warner—5/13/96—$500
Friends of Jane Harman—5/7/96—$1,000
Friends of Senator Rockefeller—6/17/96—$1,000
Kerry Committee—6/4/96—$250
Glen D. Johnson for Congress Committee—09/30/96—$300
Citizens for Harkin—7/26/96—$1,000
Spike Wilson for Congress—10/9/96—$200
Rick Weiland for Congress—10/15/96—$300
Luther for Congress Volunteer Committee—10/4/96—$250
Doggett for US Congress—10/9/96—$250
Golden State PAC (Manatt, Phelps & Phillips)—8/23/96—$1,178
Friends of Mark Warner—10/9/96—$500
Steven Owens for Congress—10/29/96—$250
Ken Bentsen for Congress—11/23/96—$250
Friends of Bob Graham—7/10/96—$1,000
Citizens Committee for Ernest E. Hollings—(for 1998 Primary)—7/96—$1,000

Daniel C. Manatt (son):

DNC Services Corp/DNC—5/14/96—$250

Kathleen K. Manatt (wife):

Citizens for Harkin—7/26/96—$1,000

Michele A. Manatt (daughter):

DNC Servcies Corp/DNC—5/28/96—$250
Clinton/Gore '96 Gen Election Legal & Accounting Compliance—$1,000

1997-1998

Charles T. Manatt:

Gephardt in Congress—5/15/97—$1,000
Friends of Chris Dodd—6/12/97—$1,000
Friends of Byron Dorgan—4/17/97—$1,000
Citizens Committee for Ernest F. Hollings (for 1998 General)—10/31/97—$1,000
Mary Landrieu for Senate—7/2/97—$250
Ferraro for Senate—3/19/98—$1,000

Rush for Congress—1/10/98—$500
Boswell for Congress—5/5/98—$500
Boswell for Congress—9/9/97—$500
COMSAT PAC—5/11/98—$1,000
Friends for Harry Reid—10/12/98—$1,000
Friends of Blanch Lincoln—10/8/98—$1,000
Nancy Pelosi for Congress—6/17/97—$500
Citizens for Joe Kennedy—6/19/97—$250
Luther for Congress—6/7/97—$250
Leahy for US Senator—4/2/97—$250
A Lot of People Supporting Tom Daschle—3/21/97—$1,000
Golden State PAC (Manatt, Phelps)—6/25/97—$1,422
Julian C. Dixon—Democrat for Congress—9/23/97—$1,000
Friends of Barbara Boxer—11/13/97—$1,000
Evan Bayh Committee—11/4/97—$500
Ken Bentsen for Congress—10/2/97—$500
Friends of Jane Harman—7/14/97—$1,000
Baesler for Senate—3/17/98—$500
Evan Bayh Committee—2/23/98—$500
Sherman for Congress—4/13/98—$250
Steve Owens for Congress—6/20/98—$250
Baesler for Senate Committee—10/8/98—$1,000
Golden State PAC—10/9/98—$1,329
Nagle for US Senate—1/5/97—$500

Kathleen K. Manatt:

Friends of Chris Dodd—6/12/97—$1,000
DNC Services Corp/DNC—4/29/97—$1,000
Friends of Jane Harman—7/24/97—$1,000
DNC Services Corp/DNC—6/8/98—$1,000
Kerry Committee—6/23/98—$1,000
Baesler for Senate—10/8/98—$1,000
Leadership '98 (FKA Friends of Albert Gore, Jr., Inc)—10/27/98—$1,000

Gary L. Ackerman, of New York, to be a Representative of the United States of America to Fifty-fourth Session of the General Assembly of the United Nations.

Martin S. Indyk, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

Nominee: Indyk, Martin Sean.

Post: Tel Aviv, Israel.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.

Spouse: Jill Indyk, none.

3. Children and spouses: Sarah and Jacob, none.
4. Parents: Mary and John Indyk, none.
5. Grandparents: deceased.
6. Brother and spouses: Ivor Indyk, none.
7. Sisters and spouses: Shelley Indyk, none.

Anthony Stephen Harrington, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

Nominee: Anthony S. Harrington.

Post: Ambassador to Brazil.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: (See attached schedule).
2. Spouse: Hope R. Harrington (See attached schedule).
3. Children and spouses: Adam R. Harrington and Michael A. Harrington, none.
4. Parents: Atwell L. Harrington and Louise Harrington, deceased.
5. Grandparents: Smith Harrington and Callie Chapman, deceased.
6. Brother and spouses: not applicable.
7. Sisters and spouses: not applicable.

Federal Campaign Contribution Report—Schedule

Donor, amount, date, and donee:

Self, $525, 3/13/95, Hogan & Hartson PAC
Spouse, $100, 9/11/95, Kerrey Committee
Self, $100, 2/21/96, Kerrey Committee
Self, $1,125, 3/14/96, Hogan & Hartson PAC
Self, $250, 3/26/96, Price for Congress
Self, $200, 6/26/96, Friends of Mark Warner
Self, $100, 6/26/96, Stuber for Congress
Self, $100, 10/26/96, Eastaugh for Congress
Self, $1,125, 6/12/97, Hogan & Hartson PAC
Self, $250, 7/24/97, Friends of Byron Dorgan
Self, $1,300, 3/18/98, Hogan & Hartson PAC
Spouse, $100, 3/26/98, Pinder for Congress
Self, $250, 4/25/98, Friends of Chris Dodd
Spouse, $100, 6/11/98, Pinder for Congress
Self, $400, 6/15/98, Leahy for Congress
Self, $200, 7/19/98, David Price for Congress
Self, $50, 10/17/98, Pinder for Congress
Self, $1,250, 3/11/99, Hogan & Hartson PAC
Self, $1,000, 6/22/99, Citizens for Sarbanes
Self, $1,000, 7/4/99, Gore 2000
Spouse, $1,000, 7/4/99, Gore 2000
Spouse, $1,000, 8/28/99, H.R. Clinton Exploratory Committee
Self, $1,000, 8/28/99, H.R. Clinton Exploratory Committee

Craig Gordon Dunkerley, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the Rank of Ambassador during his tenure of Service as Special Envoy for Conventional Forces in Europe.

Alan Phillip Larson, of Iowa, to be Under Secretary of State (Economic, Business and Agricultural Affairs).

Robert J. Einhorn, of the District of Columbia, to be an Assistant Secretary of State (Non-proliferation). (New Position)

Lawrence H. Summers, of Maryland, to be United States Governor of the International Monetary Fund for a term of five years; United States Governor of the International Bank for Reconstruction and Development for a term of five years; United States Governor of the Inter-American Development Bank for a term of five years; United States Governor of the African Development Bank for a term of five years; United States Governor of the Asian Development Bank; United States Governor of the African Development Fund; United States Governor of the European Bank for Reconstruction and Development.

James B. Cunningham, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Norman A. Wulf, of Virginia, a Career Member of the Senior Executive Service, to be a Special Representative of the President, with the rank of Ambassador.

Willene A. Johnson, of New York, to be United States Director of the African Development Bank for a term of five years.

Edward S. Walker, Jr., of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Secretary of State (Near Eastern Affairs).

James D. Bindenagel, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during tenure of service as Special Envoy and Representative of the Secretary of State for Holocaust Issues.

William B. Bader, of Virginia, to be an Assistant Secretary of State (Educational and Cultural Affairs). (New Position)

Peter T. King, of New York, to be a Representative of the United States of America to the Fifty-fourth Session of the General Assembly of the United Nations.

J. Stapleton Roy, of Pennsylvania, a Career Member of the Senior Foreign Service with the Personal Rank of Career Ambassador, to be an Assistant Secretary of State (Intelligence and Research).

Joseph R. Crapa, of Virginia, to be an Assistant Administrator of the United States Agency for International Development.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. HELMS. Mr. President, for the Committee on Foreign Relations, I report favorably nomination lists which were printed in the RECORDS of February 23, 1999, and September 8, 1999, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Foreign Service nominations beginning Samuel Anthony Rubino, and ending Christopher Lee Stillman, which nominations were received by Senate and appeared in Congressional Record of February 23, 1999.

Foreign Service nominations beginning George Carner, and ending Steven G. Wisecarver, which nominations were received by the Senate and appeared in the Congressional Record of September 8, 1999.

Foreign Service nominations beginning Johnnie Carson, and ending Susan H. Swart, which nominations were received by the Senate and appeared in the Congressional Record of September 8, 1999.

Foreign Service nominations beginning Rueben Michael Rafferty, and ending Stephen R. Kelly, which nominations were received by the Senate and appeared in the Congressional Record of September 8, 1999.

Foreign Service nominations beginning C. Miller Crouch, and Gary B. Pergl, which nominations were received by the Senate and appeared in the Congressional Record of September 8, 1999.

Treaty Doc. 105-55: Tax Convention With Estonia (Exec. Report 106-3).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Republic of Estonia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on January 15, 1998 (Treaty Doc. 105-55), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of

the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 105-56: Tax Convention With Lithuania (Exec. Report 106-4).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Republic of Lithuania for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on January 15, 1998 (Treaty Doc. 105-56), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 105-57: Tax Convention With Latvia (Exec. Report 106-5).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Republic of Latvia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on January 15, 1998 (Treaty Doc. 105-57), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advise and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106-3: Tax Convention With Venezuela (Exec. Report 106-6).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Republic of Venezuela for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, together with a Protocol, signed at Caracas on January 25, 1999 (Treaty Doc. 106-3), subject to the understandings of subsection (a), the declarations of subsection (b), and the proviso of subsection (c).

(a) UNDERSTANDINGS.—The Senate's advice and consent is subject to the following understandings, which shall be included in the instrument of ratification, and shall be binding on the President.

(1) PREVENTION OF DOUBLE EXEMPTION.—Where under Article 7 (Business profits) or Article 14 (Independent Personal Services) of this Convention income is relieved from tax in one Contracting State and, under the law in force in the other Contracting State a person is not subject to tax in that other Contracting State in respect of such income, then the relief to be allowed under this Convention in the first-mentioned Contracting State shall apply only to so much of the income as is subject to tax in the other contracting State. This understanding shall cease to have effect when the provisions of Venezuela's Law Amending the Income Tax Law (hereinafter the "new Venezuelan tax law"), relating to the implementation of a worldwide tax system in replacement of Venezuela's current territorial tax system, are effective in accordance with the provisions of such new Venezuelan tax law.

(2) VENEZUELAN BRANCH PROFITS TAX.—The United States understands that the reference to an "additional tax" in Article 11A of the Convention includes the tax that may be imposed by Venezuela (the "Venezuelan Branch Tax") pursuant to the relevant provisions of the new Venezuelan tax law. In addition, the United States understands that the limit imposed under Article 11A of the Convention shall apply with respect to the Venezuelan Branch Tax and that for purposes of that article, the Venezuelan Branch Tax shall be imposed only on an amount not in excess of the amount that is analogous to the "dividend equivalent amount" defined in subparagraph (a) of paragraph 10 of the Protocol with respect to the United States.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following declarations, which shall be binding on the President:

(1) NEW VENEZUELAN TAX LAW.—Before the President may notify Venezuela pursuant to Article 29 of the Constitution that the United States has completed the required ratification procedures, he shall certify to the Committee on Foreign Relations that:

(i) the new Venezuelan tax law has been enacted in accordance with Venezuelan law;

(ii) the Department of Treasury, in consultation with the Department of State, has thoroughly examined the new Venezuelan tax law; and

(iii) the new Venezuelan tax law is fully consistent with and appropriate to the obligations under the Convention.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106-9: Tax Convention With Slovenia (Exec. Report 106-7).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein). That the Senate advise and consent to the ratification of the Convention between the United States of America and the Republic of Slovenia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, signed at Ljubljana on June 21, 1999 (Treaty Doc. 106-9), subject to the reservation of subsection (a), the understanding of subsection (b), the declaration of subsection (c), and the proviso of subsection (d).

(a) RESERVATION.—The Senate's advice and consent is subject to the following reservation, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) MAIN PURPOSES TESTS.—Paragraph 10 of Article 10 (Dividends), paragraph 10 of Article 11 (Interest), paragraph 7 of article 12 (Royalties), paragraph 3 of Article 21 (Other Income), and subparagraph (g) of paragraph 3 of Article 25 (Mutual Agreement Procedure) of the Convention shall be stricken in their entirety.

(b) UNDERSTANDING.—The Senate's advice and consent is subject to the following understanding, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) EXCHANGE OF INFORMATION.—The United States understands that, pursuant to Article 26 of the Convention, both the competent authority of the United States and the competent authority of the Republic of Slovenia have the authority to obtain and provide information held by financial institutions, nominees or persons acting in an agency or fiduciary capacity, or respecting interests in a person.

(c) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF

Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(d) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United Stats as interpreted by the United States.

Treaty Doc. 106–11: Tax Convention With Italy (Exec. Report 106–8).

TEXT OF THE COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Italian Republic for the Avoidance of Double Taxation with Respect to Taxes on Income and the Prevention of Fraud or Fiscal Evasion, signed at Washington on August 25, 1999, together with a Protocol (Treaty Doc. 106–11), subject to the reservation of subsection (a), the understanding of subsection (b), the declaration of subsection (c), and the proviso of subsection (d).

(a) RESERVATION.—The Senate's advice and consent is subject to the following reservation, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) MAIN PURPOSE TESTS.—Paragraph 10 of Article 10 (Dividends), paragraph 9 of Article 11 (Interest), paragraph 8 of Article 12 (Royalties), and paragraph 3 of Article 22 (Other Income) of the Convention, and paragraph 19 of Article 1 of the Protocol (dealing with Article 25 (Mutual Agreement Procedure) of the Convention) shall be stricken in their entirety, and paragraph 20 of Article 1 of the Protocol shall be renumbered as paragraph 19.

(b) UNDERSTANDING.—The Senate's advice and consent is subject to the following understanding, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) EXCHANGE OF INFORMATION.—The United States understands that, pursuant to Article 26 of the Convention, both the competent authority of the United States and the competent authority of the Republic of Italy have the authority to obtain and provide information held by financial institutions, nominees or persons acting in an agency or fiduciary capacity, or respecting interests in a person.

(c) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(d) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–12: Tax Convention With Denmark (Exec. Report 106–9).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on August 19, 1999, together with a Protocol (Treaty Doc. 106–12), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(b) SUPREMACY OF CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–13: Protocol Amending Tax Convention with Germany (Exec. Report 106–10).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Amending the Convention between the United States of America and the Federal Republic of Germany for the Avoidance of Double Taxation with Respect to Taxes on Estates, Inheritances, and Gifts signed at Bonn on December 3, 1980, signed at Washington on December 14, 1998 (Treaty Doc. 106–13), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Protocol requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–15: Amending Convention with Ireland (Exec. Report 106–11)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Amending the Convention between the Government of the United States of America and the Government of Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains, signed at Dublin on July 28, 1997 (the Amending Convention was signed at Washington on September 24, 1999) (Treaty Doc. 106–15), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF CONSTITUTION.—Nothing in the Amending Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–5: Convention (No. 182) for Elimination of the Worst Forms of Child Labor (Exec. Report 106–12).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Convention (No. 182) Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor, adopted by the International Labor Conference at its 87th Session in Geneva on June 17, 1999 (Treaty Doc. 106–5), subject to the understandings of subsection (a), the declaration of subsection (b), and the proviso of subsection (c).

(a) UNDERSTANDINGS.—The Senate's advice and consent is subject to the following understandings, which shall be included in the instrument of ratification:

(1) CHILDREN WORKING ON FARMS.—The United States understands that Article 3(d) of Convention 182 does not encompass situations in which children are employed by a parent or by a person standing in the place of a parent on a farm owned or operated by such parent or person, nor does it change, or is it intended to lead to a change in the agricultural employment provisions or any other provision of the Fair Labor Standards Act in the United States.

(2) BASIC EDUCATION.—The United States understands that the term "basic education"

in Article 7 of Convention 182 means primary education plus one year: eight or nine years of schooling, based on curriculum and not age.

(b) Declaration.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) Treaty interpretation.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Convention Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) Proviso.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

(1) Supremacy of the constitution.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106-2: Extradition Treaty With Korea (Exec. Report 106-13).

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Extradition Treaty between the Government of the United States of America and the Government of Republic of Korea, signed at Washington on June 9, 1998 (Treaty Doc. 106-2), subject to the understanding of subsection (a), the declaration of subsection (b), and the proviso of subsection (c).

(a) Understanding.—The Senate's advice and consent is subject to the following understanding, which shall be included in the instrument of ratification:

(1) Prohibition on extradition to the international criminal court.—The United States understands that the protections contained in Article 15 concerning the Rule of Specialty would preclude the resurrender of any person from the United States to the International Criminal Court agreed to in Rome, Italy, on July 17, 1998, unless the United States consents to such resurrender; and the United States shall not consent to the transfer of any person extradited to the Republic of Korea by the United States to the International Criminal Court agreed to in Rome, Italy, on July 17, 1998, unless the treaty establishing that Court has entered into force for the United States by and with the advice and consent of the Senate, as required by Article II, section 2 of the United States Constitution.

(b) Declaration.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) Treaty interpretation.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) Proviso.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

(1) Supremacy of the constitution.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. BOXER:

S. 1846. A bill to redesignate the Federal building located at 10301 South Compton Avenue, in Los Angeles, California, and known as the Watts Finance Office, as the "Augustus F. Hawkins Post Office Building"; to the Committee on Governmental Affairs.

S. 1847. A bill to redesignate the Federal building located at 701 South Santa Fe Avenue in Compton, California, and known as the Compton Main Post Office, as the "Mervyn Malcolm Dymally Post Office Building"; to the Committee on Governmental Affairs.

By Mr. CAMPBELL:

S. 1848. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project; to the Committee on Energy and Natural Resources.

By Mr. BIDEN (for himself and Mr. Roth):

S. 1849. A bill to designate segments and tributaries of White Clay Creek, Delaware and Pennsylvania, as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. EDWARDS:

S. 1850. A bill to amend section 222 of the Communications Act of 1934 to modify the requirements relating to the use and disclosure of customer proprietary network information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRAIG (for himself, Mr. Lott, Mr. Cochran, Mr. Abraham, Mr. Akaka, Mr. Allard, Mr. Ashcroft, Mr. Baucus, Mr. Bayh, Mr. Bennett, Mr. Biden, Mr. Bingaman, Mr. Bond, Mrs. Boxer, Mr. Breaux, Mr. Brownback, Mr. Bryan, Mr. Bunning, Mr. Burns, Mr. Byrd, Mr. Campbell, Mr. Chafee, Mr. Cleland, Ms. Collins, Mr. Conrad, Mr. Coverdell, Mr. Crapo, Mr. Daschle, Mr. DeWine, Mr. Dodd, Mr. Domenici, Mr. Dorgan, Mr. Durbin, Mr. Edwards, Mr. Enzi, Mr. Feingold, Mrs. Feinstein, Mr. Fitzgerald, Mr. Frist, Mr. Gorton, Mr. Graham, Mr. Gramm, Mr. Grams, Mr. Grassley, Mr. Gregg, Mr. Hagel, Mr. Harkin, Mr. Hatch, Mr. Helms, Mr. Hollings, Mr. Hutchinson, Mrs. Hutchison, Mr. Inhofe, Mr. Inouye, Mr. Jeffords, Mr. Johnson, Mr. Kennedy, Mr. Kerrey, Mr. Kerry, Mr. Kohl, Mr. Kyl, Ms. Landrieu, Mr. Lautenberg, Mr. Leahy, Mr. Levin, Mr. Lieberman, Mrs. Lincoln, Mr. Lugar, Mr. Mack, Mr. McCain, Mr. McConnell, Ms. Mikulski, Mr. Moynihan, Mr. Murkowski, Mrs. Murray, Mr. Nickles, Mr. Reed, Mr. Reid, Mr. Robb, Mr. Roberts, Mr. Rockefeller, Mr. Roth, Mr. Santorum, Mr. Sarbanes, Mr. Schumer, Mr. Sessions, Mr. Shelby, Mr. Smith of New Hampshire, Mr. Smith of Oregon, Ms. Snowe, Mr. Specter, Mr. Stevens, Mr. Thomas, Mr. Thompson, Mr. Thurmond, Mr. Torricelli, Mr. Voinovich, Mr. Warner, Mr. Wellstone, and Mr. Wyden):

S. Res. 218. A resolution expressing the sense of the Senate that a commemorative postage stamp should be issued recognizing the 4-H Youth Development Program's centennial; to the Committee on Governmental Affairs.

By Mr. FITZGERALD (for himself, Mr. Durbin, Mr. Lott, Mr. Cochran, and Mr. Helms):

S. Res. 219. A resolution recognizing and honoring Walter Jerry Payton and expressing the condolences of the Senate to his family on his death; considered and agreed to.

By Mr. HELMS:

S. Con. Res. 68. An original concurrent resolution expressing the sense of Congress on the occasion of the 10th anniversary of historic events in Central and Eastern Europe, particularly the Velvet Revolution in Czechoslovakia, and reaffirming the bonds of friendship and cooperation between the United States and the Czech and Slovak Republics; from the Committee on Foreign Relations; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 1846. A bill to redesignate the Federal building located at 10301 South Compton Avenue, in Los Angeles, California, and known as the Watts Finance Office, as the "Augustus F. Hawkins Post Office Building"; to the Committee on Governmental Affairs.

REDESIGNATION OF THE WATTS FINANCE OFFICE BUILDING AS THE AUGUSTUS F. HAWKINS POST OFFICE BUILDING

● Mrs. BOXER. Mr. President, today, I am introducing legislation to pay tribute to a former colleague of mine and a fellow Californian, former Congressman Augustus F. Hawkins, by renaming the Federal building located at 10301 South Compton Avenue, in Los Angeles, California, currently known as the Watts Finance Office, as the Augustus F. Hawkins Post Office Building.

Gus Hawkins was born in Shreveport, Louisiana in 1907. His family moved to Los Angeles when he was 11 to escape the racial discrimination that was prevalent in the South at that time. This experience made him a passionate advocate of racial justice and social equality, and he committed his life to the service of others.

His efforts began in the California Assembly where he passed the state's first law against discrimination in housing and employment. Building on that success, he passed other important legislation concerning minimum wages for women, child care centers, workers' compensation for domestic employees, and the removal of racial designations on state documents.

In 1962, Gus was elected to the United States House of Representatives. During his 28 years in office, he served on the Committee on House Administration, and served as Chairman for both the Joint Committee on Printing and the Committee on Education and Labor. He authored more than 17 federal laws dealing with civil rights, educational improvements, job training and employment opportunities. He fought tirelessly for the rights of children, the poor, the disabled, the elderly, and minorities.

Throughout his distinguished career, Gus was recognized as a hardworking man of integrity who cared little for personal accolades while concentrating on the issues affecting his constituents. He has continually pursued fairness and opportunity for all.

Designating the Watts Finance Office Building as the Augustus F. Hawkins Post Office Building is an honor befitting his 56 years of service to his community and to the State of California.•

By Mrs. BOXER:

S. 1847. A bill to redesignate the Federal building located at 701 South Sante Fe Avenue in Compton, California, and known as the Compton Main Post Office, as the "Mervyn Malcolm Dymally Post Office Building"; to the Committee on Governmental Affairs.

REDESIGNATION OF THE COMPTON MAIN POST OFFICE AS THE MERVYN DYMALLY POST OFFICE BUILDING

• Mrs. BOXER. Mr. President, today, I am introducing legislation to pay tribute to a former colleague of mine and a fellow Californian, former Congressman Mervyn Malcolm Dymally, by renaming the post office located at 701 South Santa Fe Avenue in Compton, California, currently known as the Compton Main Post Office, as the Mervyn Dymally Post Office Building.

Mr. Dymally came to this country in 1945 from Cedros, Trinidad, British West Indies. In 1960, he began his political career by working as a field coordinator for John F. Kennedy during the Presidential campaign. Mr. Dymally's own service as an elected official began when he was elected to the California State Assembly in 1963 and then to the State Senate in 1967, where he served for eight years. Next, he was elected Lieutenant Governor of the State of California and was the State's highest ranking black elected official.

Building on a career of political success, Mervyn Dymally was elected to the United States House of Representatives in 1981. During his six terms in office, he served on several committees, including the Post Office and Civil Service Committee; the Committee on the District of Columbia, where he chaired its Subcommittee on Judiciary and Education; and the House Committee on Foreign Affairs, where he was the Chair of the Subcommittee on International Operations.

As the Chairman of the Subcommittee on Africa, Mr. Dymally's passion became immediately evident when he visited 20 African countries in his first year. He worked tirelessly to raise awareness of the plight of Africans and to monitor U.S. assistance levels to African and Caribbean nations. Throughout his distinguished career, he was recognized for his leadership in humanitarian efforts.

Since retirement from Congress in 1992, Mr. Dymally is busier than ever. He serves as President of the Grace Home for Waiting Children and as Chairman of the Caribbean Action Lobby. In addition, he is the President of a consulting firm and a Professor at the Central State University in Ohio. He still travels frequently, serving as Honorary Consul to the Republic of Benin, West Africa and Vice President of the Pacific Century Institute.

Designating the Compton Main Post Office as the Mervyn Dymally Post Office Building is an honor befitting his service to his community and to the State of California.

Mr. President, I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1847

Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION.

The Federal building located at 701 South Santa Fe Avenue in Compton, California, and known as the Compton Main Post Office, shall be known and designated as the "Mervyn Malcolm Dymally Post Office Building".

SEC. 2. REFERENCES.

Any reference document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the Mervyn Malcolm Dymally Post Office Building.•

By Mr. CAMPBELL:

S. 1848. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project; to the Committee on Energy and Natural Resources.

THE DENVER WATER REUSE PROJECT AUTHORIZATION

Mr. CAMPBELL. Mr. President, I take the time today to reintroduce a bill that will help millions of water consumers throughout my state. This bill is based on S. 2140, legislation I introduced last year, which passed out of the full Senate.

The Denver Water Department has developed a unique plan to re-use nonpotable water for irrigation and industrial uses. In the arid West, where growing populations and changing values are place increasing demands on existing water supplies, water and availability remain important issues. Recent conflicts are particularly apparent in the West where agricultural needs for water are often in direct conflict with urban needs. This legislation will help remedy some of this conflict.

This bill authorizes the Denver Water Department to access federal funds to assist in the implementation of this plan. The State of Colorado, the Colorado Water Congress, the Denver Board of Water Commissioners, and the Mayor of Denver have fully endorsed this legislation. I am pleased to assist these interested parties with this worthwhile proposal.

The Denver Water Department serves over a million customers and is the largest water supplier in the Rocky Mountain region. Over the past several years Denver Water has developed a plan to treat and re-use some of its water supply for uses not involving human consumption, such as irrigation and industrial purposes. In this manner, Denver will stretch its water supply without the cost and potential environmental disruption of building new reservoirs. It will also ease the demand on fresh drinking-quality water supplies.

The Denver Nonpotable Reuse Project will treat secondary wastewater, that is water which has already been used once in Denver's system. It is an environmentally and economically viable method for extending and conserving our limited water supplies. The water quality will meet all Colorado and federal standards. The water will still be clean and odorless, but since it will be used for irrigation and industrial uses around the Denver International Airport and the Rocky Mountain Wildlife Refuge, the additional expense to treat it for drinking will be avoided.

The nonpotable project will be constructed in three phases and ultimately will result in an additional useable water supply of 15,000 acre feet. The use of the nonpotable water for irrigation and industrial customers will make potable water supplies available for up to 30,000 homes.

Construction will include a treatment plant and a distribution system that is separate from the potable water system. Phase I will serve customers in the vicinity of the reuse plant, including a Public Service Company power plant, other industrial users and other public areas. Phase II will add irrigation for parks and golf courses in the former Stapleton Airport and the recently closed Lowry Air Force Base redevelopment areas. The Rocky Mountain Arsenal, which is being converted to a national wildlife refuge, will also use the reuse water to maintain lake levels on-site and to provide water for wildlife habitats. Phase III will serve existing parks as well as new development of a commercial corridor leading to the Denver International Airport. With the construction of Phase II, the irrigation, heating and cooling, and car washing facilities at Denver International Airport will convert to reuse water, where a dual distribution system has already been installed.

In the West, naturally scarce water supplies and increasing urban populations have furthered our need for water reuse, recycling, conservation, and storage proposals which are the keys to successfully meet the water needs of everyone. This plan would benefit many Coloradans, and would help relieve many of the water burdens faced in the Denver region. Again, I'd like to thank the interested parties for their support, and I am hopeful this bill can be quickly passed and put into effect.

I ask unanimous consent that the bill and copies of letters of support from the Colorado Department of Natural Resources, the Colorado Water Congress, the Denver Board of Water Commissioners, and the Mayor of Denver be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENVER WATER REUSE PROJECT.

(a) IN GENERAL.—The Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h et seq.) is amended—

(1) by redesignating sections 1631, 1632, 1633, and 1634 (43 U.S.C. 390h–13, 390h–14, 390h–15, 390h–16) as sections 1632, 1633, 1634, and 1635, respectively; and

(2) by inserting after section 1630 the following:

"SEC. 1631. DENVER WATER REUSE PROJECT.

"(a) AUTHORIZATION.—The Secretary, in cooperation with the appropriate State and local authorities, may participate in the design, planning, and construction of the Denver Water Reuse project to reclaim and reuse water in the service area of the Denver Water Department of the city and county of Denver, Colorado.

"(b) COST SHARE.—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost.

"(c) LIMITATION.—Funds provided by the Secretary shall not be used for the operation or maintenance of the project described in subsection (a).".

(b) CONFORMING AMENDMENTS.—

(1) The Reclamation Wastewater and Groundwater Study and Facilities Act (as amended by subsection (a)(1)) is amended—

(A) in section 1632(a), by striking "1630" and inserting "1631";

(B) in section 1633(c), by striking "section 1633" and inserting "section 1634"; and

(C) in section 1634, by striking "section 1632" and inserting "section 1633".

(2) The table of contents in section 2 of the Reclamation Projects Authorization and Adjustment Act of 1992 is amended by striking the items relating to sections 1631 through 1634 and inserting the following:

"Sec. 1631. Denver water reuse project.
"Sec. 1632. Authorization of appropriations.
"Sec. 1633. Groundwater study.
"Sec. 1634. Authorization of appropriations.
"Sec. 1635. Willow Lake natural treatment system project.".

OFFICE OF THE EXECUTIVE DIRECTOR,
DEPARTMENT OF NATURAL RESOURCES,
Denver, CO, November 1, 1999.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR CAMPBELL: I am writing to support the inclusion of the Denver Water Nonpotable Reuse Project on the Title XVI authorizing list. Inclusion of this project recognizes the importance of creative procedures to meet future water needs for metropolitan Denver. As it becomes more and more difficult to provide water supplies for a rapidly growing metropolitan area, innovative projects such as reuse and conjunctive use must supplant existing capacity. Denver Water's reuse plant will produce over 1,000 acre feet of usable water supply by treatment of effluent for industrial and irrigation purposes. The reuse water will be treated to attain important public health standards even for those limited purposes.

Resuse of water is valuable not only for Denver, but for other areas of Colorado. Reuse of water will delay the need to develop new water supplies from other water sources. This project has wide-spread support in Colorado. Your efforts to see Denver Water's Nonpotable Reuse Project listed as a Bureau of Reclamation approved project are appreciated. Thank you for your consideration.

Sincerely,

GREG WALCHER,
Executive Director.

COLORADO WATER CONGRESS,
Denver, CO, October 25, 1999.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR CAMPBELL: As you well know, the chronic water shortages in Colorado have forced Colorado Water supply agencies to develop water in new and ingenious ways. One of the best water projects being planned is Denver Water's Nonpotable Reuse Project that will take water already used, treat it and deliver it for industrial and irrigation supply. This project will supply about 15% of Denver's anticipated water shortfall without building a new reservoir, without tremendous federal compliance costs, and without a new transbasin diversion.

The Water Congress has members throughout the state of Colorado; and I know of no opposition to this project. I understand you are trying to get the project listed pursuant to Title XVI of the Bureau of Reclamation approved reuse projects list. You have the support of the Colorado Water Congress. Thank you for your consideration in this endeavor.

Sincerely,

RICHARD D. MACRAVEY,
Executive Director.

DENVER BOARD OF
WATER COMMISSIONERS,
Denver, CO, October 27, 1999.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR CAMPBELL: I appreciate your support and sponsorship of the bill that adds the Denver Nonpotable Reuse Project to Public Law 102–575 Title XVI, the U.S. Bureau of Reclamation's authorized list. This project allows us to conserve potable water sources and helps us to defer importation of water from the Western Slope. As I think you know, we are only seeking authorization, not federal funding, for the Denver Reuse Project.

We are planning a project that will provide over 15,000 acre-feet of nonpotable supply. That, in turn, frees up enough treated water supply to provide for some 30,000 homes. It represents a substantial portion of the supply that will be needed for future demand in the Denver Water system as an expanding population strains our limited water resources. By reclaiming wastewater for irrigation and industrial use, we can serve growth in a way that is environmentally responsible and economic.

Please feel free to call upon us should you need further information or assistance.

Sincerely,

H.J. BARRY,
Manager.

CITY AND COUNTY OF DENVER,
CITY AND COUNTY BUILDING,
Denver, CO, November 2, 1999.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senator,
Washington, DC.

DEAR SENATOR CAMPBELL: Once again, I want to express my appreciation for your support of legislation adding the Denver Water Non-potable Reuse Project to the Bureau of Reclamation's approved projects list.

We are proud to include non-potable reuse, coupled with water conservation and system refinements, as core components of the Denver Water 20-year plan. We certainly acknowledge the importance and value of our limited water resources throughout Colorado. Reuse efforts allow us to reduce or minimize the Denver metro area's demands on limited Colorado River sources.

Once again, thank you for your support.

Yours truly,

WELLINGTON, E. WEBB,
Mayor.

By Mr. BIDEN (for himself and Mr. ROTH):

S. 1849. A bill to designate segments and tributaries of White Clay Creek, Delaware and Pennsylvania, as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

THE WHITE CLAY CREEK WILD AND SCENIC RIVERS ACT

• Mr. BIDEN. Mr. President, today I am joined by Senator ROTH, in introducing a bill that would designate the White Clay Creek and its tributaries in Delaware and Pennsylvania as a unit of the National Wild and Scenic Rivers System.

It has been eight years since I introduced the bill authorizing the study of the White Clay Creek watershed, and thirty years since I began my efforts to protect this unique and valuable region from the over development and urban sprawl that are of increasing concern to all of us.

The White Clay Creek watershed is a truly remarkable environment, covering 107 square miles and draining over 69,000 acres in Delaware and Pennsylvania. Centrally located between the densely urbanized regions of New York and Washington, D.C., the White Clay Creek watershed is within a 2 hour drive of eight million people.

Its diversity of natural, historic, cultural and recreational resources, as detailed in the National Park Service's Resources and Issues Report in September of 1994, is extraordinary. The watershed is home to a wide variety of plant and animal life, archeological sites dating back to prehistoric times, a bi-state preserve and state park, and a source of drinking water for the region.

It became clear, early on, that these resources warranted the federal protection provided under the National Wild and Scenic Rivers System. With the introduction of my legislation today, we are entering the last major phase of seeing that protection become a reality.

Before I begin to speak on the particulars of today's legislation and the study process that got us to this point, I think it is important to note that while there are over 150 National Wild and Scenic Rivers across this nation, the White Clay Creek brings with it two distinctions: Specifically, it will be the first and only Wild and Scenic River in Delaware; and, it is the first and only river to be studied for designation on a watershed basis.

The study of the White Clay Creek for possible inclusion in the National Wild and Scenic Rivers System recently culminated with the release of a National Park Service study report in September of this year. The study process began in 1992, when Congress directed the National Park Service to convene a study task force consisting of state and local governments, community organizations, watershed residents and landowners within the White Clay Creek watershed.

As described in the study legislation, the duties of the task force were to evaluate the eligibility and suitability of the White Clay Creek and its tributaries, and to develop a management plan for the preservation and protection of the watershed. Fifteen local governments in Delaware and Pennsylvania participated in the study task force.

I stated during hearings on the study legislation, before the Senate Subcommittee on Forests and Public Land Management in November of 1991, that there was tremendous support for the study and subsequent designation. However, I realized that with the diverse group of individuals, organizations and agencies making up the task force, the possibility for conflict in determining which segments should be designated and what protections afforded them, could be great.

What I could not have expected and what I am extremely pleased to report is that the support for protection of the White Clay Creek is so strong, that over 190 miles of the approximately 400 river miles studied in the watershed are being requested for designation today. Clearly, Delawareans and Pennsylvanians alike understand the value of preserving areas as unique as the White Clay Creek.

And, the legislation I am introducing will do just that. It directs the National Park Service to incorporate 190.9 miles of the White Clay Creek and its tributaries into its National Wild and Scenic Rivers System. Along with the designation, all 15 local governments within the watershed area have unanimously supported, through the passage of resolutions, the ideals and goals of the White Clay Creek Management Plan. The plan, developed by the White Clay Creek Task Force, will ensure long-term protection of the White Clay Creek watershed, emphasizing the importance of local governments working together, which is key in obtaining the federal designation I am seeking today.

Designation of the White Clay Creek and its tributaries will bring national attention to the unique cultural, natural and recreational values of the area. It will provide an added level of protection from over development, by requiring an in-depth review by the National Park Service of any proposed project requiring federal permits or federal funding in the affected area. And finally, it elevates the value of the watershed when applying for state, local and federal preservation grants.

Of the 69,000 acres in the watershed, 5,000 acres are public lands owned by state and local governments, the rest is privately owned and maintained. There are no federal lands within the watershed and no federal dollars will be used to purchase any land within its boundaries.

I believe the protection of the White Clay Creek watershed to be one of the most important environmental initiatives I have undertaken since taking office in 1973, and it is my hope that Congress will act quickly on this bill so it can be preserved not only for us, but also for all the generations to come.●

By Mr. EDWARDS:

S. 1850. A bill to amend section 222 of the Communications Act of 1934 to modify the requirements relating to the use and disclosure of customer proprietary network information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

TELEPHONE CALL PRIVACY ACT OF 1999

Mr. EDWARDS. Mr. President, I rise to talk about privacy and about how we can regain some control over our personal information. Privacy is an increasing concern for all Americans. And the public rightly believes that their control over some of their most personal information is being slowly but surely eroded.

Today I introduce legislation that would help end that erosion. The "Telephone Call Privacy Act of 1999," would prevent telecommunications companies from using an individual's personal phone call records without their consent, in order to sell that individual products or services.

Most Americans would be stunned to learn that the law does not protect them from having their phone records sold to third parties. Imagine getting a call one night—during dinner—and having a telemarketer try to sell you membership in a travel club because your phone calling patterns show frequent calls overseas. My legislation would prevent this from occurring without the individual's permission.

Mr. President, no one denies that the rapid development of modern technology has been beneficial. New and improved technologies have enabled us to obtain information more quickly and easily than ever before. Students can participate in classes that are being taught in other states, or even other countries. Current events can be broadcast around the world as they happen. And companies have streamlined their processes for providing goods and services.

But these remarkable developments can have a startling downside. They have made it easier to track personal information such as medical and financial records, and buying habits. And in turn, our ability to keep our personal information private is being eroded. I have to say there are times when it feels like companies know more about me than I know myself.

The list of ways our privacy is being eroded is growing longer and longer. And sadly telephone call privacy got added to the list this August when the 10th Circuit struck down FCC regulations aimed at protecting privacy and implementing congressional intent.

The decision was the result of a suit filed by U.S. West against the FCC arguing that its regulations restrict the ability of carriers to engage in commercial speech with customers. In August, the Tenth Circuit issued its decision in the case and agreed with U.S. West. The court stated that "privacy is not an absolute good because it imposes real costs on society."

I believe the court was terribly wrong. Individuals have a reasonable expectation that their calling habits are not being shared with third parties without their knowledge or permission. And when I weigh the right of people to control who has access to their personal information against the ability of companies to use only one of many marketing methods, there is no question that the right of people to privacy is overriding. Surely people have a right to control some of their most private information. And surely they have the right to prevent harassing and unwanted solicitations. I for one cannot believe that expanding the variety of marketing techniques at a company's disposal is more important than a person's privacy right.

Mr. President, let me describe how my legislation would address the problem. Current law defines information about who we call, how often, and how long we talk to them as "customer proprietary network information," or "CPNI." It is possible for telephone companies to track an individual's CPNI and use it to market various products and services to that person.

My legislation requires that consumers be notified about potential disclosures of their private calling information and allows them to have some measure of control over how their information can be used. Specifically, my bill would do two things.

First, if a telecommunications carrier wishes to use CPNI in order to market its own products or services to them, it must provide each customer with a clear and conspicuous notice stating the type of calling information that may be used and the purpose for which it will be used. The customer may contact the carrier to deny permission to use their information within 15 days of the notice. If the customer does not contact the carrier in that time, the carrier can use the customer's CPNI to market its products and services to that customer. In other words, customers are provided with a limited opportunity to "opt-out" of the sharing of their information under these circumstances.

The second part of my bill addresses situations where a carrier wishes to share a customer's CPNI with a third party, such as a telemarketer. In these situations, in addition to providing the customer with notice, the carrier must also receive prior written approval from the customer. My bill clearly spells out that customers must affirmatively "opt-in" before a carrier can sell calling information to any third party.

The "Telephone Call Privacy Act" also allows for some reasonable and common sense exceptions. If a telecommunications carrier uses a customer's CPNI to provide the customer with the very services the carrier used to obtain the calling information, or if law enforcement or the courts require CPNI for certain reasons, the carrier does not need to provide the customer with notice and the opportunity to opt-out or opt-in.

Mr. President, consumers are very worried about how their personal information is being used. In 1994, a Harris Survey assessed Americans' views about privacy. It found that eighty-two percent of people surveyed are concerned about threats to their personal privacy. And more specifically, more than half the people surveyed also stated they would be concerned if an interactive service engaged in "subscriber profiling" or using an individual's purchasing patterns to determine what types of goods and services to market to them. The survey also showed that people are less concerned about subscriber profiling if they are provided with notice that a profile would be created and how it would be used, and also if they are given access to the information in the profile.

Something must be done to empower consumers to prevent their private calling information from being used without their consent. The Telephone Call Privacy Act is an important step towards this goal. I believe the principles set forth in my legislation are a reasonable way to protect privacy and do not unduly burden the ability of businesses to market their products and services.

As Justice Brandeis said in his famous dissent in Olmstead v. U.S., "the right to be let alone [is] the most comprehensive of rights and the right most valued by civilized men." The government must not only refrain from violating this right, but it must also ensure its preservation. I believe the Telephone Call Privacy Act is a sensible means to achieving this goal. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1850

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Call Privacy Act of 1999".

SEC. 2. MODIFICATION OF REQUIREMENTS RELATING TO USE AND DISCLOSURE OF CUSTOMER PROPRIETARY NETWORK INFORMATION.

(a) MODIFICATION OF REQUIREMENTS.—

(1) IN GENERAL.—Paragraph (1) of section 222(c) of the Communications Act of 1934 (47 U.S.C. 222(c)) is amended to read as follows:

"(1) PRIVACY REQUIREMENTS FOR TELECOMMUNICATIONS CARRIERS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) or as required by law, a telecommunications carrier that receives or obtains customer proprietary network information by virtue of its provision of a telecommunications service may use, disclose, or permit access to customer proprietary network information that identifies a customer as follows:

"(i) In the provision of—

"(I) the telecommunications service from which such information is derived; and

"(II) services necessary to, or used in, the provision of such telecommunications service, including the publishing of directories.

"(ii) In the case of the use of such information by the telecommunications carrier for the provision of another of its products or services to the customer, only if the telecommunications carrier—

"(I) provides the customer a clear and conspicuous notice meeting the requirements set forth in subparagraph (C);

"(II) permits the customer to review such information for accuracy, and to correct and supplement such information; and

"(III) does not receive from the customer within 15 days after the date of the notice under subclause (I) notice disapproving the use of such information for the provision of such product or service to the customer as specified in the notice under such subclause.

"(iii) In the case of the use, disclosure, or access of or to such information by another party, only if the telecommunications carrier that originally receives or obtains such information—

"(I) meets the requirements set forth in subclauses (I) and (II) of clause (ii) with respect to such information; and

"(II) receives from the customer written notice approving the use, disclosure, or access of or to such information for the provision of the product or service to the customer as specified in the notice under subclause (I) of this clause.

"(B) CUSTOMER DISAPPROVAL.—Notwithstanding the previous approval of the use, disclosure, or access of or to information for a purpose under clause (ii) or (iii) of subparagraph (A), upon receipt from a customer of written notice of the customer's disapproval of the use, disclosure, or access of or to information for such purpose, a telecommunications carrier shall terminate the use, disclosure, or access of or to such information for such purpose.

"(C) NOTICE ELEMENTS.—Each notice under clause (ii) or (iii) of subparagraph (A) shall include the following:

"(i) The types information that may be used, disclosed, or accessed.

"(ii) The specific types of businesses or individuals that may use or access the information or to which the information may be disclosed.

"(iii) The specific product or service for which the information may be used, disclosed, or accessed.".

(2) CONFORMING AMENDMENTS.—Paragraph (3) of such section is amended by striking "paragraph (1)" both places it appears and inserting "paragraph (1)(A)(i)".

(b) JUDICIAL AND LAW ENFORCEMENT PURPOSES.—Such section is further amended by adding at the end the following:

"(4) JUDICIAL AND LAW ENFORCEMENT PURPOSES.—

"(A) IN GENERAL.—A person that receives or obtains consumer proprietary network information may disclose such information—

"(i) pursuant to the standards and procedures established in the Federal Rules of Civil Procedure or comparable rules of other courts or administrative agencies, in connection with litigation or proceedings to which an individual who is the subject of the information is a party and in which the individual has placed the use, disclosure, or access to such information at issue;

"(ii) to a court, and to others ordered by the court, if in response to a court order issued in accordance with subparagraph (B); or

"(iii) to an investigative or law enforcement officer pursuant to a warrant issued under the Federal Rules of Criminal Procedure, an equivalent State warrant, or a grand jury subpoena, or a court order issued in accordance with subparagraph (B).

"(B) REQUIREMENTS FOR COURT ORDERS.—

"(i) IN GENERAL.—Except as provided in clause (ii), a court order for the disclosure of customer proprietary network information under subparagraph (A) may be issued by a court of competent jurisdiction only upon written application, upon oath or equivalent affirmation, by an investigative or law enforcement officer demonstrating that there is probable cause to believe that—

"(I) the information sought is relevant and material to an ongoing criminal investigation; and

"(II) the law enforcement need for the information outweighs the privacy interest of the individual to whom the information pertains.

"(ii) CERTAIN ORDERS.—A court order may not be issued under this paragraph upon application of an officer of a State or local government if prohibited by the law of the State concerned.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

ADDITIONAL COSPONSORS

S. 59

At the request of Mr. THOMPSON, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 59, a bill to provide Government-wide accounting of regulatory costs and benefits, and for other purposes.

S. 185

At the request of Mr. ASHCROFT, the names of the Senator from North Dakota (Mr. DORGAN), the Senator from North Carolina (Mr. HELMS), the Senator from Colorado (Mr. ALLARD), the Senator from Minnesota (Mr. GRAMS), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Missouri (Mr. BOND), the Senator from Georgia (Mr. COVERDELL), and the Senator from Idaho (Mr. CRAPO) were added as cosponsors of S. 185, a bill to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 398

At the request of Mr. CAMPBELL, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 398, a bill to require the Secretary of the Treasury to mint coins in commemoration of Native American history and culture.

S. 976

At the request of Mr. FRIST, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 976, a bill to amend title V of the Public Health Service Act to focus the authority of the Substance Abuse and Mental Health Services Administration on community-based services children and adolescents, to enhance flexibility and accountability, to establish programs for youth treatment, and to respond to crises, especially those related to children and violence.

S. 1036

At the request of Mr. KOHL, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1036, a bill to amend parts A and D of title IV of the Social Security Act to give States the option to pass through directly to a family receiving assistance under the temporary assistance to needy families program all child support collected by the State and the option to disregard any child support that the family receives in determining a family's eligibility for, or amount of, assistance under that program.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1187

At the request of Mr. DORGAN, the names of the Senator from Tennessee (Mr. FRIST), the Senator from Colorado (Mr. CAMPBELL), the Senator from Hawaii (Mr. AKAKA), the Senator from Delaware (Mr. BIDEN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Massachusetts (Mr. KERRY), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from North Carolina (Mr. EDWARDS), the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. GRAHAM), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Michigan (Mr. LEVIN), the Senator from Missouri (Mr. BOND), the Senator from Kansas (Mr. BROWNBACK), the Senator from Maine (Ms. COLLINS), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Ohio (Mr. VOINOVICH), the Senator from Alabama (Mr. SESSIONS), the Senator from Kansas (Mr. ROBERTS), the Senator from Vermont (Mr. JEFFORDS), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Oklahoma (Mr. NICKLES), and the Senator from Tennessee (Mr. THOMPSON) were added as cosponsors of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1239

At the request of Mr. GRAHAM, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1239, a bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules.

S. 1332

At the request of Mr. BAYH, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1332, a bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community.

S. 1384

At the request of Mr. ABRAHAM, the names of the Senator from Connecticut (Mr. DODD) and the Senator from Washington (Mr. GORTON) were added as cosponsors of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1419

At the request of Mr. MCCAIN, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from New York (Mr. MOYNIHAN), the Senator from Ohio (Mr. DEWINE), the Senator from Maine (Ms. COLLINS), and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of S. 1419, a bill to amend title 36, United States Code, to designate May as "National Military Appreciation Month."

S. 1487

At the request of Mr. AKAKA, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1487, a bill to provide for excellence in economic education, and for other purposes.

S. 1500

At the request of Mr. HATCH, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1500, a bill to amend title XVIII of the Social Security Act to provide for an additional payment for services provided to certain high-cost individuals under the prospective payment system for skilled nursing facility services, and for other purposes.

S. 1528

At the request of Mr. LOTT, the names of the Senator from Colorado (Mr. CAMPBELL) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 1528, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 1547

At the request of Mr. BURNS, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 1547, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

S. 1619

At the request of Mr. DEWINE, the names of the Senator from Arizona (Mr. KYL) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 1619, a bill to amend the Trade Act of 1974 to provide for periodic revision of retaliation lists or other remedial action implemented under section 306 of such Act.

S. 1656

At the request of Mrs. FEINSTEIN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1656, a bill to amend title XXI of the Social Security Act to permit children covered under a State child health plan (SCHIP) to continue to be eligible for benefits under the vaccine for children program.

S. 1710

At the request of Mr. HARKIN, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Missouri (Mr. ASHCROFT), the Senator from Montana (Mr. BAUCUS), the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Missouri (Mr. BOND), the Senator from California (Mrs. BOXER), the Senator from Louisiana (Mr. BREAUX), the Senator from Kansas (Mr. BROWNBACK), the Senator from Nevada (Mr. BRYAN), the Senator from Kentucky (Mr. BUNNING), the Senator from Montana (Mr. BURNS), the Senator from West Virginia (Mr. BYRD), the Senator from Colorado (Mr. CAMPBELL), the Senator from Georgia (Mr. CLELAND), the Senator from Maine (Ms. COLLINS), the Senator from North Dakota (Mr. CONRAD), the Senator from Idaho (Mr. CRAIG), the Senator from Connecticut (Mr. DODD), the Senator from New Mexico (Mr. DOMENICI), the Senator from Illinois (Mr. DURBIN), the Senator from North Carolina (Mr. EDWARDS), the Senator from Wyoming (Mr. ENZI), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Illinois (Mr. FITZGERALD), the Senator from Washington (Mr. GORTON), the Senator from Florida (Mr. GRAHAM), the Senator from Texas (Mr. GRAMM), the Senator from Iowa (Mr. GRASSLEY), the Senator from Nebraska (Mr. HAGEL), the Senator from North Carolina (Mr. HELMS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Oklahoma (Mr. INHOFE), the Senator from Hawaii (Mr. INOUYE), the Senator from Vermont (Mr. JEFFORDS), the Senator from South Dakota (Mr. JOHNSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Nebraska (Mr. KERREY), the Senator from Massachusetts (Mr. KERRY), the Senator from Louisiana (Ms. LANDRIEU), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Vermont (Mr. LEAHY), the Senator from Michigan (Mr. LEVIN), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Florida (Mr. MACK), the Senator from Maryland (Ms. MIKULSKI), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Washington (Mrs. MURRAY), the Senator from Oklahoma (Mr. NICKLES), the Senator from Rhode Island (Mr. REED), the Senator from Nevada (Mr. REID), the Senator from Virginia (Mr. ROBB), the Senator from Kansas (Mr. ROBERTS), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Delaware (Mr. ROTH), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from New York (Mr. SCHUMER), the Senator from Alabama (Mr. SESSIONS), the Senator from New Hampshire (Mr. SMITH), the Senator from Oregon (Mr. SMITH), the Senator from Maine (Ms. SNOWE), the Senator from Wyoming (Mr. THOMAS), the Senator from Tennessee (Mr. THOMPSON), the Senator from South Carolina (Mr. THURMOND), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Ohio (Mr. VOINOVICH), the Senator from Virginia (Mr. WARNER), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Oregon (Mr. WYDEN), and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 1710, a bill to require the Secretary of the Treasury to mint coins in conjunction with the minting of coins by the Republic of Iceland in commemoration of the millennium of the discovery of the New World by Leif Ericson.

S. 1771

At the request of Mr. ASHCROFT, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1771, a bill to provide stability in the United States agriculture sector and to promote adequate availability of food and medicine for humanitarian assistance abroad by requiring congressional approval before the imposition of any unilateral agricultural medical sanction against a foreign country or foreign entity.

S. 1791

At the request of Mr. LIEBERMAN, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 1791, a bill to authorize the Librarian of Congress to purchase papers of Dr. Martin Luther King, Junior, from Dr. King's estate.

S. 1795

At the request of Mr. CRAPO, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1795, a bill to require that before issuing an order, the President shall cite the authority for the order, conduct a cost benefit analysis, provide for public comment, and for other purposes.

S. 1809

At the request of Mr. JEFFORDS, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 1809, a bill to improve service systems for individuals with developmental disabilities, and for other purposes.

SENATE RESOLUTION 118

At the request of Mr. REID, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of Senate Resolution 118, a resolution designating December 12, 1999, as "National Children's Memorial Day."

SENATE RESOLUTION 212

At the request of Mr. ABRAHAM, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of Senate Resolution 212, a resolution to designate August 1, 2000, as "National Relatives as Parents Day."

SENATE RESOLUTION 217

At the request of Mr. HUTCHINSON, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of Senate Resolution 217, a resolution relating to the freedom of belief, expression, and association in the People's Republic of China.

AMENDMENT NO. 2359

At the request of Mr. BURNS, his name was added as a cosponsor of amendment No. 2359 proposed to H.R. 434, a bill to authorize a new trade and investment policy for sub-Sahara Africa.

AMENDMENT NO. 2360

At the request of Mr. CONRAD, the names of the Senator from Wyoming (Mr. ENZI), the Senator from Missouri (Mr. ASHCROFT), and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of amendment No. 2360 proposed to H.R. 434, a bill to authorize a new trade and investment policy for sub-Sahara Africa.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 69—EXPRESSING THE SENSE OF CONGRESS ON THE OCCASION OF THE 10TH ANNIVERSARY OF HISTORY EVENTS IN CENTRAL AND EASTERN EUROPE, PARTICULARLY THE VELVET REVOLUTION IN CZECHOSLOVAKIA, AND REAFFIRMING THE BONDS OF FRIENDSHIP AND COOPERATION BETWEEN THE UNITED STATES AND THE CZECH AND SLOVAK REPUBLICS

Mr. HELMS, from the Committee on Foreign Relations, reported the following original concurrent resolution; which was read twice and placed on the calendar:

S. CON. RES. 68

Whereas on September 3, 1918, the United States Government recognized the Czecho-Slovak National Council as the official Government of Czechoslovakia;

Whereas on October 28, 1918, the peoples of Bolemia, Moravia, and part of Silesia, comprising the present Czech Republic, and peoples of Slovakia, comprising the present Slovak Republic, proclaimed their independence in a common state of the Czechoslovak Republic;

Whereas on November 17, 1939, the Czech institutions of higher learning were closed by the Nazis, many students were taken to concentration camps, and nine representatives of the student movement were executed

Whereas between 1938 and 1945, the Nazis annexed part of Bohemia, set up a fascist "protectorate" in the rest of Bohemia and in

Moravia, and installed a puppet fascist government in Slovakia;

Whereas the Communists seized power from the democratically elected government of Czechoslovakia in March 1948;

Whereas troops from Warsaw Pack countries invaded Czechoslovakia in August 1968, ousted the reformist government of Alexander Dubcek, and restored a hard-line communist regime;

Whereas on November 17, 1989, the brutal break up of a student demonstration commemorating the 50th anniversary of the execution of Czech student leaders and the closure of universities by the Nazis triggered the explosion of mass discontent that launched the Velvet Revolution, which was characterized by reliance on nonviolence and upon public discourse;

Whereas the peoples of Czechoslovakia overthrew 40-years of totalitarian communist rule in order to rebuild a democratic society;

Whereas since November 17, 1989, the people of the Czech and Slovak Republics have established a vibrant, pluralistic, democratic political system based upon freedom of speech, a free press, free and fair open elections, the rule of law, and other democratic principles and practices as they were recognized by President Wilson and President Thomas G. Masaryk;

Whereas the Czech Republic joined the North Atlantic Treaty Organization on March 12, 1999, the admission of which was approved by the Senate of the United States on April 30, 1998;

Whereas the Czech and Slovak Republics are in the process of preparing for admission to the European Union;

Whereas the people of the United States and the Czech and Slovak Republics have maintained a special relationship based on shared democratic values, common interests, and bonds of friendship and mutual respect; and

Whereas the American people have an affinity with the people of the Czech and Slovak Republics and regard the Czech and Slovak Republics as trusted and important partners: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes the 10th anniversary of the historic events in Central and Eastern Europe that brought about the collapse of the communist regimes and the fall of the Iron Curtain, and commemorates with the Czech and Slovak Republics the 10th anniversary of the Velvet Revolution in Czechoslovakia, which underscores the significance and value of reclaimed freedom and the dignity of individual citizens;

(2) commends the peoples of the present Czech and Slovak Republics for their achievements in building new states and pluralistic democratic societies nearly 60 years of totalitarian fascist and communist rule;

(3) supports the peoples of the Czech and Slovak Republics in their determination to join trans-Atlantic institutions through memberships in the North Atlantic Treaty Organization (NATO) and the European Union;

(4) reaffirms the bonds of friendship and close cooperation that have existed between the United States and Czech and Slovak Republics; and

(5) extends the warmest congratulations and best wishes to the Czech and Slovak Republic and their people for a peaceful, prosperous, and successful future.

SENATE RESOLUTION 218—EXPRESSING THE SENSE OF THE SENATE THAT A COMMEMORATIVE POSTAGE STAMP SHOULD BE ISSUED RECOGNIZING THE 4-H YOUTH DEVELOPMENT PROGRAM'S CENTENNIAL

Mr. CRAIG (for himself, Mr. Lott, Mr. Cochran, Mr. Abraham, Mr. Akaka, Mr. Allard, Mr. Ashcroft, Mr. Baucus, Mr. Bayh, Mr. Bennett, Mr. Biden, Mr. Bingaman, Mr. Bond, Mrs. Boxer, Mr. Breaux, Mr. Brownback, Mr. Bryan, Mr. Bunning, Mr. Burns, Mr. Byrd, Mr. Campbell, Mr. Chafee, Mr. Cleland, Ms. Collins, Mr. Conrad, Mr. Coverdell, Mr. Crapo, Mr. Daschle, Mr. DeWine, Mr. Dodd, Mr. Domenici, Mr. Dorgan, Mr. Durbin, Mr. Edwards, Mr. Enzi, Mr. Feingold, Mrs. Feinstein, Mr. Fitzgerald, Mr. Frist, Mr. Gorton, Mr. Graham, Mr. Gramm, Mr. Grams, Mr. Grassley, Mr. Gregg, Mr. Hagel, Mr. Harkin, Mr. Hatch, Mr. Helms, Mr. Hollings, Mr. Hutchinson, Mrs. Hutchison, Mr. Inhofe, Mr. Inouye, Mr. Jeffords, Mr. Johnson, Mr. Kennedy, Mr. Kerrey, Mr. Kerry, Mr. Kohl, Mr. Kyl, Ms. Landrieu, Mr. Lautenberg, Mr. Leahy, Mr. Levin, Mr. Lieberman, Mrs. Lincoln, Mr. Lugar, Mr. Mack, Mr. McCain, Mr. McConnell, Ms. Mikulski, Mr. Moynihan, Mr. Murkowski, Mrs. Murray, Mr. Nickles, Mr. Reed, Mr. Reid, Mr. Robb, Mr. Roberts, Mr. Rockefeller, Mr. Roth, Mr. Santorum, Mr. Sarbanes, Mr. Schumer, Mr. Sessions, Mr. Shelby, Mr. Smith of New Hampshire, Mr. Smith of Oregon, Ms. Snowe, Mr. Specter, Mr. Stevens, Mr. Thomas, Mr. Thompson, Mr. Thurmond, Mr. Torricelli, Mr. Voinovich, Mr. Warner, Mr. Wellstone, and Mr. Wyden) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. Res. 218

Expressing the sense of the Senate that a commemorative postage stamp should be issued recognizing the 4-H Youth Development Program's centennial.

Whereas the 4-H Youth Development Program celebrates its 100th anniversary in 2002;

Whereas the 4-H Youth Development Program has grown to over 5,600,000 annual participants, from 5 to 19 years of age;

Whereas today's 4-H Club is very diverse, offering agricultural, career development, information technology, and general life skills programs;

Whereas these programs are offered in rural and urban areas throughout the world; and

Whereas the 4-H Youth Development Program continues to make great contributions toward the development of well-rounded youth: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the United States Postal Service should make preparations to issue a commemorative postage stamp recognizing the 4-H Youth Development Program's centennial; and

(2) the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a postage stamp be issued in 2002.

Mr. CRAIG. Mr. President, I rise to make a few remarks in support of the 4-H postal stamp resolution.

We must not fail to notice all the admirable efforts of youth today across the country. One fine example of young people joining together to make a positive impact in our country is the 4-H Youth Development Program. In the year 2002, 4-H will celebrate its 100th Anniversary. To recognize this national organization's achievements, I am submitting this resolution urging the U.S. Postal Service to create a stamp in honor of their centennial.

4-H is comprised of over 6 million youth, 45 million alumni, and over 600,000 volunteers. As the 4-H pledge states, they are working everyday to become positive members of "their clubs, their communities, their country and their world." Although this program started at the turn of the century focusing on rural agriculture and homemaking, today it boasts a diverse group with nearly a quarter of its members coming from central cities.

With programs in every state and 80 other countries, 4-H has demonstrated the importance of its ideals. Members follow the motto "To make the best better." Their mission is to create supportive environments enabling youth and adults to reach their full potential. In this way they become capable, competent and caring citizens. As a result, participation in 4-H programs has helped reduce violence, substance abuse, teen pregnancy, and unethical behavior in millions of youth.

Every state has seen the benefits of 4-H membership. A recent report, "Programs of Excellence" demonstrates this. Published by the USDA, the report highlights noteworthy 4-H programs in various states from New Jersey to New Mexico. In my state of Idaho, 4-H achieved recognition for its programs in youth development and ethics in agriculture. Idaho's "Know Your Government" conferences were applauded for giving youth positive attitudes toward government and increasing civic involvement and government knowledge.

This positive organization deserves our support and recognition. A centennial stamp issued by the U.S. Postal Service is the perfect way to honor and celebrate a job well done.

SENATE RESOLUTION 219—RECOGNIZING AND HONORING WALTER JERRY PAYTON AND EXPRESSING THE CONDOLENCES OF THE SENATE TO HIS FAMILY ON HIS DEATH

Mr. FITZGERALD (for himself, Mr. Durbin, Mr. Lott, Mr. Cochran, and Mr. Helms) submitted the following resolution; which was considered and agreed to:

S. RES. 219

Whereas Walter Payton was a hero, a leader, and a role model both on and off the field;

Whereas for 13 years, Walter Payton thrilled Chicago Bears' fans as the National Football League's (NFL's) all-time leading rusher—and as one of the greatest running backs ever to play the game—culminating with his induction into the Professional Football Hall of Fame;

Whereas after retiring from professional football in 1987, Payton continued to touch the lives of both his fellow Chicagoans and citizens of his native state of Mississippi, as a businessman and a community leader;

Whereas Walter Payton was born 1954 to Mrs. Alyne Payton and the late Mr. Edward Payton, and his historic career began as a star running back at Columbia High School in his native hometown of Columbia, Mississippi, which he called "a child's paradise." He went on to choose Jackson State University over 100 college offers, and to set nine university football records, eventually scoring more points than any other football player in the history of the National Collegiate Athletic Association;

Whereas the first choice in the 1975 NFL draft, Payton—or "Sweetness" as he was known to his fans—became the NFL's all-time leader in running and combined net yards and scored 110 touchdowns during his career with the Bears;

Whereas Walter Payton made the Pro Brown nine times and was named the league's Most Valuable Player twice, in 1977 and 1985;

Whereas in 1977, Payton rushed for a career-high, 1,852 yards and carried the Bears to the playoffs for the first time since 1963;

Whereas Payton broke Jim Brown's long-standing record in 1984 to become the league's all-time leading rusher, and finished his career with a record 16,726 total rushing yards;

Whereas in 1985–86, Walter Payton led the Bears to an unforgettable 15–1 season and Super Bowl victory—the first and only Super Bowl win in Bears' history;

Whereas Payton was inducted into the Pro Football Hall of Fame in 1993, and was selected this year as the Greatest All-Time NFL Player by more than 200 players from the NFL Draft Class of 1999;

Whereas Walter Payton matched his accomplishments on the football field with his selfless actions off the field on behalf of those in need. He excelled academically as well as athletically, earning a degree in special education from Jackson State University in just three and one half years, and going on to undertake additional graduate study. Payton worked throughout his adult life to improve the lives of others through personal involvement with many charitable organizations. He was particularly active in working with children facing physical, mental, or economic challenges. In 1988, he established the Halas/Payton Foundation, which continues his legacy of community involvement to help educate Chicago's youth;

Whereas Walter Payton was a dedicated man of faith and principle, who, as a lifelong Baptist, was known for his deep reverence for God; and, as a gracious and selfless citizen, was a devoted father with sterling personal integrity and a warm sense of humor. Walter Payton will always be remembered as a true gentleman with a heart full of genuine and active concern for others;

Whereas Walter Payton was truly an American hero in every sense of the term;

Whereas the members of the Senate extend our deepest sympathies to Walter Payton's family and the host of friends that he had across the country; and

Whereas Walter Payton died tragically on November 1, 1999, at age 45, but his legacy will live in our hearts and minds forever: Now, therefore, be it

Resolved, That the Senate—

(1) hereby recognizes and honors Walter Jerry Payton (A) as one of the greatest football players of all time; and (B) for his many contributions to the Nation, especially to children, throughout his lifetime; and

(2) extends its deepest condolences to Walter Payton's wife, Connie; his two children, Jarrett and Brittney; his mother, Alyne; his brother, Eddie; his sister, Pam; and other members of his family.

AMENDMENTS SUBMITTED

THE AFRICAN GROWTH AND OPPORTUNITY ACT

ROTH AMENDMENT NO. 2505

Mr. ROTH proposed an amendment to amendment No. 2325 proposed by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

On page 10, strike lines 3 through 12, and insert the following:

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes;

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise; and

"(v) a system to combat corruption and bribery, such as signing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

On page 17, line 6, strike "2 years" and insert "5 years".

On page 36, beginning on line 3, strike all through page 41, line 21, and insert the following:

"(B) CBTEA BENEFICIARY COUNTRY.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President designates as a CBTEA beneficiary country, taking into account the following criteria:

"(i) Whether a beneficiary country has demonstrated a commitment to—

"(I) undertake its obligations under the WTO on or ahead of schedule;

"(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

"(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

"(ii) The extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act.

"(iii) The extent to which the country provides protection of intellectual property rights—

"(I) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

"(II) in accordance with standards established in chapter 17 of the NAFTA; and

"(III) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border.

"(iv) The extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA.

"(v) The extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President.

"(vi) The extent to which the country provides internationally recognized worker rights, including—

"(I) the right of association,

"(II) the right to organize and bargain collectively,

"(III) prohibition on the use of any form of coerced or compulsory labor,

"(IV) a minimum age for the employment of children, and

"(V) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

"(vii) Whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance.

"(viii) The extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals.

"(ix) The extent to which the country—

"(I) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996; and

"(II) applies transparent and competitive procedures in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act).

"(x) The extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act).

"(xi) The extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

On page 22, between lines 5 and 6, insert the following new section:

SEC. 116. ACCESS TO HIV/AIDS PHARMACEUTICALS AND MEDICAL TECHNOLOGIES.

(a) FINDINGS.—Congress finds that—

(1) since the onset of the worldwide HIV/AIDS epidemic, approximately 34,000,000 people living in sub-Saharan Africa have been infected with the disease;

(2) of those infected, approximately 11,500,000 have died; and

(3) the deaths represent 83 percent of the total HIV/AIDS-related deaths worldwide.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is in the interest of the United States to take all necessary steps to prevent further spread of infectious disease, particularly HIV/AIDS;

(2) there is critical need for effective incentives to develop new pharmaceuticals, vaccines, and therapies to combat the HIV/AIDS crisis, especially effective global standards for protecting pharmaceutical and medical innovation;

(3) the overriding priority for responding to the crisis on HIV/AIDS in sub-Saharan Africa should be the development of the infrastructure necessary to deliver adequate health care services, and of public education to prevent transmission and infection, rather than legal standards issues; and

(4) individual countries should have the ability to determine the availability of pharmaceuticals and health care for their citizens in general, and particularly with respect to the HIV/AIDS epidemic.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated or otherwise made available to any department or agency of the United States may not be obligated or expended to seek, through negotiation or otherwise, the revocation or revision of any intellectual property or competition law or policy that regulates HIV/AIDS pharmaceuticals or medical technologies of a beneficiary sub-Saharan African country if the law or policy promotes access to HIV/AIDS pharmaceuticals or medical technologies and the law or policy of the country provides adequate and effective intellectual property protection consistent with the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act.

At the end, insert the following new title:

TITLE VI—OTHER TRADE PROVISIONS

SEC. 601. NORMAL TRADE RELATIONS FOR ALBANIA.

(a) FINDINGS.—Congress makes the following findings:

(1) Albania has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974.

(2) Since its emergence from communism, Albania has made progress toward democratic rule and the creation of a free-market economy.

(3) Albania has concluded a bilateral investment treaty with the United States.

(4) Albania has demonstrated a strong desire to build a friendly relationship with the United States and has been very cooperative with NATO and the international community during and after the Kosova crisis.

(5) The extension of unconditional normal trade relations treatment to the products of Albania will enable the United States to avail itself of all rights under the World Trade Organization with respect to Albania when that country becomes a member of the World Trade Organization.

(b) TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO ALBANIA.—

(1) PRESIDENTIAL DETERMINATIONS AND EXTENSIONS OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(A) determine that such title should no longer apply to Albania; and

(B) after making a determination under subparagraph (A) with respect to Albania, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(2) TERMINATION OF APPLICATION OF TITLE IV.—On or after the effective date of the extension under paragraph (1)(B) of nondiscriminatory treatment to the products of Albania, title IV of the Trade Act of 1974 shall cease to apply to that country.

SEC. 602. NORMAL TRADE RELATIONS FOR KYRGYZSTAN.

(a) FINDINGS.—Congress makes the following findings:

(1) Kyrgyzstan has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974.

(2) Since its independence from the Soviet Union in 1991, Kyrgyzstan has made great progress toward democratic rule and toward creating a free-market economic system.

(3) Kyrgyzstan concluded a bilateral investment treaty with the United States in 1994.

(4) Kyrgyzstan has demonstrated a strong desire to build a friendly and cooperative relationship with the United States.

(5) The extension of unconditional normal trade relations treatment to the products of Kyrgyzstan will enable the United States to avail itself of all rights under the World Trade Organization with respect to Kyrgyzstan.

(b) TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO KYRGYZSTAN.—

(1) PRESIDENTIAL DETERMINATIONS AND EXTENSIONS OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(A) determine that such title should no longer apply to Kyrgyzstan; and

(B) after making a determination under subparagraph (A) with respect to Kyrgyzstan, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(2) TERMINATION OF APPLICATION OF TITLE IV.—On or after the effective date of the extension under paragraph (1)(B) of nondiscriminatory treatment to the products of Kyrgyzstan, title IV of the Trade Act of 1974 shall cease to apply to that country.

SEC. 603. REPORT ON EMPLOYMENT AND TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of this section, the Comptroller General of the United States shall submit a report to Congress regarding the efficiency and effectiveness of Federal and State coordination of employment and retraining activities associated with the following programs and legislation:

(1) trade adjustment assistance (including NAFTA trade adjustment assistance) provided for under title II of the Trade Act of 1974;

(2) the Job Training Partnership Act;

(3) the Workforce Investment Act; and

(4) unemployment insurance.

(b) PERIOD COVERED.—The report shall cover the activities involved in the programs and legislation listed in subsection (a) from January 1, 1994, to December 31, 1999.

(c) DATA AND RECOMMENDATIONS.—The report shall at a minimum include specific data and recommendations regarding—

(1) the compatibility of program requirements related to the employment and retraining of dislocated workers in the United States, with particular emphasis on the trade adjustment assistance programs provided for under title II of the Trade Act of 1974;

(2) the compatibility of application procedures related to the employment and retraining of dislocated workers in the United States;

(3) the capacity of the programs in addressing foreign trade and the transfer of production to other countries on workers in the United States measured in terms of loss of employment and wages;

(4) the capacity of the programs in addressing foreign trade and the transfer of production to other countries on secondary workers in the United States measured in terms of loss of employment and wages;

(5) how the impact of foreign trade and the transfer of production to other countries would have changed the number of beneficiaries covered under the trade adjustment assistance program if the trade adjustment assistance program covered secondary workers in the United States; and

(6) the effectiveness of the programs described in subsection (a) in achieving reemployment of United States workers and maintaining wage levels of United States workers who have been dislocated as a result of foreign trade and the transfer of production to other countries.

SEC. 604. TRADE ADJUSTMENT ASSISTANCE.

(a) CERTIFICATION OF ELIGIBILITY FOR WORKERS REQUIRED FOR DECOMMISSIONING OR CLOSURE OF FACILITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law or any decision by the Secretary of Labor denying certification or eligibility for certification for adjustment assistance under title II of the Trade Act of 1974, a qualified worker described in paragraph (2) shall be certified by the Secretary as eligible to apply for adjustment assistance under such title II.

(2) QUALIFIED WORKER.—For purposes of this subsection, a "qualified worker" means a worker who—

(A) was determined to be covered under Trade Adjustment Assistance Certification TA–W–28,438; and

(B) was necessary for the decommissioning or closure of a nuclear power facility.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

SEC. 605. REPORT ON DEBT RELIEF.

The President shall, not later than 180 days after the date of enactment of this Act, submit to Congress a report on the President's recommendations for bilateral debt relief for sub-Saharan African countries, the President's recommendations for new loan, credit, and guarantee programs and procedures for such countries, and the President's assessment of how debt relief will affect the ability of each such country to participate fully in the international trading system.

SEC. 606. HIV/AIDS EFFECT ON THE SUB-SAHARAN AFRICAN WORKFORCE.

In selecting issues of common interest to the United States-Sub-Saharan African Trade and Economic Cooperation Forum, the President shall instruct the United States delegates to the Forum to promote a review by the Forum of the HIV/AIDS epidemic in each sub-Saharan African country and the effect of the HIV/AIDS epidemic on human and social development in each country.

SEC. 607. GOODS MADE WITH FORCED OR INDENTURED CHILD LABOR.

(a) IN GENERAL.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended by adding at the end the following new sentence: "For purposes of this section, the term 'forced labor or/and indentured labor' includes forced or indentured child labor.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.

SEC. 608. RELIQUIDATION OF CERTAIN NUCLEAR FUEL ASSEMBLIES.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Secretary of the Treasury not later than 90 days after the date of enactment of this Act, the Secretary shall—

(1) reliquidate as free of duty the entries listed in subsection (b); and

(2) refund any duties paid with respect to such entries as shown on Customs Service Collection Receipt Number 527006753.

(b) ENTRIES.—The entries referred to in subsection (a) are as follows:

Entry number	Date of entry
062-2320014-5	January 16, 1996
062-2320085-5	February 13, 1996
839-4030989-7	January 25, 1996
839-4031053-1	December 2, 1996
839-4031591-0	January 21, 1997.

SEC. 609. SENSE OF THE SENATE REGARDING FAIR ACCESS TO JAPANESE TELECOMMUNICATIONS FACILITIES AND SERVICES.

(a) FINDINGS.—The Senate makes the following findings:

(1) The United States has a deep and sustained interest in the promotion of deregulation, competition, and regulatory reform in Japan.

(2) New and bold measures by the Government of Japan regarding regulatory reform will help remove the regulatory and structural impediments to the effective functioning of market forces in the Japanese economy.

(3) Regulatory reform will increase the efficient allocation of resources in Japan, which is critical to returning Japan to a long-term growth path powered by domestic demand.

(4) Regulatory reform will not only improve market access for United States business and other foreign firms, but will also enhance consumer choice and economic prosperity in Japan.

(5) A sustained recovery of the Japanese economy is vital to a sustained recovery of Asian economies.

(6) The Japanese economy must serve as one of the main engines of growth for Asia and for the global economy.

(7) The Governments of the United States and Japan reconfirmed the critical importance of deregulation, competition, and regulatory reform when the two governments established the Enhanced Initiative on Deregulation and Competition Policy in 1997.

(8) Telecommunications is a critical sector requiring reform in Japan, where the market is hampered by a history of laws, regulations, and monopolistic practices that do not meet the needs of a competitive market.

(9) As the result of Japan's laws, regulations, and monopolistic practices, Japanese consumers and Japanese industry have been denied the broad benefits of innovative telecommunications services, cutting edge technology, and lower prices that competition would bring to the market.

(10) Japan's significant lag in developing broadband and Internet services, and Japan's lag in the entire area of electronic commerce, is a direct result of a noncompetitive telecommunications regulatory structure.

(11) Japan's lag in developing broadband and Internet services is evidenced by the following:

(A) Japan has only 17,000,000 Internet users, while the United States has 80,000,000 Internet users.

(B) Japan hosts fewer than 2,000,000 websites, while the United States hosts over 30,000,000 websites.

(C) Electronic commerce in Japan is valued at less than $1,000,000,000, while in the United States electronic commerce is valued at over $30,000,000,000.

(D) 19 percent of Japan's schools are connected to the Internet, while in the United States 89 percent of schools are connected.

(12) Leading edge foreign telecommunications companies, because of their high level of technology and innovation, are the key to building the necessary telecommunications infrastructure in Japan, which will only be able to serve Japanese consumers and industry if there is a fundamental change in Japan's regulatory approach to telecommunications.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the appropriate officials in the executive branch should implement vigorously the call for Japan to undertake a major regulatory reform in the telecommunications sector, the so-called "Telecommunications Big Bang";

(2) a "Telecommunications Big Bang" must address fundamental legislative and regulatory issues within a strictly defined timeframe;

(3) the new telecommunications regulatory framework should put competition first in order to encourage new and innovative businesses to enter the telecommunications market in Japan;

(4) the Government of Japan should ensure that Nippon Telegraph and Telephone Corporation (NTT) and its affiliates (the NTT Group) are prevented from using their dominant position in the wired and wireless market in an anticompetitive manner; and

(5) the Government of Japan should take credible steps to ensure that competitive carriers have reasonable, cost-based, and nondiscriminatory access to the rights-of-way, facilities, and services controlled by NTT, the NTT Group, other utilities, and the Government of Japan, including—

(A) access to interconnection at market-based rates;

(B) unrestricted access to unbundled elements of the network belonging to NTT and the NTT Group; and

(C) access to public roads for the installation of facilities.

SEC. 610. REPORTS TO THE FINANCE AND WAYS AND MEANS COMMITTEES.

(a) REPORTS REGARDING INITIATIVES TO UPDATE THE INTERNATIONAL MONETARY FUND.—Section 607 of the Foreign Operations, Export Financing, and Related Appropriations Act, 1999 (as contained in section 101(d) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681–224), relating to international financial programs and reform, is amended—

(1) by inserting "Finance," after "Foreign Relations,"; and

(2) by inserting ", Ways and Means," before "and Banking and Financial Services".

(b) REPORTS ON FINANCIAL STABILIZATION PROGRAMS.—Section 1704(b) of the International Financial Institutions Act (22 U.S.C. 262r–3(b)) is amended to read as follows:

"(b) TIMING.—Not later than March 15, 1999, and semiannually thereafter, the Secretary of the Treasury shall submit to the Committees on Banking and Financial Services, Ways and Means, and International Relations of the House of Representatives and the Committees on Finance, Foreign Relations, and Banking, Housing, and Urban Affairs of the Senate a report on the matters described in subsection (a).".

(c) ANNUAL REPORT ON THE STATE OF THE INTERNATIONAL FINANCIAL SYSTEM, IMF REFORM, AND COMPLIANCE WITH IMF AGREEMENTS.—Section 1705(a) of the International Financial Institutions Act (22 U.S.C. 262r–4(a)) is amended by striking "Committee on Banking and Financial Services of the House of Representatives and the Committee on Foreign Relations of the Senate" and inserting "Committees on Banking and Financial Services and on Ways and Means of the House of Representatives and the Committees on Finance and on Foreign Relations of the Senate".

(d) AUDITS OF THE IMF.—Section 1706(a) of the International Financial Institutions Act (22 U.S.C. 262r–5(a)) is amended by striking "Committee on Banking and Financial Services of the House of Representatives and the Committee on Foreign Relations of the Senate" and inserting "Committees on Banking and Financial Services and on Ways and Means of the House of Representatives and the Committees on Finance and on Foreign Relations of the Senate".

(e) REPORT ON PROTECTION OF BORDERS AGAINST DRUG TRAFFIC.—Section 629 of the Treasury and General Government Appropriations Act, 1999 (as contained in section 101(h) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) (Public Law 105–277; 112 Stat. 2681–522), relating to general provisions, is amended by adding at the end the following new paragraph:

"(3) For purposes of paragraph (1), the term 'appropriate congressional committees' includes the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.".

SEC. 611. CLARIFICATION OF SECTION 334 OF THE URUGUAY ROUND AGREEMENTS ACT.

(a) IN GENERAL.—Section 334(b)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3592(b)(2)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) in the matter preceding clause (i) (as redesignated), by striking "Notwithstanding paragraph (1)(D)" and inserting "(A) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (B) and (C)"; and

(3) by adding at the end the following:

"(B) Notwithstanding paragraph (1)(C), fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which the fabric is both dyed and printed when accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

"(C) Notwithstanding paragraph (1)(D), goods classified under HTS heading 6117.10, 6213.00, 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95, except for goods classified under such headings as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which the fabric is both dyed and printed when accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.".

(b) EFFECTIVE DATE.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act.

SEC. 612. CHIEF AGRICULTURAL NEGOTIATOR.

(a) ESTABLISHMENT OF A POSITION.—There is established the position of Chief Agricultural Negotiator in the Office of the United States Trade Representative. The Chief Agricultural Negotiator shall be appointed by the President, with the rank of Ambassador, by and with the advice and consent of the Senate.

(b) FUNCTIONS.—The primary function of the Chief Agricultural Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to United States agricultural products and services. The Chief Agricultural Negotiator shall be a vigorous advocate on behalf of United States agricultural interests. The Chief Agricultural Negotiator shall perform such other functions as the United States Trade Representative may direct.

(c) COMPENSATION.—The Chief Agricultural Negotiator shall be paid at the highest rate of basic pay payable to a member of the Senior Executive Service.

SEC. 613. REVISION OF RETALIATION LIST OR OTHER REMEDIAL ACTION.

Section 306(b)(2) of the Trade Act of 1974 (19 U.S.C. 2416(b)(2)) is amended—

(1) by striking "If the" and inserting the following:

"(A) FAILURE TO IMPLEMENT RECOMMENDATION.—If the"; and

(2) by adding at the end the following:

"(B) REVISION OF RETALIATION LIST AND ACTION.—

"(i) IN GENERAL.—Except as provided in clause (ii), in the event that the United States initiates a retaliation list or takes any other action described in section 301(c)(1) (A) or (B) against the goods of a foreign country or countries because of the failure of such country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trade Organization, the Trade Representative shall periodically revise the list or action to affect other goods of the country or countries that have failed to implement the recommendation.

"(ii) EXCEPTION.—The Trade Representative is not required to revise the retaliation list or the action described in clause (i) with respect to a country, if—

"(I) the Trade Representative determines that implementation of a recommendation made pursuant to a dispute settlement proceeding described in clause (i) by the country is imminent; or

"(II) the Trade Representative together with the petitioner involved in the initial investigation under this chapter (or if no petition was filed, the affected United States industry) agree that it is unnecessary to revise the retaliation list.

"(C) SCHEDULE FOR REVISING LIST OR ACTION.—The Trade Representative shall, 120 days after the date the retaliation list or other section 301(a) action is first taken, and every 180 days thereafter, review the list or action taken and revise, in whole or in part, the list or action to affect other goods of the subject country or countries.

"(D) STANDARDS FOR REVISING LIST OR ACTION.—In revising any list or action against a country or countries under this subsection, the Trade Representative shall act in a manner that is most likely to result in the country or countries implementing the recommendations adopted in the dispute settlement proceeding or in achieving a mutually satisfactory solution to the issue that gave rise to the dispute settlement proceeding. The Trade Representative shall consult with the petitioner, if any, involved in the initial investigation under this chapter.

"(E) RETALIATION LIST.—The term 'retaliation list' means the list of products of a foreign country or countries that have failed to comply with the report of the panel or Appellate Body of the WTO and with respect to which the Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States.".

SEC. 614. SENSE OF CONGRESS REGARDING COMPREHENSIVE DEBT RELIEF FOR THE WORLD'S POOREST COUNTRIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The burden of external debt has become a major impediment to economic growth and poverty reduction in many of the world's poorest countries.

(2) Until recently, the United States Government and other official creditors sought to address this problem by rescheduling loans and in some cases providing limited debt reduction.

(3) Despite such efforts, the cumulative debt of many of the world's poorest countries continued to grow beyond their capacity to repay.

(4) In 1997, the Group of Seven, the World Bank, and the International Monetary Fund adopted the Heavily Indebted Poor Countries Initiative (HIPC), a commitment by the international community that all multilateral and bilateral creditors, acting in a coordinated and concerted fashion, would reduce poor country debt to a sustainable level.

(5) The HIPC Initiative is currently undergoing reforms to address concerns raised about country conditionality, the amount of debt forgiven, and the allocation of savings realized through the debt forgiveness program to ensure that the Initiative accomplishes the goals of economic growth and poverty alleviation in the world's poorest countries.

(6) Recently, the President requested Congress to provide additional resources for bilateral debt forgiveness and additional United States contributions to the HIPC Trust Fund.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Congress and the President should work together, without undue delay and in concert with the international community, to make comprehensive debt relief available to the world's poorest countries in a manner that promotes economic growth and poverty alleviation;

(2) this program of bilateral and multilateral debt relief should be designed to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth in beneficiary countries;

(3) this program of debt relief should also support the adoption of policies to alleviate poverty and to ensure that benefits are shared widely among the population, such as through initiatives to advance education, improve health, combat AIDS, and promote clean water and environmental protection;

(4) these debt relief agreements should be designed and implemented in a transparent manner and with the broad participation of the citizenry of the debtor country and should ensure that country circumstances are adequately taken into account;

(5) no country should receive the benefits of debt relief if that country does not cooperate with the United States on terrorism or narcotics enforcement, is a gross violator of the human rights of its citizens, or is engaged in conflict or spends excessively on its military; and

(6) in order to prevent adverse impact on a key industry in many developing countries, the International Monetary Fund must mobilize its own resources for providing debt relief to eligible countries without allowing gold to reach the open market, or otherwise adversely affecting the market price of gold.

SEC. 615. REPORT ON TRADE ADJUSTMENT ASSISTANCE FOR AGRICULTURAL COMMODITY PRODUCERS.

(a) IN GENERAL.—Not later than 4 months after the date of enactment of this Act, the Secretary of Labor, in consultation with the Secretary of Agriculture and the Secretary of Commerce, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) examines the applicability to agricultural commodity producers of trade adjustment assistance programs established under title II of the Trade Act of 1974; and

(2) sets forth recommendations to improve the operation of those programs as the programs apply to agricultural commodity producers or to establish a new trade adjustment assistance program for agricultural commodity producers.

(b) CONTENTS.—In preparing the report required by subsection (a), the Secretary of Labor shall—

(1) assess the degree to which the existing trade adjustment assistance programs address the adverse effects on agricultural commodity producers due to price suppression caused by increased imports of like or directly competitive agricultural commodities; and

(2) examine the effectiveness of the program benefits authorized under subchapter B of chapter 2 and chapter 3 of title II of the Trade Act of 1974 in remedying the adverse effects, including price suppression, caused by increased imports of like or directly competitive agricultural commodities.

(c) DEFINITIONS.—In this section:

(1) AGRICULTURAL COMMODITY.—The term "agricultural commodity" means any agricultural commodity, including livestock, fish or harvested seafood in its raw or natural state.

(2) AGRICULTURAL COMMODITY PRODUCER.—The term "agricultural commodity producer" means any person who is engaged in the production and sale of an agricultural commodity in the United States and who owns or shares the ownership and risk of loss of the agricultural commodity.

SEC. 616. STUDY ON IMPROVING AFRICAN AGRICULTURAL PRACTICES.

(a) IN GENERAL.—The United States Department of Agriculture, in consultation with American Land Grant Colleges and Universities and not-for-profit international organizations, is authorized to conduct a two-year study on ways to improve the flow of American farming techniques and practices to African farmers. The study conducted by the Department of Agriculture shall include an examination of ways of improving or utilizing—

(1) knowledge of insect and sanitation procedures;

(2) modern farming and soil conservation techniques;

(3) modern farming equipment (including maintaining the equipment);

(4) marketing crop yields to prospective purchasers; and

(5) crop maximization practices.

The study shall be submitted to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives not later than September 30, 2001.

(b) Land Grant Colleges and Not-for-Profit Institutions.—The Department of Agriculture is encouraged to consult with American Land Grant Colleges and not-for-profit international organizations that have firsthand knowledge of current African farming practices.

(c) Authorization of Funding.—There is authorized to be appropriated $2,000,000 to conduct the study described in subsection (a).

SEC. 617. ANTICORRUPTION EFFORTS.

(a) Findings.—Congress makes the following findings:

(1) Corruption and bribery of public officials is a major problem in many African countries and represents a serious threat to the development of a functioning domestic private sector, to United States business and trade interests, and to prospects for democracy and good governance in African countries.

(2) Of the 17 countries in sub-Saharan Africa rated by the international watchdog group, Transparency International, as part of the 1998 Corruption Perception Index, 13 ranked in the bottom half.

(3) The Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which has been signed by all 29 members of the OECD plus Argentina, Brazil, Bulgaria, Chile, and the Slovak Republic and which entered into force on February 15, 1999, represents a significant step in the elimination of bribery and corruption in international commerce.

(4) As a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the United States should encourage the highest standards possible with respect to bribery and corruption.

(b) Sense of Congress.—It is the sense of Congress that the United States should encourage at every opportunity the accession of sub-Saharan African countries, as defined in section 6, to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

SEC. 618. SENSE OF THE SENATE REGARDING EFFORTS TO COMBAT DESERTIFICATION IN AFRICA AND OTHER NATIONS.

(a) Findings.—Congress finds that—

(1) desertification affects approximately one-sixth of the world's population and one-quarter of the total land area;

(2) over 1,000,000 hectares of Africa are affected by desertification;

(3) dryland degradation is an underlying cause of recurrent famine in Africa;

(4) the United Nations Environment Programme estimates that desertification costs the world $42,000,000,000 a year, not including incalculable costs in human suffering; and

(5) the United States can strengthen its partnerships throughout Africa and other nations affected by desertification, help alleviate social and economic crises caused by misuse of natural resources, and reduce dependence on foreign aid, by taking a leading role to combat desertification.

(b) Sense of the Senate.—It is the sense of the Senate that the United States should expeditiously work with the international community, particularly Africa and other nations affected by desertification, to—

(1) strengthen international cooperation to combat desertification;

(2) promote the development of national and regional strategies to address desertification and increase public awareness of this serious problem and its effects;

(3) develop and implement national action programs that identify the causes of desertification and measures to address it; and

(4) recognize the essential role of local governments and nongovernmental organizations in developing and implementing measures to address desertification.

SEC. 619. REPORT ON WORLD TRADE ORGANIZATION MINISTERIAL.

(a) Sense of Congress.—Congress recognizes the importance of the new round of international trade negotiations that will be launched at the World Trade Organization (WTO) Ministerial Conference in Seattle, Washington, from November 30 to December 3, 1999.

(b) Report.—Not later than February 3, 2000, the United States Trade Representative shall submit a report to Congress regarding discussions on the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the Antidumping Agreement) and the Agreement on Subsidies and Countervailing Measures during the Seattle Ministerial Conference. The report shall include a complete description of such discussions, including proposals made to renegotiate those agreements, the member government making the proposal, and the United States Trade Representative's response to the proposal, with a description as to how the response achieves United States trade goals.

SEC. 620. MARKING OF IMPORTED JEWELRY.

(a) Marking Requirement.—Not later than the date that is 1 year after the date of enactment of this Act, the Secretary of the Treasury shall prescribe and implement regulations that require that all jewelry described in subsection (b) that enters the customs territory of the United States have the English name of the country of origin indelibly marked in a conspicuous place on such jewelry by cutting, die-sinking, engraving, stamping, or some other permanent method to the same extent as such marking is required for Native American-style jewelry under section 134.43 of title 19, Code of Federal Regulations, as in effect on October 1, 1998.

(b) Jewelry.—The jewelry described in this subsection means any article described in heading 7117 of the Harmonized Tariff Schedule of the United States.

(c) Definition.—As used in this section, the term "enters the customs territory of the United States" means enters, or is withdrawn from warehouse for consumption, in the customs territory of the United States.

SEC. 621. SENSE OF THE SENATE REGARDING TARIFF INVERSIONS.

It is the sense of the Senate that United States trade policy should, while taking into account the conditions of United States producers, especially those currently facing tariff phase-outs negotiated under prior trade agreements, place a priority on the elimination or amelioration of tariff inversions, including those applicable to wool fabric, that undermine the competitiveness of United States consuming industries.

THE HEALTHCARE RESEARCH AND QUALITY ACT OF 1999

FRIST (AND OTHERS) AMENDMENT NO. 2506

Mr. GRAMM (for Mr. Frist (for himself, Mr. Jeffords, and Mr. Kennedy)) proposed an amendment to the bill (S. 580) to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Healthcare Research and Quality Act of 1999".

SEC. 2. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.

(a) In General.—Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended to read as follows:

"TITLE IX—AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"SEC. 901. MISSION AND DUTIES.

"(a) In General.—There is established within the Public Health Service an agency to be known as the Agency for Healthcare Research and Quality, which shall be headed by a director appointed by the Secretary. The Secretary shall carry out this title acting through the Director.

"(b) Mission.—The purpose of the Agency is to enhance the quality, appropriateness, and effectiveness of health services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical and health system practices, including the prevention of diseases and other health conditions. The Agency shall promote health care quality improvement by conducting and supporting—

"(1) research that develops and presents scientific evidence regarding all aspects of health care, including—

"(A) the development and assessment of methods for enhancing patient participation in their own care and for facilitating shared patient-physician decision-making;

"(B) the outcomes, effectiveness, and cost-effectiveness of health care practices, including preventive measures and long-term care;

"(C) existing and innovative technologies;

"(D) the costs and utilization of, and access to health care;

"(E) the ways in which health care services are organized, delivered, and financed and the interaction and impact of these factors on the quality of patient care;

"(F) methods for measuring quality and strategies for improving quality; and

"(G) ways in which patients, consumers, purchasers, and practitioners acquire new information about best practices and health benefits, the determinants and impact of their use of this information;

"(2) the synthesis and dissemination of available scientific evidence for use by patients, consumers, practitioners, providers, purchasers, policy makers, and educators; and

“(3) initiatives to advance private and public efforts to improve health care quality.

“(c) Requirements With Respect to Rural and Inner-city Areas and Priority Populations.—

“(1) Research, evaluations and demonstration projects.—In carrying out this title, the Director shall conduct and support research and evaluations, and support demonstration projects, with respect to—

“(A) the delivery of health care in inner-city areas, and in rural areas (including frontier areas); and

“(B) health care for priority populations, which shall include—

“(i) low-income groups;

“(ii) minority groups;

“(iii) women;

“(iv) children;

“(v) the elderly; and

“(vi) individuals with special health care needs, including individuals with disabilities and individuals who need chronic care or end-of-life health care.

“(2) Process to ensure appropriate research.—The Director shall establish a process to ensure that the requirements of paragraph (1) are reflected in the overall portfolio of research conducted and supported by the Agency.

“(3) Office of priority populations.—The Director shall establish an Office of Priority Populations to assist in carrying out the requirements of paragraph (1).

“SEC. 902. GENERAL AUTHORITIES.

“(a) In General.—In carrying out section 901(b), the Director shall conduct and support research, evaluations, and training, support demonstration projects, research networks, and multi-disciplinary centers, provide technical assistance, and disseminate information on health care and on systems for the delivery of such care, including activities with respect to—

“(1) the quality, effectiveness, efficiency, appropriateness and value of health care services;

“(2) quality measurement and improvement;

“(3) the outcomes, cost, cost-effectiveness, and use of health care services and access to such services;

“(4) clinical practice, including primary care and practice-oriented research;

“(5) health care technologies, facilities, and equipment;

“(6) health care costs, productivity, organization, and market forces;

“(7) health promotion and disease prevention, including clinical preventive services;

“(8) health statistics, surveys, database development, and epidemiology; and

“(9) medical liability.

“(b) Health Services Training Grants.—

“(1) In general.—The Director may provide training grants in the field of health services research related to activities authorized under subsection (a), to include pre- and post-doctoral fellowships and training programs, young investigator awards, and other programs and activities as appropriate. In carrying out this subsection, the Director shall make use of funds made available under section 487(d)(3) as well as other appropriated funds.

“(2) Requirements.—In developing priorities for the allocation of training funds under this subsection, the Director shall take into consideration shortages in the number of trained researchers who are addressing health care issues for the priority populations identified in section 901(c)(1)(B) and in addition, shall take into consideration indications of long-term commitment, amongst applicants for training funds, to addressing health care needs of the priority populations.

“(c) Multidisciplinary Centers.—The Director may provide financial assistance to assist in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services research, demonstration projects, evaluations, training, and policy analysis with respect to the matters referred to in subsection (a).

“(d) Relation to Certain Authorities Regarding Social Security.—Activities authorized in this section shall be appropriately coordinated with experiments, demonstration projects, and other related activities authorized by the Social Security Act and the Social Security Amendments of 1967. Activities under subsection (a)(2) of this section that affect the programs under titles XVIII, XIX and XXI of the Social Security Act shall be carried out consistent with section 1142 of such Act.

“(e) Disclaimer.—The Agency shall not mandate national standards of clinical practice or quality health care standards. Recommendations resulting from projects funded and published by the Agency shall include a corresponding disclaimer.

“(f) Rule of Construction.—Nothing in this section shall be construed to imply that the Agency's role is to mandate a national standard or specific approach to quality measurement and reporting. In research and quality improvement activities, the Agency shall consider a wide range of choices, providers, health care delivery systems, and individual preferences.

“(g) Annual Report.—Beginning with fiscal year 2003, the Director shall annually submit to the Congress a report regarding prevailing disparities in health care delivery as it relates to racial factors and socioeconomic factors in priority populations.

“PART B—HEALTH CARE IMPROVEMENT RESEARCH

“SEC. 911. HEALTH CARE OUTCOME IMPROVEMENT RESEARCH.

“(a) Evidence Rating Systems.—In collaboration with experts from the public and private sector, the Agency shall identify and disseminate methods or systems to assess health care research results, particularly methods or systems to rate the strength of the scientific evidence underlying health care practice, recommendations in the research literature, and technology assessments. The Agency shall make methods or systems for evidence rating widely available. Agency publications containing health care recommendations shall indicate the level of substantiating evidence using such methods or systems.

“(b) Health Care Improvement Research Centers and Provider-Based Research Networks.—

“(1) In general.—In order to address the full continuum of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Agency shall employ research strategies and mechanisms that will link research directly with clinical practice in geographically diverse locations throughout the United States, including—

“(A) health care improvement research centers that combine demonstrated multidisciplinary expertise in outcomes or quality improvement research with linkages to relevant sites of care;

“(B) provider-based research networks, including plan, facility, or delivery system sites of care (especially primary care), that can evaluate outcomes and evaluate and promote quality improvement; and

“(C) other innovative mechanisms or strategies to link research with clinical practice.

“(2) Requirements.—The Director is authorized to establish the requirements for entities applying for grants under this subsection.

“SEC. 912. PRIVATE-PUBLIC PARTNERSHIPS TO IMPROVE ORGANIZATION AND DELIVERY.

“(a) Support for Efforts To Develop Information on Quality.—

“(1) Scientific and technical support.—In its role as the principal agency for health care research and quality, the Agency may provide scientific and technical support for private and public efforts to improve health care quality, including the activities of accrediting organizations.

“(2) Role of the agency.—With respect to paragraph (1), the role of the Agency shall include—

“(A) the identification and assessment of methods for the evaluation of the health of—

“(i) enrollees in health plans by type of plan, provider, and provider arrangements; and

“(ii) other populations, including those receiving long-term care services;

“(B) the ongoing development, testing, and dissemination of quality measures, including measures of health and functional outcomes;

“(C) the compilation and dissemination of health care quality measures developed in the private and public sector;

“(D) assistance in the development of improved health care information systems;

“(E) the development of survey tools for the purpose of measuring participant and beneficiary assessments of their health care; and

“(F) identifying and disseminating information on mechanisms for the integration of information on quality into purchaser and consumer decision-making processes.

“(b) Centers for Education and Research on Therapeutics.—

“(1) In general.—The Secretary, acting through the Director and in consultation with the Commissioner of Food and Drugs, shall establish a program for the purpose of making one or more grants for the establishment and operation of one or more centers to carry out the activities specified in paragraph (2).

“(2) Required activities.—The activities referred to in this paragraph are the following:

“(A) The conduct of state-of-the-art research for the following purposes:

“(i) To increase awareness of—

“(I) new uses of drugs, biological products, and devices;

“(II) ways to improve the effective use of drugs, biological products, and devices; and

“(III) risks of new uses and risks of combinations of drugs and biological products.

“(ii) To provide objective clinical information to the following individuals and entities:

“(I) Health care practitioners and other providers of health care goods or services.

“(II) Pharmacists, pharmacy benefit managers and purchasers.

“(III) Health maintenance organizations and other managed health care organizations.

“(IV) Health care insurers and governmental agencies.

“(V) Patients and consumers.

“(iii) To improve the quality of health care while reducing the cost of health care through—

“(I) an increase in the appropriate use of drugs, biological products, or devices; and

“(II) the prevention of adverse effects of drugs, biological products, and devices and the consequences of such effects, such as unnecessary hospitalizations.

“(B) The conduct of research on the comparative effectiveness, cost-effectiveness, and safety of drugs, biological products, and devices.

“(C) Such other activities as the Secretary determines to be appropriate, except that a grant may not be expended to assist the Secretary in the review of new drugs, biological products, and devices.

“(c) Reducing Errors in Medicine.—The Director shall conduct and support research and build private-public partnerships to—

“(1) identify the causes of preventable health care errors and patient injury in health care delivery;

“(2) develop, demonstrate, and evaluate strategies for reducing errors and improving patient safety; and

“(3) disseminate such effective strategies throughout the health care industry.

“SEC. 913. INFORMATION ON QUALITY AND COST OF CARE.

“(a) In General.—The Director shall—

“(1) conduct a survey to collect data on a nationally representative sample of the population on the cost, use and, for fiscal year 2001 and subsequent fiscal years, quality of health care, including the types of health care services Americans use, their access to health care services, frequency of use, how much is paid for the services used, the source of those payments, the types and costs of private health insurance, access, satisfaction, and quality of care for the general population including rural residents and also for populations identified in section 901(c); and

“(2) develop databases and tools that provide information to States on the quality, access, and use of health care services provided to their residents.

“(b) Quality and Outcomes Information.—

“(1) In general.—Beginning in fiscal year 2001, the Director shall ensure that the survey conducted under subsection (a)(1) will—

“(A) identify determinants of health outcomes and functional status, including the health care needs of populations identified in section 901(c), provide data to study the relationships between health care quality, outcomes, access, use, and cost, measure changes over time, and monitor the overall national impact of Federal and State policy changes on health care;

“(B) provide information on the quality of care and patient outcomes for frequently occurring clinical conditions for a nationally representative sample of the population including rural residents; and

“(C) provide reliable national estimates for children and persons with special health care needs through the use of supplements or periodic expansions of the survey.

In expanding the Medical Expenditure Panel Survey, as in existence on the date of the enactment of this title in fiscal year 2001 to collect information on the quality of care, the Director shall take into account any outcomes measurements generally collected by private sector accreditation organizations.

“(2) Annual report.—Beginning in fiscal year 2003, the Secretary, acting through the Director, shall submit to Congress an annual report on national trends in the quality of health care provided to the American people.

“SEC. 914. INFORMATION SYSTEMS FOR HEALTH CARE IMPROVEMENT.

“(a) In General.—In order to foster a range of innovative approaches to the management and communication of health information, the Agency shall conduct and support research, evaluations, and initiatives to advance—

“(1) the use of information systems for the study of health care quality and outcomes, including the generation of both individual provider and plan-level comparative performance data;

“(2) training for health care practitioners and researchers in the use of information systems;

“(3) the creation of effective linkages between various sources of health information, including the development of information networks;

“(4) the delivery and coordination of evidence-based health care services, including the use of real-time health care decision-support programs;

“(5) the utility and comparability of health information data and medical vocabularies by addressing issues related to the content, structure, definitions and coding of such information and data in consultation with appropriate Federal, State and private entities;

“(6) the use of computer-based health records in all settings for the development of personal health records for individual health assessment and maintenance, and for monitoring public health and outcomes of care within populations; and

“(7) the protection of individually identifiable information in health services research and health care quality improvement.

“(b) Demonstration.—The Agency shall support demonstrations into the use of new information tools aimed at improving shared decision-making between patients and their care-givers.

“(c) Facilitating Public Access to Information.—The Director shall work with appropriate public and private sector entities to facilitate public access to information regarding the quality of and consumer satisfaction with health care.

“SEC. 915. RESEARCH SUPPORTING PRIMARY CARE AND ACCESS IN UNDERSERVED AREAS.

“(a) Preventive Services Task Force.—

“(1) Establishment and purpose.—The Director may periodically convene a Preventive Services Task Force to be composed of individuals with appropriate expertise. Such a task force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations for the health care community, and updating previous clinical preventive recommendations.

“(2) Role of agency.—The Agency shall provide ongoing administrative, research, and technical support for the operations of the Preventive Services Task Force, including coordinating and supporting the dissemination of the recommendations of the Task Force.

“(3) Operation.—In carrying out its responsibilities under paragraph (1), the Task Force is not subject to the provisions of Appendix 2 of title 5, United States Code.

“(b) Primary Care Research.—

“(1) In general.—There is established within the Agency a Center for Primary Care Research (referred to in this subsection as the ‘Center’) that shall serve as the principal source of funding for primary care practice research in the Department of Health and Human Services. For purposes of this paragraph, primary care research focuses on the first contact when illness or health concerns arise, the diagnosis, treatment or referral to specialty care, preventive care, and the relationship between the clinician and the patient in the context of the family and community.

“(2) Research.—In carrying out this section, the Center shall conduct and support research concerning—

“(A) the nature and characteristics of primary care practice;

“(B) the management of commonly occurring clinical problems;

“(C) the management of undifferentiated clinical problems; and

“(D) the continuity and coordination of health services.

“SEC. 916. HEALTH CARE PRACTICE AND TECHNOLOGY INNOVATION.

“(a) In General.—The Director shall promote innovation in evidence-based health care practices and technologies by—

“(1) conducting and supporting research on the development, diffusion, and use of health care technology;

“(2) developing, evaluating, and disseminating methodologies for assessments of health care practices and technologies;

“(3) conducting intramural and supporting extramural assessments of existing and new health care practices and technologies;

“(4) promoting education and training and providing technical assistance in the use of health care practice and technology assessment methodologies and results; and

“(5) working with the National Library of Medicine and the public and private sector to develop an electronic clearinghouse of currently available assessments and those in progress.

“(b) Specification of Process.—

“(1) In general.—Not later than December 31, 2000, the Director shall develop and publish a description of the methods used by the Agency and its contractors for health care practice and technology assessment.

“(2) Consultations.—In carrying out this subsection, the Director shall cooperate and consult with the Assistant Secretary for Health, the Administrator of the Health Care Financing Administration, the Director of the National Institutes of Health, the Commissioner of Food and Drugs, and the heads of any other interested Federal department or agency, and shall seek input, where appropriate, from professional societies and other private and public entities.

“(3) Methodology.—The Director shall, in developing the methods used under paragraph (1), consider—

“(A) safety, efficacy, and effectiveness;

“(B) legal, social, and ethical implications;

“(C) costs, benefits, and cost-effectiveness;

“(D) comparisons to alternate health care practices and technologies; and

“(E) requirements of Food and Drug Administration approval to avoid duplication.

“(c) Specific Assessments.—

“(1) In general.—The Director shall conduct or support specific assessments of health care technologies and practices.

“(2) Requests for assessments.—The Director is authorized to conduct or support assessments, on a reimbursable basis, for the Health Care Financing Administration, the Department of Defense, the Department of Veterans Affairs, the Office of Personnel Management, and other public or private entities.

“(3) Grants and contracts.—In addition to conducting assessments, the Director may make grants to, or enter into cooperative agreements or contracts with, entities described in paragraph (4) for the purpose of conducting assessments of experimental, emerging, existing, or potentially outmoded health care technologies, and for related activities.

"(4) ELIGIBLE ENTITIES.—An entity described in this paragraph is an entity that is determined to be appropriate by the Director, including academic medical centers, research institutions and organizations, professional organizations, third party payers, governmental agencies, minority institutions of higher education (such as Historically Black Colleges and Universities, and Hispanic institutions), and consortia of appropriate research entities established for the purpose of conducting technology assessments.

"(d) MEDICAL EXAMINATION OF CERTAIN VICTIMS.—

"(1) IN GENERAL.—The Director shall develop and disseminate a report on evidence-based clinical practices for—

"(A) the examination and treatment by health professionals of individuals who are victims of sexual assault (including child molestation) or attempted sexual assault; and

"(B) the training of health professionals, in consultation with the Health Resources and Services Administration, on performing medical evidentiary examinations of individuals who are victims of child abuse or neglect, sexual assault, elder abuse, or domestic violence.

"(2) CERTAIN CONSIDERATIONS.—In identifying the issues to be addressed by the report, the Director shall, to the extent practicable, take into consideration the expertise and experience of Federal and State law enforcement officials regarding the victims referred to in paragraph (1), and of other appropriate public and private entities (including medical societies, victim services organizations, sexual assault prevention organizations, and social services organizations).

"SEC. 917. COORDINATION OF FEDERAL GOVERNMENT QUALITY IMPROVEMENT EFFORTS.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—To avoid duplication and ensure that Federal resources are used efficiently and effectively, the Secretary, acting through the Director, shall coordinate all research, evaluations, and demonstrations related to health services research, quality measurement and quality improvement activities undertaken and supported by the Federal Government.

"(2) SPECIFIC ACTIVITIES.—The Director, in collaboration with the appropriate Federal officials representing all concerned executive agencies and departments, shall develop and manage a process to—

"(A) improve interagency coordination, priority setting, and the use and sharing of research findings and data pertaining to Federal quality improvement programs, technology assessment, and health services research;

"(B) strengthen the research information infrastructure, including databases, pertaining to Federal health services research and health care quality improvement initiatives;

"(C) set specific goals for participating agencies and departments to further health services research and health care quality improvement; and

"(D) strengthen the management of Federal health care quality improvement programs.

"(b) STUDY BY THE INSTITUTE OF MEDICINE.—

"(1) IN GENERAL.—To provide Congress, the Department of Health and Human Services, and other relevant departments with an independent, external review of their quality oversight, quality improvement and quality research programs, the Secretary shall enter into a contract with the Institute of Medicine—

"(A) to describe and evaluate current quality improvement, quality research and quality monitoring processes through—

"(i) an overview of pertinent health services research activities and quality improvement efforts conducted by all Federal programs, with particular attention paid to those under titles XVIII, XIX, and XXI of the Social Security Act; and

"(ii) a summary of the partnerships that the Department of Health and Human Services has pursued with private accreditation, quality measurement and improvement organizations; and

"(B) to identify options and make recommendations to improve the efficiency and effectiveness of quality improvement programs through—

"(i) the improved coordination of activities across the medicare, medicaid and child health insurance programs under titles XVIII, XIX and XXI of the Social Security Act and health services research programs;

"(ii) the strengthening of patient choice and participation by incorporating state-of-the-art quality monitoring tools and making information on quality available; and

"(iii) the enhancement of the most effective programs, consolidation as appropriate, and elimination of duplicative activities within various federal agencies.

"(2) REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall enter into a contract with the Institute of Medicine for the preparation—

"(i) not later than 12 months after the date of the enactment of this title, of a report providing an overview of the quality improvement programs of the Department of Health and Human Services for the medicare, medicaid, and CHIP programs under titles XVIII, XIX, and XXI of the Social Security Act; and

"(ii) not later than 24 months after the date of the enactment of this title, of a final report containing recommendations.

"(B) REPORTS.—The Secretary shall submit the reports described in subparagraph (A) to the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means and the Committee on Commerce of the House of Representatives.

"PART C—GENERAL PROVISIONS

"SEC. 921. ADVISORY COUNCIL FOR HEALTHCARE RESEARCH AND QUALITY.

"(a) ESTABLISHMENT.—There is established an advisory council to be known as the National Advisory Council for Healthcare Research and Quality.

"(b) DUTIES.—

"(1) IN GENERAL.—The Advisory Council shall advise the Secretary and the Director with respect to activities proposed or undertaken to carry out the mission of the Agency under section 901(b).

"(2) CERTAIN RECOMMENDATIONS.—Activities of the Advisory Council under paragraph (1) shall include making recommendations to the Director regarding—

"(A) priorities regarding health care research, especially studies related to quality, outcomes, cost and the utilization of, and access to, health care services;

"(B) the field of health care research and related disciplines, especially issues related to training needs, and dissemination of information pertaining to health care quality; and

"(C) the appropriate role of the Agency in each of these areas in light of private sector activity and identification of opportunities for public-private sector partnerships.

"(c) MEMBERSHIP.—

"(1) IN GENERAL.—The Advisory Council shall, in accordance with this subsection, be composed of appointed members and ex officio members. All members of the Advisory Council shall be voting members other than the individuals designated under paragraph (3)(B) as ex officio members.

"(2) APPOINTED MEMBERS.—The Secretary shall appoint to the Advisory Council 21 appropriately qualified individuals. At least 17 members of the Advisory Council shall be representatives of the public who are not officers or employees of the United States and at least 1 member who shall be a specialist in the rural aspects of 1 or more of the professions or fields described in subparagraphs (A) through (G). The Secretary shall ensure that the appointed members of the Council, as a group, are representative of professions and entities concerned with, or affected by, activities under this title and under section 1142 of the Social Security Act. Of such members—

"(A) three shall be individuals distinguished in the conduct of research, demonstration projects, and evaluations with respect to health care;

"(B) three shall be individuals distinguished in the fields of health care quality research or health care improvement;

"(C) three shall be individuals distinguished in the practice of medicine of which at least one shall be a primary care practitioner;

"(D) three shall be individuals distinguished in the other health professions;

"(E) three shall be individuals either representing the private health care sector, including health plans, providers, and purchasers or individuals distinguished as administrators of health care delivery systems;

"(F) three shall be individuals distinguished in the fields of health care economics, information systems, law, ethics, business, or public policy; and

"(G) three shall be individuals representing the interests of patients and consumers of health care.

"(3) EX OFFICIO MEMBERS.—The Secretary shall designate as ex officio members of the Advisory Council—

"(A) the Assistant Secretary for Health, the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Care Financing Administration, the Commissioner of the Food and Drug Administration, the Director of the Office of Personnel Management, the Assistant Secretary of Defense (Health Affairs), and the Under Secretary for Health of the Department of Veterans Affairs; and

"(B) such other Federal officials as the Secretary may consider appropriate.

"(d) TERMS.—

"(1) IN GENERAL.—Members of the Advisory Council appointed under subsection (c)(2) shall serve for a term of 3 years.

"(2) STAGGERED TERMS.—To ensure the staggered rotation of one-third of the members of the Advisory Council each year, the Secretary is authorized to appoint the initial members of the Advisory Council for terms of 1, 2, or 3 years.

"(3) SERVICE BEYOND TERM.—A member of the Council appointed under subsection (c)(2) may continue to serve after the expiration of the term of the members until a successor is appointed.

“(e) Vacancies.—If a member of the Advisory Council appointed under subsection (c)(2) does not serve the full term applicable under subsection (d), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

“(f) Chair.—The Director shall, from among the members of the Advisory Council appointed under subsection (c)(2), designate an individual to serve as the chair of the Advisory Council.

“(g) Meetings.—The Advisory Council shall meet not less than once during each discrete 4-month period and shall otherwise meet at the call of the Director or the chair.

“(h) Compensation and Reimbursement of Expenses.—

“(1) Appointed members.—Members of the Advisory Council appointed under subsection (c)(2) shall receive compensation for each day (including travel time) engaged in carrying out the duties of the Advisory Council unless declined by the member. Such compensation may not be in an amount in excess of the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which such member is engaged in the performance of the duties of the Advisory Council.

“(2) Ex officio members.—Officials designated under subsection (c)(3) as ex officio members of the Advisory Council may not receive compensation for service on the Advisory Council in addition to the compensation otherwise received for duties carried out as officers of the United States.

“(i) Staff.—The Director shall provide to the Advisory Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

“(j) Duration.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, the Advisory Council shall continue in existence until otherwise provided by law.

“SEC. 922. PEER REVIEW WITH RESPECT TO GRANTS AND CONTRACTS.

“(a) Requirement of Review.—

“(1) In general.—Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this title.

“(2) Reports to director.—Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its finding and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

“(b) Approval as Precondition of Awards.—The Director may not approve an application described in subsection (a)(1) unless the application is recommended for approval by a peer review group established under subsection (c).

“(c) Establishment of Peer Review Groups.—

“(1) In general.—The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subchapter III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

“(2) Membership.—The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for these duties carried out as such officers and employees.

“(3) Duration.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section may continue in existence until otherwise provided by law.

“(4) Qualifications.—Members of any peer-review group shall, at a minimum, meet the following requirements:

“(A) Such members shall agree in writing to treat information received, pursuant to their work for the group, as confidential information, except that this subparagraph shall not apply to public records and public information.

“(B) Such members shall agree in writing to recuse themselves from participation in the peer-review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in a directly affected organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer-review.

“(d) Authority for Procedural Adjustments in Certain Cases.—In the case of applications for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented or provider-based research, and for such other purposes as the Director may determine to be appropriate.

“(e) Regulations.—The Director shall issue regulations for the conduct of peer review under this section.

“SEC. 923. CERTAIN PROVISIONS WITH RESPECT TO DEVELOPMENT, COLLECTION, AND DISSEMINATION OF DATA.

“(a) Standards With Respect to Utility of Data.—

“(1) In general.—To ensure the utility, accuracy, and sufficiency of data collected by or for the Agency for the purpose described in section 901(b), the Director shall establish standard methods for developing and collecting such data, taking into consideration—

“(A) other Federal health data collection standards; and

“(B) the differences between types of health care plans, delivery systems, health care providers, and provider arrangements.

“(2) Relationship with other department programs.—In any case where standards under paragraph (1) may affect the administration of other programs carried out by the Department of Health and Human Services, including the programs under title XVIII, XIX or XXI of the Social Security Act, or may affect health information that is subject to a standard developed under part C of title XI of the Social Security Act, they shall be in the form of recommendations to the Secretary for such program.

“(b) Statistics and Analyses.—The Director shall—

“(1) take appropriate action to ensure that statistics and analyses developed under this title are of high quality, timely, and duly comprehensive, and that the statistics are specific, standardized, and adequately analyzed and indexed; and

“(2) publish, make available, and disseminate such statistics and analyses on as wide a basis as is practicable.

“(c) Authority Regarding Certain Requests.—Upon request of a public or private entity, the Director may conduct or support research or analyses otherwise authorized by this title pursuant to arrangements under which such entity will pay the cost of the services provided. Amounts received by the Director under such arrangements shall be available to the Director for obligation until expended.

“SEC. 924. DISSEMINATION OF INFORMATION.

“(a) In General.—The Director shall—

“(1) without regard to section 501 of title 44, United States Code, promptly publish, make available, and otherwise disseminate, in a form understandable and on as broad a basis as practicable so as to maximize its use, the results of research, demonstration projects, and evaluations conducted or supported under this title;

“(2) ensure that information disseminated by the Agency is science-based and objective and undertakes consultation as necessary to assess the appropriateness and usefulness of the presentation of information that is targeted to specific audiences;

“(3) promptly make available to the public data developed in such research, demonstration projects, and evaluations;

“(4) provide, in collaboration with the National Library of Medicine where appropriate, indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on research, demonstration projects, and evaluations with respect to health care to public and private entities and individuals engaged in the improvement of health care delivery and the general public, and undertake programs to develop new or improved methods for making such information available; and

“(5) as appropriate, provide technical assistance to State and local government and health agencies and conduct liaison activities to such agencies to foster dissemination.

“(b) Prohibition Against Restrictions.—Except as provided in subsection (c), the Director may not restrict the publication or dissemination of data from, or the results of, projects conducted or supported under this title.

“(c) Limitation on Use of Certain Information.—No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Director) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined under regulations of the Director) to its publication or release in other form.

“(d) Penalty.—Any person who violates subsection (c) shall be subject to a civil monetary penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1128A of the Social Security Act are imposed and collected.

“SEC. 925. ADDITIONAL PROVISIONS WITH RESPECT TO GRANTS AND CONTRACTS.

“(a) FINANCIAL CONFLICTS OF INTEREST.—With respect to projects for which awards of grants, cooperative agreements, or contracts are authorized to be made under this title, the Director shall by regulation define—

“(1) the specific circumstances that constitute financial interests in such projects that will, or may be reasonably expected to, create a bias in favor of obtaining results in the projects that are consistent with such interests; and

“(2) the actions that will be taken by the Director in response to any such interests identified by the Director.

“(b) REQUIREMENT OF APPLICATION.—The Director may not, with respect to any program under this title authorizing the provision of grants, cooperative agreements, or contracts, provide any such financial assistance unless an application for the assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out the program involved.

“(c) PROVISION OF SUPPLIES AND SERVICES IN LIEU OF FUNDS.—

“(1) IN GENERAL.—Upon the request of an entity receiving a grant, cooperative agreement, or contract under this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the entity in carrying out the project involved and, for such purpose, may detail to the entity any officer or employee of the Department of Health and Human Services.

“(2) CORRESPONDING REDUCTION IN FUNDS.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of the financial assistance involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Director. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

“(d) APPLICABILITY OF CERTAIN PROVISIONS WITH RESPECT TO CONTRACTS.—Contracts may be entered into under this part without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529 and 41 U.S.C. 5).

“SEC. 926. CERTAIN ADMINISTRATIVE AUTHORITIES.

“(a) DEPUTY DIRECTOR AND OTHER OFFICERS AND EMPLOYEES.—

“(1) DEPUTY DIRECTOR.—The Director may appoint a deputy director for the Agency.

“(2) OTHER OFFICERS AND EMPLOYEES.—The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

“(b) FACILITIES.—The Secretary, in carrying out this title—

“(1) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Administrator of General Services, buildings or portions of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed 10 years; and

“(2) may acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary.

“(c) PROVISION OF FINANCIAL ASSISTANCE.—The Director, in carrying out this title, may make grants to public and nonprofit entities and individuals, and may enter into cooperative agreements or contracts with public and private entities and individuals.

“(d) UTILIZATION OF CERTAIN PERSONNEL AND RESOURCES.—

“(1) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—The Director, in carrying out this title, may utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, and provide technical assistance and advice.

“(2) OTHER AGENCIES.—The Director, in carrying out this title, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

“(e) CONSULTANTS.—The Secretary, in carrying out this title, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, United States Code, the assistance and advice of consultants from the United States or abroad.

“(f) EXPERTS.—

“(1) IN GENERAL.—The Secretary may, in carrying out this title, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, United States Code, except that the limitation in such section on the duration of service shall not apply.

“(2) TRAVEL EXPENSES.—

“(A) IN GENERAL.—Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(c) of title 5, United States Code.

“(B) LIMITATION.—Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

“(g) VOLUNTARY AND UNCOMPENSATED SERVICES.—The Director, in carrying out this title, may accept voluntary and uncompensated services.

“SEC. 927. FUNDING.

“(a) INTENT.—To ensure that the United States investment in biomedical research is rapidly translated into improvements in the quality of patient care, there must be a corresponding investment in research on the most effective clinical and organizational strategies for use of these findings in daily practice. The authorization levels in subsections (b) and (c) provide for a proportionate increase in health care research as the United States investment in biomedical research increases.

“(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated $250,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 through 2005.

“(c) EVALUATIONS.—In addition to amounts available pursuant to subsection (b) for carrying out this title, there shall be made available for such purpose, from the amounts made available pursuant to section 241 (relating to evaluations), an amount equal to 40 percent of the maximum amount authorized in such section 241 to be made available for a fiscal year.

“SEC. 928. DEFINITIONS.

“In this title:

“(1) ADVISORY COUNCIL.—The term ‘Advisory Council’ means the National Advisory Council on Healthcare Research and Quality established under section 921.

“(2) AGENCY.—The term ‘Agency’ means the Agency for Healthcare Research and Quality.

“(3) DIRECTOR.—The term ‘Director’ means the Director of the Agency for Healthcare Research and Quality.”.

(b) RULES OF CONSTRUCTION.—

(1) IN GENERAL.—Section 901(a) of the Public Health Service Act (as added by subsection (a) of this section) applies as a redesignation of the agency that carried out title IX of such Act on the day before the date of the enactment of this Act, and not as the termination of such agency and the establishment of a different agency. The amendment made by subsection (a) of this section does not affect appointments of the personnel of such agency who were employed at the agency on the day before such date, including the appointments of members of advisory councils or study sections of the agency who were serving on the day before such date of enactment.

(2) REFERENCES.—Any reference in law to the Agency for Health Care Policy and Research is deemed to be a reference to the Agency for Healthcare Research and Quality, and any reference in law to the Administrator for Health Care Policy and Research is deemed to be a reference to the Director of the Agency for Healthcare Research and Quality.

SEC. 3. GRANTS REGARDING UTILIZATION OF PREVENTIVE HEALTH SERVICES.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end the following section:

“SEC. 330D. CENTERS FOR STRATEGIES ON FACILITATING UTILIZATION OF PREVENTIVE HEALTH SERVICES AMONG VARIOUS POPULATIONS.

“(a) IN GENERAL.—The Secretary, acting through the appropriate agencies of the Public Health Service, shall make grants to public or nonprofit private entities for the establishment and operation of regional centers whose purpose is to develop, evaluate, and disseminate effective strategies, which utilize quality management measures, to assist public and private health care programs and providers in the appropriate utilization of preventive health care services by specific populations.

“(b) RESEARCH AND TRAINING.—The activities carried out by a center under subsection (a) may include establishing programs of research and training with respect to the purpose described in such subsection, including the development of curricula for training individuals in implementing the strategies developed under such subsection.

"(c) Priority Regarding Infants and Children.—In carrying out the purpose described in subsection (a), the Secretary shall give priority to various populations of infants, young children, and their mothers.

"(d) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 through 2004.".

SEC. 4. PROGRAM OF PAYMENTS TO CHILDREN'S HOSPITALS THAT OPERATE GRADUATE MEDICAL EDUCATION PROGRAMS.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end the following subpart:

"Subpart IX—Support of Graduate Medical Education Programs in Children's Hospitals

"SEC. 340E. PROGRAM OF PAYMENTS TO CHILDREN'S HOSPITALS THAT OPERATE GRADUATE MEDICAL EDUCATION PROGRAMS.

"(a) Payments.—The Secretary shall make two payments under this section to each children's hospital for each of fiscal years 2000 and 2001, one for the direct expenses and the other for indirect expenses associated with operating approved graduate medical residency training programs.

"(b) Amount of Payments.—

"(1) In general.—Subject to paragraph (2), the amounts payable under this section to a children's hospital for an approved graduate medical residency training program for a fiscal year are each of the following amounts:

"(A) Direct expense amount.—The amount determined under subsection (c) for direct expenses associated with operating approved graduate medical residency training programs.

"(B) Indirect expense amount.—The amount determined under subsection (d) for indirect expenses associated with the treatment of more severely ill patients and the additional costs relating to teaching residents in such programs.

"(2) Capped amount.—

"(A) In general.—The total of the payments made to children's hospitals under paragraph (1)(A) or paragraph (1)(B) in a fiscal year shall not exceed the funds appropriated under paragraph (1) or (2), respectively, of subsection (f) for such payments for that fiscal year.

"(B) Pro rata reductions of payments for direct expenses.—If the Secretary determines that the amount of funds appropriated under subsection (f)(1) for a fiscal year is insufficient to provide the total amount of payments otherwise due for such periods under paragraph (1)(A), the Secretary shall reduce the amounts so payable on a pro rata basis to reflect such shortfall.

"(c) Amount of Payment for Direct Graduate Medical Education.—

"(1) In general.—The amount determined under this subsection for payments to a children's hospital for direct graduate expenses relating to approved graduate medical residency training programs for a fiscal year is equal to the product of—

"(A) the updated per resident amount for direct graduate medical education, as determined under paragraph (2); and

"(B) the average number of full-time equivalent residents in the hospital's graduate approved medical residency training programs (as determined under section 1886(h)(4) of the Social Security Act during the fiscal year.

"(2) Updated per resident amount for direct graduate medical education.—The updated per resident amount for direct graduate medical education for a hospital for a fiscal year is an amount determined as follows:

"(A) Determination of hospital single per resident amount.—The Secretary shall compute for each hospital operating an approved graduate medical education program (regardless of whether or not it is a children's hospital) a single per resident amount equal to the average (weighted by number of full-time equivalent residents) of the primary care per resident amount and the nonprimary care per resident amount computed under section 1886(h)(2) of the Social Security Act for cost reporting periods ending during fiscal year 1997.

"(B) Determination of wage and nonwage-related proportion of the single per resident amount.—The Secretary shall estimate the average proportion of the single per resident amounts computed under subparagraph (A) that is attributable to wages and wage-related costs.

"(C) Standardizing per resident amounts.—The Secretary shall establish a standardized per resident amount for each such hospital—

"(i) by dividing the single per resident amount computed under subparagraph (A) into a wage-related portion and a non-wage-related portion by applying the proportion determined under subparagraph (B);

"(ii) by dividing the wage-related portion by the factor applied under section 1886(d)(3)(E) of the Social Security Act for discharges occurring during fiscal year 1999 for the hospital's area; and

"(iii) by adding the non-wage-related portion to the amount computed under clause (ii).

"(D) Determination of national average.—The Secretary shall compute a national average per resident amount equal to the average of the standardized per resident amounts computed under subparagraph (C) for such hospitals, with the amount for each hospital weighted by the average number of full-time equivalent residents at such hospital.

"(E) Application to individual hospitals.—The Secretary shall compute for each such hospital that is a children's hospital a per resident amount—

"(i) by dividing the national average per resident amount computed under subparagraph (D) into a wage-related portion and a non-wage-related portion by applying the proportion determined under subparagraph (B);

"(ii) by multiplying the wage-related portion by the factor described in subparagraph (C)(ii) for the hospital's area; and

"(iii) by adding the non-wage-related portion to the amount computed under clause (ii).

"(F) Updating rate.—The Secretary shall update such per resident amount for each such children's hospital by the estimated percentage increase in the consumer price index for all urban consumers during the period beginning October 1997 and ending with the midpoint of the hospital's cost reporting period that begins during fiscal year 2000.

"(d) Amount of Payment for Indirect Medical Education.—

"(1) In general.—The amount determined under this subsection for payments to a children's hospital for indirect expenses associated with the treatment of more severely ill patients and the additional costs related to the teaching of residents for a fiscal year is equal to an amount determined appropriate by the Secretary.

"(2) Factors.—In determining the amount under paragraph (1), the Secretary shall—

"(A) take into account variations in case mix among children's hospitals and the number of full-time equivalent residents in the hospitals' approved graduate medical residency training programs; and

"(B) assure that the aggregate of the payments for indirect expenses associated with the treatment of more severely ill patients and the additional costs related to the teaching of residents under this section in a fiscal year are equal to the amount appropriated for such expenses for the fiscal year involved under subsection (f)(2).

"(e) Making of Payments.—

"(1) Interim payments.—The Secretary shall determine, before the beginning of each fiscal year involved for which payments may be made for a hospital under this section, the amounts of the payments for direct graduate medical education and indirect medical education for such fiscal year and shall (subject to paragraph (2)) make the payments of such amounts in 26 equal interim installments during such period.

"(2) Withholding.—The Secretary shall withhold up to 25 percent from each interim installment for direct graduate medical education paid under paragraph (1).

"(3) Reconciliation.—At the end of each fiscal year for which payments may be made under this section, the hospital shall submit to the Secretary such information as the Secretary determines to be necessary to determine the percent (if any) of the total amount withheld under paragraph (2) that is due under this section for the hospital for the fiscal year. Based on such determination, the Secretary shall recoup any overpayments made, or pay any balance due. The amount so determined shall be considered a final intermediary determination for purposes of applying section 1878 of the Social Security Act and shall be subject to review under that section in the same manner as the amount of payment under section 1886(d) of such Act is subject to review under such section.

"(f) Authorization of Appropriations.—

"(1) Direct graduate medical education.—

"(A) In general.—There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payments under subsection (b)(1)(A)—

"(i) for fiscal year 2000, $90,000,000; and

"(ii) for fiscal year 2001, $95,000,000.

"(B) Carryover of excess.—The amounts appropriated under subparagraph (A) for fiscal year 2000 shall remain available for obligation through the end of fiscal year 2001.

"(2) Indirect medical education.—There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payments under subsection (b)(1)(A)—

"(A) for fiscal year 2000, $190,000,000; and

"(B) for fiscal year 2001, $190,000,000.

"(g) Definitions.—In this section:

"(1) Approved graduate medical residency training program.—The term 'approved graduate medical residency training program' has the meaning given the term 'approved medical residency training program' in section 1886(h)(5)(A) of the Social Security Act.

"(2) Children's hospital.—The term 'children's hospital' means a hospital described in section 1886(d)(1)(B)(iii) of the Social Security Act.

"(3) Direct graduate medical education costs.—The term 'direct graduate medical education costs' has the meaning given such term in section 1886(h)(5)(C) of the Social Security Act.".

SEC. 5. STUDY REGARDING SHORTAGES OF LICENSED PHARMACISTS.

(a) In General.—The Secretary of Health and Human Services (in this section referred to as the "Secretary"), acting through the appropriate agencies of the Public Health Service, shall conduct a study to determine whether and to what extent there is a shortage of licensed pharmacists. In carrying out the study, the Secretary shall seek the comments of appropriate public and private entities regarding any such shortage.

(b) Report to Congress.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall complete the study under subsection (a) and submit to the Congress a report that describes the findings made through the study and that contains a summary of the comments received by the Secretary pursuant to such subsection.

SEC. 6. REPORT ON TELEMEDICINE.

Not later than January 10, 2001, the Secretary of Health and Human Services shall submit to the Congress a report that—

(1) identifies any factors that inhibit the expansion and accessibility of telemedicine services, including factors relating to telemedicine networks;

(2) identifies any factors that, in addition to geographical isolation, should be used to determine which patients need or require access to telemedicine care;

(3) determines the extent to which—

(A) patients receiving telemedicine service have benefited from the services, and are satisfied with the treatment received pursuant to the services; and

(B) the medical outcomes for such patients would have differed if telemedicine services had not been available to the patients;

(4) determines the extent to which physicians involved with telemedicine services have been satisfied with the medical aspects of the services;

(5) determines the extent to which primary care physicians are enhancing their medical knowledge and experience through the interaction with specialists provided by telemedicine consultations; and

(6) identifies legal and medical issues relating to State licensing of health professionals that are presented by telemedicine services, and provides any recommendations of the Secretary for responding to such issues.

SEC. 7. CERTAIN TECHNOLOGIES AND PRACTICES REGARDING SURVIVAL RATES FOR CARDIAC ARREST.

The Secretary of Health and Human Services shall, in consultation with the Administrator of the General Services Administration and other appropriate public and private entities, develop recommendations regarding the placement of automatic external defibrillators in Federal buildings as a means of improving the survival rates of individuals who experience cardiac arrest in such buildings, including recommendations on training, maintenance, and medical oversight, and on coordinating with the system for emergency medical services.

THE YOUTH DRUG AND MENTAL HEALTH SERVICES ACT

FRIST AMENDMENT NO. 2507

Mr. GRAMM (for Mr. Frist) proposed an amendment to the bill (S. 976) to amend title V of the Public Health Service Act to focus the authority of the Substance Abuse and Mental Health Services Administration on community-based services children and adolescents, to enhance flexibility and accountability, to establish programs for youth treatment, and to respond to crises, especially those related to children and violence; as follows:

On page 88, strike lines 20 through 24 and insert the following:

"(d) Report.—Not later than 3 years after the date of enactment of this section and annually thereafter, the Secretary shall prepare and submit, to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce of the House of Representatives, a report that describes the services provided pursuant to this section.

On page 90, between lines 8 and 9, insert the following:

SEC. 108. GRANTS FOR STRENGTHENING FAMILIES THROUGH COMMUNITY PARTNERSHIPS.

Subpart 2 of part B of Title V of the Public Health Service Act (42 U.S.C. 290bb-21 et seq) is amended by adding at the end the following:

"SEC. 519A. GRANTS FOR STRENGTHENING FAMILIES.

"(a) Program Authorized.—The Secretary, acting through the Director of the Prevention Center, may make grants to public and nonprofit private entities to develop and implement model substance abuse prevention programs to provide early intervention and substance abuse prevention services for individuals of high-risk families and the communities in which such individuals reside.

"(b) Priority.—In awarding grants under subsection (a), the Secretary shall give priority to applicants that—

"(1) have proven experience in preventing substance abuse by individuals of high-risk families and reducing substance abuse in communities of such individuals;

"(2) have demonstrated the capacity to implement community-based partnership initiatives that are sensitive to the diverse backgrounds of individuals of high-risk families and the communities of such individuals;

"(3) have experience in providing technical assistance to support substance abuse prevention programs that are community-based;

"(4) have demonstrated the capacity to implement research-based substance abuse prevention strategies; and

"(5) have implemented programs that involve families, residents, community agencies, and institutions in the implementation and design of such programs.

"(c) Duration of Grants.—The Secretary shall award grants under subsection (a) for a period not to exceed 5 years.

"(d) Use of Funds.—An applicant that is awarded a grant under subsection (a) shall—

"(1) in the first fiscal year that such funds are received under the grant, use such funds to develop a model substance abuse prevention program; and

"(2) in the fiscal year following the first fiscal year that such funds are received, use such funds to implement the program developed under paragraph (1) to provide early intervention and substance abuse prevention services to—

"(A) strengthen the environment of children of high risk families by targeting interventions at the families of such children and the communities in which such children reside;

"(B) strengthen protective factors, such as—

"(i) positive adult role models;

"(ii) messages that oppose substance abuse;

"(iii) community actions designed to reduce accessibility to and use of illegal substances; and

"(iv) willingness of individuals of families in which substance abuse occurs to seek treatment for substance abuse;

"(C) reduce family and community risks, such as family violence, alcohol or drug abuse, crime, and other behaviors that may effect healthy child development and increase the likelihood of substance abuse; and

"(D) build collaborative and formal partnerships between community agencies, institutions, and businesses to ensure that comprehensive high quality services are provided, such as early childhood education, health care, family support programs, parent education programs, and home visits for infants.

"(e) Application.—To be eligible to receive a grant under subsection (a), an applicant shall prepare and submit to the Secretary an application that—

"(1) describes a model substance abuse prevention program that such applicant will establish;

"(2) describes the manner in which the services described in subsection (d)(2) will be provided; and

"(3) describe in as much detail as possible the results that the entity expects to achieve in implementing such a program.

"(f) Matching Funding.—The Secretary may not make a grant to a entity under subsection (a) unless that entity agrees that, with respect to the costs to be incurred by the entity in carrying out the program for which the grant was awarded, the entity will make available non-Federal contributions in an amount that is not less than 40 percent of the amount provided under the grant.

"(g) Report to Secretary.—An applicant that is awarded a grant under subsection (a) shall prepare and submit to the Secretary a report in such form and containing such information as the Secretary may require, including an assessment of the efficacy of the model substance abuse prevention program implemented by the applicant and the short, intermediate, and long term results of such program.

"(h) Evaluations.—The Secretary shall conduct evaluations, based in part on the reports submitted under subsection (g), to determine the effectiveness of the programs funded under subsection (a) in reducing substance use in high-risk families and in making communities in which such families reside in stronger. The Secretary shall submit such evaluations to the appropriate committees of Congress.

"(i) High-Risk Families.—In this section, the term 'high-risk family' means a family in which the individuals of such family are at a significant risk of using or abusing alcohol or any illegal substance.

"(j) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section, $3,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.".

On page 90, line 9, strike "Sec. 108" and insert "Sec. 109".

On page 90, strike line 14 and insert "as paragraphs (4) through (14), respectively;".

On page 90, strike lines 17 through 19 and insert the following:

"(2) ensure that emphasis is placed on children and adolescents in the development of treatment programs;

"(3) collaborate with the Attorney General to develop programs to provide substance abuse treatment services to individuals who have had contact with the Justice system, especially adolescents;"; and

(3) in paragraph 14 (as so redesignated), by striking "paragraph (11)" and inserting "paragraph (13)".

On page 90, strike lines 20 through 24 and insert the following:

(b) Office for Substance Abuse Prevention.—Section 515(b) of the Public Health Service Act (42 U.S.C. 290bb-21(b)) is amended—

(1) by redesignating paragraphs (9) and (10) as (10) and (11);

(2) by inserting after paragraph (8), the following:

"(9) collaborate with the Attorney General of the Department of Justice to develop programs to prevent drug abuse among high risk youth;"; and

(3) in paragraph (10) (as so redesignated), by striking "public concerning" and inserting "public, especially adolescent audiences, concerning".

On page 108, line 1, strike "physical or chemical".

On page 108, line 3, strike "Physical or chemical restraints" and insert "Restraints".

Beginning on page 108, strike line 17 and all that follows through page 109, line 18, and insert the following:

"(c) Definitions.—In this section:

"(1) Restraints.—The term 'restraints' means—

"(A) any physical restraint that is a mechanical or personal restriction that immobilizes or reduces the ability of an individual to move his or her arms, legs, or head freely, not including devices, such as orthopedically prescribed devices, surgical dressings or bandages, protective helmets, or any other methods that involves the physical holding of a resident for the purpose of conducting routine physical examinations or tests or to protect the resident from falling out of bed or to permit the resident to participate in activities without the risk of physical harm to the resident; and

"(B) a drug or medication that is used as a restraint to control behavior or restrict the resident's freedom of movement that is not a standard treatment for the resident's medical or psychiatric condition.

"(2) Seclusion.—The term 'seclusion' means any separation of the resident from the general population of the facility that prevents the resident from returning to such population if he or she desires.

On page 109, line 24, insert "or in seclusion" after "restrained".

Beginning on page 109, line 25, strike "of the deceased" and all that follows through "placed in seclusion, or" on page 110, line 1, and insert "after the patient has been removed from restraints and seclusion, or".

On page 111, line 8, strike "582(a)" and insert "592(a)".

On page 111, between lines 18 and 19, insert the following:

(a) Residential Treatment Programs for Pregnant and Postpartum Women.—Section 508(r) of the Public Health Service Act (42 U.S.C. 290bb-1(r)) is amended to read as follows:

"(r) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary to fiscal years 2000 through 2002.".

On page 111, strike line 19 and insert the following:

"(b) Priority Substance Abuse Treatment.—Section 509 of the Public Health".

On page 112, line 1, strike "508" and insert "509".

On page 115, strike lines 11 through 17 and insert the following:

(c) Conforming Amendments.—The following sections of the Public Health Service Act are repealed:

(1) Section 510 (42 U.S.C. 290bb-3).
(2) Section 511 (42 U.S.C. 290bb-4).
(3) Section 512 (42 U.S.C. 290bb-5).
(4) Section 571 (42 U.S.C. 290gg).

On page 117, line 8, strike "services" and insert "information and activities".

Beginning on page 119, strike line 15 and all that follows through page 120, line 20.

On page 120, line 21, strike "(b)" and insert "(a)".

On page 121, line 3, strike "(c)" and insert "(b)".

On page 121, line 12, strike "(d)" and insert "(c)".

On page 122, line 1, strike "(e)" and insert "(d)".

On page 122, lines 5 and 6, strike "prior to the fiscal year".

On page 122, line 7, strike "(f)" and insert "(e)".

On page 122, line 12, strike "(g)" and insert "(f)".

On page 124, line 1, strike "(h)" and insert "(g)".

On page 129, line 1, strike "(1) Tenets and Teachings.—A religious or-" and insert "(1) Substance Abuse.—A religious or-".

On page 129, lines 5 through 7, strike "adhere to the religious tenets and teachings of such organization, and such organization may require that those employees".

On page 131, line 17, strike "or agency" and insert ", agency or official".

On page 145, strike line 17, and insert the following: "basis.

"(d) Participants.—The Secretary shall include among those interested groups that participate in the development of the plan consumers of mental health or substance abuse services, providers, representatives of political divisions of States, and representatives of racial and ethnic groups including Native Americans.".

THE FEDERAL ERRONEOUS RETIREMENT COVERAGE CORRECTIONS ACT

COCHRAN (AND AKAKA) AMENDMENT NO. 2508

Mr. GRAMM (for Mr. Cochran (for himself, and Mr. Akaka)) proposed an amendment to the bill (S. 1232) to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Federal Erroneous Retirement Coverage Corrections Act".

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Applicability.
Sec. 4. Irrevocability of elections.

TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employees and Annuitants Who Should Have Been FERS Covered, but Who Were Erroneously CSRS Covered or CSRS-Offset Covered Instead, and Survivors of Such Employees and Annuitants

Sec. 101. Employees.
Sec. 102. Annuitants and survivors.

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, but Who Was Erroneously Social Security-Only Covered Instead

Sec. 111. Applicability.
Sec. 112. Correction mandatory.

Subtitle C—Employee Who Should or Could Have Been Social Security-Only Covered but Who Was Erroneously CSRS-Offset Covered or CSRS Covered Instead

Sec. 121. Employee who should be Social Security-Only covered, but who is erroneously CSRS or CSRS-Offset covered instead.

Subtitle D—Employee Who Was Erroneously FERS Covered

Sec. 131. Employee who should be Social Security-Only covered, CSRS covered, or CSRS-Offset covered and is not FERS-eligible, but who is erroneously FERS covered instead.
Sec. 132. FERS-Eligible Employee Who Should Have Been CSRS Covered, CSRS-Offset Covered, or Social Security-Only Covered, but Who Was Erroneously FERS Covered Instead Without an Election.
Sec. 133. Retroactive effect.

Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, but Who Was Erroneously CSRS Covered Instead

Sec. 141. Applicability.
Sec. 142. Correction mandatory.

Subtitle F—Employee Who Should Have Been CSRS Covered, but Who Was Erroneously CSRS-Offset Covered Instead

Sec. 151. Applicability.
Sec. 152. Correction mandatory.

TITLE II—GENERAL PROVISIONS

Sec. 201. Identification and notification requirements.
Sec. 202. Information to be furnished to and by authorities administering this Act.
Sec. 203. Service credit deposits.
Sec. 204. Provisions related to Social Security coverage of misclassified employees.
Sec. 205. Thrift Savings Plan treatment for certain individuals.
Sec. 206. Certain agency amounts to be paid into or remain in the CSRDF.
Sec. 207. CSRS coverage determinations to be approved by OPM.
Sec. 208. Discretionary actions by Director.
Sec. 209. Regulations.

TITLE III—OTHER PROVISIONS

Sec. 301. Provisions to authorize continued conformity of other Federal retirement systems.
Sec. 302. Authorization of payments.
Sec. 303. Individual right of action preserved for amounts not otherwise provided for under this Act.

TITLE IV—TAX PROVISIONS

Sec. 401. Tax provisions.

TITLE V—MISCELLANEOUS RETIREMENT PROVISIONS

Sec. 501. Federal Reserve Board portability of service credit.

Sec. 502. Certain transfers to be treated as a separation from service for purposes of the Thrift Savings Plan.

TITLE VI—EFFECTIVE DATE

Sec. 601. Effective date.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) Annuitant.—The term "annuitant" has the meaning given such term under section 8331(9) or 8401(2) of title 5, United States Code.

(2) CSRS.—The term "CSRS" means the Civil Service Retirement System.

(3) CSRDF.—The term "CSRDF" means the Civil Service Retirement and Disability Fund.

(4) CSRS covered.—The term "CSRS covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, other than service subject to section 8334(k) of such title.

(5) CSRS-offset covered.—The term "CSRS-Offset covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, and to section 8334(k) of such title.

(6) Employee.—The term "employee" has the meaning given such term under section 8331(1) or 8401(11) of title 5, United States Code.

(7) Executive director.—The term "Executive Director of the Federal Retirement Thrift Investment Board" or "Executive Director" means the Executive Director appointed under section 8474 of title 5, United States Code.

(8) FERS.—The term "FERS" means the Federal Employees' Retirement System.

(9) FERS covered.—The term "FERS covered", with respect to any service, means service that is subject to chapter 84 of title 5, United States Code.

(10) Former employee.—The term "former employee" means an individual who was an employee, but who is not an annuitant.

(11) OASDI taxes.—The term "OASDI taxes" means the OASDI employee tax and the OASDI employer tax.

(12) OASDI employee tax.—The term "OASDI employee tax" means the tax imposed under section 3101(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(13) OASDI employer tax.—The term "OASDI employer tax" means the tax imposed under section 3111(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(14) OASDI trust funds.—The term "OASDI trust funds" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(15) Office.—The term "Office" means the Office of Personnel Management.

(16) Retirement coverage determination.—The term "retirement coverage determination" means a determination by an employee or agent of the Government as to whether a particular type of Government service is CSRS covered, CSRS-Offset covered, FERS covered, or Social Security-Only covered.

(17) Retirement coverage error.—The term "retirement coverage error" means an erroneous retirement coverage determination that was in effect for a minimum period of 3 years of service after December 31, 1986.

(18) Social security-only covered.—The term "Social Security-Only covered", with respect to any service, means Government service that—

(A) constitutes employment under section 210 of the Social Security Act (42 U.S.C. 410); and

(B)(i) is subject to OASDI taxes; but

(ii) is not subject to CSRS or FERS.

(19) Survivor.—The term "survivor" has the meaning given such term under section 8331(10) or 8401(28) of title 5, United States Code.

(20) Thrift savings fund.—The term "Thrift Savings Fund" means the Thrift Savings Fund established under section 8437 of title 5, United States Code.

SEC. 3. APPLICABILITY.

(a) In General.—This Act shall apply with respect to retirement coverage errors that occur before, on, or after the date of enactment of this Act.

(b) Limitation.—Except as otherwise provided in this Act, this Act shall not apply to any erroneous retirement coverage determination that was in effect for a period of less than 3 years of service after December 31, 1986.

SEC. 4. IRREVOCABILITY OF ELECTIONS.

Any election made (or deemed to have been made) by an employee or any other individual under this Act shall be irrevocable.

TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employees and Annuitants Who Should Have Been FERS Covered, but Who Were Erroneously CSRS Covered or CSRS-Offset Covered Instead, and Survivors of Such Employees and Annuitants

SEC. 101. EMPLOYEES.

(a) Applicability.—This section shall apply in the case of any employee or former employee who should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) CSRS covered or CSRS-Offset covered instead.

(b) Uncorrected Error.—

(1) Applicability.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described under paragraph (3). As soon as practicable after discovery of the error, and subject to the right of an election under paragraph (2), if CSRS covered or CSRS-Offset covered, such individual shall be treated as CSRS-Offset covered, retroactive to the date of the retirement coverage error.

(2) Coverage.—

(A) Election.—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or FERS covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) Nonelection.—If the individual does not make an election by the date provided under subparagraph (A), a CSRS-Offset covered individual shall remain CSRS-Offset covered and a CSRS covered individual shall be treated as CSRS-Offset covered.

(3) Regulations.—The Office shall prescribe regulations to carry out this subsection.

(c) Corrected Error.—

(1) Applicability.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b).

(2) Coverage.—

(A) Election.—

(i) CSRS-offset covered.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(ii) Thrift savings fund contributions.—If under this section an individual elects to be CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of FERS coverage (and earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(B) Previous settlement payment.—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error shall not be entitled to make an election under this subsection unless that amount is waived in whole or in part under section 208, and any amount not waived is repaid.

(C) Ineligibility for election.—An individual who, subsequent to correction of the retirement coverage error, received a refund of retirement deductions under section 8424 of title 5, United States Code, or a distribution under section 8433 (b), (c), or (h)(1)(A) of title 5, United States Code, may not make an election under this subsection.

(3) Corrective action to remain in effect.—If an individual is ineligible to make an election or does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

SEC. 102. ANNUITANTS AND SURVIVORS.

(a) In General.—This section shall apply in the case of an individual who is—

(1) an annuitant who should have been FERS covered but, as a result of a retirement coverage error, was CSRS covered or CSRS-Offset covered instead; or

(2) a survivor of an employee who should have been FERS covered but, as a result of a retirement coverage error, was CSRS covered or CSRS-Offset covered instead.

(b) Coverage.—

(1) Election.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing an individual described under subsection (a) to elect CSRS-Offset coverage or FERS coverage, effective as of the date of the retirement coverage error.

(2) Time limitation.—An election under this subsection shall be made not later than 18 months after the effective date of the regulations prescribed under paragraph (1).

(3) Reduced annuity.—

(A) Amount in account.—If the individual elects CSRS-Offset coverage, the amount in the employee's Thrift Savings Fund account under subchapter III of chapter 84 of title 5, United States Code, on the date of retirement that represents the Government's contributions and earnings on those contributions (whether or not such amount was subsequently distributed from the Thrift Savings Fund) will form the basis for a reduction in the individual's annuity, under regulations prescribed by the Office.

(B) Reduction.—The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount referred to in subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced CSRS-Offset annuity that would have been provided the individual.

(4) REDUCED BENEFIT.—If—

(A) a surviving spouse elects CSRS-Offset benefits; and

(B) a FERS basic employee death benefit under section 8442(b) of title 5, United States Code, was previously paid;

then the survivor's CSRS-Offset benefit shall be subject to a reduction, under regulations prescribed by the Office. The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount of the payment referred to under subparagraph (B) would result in the present value of the total being actuarially equivalent to the present value of an unreduced CSRS-Offset annuity that would have been provided the individual.

(5) PREVIOUS SETTLEMENT PAYMENT.—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error may not make an election under this subsection unless repayment of that amount is waived in whole or in part under section 208, and any amount not waived is repaid.

(c) NONELECTION.—If the individual does not make an election under subsection (b) before any time limitation under this section, the retirement coverage shall be subject to the following rules:

(1) CORRECTIVE ACTION PREVIOUSLY TAKEN.—If corrective action was taken before the end of any time limitation under this section, that corrective action shall remain in effect.

(2) CORRECTIVE ACTION NOT PREVIOUSLY TAKEN.—If corrective action was not taken before such time limitation, the employee shall be CSRS-Offset covered, retroactive to the date of the retirement coverage error.

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, but Who Was Erroneously Social Security-Only Covered Instead

SEC. 111. APPLICABILITY.

This subtitle shall apply in the case of any employee who—

(1) should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead;

(2) should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead; or

(3) should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead.

SEC. 112. CORRECTION MANDATORY.

(a) UNCORRECTED ERROR.—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) CORRECTED ERROR.—If the retirement coverage error has been corrected, the corrective action previously taken shall remain in effect.

Subtitle C—Employee Who Should or Could Have Been Social Security-Only Covered but Who Was Erroneously CSRS-Offset Covered or CSRS Covered Instead

SEC. 121. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY CSRS OR CSRS-OFFSET COVERED INSTEAD.

(a) APPLICABILITY.—This section applies in the case of a retirement coverage error in which a Social Security-Only covered employee was erroneously CSRS covered or CSRS-Offset covered.

(b) UNCORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (3).

(2) COVERAGE.—In the case of an individual who is erroneously CSRS covered, as soon as practicable after discovery of the error, and subject to the right of an election under paragraph (3), such individual shall be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(3) ELECTION.—

(A) IN GENERAL.—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or Social Security-Only covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) NONELECTION.—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain CSRS-Offset covered.

(C) REGULATIONS.—The Office shall prescribe regulations to carry out this paragraph.

(c) CORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b)(3).

(2) ELECTION.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered or Social Security-Only covered, effective as of the date of the retirement coverage error.

(3) NONELECTION.—If an eligible individual does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

Subtitle D—Employee Who Was Erroneously FERS Covered

SEC. 131. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, CSRS COVERED, OR CSRS-OFFSET COVERED AND IS NOT FERS-ELIGIBLE, BUT WHO IS ERRONEOUSLY FERS COVERED INSTEAD.

(a) APPLICABILITY.—This section applies in the case of a retirement coverage error in which a Social Security-Only covered, CSRS covered, or CSRS-Offset covered employee not eligible to elect FERS coverage under authority of section 8402(c) of title 5, United States Code, was erroneously FERS covered.

(b) UNCORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (2).

(2) COVERAGE.—

(A) ELECTION.—

(i) IN GENERAL.—Upon written notice of a retirement coverage error, an individual may elect to remain FERS covered or to be Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would have applied in the absence of the erroneous retirement coverage determination, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(ii) TREATMENT OF FERS ELECTION.—An election of FERS coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99–335; 100 Stat. 599).

(B) NONELECTION.—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain FERS covered, effective as of the date of the retirement coverage error.

(3) EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.—If under this section, an individual elects to be Social Security-Only covered, CSRS covered, or CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit under section 8351 or 8432 of title 5, United States Code.

(4) REGULATIONS.—Except as provided under paragraph (3), the Office shall prescribe regulations to carry out this subsection.

(c) CORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under paragraph (2).

(2) ELECTION.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations to remain Social Security-Only covered, CSRS covered, or CSRS-Offset covered, or to be FERS covered, effective as of the date of the retirement coverage error.

(3) NONELECTION.—If an eligible individual does not make an election under paragraph (2), the corrective action taken before the end of any time limitation under this subsection shall remain in effect.

(4) TREATMENT OF FERS ELECTION.—An election of FERS coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99–335; 100 Stat. 599).

SEC. 132. FERS-ELIGIBLE EMPLOYEE WHO SHOULD HAVE BEEN CSRS COVERED, CSRS-OFFSET COVERED, OR SOCIAL SECURITY-ONLY COVERED, BUT WHO WAS ERRONEOUSLY FERS COVERED INSTEAD WITHOUT AN ELECTION.

(a) IN GENERAL.—

(1) FERS ELECTION PREVENTED.—If an individual was prevented from electing FERS coverage because the individual was erroneously FERS covered during the period when the individual was eligible to elect FERS under title III of the Federal Employees Retirement System Act or the Federal Employees' Retirement System Open Enrollment Act of 1997 (Public Law 105–61; 111 Stat. 1318 et seq.), the individual—

(A) is deemed to have elected FERS coverage; and

(B) shall remain covered by FERS, unless the individual declines, under regulations prescribed by the Office, to be FERS covered.

(2) DECLINING FERS COVERAGE.—If an individual described under paragraph (1)(B) declines to be FERS covered, such individual shall be CSRS covered, CSRS-Offset covered, or Social Security-Only covered, as would apply in the absence of a FERS election, effective as of the date of the erroneous retirement coverage determination.

(b) EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.—If under this section, an individual declines to be FERS covered and instead is Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would apply in the absence of a FERS election, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(c) INAPPLICABILITY OF DURATION OF ERRONEOUS COVERAGE.—This section shall apply regardless of the length of time the erroneous coverage determination remained in effect.

SEC. 133. RETROACTIVE EFFECT.

This subtitle shall be effective as of January 1, 1987, except that section 132 shall not apply to individuals who made or were deemed to have made elections similar to those provided in this section under regulations prescribed by the Office before the effective date of this Act.

Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, but Who Was Erroneously CSRS Covered Instead

SEC. 141. APPLICABILITY.

This subtitle shall apply in the case of any employee who should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) CSRS covered instead.

SEC. 142. CORRECTION MANDATORY.

(a) UNCORRECTED ERROR.—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) CORRECTED ERROR.—If the retirement coverage error has been corrected before the effective date of this Act, the corrective action taken before such date shall remain in effect.

Subtitle F—Employee Who Should Have Been CSRS Covered, but Who Was Erroneously CSRS-Offset Covered Instead

SEC. 151. APPLICABILITY.

This subtitle shall apply in the case of any employee who should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) CSRS-Offset covered instead.

SEC. 152. CORRECTION MANDATORY.

(a) UNCORRECTED ERROR.—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) CORRECTED ERROR.—If the retirement coverage error has been corrected before the effective date of this Act, the corrective action taken before such date shall remain in effect.

TITLE II—GENERAL PROVISIONS

SEC. 201. IDENTIFICATION AND NOTIFICATION REQUIREMENTS.

Government agencies shall take all such measures as may be reasonable and appropriate to promptly identify and notify individuals who are (or have been) affected by a retirement coverage error of their rights under this Act.

SEC. 202. INFORMATION TO BE FURNISHED TO AND BY AUTHORITIES ADMINISTERING THIS ACT.

(a) APPLICABILITY.—The authorities identified in this subsection are—

(1) the Director of the Office of Personnel Management;

(2) the Commissioner of Social Security; and

(3) the Executive Director of the Federal Retirement Thrift Investment Board.

(b) AUTHORITY TO OBTAIN INFORMATION.—Each authority identified in subsection (a) may secure directly from any department or agency of the United States information necessary to enable such authority to carry out its responsibilities under this Act. Upon request of the authority involved, the head of the department or agency involved shall furnish that information to the requesting authority.

(c) AUTHORITY TO PROVIDE INFORMATION.—Each authority identified in subsection (a) may provide directly to any department or agency of the United States all information such authority believes necessary to enable the department or agency to carry out its responsibilities under this Act.

(d) LIMITATION; SAFEGUARDS.—Each of the respective authorities under subsection (a) shall—

(1) request or provide only such information as that authority considers necessary; and

(2) establish, by regulation or otherwise, appropriate safeguards to ensure that any information obtained under this section shall be used only for the purpose authorized.

SEC. 203. SERVICE CREDIT DEPOSITS.

(a) CSRS DEPOSIT.—In the case of a retirement coverage error in which—

(1) a FERS covered employee was erroneously CSRS covered or CSRS-Offset covered;

(2) the employee made a service credit deposit under the CSRS rules: and

(3) there is a subsequent retroactive change to FERS coverage;

the excess of the amount of the CSRS civilian or military service credit deposit over the FERS civilian or military service credit deposit, together with interest computed in accordance with paragraphs (2) and (3) of section 8334(e) of title 5, United States Code, and regulations prescribed by the Office, shall be paid to the employee, the annuitant or, in the case of a deceased employee, to the individual entitled to lump-sum benefits under section 8424(d) of title 5, United States Code.

(b) FERS DEPOSIT.—

(1) APPLICABILITY.—This subsection applies in the case of an erroneous retirement coverage determination in which—

(A) the employee owed a service credit deposit under section 8411(f) of title 5, United States Code; and

(B)(i) there is a subsequent retroactive change to CSRS or CSRS-Offset coverage; or

(ii) the service becomes creditable under chapter 83 of title 5, United States Code.

(2) REDUCED ANNUITY.—

(A) IN GENERAL.—If at the time of commencement of an annuity there is remaining unpaid CSRS civilian or military service credit deposit for service described under paragraph (1), the annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) AMOUNT.—The reduced annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of the unreduced annuity benefit that would have been provided the individual.

(3) SURVIVOR ANNUITY.—

(A) IN GENERAL.—If at the time of commencement of a survivor annuity, there is remaining unpaid any CSRS service credit deposit described under paragraph (1), and there has been no actuarial reduction in an annuity under paragraph (2), the survivor annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) AMOUNT.—The reduced survivor annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced survivor annuity benefit that would have been provided the individual.

SEC. 204. PROVISIONS RELATED TO SOCIAL SECURITY COVERAGE OF MISCLASSIFIED EMPLOYEES.

(a) DEFINITIONS.—In this section, the term—

(1) "covered individual" means any employee, former employee, or annuitant who—

(A) is or was employed erroneously subject to CSRS coverage as a result of a retirement coverage error; and

(B) is or was retroactively converted to CSRS-offset coverage, FERS coverage, or Social Security-only coverage; and

(2) "excess CSRS deduction amount" means an amount equal to the difference between the CSRS deductions withheld and the CSRS-Offset or FERS deductions, if any, due with respect to a covered individual during the entire period the individual was erroneously subject to CSRS coverage as a result of a retirement coverage error.

(b) REPORTS TO COMMISSIONER OF SOCIAL SECURITY.—

(1) IN GENERAL.—In order to carry out the Commissioner of Social Security's responsibilities under title II of the Social Security Act, the Commissioner may request the head of each agency that employs or employed a covered individual to report (in coordination with the Office of Personnel Management) in such form and within such timeframe as the Commissioner may specify, any or all of—

(A) the total wages (as defined in section 3121(a) of the Internal Revenue Code of 1986) paid to such individual during each year of the entire period of the erroneous CSRS coverage; and

(B) such additional information as the Commissioner may require for the purpose of carrying out the Commissioner's responsibilities under title II of the Social Security Act (42 U.S.C. 401 et seq.).

(2) COMPLIANCE.—The head of an agency or the Office shall comply with a request from the Commissioner under paragraph (1).

(3) WAGES.—For purposes of section 201 of the Social Security Act (42 U.S.C. 401), wages reported under this subsection shall be deemed to be wages reported to the Secretary of the Treasury or the Secretary's delegates pursuant to subtitle F of the Internal Revenue Code of 1986.

(c) PAYMENT RELATING TO OASDI EMPLOYEE TAXES.—

(1) IN GENERAL.—The Office shall transfer from the Civil Service Retirement and Disability Fund to the General Fund of the Treasury an amount equal to the lesser of the excess CSRS deduction amount or the OASDI taxes due for covered individuals (as adjusted by amounts transferred relating to applicable OASDI employee taxes as a result of corrections made, including corrections made before the date of enactment of this Act). If the excess CSRS deductions exceed the OASDI taxes, any difference shall be paid

to the covered individual or survivors, as appropriate.

(2) Transfer.—Amounts transferred under this subsection shall be determined notwithstanding any limitation under section 6501 of the Internal Revenue Code of 1986.

(d) Payment of OASDI Employer Taxes.—

(1) In general.—Each employing agency shall pay an amount equal to the OASDI employer taxes owed with respect to covered individuals during the applicable period of erroneous coverage (as adjusted by amounts transferred for the payment of such taxes as a result of corrections made, including corrections made before the date of enactment of this Act).

(2) Payment.—Amounts paid under this subsection shall be determined subject to any limitation under section 6501 of the Internal Revenue Code of 1986.

(e) Application of OASDI Tax Provisions of the Internal Revenue Code of 1986 to Affected Individuals and Employing Agencies.—A covered individual and the individual's employing agency shall be deemed to have fully satisfied in a timely manner their responsibilities with respect to the taxes imposed by sections 3101(a), 3102(a), and 3111(a) of the Internal Revenue Code of 1986 on the wages paid by the employing agency to such individual during the entire period such individual was erroneously subject to CSRS coverage as a result of a retirement coverage error based on the payments and transfers made under subsections (c) and (d). No credit or refund of taxes on such wages shall be allowed as a result of this subsection.

SEC. 205. THRIFT SAVINGS PLAN TREATMENT FOR CERTAIN INDIVIDUALS.

(a) Applicability.—This section applies to an individual who—

(1) is eligible to make an election of coverage under section 101 or 102, and only if FERS coverage is elected (or remains in effect) for the employee involved; or

(2) is described in section 111, and makes or has made retroactive employee contributions to the Thrift Savings Fund under regulations prescribed by the Executive Director.

(b) Payment Into Thrift Savings Fund.—

(1) In general.—

(A) Payment.—With respect to an individual to whom this section applies, the employing agency shall pay to the Thrift Savings Fund under subchapter III of chapter 84 of title 5, United States Code, for credit to the account of the employee involved, an amount equal to the earnings which are disallowed under section 8432a(a)(2) of such title on the employee's retroactive contributions to such Fund.

(B) Amount.—Earnings under subparagraph (A) shall be computed in accordance with the procedures for computing lost earnings under section 8432a of title 5, United States Code. The amount paid by the employing agency shall be treated for all purposes as if that amount had actually been earned on the basis of the employee' s contributions.

(C) Exceptions.—If an individual made retroactive contributions before the effective date of the regulations under section 101(c), the Director may provide for an alternative calculation of lost earnings to the extent that a calculation under subparagraph (B) is not administratively feasible. The alternative calculation shall yield an amount that is as close as practicable to the amount computed under subparagraph (B), taking into account earnings previously paid.

(2) Additional employee contribution.—In cases in which the retirement coverage error was corrected before the effective date of the regulations under section 101(c), the employee involved shall have an additional opportunity to make retroactive contributions for the period of the retirement coverage error (subject to applicable limits), and such contributions (including any contributions made after the date of the correction) shall be treated in accordance with paragraph (1).

(c) Regulations.—

(1) Executive Director.—The Executive Director shall prescribe regulations appropriate to carry out this section relating to retroactive employee contributions and payments made on or after the effective date of the regulations under section 101(c).

(2) Office.—The Office, in consultation with the Federal Retirement Thrift Investment Board, shall prescribe regulations appropriate to carry out this section relating to the calculation of lost earnings on retroactive employee contributions made before the effective date of the regulations under section 101(c).

SEC. 206. CERTAIN AGENCY AMOUNTS TO BE PAID INTO OR REMAIN IN THE CSRDF.

(a) Certain Excess Agency Contributions to Remain in the CSRDF.—

(1) In general.—Any amount described under paragraph (2) shall—

(A) remain in the CSRDF; and

(B) may not be paid or credited to an agency.

(2) Amounts.—Paragraph (1) refers to any amount of contributions made by an agency under section 8423 of title 5, United States Code, on behalf of any employee, former employee, or annuitant (or survivor of such employee, former employee, or annuitant) who makes an election to correct a retirement coverage error under this Act, that the Office determines to be excess as a result of such election.

(b) Additional Employee Retirement Deductions To Be Paid by Agency.—If a correction in a retirement coverage error results in an increase in employee deductions under section 8334 or 8422 of title 5, United States Code, that cannot be fully paid by a reallocation of otherwise available amounts previously deducted from the employee's pay as employment taxes or retirement deductions, the employing agency—

(1) shall pay the required additional amount into the CSRDF; and

(2) shall not seek repayment of that amount from the employee, former employee, annuitant, or survivor.

SEC. 207. CSRS COVERAGE DETERMINATIONS TO BE APPROVED BY OPM.

No agency shall place an individual under CSRS coverage unless—

(1) the individual has been employed with CSRS coverage within the preceding 365 days; or

(2) the Office has agreed in writing that the agency's coverage determination is correct.

SEC. 208. DISCRETIONARY ACTIONS BY DIRECTOR.

(a) In General.—The Director of the Office of Personnel Management may—

(1) extend the deadlines for making elections under this Act in circumstances involving an individual's inability to make a timely election due to a cause beyond the individual's control;

(2) provide for the reimbursement of necessary and reasonable expenses incurred by an individual with respect to settlement of a claim for losses resulting from a retirement coverage error, including attorney's fees, court costs, and other actual expenses;

(3) compensate an individual for monetary losses that are a direct and proximate result of a retirement coverage error, excluding claimed losses relating to forgone contributions and earnings under the Thrift Savings Plan under subchapter III of chapter 84 of title 5, United States Code, and all other investment opportunities; and

(4) waive payments required due to correction of a retirement coverage error under this Act.

(b) Similar Actions.—In exercising the authority under this section, the Director shall, to the extent practicable, provide for similar actions in situations involving similar circumstances.

(c) Judicial Review.—Actions taken under this section are final and conclusive, and are not subject to administrative or judicial review.

(d) Regulations.—The Office of Personnel Management shall prescribe regulations regarding the process and criteria used in exercising the authority under this section.

(e) Report.—The Office of Personnel Management shall, not later than 180 days after the date of enactment of this Act, and annually thereafter for each year in which the authority provided in this section is used, submit a report to each House of Congress on the operation of this section.

SEC. 209. REGULATIONS.

(a) In General.—In addition to the regulations specifically authorized in this Act, the Office may prescribe such other regulations as are necessary for the administration of this Act.

(b) Former Spouse.—The regulations prescribed under this Act shall provide for protection of the rights of a former spouse with entitlement to an apportionment of benefits or to survivor benefits based on the service of the employee.

TITLE III—OTHER PROVISIONS

SEC. 301. PROVISIONS TO AUTHORIZE CONTINUED CONFORMITY OF OTHER FEDERAL RETIREMENT SYSTEMS.

(a) Foreign Service.—Sections 827 and 851 of the Foreign Service Act of 1980 (22 U.S.C. 4067 and 4071) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

(b) Central Intelligence Agency.—Sections 292 and 301 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2141 and 2151) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System: and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

SEC. 302. AUTHORIZATION OF PAYMENTS.

All payments authorized or required by this Act to be paid from the Civil Service Retirement and Disability Fund, together with administrative expenses incurred by the Office in administering this Act, shall be deemed to have been authorized to be paid from that Fund, which is appropriated for the payment thereof.

SEC. 303. INDIVIDUAL RIGHT OF ACTION PRESERVED FOR AMOUNTS NOT OTHERWISE PROVIDED FOR UNDER THIS ACT.

Nothing in this Act shall preclude an individual from bringing a claim against the Government of the United States which such individual may have under section 1346(b) or chapter 171 of title 28, United States Code, or any other provision of law (except to the extent the claim is for any amounts otherwise provided for under this Act).

TITLE IV—TAX PROVISIONS

SEC. 401. TAX PROVISIONS.

(a) PLAN QUALIFICATION.—No retirement plan of the United States (or any agency thereof) shall fail to be treated as a qualified plan under the Internal Revenue Code of 1986 by reason of—

(1) any failure to follow plan terms as addressed by this Act; or

(2) any action taken under this Act.

(b) TRANSFERS.—For purposes of the Internal Revenue Code of 1986, no amount shall be includible in the gross income of any individual in any tax year by reason of any direct transfer under this Act between funds or any Government contribution under this Act to any fund or account in any such tax year.

TITLE V—MISCELLANEOUS RETIREMENT PROVISIONS

SEC. 501. FEDERAL RESERVE BOARD PORTABILITY OF SERVICE CREDIT.

(a) CREDITABLE SERVICE.—

(1) IN GENERAL.—Section 8411(b) of title 5, United States Code, is amended—

(A) by striking "and" at the end of paragraph (3);

(B) in paragraph (4)—

(i) by striking "of the preceding provisions" and inserting "other paragraph"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(5) a period of service (other than any service under any other paragraph of this subsection, any military service, and any service performed in the employ of a Federal Reserve Bank) that was creditable under the Bank plan (as defined in subsection (i)), if the employee waives credit for such service under the Bank plan and makes a payment to the Fund equal to the amount that would have been deducted from pay under section 8422(a) had the employee been subject to this chapter during such period of service (together with interest on such amount computed under paragraphs (2) and (3) of section 8334(e)).

Paragraph (5) shall not apply in the case of any employee as to whom subsection (g) (or, to the extent subchapter III of chapter 83 is involved, section 8332(n)) otherwise applies.".

(2) BANK PLAN DEFINED.—Section 8411 of title 5, United States Code, is amended by adding at the end the following:

"(i) For purposes of subsection (b)(5), the term 'Bank plan' means the benefit structure—

"(1) in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate; and

"(2) that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of this chapter).".

(b) EXCLUSION FROM CHAPTER 84.—

(1) IN GENERAL.—Paragraph (2) of section 8402(b) of title 5, United States Code, is amended by striking the matter before subparagraph (B) and inserting the following:

"(2)(A) any employee or Member who has separated from the service after—

"(i) having been subject to—

"(I) subchapter III of chapter 83 of this title;

"(II) subchapter I of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); or

"(III) the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act; and

"(ii) having completed—

"(I) at least 5 years of civilian service creditable under subchapter III of chapter 83 of this title;

"(II) at least 5 years of civilian service creditable under subchapter I of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); or

"(III) at least 5 years of civilian service (other than any service performed in the employ of a Federal Reserve Bank) creditable under the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act,

determined without regard to any deposit or redeposit requirement under either such subchapter or under such benefit structure, or any requirement that the individual become subject to either such subchapter or to such benefit structure after performing the service involved; or".

(2) EXCEPTION.—Subsection (d) of section 8402 of title 5, United States Code, is amended to read as follows:

"(d) Paragraph (2) of subsection (b) shall not apply to an individual who—

"(1) becomes subject to—

"(A) subchapter II of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4071 et seq.) (relating to the Foreign Service Pension System) pursuant to an election; or

"(B) the benefit structure in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate, which benefit structure is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of this chapter); and

"(2) subsequently enters a position in which, but for paragraph (2) of subsection (b), such individual would be subject to this chapter.".

(c) PROVISIONS RELATING TO CERTAIN FORMER EMPLOYEES.—A former employee of the Board of Governors of the Federal Reserve System who—

(1) has at least 5 years of civilian service (other than any service performed in the employ of a Federal Reserve Bank) creditable under the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act;

(2) was subsequently employed subject to the benefit structure in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate, which benefit structure is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of chapter 84 of title 5, United States Code); and

(3) after service described in paragraph (2), becomes subject to and thereafter entitled to benefits under chapter 84 of title 5, United States Code,

shall, for purposes of section 302 of the Federal Employees' Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99–335; 100 Stat. 601) be considered to have become subject to chapter 84 of title 5, United States Code, pursuant to an election under section 301 of such Act.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), this section and the amendments made by this section shall take effect on the date of enactment of this Act.

(2) PROVISIONS RELATING TO CREDITABILITY AND CERTAIN FORMER EMPLOYEES.—The amendments made by subsection (a) and the provisions of subsection (c) shall apply only to individuals who separate from service subject to chapter 84 of title 5, United States Code, on or after the date of enactment of this Act.

(3) PROVISIONS RELATING TO EXCLUSION FROM CHAPTER.—The amendments made by subsection (b) shall not apply to any former employee of the Board of Governors of the Federal Reserve System who, subsequent to his or her last period of service as an employee of the Board of Governors of the Federal Reserve System and prior to the date of enactment of this Act, became subject to subchapter III of chapter 83 or chapter 84 of title 5, United States Code, under the law in effect at the time of the individual's appointment.

SEC. 502. CERTAIN TRANSFERS TO BE TREATED AS A SEPARATION FROM SERVICE FOR PURPOSES OF THE THRIFT SAVINGS PLAN.

(a) AMENDMENTS TO CHAPTER 84 OF TITLE 5, UNITED STATES CODE.—

(1) IN GENERAL.—Subchapter III of chapter 84 of title 5, United States Code, is amended by inserting before section 8432 the following:

"§ 8431. Certain transfers to be treated as a separation

"(a) For purposes of this subchapter, separation from Government employment includes a transfer from a position that is subject to one of the retirement systems described in subsection (b) to a position that is not subject to any such system.

"(b) The retirement systems described in this subsection are—

"(1) the retirement system under this chapter;

"(2) the retirement system under subchapter III of chapter 83; and

"(3) any other retirement system under which individuals may contribute to the Thrift Savings Fund through withholdings from pay.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 84 of title 5, United States Code, is amended by inserting before the item relating to section 8432 the following:

"8431. Certain transfers to be treated as a separation.".

(b) CONFORMING AMENDMENTS.—Subsection (b) of section 8351 of title 5, United States Code, is amended by redesignating paragraph (11) as paragraph (8), and by adding at the end the following:

"(9) For the purpose of this section, separation from Government employment includes a transfer described in section 8431.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to transfers occurring before, on, or after the date of enactment of this Act, except that, for purposes of applying such amendments with respect to any transfer occurring before such date of enactment, the date of such transfer shall be considered to be the date of enactment of this Act. The Executive Director (within the meaning of section 8401(13) of title 5, United States Code) may prescribe any regulations necessary to carry out this subsection.

TITLE VI—EFFECTIVE DATE

SEC. 601. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act shall take effect on the date of enactment of this Act.

THE DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

HUTCHISON AMENDMENT NO. 2509

Mr. GRAMM (for Mrs. HUTCHISON) proposed an amendment to the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes; as follows:

Strike out all after the enacting clause and insert:

That, the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—FISCAL YEAR 2000 APPROPRIATIONS

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

For a Federal payment to the District of Columbia for a program to be administered by the Mayor for District of Columbia resident tuition support, subject to the enactment of authorizing legislation for such program by Congress, $17,000,000, to remain available until expended: Provided, That such funds may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, usable at both public and private institutions of higher education: Provided further, That the awarding of such funds may be prioritized on the basis of a resident's academic merit and such other factors as may be authorized: Provided further, That if the authorized program is a nationwide program, the Mayor may expend up to $17,000,000: Provided further, That if the authorized program is for a limited number of States, the Mayor may expend up to $11,000,000: Provided further, That the District of Columbia may expend funds other than the funds provided under this heading, including local tax revenues and contributions, to support such program.

FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

For a Federal payment to the District of Columbia to create incentives to promote the adoption of children in the District of Columbia foster care system, $5,000,000: Provided, That such funds shall remain available until September 30, 2001 and shall be used in accordance with a program established by the Mayor and the Council of the District of Columbia and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That funds provided under this heading may be used to cover the costs to the District of Columbia of providing tax credits to offset the costs incurred by individuals in adopting children in the District of Columbia foster care system and in providing for the health care needs of such children, in accordance with legislation enacted by the District of Columbia government.

FEDERAL PAYMENT TO THE CITIZEN COMPLAINT REVIEW BOARD

For a Federal payment to the District of Columbia for administrative expenses of the Citizen Complaint Review Board, $500,000, to remain available until September 30, 2001.

FEDERAL PAYMENT TO THE DEPARTMENT OF HUMAN SERVICES

For a Federal payment to the Department of Human Services for a mentoring program and for hotline services, $250,000.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For salaries and expenses of the District of Columbia Corrections Trustee, $176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105–33; 111 Stat. 712): Provided, That notwithstanding any other provision of law, funds appropriated in this Act for the District of Columbia Corrections Trustee shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That in addition to the funds provided under this heading, the District of Columbia Corrections Trustee may use a portion of the interest earned on the Federal payment made to the Trustee under the District of Columbia Appropriations Act, 1998, (not to exceed $4,600,000) to carry out the activities funded under this heading.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

For salaries and expenses for the District of Columbia Courts, $99,714,000 to be allocated as follows: for the District of Columbia Court of Appeals, $7,209,000; for the District of Columbia Superior Court, $68,351,000; for the District of Columbia Court System, $16,154,000; and $8,000,000, to remain available until September 30, 2001, for capital improvements for District of Columbia courthouse facilities: Provided, That of the amounts available for operations of the District of Columbia Courts, not to exceed $2,500,000 shall be for the design of an Integrated Justice Information System and that such funds shall be used in accordance with a plan and design developed by the courts and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11–2604 and section 11–2605, D.C. Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Division of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Code, and payments for counsel authorized under section 21–2060, D.C. Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), $33,336,000, to remain available until expended: Provided, That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: Provided further, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia may use a portion (not to exceed $1,200,000) of the interest earned on the Federal payment made to the District of Columbia courts under the District of Columbia Appropriations Act, 1999, together with funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during fiscal year 1999 if the Comptroller General certifies that the amount of obligations lawfully incurred for such payments during fiscal year 1999 exceeds the obligational authority otherwise available for making such payments: Provided further, That such funds shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: Provided further, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

For salaries and expenses of the Court Services and Offender Supervision Agency for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, (Public Law 105–33; 111 Stat. 712), $93,800,000, of which $58,600,000 shall be for necessary expenses of Parole Revocation, Adult Probation, Offender Supervision, and Sex Offender Registration, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; $17,400,000 shall be available to the Public Defender Service; and $17,800,000 shall be available to the Pretrial Services Agency: Provided, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That of the amounts made available under this heading, $20,492,000 shall be used in support of universal drug screening and testing for those individuals on pretrial, probation, or parole supervision with continued testing, intermediate sanctions, and treatment for those identified in need, of which $7,000,000 shall be for treatment services.

CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal contribution to the Children's National Medical Center in the District of Columbia, $2,500,000 for construction, renovation, and information technology infrastructure costs associated with establishing community pediatric health clinics for high risk children in medically underserved areas of the District of Columbia.

FEDERAL PAYMENT FOR METROPOLITAN POLICE DEPARTMENT

For payment to the Metropolitan Police Department, $1,000,000, for a program to eliminate open air drug trafficking in the District of Columbia: Provided, That the Chief of Police shall provide quarterly reports to the Committees on Appropriations of the Senate and House of Representatives by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the project financed under this heading.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $162,356,000 (including $137,134,000 from local funds, $11,670,000 from Federal funds, and $13,552,000 from other funds): Provided, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: Provided further, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: Provided further, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: Provided further, That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor: Provided further, That, notwithstanding any other provision of law now or hereafter enacted, no Member of the District of Columbia Council eligible to earn a part-time salary of $92,520, exclusive of the Council Chairman, shall be paid a salary of more than $84,635 during fiscal year 2000.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $190,335,000 (including $52,911,000 from local funds, $84,751,000 from Federal funds, and $52,673,000 from other funds), of which $15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (D.C. Law 12–23): Provided, That such funds are available for acquiring services provided by the General Services Administration: Provided further, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $778,770,000 (including $565,511,000 from local funds, $29,012,000 from Federal funds, and $184,247,000 from other funds): Provided, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: Provided further, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: Provided further, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on efforts to increase efficiency and improve the professionalism in the department: Provided further, That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: Provided further, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: Provided further, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: Provided further, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: Provided further, That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: Provided further, That no more than 15 members of the Metropolitan Police Department shall be detailed or assigned to the Executive Protection Unit, until the Chief of Police submits a recommendation to the Council for its review: Provided further, That $100,000 shall be available for inmates released on medical and geriatric parole: Provided further, That commencing on December 31, 1999, the Metropolitan Police Department shall provide to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives, quarterly reports on the status of crime reduction in each of the 83 police service areas established throughout the District of Columbia: Provided further, That up to $700,000 in local funds shall be available for the operations of the Citizen Complaint Review Board.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $867,411,000 (including $721,847,000 from local funds, $120,951,000 from Federal funds, and $24,613,000 from other funds), to be allocated as follows: $713,197,000 (including $600,936,000 from local funds, $106,213,000 from Federal funds, and $6,048,000 from other funds), for the public schools of the District of Columbia; $10,700,000 from local funds for the District of Columbia Teachers' Retirement Fund; $17,000,000 from local funds, previously appropriated in this Act as a Federal payment, for resident tuition support at public and private institutions of higher learning for eligible District of Columbia residents; $27,885,000 from local funds for public charter schools: Provided, That if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall be available for new public charter schools on a per pupil basis: Provided further, That $480,000 of this amount shall be available to the District of Columbia Public Charter School Board for administrative costs; $72,347,000 (including $40,491,000 from local funds, $13,536,000 from Federal funds, and $18,320,000 from other funds) for the University of the District of Columbia; $24,171,000 (including $23,128,000 from local funds, $798,000 from Federal funds, and $245,000 from other funds) for the Public Library; $2,111,000 (including $1,707,000 from local funds and $404,000 from Federal funds) for the Commission on the Arts and Humanities: Provided further, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: Provided further, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: Provided further, That none of the funds contained in this Act may be made available to pay the salaries of any District of Columbia Public School teacher, principal, administrator, official, or employee who knowingly provides false enrollment or attendance information under article II, section 5 of the Act entitled "An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes", approved February 4, 1925 (D.C. Code, sec. 31–401 et seq.): Provided further, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary and secondary school during fiscal year 2000 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia which are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): Provided further, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2000, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: Provided further, That the District of Columbia Public Schools shall not spend less than $365,500,000 on local schools through the Weighted Student Formula in fiscal *year 2000: Provided further, That notwithstanding any other provision of law, the Chief Financial Officer of the District of Columbia shall apportion from the budget of the District of Columbia Public Schools a sum totaling 5 percent of the total budget to be set aside until the current student count for Public and Charter schools has been completed, and that this amount shall be apportioned between the Public and Charter schools based on their respective student population count: Provided further, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina.*

HUMAN SUPPORT SERVICES

Human support services, $1,526,361,000 (including $635,373,000 from local funds, $875,814,000 from Federal funds, and $15,174,000 from other funds): Provided, That $25,150,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: Provided further, That a peer review committee shall be established to review medical payments and the type of service received by a disability compensation claimant: Provided further, That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization, as defined in section 411(5) of the Stewart B. McKinney Homeless Assistance Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11371), providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to such Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, $271,395,000 (including $258,341,000 from local funds, $3,099,000 from Federal funds, and $9,955,000 from other funds): Provided, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

RECEIVERSHIP PROGRAMS

For all agencies of the District of Columbia government under court ordered receivership, $342,077,000 (including $217,606,000 from local funds, $106,111,000 from Federal funds, and $18,360,000 from other funds).

WORKFORCE INVESTMENTS

For workforce investments, $8,500,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

RESERVE

For a reserve to be established by the Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority, $150,000,000.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (109 Stat. 97; Public Law 104–8), $3,140,000: Provided, That none of the funds contained in this Act may be used to pay any compensation of the Executive Director or General Counsel of the Authority at a rate in excess of the maximum rate of compensation which may be paid to such individual during fiscal year 2000 under section 102 of such Act, as determined by the Comptroller General (as described in GAO letter report B–279095.2).

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act, approved December 24, 1973, as amended, and that funds shall be allocated for expenses associated with the Wilson Building, $328,417,000 from local funds: Provided, That for equipment leases, the Mayor may finance $27,527,000 of equipment cost, plus cost of issuance not to exceed 2 percent of the par amount being financed on a lease purchase basis with a maturity not to exceed 5 years: Provided further, That $5,300,000 is allocated to the Metropolitan Police Department, $3,200,000 for the Fire and Emergency Medical Services Department, $350,000 for the Department of Corrections, $15,949,000 for the Department of Public Works and $2,728,000 for the Public Benefit Corporation.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,286,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act (105 Stat. 540; D.C. Code, sec. 47–321(a)(1)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $9,000,000 from local funds.

CERTIFICATES OF PARTICIPATION

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,950,000 from local funds.

OPTICAL AND DENTAL INSURANCE PAYMENTS

For optical and dental insurance payments, $1,295,000 from local funds.

PRODUCTIVITY BANK

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall finance projects totaling $20,000,000 in local funds that result in cost savings or additional revenues, by an amount equal to such financing: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the projects financed under this heading.

PRODUCTIVITY BANK SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions totaling $20,000,000 in local funds. The reductions are to be allocated to projects funded through the Productivity Bank that produce cost savings or additional revenues in an amount equal to the Productivity Bank financing: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the cost savings or additional revenues funded under this heading.

PROCUREMENT AND MANAGEMENT SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions of $14,457,000 for general supply schedule savings and $7,000,000 for management reform savings, in local funds to one or more of the appropriation headings in this Act: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the general supply schedule savings and management reform savings projected under this heading.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

For operation of the Water and Sewer Authority and the Washington Aqueduct, $279,608,000 from other funds (including $236,075,000 for the Water and Sewer Authority and $43,533,000 for the Washington Aqueduct) of which $35,222,000 shall be apportioned and payable to the District's debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $197,169,000, as authorized by the Act entitled "An Act authorizing the laying of watermains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes" (33 Stat. 244; Public Law 58–140; D.C. Code, sec. 43–1512 et seq.): Provided, That the requirements and restrictions that are applicable to general fund capital improvements projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982 (95 Stat. 1174 and 1175; Public Law 97–91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia (D.C. Law 3–172; D.C. Code, sec. 2–2501 et seq. and sec. 22-1516 et seq.), $234,400,000: Provided, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally generated revenues: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

SPORTS AND ENTERTAINMENT COMMISSION

For the Sports and Entertainment Commission, $10,846,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by the Act entitled "An Act To Establish A District of Columbia Armory Board, and for other purposes" (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): Provided, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

DISTRICT OF COLUMBIA HEALTH AND HOSPITALS PUBLIC BENEFIT CORPORATION

For the District of Columbia Health and Hospitals Public Benefit Corporation, established by D.C. Law 11–212; D.C. Code, sec. 32–262.2, $133,443,000 of which $44,435,000 shall be derived by transfer from the general fund and $89,008,000 from other funds.

District of Columbia Retirement Board

For the District of Columbia Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $9,892,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: Provided further, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: Provided further, That section 121(c)(1) of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–711(c)(1)) is amended by striking "the total amount to which a member may be entitled" and all that follows and inserting the following: "the total amount to which a member may be entitled under this subsection during a year (beginning with 1998) may not exceed $5,000, except that in the case of the Chairman of the Board and the Chairman of the Investment Committee of the Board, such amount may not exceed $7,500 (beginning with 2000).".

Correctional Industries Fund

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act (78 Stat. 1000; Public Law 88–622), $1,810,000 from other funds.

Washington Convention Center Enterprise Fund

For the Washington Convention Center Enterprise Fund, $50,226,000 from other funds.

Capital Outlay

(INCLUDING RESCISSIONS)

For construction projects, $1,260,524,000 of which $929,450,000 is from local funds, $54,050,000 is from the highway trust fund, and $277,024,000 is from Federal funds, and a rescission of $41,886,500 from local funds appropriated under this heading in prior fiscal years, for a net amount of $1,218,637,500 to remain available until expended: Provided, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: Provided further, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: Provided further, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 2001, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 2001: Provided further, That upon expiration of any such project authorization, the funds provided herein for the project shall lapse.

General Provisions

Sec. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official, and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

Sec. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

Sec. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: Provided, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

Sec. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: Provided, That in the case of the Council of the District of Columbia, funds may be expended with the authorization of the chair of the Council.

Sec. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: Provided, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

Sec. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for the payment of the non-Federal share of funds necessary to qualify for grants under subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994.

Sec. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

Sec. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform, the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

Sec. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

Sec. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

Sec. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: Provided, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

Sec. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

Sec. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

Sec. 116. None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased by Congress in this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) reestablishes through reprogramming any program or project previously deferred through reprogramming; (6) augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of $1,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project, or responsibility center; unless the Appropriations Committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.

Sec. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia government.

Sec. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: Provided, That this section shall not apply to security, emergency rescue, or armored vehicles.

Sec. 119. (a) City Administrator.—The last sentence of section 422(7) of the District of Columbia Home Rule Act (D.C. Code, sec. 1–242(7)) is amended by striking ", not to exceed" and all that follows and inserting a period.

(b) Board of Directors of Redevelopment Land Agency.—Section 1108(c)(2)(F) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–612.8(c)(2)(F)) is amended to read as follows:

"(F) Redevelopment Land Agency board members shall be paid per diem compensation at a rate established by the Mayor, except that such rate may not exceed the daily equivalent of the annual rate of basic pay for level 15 of the District Schedule for each day (including travel *time) during which they are engaged in the actual performance of their duties.".*

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: Provided, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 2000, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 2000 revenue estimates as of the end of the first quarter of fiscal year 2000. These estimates shall be used in the budget request for the fiscal year ending September 30, 2001. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 122. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: Provided, That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and approved by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 123. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: Provided, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 124. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: Provided, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

SEC. 125. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 2000 if—

(1) the Mayor approves the acceptance and use of the gift or donation: Provided, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 126. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

SEC. 127. (a) The University of the District of Columbia shall submit to the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last quarter in compliance with applicable law; and

(5) changes made in the last quarter to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

(b) The Mayor, the Authority, and the Council shall provide the Congress by February 1, 2000, a summary, analysis, and recommendations on the information provided in the quarterly reports.

SEC. 128. Funds authorized or previously appropriated to the government of the District of Columbia by this or any other Act to procure the necessary hardware and installation of new software, conversion, testing, and training to improve or replace its financial management system are also available for the acquisition of accounting and financial management services and the leasing of necessary hardware, software or any other related goods or services, as determined by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 129. (a) None of the funds contained in this Act may be made available to pay the fees of an attorney who represents a party who prevails in an action, including an administrative proceeding, brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) if—

(1) the hourly rate of compensation of the attorney exceeds 120 percent of the hourly rate of compensation under section 11–2604(a), District of Columbia Code; or

(2) the maximum amount of compensation of the attorney exceeds 120 percent of the maximum amount of compensation under section 11-2604(b)(1), District of Columbia Code, except that compensation and reimbursement in excess of such maximum may be approved for extended or complex representation in accordance with section 11–2604(c), District of Columbia Code.

(b) Notwithstanding the preceding subsection, if the Mayor, District of Columbia Financial Responsibility and Management Assistance Authority and the Superintendent of the District of Columbia Public Schools concur in a Memorandum of Understanding setting forth a new rate and amount of compensation, then such new rates shall apply in lieu of the rates set forth in the preceding subsection.

SEC. 130. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 131. None of the funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9–114; D.C. Code, sec. 36–1401 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples (whether homosexual, heterosexual, or lesbian), including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

SEC. 132. The Superintendent of the District of Columbia Public Schools shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget, broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the District of Columbia Public Schools; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(5) changes made in the last quarter to the organizational structure of the District of Columbia Public Schools, displaying previous and current control centers and responsibility centers,

the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 133. (a) IN GENERAL.—The Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia public schools and the University of the District of Columbia for fiscal year 1999, fiscal year 2000, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia public schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) SUBMISSION.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

SEC. 134. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, and each succeeding year, the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

SEC. 135. The District of Columbia Financial Responsibility and Management Assistance Authority, acting on behalf of the District of Columbia Public Schools (DCPS) in formulating the DCPS budget, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the University of the District of Columbia School of Law shall vote on and approve the respective annual or revised budgets for such entities before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

SEC. 136. (a) CEILING ON TOTAL OPERATING EXPENSES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2000 under the heading "Division of Expenses" shall not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year; or

(B) $5,515,379,000 (of which $152,753,000 shall be from intra-District funds and $3,113,854,000 shall be from local funds), which amount may be increased by the following:

(i) proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs approved by the District of Columbia Financial Responsibility and Management Assistance Authority; or

(ii) after notification to the Council, additional expenditures which the Chief Financial Officer of the District of Columbia certifies will produce additional revenues during such fiscal year at least equal to 200 percent of such additional expenditures, and that are approved by the Authority.

(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2000, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor, in consultation with the Chief Financial Officer, during a control year, as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8; 109 Stat. 152), may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District of Columbia submits to the Authority a report setting forth detailed information regarding such grant; and

(B) the Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) of this subsection or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) QUARTERLY REPORTS.—The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the quarter covered by the report.

(c) REPORT ON EXPENDITURES BY FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—Not later than 20 calendar days after the end of each fiscal quarter starting October 1, 1999, the Authority shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Government Reform of the House, and the Committee on Governmental Affairs of the Senate providing an itemized accounting of all non-appropriated funds obligated or expended by the Authority for the quarter. The report shall include information on the date, amount, purpose, and vendor name, and a description of the services or goods provided with respect to the expenditures of such funds.

SEC. 137. If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 2000 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act (87 Stat. 774; Public Law 93–198) the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.

SEC. 138. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia public schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

SEC. 139. (a) RESTRICTIONS ON USE OF OFFICIAL VEHICLES.—Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term "official duties" does not include travel between the officer's or employee's residence and workplace (except: (1) in the case of an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day; (3) the Mayor of the District of Columbia; and (4) the Chairman of the Council of the District of Columbia).

(b) INVENTORY OF VEHICLES.—The Chief Financial Officer of the District of Columbia shall submit, by November 15, 1999, an inventory, as of September 30, 1999, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a

District officer or employee and if so, the officer or employee's title and resident location.

SEC. 140. (a) SOURCE OF PAYMENT FOR EMPLOYEES DETAILED WITHIN GOVERNMENT.—For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 2000 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity's budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(b) MODIFICATION OF REDUCTION IN FORCE PROCEDURES.—The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), is further amended in section 2408(a) by striking "1999" and inserting "2000"; in subsection (b), by striking "1999" and inserting "2000"; in subsection (i), by striking "1999" and inserting "2000"; and in subsection (k), by striking "1999" and inserting "2000".

SEC. 141. Notwithstanding any other provision of law, not later than 120 days after the date that a District of Columbia Public Schools (DCPS) student is referred for evaluation or assessment—

(1) the District of Columbia Board of Education, or its successor, and DCPS shall assess or evaluate a student who may have a disability and who may require special education services; and

(2) if a student is classified as having a disability, as defined in section 101(a)(1) of the Individuals with Disabilities Education Act (84 Stat. 175; 20 U.S.C. 1401(a)(1)) or in section 7(8) of the Rehabilitation Act of 1973 (87 Stat. 359; 29 U.S.C. 706(8)), the Board and DCPS shall place that student in an appropriate program of special education services.

SEC. 142. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF THE CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each agency of the Federal or District of Columbia government shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 143. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority) for fiscal year 2000 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Code, sec. 1–1182.8(a)(4)); and

(2) the audit includes a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year.

SEC. 144. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the District of Columbia Financial Responsibility and Management Assistance Authority. Appropriations made by this Act for such programs or functions are conditioned only on the approval by the Authority of the required reorganization plans.

SEC. 145. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public School employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 146. None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

SEC. 147. None of the funds contained in this Act may be used to transfer or confine inmates classified above the medium security level, as defined by the Federal Bureau of Prisons classification instrument, to the Northeast Ohio Correctional Center located in Youngstown, Ohio.

SEC. 148. (a) Section 202(i) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8), as added by section 155 of the District of Columbia Appropriations Act, 1999, is amended to read as follows:

"(j) RESERVE.—

"(1) IN GENERAL.—Beginning with fiscal year 2000, the plan or budget submitted pursuant to this Act shall contain $150,000,000 for a reserve to be established by the Mayor, Council of the District of Columbia, Chief Financial Officer for the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority.

"(2) CONDITIONS ON USE.—The reserve funds—

"(A) shall only be expended according to criteria established by the Chief Financial Officer and approved by the Mayor, Council of the District of Columbia, and District of Columbia Financial Responsibility and Management Assistance Authority, but, in no case may any of the reserve funds be expended until any other surplus funds have been used;

"(B) shall not be used to fund the agencies of the District of Columbia government under court ordered receivership; and

"(C) shall not be used to fund shortfalls in the projected reductions budgeted in the budget proposed by the District of Columbia government for general supply schedule savings and management reform savings.

"(3) REPORT REQUIREMENT.—The Authority shall notify the Appropriations Committees of both the Senate and House of Representatives in writing 30 days in advance of any expenditure of the reserve funds.".

(b) Section 202 of such Act (Public Law 104–8), as amended by subsection (a), is further amended by adding at the end the following:

"(k) POSITIVE FUND BALANCE.—

"(1) IN GENERAL.—The District of Columbia shall maintain at the end of a fiscal year an annual positive fund balance in the general fund of not less than 4 percent of the projected general fund expenditures for the following fiscal year.

"(2) EXCESS FUNDS.—Of funds remaining in excess of the amounts required by paragraph (1)—

"(A) not more than 50 percent may be used for authorized non-recurring expenses; and

"(B) not less than 50 percent shall be used to reduce the debt of the District of Columbia.".

SEC. 149. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the District of Columbia Financial Responsibility and Management Assistance Authority a revised appropriated funds operating budget for all agencies of the District of Columbia government for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

SEC. 150. None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 151. (a) RESTRICTIONS ON LEASES.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to make rental payments under a lease for the use of real property by the District of Columbia government (including any independent agency of the District) unless the lease and an abstract of the lease have been filed (by the District of Columbia or any other party to the lease) with the central office of the Deputy Mayor for Economic Development, in an indexed registry available for public inspection.

(b) ADDITIONAL RESTRICTIONS ON CURRENT LEASES.—

(1) IN GENERAL.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, in the case of a lease described in paragraph (3), none of the funds contained in this Act may be used to make rental payments under the lease unless the lease is included in periodic reports submitted by the Mayor and Council of the District of Columbia to the Committees on Appropriations of the House of Representatives and Senate describing for each such lease the following information:

(A) The location of the property involved, the name of the owners of record according to the land records of the District of Columbia, the name of the lessors according to the lease, the rate of payment under the lease, the period of time covered by the lease, and the conditions under which the lease may be terminated.

(B) The extent to which the property is or is not occupied by the District of Columbia government as of the end of the reporting period involved.

(C) If the property is not occupied and utilized by the District government as of the end of the reporting period involved, a plan for occupying and utilizing the property (including construction or renovation work) or a status statement regarding any efforts by the District to terminate or renegotiate the lease.

(2) TIMING OF REPORTS.—The reports described in paragraph (1) shall be submitted for

each calendar quarter (beginning with the quarter ending December 31, 1999) not later than 20 days after the end of the quarter involved, plus an initial report submitted not later than 60 days after the date of the enactment of this Act, which shall provide information as of the date of the enactment of this Act.

(3) LEASES DESCRIBED.—A lease described in this paragraph is a lease in effect as of the date of the enactment of this Act for the use of real property by the District of Columbia government (including any independent agency of the District) which is not being occupied by the District government (including any independent agency of the District) as of such date or during the 60-day period which begins on the date of the enactment of this Act.

SEC. 152. (a) MANAGEMENT OF EXISTING DISTRICT GOVERNMENT PROPERTY.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to enter into a lease (or to make rental payments under such a lease) for the use of real property by the District of Columbia government (including any independent agency of the District) or to purchase real property for the use of the District of Columbia government (including any independent agency of the District) or to manage real property for the use of the District of Columbia (including any independent agency of the District) unless the following conditions are met:

(1) The Mayor and Council of the District of Columbia certify to the Committees on Appropriations of the House of Representatives and Senate that existing real property available to the District (whether leased or owned by the District government) is not suitable for the purposes intended.

(2) Notwithstanding any other provisions of law, there is made available for sale or lease all real property of the District of Columbia that the Mayor from time-to-time determines is surplus to the needs of the District of Columbia, unless a majority of the members of the Council override the Mayor's determination during the 30-day period which begins on the date the determination is published.

(3) The Mayor and Council implement a program for the periodic survey of all District property to determine if it is surplus to the needs of the District.

(4) The Mayor and Council within 60 days of the date of the enactment of this Act have filed with the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate a report which provides a comprehensive plan for the management of District of Columbia real property assets, and are proceeding with the implementation of the plan.

(b) TERMINATION OF PROVISIONS.—If the District of Columbia enacts legislation to reform the practices and procedures governing the entering into of leases for the use of real property by the District of Columbia government and the disposition of surplus real property of the District government, the provisions of subsection (a) shall cease to be effective upon the effective date of the legislation.

SEC. 153. Section 603(e)(2)(B) of the Student Loan Marketing Association Reorganization Act of 1996 (Public Law 104–208; 110 Stat. 3009–293) is amended—

(1) by inserting "and public charter" after "public"; and

(2) by adding at the end the following: "Of such amounts and proceeds, $5,000,000 shall be set aside for use as a credit enhancement fund for public charter schools in the District of Columbia, with the administration of the fund (including the making of loans) to be carried out by the Mayor through a committee consisting of three individuals appointed by the Mayor of the District of Columbia and two individuals appointed by the Public Charter School Board established under section 2214 of the District of Columbia School Reform Act of 1995.".

SEC. 154. The Mayor, District of Columbia Financial Responsibility and Management Assistance Authority, and the Superintendent of Schools shall implement a process to dispose of excess public school real property within 90 days of the enactment of this Act.

SEC. 155. Section 2003 of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2851) is amended by striking "during the period" and "and ending 5 years after such date.".

SEC. 156. Section 2206(c) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2853.16(c)) is amended by adding at the end the following: ", except that a preference in admission may be given to an applicant who is a sibling of a student already attending or selected for admission to the public charter school in which the applicant is seeking enrollment.".

SEC. 157. (a) TRANSFER OF FUNDS.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the "Authority") to the District of Columbia the sum of $18,000,000 for severance payments to individuals separated from employment during fiscal year 2000 (under such terms and conditions as the Mayor considers appropriate), expanded contracting authority of the Mayor, and the implementation of a system of managed competition among public and private providers of goods and services by and on behalf of the District of Columbia: Provided, That such funds shall be used only in accordance with a plan agreed to by the Council and the Mayor and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That the Authority and the Mayor shall coordinate the spending of funds for this program so that continuous progress is made. The Authority shall release said funds, on a quarterly basis, to reimburse such expenses, so long as the Authority certifies that the expenses reduce re-occurring future costs at an annual ratio of at least 2 to 1 relative to the funds provided, and that the program is in accordance with the best practices of municipal government.

(b) SOURCE OF FUNDS.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

SEC. 158. (a) IN GENERAL.—The District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the "Authority"), working with the Commonwealth of Virginia and the Director of the National Park Service, shall carry out a project to complete all design requirements and all requirements for compliance with the National Environmental Policy Act for the construction of expanded lane capacity for the Fourteenth Street Bridge.

(b) SOURCE OF FUNDS; TRANSFER.—For purposes of carrying out the project under subsection (a), there is hereby transferred to the Authority from the District of Columbia dedicated highway fund established pursuant to section 3(a) of the District of Columbia Emergency Highway Relief Act (Public Law 104–21; D.C. Code, sec. 7–134.2(a)) an amount not to exceed $5,000,000.

SEC. 159. (a) IN GENERAL.—The Mayor of the District of Columbia shall carry out through the Army Corps of Engineers, an Anacostia River environmental cleanup program.

(b) SOURCE OF FUNDS.—There are hereby transferred to the Mayor from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia, $5,000,000.

SEC. 160. (a) PROHIBITING PAYMENT OF ADMINISTRATIVE COSTS FROM FUND.—Section 16(e) of the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–435(e)) is amended—

(1) by striking "and administrative costs necessary to carry out this chapter"; and

(2) by striking the period at the end and inserting the following: ", and no monies in the Fund may be used for any other purpose.".

(b) MAINTENANCE OF FUND IN TREASURY OF THE UNITED STATES.—

(1) IN GENERAL.—Section 16(a) of such Act (D.C. Code, sec. 3–435(a)) is amended by striking the second sentence and inserting the following: "The Fund shall be maintained as a separate fund in the Treasury of the United States. All amounts deposited to the credit of the Fund are appropriated without fiscal year limitation to make payments as authorized under subsection (e).".

(2) CONFORMING AMENDMENT.—Section 16 of such Act (D.C. Code, sec. 3–435) is amended by striking subsection (d).

(c) DEPOSIT OF OTHER FEES AND RECEIPTS INTO FUND.—Section 16(c) of such Act (D.C. Code, sec. 3–435(c)) is amended by inserting after "1997," the second place it appears the following: "any other fines, fees, penalties, or assessments that the Court determines necessary to carry out the purposes of the Fund,".

(d) ANNUAL TRANSFER OF UNOBLIGATED BALANCES TO MISCELLANEOUS RECEIPTS OF TREASURY.—Section 16 of such Act (D.C. Code, sec. 3–435), as amended by subsection (b)(2), is further amended by inserting after subsection (c) the following new subsection:

"(d) Any unobligated balance existing in the Fund in excess of $250,000 as of the end of each fiscal year (beginning with fiscal year 2000) shall be transferred to miscellaneous receipts of the Treasury of the United States not later than 30 days after the end of the fiscal year.".

(e) RATIFICATION OF PAYMENTS AND DEPOSITS.—Any payments made from or deposits made to the Crime Victims Compensation Fund on or after April 9, 1997 are hereby ratified, to the extent such payments and deposits are authorized under the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–421 et seq.), as amended by this section:

SEC. 161. CERTIFICATION.—None of the funds contained in this Act may be used after the expiration of the 60-day period that begins on the date of the enactment of this Act to pay the salary of any chief financial officer of any office of the District of Columbia government (including any independent agency of the District) who has not filed a certification with the Mayor and the Chief Financial Officer of the District of Columbia that the officer understands the duties and restrictions applicable to the officer and their agency as a result of this Act.

SEC. 162. The proposed budget of the government of the District of Columbia for fiscal year 2001 that is submitted by the District to Congress shall specify potential adjustments that might become necessary in the event that the management savings achieved by the District during the year do not meet the level of management savings projected by the District under the proposed budget.

SEC. 163. In submitting any document showing the budget for an office of the District of Columbia government (including an independent agency of the District) that contains a category of activities labeled as "other", "miscellaneous", or a similar general, nondescriptive term, the document shall include a description of the types of activities covered in the category and a detailed breakdown of the amount allocated for each such activity.

Sec. 164. (a) Authorizing Corps of Engineers To Perform Repairs and Improvements.—In using the funds made available under this Act for carrying out improvements to the Southwest Waterfront in the District of Columbia (including upgrading marina dock pilings and paving and restoring walkways in the marina and fish market areas) for the portions of Federal property in the Southwest quadrant of the District of Columbia within Lots 847 and 848, a portion of Lot 846, and the unassessed Federal real property adjacent to Lot 848 in Square 473, any entity of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority or its designee) may place orders for engineering and construction and related services with the Chief of Engineers of the United States Army Corps of Engineers. The Chief of Engineers may accept such orders on a reimbursable basis and may provide any part of such services by contract. In providing such services, the Chief of Engineers shall follow the Federal Acquisition Regulations and the implementing Department of Defense regulations.

(b) Timing for Availability of Funds Under 1999 Act.—

(1) In general.—The District of Columbia Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–124) is amended in the item relating to "FEDERAL FUNDS—Federal Payment for Waterfront Improvements"—

(A) by striking "existing lessees" the first place it appears and inserting "existing lessees of the Marina"; and

(B) by striking "the existing lessees" the second place it appears and inserting "such lessees".

(2) Effective date.—This subsection shall take effect as if included in the District of Columbia Appropriations Act, 1999.

(c) Additional Funding for Improvements Carried Out Through Corps of Engineers.—

(1) In general.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority to the Mayor the sum of $3,000,000 for carrying out the improvements described in subsection (a) through the Chief of Engineers of the United States Army Corps of Engineers.

(2) Source of funds.—The funds transferred under paragraph (1) shall be derived from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia.

(d) Quarterly Reports on Project.—The Mayor shall submit reports to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate on the status of the improvements described in subsection (a) for each calendar quarter occurring until the improvements are completed.

Sec. 165. It is the sense of the Congress that the District of Columbia should not impose or take into consideration any height, square footage, set-back, or other construction or zoning requirements in authorizing the issuance of industrial revenue bonds for a project of the American National Red Cross at 2025 E Street Northwest, Washington, D.C., in as much as this project is subject to approval of the National Capital Planning Commission and the Commission of Fine Arts pursuant to section 11 of the joint resolution entitled "Joint Resolution to grant authority for the erection of a permanent building for the American National Red Cross, District of Columbia Chapter, Washington, District of Columbia", approved July 1, 1947 (Public Law 100–637; 36 U.S.C. 300108 note).

Sec. 166. (a) Permitting Court Services and Offender Supervision Agency To Carry Out Sex Offender Registration.—Section 11233(c) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1233(c)) is amended by adding at the end the following new paragraph:

"(5) Sex offender registration.—The Agency shall carry out sex offender registration functions in the District of Columbia, and shall have the authority to exercise all powers and functions relating to sex offender registration that are granted to the Agency under any District of Columbia law.".

(b) Authority During Transition to Full Operation of Agency.—

(1) Authority of pretrial services, parole, adult probation and offender supervision trustee.—Notwithstanding section 11232(b)(1) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1232(b)(1)), the Pretrial Services, Parole, Adult Probation and Offender Supervision Trustee appointed under section 11232(a) of such Act (hereafter referred to as the "Trustee") shall, in accordance with section 11232 of such Act, exercise the powers and functions of the Court Services and Offender Supervision Agency for the District of Columbia (hereafter referred to as the "Agency") relating to sex offender registration (as granted to the Agency under any District of Columbia law) only upon the Trustee's certification that the Trustee is able to assume such powers and functions.

(2) Authority of metropolitan police department.—During the period that begins on the date of the enactment of the Sex Offender Registration Emergency Act of 1999 and ends on the date the Trustee makes the certification described in paragraph (1), the Metropolitan Police Department of the District of Columbia shall have the authority to carry out any powers and functions relating to sex offender registration that are granted to the Agency or to the Trustee under any District of Columbia law.

Sec. 167. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 802) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.

Sec. 168. (a) In General.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereinafter referred to as the "Authority") to the District of Columbia the sum of $5,000,000 for the Mayor, in consultation with the Council of the District of Columbia, to provide offsets against local taxes for a commercial revitalization program, such program to be available in enterprise zones and low and moderate income areas in the District of Columbia: Provided, That in carrying out such a program, the Mayor shall use Federal commercial revitalization proposals introduced in Congress as a guideline.

(b) Source of Funds.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

(c) Report.—Not later than 180 days after the date of the enactment of this Act, the Mayor shall report to the Committees on Appropriations of the Senate and House of Representatives on the progress made in carrying out the commercial revitalization program.

Sec. 169. Section 456 of the District of Columbia Home Rule Act (section 47–231 et seq. of the D.C. Code, as added by the Federal Payment Reauthorization Act of 1994 (Public Law 103-373)) is amended—

(1) in subsection (a)(1), by striking "District of Columbia Financial Responsibility and Management Assistance Authority" and inserting "Mayor"; and

(2) in subsection (b)(1), by striking "Authority" and inserting "Mayor".

Sec. 170. (a) Findings.—The Congress finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376 of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including two charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with one exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) Sense of the Congress.—It is the sense of the Congress that in considering the District of Columbia's fiscal year 2001 budget, the Congress will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting

lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

SEC. 171. The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

SEC. 172. GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM. Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of the District of Columbia, in order to identify the components most in need of additional resources, including financial, personnel, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

SEC. 173. Nothing in this Act bars the District of Columbia Corporation Counsel from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.

SEC. 174. WIRELESS COMMUNICATIONS. (a) IN GENERAL.—Not later than 7 days after the date of the enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—

(1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and

(2) expend such sums as are necessary to carry out paragraph (1).

(b) ANTENNA APPLICATIONS.—

(1) IN GENERAL.—Not later than 120 days after the receipt of an application, a Federal agency that receives an application submitted after the enactment of this Act to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.

(2) EXISTING LAW.—Nothing in this subsection shall be construed to affect the applicability of existing laws regarding—

(A) judicial review under chapter 7 of title 5, United States Code (the Administrative Procedure Act), and the Communications Act of 1934;

(B) the National Environmental Policy Act, the National Historic Preservation Act and other applicable Federal statutes; and

(C) the authority of a State or local government or instrumentality thereof, including the District of Columbia, in the placement, construction, and modification of personal wireless service facilities.

SEC. 175. (a)(1) The first paragraph under the heading "Community Development Block Grants" in title II of H.R. 2684 (Public Law 106–74) is amended by inserting after "National American Indian Housing Council," the following: "$4,000,000 shall be available as a grant for the Special Olympics in Anchorage, Alaska to develop the Ben Boeke Arena and Hilltop Ski Area,"; and

(2) The paragraph that includes the words "Economic Development Initiative (EDI)" under the heading "Community Development Block Grants" in title II of H.R. 2684 (Public Law 106–74) is amended by striking "$240,000,000" and inserting "$243,500,000".

(b) The statement of the managers of the committee of conference accompanying H.R. 2684 is deemed to be amended under the heading "Community Development Block Grants" to include in the description of targeted economic development initiatives the following:

"—$1,000,000 for the New Jersey Community Development Corporation for the construction of the New Jersey Community Development Corporation's Transportation Opportunity Center;

"—$750,000 for South Dakota State University in Brookings, South Dakota for the development of a performing arts center;

"—$925,000 for the Florida Association of Counties for a Rural Capacity Building Pilot Project in Tallahassee, Florida;

"—$500,000 for the Osceola County Agriculture Center for construction of a new and expanded agriculture center in Osceola County, Florida;

"—$1,000,000 for the University of Syracuse in Syracuse, New York for electrical infrastructure improvements."; and the current descriptions are amended as follows:

"—$1,700,000 to the City of Miami, Florida for the development of a Homeownership Zone to assist residents displaced by the demolition of public housing in the Model City area;" is amended to read as follows:

"—$1,700,000 to Miami-Dade County, Florida for an economic development project at the Opa-locka Neighborhood Center;";

"—$250,000 to the Arizona Science Center in Yuma, Arizona for its after-school program for inner-city youth;" is amended to read as follows:

"—$250,000 to the Arizona Science Center in Phoenix, Arizona for its after-school program for inner-city youth;";

"—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building on the grounds of the firefighters facility in Morea, Pennsylvania;" is amended to read as follows:

"—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building and other facilities and improvements on the grounds of the firefighters facility in Morea, Pennsylvania;".

(c) Notwithstanding any other provision of law, the $2,000,000 made available pursuant to Public Law 105–276 for Pittsburgh, Pennsylvania to redevelop the Sun Co./LTV Steel Site in Hazelwood, Pennsylvania is available to the Department of Economic Development in Allegheny County, Pennsylvania for the development of a technology based project in the county.

(d) Insert the following new sections at the end of the administrative provisions in title II of H.R. 2684 (Public Law 106–74):

"FHA MULTIFAMILY MORTGAGE CREDIT DEMONSTRATION

"SEC. 226. Section 542 of the Housing and Community Development Act of 1992 is amended—

"(1) in subsection (b)(5) by striking 'during fiscal year 1999' and inserting 'in each of the fiscal years 1999 and 2000'; and

"(2) in the first sentence of subsection (c)(4) by striking 'during fiscal year 1999' and inserting 'in each of fiscal years 1999 and 2000'.

"DRUG ELIMINATION PROGRAM

"SEC. 227. (a) Section 5126(4) of the Public and Assisted Housing Drug Elimination Act of 1990 is amended—

"(1) in subparagraph (B), by inserting after '1965;' the following: 'or';

"(2) in subparagraph (C), by striking '1937; or' and inserting '1937.'; and

"(3) by striking subparagraph (D).

"(b) The amendments made by subsection (a) shall be construed to have taken effect on October 21, 1998.".

This title may be cited as the "District of Columbia Appropriations Act, 2000".

TITLE II—TAX REDUCTION

SEC. 201. COMMENDING REDUCTION OF TAXES BY DISTRICT OF COLUMBIA. The Congress commends the District of Columbia for its action to reduce taxes, and ratifies D.C. Act 13–110 (commonly known as the Service Improvement and Fiscal Year 2000 Budget Support Act of 1999).

SEC. 202. RULE OF CONSTRUCTION. Nothing in this title may be construed to limit the ability of the Council of the District of Columbia to amend or repeal any provision of law described in this title.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Wednesday, November 3, 1999, in open session, to receive testimony on the lessons learned from the military operations conducted as part of Operation Allied Force, and associated relief operations, with respect to Kosovo.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, November 3, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 3, 1999, at 10:30 a.m. to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 3, 1999, at 2:30 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, November 3, 1999, at 10 a.m. for a business meeting to consider pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor and Pensions be authorized to meet in executive session during the session of the Senate on Wednesday, November 3, 1999, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FISHERIES, WILDLIFE, AND DRINKING WATER

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Fisheries, Wildlife, and Drinking Water be authorized to conduct a hearing Wednesday, November 3, 10 a.m., hearing room (SD-406), to examine solutions to the policy concerns with respect to habitat conservation plans.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CALIFORNIA DESERT PROTECTION ACT ANNIVERSARY

• Mrs. FEINSTEIN. Mr. President, this week marks the fifth anniversary of the California Desert Protection Act, a bill I authored that was signed into law on October 31, 1994. This Act marked a watershed event for California and for the 2.8 million people who visit this pristine national treasure each year. This was the most extensive land-protection bill in U.S. history and protected the largest parcel of land in the continental U.S.

The bill was unique in many ways. It designated national park and Bureau of Land Management wilderness areas comprising more than 7.7 million acres, the highest category of federal protection. It also designated the Death Valley National Park and Joshua Tree National Park in areas that formerly fell under less protected "national monument" status and created the 1.6 million acre Mojave National Preserve.

At the time of its passage, the Desert Protection Act was the centerpiece of a long and contentious battle among a variety of different stakeholders. It faced enormous opposition from groups and individuals concerned about private property rights, grazing permits, mining claims, and access for off-road vehicle use. The bill took nearly eight years to pass over objections from miners, property owners, hunters, ranchers and off-road enthusiasts, who thought the legislation would restrict too much land and hurt business. I worked hard to craft a bill that protected private property rights and safeguarded the region's job base while preserving a treasured resource—the California Desert.

I am proud to say that after 5 years there has not been a single instance of a land transaction that did not involve a willing seller and willing buyer. Grazing has not been impeded and valid mining rights have been upheld. The 25 million acres of California desert remain a place of extraordinary beauty and diverse resources. There are soaring sand dunes, ninety mountain ranges, extinct volcanoes, streams, lakes, wildflowers, the world's largest Joshua Tree forest, waterfalls and cactus gardens.

The land also includes over 100,000 archeological sites, including the only-known dinosaur tracks in California, believed to be more than 100 million years old. More than 760 different wildlife species call the rugged California desert home. The protected land has aided in the recovery of the desert tortoise and has provided thousands of acres of needed habitat for big horn sheep.

The Death Valley National Park consists of more than 3.3 million acres of spectacular desert scenery, interesting and rare desert wildlife, complex geology, undisturbed wilderness and dozens of historical and cultural interest sites. It contains the lowest point in the Western hemisphere, the Death Valley badwater, which rests 282 feet below sea level. The Joshua Tree National Park comprises two deserts and vividly illustrates the contrast between high and low desert. Below 3000 feet, the eastern half of the park is the land of the creosote bush, smoke trees and occotillo. The higher, cooler and slightly wetter Western part is dominated by Joshua Trees.

But the crown jewel of the California Desert is the Mojave National Preserve whose geographical and wildlife diversity are practically unrivaled. The area contains eleven mountain ranges, four dry lakes, cinder cones, badlands, innumerable washes, mesas, buttes, lava tube caves, alluvial fans and one of California's most complex sand dune systems.

I would like to especially thank Mary Martin, the Mojave National Preserve Superintendent for her diligence and the commendable job she has done balancing the diverse needs of the Preserve with those of all the stakeholders who work and/or use the land.

The desert parks have attracted record numbers of tourists in recent years from across the globe. Tourism has increased the visibility of California's natural resources, created jobs for desert residents and brought additional income. In 1997, the three parks created more than 6,000 jobs and over $22 million in tax revenue from tourist expenditures.

The passage of the California Desert Protection Act has been one of my proudest accomplishments in the Senate. But there is still more work to be done.

To encourage out nation's westward expansion, in 1864 Congress gave the railroad industry every other section of land in a 50 mile swath in what is now the Mojave National Preserve and Joshua Tree National Park. Most of this remaining checkerboard arrangement of land is owned by the Catellus Development Corporation.

Earlier this year David Myers, the Executive Director of the Wildlands Conservancy, brokered a deal with Catellus to sell these lands at well below market value. Through David's hard work, The Wildlands Conservancy raised $25.5 million in private funding and donated land. The Catellus Corporation agreed to donate an additional $16.4 million in land.

Through the Federal Land and Water Conservation Fund the U.S. would acquire 487,000 acres of protected land. This includes 150,000 acres of Congressionally designated Wilderness areas, 87,000 acres in the Mojave National Preserve, 18,700 acres in Joshua Tree, land in Big Morongo, San Gorgonio wilderness, and the Kelso Dunes.

This acquisition would formalize rights-of-way over 165 jeep trails and dirt access roads leading to 3.7 million acres of land used for hunting, hiking, sightseeing, camping and recreational vehicle use.

The land includes the biggest cactus gardens in the world at the Bigelow Cholla Gardens.

The acquisition also includes one hundred miles of scenic lands and historic water stops along historic route 66 and would help to conserve one of the single most intact portions of America's "Mother Road" which provided many Americans their first look at the Golden State and became the source of much of America's western migration folklore.

The purchase is supported by an overwhelming majority of constituents in the 40th Congressional District including Republicans and Democrats alike and a broad coalition of interest groups from the Sierra Club to the National Rifle Association. This transaction would be one of the biggest land acquisitions in California history and one of the most substantial gifts ever to the American people.

It is my hope that we can take advantage of this rare opportunity to purchase these valuable lands and remove any remaining impediments for the millions of hikers, campers, and other recreationists who will continue to visit and enjoy this pristine area in the heart of California.•

ASTEROID RESEARCH

• Mr. DOMENICI. Mr. President, I want to commend a group of New Mexicans who are achieving some phenomenal results. In fact, they're currently batting .500 and more. If they were baseball players they would be acclaimed on every sports page.

But instead of baseball, this group has discovered half of the comets that are currently visible through telescopes. One of their latest comet discoveries may be bright enough to see with binoculars next year. And it's probably safe to guess that the brightest of comets attracts an audience well in excess of those watching major league baseball.

Instead of baseball bats, they are using a telescope at the north end of White Sands Missile Range in New Mexico. This Lincoln Near-Earth Asteroid Research project is run by Lincoln Laboratory of the Massachusetts Institute of technology. A second telescope at the site started operations in the last week—that may boost their discoveries still further.

The project grew out of an Air Force study involving space surveillance. Now space surveillance isn't a new subject, but in this project they're using a new automated system with a highly sensitive electronic camera. It's a great tool for discovering objects that move in the heavens, like comets and asteroids. The performance of their system exceeds any competitor by at least ten times. Today, both the Air Force Office of Scientific Research and NASA provide the funding for this project.

Their asteroid batting average even exceeds their comet batting average. Since the first telescope started operation in March 1998, the project has accounted for about 70 percent of all the near-Earth asteroids that have ever been located. That's especially impressive since astronomers have been searching for such objects for over 60 years.

As they find these asteroids, they also project their future path through the heavens and explore any possibility for an impact with the Earth. In the course of their work, they've found four asteroids that might possibly approach Earth—but so far, careful evaluations of their probable future trajectories have shown that each of these objects should miss us. So, while the dinosaurs may have become extinct after an asteroid impact, so far our coast looks clear.

The project team is headed by Dr. Grant Stokes, a 1977 graduate of Los Alamos High School and a New Mexico native. Dr. Eric Pearce directs the team at White Sands. This team has truly revolutionized the art of finding comets and asteroids. I want to commend Dr. Stokes and Dr. Pearce along with their supporters at the Air Force and NASA. This large group of New Mexicans deserves the title of the world's best comet and asteroid hunting team.•

THE CITY OF BOSTON'S CRUSADE AGAINST CANCER

• Mr. KENNEDY. Mr. President, I welcome this opportunity to commend the city of Boston's Crusade Against Cancer and I commend our outstanding Mayor, Thomas M. Menino, for his leadership on this excellent program. Donald Gudaitis, the chief executive officer of the American Cancer Society's New England Division, has called the Crusade Against Cancer, "the most visionary public health initiative ever undertaken in any city around the prevention and early detection of cancer."

Through innovative measures such as giving city employees time off for cancer screenings, Boston's Crusade Against Cancer uses a small public investment to create a large public health payoff. It may well serve as a model for communities throughout the nation.

Boston's program provides essential preventive care to the city's low income and minority communities, who are hit disproportionately hard by the ravages of cancer. Many members of these communities are neglected by HMOs and private insurers and might otherwise never receive a cancer screening.

Nearly a quarter of the women using the program's mobile mammography van were receiving a mammogram for the very first time. Since early detection is a critical factor in the successful treatment of cancer, these preventive screenings are literally a lifesaver for many Bostonians. Boston's program has gained nationwide attention and was described in a recent article in the New York Times. I believe the article will be of great interest to all of us in Congress and I ask that it be printed in the RECORD.

The article follows:

[From the New York Times, Nov. 2, 1999]

BOSTON BATTLES CANCER WITH A CITYWIDE MAILING

(By Carey Goldberg)

BOSTON, NOV. 2—Cities often undertake campaigns to fight crime or litter.

This city is fighting what health officials call its No. 1 killer: cancer.

Over the last few days, every household in Boston, in theory, has been mailed a brochure describing how to prevent cancer and to detect it early if it develop.

The quarter-million English-and-Spanish brochures, Boston's largest public health mailing ever, are the flashiest element of the city's "crusade against cancer," but they are only one of many.

Boston's municipal employees are allowed to take four hours off each year for cancer screening—a rule that city officials say was the only one of its kind until Springfield, Mass, adopted a similar rule last week.

Over the last several months, about 1,600 chemotherapy patients have been given free rides to and from their sessions, thanks to hospitals and taxis participating in the city's crusade.

Other cities and states run anti-cancer programs as does the federal government. But overall, said Donald J. Gudaitis, chief executive officer of the American Cancer Society's New England division. "This is the most visionary public health initiative ever undertaken in any city around prevention and early detection of cancer."

Such a campaign may seem logical at a time when the death rate from heart disease has been dropping and cancer, the nation's No. 2 cause of death, kills more than half a million Americans every year.

But Mr. Gudaitis attributed the anticancer campaign in Boston to a particular asset: a personally interested mayor.

Mayor Thomas M. Menino's father died of prostate cancer, and the mayor, who does not normally play up his personal life, said in a telephone interview that he saw his father "go from a big brawny guy to 70 pounds."

"And you ask yourself, why?" Mayor Menino added. "I want to try to help other people out."

In particular, it seems, he wants to help the poor. Boston, like many other cities, has found that cancer death rates are especially high in poor and minority neighborhoods. Patchy health care makes poor people less likely to have checkups for cancer and thus more likely to die from it.

More than a year ago, Mayor Menino convened a panel of medical experts and cancer survivors to help decide what to do. The process, which led to the crusade against cancer, is continuing, said John Rich, medical director of the Boston Public Health Commission. But the panel established three initial goals: that all Boston households, receive information on cancer prevention, that all Bostonians receive appropriate screenings and that all cancer patients have transportation to and from treatment sessions.

Transportation may seem minor compared with the first two goals but not to chemotherapy patients, said Maureen Sullivan, vice president of the Massachusetts Bay region of the American Cancer Society who is a cancer survivor. It might not be bad getting to chemotherapy sessions, but, Ms. Sullivan added, "Let me tell you, coming home can be really awful, and not only for you but for everyone else on that bus with you."

Boston has introduced other help on wheels, a mobile mammography van that has been booked solid since it began six months ago. Officials say the city is fighting cancer in small ways as well—supplying sunscreen to its outdoor workers, for example—and in bigger ones: Mayor Menino supported a ban on smoking in Boston restaurants, despite heavy opposition from restaurateurs. The program includes television advertising and a new city agency, the Office of Cancer Prevention.

The campaign costs little. Mr. Menino said, perhaps, $100,000 for the mammography van, about $250,000 for the brochures and nothing for the transportation and time off.

Asked why Boston is undertaking an anticancer campaign now, when the disease has killed millions for decades, those involved cited two factors: the accumulation of research finding on cancer prevention and widespread disillusionment with the prevention promise offered by health maintenance organizations.

"If we look at the actual synthesis and explosion, if you will, of information on the relationship between life-style factors and cancer in the last 20 years, it really has moved beyond just smoking as a major cause," said Dr. Graham Colditz, director of education at the Harvard Center for Cancer Prevention, which is participating in the campaign.

Dr. Colditz said the center had determined that at least 50 percent of cancer cases could be prevented through behavioral changes alone. The screenings could also prevent deaths among those whose cancer would be detected early, he said.

The brochure advises people to eat a healthy diet, to get at least 30 minutes of physical activity every day, to keep their weight down, to drink less alcohol, to avoid smoking, to avoid sexually transmitted diseases and to protect themselves from the sun.

None of that was news to Mary Caulfield, a 58-year-old retired resident of the Dorchester section of Boston. But, Ms. Caulfield said, "I think a lot of newcomers, foreigners, probably don't understand even things like immunizations."

The Boston anticancer program is impressive, Sandra Mullin, spokeswoman for the New York City Department of Health, said upon hearing it described. New York does not give municipal employees time off for screenings, Ms. Mullin said, though it periodically includes reminders of the need for screenings in employees' paychecks, and it has a program to encourage exercise at lunch.

While New York has done no blanket mailing and is not as involved in cancer screening, it does provide cancer information through mobile health vans, Ms. Mullin said. The city focuses some of its other anticancer efforts on antismoking programs and on making sure that managed care plans screen Medicaid patients for cancer.

What the Boston campaign will try next remains under discussion. Among some ideas mentioned: persuading private employers to give employees four hours off for cancer screening, making it easier for Bostonians to bicycle or job to work and making programs that help smokers quit available to anyone who wants them.

As for immediate results, Mayor Menino said that the four hours off for screening had already led to the early detection of some cancer and that nearly 5 percent of the women who used the mammography van had found suspicious lumps. Nearly one-fourth of those who used the van said the mammogram was their first, the mayor added.

For the most part, the campaign is expected to yield only gradual results. Certainly, the immediate effect of the brochure mailing seemed a bit underwhelming: Of more than a dozen people interviewed on the streets of Dorchester, most said they had paid little if any attention to the brochure, although some said they had set it aside to read later.

"Sometimes I'm just too tired to read," said Esther Ellis, 72, who nonetheless was having her annual mammogram at a local health center. "I just leave it to God. God respects my body."

Jose Navarro, a flea market vendor, said he did not recall getting the brochure. But when he read it in Spanish on the spot, he expressed surprise at what he learned.

"Drinking?" he exclaimed. "I know it's bad for you, I know it's bad for your liver, but I didn't know it causes cancer."

David Sheets, a 45-year-old friend of Mr. Navarro, said that he had saved the brochure at his South End home to read later but that the idea of cancer "doesn't bother me yet."

"My mother died of it, my father died of it," Mr. Sheets said. "It doesn't faze me."

He smokes and refuses to quit, he said. Then, referring to cancer, he added, "I just think that it won't happen to me."•

RECOGNIZING THE MT. BAKER PTA

• Mr. GORTON. Mr. President, I take the floor today to applaud the members and volunteers of the Mt. Baker Parent-Teacher Association that have successfully raised over $100,000 for its schools. Mt. Baker is a small, rural community just south of the Canadian border that lacks a sufficient tax-base to cover the costs of buying new technology for its schools.

In an effort to raise funds to purchase up-to-date resources for their students, volunteers from the PTA opened a small restaurant with their own time and resources. To date, this venture has provided over $100,000 to improve education in Mt. Baker. For that reason, I am pleased to present one of my Innovation in Education Awards to the Mt. Baker PTA.

In January of 1989, 20 parents took out a loan and purchased a run-down restaurant booth at the Northwest Washington Fair Grounds. Parents and volunteers spent countless hours cleaning and preparing the restaurant for its opening in March of 1989. For the past 10 years, volunteers and parents have worked at hundreds of community events to feed the fairground visitors, raising money that funded new research and learning equipment for math and science students, field trips across western Washington, and countless other tools for learning that have enhanced the education at all Mt. Baker schools.

The volunteers at the Mt. Baker PTA demonstrate that local educators and parents know what their students need to succeed and deserve the freedom and flexibility in the Federal education funds to better educate their children.

The innovative thinking and hard work of the Mt. Baker community teaches its students of the importance of a good education and how a community can work together to achieve a common goal. The Mt. Baker PTA is an example for all of us to follow. I hope that my colleagues will join me in commending the people of this community for their hard work to improve the education for their children.•

IN RECOGNITION OF LUIS ALBERTO ROBLES PADILLA, JR.

• Mr. BINGAMAN. Mr. President, on September 9, 1999, I had the pleasure to be one of the keynote speakers at the Sixth Annual Scholarship Awards Banquet sponsored by the Hispanic College Fund, Inc. The Hispanic College Fund selects a student among the group of scholarship recipients to convey remarks on their behalf at the Annual Awards Banquet. Mr. Luis Robles, who attends Stanford University, where I attended Law School, spoke to the crowd of over one hundred people which included Members of Congress, Hispanic Business Leaders, friends of the Hispanic College Fund and family members of the award recipients.

Even though Louis is not from my home state of New Mexico, I feel that it is important to recognize the dedication, hard work, and commitment that this young man has undertaken in his academics and in his life despite great adversity. The remarks that Luis made to those in attendance that night left the room in utter silence. His remarks, and those of the teacher who nominated him for the scholarship, show that nothing in life is unattainable. This young man serves as an example that if you believe in yourself, believe in hard work, and believe you can achieve your goals, you can do anything and be anyone you want to be.

Mr. President, I respectfully ask that the attached statement which Mr. Robles made to the Sixth Annual Scholarship Awards Dinner and that of his teacher, Mr. David Layton, be printed in the CONGRESSIONAL RECORD.

The statement follows:

REMARKS BY LUIS ALBERTO ROBLES

I remember the day well . . . a few weeks after weeks after Thanksgiving in 1986. The gray Seattle morning smelled like drizzle as my father, Luis, and my mother, Maria, escorted me along evergreen-lined 8th street, to the school bus stop for the very first time. The other children laughed and frolicked. But without knowing English, without knowing what they said, my parents and I only stared in wonder.

Next thing I know the enormous school bus is pulling away, with me on board: frightened and alone. Hot tears streamed down my cheeks. The window was cold against my nose. My parents smiled worriedly, waved, and off I went . . . to Cherry Crest Elementary.

I had no idea what the future held.

I had no idea what graduation was, let alone college.

I had no idea that some day in the distant future I would standing here before you tonight.

Good evening.

Buenas Tardes.

My name is Luis Alberto Robles Padilla, Jr. I am a sophomore majoring in Industrial engineering at Stanford University. I feel very privileged to join you tonight, and am honored to be speaking on behalf on this year's scholarship recipients.

On their and my behalf, I would like to offer a heartfelt thanks to the Hispanic College Fund, the corporate sponsors, the Board of Trustees, and American Airlines.

I would also like to thank the Lockheed Martin Corporation, in particular, for my scholarship. The scholarship is a tremendous help to my family, and I am truly thankful.

I would also like to share a part of my story: personal experiences that have shaped my life, ideas that have shaped what I believe, and people that have made me into the person that I am today. I will begin on December 17th, 1997, my 17th birthday:

"Dr. Johnson. . . . Dr. Johnson. . . ." As I wearily walked down the artificially lit corridor, I realized someone was paging my father's doctor. I turned and ran towards the intensive care unit that I had left only a few minutes ago, towards my terrified mother and toward my father's labored breathing. The sterilized odor of Harrison Memorial Hospital overwhelmed me as I raced through a maze of white walls to confront his death.

After bolting through heavy metal doors, I saw doctors and nurses rushing frantically around the room. I could only hear one sound. It filled the air, was audible above all the commotion, and drowned out the heavy pounding of my heart. The monotonous beep of the monitor meant "Pappy" was gone forever.

While sitting next to him, a body drained of the warmth and energy I had always known, I focused at the crimson drops that stained the yellow linoleum floor and the crisp white sheets; slowly remembering what a terrible ordeal the past six weeks of hospitalization had been. My life had changed forever since the day I sped through traffic, with my Dad shivering in the back seat next to my worried mother. I was scared to death without even knowing that the killer was Leukemia.

Although the chemotherapy proceeded well, it also gradually wore my father away. The first side effects were a loss of appetite, accompanied by nausea and vomiting. His hair fell out next, and I could tell my father's courage was beginning to waver. A look of pain and anguish had replaced his usual smile, and with each passing day, he looked more like my grandfather. It all seemed like a bad dream, both frightful and surreal.

While packing his belongings, hours after he had passed away, I found a note intended for me. It was in Father's handwriting; blurry scribbles because the medicine made his hands shake. I sat down and cried because it said in Spanish, "ya es tiempo de luchar," which means, "it is time to take up the struggle."

The poem he wrote to me, titled "Oda a mi Hijo," "Ode to my Son" goes like this:

Quiero cantarte una cancion,
(I want to sing you a song)
Desde lo mas profundo de mi alma,
(From the deepest part of my soul)
Brisa suave, que refresca y calma,
(Soft breeze that refreshes and soothes)
Tu tierra fecunda que riega mi oracion.
(Your fertile soil that showers my prayer)
El agua se hizo luz y dio una planta,
(The water turned to light and created a plant)
La tierra hecha vida, dio on rosal con un boton,
(The soil transformed into life and bore a rose in full blossom)
Carne de dos almas hecha con amor,
(Flesh from two souls, made with love)
Fue la suave brisa, que refresca y canta.
(It was the soft breeze that refreshes and sings)
Con el correr de los años, pajaro se volvio,
(As the years passed, it transformed into a bird)
Dejar el nido quiere, hace el intento de volar,
(Yearning to leave the nest, it attempts to fly)
La brisa, el amor, el cielo derramo,
(The breeze, the love, the heavens overflowed)
El destino esta en tus manos, ya es tiempo de luchar.
(Destiny is in your hands, its time to take up the struggle)

I find it hard to understand Dad's absence, and that he left exactly on my seventeenth birthday. But though I miss him everyday, I am grateful for all the time we spent together and everything my father taught me. Through my family's Mexican restaurant, he showed me what Hispanic business leadership is: hard work, dedication, and most importantly, helping others and the community.

My father pointed me in the right direction, and made me believe in myself. There is good in this beautiful world, and life will always receive my best effort. Rather than cause embarrassment, my heritage will always instill pride within me, and I will succeed. I know he is proud of me.

Ultimately, by succeeding I hope to influence other Hispanics. When I look at many of my Hispanic peers, I see them giving up on school, giving up bright futures, and giving up their dreams. Their intellectual capacity has nothing to do with it and the issue is complicated, yet they also do not have the support or the opportunities.

At this point, I would like to thank my parents for their unending love, my family for their constant encouragement, and all of my friends for their help and support. I would also like to thank Mr. Paul Torno, who worked with me even after retiring. Special thanks to Mr. David Layton . . . . even though I lost my father, a great man and teacher, I am lucky to have found another great teacher, another great man. Finally, I thank my mother, an incredibly brave and strong woman. Most of all, however, I thank God all the blessings.

I and the other scholarship recipients, as well as countless other Hispanics, are yearning to fly . . . trying to fly . . . learning to fly . . .

Once again, I would like to thank the Hispanic College Fund, and its sponsors.

We want to demonstrate that anything is possible by working hard and following our dreams.

We want to see more Hispanics graduating from high school and college.

We want to have more Hispanics in business and government positions.

We want to truly thank all of you for helping us strive towards our goals.

Thank you and good night.

March 25, 1999.

TO WHOM IT MAY CONCERN, Luis Robles has asked me to recommend him for acceptance for your scholarship. Few tasks will be as easy for me to do. I have known him as a student for two years in both honors history and honors English classes so I feel quite qualified to speak about his application.

It is impossible for me to recommend Luis without telling his story first. No other student in my 19 years of teaching has accomplished more with such adversity. An only child of immigrants from Mexico, Luis learned more than values from his parents; he learned who he was, who he could become, and what he could give back to his community. His father ran a small restaurant on our island and hired family and friends who needed work; but to keep dreams alive he insisted they go to night school and paid their tuition if they maintained a B. This pride and dignity wrapped in such strong humor are his legacy. Tragically last year his father died of Leukemia in his son's arms on his son's 17th birthday. As the only one who spoke clear English, Luis sold the restaurant, managed his mother's accounts, supported her till she finished her AA degree, and found work at the local hospital.

His commute to Bainbridge is 60–80 minutes each way. But he knew what he wanted—to be blunt we run one of the hardest programs in the state. He has aced every honors or AP course we offer. His maturity is beyond his years. He seeks out criticism and he listens and grows with suggestions. Specifically he has worked hard on his writing knowing that here his voice needs to be clear and purposeful. In both independent and group projects, Luis has had the discipline and creativity to make the connections between ideas, events, and more importantly to things in his own life. His work has shown original thought and a true conviction to understand the complications of individuals struggling to find meaningful solutions to their problems. Luis embodies the belief that this is his life, his chance to make a difference, his chance to give back far more than he takes. Make no mistake, he will take advantage of all you offer.

Luis has shared with my family the poetry his father wrote and the poems he has now written back. It is his genuineness that I wish to commend most. His 4.0 G.P.A. has been matched, the high marks on the SAT equaled, but none have his vision.

It should be obvious how strongly I feel about Luis; his heart separates him from the rest. If you have the chance to talk with him, you will understand.

Sincerely,

DAVID LAYTON,
Faculty, Honors Program.●

HONORING ANNE KANTEN

● Mr. WELLSTONE. Mr. President, I speak today to say a few words about a remarkable farm leader and humanitarian, Anne Kanten.

Anne has served for 18 years on the board of directors of the Farmers Legal Action Group (F.L.A.G.), a non-profit law firm based in St. Paul, Minnesota, and dedicated to helping family farmers obtain economic and social justice. I salute Anne Kanten for her enlightened guidance to F.L.A.G. during her years as a director and her years on the board. But far more than that, I want to take this moment to acknowledge Anne Kanten's lifetime of service to others.

Anne served as Minnesota's Deputy Commissioner of Agriculture and as Chief Administrator of the Minnesota Farm Advocate Program during the years of farm crisis in the 1980's. She was a founding member of the American Agriculture Movement who, with her husband Chuck and son Kent, helped plan and carry out the Washington, DC Tractorcade of 1979. In addition, Anne has been a long time spokesperson for stewardship of the land and its people through her various leadership roles in her church.

Her efforts to achieve justice for farm families continue to this day.

Anne Kanten grew up on an Iowa farm, the daughter of immigrants who came to our country in pursuit of a better life. By her own admission, she longed to escape the 1930's Depression of her rural childhood. After attending college and becoming a teacher, Anne became re-connected to the land when she married Chuck Kanten, a young farmer from Milan, Minnesota. Anne and Chuck Kanten represent the best of American Life. They raised a wonderful family on their farm home. They believe strongly in giving of themselves.

I consider myself honored and fortunate to count Anne Kanten as my friend. I ask the Senate today to join me in recognizing Anne Kanten for her years of service to the Farmers Legal Action Group and to farm families everywhere.•

DELAWARE WELL REPRESENTED AT AMERICAN CANCER SOCIETY GOLF CHAMPIONSHIP

• Mr. BIDEN. Mr. President, I rise today to salute four Delaware golfers who continue to make the citizens of my State proud.

Last June, Margaret Butler, Mary Kaczorowski, Joyce Ruddick and Alice Wooldridge played in and won the American Cancer Society Golf Championship at Maple Dale Country Club in Dover, Delaware. They then advanced to the Mid-Atlantic Championship at The Homestead in Hot Springs, Virginia and won the Delaware State Title in Division 3. And on December 3rd and 4th, they will be representing Delaware and looking to continue their winning ways at the P.G.A. West in LaQuinta, California.

Having talked with members of this foursome on a few occasions, it is clear to me that these women take their golf quite seriously. Together, they embody the spirit of competition and sportsmanship and are fine examples of personal achievement and Delaware pride. But most importantly, these women realize that their participation in this event helps to raise essential funding for cancer research and programs. Millions of Americans suffer from cancer-related illnesses, and events like these give us all hope for finding a cure.

While I acknowledge that I may be a bit biased in my viewpoint, I also know a group of champions when I see them. I, among many, believe that talent is often overrated and that character is the true determining factor for any success one has in life.

I have seen these women drive a golf ball and I can confidently say that both talent and character reign supreme for this team. It is therefore my pleasure to extend to them my deep expression of thanks for having represented Delaware so well this year and, as they prepare for their biggest challenge to date, to wish them continued success in the National tournament.

We in Delaware are very proud of these four women, and we will be rooting for them!•

IN HONOR OF REVEREND MONSIGNOR ANDREW P. LANDI

• Mr. MOYNIHAN. Mr. President, I rise to pay tribute to Reverend Monsignor Andrew P. Landi, a son of New York and internationally known humanitarian, who was taken from us this past September. He was 92.

Monsignor Landi was the retired assistant executive director and of Catholic Relief Services in New York City from 1966 to 1979. Upon of his retirement he was named assistant treasurer, a position he held until the time of his death. Monsignor devoted himself to the service of the poor and disposed throughout the world regardless of race, creed, or nationality.

Catholic Relief Services was founded in 1943 by the Catholic Bishops of the United States to alleviate suffering by removing its causes and promoting social justice beyond our boarders. Their mission is to aid in the development of people by fostering charity and justice throughout the world. Monsignor Landi's devotion to this mission was ceaseless.

At a time when we are increasingly egocentric, we would do well to remember a man whose ministry to the disadvantaged was distinguished as a no other for faithful and untiring service. I wish to highlight the central role he played as a petitioner for overseas relief activities to numerous Federal agencies and Congress. He met with nearly every Pope since Pope Pius XII and counted Mother Teresa among his friends.

This champion of the downtrodden was sent to Rome in 1944 to minister to the victims of World War II. He spent the next two decades providing haven to refuges of civil strife and natural disasters. He was named the Regional Director of the Catholic Relief Services for Europe, the Middle East, and North Africa in 1962.

Monsignor Landi began his vocation as a parish priest at Our Lady of the Scapular and St. Stephen's Church in Manhattan in 1934. St. Stephens was at one time the largest Catholic parish in New York City. It is a special New York treasure as it contains several works by 19th century Italian Painter Constantino Brumidi who is best know for having done much of the artwork on display in the United States Capitol.

In 1939, Monsignor Landi became the associate director of Catholic Charities in Brooklyn, NY. As I recently noted, Catholic Charities of the Brooklyn-Queens Diocese is the largest Roman Catholic human services agency in the nation. Perhaps on earth.

One of seven children orphaned after the death of their mother in 1913. he focused his mission toward young people. His benevolence toward the troubled youth of Brooklyn was exceptional.

During Monsignor Landi's 65 years in the priesthood he received numerous honors from several governments and organizations. He was honored by our own New York State Assembly which issued a citation on the his 90th birthday in recognition his humanitarian efforts.

In closing I would like to express my deep gratitude to Monsignor Landi for his life long commitment to ending social injustice especially toward children living in poverty. His distinguished devotion to God and his fellow man is a model to us all.•

TRAGEDY IN ARMENIA

• Mr. TORRICELLI. Mr. President, I rise today to express my sorrow at last week's tragedy in the Armenian National Parliament. Prime Minister Sarkissian, Speaker Demirchian, and six other legislators were killed. While we may never know what motivated the gunmen to storm the building, we do know that a single act of terror was directed against individuals who were attempting to build and strengthen Armenia's democratic institutions. Armenia has made positive movement toward widespread democracy and free markets, and the leaders who lost their lives had played important roles in these reforms. As a result, this tragedy is truly a great loss for the Armenian people. For this reason, I have joined Senator ABRAHAM in introducing a resolution condemning the incident.

After months of progress on a range of issues, from the rule of law, to Nagorno-Karabakh, to fighting corruption, Armenia is faced with a huge obstacle to overcome. Just this past week, Armenia held local elections nation-wide that were deemed free and fair by independent observers. These elections were not without minor irregularities, but the overall impact has been to reaffirm and further strengthen the commitment of the Armenian people to an open election process.

On the complex issue of peace in Nagorno-Karabakh, significant progress has been made recently. Bilateral meetings between President Kocharian and President Aliyev have been frequent and intensive in response to our encouragement for greater results. Just hours before the attack, Prime Minister Sarkissian had met with President Kocharian and Deputy Secretary of State Talbott to discuss the peace process. Clearly, it will be difficult for Armenia to move forward without Sarkissian's presence—difficult, but not impossible.

Given the tremendous amount of progress Armenia has made since declaring independence from the Soviet Union, I am confident that the Armenian people will move past this tragic event and continue to build upon their successes. But the key to doing so is ongoing support from the United States. Together, our two countries have built strong ties, focusing upon a prosperous, secure and democratic future. It is critical that, in the midst of such overpowering grief, we renew our support for the people of Armenia and their leaders. As they continue to build upon the principles that the victims had worked to fulfill, the people of Armenia should know that the United States supports their efforts. I hope my colleagues will join me in sending this message to the Armenian people.●

TRIBUTE TO DR. PERCY G. HARRIS

● Mr. HARKIN. Mr. President, I ask my colleagues to join me in paying tribute to Dr. Percy G. Harris, a distinguished Iowan from Cedar Rapids who is retiring after forty years of practicing family medicine. His biography is truly a great American story.

Dr. Harris was born into a poor family in Mississippi in 1927. He was orphaned as a teenager and moved to Waterloo, Iowa to live with his aunt. High school was a struggle for Percy Harris, but he finally received his diploma at the age of 19. After that, he was determined to make something of his life, and set his sights on becoming a doctor. He was admitted to medical school at Howard University in Washington, DC. He paid his way by working as an elevator operator and janitor. After he received his medical degree, Dr. Harris returned to Cedar Rapids, Iowa to open a family practice.

His practice grew and flourished over four decades. His patients credit him with the old-fashioned virtue of patience and say he is always willing to spend extra time caring for them. He believes in giving back and is active in the community as a civil rights leader and as a volunteer athletic doctor for Jefferson High School.

Percy Harris's life is a list of firsts. He was the first African-American to hold an internship at St. Luke's Hospital in Cedar Rapids. He served as Linn County, Iowa's first and only medical examiner. In 1977, Governor Robert Ray appointed him to the Iowa Board of Regents where he served two terms as the Board's first African-American member.

Dr. Harris encountered adversity along the way, but he chose to view it as a challenge rather than an obstacle. In 1961, he and his wife, Lileah, decided to build a home for their growing family. They set their sights on a piece of property in one of Cedar Rapids' all white neighborhoods. The neighbors were up in arms, but Percy and Lileah Harris persisted and eventually purchased the property in a dispute that gained national attention. They built their family home on the property and raised 12 fine children, all of whom are now grown and successful in their own right.

Mr. President, Dr. Harris is one in a long American tradition of medical practitioners who put patients before profits, who lead by example, and who dedicate themselves to the well-being of humankind, from their community to their nation. I congratulate him on his many achievements and wish him well in all future endeavors. I know wherever he chooses to put his many talents, he will leave his mark.●

IN HONOR OF TED WINTER'S 50TH BIRTHDAY

● Mr. WELLSTONE. Mr. President, I speak today to recognize a very special Minnesotan. Ted Winter will be celebrating his 50th birthday the day after Thanksgiving. Friends and family will be gathering at the American Legion in Fulda, Minnesota, to honor this very good and decent man.

It is very appropriate that this year his birthday falls so close to Thanksgiving because as a Minnesotan I am very thankful that Ted so ably represents the people of Southwestern Minnesota in the State Legislature; I am thankful that Ted continues to be a strong voice for those struggling to maintain their family farms; I am thankful that Ted struggles daily to ensure the vitality of our rural communities and that he is committed to a vision of Minnesota that is rich and diverse.

In the last few years, Ted has been the driving force behind uniting Midwest State Legislators in calling for a change in federal farm policy. He has been central in calling attention to the devastating effect the concentration of power in agriculture is having on family farmers. Day in and day out, Ted spends time away from his own farm to work with farm organizations and other farmers to come up with ways that family farmers can survive to farm another day. He drives throughout the state to make sure that any meeting discussing the future of Minnesota includes a discussion about the future of family farms and rural communities.

I am pleased to be able to speak today to honor my friend, Ted Winter.●

HONORING KAREN LEACH

● Mr. REED. Mr. President, I rise today to honor an outstanding individual who has dedicated her life to the education of our young people. Karen Leach of Johnston, Rhode Island, is retiring from the Providence School Department after nearly thirty years of dedicated service.

Since Karen graduated from Rhode Island College in 1969 with a Bachelor's Degree in Elementary and Special Education, she has received Masters of Education Degrees in both Elementary Education and in Administration for Elementary and Middle Schools. She has also furthered her professional development by achieving certification in many areas.

The capital of Rhode Island, Providence is at the heart of our state's urban center and during her career, Karen has been assigned to several schools in the District. Karen began her long and accomplished career as a teacher and dedicated her efforts toward Special Education. During her tenure, the field of education has seen tremendous change—from curriculum, to technology, to teaching methods and to administrative practices. Throughout nearly three decades of service, Karen has brought efficiency, expertise and professionalism to her many challenging assignments.

In 1988, Karen was named Supervisor of Elementary/Pre-School Education for the Providence School Department and in 1992, she became Principal of the Sackett Street Elementary School and the Reservoir Avenue Elementary School. Since the 1992–1993 school year, she has been Principal of the Sackett Street Elementary School and she is retiring from her present administration position as Interim Acting Superintendent of Teaching and Learning.

Karen Leach is a person of great integrity, compassion and initiative. She is accomplished and well respected for her many contributions to the Providence School System. She has made a positive impact on the quality of education, and in the lives of students, especially those with special needs. Most recently, Karen's leadership as a Principal and as an Administrator has left a lasting mark on the City of Providence.

So many young people have had their lives enriched by one person's efforts. Karen Leach's commitment and her tangible accomplishments clearly demonstrate that an investment in education is indeed an investment in the future.

Mr. President, I ask my colleagues to join me in commending Karen Leach for her commitment to educational excellence and for her efforts to improve the overall quality of our education system. Indeed, she has made a tremendous difference in the lives of her students. As Karen Leach leaves the Providence School Department, she plans to continue as a professional educational consultant. I wish her well and remain confident that we will hear more news of this outstanding educator's good works.●

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Edward Barron:									
Italy	Lira	2,163,819	1,169.00		4,238.15				5,407.15
Croatia	Dollar		548.00						548.00
Macedonia	Dollar		175.00						175.00
Italy	Lira			938,500	507.02			938,500	507.02
France	Dollar		516.00						516.00
Total			2,408.00		4,745.17				7,153.17

RICHARD LUGAR,
Chairman, Committee on Agriculture, Nutrition and Forestry, Oct. 20, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Patrick J. Leahy:									
Italy	Lira	1,515,897	839.00					1,515,897	839.00
Macedonia	Dollar		175.00						175.00
Croatia	Dollar		548.00						548.00
United States	Dollar				3,642.85				3,642.85
Tim Rieser:									
Macedonia	Dollar		175.00						175.00
Croatia	Dollar		248.00						248.00
United States	Dollar				2,151.00				2,151.00
Senator Ted Stevens:									
Russia	Dollar		450.00						450.00
United States	Dollar				11,258.84				11,258.84
Steve Cortese:									
Russia	Dollar		450.00						450.00
United States	Dollar				5,993.84				5,993.84
Jennifer Chartrand:									
Russia	Dollar		450.00						450.00
United States	Dollar				5,993.84				5,993.84
John Young:									
Papua New Guinea	Dollar		136.00						136.00
Indonesia	Dollar		466.00						466.00
Singapore	Dollar		254.00						254.00
Thailand	Dollar		498.00						498.00
Cambodia	Dollar		200.00						200.00
Vietnam	Dollar		556.00						556.00
Burma	Dollar		292.00						292.00
Laos	Dollar		250.00						250.00
Philippines	Dollar		488.00						488.00
Robin Cleveland:									
Italy	Dollar		300.00						300.00
Serbia	Dollar		300.00						300.00
Macedonia	Dollar		300.00						300.00
Total			7,375.00		29,040.37				36,415.37

TED STEVENS,
Chairman, Committee on Appropriations, Oct. 25, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jeff Sessions:									
Macedonia	Dollar		291.00						291.00
David S. Lyles:									
Macedonia	Dollar		121.50						121.50
Richard D. DeBobes:									
Macedonia	Dollar		121.50						121.50
Joseph T. Sixeas:									
Macedonia	Dollar		121.50						121.50
Senator Carl Levin:									
Macedonia	Dollar		233.50						233.50

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jack Reed:									
Macedonia	Dollar		271.50						271.50
Jason Matthews:									
Romania	Dollar		849.00						849.00
Senator Mary Landrieu:									
Macedonia	Dollar		264.25						264.25
Romania	Dollar		225.00						225.00
Joan V. Grimson:									
Russia	Dollar		1,905.00						1,905.00
Sweden	Dollar		246.00						246.00
Senator Jack Reed:									
Indonesia	Dollar		184.00						184.00
United States	Dollar				4,342.08				4,342.08
Elizabeth L. King:									
Indonesia	Dollar		162.00						162.00
United States	Dollar				4,137.08				4,137.08
Cord A. Sterling:									
Ecuador	Dollar		407.00						407.00
Colombia	Dollar		647.00						647.00
Peru	Dollar		819.00						819.00
United States	Dollar				1,758.40				1,758.40
Romie L Brownlee:									
United States	Dollar				2,110.40				2,110.40
Colombia	Dollar		259.00				22.50		281.50
Edward H. Edens IV:									
Colombia	Dollar		267.00						267.00
United States	Dollar				2,110.40				2,110.40
Total			7,394.75		14,458.36		22.50		21,875.61

JOHN WARNER,
Chairman, Committee on Armed Services, Oct. 4, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Phil Gramm:									
South Korea	Won		594.00						594.00
China	Yuan		514.00						514.00
Japan	Yen		208.29						208.29
Senator Richard Shelby:									
South Korea	Won		594.00						594.00
China	Yuan		514.00						514.00
Japan	Yen		241.05						241.05
Senator Robert Bennett:									
South Korea	Won		594.00						594.00
China	Yuan		514.00						514.00
Japan	Yen		200.10						200.10
Senator Mike Crapo:									
South Korea	Won		594.00						594.00
China	Yuan		514.00						514.00
Japan	Yen		208.29						208.29
Senator Evan Bayh:									
South Korea	Won		594.00						594.00
China	Yuan		514.00						514.00
Japan	Yen		200.10						200.10
James Jochum:									
South Korea	Won		594.00						594.00
China	Yuan		514.00						514.00
Japan	Yen		234.15						234.15
Senator Evan Bayh:									
Portugal	Escudo		837.00		4,084.00				4,921.00
Total			8,776.98		4,084.00				12,860.98

PHIL GRAMM,
Chairman, Committee on Banking, Housing, and Urban Affairs,
Oct. 21, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Alice Grant:									
Italy	Lira	1,217,000	660.00					1,217,000	660.00
Serbia	Dollar		338.00						338.00
Commercial airfare					5,164.98				5,164.98
Total			998.00		5,164.98				6,162.98

PETE V. DOMENICI,
Chairman, Committee on the Budget, Sept. 30, 1999.

AMENDMENT TO 3RD QUARTER 1998 CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1998

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Ian J. Brzezinski:									
Jordan	Dinar		829.00						829.00
Turkey	Lira		452.00						452.00
Kyrgyzstan	Som		558.00						558.00
Mongolia	Tughrik		354.00						354.00
China	Yuan		552.00						552.00
Korea	Won		524.00						524.00
Total			3,269.00						3,629.00

WILLIAM V. ROTH, Jr.,
Chairman, Committee on Finance, Sept. 9, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph Biden:									
Serbia	Dollar		180.00				54.25		234.25
Bosnia	Dollar		207.00						207.00
Bulgaria	Dollar		182.50						182.50
Romania	Dollar		204.00						204.00
United States	Dollar				5,822.74				5,822.74
Senator Paul Coverdell:									
Colombia	Dollar		486.00						486.00
Senator Chuck Hagel:									
China	Dollar		514.00		332.00				846.00
Vietnam	Dollar		1,112.00		176.00				1,288.00
Thailand	Dollar		398.00						398.00
Singapore	Dollar		204.00						204.00
United States	Dollar				4,867.00				4,867.00
Senator Robert Torricelli:									
North Korea	Dollar		761.00						761.00
China	Dollar		508.00						508.00
United States	Dollar				6,770.40				6,770.40
Alex Albert:									
Colombia	Dollar		486.00						486.00
Marshall Billingslea:									
Austria	Dollar		216.00						216.00
Czech Republic	Dollar		544.00						544.00
Italy	Dollar		802.00						802.00
Netherlands	Dollar		264.00						264.00
United States	Dollar				5,202.75				5,202.75
James Doran:									
Thailand	Dollar		996.00						996.00
Cambodia	Dollar		472.00						472.00
Laos	Dollar		125.00						125.00
United States	Dollar				4,857.40				4,857.40
Debbie Fiddelke:									
Vietnam	Dollar		2,224.00		176.00				2,400.00
United States	Dollar				6,415.00				6,415.00
Heather Flynn:									
Italy	Dollar		380.00						380.00
Egypt	Dollar		800.00						800.00
Macedonia	Dollar		1,020.00						1,020.00
Serbia	Dollar		700.00						700.00
United States	Dollar				6,755.81				6,755.81
Edwin Hall:									
Serbia	Dollar		61.00				54.25		115.25
Bosnia	Dollar		172.00						172.00
Bulgaria	Dollar		232.50						232.50
Romania	Dollar		244.00						244.00
United States	Dollar				4,093.74				4,093.74
Michael Haltzel:									
Romania	Dollar		40.00						40.00
Croatia	Dollar		334.00						334.00
Bosnia	Dollar		702.00						702.00
United States	Dollar				5,514.70				5,514.70
Serbia	Dollar		71.00				54.25		125.25
Bosnia	Dollar		161.00						161.00
Bulgaria	Dollar		181.50						181.50
Romania	Dollar		186.00						186.00
United States	Dollar				4,093.74				4,093.74
Frank Jannuzi:									
Hong Kong	Dollar		1,735.00						1,735.00
United States	Dollar				4,648.84				4,648.84
Thomas Lewis:									
Serbia	Dollar		85.00				54.25		139.25
Bosnia	Dollar		161.00						161.00
Bulgaria	Dollar		172.50						172.50
Romania	Dollar		202.00						202.00
United States	Dollar				3,273.55				3,273.55
Michael Miller:									
Ethiopia	Dollar		1,421.00						1,421.00
Saudi Arabia	Dollar		166.00						166.00
Eritrea	Dollar		524.00						524.00
United States	Dollar				7,418.38				7,418.18
Roger Noriega:									
Columbia	Dollar		400.00						400.00
Kenneth Peel:									
China	Dollar		514.00		332.00				846.00
Vietnam	Dollar		1,112.00		176.00				1,288.00
Thailand	Dollar		398.00						398.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Singapore	Dollar		204.00						204.00
United States	Dollar				4,800.00				4,800.00
Maria Pica:									
North Korea	Dollar		761.00						761.00
China	Dollar		508.00						508.00
United States	Dollar				4,323.00				4,323.00
Elizabeth Stewart:									
Italy	Dollar		650.00						650.00
Serbia	Dollar		348.00						348.00
United States	Dollar				5,164.98				5,164.00
Michael Westphal:									
Thailand	Dollar		996.00						996.00
Cambodia	Dollar		472.00						472.00
Laos	Dollar		125.00						125.00
United States	Dollar				4,857.40				4,857.40
Italy	Dollar		650.00						650.00
Serbia	Dollar		348.00						348.00
United States	Dollar				5,164.98				5,164.98
Total			28,123.00		95,236.81				123,576.81

JESSE HELMS,
Chairman, Committee on Foreign Relations, Oct. 26, 1999.

AMENDMENT TO 1ST QUARTER 1999 CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1, TO MAR. 31, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Marshall Billingslea:									
Turkey	Dollar		941.00						941.00
Iraq	Dollar		250.00						250.00
United States	Dollar				4,553.40				4,553.40
Total			1,191.00		4,553.40				5,744.40

JESSE HELMS,
Chairman, Committee on Foreign Relations, Oct. 26, 1999.

AMENDMENT TO 2ND QUARTER 1999 CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APRIL 1, TO JUNE 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Alex Albert:									
Ecuador	Dollar		325.00						325.00
Peru	Dollar		103.00						103.00
Curacao	Dollar		250.00						250.00
Kirsten Madison:									
Ecuador	Dollar		325.00						325.00
Peru	Dollar		103.00						103.00
Aruba	Dollar		55.00						55.00
Curacao	Dollar		195.00						195.00
Roger Noriega:									
Spain	Dollar		2,400.00						2,400.00
United States	Dollar				1,323.84				1,323.84
Danielle Pletka:									
United Kingdom	Dollar		544.00						544.00
United States	Dollar				3,243.50				3,243.50
Total			4,300.00		4,567.34				8,867.34

JESSE HELMS,
Chairman, Committee on Foreign Relations, Oct. 26, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS' AFFAIRS FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Arlen Specter:									
United States	Dollar		197.03		5,174.96				5,371.99
England	Dollar		224.80						224.80
Netherlands	Dollar		172.00						172.00
Ukraine	Dollar		488.00						488.00
Israel	Dollar		454.00						454.00
Jordan	Dollar		154.00						154.00
Egypt	Dollar		270.00						270.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS' AFFAIRS FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Italy	Lira		587.00						587.00
David J. Urban:									
United States	Dollar				4,477.06				4,477.06
Netherlands	Dollar		214.00						214.00
Ukraine	Dollar		750.00						750.00
Israel	Dollar		825.00						825.00
Jordan	Dollar		236.00						236.00
Egypt	Dollar		444.00						444.00
Italy	Lira		708.00						708.00
David K. Brog:									
United States	Dollar		4,477.06		4,477.06				4,477.06
Netherlands	Dollar		214.00						214.00
Ukraine	Dollar		750.00						750.00
Israel	Dollar		825.00						825.00
Jordan	Dollar		236.00						236.00
Egypt	Dollar		444.00						444.00
Italy	Lira		708.00						708.00
Total			8,900.83		14,129.08				23,029.91

ARLEN SPECTER,
Chairman, Committee on Veterans' Affairs, Oct. 15, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
C. Nicholas Rostow			1,340.86						1,340.86
Arthur Grant			881.00		5,677.52				6,558.52
George K. Johnson			566.00		5,525.62				6,091.62
James Barnett			566.00		5,609.10				6,175.10
Linda Taylor			1,199.00		6,524.28				7,723.28
Senator Richard Lugar			2,755.00		4,337.28				7,092.28
Kenneth Myers			2,798.00		4,337.28				7,135.25
Senator Richard C. Shelby			4,918.00						4,918.00
C. Nicholas Rostow			1,778.00						1,778.00
Anne Caldwell			4,918.00						4,918.00
William Duhnke			3,140.00						3,140.00
C. Nicholas Rostow			505.00						505.00
Senator Pat Roberts			1,938.00						1,938.00
Peter Dorn			2,941.00		5,134.40				8,076.40
Alan McCurry			2,193.00		2,958.20				5,151.20
James Barnett			974.00		4,792.40				5,766.40
Arthur Grant			1,111.00		4,792.40				5,903.40
Paula DeSutter			2,172.00		5,977.14				8,149.14
Total			36,693.86		55,666.62				92,360.48

RICHARD SHELBY,
Chairman, Select Committee on Intelligence, Oct. 20, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), JOINT ECONOMIC COMMITTEE FOR TRAVEL FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
James Gwartney:									
United States	Dollar		916.99		471.12		408.29		1,796.40
Total			916.99		471.12		408.29		1,796.40

CONNIE MACK,
Chairman, Joint Economic Committee, Oct. 14, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY MAJORITY LEADER FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Mitch Kugler:									
Russia	Dollar		1,150.00		5,319.02				6,469.02
Dennis McDowell:									
Russia	Dollar		1,150.00		5,319.02				6,469.02
Dennis Ward:									
Russia	Dollar		1,150.00		5,319.02				6,469.02
Total			3,450.00		15,957.06				19,407.06

TRENT LOTT,
Majority Leader, Oct. 14, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EXPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY DEMOCRATIC LEADER FROM JULY 1, TO SEPT. 30, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Eric Shuffler:									
United States	Dollar				4,491.40				4,491.40
North Korea	Dollar		508.00						508.00
China	Yuan	6,376.17	771.00					6,376.17	771.00
Senator Patty Murray:									
Poland	Zloty		952.00						952.00
Hungary	Forint		225.00						225.00
Czech Republic	Dollar		464.00						464.00
United States	Dollar				2,326.41				2,326.41
Carol Cockril:									
Poland	Zloty		952.00						952.00
Hungary	Forint		225.00						225.00
Czech Republic	Dollar		464.00						464.00
United States	Dollar				2,326.41				2,326.41
Ben McMakin:									
Poland	Zloty		952.00						952.00
Hungary	Forint		225.00						225.00
Czech Republic	Dollar		464.00						464.00
United States	Dollar				2,019.41				2,019.41
Total			6,202.00		11,163.63				17,365.63

TOM DASCHLE,
Democratic Leader, Sept. 30, 1999.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY DEMOCRATIC LEADER FROM AUG. 13, TO AUG. 15, 1999

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Tom Daschle:									
Cuba	Dollar		500.00						500.00
Senator Byron Dorgan:									
Cuba	Dollar		500.00						500.00
Bradley Van Dam:									
Cuba	Dollar		285.00						285.00
Howard Walgren:									
Cuba	Dollar		300.00						300.00
Sally Walsh:									
Cuba	Dollar		278.00						278.00
Delegation expenses:									
Cuba	Dollar						1,560.58		1,560.58
Total			1,863.00				1,560.58		3,423.58

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179 agreed to May 25, 1977.

TOM DASCHLE,
Democratic Leader, Sept. 15, 1999.

HEALTHCARE RESEARCH AND QUALITY ACT OF 1999

Mr. GRAMM. Mr. President, I ask unanimous consent that the HELP Committee be discharged from further consideration of S. 580, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 580) to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2506

(Purpose: To provide for a complete substitute)

Mr. GRAMM. Mr. President, there is a substitute amendment at the desk submitted by Senators FRIST, JEFFORDS, and KENNEDY. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for Mr. FRIST, for himself, Mr. JEFFORDS, and Mr. KENNEDY, proposes an amendment numbered 2506.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KENNEDY. Mr. President, ten years ago, Congress created the Agency for Health Care Policy and Research to help us deal more effectively with critical national priorities in health care and research. I introduced the legislation with Senator HATCH, and it passed as part of the Omnibus Budget Reconciliation Act of 1989. It was based on a precursor organization—the National Center for Health Services Research—that was created by President Lyndon Johnson. The Agency's focus is primarily on health services research and other cutting edge methods to improve clinical practice. In its first decade, the Agency has proven its worth time and again by providing valuable information to Congress, health professionals, patients, businesses, and many others.

This reauthorization begins a new chapter for the Agency. New responsibilities come with its new name, the Agency for Healthcare Research and Quality. While the Agency's intramural and extramural research will remain focused on general outcomes research and assessments of the how well the nation is doing with respect to coverage and provision of health care, there will also be increased activity on research to monitor and improve the quality of care.

The Agency will serve an increasingly important role in the nation's effort to measure and improve the quality of health care, and to expand access to health insurance and health care. Research supported by the Agency provides critical information about the use, cost and quality of health services. As the health care market evolves, these data are necessary for informed decisions to help patients, providers, employers, government administrators, and policymakers. While the Agency is not directly involved in making policy, its research and expertise provide informed guidance to those who are. This legislation will help the Agency maintain and expand its efforts to encourage public-private partnerships at every level of the health care system.

The American people deserve to know that their hard-earned dollars are buying high-quality care. They want to know, as they are voluntarily or involuntarily enrolled in managed care plans, that the quality of care they receive is improving, not declining. Employers deserve to know that their investments in health benefits lead to healthier employees. As a result of the Agency's work, more and more Americans will be able to make the right decisions about their health care.

The Agency also provides an important link between advances in medical research and technology, and adoption of these practices by the public and private sectors. The research conducted and supported by the Agency helps identify erroneous denials of treatment, and informs the nation about treatments that are the most effective or have the highest quality. While the Agency is not in the business of developing or promoting practice guidelines, its recommendations and research findings lead to significant savings for patients, providers, health plans, and taxpayers, while simultaneously improving the quality of care.

For example, if the Agency's recommendations were applied to even 20 percent of patients, the nation could save hundreds of millions of dollars annually—ranging from $8.5 million for enhanced prenatal care for diabetic women to $130 million for therapies that prevent stroke. We should do all we can to see that decision-making on health care is guided by the best available scientific information. The Agency for Healthcare Research and Quality will to help us achieve that goal.

The reauthorization of the Agency also provides an opportunity to expand research on health care for those with special needs. Our success in treating these patients is an important measure of the overall effectiveness of the nation's health care system. More needs to be done to evaluate how well our system treats those who need the most, and often the most complex, services. Persons with disabilities are often underrepresented in health services research. Assessing how well our fragmented system cares for a person with mental retardation or spina bifida or parapalegia or a person nearing the end-of-life will enable us to assess where better care can lead to both a higher quality of life and significant savings.

Reliable information about medical technology is an essential component of providing high quality health care to all Americans at a reasonable cost. It is especially important for Congress to be able to compare and understand the effectiveness of different technologies. For this reason, I was a strong supporter of the Congressional Office of Technology Assessment, which evaluated technologies in a wide range of scientific disciplines and provided a great deal of useful information to Congress before its funding was cut off in 1995. Fortunately, the Agency is fulfilling this essential role in the area of health care, and its mission is now more important than ever.

The ongoing biomedical revolution is bringing extraordinary benefits to our society. The next century may well be the century of life sciences. Every day, we hear about new medical procedures and technologies. To fulfill their promise, the quality and effectiveness of new procedures and technologies must be carefully evaluated. The Agency is uniquely qualified to meet this challenge, and to provide important information about the value and effectiveness of existing procedures and therapies.

The assessment reports prepared by the Agency are based on sound scientific data. Expanding access to the Agency's findings is an important step toward improving the overall quality of health care for the nation. We need to do all we can to see that the extraordinary discoveries being made in biomedical research are brought as quickly as possible to the bedside of the patient.

This reauthorization puts a new face on the Agency and refocuses and refines its functions. Adequate funding for the Agency is essential, and I look forward to working with the Appropriations Committees and the Administration to achieve these needed and wise investments in better health care for all.

Mr. FRIST. Mr. President, I am pleased that we are witnessing today the passage of legislation that is critical to improving the quality of health care in this country. The "Healthcare Research and Quality Act of 1999," which I introduced on March 10, 1999, will significantly increase our federal investment in health care research and science-based evidence to improve the quality of patient care.

The health care system is a dramatically different system today than a decade ago when the Congress established the Agency for Health Care Policy and Research. The financing and delivery of health care has changed as we have moved to more complex systems such as managed care. At the same time, there has been an explosion of new medical information stemming from our biomedical research advances. As a result, patients and providers face increased difficulty in tracking and understanding the latest scientific findings.

As we have seen in the debate on the Patients' Bill of Rights Act, issues regarding the quality and appropriate use of health care services is a significant public policy concern. Thus, I felt it was important to include S. 580 in the Patients' Bill of Rights Act that passed the Health, Education, Labor, and Pensions Committee on March 18, 1999, and subsequently passed the Senate on July 15, 1999. As one of the conferees on the Patients' Bill of Rights, I look forward to working with my colleagues in an effort to improve the quality of health care delivered in this country by passing strong patient protection legislation next year. However, as we have been working on the legislation regarding AHCPR for quite some time—I introduced the first version of the bill, S. 2208, on June 23, 1998—I felt strongly that we pass the legislation reauthorizing the agency this year.

S. 580 reauthorizes the Agency for Health Care Policy and Research for fiscal years 2000–2005, renames the agency the "Agency for Healthcare Research and Quality," and refocuses the agency's mission to become the focal point for supporting federal health care research and quality improvement activities.

The new Agency for Healthcare Research and Quality will: promote quality by sharing information regarding medical advances; build public-private partnerships to advance and share true quality measures; report annually on the state of quality, and cost, of the nation's healthcare; aggressively support improved information systems for health quality; support primary care research, and address issues of access in underserved areas and among priority populations; facilitate innovation in patient care with streamlined evaluation and assessment of new technologies; and coordinate quality improvement efforts of the federal government to avoid disjointed, uncoordinated, or duplicative efforts.

AHCPR fills a vital federal role by investing in health services research to ensure we reap the full rewards of our investment in basic and biomedical research. AHCPR takes these medical advances and helps us understand how to best utilize these advances in daily clinical practice. The Agency has demonstrated their ability to close this gap between basic research and clinical practice.

I believe the Agency can truly make a difference in improving health care quality in this country. The work of the Agency fills a crucial need by translating advances in medicine into what works for me, as a physician, in my daily practice. I think these answers will help us address some of the critical issues raised in the patient protection or quality health care debate. I also believe the work of the Agency is essential for improving the long term stability of the Medicare program and improving the health care system in general by providing the tools we need to assess and improve health care quality.

I would also like to point out that the legislation we are passing today builds upon the good work of our House companion bill, H.R. 2506, introduced and passed by my colleagues Representatives BILIRAKIS, BLILEY, DINGELL, and BROWN. The bill we are considering today, S. 580, has been modified to reflect agreement between the authorizing committees on the House and Senate passed versions of the bill. I will not list all of the changes we have made, but I would like to highlight a few.

First, I am pleased that our bill has an increased emphasis on research regarding the delivery of health care in inner city and rural areas and of health care issues for priority populations including low-income groups, minority groups, women, children, the elderly, and individuals with special health care needs including individuals with disabilities and individuals who need chronic care or end-of-life health care. The legislation will ensure that individuals with special health care needs will be addressed throughout the research portfolio of the Agency.

A second provision included in the bill which I believe is extremely important for improving the health of our nation's children is the authorization to provide support for payments to children's hospitals for graduate medical education programs. The bill will provide funding to the 59 freestanding children's hospital across the country that do not receive any GME funds today. These 59 hospitals represent over 20% of the total number of children's hospitals in the U.S. and they train nearly 30% of the nation's pediatricians, about 50% of all pediatric specialists, and over 65% of all pediatric specialists. I believe this is a strong addition to our bill which will ensure the training of pediatric physicians to improve the quality of health care for our children.

Mr. President, this legislation would not have come to fruition without the contributions of many individuals. I would like to take this moment to express my gratitude to Senator NICKLES and the entire Health Care Quality Task Force for making this bill a legislative priority. I would also like to thank Senator JEFFORDS, Senator KENNEDY, and all the members of the Health, Education, Labor, and Pensions committee who helped develop the legislation. The Administration and the Agency have been enormously helpful in providing their technical expertise as we rewrote the current statute, and I would especially like to thank Dr. John Eisenberg and Larry Patton for their tremendous contributions. Finally, I would like to thank my staff for their work on the bill, Andrew Balas, Susan Ramthun, and Anne Phelps. I look forward to working with my House colleagues and President Clinton to witness the enactment of S. 580 into law this year which will greatly improve the quality of health care for all Americans.

Mr. KENNEDY. Mr. President, today marks an important landmark in our efforts to improve children's health. We are taking the first step toward ensuring that the nation's children's hospitals have the support they need to continue to train physicians to care for children.

Less than one percent of the nation's hospitals are independent children's hospitals. Yet these hospitals train 30 percent of all pediatricians. These freestanding children's hospitals also train more than half of the country's pediatric specialists—the physicians who care for children with cancer, asthma, diabetes and many other chronic diseases and special needs.

In addition to their teaching responsibilities, they care for uninsured children, conduct pediatric research, and provide state-of-the-art specialty care for children in all parts of the nation. The services they provide and the activities they conduct are indispensable. When a child has a rare disease or complicated condition, children's hospitals are the hospitals of choice.

In Massachusetts, Boston Children's Hospital provides excellent care and conducts needed pediatric research and training. It provides the highest quality of care for sick or disabled children from Massachusetts, New England and the world. It is a national resource. The primary care and specialist physicians it trains serve in countless communities in Massachusetts and throughout the country. Boston Children's Hospital has been recognized as a world-class institution. Researchers at the hospital continue to offer new hope for children and adults, as they break new ground in battles to fight pediatric diseases. For example, Dr. Judah Folkman has developed two powerful agents that show great promise in the war on cancer. These agents—angiostatin and endostatin—have been shown to shrink cancerous tumors in animals. Clinical trials are now underway to test the effectiveness of bladder tissue grown in a laboratory, and to treat high-risk heart patients with a tiny device that can close holes in the heart without invasive surgery.

These advances are the result of the teaching hospital environment that is the heart of the mission of Boston Children's Hospital. Senior clinicians and scientists work with new doctors in training. The interns, residents and fellows who train at Boston Children's Hospital and other children's hospitals are the pediatricians, pediatric specialists and pediatric researchers of tomorrow. The federal government should invest in their training, just as we have invested in the training of physicians who care for adults. The benefits to the nation are immeasurable.

In general, graduate medical education activities are supported through Medicare. However, because children's hospitals treat very few Medicare patients, they receive almost no federal support to train physicians. In fact, they receive less than 1/200th per resident compared to other teaching hospitals. The lack of federal support makes no sense. It unintentionally penalizes children's hospitals, and we need to correct this problem as soon as possible.

The legislation accompanying the reauthorization of the Agency for Health Care Policy and Research authorizes a new discretionary program to provide support for pediatric graduate medical education. It authorizes the funding necessary to provide adequate support—$280 million in FY 2000 and $285 million in FY 2001. But this authorization is just a beginning. We need to continue to work together this year and next year to ensure that adequate funds are appropriated for this important new program to succeed.

Adequate and stable funding for pediatric GME activities can best be achieved by a permanent mandatory program. The Senate Finance Committee has agreed to hold a hearing on this important issue next year, and I hope action will quickly follow. Senator BOB KERREY and I have introduced legislation that will create a mandatory program. It has broad bipartisan support in the Senate. Forty senators, evenly divided among Democrats and Republicans, favor this approach, and I am confident that we will prevail in the end.

However, this year we have an opportunity to begin to address this important children's health issue. Today's authorization lays the groundwork for a downpayment in the appropriations for FY2000. The President's budget proposed $40 million for pediatric graduate medical education. The Labor, Health and Human Services Appropriations conference bill includes $20 million for this program. Congress should follow the President's lead and provide at least $40 million for next year, while Congress pursues full funding through a long-term solution.

It is an honor to support Boston Children's Hospital and other children's hospitals across the country as they strive to meet the health needs of the nation's children. I look forward to working with my colleagues in the House and Senate on this important issue in the coming year.

Mr. GRAMM. I ask unanimous consent the substitute amendment be agreed to, the bill be read a third time and passed as amended, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The substitute amendment (No. 2506) was agreed to.

The bill (S. 580), as amended, was read the third time and passed.

[The bill was not available for printing. It will appear in a future edition of the RECORD.]

YOUTH DRUG AND MENTAL HEALTH SERVICES ACT

Mr. GRAMM. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 332, S. 976.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 976) to amend title V of the Public Health Service Act to focus the authority of the Substance Abuse and Mental Health Services Administration on community-based services for children and adolescents, to enhance flexibility and accountability, to establish programs for youth treatment, and to respond to crises, especially those related to children and violence.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Youth Drug and Mental Health Services Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PROVISIONS RELATING TO SERVICES FOR CHILDREN AND ADOLESCENTS

Sec. 101. Children and violence.
Sec. 102. Emergency response.
Sec. 103. High risk youth reauthorization.
Sec. 104. Substance abuse treatment services for children and adolescents.
Sec. 105. Comprehensive community services for children with serious emotional disturbance.
Sec. 106. Services for children of substance abusers.
Sec. 107. Services for youth offenders.
Sec. 108. General provisions.

TITLE II—PROVISIONS RELATING TO MENTAL HEALTH

Sec. 201. Priority mental health needs of regional and national significance.
Sec. 202. Grants for the benefit of homeless individuals.
Sec. 203. Projects for assistance in transition from homelessness.
Sec. 204. Community mental health services performance partnership block grant.
Sec. 205. Determination of allotment.
Sec. 206. Protection and Advocacy for Mentally Ill Individuals Act of 1986.
Sec. 207. Requirement relating to the rights of residents of certain facilities.

TITLE III—PROVISIONS RELATING TO SUBSTANCE ABUSE

Sec. 301. Priority substance abuse treatment needs of regional and national significance.
Sec. 302. Priority substance abuse prevention needs of regional and national significance.
Sec. 303. Substance abuse prevention and treatment performance partnership block grant.
Sec. 304. Determination of allotments.
Sec. 305. Nondiscrimination and institutional safeguards for religious providers.
Sec. 306. Alcohol and drug prevention or treatment services for Indians and Native Alaskans.

TITLE IV—PROVISIONS RELATING TO FLEXIBILITY AND ACCOUNTABILITY

Sec. 401. General authorities and peer review.
Sec. 402. Advisory councils.
Sec. 403. General provisions for the performance partnership block grants.
Sec. 404. Data infrastructure projects.
Sec. 405. Repeal of obsolete addict referral provisions.
Sec. 406. Individuals with co-occurring disorders.
Sec. 407. Services for individuals with co-occurring disorders.

TITLE I—PROVISIONS RELATING TO SERVICES FOR CHILDREN AND ADOLESCENTS

SEC. 101. CHILDREN AND VIOLENCE.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by adding at the end the following:

"PART G—PROJECTS FOR CHILDREN AND VIOLENCE

"SEC. 581. CHILDREN AND VIOLENCE.

"(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Education and the Attorney General, shall carry out directly or through grants, contracts or cooperative agreements with public entities a program to assist local communities in developing ways to assist children in dealing with violence.

"(b) ACTIVITIES.—Under the program under subsection (a), the Secretary may—

"(1) provide financial support to enable local communities to implement programs to foster the health and development of children;

"(2) provide technical assistance to local communities with respect to the development of programs described in paragraph (1);

"(3) provide assistance to local communities in the development of policies to address violence when and if it occurs; and

"(4) assist in the creation of community partnerships among law enforcement, education systems and mental health and substance abuse service systems.

"(c) REQUIREMENTS.—An application for a grant, contract or cooperative agreement under subsection (a) shall demonstrate that—

"(1) the applicant will use amounts received to create a partnership described in subsection (b)(4) to address issues of violence in schools;

"(2) the activities carried out by the applicant will provide a comprehensive method for addressing violence, that will include—

"(A) security;

"(B) educational reform;

"(C) the review and updating of school policies;

"(D) alcohol and drug abuse prevention and early intervention services;

"(E) mental health prevention and treatment services; and

"(F) early childhood development and psychosocial services; and

"(3) the applicant will use amounts received only for the services described in subparagraphs (D),.(E), and (F) of paragraph (2).

"(d) GEOGRAPHICAL DISTRIBUTION.—The Secretary shall ensure that grants, contracts or cooperative agreements under subsection (a) will be distributed equitably among the regions of the country and among urban and rural areas.

"(e) DURATION OF AWARDS.—With respect to a grant, contract or cooperative agreement under subsection (a), the period during which payments under such an award will be made to the recipient may not exceed 5 years.

"(f) EVALUATION.—The Secretary shall conduct an evaluation of each project carried out under this section and shall disseminate the results of such evaluations to appropriate public and private entities.

"(g) INFORMATION AND EDUCATION.—The Secretary shall establish comprehensive information and education programs to disseminate the findings of the knowledge development and application under this section to the general public and to health care professionals.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $100,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 and 2002.

"SEC. 582. GRANTS TO ADDRESS THE PROBLEMS OF PERSONS WHO EXPERIENCE VIOLENCE RELATED STRESS.

"(a) IN GENERAL.—The Secretary shall award grants, contracts or cooperative agreements to public and nonprofit private entities, as well as to Indian tribes and tribal organizations, for the purpose of establishing a national and regional centers of excellence on psychological trauma response and for developing knowledge with regard to evidence-based practices for treating psychiatric disorders resulting from witnessing or experiencing such stress.

"(b) PRIORITIES.—In awarding grants, contracts or cooperative agreements under subsection (a) related to the development of knowledge on evidence-based practices for treating disorders associated with psychological trauma, the Secretary shall give priority to programs that work with children, adolescents, adults, and families who are survivors and witnesses of domestic, school and community violence and terrorism.

"(c) GEOGRAPHICAL DISTRIBUTION.—The Secretary shall ensure that grants, contracts or cooperative agreements under subsection (a) with respect to centers of excellence are distributed equitably among the regions of the country and among urban and rural areas.

"(d) EVALUATION.—The Secretary, as part of the application process, shall require that each applicant for a grant, contract or cooperative agreement under subsection (a) submit a plan for the rigorous evaluation of the activities funded under the grant, contract or agreement, including both process and outcomes evaluation, and the submission of an evaluation at the end of the project period.

"(e) DURATION OF AWARDS.—With respect to a grant, contract or cooperative agreement under subsection (a), the period during which payments under such an award will be made to the recipient may not exceed 5 years. Such grants, contracts or agreements may be renewed.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 and 2002.".

SEC. 102. EMERGENCY RESPONSE.

Section 501 of the Public Health Service Act (42 U.S.C. 290aa) is amended—

(1) by redesignating subsection (m) as subsection (o);

(2) by inserting after subsection (l) the following:

"(m) EMERGENCY RESPONSE.—

"(1) IN GENERAL.—Notwithstanding section 504 and except as provided in paragraph (2), the Secretary may use not to exceed 3 percent of all amounts appropriated under this title for a fiscal year to make noncompetitive grants, contracts or cooperative agreements to public entities to enable such entities to address emergency substance abuse or mental health needs in local communities.

"(2) EXCEPTIONS.—Amounts appropriated under part C shall not be subject to paragraph (1).

"(3) EMERGENCIES.—The Secretary shall establish criteria for determining that a substance

abuse or mental health emergency exists and publish such criteria in the Federal Register prior to providing funds under this subsection.

“(n) Limitation on the Use of Certain Information.—No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Secretary) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined under regulations of the Secretary) to its publication or release in other form.”; and

(3) in subsection (o) (as so redesignated), by striking “1993” and all that follows through the period and inserting “2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.”.

SEC. 103. HIGH RISK YOUTH REAUTHORIZATION.

Section 517(h) of the Public Health Service Act (42 U.S.C. 290bb–23(h)) is amended by striking “$70,000,000” and all that follows through “1994” and inserting “such sums as may be necessary for each of the fiscal years 2000 through 2002”.

SEC. 104. SUBSTANCE ABUSE TREATMENT SERVICES FOR CHILDREN AND ADOLESCENTS.

Subpart 1 of part B of title V of the Public Health Service Act (42 U.S.C. 290bb et seq.) is amended by adding at the end the following:

“SEC. 514. SUBSTANCE ABUSE TREATMENT SERVICES FOR CHILDREN AND ADOLESCENTS.

“(a) In General.—The Secretary shall award grants, contracts, or cooperative agreements to public and private nonprofit entities, including Native Alaskan entities and Indian tribes and tribal organizations, for the purpose of providing substance abuse treatment services for children and adolescents.

“(b) Priority.—In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall give priority to applicants who propose to—

“(1) apply evidenced-based and cost effective methods for the treatment of substance abuse among children and adolescents;

“(2) coordinate the provision of treatment services with other social service agencies in the community, including educational, juvenile justice, child welfare, and mental health agencies;

“(3) provide a continuum of integrated treatment services, including case management, for children and adolescents with substance abuse disorders and their families;

“(4) provide treatment that is gender-specific and culturally appropriate;

“(5) involve and work with families of children and adolescents receiving treatment;

“(6) provide aftercare services for children and adolescents and their families after completion of substance abuse treatment; and

“(7) address the relationship between substance abuse and violence.

“(c) Duration of Grants.—The Secretary shall award grants, contracts, or cooperative agreements under subsection (a) for periods not to exceed 5 fiscal years.

“(d) Application.—An entity desiring a grant, contract, or cooperative agreement under subsection (a) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(e) Evaluation.—An entity that receives a grant, contract, or cooperative agreement under subsection (a) shall submit, in the application for such grant, contract, or cooperative agreement, a plan for the evaluation of any project undertaken with funds provided under this section. Such entity shall provide the Secretary with periodic evaluations of the progress of such project and such evaluation at the completion of such project as the Secretary determines to be appropriate.

“(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $40,000,000 for fiscal year 2000, and such sums as may be necessary for fiscal years 2001 and 2002.

“SEC. 514A. EARLY INTERVENTION SERVICES FOR CHILDREN AND ADOLESCENTS.

“(a) In General.—The Secretary shall award grants, contracts, or cooperative agreements to public and private nonprofit entities, including local educational agencies (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)), for the purpose of providing early intervention substance abuse services for children and adolescents.

“(b) Priority.—In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall give priority to applicants who demonstrate an ability to—

“(1) screen for and assess substance use and abuse by children and adolescents;

“(2) make appropriate referrals for children and adolescents who are in need of treatment for substance abuse;

“(3) provide early intervention services, including counseling and ancillary services, that are designed to meet the developmental needs of children and adolescents who are at risk for substance abuse; and

“(4) develop networks with the educational, juvenile justice, social services, and other agencies and organizations in the State or local community involved that will work to identify children and adolescents who are in need of substance abuse treatment services.

“(c) Condition.—In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall ensure that such grants, contracts, or cooperative agreements are allocated, subject to the availability of qualified applicants, among the principal geographic regions of the United States, to Indian tribes and tribal organizations, and to urban and rural areas.

“(d) Duration of Grants.—The Secretary shall award grants, contracts, or cooperative agreements under subsection (a) for periods not to exceed 5 fiscal years.

“(e) Application.—An entity desiring a grant, contract, or cooperative agreement under subsection (a) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“(f) Evaluation.—An entity that receives a grant, contract, or cooperative agreement under subsection (a) shall submit, in the application for such grant, contract, or cooperative agreement, a plan for the evaluation of any project undertaken with funds provided under this section. Such entity shall provide the Secretary with periodic evaluations of the progress of such project and such evaluation at the completion of such project as the Secretary determines to be appropriate.

“(g) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $20,000,000 for fiscal year 2000, and such sums as may be necessary for fiscal years 2001 and 2002.

“SEC. 514B. YOUTH INTERAGENCY RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE CENTERS.

“(a) Program Authorized.—The Secretary, acting through the Administrator of the Substance Abuse and Mental Health Services Administration, and in consultation with the Administrator of the Office of Juvenile Justice and Delinquency Prevention, the Director of the Bureau of Justice Assistance and the Director of the National Institutes of Health, shall award grants or contracts to public or nonprofit private entities to establish not more than 4 research, training, and technical assistance centers to carry out the activities described in subsection (c).

“(b) Application.—A public or private nonprofit entity desiring a grant or contract under subsection (a) shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(c) Authorized Activities.—A center established under a grant or contract under subsection (a) shall—

“(1) provide training with respect to state-of-the-art mental health and justice-related services and successful mental health and substance abuse-justice collaborations that focus on children and adolescents, to public policymakers, law enforcement administrators, public defenders, police, probation officers, judges, parole officials, jail administrators and mental health and substance abuse providers and administrators;

“(2) engage in research and evaluations concerning State and local justice and mental health systems, including system redesign initiatives, and disseminate information concerning the results of such evaluations;

“(3) provide direct technical assistance, including assistance provided through toll-free telephone numbers, concerning issues such as how to accommodate individuals who are being processed through the courts under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), what types of mental health or substance abuse service approaches are effective within the judicial system, and how community-based mental health or substance abuse services can be more effective, including relevant regional, ethnic, and gender-related considerations; and

“(4) provide information, training, and technical assistance to State and local governmental officials to enhance the capacity of such officials to provide appropriate services relating to mental health or substance abuse.

“(d) Authorization of Appropriations.—For the purpose of carrying out this section, there is authorized to be appropriated $4,000,000 for fiscal year 2000, and such sums as may be necessary for fiscal years 2001 and 2002.

“SEC. 514C. PREVENTION OF METHAMPHETAMINE AND INHALANT ABUSE AND ADDICTION.

“(a) Grants.—The Director of the Center for Substance Abuse Prevention (referred to in this section as the ‘Director’) may make grants to and enter into contracts and cooperative agreements with public and nonprofit private entities to enable such entities—

“(1) to carry out school-based programs concerning the dangers of methamphetamine or inhalant abuse and addiction, using methods that are effective and evidence-based, including initiatives that give students the responsibility to create their own anti-drug abuse education programs for their schools; and

“(2) to carry out community-based methamphetamine or inhalant abuse and addiction prevention programs that are effective and evidence-based.

“(b) Use of Funds.—Amounts made available under a grant, contract or cooperative agreement under subsection (a) shall be used for planning, establishing, or administering methamphetamine or inhalant prevention programs in accordance with subsection (c).

“(c) Prevention Programs and Activities.—

"(1) IN GENERAL.—Amounts provided under this section may be used—

"(A) to carry out school-based programs that are focused on those districts with high or increasing rates of methamphetamine or inhalant abuse and addiction and targeted at populations which are most at risk to start methamphetamine or inhalant abuse;

"(B) to carry out community-based prevention programs that are focused on those populations within the community that are most at-risk for methamphetamine or inhalant abuse and addiction;

"(C) to assist local government entities to conduct appropriate methamphetamine or inhalant prevention activities;

"(D) to train and educate State and local law enforcement officials, prevention and education officials, members of community anti-drug coalitions and parents on the signs of methamphetamine or inhalant abuse and addiction and the options for treatment and prevention;

"(E) for planning, administration, and educational activities related to the prevention of methamphetamine or inhalant abuse and addiction;

"(F) for the monitoring and evaluation of methamphetamine or inhalant prevention activities, and reporting and disseminating resulting information to the public; and

"(G) for targeted pilot programs with evaluation components to encourage innovation and experimentation with new methodologies.

"(2) PRIORITY.—The Director shall give priority in making grants under this section to rural and urban areas that are experiencing a high rate or rapid increases in methamphetamine or inhalant abuse and addiction.

"(d) ANALYSES AND EVALUATION.—

"(1) IN GENERAL.—Up to $500,000 of the amount available in each fiscal year to carry out this section shall be made available to the Director, acting in consultation with other Federal agencies, to support and conduct periodic analyses and evaluations of effective prevention programs for methamphetamine or inhalant abuse and addiction and the development of appropriate strategies for disseminating information about and implementing these programs.

"(2) ANNUAL REPORTS.—The Director shall submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Commerce and Committee on Appropriations of the House of Representatives, an annual report with the results of the analyses and evaluation under paragraph (1).

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (a), $10,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 and 2002.".

SEC. 105. COMPREHENSIVE COMMUNITY SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCE.

(a) MATCHING FUNDS.—Section 561(c)(1)(D) of the Public Health Service Act (42 U.S.C. 290ff(c)(1)(D)) is amended by striking "fifth" and inserting "fifth and sixth".

(b) FLEXIBILITY FOR INDIAN TRIBES AND TERRITORIES.—Section 562 of the Public Health Service Act (42 U.S.C. 290ff–1) is amended by adding at the end the following:

"(g) WAIVERS.—The Secretary may waive 1 or more of the requirements of subsection (c) for a public entity that is an Indian Tribe or tribal organization, or American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, or the United States Virgin Islands if the Secretary determines, after peer review, that the system of care is family-centered and uses the least restrictive environment that is clinically appropriate.".

(c) DURATION OF GRANTS.—Section 565(a) of the Public Health Service Act (42 U.S.C. 290ff–4(a)) is amended by striking "5 fiscal" and inserting "6 fiscal".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 565(f)(1) of the Public Health Service Act (42 U.S.C. 290ff–4(f)(1)) is amended by striking "1993" and all that follows and inserting "2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.".

(e) CURRENT GRANTEES.—

(1) IN GENERAL.—Entities with active grants under section 561 of the Public Health Service Act (42 U.S.C. 290ff) on the date of enactment of this Act shall be eligible to receive a 6th year of funding under the grant in an amount not to exceed the amount that such grantee received in the 5th year of funding under such grant. Such 6th year may be funded without requiring peer and Advisory Council review as required under section 504 of such Act (42 U.S.C. 290aa–3).

(2) LIMITATION.—Paragraph (1) shall apply with respect to a grantee only if the grantee agrees to comply with the provisions of section 561 as amended by subsection (a).

SEC. 106. SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS.

(a) ADMINISTRATION AND ACTIVITIES.—

(1) ADMINISTRATION.—Section 399D(a) of the Public Health Service Act (42 U.S.C. 280d(a)(1)) is amended—

(A) in paragraph (1), by striking "Administrator" and all that follows through "Administration" and insert "Administrator of the Substance Abuse and Mental Health Services Administration"; and

(B) in paragraph (2), by striking "Administrator of the Substance Abuse and Mental Health Services Administration" and inserting "Administrator of the Health Resources and Services Administration".

(2) ACTIVITIES.—Section 399D(a)(1) of the Public Health Service Act (42 U.S.C. 280d(a)(1)) is amended—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period and inserting the following: "through youth service agencies, family social services, child care providers, Head Start, schools and after-school programs, early childhood development programs, community-based family resource and support centers, the criminal justice system, health, substance abuse and mental health providers through screenings conducted during regular childhood examinations and other examinations, self and family member referrals, substance abuse treatment services, and other providers of services to children and families; and"; and

(C) by adding at the end the following:

"(D) to provide education and training to health, substance abuse and mental health professionals, and other providers of services to children and families through youth service agencies, family social services, child care, Head Start, schools and after-school programs, early childhood development programs, community-based family resource and support centers, the criminal justice system, and other providers of services to children and families.".

(3) IDENTIFICATION OF CERTAIN CHILDREN.—Section 399D(a)(3)(A) of the Public Health Service Act (42 U.S.C. 280d(a)(3)(A)) is amended—

(A) in clause (i), by striking "(i) the entity" and inserting "(i)(I) the entity";

(B) in clause (ii)—

(i) by striking "(ii) the entity" and inserting "(II) the entity"; and

(ii) by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(ii) the entity will identify children who may be eligible for medical assistance under a State program under title XIX or XXI of the Social Security Act.".

(b) SERVICES FOR CHILDREN.—Section 399D(b) of the Public Health Service Act (42 U.S.C. 280d(b)) is amended—

(1) in paragraph (1), by inserting "alcohol and drug," after "psychological,";

(2) by striking paragraph (5) and inserting the following:

"(5) Developmentally and age-appropriate drug and alcohol early intervention, treatment and prevention services."; and

(3) by inserting after paragraph (8), the following:

"Services shall be provided under paragraphs (2) through (8) by a public health nurse, social worker, or similar professional, or by a trained worker from the community who is supervised by a professional, or by an entity, where the professional or entity provides assurances that the professional or entity is licensed or certified by the State if required and is complying with applicable licensure or certification requirements.".

(c) SERVICES FOR AFFECTED FAMILIES.—Section 399D(c) of the Public Health Service Act (42 U.S.C. 280d(c)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting before the colon the following: ", or by an entity, where the professional or entity provides assurances that the professional or entity is licensed or certified by the State if required and is complying with applicable licensure or certification requirements"; and

(B) by adding at the end the following:

"(D) Aggressive outreach to family members with substance abuse problems.

"(E) Inclusion of consumer in the development, implementation, and monitoring of Family Services Plan.";

(2) in paragraph (2)—

(A) by striking subparagraph (A) and inserting the following:

"(A) Alcohol and drug treatment services, including screening and assessment, diagnosis, detoxification, individual, group and family counseling, relapse prevention, pharmacotherapy treatment, after-care services, and case management.";

(B) in subparagraph (C), by striking ", including educational and career planning" and inserting "and counseling on the human immunodeficiency virus and acquired immune deficiency syndrome";

(C) in subparagraph (D), by striking "conflict and"; and

(D) in subparagraph (E), by striking "Remedial" and inserting "Career planning and"; and

(3) in paragraph (3)(D), by inserting "which include child abuse and neglect prevention techniques" before the period.

(d) ELIGIBLE ENTITIES.—Section 399D(d) of the Public Health Service Act (42 U.S.C. 280d(d)) is amended—

(1) by striking the matter preceding paragraph (1) and inserting:

"(d) ELIGIBLE ENTITIES.—The Secretary shall distribute the grants through the following types of entities:";

(2) in paragraph (1), by striking "drug treatment" and inserting "drug early intervention, prevention or treatment; and

(3) in paragraph (2)—

(A) in subparagraph (A), by striking "; and" and inserting "; or"; and

(B) in subparagraph (B), by inserting "or pediatric health or mental health providers and family mental health providers" before the period.

(e) SUBMISSION OF INFORMATION.—Section 399D(h) of the Public Health Service Act (42 U.S.C. 280d(h)) is amended—

(1) in paragraph (2)—

(A) by inserting "including maternal and child health" before "mental";

(B) by striking "treatment programs"; and

(C) by striking "and the State agency responsible for administering public maternal and child health services" and inserting ", the State agency responsible for administering alcohol and drug programs, the State lead agency, and the State Interagency Coordinating Council under part H of the Individuals with Disabilities Education Act; and"; and

(2) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(f) REPORTS TO THE SECRETARY.—Section 399D(i)(6) of the Public Health Service Act (42 U.S.C. 280d(i)(6)) is amended—

(1) in subparagraph (B), by adding "and" at the end; and

(2) by striking subparagraphs (C), (D), and (E) and inserting the following:

"(C) the number of case workers or other professionals trained to identify and address substance abuse issues.".

(g) EVALUATIONS.—Section 399D(l) of the Public Health Service Act (42 U.S.C. 280d(l)) is amended—

(1) in paragraph (3), by adding "and" at the end;

(2) in paragraph (4), by striking the semicolon and inserting the following: ", including increased participation in work or employment-related activities and decreased participation in welfare programs."; and

(3) by striking paragraphs (5) and (6).

(h) REPORT TO CONGRESS.—Section 399D(m) of the Public Health Service Act (42 U.S.C. 280d(m)) is amended—

(1) in paragraph (2), by adding "and" at the end;

(2) in paragraph (3)—

(A) in subparagraph (A), by adding "and" at the end;

(B) in subparagraph (B), by striking the semicolon and inserting a period; and

(C) by striking subparagraphs (C), (D), and (E); and

(3) by striking paragraphs (4) and (5).

(i) DATA COLLECTION.—Section 399D(n) of the Public Health Service Act (42 U.S.C. 280d(n)) is amended by adding at the end the following: "The periodic report shall include a quantitative estimate of the prevalence of alcohol and drug problems in families involved in the child welfare system, the barriers to treatment and prevention services facing these families, and policy recommendations for removing the identified barriers, including training for child welfare workers.".

(j) DEFINITION.—Section 399D(o)(2)(B) of the Public Health Service Act (42 U.S.C. 280d(o)(2)(B)) is amended by striking "dangerous".

(k) AUTHORIZATION OF APPROPRIATIONS.—Section 399D(p) of the Public Health Service Act (42 U.S.C. 280d(p)) is amended to read as follows:

"(p) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 and 2002.".

(l) GRANTS FOR TRAINING AND CONFORMING AMENDMENTS.—Section 399D of the Public Health Service Act (42 U.S.C. 280d) is amended—

(1) by striking subsection (f);

(2) by striking subsection (k);

(3) by redesignating subsections (d), (e), (g), (h), (i), (j), (l), (m), (n), (o), and (p) as subsections (e) through (o), respectively;

(4) by inserting after subsection (c), the following:

"(d) TRAINING FOR PROVIDERS OF SERVICES TO CHILDREN AND FAMILIES.—The Secretary may make a grant under subsection (a) for the training of health, substance abuse and mental health professionals and other providers of services to children and families through youth service agencies, family social services, child care providers, Head Start, schools and after-school programs, early childhood development programs, community-based family resource centers, the criminal justice system, and other providers of services to children and families. Such training shall be to assist professionals in recognizing the drug and alcohol problems of their clients and to enhance their skills in identifying and understanding the nature of substance abuse, and obtaining substance abuse early intervention, prevention and treatment resources.";

(5) in subsection (k)(2) (as so redesignated), by striking "(h)" and inserting "(i)"; and

(6) in paragraphs (3)(E) and (5) of subsection (m) (as so redesignated), by striking "(d)" and inserting "(e)".

(m) TRANSFER AND REDESIGNATION.—Section 399D of the Public Health Service Act (42 U.S.C. 280d), as amended by this section—

(1) is transferred to title V;

(2) is redesignated as section 519; and

(3) is inserted after section 518.

(n) CONFORMING AMENDMENT.—Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by striking the heading of part L.

SEC. 107. SERVICES FOR YOUTH OFFENDERS.

Subpart 3 of part B of title V of the Public Health Service Act (42 U.S.C. 290bb–31 et seq.) is amended by adding at the end the following:

"SEC. 520C. SERVICES FOR YOUTH OFFENDERS.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Center for Mental Health Services, and in consultation with the Director of the Center for Substance Abuse Treatment, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, and the Director of the Special Education Programs, shall award grants on a competitive basis to State or local juvenile justice agencies to enable such agencies to provide aftercare services for youth offenders who have been discharged from facilities in the juvenile or criminal justice system and have serious emotional disturbances or are at risk of developing such disturbances.

"(b) USE OF FUNDS.—A State or local juvenile justice agency receiving a grant under subsection (a) shall use the amounts provided under the grant—

"(1) to develop a plan describing the manner in which the agency will provide services for each youth offender who has a serious emotional disturbance and has been detained or incarcerated in facilities within the juvenile or criminal justice system;

"(2) to provide a network of core or aftercare services or access to such services for each youth offender, including diagnostic and evaluation services, substance abuse treatment services, outpatient mental health care services, medication management services, intensive home-based therapy, intensive day treatment services, respite care, and therapeutic foster care;

"(3) to establish a program that coordinates with other State and local agencies providing recreational, social, educational, vocational, or operational services for youth, to enable the agency receiving a grant under this section to provide community-based system of care services for each youth offender that addresses the special needs of the youth and helps the youth access all of the aforementioned services; and

"(4) using not more than 20 percent of funds received, to provide planning and transition services as described in paragraph (3) for youth offenders while such youth are incarcerated or detained.

"(c) APPLICATION.—A State or local juvenile justice agency that desires a grant under subsection (a) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(d) REPORT.—Not later than 1 year after the date of enactment of this section and annually thereafter, a State or local juvenile justice agency receiving a grant under subsection (a) shall submit to the Secretary a report describing the programs carried out pursuant to this section.

"(e) DEFINITIONS.—In this section:

"(1) SERIOUS EMOTIONAL DISTURBANCE.—The term 'serious emotional disturbance' with respect to a youth offender means an offender who currently, or at any time within the 1-year period ending on the day on which services are sought under this section, has a diagnosable mental, behavioral, or emotional disorder that functionally impairs the offender's life by substantially limiting the offender's role in family, school, or community activities, and interfering with the offender's ability to achieve or maintain 1 or more developmentally-appropriate social, behavior, cognitive, communicative, or adaptive skills.

"(2) COMMUNITY-BASED SYSTEM OF CARE.—The term 'community-based system of care' means the provision of services for the youth offender by various State or local agencies that in an interagency fashion or operating as a network addresses the recreational, social, educational, vocational, mental health, substance abuse, and operational needs of the youth offender.

"(3) YOUTH OFFENDER.—The term 'youth offender' means an individual who is 21 years of age or younger who has been discharged from a State or local juvenile or criminal justice system, except that if the individual is between the ages of 18 and 21 years, such individual has had contact with the State or local juvenile or criminal justice system prior to attaining 18 years of age and is under the jurisdiction of such a system at the time services are sought.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $40,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 and 2002.".

SEC. 108. GENERAL PROVISIONS.

(a) DUTIES OF THE CENTER FOR SUBSTANCE ABUSE TREATMENT.—Section 507(b) of the Public Health Service Act (42 U.S.C. 290bb(b)) is amended—

(1) by redesignating paragraphs (2) through (12) as paragraphs (3) through (13), respectively; and

(2) by inserting after paragraph (1), the following:

"(2) ensure that emphasis is placed on children and adolescents in the development of treatment programs;".

(b) DUTIES OF THE OFFICE FOR SUBSTANCE ABUSE PREVENTION.—Section 515(b)(9) of the Public Health Service Act (42 U.S.C. 290bb–2(b)(9)) is amended by striking "public concerning" and inserting "public, especially adolescent audiences, concerning".

(c) DUTIES OF THE CENTER FOR MENTAL HEALTH SERVICES.—Section 520(b) of the Public Health Service Act (42 U.S.C. 290bb–3(b)) is amended—

(1) by redesignating paragraphs (3) through (14) as paragraphs (4) through (15), respectively; and

(2) by inserting after paragraph (2), the following:

"(3) collaborate with the Department of Education and the Department of Justice to develop programs to assist local communities in addressing violence among children and adolescents;".

TITLE II—PROVISIONS RELATING TO MENTAL HEALTH

SEC. 201. PRIORITY MENTAL HEALTH NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

(a) IN GENERAL.—Section 520A of the Public Health Service Act (42 U.S.C. 290bb–32) is amended to read as follows:

"SEC. 520A. PRIORITY MENTAL HEALTH NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

"(a) PROJECTS.—The Secretary shall address priority mental health needs of regional and national significance (as determined under subsection (b)) through the provision of or through assistance for—

"(1) knowledge development and application projects for prevention, treatment, and rehabilitation, and the conduct or support of evaluations of such projects;

"(2) training and technical assistance programs;

"(3) targeted capacity response programs; and

"(4) systems change grants including statewide family network grants and client-oriented and consumer run self-help activities.

The Secretary may carry out the activities described in this subsection directly or through grants, contracts, or cooperative agreements with States, political subdivisions of States, Indian tribes and tribal organizations, other public or private nonprofit entities.

"(b) PRIORITY MENTAL HEALTH NEEDS.—

"(1) DETERMINATION OF NEEDS.—Priority mental health needs of regional and national significance shall be determined by the Secretary in consultation with States and other interested groups. The Secretary shall meet with the States and interested groups on an annual basis to discuss program priorities.

"(2) SPECIAL CONSIDERATION.—In developing program priorities described in paragraph (1), the Secretary, in conjunction with the Director of the Center for Mental Health Services, the Director of the Center for Substance Abuse Treatment, and the Administrator of the Health Resources and Services Administration, shall give special consideration to promoting the integration of mental health services into primary health care systems.

"(c) REQUIREMENTS.—

"(1) IN GENERAL.—Recipients of grants, contracts, and cooperative agreements under this section shall comply with information and application requirements determined appropriate by the Secretary.

"(2) DURATION OF AWARD.—With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years.

"(3) MATCHING FUNDS.—The Secretary may, for projects carried out under subsection (a), require that entities that apply for grants, contracts, or cooperative agreements under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(4) MAINTENANCE OF EFFORT.—With respect to activities for which a grant, contract or cooperative agreement is awarded under this section, the Secretary may require that recipients for specific projects under subsection (a) agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

"(d) EVALUATION.—The Secretary shall evaluate each project carried out under subsection (a)(1) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

"(e) INFORMATION AND EDUCATION.—The Secretary shall establish information and education programs to disseminate and apply the findings of the knowledge development and application, training, and technical assistance programs, and targeted capacity response programs, under this section to the general public, to health care professionals, and to interested groups. The Secretary shall make every effort to provide linkages between the findings of supported projects and State agencies responsible for carrying out mental health services.

"(f) AUTHORIZATION OF APPROPRIATION.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $300,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.

"(2) DATA INFRASTRUCTURE.—If amounts are not appropriated for a fiscal year to carry out section 1971 with respect to mental health, then the Secretary shall make available, from the amounts appropriated for such fiscal year under paragraph (1), an amount equal to the sum of $6,000,000 and 10 percent of all amounts appropriated for such fiscal year under such paragraph in excess of $100,000,000, to carry out such section 1971.".

(b) CONFORMING AMENDMENTS.—

(1) Section 303 of the Public Health Service Act (42 U.S.C. 242a) is repealed.

(2) Section 520B of the Public Health Service Act (42 U.S.C. 290bb–33) is repealed.

(3) Section 612 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 290aa–3 note) is repealed.

SEC. 202. GRANTS FOR THE BENEFIT OF HOMELESS INDIVIDUALS.

Section 506 of the Public Health Service Act (42 U.S.C. 290aa–5) is amended to read as follows:

"SEC. 506. GRANTS FOR THE BENEFIT OF HOMELESS INDIVIDUALS.

"(a) IN GENERAL.—The Secretary shall award grants, contracts and cooperative agreements to community-based public and private nonprofit entities for the purposes of providing mental health and substance abuse services for homeless individuals. In carrying out this section, the Secretary shall consult with the Interagency Council on the Homeless, established under section 201 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11311).

"(b) PREFERENCES.—In awarding grants, contracts, and cooperative agreements under subsection (a), the Secretary shall give a preference to—

"(1) entities that provide integrated primary health, substance abuse, and mental health services to homeless individuals;

"(2) entities that demonstrate effectiveness in serving runaway, homeless, and street youth;

"(3) entities that have experience in providing substance abuse and mental health services to homeless individuals;

"(4) entities that demonstrate experience in providing housing for individuals in treatment for or in recovery from mental illness or substance abuse; and

"(5) entities that demonstrate effectiveness in serving homeless veterans.

"(c) SERVICES FOR CERTAIN INDIVIDUALS.—In awarding grants, contracts, and cooperative agreements under subsection (a), the Secretary shall not—

"(1) prohibit the provision of services under such subsection to homeless individuals who are suffering from a substance abuse disorder and are not suffering from a mental health disorder; and

"(2) make payments under subsection (a) to any entity that has a policy of—

"(A) excluding individuals from mental health services due to the existence or suspicion of substance abuse; or

"(B) has a policy of excluding individuals from substance abuse services due to the existence or suspicion of mental illness.

"(d) TERM OF THE AWARDS.—No entity may receive a grant, contract, or cooperative agreement under subsection (a) for more than 5 years.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.".

SEC. 203. PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS.

(a) WAIVERS FOR TERRITORIES.—Section 522 of the Public Health Service Act (42 U.S.C. 290cc–22) is amended by adding at the end the following:

"(i) WAIVER FOR TERRITORIES.—With respect to the United States Virgin Islands, Guam, American Samoa, Palau, the Marshall Islands, and the Commonwealth of the Northern Mariana Islands, the Secretary may waive the provisions of this part that the Secretary determines to be appropriate.".

(b) AUTHORIZATION OF APPROPRIATION.—Section 535(a) of the Public Health Service Act (42 U.S.C. 290cc–35(a)) is amended by striking "1991 through 1994" and inserting "2000 through 2002".

SEC. 204. COMMUNITY MENTAL HEALTH SERVICES PERFORMANCE PARTNERSHIP BLOCK GRANT.

(a) CRITERIA FOR PLAN.—Section 1912(b) of the Public Health Service Act (42 U.S.C. 300x–2(b)) is amended by striking paragraphs (1) through (12) and inserting the following:

"(1) COMPREHENSIVE COMMUNITY-BASED MENTAL HEALTH SYSTEMS.—The plan provides for an organized community-based system of care for individuals with mental illness and describes available services and resources in a comprehensive system of care, including services for dually diagnosed individuals. The description of the system of care shall include health and mental health services, rehabilitation services, employment services, housing services, educational services, substance abuse services, medical and dental care, and other support services to be provided to individuals with Federal, State and local public and private resources to enable such individuals to function outside of inpatient or residential institutions to the maximum extent of their capabilities, including services to be provided by local school systems under the Individuals with Disabilities Education Act. The plan shall include a separate description of case management services and provide for activities leading to reduction of hospitalization.

"(2) MENTAL HEALTH SYSTEM DATA AND EPIDEMIOLOGY.—The plan contains an estimate of the incidence and prevalence in the State of serious mental illness among adults and serious emotional disturbance among children and presents quantitative targets to be achieved in the implementation of the system described in paragraph (1).

"(3) CHILDREN'S SERVICES.—In the case of children with serious emotional disturbance, the plan—

"(A) subject to subparagraph (B), provides for a system of integrated social services, educational services, juvenile services, and substance abuse services that, together with health and mental health services, will be provided in order for such children to receive care appropriate for their multiple needs (such system to include services provided under the Individuals with Disabilities Education Act);

"(B) provides that the grant under section 1911 for the fiscal year involved will not be expended to provide any service under such system other than comprehensive community mental health services; and

"(C) provides for the establishment of a defined geographic area for the provision of the services of such system.

"(4) TARGETED SERVICES TO RURAL AND HOMELESS POPULATIONS.—The plan describes the State's outreach to and services for individuals who are homeless and how community-based services will be provided to individuals residing in rural areas.

"(5) MANAGEMENT SYSTEMS.—The plan describes the financial resources, staffing and training for mental health providers that is necessary to implement the plan, and provides for the training of providers of emergency health services regarding mental health. The plan further describes the manner in which the State intends to expend the grant under section 1911 for the fiscal year involved.

Except as provided for in paragraph (3), the State plan shall contain the information required under this subsection with respect to both adults with serious mental illness and children with serious emotional disturbance.".

(b) REVIEW OF PLANNING COUNCIL OF STATE'S REPORT.—Section 1915(a) of the Public Health Service Act (42 U.S.C. 300x–4(a)) is amended—

(1) in paragraph (1), by inserting "and the report of the State under section 1942(a) concerning the preceding fiscal year" after "to the grant"; and

(2) in paragraph (2), by inserting before the period "and any comments concerning the annual report".

(c) MAINTENANCE OF EFFORT.—Section 1915(b) of the Public Health Service Act (42 U.S.C. 300x–4(b)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1), the following:

"(2) EXCLUSION OF CERTAIN FUNDS.—The Secretary may exclude from the aggregate State expenditures under subsection (a), funds appropriated to the principle agency for authorized activities which are of a non-recurring nature and for a specific purpose.".

(d) APPLICATION FOR GRANTS.—Section 1917(a)(1) of the Public Health Service Act (42 U.S.C. 300x–6(a)(1)) is amended to read as follows:

"(1) the plan is received by the Secretary not later than September 1 of the fiscal year prior to the fiscal year for which a State is seeking funds, and the report from the previous fiscal year as required under section 1941 is received by December 1 of the fiscal year of the grant;".

(e) WAIVERS FOR TERRITORIES.—Section 1917(b) of the Public Health Service Act (42 U.S.C. 300x–6(b)) is amended by striking "whose allotment under section 1911 for the fiscal year is the amount specified in section 1918(c)(2)(B)" and inserting in its place "except Puerto Rico".

(f) AUTHORIZATION OF APPROPRIATION.—Section 1920 of the Public Health Service Act (42 U.S.C. 300x–9) is amended—

(1) in subsection (a), by striking "$450,000,000" and all that follows through the end and inserting "$450,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002."; and

(2) in subsection (b)(2), by striking "section 505" and inserting "sections 505 and 1971".

SEC. 205. DETERMINATION OF ALLOTMENT.

Section 1918(b) of the Public Health Service Act (42 U.S.C. 300x–7(b)) is amended to read as follows:

"(b) MINIMUM ALLOTMENTS FOR STATES.—With respect to fiscal year 2000, and subsequent fiscal years, the amount of the allotment of a State under section 1911 shall not be less than the amount the State received under such section for fiscal year 1998.".

SEC. 206. PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS ACT OF 1986.

(a) SHORT TITLE.—The first section of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (Public Law 99–319) is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Protection and Advocacy for Individuals with Mental Illness Act'.".

(b) DEFINITIONS.—Section 102 of the Protection and Advocacy for Individuals with Mental Illness Act (as amended by subsection (a)) (42 U.S.C. 10802) is amended—

(1) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by inserting ", except as provided in section 104(d)," after "means";

(B) in subparagraph (B)—

(i) by striking "(i)" who" and inserting "(i)(I) who";

(ii) by redesignating clauses (ii) and (iii) as subclauses (II) and (III);

(iii) in subclause (III) (as so redesignated), by striking the period and inserting "; or"; and

(iv) by adding at the end the following:

"(ii) who satisfies the requirements of subparagraph (A) and lives in a community setting, including their own home."; and

(2) by adding at the end the following:

"(8) The term 'American Indian consortium' means a consortium established under part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6042 et seq.).".

(c) USE OF ALLOTMENTS.—Section 104 of the Protection and Advocacy for Individuals with Mental Illness Act (as amended by subsection (a)) (42 U.S.C. 10804) is amended by adding at the end the following:

"(d) The definition of 'individual with a mental illness' contained in section 102(4)(B)(iii) shall apply, and thus an eligible system may use its allotment under this title to provide representation to such individuals, only if the total allotment under this title for any fiscal year is $30,000,000 or more, and in such case, an eligible system must give priority to representing persons with mental illness as defined in subparagraphs (A) and (B)(i) of section 102(4).".

(d) MINIMUM AMOUNT.—Paragraph (2) of section 112(a) of the Protection and Advocacy for Individuals with Mental Illness Act (as amended by subsection (a)) (42 U.S.C. 10822(a)(2)) is amended to read as follows:

"(2)(A) The minimum amount of the allotment of an eligible system shall be the product (rounded to the nearest $100) of the appropriate base amount determined under subparagraph (B) and the factor specified in subparagraph (C).

"(B) For purposes of subparagraph (A), the appropriate base amount—

"(i) for American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, and the Virgin Islands, is $139,300; and

"(ii) for any other State, is $260,000.

"(C) The factor specified in this subparagraph is the ratio of the amount appropriated under section 117 for the fiscal year for which the allotment is being made to the amount appropriated under such section for fiscal year 1995.

"(D) If the total amount appropriated for a fiscal year is at least $25,000,000, the Secretary shall make an allotment in accordance with subparagraph (A) to the eligible system serving the American Indian consortium.".

(e) TECHNICAL AMENDMENTS.—Section 112(a) of the Protection and Advocacy for Individuals with Mental Illness Act (as amended by subsection (a)) (42 U.S.C. 10822(a)) is amended—

(1) in paragraph (1)(B), by striking "Trust Territory of the Pacific Islands" and inserting "Marshall Islands, the Federated States of Micronesia, the Republic of Palau"; and

(2) by striking paragraph (3).

(f) REAUTHORIZATION.—Section 117 of the Protection and Advocacy for Individuals with Mental Illness Act (as amended by subsection (a)) (42 U.S.C. 10827) is amended by striking "1995" and inserting "2002".

SEC. 207. REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN FACILITIES.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by adding at the end the following:

"PART H—REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN FACILITIES

"SEC. 591. REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN FACILITIES.

"(a) IN GENERAL.—A public or private general hospital, nursing facility, intermediate care facility, residential treatment center, or other health care facility, that receives support in any form from any program supported in whole or in part with funds appropriated to any Federal department or agency shall protect and promote the rights of each resident of the facility, including the right to be free from physical or mental abuse, corporal punishment, and any physical or chemical restraints or involuntary seclusions imposed for purposes of discipline or convenience.

"(b) REQUIREMENTS.—Physical or chemical restraints and seclusion may only be imposed on a resident of a facility described in subsection (a) if—

"(1) the restraints or seclusion are imposed to ensure the physical safety of the resident, a staff member, or others; and

"(2) the restraints or seclusion are imposed only upon the written order of a physician, or other licensed independent practitioner permitted by the State and the facility to order such restraint or seclusion, that specifies the duration and circumstances under which the restraints are to be used (except in emergency circumstances specified by the Secretary until such an order could reasonably be obtained).

"(c) CONSTRUCTION.—Nothing in this section shall be construed as prohibiting the use of restraints for medical immobilization, adaptive support, or medical protection.

"(d) DEFINITIONS.—In this section:

"(1) CHEMICAL RESTRAINT.—The term 'chemical restraint' means the non-therapeutic use of a medication that—

"(A) is unrelated to the patient's medical condition; and

"(B) is imposed for disciplinary purposes or the convenience of staff.

"(2) PHYSICAL RESTRAINT.—The term 'physical restraint' means any mechanical or personal restriction that immobilizes or reduces the ability of an individual to move his or her arms, legs, or head freely. Such term does not include devices, such as orthopedically prescribed devices, surgical dressings or bandages, protective helmets, and other methods involving the physical holding of a resident for the purpose of conducting routine physical examinations or tests or to protect the patient from falling out of bed or to permit a patient to participate in activities without the risk of physical harm to the patient.

"(3) SECLUSION.—The term 'seclusion' means any separation of the resident from the general population of the facility that prevents the resident from returning to such population when he or she desires.

"SEC. 592. REPORTING REQUIREMENT.

"(a) In General.— Each facility to which the Protection and Advocacy for Mentally Ill Individuals Act of 1986 applies shall notify the appropriate agency, as determined by the Secretary, of each death that occurs at each such facility while a patient is restrained, of each death occurring within 24 hours of the deceased patient being restrained or placed in seclusion, or where it is reasonable to assume that a patient's death is a result of such seclusion or restraint. A notification under this section shall include the name of the resident and shall be provided not later than 7 days after the date of the death of the individual involved.

"(b) Facility.—In this section, the term 'facility' has the meaning given the term 'facilities' in section 102(3) of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10802(3)).".

"SEC. 593. REGULATIONS AND ENFORCEMENT.

"(a) Training.—Not later than 1 year after the date of enactment of this part, the Secretary, after consultation with appropriate State and local protection and advocacy organizations, physicians, facilities, and other health care professionals and patients, shall promulgate regulations that require facilities to which the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.) applies, to meet the requirements of subsection (b).

"(b) Requirements.—The regulations promulgated under subsection (a) shall require that—

"(1) facilities described in subsection (a) ensure that there is an adequate number of qualified professional and supportive staff to evaluate patients, formulate written individualized, comprehensive treatment plans, and to provide active treatment measures;

"(2) appropriate training be provided for the staff of such facilities in the use of restraints and any alternatives to the use of restraints; and

"(3) such facilities provide complete and accurate notification of deaths, as required under section 582(a).

"(c) Enforcement.—A facility to which this part applies that fails to comply with any requirement of this part, including a failure to provide appropriate training, shall not be eligible for participation in any program supported in whole or in part by funds appropriated to any Federal department or agency.".

TITLE III—PROVISIONS RELATING TO SUBSTANCE ABUSE

SEC. 301. PRIORITY SUBSTANCE ABUSE TREATMENT NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

(a) In General.—Section 508 of the Public Health Service Act (42 U.S.C. 290bb–1) is amended to read as follows:

"SEC. 508. PRIORITY SUBSTANCE ABUSE TREATMENT NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

"(a) Projects.—The Secretary shall address priority substance abuse treatment needs of regional and national significance (as determined under subsection (b)) through the provision of or through assistance for—

"(1) knowledge development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects;

"(2) training and technical assistance; and

"(3) targeted capacity response programs.

The Secretary may carry out the activities described in this section directly or through grants, contracts, or cooperative agreements with States, political subdivisions of States, Indian tribes and tribal organizations, other public or nonprofit private entities.

"(b) Priority Substance Abuse Treatment Needs.—

"(1) In general.—Priority substance abuse treatment needs of regional and national significance shall be determined by the Secretary after consultation with States and other interested groups. The Secretary shall meet with the States and interested groups on an annual basis to discuss program priorities.

"(2) Special consideration.—In developing program priorities under paragraph (1), the Secretary, in conjunction with the Director of the Center for Substance Abuse Treatment, the Director of the Center for Mental Health Services, and the Administrator of the Health Resources and Services Administration, shall give special consideration to promoting the integration of substance abuse treatment services into primary health care systems.

"(c) Requirements.—

"(1) In general.—Recipients of grants, contracts, or cooperative agreements under this section shall comply with information and application requirements determined appropriate by the Secretary.

"(2) Duration of award.—With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years.

"(3) Matching funds.—The Secretary may, for projects carried out under subsection (a), require that entities that apply for grants, contracts, or cooperative agreements under that project provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(4) Maintenance of effort.—With respect to activities for which a grant, contract, or cooperative agreement is awarded under this section, the Secretary may require that recipients for specific projects under subsection (a) agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

"(d) Evaluation.—The Secretary shall evaluate each project carried out under subsection (a)(1) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

"(e) Information and Education.—The Secretary shall establish comprehensive information and education programs to disseminate and apply the findings of the knowledge development and application, training and technical assistance programs, and targeted capacity response programs under this section to the general public, to health professionals and other interested groups. The Secretary shall make every effort to provide linkages between the findings of supported projects and State agencies responsible for carrying out substance abuse prevention and treatment programs.

"(f) Authorization of Appropriation.—There are authorized to be appropriated to carry out this section, $300,000,000 for fiscal year 2000 and such sums as may be necessary for each of the fiscal years 2001 and 2002.".

(b) Conforming Amendments.—The following sections of the Public Health Service Act are repealed:

(1) Section 509 (42 U.S.C. 290bb–2).

(2) Section 510 (42 U.S.C. 290bb–3).

(3) Section 511 (42 U.S.C. 290bb–4).

(4) Section 512 (42 U.S.C. 290bb–5).

(5) Section 571 (42 U.S.C. 290gg).

SEC. 302. PRIORITY SUBSTANCE ABUSE PREVENTION NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

(a) In General.—Section 516 of the Public Health Service Act (42 U.S.C. 290bb–1) is amended to read as follows:

"SEC. 516. PRIORITY SUBSTANCE ABUSE PREVENTION NEEDS OF REGIONAL AND NATIONAL SIGNIFICANCE.

"(a) Projects.—The Secretary shall address priority substance abuse prevention needs of regional and national significance (as determined under subsection (b)) through the provision of or through assistance for—

"(1) knowledge development and application projects for prevention and the conduct or support of evaluations of such projects;

"(2) training and technical assistance; and

"(3) targeted capacity response programs.

The Secretary may carry out the activities described in this section directly or through grants, contracts, or cooperative agreements with States, political subdivisions of States, Indian tribes and tribal organizations, or other public or nonprofit private entities.

"(b) Priority Substance Abuse Prevention Needs.—

"(1) In general.—Priority substance abuse prevention needs of regional and national significance shall be determined by the Secretary in consultation with the States and other interested groups. The Secretary shall meet with the States and interested groups on an annual basis to discuss program priorities.

"(2) Special consideration.—In developing program priorities under paragraph (1), the Secretary shall give special consideration to—

"(A) applying the most promising strategies and research-based primary prevention approaches; and

"(B) promoting the integration of substance abuse prevention services into primary health care systems.

"(c) Requirements.—

"(1) In general.—Recipients of grants, contracts, and cooperative agreements under this section shall comply with information and application requirements determined appropriate by the Secretary.

"(2) Duration of award.—With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years.

"(3) Matching funds.—The Secretary may, for projects carried out under subsection (a), require that entities that apply for grants, contracts, or cooperative agreements under that project provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(4) Maintenance of effort.—With respect to activities for which a grant, contract, or cooperative agreement is awarded under this section, the Secretary may require that recipients for specific projects under subsection (a) agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

"(d) Evaluation.—The Secretary shall evaluate each project carried out under subsection (a)(1) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

"(e) Information and Education.—The Secretary shall establish comprehensive information

and education programs to disseminate the findings of the knowledge development and application, training and technical assistance programs, and targeted capacity response programs under this section to the general public and to health professionals. The Secretary shall make every effort to provide linkages between the findings of supported projects and State agencies responsible for carrying out substance abuse prevention and treatment programs.

"(f) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated to carry out this section, $300,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.".

(b) CONFORMING AMENDMENTS.—Section 518 of the Public Health Service Act (42 U.S.C. 290bb–24) is repealed.

SEC. 303. SUBSTANCE ABUSE PREVENTION AND TREATMENT PERFORMANCE PARTNERSHIP BLOCK GRANT.

(a) AUTHORIZED ACTIVITIES.—Section 1921(b) of the Public Health Service Act (42 U.S.C. 300x–21(b)) is amended to read as follows:

"(b) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—A funding agreement for a grant under subsection (a) is that, subject to section 1931, the State involved shall expend the grant only for the purpose of—

"(A) planning, carrying out, and evaluating activities to prevent and treat substance abuse in accordance with this subpart and for related activities authorized in section 1924; and

"(B) screening and testing for HIV, tuberculosis, hepatitis C, sexually transmitted diseases, mental health disorders, and other screening and testing necessary to determine a comprehensive substance abuse treatment plan.

"(2) SCREENING AND TESTING.—A State may not use more than 2 percent of a State allotment for a fiscal year to carry out activities under paragraph (1)(B), except that the State shall be considered the payer of last resort and may not expend such funds for such activities to the extent that payment has been made, or can reasonably be expected to be made, with respect to such service under any Federal or State program, an insurance policy, or a Federal or State health benefits program (including programs established under title XVIII or. XIX of the Social Security Act), or by an entity that provides health services on a prepaid basis.".

(b) ALLOCATION REGARDING ALCOHOL AND OTHER DRUGS.—Section 1922 of the Public Health Service Act (42 U.S.C. 300x–22) is amended by—

(1) striking subsection (a); and

(2) redesignating subsections (b) and (c) as subsections (a) and (b).

(c) GROUP HOMES FOR RECOVERING SUBSTANCE ABUSERS.—Section 1925(a) of the Public Health Service Act (42 U.S.C. 300x–25(a)) is amended by striking "For fiscal year 1993" and all that follows through the colon and inserting the following: "A State, using funds available under section 1921, may establish and maintain the ongoing operation of a revolving fund in accordance with this section to support group homes for recovering substance abusers as follows:".

(d) MAINTENANCE OF EFFORT.—Section 1930 of the Public Health Service Act (42 U.S.C. 300x–30) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d) respectively; and

(2) by inserting after subsection (a), the following:

"(b) EXCLUSION OF CERTAIN FUNDS.—The Secretary may exclude from the aggregate State expenditures under subsection (a), funds appropriated to the principle agency for authorized activities which are of a non-recurring nature and for a specific purpose.".

(e) APPLICATIONS FOR GRANTS.—Section 1932(a)(1) of the Public Health Service Act (42 U.S.C. 300x–32(a)(1)) is amended to read as follows:

"(1) the application is received by the Secretary not later than October 1 of the fiscal year prior to the fiscal year for which the State is seeking funds;".

(f) WAIVER FOR TERRITORIES.—Section 1932(c) of the Public Health Service Act (42 U.S.C. 300x–32(c)) is amended by striking "whose allotment under section 1921 for the fiscal year is the amount specified in section 1933(c)(2)(B)" and inserting "except Puerto Rico".

(g) WAIVER AUTHORITY FOR CERTAIN REQUIREMENTS.—

(1) IN GENERAL.—Section 1932 of the Public Health Service Act (42 U.S.C. 300x–32) is amended by adding at the end the following:

"(e) WAIVER AUTHORITY FOR CERTAIN REQUIREMENTS.—

"(1) IN GENERAL.—Upon the request of a State, the Secretary may waive the requirements of all or part of the sections described in paragraph (2) using objective criteria established by the Secretary by regulation after consultation with the States and other interested parties including consumers and providers.

"(2) SECTIONS.—The sections described in paragraph (1) are sections 1922(c), 1923, 1924 and 1928.

"(3) DATE CERTAIN FOR ACTING UPON REQUEST.—The Secretary shall approve or deny a request for a waiver under paragraph (1) and inform the State of that decision not later than 120 days after the date on which the request and all the information needed to support the request are submitted.

"(4) ANNUAL REPORTING REQUIREMENT.—The Secretary shall annually report to the general public on the States that receive a waiver under this subsection.".

(2) CONFORMING AMENDMENTS.—Effective upon the publication of the regulations developed in accordance with section 1932(e)(1) of the Public Health Service Act (42 U.S.C. 300x–32(d))—

(A) section 1922(c) of the Public Health Service Act (42 U.S.C. 300x–22(c)) is amended by—

(i) striking paragraph (2); and

(ii) redesignating paragraph (3) as paragraph (2); and

(B) section 1928(d) of the Public Health Service Act (42 U.S.C. 300x–28(d)) is repealed.

(h) AUTHORIZATION OF APPROPRIATION.—Section 1935 of the Public Health Service Act (42 U.S.C. 300x–35) is amended—

(1) in subsection (a), by striking "$1,500,000,000" and all that follows through the end and inserting "$2,000,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.";

(2) in subsection (b)(1), by striking "section 505" and inserting "sections 505 and 1971";

(3) in subsection (b)(2), by striking "1949(a)" and inserting "1948(a)"; and

(4) in subsection (b), by adding at the end the following:

"(3) CORE DATA SET.—A State that receives a new grant, contract, or cooperative agreement from amounts available to the Secretary under paragraph (1), for the purposes of improving the data collection, analysis and reporting capabilities of the State, shall be required, as a condition of receipt of funds, to collect, analyze, and report to the Secretary for each fiscal year subsequent to receiving such funds a core data set to be determined by the Secretary in conjunction with the States.".

SEC. 304. DETERMINATION OF ALLOTMENTS.

Section 1933(b) of the Public Health Service Act (42 U.S.C. 300x–33(b)) is amended to read as follows:

"(b) MINIMUM ALLOTMENTS FOR STATES.—

"(1) IN GENERAL.—With respect to fiscal year 2000, and each subsequent fiscal year, the amount of the allotment of a State under section 1921 shall not be less than the amount the State received under such section for the previous fiscal year increased by an amount equal to 30.65 percent of the percentage by which the aggregate amount allotted to all States for such fiscal year exceeds the aggregate amount allotted to all States for the previous fiscal year.

"(2) LIMITATIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), a State shall not receive an allotment under section 1921 for a fiscal year in an amount that is less than an amount equal to 0.375 percent of the amount appropriated under section 1935(a) for such fiscal year.

"(B) EXCEPTION.—In applying subparagraph (A), the Secretary shall ensure that no State receives an increase in its allotment under section 1921 for a fiscal year (as compared to the amount allotted to the State in the prior fiscal year) that is in excess of an amount equal to 300 percent of the percentage by which the amount appropriated under section 1935(a) for such fiscal year exceeds the amount appropriated for the prior fiscal year.

"(3) DECREASE IN OR EQUAL APPROPRIATIONS.—If the amount appropriated under section 1935(a) for a fiscal year is equal to or less than the amount appropriated under such section for the prior fiscal year, the amount of the State allotment under section 1921 shall be equal to the amount that the State received under section 1921 in the prior fiscal year decreased by the percentage by which the amount appropriated for such fiscal year is less than the amount appropriated or such section for the prior fiscal year.".

SEC. 305. NONDISCRIMINATION AND INSTITUTIONAL SAFEGUARDS FOR RELIGIOUS PROVIDERS.

Subpart III of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–51 et seq.) is amended by adding at the end the following:

"SEC. 1955. SERVICES PROVIDED BY NONGOVERNMENTAL ORGANIZATIONS.

"(a) PURPOSES.—The purposes of this section are—

"(1) to prohibit discrimination against nongovernmental organizations and certain individuals on the basis of religion in the distribution of government funds to provide substance abuse services under this title and title V, and the receipt of services under such titles; and

"(2) to allow the organizations to accept the funds to provide the services to the individuals without impairing the religious character of the organizations or the religious freedom of the individuals.

"(b) RELIGIOUS ORGANIZATIONS INCLUDED AS NONGOVERNMENTAL PROVIDERS.—

"(1) IN GENERAL.—A State may administer and provide substance abuse services under any program under this title or title V through grants, contracts, or cooperative agreements to provide assistance to beneficiaries under such titles with nongovernmental organizations.

"(2) REQUIREMENT.—A State that elects to utilize nongovernmental organizations as provided for under paragraph (1) shall consider, on the same basis as other nongovernmental organizations, religious organizations to provide services under substance abuse programs under this title or title V, so long as the programs under such titles are implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution. Neither the Federal Government nor a State or local government receiving funds under such programs shall discriminate against an organization that provides services under, or applies to provide services under, such programs, on the basis that the organization has a religious character.

"(c) RELIGIOUS CHARACTER AND INDEPENDENCE.—

"(1) IN GENERAL.—A religious organization that provides services under any substance abuse program under this title or title V shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

"(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State or local government shall require a religious organization—

"(A) to alter its form of internal governance; or

"(B) to remove religious art, icons, scripture, or other symbols;

in order to be eligible to provide services under any substance abuse program under this title or title V.

"(d) EMPLOYMENT PRACTICES.—

"(1) TENETS AND TEACHINGS.—A religious organization that provides services under any substance abuse program under this title or title V may require that its employees providing services under such program adhere to the religious tenets and teachings of such organization, and such organization may require that those employees adhere to rules forbidding the use of drugs or alcohol.

"(2) TITLE VII EXEMPTION.—The exemption of a religious organization provided under section 702 or 703(e)(2) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1, 2000e–2(e)(2)) regarding employment practices shall not be affected by the religious organization's provision of services under, or receipt of funds from, any substance abuse program under this title or title V.

"(e) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—

"(1) IN GENERAL.—If an individual described in paragraph (3) has an objection to the religious character of the organization from which the individual receives, or would receive, services funded under any substance abuse program under this title or title V, the appropriate Federal, State, or local governmental entity shall provide to such individual (if otherwise eligible for such services) within a reasonable period of time after the date of such objection, services that—

"(A) are from an alternative provider that is accessible to the individual; and

"(B) have a value that is not less than the value of the services that the individual would have received from such organization.

"(2) NOTICE.—The appropriate Federal, State, or local governmental entity shall ensure that notice is provided to individuals described in paragraph (3) of the rights of such individuals under this section.

"(3) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is an individual who receives or applies for services under any substance abuse program under this title or title V.

"(f) NONDISCRIMINATION AGAINST BENEFICIARIES.—A religious organization providing services through a grant, contract, or cooperative agreement under any substance abuse program under this title or title V shall not discriminate, in carrying out such program, against an individual described in subsection (e)(3) on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice.

"(g) FISCAL ACCOUNTABILITY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization providing services under any substance abuse program under this title or title V shall be subject to the same regulations as other nongovernmental organizations to account in accord with generally accepted accounting principles for the use of such funds provided under such program.

"(2) LIMITED AUDIT.—Such organization shall segregate government funds provided under such substance abuse program into a separate account. Only the government funds shall be subject to audit by the government.

"(h) COMPLIANCE.—Any party that seeks to enforce such party's rights under this section may assert a civil action for injunctive relief exclusively in an appropriate Federal or State court against the entity or agency that allegedly commits such violation.

"(i) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—No funds provided through a grant or contract to a religious organization to provide services under any substance abuse program under this title or title V shall be expended for sectarian worship, instruction, or proselytization.

"(j) EFFECT ON STATE AND LOCAL FUNDS.—If a State or local government contributes State or local funds to carry out any substance abuse program under this title or title V, the State or local government may segregate the State or local funds from the Federal funds provided to carry out the program or may commingle the State or local funds with the Federal funds. If the State or local government commingles the State or local funds, the provisions of this section shall apply to the commingled funds in the same manner, and to the same extent, as the provisions apply to the Federal funds.

"(k) TREATMENT OF INTERMEDIATE CONTRACTORS.—If a nongovernmental organization (referred to in this subsection as an 'intermediate organization'), acting under a contract or other agreement with the Federal Government or a State or local government, is given the authority under the contract or agreement to select nongovernmental organizations to provide services under any substance abuse program under this title or title V, the intermediate organization shall have the same duties under this section as the government but shall retain all other rights of a nongovernmental organization under this section.".

SEC. 306. ALCOHOL AND DRUG PREVENTION OR TREATMENT SERVICES FOR INDIANS AND NATIVE ALASKANS.

Part D of title V of the Public Health Service Act (42 U.S.C. 290dd et seq.) is amended by adding at the end the following:

"SEC. 544. ALCOHOL AND DRUG PREVENTION OR TREATMENT SERVICES FOR INDIANS AND NATIVE ALASKANS.

"(a) IN GENERAL.—The Secretary shall award grants, contracts, or cooperative agreements to public and private nonprofit entities, including Native Alaskan entities and Indian tribes and tribal organizations, for the purpose of providing alcohol and drug prevention or treatment services for Indians and Native Alaskans.

"(b) PRIORITY.—In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall give priority to applicants that—

"(1) propose to provide alcohol and drug prevention or treatment services on reservations;

"(2) propose to employ culturally-appropriate approaches, as determined by the Secretary, in providing such services; and

"(3) have provided prevention or treatment services to Native Alaskan entities and Indian tribes and tribal organizations for at least 1 year prior to applying for a grant under this section.

"(c) DURATION.—The Secretary shall award grants, contracts, or cooperative agreements under subsection (a) for a period not to exceed 5 years.

"(d) APPLICATION.—An entity desiring a grant, contract, or cooperative agreement under subsection (a) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(e) EVALUATION.—An entity that receives a grant, contract, or cooperative agreement under subsection (a) shall submit, in the application for such grant, a plan for the evaluation of any project undertaken with funds provided under this section. Such entity shall provide the Secretary with periodic evaluations of the progress of such project and such evaluation at the completion of such project as the Secretary determines to be appropriate. The final evaluation submitted by such entity shall include a recommendation as to whether such project shall continue.

"(f) REPORT.—Not later than 3 years after the date of enactment of this section and annually thereafter, the Secretary shall prepare and submit, to the Committee on Health, Education, Labor, and Pensions of the Senate, a report describing the services provided pursuant to this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 2000, and such sums as may be necessary for fiscal years 2001 and 2002.

"SEC. 545. ESTABLISHMENT OF COMMISSION.

"(a) IN GENERAL.—There is established a commission to be known as the Commission on Indian and Native Alaskan Health Care that shall examine the health concerns of Indians and Native Alaskans who reside on reservations and tribal lands (hereafter in this section referred to as the 'Commission').

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Commission established under subsection (a) shall consist of—

"(A) the Secretary;

"(B) 15 members who are experts in the health care field and issues that the Commission is established to examine; and

"(C) the Director of the Indian Health Service and the Commissioner of Indian Affairs, who shall be nonvoting members.

"(2) APPOINTING AUTHORITY.—Of the 15 members of the Commission described in paragraph (1)(B)—

"(A) 2 shall be appointed by the Speaker of the House of Representatives;

"(B) 2 shall be appointed by the Minority Leader of the House of Representatives;

"(C) 2 shall be appointed by the Majority Leader of the Senate;

"(D) 2 shall be appointed by the Minority Leader of the Senate; and

"(E) 7 shall be appointed by the Secretary.

"(3) LIMITATION.—Not fewer than 10 of the members appointed to the Commission shall be Indians or Native Alaskans.

"(4) CHAIRPERSON.—The Secretary shall serve as the Chairperson of the Commission.

"(5) EXPERTS.—The Commission may seek the expertise of any expert in the health care field to carry out its duties.

"(c) PERIOD OF APPOINTMENT.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filed in the same manner as the original appointment.

"(d) DUTIES OF THE COMMISSION.—The Commission shall—

"(1) study the health concerns of Indians and Native Alaskans; and

"(2) prepare the reports described in subsection (i).

"(e) POWERS OF THE COMMISSION.—

"(1) HEARINGS.—The Commission may hold such hearings, including hearings on reservations, sit and act at such times and places, take such testimony, and receive such information as the Commission considers advisable to carry out the purpose for which the Commission was established.

"(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry

out the purpose for which the Commission was established. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

"(f) COMPENSATION OF MEMBERS.—

"(1) IN GENERAL.—Except as provided in subparagrapn (B), each member of the Commission may be compensated at a rate not to exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time), during which that member is engaged in the actual performance of the duties of the Commission.

"(2) LIMITATION.—Members of the Commission who are officers or employees of the United States shall receive no additional pay on account of their service on the Commission.

"(g) TRAVEL EXPENSES OF MEMBERS.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under section 5703 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

"(h) COMMISSION PERSONNEL MATTERS.—

"(1) IN GENERAL.—The Secretary, in accordance with rules established by the Commission, may select and appoint a staff director and other personnel necessary to enable the Commission to carry out its duties.

"(2) COMPENSATION OF PERSONNEL.—The Secretary, in accordance with rules established by the Commission, may set the amount of compensation to be paid to the staff director and any other personnel that serve the Commission.

"(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and the detail shall be without interruption or loss of civil service status or privilege.

"(4) CONSULTANT SERVICES.—The Chairperson of the Commission is authorized to procure the temporary and intermittent services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of such title.

"(i) REPORT.—

"(1) IN GENERAL.—Not later than 3 years after the date of enactment of the Youth Drug and Mental Health Services Act, the Secretary shall prepare and submit, to the Committee on Health, Education, Labor, and Pensions of the Senate, a report that shall—

"(A) detail the health problems faced by Indians and Native Alaskans who reside on reservations;

"(B) examine and explain the causes of such problems;

"(C) describe the health care services available to Indians and Native Alaskans who reside on reservations and the adequacy of such services;

"(D) identify the reasons for the provision of inadequate health care services for Indians and Native Alaskans who reside on reservations, including the availability of resources;

"(E) develop measures for tracking the health status of Indians and Native Americans who reside on reservations; and

"(F) make recommendations for improvements in the health care services provided for Indians and Native Alaskans who reside on reservations, including recommendations for legislative change.

"(2) EXCEPTION.—In addition to the report required under paragraph (1), not later than 2 years after the date of enactment of the Youth Drug and Mental Health Services Act, the Secretary shall prepare and submit, to the Committee on Health, Education, Labor, and Pensions of the Senate, a report that describes any alcohol and drug abuse among Indians and Native Alaskans who reside on reservations.

"(j) PERMANENT COMMISSION.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2000, and such sums as may be necessary for fiscal years 2001 and 2002.".

TITLE IV—PROVISIONS RELATING TO FLEXIBILITY AND ACCOUNTABILITY

SEC. 401. GENERAL AUTHORITIES AND PEER REVIEW.

(a) GENERAL AUTHORITIES.—Paragraph (1) of section 501(e) of the Public Health Service Act (42 U.S.C. 290aa(e)) is amended to read as follows:

"(1) IN GENERAL.—There may be in the Administration an Associate Administrator for Alcohol Prevention and Treatment Policy to whom the Administrator may delegate the functions of promoting, monitoring, and evaluating service programs for the prevention and treatment of alcoholism and alcohol abuse within the Center for Substance Abuse Prevention, the Center for Substance Abuse Treatment and the Center for Mental Health Services, and coordinating such programs among the Centers, and among the Centers and other public and private entities. The Associate Administrator also may ensure that alcohol prevention, education, and policy strategies are integrated into all programs of the Centers that address substance abuse prevention, education, and policy, and that the Center for Substance Abuse Prevention addresses the Healthy People 2010 goals and the National Dietary Guidelines of the Department of Health and Human Services and the Department of Agriculture related to alcohol consumption.".

(b) PEER REVIEW.—Section 504 of the Public Health Service (42 U.S.C. 290aa–3) is amended as follows:

"SEC. 504. PEER REVIEW.

"(a) IN GENERAL.—The Secretary, after consultation with the Administrator, shall require appropriate peer review of grants, cooperative agreements, and contracts to be administered through the agency which exceed the simple acquisition threshold as defined in section 4(11) of the Office of Federal Procurement Policy Act.

"(b) MEMBERS.—The members of any peer review group established under subsection (a) shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the group. Not more than 1/4 of the members of any such peer review group shall be officers or employees of the United States.

"(c) ADVISORY COUNCIL REVIEW.—If the direct cost of a grant or cooperative agreement (described in subsection (a)) exceeds the simple acquisition threshold as defined by section 4(11) of the Office of Federal Procurement Policy Act, the Secretary may make such a grant or cooperative agreement only if such grant or cooperative agreement is recommended—

"(1) after peer review required under subsection (a); and

"(2) by the appropriate advisory council.

"(d) CONDITIONS.—The Secretary may establish limited exceptions to the limitations contained in this section regarding participation of Federal employees and advisory council approval. The circumstances under which the Secretary may make such an exception shall be made public.".

SEC. 402. ADVISORY COUNCILS.

Section 502(e) of the Public Health Service Act (42 U.S.C. 290aa–1(e)) is amended in the first sentence by striking "3 times" and inserting "2 times".

SEC. 403. GENERAL PROVISIONS FOR THE PERFORMANCE PARTNERSHIP BLOCK GRANTS.

(a) PLANS FOR PERFORMANCE PARTNERSHIPS.—Section 1949 of the Public Health Service Act (42 U.S.C. 300x–59) is amended as follows:

"SEC. 1949. PLANS FOR PERFORMANCE PARTNERSHIPS.

"(a) DEVELOPMENT.—The Secretary in conjunction with States and other interested groups shall develop separate plans for the programs authorized under subparts I and II for creating more flexibility for States and accountability based on outcome and other performance measures. The plans shall each include—

"(1) a description of the flexibility that would be given to the States under the plan;

"(2) the common set of performance measures that would be used for accountability, including measures that would be used for the program under subpart II for pregnant addicts, HIV transmission, tuberculosis, and those with a co-occurring substance abuse and mental disorders, and for programs under subpart I for children with serious emotional disturbance and adults with serious mental illness and for individuals with co-occurring mental health and substance abuse disorders;

"(3) the definitions for the data elements to be used under the plan;

"(4) the obstacles to implementation of the plan and the manner in which such obstacles would be resolved;

"(5) the resources needed to implement the performance partnerships under the plan; and

"(6) an implementation strategy complete with recommendations for any necessary legislation.

"(b) SUBMISSION.—Not later than 2 years after the date of enactment of this Act, the plans developed under subsection (a) shall be submitted to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce of the House of Representatives.

"(c) INFORMATION.—As the elements of the plans described in subsection (a) are developed, States are encouraged to provide information to the Secretary on a voluntary basis.".

(b) AVAILABILITY TO STATES OF GRANT PROGRAMS.—Section 1952 of the Public Health Service Act (42 U.S.C. 300x–62) is amended as follows:

"SEC. 1952. AVAILABILITY TO STATES OF GRANT PAYMENTS.

"Any amounts paid to a State for a fiscal year under section 1911 or 1921 shall be available for obligation and expenditure until the end of the fiscal year following the fiscal year for which the amounts were paid.".

SEC. 404. DATA INFRASTRUCTURE PROJECTS.

Part C of title XIX of the Public Health Service Act (42 U.S.C. 300y et seq.) is amended—

(1) by striking the headings for part C and subpart I and inserting the following:

"PART C—CERTAIN PROGRAMS REGARDING MENTAL HEALTH AND SUBSTANCE ABUSE

"Subpart I—Data Infrastructure Development";

(2) by striking section 1971 (42 U.S.C. 300y) and inserting the following:

"SEC. 1971. DATA INFRASTRUCTURE DEVELOPMENT.

"(a) IN GENERAL.—The Secretary may make grants to, and enter into contracts or cooperative agreements with States for the purpose of developing and operating mental health or substance abuse data collection, analysis, and reporting systems with regard to performance measures including capacity, process, and outcomes measures.

"(b) PROJECTS.—The Secretary shall establish criteria to ensure that services will be available under this section to States that have a fundamental basis for the collection, analysis, and reporting of mental health and substance abuse *performance measures and States that do not have such basis. The Secretary will establish criteria for determining whether a State has a fundamental basis for the collection, analysis, and reporting of data.*

"(c) CONDITION OF RECEIPT OF FUNDS.—As a condition of the receipt of an award under this section a State shall agree to collect, analyze, and report to the Secretary within 2 years of the date of the award on a core set of performance measures to be determined by the Secretary in conjunction with the States.

"(d) DURATION OF SUPPORT.—The period during which payments may be made for a project under subsection (a) may be not less than 3 years nor more than 5 years.

"(e) AUTHORIZATION OF APPROPRIATION.—

"(1) IN GENERAL.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000, 2001 and 2002.

"(2) ALLOCATION.—Of the amounts appropriated under paragraph (1) for a fiscal year, 50 percent shall be expended to support data infrastructure development for mental health and 50 percent shall be expended to support data infrastructure development for substance abuse.".

SEC. 405. REPEAL OF OBSOLETE ADDICT REFERRAL PROVISIONS.

(a) REPEAL OF OBSOLETE PUBLIC HEALTH SERVICE ACT AUTHORITIES.—Part E of title III (42 U.S.C. 257 et seq.) is repealed.

(b) REPEAL OF OBSOLETE NARA AUTHORITIES.—Titles III and IV of the Narcotic Addict Rehabilitation Act of 1966 (Public Law 89–793) are repealed.

(c) REPEAL OF OBSOLETE TITLE 28 AUTHORITIES.—

(1) IN GENERAL.—Chapter 175 of title 28, United States Code, is repealed.

(2) TABLE OF CONTENTS.—The table of contents to part VI of title 28, United States Code, is amended by striking the items relating to chapter 175.

SEC. 406. INDIVIDUALS WITH CO-OCCURRING DISORDERS.

The Public Health Service Act is amended by inserting after section 503 (42 U.S.C. 290aa–2) the following:

"SEC. 503A. REPORT ON INDIVIDUALS WITH CO-OCCURRING MENTAL ILLNESS AND SUBSTANCE ABUSE DISORDERS.

"(a) IN GENERAL.—Not later than 2 years after the date of enactment of this section, the Secretary shall, after consultation with organizations representing States, mental health and substance abuse treatment providers, prevention specialists, individuals receiving treatment services, and family members of such individuals, prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce of the House of Representatives, a report on prevention and treatment services for individuals who have co-occurring mental illness and substance abuse disorders.

"(b) REPORT CONTENT.—The report under subsection (a) shall be based on data collected from existing Federal and State surveys regarding the treatment of co-occurring mental illness and substance abuse disorders and shall include—

"(1) a summary of the manner in which individuals with co-occurring disorders are receiving treatment, including the most up-to-date information available regarding the number of children and adults with co-occurring mental illness and substance abuse disorders and the manner in which funds provided under sections 1911 and 1921 are being utilized, including the number of such children and adults served with such funds;

"(2) a summary of improvements necessary to ensure that individuals with co-occurring mental illness and substance abuse disorders receive the services they need;

"(3) a summary of practices for preventing substance abuse among individuals who have a mental illness and are at risk of having or acquiring a substance abuse disorder; and

"(4) a summary of evidenced-based practices for treating individuals with co-occurring mental illness and substance abuse disorders and recommendations for implementing such practices.

"(c) FUNDS FOR REPORT.—The Secretary may obligate funds to carry out this section with such appropriations as are available.".

SEC. 407. SERVICES FOR INDIVIDUALS WITH CO-OCCURRING DISORDERS.

Subpart III of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–51 et seq.) (as amended by section 305) is further amended by adding at the end the following:

"SEC. 1956. SERVICES FOR INDIVIDUALS WITH CO-OCCURRING DISORDERS.

"States may use funds available for treatment under sections 1911 and 1921 to treat persons with co-occurring substance abuse and mental disorders as long as funds available under such sections are used for the purposes for which they were authorized by law and can be tracked for accounting purposes.".

AMENDMENT NO. 2507

(Purpose: To provide a grant program for strengthening families and to modify other provisions, and to make various technical corrections)

Mr. GRAMM. Senator FRIST has an amendment at the desk. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for Mr. FRIST, proposes an amendment numbered 2507.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. FRIST. Mr. President, I am pleased that the United States Senate will pass today, S. 976, the "Youth Drug and Mental Health Services Act," which I introduced on May 6, 1999. This action follows the overwhelming endorsement of the Health, Education, Labor and Pensions Committee, which passed this bill by a vote of 17 to 1 on July 28, 1999.

S. 976 represents a comprehensive attempt to address the tragedy of increasing drug use by our children. The 1998 National Household Survey on Drug Abuse, conducted by the Substance Abuse and Mental Health Services Administration (SAMHSA) estimated that nearly 9.9 percent of 12–17 year olds used drugs in the past month, which is dramatically higher that the 1992 rate of 5.3 percent. An estimated 8.3 percent of 12 to 17 year olds have used marijuana in the past month and nearly a quarter of our 8th graders and about half of all high school seniors have tried marijuana.

Let us not forget about the drug of choice for our youth and adolescents, alcohol. Although the legal drinking age is 21 in all States, SAMHSA reports that more than 50 percent of young adults age eighteen to twenty are consuming alcohol and more than 25 percent report having five or more drinks at one time during the past month.

There are many factors for this increase in youth substance abuse, but the factor that I, as a father, am most concerned with is the overall decline of the disapproval of drug use and the decline of the perception of the risk of drug use among our youth.

To help address this problem, the "Youth Drug" bill reauthorizes and improves SAMHSA by placing a renewed focus on youth and adolescent substance abuse and mental health services, while providing greater flexibility for States and new accountability in the use of funds based on performance.

SAMHSA, formerly known as the Alcohol, Drug Abuse, and Mental Health Services Administration (ADAMHA) was created in 1992 by the Public Law 102–321, the ADAMHA Reorganization Act. SAMHSA's purpose is to assist States in addressing the importance of reducing the incidence of substance abuse and mental illness by supporting programs for prevention and treatment. SAMHSA provides funds to States for alcohol and drug abuse prevention and treatment programs and activities, and mental health services through the Substance Abuse Prevention and Treatment and the Community Mental Health Services Block Grants.

SAMHSA's block grants are a major portion of this nation's response to substance abuse and mental health service needs, accounting for 40 percent and 15 percent respectively of all substance abuse and community mental health services funding in the States. In my own State of Tennessee, SAMHSA provides over 70 percent of overall funding for the Tennessee Department of Health's Bureau of Alcohol and Drug Abuse Services, which is headed by Dr. Stephanie Perry.

Last year Tennessee received over $25 million from the Substance Abuse Prevention and Treatment Block Grant to spend on treatment and prevention activities. With this funding the Tennessee Bureau of Alcohol and Drug Abuse Services provides funding to community-based programs that offer a wide range of services throughout the State. In all, the block grant funds provided under this bill permits nearly 6,500 Tennesseans to receive the substance abuse treatment they desperately need.

Today, we in part finish an effort in the Senate that began several years ago to reform and improve our Nation's substance abuse and mental health services. While working on this effort, I have targeted six main goals which I am pleased to report has been accomplished by this legislation. These goals include: promoting State flexibility in block grant and discretionary funding by eliminating or stripping back the numerous outdated or unneeded requirements which Congress has mandated on the States in their expenditure of Federal block grant and discretionary funds; ensuring accountability for the expenditure of Federal funds by beginning the process of moving away from the inefficiency of a system based on expenditure of funds to a performance based system determined in consultation with the States and based upon States' needs; developing and supporting youth and adolescent substance abuse prevention and treatment initiatives by including provisions to provide substance abuse treatment services and early intervention substance abuse services for children and adolescents; developing and supporting mental health initiatives that are designed to prevent and respond to incidents of teen violence by authorizing provisions that will assist local communities in developing ways to treat violent youth and minimize outbreaks of youth violence by forming partnerships among the schools, law enforcement and mental health services; ensuring the availability of Federal funding for substance abuse or mental health emergencies by giving the Secretary the authority to use up to 3 percent of discretionary funding to respond to substance abuse or mental health emergencies, such as an outbreak of methamphetamine activity, without having to go through the peer review process which adds countless weeks and months to the agency's ability to respond; and supporting programs targeted for the homeless in treating mental health and substance abuse by reauthorizing programs which develop and expand mental health and substance abuse treatment services for homeless individuals, including outreach, screening and treatment, habilitation and rehabilitation to homeless individuals suffering from substance abuse or mental illness.

In addition to meeting these six goals, the bill that the Senate passed today addresses several additional important substance abuse and mental health issues.

S. 976 addresses the very crucial issue of how to treat individuals with a co-occurring mental health and substance abuse disorder. There has been considerable debate on how to treat these individuals, and I am pleased that the National Association of State Alcohol and Drug Abuse Directors and the National Association of State Mental Health Program Directors reached a consensus on this issue. This agreement includes language which acknowledges that both substance abuse and mental health block grant funds can be used to treat individuals with co-occurring disorders as long as the funds used can be tracked to show that substance abuse dollars were used for substance abuse services and mental health dollars were used for mental health services.

Another very important issue that is addressed in S. 976 is the proper and safe use of restraints and seclusions in mental health facilities. I would like to acknowledge the important work done on this issue by Senator DODD, who drafted the provisions included in the bill. He has been a true leader on this issue in the Senate and should be commended for bringing this issue to our attention.

There are also provisions in S. 976 to address the inadequacy of substance abuse services for American Indians and Native Alaskans. The bill establishes a Commission on Indian and Native Alaskan Health Care that shall carry out a comprehensive examination of the health concerns of Indians and Native Alaskans living on reservations or tribal lands.

And last, but not least, the bill has an important provision called "charitable choice." This provision would permit religious organizations which provide substance abuse services to be eligible for Federal assistance either through the Substance Abuse Prevention and Treatment Block Grant or discretionary grants through SAMHSA. "Charitable choice" acknowledges that no one approach works for everyone who needs and wants substance abuse treatment and that faith-based programs have strong records of successful rehabilitation. Despite this success, faith-based programs are currently not allowed to receive to federal funds. The "charitable choice" provisions in this bill will not allow the Federal government to continue to discriminate against faith-based providers regarding substance abuse services. I will not outline all the provisions of the amendment at this time, but would instead like to point out that this provision is similar to the charitable choice provisions that Senator ASHCROFT offered to the Welfare Reform Act of 1996. I would like to thank the leadership of Senators ASHCROFT and ABRAHAM on this critical issue, and especially thank the hard work and dedication of Annie Billings of Senator ASHCROFT's staff.

I would like to thank all the Members of the Health, Education, Labor and Pensions Committee and their staffs for their help on this bipartisan piece of legislation, especially Senator KENNEDY and his staff Dr. David Pollack, Debra DeBruin and David Nexon who have been instrumental in helping to draft this legislation. I would also like to thank the contributions of the Chairman of the Committee, Senator JEFFORDS, and his staff members Philo Hall and Sean Donohue, Senator DEWINE and his staff member Karla Carpenter, Senator GREGG and his staff Alan Gilbert and Shalla Ross, Senator DODD and his staff Jeanne Ireland and Jim Fenton, Senator HARKIN and his staff Bryan Johnson, Senator MIKULSKI and her staff, Rhonda Richards, Senator BINGAMAN and his staff Dr. Robert Mendoza, Senator REED and his staff Rebecca Morley and Lisa German, and Senator WELLSTONE and his staff Ellen Gerrity and John Gilman. I would also like to thank my staff, Anne Phelps, the Staff Director of my Subcommittee on Public Health, and Dave Larson, my Health Policy Analyst, for their efforts on this bill. I would also like to thank Daphne Edwards of the Office of Legislative Counsel and Julia Christensen of the Congressional Budget Office for their contributions. Finally, I would like to thank an individual who has worked tirelessly in assisting us in getting this process to where we are today, Joe Faha, the Director of Legislation and External Affairs for SAMHSA.

Mr. President, the bill we passed today will ensure that Tennessee and other states will continue to receive critically needed Federal funds for community based programs to help individuals with substance abuse and mental health disorders. The changes within this bill will dramatically increase State flexibility in the use of Federal funds and ensure that each State is able to address its unique needs. The bill will also provide a much needed focus on the troubling issue of the recent increase in drug use by our youth and address how we can be helpful to local communities in regard to the issue of children and violence. I am pleased to see this bill pass the Senate and I look forward to its ultimate enactment into law.

Mr. KENNEDY. Mr. President, this bill is the result of a concerted and cooperative bipartisan effort. It is an important and timely piece of legislation that is long overdue, and I urge the Senate to support it.

Mental illness and substance abuse are national problems that need comprehensive and compassionate attention. These conditions do not respect party affiliation or race or age. They are equal opportunity destroyers, but they don't have to destroy at all.

States and local communities provide some of the most critical and ongoing services for persons who struggle with mental illness and substance abuse. This bill enables these dedicated providers to do an even better job with limited resources to accomplish their prevention and treatment goals.

Since we passed the original authorizing legislation for the Substance Abuse and Mental Health Services Administration in 1992, a number of major clinical and service delivery issues have emerged which require legislative attention. Now we have crafted a bill that accomplishes a great deal and that includes significant compromises on a number of key issues.

The bill addresses three important clinical issues that have emerged in recent years: the growing problem of co-occurring mental health and substance abuse disorders, the distressing and pervasive impact of psychological trauma especially on our younger citizens, and the important relationship between mental health or substance abuse and primary care providers. It also places much greater emphasis on preventing and treating mental health and substance abuse problems in children and adolescents.

The provisions for children demonstrate the breadth and depth of this bill. It contains a children and violence initiative, centers of excellence for psychological trauma, grants for persons who experience violence-related stress, comprehensive substance abuse prevention and treatment for children and adolescents, special attention for children of substance abusers, wraparound services for youth offenders, and special training centers to increase the sensitivity and competency of staff who work on these issues in the juvenile justice system.

The bill also addresses special problems that adults face. It maintains and expands support for critical programs that serve the homeless, extends its protection to persons who are served in community-based facilities, limits the use of seclusion and restraints in psychiatric facilities, and addresses the special circumstances of Native Americans.

I am particularly pleased with the initiatives to meet the intense service needs of persons with co-occurring mental health and substance abuse disorders. Often, they need innovative treatment approaches, including integrated mental health and addiction treatment facilities. Over the next two years, the Secretary will compile a report that establishes the best practices for helping this very challenging but treatable group.

The bill authorizes the Secretary to provide additional funding for projects on the increasingly important ties linking mental health or substance abuse and primary care. Family physicians and other primary care providers see many patients with a wide range of psychiatric and psychological problems. Too often, however, they do not recognize the mental health problems of their patients. Even if they do, they are often ill-prepared to provide adequate treatment or counseling. We can do much more to help primary care physicians do a better job of caring for patients with serious mental illnesses. This bill seeks to do that.

The bill also accomplishes several important organizational goals. It gives States more flexibility in administering their grant funds, and removes a number of bureaucratic obstacles to greater efficiency. In exchange for this easing of certain mandates, the States will enter into a cooperative agreement with the Administration in developing outcomes-based accountability measures.

The bill also gives the SAMHSA Administrator greater authority in managing discretionary grant funds. It enables the Administrator to make emergency grants to deal with immediate problems that cannot be addressed by the standard grant-making process.

In spite of the many excellent features in this bill, one provision is seriously flawed. The section that allows religious organizations to compete for public funds for the provision of substance abuse services violates the prohibition against certain forms of discrimination. I recognize the valuable role that faith-based organizations can play in helping to address a wide array of social problems. However, the recent proliferation of charitable choice provisions in federal social service programs runs the risk of creating a religious litmus test for those who provide these services, thus barring many trained, qualified professionals from providing services for faith-based organizations. We need to do more to avoid that discrimination.

Our goal is to help many of those in communities across the country who have received inadequate care in the past. The many excellent provisions in this bill will help to ensure that these children and adults will finally receive the care they need and deserve—without stigma or shame, but with dignity and respect—and America will be a better nation because of it.

I commend my colleagues for this important action to reauthorize the Substance Abuse and Mental Health Services Administration. I want to thank Senator FRIST and his Republican colleagues and their staffs for their skillful work for this genuine bipartisan achievement. I commend Senator DODD, who worked effectively on children's issues and the seclusion and restraint provision. Senator HARKIN contributed his important initiative on methamphetamine and inhalant abuse, and Senator DURBIN contributed his critical provision on residential treatment for pregnant women and women who have given birth. Senators BINGAMAN, WELLSTONE, and REED effectively collaborated on a series of significant child and adolescent provisions, and Senator BINGAMAN worked effectively on the needs of Native Americans. Senators MIKULSKI and MURRAY provided excellent counsel on many issues, especially the mental health and substance abuse treatment needs of women. I thank Joe Faha, SAMHSA's Director of Legislation, for his generous assistance throughout the process, as well as Nelba Chavez, the Administrator of SAMHSA. I especially thank David Pollack, David Nexon and Debra DeBruin on my staff, for their dedication and excellent work in bringing this bill to passage.

Mr. DODD. Mr. President, I rise in support of S. 976, Youth Drug and Mental Health Services Act, and to express my appreciation for the leadership that Senator FRIST has shown in moving this long-overdue legislation forward. At a time when so many other worthy legislative efforts have been derailed by partisan politics, the unanimous support for this measure in the Senate is particularly noteworthy.

Substance abuse and mental illness take a terrible toll on individuals, families and on society at-large. Each year, approximately 5.5 million Americans are disabled by severe mental illness and an estimated 4.1 million individuals are addicted to drugs, including 1.1 million of our children. In Connecticut alone, an estimated 130,000 adults suffer from severe mental illness and 224,000 are in need of substance abuse treatment. Among Connecticut's youth, an estimated 23,000 have a serious emotional or behavioral disorder.

Given that so many of our Nation's most intransigent social ills—poverty, violence, child abuse, premature death, and homelessness—have their roots in untreated substance abuse and mental illness, it is critical that we do all that we can to ensure that states, communities and families have the resources they need to combat these devastating conditions. This reauthorization of the Substance Abuse and Mental Health Services Act (SAMHSA) represents an important step in expanding and improving early intervention, prevention, and treatment services. Through S. 976, States are given the flexibility to develop innovative systems of care for substance abuse and mental health, but will also be required to improve accountability by developing performance measures and enhancing their data collection efforts.

I am particularly pleased that this reauthorization contains legislation that I introduced earlier this year, the Compassionate Care Act, which will address a critical issue that a Hartford Courant series brought to national attention last year—the inappropriate use of seclusion and restraint within mental health care facilities. The 5-day investigative series documented more than 140 deaths directly attributable to abusive seclusion and restraint practices. An additional investigation conducted by the General Accounting Office determined that 24 deaths of individuals with mental illnesses resulted from restraint or seclusion. However, both the Hartford Courant and the GAO report determined that these figures most likely represent just the tip of the iceberg of restraint and seclusion related deaths. In fact, the Harvard Center for Risk Analysis estimated that as many as 100–150 deaths each year may be caused by the inappropriate use of restraint and seclusion. This is a tragedy that must be stopped.

The Compassionate Care Act creates tough new limits on the use of potentially lethal restraints—whether physical or chemical in nature—sets rules for training mental health care workers; and increases the likelihood that a wrongful death of a mental health patient will be investigated and prosecuted—not ignored. The legislation simply seeks to put an end to a shameful record of neglect and abuse of some our Nation's most vulnerable and least cared for individuals. Specifically, the Compassionate Care Act will ensure that physical restraints are no longer used for discipline or for the convenience of mental health facility staff by extending to the mental health population a standard that has been demonstrated to be effective in reducing the use of restraints and seclusion in nursing homes. This legislation will ensure that restraint and seclusion will only be used when a mentally ill individual poses an imminent threat either to himself or others.

Further, this legislation will require that all restraint and seclusion related deaths be reported to an appropriate oversight agency as determined by the Secretary of Health and Human Services. Presently, there is no standard federal reporting requirement for deaths as result of seclusion or restraint. The simple reporting measure in this legislation will greatly aid the federal government, as well as state and local oversight agencies, in tracking and investigating abusive treatment practices. The Compassionate Care Act will also require mental health care facilities to maintain adequate staffing levels and provide appropriate training for mental health care staff, who are often the least paid and least trained of all health care workers. These safeguards will hopefully prevent further harm to individuals who may be unable to protect themselves from abuse by those entrusted with their care. I thank Senator FRIST for working closely with my office in crafting this critically important part of SAMHSA's reauthorization.

I am also pleased that S. 976 incorporates legislation that I have cosponsored with Senator JEFFORDS, the Children of Substance Abusers Act (COSA). Children with substance abusing parents face serious health risks, including congenital birth defects and psychological, emotional, and developmental problems. We also know that substance abuse plays a major role in child abuse and neglect. In fact, it is estimated that children whose parents abuse drugs and/or alcohol are three times more likely to be abused and four times more likely to be neglected than children whose parents are not substance abusers. In an effort to lessen the terrible toll that substance abuse takes on children, COSA will promote aggressive outreach, early intervention, prevention, and treatment services to families struggling with addiction. In addition, COSA will strengthen the systems which provide these services by training professionals serving children and families in recognizing and addressing substance abuse.

I am also grateful that Senator FRIST agreed to include my Teen Substance Abuse Treatment Act of 1999 within this reauthorization. Each year, 400,000 teens and their families, including 7,000 in the state of Connecticut alone, will seek substance abuse treatment but find that it is either unavailable or unaffordable. At best only 20 percent of adolescents with severe alcohol and drug treatment problems who ask for help will receive any form of treatment. Without help, substance abuse puts young people's health at risk and exacerbates anti-social and violent behaviors. This legislation will provide grants to give youth substance abusers access to effective, age-appropriate treatment. It will also address the particular issues of youth involved with the juvenile justice system and those with mental health or other special needs. In short, this legislation will go a long way toward ensuring that no young person who seeks substance abuse treatment will be denied help.

I would also like to thank Senator FRIST for working with me and Senator GREGG on the Strengthening Families through Community Partnerships program, which will promote healthy early childhood development by intervening with at-risk families with young children and their communities. This legislation will support demonstrations to test the efficacy of deterring substance use and abuse and other high risk behaviors through a comprehensive substance abuse prevention program that targets the child's family.

I do have reservations, however, on one aspect of this legislation. While I support the ability of faith-based organizations to provide substance abuse services, I am concerned about provisions in this legislation that would allow religiously based facilities providing substance abuse services to hire only adherents to their own religion. The ability of faith-based providers to participate in providing valuable federally funded programs is a laudable goal. I firmly believe that faith-based substance abuse services can offer critical help in overcoming drug dependency. However, the ability of religiously based entities to provide federally funded programs within this legislation should not be allowed to blur the line between church and state and to erode crucial anti-discrimination protections.

S. 976 represents a bipartisan commitment to reducing the devastating impact of substance abuse and mental illness of our Nation's families. I want to again applaud Senator FRIST, Senator KENNEDY, Senator JEFFORDS, and other members of the Health and Education committee and their staffs for their efforts in developing this legislation and urge the House of Representatives to follow the Senate's lead by acting on this bill expeditiously.

Mr. ASHCROFT. Mr. President, I would like to take this opportunity to commend the members of the Senate Health, Education, Labor, and Pensions Committee for their efforts in crafting S. 976, the "Youth Drug and Mental Health Services Act," which reauthorizes programs under the Substance Abuse and Mental Health Services Administration. In particular, I want to recognize the Chairman of the Subcommittee on Public Health, the Senator from Tennessee, Mr. FRIST, for his tremendous leadership in drafting this legislation.

I am especially pleased that this legislation contains the Charitable Choice provision—modeled after my Charitable Choice provision in the 1996 welfare reform law—which will expand the opportunities for religious organizations to provide substance abuse treatment services with SAMHSA block grant funds. This provision is also very similar to language contained in Senator ABRAHAM's legislation, the "Faith-Based Drug Treatment Enhancement Act."

While government substance abuse programs have not succeeded very well in helping people break free from addictions, faith-based drug treatment programs have been transforming shattered lives for years by addressing the deeper needs of people—by instilling hope and values which change destructive behavior and attitudes.

What results have they achieved? We have heard countless stories of the efficiency and effectiveness of these faith-based programs. Teen Challenge has shown that 86% of its graduates remain drug-free. These are individuals who finally broke free of addictions after being routed through a number of government drug treatment programs. The Bowery Mission in New York City has had the most effective free-standing substance abuse shelter in the city-wide system. Bowery also serves its clients at approximately 42% of the cost of some other city-sponsored men's substance abuse shelters. Mel Trotter Ministries in Grand Rapids, Michigan, named for its former alcoholic founder, has an astounding 70 percent long-term success rate in its faith-based rehabilitation program. According to director Thomas Laymon, government programs leave addicts without "spiritual support." Worse, addicts "are not held accountable for addictions, and they have no incentive to change their behavior." Meanwhile, Trotter Ministries provides guidance, a supportive community, and integration into a life beyond drugs. San Antonio's Victory Fellowship, run by Pastor Freddie Garcia, has saved thousands of addicts in some of the city's toughest neighborhoods. The program offers addicts a safe haven, a chance to recover, job training, and a chance to provide for themselves and their families. It has served more than 13,000 people and has a success rate of over 80%.

USA Today cited a study from Georgetown University Medical Center regarding recovery from opiate addiction. The study found that 45% of those who participated in a religious program were drug-free after one year, while only 5% of those who participated in a non-religious program remained drug-free after a year.

Why are faith-based organizations successful? Because they see those they serve as people, not profiles. They come at this with a holistic approach. They address the moral and spiritual cause of the problems rather than simply dealing with the symptoms.

While some states may already collaborate with religious and charitable organizations in the area of substance abuse programs, Charitable Choice is intended to expand the use of these partnerships by clarifying to government officials and religious organizations alike what the constitutional ground rules are for these partnerships. If we know that faith-based substance abuse programs are successful in helping people break destructive addictions, government should encourage their expanded use. That is precisely what this legislation does.

The Charitable Choice provision in this legislation makes clear that states may direct SAMHSA block grant funds to religious organizations through contracts, grants, or cooperative agreements to provide substance abuse treatment services to beneficiaries. The provision reflects our belief in Congress that government should exercise neutrality when inviting the participation of non-governmental organizations to be service providers by considering all organizations—even religious ones—on an equal basis, and by focusing on whether the organization can provide the requested service, rather than on the religious or non-religious character of the organization.

Unfortunately, in the past, many faith-based organizations have been afraid—often rightfully so—of accepting governmental funds in order to help the poor and downtrodden. They fear that participation in government programs would not only require them to alter their buildings, internal governance, and employment practices, but also make them compromise the very religious character which motivates them to reach out to people in the first place.

Charitable Choice is intended to allay such fears and to prevent government officials from misconstruing constitutional law by banning faith-based organizations from the mix of private providers for fear of violating the Establishment Clause. Even when religious organizations are permitted to participate, government officials have often gone overboard by requiring such organizations to sterilize buildings or property of religious character and to remove any sectarian connections from their programs. This discrimination can destroy the character of many faith-based programs and diminish their effectiveness in helping people climb from despair and dependence to dignity and independence.

Charitable Choice embodies existing U.S. Supreme Court case precedents in an effort to clarify to government officials and charitable organizations alike what is constitutionally permissible when involving religiously-affiliated institutions. Based upon these precedents, the legislation provides specific protections for religious organizations when they provide services with government funds. For example, the government cannot discriminate against an organization on the basis of its religious character. A participating faith-based organization also retains its religious character and its control over the definition, development, practice, and expression of its religious beliefs.

Additionally, the government cannot require a religious organization to alter its form of internal governance or remove religious art, icons, or symbols to be eligible to participate. Finally, religious organizations may consider religious beliefs and practices in their employment decisions. I have been told by numerous faith-based entities and attorneys representing them that autonomy in employment decisions is crucial in maintaining an organization's mission and character.

Charitable Choice also states that funds going directly to religious organizations cannot be used for sectarian worship, instruction, or proselytization. Government dollars are to be used for the secular purpose of the legislation: providing effective treatment for substance abuse problems.

The Charitable Choice provision also contains important and necessary protections for beneficiaries of services, ensuring that they may not be discriminated against on the basis of religion. Also, if a beneficiary objects to receiving services from a religious provider, he has the right to demand that the State provide him with services from an alternative provider.

Mr. President, the Charitable Choice provision is truly bipartisan in nature. Shortly after passage of the federal welfare law, Texas Governor Bush signed an executive order directing "all pertinent executive branch agencies to take all necessary steps to implement the 'charitable choice' provision of the federal welfare law." And earlier this year, Vice President GORE stated that Charitable Choice should be extended "to other vital services where faith-based organizations can play a role, such as drug treatment, homelessness, and youth violence." The Vice President described why faith-based approaches have shown special promise with challenges such as drug addiction. He said that overcoming these types of problems "takes something more than money or assistance—it requires an inner discipline and courage, deep within the individual. I believe that faith in itself is sometimes essential to spark a personal transformation—and to keep that person from falling back into addiction, delinquency, or dependency."

Mr. President, I am pleased to say that today we are responding to the Vice President's call for expanding Charitable Choice to drug treatment programs. We are ready to provide people with resources needed to experience a personal transformation and break free from drug or alcohol addiction. Through the bipartisan effort of the Senate Health, Education, Labor, and Pensions Committee, we have legislation that will provide greater opportunities to those in our society who are fighting to overcome substance abuse problems.

Again, I want to thank Senator FRIST, his staff, Chairman JEFFORDS, and the rest of the Committee for their fine work on this legislation.

Mr. REED. Mr. President, today I would like to express my disappointment about a provision that the Majority chose to include in the Youth Drug and Mental Health Services Act, S.976. In Section 305 of the Act, the "Charitable Choice" provision permits all religious institutions, including pervasively religious organizations, such as churches and other houses of worship, to use taxpayer dollars to advance their religious mission. Given the Supreme Court precedent, I believe this provision is Constitutionally suspect and be subject to greater review when this bill goes to Conference with its House counterpart.

Although charitable choice has already become law as a part of welfare reform and the Community Services Block Grant, CSBG, portion of the Human Services Reauthorization Act, efforts are being made to expand this change to every program that receives federal financial assistance. The inclusion of charitable choice in this legislation is particularly disturbing since, unlike its application to the intermittent services provided under Welfare Reform and CSBG, Substance Abuse and Mental Health Services Administration (SAMHSA) funds are used to provide substance abuse treatment which is ongoing, involves direct counseling of beneficiaries and is often clinical in nature. In the context of these programs it would be difficult if not impossible to segregate religious indoctrination from the social service.

I agree with the Majority that faith-based organizations have an important and necessary role to play in combating many of our nation's social ills, including youth violence, homelessness, and substance abuse. In fact, I have seen first-hand the impact that faith-based organizations such as

Catholic Charities have on delivering certain services to people in need in my own state. By enabling faith-based organizations to join in the battle against substance abuse, we add another powerful tool in our ongoing efforts to help people move from dependence to independence.

However, although there are great benefits that come with allowing religious organizations to provide social services with federal funds, the Vice President recently reminded us that "clear and strict safeguards" must exist to ensure that the dividing line between church and state is not erased. Even the front runner for the Republican Presidential nomination, Governor George W. Bush, acknowledged to the New York Times that these safeguards are necessary: "Bush said . . . that federal money would pay for services delivered by faith-based groups, not for the religious teachings espoused by the groups."

In my home state of Rhode Island there is a tradition of religious tolerance and respect for the boundaries of religion and government. Indeed, Roger Williams, who was banished from the Massachusetts Bay Colony for his religious beliefs, founded Providence in 1636. The colony served as a refuge where all could come to worship as their conscience dictated without interference from the state. Understandably, Rhode Islanders remain mindful of mixing religion with its political system.

Mr. President, I am particularly concerned that without proper safeguards, well-intentioned proposals to help religious organizations aid needy populations, might actually harm the First Amendment's principle of separation of church and state. For example, the charitable choice provision creates a disturbing new avenue for employment discrimination and proselytization in programs funded by the Substance Abuse and Mental Health Services Administration. Under current law, many religiously-affiliated nonprofit organizations already provide government-funded social services without employment discrimination and without proselytization. However, the legislation before us extends title VII's religious exemption to cover the hiring practices of organizations participating in SAMHSA funded programs. As the Majority's report language points out, even if the organization is solely funded by SAMHSA, it may "make employment decisions based upon religious reasons."

For example, a federally funded substance abuse treatment program run by a church could fire or refuse to hire an individual who has remarried without properly validating his or her second marriage in the eyes of that church—even if he or she is a well-trained and successful substance abuse counselor.

This is not an entirely hypothetical example. In *Little* v. *Wuerl*, 929 F.2d 944 (3d Circ. 1991) the Court held that "Congress intended the explicit exemptions to title VII to enable religious organizations to create and maintain communities composed solely of individuals faithful to their doctrinal practices, whether or not every individual plays a direct role in the organization's religious activities." The Court concluded that "the permission to employ persons 'of a particular religion' includes permission to employ only persons whose beliefs and conduct are consistent with the employer's religious precepts." This may be acceptable when the religious organization is using its own money, but when it is using federal funds, with explicit prohibitions against proselytization, this kind of discrimination is a cause of considerable concern.

During markup, Senator KENNEDY and I introduced an amendment that would have addressed this issue by including important safeguards and protections for beneficiaries and employees of SAMHSA funded programs.

The Reed-Kennedy amendment would have removed the bill's provision that allows religious organizations to require that employees hired for SAMHSA funded programs must subscribe to the organization's religious tenets and teachings. Since section 305 prohibits religious organizations from proselytizing in conjunction with the dissemination of social services under SAMHSA programs, it is contradictory to permit religious organizations to require that their employees subscribe to the organization's tenets and teachings. Second, the amendment would have eliminated the bill's provision that extends title VII's religious exemption to cover the hiring practices of organizations participating in SAMHSA funded programs.

Ultimately, the modest proposal would not have reduced the ability of religious groups to hire co-religionists or more actively participate in SAMHSA funded programs. It merely would have eliminated the explicit ability to discriminate in taxpayer funded employment and left to the courts the decision of whether employees who work on, or are paid through, government grants or contracts are exempt from the prohibition on religious employment discrimination. Unfortunately, the Majority chose to vote against including the important safeguards proposed in the Reed-Kennedy amendment.

For the last 30 years, federal civil rights laws have expanded employment opportunities and sought to counter discrimination in the workplace. I recognize that we need the assistance of religious organizations in the battle against substance abuse, but without a far more robust and informed debate must be far more circumspect of efforts to expand current exemptions to title VII.

Mr. President, I believe we should enlist the assistance of religious organizations without undermining constitutional principles and civil rights law. Accordingly, I am concerned that the charitable choice provision, though laudable in concept, would have disturbing practical and constitutional consequences. Mr. President, I ask unanimous consent that letters expressing the view of the Unitarian Universalist Association of Congregations and the American Jewish Committee be printed in the RECORD so my colleagues may become more aware of these organizations' views on this matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF GOVERNMENT AND
INTERNATIONAL AFFAIRS,
Washington, DC, November 2, 1999.

Hon. JACK REED,
U.S. Senate, 320 Hart Senate Office Building, Washington, DC.

DEAR SENATOR REED: I write on behalf of the American Jewish Committee, the nation's oldest human relations organization with more than 100,000 members and supporters, to urge you to place a hold on S. 976, the Substance Abuse Mental Health Reauthorization Act, which includes "charitable choice" provisions that are both constitutionally flawed and bad public policy.

The "charitable choice" provisions in S. 976 constitute an unacceptable breach in the separation of church and state that has played so crucial a role in ensuring the strength of religion in America, and places a risk the quality of healthcare services provided to individuals with chemical abuse and dependency behavioral disorders.

To be sure, the history of social services in this country began with religious institutions, and the partnership between religiously affiliated institutions and government in the provision of those services is a venerable one. Catholic Charities, not to mention many Jewish agencies across this land, have engaged in such partnerships for many years. Far from objecting to that partnership, the American Jewish Committee, in its 1990 Report on Sectarian Social Services and Public Funding, termed the involvement of the religious sector in publicly-funded social service provision as "desirable to the extent it is consistent with the Establishment Clause. It creates options for those who wish to receive the services, involves agencies and individuals motivated to provide the services, and helps to avoid making the government the sole provider of social benefits."

What is new in the "charitable choice" arena is not the notion of a partnership of faith-based organizations and government. Rather the innovation of a "charitable choice" as a structure that seeks to ignore binding constitutional law, not to mention sound public policy, by permitting pervasively religious institutions, such as churches and other houses of worship, to receive taxpayer dollars for programs that have not been made discrete and institutionally separate. In so doing, and in failing to include other appropriate church-state safeguards, "charitable choice" opens the door to publicly funded programs in which recipients of social services may be proselytized. "Charitable choice" also creates a real possibility of creating rifts among the various faith groups as they compete for public funding and allows religious providers to engage in religious discrimination against employers who are paid with taxpayers dollars. (Although religious institutions are permitted to hire co-religionists in the contest of private religious activity, it is simply improper for taxpayer dollars to be used to fund religious discrimination.)

There is yet another aspect of the "charitable choice" initiative that is cause for concern. With government dollars comes government oversight. But this kind of intrusion into the affairs of religious organizations, at least in the case of pervasively sectarian organizations, is exactly the type of entangelememt of religious and state against which the Constitution guards. Such intrusion can have no effect but to undermine the distinctiveness, indeed the very mission, of religious institutions.

In addition to the foregoing, we are greatly concerned by the portion of S. 976's "charitable choice" provisions that allow sectarian providers of treatment for chronic substance abuse conditions, such as alcoholism, and drug addiction, to avoid clinically based certification and licensure standards. This legislation should not be allowed to go forward without necessary improvements to the bill to provide essential church-state protections, and without closer examination of the consequences of allowing sectarian care providers to avoid compliance with applicable state education, training and credentialing standards.

Thank you for your consideration of our views on this very important matter.

Sincerely,

RICHARD T. FOLTIN,
Legislative Director and Counsel.

UNITARIAN UNIVERSALIST
ASSOCIATION OF CONGREGATIONS,
Washington, DC, November 2, 1999.

STATEMENT OF THE UNITARIAN UNIVERSALIST ASSOCIATION OF CONGREGATIONS OPPOSITION TO THE "CHARITABLE CHOICE" PROVISIONS OF S. 976

The Unitarian Universalist Association of Congregations has a long, proud record of support for both religious freedom and the separation of church and state. Our General Assembly has issued 10 resolutions since 1961 to this effect. It is thus with little hesitation that we voice our strong opposition to the "Charitable Choice" provisions of S. 976, SAMHSA, the Youth, Drug, and Mental Health Services Act.

These and other similar Charitable Choice provisions undermine the separation of church and state by (1) promoting excessive entanglement between church and state; and (2) privileging certain religions and religious institutions above others.

It does this in the following ways:

By channeling government money into "pervasively sectarian" institutions. The Supreme Court has already clearly ruled that the government cannot fund "pervasively sectarian" institutions.

By fostering inappropriate competition among religious groups for government money. With limited funding available for any one service, governments will be required to decide which religious institutions will receive funding and which will not. This necessarily puts those governments in the wholly un-Constitutional position of discriminating among religious groups.

By allowing government-funded institutions to discriminate in their employment on the basis of religion. This amounts to federally-funded employment discrimination, thus violating myriad employment and civil rights laws.

By subjecting service-recipients to government-sanctioned proselytization and religious oppression. Individuals receiving government services should not have "religious strings" attached to those services.

By encouraging religious institutions to "follow the dollars" when deciding what type of social services to provide. As a result, it may encourage these organizations to move away from their historic commitment to providing social services designed to meet basic human needs. We believe that religious groups are better suited to address these urgent human needs than they are to deal with the more complex mental and other health services that require trained professionals. These services are best left to government agencies or institutions closely regulated by governments.

We in the faith community speak often of "right relationship." We strive for "right relationship" in the world on many levels, both personal (such as between worshipper and God) and political (such as between church and state). To the Unitarian Universalist Association of Congregations, Charitable Choice legislation violates the right relationship between church and state.

In our vision of "right" church-state relations, "pervasively sectarian" institutions have the freedom to provide whatever services they chose with their own financial resources. "Religiously affiliated" institutions can accept government funding to provide basic human needs services, so long as they do so with no "religious strings" attached.

If mental and other health-related human needs are not being met by government agencies, than those agencies should adopt new strategies and approaches. Rather than throwing money at religious groups—who are not situated to handle such needs—adequate freedom and resources should be given to the relevant government agencies so that they may innovate and expand in the necessary ways.

Many Americans struggle with disease, drug addiction, hunger, and poverty. Both religious groups and the government have a responsibility to help those in need. Each is best suited to provide a particular kind of service. Rather than blurring the lines of responsibility, each should re-examine how it can do better what it is better suited to do.

The information available now indicates that very few religious institutions are pursuing funding under the "Charitable Choice" provisions of the 1996 Welfare Reform Law. Wisely, they are wary of the problems associated with government funding of religious institutions. Congress should take this as a clear sign that "Charitable Choice" is not an appropriate answer to the problems of adequate service provision.

Like others in the religious world, the Unitarian Universalist Association of Congregations is fully committed to helping those in need. We are concerned, however, that the public policies relating to these issues are good ones—appropriate and responsible—that fully respect both the needs and rights of those people receiving services. For the reasons stated above, we do not believe that "Charitable Choice" provisions are appropriate or responsible policy.

The Unitarian Universalist Association of Congregations opposes "Charitable Choice" and urges Congress to do the same.

Sincerely,

ROB CAVENAUGH,
Legislative Director.

Mr. GRAMM. Mr. President, I ask unanimous consent the amendment be agreed to, the committee substitute be agreed to, the bill be read a third time and passed as amended, the motion to reconsider be laid upon the table, and that any statement relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2507) was agreed to.

The committee substitute amendment was agreed to.

The bill (S. 976), as amended, was read the third time and passed.

(The bill will be printed in a future edition of the RECORD.)

CELEBRATING 50TH ANNIVERSARY OF GENEVA CONVENTIONS OF 1949

Mr. GRAMM. Mr. President, I ask unanimous consent that H. Con. Res. 102 be discharged from the Judiciary Committee and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 102) celebrating the 50th anniversary of the Geneva Conventions of 1949 and recognizing humanitarian safeguards these treaties provide in times of armed conflict.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. GRAMM. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (H. Con. Res. 102) was agreed to.

The preamble was agreed to.

FEDERAL ERRONEOUS RETIREMENT COVERAGE CORRECTIONS ACT

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 309, S. 1232.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1232) to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2508

(Purpose: To provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code)

Mr. GRAMM. Mr. President, Senators COCHRAN and AKAKA have a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] for Mr. COCHRAN, for himself and Mr. AKAKA, proposes an amendment numbered 2508.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. GRAMM. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2508) was agreed to.

The PRESIDING OFFICER. Mr. President, I ask unanimous consent that the bill be read a third time and passed, as amended, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1232), as amended, was read the third time and passed, as follows:

S. 1232

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Erroneous Retirement Coverage Corrections Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Applicability.
Sec. 4. Irrevocability of elections.

TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employees and Annuitants Who Should Have Been FERS Covered, but Who Were Erroneously CSRS Covered or CSRS-Offset Covered Instead, and Survivors of Such Employees and Annuitants

Sec. 101. Employees.
Sec. 102. Annuitants and survivors.

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, but Who Was Erroneously Social Security-Only Covered Instead

Sec. 111. Applicability.
Sec. 112. Correction mandatory.

Subtitle C—Employee Who Should or Could Have Been Social Security-Only Covered but Who Was Erroneously CSRS-Offset Covered or CSRS Covered Instead

Sec. 121. Employee who should be Social Security-Only covered, but who is erroneously CSRS or CSRS-Offset covered instead.

Subtitle D—Employee Who Was Erroneously FERS Covered.

Sec. 131. Employee who should be Social Security-Only covered, CSRS covered, or CSRS-Offset covered and is not FERS-eligible, but who is erroneously FERS covered instead.
Sec. 132. FERS-Eligible Employee Who Should Have Been CSRS Covered, CSRS-Offset Covered, or Social Security-Only Covered, but Who Was Erroneously FERS Covered Instead Without an Election.
Sec. 133. Retroactive effect.

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SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) ANNUITANT.—The term "annuitant" has the meaning given such term under section 8331(9) or 8401(2) of title 5, United States Code.

(2) CSRS.—The term "CSRS" means the Civil Service Retirement System.

(3) CSRDF.—The term "CSRDF" means the Civil Service Retirement and Disability Fund.

(4) CSRS COVERED.—The term "CSRS covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, other than service subject to section 8334(k) of such title.

(5) CSRS-OFFSET COVERED.—The term "CSRS-Offset covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, and to section 8334(k) of such title.

(6) EMPLOYEE.—The term "employee" has the meaning given such term under section 8331(1) or 8401(11) of title 5, United States Code.

(7) EXECUTIVE DIRECTOR.—The term "Executive Director of the Federal Retirement Thrift Investment Board" or "Executive Director" means the Executive Director appointed under section 8474 of title 5, United States Code.

(8) FERS.—The term "FERS" means the Federal Employees' Retirement System.

(9) FERS COVERED.—The term "FERS covered", with respect to any service, means service that is subject to chapter 84 of title 5, United States Code.

(10) FORMER EMPLOYEE.—The term "former employee" means an individual who was an employee, but who is not an annuitant.

(11) OASDI TAXES.—The term "OASDI taxes" means the OASDI employee tax and the OASDI employer tax.

(12) OASDI EMPLOYEE TAX.—The term "OASDI employee tax" means the tax imposed under section 3101(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(13) OASDI EMPLOYER TAX.—The term "OASDI employer tax" means the tax imposed under section 3111(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(14) OASDI TRUST FUNDS.—The term "OASDI trust funds" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(15) OFFICE.—The term "Office" means the Office of Personnel Management.

(16) RETIREMENT COVERAGE DETERMINATION.—The term "retirement coverage determination" means a determination by an employee or agent of the Government as to whether a particular type of Government service is CSRS covered, CSRS-Offset covered, FERS covered, or Social Security-Only covered.

(17) RETIREMENT COVERAGE ERROR.—The term "retirement coverage error" means an erroneous retirement coverage determination that was in effect for a minimum period of 3 years of service after December 31, 1986.

(18) SOCIAL SECURITY-ONLY COVERED.—The term "Social Security-Only covered", with respect to any service, means Government service that—

(A) constitutes employment under section 210 of the Social Security Act (42 U.S.C. 410); and

(B)(i) is subject to OASDI taxes; but

(ii) is not subject to CSRS or FERS.

(19) SURVIVOR.—The term "survivor" has the meaning given such term under section 8331(10) or 8401(28) of title 5, United States Code.

(20) THRIFT SAVINGS FUND.—The term "Thrift Savings Fund" means the Thrift Savings Fund established under section 8437 of title 5, United States Code.

SEC. 3. APPLICABILITY.

(a) IN GENERAL.—This Act shall apply with respect to retirement coverage errors that occur before, on, or after the date of enactment of this Act.

(b) LIMITATION.—Except as otherwise provided in this Act, this Act shall not apply to any erroneous retirement coverage determination that was in effect for a period of less than 3 years of service after December 31, 1986.

SEC. 4. IRREVOCABILITY OF ELECTIONS.

Any election made (or deemed to have been made) by an employee or any other individual under this Act shall be irrevocable.

TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employees and Annuitants Who Should Have Been FERS Covered, but Who Were Erroneously CSRS Covered or CSRS-Offset Covered Instead, and Survivors of Such Employees and Annuitants

SEC. 101. EMPLOYEES.

(a) Applicability.—This section shall apply in the case of any employee or former employee who should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) CSRS covered or CSRS-Offset covered instead.

(b) Uncorrected Error.—

(1) Applicability.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described under paragraph (3). As soon as practicable after discovery of the error, and subject to the right of an election under paragraph (2), if CSRS covered or CSRS-Offset covered, such individual shall be treated as CSRS-Offset covered, retroactive to the date of the retirement coverage error.

(2) Coverage.—

(A) Election.—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or FERS covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) Nonelection.—If the individual does not make an election by the date provided under subparagraph (A), a CSRS-Offset covered individual shall remain CSRS-Offset covered and a CSRS covered individual shall be treated as CSRS-Offset covered.

(3) Regulations.—The Office shall prescribe regulations to carry out this subsection.

(c) Corrected Error.—

(1) Applicability.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b).

(2) Coverage.—

(A) Election.—

(i) CSRS-offset covered.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(ii) Thrift savings fund contributions.—If under this section an individual elects to be CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of FERS coverage (and earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(B) Previous settlement payment.—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error shall not be entitled to make an election under this subsection unless that amount is waived in whole or in part under section 208, and any amount not waived is repaid.

(C) Ineligibility for election.—An individual who, subsequent to correction of the retirement coverage error, received a refund of retirement deductions under section 8424 of title 5, United States Code, or a distribution under section 8433 (b), (c), or (h)(1)(A) of title 5, United States Code, may not make an election under this subsection.

(3) Corrective action to remain in effect.—If an individual is ineligible to make an election or does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

SEC. 102. ANNUITANTS AND SURVIVORS.

(a) In General.—This section shall apply in the case of an individual who is—

(1) an annuitant who should have been FERS covered but, as a result of a retirement coverage error, was CSRS covered or CSRS-Offset covered instead; or

(2) a survivor of an employee who should have been FERS covered but, as a result of a retirement coverage error, was CSRS covered or CSRS-Offset covered instead.

(b) Coverage.—

(1) Election.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing an individual described under subsection (a) to elect CSRS-Offset coverage or FERS coverage, effective as of the date of the retirement coverage error.

(2) Time limitation.—An election under this subsection shall be made not later than 18 months after the effective date of the regulations prescribed under paragraph (1).

(3) Reduced annuity.—

(A) Amount in account.—If the individual elects CSRS-Offset coverage, the amount in the employee's Thrift Savings Fund account under subchapter III of chapter 84 of title 5, United States Code, on the date of retirement that represents the Government's contributions and earnings on those contributions (whether or not such amount was subsequently distributed from the Thrift Savings Fund) will form the basis for a reduction in the individual's annuity, under regulations prescribed by the Office.

(B) Reduction.—The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount referred to in subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced CSRS-Offset annuity that would have been provided the individual.

(4) Reduced benefit.—If—

(A) a surviving spouse elects CSRS-Offset benefits; and

(B) a FERS basic employee death benefit under section 8442(b) of title 5, United States Code, was previously paid;

then the survivor's CSRS-Offset benefit shall be subject to a reduction, under regulations prescribed by the Office. The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount of the payment referred to under subparagraph (B) would result in the present value of the total being actuarially equivalent to the present value of an unreduced CSRS-Offset annuity that would have been provided the individual.

(5) Previous settlement payment.—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error may not make an election under this subsection unless repayment of that amount is waived in whole or in part under section 208, and any amount not waived is repaid.

(c) Nonelection.—If the individual does not make an election under subsection (b) before any time limitation under this section, the retirement coverage shall be subject to the following rules:

(1) Corrective action previously taken.—If corrective action was taken before the end of any time limitation under this section, that corrective action shall remain in effect.

(2) Corrective action not previously taken.—If corrective action was not taken before such time limitation, the employee shall be CSRS-Offset covered, retroactive to the date of the retirement coverage error.

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, but Who Was Erroneously Social Security-Only Covered Instead

SEC. 111. APPLICABILITY.

This subtitle shall apply in the case of any employee who—

(1) should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead;

(2) should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead; or

(3) should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead.

SEC. 112. CORRECTION MANDATORY.

(a) Uncorrected Error.—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) Corrected Error.—If the retirement coverage error has been corrected, the corrective action previously taken shall remain in effect.

Subtitle C—Employee Who Should or Could Have Been Social Security-Only Covered but Who Was Erroneously CSRS-Offset Covered or CSRS Covered Instead

SEC. 121. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY CSRS OR CSRS-OFFSET COVERED INSTEAD.

(a) Applicability.—This section applies in the case of a retirement coverage error in which a Social Security-Only covered employee was erroneously CSRS covered or CSRS-Offset covered.

(b) Uncorrected Error.—

(1) Applicability.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (3).

(2) Coverage.—In the case of an individual who is erroneously CSRS covered, as soon as practicable after discovery of the error, and subject to the right of an election under paragraph (3), such individual shall be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(3) Election.—

(A) In general.—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or Social Security-Only covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) Nonelection.—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain CSRS-Offset covered.

(C) Regulations.—The Office shall prescribe regulations to carry out this paragraph.

(c) Corrected Error.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b)(3).

(2) ELECTION.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered or Social Security-Only covered, effective as of the date of the retirement coverage error.

(3) NONELECTION.—If an eligible individual does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

Subtitle D—Employee Who Was Erroneously FERS Covered

SEC. 131. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, CSRS COVERED, OR CSRS-OFFSET COVERED AND IS NOT FERS-ELIGIBLE, BUT WHO IS ERRONEOUSLY FERS COVERED INSTEAD.

(a) APPLICABILITY.—This section applies in the case of a retirement coverage error in which a Social Security-Only covered, CSRS covered, or CSRS-Offset covered employee not eligible to elect FERS coverage under authority of section 8402(c) of title 5, United States Code, was erroneously FERS covered.

(b) UNCORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (2).

(2) COVERAGE.—

(A) ELECTION.—

(i) IN GENERAL.—Upon written notice of a retirement coverage error, an individual may elect to remain FERS covered or to be Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would have applied in the absence of the erroneous retirement coverage determination, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(ii) TREATMENT OF FERS ELECTION.—An election of FERS coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99–335; 100 Stat. 599).

(B) NONELECTION.—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain FERS covered, effective as of the date of the retirement coverage error.

(3) EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.—If under this section, an individual elects to be Social Security-Only covered, CSRS covered, or CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit under section 8351 or 8432 of title 5, United States Code.

(4) REGULATIONS.—Except as provided under paragraph (3), the Office shall prescribe regulations to carry out this subsection.

(c) CORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under paragraph (2).

(2) ELECTION.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations to remain Social Security-Only covered, CSRS covered, or CSRS-Offset covered, or to be FERS covered, effective as of the date of the retirement coverage error.

(3) NONELECTION.—If an eligible individual does not make an election under paragraph (2), the corrective action taken before the end of any time limitation under this subsection shall remain in effect.

(4) TREATMENT OF FERS ELECTION.—An election of FERS coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99–335; 100 Stat. 599).

SEC. 132. FERS-ELIGIBLE EMPLOYEE WHO SHOULD HAVE BEEN CSRS COVERED, CSRS-OFFSET COVERED, OR SOCIAL SECURITY-ONLY COVERED, BUT WHO WAS ERRONEOUSLY FERS COVERED INSTEAD WITHOUT AN ELECTION.

(a) IN GENERAL.—

(1) FERS ELECTION PREVENTED.—If an individual was prevented from electing FERS coverage because the individual was erroneously FERS covered during the period when the individual was eligible to elect FERS under title III of the Federal Employees Retirement System Act or the Federal Employees' Retirement System Open Enrollment Act of 1997 (Public Law 105–61; 111 Stat. 1318 et seq.), the individual—

(A) is deemed to have elected FERS coverage; and

(B) shall remain covered by FERS, unless the individual declines, under regulations prescribed by the Office, to be FERS covered.

(2) DECLINING FERS COVERAGE.—If an individual described under paragraph (1)(B) declines to be FERS covered, such individual shall be CSRS covered, CSRS-Offset covered, or Social Security-Only covered, as would apply in the absence of a FERS election, effective as of the date of the erroneous retirement coverage determination.

(b) EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.—If under this section, an individual declines to be FERS covered and instead is Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would apply in the absence of a FERS election, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(c) INAPPLICABILITY OF DURATION OF ERRONEOUS COVERAGE.—This section shall apply regardless of the length of time the erroneous coverage determination remained in effect.

SEC. 133. RETROACTIVE EFFECT.

This subtitle shall be effective as of January 1, 1987, except that section 132 shall not apply to individuals who made or were deemed to have made elections similar to those provided in this section under regulations prescribed by the Office before the effective date of this Act.

Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, but Who Was Erroneously CSRS Covered Instead

SEC. 141. APPLICABILITY.

This subtitle shall apply in the case of any employee who should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error; is (or was) CSRS covered instead.

SEC. 142. CORRECTION MANDATORY.

(a) UNCORRECTED ERROR.—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) CORRECTED ERROR.—If the retirement coverage error has been corrected before the effective date of this Act, the corrective action taken before such date shall remain in effect.

Subtitle F—Employee Who Should Have Been CSRS Covered, but Who Was Erroneously CSRS-Offset Covered Instead

SEC. 151. APPLICABILITY.

This subtitle shall apply in the case of any employee who should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) CSRS-Offset covered instead.

SEC. 152. CORRECTION MANDATORY.

(a) UNCORRECTED ERROR.—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) CORRECTED ERROR.—If the retirement coverage error has been corrected before the effective date of this Act, the corrective action taken before such date shall remain in effect.

TITLE II—GENERAL PROVISIONS

SEC. 201. IDENTIFICATION AND NOTIFICATION REQUIREMENTS.

Government agencies shall take all such measures as may be reasonable and appropriate to promptly identify and notify individuals who are (or have been) affected by a retirement coverage error of their rights under this Act.

SEC. 202. INFORMATION TO BE FURNISHED TO AND BY AUTHORITIES ADMINISTERING THIS ACT.

(a) APPLICABILITY.—The authorities identified in this subsection are—

(1) the Director of the Office of Personnel Management;

(2) the Commissioner of Social Security; and

(3) the Executive Director of the Federal Retirement Thrift Investment Board.

(b) AUTHORITY TO OBTAIN INFORMATION.—Each authority identified in subsection (a) may secure directly from any department or agency of the United States information necessary to enable such authority to carry out its responsibilities under this Act. Upon request of the authority involved, the head of the department or agency involved shall furnish that information to the requesting authority.

(c) AUTHORITY TO PROVIDE INFORMATION.—Each authority identified in subsection (a) may provide directly to any department or agency of the United States all information such authority believes necessary to enable the department or agency to carry out its responsibilities under this Act.

(d) LIMITATION; SAFEGUARDS.—Each of the respective authorities under subsection (a) shall—

(1) request or provide only such information as that authority considers necessary; and

(2) establish, by regulation or otherwise, appropriate safeguards to ensure that any information obtained under this section shall be used only for the purpose authorized.

SEC. 203. SERVICE CREDIT DEPOSITS.

(a) CSRS DEPOSIT.—In the case of a retirement coverage error in which—

(1) a FERS covered employee was erroneously CSRS covered or CSRS-Offset covered;

(2) the employee made a service credit deposit under the CSRS rules; and

(3) there is a subsequent retroactive change to FERS coverage;

the excess of the amount of the CSRS civilian or military service credit deposit over the FERS civilian or military service credit deposit, together with interest computed in accordance with paragraphs (2) and (3) of section 8334(e) of title 5, United States Code, and regulations prescribed by the Office, shall be paid to the employee, the annuitant or, in the case of a deceased employee, to the individual entitled to lump-sum benefits under section 8424(d) of title 5, United States Code.

(b) FERS Deposit.—

(1) Applicability.—This subsection applies in the case of an erroneous retirement coverage determination in which—

(A) the employee owed a service credit deposit under section 8411(f) of title 5, United States Code; and

(B)(i) there is a subsequent retroactive change to CSRS or CSRS-Offset coverage; or

(ii) the service becomes creditable under chapter 83 of title 5, United States Code.

(2) Reduced annuity.—

(A) In general.—If at the time of commencement of an annuity there is remaining unpaid CSRS civilian or military service credit deposit for service described under paragraph (1), the annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) Amount.—The reduced annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of the unreduced annuity benefit that would have been provided the individual.

(3) Survivor annuity.—

(A) In general.—If at the time of commencement of a survivor annuity, there is remaining unpaid any CSRS service credit deposit described under paragraph (1), and there has been no actuarial reduction in an annuity under paragraph (2), the survivor annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) Amount.—The reduced survivor annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced survivor annuity benefit that would have been provided the individual.

SEC. 204. PROVISIONS RELATED TO SOCIAL SECURITY COVERAGE OF MISCLASSIFIED EMPLOYEES.

(a) Definitions.—In this section, the term—

(1) "covered individual" means any employee, former employee, or annuitant who—

(A) is or was employed erroneously subject to CSRS coverage as a result of a retirement coverage error; and

(B) is or was retroactively converted to CSRS-offset coverage, FERS coverage, or Social Security-only coverage; and

(2) "excess CSRS deduction amount" means an amount equal to the difference between the CSRS deductions withheld and the CSRS-Offset or FERS deductions, if any, due with respect to a covered individual during the entire period the individual was erroneously subject to CSRS coverage as a result of a retirement coverage error.

(b) Reports to Commissioner of Social Security.—

(1) In general.—In order to carry out the Commissioner of Social Security's responsibilities under title II of the Social Security Act, the Commissioner may request the head of each agency that employs or employed a covered individual to report (in coordination with the Office of Personnel Management) in such form and within such timeframe as the Commissioner may specify, any or all of—

(A) the total wages (as defined in section 3121(a) of the Internal Revenue Code of 1986) paid to such individual during each year of the entire period of the erroneous CSRS coverage; and

(B) such additional information as the Commissioner may require for the purpose of carrying out the Commissioner's responsibilities under title II of the Social Security Act (42 U.S.C. 401 et seq.).

(2) Compliance.—The head of an agency or the Office shall comply with a request from the Commissioner under paragraph (1).

(3) Wages.—For purposes of section 201 of the Social Security Act (42 U.S.C. 401), wages reported under this subsection shall be deemed to be wages reported to the Secretary of the Treasury or the Secretary's delegates pursuant to subtitle F of the Internal Revenue Code of 1986.

(c) Payment Relating to OASDI Employee Taxes.—

(1) In general.—The Office shall transfer from the Civil Service Retirement and Disability Fund to the General Fund of the Treasury an amount equal to the lesser of the excess CSRS deduction amount or the OASDI taxes due for covered individuals (as adjusted by amounts transferred relating to applicable OASDI employee taxes as a result of corrections made, including corrections made before the date of enactment of this Act). If the excess CSRS deductions exceed the OASDI taxes, any difference shall be paid to the covered individual or survivors, as appropriate.

(2) Transfer.—Amounts transferred under this subsection shall be determined notwithstanding any limitation under section 6501 of the Internal Revenue Code of 1986.

(d) Payment of OASDI Employer Taxes.—

(1) In general.—Each employing agency shall pay an amount equal to the OASDI employer taxes owed with respect to covered individuals during the applicable period of erroneous coverage (as adjusted by amounts transferred for the payment of such taxes as a result of corrections made, including corrections made before the date of enactment of this Act).

(2) Payment.—Amounts paid under this subsection shall be determined subject to any limitation under section 6501 of the Internal Revenue Code of 1986.

(e) Application of OASDI Tax Provisions of the Internal Revenue Code of 1986 to Affected Individuals and Employing Agencies.—A covered individual and the individual's employing agency shall be deemed to have fully satisfied in a timely manner their responsibilities with respect to the taxes imposed by sections 3101(a), 3102(a), and 3111(a) of the Internal Revenue Code of 1986 on the wages paid by the employing agency to such individual during the entire period such individual was erroneously subject to CSRS coverage as a result of a retirement coverage error based on the payments and transfers made under subsections (c) and (d). No credit or refund of taxes on such wages shall be allowed as a result of this subsection.

SEC. 205. THRIFT SAVINGS PLAN TREATMENT FOR CERTAIN INDIVIDUALS.

(a) Applicability.—This section applies to an individual who—

(1) is eligible to make an election of coverage under section 101 or 102, and only if FERS coverage is elected (or remains in effect) for the employee involved; or

(2) is described in section 111, and makes or has made retroactive employee contributions to the Thrift Savings Fund under regulations prescribed by the Executive Director.

(b) Payment Into Thrift Savings Fund.—

(1) In general.—

(A) Payment.—With respect to an individual to whom this section applies, the employing agency shall pay to the Thrift Savings Fund under subchapter III of chapter 84 of title 5, United States Code, for credit to the account of the employee involved, an amount equal to the earnings which are disallowed under section 8432a(a)(2) of such title on the employee's retroactive contributions to such Fund.

(B) Amount.—Earnings under subparagraph (A) shall be computed in accordance with the procedures for computing lost earnings under section 8432a of title 5, United States Code. The amount paid by the employing agency shall be treated for all purposes as if that amount had actually been earned on the basis of the employee' s contributions.

(C) Exceptions.—If an individual made retroactive contributions before the effective date of the regulations under section 101(c), the Director may provide for an alternative calculation of lost earnings to the extent that a calculation under subparagraph (B) is not administratively feasible. The alternative calculation shall yield an amount that is as close as practicable to the amount computed under subparagraph (B), taking into account earnings previously paid.

(2) Additional employee contribution.—In cases in which the retirement coverage error was corrected before the effective date of the regulations under section 101(c), the employee involved shall have an additional opportunity to make retroactive contributions for the period of the retirement coverage error (subject to applicable limits), and such contributions (including any contributions made after the date of the correction) shall be treated in accordance with paragraph (1).

(c) Regulations.—

(1) Executive Director.—The Executive Director shall prescribe regulations appropriate to carry out this section relating to retroactive employee contributions and payments made on or after the effective date of the regulations under section 101(c).

(2) Office.—The Office, in consultation with the Federal Retirement Thrift Investment Board, shall prescribe regulations appropriate to carry out this section relating to the calculation of lost earnings on retroactive employee contributions made before the effective date of the regulations under section 101(c).

SEC. 206. CERTAIN AGENCY AMOUNTS TO BE PAID INTO OR REMAIN IN THE CSRDF.

(a) Certain Excess Agency Contributions to Remain in the CSRDF.—

(1) In general.—Any amount described under paragraph (2) shall—

(A) remain in the CSRDF; and

(B) may not be paid or credited to an agency.

(2) AMOUNTS.—Paragraph (1) refers to any amount of contributions made by an agency under section 8423 of title 5, United States Code, on behalf of any employee, former employee, or annuitant (or survivor of such employee, former employee, or annuitant) who makes an election to correct a retirement coverage error under this Act, that the Office determines to be excess as a result of such election.

(b) ADDITIONAL EMPLOYEE RETIREMENT DEDUCTIONS TO BE PAID BY AGENCY.—If a correction in a retirement coverage error results in an increase in employee deductions under section 8334 or 8422 of title 5, United States Code, that cannot be fully paid by a reallocation of otherwise available amounts previously deducted from the employee's pay as employment taxes or retirement deductions, the employing agency—

(1) shall pay the required additional amount into the CSRDF; and

(2) shall not seek repayment of that amount from the employee, former employee, annuitant, or survivor.

SEC. 207. CSRS COVERAGE DETERMINATIONS TO BE APPROVED BY OPM.

No agency shall place an individual under CSRS coverage unless—

(1) the individual has been employed with CSRS coverage within the preceding 365 days; or

(2) the Office has agreed in writing that the agency's coverage determination is correct.

SEC. 208. DISCRETIONARY ACTIONS BY DIRECTOR.

(a) IN GENERAL.—The Director of the Office of Personnel Management may—

(1) extend the deadlines for making elections under this Act in circumstances involving an individual's inability to make a timely election due to a cause beyond the individual's control;

(2) provide for the reimbursement of necessary and reasonable expenses incurred by an individual with respect to settlement of a claim for losses resulting from a retirement coverage error, including attorney's fees, court costs, and other actual expenses;

(3) compensate an individual for monetary losses that are a direct and proximate result of a retirement coverage error, excluding claimed losses relating to forgone contributions and earnings under the Thrift Savings Plan under subchapter III of chapter 84 of title 5, United States Code, and all other investment opportunities; and

(4) waive payments required due to correction of a retirement coverage error under this Act.

(b) SIMILAR ACTIONS.—In exercising the authority under this section, the Director shall, to the extent practicable, provide for similar actions in situations involving similar circumstances.

(c) JUDICIAL REVIEW.—Actions taken under this section are final and conclusive, and are not subject to administrative or judicial review.

(d) REGULATIONS.—The Office of Personnel Management shall prescribe regulations regarding the process and criteria used in exercising the authority under this section.

(e) REPORT.—The Office of Personnel Management shall, not later than 180 days after the date of enactment of this Act, and annually thereafter for each year in which the authority provided in this section is used, submit a report to each House of Congress on the operation of this section.

SEC. 209. REGULATIONS.

(a) IN GENERAL.—In addition to the regulations specifically authorized in this Act, the Office may prescribe such other regulations as are necessary for the administration of this Act.

(b) FORMER SPOUSE.—The regulations prescribed under this Act shall provide for protection of the rights of a former spouse with entitlement to an apportionment of benefits or to survivor benefits based on the service of the employee.

TITLE III—OTHER PROVISIONS

SEC. 301. PROVISIONS TO AUTHORIZE CONTINUED CONFORMITY OF OTHER FEDERAL RETIREMENT SYSTEMS.

(a) FOREIGN SERVICE.—Sections 827 and 851 of the Foreign Service Act of 1980 (22 U.S.C. 4067 and 4071) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

(b) CENTRAL INTELLIGENCE AGENCY.—Sections 292 and 301 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2141 and 2151) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

SEC. 302. AUTHORIZATION OF PAYMENTS.

All payments authorized or required by this Act to be paid from the Civil Service Retirement and Disability Fund, together with administrative expenses incurred by the Office in administering this Act, shall be deemed to have been authorized to be paid from that Fund, which is appropriated for the payment thereof.

SEC. 303. INDIVIDUAL RIGHT OF ACTION PRESERVED FOR AMOUNTS NOT OTHERWISE PROVIDED FOR UNDER THIS ACT.

Nothing in this Act shall preclude an individual from bringing a claim against the Government of the United States which such individual may have under section 1346(b) or chapter 171 of title 28, United States Code, or any other provision of law (except to the extent the claim is for any amounts otherwise provided for under this Act).

TITLE IV—TAX PROVISIONS

SEC. 401. TAX PROVISIONS.

(a) PLAN QUALIFICATION.—No retirement plan of the United States (or any agency thereof) shall fail to be treated as a qualified plan under the Internal Revenue Code of 1986 by reason of—

(1) any failure to follow plan terms as addressed by this Act; or

(2) any action taken under this Act.

(b) TRANSFERS.—For purposes of the Internal Revenue Code of 1986, no amount shall be includible in the gross income of any individual in any tax year by reason of any direct transfer under this Act between funds or any Government contribution under this Act to any fund or account in any such tax year.

TITLE V—MISCELLANEOUS RETIREMENT PROVISIONS

SEC. 501. FEDERAL RESERVE BOARD PORTABILITY OF SERVICE CREDIT.

(a) CREDITABLE SERVICE.—

(1) IN GENERAL.—Section 8411(b) of title 5, United States Code, is amended—

(A) by striking "and" at the end of paragraph (3);

(B) in paragraph (4)—

(i) by striking "of the preceding provisions" and inserting "other paragraph"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(5) a period of service (other than any service under any other paragraph of this subsection, any military service, and any service performed in the employ of a Federal Reserve Bank) that was creditable under the Bank plan (as defined in subsection (l)), if the employee waives credit for such service under the Bank plan and makes a payment to the Fund equal to the amount that would have been deducted from pay under section 8422(a) had the employee been subject to this chapter during such period of service (together with interest on such amount computed under paragraphs (2) and (3) of section 8334(e)).

Paragraph (5) shall not apply in the case of any employee as to whom subsection (g) (or, to the extent subchapter III of chapter 83 is involved, section 8332(n)) otherwise applies.".

(2) BANK PLAN DEFINED.—Section 8411 of title 5, United States Code, is amended by adding at the end the following:

"(l) For purposes of subsection (b)(5), the term 'Bank plan' means the benefit structure—

"(1) in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate; and

"(2) that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of this chapter).".

(b) EXCLUSION FROM CHAPTER 84.—

(1) IN GENERAL.—Paragraph (2) of section 8402(b) of title 5, United States Code, is amended by striking the matter before subparagraph (B) and inserting the following:

"(2)(A) any employee or Member who has separated from the service after—

"(i) having been subject to—

"(I) subchapter III of chapter 83 of this title;

"(II) subchapter I of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); or

"(III) the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act; and

"(ii) having completed—

"(I) at least 5 years of civilian service creditable under subchapter III of chapter 83 of this title;

"(II) at least 5 years of civilian service creditable under subchapter I of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); or

"(III) at least 5 years of civilian service (other than any service performed in the employ of a Federal Reserve Bank) creditable under the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act,

determined without regard to any deposit or redeposit requirement under either such subchapter or under such benefit structure, or any requirement that the individual become subject to either such subchapter or to such benefit structure after performing the service involved; or".

(2) Exception.—Subsection (d) of section 8402 of title 5, United States Code, is amended to read as follows:

"(d) Paragraph (2) of subsection (b) shall not apply to an individual who—

"(1) becomes subject to—

"(A) subchapter II of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4071 et seq.) (relating to the Foreign Service Pension System) pursuant to an election; or

"(B) the benefit structure in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate, which benefit structure is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of this chapter); and

"(2) subsequently enters a position in which, but for paragraph (2) of subsection (b), such individual would be subject to this chapter.".

(c) Provisions Relating to Certain Former Employees.—A former employee of the Board of Governors of the Federal Reserve System who—

(1) has at least 5 years of civilian service (other than any service performed in the employ of a Federal Reserve Bank) creditable under the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act;

(2) was subsequently employed subject to the benefit structure in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate, which benefit structure is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of chapter 84 of title 5, United States Code); and

(3) after service described in paragraph (2), becomes subject to and thereafter entitled to benefits under chapter 84 of title 5, United States Code,

shall, for purposes of section 302 of the Federal Employees' Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99–335; 100 Stat. 601) be considered to have become subject to chapter 84 of title 5, United States Code, pursuant to an election under section 301 of such Act.

(d) Effective Date.—

(1) In general.—Subject to paragraphs (2) and (3), this section and the amendments made by this section shall take effect on the date of enactment of this Act.

(2) Provisions relating to creditability and certain former employees.—The amendments made by subsection (a) and the provisions of subsection (c) shall apply only to individuals who separate from service subject to chapter 84 of title 5, United States Code, on or after the date of enactment of this Act.

(3) Provisions relating to exclusion from chapter.—The amendments made by subsection (b) shall not apply to any former employee of the Board of Governors of the Federal Reserve System who, subsequent to his or her last period of service as an employee of the Board of Governors of the Federal Reserve System and prior to the date of enactment of this Act, became subject to subchapter III of chapter 83 or chapter 84 of title 5, United States Code, under the law in effect at the time of the individual's appointment.

SEC. 502. CERTAIN TRANSFERS TO BE TREATED AS A SEPARATION FROM SERVICE FOR PURPOSES OF THE THRIFT SAVINGS PLAN.

(a) Amendments to Chapter 84 of Title 5, United States Code.—

(1) In general.—Subchapter III of chapter 84 of title 5, United States Code, is amended by inserting before section 8432 the following:

"§ 8431. Certain transfers to be treated as a separation

"(a) For purposes of this subchapter, separation from Government employment includes a transfer from a position that is subject to one of the retirement systems described in subsection (b) to a position that is not subject to any such system.

"(b) The retirement systems described in this subsection are—

"(1) the retirement system under this chapter;

"(2) the retirement system under subchapter III of chapter 83; and

"(3) any other retirement system under which individuals may contribute to the Thrift Savings Fund through withholdings from pay.".

(2) Clerical amendment.—The table of sections for chapter 84 of title 5, United States Code, is amended by inserting before the item relating to section 8432 the following:

"8431. Certain transfers to be treated as a separation.".

(b) Conforming Amendments.—Subsection (b) of section 8351 of title 5, United States Code, is amended by redesignating paragraph (11) as paragraph (8), and by adding at the end the following:

"(9) For the purpose of this section, separation from Government employment includes a transfer described in section 8431.".

(c) Effective Date.—The amendments made by this section shall apply with respect to transfers occurring before, on, or after the date of enactment of this Act, except that, for purposes of applying such amendments with respect to any transfer occurring before such date of enactment, the date of such transfer shall be considered to be the date of enactment of this Act. The Executive Director (within the meaning of section 8401(13) of title 5, United States Code) may prescribe any regulations necessary to carry out this subsection.

TITLE VI—EFFECTIVE DATE

SEC. 601. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act shall take effect on the date of enactment of this Act.

ESTABLISHING A CHIEF AGRICULTURAL NEGOTIATOR

Mr. GRAMM. Mr. President, I ask unanimous consent that the Finance Committee be discharged from further consideration of S. 185 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 185) to establish a Chief Agricultural Negotiator in the Office of United States Trade Representative.

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 185) was read the third time and passed, as follows:

S. 185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHIEF AGRICULTURAL NEGOTIATOR.

(a) Establishment of a Position.—There is established the position of Chief Agricultural Negotiator in the Office of the United States Trade Representative. The Chief Agricultural Negotiator shall be appointed by the President, with the rank of Ambassador, by and with the advice and consent of the Senate.

(b) Functions.—The primary function of the Chief Agricultural Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to U.S. agricultural products and services. The Chief Agricultural Negotiator shall be a vigorous advocate on behalf of U.S. agricultural interests. The Chief Agricultural Negotiator shall perform such other functions as the United States Trade Representative may direct.

(c) Compensation.—The Chief Agricultural Negotiator shall be paid at the highest rate of basic pay payable to a member of the Senior Executive Service.

EXPORT APPLE ACT

Mr. GRAMM. Mr. President, I ask unanimous consent that H.R. 609 be discharged from the Banking Committee and, further, that the Senate now proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 609) to amend the Export Apple and Pear Act to limit the applicability of the Act to apples.

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 609) was read the third time and passed.

OVERSEAS PRIVATE INVESTMENT CORPORATION REAUTHORIZATION

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 77, S. 688.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 688) to amend the Foreign Assistance Act of 1961 to reauthorize the Overseas Private Investment Corporation.

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 688) was read the third time and passed, as follows:

S. 688

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF OPIC AUTHORITIES.

Section 235(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(A)(2)) is amended by striking "1999" and inserting "2003".

HONORING WALTER JERRY PAYTON

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 219, submitted earlier by Senators FITZGERALD, DURBIN, LOTT, COCHRAN, and HELMS.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 219) recognizing and honoring Walter Jerry Payton and expressing the condolences of the Senate to his family on his death.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRAMM. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and, finally, any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 219) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 219

Whereas Walter Payton was a hero, a leader, and a role model both on and off the field;

Whereas for 13 years, Walter Payton thrilled Chicago Bears' fans as the National Football League's (NFL's) all-time leading rusher—and as one of the greatest running backs ever to play the game—culminating with his induction into the Professional Football Hall of Fame;

Whereas after retiring from professional football in 1987, Payton continued to touch the lives of both his fellow Chicagoans and citizens of his native state of Mississippi, as a businessman and a community leader;

Whereas Walter Payton was born in 1954 to Mrs. Alyne Payton and the late Mr. Edward Payton, and his historic career began as a star running back at Columbia High School in his native hometown of Columbia, Mississippi, which he called "a child's paradise." He went on to choose Jackson State University over 100 college offers, and to set nine university football records, eventually scoring more points than any other football player in the history of the National Collegiate Athletic Association;

Whereas the first choice in the 1975 NFL draft, Payton—or "Sweetness" as he was known to his fans—became the NFL's all-time leader in running and combined net yards and scored 110 touchdowns during his career with the Bears;

Whereas Walter Payton made the Pro Bowl nine times and was named the league's Most Valuable Player twice, in 1977 and 1985;

Whereas in 1977, Payton rushed for a career-high 1,852 yards and carried the Bears to the playoffs for the first time since 1963;

Whereas Payton broke Jim Brown's long-standing record in 1984 to become the league's all-time leading rusher, and finished his career with a record 16,726 total rushing yards;

Whereas in 1985–86, Walter Payton led the Bears to an unforgettable 15–1 season and Super Bowl victory—the first and only Super Bowl win in Bears' history;

Whereas Payton was inducted into the Pro Football Hall of Fame in 1993, and was selected this year as the Greatest All-Time NFL Player by more than 200 players from the NFL Draft Class of 1999;

Whereas Walter Payton matched his accomplishments on the football field with his selfless actions off the field on behalf of those in need. He excelled academically as well as athletically, earning a degree in special education from Jackson State University in just three and one half years, and going on to undertake additional graduate study. Payton worked throughout his adult life to improve the lives of others through personal involvement with many charitable organizations. He was particularly active in working with children facing physical, mental, or economic challenges. In 1988, he established the Halas/Payton Foundation, which continues his legacy of community involvement to help educate Chicago's youth;

Whereas Walter Payton was a dedicated man of faith and principle, who, as a lifelong Baptist, was known for his deep reverence for God; and, as a gracious and selfless citizen, was a devoted father with sterling personal integrity and a warm sense of humor. Walter Payton will always be remembered as a true gentleman with a heart full of genuine and active concern for others;

Whereas Walter Payton was truly an American hero in every sense of the term;

Whereas the members of the Senate extend our deepest sympathies to Walter Payton's family and the host of friends that he had across the country; and

Whereas Walter Payton died tragically on November 1, 1999, at age 45, but his legacy will live in our hearts and minds forever: Now, therefore, be it

Resolved, That the Senate—

(1) hereby recognizes and honors Walter Jerry Payton

(A) as one of the greatest football players of all time; and

(B) for his many contributions to the Nation, especially to children, throughout his lifetime; and

(2) extends its deepest condolences to Walter Payton's wife, Connie; his two children, Jarrett and Brittney; his mother, Alyne; his brother, Eddie; his sister, Pam; and other members of his family.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3194, the D.C. appropriations bill. I further ask consent that a substitute amendment which is at the desk be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD. I further ask consent that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The substitute amendment (No. 2509) was agreed to.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The bill (H.R. 3194), as amended, was read the third time and passed.

The Presiding Officer (Mr. BROWNBACK) appointed Mrs. HUTCHISON, Mr. DOMENICI, Mr. STEVENS, Mr. DURBIN, and Mr. BYRD conferees on the part of the Senate.

ORDERS FOR THURSDAY, NOVEMBER 4, 1999

Mr. GRAMM. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, November 4. I further ask consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the conference report to accompany S. 900, the financial services modernization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRAMM. For the information of all Senators, at 9:30 a.m. on Thursday, the Senate will immediately resume debate on the conference report to accompany the financial services modernization bill. At that point, Senator WELLSTONE will be recognized. He has an hour under the unanimous consent agreement. There are approximately 6 hours of debate remaining under the order. Therefore, Senators can expect a vote on the adoption of the conference report tomorrow afternoon.

I remind my colleagues of the ceremony to swear in the newest Member of the Senate, Senator Lincoln Chafee. I encourage all Senators to be in the Senate Chamber at 11:30 a.m. to give him a warm senatorial welcome.

For the rest of the day and week, the Senate may be ready to consider any available appropriations conference reports or may begin consideration of the bankruptcy reform bill.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. GRAMM. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:11 p.m., adjourned until Thursday, November 4, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 3, 1999:

DEPARTMENT OF STATE

IRWIN BELK, OF NORTH CAROLINA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FIFTY-FOURTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

CAROL MOSELEY-BRAUN, OF ILLINOIS, TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SAMOA.

EARL ANTHONY WAYNE, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE (ECONOMIC AND BUSINESS AFFAIRS), VICE ALAN PHILIP LARSON.

FOREIGN SERVICE

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS TWO, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

RITA D. JENNINGS, OF MARYLAND

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS THREE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

JO ANN ZEALL HOWD, OF VIRGINIA
JEAN ELIZABETH MANES, OF FLORIDA
CAROLYN A. SMITH, OF WISCONSIN

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS FOUR, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

YVONNE ANNETTE BARBER, OF MARYLAND
JENNIFER N. M. COILE, OF WYOMING
J. JORIA-HOOPER, OF SOUTH CAROLINA
DEBRA L. SMOKER-ALI, OF VIRGINIA

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENTS OF COMMERCE AND STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

CLAY ADLER, OF CALIFORNIA
PATRICIA AGUILERA, OF TEXAS
ROBERT H. ARBUCKLE, OF FLORIDA
DAVID ATKINSON, OF NEW MEXICO
MARY ALICE AUSTIN, OF MARYLAND
BUSHRA A. AZAD, OF MICHIGAN
DANA LYNN BANKS, OF PENNSYLVANIA
ALISON T. BARR, OF MONTANA
ALEXANDER LUCIAN BARRASSO, OF THE DISTRICT OF COLUMBIA
BRUCE W. BECK, OF VIRGINIA
JOSEPH J. BEDESSEM, OF VIRGINIA
SCOTT ANDREW BLOMQUIST, OF TEXAS
TOMEKAH L. BURL, OF ARKANSAS
SITA LIAN CHAKRAWARTI, OF MISSOURI
YAN CHANG, OF GEORGIA
MIKAEL CLEVERLY, OF CALIFORNIA
DAVID N. COHEN, OF THE DISTRICT OF COLUMBIA
KIA JEANNINE COLEMAN, OF MARYLAND
CRAIG M. CONWAY, OF NEVADA
ELIZABETH DETTER, OF MARYLAND
LILLIAN GERMAINE DEVALCOURT, OF THE DISTRICT OF COLUMBIA
CYNTHIA A. EBEID, OF THE DISTRICT OF COLUMBIA
DANIEL J. FENNELL, OF PENNSYLVANIA
NICOLAS ANTOINE FETCHKO, OF THE DISTRICT OF COLUMBIA
STEPHEN T. FRAHM, OF UTAH
ANN E. GABRIELSON, OF MINNESOTA
KENDRA LEANN GAITHER, OF VIRGINIA
VIRGINIA TUTTRUP GEORGE, OF ILLINOIS
BRIDGET F. GERSTEN, OF ARIZONA
RICHARD H. GLENN, OF CALIFORNIA
STEPHEN PAUL GOLDRUP, OF VIRGINIA
EMMA D. GORDON, OF VIRGINIA
JOHN GORKOWSKI, OF VIRGINIA
CHRISTOPHER LEE GREEN, OF TEXAS
CYNTHIA GREGG, OF ALABAMA
JASON BAIRD GRUBB, OF VIRGINIA
HENRY HAGGARD, OF WASHINGTON
CRAIG L HALL, OF FLORIDA
MORGAN C. HALL, OF NEW YORK
DANIEL O'CONNELL HAMILTON, OF MISSOURI
JULIA HARLAN, OF INDIANA
ANDREW L. HARROP, OF VIRGINIA
IDA EVE HECKENBACH, OF LOUISIANA
PATRICK WYNTERS HORNBUCKLE, OF NEW YORK
DARREN WILLIAM HULTMAN, OF CALIFORNIA
DEBRA IRENE JOHNSON, OF VIRGINIA
RONALD ANGELO JOHNSON, OF TEXAS
DARRAGH THERESA JONES, OF OREGON
MATTHEW E. KEENE, OF PENNSYLVANIA
MARTIN T. KELLY, OF MARYLAND
STEVEN JAY LABENSKY, OF ARIZONA
JAMES GORDON LAND, OF FLORIDA
CYNTHIA S. LAWRENCE, OF VIRGINIA
CLAIRE LE CLAIRE, OF MINNESOTA
NANCY W. LEOU, OF CALIFORNIA
CHRISTOPHER M. LIVACCARI, OF NEW YORK
VICTORIA CATHERINE MALZONE, OF MASSACHUSETTS
ASHLY ALLEN MAPLES, OF TEXAS
DARRYN A. MARTIN, OF OHIO
JOHN MCINTYRE, OF MISSOURI
DAVID MICHAEL MERON, OF FLORIDA
EMILY MESTETSKY, OF NEW JERSEY
JOSEPH B. MOLES III, OF VIRGINIA
MITCHELL ROLAND MOSS, OF TEXAS
CARLA MUDGETT, OF VERMONT
PERLITA W. MUIRURI, OF VIRGINIA
ADRIENNE B. NUTZMAN, OF TEXAS
CYNTHIA S. O'CONNELL, OF VIRGINIA
ORLA J. O'CONNOR, OF NEW YORK
KEVIN LAWRENCE OLBRYSH, OF THE DISTRICT OF COLUMBIA
CHARLES R. OLIVER, OF VIRGINIA
ROBERT J. PALLADINO, JR., OF FLORIDA
JOHN BENTON PARKER, OF FLORIDA
SUSAN PARKER-BURNS, OF MASSACHUSETTS
MONICA ANN PATAKI, OF CALIFORNIA
LEE PERNA, OF VIRGINIA
LISA J. PITTMAN, OF CALIFORNIA
MARK N. PLANTY, OF VIRGINIA
WILLIAM WAYNE POPP, OF VIRGINIA
PAMELA SPIRITO PORTER, OF VIRGINIA
ROBERT G. PORTER, OF VIRGINIA.
JONATHAN PETER POST, OF CALIFORNIA
JONATHAN GOODALE PRATT, OF CALIFORNIA
ERWIN A. QUIROGA, OF VIRGINIA
LUCIA RAWLS, OF VIRGINIA
JOHN MICHAEL REITMAN, OF TEXAS
CORY L. REPP, OF VIRGINIA
DANIEL J. RICCI, OF CALIFORNIA
HOWARD G. RICHARDS, OF VIRGINIA
LEIGH A. RIEDER, OF VIRGINIA
BRUCE L. ROBERT, JR., OF VIRGINIA
CHRISTOPHER M. ROSSOMONDO, OF VIRGINIA
ANNE B. SEATOR, OF VIRGINIA
SUZANNE A. SHELDON, OF NEW HAMPSHIRE
IAN MARK SHERIDAN, OF THE DISTRICT OF COLUMBIA
SHELBY V.V. SMITH, OF VIRGINIA
TIMOTHY LYLE SMITH, OF MICHIGAN
TRACY ALLEN SMITH, OF VIRGINIA
KATHI A. SOHN, OF MARYLAND
KATHRYN ALLENE TAYLOR, OF NORTH CAROLINA
CHRISTOPHER TEAL, OF MARYLAND
DAVID JONATHAN TESSLER, OF NEW YORK
CELESTE M. THOMAS, OF VIRGINIA
GRACE H. TUNG, OF MARYLAND
EDWARD R. TUSKENIS, OF ILLINOIS
MICHELLE MARIE ULRICH, OF NEW YORK
INGRID VALTIN, OF THE DISTRICT OF COLUMBIA
JANA L. VONFELDT, OF MINNESOTA
LISA M. WALKER, OF NEW HAMPSHIRE
ERIC WATNIK, OF CALIFORNIA
MICAH L. WATSON, OF MARYLAND
HANS F. WECHSEL, OF IDAHO
DANIEL R. WENDELL, OF PENNSYLVANIA
DAVID NATHANIEL GARTLAND WHITING, OF SOUTH DAKOTA
FRANK JOSEPH WIERICHS, III, OF FLORIDA
DANA RENEE WILLIAMS, OF TEXAS
MICHAEL J. WILLIAMS, OF VIRGINIA
MICHELLE ELIZABETH WOLLAM, OF CALIFORNIA

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE AS INDICATED, EFFECTIVE OCTOBER 11, 1998:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF MERICA, CLASS OF COUNSELOR:

CAROL LYNN DORSEY, OF TEXAS

DEPARTMENT OF STATE

REVIUS O. ORTIQUE, JR., OF LOUISIANA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE FIFTY-FOURTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

BOBBY L. ROBERTS, OF ARKANSAS, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2003. (REAPPOINTMENT)

NATIONAL SCIENCE FOUNDATION

MICHAEL G. ROSSMANN, OF INDIANA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR A TERM EXPIRING MAY 10, 2006, VICE EVE L. MENGER.

DANIEL SIMBERLOFF, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR A TERM EXPIRING MAY 10, 2006, VICE SANFORD D. GREENBERG.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

ALAN G. LACKEY, 7463
RITA A. PRICE, 2228

IN THE MARINE CORPS

THE FOLLOWING NAMED LIMITED DUTY OFFICER TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be major

KARL G. HARTENSTINE, 5879

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

LYNNE M. HICKS, 3326

To be commander

ROGER R. BOUCHER, 2651

To be lieutenant commander

KERWIN J. LEFRERE, 0242
TROY D. TERRONEZ, 7113
WILLIAM D. WATSON, 2930

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

JOHN R. DALY, JR., 0348

HOUSE OF REPRESENTATIVES—*Wednesday, November 3, 1999*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. LATOURETTE).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 3, 1999.

I hereby appoint the Honorable STEVEN C. LATOURETTE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

Let us pray, using the words of Psalm 46:

God is our refuge and strength,
a very present help in trouble.
Therefore, we will not fear
though the earth should change,
though the mountains shake in the heart of the sea;
though its waters roar and foam,
though the mountains tremble with its tumult.
There is a river whose streams make glad the city of God,
the holy habitation of the Most High.
God is in the midst of her, she shall not be moved;
God will help her right early.
The nations rage, the kingdoms totter;
He utters His voice,
the earth melts.
The lord of hosts is with us;
the God of Jacob is our refuge. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California (Mr. GEORGE MILLER) come forward and lead the House in the Pledge of Allegiance.

Mr. GEORGE MILLER of California led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate has passed bills and concurrent resolutions of the following titles in which concurrence of the House is requested:

S. 440. An act to provide support for certain institutes and schools.

S. 1843. An act to designate certain Federal land in the Talladega National Forest, Alabama, as the "Dugger Mountain Wilderness".

S. 1844. An act to amend part D of title IV of the Social Security Act to provide for an alternative penalty procedure with respect to compliance with requirements for a State disbursement unit.

S. Con. Res. 66. Concurrent resolution to authorize the printing of "Capitol Builder: The Shorthand Journals of Captain Montgomery C. Meigs, 1853–1861".

S. Con. Res. 67. Concurrent resolution to authorize the printing of "The United States Capitol: A Chronicle of Construction, Design, and Politics".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 1-minute speeches on each side.

GOOD NEWS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, no surprises, just some good news. Yesterday the U.S. Government announced that it paid off nearly $16 billion of the national debt.

There is more. The Treasury Department also stated that it expected to retire another $12 billion in the first quarter of next year alone. We are beginning to pay off that $5.5 trillion national debt, and for the first time since Dwight D. Eisenhower was President, the U.S. can boast of back-to-back budget surpluses.

How did we achieve those budget surpluses? Simple, a Republican Congress remained committed to reducing wasteful government spending.

As we continue to debate the appropriation bills for next year, it is my hope that we can continue to build upon our successes. Americans want and deserve a Federal Government that spends their tax dollars wisely. Let us not disappoint them.

Mr. Speaker, I yield back the balance of any remaining government waste that continues to permeate this area.

REGARDING THE BROOKLYN MUSEUM

Mr. Speaker, I rise today to congratulate the First Amendment on a very important victory. A Federal court has ordered the mayor of the city of New York and his administration to end its campaign to evict the Brooklyn Museum from its facilities over an exhibit that he and some others found offensive.

This was not a serious challenge for the First Amendment, because it is clear to even students of the most basic constitutional law class that this case had no merit and was brought for entirely political reasons, though every once in a while it is nice to reaffirm that the First Amendment is as strong as ever.

Mr. Speaker, the Bill of Rights is clear, the government may not interfere with the free expression of anyone. What the mayor and his administration attempted to do was censorship, pure and simple. The mayor tried to impose his own cultural tastes on the museum, and tried to hold it hostage to his demands that a particular exhibition would be withdrawn.

If he had been victorious, it could have had a real chilling effect. But the First Amendment is stronger than the whims of elected officials. It has won yet again. Quoting from the said Federal court decision, "There is no Federal constitutional issue more grave than the effort by government officials to censor works of expression and to threaten the vitality of a major cultural institution as a punishment for failing to abide by governmental demands for orthodoxy."

This is a victory for the Brooklyn Museum, for the artistic community, a

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

victory for the First Amendment, and for constitutional liberty.

REPUBLICANS MAKE WASHINGTON KICK TWO BAD HABITS AT ONCE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, bad habits are hard to break, especially when those habits are 30 years old.

Maybe it should not surprise me that the Washington big spenders who have raided the social security trust fund for the last 30 years are having trouble kicking that habit.

But just because it is not surprising does not mean that it is okay. It is not okay to raid the social security trust fund and use the money for other governmental programs. It is not okay to jeopardize the retirement security of millions of hard-working Americans.

While I am not surprised that President Clinton and the Democrats in Congress are having such trouble kicking this bad habit, I am disappointed by it. But we Republicans will stand firm. We have stopped the social security raid. We have passed a bill that protects the retirement money of America's working men and women, and at the same time we are rooting out waste, fraud, and abuse in Washington bureaucracy.

We are making Washington kick two bad habits at once. That is what I call good government.

REPUBLICANS' TAX BREAK PLANS STILL IGNORE NEEDS OF DESERVING AMERICANS

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, for 9 months out of this year the Republicans fought for a $1 trillion tax cut at the expense of our balanced budget and at the expense of our social security system. That was overwhelmingly rejected by the people of this country.

Now the Republicans tell us that we cannot afford a prescription drug benefit for our seniors, that we cannot afford a Patients' Bill of Rights to protect our families against managed care and HMOs that deny them care, that we cannot afford a minimum wage for our low-income workers in this Nation, and that we cannot extend the fiscal security of social security by even one day.

No, the Republicans still want to try to pass tax breaks for the wealthiest individuals, corporations, and special interests in this country. When in this session, in the last remaining 8 or 10 days of this session, when is it that Republicans are going to start thinking about our elderly, our children, and the working families of this Nation?

LOCKBOX

(Mr. SCHAFFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAFFER. Mr. Speaker, this House demonstrated this year that it is indeed possible to stop the raid on social security. We know this is the right thing to do. Americans know this is the right thing to do. Of course, the right thing to do is not always the easy thing to do. It is a lesson we all learned as children, and it is a lesson we all hope to pass on to our own children.

On May 26, this House voted to make doing the right thing a little easier by passing the social security lockbox, with a vote of 416 to 12. With the lockbox protections in place, raiding social security will no longer be an easy thing for the President to do.

The House passed the lockbox bill 160 days ago. For 160 days, the Democrat party in the other Chamber has held this vital bill hostage. They are refusing to allow the bill to the Senate floor for a vote.

It is time to do the right thing for America's seniors, for their children, and for their children's children. One hundred sixty days is too long to leave social security unprotected from the President's propensity to spend and spend and spend.

THE LADY BUCKEYES AT THE LINCOLN MEMORIAL

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. The Ohio State women's rugby team, Mr. Speaker, wanted to do something memorable in D.C. It was memorable, all right. Unlike Brandy Chastain's highly publicized sports bra expose, the Lady Buckeyes went topless. That is right, topless. The Lincoln Memorial became a strip joint. Bras were flying everywhere. Unbelievable.

Now, after all this, the University has suspended the team, and these Buckeye vixens are awaiting the final decision.

Beam me up, Mr. Speaker. Leave these foxy ladies alone. If America can forgive the President, the Ohio State University can forgive these Buckeye divas. I yield back all of the memorable excitement at the Lincoln Memorial.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all Members to avoid personal references to the President of the United States.

TRIBUTE TO THOMAS P. FISCHER

Mr. BARR of Georgia. Mr. Speaker, I rise today to commend Thomas P. Fischer as he today begins his last day of public service. After serving his country in Vietnam and other Federal positions, Tom Fischer accepted the challenge of serving in a leadership position in the Immigration and Naturalization Service, including heading the INS district office in Atlanta.

The people who have benefited from Tom Fischer's public service are legion: the hundreds of Federal workers who have served under him; the many public officials, including myself as the U.S. Attorney for the Northern District of Georgia, that served alongside of him; and thousands of hopeful new American citizens that he helped guide on their road to citizenship.

Mr. Speaker, as Thomas Fischer begins today his last day of Federal service, I join in thanking him for an outstanding job, and wishing him well in his new endeavors, which will, I am certain, be marked by the same integrity, dedication, patriotism, and diligence that have characterized every day of his service to America.

A SALUTE TO JACK McNULTY ON THE 50TH ANNIVERSARY OF HIS FIRST ELECTION TO PUBLIC OFFICE

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, I rise this morning to salute the Honorable John J. McNulty, Junior, the mayor of the village of Green Island, New York. Yesterday, Mr. Speaker, Jack McNulty celebrated the 50th anniversary of his first election to public office in November of 1949.

At various times during his career he has served as the supervisor of the town of Green Island, as the mayor of the village of Green Island, as the sheriff of Albany County, and as a member of the New York State Commission on Correction.

Mr. Speaker, if you ask anyone in public life in upstate New York, Republican, Democrat, liberal, or conservative, about the reputation of Jack McNulty, they will tell us that he stands for everything that is good and honest and decent about public life.

So I am very proud to salute this constituent today, Mr. Speaker. And oh, yes, incidentally, he is my dad.

ANNOUNCING PRESS CONFERENCE ON A NEW SOCIAL SECURITY SOLVENCY BILL

(Mr. SMITH of Michigan asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, this morning at 11 a.m. I will be holding a press conference announcing a new social security bill that will keep social security solvent forever. That press conference at 11 a.m. this morning is going to be held at the triangle southeast of the steps. If it rains or snows it will be in room 210, the Committee on the Budget room.

I announce this, Mr. Speaker, because I notice some publications noted that it was going to be in the press gallery. It is going to be at the triangle.

The reason for the change is about a dozen organizations will be present that have agreed to support my bill.

I would just encourage, Mr. Speaker, everybody in this Chamber to decide what legislation, scored by the Social Security Administration keeps Social Security solvent, they support. There are several such bills already introduced, or come up with your own bill as long as it is scored by the Social Security Administration to make this important program solvent. I think time has gone for rhetoric. We need action to support and move ahead with legislation that is going to keep social security solvent.

ELECTIONS

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLUMENAUER. Mr. Speaker, yesterday on the floor of this assembly I spoke about the sleeper issue in the 2000 election that was emerging in the ballot initiatives across the country. The ballot results are in. We need look no further than northern Virginia to see that growth and livable communities, quality of life, are becoming the emerging issue.

Even the Virginia victory by the Republicans in the legislature was due to more than a huge infusion of campaign money. Republican candidates took moderate positions on gun violence, unplanned growth, and transportation.

We do not have to wait to the year 2000 election. I strongly urge my Republican colleagues to embrace these elements of livable communities: hiring more teachers, police, reducing gun violence, and giving communities the mechanisms to manage growth. America will be the winner.

LAST WEEK THE REPUBLICAN CONGRESS STOPPED THE 30-YEAR RAID ON SOCIAL SECURITY

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, last week was a truly remarkable week in Washington because the Republican Congress stopped the 30-year raid on social security. We passed all 13 appropriations bills without touching the surplus in the social security trust fund. We did it requiring big government in Washington to be a little more responsible with the taxpayers' hard-earned money.

A 1 percent across-the-board reduction in bureaucratic spending will mean less waste, fraud, and abuse in government, and it will mean that the social security will be there for American retirees. A penny saved is a retirement secured.

Mr. Speaker, this is indeed a great accomplishment. If the President vetos our plan to strengthen social security by cutting government waste, we will send him another bill that does the very same thing. This is no time for political gamesmanship, because the retirement security of the millions of Americans is at stake. Strengthening social security is a top priority for the Republican Congress, and I sincerely hope that the President and his party will join us in meeting that goal.

□ 1015

THE GOP TAKES A GUILLOTINE TO OUR VETERANS PROGRAMS

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute.)

Ms. SANCHEZ. Mr. Speaker, with the approach of Veterans' Day, we must remember the sacrifices made by those that have fought to preserve our freedom. Fortunately, our society has been blessed with many leaders who learned the values of responsibility and loyalty and leadership while wearing the uniform of this country. For without their dedication to duty, we would not enjoy the many freedoms this fortunate America has to offer.

Mr. Speaker, we have a responsibility to honor the commitments that we have made our veterans. At a time when our economy is the strongest in decades and the Federal Government is experiencing budget surpluses, it is incomprehensible to me that Republicans would have, as its top priority, an across-the-board cut to our veterans' programs and benefits. This loss of funding would threaten the very survival of our veterans' health care system.

The Republicans' decision to cut these programs is misguided and ill-advised. Yes, we need to get to the Nation's work and we need to come to a budget agreement but let us not do it at the expense of our sick and disabled veterans.

THE $3 MILLION DUCK, DISCOVERED AND STOPPED BY TWO MEMBERS OF CONGRESS

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, I would like to remind the previous speaker that the Republican budget has more money for veterans in it than was requested by the President.

Mr. Speaker, we have all heard about the million dollar man. Well, believe it or not, now we have a $3 million duck. That is right, we now know that the United States Fish and Wildlife Service planned to spend $30 million on a small island 1,000 miles south of Hawaii for a wildlife refuge for migratory ducks. The only problem is there are only 10 ducks on the island. That is $3 million per duck.

The ducks probably think this is a pretty good deal. After all, they each get $3 million. But I do not think taxpayers think this is such a great deal.

This is just the last example of government waste uncovered by Congress. It all comes down to whether or not we are willing to root out government waste or to protect Social Security.

Mr. Speaker, Republicans have stopped the 30-year raid on Social Security. The President now shares our commitment. We can lock away every penny of Social Security if we simply root out some government waste.

Mr. Speaker, there is some good news. The 10 ducks on that island are not going to get their $30 million because two Members of Congress discovered this program and they stopped this quack program.

All we have to do is stop all such programs and we can save Social Security from waste, inefficiency and absurdity.

CONGRESS SHOULD PASS SCHOOL CONSTRUCTION

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise today to call on this House to pass school construction legislation before we adjourn for the year. We should not even consider ending this session until we tend to the needs of our children for new school construction.

Across the country at this very moment more than 53 million children are attending classes in our Nation's schools. We now have more children in our schools than we have had at any time in our history even at the height of the baby boom.

Our schools are bursting at the seams and we know that the explosion in enrollment growth we are experiencing and will experience over the next 10 years is going to stretch local communities even farther.

Today many of our children are in overstuffed classrooms. Too many of our teachers are forced to struggle in cramped trailers instead of a quality facility, and too many parents must watch helplessly as their children are condemned to attend a run-down school because Congress refuses to act.

Mr. Speaker, this Congress must not leave town without addressing this crisis. We must not sneak out the backdoor without passing commonsense school construction assistance.

A SUCCESSFUL AFTER-SCHOOL PROGRAM

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, after-school hours are the most vulnerable for school children to become involved with gangs, with drug abuse, with violence and with vandalism. Statistics demonstrate that between 3:00 p.m. and 4:00 p.m., the immediate hour after most children are released from school, juvenile crime more than doubles from the preceding hour of 2:00 to 3:00.

It has become evident that safe and healthy alternatives need to be found for latchkey school children and that concentrated efforts, ones that focus on literacy, on tutoring, on homework assistance, are becoming necessary, especially for our at-risk youth.

YMCAs, like many after-school programs, have helped improve children's academic achievements, their school attendance, their behavior, their dropout rates and grade retention.

Denis Espinosa, a young man who recently testified at a Children's Caucus event here in Washington, is evidence that an after-school program can guide children to becoming responsible and productive adults. I congratulate Denis for his exemplary outlook, as well as Anna Nechelles, executive director of the West Dade Branch of the YMCA, for her commitment to the future of south Florida's children.

GOP BUDGET IS A WOLF IN SHEEP'S CLOTHING

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, all year the GOP Congress has employed gimmicks and distractions against the American people in their attempt to pass a nearly trillion dollar tax break for the wealthy and special interests in our country, a tax break soundly rejected by hard-working Americans. In the past few months, the GOP has dressed its trickle-down, wolf-like budget in sheep's clothing. They now claim to be protecting Social Security, even calling for across-the-board cuts to save the surplus, when their own CBO numbers show them dipping into the Social Security surplus by nearly $17 billion.

Back in 1935, they voted to table Social Security. How can we expect them today to try to protect it?

Now they are advocating a minimum wage bill, but upon further examination the minimum wage bill is loaded down with a tax relief for the wealthiest special interests in this country with only a 33-cent raise each year over the next 3 years for hard-working men and women in this country; a tax break for the wealthiest corporate CEOs in the history of the world and a measly 30 cents an hour raise for their workers.

Mr. Speaker, this is just a back-door attempt, an attempt made in sheep's clothing, for the GOP leadership to give their best friends a tax break.

NO MEANS NO

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, they just do not get it. President Clinton, Vice President Gore and the Democrat leaders in Congress are failing to grasp one simple concept: No means no.

When we passed every appropriations bill this year, we did it in a way that will protect every last dollar in the Social Security trust fund, but the Democrat leaders have opposed us almost every step of the way. They are pulling out all the stops to try to get their hands on that Social Security money for their big government Washington programs. That is the way they have been doing things for 30 years, but the Republicans have changed that. We stopped the raid on the Social Security trust fund and we are asking the Washington bureaucracy to reduce its spending by just 1 percent to make sure that Social Security remains strong.

We want to root out some of the waste, fraud and abuse that plagues the bureaucracy. So I hope President Clinton will sign our legislation that protects Social Security, because if he keeps telling us to dip into that Social Security money we will keep telling him no, and we will mean it.

THE REAL CONCERNS OF AMERICA, SOCIAL SECURITY, MEDICARE, HMO REFORM, TO NAME A FEW

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, the American people want us to put aside the partisanship of the last Republican Congress and to get to work on American families' real concerns, the solvency of Social Security and Medicare, real HMO reform, more teachers and lower class sizes for our children.

Unfortunately, this Republican Congress has been little different from the last. They are holding hostage real HMO reform and they refuse to help local communities reduce class size by hiring 100,000 new teachers.

The chief actuary of the Social Security Administration has found that the Republican budget would do nothing to extend the life of Social Security, not by even a single day. They have done nothing to strengthen Medicare, and GOP leaders refuse to even admit the existence of American seniors' most pressing problem, the astronomical cost of prescription drugs.

On the other hand, Republicans tried to squander the surplus, risking Medicare and Social Security, to fund a $1 trillion tax break for special interests. Those are the values of this Republican Congress, Mr. Speaker, $1 trillion for tax breaks for special interests but not a dime for prescription drugs for seniors.

WE NEED A PATIENTS' BILL OF RIGHTS

(Mrs. JONES of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JONES of Ohio. Mr. Speaker, this morning I rise to join my colleagues in lamenting legislation important to my constituents and the American people that the Republican leadership has ignored. I am speaking about gun safety, prescription drug benefits, the Patients' Bill of Rights and campaign finance reform.

The Republican leadership has disregarded the American people and killed these measures for this session of Congress. Democrats still believe we can get action on agendas that matter to reduce class size and raise student achievement by providing for local schools to hire 100,000 new teachers, make our neighborhoods safer and build on the progress we have made over the last 7 years in reducing violent crime by funding 50,000 new police officers. We are committed to safeguarding the environment.

Another year, another Republican Congress that ignores the needs of middle class families; more interest in providing a trillion dollar tax cut for corporate and special interests, but they do not care about finding a dime for Medicare prescription drugs for seniors and now they are at the beck and call of the HMO lobbyists but they have failed to send a bipartisan Patients' Bill of Rights to Congress. It is time for all of these programs to get in place now more than ever.

THE MONEY BELONGS TO THE AMERICAN PEOPLE, NOT THE GOVERNMENT

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, in Washington there are a couple of things that are misunderstood, mostly by the liberals, that the government does not have money. Big shock, the government does not have money. It is the American people's money. It is hard-working America whose money is talked about as if it is theirs.

The money goes into two pots. One is for general spending and another pot, there are a lot of trust funds but the major two, the other pot is for Social Security. In the general fund pot, we are out. Yet we have heard today speaker after speaker say we need more spending for this, we need more spending for that.

Indeed, most of the liberals voted against the appropriations bills because they did not spend enough money. Well, my question is, if we are out of money in this pot and we have a lot of money in this pot, is that where we are going to get it? Because that is Social Security. If we are not going to take it from this trust fund, then we must want to increase taxes.

Wait a minute. Two weeks ago the other side joined Republicans and voted 419-to-0 against the Clinton tax proposals. The only way to do this, to make our budget, is to cut one cent out of the dollar. I hope the Democrats will join us on that.

THE FINAL YEAR OF THE 20TH CENTURY, A DISAPPOINTMENT FOR AMERICAN FAMILIES

(Ms. DeLAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DeLAURO. Mr. Speaker, to my prior colleague, I would just say there is no money to deal with his budget and it is because they had an $892 billion tax cut for the wealthiest people in this country. Had they not tried this trick, we would be in a different position here today.

This year, the final year, of the 20th century, has been a disappointing one for the American families. Every time Congress has had the opportunity to help families in a meaningful way, the Republican leadership has sided with the special interests over the public interests.

□ 1030

The list of casualties is long: A patients' bill of rights, campaign finance reform, Medicare prescription drug benefits, smaller class sizes, and sensible gun safety reform is also being killed.

Since the Columbine tragedy occurred more than 6 months ago, the Republican leadership has consistently stifled every attempt to pass common sense gun safety measures, and yet 13 children every day are killed by guns, with 100,000 kids bringing guns to school every year. They should be ashamed of themselves, the Republican leadership, for letting the NRA write our gun laws and obstructing our attempts to close the loopholes that give criminals and children easy access to guns.

REPUBLICANS WANT TO GIVE BACK TO HARD-WORKING AMERICANS

(Mr. FOSSELLA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOSSELLA. Mr. Speaker, at the outset let me commend my friend from New York (Mr. McNULTY) and his dad for 50 years of wonderful service to our country.

Mr. Speaker, I think this is healthy, and for those who feel clouded by the debate here, I would just like to put it in very simple terms: The core difference between the parties here, as I see it, is the notion of who wants to strengthen personal freedom; who wants to give back to the hard-working Americans who go work at sometimes two and three jobs to support their families, to put food on the table, to buy clothes for their kids for school, to buy that new microwave oven; who wants to be on their side and give them more of their hard-earned money back, and who feels it is appropriate for Washington to keep as much money as possible?

We had the debate about the appropriations bills. Well, the ordinary American is telling us to do our business and come back home. But what we have heard is that Congress passes the bills within certain caps, the White House vetoes it, yet never says where they want to get the additional money from to spend on their additional programs. I think it is legitimate for the American people to ask where is that money coming from.

AMERICANS WANT A CONGRESS THAT WORKS FOR THEM

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, here we are in November, and, quite frankly, this Republican Congress has done very little. The appropriations bills languish and the needs of the American people are not being met.

The GOP has spent the year trying to convince the American people that they need a $792 billion tax cut for the wealthiest Americans, but America saw through this tax giveaway which raided the Social Security Trust Fund and rejected it.

Instead, the American people asked for things that cost very little and would improve their lives, like a patients' bill of rights so Americans and doctors can make their medical decisions and not the HMOs; like the increase in the minimum wage so all Americans can enjoy this strong economy; like 100,000 more teachers so we can reduce the class sizes; and why, Mr. Speaker, can we not enforce all the gun laws on the books and do background checks on every commercial sale of a gun, even those at gun shows?

No more excuses, no more exceptions. Mr. Speaker, let us work for the American people. Unfortunately, under the Republican-led Congress, it is always the same old song: More tax breaks for the rich and more tax on government. America wants a Congress that works for them, like Democrats are fighting for.

SOCIAL SECURITY WILL BE SAVED

(Mr. HAYES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES. Mr. Speaker, in 1997, I began traveling the 8th district of North Carolina, and I made two particular pledges; one was to save Social Security and the other was to do everything I could to balance the budget.

Well, here we are with the appropriations bills passed, we have stopped the raid on Social Security, and we have balanced the budget. It is that simple. Our spending appetite has been decreased, our priorities have been very clearly outlined.

Social Security will be saved because we have stopped the raid, and I applaud those for making the tough choices and making that possible.

JOURNAL

The SPEAKER pro tempore (Mr. LaTOURETTE). Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceeding.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 336, nays 59, answered "present" 2, not voting 36, as follows:

[Roll No. 557]

YEAS—336

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Biggert
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Coble
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hobson
Hoeffel
Hoekstra
Holden
Holt
Horn
Hostettler
Houghton
Hoyer
Hyde
Inslee
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Moran (KS)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ose
Owens
Oxley
Packard
Pascrell
Paul
Payne
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rangel
Regula
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Saxton
Schakowsky
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Upton
Velazquez
Vento
Vitter
Walden
Walsh
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Wexler
Weygand
Whitfield
Wilson
Wolf
Woolsey
Wynn
Young (FL)

NAYS—59

Aderholt
Baird
Berry
Bilbray
Borski
Clay
Clyburn
Coburn
Costello
DeFazio
Dickey
English
Everett
Filner
Gibbons
Gutierrez
Hastings (FL)
Hefley
Hill (MT)
Hilleary
Hilliard
Hinchey
Hooley
Hutchinson
Klink
Kucinich
Lewis (GA)
Lipinski
LoBiondo
Markey
McDermott
McNulty
Miller, George
Moore
Oberstar
Pallone
Pastor
Peterson (MN)
Pickett
Ramstad
Riley
Rogan
Sabo
Schaffer
Scott
Stark
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (CO)
Udall (NM)
Visclosky
Wamp
Waters
Weller
Wicker
Wu

ANSWERED "PRESENT"—2

Carson
Tancredo

NOT VOTING—36

Berman
Bonior
Brady (PA)
Burton
Callahan
Crane
Engel
Gonzalez
Gordon
Gutknecht
Hinojosa
Hulshof
Hunter
Isakson
Jackson-Lee (TX)
Kasich
Kolbe
McCrery
Meek (FL)
Mollohan
Moran (VA)
Ortiz
Rahall
Reyes
Reynolds
Rodriguez
Sawyer
Scarborough
Shows
Skelton
Slaughter
Thornberry
Watts (OK)
Weldon (PA)
Wise
Young (AK)

□ 1059

Mr. EVERETT changed his vote from "yea" to "nay."

Mr. METCALF changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

Stated for:

Mr. HINOJOSA. Mr. Speaker, on rollcall No. 557, approving the Journal, I was unavoidably detained. Had I been present, I would have voted "yea."

□ 1100

PERSONAL EXPLANATION

Mr. MEEKS of New York. Mr. Speaker, unfortunately due to a family emergency I was not able to vote yesterday. Had I been here in reference to H. Con. Res. 213, I would have voted "yes." H. Res. 59, I would have voted "yes." H.R. 3164, I would have voted "yes." And H. Res. 349, I would have voted "yes."

MOTION TO INSTRUCT CONFEREES ON H.R. 2990, QUALITY CARE FOR THE UNINSURED ACT OF 1999

Mr. DINGELL. Mr. Speaker, I offer a motion to instruct conferees on the bill (H.R. 2990) to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives; to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans; to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; and for other purposes.

The SPEAKER pro tempore (Mr. LATOURETTE). The Clerk will report the motion.

The Clerk read as follows:

Mr. DINGELL moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2990 be instructed to insist on the provisions of the Bipartisan Consensus Managed Care Improvement Act of 1999 (Division B of H.R. 2990 as passed by the House), and within the scope of conference to insist that such provisions be paid for.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. DINGELL) and the gentleman from Virginia (Mr. BLILEY) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, we will be shortly appointing conferees to the bipartisan Managed Care Improvements Act. Earlier this month, the House by an overwhelming bipartisan vote of 275–151 approved a strong bill to protect patients' rights. Before voting on final passage, the House rejected three substitutes. We will shortly be going to conference with the Senate.

It will be noted that a number of the conferees appointed by the Senate and perhaps by the Speaker may not have shared the position of the House and in fact have voted against the bill. That is why this bipartisan motion to instruct is so important. It is a reminder to our conferees that the House voted for strong protections for patients and rejected weaker ones. This instructs the conferees to support the position of the House.

Specifically, it is a proposal that covers all health plans, not just a limited few. We want a bill that lets the doctors decide what is in the best interest of the patient, not health insurance bureaucrats. We want a bill that has a strong independent review of HMO decisions. We want a bill that is going to address the unfortunate case when your HMO causes an injury or wrongful death, that the HMO will be responsible like any other business in America. The Senate bill does none of these things.

The motion which I am offering jointly with the gentleman from Georgia (Mr. NORWOOD) and the gentleman from Iowa (Mr. GANSKE) reminds our House conferee Members to insist on strong patient protections. The motion is also fiscally responsible. It instructs House conferees to assure that the bill will be fully paid for. The President said that he will not sign a bill which is not fully paid for. The House can do no less than to see to it that the bill we send to the President is fully paid for, as he insists.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself 5 minutes.

Last month, this House passed H.R. 2990, the Quality Care for the Uninsured Act, and I was proud to support this measure. I said before the final passage of this legislation that there was nothing of greater importance that this body can do in the area of health care than to help those who do not have health coverage gain access to affordable care.

I continue to believe in and look forward to working with the Senate on our proposals to provide tax relief to the uninsured and to the self-employed. I also look forward to working on the proposals to provide new options for small employers to gain coverage through HealthMarts. The House also passed H.R. 2723, the bipartisan Consensus Managed Care Improvement Act of 1999, the so-called Norwood-Dingell bill.

In accordance with the rule that governed floor consideration of these two measures, the text of H.R. 2723 has now been included in H.R. 2990. The motion to instruct we are debating today seems harmless enough. It instructs conferees to insist on the provisions included in the House-passed managed care bill when negotiating with the Senate and also to insist that this measure be paid for.

However, I must oppose this motion. First, we are sending a strong team in to negotiate with the Senate. I recognize there are significant differences between the two bills that need to be reconciled, but I do not feel it is appropriate to tie the conferees' hands in any way prior to entering those negotiations. What kind of a message does it send our Senate colleagues if we give last-minute instructions that may hinder our negotiating ability? This could be interpreted improperly as a vote of no confidence on behalf of the House and would seriously weaken our negotiating position.

Second, as the contentious debate over the Norwood-Dingell bill last month indicated, there are significant policy differences that divide Members of this body in the area of patient protections. I did not support final passage of this measure because I believe it goes too far by allowing patients to sue their health plans in State courts. I also fear it will ultimately be very costly and cause the number of uninsured to grow even more.

However, I do respect the will of the majority in passing the Norwood-Dingell bill. That said, I do not believe it is appropriate at this time to instruct conferees to insist that all the provisions of the Norwood-Dingell bill be included in the conference package. By its very nature, a conference requires compromise in order to be successful. Again, I oppose tying the hands of our conferees before we ever get to the negotiating table with our Senate colleagues.

Mr. Speaker, I am anxious to begin our negotiations with the Senate to craft a reasonable bipartisan compromise of our respective managed care bills. I want these negotiations to be free of any unnecessary instructions that may limit Members' ability to engage in free and open dialogue with the Senate regarding these important policy decisions. For this reason, I oppose this motion and ask my colleagues to do the same.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. I thank the distinguished ranking member of the Committee on Commerce for yielding me this time. Mr. Speaker, when we passed the bipartisan patients' bill of rights on October 7, we made a commitment to the American people to reform the managed health care system in our country. Webster's dictionary defines reform as, quote, "to put an end to a harm by introducing a better method or course of action."

The Senate bill does not provide a better course of action. Rather, its weak consumer protections continue to allow HMOs to sacrifice quality and reliability for profits. As we go to conference with the Senate, we must insist that the basic consumer protections included in the House-passed patients' bill of rights are retained, the guaranteed access to specialists at no additional cost, the access to saving clinical trials, the assurances that medical decisions are made by physicians, not insurance bureaucrats, the direct access to OB-GYN services, the ability to hold our health plans accountable in court when its decisions to withhold or limit care cause injury or death. I urge my colleagues to vote yes on the Dingell motion to instruct conferees.

Mr. BLILEY. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. THOMAS), chairman of the Subcommittee on Health of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, I thank the Chairman, the gentleman from Virginia for yielding me the time. I just think that in case someone thinks that what we are doing here is significant and important, you have to understand under the rules that either body, the House or the Senate, in this case the House, can instruct its conferees; and this is a motion to instruct. It has no binding on a conference between the House and the Senate. It is an attempt on the part of the folks who offered the motion to try to tilt the relationship between the House and the Senate.

Now, the measure that we are taking to conference was already debated and voted on in the House and we passed it, so the House's position is well known. The motion to instruct is to, in fact, insist on the provisions of the bipartisan Consensus Managed Care Improvement Act. But there is no way that this motion to instruct can make anything happen. Remember in the Constitution in article 1, coming from the old Connecticut compromise between the large States and the small States, that both were concerned about the powers, and so there was created the concept of two separate Houses, one based upon geography, two representatives, or Senators, from each State and one based upon population, which continues to grow. There is no limit on the size of the House; it is tied to the population of the United States. And so you have State interests; and remember, initially under the Constitution, those Senators were appointed by State legislatures.

Now, the Senate is an entirely different body than the House. They have different rules. They are elected in a different way. And so when the House and the Senate come together in a conference, it is because the Constitution says that the House and the Senate have to agree exactly on the same piece of legislation that is then sent to the President; and if they cannot agree, then notwithstanding the effort in both the House and the Senate, the legislation passed in both the House and the Senate does not go anywhere.

So our job as conferees will be to go over with the Senate and sit down, equal bodies, both with the same ability to pass a piece of legislation but both of us helpless if we cannot come together. The House-passed one cannot get to the President; the Senate-passed one cannot get to the President unless the House and the Senate agree. And you have already heard the significant difference between the Senate-passed bill and the House-passed bill.

So what we are going to have to do is something that is uniquely American in terms of the political environment.

That is, from the very beginning, decisions made in this country in part, because of the two fundamentally different houses, has been based on accommodation and compromise. We cannot go anywhere without accommodation and compromise. The Senate feels strongly about their position. They passed it. There is a majority backing their position.

The House feels strongly about its position, those who voted for that measure. They had a majority backing them. But when we go to conference, if the House's position is, United States Senate, we don't care what you did, we're not going to look at what you're going to do, you have to accept everything in our bill, that is exactly the position that we take, and we ain't changing it. How successful do you think that is going to be? It is kind of absurd. So understand, this is a political exercise.

There is no reason to vote this motion to instruct. We have the bill; let us get on with our work. Let us vote down the motion to instruct. Let us not insult the Senate the very first day we are supposed to sit down with them and try to reconcile the differences between the two bills. Let us live up to what the American people expect us to do, sit down, accommodate, compromise, produce a good product and get it to the President, instead of posturing as this motion to instruct clearly is. Vote "no."

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Iowa (Mr. GANSKE), who has worked very, very hard on this matter.

Mr. GANSKE. Mr. Speaker, I rise in support of this motion to instruct. I have always considered the Speaker of this House to be my friend and mentor, my coach. In urging him to run for Speaker, I did so because I considered him to be fair and to play not just by the letter of the rule but by the spirit of the rule as well. The Speaker and I are old wrestlers. One of the great things about wrestling is that you win or lose on the mat, not by selecting the referee.

□ 1115

If the Speaker as coach had a referee steal a deserved victory from one of his wrestlers, he would have lost respect for that referee. Well, the Patient Protection Act won on the mat 275 to 151. As the GOP authors of this bill, the gentleman from Georgia (Mr. NORWOOD) and I should be named conferees. To technically deny us our spots would be to violate the spirit of naming conferees. To not name us as conferees would be like a referee disqualifying a wrestler for a legal move.

Mr. Speaker, your leadership rests on a small majority, and that rests on respect. If you deny the gentleman from Georgia (Mr. Norwood) and I our spots as conferees, you will be endangering that respect. Payne Stewart and Walter Payton's legacies rest just as much on the respect of their colleagues as honorable men as it did for their feats on the field.

Two hundred years ago Thomas Jefferson said that democracy rested not on leadership's sleight of hand, but on the active participation of its citizens. The House has spoken unequivocally on which bill it prefers for patient protection. I would hope that the conferees you name would reflect that decision.

It is rumored that not one of the GOP Members to be named as conferees voted for the Patient Protection Act. If that is the case, then, Mr. Speaker, you are relying on sleight of hand that Thomas Jefferson warned against.

Mr. SHADEGG. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. LAZIO).

Mr. LAZIO. Mr. Speaker, I think this motion to recommit should be defeated for the following reasons. I think the gentleman from California laid out some of the reasons in terms of giving the conferees the maximum flexibility to get the best possible bill.

Let me give you one example as to why we need to provide flexibility for the conferees. Cancer patients have been waiting for years for the ability to have insurance companies pay for routine, routine, care for clinical trials. Under Dingell-Norwood the most important clinical trials that are conducted, FDA-approved clinical trials, fall outside the scope of the requirement for insurance companies to pay for routine care.

The conferees need to have the maximum flexibility to strengthen and improve this bill. Nobody, Mr. Speaker, in the end has got a market on all the wisdom on health and insurance, HMO reforms. We have to give our conferees the maximum flexibility to get the best possible bill for cancer patients and for others looking for our guidance.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. STARK).

Mr. STARK. Mr. Speaker, I thank the distinguished gentleman for yielding me time.

Mr. Speaker, I am pleased that we are going to conference for the managed care reform bill. It is clearly the wish of the majority that the House bill as passed be enacted into law. Under the rules of the House, the Speaker is directed to appoint Members, and no less than a majority who generally supported the House position, as determined by the Speaker.

It is quite clear what the House position was. The conferees have not been appointed according, to my understanding, to that rule, and that does in fact necessitate our insisting that we hold to the position of the House. That is what you do in a democracy. The winner's position is the law and people should obey it.

The public wants this. They have spoken. Whatever the Senate or the other body may have or have not done is not our issue. We are here to see that we fulfill the wishes of the vast majority of this body representing the vast majority of Americans, I believe it is close to 80 percent, who favor the strongest possible managed care control bill. The distinguished authors of this bill have done that, the House has worked its will, and it is our job to carry it out.

It is my hope that the leadership will not frustrate this by slowing down, stalling, postponing the conference in other procedural moves, which is their prerogative. But I suggest they do so and they will incur the wrath of many Americans who are denied adequate and fair treatment from many managed care plans. They are the people who will be the losers if we do not insist on the House position and see that it prevails.

Mr. SHADEGG. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Tennessee (Mr. BRYANT).

Mr. BRYANT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, reluctantly I must rise in opposition to this motion. I have a great deal of respect for the senior Member in this Congress, the gentleman from Michigan (Mr. DINGELL), who cosponsored this bill with other people I have tremendous respect for, the gentleman from Georgia (Mr. NORWOOD) and other primary sponsors, the gentleman from Iowa (Mr. GANSKE), who are undoubtedly experts in this area of health care.

Likewise, I have great respect for other positions in this body who supported other measures, the gentleman from Oklahoma (Mr. COBURN), the gentleman from Florida (Mr. WELDON), the gentleman from Kentucky (Mr. FLETCHER), and the gentleman from Arizona (Mr. SHADEGG), a cosponsor of the Shadegg-Coburn bill which I voted for.

There is no perfect bill. Norwood-Dingell is not a perfect bill. Shadegg-Coburn contained many good provisions I think that ought to be considered. One hundred-fifty Members supported that bill, and, as we move toward a conference, we have to look to the Senate and look at the bill that they have got. They have got some good ideas there too.

My concern is that we all I think agree that we want to be able to have patients that are under managed care to receive the best quality treatment that they can get, and we want the managed care groups that manage this care and the costs associated with that to be accountable in some way. All of these bills do that.

We want to do all these things, while making sure we do not make it so expensive that we chase employers, people who provide insurance to their employees, that we do not chase them out of the market and add more employees to that list of uninsured. Already in this country we have 44 million people who do not have medical insurance, and we do not want to add to that list. So we have a great balancing act that we must accomplish here, and, as we move towards conference, I think we can do that.

I think we can make this bill a better bill. But we do not do that, and the reason I rise in opposition to this motion, is we do not do that by unduly restricting our negotiators, tying their hands, because there are other good ideas in this House, there are other good ideas in the Senate, and it is at that point that our rules provide that we sit down and negotiate in the interest of all Americans interested in health care, we do so on a good faith basis, not with our hands tied, and come up with a more perfect bill. I think we can do that if we do not pass this motion.

I urge my colleagues to vote against this motion to instruct conferees, with the trust and assurance that we can make this bill an even better one for the American people.

Mr. DINGELL. Mr. Speaker, I am happy to yield 2 minutes to the distinguished gentlewoman from New Jersey (Mrs. ROUKEMA), who has displayed extraordinary courage and diligence and vigor throughout this matter.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in strong support of this motion to instruct. I want the people in this House to understand what we are doing here. We are saying we support the House bill, which covers 161 million Americans, that is all the Americans in this country who are covered by insurance plans whereas the bill from the Senate discriminates against our people based on the state from which you come. The Senate legislation only covers 48 million Americans. So remember that when you vote on this. That is one of the reasons this bill passed overwhelmingly with bipartisan support in the House. Lets not discriminate. We must cover all 161 million insured constituents.

Finally, I just want to point out something. If you have any doubt about the backlash and the politics out there among your constituents, just look at this week's Newsweek Magazine (November 8, 1999). If you cannot see it, I will read it to you. "The war over patient rights. HMO hell."

Then it says in the body of the article, "From the Capitol to the kitchen tables, from frustration with HMOs to worries about health care, it is topic A, and the patients are ready to rumble." Again, reading from this Newsweek magazine, "H.M.O. Hell: The Backlash."

Mr. Speaker, I say we have to support the House position and go to conference with this motion to instruct in the interests of our patients who are suffering a rationing of professional care.

Mr. SHADEGG. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I have the same edition of Newsweek Magazine and noted various things in it, including the fact that it pointed out that access to specialists is denied much more frequently by HMO plans than by fee-for-service plans. But I wonder if the last speaker, who is supporting the motion to instruct, understands that that motion to instruct puts fee-for-service plans under the same regulation as HMO plans? That is, they impose the same regulatory burdens on fee-for-service, which is treating people well, according to this magazine article, as it does to HMOs.

I suggest that sticking to the motion to instruct and tying our hands is not the right answer.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, there are two obvious reasons why this motion to instruct the conferees to support the Norwood-Dingell bill should be supported. The first is that the Norwood-Dingell bill provides meaningful patient protections, whereas the Republican leadership bill in the other body is a sham proposal designed to protect the insurance industry.

The second is that the vote in the House on the Norwood-Dingell bill was one of overwhelming support and fairness demands that that vote be reflected in the conference.

When it comes to the substance of the bills, my colleague from New Jersey pointed out that the partisan bill passed by the GOP in the other body excludes more than 100 million people from its provisions. It applies only to people in self-funded plans. These types of plans are typically offered only by large employers and cover only 48 million Americans. The Norwood-Dingell bill, on the other hand, applies to all 161 million privately insured Americans.

The differences between the bills though run a lot deeper than this gross disparity in the coverage. The protections in the Norwood-Dingell bill are vastly superior to those limited protections proposed by the GOP leadership in the other body.

Just as some examples, the GOP leadership bill in the Senate provides no guarantees that if you have to go to the nearest emergency room in a situation where you have an emergency, that is going to be covered or you will not have to foot the bill yourself. In the Norwood-Dingell bill, if you go to the nearest emergency room, you are going to be covered.

The GOP leadership bill does not guarantee direct access to OB-GYN for women. The Norwood-Dingell bill does. The leadership bill does not guarantee access to specialists out of the network, but the Norwood-Dingell bill does. The GOP leadership bill allows HMOs to continue to define what type of care is medically necessary. The Norwood-Dingell bill allows doctors and patients to make that determination, not the insurance company bureaucrats.

Finally, the GOP leadership bill does not provide for an independent external appeals process. The Norwood-Dingell bill does.

In addition to that, the gentleman from Michigan (Mr. DINGELL) mentioned that the GOP leadership bill does not allow you to sue your HMO because it leaves the ERISA exemption from liability in place. The Norwood-Dingell bill sides with the patients and lifts this preemption, giving individuals the right to sue their HMOs when they are denied needed care and their health suffers as a result.

Support this motion to instruct the conferees.

Mr. SHADEGG. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Oklahoma (Mr. COBURN), one of the co-authors of a bill which could not be considered if this motion to instruct were adopted.

Mr. COBURN. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I have less than a year left in this body, and if I could make a change in anything, I would return it 150 years earlier so that the trick that we are seeing today would not be used. I have the greatest respect for the gentleman from Michigan (Mr. DINGELL). He is a great politician, and rarely do I use that word in a positive sense in my lifetime. But I want to tell you what this motion does.

What this motion does is it is going to allow the unions and the trial lawyers to run the hospitals, based on the clause that is in this as far as whistle blowers. It is a totally unneeded portion of the bill, but was put in to build constituencies and consensus.

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It will ruin quality assurance in all the hospitals. There is no question in my mind about that.

Number 2, the gentleman from Michigan (Mr. DINGELL) said at the outset that we were mainly interested in patients. I happen to be qualified because I voted for the bill of the gentleman from Georgia (Mr. NORWOOD) and the gentleman from Michigan (Mr. DINGELL) when it left the House. I am one of that 270.

I voted for it for one purpose, I think we need to have some action. With this motion to commit, there will be no health care bill for my patients. There will be no right to go after our HMO, if we follow this motion to commit, because there will be no combined bill, no compromise, and therefore, the President will never get to sign a bill out of this conference.

If that is what we want to accomplish, and we want to use that as a political pawn in the next year's debate over who should be in control of Congress, then that is a legitimate thing. But it ought to be said that that is what it is for.

That is not what a motion to instruct should be for. A motion to instruct should be, take out the whistleblower. Give the members of the committee, the conference committee, the ability to do what is right for our patients and for our country, not what is right for the Republican or the Democrat party.

The gentleman from Georgia (Mr. NORWOOD) deserves a lot of credit for his work in this body. He worked, worked, worked. We have a health care bill on this floor because because of the courage of the gentleman from Georgia (Mr. NORWOOD); not for any other reason, because of the courage of the gentleman from Georgia. Let us not ruin a display of courage by making this a purely political ploy. That is what this is.

I was not going to speak against it, but Mr. Speaker, my patients, the people in this country, the people in my district who are under HMOs who have no right of recourse today against unqualified medical personnel making decisions about their health care, they have no right, and this bill that we are going to have has no adequacy of network whatsoever in it.

They do not even have to have an adequate network. The heck with specialists. They can say, I have a specialist, and they can have 1 and they need 200. This bill does not even address that. Do Members want to leave that that way in conference? No, they do not. I know they do not.

Let us talk about what this really is. This is a political ploy, partly because of the inappropriate, and I will agree, the inappropriate naming of conferees on this bill. I agree with that. But it is the wrong way to accomplish the purpose.

If we really care about patients, if we really want to solve the inequities in the health care system, and if we really want to solve the overall problem, which is opening up the market and allowing choice and markets to work in health care, Members will defeat this thing solidly.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, it is long past time for Congress to ensure that managed care means quality care for American families. Doctors and patients must make medical decisions, not insurance companies. If a patient is wrongly denied care, there must be some accountability. We expect individuals to take responsibility for their actions in this country. HMOs should be no different.

We finally took up a Patients' Bill of Rights 4 weeks ago, but only after the Republican leadership was dragged there kicking and screaming. Republican leaders never wanted this debate because it was all too clear that they had chosen special interests over the national interest.

Finally, after 4 weeks, the GOP leadership is bringing up a motion to go to conference on this bill. I hope that despite the maneuvering of the Republican leadership, that the common sense and the bipartisanship of this bill will prevail.

Our colleagues from Michigan, Georgia, and Iowa teamed up to write a bipartisan balanced bill that protects patients' rights without undue burdens or threats to health care coverage. Now, after weeks of the GOP leadership's stall tactics, my good friend, the gentleman from Michigan, in conjunction with his Republican colleagues, is offering a motion to instruct that will insist upon the provisions of the bipartisan bill passed by the House on October 7, and upon offsetting the $7 billion on the House floor to fully pay for the bill.

I urge my colleagues, vote yes on the motion to instruct. We need to ensure that patients have access to specialists, clinical trials, and OB-GYN services, among the many other patient protections that are found in the Norwood-Dingell agreement.

We cannot allow the watered-down Senate provisions to prevail. Vote yes on the motion to instruct.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, today we call upon the conferees for H.R. 2990 to insist on the House-passed version of the Patients' Bill of Rights. That is the portion of H.R. 2990 that reminds health insurers that if they want to get paid, they must actually provide a meaningful health insurance product, not a cheap imitation.

The Senate-passed bill may accomplish many things. It leaves out most Americans from coverage under the Patients' Bill of Rights. It may appease the insurance industry. It may provide cover for politicians who want to appear responsive to their constituents, when in fact they are too often catering to insurance industry lobbyists.

What the Senate bill does not do is the one thing it is supposed to do. It does not ensure that employers and employees get what they pay for when they purchase insurance.

In fact, there are HMO fingerprints all over the Senate version of the Patients' Bill of Rights. Pivotal reforms like the right to see a doctor outside the HMO network and the right to sue when a health plan acts in bad faith are simply missing. Other reforms have been watered down to such an extent that patients may be no better off with them than without them.

Can anyone in this Chamber honestly say that that is what the public had in mind when it called for a Patients' Bill of Rights? If we ask the insurance industry which bill it prefers, there is no contest. The Senate bill would win. Managed care organizations take huge gambles, gambles they perceive as benign business decisions, with potentially harmful or even fatal consequences for their enrollees.

I join my colleague, the gentleman from Michigan (Mr. DINGELL), in urging the conferees to act in the best interests of the public and insist on the House-passed version of the Patients' Bill of Rights.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I rise in strong support of the motion to recommit conferees. The gentleman from Michigan (Mr. DINGELL), the gentleman from Georgia (Mr. NORWOOD), and the gentleman from Iowa (Mr. GANSKE) demonstrate real leadership on protecting patients.

I urge the House conferees to ensure that the Dingell-Norwood protections are included in the final bill. Patients and providers across this country have told us that HMO reform is their top priority.

Congress now has a real chance to enact managed care reform and to improve patient care. But time is running out. With only a few days left before Congress adjourns, the time has come to put patients ahead of profits. The conferees need to meet before Congress goes out of session, and Congress should enact the Norwood-Dingell bill.

Mr. SHADEGG. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. BOEHNER), the distinguished chairman of the Subcommittee on Employer-Employee Relations of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, I think all of us know that the motion before us is a nonbinding motion of the House.

All of our colleagues understand clearly that this is an opportunity to have a political debate about the issue of health care reform in America. So let us have the political debate. But understand, this really does not mean anything.

But as we have gone through the whole issue of reforming health care over the last 7 years or so, the debate has grown. We have focused the debate away from the uninsured to accountability of HMOs. I do not think there is any Member of the House who does not believe that there is a way to bring accountability, more accountability, to managed care if it is done in a reasonable way.

I think also we have learned over the last few years that when we start to bring accountability into the picture, we can get carried away with too much accountability that leads to less affordability for the American people, and we know that less affordability means less accessibility.

While we all want managed care reforms and we want more accountability, we know that the far greater problem in America today is the fact that we have 44 million people who have no health insurance at all. We know that if we do things that are going to raise costs, we are going to drive down access.

This is about a balance. We cannot consider access or accountability without considering affordability and accessibility. That is why the bill that left the House had a large access piece authored by my good friends, the gentleman from Arizona (Mr. SHADEGG) and the gentleman from Missouri (Mr. TALENT), that would help ensure we could address the growing problem of the uninsured in America.

The bill that I think the House passed will lead to more uninsured if we do not do something about increasing the. access provisions that were called for in the Shadegg-Talent access bill.

Mr. Speaker, as we go to conference with the Senate, they have a completely different position, a much narrower bill. Some may argue they have a much more practical bill. What we as conferees have to do on behalf of the House is to find the right balance, find the right balance between accountability without driving employers out of the process, without driving up premium costs, and without driving more people into the ranks of uninsured, because what are these accountability measures going to mean to Americans if they have no health insurance? They mean nothing.

Mr. Speaker, let us go work with the Senate. Let us find the right balance between accountability, affordability, and accessibility. I think that is what the American people expect of their representatives on both sides of the aisle, is to find that right balance.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank my friend for yielding time to me.

Mr. Speaker, I rise in support of this motion. Mr. Speaker, if Members have ever lived in a neighborhood and they want to build a shopping center in the neighborhood, Members would understand why we are here making this argument today.

If we have 100 of our neighbors together and two-thirds of them do not want the shopping center, and then we find out there is going to be a meeting at the town hall about whether to build the shopping center, and you have to pick seven of your neighbors to go represent your position, and someone says, let us take five people who want the shopping center and two who do not and send them to the meeting, I think most of us would say that that is ridiculous, the delegation we send from our neighborhood ought to reflect the sentiment of the neighborhood.

On October 7, 275 of us voted strongly in favor of holding managed care plans accountable, over 60 percent of the Members of the House. We are going to go negotiate with the other body over a bill that does not have similar accountability provisions. As one of the prior speakers said, it should be self-evident what the House's position is, and it is. Over 60 percent of us believe that there ought to be accountability provisions, consistent with Norwood-Dingell.

But we have every reason to believe that the delegation we are sending from our neighborhood is not going to reflect that point of view. It should reflect that point of view. The gentleman from Georgia (Mr. NORWOOD) should be one of those conferees, and the gentleman from Iowa (Mr. GANSKE) should be one of those conferees. But it appears that will not be the case.

The reason we are on the floor today is to tell our negotiating committee to keep in mind the sentiment of this neighborhood. We supported this legislation because the American people want accountability for health insurance companies. We are supporting this motion because the Members of this House want accountability from our conference negotiators. Support the motion.

Mr. SHADEGG. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the essence of this motion to instruct on its substance is very clear. It would bind the House conferees to the Norwood-Dingell version of the bill.

I would like to ask a series of questions of whether we really want to do that.

Let me begin with this one. The substitute offered on the House, one of the substitutes offered on the House side that did not pass allowed access to ambulance services. Norwood-Dingell did not. Would the proponents of this motion to instruct say we should not allow or guarantee access to ambulance services?

The substitute offered external appeal timelines that were shorter than Dingell-Norwood, getting people more care even more quickly than Dingell-Norwood.

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Do the proponents of this motion to instruct oppose an even shorter time period for special appeals, getting people care even more quickly?

The substitute that we offered we called for binding arbitration for those who did not want to go to court. There was no similar provision in Norwood-Dingell.

Did the proponents of this substitute which would bind us to Dingell-Norwood and Dingell-Norwood only say that we should not allow binding arbitration?

The substitute that we offered provided access to all cancer clinical trials, as one of the earlier speakers noted. That is much broader than Dingell-Norwood for cancer patients because Dingell-Norwood does not include FDA-approved clinical trials. Two-thirds of new cancer drug tests are FDA approved.

Do the proponents of this motion to instruct say that we should not have the broader provision that does more for cancer victims on clinical trials?

The Norwood-Dingell bill does not guarantee either pathology or laboratory services. The substitute did.

Did the proponents say we should be bound to their version and not offer pathology or laboratories services?

We created a panel to ensure network adequacy, to make sure that if a plan said they had a doctor, there were enough doctors with that specialty to actually service their patient base. Norwood-Dingell has nothing to cover network adequacy.

This motion to instruct would commit us to a plan that does not even require network adequacy, and that indeed is one of the problems noted in the Newsweek article discussed earlier.

We prohibit plans from considering FDA-approved drugs or medical devices as experimental or investigational. Norwood-Dingell does not do that.

The proponents of this motion to instruct would tie our hands and say, yes, we can take a procedure that has been approved by the FDA, a drug or a medical device; and even though it has been approved, label it experimental or investigational. The motion to instruct would tie our hands to a series of provisions that are not near as strong for patients as the substitute that was offered here on the floor.

I urge my colleagues to reject the motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas (Mr. LAMPSON).

Mr. LAMPSON. Mr. Speaker, if our colleague, the gentleman from Oklahoma (Mr. COBURN), would read the experience of Texas, he would know that his statements about unions and lawyers is false, and he would vote yes on this motion.

Not long ago I spoke about a constituent of mine, Regina Cowles, who was diagnosed with breast cancer but was being denied payment of a treatment by her insurance company. Regina ultimately got some of the help that we wanted for her from her insurance company, but it was too little too late. I am sad to report that Regina died last week.

Regina and my own daughter, Stephanie, who was also denied coverage until a big fight reversed a decision, brought to mind the problem we have in this country with access to health care. It is one thing to keep costs down, but it cannot be done at the patient's expense. If adoption of this motion is supported, that will ensure in the conference that medical judgments will be made by medical experts.

Adoption of this motion to instruct will give people like Regina Cowles and Stephanie Lampson the health care they deserve. It is time for us to put our money where our mouth is and prove to the American people that this Congress can work together to address issues they really care about.

Mr. DINGELL. Mr. Speaker, it is a great pleasure for me to yield 4 minutes to the next speaker, the gentleman from Georgia (Mr. NORWOOD), a very distinguished, very courageous, very energetic man who has provided enormous leadership in this matter, and my good friend.

Mr. NORWOOD. Mr. Speaker, on October 7, the House passed a patient protection bill, 275 votes; and if we listened to the argument today, it is very clear to me that those who did not vote for that bill want to go into conference and have the bill that they put up that failed be the bill before conference.

The gentleman from Ohio and the gentleman from California have all made it very clear that this is not binding, though the gentleman from Arizona (Mr. SHADEGG), says, well, this is binding; but it is not and we all know that. It is not legal.

The gentleman from Tennessee stood up and said that well, this would restrict our negotiators, which is not true.

We are going to send our Members into conference, and they are going to do the best they can to work against a Senate bill that is absolutely not worth the paper it is written on. Now, that is a tall order; but we are told by the gentleman from California that this is our effort to tilt the relationship between the House and the Senate, and we are told by the gentleman from Oklahoma this is a political ploy.

Well, I will say what this really is. This is about rumors floating around from a conference that will not even allow the authors on the Republican side to be on the conference. That is what this is all about. This is about a conference that is going to put everybody on the conference from the Republican side who voted against the bill.

Now I think we might ought to be concerned about what is going to happen in conference when we send everybody in there who voted against the bill. That is what we call tilting the relationship between the House and the Senate, and that is what we call a political ploy.

I want to thank my friend, the gentleman from Michigan (Mr. DINGELL), on the other side of the aisle, for having considered me for one of the seats on the conference committee since my own party as yet has not offered me a seat. I am grateful.

I humbly declined, as I believe my outspokenness against my own party's position in this matter might become the issue, and the committee does not need any distractions from the real issues before us, and that is protecting patients. Therefore, as I remain free to continue my outspokenness, I implore my leaders to be aware of the political reality as they seek a final course of action on this issue.

They have for the last 5 years opposed patient protections and publicly allied themselves in joint news conferences with HMO lobbyists. Under public pressure, we forced a vote on October 7. They have even refused to allow a single subcommittee vote on this legislation. This, in spite of the support by the majority of the House, and a third of the Republican caucus, the majority of patients in this country support it; the majority of doctors, the majority of hospitals, even the majority of employers.

I feel these same opponents believe they can now subvert the conference committee to produce a report repugnant to the original legislation in order to force the House of Representatives to really reject the final report. These opponents believe a multimillion dollar public relations campaign can shift that blame to the other party.

I say today that the fate of the next election is in the balance and that plan will fail. Because of their past actions and affiliations, our party has no credibility on HMO reform. All the clever commercials that money can buy will not change that fact, but that fact can and should change if our conferees act with courage to enforce the will of this House.

That is what this motion is all about. Go into the conference and fight for the position of this House. It is in perfect concert with the will of the American people. I urge my colleagues to support these instructions, to insist on full unencumbered legal accountability for HMOs; true external appeals and the protections of all Americans, all Americans, with health insurance, not just the few who need this the least. I want both Republican and Democratic patients to win. To accomplish that, both parties need to honor the will of the people instead of the will of the lobbyists. As I recall, that is our job and that is our duty.

Mr. SHADEGG. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Louisiana (Mr. COOKSEY).

Mr. COOKSEY. Mr. Speaker, the patients and the public deserve managed care reform. The patients and the public deserve protection from the overreaching of the HMOs. For those who have a real knowledge of health care and the problems of the overreaching of HMOs, we know that we need HMO accountability. For those who have been refused health care by HMO, CEOs and HMO clerks, they know about the overreaching of the HMOs. They know that we need HMO reform.

Unfortunately, the proposed rule or the proposed motion to instruct is too restrictive and will result in no HMO reform this year. This Congress, in its wisdom, passed ERISA protections some years ago; but, as so often occurs, there was overreaching by the HMOs. So today when we vote we need to vote against this motion to instruct, because this motion to instruct again gives the appearance that, in fact, the HMOs, the lobbyists, the big insurance companies, the CEOs of the HMOs have a disproportionate amount of influence in this body.

We need to do the right thing for the public, for the patients, for the Americans who are under HMO health care.

Mr. DINGELL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Missouri (Mr. GEPHARDT), the leader of the minority, and my good friend.

Mr. GEPHARDT. Mr. Speaker, I urge a vote for this motion to instruct. The issue that we are dealing with here is not a political issue. It is not a partisan issue, and it is not a party issue. After we passed a very strong and good bipartisan Patients' Bill of Rights here a few weeks ago, I had people come up to me in my district, people that I saw around the country and they came up to me and they said, finally the Congress, the House, has stood against the special interests and done what is good for patients, what is good for doctors, what is good for people. I want to urge us to keep that effort going and to realize it in this conference.

Too often we have seen strong bipartisan measures be watered down to kill the real intent of legislation. We cannot let the bipartisan Patients' Bill of Rights fall prey to a back-door attempt to derail meaningful reform.

The Senate bill does not measure up. We need to get a final report that looks more like the House bill and contains the solid protections that it contains.

The Senate bill fails to ensure that medical judgments are made by doctors and patients, in consultation with their patients. The medical relationship that is important here is what goes on between doctors and patients. They are the ones that should make the decisions about medical care, not some bureaucrat thousands of miles away who is looking at the bottom line and not what is good for that patient.

The Senate bill fails to allow patients to see an outside specialist, at no additional cost, when their specialist in the health plan fails to meet their needs.

The House bill allows patients to do that. The Senate bill fails to hold managed care plans accountable when their decisions to withhold or limit care injure patients. The House bill holds plans accountable.

If doctors are accountable, the people that are making half the decisions ought to be accountable. How can we have a system that says doctors are accountable for the decisions they make, but we let the bureaucrats in the health plans that are just looking at the bottom line and profit totally unaccountable for the decisions they make?

The Senate bill applies only to 48 million people in private employment-based plans, where the employer self-insures. The House bill applies to all people with employment-based insurance, as well as people who buy insurance on their own.

We have to get to work on this. It has been 4 weeks since we passed the bill here. We are going toward a recess where nothing can get done. Let me say what I have said before. If someone is in a health care plan and they need something that their doctor says they need and their life is on the line today, they need this bill now. They do not need to wait until next spring or next summer or next fall or not at all.

If a loved one in their family is waiting to be able to get the right decision out of a health care plan that could save their life, they need this bill now.

I urge the leaders of the Congress in the House and in the Senate to get this conference going, to get a bill that is more like the House bill than the Senate bill, and to get it done in the next 2 weeks before we leave this Congress. We owe that to the patients and the doctors and the medical professionals in this country. We can have a better health care system in this country, and this bill will go a long way toward doing it.

I commend the physicians in this Congress in both parties who have stood tall for doing the right thing. God bless them for standing for their beliefs and their patients.

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Mr. SHADEGG. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, as I said earlier, this is not about a binding resolution, this is about having a political debate. The gentleman from Missouri (Mr. GEPHARDT), the minority leader, who just spoke realizes that the other body has a very different bill. In the legislative process, our jobs are to come to some consensus with the other body, some consensus that is good for the American people.

Now, there is not a bill that came to this floor that did not provide for more accountability for those in managed care. There is not a bill that came to this floor that did not provide for more physicians' judgments in controlling the treatments that the patient was going to get.

We all want more accountability. But we have got to do it in a way that will not drive millions of people into the ranks of the uninsured. I think all of my colleagues know that I believe that we can have more accountability without introducing unending and open-ended litigation into the process. Bringing trial lawyers and frivolous lawsuits into health care will do nothing more than drive up the cost and drive down access.

We all know that today about 125 million Americans get their insurance through their employer. I realize that some want to change that. But today that is, in fact, the system. Every employee will tell us the number one benefit that they get from their employer is their health benefit. Why did we want to jeopardize the ability of employers to provide this benefit to their employees by opening up the health care system to an open-ended liability?

Now, there is a great concern about the liability portion of the bill passed by this House, that in fact many employers will not open themselves up to that liability and will begin dropping coverage for their employees. Is that really what the House wants to do? I think what we need to do is to go to conference with the Senate and to find the right consensus for the American people.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Speaker, let us be honest here. The gentleman from Ohio (Mr. BOEHNER) said this is a political discussion. It is. What we do is deal with politics, and we have many of those on this floor. We flew back here Monday evening, not to vote on a budget, but to vote on a few political suspension matters. So let us be honest with what we are doing.

The reality is my colleagues refuse to appoint the two folks in this House who, in many ways, personify and embody this issue for all America, not just Democrats, not just Republicans.

We have another body on the other side that some of my colleagues on this side are essentially doing the bad work for, doing the homework for. They do not want campaign finance. They do not want managed care reform. They figure out the procedural games to play, and we figure it out on this side.

We just had elections around the Nation yesterday in many localities, and congratulations to the winners throughout the Nation. Imagine having an election and the voters selecting someone, then the party leaders and the bosses in the party say, well, the people want this person; but this other fellow, he pretty much agrees with this guy on about 70, 80 percent of the stuff he wants, so the party leaders, we are going to pick the other guy even though the people want the guy that won.

We passed an HMO reform bill here in this House of Representatives. I know the money chase is on. I know the Senate in their leadership may want certain things. But allow the will of this House to be heard in the conference. Allow the conferees, the gentleman from Iowa (Mr. GANSKE) and the gentleman from Georgia (Mr. NORWOOD) to represent us. Allow the will of the people to be heard, not HMO bosses. I ask this House to support the motion to instruct conferees.

Mr. SHADEGG. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Speaker, this is obviously an issue of great importance to the body, and I have great affection and esteem for the authors of the competing proposal.

I think it is quite clear that we need some type of health care reform. What we need to decide upon is what is something we can agree upon between the two bodies and that can be signed by the President and become law.

The Dingell-Norwood is not a perfect bill. Most bills here are not perfect; I will stipulate to that. I do not think we want to tie the hands of our conferees as they go in trying to produce a product that is acceptable to everyone.

I would just point out, and I know it has been pointed out before by the author of the substitute, but I just want to reemphasize this, that the substitute, for example, allows access to ambulance services. The substitute has external appeal time lines that are shorter to allow expedited review.

The substitute provides access to all cancer clinical trials. That provision is much broader than Dingell-Norwood for cancer patients because the Dingell-Norwood bill does not include FDA approved clinical trials.

I urge my colleagues to vote no on this motion.

Mr. DINGELL. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Michigan (Mr. DINGELL) has 4¼ minutes remaining. The gentleman from Arizona (Mr. SHADEGG) has 4¼ minutes remaining.

Mr. DINGELL. Mr. Speaker, I yield to myself 1 minute.

Mr. Speaker, I want to express great pleasure at the way that this debate has been conducted. I also want to point out that we are now talking about what our conferees are going to do for the House as a part of their duties.

The traditions of the House say that the conferees should be appointed by the Speaker, and the rules say so, too, to carry out the purposes of the House bill and to be supporters of the House bill.

The traditions of the House say that the conferees should be supporters of the House bill. Quite honestly, 275 of our Members say that they should be the supporters of the House bill, as do millions of Americans in all walks of life say that we should be supporting the House bill, because that is the bill that the people want.

Having said these things, we do not know who the conferees are going to be. We do not know what the Senate is going to do. But we can be pretty assured, on the basis of what we have seen, that we may not see either the gentleman from Georgia (Mr. NORWOOD) or the gentleman from Iowa (Mr. GANSKE) or any of the other supporters on the Republican side being named as conferees on this bill.

If that is true, it will tell us at the time we vote that we desperately have needed this bill. It is necessary that we should have had the instructions that we are now seeking to give to enable us to see that the conferees carry out the will of the House.

Mr. SHADEGG. Mr. Speaker, I understand the gentleman from Michigan (Mr. DINGELL) has the right to close.

The SPEAKER pro tempore. That is correct.

Mr. SHADEGG. Mr. Speaker, I yield to myself the balance of the time remaining.

Mr. Speaker, I think this is a critically important debate. It is a debate that is reflected on thoughtful concerns across America, as pointed out in this week's edition of Newsweek, which talks about this issue about patients' rights. But we really are engaged in very much of a political discussion of what ought to occur from here forward.

There is, indeed, no question but that the gentleman from Iowa (Mr. GANSKE) and the gentleman from Georgia (Mr. NORWOOD) deserve credit for their hard work on this issue. Indeed, I would suggest quite clearly that of the two major bills before this House, they were written by four people, the gentleman from Iowa (Mr. GANSKE), the gentleman from Georgia (Mr. NORWOOD), the gentleman from Oklahoma (Mr. COBURN), and myself. That is true of the bill on the other side, the Norwood-Dingell bill, and it is also true of the substitute which got the most votes on this side.

I would also point out that there has been much made of the fact that perhaps some of the conferees will not have voted for the bill that passed the House. The bill that actually is in conference is H.R. 2990, and I believe every single one of the Republican conferees voted for H.R. 2990.

Now, it is true that many of the conferees may not have voted for Dingell-Norwood, and I understand the concerns of those who have expressed that reservation, their belief that, indeed, there perhaps should be more Members on the conference committee who did vote for Dingell-Norwood.

I do not know the full context of the conference committee, but I can tell my colleagues this, I for one am committed to the concept behind the major distinguishing point between Dingell-Norwood and the substitute; and that is that HMOs must be held accountable.

But please make it clear that this debate is vitally important, and it is a political debate. It is a debate about whether we do something for the patients of America or whether we do nothing.

The minority leader spoke about keeping the process moving forward. I urge every one in this House to work hard to keep the process moving forward, and I agree with him on that. But passing this motion to instruct, passing this set of instructions, announcing today that we are unwilling to compromise on anything but that which is in Norwood-Dingell would be a tragic mistake, because if we abide by that position, make no mistake about it, if we adopt Norwood-Dingell and Norwood-Dingell only, there will be no health care reform for this country arising out of this bill this year or next year, because that bill cannot pass and will not pass because of its extreme positions on the issue of liability.

Now, its health care provisions, quite frankly, are not quite as good as ours, but they are very close. But the issue here, the fundamental question here is that we must come to a compromise.

My colleagues on the other side of the aisle and the President have announced they want to do absolutely nothing about access to insurance for the uninsured and absolutely nothing about the cost of insurance and absolutely nothing about choice for those who have insurance, because their bill, Dingell-Norwood, did nothing for access, it did nothing for choice, it did nothing for cost. I say that we must move them on that issue. They must compromise, or we will not help the American people.

My other colleagues on the other side who say immunity works, we should leave the HMOs absolutely immune when they injure or kill somebody, I suggest to them that if we take that stand, then, indeed, there will be no legislation this year to help the American people.

This is too critical a moment in time, vastly too important for the lives of the American people for us to sit on our hands and take either an extreme position on that side in which we do nothing about access, nothing about choice, nothing about affordability, or an extreme position which says we do nothing about making health care plans accountable.

This is a critically important moment in time, and the proponents of this motion to instruct would have us pass it by. They would save this issue for a political fight in the next election campaign. I believe that would be a tragic mistake.

What must happen in this conference committee is that the Senate must move, because its bill is inadequate; and what must happen in the conference committee is that the House must move, because we do not get good legislation for the American people if we do not compromise.

I believe that this motion to instruct, which would leave us bound to one position and one position only and would abandon the notion of compromise, would be a tragic mistake for the American people for that reason.

I urge my colleagues to give the conferees the option to compromise on good legislation so we can pass and enact health care reform this year.

Mr. DINGELL. Mr. Speaker, I yield 3¼ minutes, the balance of the time, to the distinguished gentleman from Arkansas (Mr. BERRY) for purposes of closing.

Mr. BERRY. Mr. Speaker, it is absolutely amazing that 275 Members of the House of Representatives voted for the worst bill. I rise in support of this motion to instruct conferees.

I do agree with the gentleman from Oklahoma who referred to the distinguished gentleman from Michigan (Mr. DINGELL) as a politician. But I would add to that that he is also a great statesman, along with the distinguished gentleman from Georgia (Mr. NORWOOD) and the distinguished gentleman from Iowa (Mr. GANSKE). It is an unbelievable miscarriage of the will of this House that they would not be conferees on this conference committee.

When my colleagues and I brought this legislation to the Committee on Rules, we brought it with a manager's amendment that would have allowed the bill to be paid for. We did so because all of us are concerned about the budgetary impacts of policies that are not paid for. Unfortunately, the Committee on Rules did not allow our bill to be paid for, and even worse added on a $48 billion tax package that was not paid for.

This motion to instruct conferees requires the conference committee to find a way to pay for the compromised legislation.

Given the fact that some in Congress voted just last week to borrow more from the Social Security Trust Fund.

given the fact that the nonpartisan Congressional Budget Office has certified that some in Congress have already dipped into the Social Security Trust Fund by 17 billion more dollars, given the fact that none of us want to spend what belongs to Social Security, I urge my colleagues to support this motion.

Our job is to get the best deal we can for the American people. We should follow the will of this House. The gentleman from Iowa (Mr. GANSKE) and the gentleman from Georgia (Mr. NORWOOD) should be conferees.

If my colleagues care about Social Security, and if my colleagues care about HMO reform, and if my colleagues care about the American people getting a good deal, being treated fairly, and having access to good health care under their HMOs, I urge my colleagues to support this motion.

Mr. CLAY. Mr. Speaker, I rise in support of the motion to instruct conferees regarding the bipartisan consensus Managed Care Improvement Act.

Since this bill passed overwhelmingly almost one month ago, the Republican leadership has delayed the appointment of conferees, thereby generating concern that it was seeking to either kill the bill by running out the clock, or undermine the strong support for patient protections and enforcement reflected by the House vote.

Because of this, the Members of this body need to once again send a strong message that Americans want the freedom to choose their health care providers, to have treatment decisions made by physicians and not insurance company bureaucrats, and to hold insurance companies responsible for the injuries they cause.

In addition, Mr. Speaker, the Republican leadership blocked the addition of offsets to the Norwood-Dingell bill when it was on the floor, and pushed through a so-called "access" bill loaded with tax breaks that were not paid for. The motion appropriately instructs our managers to insist on fiscal responsibility and produce managed care reform legislation that does not tap into the surplus.

Mr. STARK. Mr. Speaker, I am pleased that we will finally be going to conference for managed care reform. We passed this bill nearly a month ago and I don't understand why it has taken so long to get to this point.

My hunch is that the main reason is that by holding this motion to go to conference until this late date, the Republican leadership will be able to delay any actual convening of the conference until the next Congress. Nonetheless, this action is an important step forward in our continued effort to protect consumers in managed care plans.

Last month, the U.S. House of Representatives passed H.R. 2723, The Bipartisan Consensus Managed Care Reform Act, by a decisive bipartisan margin of 275–151. That same day, the House soundly rejected three other more limited approaches to managed care reform.

The House bill is much stronger than its Senate counterpart. It applies to all private health plans unlike the Senate bill which is mostly limited to the 40 million Americans in self-insured plans. The external appeal provisions in the House bill are much stronger. And, most importantly, the House bill also includes health plan liability—a provision sorely lacking in the Senate version of the legislation.

Health plan liability is a vital component of meaningful managed care reform. Only the threat of legal consequences will be strong enough to ensure the enforcement of these managed care consumer protections. It must be included in the final bill approved by Congress or we will have failed in our duty to protect consumers in managed care plans.

To that end, the Conference should report a bill that closely mirrors that passed by the House in the form of H.R. 2723, The Bipartisan Consensus Managed Care Reform Act.

It is also important that the final product be paid for. During the House consideration of the legislation, the sponsors of H.R. 2723 went to the Rules Committee to bring the bill to the House floor fully financed. We were forbidden by the Republican leadership from bringing our bill to the floor fully paid for—and likewise prevented from offering an amendment on the floor that provided such funding. The conference must rectify that problem. We have offsets for the costs—they must be included in the final product.

The Republican leadership also played games by adding a number of costly tax provisions to the package which they billed as new "access" provisions. In fact, there is precious little evidence that those provisions would expand insurance coverage. Instead, there is definite Congressional Budget Office evidence that those provisions would cost the taxpayers some $48 billion over the next ten years. The Conference should drop these provisions which do nothing to expand coverage and therefore needlessly increase the federal price tag of this otherwise very affordable, sensible legislation.

As a Conferee, you can be sure that this will be my agenda: the final product should closely mirror H.R. 2723, it should be fully financed, and the costly, ineffective provisions of H.R. 2990 should be dropped. I hope that is an agenda we can all pursue.

Managed care reform should no longer be a partisan issue. The bill passed by this House was a consensus package with broad-based bipartisan support within the House and the support of more than 300 organizations representing consumers, doctors, nurses, other health care providers, public health advocates. Let's take our consensus bill and make it law. I look forward to working with my colleagues to achieve this important goal. Let's get to work.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this motion to instruct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Michigan (Mr. DINGELL).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SHADEGG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 257, nays 167, not voting 9, as follows:

[Roll No. 558]

YEAS—257

Abercrombie
Ackerman
Allen
Andrews
Bachus
Baird
Baldacci
Baldwin
Barcia
Barr
Barrett (WI)
Becerra
Bentsen
Berkley
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Hunter
Hyde
Inslee
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley

Mollohan
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Norwood
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pickett
Pomeroy
Porter
Price (NC)
Quinn
Rahall
Rangel
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Saxton
Schakowsky
Scott
Serrano
Shaw
Shays
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Weygand
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—167

Aderholt
Archer
Armey
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Biggert
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chenoweth-Hage
Coburn
Collins
Combest
Cox
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
English
Everett
Ewing
Fletcher
Fossella
Fowler
Gallegly
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hutchinson
Isakson
Istook
Johnson, Sam
Kasich
Kelly
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Radanovich
Ramstad
Regula
Riley
Rogan
Rogers
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Schaffer
Sensenbrenner
Sessions
Shadegg
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Wamp
Watkins
Watts (OK)
Whitfield
Wicker
Wilson

NOT VOTING—9

Bereuter
Berman
Hulshof
Jackson-Lee (TX)
Murtha
Rush
Sawyer
Scarborough
Weldon (PA)

□ 1236

Mrs. CUBIN, and Messrs. SKEEN, BURTON of Indiana, BASS, and LEWIS of California changed their vote from "yea" to "nay."

Messrs. STUPAK, OWENS, JENKINS, and Ms. McKINNEY changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

NOTIFICATION OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. DOYLE. Mr. Speaker, pursuant to clause 2(a)(1) of rule IX, I rise to give notice of my intent to present a question of privileges of the House.

The form of the resolution is as follows:

Calling on the President to abstain from renegotiating international agreements governing antidumping and countervailing measures.

Whereas under Art. I. Section 8 of the Constitution, the Congress has power and responsibility with regard to foreign commerce and the conduct of international trade negotiations;

Whereas the House of Representatives is deeply concerned that, in connection with the World Trade Organization ("WTO") Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiations topics and reopen debate over the WTO's antidumping and antisubsidy rules;

Whereas the Congress has not approved new negotiations on antidumping or antisubsidy rules and has clearly, but so far informally, signaled its opposition to such negotiations;

Whereas strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States;

Whereas it has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations;

Whereas an important part of Congress' participation in the formulation of trade policy is the enactment of official negotiating objectives against which completed agreements can be measured when presented for ratification;

Whereas the current absence of official negotiating objectives on the statute books must not be allowed to undermine the Congress' constitutional role in charting the direction of United States trade policy;

Whereas, under present circumstances, launching a negotiation that includes antidumping and antisubsidy issues would effect the rights of the House and the integrity of its proceedings;

Whereas the WTO antidumping and antisubsidy rules concluded in the Uruguay Round has scarcely been tested since they entered into effect and certainly have not proved defective:

Whereas opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States;

Whereas conversely, avoiding another diversive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members; and

Whereas it is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise: Now, therefore, be it

Resolved, That the House of Representatives calls upon the President—

(1) not to participate in any international negotiations in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) to refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) to enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

The SPEAKER pro tempore (Mr. KOLBE). Under rule IX, a resolution that is offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Pennsylvania (Mr. DOYLE) will appear in the RECORD at this point.

The Chair does not at this point determine whether or not the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

Mr. DOYLE. Mr. Speaker, I ask to be heard, at the appropriate time, on the question of whether this resolution constitutes a question of privilege.

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. DOYLE) will be notified at that time.

NOTIFICATION OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. KLINK. Mr. Speaker, pursuant to clause 2(a)(1) of House Rule IX, I rise to give notice of my intent to present a question of privileges of the House.

The form of the resolution is as follows:

Calling on the President to abstain from renegotiating international agreements governing antidumping and countervailing measures.

Whereas under Art. I, Section 8 of the Constitution, the Congress has power and responsibility with regard to foreign commerce and the conduct of international trade negotiations;

Whereas the House of Representatives is deeply concerned that, in connection with the World Trade Organization ("WTO") Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiation topics and reopen debate over the WTO's antidumping and antisubsidy rules;

Whereas the Congress has not approved new negotiations on antidumping or antisubsidy rules and has clearly, but so far informally, signaled its opposition to such negotiations;

Whereas strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States;

Whereas it has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations;

Whereas the current absence of official negotiating objectives on the statute books must not be allowed to undermine the Congress' constitutional role in charting the direction of United States trade policy;

Whereas the WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective;

Whereas opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States;

Whereas conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members; and

Whereas it is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise: Now, therefore, be it

Resolved, That the House off Representatives calls upon the President—

(1) not to participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) to refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) to enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

□ 1245

The SPEAKER pro tempore (Mr. KOLBE). Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Pennsylvania will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

Mr. KLINK. Mr. Speaker, I would ask to be notified at the proper time.

The SPEAKER pro tempore. The gentleman from Pennsylvania will be notified at the proper time.

Mr. KLINK. I thank the Speaker for his courtesy.

PROVIDING FOR CONSIDERATION OF H.R. 2389, COUNTY SCHOOLS FUNDING REVITALIZATION ACT OF 1999

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 352 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 352

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2389) to restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Agriculture now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 pursuant to clause 8 of rule XVIII, modified by the amendments printed in the report of the Committee on Rules accompanying this resolution. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my good friend the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 352 is an open rule providing for the consideration of H.R. 2389, the County Schools Funding Revitalization Act. Under the rule, 1 hour of general debate will be controlled by the chairman and ranking minority member of the Committee on Agriculture. For the purpose of amendment, the rule makes in order as base text a substitute amendment which is printed and numbered 1 in the CONGRESSIONAL RECORD. This substitute language, which will replace H.R. 2389, represents a bipartisan compromise brokered by the gentleman from Virginia (Mr. GOODLATTE), the gentleman from New York (Mr. BOEHLERT), and the gentleman from Oregon (Mr. DEFAZIO) to address the concerns of some environmental groups. The rule further amends this compromise language to make technical amendments and clarify a budgetary issue.

As my colleagues know, under an open rule any Member may offer any germane amendment to the bill, but under the rule priority recognition will be given to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. And, of course, the rule offers the minority an additional opportunity to amend the bill through a motion to recommit, with or without instructions. During consideration of amendments, the Chair will have the flexibility to postpone votes and reduce voting time to 5 minutes, as long as the first vote in a series is 15 minutes.

Mr. Speaker, the goals of the County School Funding Revitalization Act are straightforward. The bill seeks to provide a temporary solution to a very real problem for counties that include Federal land. Since the enactment of two compacts, one in 1908 and the other in 1937, these counties have counted on revenue from the Forest Service and the Bureau of Land Management to pay for public schools and roads. This revenue compensates the counties for the revenue they would have otherwise received had the land been sold or transferred into private ownership. However, in recent years these Federal revenue payments have plummeted as Federal timber sales have declined by 70 percent, leaving communities searching for the resources they need to educate their children and maintain basic infrastructure. This has been especially devastating for students who have seen their classes canceled, teachers laid off and extracurricular activities eliminated as budgets shrink.

Mr. Speaker, education reform has become a top national priority for both parties, and this bill plays a small yet meaningful role in enabling local communities to give their children a quality education. Specifically, the bill will stabilize payments to forest communities by providing for a 7-year safety net of guaranteed funding. The payments to States and counties with Federal land will be based on the average of the highest three payments received by States and counties between 1984 and 1999. However, the legislation is not without controversy. Because the Federal payments made to forest counties are linked to timber sales, some believe there is a perverse incentive to cut down more trees. These opponents advocate a decoupling of timber sales from the revenues. To address some of these concerns, this rule incorporates compromise language into the bill.

Under the compromise, revenues will still come from timber sales, but if this source of funding proves inadequate, dollars from the general fund may be used to pay forest communities. This effectively takes the pressure off the Forest Service to cut more trees. Further, counties that receive more than $100,000 through the Forest Service will be required to use 80 percent for schools and roads and the remaining 20 percent for local projects on Federal lands. These local projects will be designed to restore forest health for economic or recreational use and will be approved by a local committee representing a broad range of community interests. Additionally, the project must comply with all Federal laws, environmental and otherwise.

Mr. Speaker, as I said earlier, the payments that this legislation guarantees are meant only as a short-term safety net. The bill establishes a forest county payments committee that is tasked with developing a long-term policy to improve upon the current system of revenue sharing between the Federal Government and forest counties. Within 18 months, the committee will submit its recommendations to Congress for our consideration.

In summary, this legislation offers a balanced approach to ensure that the agreement the Federal Government made with States and counties that include Federal land within their borders is honored. By providing these safety net payments, we will enable local communities to provide better educational opportunities to children, as well as maintain their socioeconomic infrastructures. The rule is balanced as well. It presents a compromise version of this legislation to the House for open debate and amendment.

I urge my colleagues to support this open rule as well as the communities who need our assistance to educate their children.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I thank the gentlewoman from Ohio for yielding me the time, and I yield myself such time as I may consume.

This is an open rule. It will allow for full and fair consideration of H.R. 2389. As the gentlewoman from Ohio has explained, this rule will provide for 1 hour of debate to be equally divided between the majority and the minority, especially the members of the Committee on Agriculture. The rule permits germane amendments under the 5-minute rule, the normal amending process in the House, and all Members will have the opportunity to offer amendments.

Under current law, 25 percent of the revenues generated by timber sales, mining and oil and gas development in national forests goes to the counties where the national forests are located. The counties use the money for public schools and roads. This compensates for the loss of taxable property. In recent years, timber sales from national forests have fallen by 70 percent. This has caused a hardship on the rural public schools near the national forests that depend on the money.

In the State of Ohio, which the gentlewoman and I represent, although we do not represent the area where Wayne National Forest is, that generates funds for schools in some of the poorest counties in the State. This bill attempts to strike a compromise between environmental concerns and the needs of the rural public schools that benefit from the national forest payments. It will provide a stable source of funds for the schools. It also will establish a national advisory committee to develop long-term solutions to the funding problems of these schools.

Some environmentalists do have concerns about the bill because rural schools will still depend on dwindling timber sales in national forests. But this is an open rule, as I said. Members will have a chance to offer germane amendments and they will have the opportunity to improve the bill on the House floor. For that reason, I urge my colleagues to support this rule.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time. I have other responsibilities today so I am not going to be able to stay on the floor for general debate but I wanted to voice my concerns about the general policy path that this measure puts in place. I think what we really need here is sort of a reality check in terms of what is going down with this bill.

I have no objections to the rule, I think it is a fair rule which permits amendments, but I do not think that this bill is going to be corrected by amendment. The underlying premise of the bill fundamentally is sound. I think that many of us could agree with such policy as counties and school districts that are dependent upon the 25 percent of total fund yielded from resource extraction in the national forests to support their basic governing structure, to support their schools. Such funds have become limited and cut back because of the reality of forest science and policies that have curtailed the harvest of timber and other activities. Most importantly, I think here, is the realization of new forestry and what is sustainable and what is not and what the impacts are and how those multiple uses of our national forests have come to conflict with one another so obviously in the last decade in terms of forest science timber harvest has been limited. So the reduction in dollars is significant to these communities.

I think I would stand with my colleagues to try and maintain some stable funding. This bill obviously does maintain stable funding by giving them the highest amount, their average for the highest 3-year period in terms of funding for their counties and their schools from 1985. While there are a lot of other programs around in terms of Impact Aid for military and other issues, I think we have tried to recognize nationally where we have significant lands like through the PILT program, payment in lieu of taxes program and other programs, some funding for communities where we have significant public ownership, Federal ownership of lands, and where that does impact, we have provided assistance in trying to stabilize that, in this case is a good thing to do. At the same time in terms of extending and authorizing the significant amounts of money in this bill Congress should also try and delink and reform the system to a greater extent. That means to try and establish once and for all that these communities should not be receiving the dollars based wholly on timber production, that we should delink that as we stabilize and assure stable funding. While there is a token attempt to do that in this bill, it totally fails in the final analysis to do that—to delink timber receipts from state/local funding.

□ 1300

Furthermore, Mr. Speaker, one of the problems with this bill is that it provides for communities that do receive over $100,000, and in many other instances where they receive significant aid under this measure, to in fact establish dozens of different advisory committees which would then sit down and decide how in a local area and make recommendations to the Secretary of Agriculture or Interior on how to expend 20 percent of the resources that they are provided under this bill's authority. I know the counties and school districts would just as well receive the money themselves, this sets up a big problem—in fact a grant program under cover of this measure.

First of all, it creates a lot more government than probably anyone need. We already have county boards and school boards that could make decisions on how to expend this money. Frankly, I think these advisory groups set up the potential and set up the Secretary of Agriculture and the Chief of the Forest Service for a lot more controversy and conflict. Frankly, it is going to be up to the Secretary of Agriculture and the Chief of the Forest Service to make decisions to say no to a lot of local advisory groups in a very unpleasant way, delivering the bad news, that some of these proposals are not worthy.

It is up to the Secretary with such little details as requiring whether or not an environmental impact statement or environmental assessment is needed; and if it is needed, then the cost will go back to the local group to pay for writing. That's another unpopular decision, to say the least.

I just think it is going to create a lot more conflict. I do not see this as being helpful. I think that it is a step in the wrong direction, creating all this governing structure is not an improvement. It is not what America is demanding with regards to deal with this problem, quite the contrary. I think it expands the original problem, creating controversy and confusing the topic.

I have questions about whether all Federal laws are going to be complied with, such as enforcing the prevailing wage law. I have questions about the use of individuals in this that are put into a situation where they are forced to work in the county because they are under mandatory work-type requirements, both adults and juveniles. That provision is in the bill.

There are a lot of concerns that I have. But fundamentally I think the bill fails on the basis of not delinking the roller coaster ride of up-and-down timber revenues sharing that occur as the local receipts from our national forests to these local communities. In other words, it keeps that link in place; it creates all this governing structure, and I think it is going to create more conflict.

This is not an interim bill. It lasts for 7 or 8 years. The description of this as an interim bill is flawed on its surface and misleading. I urge the defeat of this measure.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 6 minutes to the distinguished gentleman from Ohio (Mr. REGULA), the dean of the Ohio delegation and the distinguished chairman of the Committee on Appropriations Subcommittee on Interior.

Mr. REGULA. Mr. Speaker, I thank the gentlewoman for the time.

Mr. Speaker, I just want to explain my vote on this because I am pro-education, but I think there are a couple of things I would bring to the attention of my colleagues here. It is temporary for 7 years. That is not exactly "temporary" as I would define it. But the real fundamental concern that I have is that the policy involved, we are establishing a policy that when Federal receipts are diminished, we, therefore, step in and fill the breach.

Now, in the case that is outlined in this bill, that may have some validity. But as a matter of precedent, what happens if offshore oil production goes down, because a portion of offshore oil revenues go to the States? Do we then make up the difference to the highest years for the States that are receiving offshore oil receipts? Or how about the States that are receiving revenues from on-shore oil, and you have in this case timber; but we produce a lot of other things on Federal lands. In most cases, 50 percent of those revenues are shared with the States.

Now, you can see that as these revenues diminish, and they may well, because our resources are not finite, that then we would be called on to make up the difference. I think that is a precedent that we ought to give serious consideration to today in establishing this as a policy of the Government.

I know it is temporary, if you define that by 7 years, but it seems to me if we are going to get into this kind of a policy change, we ought to have a long-term set of conditions that address this in the case of other types of revenues.

Also the question of where is it funded arises. The way it is established, it comes out of the Interior budget. I have, along with my colleagues on the subcommittee and all of us essentially, responsibility for the funding of parks and forests and fish and wildlife and Bureau of Land Management, about 30 percent of America's land; and if I would read this correctly, the money to fund it, which could grow as forest receipts are diminished, would have to come out of the Interior budget. That means, of course, there would be less for parks in the U.S. or less for other forms of responsibilities that we have in the committee, the Bureau of Indian Affairs, the land agencies I mentioned, the cultural institutions here in the city.

While I understand the objective here, it seems to me that we may be getting into something that has greater ramifications than we think.

I also would point out that the national forests, while the amount of cut has been diminished, do provide revenues to communities through the recreation uses. People come in to hunt, fish, camp, and do a lot of other types of activities. Interestingly, and this is a little known fact, the forests of this Nation generate triple the visitor days of the Park Service, and the Bureau of Land Management lands generate double the visitor days of the Park Service.

We think of the parks as our recreation dimension, when in reality the Bureau of Land Management and the Forest Service collectively probably produce five to six times as many visitor days as the Park Service. I say this because as people visit these forests, as they visit BLM lands, they are spending money, for housing, for food, for fishing gear, you name it; and this in turn helps to support the local economy.

So for these reasons I think it is maybe premature to try to band-aid a problem that has a greater potential policy impact down the road. If we were to make legislation like this permanent, if we were to make it part of our responsibility, then I think there ought to be a separate source of funding, because I do not believe we should be penalizing the revenues that we have available to the appropriate committees for the parks and the recreation and the ecosystem of this Nation and the many responsibilities that go with the Department of Interior.

I understand this and I commend the Members that are supporting this. They are trying to help their school districts. But with the exception of about three big States in terms of forests, it primarily affects about three or four States, about 150 counties, out of the total in the United States. So I believe that we ought to move cautiously in establishing the precedent that is embodied in this legislation, and I hope my colleagues will give some thought to that as we make a judgment in voting for or against this bill.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado (Mr. UDALL).

Mr. UDALL of Colorado. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in support of this rule. I support the rule because it appropriately allows the House to consider amendments, including one that I will offer and I will describe in a moment. But I believe the bill is another story. I cannot support the bill in its present form because it is not addressing the real problem with the current law that links Federal assistance for schools and roads to the size of the annual timber harvest on Federal lands.

The real problem, if you look at it, is the link itself. This link needs to be broken, but this bill does not do that.

I strongly support Federal assistance to education. The need for this assistance is particularly important in areas that are undergoing economic or other stress. In Colorado, for example, the stress that we feel at this point is because of our rapid growth and urban sprawl. In other areas it has other causes, including changes in local economies that have depended on timber harvests.

But I think the Congress should provide assistance in ways that are most efficient and will have the fewest of side effects. In other words, if we are going to assist schools or provide help to local governments with funds for schools or fire fighting or whatever needs they may have, we should do so directly in a way as simple as possible to administer and in proportion to the needs.

The current law that links payments to timber harvests does not meet those tests of directness, simplicity, and proportionality. So we need to break the link, in other words, to decouple payments as some have described it. We should also break the link because it would free the captives, those captives at the local areas.

Local schools, roads or other vital functions of government should no longer be held financial hostage to the very contentious issues that surround the management of our forests. School boards and county commissioners should not be forced to argue that it is necessary to cut more trees in order to repair roofs or keep the roads plowed.

I do not mean to say that local officials do not have a legitimate interest in the management of our forests or that they should not speak out about them. I do mean that they and everyone else should be free to debate those issues on the basis of what is best for the lands themselves and for our society as a whole and not in terms of the financial needs of our schools or other institutions.

But this bill does not only break the link; it not only does not free the captives. I believe it would make things worse for these local people. The bill would impose a new Federal mandate on the very communities for whom this Federal assistance is most important. It says, for example, that if the local government gets more than $100,000 under the bill, 20 percent of the total payment must be set aside and used for projects on the Federal lands. To put it another way, the bill says that the hostages will have to help pay for things that otherwise would be funded from the budgets of the Forest Service or the Bureau of Land Management.

Some of those things could be good things, like repairing trails or removing old logging roads that cause erosion. But suppose the local government has other priorities? What if they would rather spend all their Federal payment on schools or roads, rather than helping the Forest Service or BLM. Then what? Under current law it is their choice. They have that option. Under the bill, the way it is written, they would not.

I think that is just flat wrong. So at an appropriate time I will offer an amendment that will return discretion to the local governments. My amendment would allow any local government to spend 20 percent of its Federal payment on Federal land projects, but it would not require that those monies are spent on Federal land projects.

Under my amendment, a local government could decide to use all this year's payment for schools and roads and then, next year, perhaps apply some of those monies to these Federal land projects. But in the end it would remove this potential Federal mandate and restore local discretion.

My amendment would not cure all the problems with the bill. I think the bill is fundamentally flawed because it does not break this link between Federal assistance and timber receipts. So, to be straight with this body, even if my amendment is adopted, I cannot support the bill. At least my amendment would mean that this bill, which is entitled the Community Self-Determination Act, would come a little closer to living up to its name.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I wish that every day on the floor we had rules like this. This is an open rule. It will allow any Member of the House to offer an amendment, and I believe that is something that we should do much more often around here. So this will be a rare moment where I can support a rule for a bill. Too many times we are muzzled and not allowed to offer amendments that would improve or alter bills before us.

The bill that is before us is very different and did not go through a regular committee process; and for that reason, some Members may be puzzled as to exactly what the bill does, as are advocacy groups on both sides of the issue among the public; and I would like to take a couple of minutes to explain that.

I had a very different approach in mind when I introduced my legislation, which would be 100 percent guaranteed, very clean, complete decoupled. That bill garnered very, very little support; and a different bill passed in the Committee on Agriculture, the Boyd-Deal bill; and then, of course, we had a bill recommended on the Senate side by Senators who I do not think the rules of the House allow me to name. But, anyway, there were some Senators that introduced a bill over.

This bill is different than all of those bills, but it combines some of the most important aspects of all. First and foremost, this bill requires that anything and everything done under this legislation follow and absolutely comply with every environmental law, every environmental rule, every forest plan, every resource management plan that is currently on the books in the United States, that it fully follow the Endangered Species Act, and allow appeals.

□ 1315

All that is within the scope of this bill. Any projects which might occur under this bill, which are a small part of the bill, are subject to Secretarial discretion, in addition to having to follow all rules, laws, and regulations.

There will be much controversy over the projects. The projects were not my preferred alternative, but they have been altered in a way that makes them environmentally neutral, and potentially they could be projects that would be beneficial to local communities and areas.

They could be spent for road obliteration for problem roads, for watershed restoration, they could be spent for other revenue-generating activities on the forests that do not go to timber production. They could be spent on recreation.

The gentleman from Minnesota objected to a provision I had added which would allow them to be used for work camps; that is, to be allowed for a correctional facility for nonviolent offenders to work on the forest lands. I do not find that to be objectionable. I think that is very desirable, better than having them sit in jail and watch television. So I do not understand why the gentleman would object to that.

It could also be used at their initiative for reimbursing counties for the huge unmet costs of search and rescue on Federal lands. The bottom line is, my State is more than half owned by the Federal government. The Federal government has dramatically changed the laws and rules that pertain to timber harvests, as I believe many of those changes were necessary, because we were overharvesting.

The question is, since no other productive use that generates revenues for those counties, we cannot levy taxes in, those lands can go forward, should the government pay something to those counties for their ongoing obligations to provide a road network through those lands, and to provide law enforcement services and the other things? I believe the answer is yes. I hope that a majority of the body here today decides that the answer is yes.

The gentleman before me, the gentleman from Ohio (Mr. REGULA) said this creates a bad precedent. He talked about offshore oil drilling. That is not analogous. The analogy would be base closings. When the Federal government closes a military base, it admits there are huge impacts on the communities, it dumps a whole bunch of money into that community, it does retraining, does a whole host of other things, and ultimately it turns the lands over to those communities for future purposes.

I am not advocating these lands be turned back over to the States. I am absolutely and adamantly opposed to that. But in lieu of that, we are asking for a modest replacement of revenues that were formerly created off these lands, while there will be ongoing and perpetual obligations to the counties for law enforcement and infrastructure, roads and other activities on those lands.

These are vital payments that go to schools, that go to vital county services; as I already mentioned, law enforcement, road construction, reconstruction, and maintenance. Those funds will not exist if this legislation does not pass.

In the case of my counties, we have 3 more years of a guarantee under law, but after that, we fall off the cliff. For many other counties, they have already fallen off the cliff. They need this help to rebuild the social infrastructure of their communities and maintain vital county services.

I would urge people to keep an open mind in the debate today and realize, unfortunately, having not followed a regular process, my committee having decided not to take jurisdiction, the Committee on Resources, that this has not been before Members in its final form for very long. It is very different than what was proposed. I urge the Members to read the bill and ask questions of any of us who were involved in the writing.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there could be some problems with this bill, I am not sure. The most important thing as far as what we have right now is that the rule is open. It gives Members a chance to change this bill if they do not like it. For that reason we support the rule.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, let me remind my colleagues, as my colleague, the gentleman from Ohio, just did, that this is an open rule. Not only does it provide for a completely open amendment process, it provides balance for the process by inserting compromise language into H.R. 2389 as well.

This bipartisan compromise has the support of the National Association of Counties, the National Education Association, the U.S. Chamber of Commerce, and some 800 rural education, government, business, and labor organizations from 37 States.

For any Member who still has concerns about the legislation, the rule allows any germane amendment to be debated and voted upon. I hope my colleagues will support this very fair, balanced, open rule.

More importantly, I urge my colleagues to support the children and the schools who will benefit from the needed assistance this bill will provide. This is a great opportunity to shore up public education in rural forest communities through a balanced, equitable approach. I hope Members can support this effort.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 2990, QUALITY CARE FOR THE UNINSURED ACT OF 1999

The SPEAKER pro tempore (Mr. KOLBE). Without objection, the Chair appoints the following conferees on the bill (H.R. 2990) to amend the Internal Revenue Code of 1986 to allow individuals greater access to health insurance through a health care tax deduction, a long-term care deduction, and other health-related tax incentives, to amend the Employee Retirement Income Security Act of 1974 to provide access to and choice in health care through association health plans, to amend the Public Health Service Act to create new pooling opportunities for small employers to obtain greater access to health coverage through HealthMarts; to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; and for other purposes:

From the Committee on Commerce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Messrs. BLILEY, BILIRAKIS, SHADEGG, DINGELL, and PALLONE.

From the Committee on Ways and Means, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Mr. ARCHER and Mr. THOMAS, Mrs. JOHNSON of Connecticut, Mr. RANGEL and Mr. STARK, provided that Mr. MCCRERY is appointed in lieu of Mrs. JOHNSON of Connecticut for consideration of title XIV of the House bill and sections 102, 111(b) and 304 and title II of the Senate amendment.

From the Committee on Education and the Workforce for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Messrs. BOEHNER, TALENT, FLETCHER, CLAY, and ANDREWS.

As additional conferees from the Committee on Government Reform, for consideration of section 503 of the Senate amendment, and modifications committed to conference:

Messrs. BURTON of Indiana, SCARBOROUGH, and WAXMAN.

As additional conferees for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Mr. GOSS and Mr. BERRY.

There was no objection.

COUNTY SCHOOLS FUNDING REVITALIZATION ACT OF 1999

The SPEAKER pro tempore. Pursuant to House Resolution 352 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 2389.

□ 1322

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2389) to restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and other purposes, with Mr. KOLBE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Texas (Mr. STENHOLM) will each control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today the House considers H.R. 2389, a bill that has been under consideration in my subcommittee for several months, but whose time has been long in coming. Nearly 100 years ago the Federal Government, as a condition of managing our national forest lands, established a compact with forest-dependent communities in rural America. Under the terms of this compact, the government would own and manage the forests, not only for the long-term environmental benefit of the resource, but also for the long-term social and economic benefit of rural communities in and adjacent to the forest.

Recently, revenue-sharing payments with rural communities guaranteed under the compact have dropped in some communities by as much as 90 percent. Local administrator after local administrator told my subcommittee about the drastic and tragic measures their school systems have taken just to fight foreclosure. The compact is not working, and our rural schools cannot wait any longer.

A coalition of local school systems developed a set of principles which attempts to breath new life into their compact with the Federal Government. Their idea has been well received across the country. Their supporters top 800 grass roots organizations in 36 States, that range from school districts and administrators to the National Education Association, the National

Association of Counties, the United States Chamber of Commerce, organized labor, and other groups.

Their principles are embodied in H.R. 2389, the Secure Rural Schools and Communities Self-determination Act of 1999. As we consider this legislation today, we, as Members of this House, are faced with one overriding question: Who knows better what needs to be done to help forest-dependent communities in rural America, rural America, or Washington?

This bill is representative government at its best. Local leaders recognize that the compacts of 1908 and 1937 need to be strengthened for the short term to immediately arrest the decline in and stabilize the revenues derived from Federal forest lands until permanent improvements to existing law can be made.

They crafted their solution, garnered support from all regions of the country, and entrusted us to do the right thing.

The challenges facing forest counties are so dramatic and so widespread that soon after the House Committee on Agriculture unanimously approved H.R. 2389, several Members expressed a strong interest in the bill. The legislation was introduced by the gentleman from Georgia (Mr. DEAL) and the gentleman from Florida (Mr. BOYD), and I commend them for their initiative.

The gentleman from New York (Mr. BOEHLERT) and the gentleman from Oregon (Mr. DEFAZIO) became actively engaged, and spent countless hours working with us to ensure the compacts between the Federal government and the forest counties are honored.

The bill we consider today is the product of the locally-crafted solution and our intense interest to promote the interests of forest counties. H.R. 2389 establishes a temporary national safety net which ensures a stable payment to forest communities for the short term, while giving local communities and educators a direct stake in crafting a long-term policy that will put schoolchildren in forest communities on equal footing with their peers in other parts of the country.

Despite the overwhelming support for this bill, we do expect a poison pill amendment to be offered. The expected amendment will be dressed up to appear as a county-friendly amendment. We have talked it through with the counties, and they oppose this and all amendments, and support H.R. 2389 as it is finally crafted.

Time is of the essence. Forest counties cannot wait any longer. Key Senators have agreed to take this bill and use it as their vehicle in the Senate. We must oppose this and any other amendment, for quick passage in both the House and Senate. H.R. 2389 is strongly supported by the National Education Association and the National Association of Counties, two longtime advocates of rural education. They also oppose any amendments.

I hope that we will be fully committed to helping all the proponents of H.R. 2389, the most important being the families and communities of rural America. This bill helps rural America achieve what they have set out to achieve. It revitalizes their compact with the Federal government in a way that will truly benefit their children and maintain the ecological, social, and economic integrity of our forests and forest-dependent rural communities in both the short and long term.

Mr. Chairman, I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. STENHOLM. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2389, the County Schools Funding Revitalization Act of 1999.

The funding and day-to-day operation of schools and county governments located within our vast network of national forests present a unique situation for rural America. In fact, there are more than 800 rural communities that cannot include national forest lands in their taxable land base because the Federal government prohibits that option.

This limits a rural community's tax base, and presents a serious problem when 98 percent of an individual county's total land is located within the boundaries of a national forest.

In order to provide replacement revenue, Congress enacted a 25 percent receipt-sharing requirement in 1908 for national forest system land and a 50 percent receipt-sharing requirement in 1937 for Bureau of Land Management land. Over time, communities have understandably grown to depend on the 25 percent payment from the Forest Service, as well as the 50 percent payment from the BLM.

Faced with the stringent requirements of the National Environmental Policy Act and its judicial interpretations, there is not a single community within the national forest system that can rationally depend on timber harvest alone as a source of revenue for schools or county roads.

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The current situation in east Texas is a prime example. Prior to the August 16, 1999, a court injunction banning all timber sales in east Texas National Forest counties received more than $5.6 million from the 25 percent receipt sharing requirement in 1998 alone.

Under the serious stipulations of this court injunction, however, that figure will now be zero, placing unimaginable financial strain on school systems.

Mr. Chairman, this is not an isolated occurrence. School systems and local governments all over rural America are dependent on revenue from the National Forest System, but an injunction that prevents receipt sharing leaves these entities without the ability to do orderly budget planning.

H.R. 2389 and the substitute amendment to be offered by the gentleman from Virginia (Mr. GOODLATTE) are a good start towards correcting this situation. The Goodlatte amendment in the nature of a substitute improves upon the central goal of stabilizing the payment to schools and counties.

First, a full annual payment should be calculated by averaging the highest 3 years of the 25 percent payments between 1985 to 1999. The first portion of full payment would come from annual timber harvest, and the remainder of the full payment would come from appropriated funds. A similar formula is provided for BLM lands.

In addition, the Goodlatte substitute requires the counties to use a portion of their full payment to initiate local projects on Federal Forest land. By placing a 20 percent limitation on the use of the full payment, the counties are given incentives to organize and develop sustainable forest harvest plans. These plans will then be presented to the Secretary of Agriculture and the Secretary of the Interior for further consideration.

Mr. Chairman, there is an important connection between the viability of our rural communities and the vast resources that all citizens have a vested interest in protecting. This legislation allows local input in guiding the management of our National Forest lands for the communities and individuals who rely on them most. I encourage my colleagues to support passage of this legislation.

Mr. Chairman, I rise in support of H.R. 2389, the County Schools Funding Revitalization Act of 1999.

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I encourage my colleagues to support passage of this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. POMBO).

Mr. POMBO. Mr. Chairman, I thank the gentleman from Virginia (Mr. GOODLATTE) for yielding me this time.

Mr. Chairman, I rise in strong support of this legislation, and I would also like to thank my colleague, the gentleman from Virginia (Mr. GOODLATTE), for all of his hard work in putting together such a strong bill that enjoys wide bipartisan support.

This legislation also enjoys the support of the National Forest Counties and Schools Coalition, which represents 800 rural counties, 5,000 school districts and 1.2 million school children and includes an impressive and diverse array of interest groups representing education, labor unions, forest products, State and local governments and farm groups.

This bill will accomplish several important goals. First and foremost, it will stabilize the revenue sharing payments made by the Forest Service and Bureau of Land Management to counties with Federal lands.

It will help local governments and school districts restore the quality of education provided to the school children.

It will provide temporary relief to counties and school districts by authorizing a reliable and predictable level of payments. These payments will have the added advantage of neither encouraging the long-term reliance on appropriations nor discouraging the management of Federal lands in a manner that will generate revenues.

Lastly, it will facilitate the development of a long-term method of providing payments to States and counties by the Federal Government.

Mr. Chairman, this legislation will ensure that we continue to honor the commitment that we established with rural counties and schools: a commitment that dates back to 1908 when our National Forests were formed.

In addition to helping reverse the 10-year decline in forest reserve funds, it will allow counties and schools to restore many important school functions, such as hiring more teachers, reestablishing music and art programs, providing student transportation and purchasing library books. And, it treats all 800 counties that rely on National Forests very equitably.

This bill is incredibly important for the 1.2 million school children in rural forest-dependent counties, to help ensure that these children have the same quality of schools and education as other students do.

Finally, Mr. Chairman, I would note that this bill is a piece of win-win legislation of legislation for the forests, for the communities which depend on forests, and for the hard-working families that make up these communities. It authorizes forest improvement projects that will stimulate local economic growth while promoting forest improvements and it sets up a panel designed to help all of us look for the most effective ways of fostering and preserving this long-term relationship for the future.

Mr. STENHOLM. Mr. Chairman, I yield 6 minutes to the gentleman from Florida (Mr. BOYD).

Mr. BOYD. Mr. Chairman, I want to thank my colleague and my friend, the gentleman from Texas (Mr. STENHOLM), for yielding me this time.

Mr. Chairman, I rise in strong support of the Goodlatte substitute amendment to H.R. 2389, the County Schools Funding Revitalization Act of 1999. The issue of forest revenue payments by the Federal Government to local affected communities is very important to many communities across rural America and to a large portion of the Second Congressional District of Florida, which is a very rural district that encompasses 19 counties which has two national forests in it, the Apalachicola and the Osceola.

In fact, Mr. Chairman, I have been working on this issue for many years and even before I came to Congress when I was serving in the Florida State legislature. I am happy that this Congress is finally addressing and trying to solve this issue that affects so many communities across the Nation.

As has been said before, in 1908, the Federal Government entered into a compact with rural communities in which the government was the dominant landowner. Under this compact, counties with National Forest lands received 25 percent of the revenue generated from the forest lands to compensate them for diminished local property tax base. By law, these revenues finance public schools and local road infrastructure. However, in recent years, in the last 10 years, the principal source of these revenues has sharply curtailed due to changes in Federal forest management policy.

Those revenues, shared with States and counties, have declined significantly. As we know, payments to some counties have dropped to less than 10 percent of the historic levels under this compact, and the impact on rural communities and schools has been staggering. In fact, in the Apalachicola National Forest in North Florida the revenues have dropped 89 percent in the last 10 years. This decline in shared revenues has severely impacted or crippled educational funding and the quality of education provided and the services offered in the affected counties.

I will not detail all the various painful cuts that have been incurred by our communities and our schools, but I want to emphasize the severity of the actions that has been required. The most far-reaching and devastating impact of the declining revenues is the adverse effect on the future of our children. An education system crippled by such funding cuts cannot train our young people in the skills needed to join tomorrow's society as contributing, productive, taxpaying citizens. It is clear to me and many others that the compact of 1908 is broken and needs to be fixed immediately. That is why the gentleman from Georgia (Mr. DEAL) and I introduced the County Schools Funding Revitalization Act of 1999.

This legislation was based on principles that were part of a compromise agreement reached by the National Forest Counties and Schools Coalition. This bill is significant because it was developed not by a Washington-knows-best approach but from a bottom-up approach and based on a consensus of 800 groups from approximately 26 States, including school superintendents, county commissioners, educators, the National Education Association and the U.S. Chamber of Commerce.

In an effort to improve the bill's chance of passage and to be as inclusive as possible, the gentleman from Georgia (Mr. DEAL) and I began to work with key members of the Senate and with the gentleman from New York (Mr. BOEHLERT), the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from Virginia (Mr. GOODLATTE).

As many know, reaching a compromise with that group was no small accomplishment in itself. However, I honestly believe that we have come together and have improved this bill and in doing so have increased the chance of it becoming law.

This substitute contains three main provisions. First, it would restore stability to the 25 percent payment compact by ensuring a predictable payment level to forest communities for an interim 7-year period. That payment would be 80 percent of the highest of the 3-year average since 1984.

Secondly, counties would receive an additional 20 percent of the average amount described above for projects recommended by local community advisory committees, if approved by the Forest Service or the Bureau of Land Management. All projects would have to comply, as was said earlier, with all environmental laws and regulations, as well as all applicable forest plans.

Finally, the bill requires the Federal Government to collaborate with local community and school representatives as part of the Forest Counties Payment Committee to develop a long-term permanent exclusion that will fix the 1908 compact for the long-term.

I want to thank my four colleagues, my partner in writing this bill, the gentleman from Georgia (Mr. DEAL), the gentleman from Virginia (Mr. GOODLATTE), who has walked us through this maze, the gentleman from Oregon (Mr. DEFAZIO), who has been wonderful in helping us reach a compromise, along with the gentleman from New York (Mr. BOEHLERT), for their efforts to bring a piece of legislation that actually has a chance of becoming law.

In closing, the Federal Government must fulfill the promise made to these communities in 1908. I urge support of the Goodlatte substitute and opposition to any amendments that would upset this fine balance that has been achieved. Together we can fix the compact and restore long-term stability to our rural schools.

Mr. GOODLATTE. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. DEAL), the chief sponsor of the legislation on our side of the aisle.

Mr. DEAL of Georgia. Mr. Chairman, I thank the gentleman from Virginia (Mr. GOODLATTE) for yielding me this time.

Mr. Chairman, before I proceed, I would like to join in thanking those who have made this compromise as it comes to the floor today possible. First of all, to my original cosponsor, the gentleman from Florida (Mr. BOYD), who just spoke, his efforts and those of the gentleman from Virginia (Mr. GOODLATTE), as he has taken this legislation and worked with us; the gentleman from Oregon (Mr. DEFAZIO), the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. STENHOLM) and others on the Committee on Agriculture who have worked with us to bring this issue to the floor today.

We believe that the proposal that is before us is a reasonable, short-term solution to a problem that has continued to get worse over the years. As we have heard other speakers say, this legislation grows out of the existing law that was a compact arrangement beginning in 1908 for Forest Service counties and then in 1937 for those Bureau of Land Management counties, to share revenue generated from Federal lands with the local communities in which those lands are located.

We have heard the statistics that we have seen across the board on Forest Service lands, about a 70 percent decrease in some communities, as much as in excess of a 90 percent decrease in the revenue they were receiving to support their local school systems, road programs and so forth.

Let me give a dollar idea of how much that is. For Forest Service lands, the peak year was in 1989 when the revenue that was being shared was $1.44 billion. That dropped in 1998 to only $557 million.

On the Oregon and California receipts, they declined to $51 million in 1998 from the peak year of 1989 of some $235 million. So it is easy to see that when a revenue stream is reduced by more than 70 percent and sometimes more than 90 percent to local communities, the impact can be devastating.

We recognize that this legislation is not a long-term permanent solution. It has built into it a mechanism whereby we hope to arrive at that solution; a committee that is appointed, made up of local officials, Forest Service officials, Bureau of Land Management officials, who will study the issue and come back to Congress with a proposal.

As has already been indicated, this legislation is an outgrowth of the communities themselves asking us to take action. In March of this year, a national conference was held in Reno, Nevada, and out of that came the National Forest Counties and Schools Coalition, this 800-member group that we have heard referenced here. This legislation is in response to their request.

In conclusion, I would like to once again thank the gentleman from Virginia (Mr. GOODLATTE), and in particular all of our staffs who have worked diligently to bring this issue to the floor today. I would urge its adoption without amendment.

Mr. Chairman, thank you for providing me the opportunity to speak in support of the critical issue of county schools funding. We must support our rural schools and communities, and H.R. 2389 is an important effort for those with forest lands in their districts.

In the ninth congressional district I serve in Georgia, 15 of my 20 counties include national forest land. In fact, the Chattahoochee National Forest encompasses more than fifty percent of my district. Counties that have the largest amount of forest land in my district include Towns County with 64% and Rabun County with 63%. Such communities do not collect property taxes for these federal lands and greatly depend upon forestry resources for their schools and economies. Therefore, effective forest management is an issue of vital importance in rural areas such as mine, and there are multiple forest uses to consider (scenic areas, wilderness, timber production, recreation, and wildlife designation). As a Co-Chairman of the Forestry 2000 Congressional Task Force, I am working to provide balance between societal and environmental concerns and the timber industry, specifically in the areas of forest management and health, taxes, endangered species, property rights, funding matters, and public land revisions.

Additionally, nothing is more important to the future of our country than the opportunity for high quality education for all Americans. I believe in the value of education, and we must prepare our nation's children for the 21st century. As a member of the House Education and the Workforce Committee, I am actively involved in designing and examining legislation to benefit those who are closest to our nation's students. Those at the local level have the greatest responsibility in educating and preparing our children for the future.

While education is predominantly a state and local issue, many have taken the "Washington knows best" attitude and have attached endless strings to federal dollars. What I hear schools and educators really need is not more paperwork and red tape, but the flexibility to help children more efficiently. Thus, I have focused my attention on assisting state and local governments in providing a quality education for America's youth.

For too long, we have relied on Washington bureaucracies to solve our nation's problems. It is time to create a more rational approach in addressing issues at the federal level by basing decisions on what works back at home. With those thoughts in mind, I introduced with my colleague, Representative ALLEN BOYD, the County Schools Funding Revitalization Act of 1999 (H.R. 2389).

This legislation is a locally designed solution to the education funding shortages in communities dependent upon timber revenues. Specifically, in March of 1999, a national conference of organizations concerned about forest revenue sharing payments and rural socioeconomic stability convened in Reno, Nevada. From this conference emerged the National Forest Counties and Schools Coalition (NFCSC), a unique group of over 800 local, regional, and national organizations which share the common objective of strengthening and improving rural schools and forest dependent communities in both the short and long term. The NFCSC developed a set of joint principles to guide lawmakers in developing legislation to improve forest revenue sharing payments. I urge lawmakers to pay attention to these principals submitted from communities across the country as we work to address this issue.

As a matter of background, the National Forest System, managed by the U.S. Forest Service (USFS) within the Department of Agriculture, was established in 1907 and has grown to include 192 million acres of federal lands. In addition, the Bureau of Land Management (BLM) within the Department of the Interior manages over 2.6 million acres of federal lands.

The federal government recognized that, when it secured these lands in federal ownership, it deprived the adjacent counties of revenues they would have otherwise received if the lands were sold or transferred into private ownership. Accordingly, in 1908 Congress enacted a law providing that 25% of the revenues from National Forests be paid to the counties in which those lands were situated for the benefit of public schools and roads. Similarly, in 1937, Congress established that 50% of the revenues from the revested and reconveyed BLM lands be paid to the counties in which those lands were located for similar public purposes.

Since that time, counties adjacent to federal forests have relied on the compacts of 1908 and 1937 to help finance rural schools and roads and maintain a stable socio-economic infrastructure. In recent years, however, the principal source of these revenues, federal timer sales, has declined by over 70% nationwide, a. payments to many counties have dropped to less than 10% of their historic levels under the compact. The corresponding revenues shared with rural counties throughout the country have declined dramatically, crippling educational funding and severely eroding the quality of education offered to rural school children. Many have been forced to lay off teachers, bus drivers, nurses, and other employees; postpone badly needed building repairs and other capital expenditures; eliminate lunch programs; and curtail extracurricular activities. Further, local county budgets have been badly strained as communities have been forced to cut funding for social programs and local infrastructure to offset lost 25% payment revenues. As a result, rural communities are suffering severe economic downturns with increases in unemployment, family dislocation, domestic violence, substance abuse, and welfare enrollment.

In 1993, Congress enacted a partial response to this crisis by establishing a temporary safety net payment system for 72 counties in Oregon, Washington and Northern California, where federal timber sales were reduced by over 80% to protect the northern spotted owl. To date, Congress has not provided similar assistance to the other 730 counties across the nation, which have suffered similar hardships because of declining forest revenues.

The Goodlatte substitute to H.R. 2389, entitled the Secure Rural Schools and Community Self Determination Act, was developed with input and support from the National Forest Counties & Schools Coalition and is a unique compromise endorsed by over 800 education, labor, industry, and country government organizations. The bill would restore stability and predictability to the annual payments made to states and counties containing national forest system lands for use by the counties for the benefit of public schools, roads, and communities.

H.R. 2389 restores stability to the 25% payment compact by ensuring a predictable payment level to federal forest communities for an interim 7-year period. The measure also requires the federal government to collaborate with local community and school representatives to develop a permanent solution that will fix the 1908 compact for the long term.

It is my hope that members in Congress will respect the solutions and opinions of our local communities put forth by the National Forest Counties and Schools Coalition. By supporting and passing the Secure Rural Schools and Community Self Determination Act, together we can fix the compact and restore long-term stability to our rural schools and governments and the families that depend on them.

Again, thank you for the honor to speak today. I ask you to support your local and rural schools by voting for H.R. 2389.

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Mr. STENHOLM. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Chairman, I want to thank the gentleman from Texas (Mr. STENHOLM) for yielding the time and also for his leadership on the Committee on Agriculture in allowing us to pass this bill out of the committee and now bring it to the floor.

I also want to thank the many who have joined together, the gentleman from Florida (Mr. BOYD), the gentleman from Georgia (Mr. DEAL), and the others, the gentleman from Virginia (Mr. GOODLATTE) to be sure that we have a bill that we have reasonable expectations of seeing passed through the Congress, through the House, through the Senate.

I want to emphasize at the outset that this bill is a very carefully crafted compromise; and though there will be an amendment offered today, at least one, I want all of the Members of the House to understand that the efforts that have gone into crafting this compromise, this very delicate compromise, is very important to preserve, to ensure that this bill will be well received when it reaches the Senate.

This bill really arises out of a problem that has been growing for a number of years in many of our counties that are dependent upon revenues from our National Forest to support our county budgets and to support our school district budgets.

In my own case, in east Texas, where we have four National Forests, the problem has been particularly acute, because we have been under an injunction in east Texas that has, for almost 2 years now, halted all harvesting in our National Forest.

I think if we look at the situation in east Texas and all across the country, what we see is that our school districts and our county governments have been held hostage to the ongoing national debate over National Forest policy.

I think that it is time for us to let our counties and our school districts be free of the impact, the adverse impact of that national debate. This bill is designed to do that by providing a guaranteed level of funding from our National Forest for those forest dependent counties and school districts. This is a very real problem.

In fact, today we have with us here in the gallery two county judges from my own district, Judge Mark Evans and Judge Chris VonDoenhoff, who have fought the problems that have been brought about by the lack of revenues from our National Forest on their particular county budgets.

They were a part of the coalition of school districts and county officials that have worked to bring this bill to the floor, a coalition that has 800 different organizations supporting this legislation.

The counties that they represent each have lost significant dollars as a result of the injunction that now exists halting all harvesting of timber in our National Forests. In fact, when we compare the revenues that those two counties, Houston County and Trinity County, in east Texas received in 1996 to what they are receiving today, they have lost 90 percent of their revenues from the National Forest. So this is a very serious problem for all of the counties and school districts in areas where there are National Forests.

We talked to an individual today in one of our school districts who advised us of the hardship that they are feeling as a result of the loss of revenues. There was even an article in one of my local papers recently that talked about the fact that one of the school bus drivers is having to drive a broken down school bus solely because the school district had to lay off the mechanics that take care of the maintenance of the school buses because of the loss of Federal forest revenues.

So I am very pleased to be an original cosponsor of this bill. I am very pleased to have all of the Members that have joined with us on this compromise legislation. I think it is important for us all to understand that this is a bill that not only should be well received by those who are dependent upon forest revenues to operate their schools and their counties, but this is also a bill that should enjoy the support of the environmental community because it does have the effect of taking our school districts and our counties out of the middle of the national debate over National Forest management practices.

I think it is time to do this. Our school districts deserve this kind of protection. Our counties deserve the protection. In the long-term, I think it is the right thing to do for the country. I hope all the Members will reject any amendments, help us preserve this compromise and vote in favor of this very good piece of legislation.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mrs. EMERSON). The Chair will remind the Member not to refer to occupants of the gallery.

Mr. GOODLATTE. Madam Chairman, it is my pleasure to yield 5 minutes to the gentleman from New York (Mr. BOEHLERT), and to thank him for his hard work in fashioning the compromise that we have here today.

Mr. BOEHLERT. Madam Chairman, I want to thank the gentleman for yielding me this time and for his kind words.

Madam Chairman, I rise in support of H.R. 2389 as amended by the Goodlatte substitute. The Goodlatte substitute reflects many, many hours of tough negotiations, 7 hours on last Friday alone.

I want to thank all of the staff who worked on getting the details of this draft right. I especially wish to thank Greg Kostka of the Legislative Counsel's Office for his responsiveness and dedication. So often we fail to appreciate the talent and the professionalism of the Legislative Counsel's Office. I want to make certain that is acknowledged here and now.

I need to begin with two caveats about this agreement just so there is no risk of misunderstanding as we go through the remainder of the legislative process. This substitute is a reasonable agreement. But it represents just about as far as we can possibly compromise on this issue. If the other body changes anything at all in this bill, we are under no obligation whatsoever to accept those changes, nor are we under any obligation to support a bill that supports those changes. We should be willing, as we always must be, to look at changes. But keep in mind that any changes would unnecessarily threaten the House coalition that is supporting the Goodlatte amendment. That needs to be clear.

There is, however, one change that all House supporters agree that the other body has to make. The Goodlatte substitute uses appropriations to fund county payments. The final bill will have to use mandatory funds for that purpose.

I would point out that previously in the well the distinguished gentleman from Ohio (Mr. REGULA), the chairman of the Subcommittee on Interior of the Committee on Appropriations, addressed this subject very eloquently and articulately. Let me repeat, the final bill will have to use mandatory funds for that purpose.

I know that that is the intention of all the supporters of this bill. Unless this becomes a mandatory spending bill, this legislation would threaten both the guaranteed payment to the counties, and we do not want to do that, and other Forest Service appropriations, which might be cannibalized to provide the guaranteed payment, something that I would oppose vehemently.

So, too, I point out, do my friends associated with the League of Conservation Voters who, in a mailing to all Members, addressed that point. They happen to be right on that point. We are working together with them.

With those caveats, I do urge my colleagues to support this substitute and to oppose all amendments.

The substitute ensures that schools and areas with National Forests will have a generous stream of Federal funding. Like all other versions of this bill, the substitute provides counties with full payment equal to 100 percent of the average payment received during the top 3 years between 1984 and 1999. Again, this is quite generous. But I do not mind being generous with education. That is a wise investment in our future.

The substitute protects the counties while also protecting our National Forests, which were needlessly put at risk in some other versions, early incantations of this bill. The substitute accomplishes that by adding environmental safeguards to title II of this bill, something that the gentleman from Oregon (Mr. DEFAZIO) pointed out, which requires counties to spend money on projects in National Forests instead of just applying the money to the traditional purposes of roads and schools.

The substitute makes clear that the Federal Government decides whether proposed projects can go forward, and that that decision is made only after completing the usual environmental analyses. The projects must comply with all Federal laws. The Secretaries of Agriculture and Interior alone have the power to reject a proposed project, but approved projects are subject to all the standard appeals and reviews. That is very important to emphasize.

In short, the bill now clearly lays out the role of the counties, the advisory board, and the Secretaries, and makes clear that these projects are to be treated just as if they had originated with the Secretaries.

The substitute also eliminates the incentives to use project funds to harvest trees. Under earlier versions of this bill, the counties and the Forest Service each would have received 50 percent of the timber receipts, thereby recoupling the counties' treasuries to forestry payments, that is something we do not want to do, as well as creating an enormous incentive to choose timber harvesting over other such sorts of projects, such as ecosystem restoration. That was totally unacceptable.

Under the substitute, all the receipts from the program will go into special funds in each region to which counties may apply to projects, and those funds will return to the general fund of the Treasury at the end of fiscal 2007.

Madam Chairman, we believe this substitute has eliminated the provisions of the bill that would have been of greatest detriment to the environment.

Again, I thank the gentleman from Virginia (Mr. GOODLATTE), chairman of the Subcommittee on Department Operations, Oversight, Nutrition, and Forestry, for his willingness to negotiate. I urge that the House pass this substitute and oppose all amendments thereto.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Madam Chairman, I thank the gentleman from Texas for yielding me the time.

Madam Chairman, this is a compromise that has been in the making for some time. It is a compromise that has come with a lot of people coming to the tables and a lot of variance of it. But it also, I think, is exemplary what we can do when we set our mind to do it.

Now, this is not a permanent fix, though it is, indeed, a reasonable and celebrated victory to move this forward and to make sure that school systems that are in these areas where there are large holdings of Federal lands are not put at the mercy of how we make these decisions, nor should it be seen as a substitute to put the environment at the risk of having to fund our schools.

So this is why we celebrate the compromise. It recognizes both of those forces are good, that the environment, protecting our forest is good, but equally as important is making sure that the children in rural area have an opportunity for the education that they, not choosing, but live in communities that are heavily dependent on lands that are held by the Federal Government.

So I want to urge that we support this bill and also hold this process that is perhaps a process that we can look at other difficult issues to try to work out a compromise.

Mr. GOODLATTE. Madam Chairman, it is my pleasure to yield 2 minutes to the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN of Oregon. Madam Chairman, I rise in support of H.R. 2389, a bill that will provide much needed financial security for our rural communities and schools that have been so hard hit by the decline in timber production on our Nation's forests.

In 1908, Congress recognized that the Federal Government's control of the huge amount of untaxed land in rural areas would have a serious negative impact on the ability of rural counties to maintain schools and other basic services. Congress enacted a law to pay 25 percent of the revenues from National Forests to the local counties so they can provide for their schools and their roads.

So how does Federal land control affect a county today? Let me give my colleagues a couple of examples. Lake County, in rural southeastern Oregon, is larger than the State of New Jersey, and four times the size of Delaware. About three-quarters of the county is controlled by the Federal Government. So what do my colleagues think would happen to Delaware or New Jersey if three-quarters of their tax roll was eliminated and three-quarters of their land was handed over to the Federal Government? I think they would have problems meeting the bottom line just as Lake County does.

I asked Lake County Commissioner Jane O'Keefe what this legislation will mean to her county. She said that, if the bill becomes law, the county would be able to again adequately maintain one of its most important investments, that of its infrastructure of its roads and its schools. It will keep the critical linkage between Lake County and the Federal forests that lie within its boundaries. It will provide Lake County with a temporary solution to the fiscal crisis that many rural counties are facing in maintaining infrastructure while creating a process to permanently address the county payments issue.

Grant County Judge Dennis Reynolds told me that, in 1992 and 1993, Grant County received $12 million. Last year, they received less than $1.5 million. Next year they are expected to receive only a million.

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With a tenth of the receipts they received just 7 years ago, Judge Reynolds said Grant County is not doing any new contribution or reconstruction of their roads; they are simply trying to maintain the roads they currently have. I could cite similar examples in the other 18 counties in my district. This legislation is good for our schools, it is good for our counties, it is good for our communities.

I want to thank the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Oregon (Mr. DEFAZIO), and all my colleagues who stayed at the table and made this legislation possible.

Mr. STENHOLM. Madam Chairman, I yield 1 minute to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Madam Chairman, I thank the gentleman for yielding me this time, and I would first like to commend my colleagues, the gentleman from Texas (Mr. STENHOLM), the gentleman from Florida (Mr. BOYD), the gentleman from Georgia (Mr. DEAL), the gentleman from Virginia (Mr. GOODLATTE), the gentleman from Colorado (Mr. UDALL), and the gentleman from Texas (Mr. TURNER) for their work on this bill.

The purpose of this bill is to more adequately compensate counties for the losses that they sustain at the expense of the Forest Service or the Bureau of Land Management-owned lands. Schools, local roads and county budgets should not suffer because national forest lands lie in their county.

This bill sets an important precedent that Congress must follow in the future. If the Federal Government owns land in a particular locality, we should see to it that these counties receive funds to make up the lost property tax base.

My home county of Arkansas County in Southeast Arkansas receives a payment in lieu of taxes from the U.S. Fish and Wildlife Service. While the structure of these payments is not affected by this bill, the bill makes the point that all counties containing Federal land should be sufficiently compensated. Parts of the St. Francis National Forest and the Ozark National Forest do lie in my district, and those counties will benefit from this bill.

Madam Chairman, we should vote to pass this bill.

Mr. GOODLATTE. Madam Chairman, I yield 1½ minutes to the gentleman from Louisiana (Mr. COOKSEY).

Mr. COOKSEY. Madam Chairman, I rise in support of H.R. 2389. Rural communities that depend on national forest receipts to fund education are facing a crisis. By law, the Forest Service must share 25 percent of national forest revenues with the counties in which they are generated as a "payment in lieu of property taxes." This payment is used to fund local schools and roads.

However, severe declines in forest receipts over the last several years have drained school budgets in hundreds of rural counties, forcing deep cuts in education programs and bringing some school districts to the brink of collapse. Schools have canceled classes, cut teachers, eliminated extracurricular activities, and cut corners in every conceivable way to keep their doors open.

Recently, rural communities from all over America have come together in a unique coalition, the National Forest Counties and Schools Coalition, a unique and diverse grass roots coalition of over 550 local and national organizations representing rural communities in 36 States. This coalition has come together to address this serious problem.

Their proposal, H.R. 2389, the County Schools Funding Revitalization Act of 1999, will stabilize funding for forest-dependent schools and allow rural communities to help craft a new Federal policy that will strengthen and improve education in forest communities for the long term.

H.R. 2389 is strongly supported by the U.S. Chamber of Commerce and the National Association of Counties. I join them in supporting H.R. 2389.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Madam Chairman, I thank the gentleman for yielding me this time, and I thank my colleagues for all their hard work on this important piece of legislation.

When the Federal Government decided to reclaim the Oregon and California Railroad grant lands in 1916 and 1919, the Government took on a responsibility and made a promise to reimburse those counties that lost their tax base after these lands were reclaimed by the Federal Government. These counties, including six in my district, expend their local tax revenues on efforts that directly affect these Federal lands and the people that use them.

But times have changed, people's attitudes have changed, and the way we manage our lands have changed. We realize that logging at will impacted our lands and clean water. The logging of the 1980s, that saw extensive revenue brought into my district for schools and roads, are long gone. Over the last 10 years, I have seen class sizes grow, teachers, after-school programs and many other services reduced or eliminated because, without the timber receipts, we simply did not have the additional money for education and infrastructure.

In 1993, Congress recognized this trend and enacted an alternative safety net payment to 72 counties in Oregon, Washington, and California. Federal timber sales have been restricted or prohibited due to protection of certain species under the Northwest Forest Plan. This safety net is expected to expire in 2 years. This is not just a problem in the Northwest. This affects over 800 counties throughout the country from Oregon to Florida.

The children in these 800 counties, including six in my district, deserve the same opportunity and the same quality of schools and education opportunities as the rest of America. We made a promise to them. We must extend the safety net for an additional 4 years while we work with these communities to draft a permanent solution to fund infrastructure and, most importantly, our schools.

I hope my colleagues will join me in voting "yes" for education and voting "yes" on this bill.

Mr. GOODLATTE. Madam Chairman, I yield 2 minutes to the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Madam Chairman, I want to tell my colleagues about Mariposa County, where I was born and raised. It has a single school district within it struggling to make ends meet for about 2,600 students. Arts programs for children have been cut back, six of the districts schools do not have a lunchroom where the children can eat, 60 percent of Mariposa County school buildings are modular, temporary structures, and the school district's bus fleet is rapidly aging.

Such decay is due in part to a lack of management on the national forests. Over the past decade, Mariposa County has gone from generating $800,000 each year from the receipt program to less than $100,000 as a result of diminished forest management.

Mariposa County's resources are Federal lands, so the county is unable to generate a sufficient tax base. It, therefore, relies on funds derived from the receipt program. It is vital that Congress pass H.R. 2389, which creates a system to encourage rural forest communities to be self-sufficient and provide funding for schools in these areas.

Approval of H.R. 2389 is also necessary to prevent the administration from implementing its plan to remove economic incentives to rural communities by decoupling forest receipts and giving direct payments to counties that are not linked to forest management. The loss of the 25 percent receipts would further devastate rural schools and their already economically ailing communities experiencing decreased forest management.

The economies of some rural communities, in Northern California in particular, depend almost entirely on the management of forest. In the absence of receipts, the areas have little else except government welfare upon which to survive. The County Schools Funding Revitalization Act is needed to establish a stable system of funds to provide a solid future for rural schoolchildren.

I strongly support H.R. 2389 on behalf of the rural children throughout my district who simply have had enough cuts in their schools and must be afforded the opportunity to receive the best education possible.

Mr. STENHOLM. Madam Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Madam Chairman, I thank the gentleman for yielding me this time. This is very important legislation before this body, and we are hearing from Members coast to coast on what this means to people in their home States and their counties, particularly to smaller rural school districts and rural counties where there is little other economic opportunity and where the county property tax bases are not sufficient.

In my district it is doubly important. We have not only Forest Service lands, we have something called the O and C lands. More than half of my district is owned by the United States Government. And with the changes that have come about in forest management in the last few years, the revenues to those counties have dropped off dramatically, or would have dropped off dramatically, had we not gotten a guarantee in 1993 when the Clinton forest plan was put into place. That plan expires in the year 2003, and each year under that plan we get fewer revenues.

If this legislation passes today and becomes law, those revenues will immediately increase, and that will mean more funding for schools, that will mean more funding for rural law enforcement, that will mean some additional funds to meet unmet road maintenance and repair needs across southwest Oregon. Those are important programs.

This is legislation that has tremendous merit. As I mentioned earlier, for my colleagues who do not have these sorts of Federal lands, if they can think of it in the way we have dealt with base closings in this Congress; that when Federal bases are closed, payments are made into those communities for the conversion of their economies; and often, again, those bases revert to those local communities.

Again, I am not, nor would I ever suggest, and I will adamantly oppose, any return of these lands to the States or local governments. I believe they are best managed in the Federal interest. But there is no option to raise revenues off of these lands. And some of the things that were mentioned earlier, in terms of recreation and all that, yes, in fact, the recreation can possibly be enhanced by some of these local projects, investments can be made. I have a bicycle path created between two formerly timber-dependent communities in the southern part of my district. It is beginning to attract additional tourism and economic development to that area. But much, much more can be done.

The payments that were to be made for the transition under the President's forest plan were not adequate for many of these rural economies. Our rate of unemployment in Oregon is one of the highest in the United States. And in rural Oregon it is among the highest in the United States. We need a little bit more help, and this bill will provide that additional help.

So I would recommend this bill to my colleagues, not just because it benefits the people of Oregon but because it benefits hundreds of counties all across America and from a wide breadth of folks on both sides of the aisle, whose voices I think we are hearing asking for their colleagues' support.

Mr. GOODLATTE. Madam Chairman, I yield 3 minutes to the gentleman from California (Mr. OSE).

Mr. OSE. Madam Chairman, I thank the gentleman for yielding me this time, and I rise today in strong support of the County Schools Funding Revitalization Act.

Back in my home district, I have heard firsthand the worries of educators about the lack of funding in their school districts. My good friend, Mr. Bob Douglas, the superintendent of schools in Tehama County, recently shared with me information about deteriorating conditions in Tehama's school system. And they are bad. Teachers have been laid off, causing increases in classroom size; some school bus services have been discontinued, leaving children stranded at the beginning or end of the day and parents forced to either delay going to work or to come home from work to take them home. Textbook budgets have been slashed, vocational training restricted, counseling programs reduced, and that single most valuable piece of our educational system, the library, has had its hours curtailed.

Virtually every part of the school system in forest counties, like many of mine, have been affected by the reductions in this funding. And this is not restricted to Tehama County. I have also heard from folks in Butte, Colusa, and Glenn Counties. Parents and teachers who every day see the impact of reduced funding on our children have stressed to me the urgency of this matter.

We spend a lot of time here throwing rhetoric back and forth across that center aisle. We argue about who is spending more on education and who is spending less. Well, my colleagues, now is the time to put our money where our mouth is. This bill will help level the playing field between children of rural counties and those who live in cities so that every child, regardless of where they live, has the opportunity to meet the expectations and expand the horizons that their parents hold so dear.

This bill will help ensure that the local communities who have fallen on hard times in recent years have the funding to provide an adequate education for that most valuable resource, that one thing we all live and breathe for every day, that being for our children. My colleagues, we cannot let down our children from America's rural areas. We must continue to make education a priority.

Please join me in voting "yes" on the County Schools Funding Revitalization Act.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentlewoman from Georgia (Ms. MCKINNEY).

Ms. MCKINNEY. Madam Chairman, right now the United States Government is destroying public land at a loss of $300 million per year to taxpayers. That is a lot of money to spend on the destruction of our national forests.

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Some of my colleagues say that if we do not expand our corporate welfare to the timber industries, there will be no money for our Nation's children. That is like robbing Peter to pay Paul. Timber sales have been decreasing and the money for rural schools is on the decline. We need to provide a real solution to the problem, not a false choice between trees or schools.

Supporters of this bill say we need to address the declining rate of funding for schools. Yet 13 States will experience a permanent reduction in education and infrastructure funding under this bill. The fact is we can afford to give our rural schools the funding they need and deserve, but we must separate funding to rural countries from timber receipts.

I am a strong supporter of rural education. I ask my colleagues that if they are true supporters of rural education, then give students what they need, payments that are not dependent upon fluctuating timber sales. Our children deserve a steady supply of funding and a healthy environment. This bill provides neither.

This bill was not written to help students. It actually scratches the back of the timber industry. The National Forest Protection and Restoration Act provides for rural counties by offering them guaranteed annual funding. Counties would no longer have to depend on the Forest Service for what they need. They would have a budget that allows them to plan for the future. They would no longer have to clearcut for our kids.

It seems that the supporters of this bill cannot see the students through the trees, so their solution is to chop the trees down. We are talking about the future of our Nation's children. Let us give them what they need without pandering to big business.

I support a no vote on H.R. 2389.

Mr. STENHOLM. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I would just say that we have heard the term used over and over by speaker after speaker on both sides of the aisle that this is a reasonable short-term solution, it is a compromise, there has been a good-faith effort put forward by those who have worked very hard on this legislation they bring to us today; and, as indication of that, whereas when we started the administration was threatening to ask for a presidential veto of this legislation, they have withdrawn that threat.

There is still opposition from the administration for the bill, but we are making good progress; and I believe that it is very highly probable that this can become law.

Madam Chairman, I yield back the balance of my time.

Mr. GOODLATTE. Madam Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Madam Chairman, I thank the gentleman for yielding me the time, and I rise to support this legislation.

Madam Chairman, I think it is important, because for the first time in a long time, there is a realization that we own a lot of this country. We own a third of America, we, the national taxpayers.

In my view, there has been a real insensitivity toward Federal policy and how it impacts rural America. And that is the problem that we are finally facing up to today. It is a matter of when we change the Federal land use policies and counties and States are predominantly opened by the Federal Government, it has a huge impact on the economic base and the quality of life in those communities.

I am here to say that I think the Congresses in the past and administrations have been very insensitive to the impact on rural America.

Why do we own a third of this country? For a number of reasons. So that we have land for recreation. So that we have land for wilderness areas. So that we have land for people to hunt and fish and recreate on. Also, it was purchased so that we would have the natural resources that we have that would be well managed and that would be available for the future.

Now, somehow all that got mixed up by legislators and administrations and this whole policy kind of got thrown out of the window, that part of the reason that we own a third of this country is that we have resources for our future and the multi-use prospect was kind of thrown out, the baby with the bath water. I think that is the discussion that needs to be clear today and precise, that we are here today.

Now, we are going to help fix schools. We are going to help fix local roads. But the loss of those industries that used natural resources are still gone, and that base out there is still very fragile.

I urge Members of Congress, because so often I have ended up debating suburbanites who come from suburbia and urban areas who have little sensitivity towards rural America, that out in rural America we cut timber, we drill for oil, we dig for coal, we mine natural resources, and we farm and we manufacture.

When they take over half of that away from us, and we have counties and States that are predominantly owned by Government, and the Government changes its policies quickly, we have huge impacts on the quality of rural life and the opportunities that are there. There is enough land for all. If we manage it well, if we used good sound science, our future can be strong.

I wish we could get by this debate that cutting down a tree is some moral act. It is the one most renewable resource we have in America. Well-managed forests will produce logs forever. Our great grandchildren will be logging on the same forests that we log on if it is done right. It is a resource.

So I am pleased today that there is finally a realization that Federal policies have had an impact on rural America and it has not been good.

Mr. GOODLATTE. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I first want to refute the statement made by the gentlewoman from Georgia (Ms. McKINNEY) a little while ago that 13 States were going to lose funding or have reduced funding as a result of this legislation. Nothing could be further from the truth.

Forty-six States and Puerto Rico will receive increases in funding under this legislation, including the State of Georgia, from which the gentlewoman hails, which will receive an 87 percent increase. No States will receive a reduction. Four States will be level-funded under this legislation.

Some of the increases, to give my colleagues an example, Alaska will receive a 204 percent increase, Arizona a 264 percent increase, California a 93 percent increase, Florida a 125 percent increase, Georgia an 87 percent increase, Indiana an 185 percent increase, Missouri a 103 percent increase, New Mexico a 173 percent increase, New York a 212 percent increase, Ohio 1,203 percent increase, South Carolina 226 percent increase. The list goes on and on. Many, many States will receive substantial increases. No State will be cut as a result of this legislation.

Secondly, it is important to note that the amendment that is about to be offered is a poison pill amendment. I urge my colleagues to oppose it.

I would call to their attention the organizations that are a part of the National Forest, Counties, and Schools Coalition that opposes this legislation and want to see more funds get into rural schools.

The Alliance for America, the American Association of Educational Service Agencies, and the American Association of School Administrators support this legislation and oppose the poison pill amendment.

The Forest Products Industry National Labor Management Committee; the Independent Forest Products Association; the International Association of Machinists and Aerospace Workers; the National Association of Counties; the National Association of County Engineers; the National Education Association; Organizations Concerned About Rural Education; the Paper, Allied Industrial, Chemical, and Energy Workers International; People for the U.S.A.; the Southern Forest Products Association; the United Brotherhood of Carpenters and Joiners of America; the United Mine Workers of America; the United States Chamber of Commerce; and the Western Council of Industrial Workers, just to name a few of the more than 800 organizations in 39 States which support this legislation and oppose any amendments thereto.

I urge my colleagues to support this legislation.

Mr. VENTO. Madam Chairman, I rise in opposition to this legislation. H.R. 2389 followed a flawed path since its inception, both in the development of its policy and in the secrecy with which its language was closely guarded until early this week. The underlying goal behind H.R. 2389 was to establish an interim procedure that would provide more money to rural counties for education and road building. This was to make up for reduced payments to the Twenty-Five Percent Fund because of decreases in timber harvesting over the past decade. Unfortunatley, there is nothing interim about this legislation. It establishes a multi year program that increases logging in our National Forests and further solidifies a pattern created at the beginning of the century that educated our children at the expense of environment. Sacrificing their natural heritage isn't necessary today so as to asssure an investment in their future and a sound educational opportunity.

H.R. 2389 had the potential to reverse Twenty-Five Percent Fund's century long destructive path by creating a program that decouples county payments tied to the amount of timber harvested from public lands. Instead, this legislation gives counties some of the highest timber payments ever and yet encourages them to harvest already thinned forests in a potentially unsustainable manner. This legislation should have broken that policy and spending pattern. Instead, it enshrines it. This country should educate our children about protecting the environment, not educate our children at its expense.

H.R. 2389 establishes a special community projects program in Title II, but its method of implementation will unknowingly to most create a tenuous relationship between federal land managers and the counties who will manage Federal lands through Title II projects. These projects will reduce funds going to rural governments and school systems by requiring that 20 percent of the county payments be spent on local forest management projects. The profits from these projects will then be funneled into a special projects account to be spent on more of these projects, thus creating an everlasting sort of synergistic logging effect. If the overall goal of this legislation is aid our rural schools and counties, then I hope that this House will at least use common sense and give all counties the option to use up 20 percent of their funds on these special projects instead of requiring that they use 20 percent of their funds only on special projects.

This interim legislation establishes a working advisory group whose goal is to solve the county payment issue. Unfortunately, Title III attempts to reinvent Government by creating a top heavy advisory panel that fails to represent all interests involved in the formulation of a new program. When we look down the road nearly a decade from now, after this legislation sunsets, the Forest Service Chief should have, in his hands, the advisory panels recommendation. Will he act on it? Who knows? The chief is certainly not bound to. The advisory panel, for all its bells and whistles, in effect, serves little purpose and most likely will accomplish nothing. The Forest Service has no compelling reason to accept their recommendation, and, frankly, when I look at the make up of the panel, it's not likely to come up with recommendations that are balanced.

This body must comprehensively revise the county payments issue and decouple all payment to counties from timber production, and understand that the issue is how and if to make this program a permanent mandatory appropriation. The framework for this solution has already been laid. This body must build the structure into a working program that benefits our counties, our forests and our children.

It was my hope that this legislation would come to the floor today. Many of us went into this week with blinders over our eyes. We were given little opportunity to review this legislation and determine innovative solutions to correct this complex issue. H.R. 2389 is a flawed proposal that takes an antiquated approach to providing counties funds for education and road building at the expense of our National Forests. Proponents want to keep their cake and eat it too. This legislation is promoting a century old program at a time when the Forest Service is managing our forests in a progressive, ecological sound and scientific manner. Everyone in this body recognizes the need for the education of our young. Should it come at the expense of our environment when there are sound proposals already on the table for the House to consider? The short answer to this is no. We are one of the richest nations in the world and this sends a signal that we cannot afford to properly educate our children without using the slash and burn techniques of years past. I urge my colleague to vote no on this legislation.

Mr. STUPAK. Madam Chairman, the bill before us today, H.R. 2389, the County Schools Funding Revitalization Act, is important to the people and communities of Northern Michigan.

Much of my congressional district lies in the Ottawa, and Hiawatha, National Forests. Forest products are my district main industry, and they have a great financial, environmental, cultural, historical and recreational impact on my constituents.

My constituents depend on strong, vibrant national forests. We have been good stewards of our land and its natural resource; the forests depend on us for nurturing and protection.

This proper stewardship helps both the economy and the environment. Continued timber sales help in guaranteeing the future health of our national forests.

Since 1991, more trees die and rot each year in national forests than is sold for timber. I doubt if anyone in this chamber would view this as a proper and efficient use of our resources.

Since the Federal government does not pay property taxes on its own lands, the several counties in my district with national forest lands depend on the 25-percent payments in order to provide essential services such as education, law enforcement, emergency fire and medical, search and rescue, solid waste management, road maintenance, and other health and human services.

The forest industry is one of the top employers in my district. Overall, Michigan generates over $90 million in timber-based employment. My district has been suffering from high unemployment. The financial guarantee and funding stability provided by this legislation will help the economy of Northern Michigan.

While I would like to see higher levels of funding in this bill for Region Nine of the Upper Midwest, I also accept the need to provide stable levels of funding for our communities and for our schools.

Madam Chairman, I urge my colleagues to support H.R. 2389.

The CHAIRMAN pro tempore (Mrs. EMERSON). All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1, modified by the amendments printed in House Report 106–437, is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute, as amended, is as follows:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Secure Rural Schools and Community Self-Determination Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.

TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS

Sec. 101. Determination of full payment amount for eligible States and counties.
Sec. 102. Payments to States from Forest Service lands for use by counties to benefit public education and transportation.
Sec. 103. Payments to counties from Bureau of Land Management lands for use to benefit public safety, law enforcement, education, and other public purposes.

TITLE II—LOCALLY INITIATED PROJECTS ON FEDERAL LANDS

Sec. 201. Definitions.
Sec. 202. General limitation on use of project funds.
Sec. 203. Submission of project proposals by participating counties.
Sec. 204. Evaluation and approval of projects by Secretary concerned.
Sec. 205. Local advisory committees.
Sec. 206. Use of project funds.
Sec. 207. Duration of availability of a county's project funds.
Sec. 208. Treatment of funds generated by locally initiated projects.

TITLE III—FOREST COUNTIES PAYMENTS COMMITTEE

Sec. 301. Definitions.
Sec. 302. National advisory committee to develop long-term methods to meet statutory obligation of Federal lands to contribute to public education and other public services.
Sec. 303. Functions of Advisory Committee.
Sec. 304. Federal Advisory Committee Act requirements.
Sec. 305. Termination of Advisory Committee.
Sec. 306. Sense of Congress regarding Advisory Committee recommendations.

TITLE IV—MISCELLANEOUS PROVISIONS
Sec. 401. Authorization of appropriations.
Sec. 402. Treatment of funds and revenues.
Sec. 403. Conforming amendments.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The National Forest System, which is managed by the United States Forest Service, was established in 1907 and has grown to include approximately 192,000,000 acres of Federal lands.

(2) The public domain lands known as revested Oregon and California Railroad grant lands and the reconveyed Coos Bay Wagon Road grant lands, which are managed predominantly by the Bureau of Land Management were returned to Federal ownership in 1916 and 1919 and now comprise approximately 2,600,000 acres of Federal lands.

(3) Congress recognized that, by its decision to secure these lands in Federal ownership, the counties in which these lands are situated would be deprived of revenues they would otherwise receive if the lands were held in private ownership.

(4) Even without such revenues, these same counties have expended public funds year after year to provide services, such as education, road construction and maintenance, search and rescue, law enforcement, waste removal, and fire protection, that directly benefit these Federal lands and people who use these lands.

(5) To accord a measure of compensation to the affected counties for their loss of future revenues and for the critical services they provide to both county residents and visitors to these Federal lands, Congress determined that the Federal Government should share with these counties a portion of the revenues the United States receives from these Federal lands.

(6) Congress enacted in 1908 and subsequently amended a law that requires that 25 percent of the revenues derived from National Forest System lands be paid to States for use by the counties in which the lands are situated for the benefit of public schools and roads.

(7) Congress enacted in 1937 and subsequently amended a law that requires that 50 percent of the revenues derived from the revested and reconveyed grant lands be paid to the counties in which those lands are situated to be used as are other county funds.

(8) For several decades during the dramatic growth of the American economy, counties dependent on and supportive of these Federal lands received and relied on increasing shares of these revenues to provide educational opportunities for the children of residents of these counties.

(9) In recent years, the principal source of these revenues, Federal timber sales, has been sharply curtailed and, as the volume of timber sold annually from most of the Federal lands has decreased precipitously, so too have the revenues shared with the affected counties.

(10) This decline in shared revenues has severely impacted or crippled educational funding in, and the quality of education provided by, the affected counties.

(11) In the Omnibus Budget Reconciliation Act of 1993, Congress recognized this trend and ameliorated its adverse consequences by providing an alternative annual safety net payment to 72 counties in Oregon, Washington, and northern California in which Federal timber sales had been restricted or prohibited by administrative and judicial decisions to protect the northern spotted owl.

(12) The authority for these particular safety net payments is expiring and no comparable authority has been granted for alternative payments to counties elsewhere in the United States that have suffered similar losses in shared revenues from the Federal lands and in the educational funding those revenues provide.

(13) Although alternative payments are not an adequate substitute for the revenues, wages, purchasing of local goods and services, and social opportunities that are generated when the Federal lands are managed in a manner that encourages revenue-producing activities, such alternative payments are critically needed now to stabilize educational funding in the affected counties.

(14) Changes in Federal land management, in addition to having curtailed timber sales, have altered the historic, cooperative relationship between counties and the Forest Service and the Bureau of Land Management.

(15) Both the Forest Service and the Bureau of Land Management face significant backlogs in infrastructure maintenance and ecosystem restoration that are not likely to be addressed through annual appropriations.

(16) New relationships between the counties in which these Federal lands are located and the managers of these Federal lands need to be formed to benefit both the natural resources and rural communities of the United States as the 21st century begins.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide Federal funds to county governments that are dependent on and supportive of the Federal lands so as to assist such counties in restoring funding for education and other public services that the counties must provide to county residents and visitors;

(2) to provide these funds on a temporary basis in a form that is environmentally sound and consistent with applicable resource management plans;

(3) to facilitate the development, by the Federal Government and the counties which benefit from the shared revenues from the Federal lands, of a new cooperative relationship in Federal land management and the development of local consensus in implementing applicable plans for the Federal lands;

(4) to identify and implement projects on the Federal lands that enjoy broad-based local support; and

(5) to make additional investments in infrastructure maintenance and ecosystem restoration on Federal lands.

SEC. 3. DEFINITIONS.

In this Act:

(1) FEDERAL LANDS.—The term "Federal lands" means—

(A) lands within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)); and

(B) the Oregon and California Railroad grant lands revested in the United States by the Act of June 9, 1916 (Chapter 137; 39 Stat. 218), Coos Bay Wagon Road grant lands reconveyed to the United States by the Act of February 26, 1919 (Chapter 47; 40 Stat. 1179), and subsequent additions to such lands.

(2) ELIGIBILITY PERIOD.—The term "eligibility period" means fiscal year 1984 through fiscal year 1999.

(3) ELIGIBLE COUNTY.—The term "eligible county" means a county or borough that received 50-percent payments for one or more fiscal years of the eligibility period or a county or borough that received a portion of an eligible State's 25-percent payments for one or more fiscal years of the eligibility period. The term includes a county or borough established after the date of the enactment of this Act so long as the county or borough includes all or a portion of a county or borough described in the preceding sentence.

(4) ELIGIBLE STATE.—The term "eligible State" means a State that received 25-percent payments for one or more fiscal years of the eligibility period.

(5) FULL PAYMENT AMOUNT.—The term "full payment amount" means the amount calculated for each eligible State and eligible county under section 101.

(6) 25-PERCENT PAYMENTS.—The term "25-percent payments" means the payments to States required by the 6th paragraph under the heading of "FOREST SERVICE" in the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

(7) 50-PERCENT PAYMENTS.—The term "50-percent payments" means the payments that are the sum of the 50-percent share otherwise paid to a county pursuant to title II of the Act of August 28, 1937 (Chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), and the payment made to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f-1 et seq.).

(8) SAFETY NET PAYMENTS.—The term "safety net payments" means the payments to States and counties required by sections 13982 or 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS

SEC. 101. DETERMINATION OF FULL PAYMENT AMOUNT FOR ELIGIBLE STATES AND COUNTIES.

(a) CALCULATION REQUIRED.—

(1) ELIGIBLE STATES.—The Secretary of the Treasury shall calculate for each eligible State an amount equal to the average of the three highest 25-percent payments and safety net payments made to that eligible State for fiscal years of the eligibility period.

(2) BLM COUNTIES.—The Secretary of the Treasury shall calculate for each eligible county that received a 50-percent payment during the eligibility period an amount equal to the average of the three highest 50-percent payments and safety net payments made to that eligible county for fiscal years of the eligibility period.

(b) ANNUAL ADJUSTMENT.—For each fiscal year in which payments are required to be made to eligible States and eligible counties under this title, the Secretary of the Treasury shall adjust the full payment amount in effect for the previous fiscal year for each eligible State and eligible county to reflect changes in the consumer price index for rural areas (as published in the Bureau of Labor Statistics) that occur after publication of that index for fiscal year 1999.

SEC. 102. PAYMENTS TO STATES FROM FOREST SERVICE LANDS FOR USE BY COUNTIES TO BENEFIT PUBLIC EDUCATION AND TRANSPORTATION.

(a) REQUIREMENT FOR PAYMENTS TO ELIGIBLE STATES.—The Secretary of the Treasury shall make to each eligible State a payment in accordance with subsection (b) for each of fiscal years 2000 through 2006. The payment for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

(b) PAYMENT AMOUNTS.—The payment to an eligible State under subsection (a) for a fiscal year shall consist of the following:

(1) The 25-percent payments and safety net payments under section 13982 of the Omnibus Budget Reconciliation Act of 1993 (Public

Law 103-66; 16 U.S.C. 500 note) applicable to that State for that fiscal year.

(2) If the amount under paragraph (1) is less than the full payment amount in effect for that State for that fiscal year, such additional funds as may be appropriated to provide a total payment not to exceed the full payment amount, but only to the extent such additional funds are provided in advance as discretionary appropriations included in appropriation Acts.

(c) DISTRIBUTION AND EXPENDITURE OF PAYMENTS.—

(1) DISTRIBUTION METHOD.—An eligible State that receives a payment under subsection (a) shall distribute the payment among all eligible counties in the State, with each eligible county receiving the same percentage of that payment as the percentage of the State's total 25-percent payments and safety net payments under section 13982 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note) that were distributed to that county for fiscal years of the eligibility period.

(2) EXPENDITURE PURPOSES.—Subject to subsection (d), payments received by eligible States under subsection (a) and distributed to eligible counties shall be expended in the same manner in which 25-percent payments are required to be expended.

(d) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

(1) GENERAL RULE.—In the case of an eligible county to which $100,000 or more is distributed in a fiscal year pursuant to subsection (c)—

(A) 80 percent of the funds distributed to the eligible county shall be expended in the same manner in which the 25-percent payments are required to be expended; and

(B) 20 percent of the funds distributed to the eligible county shall be reserved and expended by the eligible county in accordance with title II.

(2) COUNTIES WITH MINOR DISTRIBUTIONS.—In the case of each eligible county to which less than $100,000 is distributed for fiscal year 2000 pursuant to subsection (c), the eligible county shall make an election whether or not to be subject to the requirements of paragraph (1) for that fiscal year and all subsequent fiscal years for which payments are made under subsection (a). The county shall notify the Secretary of Agriculture of its election under this subsection not later than 60 days after the county receives its distribution for fiscal year 2000.

SEC. 103. PAYMENTS TO COUNTIES FROM BUREAU OF LAND MANAGEMENT LANDS FOR USE TO BENEFIT PUBLIC SAFETY, LAW ENFORCEMENT, EDUCATION, AND OTHER PUBLIC PURPOSES.

(a) REQUIREMENT FOR PAYMENTS TO ELIGIBLE COUNTIES.—The Secretary of the Treasury shall make to each eligible county that received a 50-percent payment during the eligibility period a payment in accordance with subsection (b) for each of fiscal years 2000 through 2006. The payment for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

(b) PAYMENT AMOUNTS.—The payment to an eligible county under subsection (a) for a fiscal year shall consist of the following:

(1) The 50-percent payments and safety net payments under section 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 43 U.S.C. 1181f note) applicable to that county for that fiscal year.

(2) If the amount under paragraph (1) is less than the full payment amount in effect for that county for that fiscal year, such additional funds as may be appropriated to provide a total payment not to exceed the full payment amount, but only to the extent such additional funds are provided in advance as discretionary appropriations included in appropriation Acts.

(c) EXPENDITURE OF PAYMENTS.—Subject to subsection (d), payments received by eligible counties under subsection (a) shall be expended in the same manner in which 50-percent payments are required to be expended.

(d) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—In the case of an eligible county to which a payment is made in a fiscal year pursuant to subsection (a)—

(1) 80 percent of the payment to the eligible county shall be expended in the same manner in which the 50-percent payments are required to be expended; and

(2) 20 percent of the payment to the eligible county shall be reserved and expended by the eligible county in accordance with title II.

TITLE II—LOCALLY INITIATED PROJECTS ON FEDERAL LANDS

SEC. 201. DEFINITIONS.

In this title:

(1) PARTICIPATING COUNTY.—The term "participating county" means an eligible county that—

(A) receives Federal funds pursuant to section 102 or 103; and

(B) is required to expend a portion of those funds in the manner provided in section 102(d)(1)(B) or 103(d)(2) or elects under section 102(d)(2) to expend a portion of those funds in accordance with section 102(d)(1)(B).

(2) PROJECT FUNDS.—The term "project funds" means all funds reserved by an eligible county under section 102(d)(1)(B) or 103(d)(2) for expenditure in accordance with this title and all funds that an eligible county elects under section 102(d)(2) to reserve under section 102(d)(1)(B).

(3) LOCAL ADVISORY COMMITTEE.—The term "local advisory committee" means an advisory committee established by the Secretary concerned under section 205.

(4) RESOURCE MANAGEMENT PLAN.—The term "resource management plan" means a land use plan prepared by the Bureau of Land Management for units of the Federal lands described in section 3(1)(B) pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) and land and resource management plans prepared by the Forest Service for units of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(5) SECRETARY CONCERNED.—The term "Secretary concerned" means the Secretary of the Interior with respect to the Federal lands described in section 3(1)(B) and the Secretary of Agriculture with respect to the Federal lands described in section 3(1)(A).

(6) SPECIAL ACCOUNT.—The term "special account" means an account in the Treasury established under section 208(c) for each region of the Forest Service, and for the Bureau of Land Management.

SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

Project funds shall be expended solely on projects that meet the requirements of this title and are conducted on the Federal lands.

SEC. 203. SUBMISSION OF PROJECT PROPOSALS BY PARTICIPATING COUNTIES.

(a) SUBMISSION OF PROJECT PROPOSALS TO SECRETARY CONCERNED.—

(1) PROJECTS FUNDED USING PROJECT FUNDS.—Not later than September 30, 2001, and each September 30 thereafter through 2009, each participating county shall submit to the Secretary concerned a description of any projects that the county proposes the Secretary undertake using any project funds reserved by the county during the three-fiscal year period consisting of the fiscal year in which the submission is made and the preceding two fiscal years. A participating county does not have to submit all of its project proposals for a year at the same time.

(2) PROJECTS FUNDED USING SPECIAL ACCOUNTS.—Until September 30, 2007, a participating county may also submit to the Secretary concerned a description of any projects that the county proposes the Secretary undertake using amounts in a special account in lieu of or in addition to the county's project funds.

(3) JOINT PROJECTS.—Participating counties may pool their project funds and jointly propose a project or group of projects to the Secretary concerned under paragraph (1). Participating counties may also jointly propose a project or group of projects to the Secretary concerned under paragraph (2).

(b) REQUIRED DESCRIPTION OF PROJECTS.—In submitting proposed projects to the Secretary concerned under subsection (a), a participating county shall include in the description of each proposed project the following information:

(1) The purpose of the project.

(2) An estimation of the amount of any timber, forage, and other commodities anticipated to be harvested or generated as part of the project.

(3) The anticipated duration of the project.

(4) The anticipated cost of the project.

(5) The proposed source of funding for the project, whether project funds, funds from the appropriate special account, or both.

(6) The anticipated revenue, if any, to be generated by the project.

(c) ROLE OF LOCAL ADVISORY COMMITTEE.—A participating county may propose a project to the Secretary concerned under subsection (a) only if the project has been reviewed and approved by the relevant local advisory committee in accordance with the requirements of section 205, including the procedures issued under subsection (d) of such section.

(d) AUTHORIZED PROJECTS.—

(1) IN GENERAL.—Projects proposed under subsection (a) shall consist of any type of project or activity that the Secretary concerned may otherwise carry out on the Federal lands.

(2) SEARCH, RESCUE, AND EMERGENCY SERVICES.—Notwithstanding paragraph (1), a participating county may submit as a proposed project under subsection (a) a proposal that the county receive reimbursement for search and rescue and other emergency services performed on Federal lands and paid for by the county. The source of funding for an approved project of this type may only be the special account for the region in which the county is located or, in the case of a county that receives 50-percent payments, the special account for the Bureau of Land Management.

(3) COMMUNITY SERVICE WORK CAMPS.—Notwithstanding paragraph (1), a participating county may submit as a proposed project under subsection (a) a proposal that the county receive reimbursement for all or part of the costs incurred by the county to pay the salaries and benefits of county employees who supervise adults or juveniles performing mandatory community service on Federal lands.

SEC. 204. EVALUATION AND APPROVAL OF PROJECTS BY SECRETARY CONCERNED.

(a) Conditions For Approval of Proposed Project.—The Secretary concerned may make a decision to approve a project submitted by a participating county under section 203 only if the proposed project satisfies each of the following conditions:

(1) The project complies with all Federal laws and all Federal rules, regulations, and policies.

(2) The project is consistent with the applicable resource management plan and with any watershed or subsequent plan developed pursuant to the resource management plan and approved by the Secretary concerned.

(3) The project has been approved by the relevant local advisory committee in accordance with section 205, including the procedures issued under subsection (d) of such section.

(4) The project has been described by the participating county in accordance with section 203(b).

(b) Environmental Reviews.—

(1) Review required.—Before making a decision to approve a proposed project under subsection (a), the Secretary concerned shall complete any environmental review required by the National Environmental Policy Act of 1969 (42 U.S.C. 321 et seq.) in connection with the project and any consultation and biological assessment required by the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) in connection with the project.

(2) Treatment of review.—Decisions of the Secretary concerned related to an environmental review or consultation conducted under paragraph (1) shall not be subject to administrative appeal or judicial review unless and until the Secretary approves the project under subsection (a) for which the review or consultation was conducted.

(3) Payment of review costs.—

(A) Request for payment by county.—The Secretary concerned may request the participating county or counties submitting a proposed project to use project funds to pay for any environmental review or consultation required under paragraph (1) in connection with the project. When such a payment is requested, the Secretary concerned shall not begin the environmental review or consultation until and unless the payment is received.

(B) Effect of refusal to pay.—If a participating county refuses to make the requested payment under subparagraph (A) in connection with a proposed project, the participating county shall withdraw the submission of the project from further consideration by the Secretary concerned. Such a withdrawal shall be deemed to be a rejection of the project for purposes of section 207(d).

(c) Time Periods for Consideration of Projects.—

(1) Projects requiring environmental review.—If the Secretary concerned determines that an environmental review or consultation is required for a proposed project pursuant to subsection (b), the Secretary concerned shall make a decision under subsection (a) to approve or reject the project, to the extent practicable, within 30 days after the completion of the last of the required environmental reviews and consultations.

(2) Other projects.—If the Secretary concerned determines that an environmental review or consultation is not required for a proposed project, the Secretary shall make a decision under subsection (a) to approve or reject the project, to the extent practicable, within 60 days after the date of that determination.

(d) Decisions of Secretary Concerned.—

(1) Rejection of projects.—A decision by the Secretary concerned to reject a proposed project shall be at the Secretary's sole discretion. Within 30 days after making the rejection decision, the Secretary concerned shall notify in writing the participating county that submitted the proposed project of the rejection and the reasons therefor.

(2) Notice of project approval.—The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if such notice would be required had the project originated with the Secretary.

(3) Project approval as final agency action.—A decision by the Secretary concerned to approve a project under subsection (a) shall be considered a final agency action under the Administrative Procedures Act.

(e) Source and Conduct of Project.—For purposes of Federal law, a project approved by the Secretary concerned under this section shall be considered to have originated with the Secretary.

(f) Implementation of Approved Projects.—

(1) Responsibility of secretary.—The Secretary concerned shall be responsible for carrying out projects approved by the Secretary under this section. The Secretary concerned shall carry out the projects in compliance with all Federal laws and all Federal rules, regulations, and policies and in the same manner as projects of the same kind that originate with the Secretary.

(2) Cooperation.—The Secretary concerned may enter into contracts and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

(3) Best value stewardship contracting.—To enter into a contract authorized by paragraph (2), the Secretary concerned may use a contracting method that secures, for the best price, the best quality service, as determined by the Secretary based upon the following:

(A) The technical demands and complexity of the work to be done.

(B) The ecological sensitivity of the resources being treated.

(C) The past experience by the contractor with the type of work being done, using the type of equipment proposed for the project, and meeting or exceeding desired ecological conditions.

(D) The use by the contractor of low value species and byproducts.

(E) The commitment of the contractor to hiring highly qualified workers and local residents.

(g) Time For Commencement.—

(1) Projects funded using project funds.—If an approved project is to be funded in whole or in part using project funds to be provided by a participating county or counties, the Secretary concerned shall commence the project as soon as practicable after the receipt of the project funds pursuant to section 206 from the county.

(2) Projects funded using special accounts.—If an approved project is to be funded using amounts from a special account in lieu of any project funds, the Secretary concerned shall commence the project as soon as practicable after the approval decision is made.

SEC. 205. LOCAL ADVISORY COMMITTEES.

(a) Establishment and Purpose of Local Advisory Committees.—

(1) Establishment.—Except as provided in paragraph (2), the Secretary concerned shall establish and maintain, for each unit of Federal lands, a local advisory committee to review projects proposed by participating counties and to recommend projects to participating counties.

(2) Combination or division of units.—The Secretary concerned may, at the Secretary's sole discretion, combine or divide units of Federal lands for the purpose of establishing local advisory committees.

(b) Appointment by the Secretary.—

(1) Appointment and term.—The Secretary concerned shall appoint the members of local advisory committees for a term of 2 years beginning on the date of appointment. The Secretary concerned may reappoint members to subsequent 2-year terms.

(2) Basic requirements.—The Secretary concerned shall ensure that each local advisory committee established by the Secretary meets the requirements of subsection (c).

(3) Initial appointment.—The Secretary concerned shall make initial appointments to the local advisory committees not later than 120 days after the date of enactment of this Act.

(4) Vacancies.—The Secretary concerned shall make appointments to fill vacancies on any local advisory committee as soon as practicable after the vacancy has occurred.

(5) Compensation.—Members of the local advisory committees shall not receive any compensation.

(c) Composition of Advisory Committee.—

(1) Number.—Each local advisory committee shall be comprised of 15 members.

(2) Community interests represented.—Each local advisory committee shall have at least one member representing each of the following:

(A) Local resource users.

(B) Environmental interests.

(C) Forest workers.

(D) Organized labor representatives.

(E) Elected county officials.

(F) School officials or teachers.

(3) Geographic distribution.—To the extent practicable, the members of a local advisory committee shall be drawn from throughout the area covered by the committee.

(4) Chairperson.—A majority on each local advisory committee shall select the chairperson of the committee.

(d) Approval Procedures.—

(1) Issuance.—Not later than 90 days after the date of the enactment of this Act, the Secretaries concerned shall jointly issue the approval procedures that each local advisory committee must use in order to ensure that a local advisory committee only approves projects that are broadly supported by the committee. The Secretaries shall publish the procedures in the Federal Register.

(2) Treatment of procedures.—The issuance and content of the procedures issued under paragraph (1) shall not be subject to administrative appeal or judicial review. Nothing in this paragraph shall affect the responsibility of local advisory committees to comply with the procedures.

(e) Other Committee Authorities and Requirements.—

(1) Staff assistance.—A local advisory committee may submit to the Secretary concerned a request for staff assistance from Federal employees under the jurisdiction of the Secretary.

(2) Meetings.—All meetings of a local advisory committee shall be announced at least one week in advance in a local newspaper of record and shall be open to the public.

(3) RECORDS.—A local advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

(f) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—The local advisory committees shall be exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 206. USE OF PROJECT FUNDS.

(a) AGREEMENT REGARDING SCHEDULE AND COST OF PROJECT.—

(1) AGREEMENT BETWEEN PARTIES.—As soon as practicable after the approval of a project by the Secretary concerned under section 204, the Secretary concerned and the chief administrative official of the participating county (or one such official representing a group of participating counties) shall enter into an agreement addressing, at a minimum, the following with respect to the project:

(A) The schedule for completing the project.

(B) The total cost of the project, including the level of agency overhead to be assessed against the project.

(C) For a multi-year project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

(D) The remedies for the participating county or counties for the failure of the Secretary concerned to comply with the terms of the agreement.

(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary concerned may decide, at the Secretary's sole discretion, to cover the costs of a portion of an approved project using Federal funds appropriated or otherwise available to the Secretary for the same purposes as the project.

(b) TRANSFER OF PROJECT FUNDS.—

(1) INITIAL TRANSFER REQUIRED.—As soon as practicable after the agreement is reached under subsection (a) with regard to a project to be funded in whole or in part using project funds, the participating county or counties that are parties to the agreement shall transfer to the Secretary concerned an amount of project funds equal to—

(A) in the case of a project to be completed in a single fiscal year, the total amount specified in the agreement to be paid by the county or counties; or

(B) in the case of a multi-year project, the amount specified in the agreement to be paid by the county or counties for the first fiscal year.

(2) CONDITION ON PROJECT COMMENCEMENT.—The Secretary concerned shall not commence a project pursuant to section 204(g)(1) until the project funds required to be transferred under paragraph (1) for the project have been received by the Secretary.

(3) SUBSEQUENT TRANSFERS FOR MULTI-YEAR PROJECTS.—For the second and subsequent fiscal years of a multi-year project to be funded in whole or in part using project funds, the participating county or counties shall transfer to the Secretary concerned the amount of project funds required to continue the project in that fiscal year according to the agreement entered into under subsection (a). The Secretary concerned shall suspend work on the project if the county fails to transfer the required amounts as required by the agreement.

(4) SPECIAL RULE FOR WORK CAMP PROJECTS.—In the case of a project described in section 203(d)(3) and approved under section 204, the agreement required by subsection (a) shall specify the manner in which a participating county that is a party to the agreement may retain project funds to cover the costs of the project.

(c) AVAILABILITY OF TRANSFERRED FUNDS.—Project funds transferred to the Secretary concerned under this section shall remain available until the project is completed.

SEC. 207. DURATION OF AVAILABILITY OF A COUNTY'S PROJECT FUNDS.

(a) SUBMISSION OF PROPOSED PROJECTS TO OBLIGATE FUNDS.—By the end of each of the fiscal years 2003 through 2009, a participating county shall submit to the Secretary concerned pursuant to section 203(a)(1) a sufficient number of project proposals that, if approved, would result in the obligation of at least the full amount of the project funds the county received under title I in the second preceding fiscal year.

(b) TRANSFER OF UNOBLIGATED FUNDS.—If a participating county fails to comply with subsection (a) for a fiscal year, any project funds that the county received in the second preceding fiscal year and remaining unobligated shall be returned to the Secretary of the Treasury for disposition as provided in subsection (c).

(c) DISPOSITION OF RETURNED FUNDS.—

(1) DEPOSIT IN SPECIAL ACCOUNTS.—In the case of project funds returned under subsection (b) in fiscal year 2004, 2005, or 2006, the Secretary of the Treasury shall deposit the funds in the appropriate special account.

(2) DEPOSIT IN GENERAL FUND.—After fiscal year 2006, the Secretary of the Treasury shall deposit returned project funds in the general fund of the Treasury.

(d) EFFECT OF REJECTION OF PROJECTS.—Notwithstanding subsection (b), any project funds of a participating county that are unobligated at the end of a fiscal year because the Secretary concerned has rejected one or more proposed projects shall be available for the county to expend in the same manner as the funds reserved by the county under section 102(d)(1)(A) or 103(d)(1), whichever applies to the funds involved. The project funds covered by this subsection shall remain available until expended.

(e) EFFECT OF COURT ORDERS.—

(1) PROJECTS FUNDED USING PROJECT FUNDS.—If an approved project is enjoined or prohibited by a Federal court after funds for the project are transferred to the Secretary concerned under section 206, the Secretary concerned shall return any unobligated project funds related to that project to the participating county or counties that transferred the funds. The returned funds shall be available for the county to expend in the same manner as the funds reserved by the county under section 102(d)(1)(A) or 103(d)(1), whichever applies to the funds involved. The funds shall remain available until expended and shall be exempt from the requirements of subsection (b).

(2) PROJECTS FUNDED USING SPECIAL ACCOUNTS.—If an approved project is enjoined or prohibited by a Federal court after funds from a special account have been reserved for the project under section 208, the Secretary concerned shall treat the funds in the same manner as revenues described in section 208(a).

SEC. 208. TREATMENT OF FUNDS GENERATED BY LOCALLY INITIATED PROJECTS.

(a) PAYMENT TO SECRETARY.—Any and all revenues generated from a project carried out in whole or in part using project funds or funds from a special account shall be paid to the Secretary concerned.

(b) DEPOSIT.—Notwithstanding any other provision of law, the Secretary concerned shall deposit the revenues described in subsection (a) as follows:

(1) Through fiscal year 2006, the revenues shall be deposited in the appropriate special account as provided in subsection (c).

(2) After fiscal year 2006, the revenues shall be deposited in the general fund of the Treasury.

(c) REGIONAL AND BLM SPECIAL ACCOUNTS.—

(1) ESTABLISHMENT.—There is established in the Treasury an account for each region of the Forest Service and an account for the Bureau of Land Management. The accounts shall consist of the following:

(A) Revenues described in subsection (a) and deposited pursuant to subsection (b)(1).

(B) Project funds deposited pursuant to section 207(c)(1).

(C) Interest earned on amounts in the special accounts.

(2) REQUIRED DEPOSIT IN FOREST SERVICE ACCOUNTS.—If the revenue-generating project was carried out in whole or in part using project funds that were reserved pursuant to section 102(d)(1)(B), the revenues shall be deposited in the account established under paragraph (1) for the Forest Service region in which the project was conducted.

(3) REQUIRED DEPOSIT IN BLM ACCOUNT.—If the revenue-generating project was carried out in whole or in part using project funds that were reserved pursuant to section 103(d)(2), the revenues shall be deposited in the account established under paragraph (1) for the Bureau of Land Management.

(4) PROJECTS CONDUCTED USING SPECIAL ACCOUNT FUNDS.—If the revenue-generating project was carried out using amounts from a special account in lieu of any project funds, the revenues shall be deposited in the special account from which the amounts were derived.

(d) USE OF ACCOUNTS TO CONDUCT PROJECTS.—

(1) AUTHORITY TO USE ACCOUNTS.—The Secretary concerned may use amounts in the special accounts, without appropriation, to fund projects submitted by participating counties under section 203(a)(2) that have been approved by the Secretary concerned under section 204.

(2) SOURCE OF FUNDS; PROJECT LOCATIONS.—Funds in a special account established under subsection (c)(1) for a region of the Forest Service region may be expended only for projects approved under section 204 to be conducted in that region. Funds in the special account established under subsection (c)(1) for the Bureau of Land Management may be expended only for projects approved under section 204 to be conducted on Federal lands described in section 3(1)(B).

(3) DURATION OF AUTHORITY.—No funds may be obligated under this subsection after September 30, 2007. Unobligated amounts in the special accounts after that date shall be promptly transferred to the general fund of the Treasury.

TITLE III—FOREST COUNTIES PAYMENTS COMMITTEE

SEC. 301. DEFINITIONS.

In this title:

(1) ADVISORY COMMITTEE.—The term "Advisory Committee" means the Forest Counties Payments Committee established by section 302.

(2) HOUSE COMMITTEES OF JURISDICTION.—The term "House committees of jurisdiction" means the Committee on Agriculture, the Committee on Resources, and the Committee on Appropriations of the House of Representatives.

(3) SENATE COMMITTEES OF JURISDICTION.—The term "Senate committees of jurisdiction" means the Committee on Agriculture, Nutrition, and Forestry, the Committee on Energy and Natural Resources, and the Committee on Appropriations of the Senate.

(4) SUSTAINABLE FORESTRY.—The term "sustainable forestry" means principles of sustainable forest management that equally consider ecological, economic, and social factors in the management of Federal lands.

SEC. 302. NATIONAL ADVISORY COMMITTEE TO DEVELOP LONG-TERM METHODS TO MEET STATUTORY OBLIGATION OF FEDERAL LANDS TO CONTRIBUTE TO PUBLIC EDUCATION AND OTHER PUBLIC SERVICES.

(a) ESTABLISHMENT OF FOREST COUNTIES PAYMENTS COMMITTEE.—There is hereby established an advisory committee, to be known as the Forest Counties Payments Committee, to develop recommendations, consistent with sustainable forestry, regarding methods to ensure that States and counties in which Federal lands are situated receive adequate Federal payments to be used for the benefit of public education and other public purposes.

(b) MEMBERS.—The Advisory Committee shall be composed of the following members:

(1) The Chief of the Forest Service, or a designee of the Chief who has significant expertise in sustainable forestry.

(2) The Director of the Bureau of Land Management, or a designee of the Director who has significant expertise in sustainable forestry

(3) The Director of the Office of Management and Budget, or the Director's designee.

(4) Two members who are elected members of the governing branches of eligible counties; one such member to be appointed by the President pro tempore of the Senate (in consultation with the chairmen and ranking members of the Senate committees of jurisdiction) and one such member to be appointed by the Speaker of the House of Representatives (in consultation with the chairmen and ranking members of the House committees of jurisdiction) within 60 days of the date of enactment of this Act.

(5) Two members who are elected members of school boards for, superintendents from, or teachers employed by, school districts in eligible counties; one such member to be appointed by the President pro tempore of the Senate (in consultation with the chairmen and ranking members of the Senate committees of jurisdiction) and one such member to be appointed by the Speaker of the House of Representatives (in consultation with the chairmen and ranking members of the House committees of jurisdiction) within 60 days of the date of enactment of this Act.

(c) GEOGRAPHIC REPRESENTATION.—In making appointments under paragraphs (4) and (5) of subsection (b), the President pro tempore of the Senate and the Speaker of the House of Representatives shall seek to ensure that the Advisory Committee members are selected from geographically diverse locations.

(d) ORGANIZATION OF ADVISORY COMMITTEE.—

(1) CHAIRPERSON.—The Chairperson of the Advisory Committee shall be selected from among the members appointed pursuant to paragraphs (4) and (5) of subsection (b).

(2) VACANCIES.—Any vacancy in the membership of the Advisory Committee shall be filled in the same manner as required by subsection (b). A vacancy shall not impair the authority of the remaining members to perform the functions of the Advisory Committee under section 303.

(3) COMPENSATION.—The members of the Advisory Committee who are not officers or employees of the United States, while attending meetings or other events held by the Advisory Committee or at which the members serve as representatives of the Advisory Committee or while otherwise serving at the request of the Chairperson, shall each be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS-18, as provided in the General Schedule under section 5532 of title 5, United States Code, including traveltime, and while away from their homes or regular places of business shall each be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(e) STAFF AND RULES.—

(1) EXECUTIVE DIRECTOR.—The Advisory Committee shall have an Executive Director, who shall be appointed (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service) by the Advisory Committee and serve at the pleasure of the Advisory Committee. The Executive Director shall report to the Advisory Committee and assume such duties as the Advisory Committee may assign. The Executive Director shall be paid at a rate not in excess of pay for grade GS-18, as provided in the General Schedule under 5332 of title 5, United States Code.

(2) OTHER STAFF.—In addition to authority to appoint personnel subject to the provisions of title 5, United States Code, governing appointments to the competitive service, and to pay such personnel in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, the Advisory Committee shall have authority to enter into contracts with private or public organizations which may furnish the Advisory Committee with such administrative and technical personnel as may be necessary to carry out the functions of the Advisory Committee under section 303. To the extent practicable, such administrative and technical personnel, and other necessary support services, shall be provided for the Advisory Committee by the Chief of the Forest Service and the Director of the Bureau of Land Management.

(3) COMMITTEE RULES.—The Advisory Committee may establish such procedural and administrative rules as are necessary for the performance of its functions under section 303.

(f) FEDERAL AGENCY COOPERATION.—The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the Advisory Committee in the performance of its functions under subsection (c) and shall furnish to the Advisory Committee information which the Advisory Committee deems necessary to carry out such functions.

SEC. 303. FUNCTIONS OF ADVISORY COMMITTEE.

(a) DEVELOPMENT OF RECOMMENDATIONS.—

(1) IN GENERAL.—The Advisory Committee shall develop recommendations for policy or legislative initiatives (or both) regarding alternatives for, or substitutes to, the short-term payments required by title I in order to provide a long-term method to generate annual payments to eligible States and eligible counties at or above the full payment amount.

(2) REPORTING REQUIREMENTS.—Not later than 18 months after the date of the enactment of this Act, the Advisory Committee shall submit to the Senate committees of jurisdiction and the House committees of jurisdiction a final report containing the recommendations developed under this subsection. The Advisory Committee shall submit semiannual progress reports on its activities and expenditures to the Senate committees of jurisdiction and the House committees of jurisdiction until the final report has been submitted.

(b) GUIDANCE FOR COMMITTEE.—In developing the recommendations required by subsection (a), the Advisory Committee shall—

(1) evaluate the method by which payments are made to eligible States and eligible counties under title I and the use of such payments;

(2) evaluate the effectiveness of the local advisory committees established pursuant to section 205; and

(3) consider the impact on eligible States and eligible counties of revenues derived from the historic multiple use of the Federal lands.

(c) MONITORING AND RELATED REPORTING ACTIVITIES.—The Advisory Committee shall monitor the payments made to eligible States and eligible counties pursuant to title I and submit to the Senate committees of jurisdiction and the House committees of jurisdiction an annual report describing the amounts and sources of such payments and containing such comments as the Advisory Committee may have regarding such payments.

(d) TESTIMONY.—The Advisory Committee shall make itself available for testimony or comments on the reports required to be submitted by the Advisory Committee and on any legislation or regulations to implement any recommendations made in such reports in any congressional hearings or any rulemaking or other administrative decision process.

SEC. 304. FEDERAL ADVISORY COMMITTEE ACT REQUIREMENTS.

Except as may be provided in this title, the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Committee.

SEC. 305. TERMINATION OF ADVISORY COMMITTEE.

The Advisory Committee shall terminate three years after the date of the enactment of this Act.

SEC. 306. SENSE OF CONGRESS REGARDING ADVISORY COMMITTEE RECOMMENDATIONS.

It is the sense of Congress that the payments to eligible States and eligible counties required by title I should be replaced by a long-term solution to generate payments conforming to the guidance provided by section 303(b) and that any promulgation of regulations or enactment of legislation to establish such method should be completed within two years after the date of submission of the final report required by section 303(a).

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as are necessary to carry out this Act.

SEC. 402. TREATMENT OF FUNDS AND REVENUES.

Funds appropriated pursuant to the authorization of appropriations in section 401, funds transferred to a Secretary concerned under section 206, and revenues described in section 208(a) shall be in addition to any other annual appropriations for the Forest Service and the Bureau of Land Management.

SEC. 403. CONFORMING AMENDMENTS.

Section 6903(a)(1) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (D) through (J) as subparagraphs (E) through (K), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) the Secure Rural Schools and Community Self-Determination Act of 1999;".

The CHAIRMAN pro tempore. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he or she has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

AMENDMENT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GEORGE MILLER of California:

Page 24, line 5, insert after "Federal laws" the following: "(including the Act of March 3, 1931, commonly known as the Davis-Bacon Act)".

Page 24, lien 16, strike "T" and insert "subject to paragraph (1), to".

Mr. GEORGE MILLER of California. Madam Chairman, I will be brief on this amendment.

Under this legislation, which many of my colleagues are supporting, and in their efforts to try and address a real problem about support for school finance in a number of rural areas and resource dependent areas, they have provided for a set-aside of some 20 percent of the money to be used in local projects. And in the consideration of that, in the secretarial approval of those projects, they state that "the Secretary concerned shall carry out all projects in compliance with all Federal laws, rules, and Federal regulations." I would add to that including the law known as the Davis-Bacon Act.

The reason for doing this is it is not quite clear after discussing with a number of people, including some of the staff on the committee, exactly the impact of the stewardship contracts under which these would be let, which I think is an effort to try to make sure that the Government, in fact, gets both the best quality work and gets the best price for that work and provides some flexibility in making that determination.

I just want to make sure that, in that process, since this will be done with Federal dollars, that we do not undermine the prevailing wage provisions of the existing law. So that is why I am offering this amendment. I understand it may be acceptable to the committee.

Mr. GOODLATTE. Madam Chairman, will the gentleman yield?

Mr. GEORGE MILLER of California. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, this we view as a technical amendment. We think the bill's language is clear on its face, that it includes all Federal laws, which would include the Davis-Bacon Act. But since it is, in our view, simply surplusage and that the language in the bill is not changed by the Miller amendment and it does nothing to affect the provisions related to the Davis-Bacon Act and it is not the intent of the language to exclude the Davis-Bacon Act, we do not object to the adoption of this amendment, which is technical in nature.

Mr. GEORGE MILLER of California. Madam Chairman, I thank the gentleman for his comments.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California (Mr. GEORGE MILLER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. UDALL OF COLORADO

Mr. UDALL of Colorado. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL of Colorado:

Page 12, strike line 11 and all that follows through line 9 on page 13, and insert the following:

(d) ELECTION TO RESERVE PORTION OF PAYMENT FOR TITLE II PROJECTS.—Each eligible county that receives a distribution under subsection (c) for a fiscal year may elect to reserve up to 20 percent of the funds for expenditure in accordance with title II.

Page 14, strike lines 13 through 22, and insert the following:

ELECTION TO RESERVE PORTION OF PAYMENT FOR TITLE II PROJECTS.—Each eligible county to which a payment is made under subsection (a) for a fiscal year may elect to reserve up to 20 percent of the payment for expenditure in accordance with title II.

Page 15, strike lines 9 through 19, and insert the following:

(B) elects under section 102(d) or 103(d) to expend a portion of those funds in the manner provided in this title.

(2) PROJECT FUNDS.—The term "project funds" means all funds reserved by an eligible county under section 102(d) or 103(d) for expenditure in accordance with this title.

Page 33, lines 18 and 19, strike "the funds reserved by the county under section 102(d)(1)(A) or 103(d)(1)" and insert "25-percent payments or 50-percent payments".

Page 34, lines 8 and 9, strike "the funds reserved by the county under section 102(d)(1)(A) or 103(d)(1)" and insert "25-percent payments or 50-percent payments".

Page 35, line 24, strike "section 102(d)(1)(B)" and insert "section 102)d)".

Page 36, line 6, strike "section 103(d)(2) and insert "section 103(d)".

Mr. UDALL of Colorado (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. UDALL of Colorado. Madam Chairman, as I begin, I wanted to acknowledge the work of my colleagues, the gentleman from Oregon (Mr. DEFAZIO), the gentleman from Florida (Mr. BOYD) and the gentleman from Virginia (Mr. GOODLATTE).

I think we all share the same goal, which is to provide the secure and steady and consistent funding for that important resource known as our public schools. And in that spirit, I believe that the amendment that I offer is a simple one but an important one. It would give local discretion on the use of the payments that would go to local governments under the bill.

□ 1430

As I said earlier, the amendment would not make the bill perfect. In fact, I do not believe it would make the bill acceptable so far as I am concerned, because it does not break the link between Federal assistance and timber harvests. But the amendment would at least mean that a county would not be forced to spend 20 percent of its payment for doing things that otherwise would be funded under the budgets of the Forest Service or the Bureau of Land Management.

That is what the bill as it stands now would do. It says that if a county gets more than $100,000 under the bill, that 20 percent of the total payment would have to be used for public land projects. But suppose that a county had other priorities. Suppose that the school board and county commissioners had reviewed their needs and decided that they wanted to spend all of the payments on schools and roads. Remember, under current law that is where the money would go. But under this bill, the answer would be, too bad. The bill says that Congress does not want them to have that choice.

My amendment would provide that discretion. It would allow a local government to use up to 20 percent of its payment for work on the Federal lands, but it would not require it. It would let the local officials decide for themselves. I think that is the right thing to do, regardless of how much money might be involved. But this is not a matter of theory, Madam Chairman.

We could be talking about some substantial sums, especially for some of our rural counties. Let me give my colleagues an example. Based on Forest Service estimates from 1998 payment levels, under the bill one county in my district, Clear Creek County, stands to lose its discretion over $100,000. In a rural county like Clear Creek, that is real money. As I look at other counties in Colorado, they might be in the same boat. In fact, 22 counties would have less to spend on roads and schools under this bill than under current law according to the same Forest Service estimates based on 1998 payments.

I will not list them all, but I will mention that this bill's Federal mandate would override local discretion over more than $22,000 in Park County; $27,000 in Gunnison County; and more than $53,000 in Mesa County. And the bill would impose its Federal mandate on Grand County to the tune of $336,000.

Those other three counties I just mentioned are not in my district; but even if they were, I do not think their commissioners would agree if I said the Federal Government knew better about how they should spend their money than they do. In fact, I do not think that they should have to make that choice, which is why my amendment would let them decide how to spend those funds regardless of how much money is involved.

Madam Chairman, I think there are many serious questions about this whole idea of getting local governments into the business of paying for projects on Federal lands. But my amendment does not deal with those questions. It is much more limited. In fact, it seems to me that the bill's supporters should welcome this amendment. After all, the bill is called the Secure Rural Schools and Communities Self-Determination Act of 1999; and this is a self-determination amendment, pure and simple.

Madam Chairman, I urge adoption of the amendment. I would again mention that I think it is not the dollars we are talking about; it is the principle of local control.

Mr. GOODLATTE. Madam Chairman, I rise in strong opposition to this amendment. This amendment is the poison pill that many of the folks who have spoken on the floor here thus far have talked about. This legislation, the substitute that I offered that was made the underlying text as a part of the rule, is a very carefully crafted compromise involving Members of the House, Members of the Senate. It involves Members of the Republican side of the aisle, Members of the Democratic side of the aisle. It involves Members representing environmental interests; it involves Members representing local government interests, and they are joined by the 800-member coalition that constitutes hundreds and hundreds of local county governments and local school boards that are opposed to this amendment and which support the underlying legislation because they want to see something done on this issue.

This amendment is a deal-breaker. This amendment will cause this entire process to collapse. We will not get this bill through the Senate; we will not get it signed into law unless we keep this carefully crafted compromise together. This is a compromise that I worked on very extensively with the gentleman from New York (Mr. BOEHLERT), the gentleman from Oregon (Mr. DEFAZIO), the gentleman from Florida (Mr. BOYD), the gentleman from Georgia (Mr. DEAL).

It is an agreement that is a crafted compromise, drafted in conjunction with Senators CRAIG and WYDEN in the Senate to assure swift action in the Senate. This amendment would undermine this compromise, pushing the effort to stabilize payments to the States and counties back months and perhaps for good. Local education, county, labor and business interests have studied both the Goodlatte compromise and the Udall-Vento amendment and have determined that the Goodlatte compromise is a better idea. The National Education Association, the National Association of Counties, labor, the United States Chamber of Commerce, the Forest Counties and Schools Coalition representing 800 counties, 5,000 school districts, 1.2 million school children in rural America have all supported the Goodlatte compromise and oppose the Udall-Vento amendment. I would urge my colleagues to do the same.

Mr. UDALL of Colorado. Madam Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Colorado.

Mr. UDALL of Colorado. I thank the gentleman for yielding. I was curious what the objection was to increasing local control as my amendment intends to do.

Mr. GOODLATTE. Counties want to have the connection between not only the people that live in that county but the land in that county, and the connection that exists now and as a part of this compromise continues with the 20 percent that will be dealt with by members of the community. Local government, environmental organizations, business organizations, and the Forest Service will sit down together and using those funds, plan how they can best promote the environmental health of their county and the economic health of their county. We are determined to continue that connection between the federally owned land and those people who live in those counties and who want to, knowing that their livelihood comes from that, want to make sure that that connection persists.

Mr. UDALL of Colorado. If I might, I would point out that the amendment would allow that to occur, those kinds of collaborative efforts could continue to take place, but they just would not require as the bill now does that 20 percent of those dollars would have to go to those kinds of collaborations. It would give the commissioners, the school boards, the option of doing those kinds of projects but also if they felt their schools needed all of those resources, that they could be applied in that fiscal year to those resources, and the next year they might put them into a bike path project or into ecotourism or whatever the opportunity might be.

Mr. GOODLATTE. Reclaiming my time, let me just say to the gentleman that it is a 100-year-old connection that we are talking about here that is being preserved. A substantial change has been made to assure that those counties will get, and will get quickly, the kind of support that they need. But if this decoupling that the gentleman is advocating takes place in the legislation, it will go asunder in the United States Senate and nothing will happen and we will be at the current levels of support that currently exist.

So I have to strongly oppose the amendment and support the strong nationwide coalition of Members from 39 States who want to make sure that that connection between the land and the counties continues and that we not get into this business of each year having the decision made in each county whether or not that is going to go forward.

The CHAIRMAN pro tempore (Mrs. EMERSON). The time of the gentleman from Virginia (Mr. GOODLATTE) has expired.

(By unanimous consent, Mr. GOODLATTE was allowed to proceed for 2 additional minutes.)

Mr. WALDEN of Oregon. Madam Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Oregon.

Mr. WALDEN of Oregon. Madam Chairman, I would just say that I would hazard a guess, there is no district in America that is more affected by this legislation than mine. I think we could run the numbers and probably find that to be clearly the case. Every county commission within that district supports this legislation. And, further, I want this kind of a guarantee, because we have got some habitat improvement projects and other activities that need to take place on those watersheds, in those communities and in those counties that I want to see take place.

Normally, I would be one to advocate for local option and local control, but this is part of a bigger compromise that will help the environment, it will help our schools, it will help our counties; and nobody in this House is probably more affected by this legislation than I and the counties that I represent.

Mr. UDALL of Colorado. I believe that we are all working toward the same goal. My amendment would not serve as a decoupling mechanism. In fact, I think we still have more work to do in that particular way. I would again just emphasize that I think we are trying to reach the same outcomes. My amendment would make sure that local communities have the ultimate say in how those moneys are used year to year, and they could take part in the kinds of projects my good colleague and friend from Oregon suggests, but it just would not require that they take part in those projects.

Mr. GEORGE MILLER of California. Madam Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. I would just say, following on to what the gentleman from Colorado has just said about his amendment, as you look through even in the cases of the counties that get more than $100,000 so the set-aside kicks in, in a number of instances the set-aside is $8,000, $15,000, $10,000, it is a very small amount of money. To believe that you are going to somehow initiate a big comprehensive planning operation on the forest for $8,000, while $8,000 would buy you a lot of textbooks or contribute to one of 100,000 teachers——

Mr. GOODLATTE. Reclaiming my time, I was in a county in the gentleman's State earlier this year in which on one timber sale, $2 million was going to go to the county, which would require that in this instance 20 percent of that, or $400,000.

Mr. GEORGE MILLER of California. I understand that. That is fine.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia (Mr. GOODLATTE) has again expired.

(On request of Mr. GEORGE MILLER of California, and by unanimous consent, Mr. GOODLATTE was allowed to proceed for 2 additional minutes.)

Mr. GEORGE MILLER of California. We have no problem with you doing this. The question is mandating it. We were out here a couple of weeks ago, we were all for Ed-flex, because in many instances you have small programs that cost you more to administer than the benefit. The gentleman from Colorado's point is that the county can then make that option. If you have got $400,000 coming in out of $2 million in receipts, you can probably do something meaningful on the forest. If you have $8,000 coming in with all due respect, you may be better off helping the schools buy the textbooks or supplies where you can get a dollar-to-dollar benefit instead of engaging in some kind of mythical planning process when you only have 8 to 10 to $12,000. That is the benefit of his amendment.

It goes for the most efficient use in those counties where the set-aside turns out to be relatively small. Obviously in some counties in Oregon and probably even in California where you have substantial receipts, this option may make some sense. But that is because you are playing with the critical mass of dollars where you can create some of those projects on the forest that might even benefit——

Mr. GOODLATTE. Reclaiming my time, under $100,000 they can opt out. Under $100,000, that is $20,000, to use the gentleman's example.

Mr. GEORGE MILLER of California. Counties that are over $100,000, when they opt out, the 20 percent amounts to 7, 8, $9,000; so it is a relatively small amount of money. They ought to have the option to use the money as they see fit, which may mean they go into this program but also——

Mr. GOODLATTE. When the total receipts by the county are under $100,000, they do have the option to opt out.

Mr. GEORGE MILLER of California. But over $100,000, they get $100,000 and 20 percent is $20,000. The list of set-asides is here, and some of it is as low as $8,000. So they could put that into their schools in a more efficient fashion. That is the argument here.

Mr. GOODLATTE. If it is over $100,000, it is going to be $20,000 plus 20 percent of whatever the amount over $100,000 was, so I do not see where the gentleman's example would ever apply.

Mr. BOYD. Madam Chairman, I move to strike the last word.

Madam Chairman, I rise in strong opposition to the amendment offered by the gentleman from Colorado.

First of all, I think it is important to know that the numbers that he was quoting earlier in his presentation during the amendment would be numbers that that county might receive if the bill were written in a different way. It is not dollars that they are receiving now. He is assuming that it was written so that they would get 100 percent of the 3-year average rather than the 80 percent, so it is a little bit misleading to say they are going to be losing that money. They do not get it now under current law.

The other thing that I want to say about the community projects is that this was an idea that was brought to us by some folks in the other body. We thought it was a good idea, because what has happened in our local communities as we have engaged in this bitter battle over forest management practices, and we have recognized the impact that it has had on our local economies and our local schools, is that many people in those local economies have engaged in a bitter and divisive battle with the local environmentalist community. They have created some real hard feelings in the communities.

I think the intent of this community projects idea is to get everybody to come back to working together, to figure out how we can use this money in a way that benefits the whole community. I can see in some of the areas in the district that I represent in north Florida, that we have had a community that has been totally timber-dependent basically. That timber industry now is gone. We are trying to move to an ecotourism industry, for instance. We could use some of these dollars to help develop that, bike paths have been mentioned here, search and rescue missions, fire protection, those kinds of things that are needed in the national forest whose costs now are borne by the local governments. I would urge strongly that the House reject this amendment, because it would kick out of balance this very fine compromise that we have here and could cost the bill.

Mr. GOODLATTE. Madam Chairman, will the gentleman yield?

Mr. BOYD. I yield to the gentleman from Virginia.

□ 1445

Mr. GOODLATTE. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I point out during the debate on the rule the gentleman from Colorado indicated that even if this amendment were to pass, he would still oppose the bill. So clearly this is nothing more than a poison pill to derail this effort to help get some funds back to these local counties and to make sure that we still maintain this compact that has existed for 100 years between the Federal Government, the owner of in some instances 60, 70, 80 percent of the land in some of these counties, and the people who are trying to make a living in these counties.

Mr. BOYD. Madam Chairman, reclaiming my time, that is a very good point. I want to again say this provision, title II, could go a long way toward restoring some cooperative spirit in our communities among some groups that have not liked each other very much. I would strongly oppose the amendment.

Mr. UDALL of Colorado. Madam Chairman, will the gentleman yield?

Mr. BOYD. I yield to the gentleman from Colorado.

Mr. UDALL of Colorado. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I want to respond to my friend from Virginia (Mr. GOODLATTE). I want to be frank and up front with my comments on the rule about where I stood on the legislation itself. I think, again, we are all striving to find a way to provide consistent and steady funding for school districts, particularly in rural areas. I stand shoulder to shoulder with the gentleman in attempts to make sure that we do that as soon as possible, frankly.

As far as my amendment being a poison pill, the gentleman may wish to characterize it that way, but I think it is offered in a spirit of local control and the principle that if an area wants to spend the money on the projects that are suggested, it can. However, it is not required to. I do not think in my opinion that that should be enough to kill what is an important effort, and a sincere effort on your parts, to meet the needs of these rural areas.

Mr. BOYD. Madam Chairman, reclaiming my time, I strongly oppose the amendment offered by my friend, the gentleman from Colorado (Mr. UDALL), and encourage the other Members to vote against it.

Mrs. CHENOWETH-HAGE. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in opposition to the Udall amendment, and I commend the Goodlatte compromise legislation that is in front of us. A lot of work went into this and there is a huge amount of support across the Nation to see this bill through, to make sure that we have better support for our schools, not just in the Western States, but across the Nation where these programs have impacted all of our States.

There is no topic that has greater ramifications for the schools in my State than this particular issue, because my State is generally a rural State. In the last year alone, funds distributed to Idaho counties from Federal timber receipts declined by 44 percent.

One can imagine the impact in these small rural counties that it has on schools. Idaho County alone lost $1.3 million. Now, when we are dealing with trillions of dollars here, $1.3 million seems like small change. But to an Idaho county, where our schools are involved, it is not small change.

This follows many years of similar reductions because of the reduction in activity on the forest lands. The effects on local schools have been very staggering. In some of our schools, school services like nursing and art and music programs, athletics, counseling, and lunch programs have been eliminated.

Madam Chairman, in some of our schools in Idaho they have actually reduced the number of days they can keep the schools open. We have some schools now operating only 4 days. In other areas, local school boards are actually having to make decisions with regard to the future of certain schools in their counties.

Now, is this what we really want for our rural children with regard to the uncertainty of their educational future? H.R. 2389 will give the rural children these opportunities that they need, and it does it without artificially severing the historic partnership between counties and the national forests that began back in 1908.

Two days ago, President Clinton addressed over 400 of the Nation's top teachers and called on Congress to adequately fund public education in the inner cities. Well, two months ago this same President also visited urban schools and stated that he wanted to offer a hand up, rather than a handout.

Well, by opposing H.R. 2389, he, this administration, this President, is saying that urban schools are important, but rural schools are not. It is a bad message.

We must make all children a priority in this Nation, and that is what H.R. 2389 does. Please join me and the National Education Association, the National Association of Counties, the U.S. Chamber of Commerce, and the National Forest, Counties and Schools Coalition in reaffirming our commitment to our American children in rural America, as well as the children in urban America. Please support H.R. 2389.

Mr. VENTO. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I first want to point out that I had received correspondence yesterday from the League of Conservation Voters, which has sent correspondence in opposition to this measure. Of course, I joined them in opposition to the measure and in support of my colleague from Colorado's amendment that would provide discretion to the counties that received this money as to how they would utilize it.

I understand for counties that receive over $100,000 and those under the O and C lands, that there is no discretion, that they mandate that 20 percent of these dollars would be used for these special projects which are initiated by the advisory committees and submitted to the respective Secretary for funding.

Now, I submit that all of this advocacy about education is very interesting, but the first thing you are doing with these dollars, at least in these counties that get over $100,000, which is most of the counties I expect affected by this, is taking 20 percent of it away and putting it into other special projects.

This is sort of a grant program that is embedded in here into this initiative. What it does, of course, is set up some more government in terms of dozens of advisory committees who would basically have to initiate, and, therefore, would have the power to submit or not submit. So basically it is only up to them.

I do not know about what correspondence my colleagues are getting from back home; but the last time I read mine, it did not say we need more government structure back here, our school boards are not good enough to do the job, we need more people that are in these positions to make these decisions; that we want to take power away from school board, take power away from county commissioners, and create special advisory committees which would control 20 percent of the receipts that we would otherwise receive from having national forests in our area, because, of course, now we are not talking about production anymore in the forests, not talking about the 25 percent in terms of production in the good years and bad years. You are trying to eliminate the roller coaster. I appreciate that issue. But the fact is you are just taking that money out of there, and you are objecting to the Udall amendment which would give discretion to the county commissioners to do that.

In other words, this is one of those amendments that I hear often reported by some colleagues in this chamber as Washington knows best; one size fits all.

These are the types of discussions that we have had. Of course, this grant program, this initiative that is buried in this bill, is going to completely fly under the cover here, under the radar, in terms of what goes down. So I do not think we need these dozens of advisory committees.

But the very least you could do is, if one suggests the counties support this, is let them make the decision locally as to how those dollars are spent. They might have some of their own ideas about how to use this, because you are guaranteeing 1 dollar out of 5 will not be used for schools by virtue of the way the resolution is written in most of the counties that are affected.

You are ensuring that every project, of course, has to be approved by the Secretary of Agriculture, or Interior, I guess, in the case of the O and C lands, but the fact is that that is setting the Secretary up for confrontation. And I do not think that these amendments in this particular mode you are talking about, and I appreciate the good intentions of bringing everyone together, holding hands and talking about how they are going to get along; but the fact of the matter is the way this is structured, I can tell you right now you are going to have a lot of proposals that are going to come up here; the Secretary is going to decide you need an environmental impact statement; you need an environmental assessment. He has just so many days to make the decisions. Those costs have to be borne by the local communities. I just think it is an unworkable proposition.

We do not need more government. At the very least you can improve this bill somewhat, I do not think it is saveable, as I said earlier, but you can improve it somewhat by letting the local governments or the counties make the decisions on how they are going to use these resources.

This bill has many flaws to it. This is one very obvious flaw. I think there are many other problems with the bill, but I would think that in presenting this particular solution, that you would do a lot better letting the counties, rather than just superimposing this program all across the forests, there is no working model any place, this is not a pilot, this is going to go into effect in each county and the counties that receive the dollars under this bill.

So, there is no working model of this in any place that I am aware of, and I think it is not easily demonstrable that it is workable. So there are many provisions written into this that I think are unwieldy. I think at least letting the counties make this decision and avoiding the Washington-knows-best type of model here would serve you much better. So I would urge Members to vote for the Udall amendment.

Mr. RADANOVICH. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I want to speak in opposition to this amendment and for the community project section of this bill. I do so for one main reason, and that is that this bill, as it is so crafted, gives flexibility for local governments to do local forest management plans, like Quincy Library groups. This amendment would prevent that from happening.

The Quincy Library group, as you may well recall, was something that developed in the Town of Quincy after the Spotted Owl wars, and the President came out and said, "Why do you not solve your problems locally?"

That gave the incentive for local environmentalists, local business folks, local government leaders, to sit in what was the Quincy Library group, and they met there because they could not shout at each other at a library, and they actually got together and put together a forest management plan that worked for the local communities and also provided for better forest health than the current law that applied in that land.

Now, this is a wonderful plan; and I think that the bill as it is crafted allows for flexibility in the local governments to develop Quincy Library groups all across the country. I might remind this body too that the Quincy Library group, the forest plan that resulted from that, when it was brought to a vote on the floor of the House, passed 429 to 1 and is currently being stymied by the administration because it drives a wedge into the local and national leaders of the environmental community; and the national environmental leaders are threatened for the loss of power, even at the expense of a plan that provides better forest health. I would submit that is really what is going on here.

I think it is ironic that the national environmental lobby is opposed to a bill such as this, even when the possibility of local forest management plans will result in better forest health. That is why I oppose this amendment and urge for the passage of the bill as it stands.

Mr. UDALL of Colorado. Madam Chairman, will the gentleman yield?

Mr. RADANOVICH. I yield to the gentleman from Colorado.

Mr. UDALL of Colorado. Madam Chairman, I wanted to just for the record clarify that my amendment would not prevent these kinds of local projects that the gentleman mentioned and that have great success in some areas. You draw attention to the Quincy Library model.

What it would require, it would not prevent a county from deciding to undertake these kinds of projects. It just would not require that a county would have to spend up to 20 percent of the monies allocated on these kinds of projects.

Mr. RADANOVICH. Madam Chairman, reclaiming my time, the bill allows funding for counties should they propose to set up local Quincy Library plans. I agree with the gentleman, it does not prevent that from happening; but in poor counties like the one I come from, it gives the flexibility to local officials to decide to use some of that money to fund a Quincy Library group plan locally. I do submit that that is what has got the national environmental lobby scared to death, because it is a threat to their power base.

□ 1500

Mr. UDALL of Colorado. Again, the law as it is now written and as I read it, it would be a mandate that these local communities would have to spend 20 percent, no less, on these kinds of projects.

I would also submit that a number of the national environmental groups very much want to find a solution to this situation, where timber receipts are tied to school funding, but they are not necessarily driven by a fear of additional Quincy Library groups.

Mr. RADANOVICH. Reclaiming my time, Madam Chairman, I would submit that the national environmental lobbies' primary reason for opposing this bill is because it gives local communities the ability to fund Quincy Library type groups in their district. I submit that is why the national environmental lobby is scared to death of this bill. That is why I support it wholeheartedly and oppose the amendment.

Mr. TURNER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in opposition to the Udall amendment.

It is interesting to listen to the debate thus far, and what we see is those who offer the amendment are opposed and will vote against the legislation, no matter whether the amendment goes on or not.

In fact, it is important here to understand that when the delicate compromise was put together on this bill, the provision that we are now debating, the 20 percent set-aside for local projects, when that was placed in this delicate compromise, it was a major concession by the county officials, the school officials who formed the coalition that represents the group that is pushing the passage of this bill.

I think it is important for us to understand that the passage of this bill will be a major victory, not only for the counties and schools that depend on forest revenues to run their counties and their school districts, but this bill will be a major victory for the environmentalists, because the formula placed in this bill will minimize the impact of harvesting of timber in our national forests, on our county budgets and school district budgets.

That effect will remove our counties and school districts from the national debate over the management of our national forests, and that clearly is a big victory for the environmental community.

With regard to the specific amendment being offered, I think it is interesting to note that if we survey the national battle over forest management policy, what we will find is more often than not the only discussion over that policy occurs in the courthouse when somebody files a suit, as happened in my own district in East Texas, where currently we are under an injunction where we cannot harvest timber, creating a severe financial hardship for my counties and school districts.

What this amendment does, it basically requires the interested parties to get together and talk about the national forest, to talk about the proper utilization of it. The language was carefully crafted to ensure protection of environmental interests, because the advisory committee that will make a determination, with the approval of the Secretary, of what the 20 percent will be spent on locally consists of, and I am reading from the bill, "Local resource users, environmental interests, forest workers, organized labor, elected county officials, school officials, or teachers."

That is the coalition, that is the advisory group that will make the determination as to what happens with the 20 percent.

So I say it was a major concession on the part of county officials and school officials to accept this language, which is a pro-environmental language section of the bill which ironically is now being opposed by those who purport to represent the environmental interests.

I say that we are at a critical point in time in the national debate over forest policy. To defeat this bill would give up a historic opportunity to strike a compromise that will end the battle that has been ongoing between our school districts and our counties and the environmental community.

So I would urge rejection of the Udall amendment, not because it is offered in bad faith, but because it jeopardizes a compromise that was reached with environmental interests that was agreed to by the coalition that supports the bill in the first place, and it will jeopardize the future of this legislation in the Senate.

Mr. POMBO. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, the opponents of this legislation, the supporters of this amendment, have raised two objections to this legislation, two areas of objections. First is the downlink issue, and I believe that what they would really like to do is to turn our counties into wards of the State, to be totally dependent upon the appropriations process, totally dependent upon the Federal government to fund their local school districts.

I am totally opposed to doing that. That is exactly what they have proposed that we do, that no longer would there be a link between what is happening locally, what is happening with their local economy. No longer would they have an interest in what is happening in their local forests. They would now have to come, hat in hand, to the Members of Congress to beg for school funding. That is exactly what the downlink issue would do.

Again, it would increase the power of the Federal government, increase the power of the individual Members of Congress, and make all of their local school districts beholden to the appropriations process that happens here in the House of Representatives, ever more powerful.

We heard someone talk about the era of big government, and wanting no more big government. The truth is that this is big government in and of itself. All of a sudden, Members of Congress become more powerful. Their school board members have to come to them for funding for their schools. That is exactly the wrong thing we ought to be doing. Yet, it is one of the objections that has been brought up on this legislation.

The second objection, which is related to this particular amendment, talks about the 20 percent set-aside. We wonder, how could people that claim to be environmentalists, people who claim to care about the environment, be opposed to what this legislation does?

The real truth of it is that the national environmental groups are opposed to this because they need confrontation. They do not want solution. What happens when we get all of the local stakeholders together, what happens when we get somebody who actually lives in the community to sit down with somebody else that lives in the community and talk about a forest plan that actually solves the problem, is they come up with the solution, because people who live there, people who work there, people who see each other in the grocery store every day and whose kids go to the same school all of a sudden have to sit down together and come up with a solution, and they do it because they live there and they have something at stake.

But the national environmental groups do not want a solution. They thrive on controversy. Members have all seen the letters they send out. If all of a sudden we had a solution they cannot raise money anymore, so they are opposed to finding that kind of a solution. They are terrified of finding a solution. What they want is they want to continue the controversy.

Why did they oppose the Quincy Library group? Not because it did not solve the environmental problems, not because it did not solve a problem that was very real, that was local, that was driving the locals nuts. They were opposed to it because it was a solution. They were opposed to it because, darn it, people got together and they came up with a solution. It was the local resource users, the local schools, the local businessmen and the local environmentalists that sat down and came up with a solution.

By passing this legislation as is, what we end up with is we end up with people all over the country, not just in Quincy, not just sitting down in a little library that was underfunded in an area where the schools are getting nowhere near the funding that they should, but it would be all over the country, local people would sit down and they would come up with a solution to solve their local problems.

That is what we want. That is what we are trying to solve with this particular legislation.

I realize that the gentleman is saying that he wants to make this optional, but he knows as well as I do that if we do not craft this legislation in the very delicate balance that we have, that all of a sudden, these projects just do not happen, because there is always a need for school funding. There is always the necessity for more money for local schools. That is why we try to solve it by increasing the money substantially.

What he is trying to do is he is trying to take away the ability for them to sit down and solve these problems. That is the result of this amendment, and he knows it, the end result of all of this.

The CHAIRMAN pro tempore (Mrs. EMERSON). The time of the gentleman from California (Mr. POMBO) has expired.

(By unanimous consent, Mr. POMBO was allowed to proceed for 1 additional minute.)

Mr. UDALL of Colorado. Madam Chairman, will the gentleman yield?

Mr. POMBO. I yield to the gentleman from Colorado.

Mr. UDALL of Colorado. I thank my colleague, the gentleman from California, for yielding.

Madam Chairman, I want to point out again that the amendment would only give the local entities the option. It would not require them to involve themselves in the kinds of I think very effective local decision-making processes that the gentleman talks about.

Mr. POMBO. Reclaiming my time, I realize, as I said, that the gentleman's amendment does not completely take away that option. But the practical reality of the gentleman's amendment is it does take away the option, because once we create that competition for funding, we take away that option.

What we are attempting to do with this legislation is encourage these people to sit down and do the right thing and come up with local solutions. If the gentleman's amendment were to be adopted by this body, in practical reality, we take away that option. They will never have that option of doing that, as a direct result of what the gentleman is doing.

Mr. UDALL of Colorado. If the gentleman will continue to yield, the projects of which the gentleman speaks, if they are that high a priority, we ought to be looking at other ways of supporting them, as well.

I would remind the gentleman, in the bill there is talk of all kinds of other kinds of projects on Federal lands, bike paths, ecotourism. We should see we do that in the future.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. POMBO) has expired.

(By unanimous consent, Mr. POMBO was allowed to proceed for 1 additional minute.)

Mr. POMBO. Just to respond to what the gentleman is saying, Madam Chairman, I understand that there are a great many needs and a great many issues that are out there. They are very important.

In this legislation, we are trying to take care of a very specific need in the education of our children in rural counties. That is the primary focus of what we are trying to do.

But at the same time that all of this is going on, we have an administration that is talking about setting aside an additional 40 to 60 million acres. We have them running around talking about setting aside hundreds of millions of dollars a year to buy more private land and turn it into public land. This problem is going to be exacerbated. This problem is only going to get worse.

We are attempting to try to solve a very real problem with the education of our students in rural counties.

Mr. PHELPS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I first want to thank the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Texas (Mr. STENHOLM) and my good friend, the gentleman from Florida (Mr. BOYD), for providing the leadership of one of the few bipartisan compromises I have seen that is meaningful, as a new Member, to pass or at least come to this stage in this session.

I am very thrilled to rise in support and be a cosponsor of this measure, which provides new hope for struggling rural school districts across the country.

I respectfully rise to oppose the amendment of my good friend, a new Member, who shares a commitment to strong funding for education, both of us do. I know that he has proven and will prove to be that.

But my Southern Illinois district is home to the Shawnee National Forest, which covers 8 of the 27 counties I represent. Any Member with Federal land in his or her district knows that for centuries these counties have depended on Federal payments to compensate for a diminished local property tax base.

The Forest Service has historically shared a portion of its receipts with counties that include large tracts of Forest Service lands. Unfortunately, many counties have seen these payments decline drastically in recent years due to reductions in logging and other revenue-generating activities.

Madam Chairman, I understand the need to alter our forest management practice to reflect increased concerns for habitat protection and greater use of forests for recreation. However, our children should not be forced to suffer when these changes result in a shortfall in funding for schools and other basic needs.

H.R. 2389 promises that rural forest communities will once again be able to depend on adequate and consistent payment for county schools and roads, regardless of forest management decisions over which they have no control.

Under this bill, Illinois will enjoy a 68 percent increase in the payments it receives from the Forest Service. Because H.R. 2389 promises counties the higher of either of their 25 percent annual payment or their high 3-year average payment, no State and no county will lose money under this legislation.

It is also important to note that the final version of this measure represents a compromise carefully crafted by rural communities, education groups, business leaders, and labor organizations. They all have agreed that this legislation provides an effective solution to a growing problem, allowing for the improvement of schools and local infrastructure while stakeholders and policymakers work toward a permanent resolution to the county payment issue.

□ 1515

Madam Chairman, this legislation is critical to rural communities across the country, and I urge my colleagues to join me in supporting its passage.

Mr. FARR of California. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in strong support of this amendment. Let me say why. First of all, we have a lousy policy in the United States. It is an addiction policy. It is addiction where we say to schools they have to be addicted to cutting publicly-owned trees in order to have enough money to run their school. Congress has made it that way and it should have never been that way.

That addiction to cutting trees is because the more trees that are cut the more revenue that can be generated. Now, take rural schools in agricultural communities, they are not addicted to how much wheat is cut or corn is cut.

This is a foolish policy. We say that if one is a school in a National Forest county, that they have to be in favor of cutting as much timber as they possibly can in publicly-owned forests, National Forests. This does not apply to State forests. This does not apply to private lands that are cut, only to National Forests.

There is a debate going on of why we have this silly policy of addicting schools to forest timber harvests. That is why the President has said let us cure this addiction; let us delink the funding of schools to the cutting of trees. It is the only area in the United States where public policy has this linkage. It is foolish.

Now, the proponents of this bill, and I think we are moving in the right direction, are trying to do something about it but they want to keep people a little bit addicted. They want to keep that 20 percent set aside by saying, with this money it can be used but remember the demand is whether it is going to be used for an ecotourism trail, fine, how much revenue is that going to generate versus revenue to cut more trees? We know where the interests are going to be. They are going to say let us spend that money to promote more tree cutting. That is not delinkage. That is not trying to cure the addiction.

This amendment does that. This amendment says if one is interested in schools in the United States, then give all of this money to schools because that is what this bill is about, funding schools. So this silly idea that part of that can be set aside and it will be delinked, and will essentially get schools off the addiction, is totally wrong. I support 100 percent this amendment. If this amendment fails we ought not to be passing the bill.

Mr. UDALL of Colorado. Madam Chairman, will the gentleman yield?

Mr. FARR of California. I yield to the gentleman from Colorado.

Mr. UDALL of Colorado. Madam Chairman, I would like to point out that I think we should delink trees and schools, but I want to make sure all of the body understands that my amendment does not go that far. It just says when the money is delivered to the county's doorstep that the counties and those elected officials and those decisionmakers decide how it is spent; that there is no requirement that 20 percent be used on projects on Federal lands.

It is about local control. It is about making sure that the people on the ground make the decisions about whether that money is used for schools or for roads or for a Quincy Library effort.

Mr. FARR of California. Madam Chairman, I thank the gentleman for reminding me that he still has that local control because, frankly, schools in the United States are funded by property taxes and the only reason we are in this is because some States have still made those schools totally dependent on property taxes, so when there is federally-owned land they do not have a lot of property taxes.

In California, it has shifted because we do not do that by property taxes anymore. The State funds the schools. Those counties that still have Federal property have some impact, but do not think that this is a bill where one is going to try to get schools totally and fully financed as long as they are linked to cutting trees. That is the wrong policy for the United States.

We should not be having our National Forests be the only way we can fund an adequate education in the United States.

Mr. HERGER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, just in brief response to my good friend from California, we have major problems in our forests today. I represent 11 National Forests. Particularly in California, where we have stopped fires since the early 1900s and we have forests that the Forest Service says are 2 and 3 and 4 times denser than they have been historically, we have forests that are burning down, forests that we can use some of that wood to provide the wood product, the paper product that our Nation needs, and at the same time we have extremists within some of the environmental movements that would not allow us to remove one single tree, even if it is dead, from our National Forests, and that really stands at the crux of the problem here today.

Madam Chairman, on behalf of the rural school children in my district, I rise in strong opposition to the Udall-Vento amendment which will gut the substance of this bill.

The Northern California District I represent contains all or part of 11 National Forests. The citizens of my district have seen firsthand how the Clinton-Gore administration's locking up of our National Forest through their zero-cut forest management policy has virtually crippled educational funding in rural America.

Allow me to provide one example of the drastic drop in school funding that we have seen in my district. The Plumas National Forest, which is tied to schools in Plumas, Butte and Sierra Counties, generated $3.1 million in education funding in 1993. In contrast, the Plumas National Forest only generated $1.7 million in 1997. Because of this drastic drop in funding, schools have been forced to drop classes, cut programs and eliminate extracurricular activities.

This bill provides the short-term stability in educational funding which these communities desperately need while enabling them to participate with their Federal agencies in a program that will help to begin to restore health to our overgrown National Forest System.

The Udall-Vento amendment would take away this local control.

Madam Chairman, the Secure Rural Schools and Community Self-Determination Act was created in the spirit of the Quincy Library Group, a diverse coalition of local environmentalists, forest-product industry representatives, labor, local officials and concerned citizens that developed a forest health proposal for the forests surrounding the small rural community of Quincy, California, in my northern California district.

The Quincy Group developed a forest pilot project that became the basis of Federal legislation, which I sponsored and which passed last Congress overwhelmingly by a margin of 429-to-1. The group crafted a way to manage our forests for health and safety while providing for a responsible ecologically sound level of harvesting to benefit local counties and schools.

By passing the Herger-Feinstein Quincy Library Group Forest Recovery Act, this Congress recognized that local groups are better able to craft solutions that best benefit their local forests, communities and schools and that we can create win-win solutions when local communities, not Washington, are the source of those solutions. Contrary to this administration's policies, Washington does not know best.

Madam Chairman, this bill will create hundreds of Quincy Library Groups across the country, where communities will finally be given a greater voice in the management of their local National Forests and the funding of their schools. The Udall amendment will take away this important voice. I strongly urge my colleagues to vote against this amendment and for the bill.

Mr. GOODLATTE. Madam Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Madam Chairman, I thank the gentleman from California (Mr. HERGER) for yielding.

Madam Chairman, the last speaker on the other side raised the administration's position on this, and I think it is important to find out exactly where the administration is.

The administration has been AWOL on this issue from the beginning. The administration continues to maintain the Sierra Club/Wilderness Society position of decoupling or nothing, and when the gentleman says we should not have to cut trees in order to fund schools, what the gentleman is overlooking is that this bill moves in the direction of assuring that the schools get the funds no matter what level of timber harvesting takes place but it continues to maintain that connection not just for timber harvesting.

The CHAIRMAN pro tempore (Mrs. EMERSON). The time of the gentleman from California (Mr. HERGER) has expired.

(On request of Mr. GOODLATTE, and by unanimous consent, Mr. HERGER was allowed to proceed for 3 additional minutes.)

Mr. GOODLATTE. Madam Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Madam Chairman, the effect of that is that for watershed protection, for recreational projects, for environmental improvement of our forests by thinning and other tree-harvesting measures that are environmentally sound, every one of these projects has to comply with every single Federal law. The effect of this is to continue that connection.

More importantly, even if the other side were successful in passing what they want, the reality will never change that these communities are dependent upon these forests because they use such a great portion of the land in those counties. So the jobs that are lost, that is additional loss to the schools in a particular county. When businesses close down and move out, that is additional tax revenue that does not go to the schools and so the net effect of what the gentleman is saying that we should have no connection between the land and its people is a very, very bad policy.

This amendment should not be supported because the effect of it is going to disconnect people with centuries of connection to their communities and to their land for their economic survival.

Mr. RADANOVICH. Madam Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from California.

Mr. RADANOVICH. Madam Chairman, it is my opinion that it is the administration's goal to get everybody out of the forest and put rural communities on welfare.

A very good point was made in that the best forest management plans are from local input. This administration's ill-conceived notion is that no management is good forest health, and that is just not true. So I agree and align myself with the gentleman's statement. The administration's goal is to get people out of Federal lands and put rural communities on welfare. That is the goal.

Mr. POMBO. Madam Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from California.

Mr. POMBO. Madam Chairman, I thank the gentleman from California (Mr. HERGER) for yielding.

Madam Chairman, we heard a few minutes ago my colleagues talk about the addiction, and what this legislation would do is it would give us the opportunity to break that addiction. It would give us the opportunity to find a solution that is driven locally.

We hear about local control. Well, all the people that vote against every bill that ever comes to this floor that has anything to do with local control all of a sudden are talking about it. The reason they are talking about it is that the national environmental groups are terrified, they are terrified, that local people are actually going to get together and find a solution, because they thrive on conflict. It is the very existence of their organizations, and if we get local people together talking about the problems and finding solutions we will have a solution and that addiction will be broken.

Mr. DEFAZIO. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, from the beginning there are people on the poles of this issue who have wanted this to be a debate about forest policy and not a debate about schools, about vital county services. I have to say a few of the last speakers are succeeding in dragging us back to that point.

Successfully, throughout the day, we have been addressing the needs of the schools, the needs of counties that are more than half owned by the Federal Government, with few alternatives, with depressed rural economies, with underfunded schools, with few sheriffs deputies and other tremendous needs going unmet.

What we heard out of the last few speakers, they want to assassinate the administration here. Well, let us get it straight. Who proposed giving this money to the counties and schools to begin with? It was the President, in the budget a year ago.

What did the Republican majority do in the last Congress on this issue? Nothing. They did not even hold a hearing.

Now, this Congress there has been some action, but not through a regular process. It did not go through my committee where I sit, the Committee on Resources, which it should have by all rights. Now we are down on the floor and there are people here who would just as soon blow this up as opposed to get something done here today.

This is an important issue. This is not a perfect bill. It is not the bill I would have written. It is probably not the bill that we would have had if it had gone through the regular process, but it is vitally important and it is the best we can do today here in the United States House of Representatives.

The administration has not sent a veto threat. They have raised concerns about parts of this bill, concerns which can be worked out with the Senate if it is going to be signed into law, and it needs to be signed into law. For the sake of the kids and the counties, it must pass.

So let us not go where the poles in this debate want us to go. Let us not drag this out into a debate of forest policy. We can debate that every day of the week and we can all disagree and we can come down here and just have a great time pounding on each other or we can do it in committee, we can do it in the hallways, in the cloakrooms, everywhere else. This is not about forest policy. It is about money. It is about vital funds for kids, for schools, for counties, for law enforcement, for roads and infrastructure. Please support passage of this bill.

□ 1530

Mr. STENHOLM. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in strong opposition to the Udall amendment. As one who has participated in this discussion for the last couple of years, I am glad to see us finally get to the point to where we can achieve what the gentleman from Oregon (Mr. DEFAZIO) was just talking about that we need to achieve today with the amendment before us.

At first glance, the Udall amendment seems to make sense, and I know that is certainly the gentleman's intention by allowing local entities total discretion in the use of their full payments.

Usually, I support that kind of flexibility given to the local level for the use of such funds. But this is not a simple amendment as it appears. We have over 830 local entities that are suggesting that the compromise that we have heard mentioned over and over and over again is the best solution for us to date.

An extensive coalition of grassroots or organizations, including education, rural development and labor organizations, have come together to determine the parameter of the payments provided. They recognize that local communities need a steady source of funding for things like education and the investment to ensure the long-term viability of these local communities dependent on timber resources.

The Udall amendment, unfortunately, provides no assurance that funding would be available for local communities to develop a long-term sustainable solution for management of their forestlands. The bill will provide an incentive for local communities to participate and develop the resources available to the communities.

Please oppose the Udall amendment. Support the bill on final passage.

Madam Chairman, I yield to the gentleman from Florida (Mr. BOYD).

Mr. BOYD. Madam Chairman, I thank the gentleman from Texas (Mr. STENHOLM) for yielding to me.

Madam Chairman, I sense that we are about to wind up here. We have had a spirited debate. I think the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from Texas (Mr. STENHOLM) have best said it in the last two statements.

I would be remiss at this point in time if I did not pause to again thank the Members, the gentleman from Georgia (Mr. DEAL) and the gentleman from Virginia (Mr. GOODLATTE), the gentleman from Oregon (Mr. DEFAZIO), and also the gentleman from New York (Mr. BOEHLERT) for their role in making this happen.

Also, I want to thank all of the staff. This is my first opportunity to be heavily involved in a bill like this on the floor. I want to tell my colleagues that we have some very professional staff here, Dave Tenny and Kevin Kramp from the House Committee on Agriculture, Doug Crandall from the House Committee on Resources, Jennifer Rich from the office of the gentleman from Georgia (Mr. DEAL), Penny Dodge from the office of the gentleman from Oregon (Mr. DEFAZIO), David Goldston from the office of the gentleman from New York (Mr. BOEHLERT), Chris Schloesser from my staff, and also Greg Kosta from Legislative Counsel. I want to give my thanks to all of those folks.

Mr. DEAL of Georgia. Madam Chairman, I move to strike the requisite number of words.

Madam chairman, as we come to the conclusion of the debate on this amendment, I quite frankly am surprised we can still see across this room because it has become smoke filled, and traditional smoke screens have all been thrown up as we debated this amendment. But let me just deal with some basic, pure legislative arithmetic.

This bill, as the gentleman from Oregon (Mr. DEFAZIO) says, is not a debate about forest policy. It was not intended to be. This amendment is a smoke screen for that debate. Because, in all honesty, and I admire his candor on it, the proponent of the amendment admits that, even if it is adopted, he will not support the bill because he does want to debate the forest policy of delinkage.

That is a debate for another day. If we debate delinkage, we ought to debate the issues of delinking those local sheriff's departments of having to provide law enforcement protection for those forests in their counties. We ought to debate their search and rescue efforts that cost them tens of thousands of dollars in very small rural communities when they have to find somebody who has drowned in one of our rivers or whose plane has crashed in one of our National Forests. But that is a debate for another day.

But let us talk about the legislative math, about what is before us. We are talking about giving to our counties that qualify the average of the highest 3 years from 1984 through 1999. I want to tell my colleagues what that does in my State of Georgia. The debate of the amendment is about 80 percent or 100 percent, let me tell my colleagues what the real story is.

In my State of Georgia, if they get 80 percent of the highest 3 years for that time frame compared with what they have gotten on average for the last 3 years, they will get a 250 percent increase. Now, that is Georgia math. 250 percent, even if it is at an 80 percent level, is a whole lot better than 100 percent of what one is getting now. That holds true for almost every State across this country.

Now, let me tell my colleagues what the math of the amendment is; and that is 100 percent of nothing is still nothing. If this amendment passes, that is exactly what will happen. The compromise of the groups that have supported this bill as it now comes before us, that compromise will disintegrate, and the gentleman will get 100 percent, but it will be 100 percent of nothing. I oppose the amendment. I urge its defeat, and I urge the adoption of the bill as proposed.

Mr. GEORGE MILLER of California. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in support of the amendment. Let me just say that I rise in strong support of the Udall amendment because I think it is an important amendment. There will be varying amounts of money that will be available if one has the 20 percent set-aside, a 20 percent that is mandated within this legislation.

This is supposedly an argument, as the gentleman from Oregon (Mr. DEFAZIO) said and as has been said over the last several years as timber policy in this country has changed, that this is an argument about sustaining the rural schools and county roads and other obligations of county governments where one has high ownership of Federal lands and timber based economies.

If this is about maintaining those schools, schools that are in dire straits, I sit on the Committee on Education and the Workforce, we listen to these schools every day in that committee talk about the problems of rural schools, talk about the problems of the western United States, of rural schools.

We just had a bipartisan effort to try to get additional money to those schools under ESEA to provide them additional flexibility. We understand that problem. It is a very real problem. The administration, as the gentleman from Oregon (Mr. DEFAZIO) pointed out, offered legislation to make whole these schools without coupling it to forest policy.

Why is this amendment important? This amendment is important, the amendment offered by the gentleman from Colorado (Mr. UDALL), because it recognizes what this 20 percent set-aside is. This 20 percent set-aside is the last gasping of the forest industry in these areas to try to see whether or not they can bootstrap themselves into additional logging in these areas, to try to tell the communities that they can bring in additional monies even if it is contrary to the national interest of the National Forests and the people of this country.

That is what this 20 percent set-aside is. That is why they fought so hard about it. I do not know how they got the school districts to do it. I do not know how they got the NEA and the School Boards Association and others, because supposedly the school boards are in such terrible trouble, that is why we need this legislation, but they took 20 percent of the money off the top on a mandatory mandate by the Congress.

Now, we are told that, if one wants local flexibility, it is a poison pill. Six weeks ago, we are out here arguing that we had to give absolute flexibility to local governments, we had to give absolute flexibility to local schools. My, how far we have come from the Contract on America when local flexibility is a poison pill.

But we are going to go ahead, if this legislation is passed without the Udall amendment, we are going to set up 150 Federal advisory committees. They are going to try to see whether or not they can come up with projects on the forests. That is not a problem.

But do my colleagues know what? If the local community decides that 100 percent of these receipts should go into the schools, why should not they be able to make that determination? They are prohibited from making that determination because there is a Federal mandate in this legislation that says the local community cannot make that decision.

So even if they decide what is in their best interest, they do not get to make that decision. They do not get to make that decision. That is why the Udall amendment is important. Because the fact of the matter is, what we are trying to do here and what this formula tries to do, is we take the highest users of forest policy when maybe, perhaps, the poorest policy was at its most irresponsible level, where we were timbering lands far beyond their sustained yield, far beyond their sustained productivity.

That is why we are in the fix we are in today, because those lands have been butchered in such a fashion that they no longer will yield, because the people 10 years ago decided they would take everything they could get and they would rip and run. Now these communities are left without the resources to educate the children.

We happen to believe, I think most people, that those communities can be made whole still, and the administration proposed that. But the timber industry said that is not good enough. That is not good enough. We have got to have the means to try to come in the back door and see whether or not we can, again, drive the timber harvest.

So, therefore, one has a mandatory 20 percent set-aside, a 20 percent set-aside against the best interest of the community if the community decides that its roads and its school children are important..

Plus in some cases, as I tried to point out earlier, the amount of money is so small that it is hard to believe that one can efficiently use it. But we will set up these committees, we will have 150 of them on every unit of the Forest, and they can decide what to do with $8,000 or $10,000.

But if the community said we want to buy 10 computers or we want to buy software or we want to buy books or we want to contribute to the payment of one of the 100,000 teachers the President is trying to get passed, they will not be able to do that, because they will have to spend this 20 percent in a mandated set-aside to try to come up with some project on the Forest that the community, in fact, may not agree with.

That is the wisdom of the Udall amendment. It is about understand what this 20 percent set-aside does.

The CHAIRMAN pro tempore (Mrs. EMERSON). The time of the gentleman from California (Mr. GEORGE MILLER) has expired.

(By unanimous consent, Mr. GEORGE MILLER of California was allowed to proceed for 2 additional minutes.)

Mr. GEORGE MILLER of California. Madam Chairman, it is about understanding the need for communities to be able to make the full range of decisions that affect them. Because apparently from the debate and from the remarks of most of my colleagues in the affected areas, it becomes very clear that the money for schools today is insufficient. The money for schools in 1984 was insufficient.

So now, out of an insufficient amount of money, the Federal Government is going to mandate that one has got to set aside 20 percent, so the schools cannot have it, the county roads cannot have it, even if the community decides that is what is important.

I suggest what we do is make a bad bill better, we vote for the Udall amendment, and we give these local communities the controls that they need and they desire and that are most beneficial for their local communities and for the school children in those areas.

Mr. PETERSON of Pennsylvania. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I yield to the gentleman from California (Mr. HERGER).

Mr. HERGER. Madam Chairman, I would like to respond to the gentleman from California (Mr. GEORGE MILLER) on some of his comments. He mentioned that the forests were being over cut back some years ago, and that is true. But as the gentleman knows, we have laws now, Federal laws, and certainly those in California that do not allow this anymore.

Our predicament now is just the opposite of what it was 15 and 20 years ago. Today we have forests that are two and three and four times denser than they have ever been. We have fire hazards now where we are having catastrophic wildfires, and we need to go in and actually thin out our forests, of which we are unable to do.

Mr. PETERSON of Pennsylvania. Madam Chairman, I would just like to raise the issue that I think we have been asked today to trust the Federal Government to take care of these 800 communities just like we have had in the past.

When we look at the history of Congress and previous administrations, we have about a billion acres in this country in public land owned by the Federal Government plus local governments more. But now that billion acres we have a payment in lieu of tax program. If one looks at it, can one say we should trust Congress to take care of communities who have huge mounts of their acreage owned by the Federal Government?

This year, we will appropriate $125 million for a billion acres. That is 12 cents an acre. In Pennsylvania where we own a lot of land, the State I come from, we pay $1.20 for every acre that the State owns to help local schools, to help local roads. That does not break the State. Congress has paid 12 cents an acre, and they are saying trust us, Congress will take care of these school districts, these law enforcement agencies, and these local governments who have the bulk of the land in their communities.

I want to tell my colleagues, when I look at that record, I am not going to trust Congress. I am not going to trust future administrations. Everything we can do to help rural America have a base of government, the great amount of ownership of this Congress, of this country, and our closed and calloused attitude towards it, our unwillingness to be sensitive to the needs out there as we change Federal policy is historic.

So I say today let us defeat the amendment that is before us, and let us pass this bill. It is a major step. It does not fix the problem, but it is a major step of help to rural America. It shows rural America that we care about their educational building in small rural communities that are surrounded with public land. It shows we care a little bit.

I urge a defeat of this amendment and passage of the bill.

Madam Chairman, I yield back the balance of my time.

Mr. WU. Madam Chairman, I rise today in support of the amendment offered by the gentleman from Colorado. I would like to thank my good friend for bringing this important amendment to the floor. I believe that this amendment will improve H.R. 2389.

The Udall amendment helps bring decision making closer to home. Under the proposed bill, any county, which receives over $100,000 in safety net payments, will be required to use 20 percent for "projects on federal lands." Those counties, which receive less than $100,000 in safety net payments, have the choice to use the entire payment for schools and roads or elect to use 20 percent for "projects on federal lands." The federal government will in effect be mandating to counties, which receive over $100,000, how to spend 20 percent of the assistance.

Madam Chairman, by mandating that 20 percent of the revenue be used for purposes other than education and transportation, we, the U.S. Congress, are tying the hands of local decision-makers about local priorities.

The Udall amendment allows the affected county to make the decision. The Udall amendment allows local officials to decide if smaller class size is more important than a new Search and Rescue unit, whether new books for third graders are needed more than forest management. These are the difficult choices that need to be left in the hands of the people who are most affected by them, local communities.

□ 1545

The CHAIRMAN pro tempore (Mrs. EMERSON). The question is on the amendment offered by the gentleman from Colorado (Mr. UDALL).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. UDALL of Colorado. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 241, not voting 6, as follows:

[Roll No. 559]

AYES—186

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Berkley
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brady (PA)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dickey
Dicks
Dixon
Doggett
Dooley
Doyle
Ehlers
Engel
Eshoo
Evans
Farr
Fattah
Filner
Forbes
Frank (MA)
Ganske
Gejdenson
Gephardt
Gilman
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Horn
Hutchinson
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kind (WI)
Kleczka
Kucinich
LaFalce
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lowey
Luther
Maloney (CT)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McInnis
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Porter
Price (NC)
Rahall
Ramstad
Rangel
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stearns
Strickland
Stupak
Sweeney
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu

NOES—241

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeLay
DeMint
Diaz-Balart
Dingell
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Hooley
Hostettler
Houghton
Hoyer
Hunter
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kuykendall
LaHood
Lampson
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lucas (KY)
Lucas (OK)
Maloney (NY)
Manzullo
Mascara
McCollum
McCrery
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Packard
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Regula
Reyes
Reynolds
Riley
Rogan
Rogers
Ros-Lehtinen
Roukema
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Spence
Stenholm
Stump
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—6

Bereuter
Hulshof
Kilpatrick
Scarborough
Souder
Weldon (PA)

□ 1609

Messrs. NORWOOD, ISAKSON, McCOLLUM, KOLBE, FRELINGHUYSEN, REYES, HALL of Texas, and Mrs. FOWLER, and Ms. LOFGREN changed their vote from "aye" to "no."

Messrs. OBEY, HORN, McHUGH, HOLDEN, DOYLE, LEACH, SCOTT, LAZIO, and CAMPBELL changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mrs. ROUKEMA. Madam Chairman, on rollcall No. 559, I inadvertently voted "no." I meant to vote "aye."

The CHAIRMAN pro tempore. Are there any other amendments?

If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having resumed the chair, Mrs. EMERSON, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2389) to restore stability and predictability to the annual payments made to States and counties containing National Forest System lands and public domain lands managed by the Bureau of Land Management for use by the counties for the benefit of public schools, roads, and other purposes, pursuant to House Resolution 352, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GOODLATTE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 274, noes 153, not voting 6, as follows:

[Roll No. 560]

AYES—274

Aderholt
Allen
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Berry
Biggert
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dingell
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Ford
Fossella
Fowler
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Isakson
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kasich
Kind (WI)
King (NY)
Kingston
Klink
Knollenberg
Kuykendall
LaHood
Lampson
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller, Gary
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Royce
Ryun (KS)
Salmon
Sanchez
Sandlin
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stenholm
Strickland
Stump
Stupak
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Udall (NM)
Velazquez
Visclosky
Vitter
Walden
Walsh
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Young (AK)
Young (FL)

NOES—153

Abercrombie
Ackerman
Andrews
Baldwin
Barrett (WI)
Becerra
Berkley
Berman
Bilbray
Blagojevich
Bonior
Borski
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Castle
Clay
Clyburn
Coburn
Conyers
Coyne
Crane
Crowley
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dixon
Doggett
Ehlers
Engel
Eshoo
Evans
Farr
Fattah
Filner
Forbes
Frank (MA)
Franks (NJ)
Frelinghuysen
Gejdenson
Gephardt
Gilman
Gonzalez
Hastings (FL)
Hinchey
Hoeffel
Holden
Holt
Inslee
Jackson (IL)
Jefferson
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kleczka
Kolbe
Kucinich
LaFalce
Lantos
Largent
Larson
Lazio
Lee
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Moran (VA)
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Porter
Portman
Ramstad
Rangel
Regula
Rivers
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Schakowsky
Scott
Serrano
Shays
Sherman
Slaughter
Smith (NJ)
Smith (WA)
Stabenow
Stark
Stearns
Sununu
Tauscher
Thompson (MS)
Tierney
Toomey
Towns
Udall (CO)
Upton
Vento
Wamp
Waters
Waxman
Weiner
Wexler
Weygand
Woolsey
Wynn

NOT VOTING—6

Bereuter
Hulshof
Kilpatrick
Ryan (WI)
Scarborough
Weldon (PA)

☐ 1627

Mr. VISCLOSKY changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. RYAN of Wisconsin. Mr. Speaker, on rollcall No. 560, I was unavoidably detained. Had I been present, I would have noted "yes."

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2389, the bill just passed.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Virginia?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2389, COUNTY SCHOOLS FUNDING REVITALIZATION ACT OF 1999

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 2389) the Clerk be authorized to correct section numbers, punctuation, citations and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1832

Mr. MEEKS of New York. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1832, the Muhammad Ali Boxing Reform Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 353 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 353

Resolved, That it shall be in order at any time on or before the legislative day of Wednesday, November 10, 1999, for the Speaker to entertain motions to suspend the rules, provided that the object of any such motion is announced from the floor at least two hours before the motion is offered. In scheduling the consideration of legislation under this authority, the Speaker or his designee shall consult with the Minority Leader or his designee.

☐ 1630

The SPEAKER pro tempore (Mr. PEASE). The gentleman from California (Mr. DREIER) is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to my very good and hard-working late-at-night friend, the gentleman from South Boston, Massachusetts (Mr. MOAKLEY). Pending that, I yield myself such time as I may consume. All time I will be yielding will be for debate purposes only.

Mr. Speaker, House Resolution 353 will provide for the consideration of motions to suspend the rules at any time up to and including the legislative day of Wednesday, November 10. In addition, this resolution requires that the Speaker or his designee consult with the minority leader or his designee on the designation of any matter for consideration under suspension of the rules. Finally, this resolution provides that the object of any motion to suspend the rules be announced, based on a brilliantly crafted amendment from the gentleman from Massachusetts (Mr. MOAKLEY) for at least 2 hours prior to its consideration.

Under clause 1 of rule XV of the rules of the House, the Speaker may only entertain motions to suspend the rules on Mondays, Tuesday, and the last 6 days of the session. Since the House has not yet passed an adjournment resolution, the last 6 days of this session have not been determined, although we still hope they will be the last 6 days that begin before too terribly long. Therefore, Mr. Speaker, it is necessary for us to pass this resolution in order to allow the House to consider suspensions on days other than those designated as suspension days under the rules of the House.

Mr. Speaker, as we near the end of the first session of this Congress, it is imperative we allow ourselves the utmost flexibility in scheduling and considering the remaining matters before us. While we have produced such success in this session, most notably reforming education, providing for our national defense and protecting Social Security, there still are a number of items that do need to be considered. This resolution will allow us to expeditiously consider the noncontroversial and narrowly tailored, yet important matters, that remain unresolved.

Every year around this time we consider a resolution such as this in order to officially dispose of the remaining bipartisan matters before us.

Therefore, Mr. Speaker, in pursuit of that, I urge adoption of this resolution and thank the gentleman from Massachusetts (Mr. MOAKLEY) for helping us in this quest.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my colleague and my very dear friend, the illustrious gentleman from California (Chairman DREIER), for yielding me the customary 30 minutes.

Mr. Speaker, by bringing up this rule making every day a suspension day, one might be led to believe my Republican colleagues have seen the light at the end of the tunnel; but from what I can tell, we still have a lot to do before Congress finishes the work for the year.

I hope the people negotiating the omnibus appropriations bill will be able to come to an agreement by Veterans' Day, but, Mr. Speaker, I have my reservations. Omnibus bills are traditionally very big and very complicated, and there is no reason to think this year's will be any different.

I want to thank my chairman and my Republican colleagues on the Committee on Rules for graciously allowing us an extra hour's notice on these suspension bills. Although my chairman was personally opposed to it, he supported our request nonetheless, and I appreciate this very much.

But as a Member of the minority, I have to object to this rule making every day a suspension day. Suspensions, by their very nature, bypass House rules, including the rules that protect the minority. Far too many bills this Congress has bypassed the committee process. Both the D.C. appropriations bill coming up next and the foreign operations appropriations bill that is probably coming up tomorrow have completely skipped the committee process; and the Labor, Health and Human Services bill was never considered in such a way that Members could actually amend it. So I fear this rule will make it even easier for my Republican colleagues to continue to run rough-shod over the rules of the House, and particularly the rules that protect the minority.

Therefore, I urge my colleagues to oppose this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to simply say my good friend from Sugarland, Texas, has just informed me that the gentleman from Massachusetts (Mr. MOAKLEY) referred to some omnibus bill that is out there, and none of us on this side are aware of that at all. I do not know that we are going to be considering anything like that. We are not planning to consider anything like that at all.

The second thing I would like to say is that I was very happy to encourage all of the majority Members to support the Moakley amendment upstairs last night when we considered this, and I only assumed that having done that that my friend would enthusiastically join us in helping move these suspension measures, as is always the case at the end of the year.

I would also add that on both the D.C. and the Labor, Health and Human Services bills, we did see full committee action on both of those, and there are clearly, on the D.C. bill modifications that have been made, but we know the chairman of that Subcommittee on the District of Columbia spent a lot of time on the D.C. bill, and on the Labor-HHS bill, the gentleman from Illinois (Mr. PORTER) did. So we are doing what is very much the norm for trying to move legislation towards the end of the session. So I think there should be very strong bipartisan support of this measure.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 222, nays 200, answered "present" 1, not voting 10, as follows:

[Roll No. 561]

YEAS—222

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth-Hage
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Ehlers
Ehrlich
Emerson
English
Eshoo
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds

Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—200

Abercrombie
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Doyle
Edwards
Engel
Etheridge
Evans
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Serrano
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

ANSWERED "PRESENT"—1

Farr

NOT VOTING—10

Ackerman
Bereuter
Dunn
Hulshof
Kilpatrick
Millender-McDonald
Rahall
Scarborough
Scott
Weldon (PA)

□ 1659

Mr. FATTAH and Mr. LEVIN changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Ms. MILLENDER-McDONALD. Mr. Speaker, on rollcall No. 561, I was detained by constituents and was unable to make it in time for this vote. Had I been present, I would have voted "no."

PROVIDING FOR CONSIDERATION OF H.R. 3194, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 354 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 354

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations; and (2) one motion to recommit.

□ 1700

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 354 is a closed rule providing for the consideration of H.R. 3194, the D.C. appropriations bill for fiscal year 2000.

The rule provides for one hour of general debate divided equally between the chairman and ranking minority member of the Committee on Appropriations. Additionally, the rule waives all points of order against the bill.

House Resolution 354 also provides for one motion to recommit, with or without instructions, as is the right of the minority members of the House.

Mr. Speaker, House Resolution 354 is a closed rule, recognizing the full and fair debate that the House had on similar legislation earlier in this Congress. This rule will assist the House to move forward in the appropriations process.

H.R. 3194 continues to fund the District of Columbia at $75 million over the President's request and makes no changes to funding levels from the previous D.C. appropriations bill. With this bill, we continue to provide $17 million for scholarships to low-income D.C. residents, $2.5 million to help improve children's health centers, and $5 million to provide incentives for the adoption of foster children.

The President's request did not include funding for any of these important programs.

With this legislation, charter schools will have access to construction funds, the schools will have the same opportunity to expand as other public schools, and parents will be able to send all of their children to the same charter school. H.R. 3194 enacts the $59 million tax cut passed by the D.C. City Council, and it works with the Council to make vital changes in city management that will place Washington, D.C. on the road to financial recovery.

This bill also restores the original language for needle exchange initiatives, continuing our commitment to prohibit Federal support for these dubious and irresponsible programs. The Clinton administration's own Department of Health and Human Resources prohibits the use of Federal funds for needle exchanges, and we should maintain this consistent standard.

Mr. Speaker, I am pleased to have taken the necessary steps in this bill to bring this chapter of the appropriations process to a close. I applaud the gentleman from Oklahoma (Mr. ISTOOK) for his patience and his willingness to work through this difficult process, and I urge my colleagues to support this rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the immortal words of Yogi Berra, it is deja vu all over again. The first District of Columbia appropriations bill was loaded with Republican riders and it was vetoed. The second D.C. appropriations bill was loaded not just with riders but also with the Labor-HHS appropriation. It is yet to be vetoed but it certainly will be.

Before us today is D.C. Three, yet another attempt on the part of the Republican majority to move a Christmas tree to the White House even before the Thanksgiving turkey is on the table.

Mr. Speaker, pity the residents of this city. What have they done to the Republicans in this body to deserve this mistreatment? Why should their appropriation be loaded up with ornaments designed to make good Republican boys and girls happy? This bill is truly a turkey and the Republican majority ought to face the facts and start dealing straight with the people of this city, the Democratic Members of this body and the President of the United States.

Enough is enough, Mr. Speaker. Let us get on with legislating and stop all this tree trimming and turkey stuffing. Give the people of this city a break and send the President an appropriations bill he can sign. Give us all a real Christmas present so that we can finish our business and go home for the holidays.

I urge Members to vote against this bill so that we can send the residents of this city a real holiday treat, a bill he can sign.

Mr. Speaker, I yield 3 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me this time.

Mr. Speaker, forgive me. Is the gentleman confused? I am. I feel like saying, where are we? Why are we here? Why is there another D.C. bill on the floor? How could there be another D.C. bill on the floor? One was just voted in the Senate yesterday.

I did not realize that this body loved D.C. so much that it wanted to keep voting D.C. bills. One is on its way to the President's desk. Remember last Thursday we just voted for a D.C. bill. It was called the Labor-HHS-D.C. bill. That must be a new agency.

We passed the D.C. bill they wanted. That one is about to be vetoed. Let me try to get this straight. One veto is not enough? They want two vetoes? Do they want them simultaneously or do they want them sequentially?

The last bill, we were told, was the one the majority wanted. That is why they put Labor-HHS on the D.C. bill. All of them voted for that in conference. Now they are back again with another D.C. bill. What could be the reason for a stand-alone bill? What we are seeing is the majority manipulating the smallest, most defenseless appropriation. They do not want yet another D.C. bill before the last D.C. bill is vetoed. They want another vehicle for the majority. The District is no longer a city. It is a vehicle. They want to send this vehicle over to the Senate in order to tie on yet some more bills to send to the White House to be vetoed.

What kind of way is that to treat a city of half a million people whose own money and virtually alone their own money is in this bill?

Free up the D.C. bill. Three D.C. bills are enough. Let D.C. go.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, the problem with this rule is that it does not allow us to make a tiny, minuscule little change, but as little a change as it would be it would have profound consequences. We simply want to make it clear that a private, nonprofit organization in the District of Columbia can receive private funds and do with those private funds whatever they choose to do. In other words, treat that organization like we do every other private nonprofit organization.

All we are asking for is that this bill be given what the full, entire House Committee on Appropriations approved; give us the bill that the full House of Representatives on this floor approved; give us the bill that the full Senate Committee on Appropriations, the full Senate itself approved; give us the bill that the conference between the House and Senate approved. One tiny little change would give us that bill.

Then not only would we agree with this rule, we would agree with the bill. The bill would be sent over to the White House. It would be signed and that little $429 million, which is infinitesimal compared to our Federal budget, would then be able to be spent in the District of Columbia as its citizens deem appropriate. To them, it means the difference between a solvent government that can respond to the needs of its citizens and one that is kept hostage by the Congress of the United States.

That is the problem with the rule. Let us act reasonably. Then we can both get together and do what is right in the interest of the citizens of the District of Columbia and in the public interest.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LINDER

Mr. LINDER. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will report the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. LINDER:

Strike all after the resolved clause and insert in lieu thereof:

That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes. The bill shall be considered as read for amendment. An amendment striking section 175 shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore. Does the gentleman from Texas (Mr. FROST) yield the balance of his time?

Mr. FROST. Mr. Speaker, at this point let me state that though this amendment is somewhat unusual, we have no objection to the amendment being offered by the gentleman from Georgia (Mr. LINDER) and I yield back the balance of my time.

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the amendment and the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Georgia (Mr. LINDER).

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. FROST. Mr. Speaker, a point of parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FROST. Mr. Speaker, is not a vote automatic, a roll call vote automatic on an appropriations conference report?

The SPEAKER pro tempore. The vote before us was on the rule.

Mr. FROST. On the appropriations bill. I am sorry, on the rule. I withdraw my question. There will be a vote; because Members had asked me, there will be a vote on the actual appropriations conference report?

The SPEAKER pro tempore. That is correct.

Mr. FROST. Not on the rule?

The SPEAKER pro tempore. That is correct. The gentlemen is correct.

GENERAL LEAVE

Mr. ISTOOK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include tabular and extraneous material on H.R. 3194.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. ISTOOK. Mr. Speaker, pursuant to House Resolution 354, I call up the bill (H.R. 3194), making appropriations for the government of the District of

Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of H.R. 3194, as amended pursuant to House Resolution 354, is as follows:

H.R. 3194

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—FISCAL YEAR 2000 APPROPRIATIONS

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

For a Federal payment to the District of Columbia for a program to be administered by the Mayor for District of Columbia resident tuition support, subject to the enactment of authorizing legislation for such program by Congress, $17,000,000, to remain available until expended: *Provided*, That such funds may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, usable at both public and private institutions of higher education: *Provided further*, That the awarding of such funds may be prioritized on the basis of a resident's academic merit and such other factors as may be authorized: *Provided further*, That if the authorized program is a nationwide program, the Mayor may expend up to $17,000,000: *Provided further*, That if the authorized program is for a limited number of States, the Mayor may expend up to $11,000,000: *Provided further*, That the District of Columbia may expend funds other than the funds provided under this heading, including local tax revenues and contributions, to support such program.

FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

For a Federal payment to the District of Columbia to create incentives to promote the adoption of children in the District of Columbia foster care system, $5,000,000: *Provided*, That such funds shall remain available until September 30, 2001 and shall be used in accordance with a program established by the Mayor and the Council of the District of Columbia and approved by the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That funds provided under this heading may be used to cover the costs to the District of Columbia of providing tax credits to offset the costs incurred by individuals in adopting children in the District of Columbia foster care system and in providing for the health care needs of such children, in accordance with legislation enacted by the District of Columbia government.

FEDERAL PAYMENT TO THE CITIZEN COMPLAINT REVIEW BOARD

For a Federal payment to the District of Columbia for administrative expenses of the Citizen Complaint Review Board, $500,000, to remain available until September 30, 2001.

FEDERAL PAYMENT TO THE DEPARTMENT OF HUMAN SERVICES

For a Federal payment to the Department of Human Services for a mentoring program and for hotline services, $250,000.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For salaries and expenses of the District of Columbia Corrections Trustee, $176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105–33; 111 Stat. 712): *Provided*, That notwithstanding any other provision of law, funds appropriated in this Act for the District of Columbia Corrections Trustee shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: *Provided further*, That in addition to the funds provided under this heading, the District of Columbia Corrections Trustee may use a portion of the interest earned on the Federal payment made to the Trustee under the District of Columbia Appropriations Act, 1998, (not to exceed $4,600,000) to carry out the activities funded under this heading.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

For salaries and expenses for the District of Columbia Courts, $99,714,000 to be allocated as follows: for the District of Columbia Court of Appeals, $7,209,000; for the District of Columbia Superior Court, $68,351,000; for the District of Columbia Court System, $16,154,000; and $8,000,000, to remain available until September 30, 2001, for capital improvements for District of Columbia courthouse facilities: *Provided*, That of the amounts available for operations of the District of Columbia Courts, not to exceed $2,500,000 shall be for the design of an Integrated Justice Information System and that such funds shall be used in accordance with a plan and design developed by the courts and approved by the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11–2604 and section 11–2605, D.C. Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Division of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Code, and payments for counsel authorized under section 21–2060, D.C. Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), $33,336,000, to remain available until expended: *Provided*, That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: *Provided further*, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia may use a portion (not to exceed $1,200,000) of the interest earned on the Federal payment made to the District of Columbia courts under the District of Columbia Appropriations Act, 1999, together with funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during fiscal year 1999 if the Comptroller General certifies that the amount of obligations lawfully incurred for such payments during fiscal year 1999 exceeds the obligational authority otherwise available for making such payments: *Provided further*, That such funds shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: *Provided further*, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

For salaries and expenses of the Court Services and Offender Supervision Agency for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, (Public Law 105–33; 111 Stat. 712), $93,800,000, of which $58,600,000 shall be for necessary expenses of Parole Revocation, Adult Probation, Offender Supervision, and Sex Offender Registration, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; $17,400,000 shall be available to the Public Defender Service; and $17,800,000 shall be available to the Pretrial Services Agency: *Provided*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: *Provided further*, That of the amounts made available under this heading, $20,492,000 shall be used in support of universal drug screening and testing for those individuals on pretrial, probation, or parole supervision with continued testing, intermediate sanctions, and treatment for those identified in need, of which $7,000,000 shall be for treatment services.

Children's National Medical Center

For a Federal contribution to the Children's National Medical Center in the District of Columbia, $2,500,000 for construction, renovation, and information technology infrastructure costs associated with establishing community pediatric health clinics for high risk children in medically underserved areas of the District of Columbia.

Federal Payment for Metropolitan Police Department

For payment to the Metropolitan Police Department, $1,000,000, for a program to eliminate open air drug trafficking in the District of Columbia: *Provided*, That the Chief of Police shall provide quarterly reports to the Committees on Appropriations of the Senate and House of Representatives by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the project financed under this heading.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

Division of Expenses

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

Governmental Direction and Support

Governmental direction and support, $162,356,000 (including $137,134,000 from local funds, $11,670,000 from Federal funds, and $13,552,000 from other funds): *Provided*, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further*, That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor: *Provided further*, That, notwithstanding any other provision of law now or hereafter enacted, no Member of the District of Columbia Council eligible to earn a part-time salary of $92,520, exclusive of the Council Chairman, shall be paid a salary of more than $84,635 during fiscal year 2000.

Economic Development and Regulation

Economic development and regulation, $190,335,000 (including $52,911,000 from local funds, $84,751,000 from Federal funds, and $52,673,000 from other funds), of which $15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (D.C. Law 12–23): *Provided*, That such funds are available for acquiring services provided by the General Services Administration: *Provided further*, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

Public Safety and Justice

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $778,770,000 (including $565,511,000 from local funds, $29,012,000 from Federal funds, and $184,247,000 from other funds): *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further*, That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further*, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: *Provided further*, That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: *Provided further*, That no more than 15 members of the Metropolitan Police Department shall be detailed or assigned to the Executive Protection Unit, until the Chief of Police submits a recommendation to the Council for its review: *Provided further*, That $100,000 shall be available for inmates released on medical and geriatric parole: *Provided further*, That commencing on December 31, 1999, the Metropolitan Police Department shall provide to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives, quarterly reports on the status of crime reduction in each of the 83 police service areas established throughout the District of Columbia: *Provided further*, That up to $700,000 in local funds shall be available for the operations of the Citizen Complaint Review Board.

Public Education System

Public education system, including the development of national defense education programs, $867,411,000 (including $721,847,000 from local funds, $120,951,000 from Federal funds, and $24,613,000 from other funds), to be allocated as follows: $713,197,000 (including $600,936,000 from local funds, $106,213,000 from Federal funds, and $6,048,000 from other funds), for the public schools of the District of Columbia; $10,700,000 from local funds for the District of Columbia Teachers' Retirement Fund; $17,000,000 from local funds, previously appropriated in this Act as a Federal payment, for resident tuition support at public and private institutions of higher learning for eligible District of Columbia residents; $27,885,000 from local funds for public charter schools: *Provided*, That if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall be available for new public charter schools on a per pupil basis: *Provided further*, That $480,000 of this amount shall be available to the District of Columbia Public Charter School Board for administrative costs; $72,347,000 (including $40,491,000 from local funds, $13,536,000 from Federal funds, and $18,320,000 from other funds) for the University of the District of Columbia; $24,171,000 (including $23,128,000 from local funds, $798,000 from Federal funds, and $245,000 from other funds) for the Public Library; $2,111,000 (including $1,707,000 from local funds and $404,000 from Federal funds) for the Commission on the Arts and Humanities: *Provided further*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: *Provided further*, That none of the funds contained in this Act may be made available to pay the salaries of any District of Columbia Public School teacher, principal, administrator, official, or employee who knowingly provides false enrollment or attendance information under article II, section 5 of the Act entitled "An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes", approved February 4, 1925 (D.C. Code, sec. 31–401 et seq.): *Provided further*, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary and secondary school during fiscal year 2000 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia which are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2000, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further*, That the District of Columbia Public Schools shall not spend less than $365,500,000 on local schools through the Weighted Student Formula in fiscal year

2000: *Provided further*, That notwithstanding any other provision of law, the Chief Financial Officer of the District of Columbia shall apportion from the budget of the District of Columbia Public Schools a sum totaling 5 percent of the total budget to be set aside until the current student count for Public and Charter schools has been completed, and that this amount shall be apportioned between the Public and Charter schools based on their respective student population count: *Provided further*, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina.

HUMAN SUPPORT SERVICES

Human support services, $1,526,361,000 (including $635,373,000 from local funds, $875,814,000 from Federal funds, and $15,174,000 from other funds): *Provided*, That $25,150,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That a peer review committee shall be established to review medical payments and the type of service received by a disability compensation claimant: *Provided further*, That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization, as defined in section 411(5) of the Stewart B. McKinney Homeless Assistance Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11371), providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to such Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, $271,395,000 (including $258,341,000 from local funds, $3,099,000 from Federal funds, and $9,955,000 from other funds): *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

RECEIVERSHIP PROGRAMS

For all agencies of the District of Columbia government under court ordered receivership, $342,077,000 (including $217,606,000 from local funds, $106,111,000 from Federal funds, and $18,360,000 from other funds).

WORKFORCE INVESTMENTS

For workforce investments, $8,500,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

RESERVE

For a reserve to be established by the Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority, $150,000,000.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (109 Stat. 97; Public Law 104–8), $3,140,000: *Provided*, That none of the funds contained in this Act may be used to pay any compensation of the Executive Director or General Counsel of the Authority at a rate in excess of the maximum rate of compensation which may be paid to such individual during fiscal year 2000 under section 102 of such Act, as determined by the Comptroller General (as described in GAO letter report B–279095.2).

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act, approved December 24, 1973, as amended, and that funds shall be allocated for expenses associated with the Wilson Building, $328,417,000 from local funds: *Provided*, That for equipment leases, the Mayor may finance $27,527,000 of equipment cost, plus cost of issuance not to exceed 2 percent of the par amount being financed on a lease purchase basis with a maturity not to exceed 5 years: *Provided further*, That $5,300,000 is allocated to the Metropolitan Police Department, $3,200,000 for the Fire and Emergency Medical Services Department, $350,000 for the Department of Corrections, $15,949,000 for the Department of Public Works and $2,728,000 for the Public Benefit Corporation.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,286,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act (105 Stat. 540; D.C. Code, sec. 47–321(a)(1)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $9,000,000 from local funds.

CERTIFICATES OF PARTICIPATION

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,950,000 from local funds.

OPTICAL AND DENTAL INSURANCE PAYMENTS

For optical and dental insurance payments, $1,295,000 from local funds.

PRODUCTIVITY BANK

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall finance projects totaling $20,000,000 in local funds that result in cost savings or additional revenues, by an amount equal to such financing: *Provided*, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the projects financed under this heading.

PRODUCTIVITY BANK SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions totaling $20,000,000 in local funds. The reductions are to be allocated to projects funded through the Productivity Bank that produce cost savings or additional revenues in an amount equal to the Productivity Bank financing: *Provided*, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the cost savings or additional revenues funded under this heading.

PROCUREMENT AND MANAGEMENT SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions of $14,457,000 for general supply schedule savings and $7,000,000 for management reform savings, in local funds to one or more of the appropriation headings in this Act: *Provided*, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the general supply schedule savings and management reform savings projected under this heading.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

For operation of the Water and Sewer Authority and the Washington Aqueduct, $279,608,000 from other funds (including $236,075,000 for the Water and Sewer Authority and $43,533,000 for the Washington Aqueduct) of which $35,222,000 shall be apportioned and payable to the District's debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $197,169,000, as authorized by the Act entitled "An Act authorizing the laying of watermains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes" (33 Stat. 244; Public Law 58–140; D.C. Code, sec. 43–1512 et seq.): *Provided*, That the requirements and restrictions that are applicable to general fund capital improvements projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982 (95 Stat. 1174 and 1175; Public Law 97–91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia (D.C. Law 3–172; D.C. Code, sec. 2–2501 et seq. and sec. 22–1516 et seq.), $234,400,000: *Provided*, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

SPORTS AND ENTERTAINMENT COMMISSION

For the Sports and Entertainment Commission, $10,846,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by the Act entitled "An Act To Establish A District of Columbia Armory Board, and for other purposes" (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): *Provided*, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

District of Columbia Health and Hospitals Public Benefit Corporation

For the District of Columbia Health and Hospitals Public Benefit Corporation, established by D.C. Law 11–212; D.C. Code, sec. 32–262.2, $133,443,000 of which $44,435,000 shall be derived by transfer from the general fund and $89,008,000 from other funds.

District of Columbia Retirement Board

For the District of Columbia Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $9,892,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further*, That section 121(c)(1) of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–711(c)(1)) is amended by striking "the total amount to which a member may be entitled" and all that follows and inserting the following: "the total amount to which a member may be entitled under this subsection during a year (beginning with 1998) may not exceed $5,000, except that in the case of the Chairman of the Board and the Chairman of the Investment Committee of the Board, such amount may not exceed $7,500 (beginning with 2000).".

Correctional Industries Fund

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act (78 Stat. 1000; Public Law 88–622), $1,810,000 from other funds.

Washington Convention Center Enterprise Fund

For the Washington Convention Center Enterprise Fund, $50,226,000 from other funds.

Capital Outlay

(INCLUDING RESCISSIONS)

For construction projects, $1,260,524,000 of which $929,450,000 is from local funds, $54,050,000 is from the highway trust fund, and $277,024,000 is from Federal funds, and a rescission of $41,886,500 from local funds appropriated under this heading in prior fiscal years, for a net amount of $1,218,637,500 to remain available until expended: *Provided*, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 2001, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 2001: *Provided further*, That upon expiration of any such project authorization, the funds provided herein for the project shall lapse.

General Provisions

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official, and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That in the case of the Council of the District of Columbia, funds may be expended with the authorization of the chair of the Council.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for the payment of the non-Federal share of funds necessary to qualify for grants under subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994.

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform, the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased by Congress in this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) reestablishes through reprogramming any program or project previously deferred through reprogramming; (6) augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of $1,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project, or responsibility center; unless the Appropriations Committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia government.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 119. (a) CITY ADMINISTRATOR.—The last sentence of section 422(7) of the District of Columbia Home Rule Act (D.C. Code, sec. 1–242(7)) is amended by striking ", not to exceed" and all that follows and inserting a period.

(b) BOARD OF DIRECTORS OF REDEVELOPMENT LAND AGENCY.—Section 1108(c)(2)(F) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–612.8(c)(2)(F)) is amended to read as follows:

"(F) Redevelopment Land Agency board members shall be paid per diem compensation at a rate established by the Mayor, except that such rate may not exceed the daily equivalent of the annual rate of basic pay for level 15 of the District Schedule for each day (including travel time) during which they are engaged in the actual performance of their duties.".

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 2000, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 2000 revenue estimates as of the end of the first quarter of fiscal year 2000. These estimates shall be used in the budget request for the fiscal year ending September 30, 2001. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 122. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: *Provided*, That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and approved by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 123. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 124. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

SEC. 125. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 2000 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided*, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 126. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

SEC. 127. (a) The University of the District of Columbia shall submit to the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last quarter in compliance with applicable law; and

(5) changes made in the last quarter to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

(b) The Mayor, the Authority, and the Council shall provide the Congress by February 1, 2000, a summary, analysis, and recommendations on the information provided in the quarterly reports.

SEC. 128. Funds authorized or previously appropriated to the government of the District of Columbia by this or any other Act to procure the necessary hardware and installation of new software, conversion, testing, and training to improve or replace its financial management system are also available for the acquisition of accounting and financial management services and the leasing of necessary hardware, software or any other related goods or services, as determined by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 129. (a) None of the funds contained in this Act may be made available to pay the fees of an attorney who represents a party who prevails in an action, including an administrative proceeding, brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) if—

(1) the hourly rate of compensation of the attorney exceeds 120 percent of the hourly rate of compensation under section 11–2604(a), District of Columbia Code; or

(2) the maximum amount of compensation of the attorney exceeds 120 percent of the maximum amount of compensation under section 11–2604(b)(1), District of Columbia Code, except that compensation and reimbursement in excess of such maximum may be approved for extended or complex representation in accordance with section 11–2604(c), District of Columbia Code.

(b) Notwithstanding the preceding subsection, if the Mayor, District of Columbia Financial Responsibility and Management Assistance Authority and the Superintendent of the District of Columbia Public Schools concur in a Memorandum of Understanding setting forth a new rate and amount of compensation, then such new rates shall apply in lieu of the rates set forth in the preceding subsection.

SEC. 130. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 131. None of the funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion

Act of 1992 (D.C. Law 9-114; D.C. Code, sec. 36-1401 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples (whether homosexual, heterosexual, or lesbian), including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

Sec. 132. The Superintendent of the District of Columbia Public Schools shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget, broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the District of Columbia Public Schools; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(5) changes made in the last quarter to the organizational structure of the District of Columbia Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

Sec. 133. (a) In General.—The Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia public schools and the University of the District of Columbia for fiscal year 1999, fiscal year 2000, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia public schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) Submission.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

Sec. 134. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, and each succeeding year, the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Code, sec. 47-301).

Sec. 135. The District of Columbia Financial Responsibility and Management Assistance Authority, acting on behalf of the District of Columbia Public Schools (DCPS) in formulating the DCPS budget, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the University of the District of Columbia School of Law shall vote on and approve the respective annual or revised budgets for such entities before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Home Rule Act (Public Law 93-198; D.C. Code, sec. 47-301), or before submitting their respective budgets directly to the Council.

Sec. 136. (a) Ceiling on Total Operating Expenses.—

(1) In general.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2000 under the heading "Division of Expenses" shall not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year; or

(B) $5,515,379,000 (of which $152,753,000 shall be from intra-District funds and $3,113,854,000 shall be from local funds), which amount may be increased by the following:

(i) proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs approved by the District of Columbia Financial Responsibility and Management Assistance Authority; or

(ii) after notification to the Council, additional expenditures which the Chief Financial Officer of the District of Columbia certifies will produce additional revenues during such fiscal year at least equal to 200 percent of such additional expenditures, and that are approved by the Authority.

(2) Enforcement.—The Chief Financial Officer of the District of Columbia and the Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2000, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

(b) Acceptance and Use of Grants Not Included in Ceiling.—

(1) In general.—Notwithstanding subsection (a), the Mayor, in consultation with the Chief Financial Officer, during a control year, as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104-8; 109 Stat. 152), may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) Requirement of chief financial officer report and authority approval.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District of Columbia submits to the Authority a report setting forth detailed information regarding such grant; and

(B) the Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) Prohibition on spending in anticipation of approval or receipt.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) of this subsection or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) Quarterly reports.—The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the quarter covered by the report.

(c) Report on Expenditures by Financial Responsibility and Management Assistance Authority.—Not later than 20 calendar days after the end of each fiscal quarter starting October 1, 1999, the Authority shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Government Reform of the House, and the Committee on Governmental Affairs of the Senate providing an itemized accounting of all non-appropriated funds obligated or expended by the Authority for the quarter. The report shall include information on the date, amount, purpose, and vendor name, and a description of the services or goods provided with respect to the expenditures of such funds.

Sec. 137. If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 2000 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act (87 Stat. 774; Public Law 93–198) the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.

SEC. 138. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia public schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

SEC. 139. (a) RESTRICTIONS ON USE OF OFFICIAL VEHICLES.—Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term "official duties" does not include travel between the officer's or employee's residence and workplace (except: (1) in the case of an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day; (3) the Mayor of the District of Columbia; and (4) the Chairman of the Council of the District of Columbia).

(b) INVENTORY OF VEHICLES.—The Chief Financial Officer of the District of Columbia shall submit, by November 15, 1999, an inventory, as of September 30, 1999, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

SEC. 140. (a) SOURCE OF PAYMENT FOR EMPLOYEES DETAILED WITHIN GOVERNMENT.—For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 2000 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity's budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(b) MODIFICATION OF REDUCTION IN FORCE PROCEDURES.—The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), is further amended in section 2408(a) by striking "1999" and inserting "2000"; in subsection (b), by striking "1999" and inserting "2000"; in subsection (i), by striking "1999" and inserting "2000"; and in subsection (k), by striking "1999" and inserting "2000".

SEC. 141. Notwithstanding any other provision of law, not later than 120 days after the date that a District of Columbia Public Schools (DCPS) student is referred for evaluation or assessment—

(1) the District of Columbia Board of Education, or its successor, and DCPS shall assess or evaluate a student who may have a disability and who may require special education services; and

(2) if a student is classified as having a disability, as defined in section 101(a)(1) of the Individuals with Disabilities Education Act (84 Stat. 175; 20 U.S.C. 1401(a)(1)) or in section 7(8) of the Rehabilitation Act of 1973 (87 Stat. 359; 29 U.S.C. 706(8)), the Board and DCPS shall place that student in an appropriate program of special education services.

SEC. 142. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF THE CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each agency of the Federal or District of Columbia government shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 143. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority) for fiscal year 2000 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Code, sec. 1–1182.8(a)(4)); and

(2) the audit includes a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year.

SEC. 144. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the District of Columbia Financial Responsibility and Management Assistance Authority. Appropriations made by this Act for such programs or functions are conditioned only on the approval by the Authority of the required reorganization plans.

SEC. 145. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public School employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 146. None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

SEC. 147. None of the funds contained in this Act may be used to transfer or confine inmates classified above the medium security level, as defined by the Federal Bureau of Prisons classification instrument, to the Northeast Ohio Correctional Center located in Youngstown, Ohio.

SEC. 148. (a) Section 202(i) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8), as added by section 155 of the District of Columbia Appropriations Act, 1999, is amended to read as follows:

"(j) RESERVE.—

"(1) IN GENERAL.—Beginning with fiscal year 2000, the plan or budget submitted pursuant to this Act shall contain $150,000,000 for a reserve to be established by the Mayor, Council of the District of Columbia, Chief Financial Officer for the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority.

"(2) CONDITIONS ON USE.—The reserve funds—

"(A) shall only be expended according to criteria established by the Chief Financial Officer and approved by the Mayor, Council of the District of Columbia, and District of Columbia Financial Responsibility and Management Assistance Authority, but, in no case may any of the reserve funds be expended until any other surplus funds have been used;

"(B) shall not be used to fund the agencies of the District of Columbia government under court ordered receivership; and

"(C) shall not be used to fund shortfalls in the projected reductions budgeted in the budget proposed by the District of Columbia government for general supply schedule savings and management reform savings.

"(3) REPORT REQUIREMENT.—The Authority shall notify the Appropriations Committees of both the Senate and House of Representatives in writing 30 days in advance of any expenditure of the reserve funds.".

(b) Section 202 of such Act (Public Law 104–8), as amended by subsection (a), is further amended by adding at the end the following:

"(k) POSITIVE FUND BALANCE.—

"(1) IN GENERAL.—The District of Columbia shall maintain at the end of a fiscal year an annual positive fund balance in the general fund of not less than 4 percent of the projected general fund expenditures for the following fiscal year.

"(2) Excess funds.—Of funds remaining in excess of the amounts required by paragraph (1)—

"(A) not more than 50 percent may be used for authorized non-recurring expenses; and

"(B) not less than 50 percent shall be used to reduce the debt of the District of Columbia.".

Sec. 149. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the District of Columbia Financial Responsibility and Management Assistance Authority a revised appropriated funds operating budget for all agencies of the District of Columbia government for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

Sec. 150. None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug, or for any payment to any individual or entity who carries out such program.

Sec. 151. (a) Restrictions on Leases.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to make rental payments under a lease for the use of real property by the District of Columbia government (including any independent agency of the District) unless the lease and an abstract of the lease have been filed (by the District of Columbia or any other party to the lease) with the central office of the Deputy Mayor for Economic Development, in an indexed registry available for public inspection.

(b) Additional Restrictions on Current Leases.—

(1) In general.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, in the case of a lease described in paragraph (3), none of the funds contained in this Act may be used to make rental payments under the lease unless the lease is included in periodic reports submitted by the Mayor and Council of the District of Columbia to the Committees on Appropriations of the House of Representatives and Senate describing for each such lease the following information:

(A) The location of the property involved, the name of the owners of record according to the land records of the District of Columbia, the name of the lessors according to the lease, the rate of payment under the lease, the period of time covered by the lease, and the conditions under which the lease may be terminated.

(B) The extent to which the property is or is not occupied by the District of Columbia government as of the end of the reporting period involved.

(C) If the property is not occupied and utilized by the District government as of the end of the reporting period involved, a plan for occupying and utilizing the property (including construction or renovation work) or a status statement regarding any efforts by the District to terminate or renegotiate the lease.

(2) Timing of reports.—The reports described in paragraph (1) shall be submitted for each calendar quarter (beginning with the quarter ending December 31, 1999) not later than 20 days after the end of the quarter involved, plus an initial report submitted not later than 60 days after the date of the enactment of this Act, which shall provide information as of the date of the enactment of this Act.

(3) Leases described.—A lease described in this paragraph is a lease in effect as of the date of the enactment of this Act for the use of real property by the District of Columbia government (including any independent agency of the District) which is not being occupied by the District government (including any independent agency of the District) as of such date or during the 60-day period which begins on the date of the enactment of this Act.

Sec. 152. (a) Management of Existing District Government Property.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to enter into a lease (or to make rental payments under such a lease) for the use of real property by the District of Columbia government (including any independent agency of the District) or to purchase real property for the use of the District of Columbia government (including any independent agency of the District) or to manage real property for the use of the District of Columbia (including any independent agency of the District) unless the following conditions are met:

(1) The Mayor and Council of the District of Columbia certify to the Committees on Appropriations of the House of Representatives and Senate that existing real property available to the District (whether leased or owned by the District government) is not suitable for the purposes intended.

(2) Notwithstanding any other provisions of law, there is made available for sale or lease all real property of the District of Columbia that the Mayor from time-to-time determines is surplus to the needs of the District of Columbia, unless a majority of the members of the Council override the Mayor's determination during the 30-day period which begins on the date the determination is published.

(3) The Mayor and Council implement a program for the periodic survey of all District property to determine if it is surplus to the needs of the District.

(4) The Mayor and Council within 60 days of the date of the enactment of this Act have filed with the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate a report which provides a comprehensive plan for the management of District of Columbia real property assets, and are proceeding with the implementation of the plan.

(b) Termination of Provisions.—If the District of Columbia enacts legislation to reform the practices and procedures governing the entering into of leases for the use of real property by the District of Columbia government and the disposition of surplus real property of the District government, the provisions of subsection (a) shall cease to be effective upon the effective date of the legislation.

Sec. 153. Section 603(e)(2)(B) of the Student Loan Marketing Association Reorganization Act of 1996 (Public Law 104–208; 110 Stat. 3009–293) is amended—

(1) by inserting "and public charter" after "public"; and

(2) by adding at the end the following: "Of such amounts and proceeds, $5,000,000 shall be set aside for use as a credit enhancement fund for public charter schools in the District of Columbia, with the administration of the fund (including the making of loans) to be carried out by the Mayor through a committee consisting of three individuals appointed by the Mayor of the District of Columbia and two individuals appointed by the Public Charter School Board established under section 2214 of the District of Columbia School Reform Act of 1995.".

Sec. 154. The Mayor, District of Columbia Financial Responsibility and Management Assistance Authority, and the Superintendent of Schools shall implement a process to dispose of excess public school real property within 90 days of the enactment of this Act.

Sec. 155. Section 2003 of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2851) is amended by striking "during the period" and "and ending 5 years after such date.".

Sec. 156. Section 2206(c) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2853.16(c)) is amended by adding at the end the following: ", except that a preference in admission may be given to an applicant who is a sibling of a student already attending or selected for admission to the public charter school in which the applicant is seeking enrollment.".

Sec. 157. (a) Transfer of Funds.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the "Authority") to the District of Columbia the sum of $18,000,000 for severance payments to individuals separated from employment during fiscal year 2000 (under such terms and conditions as the Mayor considers appropriate), expanded contracting authority of the Mayor, and the implementation of a system of managed competition among public and private providers of goods and services by and on behalf of the District of Columbia: *Provided*, That such funds shall be used only in accordance with a plan agreed to by the Council and the Mayor and approved by the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That the Authority and the Mayor shall coordinate the spending of funds for this program so that continuous progress is made. The Authority shall release said funds, on a quarterly basis, to reimburse such expenses, so long as the Authority certifies that the expenses reduce re-occurring future costs at an annual ratio of at least 2 to 1 relative to the funds provided, and that the program is in accordance with the best practices of municipal government.

(b) Source of Funds.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

Sec. 158. (a) In General.—The District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the "Authority"), working with the Commonwealth of Virginia and the Director of the National Park Service, shall carry out a project to complete all design requirements and all requirements for compliance with the National Environmental Policy Act for the construction of expanded lane capacity for the Fourteenth Street Bridge.

(b) Source of Funds; Transfer.—For purposes of carrying out the project under subsection (a), there is hereby transferred to the Authority from the District of Columbia dedicated highway fund established pursuant to section 3(a) of the District of Columbia Emergency Highway Relief Act (Public Law 104–21; D.C. Code, sec. 7–134.2(a)) an amount not to exceed $5,000,000.

Sec. 159. (a) In General.—The Mayor of the District of Columbia shall carry out through the Army Corps of Engineers, an Anacostia River environmental cleanup program.

(b) Source of Funds.—There are hereby transferred to the Mayor from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia, $5,000,000.

Sec. 160. (a) Prohibiting Payment of Administrative Costs From Fund.—Section 16(e) of the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–435(e)) is amended—

(1) by striking "and administrative costs necessary to carry out this chapter"; and

(2) by striking the period at the end and inserting the following: ", and no monies in the Fund may be used for any other purpose.".

(b) Maintenance of Fund in Treasury of the United States.—

(1) In general.—Section 16(a) of such Act (D.C. Code, sec. 3–435(a)) is amended by striking the second sentence and inserting the following: "The Fund shall be maintained as a separate fund in the Treasury of the United States. All amounts deposited to the credit of the Fund are appropriated without fiscal year limitation to make payments as authorized under subsection (e).".

(2) Conforming amendment.—Section 16 of such Act (D.C. Code, sec. 3–435) is amended by striking subsection (d).

(c) Deposit of Other Fees and Receipts Into Fund.—Section 16(c) of such Act (D.C. Code, sec. 3–435(c)) is amended by inserting after "1997," the second place it appears the following: "any other fines, fees, penalties, or assessments that the Court determines necessary to carry out the purposes of the Fund,".

(d) Annual Transfer of Unobligated Balances to Miscellaneous Receipts of Treasury.—Section 16 of such Act (D.C. Code, sec. 3–435), as amended by subsection (b)(2), is further amended by inserting after subsection (c) the following new subsection:

"(d) Any unobligated balance existing in the Fund in excess of $250,000 as of the end of each fiscal year (beginning with fiscal year 2000) shall be transferred to miscellaneous receipts of the Treasury of the United States not later than 30 days after the end of the fiscal year.".

(e) Ratification of Payments and Deposits.—Any payments made from or deposits made to the Crime Victims Compensation Fund on or after April 9, 1997 are hereby ratified, to the extent such payments and deposits are authorized under the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–421 et seq.), as amended by this section.

Sec. 161. Certification.—None of the funds contained in this Act may be used after the expiration of the 60-day period that begins on the date of the enactment of this Act to pay the salary of any chief financial officer of any office of the District of Columbia government (including any independent agency of the District) who has not filed a certification with the Mayor and the Chief Financial Officer of the District of Columbia that the officer understands the duties and restrictions applicable to the officer and their agency as a result of this Act.

Sec. 162. The proposed budget of the government of the District of Columbia for fiscal year 2001 that is submitted by the District to Congress shall specify potential adjustments that might become necessary in the event that the management savings achieved by the District during the year do not meet the level of management savings projected by the District under the proposed budget.

Sec. 163. In submitting any document showing the budget for an office of the District of Columbia government (including an independent agency of the District) that contains a category of activities labeled as "other", "miscellaneous", or a similar general, nondescriptive term, the document shall include a description of the types of activities covered in the category and a detailed breakdown of the amount allocated for each such activity.

Sec. 164. (a) Authorizing Corps of Engineers To Perform Repairs and Improvements.—In using the funds made available under this Act for carrying out improvements to the Southwest Waterfront in the District of Columbia (including upgrading marina dock pilings and paving and restoring walkways in the marina and fish market areas) for the portions of Federal property in the Southwest quadrant of the District of Columbia within Lots 847 and 848, a portion of Lot 846, and the unassessed Federal real property adjacent to Lot 848 in Square 473, any entity of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority or its designee) may place orders for engineering and construction and related services with the Chief of Engineers of the United States Army Corps of Engineers. The Chief of Engineers may accept such orders on a reimbursable basis and may provide any part of such services by contract. In providing such services, the Chief of Engineers shall follow the Federal Acquisition Regulations and the implementing Department of Defense regulations.

(b) Timing for Availability of Funds Under 1999 Act.—

(1) In general.—The District of Columbia Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–124) is amended in the item relating to "FEDERAL FUNDS—Federal Payment for Waterfront Improvements"—

(A) by striking "existing lessees" the first place it appears and inserting "existing lessees of the Marina"; and

(B) by striking "the existing lessees" the second place it appears and inserting "such lessees".

(2) Effective date.—This subsection shall take effect as if included in the District of Columbia Appropriations Act, 1999.

(c) Additional Funding for Improvements Carried Out Through Corps of Engineers.—

(1) In general.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority to the Mayor the sum of $3,000,000 for carrying out the improvements described in subsection (a) through the Chief of Engineers of the United States Army Corps of Engineers.

(2) Source of funds.—The funds transferred under paragraph (1) shall be derived from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia.

(d) Quarterly Reports on Project.—The Mayor shall submit reports to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate on the status of the improvements described in subsection (a) for each calendar quarter occurring until the improvements are completed.

Sec. 165. It is the sense of the Congress that the District of Columbia should not impose or take into consideration any height, square footage, set-back, or other construction or zoning requirements in authorizing the issuance of industrial revenue bonds for a project of the American National Red Cross at 2025 E Street Northwest, Washington, D.C., in as much as this project is subject to approval of the National Capital Planning Commission and the Commission of Fine Arts pursuant to section 11 of the joint resolution entitled "Joint Resolution to grant authority for the erection of a permanent building for the American National Red Cross, District of Columbia Chapter, Washington, District of Columbia", approved July 1, 1947 (Public Law 100–637; 36 U.S.C. 300108 note).

Sec. 166. (a) Permitting Court Services and Offender Supervision Agency To Carry Out Sex Offender Registration.—Section 11233(c) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1233(c)) is amended by adding at the end the following new paragraph:

"(5) Sex offender registration.—The Agency shall carry out sex offender registration functions in the District of Columbia, and shall have the authority to exercise all powers and functions relating to sex offender registration that are granted to the Agency under any District of Columbia law.".

(b) Authority During Transition to Full Operation of Agency.—

(1) Authority of pretrial services, parole, adult probation and offender supervision trustee.—Notwithstanding section 11232(b)(1) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1232(b)(1)), the Pretrial Services, Parole, Adult Probation and Offender Supervision Trustee appointed under section 11232(a) of such Act (hereafter referred to as the "Trustee") shall, in accordance with section 11232 of such Act, exercise the powers and functions of the Court Services and Offender Supervision Agency for the District of Columbia (hereafter referred to as the "Agency") relating to sex offender registration (as granted to the Agency under any District of Columbia law) only upon the Trustee's certification that the Trustee is able to assume such powers and functions.

(2) Authority of metropolitan police department.—During the period that begins on the date of the enactment of the Sex Offender Registration Emergency Act of 1999 and ends on the date the Trustee makes the certification described in paragraph (1), the

Metropolitan Police Department of the District of Columbia shall have the authority to carry out any powers and functions relating to sex offender registration that are granted to the Agency or to the Trustee under any District of Columbia law.

SEC. 167. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 802) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.

SEC. 168. (a) IN GENERAL.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereinafter referred to as the "Authority") to the District of Columbia the sum of $5,000,000 for the Mayor, in consultation with the Council of the District of Columbia, to provide offsets against local taxes for a commercial revitalization program, such program to be available in enterprise zones and low and moderate income areas in the District of Columbia: *Provided*, That in carrying out such a program, the Mayor shall use Federal commercial revitalization proposals introduced in Congress as a guideline.

(b) SOURCE OF FUNDS.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Mayor shall report to the Committees on Appropriations of the Senate and House of Representatives on the progress made in carrying out the commercial revitalization program.

SEC. 169. Section 456 of the District of Columbia Home Rule Act (section 47–231 et seq. of the D.C. Code, as added by the Federal Payment Reauthorization Act of 1994 (Public Law 103–373)) is amended—

(1) in subsection (a)(1), by striking "District of Columbia Financial Responsibility and Management Assistance Authority" and inserting "Mayor"; and

(2) in subsection (b)(1), by striking "Authority" and inserting "Mayor".

SEC. 170. (a) FINDINGS.—The Congress finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376 of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including two charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with one exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that in considering the District of Columbia's fiscal year 2001 budget, the Congress will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

SEC. 171. The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

SEC. 172. GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of the District of Columbia, in order to identify the components most in need of additional resources, including financial, personnel, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

SEC. 173. Nothing in this Act bars the District of Columbia Corporation Counsel from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.

SEC. 174. WIRELESS COMMUNICATIONS.—(a) IN GENERAL.—Not later than 7 days after the date of the enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—

(1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and

(2) expend such sums as are necessary to carry out paragraph (1).

(b) ANTENNA APPLICATIONS.—

(1) IN GENERAL.—Not later than 120 days after the receipt of an application, a Federal agency that receives an application submitted after the enactment of this Act to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.

(2) EXISTING LAW.—Nothing in this subsection shall be construed to affect the applicability of existing laws regarding—

(A) judicial review under chapter 7 of title 5, United States Code (the Administrative Procedure Act), and the Communications Act of 1934;

(B) the National Environmental Policy Act, the National Historic Preservation Act and other applicable Federal statutes; and

(C) the authority of a State or local government or instrumentality thereof, including the District of Columbia, in the placement, construction, and modification of personal wireless service facilities.

This title may be cited as the "District of Columbia Appropriations Act, 2000".

TITLE II—TAX REDUCTION

SEC. 201. COMMENDING REDUCTION OF TAXES BY DISTRICT OF COLUMBIA.—The Congress commends the District of Columbia for its action to reduce taxes, and ratifies D.C. Act 13–110 (commonly known as the Service Improvement and Fiscal Year 2000 Budget Support Act of 1999).

SEC. 202. RULE OF CONSTRUCTION.—Nothing in this title may be construed to limit the ability of the Council of the District of Columbia to amend or repeal any provision of law described in this title.

The SPEAKER pro tempore. Pursuant to House Resolution 354, the gentleman from Oklahoma (Mr. ISTOOK) and the gentleman from Virginia (Mr. MORAN), each will control 30 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. ISTOOK).

Mr. ISTOOK. Mr. Speaker, I yield myself such time as I may consume.

This, of course, is the appropriations bill for the District of Columbia, as has been mentioned. I want to express my appreciation for the efforts of working with the gentleman from Virginia (Mr. MORAN), the ranking member, with the Members of the appropriations staff and certainly with the delegate from the District of Columbia, the mayor of the District and the members of the council, as well as many other people who have been involved in this.

We received on Monday a letter from the President's office, from his Director of the Office of Management and Budget, saying that the contents of the District of Columbia appropriations bill, as it was included as a portion of the bill received by the President last week, that the contents of that portion of the bill, all the things relating to the District of Columbia, were acceptable to the President, and the President would sign it if it were presented to him as a separate bill.

Of course, we know that it was presented as part of a package. This bill before us, however, is a separate bill. It has the identical language which the President advised us Monday would be acceptable to the White House with only one variation.

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The only variation is in the section that has to do with injection of illegal drugs by needle. The bill that passed last week and that the President said was acceptable to him stated that no public funds, neither from the Federal Government, nor from the District of Columbia, no funds could be used on a program of providing free needles to drug addicts.

The only difference between that and this is this bill also has the additional phrase that says you also do not provide those funds to an entity that operates such a program of providing needles to drug addicts. Even though that is different from the bill that we had last week, and that is the only difference, it is identical to the bill that was signed into law by the President last year.

So the only change, and the gentleman from Virginia (Mr. MORAN) earlier referred to it as a minuscule change, the only change is to continue the restriction under which the District and the Federal Government already operates that says you cannot operate a program of giving needles to drug addicts to inject themselves with illegal drugs and still qualify to receive government funds. That is it.

Now, I should point out that the other things in this bill remain constant. This is what I think is important to the District of Columbia, because, see, we are trying to assist the District in its crackdown on drugs. We do not want a mixed message. We do not want people on one hand saying we are cracking down on drugs and then on the other, wink, wink, we are helping people to run a program that gives needles to drug addicts to shoot themselves up.

No, we have in this bill a total of $33.5 million, money the Congress is under no obligation to provide, but money that we think is important to attack the link between crime and drugs in the District of Columbia, $20 million for drug testing, drug treatment, drug crackdown, because the District has a pervasive problem with the link between crime and drugs; and we want to crack down on it and break that link.

We also have the provisions in this bill for the $17 million college assistance program for students in the District. We have $5 million of incentives to adopt foster children, to get thousands of kids in D.C. that are stuck in foster homes and have been for years adopted into safe, permanent, stable, loving homes.

We have the provisions in this bill for the cleanup, several million dollars for the cleanup of the Anacostia River, payment to assist the infrastructure build-out of the Children's National Medical Center.

We have provisions in this bill to assist the new mayor in one of his major initiatives of right-sizing the government in the District, $18 million to assist them in reducing the size of the number of employees they have, reducing the number of employees doing contract buyouts and so forth.

There is a lot of stuff in here that has great value to help the District of Columbia recover. Unfortunately, there are some people that say all that matters to them is giving away free needles to drug addicts, and nothing else matters; all we are trying to do on that issue is preserve the status quo.

Now, the gentleman from Virginia (Mr. MORAN), if he wishes, may offer an amendment to this bill through his motion to recommit. He has that leeway. If there is some adjustment that he considers minuscule that he wants to make, he has the ability to offer it.

But we believe, Mr. Speaker, that we have important measures in here for the future, the vitality, the growth, the public safety, the value and strength of the schools and education, the infrastructure, things that are important to people who live and work and solicit here in the District of Columbia.

I would certainly hope that, if some people want to take an extreme position toward giving away needles to drug addicts, they would vote their conscience, but not use that as an excuse to vote against such an important measure to help with the improvement of the District of Columbia.

The provision in this bill is identical to the provision signed into law by the President last year. Every other provision in the bill is identical to what the President advised us he wants to sign into law regarding the District of Columbia.

I think we have a common sense approach here. If people wish the debate to center around the question of giving needles to drug addicts, then they should openly say so. But there is certainly no other excuse for anyone to vote against this bill unless they want to take that extreme position.

Mr. Speaker, I include the following for the RECORD:

H.R. 3194 - DISTRICT OF COLUMBIA APPROPRIATIONS BILL, 2000

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	H.R. 2587	H.R. 3064	H.R. 3194	H.R. 3194 vs. enacted
FEDERAL FUNDS						
District of Columbia Resident Tuition Support			17,000	17,000	17,000	+17,000
Incentives for Adoption of Foster Children			5,000	5,000	5,000	+5,000
Citizens Complaint Review Board			500	500	500	+500
Federal Payment for Human Services			250	250	250	+250
Metrorail improvements and expansion	25,000					-25,000
Federal payment for management reform	25,000					-25,000
Federal payment for Boys Town U.S.A	7,100					-7,100
Nation's Capital Infrastructure Fund	18,778					-18,778
Environmental Study and Related Activities at Lorton Correctional Complex	7,000					-7,000
Federal payment to the District of Columbia corrections trustee operations	184,800	176,000	176,000	176,000	176,000	-8,800
Federal payment to the District of Columbia Courts	128,000	137,440	99,714	99,714	99,714	-28,286
Defender Services in D.C. Courts			33,336	33,336	33,336	+33,336
Federal payment to the Court Services and Offender Supervision Agency of the District of Columbia	59,400	80,300	93,800	93,800	93,800	+34,400
Federal payment for Metropolitan Police Department	1,200		1,000	1,000	1,000	-200
Federal payment for Fire Department	3,240					-3,240
Federal payment for Georgetown Waterfront	1,000					-1,000
Federal payment to Historical Society for City Museum	2,000					-2,000
Federal payment for a National Museum of American Music and Downtown Revitalization	700					-700
United States Park Police	8,500					-8,500
Federal payment for waterfront improvements	3,000					-3,000
Federal payment for mentoring services	200					-200
Federal payment for hotline services	50					-50
Federal payment for public charter schools	15,622					-15,622
Medicare Coordinated Care Demonstration Project	3,000					-3,000
Federal payment for Children's National Medical Center	1,000		2,500	2,500	2,500	+1,500
National Revitalization Financing:						
Economic Development	25,000					-25,000
Special Education	30,000					-30,000
Year 2000 Information Technology	20,000					-20,000
Infrastructure and Economic Development	50,000					-50,000
Y2K conversion emergency funding (courts)	2,249					-2,249
Y2K conversion (emergency funding)	61,800					-61,800
Total, Federal funds to the District of Columbia	683,639	393,740	429,100	429,100	429,100	-254,539
DISTRICT OF COLUMBIA FUNDS						
Operating Expenses						
Governmental direction and support	(164,144)	(174,667)	(167,356)	(167,356)	(167,356)	(+3,212)
Economic development and regulation	(159,039)	(190,335)	(190,335)	(190,335)	(190,335)	(+31,296)
Public safety and justice	(755,786)	(778,670)	(778,770)	(778,770)	(778,770)	(+22,984)
Public education system	(788,956)	(850,411)	(867,411)	(867,411)	(867,411)	(+78,455)
Human support services	(1,514,751)	(1,525,996)	(1,526,361)	(1,526,361)	(1,526,361)	(+11,610)
Public works	(266,912)	(271,395)	(271,395)	(271,395)	(271,395)	(+4,483)
Receivership Programs	(318,979)	(337,077)	(342,077)	(342,077)	(342,077)	(+23,098)
Workforce Investments		(8,500)	(8,500)	(8,500)	(8,500)	(+8,500)
Buyouts and Management Reforms			(18,000)	(18,000)	(18,000)	(+18,000)
Reserve		(150,000)	(150,000)	(150,000)	(150,000)	(+150,000)
District of Columbia Financial Responsibility and Management Assistance Authority	(7,840)	(3,140)	(3,140)	(3,140)	(3,140)	(-4,700)
Financing and other		(384,948)				
Washington Convention Center Transfer Payment	(5,400)					(-5,400)
Repayment of Loans and Interest	(382,170)		(328,417)	(328,417)	(328,417)	(-53,753)
Repayment of General Fund Recovery Debt	(38,453)		(38,286)	(38,286)	(38,236)	(-167)
Payment of Interest on Short-Term Borrowing	(11,000)		(9,000)	(9,000)	(9,000)	(-2,000)
Certificates of Participation	(7,926)		(7,950)	(7,950)	(7,950)	(+24)
Human development	(6,674)					(-6,674)
Optical and Dental Insurance payments			(1,295)	(1,295)	(1,295)	(+1,295)
Productivity Bank			(18,000)	(18,000)	(18,000)	(+18,000)
Productivity Savings			(-18,000)	(-18,000)	(-18,000)	(-18,000)
Procurement and Management Savings	(-10,000)	(-21,457)	(-21,457)	(-21,457)	(-21,457)	(-11,457)
Total, operating expenses, general fund	(4,418,030)	(4,653,682)	(4,686,836)	(4,686,836)	(4,686,836)	(+268,806)
Enterprise Funds						
Water and Sewer Authority and the Washington Aqueduct	(273,314)	(279,608)	(279,608)	(279,608)	(279,608)	(+6,294)
Lottery and Charitable Games Control Board	(225,200)	(234,400)	(234,400)	(234,400)	(234,400)	(+9,200)
Office of Cable Television	(2,108)					(-2,108)
Public Service Commission	(5,026)					(-5,026)
Office of People's Counsel	(2,501)					(-2,501)
Office of Insurance and Securities Regulation	(7,001)					(-7,001)
Office of Banking and Financial Institutions	(640)					(-640)
Sports and Entertainment Commission	(8,751)	(10,846)	(10,846)	(10,846)	(10,846)	(+2,095)
Public Benefit Corporation	(66,764)	(89,008)	(89,008)	(89,008)	(89,008)	(+22,244)
D.C. Retirement Board	(18,202)	(9,892)	(9,892)	(9,892)	(9,892)	(-8,310)

H.R. 3194 - DISTRICT OF COLUMBIA APPROPRIATIONS BILL, 2000 — continued

(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	H.R. 2587	H.R. 3064	H.R. 3194	H.R. 3194 vs. enacted
Correctional Industries Fund	(3,332)	(1,810)	(1,810)	(1,810)	(1,810)	(-1,522)
Washington Convention Center	(48,139)	(50,226)	(50,226)	(50,226)	(50,226)	(+2,087)
Total, Enterprise Funds	(660,978)	(675,790)	(675,790)	(675,790)	(675,790)	(+14,812)
Total, operating expenses	(5,079,008)	(5,329,472)	(5,362,626)	(5,362,626)	(5,362,626)	(+283,618)
Capital Outlay						
General fund	(1,711,161)	(1,218,638)	(1,218,638)	(1,218,638)	(1,218,638)	(-492,523)
Water and Sewer Fund		(197,169)	(197,169)	(197,169)	(197,169)	(+197,169)
Total, Capital Outlay	(1,711,161)	(1,415,807)	(1,415,807)	(1,415,807)	(1,415,807)	(-295,354)
Total, District of Columbia funds	(6,790,169)	(6,745,279)	(6,778,433)	(6,778,433)	(6,778,433)	(-11,736)
Total:						
Federal Funds to the District of Columbia	683,639	393,740	429,100	429,100	429,100	-254,539
District of Columbia funds	(6,790,169)	(6,745,279)	(6,778,433)	(6,778,433)	(6,778,433)	(-11,736)

Mr. Speaker, I reserve the balance of my time.

Mr. MORAN of Virginia. Mr. Speaker, I yield 3 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman from Virginia for yielding me this time and for his endless and excellent work in trying to get the D.C. appropriations through.

I want to assure my colleagues what yet another D.C. bill on the floor is all about. One has got to have followed the machinations of the majority. This is about a bill number to hang other appropriations on. There are a number of appropriations that this appropriation becomes the vehicle for. It is going to be used in the Senate to hang the other appropriations on.

Above all, my colleagues know that this appropriation is not about needles. I have to come to the floor to concede that I lost that one. I wanted to use local funds for needle exchange, as is done in almost 115 jurisdictions. But each and every bill, including the one before us now, has said no local or Federal funds may be used for needle exchange. I have lost that one. It is a tragedy for the District of Columbia. But I have to concede that I lost that one before, and I have lost that one now.

This bill says no local or Federal funds may be used for needle exchange. I apologize that this is the fifth time that my colleagues have had to come to the floor to vote on the smallest appropriation, when it has the least to do with them and with the Nation.

But I believe that I deserve the apology. I believe that the people I represent deserve the apology because of the money at issue here. It is not the small change that the gentleman from Oklahoma (Mr. ISTOOK) just spoke about. Most of the money in this bill does not come from him or from the taxpayers of the Nation. It comes from the taxpayers of the District of Columbia.

This is cruel and unusual manipulation. We are here for one reason and one reason only. The majority needs another Christmas tree to hang other appropriations on. Watch what happens in the Senate. That is what the D.C. bill will be used for when it goes back over swiftly to the Senate before the last one even has been vetoed.

Stop holding the D.C. appropriation hostage to get other appropriations through. Let my people go.

Mr. ISTOOK. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas (Mr. TIAHRT), a member of the Subcommittee on the District of Columbia.

Mr. TIAHRT. Mr. Speaker, I thank the gentleman from Oklahoma, the subcommittee chairman, for yielding me this time.

This is a good bill, and I think it ought to be passed. The D.C. appropriations bill is the budget that was passed by the District city council. It was signed by the mayor. It truly fulfills the requirement of home rule when it comes to the financial part of it.

The only roadblock that seems to be in the way is the needle exchange program. But I think we should do the compassionate thing when it comes to the needle exchange program. Current law says that, if one receives any Federal or any government dollars, one cannot conduct a needle exchange program; and that is what we are retaining in this bill.

This bill is actually what we have in current law today, signed by the President last year. But if one goes to other countries or other cities in the country that have a needle exchange program, just as close as Baltimore, which has had a needle exchange program for the last 7 years, we found out in a July 5 article, Associated Press article this summer, that 90 percent, according to Johns Hopkins University, 90 percent of injection drug users are infected with a blood borne virus.

Now, the whole purpose of having the needle exchange program is to prevent people from getting a blood borne virus. Yet, in Baltimore, after 7 years of trying to achieve this goal, 90 percent have a blood borne virus. It is a failure. It is a failed program. Ten percent should not be a passing grade in Baltimore. It should not be a passing grade in the District of Columbia.

So we should do the compassionate thing. Is it compassionate to aid an injection drug user in an action that will cut years off the end of his life? No. It is a tragedy. Is it compassionate to help an injection drug user to conduct actions that 90 percent of the time will result in a blood borne virus and put him in an early grave? No. It is a tragedy.

We should not allow a needle exchange program to become coffin nails, to drive nails into a coffin for people with an early grave because they have a drug-dependent personality. We should help them by getting them to a treatment center, by not aiding their actions, but helping them end those actions. That is what this bill does.

It is consistent with the President's own drug czar. His policy states that he does not support the injection drug using or needle exchange programs for injection drug users because it sends the wrong message, and it is ineffective, and there is no sound science supporting it.

So either one supports the President's drug czar and votes for this bill, or else one may as well call for his resignation because that is what is his policy. That is what is supporting this bill. I think it is a good bill and ought to be voted.

Mr. MORAN of Virginia. Mr. Speaker, let me suggest to the gentleman from Oklahoma (Mr. ISTOOK) that he may want to have his other speakers. We have restricted the number of speakers on our side out of deference for the rest of the Congress' schedule. So if he wants to have his speakers first, I will just speak when they are concluded, and he can wrap it up.

Mr. ISTOOK. Mr. Speaker, I think that is perfectly acceptable. I appreciate the courtesy of the gentleman from Virginia (Mr. MORAN).

Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. DAVIS).

Mr. DAVIS of Virginia. Mr. Speaker, I thank the gentleman from Oklahoma for yielding me this time. Shakespeare said in Henry V: "Once more into the breach." The first D.C. budget was vetoed by the President on September 28. The second D.C. budget was passed by the House on October 14. This resolution today is our third attempt to enact a budget for the Nation's capital. The city, and I emphasize this is a city we are talking about, not an agency or department of the Federal Government, is still operating under a continuing resolution. This is not acceptable.

The Nation's capital is caught in the middle, and many urban needs here are being adversely affected. It is my sincere hope that the flexible approach taken by the House will encourage the administration to sign this budget. This may be the city's last clear chance to get resources and reform it needs.

While much progress has been made in the District, there are still enormous problems which must be addressed. A substantial number of functions remain in receivership, including foster care and offender supervision. The enhanced resources for foster care in this budget, to take just one example, are desperately needed by many children. The annual reports submitted by the Control Board to Congress just this week highlights the crisis we are facing with many of the city's receiverships.

Our local courts are funded in this budget. They too very much need the added resources this bill provides.

The House passed this week the legislation I sponsored and the gentlewoman from the District of Columbia (Ms. NORTON) sponsored to enhance college access opportunities for D.C. students. That money to fund that program is in this budget.

There is additional money in this budget for public education. There are 146 public schools in this city and now 29 charter schools. The money to help the children in those schools is in this budget.

This budget contains the largest tax cut in the city's history, which is central to our goal of retaining and attracting economic development to the Nation's capital.

There is money in this budget to clean up the Anacostia River, open more drug treatment programs, and study widening of the 14th Street Bridge.

What the city needs is a stronger tax base and more taxpayers. This bill takes us another step in that direction.

In the 5 years I have had the honor to serve as Chairman of the Subcommittee on the District of Columbia, it has been my philosophy that one cannot have a healthy region without a healthy city. Working in a bipartisan manner, building consensus, I am proud of the way we have helped to turn this city around. I want the House appropriators to help us continue this process.

Whatever the ultimate resolution is of the city's budget, it is important to keep the process going in order to achieve a positive result. I am very hopeful we can do this and keep this city from waiting for the funds they need.

Mr. ISTOOK. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. MICA), who has been very active and consistent as a leader against the drug problems of the country.

Mr. MICA. Mr. Speaker, I thank the gentleman from Oklahoma for yielding me this time.

The District of Columbia is probably a microcosm of what the Republican majority inherited some 4-plus years ago. We had big government and very high cost to the taxpayers. In fact, the District of Columbia, in my opinion, was the epitome of big government gone bad.

In 1995, the new Republican majority inherited a District of Columbia which should have been a shining example for the whole country; but, instead, we inherited a district, which is our responsibility under the Constitution, riddled with debt, three-quarters of a billion dollars annual debt, schools that were failing, hospitals that were a disaster one would not take a patient to, child care programs that were defunct, housing that was disgraceful, public housing that one would not put one's worst enemy in, prisons that were taken over by the prisoners, utilities that had to be turned over to operate.

□ 1730

And one of the saddest stories I read from the Washington Post was that mentally ill children, and the other side claims to be so compassionate about children, were fed jello and rice and chicken diets steady for a month because the District failed to pay its bills. That is what we inherited. That was the liberal policy. A liberal policy on spending, a liberal policy on government, and all done with the highest number of workers of any government unit probably except for the former Soviet Union, 48,000 employees. We cut that down to some 30,000-plus employees.

Now, this question today before us is not about spending, because there is some control we have brought and we have gotten them out of the wilderness of debt. This is about a criminal drug policy. Now, I chair the Subcommittee on Criminal Justice, Drug Policy and Human Resources of the Committee on Government Reform. This is what a liberal drug policy did for Baltimore. This is 1996. They had 39,000 drug addicts after a liberalized needle exchange and liberalized program in that city; 312 deaths in 1997; 312 deaths in 1998.

We were even able to bring down the deaths in the District of Columbia through a zero tolerance policy, through new administration that we have instituted in the District and through taking over these programs with fewer workers and fewer employees.

The situation was so bad in Baltimore that one out of 10 citizens was a drug addict. That is how bad it was with the liberal drug policy. So the major difference here is a liberal approach to drug policy. Needle exchange is, again, a more liberal policy.

Here is an example, again in Baltimore, 39,000 in 1996. Let me read from a Time magazine article dated September 6, 1999: "Government officials dispute that it is one in ten," that is a drug addict in Baltimore from a liberal policy, "it is more like one in eight." This is not my quote, "says a veteran city councilwoman, Rikki Spector, and we have probably lost count."

So the question before us today is do we let our people go? And I consider these my people, too. Do we let them go to a liberal policy, do we let them go into the devastation that we have seen in another community that has adopted these policies? I say no.

Mr. MORAN of Virginia. Mr. Speaker, I yield myself such time as I may consume.

This is such a shame. We have a good bill here. The District of Columbia is on its feet. They have got good leadership; responsible leadership. They have a budget that everybody agreed to, that has tax cuts in it, and generates a surplus. We provided what money we had under our discretion in a way that met their priorities.

This bill should have been signed long before the fiscal year began. And, in fact, the gentleman from Oklahoma may recall that the bill that we got out of the House Committee on Appropriations was agreed to unanimously, I think. And then we got to the House floor and it passed overwhelmingly with the support of the delegate from the District of Columbia, with the support of the ranking member, myself, and with the support of the leadership of both parties. The bill should have been enacted by now.

But then we get into conference and we get into mischief. We get into social riders, "gotcha" types of legislation. So we used D.C. for political purposes. So the bill was vetoed. That is why the bill was vetoed, because it was used as a political vehicle instead of an appropriations bill.

Then we get it back, and what happens but that the Senate made changes that made the bill itself acceptable, but then they added the Labor, Health and Human Services appropriations bill to it, plus an across-the-board spending cut. Again, the poor little D.C. bill gets crushed under these controversial measures. That was not right; it was not fair.

Now we have the bill before us that we should all agree on, it has been pulled back from the across-the-board cut and the Labor-HHS bill, but we have gone back and reinserted language that the House Committee on Appropriations, in a bipartisan fashion, rejected. We have reinserted language that was rejected on the House floor, that was rejected by the Senate conferees. The Senate conferees took this language out, and we are going to put it back?

Now, maybe we are playing gamesmanship here again. Well, send it back to the Senate and the Senate will take it out again. But if that is what we are doing, it is wrong. There is no good reason to be doing it.

Let me try to explain what this particular issue is all about and why the White House and others feel strongly. Number one, it is an issue of home rule. That is the underlying issue before us. The gentleman from Kansas put this rider in. The gentleman from Kansas must be very well aware that Topeka, Kansas, has exactly the very same program that the District of Columbia wants to have. Kansas gets Federal funds, State funds, and uses its local funds for this needle exchange program. The gentleman has never attempted to deny Kansas its right to make that decision.

Why does Kansas do it? Not because they want to increase the drug abuse, obviously; not because they want to make it easier to engage in destructive acts. They do it because they need access to drug addicts so that they can cure them. And that is what this program is all about, it is gaining access to people in need.

That is why the Whitman-Walker Clinic did it. They decided to do it after the American Medical Association endorsed it, after the American Pharmaceutical Association, the American Academy of Pediatrics, the American Nurses Association, the American Public Health Association, the Council of State and Territorial Health Officers, the U.S. Conference of Mayors, the National Association of County and City Health Officials endorsed it; and I could go down a long, long list. They have all looked at this program, and they have decided that we have a very serious problem across the country and this may be working.

Why did Whitman-Walker particularly do it? Because D.C. has the worst problem, 75 percent of the babies born with HIV. How horrible a thing for a baby to be born with the HIV infection, infected as a result of the use of dirty needles. Three out of four of these babies have no chance, born because of dirty needles. They are trying to stop that. The District of Columbia has the worst AIDS epidemic. Deaths attributed to AIDS in D.C. is more than seven times the national average. Let me repeat that. Deaths attributed to AIDS in the District of Columbia is more than seven times the national average. AIDS is the leading cause of death for city residents between the ages of 30 and 44. A serious problem.

I do not know the best way to address the problem, but I sure know that it is a serious problem that we ought to care about. And what this program does, we are told by experts who are working in the field, is that it gives them an opportunity to identify people who are addicted and get them into drug treatment and counseling. And now we come along with this amendment that says that if this clinic offers these needles, which needles cost nothing, with private funds it would cost pennies to provide the program itself; but if Whitman-Walker even engages in this, we will not let them, according to the letter of the gentleman from Kansas (Mr. TIAHRT) to Mrs. Rivlin, we will not let Whitman-Walker, which is the principal organization in the city, a private nonprofit organization that addresses the AIDS epidemic, we will not let them get any Federal or District funds for any of their other programs; for their Ryan White money, for their NIH research grants; for their CDC grants. We will not let them get any of the local D.C. money if they participate in this program.

We heard from the representative from Baltimore saying it works. It is working in Baltimore, even though they have a horrible situation. The statistics are terrible, but they were worse before they started the program. This program in the District of Columbia has reduced the incidence of transmission by 29 percent. Unbelievable progress. And here we come and say, no, we know better; cut it out.

But the reason we are opposing it so strongly goes beyond this substantive issue itself. The reason we are opposing this so strongly is that we would not do this to Kansas. We would not do this to Topeka, Kansas. We would not do this to any city in Oklahoma. I would not allow the gentleman to do it to Virginia. We do not do this to any city across the country, even though 113 State and local organizations have this very same program. One hundred thirteen of them.

We have never attempted to tell any of those cities or counties or States that we represent how to run their business, but we would do it to the District of Columbia; and we would hold hostage $429 million. We are talking here three millionths of the Federal budget, .000003 percent of the Federal budget, $429 million, which means nothing. It gets rounded in the Federal budget, yet it is critical to the District of Columbia. How could we hold that up, deny that money?

We insist on imposing our attitudes, our cultural conservatism, our ideas, that we would not impose on people we directly represent; yet we impose them on the District of Columbia. That is what is so wrong. We should not be doing it. We passed legislation through the leadership of the Subcommittee on District of Columbia of the Committee on Government Reform, chaired by the gentleman from Virginia (Mr. DAVIS), that said in the future D.C. is treated like any other community. They get their Federal grants and loans. We do not treat them like we would some kind of plantation that we were overseers over.

D.C. has a right to be independent. D.C. has a right to rule itself. And that is what this issue is all about. If they decide that private, nonpublic money should be able to be used for a purpose that they think is necessary, then, gosh darn it, we ought to let them make at least that decision. To not allow them to make that decision is wrong, and that is why we oppose this bill.

Ms. NORTON. Mr. Speaker, will the gentleman yield?

Mr. MORAN of Virginia. I yield to the gentlewoman from the District of Columbia.

Ms. NORTON. Mr. Speaker, I want to thank the gentleman for explaining fully what is at issue here.

I want to leave this body with a very important fact that could be overlooked. This bill says that no public funds of any kind may be used for needle exchange. Please understand. This bill says that no Federal funds and no local funds may be used for needle exchange, making the District of Columbia the only jurisdiction in the United States that may not use its own local money for needle exchange.

□ 1745

It is important to understand, therefore, that we are voting no differently from what this body has voted five times previously. When we say no public funds, we mean no public funds. I regret that. But it is important to understand what we are voting on.

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentlewoman for explaining that. That should be the closing comment, really.

I offered an amendment in the House Committee on Appropriations that said no Federal or local funds can be used for needle exchange, and the Republicans and the Democrats on the House Committee on Appropriations agreed. We got it to the House floor, and the House on the floor agreed. We went to conference with the Senate, and the Senate agreed in the last conference. No public funds, leave that language as it is.

Then, at least, we will show a modicum of respect to the citizens of the District. We will get this bill passed. We will let them use their own money, which they desperately need, over $4 billion of their own local property tax money which we are holding up. We will give them the $429 million of grants from the Federal Government. We will treat them like any other community that we represent directly that can vote for us. The President will sign it right away. And then we will have acted responsibly, at least with regard to the District of Columbia appropriations bill. But until we do, we have to urge this body to vote no.

Mr. Speaker, I yield back the balance of my time.

Mr. ISTOOK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we close the debate on this bill, I can imagine that some people might have been confused listening to the gentleman from Virginia (Mr. MORAN). For example, they might have thought that somehow this amendment came out of the blue or that this amendment permits funding from public treasuries for needle exchange programs. No, the amendment is what says public funding cannot happen.

The amendment was not inserted in the conference committee. It was not inserted in the committee at all. It was voted on on the floor of this House July 29. The identical language of which the gentleman from Virginia (Mr. MORAN) now complains was approved by this House of Representatives in a freestanding vote, no other issues, on July 29 by 241-187. And 40 Democrats, Members of the own party of the gentleman, were among the 241 Members of this House who voted for it.

The language is identical to what was signed into law last year by the President of the United States. It is identical to what the District of Columbia operates with today. It says they cannot operate a needle exchange program and still receive District of Columbia money or Federal Government money, nor can they use District of Columbia money or Federal Government money to operate a so-called needle exchange program where they give needles to drug addicts so they can shoot themselves up.

They perpetuate their habit. They help them. They enable them. They give them drug paraphernalia. We have got laws on the books against drug paraphernalia. We are just saying they should not be encouraging that.

Is there a needle exchange program in the District of Columbia? Yes, there is one. Does it operate with any funds that come from the Government? No. Does it operate with an entity that receives Government money? No. It is a purely private operation.

The gentleman says needles cost nothing. Well, that particular program operates on a budget of somewhere in the general neighborhood of $300,000 a year. Now, I admit that is not millions and millions or billions of dollars. But it is not nothing, either.

When we talk about protecting babies, I do not want to see more babies born addicted to heroin because somebody was helping their mother to continue shooting up while she was carrying that child. I do not want more people robbed, I do not want more people killed because somebody was stealing to protect their drug habit. They may have gotten a free needle, but they still had to buy the dope and they were still involved in it.

If we want to get them off, let us get them off. Let us not give them the means to destroy themselves and to destroy other people, as well.

Now, Mr. Speaker, I heard it contended that somehow this bill was being held hostage. My goodness, just asking to continue the language that the President approved last year and that this House has adopted in a separate vote is not holding anything hostage. We are only here because the President vetoed the original bill. He vetoed that September 28.

Why did he veto it? He gave seven reasons in his veto message.

One, he wanted to permit public money to be spent on this needle program. Two, he wanted to permit the District of Columbia to legalize marijuana, supposedly for medicine, but under extremely loose standards that, frankly, were a joke. It was not medical marijuana. But he wanted to permit it. Three, he wanted to allow higher pay for the District of Columbia Council members. Four, he wanted higher legal fees for attorneys that were suing the schools of the District of Columbia. Five, he wanted taxpayers' money to be spent to finance a lawsuit trying to make the District of Columbia a State. Six, he wanted to overturn a rider that has been on the bill for, I think, about 9 years now and that he has approved a number of times before saying we do not treat people who are living together the same as a married couple. And last, he did not want to accept a provision that has been a part of this bill for over 20 years, limiting public funding of abortion so it does not apply in cases other than rape or incest or the life of the mother being involved.

That is what the President said his veto was about. Every one of those were things that have been a part of this bill before. They were things that the President had signed into law before, with the exception of the District of Columbia Council members' salaries.

Now we have made a couple of adjustments in the salary provision, in the legal fee provision, and made clear that the City's attorneys can keep them advised of lawsuits. But it is the President that picked these social issues. He picked the fight over old issues that have been decided in this Congress before.

He vetoed the bill. He made us come back multiple times with this bill. We have not punished the District. We have not come back and said, my goodness, if these things mean so little to them, we are not going to help their kids go to college, we are not going to help with cleaning up the Anacostia River.

We have not punished the District. We have a special constitutional responsibility. Article 1, section 8 says this Congress is responsible for the laws of the District of Columbia. We recognize that it is the Nation's capital, it is not just another city.

Now, I was sorry to hear, Mr. Speaker, the delegate from the District of Columbia demean the efforts that we have undertaken to honor and respect and assist the District of Columbia by saying that things in the bill were "small change."

We did not touch the budget that the District wanted. We have applauded them. With the help of this Congress, they have achieved a balanced budget in the District of Columbia. We want to keep it that way. They have passed and we have approved the most significant tax cut that they have ever had, a bipartisan effort by the local government here in the District of Columbia. We have endorsed that. And we have done things we were not obligated to do.

The $17 million to help kids in the District go to college, I do not consider that small change. The efforts to help them with charter schools so they have choices and are not trapped in a dead-end school, I do not consider that small change. The environmental clean-up, millions of dollars to clean up the fouled Anacostia River, I do not consider that small change. The Nation's largest drug testing and drug treatment program to break the link between crime and drugs, $34 million, I do not consider that small change. The $5 million in incentives to help kids be adopted into stable, safe, loving homes instead of being shuttled around in foster homes, I do not consider that small change.

There are many things in this bill I do not consider small change and I do not think the residents will consider them, either, Mr. Speaker, the people who see it brings them lower taxes, better schools, more efficient government, a better environment, less crime, and less drugs, a city government that is more responsive. I do not think it is small change. I think it is important.

I am sorry that some people think that what is more important is giving away needles to drug addicts. They can have all the private programs that they want to. They just should not try to mix those up with taxpayers' money.

Mr. Speaker, I urge adoption of this bill. I thank the many people that have worked so valiantly and especially the cooperation that I have received working with local officials here in the District.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). All time for debate has expired.

Pursuant to House Resolution 354, the bill is considered read for amendment and the previous question is ordered on the bill, as amended, pursuant to that resolution.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 216, nays 210, not voting 8, as follows:

[Roll No. 562]

YEAS—216

Aderholt
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pease
Peterson (PA)
Petri
Pickering
Pitts

Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NAYS—210

Abercrombie
Ackerman
Allen
Andrews
Archer
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tancredo
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu
Wynn

NOT VOTING—8

Bereuter
Hulshof
Kilpatrick
Maloney (NY)
Murtha
Rahall
Scarborough
Weldon (PA)

□ 1819

Mr. PASCRELL and Mr. BERMAN changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Speaker, due to official business in the 15th Congressional District of Michigan, I was unable to record my votes for rollcall nos. 559, 560, 561, and 562 considered today. Had I been present, I would have voted "aye" on rollcall No. 559, an amendment offered by Mr. MARK UDALL to H.R. 2389, the County Schools Funding Revitalization Act, "no" on rollcall No. 560, final passage of H.R. 2389, "no" on rollcall No. 561, H.Res. 353, providing for consideration of motions to suspend the rules, and "no" on rollcall No. 562, H.R. 3194, District of Columbia Appropriations Act for FY 2000.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 872

Mr. HASTINGS of Washington. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 872. My name was added by mistake instead of that of my colleague, the gentleman from Florida (Mr. HASTINGS).

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Washington?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1300

Mr. WEINER. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 1300.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT REGARDING BILLS TO BE CONSIDERED UNDER SUSPENSION OF THE RULES ON TOMORROW

Mr. ARMEY. Mr. Speaker, pursuant to House Resolution 353, I rise to announce the following suspensions to be considered tomorrow:

H. Con. Res. 214; and
H.R. 1693.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2891

Mr. MORAN of Virginia. Mr. Speaker, I ask unanimous consent to withdraw my name as a cosponsor of H.R. 2891.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

AGREEMENT FOR COOPERATION BETWEEN THE UNITED STATES AND AUSTRALIA CONCERNING TECHNOLOGY FOR SEPARATION OF ISOTOPES OF URANIUM BY LASER EXCITATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations:

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement for Cooperation Between the United States of America and Australia Concerning Technology for the Separation of Isotopes of Uranium by Laser Excitation, with accompanying annexes and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the Agreement, and an unclassified Nuclear Proliferation Assessment Statement (NPAS) concerning the Agreement. (In accordance with section 123 of the Act, as amended by title XII of the Foreign Affairs Reform and Restructuring Act of 1998 (Public Law 105-277), a classified annex to the NPAS, prepared by the Secretary of State in consultation with the Director of Central Intelligence, summarizing relevant classified information, will be submitted to the Congress separately.) The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the Agreement and the views of the Nuclear Regulatory Commission, is also enclosed.

A U.S. company and an Australian company have entered into a contract jointly to develop and evaluate the commercial potential of a particular uranium enrichment process (known as the "SILEX" process) invented by the Australian company. If the commercial viability of the process is demonstrated, the U.S. company may adopt it to enrich uranium for sale to U.S. and foreign utilities for use as reactor fuel.

Research on and development of the new enrichment process may require transfer from the United States to Australia of technology controlled by the United States as sensitive nuclear technology or Restricted Data. Australia exercises similar controls on the transfer of such technology outside Australia. There is currently in force an Agreement Between the United States of America and Australia Concerning Peaceful Uses of Nuclear Energy, signed at Canberra July 5, 1979 (the "1979 Agreement"). However, the 1979 Agreement does not permit transfers of sensitive nuclear technology and Restricted Data between the parties unless specifically provided for by an amendment or by a separate agreement.

Accordingly, the United States and Australia have negotiated, as a complement to the 1979 Agreement, a specialized agreement for peaceful nuclear cooperation to provide the necessary legal basis for transfers of the relevant technology between the two countries for peaceful purposes.

The proposed Agreement provides for cooperation between the parties and authorized persons within their respective jurisdictions in research on and development of the SILEX process (the particular process for the separation of isotopes of uranium by laser excitation). The Agreement permits the transfer for peaceful purposes from Australia to the United States and from the United States to Australia, subject to the nonproliferation conditions and controls set forth in the Agreement of Restricted Data, sensitive nuclear technology, sensitive nuclear facilities, and major critical components of such facilities, to the extent that these relate to the SILEX technology.

The nonproliferation conditions and controls required by the Agreement are the standard conditions and controls required by section 123 of the Atomic Energy Act, as amended by the Nuclear Non-Proliferation Act of 1978 (NNPA), for all new U.S. agreements for peaceful nuclear cooperation. These include safeguards, a guarantee of no explosive or military use, a guarantee of adequate physical protection, and rights to approve re-transfers, enrichment, reprocessing, other alterations in form or content, and storage. The Agreement contains additional detailed provisions for the protection of sensitive nuclear technology, Restricted Data, sensitive nuclear facilities, and major critical components of such facilities transferred pursuant to it.

Material, facilities, and technology subject to the Agreement may not be used to produce highly enriched uranium without further agreement of the parties.

The Agreement also provides that cooperation under it within the territory of Australia will be limited to research on and development of SILEX technology, and will not be for the purpose of constructing a uranium enrichment facility in Australia unless provided for by an amendment to the Agreement. The United States would treat any such amendment as a new agreement pursuant to section 123 of the Atomic Energy Act, including the requirement for congressional review.

Australia is in the forefront of nations supporting international efforts to prevent the spread of nuclear weapons to additional countries. It is a party to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and has an agreement with the International Atomic Energy Agency (IAEA) for the application of full-scope safeguards to its nuclear program. It subscribes to the Nuclear Supplier Group (NSG) Guidelines, which set forth standards for the responsible export of nuclear commodities for peaceful use, and to the Zangger (NPT Exporters) Committee Guidelines, which oblige members to require the application of IAEA safeguards on nuclear exports to nonnuclear weapon states. In addition, Australia is a party to the Convention on the Physical Protection of Nuclear Material, whereby it has agreed to apply international standards of physical protection to the storage and transport of nuclear material under its jurisdiction or control.

The proposed Agreement with Australia has been negotiated in accordance with the Atomic Energy Act of 1954, as amended, and other applicable law. In my judgment, it meets all statutory requirements and will advance the nonproliferation, foreign policy, and commercial interests of the United States.

A consideration in interagency deliberations on the Agreement was the potential consequences of the Agreement for U.S. military needs. If SILEX technology is successfully developed and becomes operational, then all material produced by and through this technology would be precluded from use in the U.S. nuclear weapons and naval nuclear propulsion programs. Furthermore, all other military uses of this material, such as tritium production and material testing, would also not be possible because of the assurances given to the Government of Australia. Yet, to ensure the enduring ability of the United States to meet its common defense and security needs, the United States must maintain its military nuclear capabilities. Recognizing this requirement and the restrictions being placed on the SILEX technology, the Department of Energy will monitor closely the development of SILEX but ensure that alternative uranium enrichment technologies are available to meet the requirements for national security.

I have considered the views and recommendations of the interested agencies in reviewing the proposed Agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the Agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this Agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. My Administration is prepared to begin immediately the consultations with the Senate Foreign Relations Committee and House International Relations Committee as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 3, 1999.*

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106–154)

The Speaker pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 3064, the FY 2000 District of Columbia and Departments of Labor, Health and Human Services, and Education, and Related Agencies appropriations bill.

I am vetoing H.R. 3064 because the bill, including the offsets section, is deeply flawed. It includes a misguided 0.97 percent across-the-board reduction that will hurt everything from national defense to education and environmental programs. The legislation also contains crippling cuts in key education, labor, and health priorities and undermines our capacity to manage these programs effectively. The enrolled bill delays the availability of $10.9 billion for the National Institutes of Health, the Centers for Disease Control, and other important health and social services programs, resulting in delays in important medical research and health services to low-income Americans. The bill is clearly unacceptable. I have submitted a budget that would fund these priorities without spending the Social Security surplus, and I am committed to working with the Congress to identify acceptable offsets for additional spending for programs that are important to all Americans.

The bill also fails to fulfill the bipartisan commitment to raise student achievement by authorizing and financing class size reduction. It does not guarantee any continued funding for the 29,000 teachers hired with FY 1999 funds, or the additional 8,000 teachers to be hired under my FY 2000 proposal. Moreover, the bill language turns the program into a virtual block grant that could be spent on vouchers and other unspecified activities. In addition, the bill fails to fund my proposed investments in teacher quality by not funding Troops to Teachers ($18 million) and by cutting $35 million from my request for Teacher Quality Enhancement Grants. These programs would bring more highly qualified teachers into the schools, especially in high-poverty, high-need school districts.

The bill cuts $189 million from my request for Title I Education for the Disadvantaged, resulting in 300,000 fewer children in low-income communities receiving needed services. The bill also fails to improve accountability or help States turn around the lowest-performing schools because it does not include my proposal to set aside 2.5 percent for these purposes. Additionally, the bill provides only $300 million for 21st Century Community Learning Centers, only half my $600 million request. At this level, the conference report would deny afterschool services to more than 400,000 students.

The bill provides only $180 million for GEAR UP, $60 million below my request, to help disadvantaged students prepare for college beginning in the seventh grade. This level would serve nearly 131,000 fewer low-income students. In addition, the bill does not adequately fund my Hispanic Education Agenda. It provides no funds for the Adult Education English as a Second Language/Civics Initiative to help limited English proficient adults learn English and gain life skills necessary for successful citizenship and civic participation. The bill underfunds programs designed to improve educational outcomes for Hispanic and other minority students, including Bilingual Education, the High School Equivalency Program (HEP), the College Assistance Migrant Program (CAMP), and the Strengthening Historically Black Colleges and Universities program.

The bill underfunds Education Technology programs, including distance learning and community technology centers. In particular, the bill provides only $10 million to community based technology centers, $55 million below my request. My request would provide access to technology in 300 additional low-income communities. The bill provides $75 million for education research, $34 million less than my request, and includes no funding for the Department of Education's share of large-scale joint research with the National Science Foundation and the National Institutes of Health on early learning in reading and mathematics, teacher preparation, and technology applications.

The bill does not fund the $53 million I requested to provide job finding assistance to 241,000 unemployment insurance claimants. This means that these claimants will remain unemployed longer, costing more in benefit payments. The bill also provides only $140 million of my $199 million request to expand service to job seekers at One-Stop centers as recently authorized in the bipartisan Workforce Investment Act. The bill funds $120 million of the $149 million requested for efforts to improve access to One-Stops as well as continued support for electronic labor exchange and labor market information. It funds only $20 million of the $50 million requested for work incentive grants to help integrate employment services for persons with disabilities into the mainstream One-Stop system.

The bill also does not provide funding for Right Track Partnerships (RTP). I requested $75 million for this new competitive grant program. Designed to help address youth violence, RTP would become part of the multi-agency Safe Schools/Healthy Students initiative, expanding it to include a focus on out-of-school youth.

The bill provides $33 million less than my request for labor law enforcement agencies, denying or reducing initiatives to ensure workplace safety, address domestic child labor abuses, encourage equal pay, implement new health law, and promote family leave. In particular, the bill provides an inadequate level of funding for the Occupational Safety and Health Administration, cutting it by $18 million, or 5 percent below my request.

The bill also fails to provide adequate funding for the Bureau of International Labor Affairs (ILAB). The bill funds ILAB at $50 million, $26 million below my request. The bill would prevent ILAB from carrying out my proposal to work through the International Labor Organization to help developing countries establish core labor standards, an essential step towards leveling the playing field for American workers.

The bill's funding level for the Bureau of Labor Statistics is $11 million less than my request. The enrolled bill denies three important increases that would: (1) improve the Producer Price Index, which measures wholesale prices; (2) improve measures of labor productivity in the service sector; and, (3) improve the Employment Cost Index, used to help set wage levels and guide anti-inflation policy. It also denies funding for a study of racial discrimination in labor markets.

The bill denies my request for $10 million to fund AgNet, even though the Senate included report language that supports AgNet in concept. AgNet, an Internet-based labor exchange, would facilitate the recruitment of agricultural workers by growers and the movement of agricultural workers to areas with employment needs.

The bill would cut the Social Services Block Grant (SSBG) by $209 million below FY 1999 and $680 million below my request. The SSBG serves some of the most vulnerable families, providing child protection and child welfare services for millions of children. In addition, the failure to provide the Senate's level of $2 billion in advance appropriations for the Child Care and Development Block Grant would mean 220,000 fewer children receiving child care assistance in FY 2001. The bill also fails to fund my National Family Caregiver Support program, which would provide urgently needed assistance in FY 2001. The bill also fails to fund my National Family Caregiver Support program, which would provide urgently needed assistance to 250,000 families caring for older relatives.

By funding the Title X Family Planning program at last year's level, family planning clinics would be unable to extend comprehensive reproductive health care services to an additional 500,000 clients who are neither Medicaid-eligible nor insured. The bill also fails to fund the Health Care Access for the Uninsured Initiative, which would enable the development of integrated systems of care and address service gaps within these systems.

The bill fails to fully fund several of the Centers for Disease Control and Prevention's (CDC) critical public health programs, including:

Childhood immunizations (−$44 million), so that approximately 300,000 children may not receive the full complement of recommended childhood vaccinations;

Infectious diseases (−$36 million), which will impair CDC's ability to investigate outbreaks of diseases such as the West Nile virus in New York;

Domestic HIV prevention (−$4 million);

Race and health demonstrations (−$5 million), which will impair better understanding of how to reduce racial disparities in health; and,

Health statistics (−$10 million) for key data collection activities such as the National Health and Nutrition Examination Survey and health information on racial and ethnic population groups.

The Congress has failed to fund any of the $59 million increase I requested for the Mental Health Block Grant, which would diminish States' capacity to serve the mentally ill.

In addition, the Congress has underfunded my request for the Substance Abuse Block Grant by $30 million, and has underfunded other substance abuse treatment grants by a total of $45 million. These reductions would widen the treatment gap in FY 2000 and jeopardize the Federal Government's ability to meet the National Drug Control Strategy performance target to reduce the drug treatment gap by 50 percent by FY 2007.

The bill provides only half of the $40 million requested for graduate education at Children's Hospitals, which play an essential role in educating the Nation's physicians, training 25 percent of pediatricians and over half of many pediatric subspecialists.

The bill underfunds the Congressional Black Caucus' AIDS Initiative in the Public Health and Social Services Emergency Fund by $15 million, thereby reducing current efforts to prevent the spread of HIV. By not fully funding this program, the scope of HIV/AIDS prevention, education, and outreach activities available to slow the spread of HIV/AIDS in minority communities will be more limited.

The bill fails to fund Health Care Financing Administration (HCFA) program management adequately. These reductions would severely impede HCFA's ability to ensure the quality of nursing home care through the Nursing Home Initiative. The bill does not adequately fund the request for Medicare+Choice user fees. This decrease would force HCFA to scale back the National Medicare Education Campaign. The Congress has not passed the proposed user fees totaling $194.5 million that could free up resources under the discretionary caps for education and other priorities.

The bill includes a provision that would prevent funds from being used to administer the Medicare+Choice Competitive Pricing Demonstration Project in Kansas and Arizona. These demonstrations which are supported by MEDPAC and other independent health policy experts, were passed by the Congress as part of the Balanced Budget Act in order to provide valuable information regarding the use of competitive pricing methodologies in Medicare. The information that we could learn from these demonstrations is particularly relevant as we consider the important task of reforming Medicare.

The bill contains a highly objectionable provision that would delay the implementation of HHS' final Organ Procurement and Transplantation rule for 90 days. This rule, which was strongly validated by an Institute of Medicine report, provides a more equitable system of treatment for over 63,000 Americans waiting for an organ transplant; its implementation would likely prevent the deaths of hundreds of Americans. Since almost 5,000 people die each year waiting for an organ transplant, we must be allowed to move forward on this issue and implement the rule without further delay.

The bill does not provide any of the $9.5 million I requested for HHS' Office of the General Counsel and Departmental Appeals Board to handle legal advice, regulations review, and litigation support, and to conduct hearings and issue decisions on nursing home enforcement cases as part of my Nursing Home Initiative. This would increase the backlog of nursing home appeals and impair Federal oversight of nursing home quality and safety standards. A reduction in funds for enforcement is inconsistent with the concerns that the GAO and the Congress have raised about this issue.

The bill cuts funds to counter bioterrorism. It funds less than half my request for CDC's stockpile, limiting the amount of vaccines, antibiotics, and other medical supplies that can be stockpiled to deploy in the event of a chemical or biological attack. In addition, the bill does not include $13.4 million for critical FDA expedited regulatory review/approval of pharmaceuticals to combat chemical and biological agent weapons.

The bill provides full funding of $350 million in FY 2002 for the Corporation for Public Broadcasting. However, the bill provides only $10 million of the $20 million requested for the digital transition initiative in FY 2000. This funding is required to help the public broadcasting system meet the Federal deadline to establish digital broadcasting capability by May 1, 2003.

The enrolled bill delays the availability of $10.9 billion of funding until September 29, 2000. While modest levels of delayed obligations could potentially be sustained without hurting the affected programs, the levels in the enrolled bill are excessive, resulting in delays in NIH research grants, delays in CDC immunizations for children, and delays in the delivery of health services to low income Americans through community health centers and rural health clinics.

The bill also seriously underfunds critical Departmental management activities in the Departments of Labor and Education and the Social Security Administration (SSA). For Education, these reductions would hamstring efforts to replace the Department's accounting system and undermine the new Performance-Based Organization's plans to streamline and modernize student aid computer systems. Reductions to the Department of Labor (DOL) would undercut the agency's ability to comply with the requirements of the Clanger-Cohen and Computer Security Acts, adjudicate contested claims in several of its benefits programs, and examine and update the 1996 study on Family and Medical Leave policies. For SSA, the reductions would result in significantly longer waiting times for disability applicants and millions of individuals who visit SSA field offices.

In adopting an across-the-board reduction, the Congress has abdicated its responsibility to make tough choices. Governing is about making choices and selecting priorities that will serve the national interest. By choosing an across-the-board cut, the Congress has failed to meet that responsibility.

This across-the-board cut would result in indiscriminate reductions in important areas such as education, the environment, and law enforcement. In addition, this cut would have an adverse impact on certain national security programs. The indiscriminate nature of the cut would require a reduction of over $700 million for military personnel, which would require the military services to make cuts in recruiting and lose up to 48,000 military personnel.

In adopting this cost-saving technique, the Congress is asserting that it will not have to dip into the Social Security surplus. However, this cut does not eliminate the need to dip into the Social Security surplus.

For these reasons, this across-the-board cut is not acceptable.

In addition to the specific program cuts and the 0.97 percent across-the-board reduction, the bill contains a $121 million reduction in salaries and expenses for the agencies funded by this bill, exacerbating the problems caused by the bill's underfunding of critical Departmental management activities. If, for example, the $121 million reduction were allocated proportionately across all agencies funded in the Labor/HHS/Education bill, HHS would have to absorb an approximately $55 million reduction to its salaries and expenses accounts, Labor would be cut by about $14 million, Education by about $5 million, and SSA by some $45 million. This would dramatically affect the delivery of essential human services and education programs and the protection of employees in the workplace.

With respect to the District of Columbia component of the bill, I am pleased that the majority and minority in the Congress were able to come together to pass a version of the District of Columbia Appropriations Bill that I would sign if presented to me separately and as it is currently constructed. While I continue to object to remaining riders, some of the highly objectionable provisions that would have intruded upon local citizens' right to make decisions about local matters have been modified from previous versions of the bill. That is a fair compromise. We will continue to strenuously urge the Congress to keep such riders off of the FY 2001 D.C. Appropriations Bill.

I commend the Congress for providing the Federal funds I requested for the District of Columbia. The bill includes essential funding for District

Courts and Corrections and the D.C. Offender Supervision Agency and provides requested funds for a new tuition assistance program for District of Columbia residents. The bill also includes funding to promote the adoption of children in the District's foster care system, to support the Children's National Medical Center, to assist the Metropolitan Police Department in eliminating open-air drug trafficking in the District, and for drug testing and treatment, among other programs. However, I continue to object to remaining riders that violate the principles of home rule.

I look forward to working with the Congress to craft an appropriations bill that I can support, and to passage of one that will facilitate our shared objectives.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 3, 1999*.

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. ISTOOK. Mr. Speaker, I ask unanimous consent that the message of the President and the bill be referred to the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

□ 1845

REPORT ON RESOLUTION WAIVING REQUIREMENTS OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO THE SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE COMMITTEE ON RULES

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 106–442) on the resolution (H. Res. 356) waiving requirements of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

WHEN ONE READS THE PRESIDENT'S SUBMITTAL ON STRENGTHENING SOCIAL SECURITY, THE NUMBERS DO NOT ADD UP

(Mr. OSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. OSE. Mr. Speaker, I rise again today to highlight the President's submittal to the House on strengthening Social Security, the Medicare Act of 1999.

I will caution again all the Members here, and those who are not, that they need to read this plan because this plan, in fact, does request and require a 2½ percent reduction in discretionary outlays.

This is not Republicans; this is the President of the United States who is suggesting this.

Now I would just like to remind everyone that we are having a dickens of a time negotiating a 1 percent reduction in discretionary outlays, and the President is suggesting that his plan to save Social Security is based on a 2½ percent reduction in discretionary outlays.

I urge Members to read this plan. The numbers do not add up. The numbers do not add up, Mr. Speaker. Please read the plan.

ROLL-CALL VOTES ON THE PASSAGE OF THE ORIGINAL 1935 SOCIAL SECURITY ACT

CONGRESSIONAL RESEARCH SERVICE—LIBRARY OF CONGRESS

In response to numerous requests for information on the Senate and House roll-call votes on the original 1935 Social Security Act (H.R. 7260/P.L. 74–271), we have compiled this packet. The Social Security Act was signed into law by President Franklin D. Roosevelt on August 14, 1935. The following roll-call votes were taken on the measure:

House—April 19, 1935: *Yeas: 372* (288 Democrat; 77 Republican; 7 Independent); *Nays: 33* (13 Democrat; 18 Republican; 2 Independent); *Answering Present: 2* (2 Republican); *Not Voting: 25* (18 Democrat; 6 Republican; 1 Independent).

Senate—June 19, 1935: *Yeas: 77* (60 Democrat; 15 Republican; 2 Independent); *Nays: 6* (1 Democrat; 5 Republican); *Not Voting: 12* (8 Democrat; 4 Republican).

In 1935, there were only 48 states, since Alaska and Hawaii were not admitted to the Union until 1958 and 1959, respectively. So, the Senate had 96 seats in 1935, according to Stephen G. Christianson's *Facts About the Congress* [New York, H.W. Wilson, 1996], 339). Also, "[t]he current House size of 435 Members . . . was established in 1911," according to CRS Report 95–971, *House of Representatives: Setting the Size at 435*, by David C. Huckabee. Thus, 95 of the eligible 96 Senators and 432 of the eligible 435 Representatives participated in the bill's roll-call votes. The roll-call vote charts following this page, which are organized by chamber, are arranged alphabetically by last names, then, where necessary, by first names. Party and state information is provided for all Members, and district information is also given for each Representative.

The original House and Senate roll-call votes can be found on p. 6069–70 and p. 9650, respectively, in the 1935 edition of the CONGRESSIONAL RECORD. Copies of bound volumes of the RECORD may be available for use at the nearest federal depository library. Addresses of the closest depository libraries can often be obtained: through a local library; from the office of Depository Services of the U.S. Government Printing Office, (202) 512–1119; or at the following Internet address: [http://www.access.gpo.gov/su docs/dpos/adpos003.html].

Information Research Division.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. FLETCHER). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ADDITIONAL ALL-CARGO SERVICE TO CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, in April of this year the United States and the People's Republic of China signed a new civil aviation agreement. In addition to doubling the number of scheduled flights between the two countries, the agreement allows one additional carrier from each country to serve the U.S.-China market beginning in the year 2001.

Currently, three U.S. and three Chinese carriers have the authority to serve the U.S.-China market. The Department of Transportation will soon grant an additional U.S. carrier the right to fly directly to China.

China is the largest market in the world, as we all know, and holds great trading potential for the United States.

All-cargo carriers that provide time-sensitive express service play an important role in promoting trade opportunities for U.S. companies large and small. Express all-cargo carriers are able to connect every business and residence in the United States every day to China. Unfortunately, of the three U.S. carriers allowed to fly directly to China, Federal Express is the only all-cargo carrier serving the market. For this reason, United Parcel Service is now applying to the Department of Transportation for the right to fly directly to China.

United Parcel Service has served the nations of Asia since 1988 and already operates an extensive ground network in China. By applying for the right to fly directly to China, United Parcel Service hopes to expand its Chinese service by using United Parcel Service jet aircraft. United Parcel Service would also provide needed competition in the all-cargo express market.

As the only all-cargo U.S. carrier, Federal Express now enjoys a monopoly advantage in the Chinese market. Allowing another all-cargo carrier like United Parcel Service into the vast China market would provide U.S. consumers and exporters with increased access in competitive service.

More importantly, United Parcel Service would help meet the growing demand for air cargo service. Even with Federal Express in the market, roughly 60 percent of the cargo that is transported between the United States and China is carried on third-country carriers. In other words, foreign carriers benefit the most from the growing trade between the United States and China. This just is not right.

However, if United Parcel Service is allowed to fly directly to China, then a U.S. carrier would be able to benefit from the growing demand for cargo service between the United States and China.

This would, in turn, benefit the U.S. economy and U.S. workers. In fact, a recent study found that for every 40 additional international packages delivered by United Parcel Service each day, a new job is created at United Parcel.

Let me run that by once again. A recent study found that for every 40 additional international packages delivered by United Parcel Service each day, a new American job is created at United Parcel Service.

In summary, Mr. Speaker, I would like to strongly urge the Department of Transportation to grant United Parcel Service the right to serve China. Awarding that right to United Parcel Service will bring competition to the marketplace, provide much needed service in the air cargo market, and provide substantial economic benefits to the United States and its citizens.

INVESTIGATING WACO

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Idaho (Mrs. CHENOWETH-HAGE) is recognized for 5 minutes.

Mrs. CHENOWETH-HAGE. Mr. Speaker, as we continue in this body with the day-to-day debate over next year's budget, I would like to take a moment to help refocus our attention on an issue that demands the attention and the action of Congress, an issue that is not necessarily pleasant to deal with but one that we must deal with, and that is the role of the Federal law enforcement and the military in the Waco tragedy.

Mr. Speaker, I would like to share with my colleagues an article written by George Nourse, who is a sheriff of Canyon County in my State of Idaho. This article is about the outstanding and relentless work of the Texas Rangers in seeking justice in the Waco tragedy and is appropriately entitled, quote, "Spin is Not an Investigation," end quote.

Mr. Speaker, I will read only a portion of this article and would submit the remainder of the article to be included in the RECORD.

It is imperative that we investigate what went wrong in Waco and that we consider the view of those who know how to do it right, the many dedicated and honest law enforcement officials throughout this great country. In commenting on how Washington works when it comes to investigations, Sheriff Nourse, in his article, profoundly states, quote, "Washington does not investigate. It spins. The spin in Waco was to demonize the people who were killed. The Feds killed more people at Waco than all the school violence and wacko shootings added together over the last 6 years. Seventeen of the 24 Waco children were under the age of 10. Think about it."

He wrote, "The terror! The pain and confusion those young children went through before they died. However, the media bought Washington's spin, plain and simple," end quote.

Sheriff Nourse contrasts the Federal spin with the real investigation by the Texas Rangers in pointing out the following: He said, "The investigation by the Texas Rangers is not spin. A dozen spent rifle cartridges preferred by sharpshooters, as well as the FBI and ATF, were found in a house near the Davidians' compound that was occupied by Federal agents during that stand-off. Both agencies denied firing a single round during that stand-off that followed the initial attack."

Mr. Speaker, Sheriff Nourse also asked the puzzling question that every single county sheriff must grapple with. He wrote, "The question that really bothers me is how did the Federal Government take over such an operation? And why the total absence of local law enforcement on the scene? And what was the local sheriff doing while all of this was going on?"

Sheriff Nourse continued, "I have never been told this part of the story and it deeply worries me. I know what my position would be here in Canyon County and I am more than a little concerned as to what that might lead to."

Finally, Mr. Speaker, Sheriff Nourse, who has himself participated in numerous law enforcement activities, makes an observation that dumbfounds us all. States Nourse, "Think about it. Law enforcement officers shooting fully automatic weapons at a building knowing there are 24 small children inside. That is not law enforcement," the sheriff writes. "It is an act of war at its worst."

Mr. Speaker, I again urge my colleagues to join me in seeking hearings on this tragic epic in American history. We must get to the bottom of why the Federal Government waived the Posse Comitatus Act and involved the military in this domestic law enforcement action. This is a decision that could only have been made at the very top levels of government and we must find out who exactly made that decision at that top level.

Outstanding Americans such as Sheriff Nourse are demanding answers to these questions. We must join him. Let us not make this same tragic mistake, as Federal law enforcement, by spinning instead of conducting real bona fide investigations.

THE SHINING STAR: SPIN IS NOT AN INVESTIGATION!

(By Sheriff George Nourse)

Janet Reno's Whacky War on Waco is back in the news. And Washington D.C. is gearing up to give it a second coat of whitewash.

Democrat Henry Waxman is leading the defense, saying the Republicans just overlooked the evidence that the F.B.I. shot incendiary devices into the Davidians' compound. It was not a cover-up? This, of course, conflicts with Janet Reno's statement that the F.B.I. assured her no incendiary devices were used.

Washington doesn't investigate. It spins! The spin in Waco was to demonize the people who were killed. (Demonizing people was the tactic used to justify the killing of innocent people as witches in our early history.) The feds killed more people at Waco than all the school violence and wacko shootings added together over the last six years. Seventeen of the 24 Waco children were under the age of ten. Think about it! The terror! The screaming and confusion those people went through before they died. Compare how the national news media beat us over the head with all the lurid details of Columbine, and the absence of such details at Waco. The media bought Washington's spin, plain and simple.

My hat is off to the chief of the Texas Rangers. After 6 years the truth about the Waco War may come out. But don't bet on it; the Washington spin machine is hard at work.

The investigation by the Texas Rangers is not spin! A dozen spent rifle cartridges preferred by sharpshooters, as well as the F.B.I. and A.T.F., were found in a house near the Davidians' compound that was occupied by federal agents during the stand-off. Both agencies denied firing a single round during the stand-off that followed the initial attack.

The reason I call it the "Waco War" is because the mentality used by the A.T.F. and F.B.I. was identical to the mentality used in fighting a war. They certainly were not there to solve a social problem in the sense local law enforcement applies. The question that really bothers me is, How did the federal government take over such an operation? And, Why the total absence of local law enforcement on the scene? What was the local sheriff doing while all of this was going on?

I have never been told this part of the story, and it deeply worries me. I know what my position would be here in Canyon County. And I'm more than a little concerned as to what that might lead to.

Think about it! Law enforcement officers shooting fully automatic weapons at a building, knowing there are 24 small children inside. This is not law enforcement! It is an act of war at its worst.

Reflect on what happened in the local law enforcement agency involved with Rodney King: officers caught on video hitting King with night sticks. King was high on P.C.P., and led officers on a high-speed chase that threatened the lives of anyone in his path. King wasn't killed. In fact, he wasn't even hospitalized.

Result? King got $1,000,000; two police officers went to prison; and the police chief got fired. Compare this to Waco, and you come up with a huge credibility gap.

If the American people are counting on Detective Janet Reno for answers on Waco, they should know by now she can't detect a giraffe in a band of sheep! It's all a spin!

□ 1900

HONORING THE LIFE OF WALTER PAYTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to pay tribute to a tremendous American, a great individual who was known perhaps best for being an outstanding football player. I guess he was, indeed, an outstanding football player, Walter Payton, who broke every record, set every record at the position which he played.

Chicago is a great football town. For many years, our football fortunes were not where we wanted them to be. There was not much to cheer about. There was not much to bring the people out. But then, from a small historically black college came Walter Payton, a college that not many people necessarily knew about, had heard about, Jackson State. Here comes a young man with the grace and finesse of a wizard, one who could sneak and weave through lines no matter what the linemen looked like.

While Walter set all of these records and we talk about his greatness as an athlete, if one ever had an opportunity to interact with him, to see him up close, to know the man, to talk with him, to understand him, then one saw much more than an athlete. One saw much more than a football player. One saw a role model. One saw a humaneness that existed. One saw just a good solid human being. Walter was well coached and was ready for the National Football League when he came.

I always felt a tremendous sense of pride in his accomplishments because I, too, attended one of the historically black colleges or universities. We were in the same conference, and I must confess that Jackson State usually beat the University of Arkansas at Pine Bluff more than we beat them.

But also in that conference was Alcorn University, Grambling, Southern, Texas Southern, Prairie View, sometimes Wiley College, sometimes Bishop, sometimes Mississippi Valley.

The real point is this is an opportunity to highlight the contributions of historically black colleges and universities, not only academically, not only athletically, but in a total sense of what they meant.

Walter died needing an organ transplant. This is also an opportunity to urge all Americans who are able to participate in organ donation programs to help give and sustain life to those who might need an organ, especially if ours is no longer going to be useful to us.

So, Walter, even in your death, you win out victorious because you raised the question, you raised an issue, and you helped America understand the need for a program, an organ donation program and policies which will assure that, when people need organs, they are in fact available. You will be in the other Hall of Fame. Rest easy.

RECENT TRIP TO CUBA BY ILLINOIS GOVERNOR GEORGE RYAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, I would like to say a few words, just a few, about Mr. Ryan, the Governor of Illinois, and his recent 5-day propaganda junket to Cuba.

I know that Mr. Ryan was motivated by large business interests which hope to profit from deals with the Cuban dictatorship, but that does not excuse his conduct.

Mr. Ryan displayed a pathetic lack of sensitivity and common sense that history will record as constituting a great disservice to the freedom loving people of Illinois.

For example, Mr. Ryan knows that there is a system of medical as well as of tourism apartheid in Cuba. He was specifically made aware of the case of a 2-year-old Cuban child, Christian Prieto, who fell from the second story of a building some months ago and was denied medical treatment at the CIMEQ hospital in Havana, a hospital with the necessary facilities to treat the child's severe neurological injuries, because the child is Cuban and his parents are not tourists with dollars or high ranking officials of the Cuban dictatorship. Only they have access to the CIMEQ, tourists with dollars or members of the regime's hierarchy.

Yet, after bringing up the case of this 2-year-old Cuban child, Mr. Ryan just accepted the hysterical explanations of the case brought forth by Castro.

Mr. Ryan refused to acknowledge the medical and tourism apartheid that the Cuban people have to suffer. In fact, Mr. Ryan demonstrated cold-hearted cynicism when, after referring to hospitals that he visited in Cuba as not meeting conditions that would make them certifiable anywhere in the United States, and knowing that Cubans are denied adequate medical care in that country because it is only available to tourists with dollars and the family of high government officials, Mr. Ryan nonetheless referred to Castro's health care system as an inspirational model for the entire Western Hemisphere.

Mr. Ryan demonstrated another trait, cowardice, when he delivered a speech at the University of Havana. His written prepared remarks included various eloquent quotes from Abraham Lincoln about human dignity and freedom. The Cuban dictator, however, unexpectedly showed up to listen to the speech and sat in the front row. Ryan then proceeded to omit the calls for human rights. But, oh, yes, he did reiterate his brave call in front of Castro for an end to the cruel U.S. embargo on the Castro regime.

Notice how Castro refers himself now to the Ryan speech. Mr. Speaker, if my colleagues want to learn the truth with regard to anything that Castro says, look for the opposite of what he says.

So what does Castro say now about Ryan? "Governor Ryan is a man of firm character, a man of frankness." Castro says that Ryan "gave a great speech, it is nothing like the speeches we are used to hearing, it was without arrogance or superiority, he said rational things, and he was greatly applauded."

Mr. Speaker, I think it is shameful that an elected official from the United States of America be held in such high regard by this hemisphere's last decrepit dictator.

Nevertheless, despite what Castro now says of Ryan, the Cuban dictator did not fail to embarrass Ryan while the Governor was in Cuba. When Ryan gave Castro a letter asking for the release of Cuba's four best known political prisoners, Castro publicly joked that he would put the letter in the same stack with the hundreds of other letters that he has received asking for the release of those four dissidents.

Castro ridiculed Ryan, but Ryan simply responded by continuing to ridicule himself, repeatedly calling for the number one foreign policy and economic objective of the Cuban dictator, the unilateral lifting of U.S. sanctions with absolutely no conditions, no call for the release of political prisoners in exchange for lifting sanctions, no call for the legalization of political parties or labor unions or the press, there was no call for free elections in exchange for lifting U.S. sanctions from Mr. Ryan.

No, Mr. Speaker. I do not know what business deal Ryan is seeking from Castro for himself or for a family member, but have no doubt that seeking a business deal for himself or a family member he is.

Also have no doubt, Mr. Speaker, that, when the Cuban people are free, they will remember Mr. Ryan to make certain that his Cuban business dreams remain unfulfilled.

GENERAL LEAVE

Mr. BLAGOJEVICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TRIBUTE TO WALTER PAYTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. BLAGOJEVICH) is recognized for 5 minutes.

Mr. BLAGOJEVICH. Mr. Speaker, as a native Chicagoan and a pro football fan and a devoted and lifelong Chicago Bears fan, I rise today to pay tribute to Walter Payton, who died Monday at the age of 45.

Different sports heroes define different generations. For my generation, Walter Payton was the Chicago Bears.

Walter Payton will long be remembered, Mr. Speaker, as a player who rewrote football's record books. He is the National Football League's all-time leading rusher. He ran the ball more times than anybody else in history. On a day in November, in 1977, against the Minnesota Vikings, he set the record for the most yards in a single game, rushing for an amazing 275 yards.

But though these records of achievement on the football field endure, the history of Walter Payton that will be written in books will never compete with the history written deep in the hearts of his fans, for Walter Payton's records are merely the product of his remarkable character and drive.

Walter Payton made football history because of his will and his legendary determination. During his 13 seasons for the Chicago Bears, he missed only one football game, in his rookie year, because of a twisted ankle. In that game, he said he could have played, but his coaches kept him on the sidelines. This is remarkable considering the position he played and the punishment running backs in the NFL must withstand.

Mike Ditka, his former coach with the Chicago Bears, was fond of talking about Payton's unique style of running. There were bigger, faster, and more elusive runners, but Payton was the best running back he ever saw. Payton attacked would-be tacklers, he never ran out of bounds, and was always reaching for the extra yard.

This way of running the ball made him a natural for fans in a city like Chicago that prides itself on its work ethic. As Don Pierson wrote in yesterday's Chicago Tribune, "He captured the soul of a city with work habits and results that made steelworkers and ditchdiggers proud."

But the special thing about Walter Payton was not the 16,726 rushing yards he accumulated in his career. It is the way he lived his life and the kind of person he was. Several of Walter's teammates have, since his passing, talked about Walter Payton's favorite saying, "tomorrow is promised to no one". He played football that way. The way he played was a metaphor for the way he lived, with energy and with enthusiasm. Payton's style of running was aggressive and punishing. He blended a no-holds-barred style with the agility of a ballet dancer.

One Chicago sportswriter said his style was a "combination soul train and freight train." But the name sweetness was not based solely on his style of play. It was based on his personality.

He had an infectious smile and warmth that reached out through the television sets. As a fan, one just knew that here was a guy who was as likable a person as he was a player. That is why, I believe, the people of Chicago were so touched, first by his illness and then by his passing.

When Walter announced his illness, when Chicago saw a man who was so much a part of the life of the city confronting the reality of his condition, we all felt his sorrow. I, like I suspect most Bears' fans, never knew Walter Payton. But his passing has left us, his fans, with a profound sense of loss.

For those of us who are Walter Payton fans, we have to remind ourselves that life is filled with the bitter and the sweet. For me, I find peace in the belief that good people go to heaven. It is nice knowing that today heaven is where sweetness is.

Mrs. BIGGERT. Mr. Speaker, I rise today to honor the life of Walter Payton, number 34 for the Chicago Bears. The tragic, and all too early, end to his life on Monday cannot obscure his greatness, not only as a football player, but as a person. He holds eight NFL records, from career rushing yards to number of 1,000 yard rushing seasons to yards gained in a game. He holds 28 Bears records. But the Bears often had great individuals. Walter Payton meant so much more to the team than just individual statistics.

I had the privilege of going to the 1963 NFL Championship game in Chicago where the Bears beat the New York Giants 14–10. Unfortunately, that would be the last time any of us would see the Bears in the playoffs until Walter Payton arrived. And he carried the Bears with his work ethic, determination, and relentless pursuit of excellence. Sometimes it seemed that he was the only weapon the Bears had. But, finally, he led the Bears back to the top in Super Bowl XX. Over the time that Walter Payton played, Chicago saw a renaissance in its sports teams—the White Sox and the Cubs were in the playoffs and Michael Jordan was on his way to taking the Bulls to the top. But Walter Payton was the first and the brightest and the Bears owned Chicago because of him.

More importantly, Walter Payton made his mark off the football field in a way that few athletes do. In truth, he gave back to Chicago more than Chicago could ever have given him. He coached high school basketball, read to children in a literacy program, and made significant charitable contributions during and after his NFL career, including through the Walter Payton Foundation, which funds educational programs and helps abused and neglected children. He was a successful businessman, always into new ventures, from his restaurants to an Indy car racing team.

And clearly, he was a successful father and husband. When his daughter Brittney and wife Connie accepted the Life Award for him at the Arete Courage in Sports awards less than 2 weeks ago and when his son Jarrett addressed the media yesterday, you could see the same poise in them as we saw in Walter. I never had the opportunity to meet Walter Payton personally. But like most Chicagoans, I felt like I somehow knew him, that he was one of us. And we were all better off for that.

Mr. THOMPSON of Mississippi. Mr. Speaker, although it saddens my heart to stand here before Congress today, it is an honor to pay tribute to one of the greatest football players in the history of the National Football League. Walter Payton, a giant of a man, died November 1, 1999 at the young age of 45. He is survived by his wife Connie, two children Jarrett and Brittney, his mother Alyne, brother Eddie, and a sister Pam.

There is a saying that states, "Big things come in small packages." This holds true for Walter. Hailing from Columbia, MS, Walter did not play organized football until the tenth grade. It was in Columbia, where he began to amaze everyone who saw him play. In 1970, Walter attended Jackson State University where he began his assault on NCAA history by becoming the all time leading scorer, a distinction which earned him a fourth place finish in the Heisman Trophy race in 1974. In 1975, Payton was selected by the Chicago Bears as the fourth selection overall. From that point, Payton began a career that would include many awards, including his externalized place of honor at the Pro Football Hall of Fame in Canon, OH.

The people who were fortunate enough to see him play were entertained at every level. Whether it was a run, block, kick, pass, or a reception, Walter gave the crowd everything at 100 percent. His running style earned him the nickname "Sweetness." To see him punish would-be tacklers was definitely a delight. He was a total player, involving himself in every aspect of the game. He was unselfish in his play and always put the team first. It was this unselfish attitude that fueled the Chicago Bears to a Super Bowl Championship in 1985. A fitting award for a well deserving athlete. In 1987, Payton left the game to pursue other goals. He left the game, but not after setting many records including the all time leading rushing record of 16,276 yards. A record that still stands strong to this day.

After football, Payton became as dedicated to being an effective businessman as he was to being an effective football player. He became heavily involved in auto racing, both as a driver and owner. This led him to many business interests and holdings including an attempt to become the first African-American owner of a NFL franchise. In a world where diversity is expanding and new arenas are being opened for people of color, it is refreshing to know that Walter attempted every day to venture into different markets that were not so accessible before. I had the pleasure of meeting Walter in my office here in Washington. Walter exemplified the same passion and fire for his business as he did for the game of football.

After his final game, Payton was quoted as saying he played because it was fun and that he loved to play. Mr. Speaker, the next time we see a football game where a player dives over the heap for the extra yard or goal line or when a player breaks free from the pack and high steps into an end zone, let's take a moment and remember who introduced these moves to us, let's take a moment and remember Walter Payton.

Mr. LARGENT. Mr. Speaker, Walter Payton was my hero and my friend. I never met a man with more heart for the game of football or for people. He wore a perpetual smile. That's what I'll never forget about Walter. He touched my life. I pointed to him when ascribing role models for my boys. And if my three sons have the same zest for life, love for people, and positive outlook on the future, I will be one proud father.

I will greatly miss Walter but I will never forget him. He changed football; he changed the record books; he changed the Bears; he changed Chicago; he changed me. I'm a better man and the world is a better place because of him. I hope the same will be said of me.

Mr. HYDE. Mr. Speaker, above all else, the death of Walter Payton yesterday calls to mind a simple word: Courage.

Nothing I can say could do justice to the man who brought so much joy and class to the City of Chicago for over a decade. On the field, though he often said he "was not the fastest, not the strongest, not the biggest," Walter Payton was truly a giant. For 13 years he ran roughshod over the NFL, shattering records and defenses along the way. A quick perusal of his statistics reveal a career nothing short of legendary.

For the first several years of his career, he was the lone high-point of many woeful seasons at Soldier Field. Week after week, he racked up the yards . . . while the Bears racked up the losses. That never seemed to effect him on the field. His hard running, his ferocious blocking, and his indomitable spirit never waned during the lean years of the Chicago Bears. Those years solidified his place in football history as the class act who left it all on the field, even in a hopeless game playing for a mediocre team during a disappointing season.

But it was Walter Payton the man—more than the football player—who truly touched the lives of the American people, and especially those of us lucky enough to have lived in and around Chicago, IL, during his career. His old coach, Mike Ditka, said yesterday that "Sweetness" was not a nickname describing Payton's playing, but the way he treated other people. His commitment to his family and friends, to children in the Chicago area, and his deep faith were all evident in his day-to-day life.

Earlier this year, Payton learned of the liver disease which would eventually take his life. Even as it became clear his health was slipping from him, Sweetness again rose to the occasion, never losing hope, and in fact, by all accounts, growing in his religious faith, displaying all the courage and class we had grown to expect from him. Just as he did during those losing seasons early in his career, his courage reaffirmed Lawrence of Arabia's great lesson, that "There could be no honor in a sure success, but much might be wrested from a sure defeat." Facing the most tragic defeat of his life against the most daunting opponent, Walter Payton was the personification of courage, and that is why we honor him here.

Payton once wrote, in a "practice" retirement speech to the City of Chicago and his fans, "If I've done anything that has helped your lives, please use it." It is his courage—even in the face of sure defeat—that I hope will be Walter Payton's legacy to the world, and we certainly should use it.

I recall that courage was defined by a World War II bomber-pilot as, "The guy who was afraid . . . but went in anyway." Whether a defensive lineman twice his size or the debilitating disease which finally tackled him the other afternoon, Walter Payton never failed to drop his head, lower his shoulder, and drive through for a few more yards. We will truly miss him.

Mr. CRANE. Mr. Speaker, earlier this week, we lost one of football's all-time greatest players and a great American—Walter Payton, who lived in my district and touched the lives of so many on and off the field. After announcing earlier this year, he was battling a liver disease, which later turned into cancer, Walter fought the good fight and kept the faith until the end.

Between 1975 and 1987 there were three givens in Chicago: The wind was blowing off the Lake, the Cubs were not in the World Series, and Walter Payton No. 34, also known as "Sweetness" for his silky smooth moves, was in the backfield for the Bears.

Inducted into the Hall of Fame in 1993, Walter Payton carried the ball more often (3,838 attempts), for more yards (16,726), than anyone who has ever played the game. There is no question, Walter Payton was the best at taking the ball and running with it. Against Minnesota in 1977, he carried 40 times for 275 yards, a National Football League (NFL) single game record.

It's not that Walter Payton is the all-time leading rusher and holds 28 NFL and Bears records and could throw the most punishing block on the biggest defensive linebackers that made him a great person. Walter Payton was a great man because of his commitment to his family and faith. Being a family man and active in his community, he was regularly seen at St. Viator High School sporting events supporting his son. In addition, Payton volunteered to help coach the boys' basketball teams at Hoffman Estates High School in 1993–1994.

Walter Payton's quiet attitude of giving earned him a spot in the Arlington Heights Hall of Fame in 1988 and 4 years earlier a one-block stretch of downtown Arlington Heights was named Payton Run. Walter Payton owned businesses in my district, two nightclubs in Schaumburg—Studebaker's and Thirty Four's—ran Walter Payton Power Equipment in Streamwood and headquartered his corporate offices in Hoffman Estates. He was also active in several charities and helped whenever and wherever he could in the community. Even though he denied it, he was an all around role model to which every pro-athlete or average "Joe" should aspire.

Quite simply, Walter Payton was a great citizen, on and off the field, who will be forever remembered as a champion. His former coach Mike Ditka once remarked to his players in training camp, "If everyone came to camp in as good of shape as Walter we'd have a good team". He had a superior training ritual. In his 13-year career, he played in pain and missed only one game. Ditka when he came to coach the Bears said "Walter Payton is my idol." Have you ever heard a coach say that about a player? I think a quote that sums up Walter Payton's life was from Coach Ditka when he said, "It's sad to me (Walter's death) because he had a lot greater impact on me than I had on him. He was the best player I've ever seen. And probably one of the best people I've ever met".

Having lost a daughter to cancer 2 years ago myself, I understand the pain the Payton family is feeling in their loss. I can only assure them that in time, the family will be reunited and what a joyous occasion it will be for the Payton family.

Walter never gave up hope in his fight. It is for that spirit that people everywhere will remember him forever.

WOMEN BORN INTO A WORLD OF VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. KELLY) is recognized for 5 minutes.

Mrs. KELLY. Mr. Speaker, during the 5 minutes that I deliver this speech, 33 new lives will begin, 17 males and 16 females. They enter a world on the brink of the 21st century and where possibilities are limitless.

Of the 16 females born during this speech, at least two will be the victim of rape or attempted rape, one of whom will be violated before she reaches the age of 18, five will be the victim of abuse by an intimate partner, and one will be stalked. She will join the ranks of the 1 million women who have been stalked this year. This is the world that these new lives are being brought into.

As a former rape crisis counselor, I know firsthand the devastation caused by this type of violence. I have been in the emergency room when a raped woman has come in to be treated. I have seen the fear, the shock in these victims who have been so horribly violated. In 1998, forcible rape ranked third for violent crimes reported to law enforcement officials, but that number may be grossly underestimated because, according to the Justice Department, only one-third of all rapes are reported to the authorities.

Over the last 2 years, as I worked to develop stronger antistalking legislation, I have met with the victims of stalking and heard of the damage brought on their lives because of the constant threat from a stalker.

My legislation, which was marked up earlier this week in the Committee on the Judiciary, expands and broadens the definition of stalking to include interstate commerce.

□ 1915

This would include e-mail, telephone, and other forms of interstate communications as a means of stalking. In addition, it also expands the definition of immediate family to include persons who regularly reside with the victim.

During the hearing on this bill, one stalking victim testified about her experiences with cyberstalking. This woman was stalked by three people she had contacted a year earlier to answer an ad for a children's book newsgroup. They were located in New York and claimed to be a literary agency looking for new authors. She called them, sent her proposal, and was asked for money for a reading fee. However, real agents do not charge for reading, editing or other fees. Later, she learned from other on-line writers that this so-called agency was a well-known on-line problem. When writers who actually paid this agency money came to her for help, she contacted the New York attorney general, who opened an investigation. Her stalking came as a retaliation for her part in that investigation.

Stalking comes in all forms. It is not only a physical crime; it is also a psychological crime. For this victim, the psychological harassment ranged from prank phone calls to libelous messages about her being posted on the Internet. Physical threats came, too, for the victim, her family, and her lawyer. In an attempt to end this harassment and protect themselves, this victim and her husband moved to another State. Once there, they took their name off public records and directories and they have an unlisted phone number. However, this, too, proved futile. The stalking has continued.

Just today alone, approximately 2,750 women will join this tragic sorority of women who have been stalked. Stalking takes many forms. Unfortunately, in this age of technology it has the ability to take on a nameless and faceless electronic form, where the perpetrator has the ability to invade every aspect of life.

I look forward to seeing this legislation come before the House. Violence against women happens in many ways, physical and mental, by strangers and intimates. In this, these crimes share a common bond. And please listen to this: as I leave the House floor this evening, at the end of my 5-minute speech here, one more woman will have been raped.

It is my hope that as a governing body and as a society we will be able to address and work to eliminate these horrible acts of violence. In doing so, we will make this world a safer and a kinder place for those 33 new lives born these last 5 minutes.

BRING U.S. FUGITIVES HOME TO FACE JUSTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, this month marks the 2-year anniversary of the murder of Sheila Bellush in my Congressional District in Sarasota, Florida. The alleged killer, Jose Luis Del Toro, fled to Mexico, and U.S. authorities spent almost 2 years trying to get him back. I am very pleased and relieved to report that Del Toro was extradited back to the United States on July 12 of this year to stand trial for murder. Even though it was a big relief to get Del Toro back in Sarasota, it was a big disappointment to have been forced by the Mexican government to give assurances that he would not be subject to the death penalty.

Our local prosecutors have dealt with this problem of international flight to avoid prosecution more frequently than the Justice Department wants to admit. The Departments of Justice and State claim that they do not have statistics on extradition cases, even though both Departments play a key role in the extradition process. If statistics were available, I suspect that the total unresolved cases or denied requests might surpass those that were eventually resolved like Del Toro's.

There is no doubt that when individuals flee across the border, they succeed in evading justice in varying degrees. In the Del Toro case, the suspect was spared the threat of the death penalty. The same can be said of Charles Bradley Price, one of two suspects in the 1997 Oregon killings who murdered two people for "the thrill of it" and then fled to Mexico. When Martin Pang fled from Seattle, Washington, to Brazil in 1995, after setting a fire that killed four firefighters, Brazil would only allow the U.S. to try Pang for arson and not for the four deaths. Francisco Medina is wanted for the murders of at least 17 people in New York, but he is living the high life out of reach in the Dominican Republic. Convicted murderer Ira Einhorn has alluded extradition for over 18 years now and continues to live comfortably in France. Samuel Sheinbein, who is responsible for a brutal murder only a few miles from here, will walk free from Israel when he is only 33 years old.

Unfortunately, these horrible examples only scratch the surface of this problem. It is our responsibility as Federal legislators to do what we can do to improve our odds of getting these suspects back so our local prosecutors can do their jobs without their hands tied behind their backs. Preventing criminals from escaping justice should be a priority of U.S. foreign policy.

That is why I am here today to introduce the International Extradition Enforcement Act. This bill will hold foreign nations accountable for their level of cooperation with our crime-fighting efforts by placing their foreign assistance in jeopardy if they harbor U.S. fugitives. It will require the administration to produce an annual report on extradition, including the total number of pending extradition cases per country and the details of each case. This report will then be used by the administration to assess the level of cooperation for each country on extradition, and uncooperative countries could lose their foreign aid. My legislation would give the administration the ability to waive this provision if the President deems it to be in the national interest. But Congress would also have the ability to overturn the waiver with a vote.

There are also additional criminal provisions provided in this legislation. This bill would increase the maximum sentence under Federal guidelines for flight to avoid prosecution from 5 years to a maximum of 15 years. And it will make the act of transferring anything of value to someone with the intent to assist that person in resisting extradition to the United States a criminal act subject to a maximum of 10 years in prison.

Dealing with extradition cases such as Jose Luis Del Toro has been one of the most frustrating things I have faced as a Member of Congress. I learned through the process that the victims, their families, State and local law enforcement and our prosecutors, and even Members of Congress, are helpless to do anything other than to draw attention to their cause.

And the fate of justice lies in the hands of a foreign entity, which often may have no legitimate interest in this case. This is just plain wrong. This is not justice. Every country is entitled to its sovereignty, but when the U.S. is providing a nation with millions or billions of dollars in U.S. aid, I believe we have a right to expect and demand cooperation with law enforcement efforts.

I hope that Congress will pass the International Extradition Enforcement Act next year to improve international cooperation with U.S. law enforcement. We need to ensure that criminals cannot find a safe haven anywhere in the world.

TRIBUTE TO WALTER PAYTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. THOMPSON) is recognized for 5 minutes.

Mr. THOMPSON of Mississippi. Mr. Speaker, although it saddens my heart to stand here before Congress today, it is an honor to pay tribute to one of the greatest football players in the history of the National Football League. Walter Payton, a giant of a man, died November 1, 1999, at the young age of 45. He is survived by his wife, Connie; two children, Jarrett and Brittney; and by his mother, Alyne; a brother, Eddie; and a sister, Pam.

There is a saying that big things come in small packages. This holds true for Walter. Hailing from Columbia, Mississippi, Walter did not play organized football until the 10th grade. It was in Columbia where he began to amaze all who saw him play. In 1970, Walter attended Jackson State University where he began his assault on the

NCAA history, becoming the all-time leading scorer, earning a fourth place finish in the Heisman Trophy race in 1974.

I might add that I had the opportunity to see Walter in his many games at Jackson State University. He was, indeed, a breath of fresh air for black college football.

In 1975, Payton was selected by the Chicago Bears as the fourth selection overall. From that point on, Payton began a career that would include many accolades, including his place of honor in Canton, Ohio, at the Pro Football Hall of Fame.

For those who saw him play, you were entertained at every level. Whether it was a run, block, kick, pass or reception, Walter gave you everything at 100 percent. His running style deemed him the nickname "Sweetness," because to see him punish would-be tacklers was definitely a delight. He was a total player, involving himself in every aspect of the game. He was unselfish in his play and always put the team first. It was this unselfish attitude that fueled the Chicago Bears to a Super Bowl Championship in 1985, a fitting award for a well-deserving athlete. In 1987, Payton left the game to pursue other goals. He left the game, but not until setting many records, including the all-time leading rushing record of 16,276 yards, a record that still stands strong to this day.

After his final game, Payton was quoted as saying he played because it was fun, and that he loved to play. Mr. Speaker, the next time we see a football game where a player dives over the pile for the extra yard or a goal line, or when a player breaks free from the pack and high-steps into the end zone, let us take a moment and remember who introduced it to us. Let us take a moment and remember Walter Payton.

WHAT SHOULD BE DONE WITH THE PEOPLE'S MONEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FOSSELLA) is recognized for 5 minutes.

Mr. FOSSELLA. Mr. Speaker, there is a constant debate around here in Washington as to what to do with the people's money, and it seems that very often, too often as a matter of fact, there is a dismissal of the notion that the American people deserve tax relief. Right now Congress and the White House are negotiating the appropriations bills that essentially are supposed to prioritize how the American Government spends its money.

Now, Congress has done a great job, I believe, in bringing forward and passing out bills that establish priorities, like strengthening national defense, and trying to stop the raid on Social Security for the first time in years; strengthening education and trying to empower parents, as opposed to just enhancing the bureaucracies and defending the status quo and, in essence, failing our kids. And some important programs, like protecting our environment and giving our military the money and the sources they need to defend our country. But somehow, when it comes to tax relief, it becomes a taboo subject.

We constantly hear, well, the American people do not want tax cuts, so some claim; or we are giving a tax cut to people who do not deserve it. Well, I would just urge Members here to understand that there are millions of hard-working Americans, and I know this because where I come from, in Staten Island and Brooklyn, I know that there are people working every single day, 6, 7 days a week, sometimes the parents are working two or three jobs, the father is a fireman who works at night, the mother is a teacher who works during the day, and they are juggling responsibilities, who is going to watch the kids, and they just want to put a little money aside to buy a washing machine or to buy the kids' clothes for school, or to save a little money for their education or perhaps a great treat like going away on vacation. But somehow, when we have the opportunity to send some of the money back to them, there are those here who say, oh no, they do not deserve it.

Well, I suggest strongly that we stand for tax relief for the American people. Yes, we should fund the priorities for the American Government and the American people; we should fund things like our defense and education and protecting our environment, and keeping our hands off Social Security and protecting and strengthening Medicare.

□ 1930

But why can we not cut taxes? For years I heard when I was not in Congress that, well, we are facing a deficit and we cannot afford to cut taxes. Now we hear, well, we are going to face a surplus and we cannot afford to cut taxes. Well, if we cannot do it when we have a deficit and we cannot do it when we have a surplus, when can we?

I suggest that we put our faith in the American people, put our faith in their spirit and their ingenuity and their creativity to go out there and provide incentives to work hard, put a little more money in savings, put a little more money back in investment not only in themselves and their family but in their neighborhoods in this country.

Just look at Erie County in upstate New York. A 12-year incumbent who ran on a platform of he was going to spend more and more of the people's money, as opposed to the Republican candidate who said, you know what, you work too hard. I am going to run primarily on one issue. I am going to run on a 30 percent tax cut. Well, no surprise. He won handily.

I again submit to the Members of this body, and I believe I speak for the vast majority of Americans, is the American people deserve tax relief. If we truly believe in the notions of personal freedom and individual liberty and if we want to instill in our children a sense that if they work hard in this country and they go to school and do the right thing and work and do the right thing in their community and they are able to give back and invest not only in themselves but again in their community and their family, that they will benefit and our country will be richer and better for it.

But, instead, we are constantly barraged by those who say, huh-uh, you do not know how to spend your money wisely, the American people.

In fact, we hear about these bills that come through and they are vetoed, as another one was vetoed today by the White House, and we heard recently the litany of reasons why. Why? Because it does not spend enough money.

Well, where is that money coming from? The cherry trees here in Washington only bloom once a year. They do not bloom every day with money. I would just hope that the people of reason and common sense would understand that the American people work too hard for their money. They deserve more of it back.

TRIBUTE TO FAMILY AND LOVED ONES OF EGYPTAIR FLIGHT 990

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

Mr. CUMMINGS. Mr. Speaker, this evening I stand before my colleagues with a heavy heart in the wake of the EgyptAir Flight 990 tragedy. The unsettling news of the plane crash struck a particular cord within me, as several of the passengers on that flight were in some way connected to my home district in Baltimore.

Arthur and Marie Simermeyer were both active and upstanding seniors who were citizens of my home district and were on that plane. They volunteered at the Sacred Heart Roman Catholic Church in Glyndon and were described by family and friends as having a kind and giving nature that was surpassed only by their love of life even in their elder years.

These were people who made positive contributions to the community and helped keep the neighborly spirit, which can sometimes be rare, very much alive among those who knew them. Yes, this tragedy was indeed a major loss. But the Simermeyers were special people who gave to a special location.

We also had some students that were killed in the EgyptAir flight. They were exchange students from Egypt. As I thought of the situation over in my head repeatedly, I searched for an answer, a positive amidst the sea of disaster and despair, any silver lining that would help me and others feeling the pain of this tragedy pass this deep and dark cloud. Then I realized that, just as there is a lesson in everything, there is something that we all can take away from this unfortunate occurrence.

We can all at some point identify with the loss of a loved one, a friend, or a dear community member. Still, just as we here in the United States grieve over the death of those Americans on Flight 990, we must remember those teenagers returning home and show our support to the Egyptian communities that mourn their deaths as well.

This is an important opportunity for the strength and support from one person to another to transcend ethnic, racial, and national boundaries. This is the time where we must come together across international lines and show our sympathy and compassion as we all share in the unexplainable loss of good and innocent people.

Just as pain knows no color, country, or social class, support, compassion, and comfort should not know the difference between nations, either. Just as we mourn the loss of the Simermeyers and the other passengers on that flight, our hearts and prayers are also with the families and friends of those Egyptians who also perished in this tragedy.

We must seize this opportunity before us and learn the lesson that we must all come together to help each other cope with the results of disaster.

As I close, I feel compelled to focus on the newly developed friendship between a Baltimore teen, Shantell Rose, and Walaa Zeid of Egypt. The two had been inseparable as they lived, studied, shopped, and played together for 2 weeks as a part of the exchange program. At the end of this precious time, Shantell stated that, as they parted, they said, "I love you." In describing this experience, she said that they had started a relationship that will last for decades and cross continents.

I say to Shantell Rose, other students, and to all the loved ones of those that have departed us in this tragedy that the journey of life takes us through many times of happiness and sadness. We remember the happy times as the most loved and enriching experiences of all. Although the sad times do not outwardly appear to benefit us, they are, in reality, what builds strength and character in all of us.

Remember that our relationships will still last decades and the new relationships that Americans and Egyptian families will make will continue across the continents. These relationships will build your strength and character and allow you to say these simple words: Do not cry for me, for the time we shared will always be.

THE CUBA PROGRAM: TORTURING OF AMERICAN POW'S BY CASTRO AGENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to thank the gentleman from New York (Chairman GILMAN) for convening tomorrow's hearing on the Committee on International Relations on "The Cuba Program: The Torturing of American POWs by Castro Agents," and for his ongoing leadership and commitment to veterans' issues.

This issue is particularly important to me for various reasons. But, more importantly, as I read through the accounts of what our men and women in uniform have endured through this century of war, I think of my husband, Dexter Lehtinen, who served in the special forces in Vietnam and was injured in combat. He was relatively fortunate, but so many of his colleagues were not.

The Geneva Convention prohibits "violence to life and person, in particular murders of all kinds, mutilation, cruel treatment and torture" and "outrages upon personal dignity, in particular humiliating and degrading treatment."

This is exactly what took place in a prison camp in North Vietnam known as "The Zoo," seen here in a declassified photo, the site where 19 of our U.S. military officers were tortured.

During the period of August 1967 to August 1968, 19 of our courageous servicemen were psychologically tortured, some brutally beaten, by interrogators assessed to be Cuban agents working under orders from Hanoi and Havana.

Described by some to be a psychological experiment, the goals of The Cuba Program, as the torture project has been labeled by our Defense Department and by our intelligence agencies, has been described in different ways as an attempt to test interrogation methods, to obtain absolute compliance and submission to captor demands, or ultimately to be used as a propaganda tool by the international Communist effort, as Mike Benge will elaborate upon during tomorrow's congressional hearing.

Some POWs were tortured and then instructed to write a series of questions and answers given to them by their interrogators. These scripts on most occasions included statements declaring that the United States was waging an illegal, immoral, and unjust war. Prisoners were tortured, again some psychologically and others physically, to ensure cooperation in appearances they were forced to make before visiting dignitaries. Refusal to comply with the captors' commands usually meant that Fidel, Chico, and Poncho, as the torturers were called by the POWs, would be called in for intense beatings of the prisoners.

The ruthless nature of the interrogators and the severity of their actions led prisoners such as Captain Raymond Vohden, Colonel Jack Bomar, and Lieutenant Carpenter to question how human beings could so brutally batter another human being.

Captain Vohden and Colonel Bomar will offer compelling and detailed testimony to us tomorrow, describing the heinous acts committed against them by Cuban agents at The Zoo, acts which are in direct violation of the Geneva Convention on Prisoners of War.

Survivors of The Cuba Program have been eager to identify and trace the Cuban agents who systematically interrogated them and tortured their fellow Americans. Yet, despite their efforts, a successful resolution of this matter has not been achieved. We hope that tomorrow's hearing will be the first of many steps aimed at changing that outcome.

The first is to get leads that could take us closer to an identification of the Cuban torturers.

Our second goal is to provide the basis for an ensuing interagency investigation of the new evidence that has been uncovered, including a search for pertinent data and sources previously unavailable under the Cold War parameters.

We want our State Department, the CIA, the FBI, INS, and the Defense Intelligence Agency to coordinate a comprehensive approach to this case.

Lastly, this hearing will begin to establish the foundation for future action against the torturers. On a broader scale, this investigation will serve to highlight the brutal nature of the Castro regime and the historic and ongoing threat that it poses to the American people.

Ultimately, our hope is that tomorrow's hearing will serve to honor those POWs, and I will show my colleagues a poster that has their picture, 9 of the 19 who were involved in The Cuba Program. We hope that tomorrow's hearing will serve to honor these POWs, who were willing to give life and limb so that we may all be free. We will honor them by finding out the truth about Castro's participation in Vietnam known as The Cuba Program.

CURRENT EVENTS IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, today in a hearing before the full Committee on Resources we discussed the President's proposal to lock up some 40 million acres of our national forests.

I am sure this sounds good to some. But what it mainly will do is drive up prices on houses and everything else that is made from wood, and it will destroy jobs.

So if my colleagues want to hurt poor and working people by driving up prices and destroying jobs, then they should support this proposal to lock up our national forests.

In the 1980s, the Congress passed what was then thought to be a very strong environmental statement that we should not cut more than 80 percent of the new growth in our national forests.

Today we have reduced logging down to less than one-seventh, less than 14 percent of the new growth. Today we are not even cutting half the number of dead and dying trees each year.

This is causing so much fuel buildup that the Forest Service tells us now that 39 million acres are in great risk of burning. Actually, we need to cut some trees to have healthy forests. And we are not even coming close to doing that.

Today, in my part of the country, the Forest Service says that only .02 percent of the trees in the Cherokee National Forest is being harvested annually, two-tenths of one percent. Yet, the July-August issue of the Sierra Club magazine said that the Cherokee is being logged at a "furious pace."

Much of the environmental movement has been taken over by extremists. Some are putting out very false or very distorted or very exaggerated information because they know they have to scare people to keep their big contributions coming in. Many of these environmental extremists are wealthy or upper-income people who simply do not realize how much some of what they advocate hurts the poor and working people.

Also, some of this environmental extremism is financed by extremely big business because they know the stringent rules and regulations and red tape about the environment drives the small farmers and small businesses out. Thus, the big guys have less bothersome competition to deal with.

Which brings me to my second topic, the Kyoto agreement.

□ 1945

I read in one of the nonpartisan congressional publications this week that the administration knows it cannot get the Senate to ratify the Kyoto Agreement, so it is trying to get it enacted through the back door. This report said that Federal agencies hope to build big business support for Kyoto by giving favorable treatment on regulations, contracts and so forth to businesses that will voluntarily comply in advance. Then they believe these big businesses would then lobby the Senate for the agreement in order to force everyone else to comply.

Many people around the world and some rich socialists in this country think it is unfair that with just 5 percent of the world's population, the U.S. consumes about 25 percent of the world's goods. This is really what was behind the Kyoto Agreement. The administration was apparently so eager to say that an agreement had been reached that it approved a very bad deal. The Senate passed a resolution 95–0 saying that if an agreement was reached in Kyoto, it should apply to all countries and should not harm the U.S. economy. This agreement exempts 129 of 173 countries including China and Mexico. The Global Climate Information Project says: "So while the U.S. cuts energy use by more than 30 percent, most U.N. countries get a free ride. Because U.S. energy prices will rise, American products could be more expensive at home and less competitive overseas. That will slow down our economic growth and cost American jobs. All for a treaty that will produce little or no environmental benefit."

One thing it would do for sure is speed up the transfer of wealth and jobs from this Nation to underdeveloped countries. Unless we want to make our constituents' jobs even less secure and force them to cut their energy use by 30 percent or more, we had better oppose the Kyoto Agreement.

Finally, Mr. Speaker, in talking about big business and big money in politics and government today, let me briefly mention campaign finance reform. This administration has done more to get around or flout or violate our campaign finance laws than any in history. Over 90 people pled the fifth or even fled the country to avoid testifying in the various campaign finance investigations. It is ironic that some of the leaders who are the loudest in support of campaign finance reform are some of the biggest violators of our present campaign finance laws.

What people should think about, Mr. Speaker, is that when the Federal Government was small, we did not have all this trouble with big money influencing politics and political decisions. If we really want to remove the influence of big money and big business in government today, then the best way to do so is to downsize the Federal Government and decrease its costs. Big government liberals who always say they are for the little guy have done more to help extremely big business than any conservative ever dreamed of doing. It is no accident that the bigger our Federal Government has become, the harder it has become for small businesses and small farmers to survive, and the more the gap between the rich and the poor has grown.

SALUTE TO WBLS DJ DR. BOB LEE: MAKING A DIFFERENCE IN THE LIVES OF YOUNG PEOPLE

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from New York (Mr. TOWNS) is recognized for 5 minutes.

Mr. TOWNS. Mr. Speaker, I rise tonight to talk about Dr. Bob Lee of WBLS, a man that is really making a difference. When young people hear his name and when they come in contact with him, they get excited. He has been with WBLS for 20 years doing this. I think that the board of education and people that are in education should really take note of the fact that this man has the way to motivate young people, to get them to get up in the morning and go to school and, of course, he has been doing this and doing it so well.

So being as he is doing it so well, it seems to me that educators some way or another should sit down with him, have a summit and talk about how he is able to get the young people involved in a positive kind of way. When I think about the things that he is doing, it bothers me that we do not highlight it enough, because when something negative is going on, we readily will talk about it. When something bad is going on, we will get it throughout the city, get it throughout the town in no time flat. But when something positive is going on, we have difficulty getting that message around.

Dr. Bob Lee is doing something positive. Of course, when you have a high dropout rate, he is able to go into those areas, talk to the kids, motivate them and get them to return to school. When they are not doing well in school, he is able to sort of talk to them and sort of get them involved in a very positive kind of way, get them to know how important it is to do their homework. So if he is able to do this on such a small scale, it seems to me that we should be able to capitalize on his skills throughout this Nation.

I am hoping that those that are in education are listening tonight, that will be able to go and to sit down with him and to find out how he is doing it and, of course, encourage him to do more. I think that one way to do that would be to expand it by funding the program of some sort and to be able to get the word out to people.

I would like to say tonight, I salute Dr. Bob Lee for the outstanding work that he is doing. I have watched him on various talk shows when he has been on to talk about how he feels about working with young people and how important he thinks it is. Just recently, we had a toy gun turn-in drive and Dr. Bob Lee got involved in that. Of course, we were having trouble on getting the media, but when he got involved in it, of course, people began to respond, because they recognized the fact that it is a very serious issue. And toy guns, as you know, is something that we need to deal with, because many of our young people are getting killed because of toy guns.

In my own district, we have had several youngsters to be killed because they had a toy gun. We have had youngsters to be shot. But Dr. Bob Lee has been working with us in terms of getting this message out to adults, letting them know that toy guns is something that you should not buy for your son or your daughter. I think that this is the kind of message that we have to send, because even the police department, they are saying that toy guns are very dangerous because they are saying that if it looks like a gun, as far as they are concerned, it is a gun. And I think that we do not expect them to stop and interview somebody as to whether or not the gun is real. If it looks like a gun, as far as the police department is concerned, it is a gun.

I want to thank Dr. Bob Lee and all those people out there helping to make certain that we get the message across to people that toy guns are not something that our young people should have and that people should not purchase them for them. It is not the kind of toy that you want to give. Give an educational toy, give something that is going to bring about life, give something that is going to encourage people to be able to grow and to develop, not to give them something that they will probably get killed because they have it.

I would like to salute him tonight and to say, Dr. Bob Lee, we applaud you for the outstanding job that you are doing on behalf of the young people in this Nation and we hope that you will be able to continue to expand it as well.

DEMOCRATIC LEGISLATIVE AGENDA HELD HOSTAGE BY DO-NOTHING/DO-WRONG REPUBLICAN CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, my colleagues are joining me tonight because we really want to make the point before this Congress adjourns for the recess over the next couple of weeks that it really has been a very unproductive session because of the Republican leadership's lack of an agenda, or perhaps because they have the wrong agenda. Many of us know that at some point over the next week or perhaps 2 weeks when the appropriations bills are finally completed that the Congress will adjourn, probably until sometime in January. But this has been a terribly unproductive session.

The Democrats want Congress to get to work on the real priorities for middle-class families, priorities the Republican leadership has once again ignored in favor of the needs of special interests. Democrats want to get the job done this year. We do not want to wait until the next year, the next session of Congress, and have another year of unfinished business, because that is simply unacceptable. Democrats still believe that we can get action on an agenda that matters. I wanted to talk briefly if I could, to mention some of the major priorities that the Democrats have put forward in this Congress that the Republicans have either refused to act on or have sent off to conference between the Senate and the House where they have essentially been buried because the conference has never met or in some cases the conferees have not even been appointed.

What we have done to sort of highlight the number of important issues, if you will, that are part of the Democratic agenda that have not been addressed by the Republican leadership is to put some of those major issues, if you will, on tombstones to sort of highlight the fact that they are resting in peace rather than being accomplished in this session of the Congress. I just want to point to a few of them and then I would like to yield to some of my colleagues to talk a little more about some of these issues.

The first one and the most important for me is the Patients' Bill of Rights. That was killed by the GOP, in this year, 1999. I think you may know that today, the Republicans finally appointed conferees on the Patients' Bill of Rights, but there has been no indication that the conference is actually going to meet and we have had this one basically hanging around for several years, where the Republicans fooled around, tried to load down the Patients' Bill of Rights with whatever kind of poison pills, if you will, imaginable to make sure that it never passed, and then when it finally did pass over their protests a few weeks ago, they are still stalling by either not appointing the conferees or having the conference actually not meet.

The Patients' Bill of Rights is in my opinion the most important legislative priority, the one that my constituents talk about the most, because they are worried that if they are in an HMO or a managed care organization, that oftentimes they cannot get quality care or they cannot get the kind of care they want because they are denied an operation, they are denied a particular procedure, they are denied a length of stay in the hospital, because basically the insurance company decides that they should not get it.

The other priority, and this one is just as important, the other priority that the Republicans have buried, again resting in peace, is the Medicare drug benefit. The President in his State of the Union address earlier in this year basically pointed out that the cost of prescription drugs for seniors is skyrocketing, many of them cannot afford it, many of them do not have prescription drug coverage as part of certainly Medicare, even if they do have it in some cases if they are in an HMO or part of their MediGap insurance, and so far the Republicans have refused to even address this one at all. Democrats keep talking about it as an important priority for America's seniors. It is not being addressed by the Republican Congress.

Another one, I hate to even mention this in the context of a tombstone because we know in fact that many Americans, including young Americans, have actually been killed because of the neglect to deal with gun safety issues. Mr. Speaker, several months ago we tried here on the floor of the House of Representatives to pass gun safety legislation. We were able to get a few things passed, but essentially because of the Republican inaction, the major priorities are still not addressed, and certainly nothing has been done in conference to address the gun safety issue. Every day that goes by, we hear about more Americans being killed, more Americans being maimed, and yet the gun safety issue remains unaddressed, killed by the GOP in 1999. It is resting in peace as well.

And then also, a major issue which again has been hanging around here for several years, the Democrats have demanded campaign finance reform. We know that our constituents want it, the editorial writers talk about campaign finance reform because we know that what is happening now is that so much soft money, corporate money, if you will, not individual money, is being used either to finance campaigns through the political parties or through independent expenditures, that the reality is that the campaign finance system has fallen apart, and there is no accountability, no disclosure anymore of the soft money that is being used. Well, we passed the Shays-Meehan bill finally a couple of months ago but again there has been no conference, there has been no action between the House and the Senate by the Republican majority.

There are a few more issues, and I am not going to go into all of them, but I did want to mention a few more if I could. Very important, the President a couple of years ago talked about the need to have Federal dollars go back to school districts to hire 100,000 new teachers in the elementary grades in order to try to reduce class size, because we know that if you reduce class size, it has a real beneficial impact on students', in the younger years in particular, ability to learn. We know that in this Congress again the Republicans are willing to provide some money for education but not to give back to the town specifically to hire more teachers. Again, I hear from my own constituents how important that is. Not addressed by this Republican Congress. That one rests in peace as well.

And finally, the Republicans have made a lot of noise about how they want to give tax breaks, but the tax breaks are all for wealthy individuals. They passed a trillion-dollar, almost a trillion-dollar tax break, primarily for wealthy people, for the corporations, for special interests, but we as Democrats are saying, look, we need tax relief but we would like it to be targeted tax relief, that helps the average working person, that is actually used, if you will, to allow people to send their kids to college, to help with their education, higher education expenses, to provide, if you will, for day care in some cases through tax credits or tax deductions. But, no, the Republicans insist on the trillion-dollar tax break plan primarily for the wealthy and the special interests. They will not provide the targeted tax relief that will help working families and the average American. That again is resting in peace, killed by the GOP leadership, the GOP Congress in this year, 1999.

Mr. Speaker, I am not trying to poke fun at this issue, I think these issues are very important, they are part of the Democratic agenda, they would be, I think, a part of the Republican agenda if only they would understand that this is what the American people want. But the Republican leadership refuses to address the concerns of the American people and instead they just want to pull their own priorities, their own agenda, which is primarily a major tax break, if you will, for wealthy Americans and for the large corporate interests.

I would like to yield now, if I could, to some of my colleagues to talk a little more about this do-nothing Congress and this Congress that with the Republicans in charge essentially has the wrong agenda. I yield now to the gentleman from New York.

□ 2000

Mr. CROWLEY. Mr. Speaker, I thank my good friend the gentleman from New Jersey (Mr. PALLONE). I also want to thank the gentleman from New Jersey (Mr. HOLT) as well as the gentleman from Michigan (Mr. STUPAK) for this evening's address. Few have done as much to express the frustration that we are feeling on this side of the aisle as the gentleman from New Jersey (Mr. PALLONE) has so readily done on a weekly and daily basis here in the House.

Mr. Speaker, I rise today to express my outrage and my disappointment as a freshman Member of this House with the actions, or should I say, the inaction of this body.

Mr. Speaker, we are more than two-thirds of the way through this session, and the Republican-led Congress has had no major accomplishments. This is despite the efforts from within their own party and by Democrats, working together, to pass meaningful HMO reform, school construction legislation, and even a minimum wage bill. Instead, the Republican leadership has been playing games with the budget, giving tax cuts to the wealthiest 1 percent of the people in this country and their special interest friends, blocking meaningful attempts at gun safety legislation and taking money away from class size reduction and new teacher initiatives.

As a freshman, I arrived last January prepared for action, and believed that with GOP promises of less partisanship that we could all work together to help the American people. Yet the last 10 months have been partisan and without any intelligible agenda. Instead, the special interests and their whims have dominated, leaving the American people out in the cold.

Rather than passing a meaningful tax bill, complete with estate tax and marriage penalty changes and modest tax cuts, the Republican leadership pushed through a tax package that benefited only the wealthy and corporate special interests, almost $1 trillion to the wealthiest in this country. In fact, if you are not in the top 1 percent of wage earners, the tax cuts would not mean anything to you, or very, very little. Now, maybe all the constituents in Republican districts make that kind of money, but the working class people in districts like mine do not.

Why not provide a family of four living in a place like New York City, a high cost place like New York City, in the Bronx, in Queens, in my district, earning $40,000 annually, some tax relief? What is wrong with that? Well, it is probably because they will not be contributing to the Republican leadership's political action committee this year, or next year.

What about our Patients' Bill of Rights? We finally voted today on a motion to go to conference on the bipartisan Patients' Bill of Rights. It has been 4 weeks since the House passed by an overwhelming bipartisan vote of 275 to 151 the Norwood-Dingell bill. The Senate appointed conferees back on October 15, and yet it is only today, November 2, that the House GOP leadership is finally bringing up a motion to go to conference. As far as I can see, this delay strategy by the GOP leadership is their attempt to stop the momentum that was obtained by very strong bipartisan vote in favor of the Norwood-Dingell HMO reform bill.

Mr. Speaker, why are we stopping what Members of your party want, what the American people overwhelmingly want? Why are we stopping it? We cannot even get on the runway or get off the charts a prescription drug bill to reduce the cost of prescription drugs to our senior population.

Let me tell you a story that I heard recently. I received a letter from two constituents, Mr. and Mrs. Done and Gertrude Schwartz of Long Island City in Queens. He is 89 and she is 84 years of age. Recently he went to have a prescription filled for his wife. He bought 100 tablets of Prilosec, an extremely popular drug among our seniors. It cost him $394.89, $394 for 100 tablets of a vitally needed prescription.

People are making life and death decisions as to whether they will pay the rent, buy needed groceries, or skip a day of taking a needed prescription drug, or simply not buying the prescription drug at all, and we are here in Congress doing nothing, as far as I can see, to help them.

Then there is the budget debacle. We are 34 days into a new fiscal year, and still we do not have a budget. What is the Republican solution? To send the exact same D.C. appropriations bill that we have seen vetoed twice to the floor again today, without removing the riders that caused the vetoes in the first place. It makes absolutely no sense to me.

The Republican leadership did not even bring to the floor the labor-HHS appropriations bill for a debate. They went straight to conference without any Democrats represented at all at any point in time.

But, having said all I have said, it is education that is most troubling to me. We passed ED-FLEX, which impacts the Elementary and Secondary Education Act, before we even considered ESEA reauthorization. Then the Republican breakup of ESEA into pieces, passing the flawed Teacher Empowerment Act, and I want you to know this was not supported by one, not one teachers organization, we just passed a dramatically underfunded Title I bill.

When crafting tax packages the Republican majority will not even consider adding school construction assistance, even though our deteriorating school infrastructure and classroom overcrowding is a national crisis.

Then we have Social Security. Republicans say they want to save Social Security. Well, we will just go back to history a little bit here. Back in 1935, in the early thirties, nearly 40 percent of Americans were dying in poverty. It was a Democratic-led Congress and a Democratic President who signed into law the current Social Security system, this despite fierce opposition from the Republican Party. In fact, all but one Republican in the House voted for a motion to recommit Title II of the bill to conference, and would have thereby struck the Social Security Act and killed Social Security as we know it today, only one Republican in that entire conference.

Now we are to expect that the Republicans are going to protect and save Social Security, something they never wanted in the first place. In fact, let me just show you some of the comments made by majority leader DICK ARMEY when he ran for Congress proposing to abolish the Social Security system.

"Ultra-conservative economics professor DICK ARMEY, who has based his campaign on his support for the abolishment of Social Security, the Federal minimum wage law, the corporate income tax and the Federal aid to education." That is from United Press International, October 31, 1984.

Again we see Mr. ARMEY in 1984 said that Social Security was "a bad retirement and a rotten trick on the American people." He continued, "I think we are going to have to bite the bullet on Social Security and phase it out over a period of time."

See, that is the Republican side of this issue. They never wanted it in the first place. I do not see how we can expect them to save it.

Mr. Speaker, the American people do not want this. They do not want a partisan Congress living up to its do-nothing billing. I urge you to work with the President and the Democratic leadership to craft budget bills we can all support. I implore you to let the majority rule and move the bipartisan Norwood-Dingell bill on to the President unchanged.

Finally, I want to invite you to come to my district and tell the students that are being taught in closets, in hallways, tell the children in kindergarten classes with 60 kids and two teachers, tell those children, going to school in buildings that are still burning coal, that they do not need to have school modernization provisions added to any tax bill.

Now, I know there are very decent people on the Republican side of the aisle. I have had the pleasure to work with so many of them in this, my first term in Congress, and I can call many of them my friends. But I am not giving up on the rest of you either. But we need to work together. We need to end the partisanship and do what is right for the American people, and do what is right for the American people today, not tomorrow, not next week, not next year.

Mr. PALLONE. I want to thank the gentleman from New York for the statements that he made. Essentially the gentleman is pointing out what we have been saying, which is that here we are, I guess it is over a month since October 1, which was when the new fiscal year was supposed to begin, and we are just basically staying here while we watch the Republicans try in some fashion to put together a budget. But it is virtually impossible for them to do so, because essentially their priorities are off base.

Unfortunately, while we wait here, they do not move on this agenda, which we think is important, the Patients' Bill of Rights, trying to come up with a Medicare drug benefit, the education initiatives that the gentleman mentioned.

I just wanted to point out very briefly, because I would like to introduce another one of my colleagues, this is from a summary that was put together today that when Speaker HASTERT started the year he made three promises in regards to the budget. One, he said that the Republican Congress would pass the budget on time, stay within the spending caps, and do it all without spending Social Security.

They have failed on each one of these counts.

Mr. HOLT. Strike three.

Mr. PALLONE. Exactly, strike three. We are now four weeks past the budget deadline, which was October 1. It is now November 3rd. Even the gentleman from Ohio (Mr. KASICH), the chairman of the Committee on the Budget, said this morning, and this is from The Los Angeles times, that the Republicans had not stayed within the budget caps, and both the Congressional Budget Office and the OMB have reached the same conclusion, that Republicans are spending as much as $17 billion into the Social Security surplus. None of these promises have been kept, and we are still here.

I yield to my colleague from my neighboring district in New Jersey (Mr. HOLT).

Mr. HOLT. I thank my colleague, the gentleman from New Jersey (Mr. PALLONE), and I am pleased to be here with the gentleman from Michigan (Mr. STUPAK) and my colleague the gentleman from New York (Mr. CROWLEY).

You know, when the gentleman from New York (Mr. CROWLEY) and I and the other freshmen Members of Congress in both parties arrived here, we thought perhaps there would be less partisanship than we had seen in the preceding years here in Congress. As the gentleman may recall, the previous Speaker left following a less than stellar performance in the last election, and we find now, unfortunately, as the gentleman from New York (Mr. CROWLEY) was saying, that partisanship did not depart with the previous Speaker.

We end up with important legislation that the public wants, and the gentleman has been through it with your tombstone illustrations, and the gentleman from New York (Mr. CROWLEY) has repeated these. These are things that people want, Americans of both parties, Republicans and Democrats, and, in fact, I would say many of the moderate Democrats with whom we serve here in the House of Representatives and many of the moderate Republicans with whom we serve here in the House of Representatives. But the leadership that controls the agenda of the House will not let these come up.

We are, by most accounts, nearly done with the first session of Congress and the leadership is now preparing to adjourn for the year without having done these things that the Americans say are important, that I hear about in my district in New Jersey: Campaign finance reform, gun safety. You know, they think maybe the public will not notice that we have not dealt with gun safety because they scheduled it so the votes would occur in the middle of the night, but my constituents notice that it has not been dealt with.

The Patients' Bill of Rights. Well, yes, we passed it by a large majority here in the House, but the leadership, again, who control the schedule of these things, weeks later are only beginning to get around to the conference that would be necessary for this to actually become law.

□ 2015

A Medicare prescription drug benefit, nowhere to be seen; the Elementary and Secondary Education Act, not ready yet; school construction, school construction assistance, that so many school districts in urban areas, in fast-growing suburban areas, really all over the country need, and the smaller class size and more teachers, more well-trained teachers, nowhere; paying our obligation to the United Nations, I hear about that from my constituents, not done.

Among all these priorities left untouched is social security, so let me touch on that for a minute. Protecting social security I think should be our first priority. The President, in his State of the Union addresses this year and the previous year said, save social security first.

Protecting social security is so important to me that the first bill I brought to a vote here on the floor of the House of Representatives was the social security and Medicare Lockbox Act of 1999. This bill would have preserved social security and Medicare. It would have forced us to deal with this issue.

The first speech that I gave on the floor of the House even before that was about the need to protect social security. I even voted for the bipartisan lockbox legislation to preserve social security, which did eventually pass the House, but really went nowhere because the leadership was too busy concocting an $800 billion tax cut.

So throughout the past several months I have served on the bipartisan Social Security Task Force. I must say that preparing for the retirement of the baby boom generation looms as one of the Nation's challenges. I am very disappointed by the lack of commitment in finding a long-term solution.

When social security was passed in 1935, as my colleague, the gentleman from New York (Mr. CROWLEY) points out, to be old was usually to be destitute. Social security has changed that. Social security has worked. People in the U.S. believe that it is of fundamental value to help workers save for retirement.

But the leadership has not shored up social security. Instead, like magicians engaging in misdirection, they have instead accused the Democrats in the press and in paid political advertisements that we, we in the minority, are spending social security.

Not only have they not gotten around to this central problem, but they spent so much of this year developing this exorbitant scheme to spend money that we do not even have and may never have; in other words, a scheme that would in fact take us into spending social security funds.

In fact, they are already spending social security funds by virtue of the fact that they have failed to complete the appropriations for the current fiscal year by the end of the month of September, as they had promised and as is expected. So in fact they are spending at last year's rate, which means they are exceeding this year's caps.

So what are we going to do about social security? Social security pays benefits to more than 4.7 million disabled workers. Because about 25 to 30 percent of today's 20-year-olds will become disabled sometime before retirement, the protection provided by the SSDI program is extremely important.

Today nearly every wage-earner now pays into the social security system. We have to assure them that this is a sound investment. We do not have to ask a retiree if social security is a good program, they know it is. They want it preserved. We need to reassure the younger workers that this is such a good program for them. Younger workers are skeptical.

The fact remains that few of today's young workers are likely to have enough personal savings or private pension benefits to support themselves in the appropriate style after their retirement. Like the current generation of elderly, they will be heavily dependent on social security. It is incumbent on us to deal with that.

Social security is the most successful program of government in the United States in the 21st century. We must not forget that it provides vitally important protections for American seniors. The majority of workers have no pension coverage other than social security, and more than 60 percent of seniors depend on social security for the bulk of their livelihood.

This is just one of the many priorities that this Congress has failed to deal with in this session, which is rapidly approaching the close. I do not know what more we can do except say, as my colleague, the gentleman from New Jersey (Mr. PALLONE) and the gentleman from Michigan (Mr. STUPAK) and others of us have said night after night, these are important issues, let us deal with them. Let us deal with them in a bipartisan manner. What more can we do?

Mr. PALLONE. We can only do what we are doing now, which is to speak out and tell our colleagues and tell the American people what is really going on here. What is really going on here, again, is the wrong agenda. The only agenda that I see that the Republican leadership has is tax cuts for wealthy Americans and for corporations and special interests.

Every proposal that the gentleman and our other colleagues here tonight have put forward as part of the Democratic agenda, and I hesitate to even call it a Democratic agenda, because as the gentleman from New Jersey (Mr. HOLT) said, it is really the American people's agenda. It should be a bipartisan agenda, and we even have some colleagues on the Republican side who have supported some of these initiatives, like the Patients' Bill of Rights.

But the Republican leadership, because they are so dependent, if you will, on special interests, refuse to let any of these bills come up; or if they come up, they basically try to load them up with all kinds of poison pills or kill them in conference, use all kind of procedural techniques to kill them.

I appreciate the fact that the gentleman did bring up the social security again, because I know, when I am back in my district in New Jersey, I know they have those radio ads on basically accusing the gentleman of using the social security surplus, which is a total lie.

In fact, what they have done is what they accuse the gentleman of, which is, they have spent $17 billion into the social security surplus already. That comes from the Congressional Budget Office and the OMB. How could it be more clear? I have never in my entire life seen a political party or leadership actually put on ad accusing their opponents of doing what it is documented they are doing themselves.

Mr. HOLT. If the gentleman will continue to yield, Mr. Speaker, it is what magicians learn in their early courses of misdirection. If they have their hand in the cookie jar, point to the other person and accuse them of engaging in thievery or lockpicking, or whatever it is that they are accusing us of.

It is preposterous, insulting, and insulting to the American people.

Mr. PALLONE. It really is insulting, I agree with the gentleman. I appreciate that he brought that out.

Mr. Speaker, I yield to my colleague, the gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Mr. Speaker, I thank the gentleman for yielding. I appreciate him for putting together this special order now. I also thank the gentleman from New York (Mr. CROWLEY) and the gentleman from New Jersey (Mr. HOLT). I really appreciate the gentlemen. They are new Members, and they bring a lot of enthusiasm to the job, and a good, practical approach to government. We really need that in this body at times.

I think it is very unfair how the Republican majority are running ads against the gentleman from New Jersey (Mr. HOLT) on spending social security, yet he is the person who came up with the social security lockbox idea so that we cannot spend social security; the gentleman is absolutely right, like the cookie jar thing where they point at you while they are sticking their hand in the cookie jar, taking $17 billion from the social security surplus to try to pay for this faltering budget that they have put forward.

All the colleagues who join us here were here in November, and quite frankly, the Republican-led Congress has done very little. They have passed 13 appropriation bills, knowing five of them are going to be vetoed. So the appropriation bills languish, and the needs of the American people. And the gentleman from New Jersey (Mr. PALLONE) is right, it is not a Democratic agenda, but the needs of the American people are not being met, are not being met at all.

The Republicans have spent a year trying to convince the American people that they need this $792 billion tax cut, which would benefit the wealthiest Americans. But America saw through that. They said, put the money to pay the debt and strengthen social security. Do not give this money in a tax break. Do not raid our social security. They rejected it.

Did they understand that? No. Look at this, Congress Daily, Wednesday, November 3: "Hastert Pledges New Tax Cut Push." It is here. He is going to push another tax cut.

How is he going to pay for it? We do not have enough money to pay for the current appropriation bills. There is $17 billion taken out of social security to pay for the current budget, and we are not even done with it. While they are spending that, now they want another new tax cut push. This is Congress Daily, nothing we made up. This is what we get every day. Sure enough, they are going to push another big tax break to benefit the wealthy.

How are we going to pay for it? Back to raiding social security? Why do they not accept the gentleman's proposal and do a lockbox? Why do they not take those false ads off the air and thank the gentleman from New Jersey (Mr. HOLT) for putting on the lockbox, for saving the social security surplus so the Republicans cannot use it for tax breaks.

Mr. Speaker, as we take a look at it, they have had the wrong priorities. They have tried to use gimmicks to pass the budget. I remember about 6 months ago, as we got toward the October 1 deadline, they came up with this great idea, let us call it the 13th month, the 13th month. We all know there are 12 months in the calendar, but they want to create a 13th month. That way they can stay within the budget caps by creating this fictitious 13th month. Sometime, somewhere, we have to pay for that 13th month.

So I am proud of Democrats standing up and saying, we are not going to accept that gimmick. Take away the 13th month.

Then they said, let us declare everything an emergency, everything we do not have money for. If we declare an emergency, we do not have to stay within the budget caps. Let us declare an emergency things like the Census. We have to count the American people. It is in our Constitution for over 200 years. Every 10 years we count the American people. It is 2000, the 2000 budget, and we have to count the American people.

Well, we will declare that an emergency. That way we can spend money, spend the social security trust fund and not have to declare it as part of our budget.

My colleagues are right, this GOP Congress is really the do-wrong Congress, not do-nothing. What they do, they do it wrong. It is a do-wrong Congress, instead of listening to the American people and working on the programs that would cost very little and really would improve the lives of the American people, like a real Patients' Bill of Rights, so Americans and their doctors would make medical decisions, and not the insurance companies and HMOs; like increasing the minimum wage, since we have this robust economy. Why cannot those who are struggling to get by enjoy the strong national economy by increasing the minimum wage?

Or how about 100,000 more teachers, 100,000 more teachers, and we can have smaller class sizes, so students who are most at risk can get a helping hand to learn, so we can bring some discipline back into the classroom? Why not?

Why not, I would ask, Mr. Speaker, why should we not enforce all the gun laws that are on the books, and do background checks on every commercial sale of a gun, even those at gun shows? Let us treat everyone the same. No more excuses, no more exceptions. We should be working for the American people.

Unfortunately, the Republican-led Congress has the same old song: more tax breaks here for the wealthy and more tax on government.

What America wants us to do, they want a Congress that will work for them, like the plans that the Democrats are fighting for: 100,000 teachers that we need for smaller classrooms; 50,000 more police officers in the Cops II program that we have all fought for, and we see it works across this great Nation; a real Patients' Bill of Rights.

We need to protect our environment, and we have to provide prescription drug coverage for our seniors. That is not asking too much. We can pay for it, and it is paid for without busting the budget or raiding social security.

We have talked about HMO reform and a real Patients' Bill of Rights. We passed it here by an overwhelming bipartisan vote, 275 to 151. So what do we do today? Appoint conferees. Who appoints conferees? The Speaker. Who are the Republican members of the conferees that were voted on today? Not the gentleman from Georgia (Mr. NORWOOD), who is the sponsor of the bill; not the gentleman from Iowa (Mr. GANSKE), who knows something about medical stuff; or the gentleman from Oklahoma (Mr. COBURN).

Why? Because they all voted for a Patients' Bill of Rights. They are doctors. Who did they appoint? They put on people, some of these 151, the people who voted against the bill. Tell me, are we going to get a real Patients' Bill of Rights when the conferees who work out the difference all voted against the bill? We do not have one Republican member who voted for it on that conferee; another gimmick, another gimmick. These guys vote for gimmicks instead of reality and practical government, and try to move the effort forward.

Look, we ran the bill and they lost. Accept it. What happens when we have a conference? The major sponsors of the legislation are the conferees, not those who are going to vote for special interests; in this case, the insurance companies. I cannot believe they do this stuff.

When we talk about the Patients' Bill of Rights, the medical needs of the American people, I want to share one story. I just got a call in today. I am not quite sure how I can help the individual.

□ 2030

In my hometown in Menominee, in the Upper Peninsula of Michigan, this gentleman owns a small business, been going great guns, been expanding and doing well, an employer. He has full-time benefits for his employees and health insurance for his employees and their families. He was telling me he has 90 employees. It used to cost him $17,000 to $19,000 to pay for health insurance.

Unfortunately, one of his employees, their wife had open heart surgery. So they had to renew their insurance.

The insurance company says, not going to cover you anymore. You have a claim against us.

No, we did not have a claim.

Yes, you did. One of your employees, their spouse had open heart surgery. We will insure you but it will now cost you $49,000 a month.

One claim, 90 employees. It used to be $17,000 to $19,000 a month. Because of this one claim, open heart surgery, it is now $49,000. That is more than triple the premium went up because of this.

So in our Patients' Bill of Rights, what we say, let us enforce these rights, and there is a carryover provision. So if your coverage gets dropped by the insurance companies, you can stay with that doctor and continue care.

What happens to the lady who just has open heart surgery and the company can no longer afford the extortion by the insurance companies and has to drop the insurance? How does she get her follow-up care? How does she do it without bankrupting that family?

So I think the Democratic Party or the American people have the right agenda. They want us to do things that will keep us within the budget. They want us to do things that affect their everyday life.

I do not know about my colleagues but after the debacle of the Republicans before with the $792 billion tax break, no one in my district was pounding on my door saying give me the tax break. Every time they heard about it, they pounded on my door and said do not give the tax break. Put money in Social Security. Put money in Medicare. Give us some prescription drug coverage, and if there is $3 trillion, is it not time we pay down that debt?

The American people know what they want. They know what they need. And they said, you know, geez, you guys had a good start with 100,000 teachers last year. We have about 30,000. Can you get the other 70,000 in there, because we do want the smaller class sizes, whether it is New York or upper Michigan or New Jersey, and they are not having students out in the hallways because classes are expanding. Right now, in this country we have more people in K through 12 education than ever before in our Nation's history, but we are not helping them out. We are not helping them out.

Why not the 50,000 police officers? Why not? Crime is going down. Everything is going well. Now you stop, you throw in the towel and say we do not have to do anything else to fight crime; let us get rid of the cops? It just does not make any sense to me whatsoever.

What we have seen is a Republican-led Congress, all kinds of gimmicks, an agenda that has been rejected by the American people. That is why I call it the do-wrong-thing Congress.

We have done some things. It has all been wrong. The American public rejects it. The people who we have talked to reject it. They just need a little helping hand from government. So I am pleased that they have spoken up and we will continue to speak up for the American people through these special orders.

I want to thank the gentleman from New Jersey (Mr. PALLONE) for allowing us some time to come down and join him here tonight, and my good friend the gentleman from New Jersey (Mr. HOLT). I would say to the gentleman from New Jersey (Mr. HOLT), tell them to pull those ads and put the truth on TV. The gentleman is the one who did the lockbox for the Social Security trust fund, not raiding it, and of course the gentleman from New York (Mr. CROWLEY) who does well with New York and the conditions there in trying to educate the children in a big metropolitan area where they have overcrowded classrooms, and even up in my northern district, northern Michigan district, we do not have the size of New York but we still have students being taught out in those temporary trailers.

I think it has been 15 or 20 years now. The temporary trailers are still there falling apart. We certainly do need help with more teachers and a bond proposal to help school construction.

I appreciate the opportunity. That is what I am hearing from my constituents. I wish we could work in a bipartisan manner like on the Patients' Bill of Rights and then do not give us a gimmick in appointing conferees who all voted against us and then say we are going to give a fair conference on Patients' Bill of Rights. It does not make sense to me.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Michigan (Mr. STUPAK), particularly when he points out the gimmicks that are being used by the Republican leadership because that is what it is all about. They have the wrong agenda and they want to do whatever they can to block the right agenda, which is the legislation we put forth.

I was talking to some of my colleagues, even some of my Republican colleagues at lunch today, and I found out, and I do not know that it is true in New Jersey but there apparently are a number of State legislatures where they have rules that the conferees have to be the people who supported and voted for the bill, and it is not even allowed under the rules of certain legislatures in certain States to appoint conferees who did not support the bill.

It makes sense, if one thinks about it. By saying that they are going to appoint conferees that actually did not support the bill, they are basically sending the signal that this conference is not going to allow the provisions of the bill to be upheld, and that is the signal that they are sending

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from New Jersey.

Mr. HOLT. Mr. Speaker, for 200 years this body has operated most of the time in a bipartisan, courteous way. As my colleague was saying a moment ago, if the Speaker's party lost on a vote, the Speaker said, well, we gave it a good shot. We made our best case. The other side won. That is the way representative government works, and the Speaker would appoint people who would see that the best legislation came out of that vote.

Mr. STUPAK. Which reflects the wishes of the House, not their personal agenda or the agenda of special interests but the will of the House. Let the will of the House prevail in this conference report, in this conference committee. Also, if one takes a look at the rules of the House, they do not say it is mandated but they certainly suggest that the sponsoring people of the legislation, the bulk of them would be conferees, should be conferees. They do everything but say they must be the conferees.

I think it just adds to the poison atmosphere we see around here, and again just another gimmick to defeat things that the American people are demanding.

The conference report no one sees that, conference committee, so we can kill it right there and nothing ever happens. We do not have to worry about real reform. It is just ridiculous.

Mr. HOLT. The American people are not interested in gotcha strategies within the internal politics of this body. They want legislation that deals with issues that they deal with at home, that they talk about at their kitchen tables.

We have just been through a long list of those that could have and should have been dealt with in the past 10 months.

Mr. PALLONE. I agree, and I appreciate the gentleman bringing it to our attention.

Let me now yield, if I can, to the gentleman from Massachusetts (Mr. OLVER) who has joined us.

Mr. OLVER. Mr. Speaker, I am very happy to join the distinguished group of Members from New Jersey and New York and Michigan who have been here speaking about these issues, and to bring a Massachusetts point of view to some of what is being said.

Here we are, we are almost finished with the 1999 congressional session. We have five major budgets yet to go. We are only 5 weeks late. Some of the States have been later than that but we are very likely going to be done in a couple of weeks and maybe even some are saying within one week. Yet this has been really a strange session.

Legislative bodies usually try to do the things that meet the popular will, but the Republican leadership of this Congress, in 1999, does not even try to deal with issues that the largest number of Americans say again and again that they want done. For the first time in 30 years, we have the prospect for modest and growing surpluses. We have the money to do those most important things that people really want done, and yet the Republican leadership has refused to bring forward a bill that would extend the Social Security system so that the next generation would have the same opportunity to have the Social Security system for them that my generation has and will have secure for them.

The same leadership, the same Republican leadership, has refused to extend the life of the overall Medicare program that has been such a boon for our senior citizens in making certain that they could have quality health care that they can afford. It is clear, as has already been said from the way they have set up the conference committee on the Patients' Bill of Rights, that they really do not intend to pass a patients' bill of rights that would take the medical treatment decisions for every American family away from insurance executives and accountants and give those treatment decisions back to doctors where they belong.

The same Republican leadership has refused to add even a modest prescription drug benefit to the Medicare program. We have millions of senior citizens who are paying $200 or $300 for prescription drugs. Well, maybe not millions but we have a lot of senior citizens who are paying $200 and $300 a month for their prescription drugs and they really cannot afford it.

By the way, we have seen the spectacle of this House passing a campaign finance reform bill in a matter of just a few weeks, with the votes of dozens of Republican members who courageously refused to follow their leadership in weakening that legislation; only to see the bill killed in the other body, in the Senate. There simply is not going to be any campaign finance reform this year or in this 106th Congress and very likely in this century along the way.

Why? Well, just as an example, it should not surprise anybody out here in the watching audience that drug companies steadfastly oppose the creation of a prescription drug benefit to the Medicare system because they are making great profits off drug prescriptions for senior citizens, and those end up substantially being paid by the government. They are making great profits and, oh, by the way, it should not surprise people that of the 10 largest corporate contributors to Republican leadership political action committees, that a majority of those are themselves the drug companies.

So then we have among those other things that have not been done this year, there is a proposal to increase the minimum wage by $1 over 2 years. We have had an unprecedented good economy, growth in our economy over an 8-year period. We have the lowest unemployment rate in decades. We have people working at minimum wage who deserve to see some benefit for their work, and only get to see that benefit if there is an increase in the minimum wage.

By the way, 80 percent of Americans favored an increase in the minimum wage. Just as similar numbers favor a Patients' Bill of Rights and favor the prescription drug benefit for senior citizens to be added to our Medicare program and favor the extension of our overall Medicare program so that the life of that program will go beyond the year 2015, which is now the time when it will go bankrupt.

Well, the extension of the Social Security system for the next generation, all of those things are favored by 75 percent or 80 percent of Americans, and even 67 percent of Republicans favor the minimum wage bill, a bill that we could pass in a clean way in a day. The Republican leadership is going to allow to come to this floor only a bill, only a bill, that carries with it about $70 billion of tax breaks for the 1 percent of Americans who make over $300,000 a year.

Now, they are going to hold a simple minimum wage increase, a $1 wage increase, for the lowest income workers in this country. They are going to hold that bill hostage to a huge tax reduction for the wealthiest 1 percent of Americans, who are the people who contribute mostly to political campaigns, to their own political PAC campaigns and such. So all of these things are interconnected. Many people do understand how interconnected, why we get the legislation that we get; why we do not get the bills that the gentleman has shown so graphically, the rest in pieces.

The campaign finance is a pretty critical question in these.

□ 2045

The influence of money in the passage of legislation, in what legislation comes up before us, and what is allowed to be debated, and what ends up being passed by this Congress in this 106th Congress is a critically important matter until we can get campaign finance reform to pass through here and not be juggled between the two branches and killed by the one branch, and maybe next year it will end up being killed by this branch, and it is passed by the Senate or something.

It is critical that we do something about campaign finance reform, or we are going to continue to see this musical chairs process by which those bills that the Americans by the largest numbers say they want us to do because those are important to them in their daily lives, those bills are not going to be handled this year or next year and the second year of this session.

So I am very happy to join with the gentlemen that have been here tonight. The gentleman from New Jersey (Mr. PALLONE) has shown such leadership in bringing to the attention of the American people these kinds of ironies in how we are functioning, what we are not doing, what we should be doing, what the American people want us to do that is not getting done. I am very happy to add a Massachusetts view to what has already been said.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Massachusetts (Mr. OLVER). There were two points that he raised that I just wanted to mention briefly, because I think we only have a few minutes left. But he brought out the fact that the Republicans have not even looked at the long-term solvency of Social Security and Medicare, in other words, this debate that we have discussed tonight and we have had about whether or not the Republican appropriation bills and their budget actually spend the Social Security surplus. We know that it has about $17 billion that has come from this Social Security surplus in order to pay for their budget.

But that is really a minor issue compared to the fact that, over the long-term, we need to address the financing of Social Security and Medicare for future generations.

President Clinton has actually put forth proposals in both of those areas, primarily by saying that whatever surplus is generated through general revenues over the next 10 years, a good amount of that be used to shore up Social Security and Medicare for long-term purposes. The Republicans have not even looked at that. That is an agenda they have not even touched. The bottom line is it is going to come home to roost at some point.

Mr. OLVER. Mr. Speaker, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from Massachusetts.

Mr. OLVER. Mr. Speaker, it should come home to roost. But the reason they have not touched it is a very deliberate reason. As has already been discussed here this evening, they opposed the creation of Social Security. They opposed virtually to a person the creation of Medicare 30 years ago. Of course, earlier this year, they rammed through the Congress very quickly and then, because it was not very popular out in the general populace, sort of backed away from it, but they ran through a huge, a huge tax reduction using every penny of the projected surpluses while not a penny of those had yet been produced, but only were projections, but used every penny of it that would have been necessary, very deliberately used every penny of it that would have been necessary if there ever was a possibility of extending Social Security and Medicare for the generations to come. It was a very deliberate, a very cynical kind of a move. They have done that, and they will do it again, because they never were in favor of Social Security or Medicare in the first place.

Mr. PALLONE. Mr. Speaker, that is a very good point. The other thing the gentleman mentioned, I just wanted to briefly say, is about the prices of prescription drugs and the need for a Medicare prescription drug benefit.

I just wanted to mention that today Families U.S.A. came out with a report that really documents very well the problem of high drug prices and the fact that so many senior citizens, they say 35 percent of Medicare beneficiaries, 14 million people, have absolutely no coverage for prescription drugs. The 65 percent that do have some coverage, it is limited. Increasingly, because of deductibles, co-payments, caps on the amount that is provided under the prescription drug coverage, they see a decline in their ability to obtain prescription drugs and increase costs out-of-pocket.

So this is, again, the issue of a Medicare prescription drug benefit is not pie in the sky. This is responding, as the Democrats have, to real needs, to concerns that people express to us every day; and, yet, the Republicans refuse to acknowledge it and refuse to act on it.

So I want to thank the gentleman again. I think we have run out of time, but I do want to say that we are going to continue to be here over the next week or two, before this House adjourns for the recess, to point out that the Republican leadership has the wrong agenda. They are not addressing the real priority of the American people. We are going to keep pressing that those priorities be addressed.

UPDATE ON SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. SESSIONS) is recognized for 60 minutes as the designee of the majority leader.

Mr. SESSIONS. Mr. Speaker, tonight what we would like to talk about is an updating for the American public about, not only what is happening currently in Washington, D.C., but to give people an understanding about why Republicans are standing up essentially on several themes.

One is Social Security, people's retirement. The future of people's retirement should not be taken to fund the government. Social Security should be used for that which it was intended, and that is to be put aside for people's future retirement like myself. I have paid in 27 years into Social Security, 27 years, both my wife and I, and we want to make sure Social Security is there.

Second thought process, we must continue to balance the budget. By balancing the budget in Washington, D.C., and not spending Social Security, we will make sure that government has to look internally for its needs to prioritize, to provide those things that the government has to do. It has given lots of money, and it needs to set priorities and make tough decisions just like people out in the States do, people who have families, people who run small businesses, people who work for corporations.

The last thing is no means no. Mr. President, we are not going to spend Social Security. One hundred percent is larger than 60 percent.

Lastly, that we want the government to do those things that the American public has done for many years, and that is look internally, set priorities, and try and meet those obligations and needs that one has.

Today, also, I am joined by the gentleman from Arizona (Mr. HAYWORTH), one of my fellow members of the Republican conference, and I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Texas for yielding to me, and I appreciate the fact that he has organized this time, Mr. Speaker, to go directly to the American people. Indeed, following, as we do, our colleagues from the left, I think it is important, even as much as we would like to set this up with a very positive dynamic, we are also compelled by the instant revisionism of the left to address a couple of their arguments.

Indeed, Mr. Speaker, as we hear the ferocity of the denial of what has gone on for so many years on the left, as the folks stepped up to the plate tonight, Mr. Speaker, I think it is important to set the record straight.

First and foremost, the fact is, before the gentleman from Texas and I came to the Congress of the United States, for 40 years the Social Security surplus was routinely spent on pet programs of the left. Indeed, so much money was spent that the country was taken further into debt.

We heard all the name calling about the notion that Americans keeping more of their hard-earned money was somehow unpopular. Mr. Speaker, what is really unpopular on the left, sadly, is a failure to step up and recognize fiscal responsibility.

Mr. Speaker, what we are talking about is a 1 percent solution. There is a success we can already celebrate. The budgeters, the folks who take care of all the numbers, have done some studying. They tell us for this fiscal year, fiscal year 1999, for the first time since 1960, for the first time since Dwight Eisenhower was ensconced in the big White House at the other end of Pennsylvania Avenue, this Congress balanced the budget, and did so using none of the Social Security surplus and, also, we might add, generated a surplus over and above the Social Security funds to the tune of $1 billion.

That is cause not only for celebration, Mr. Speaker, it is cause to signal our commitment. Now that we have done that, we dare not go back and to hear the charges from the left.

Let me offer what any computer student knows, what most folks understand here in the United States, one of the oldest games in the world, and, sadly, one of the first casualties in dealing in debate with the left, one of the first casualties of such debate is truth.

When one sends the folks in the budget office a set of false assumptions and one says, assuming the following things, then what does one see? The folks who crunch those numbers are honor bound to say, well, making those assumptions, we expect X, Y, and Z.

In the popular vernacular, Mr. Speaker, that comes down to garbage in, garbage out. My friends who preceded us here on this floor involved in the instant revisionism were offering a clear example of that.

I mentioned just a minute ago the 1 percent solution. Mr. Speaker, I hold here a shiny new penny, made, no doubt, with Arizona copper. What we are saying through this appropriations process, through what the media calls the battle of the budget is as follows: Cannot we step up and save one penny out of every dollar given the massive waste, fraud, and abuse fraught on the American people by Washington, D.C., cannot we save one penny out of every dollar to save Social Security?

An example is as follows here with this chart, which graphically demonstrates what has transpired. It is entitled, Mr. Speaker, "Mr. Clinton goes to Africa." My colleagues may remember the trip in the news, a few positive policy notions discussed there.

But what was disturbing about the trip, Mr. Speaker, was the President took along 1,300 people. Included in his entourage were some Members of this body, the mayor of Denver, Colorado, and others. Mr. Speaker, what is compelling is the cost of that trip was almost $43 million, including an entourage of 1,300 folks.

Now, under our modest proposal, the 1 percent solution, saving a penny out of every dollar, what would have happened was that 13 members of this 1,300 member delegation would have had to stay home. Maybe the mayor of Denver had concerns he could have better added in Colorado within the environs of the city limits of Denver. Maybe 12 other folks could have stayed home. I believe Mrs. Curry, the White House secretary for the President, was also on the trip. Maybe she could have tended to things back here.

But all we are saying is this is not a draconian cut. My goodness. If anything, it is somewhat modest. But this demonstrates the waste. Let me point out to the gentleman from Texas, Mr. Speaker, and others who join us, understand, the 1,300 people in this entourage did not, I repeat, did not include the security personnel that every American understands a President, given these trying times, needs both at home and abroad.

We are not talking about secret service. We are not talking about a security entourage over and above that. We are talking about 1,300 people. You combine this number of folks with other trips to China and Chile, and you are looking at a bill of close to $70 million.

Mr. SESSIONS. Mr. Speaker, just to prove the gentleman's point, the President just today has vetoed the bill that was known as H.R. 3064 for Labor, Health and Human Services and the District of Columbia.

Today, and I will quote from what the President has sent to the House of Representatives, "I am vetoing H.R. 3064 because the bill, including the offset section, is deeply flawed. It includes a misguided .97 percent across-the-board reduction that will hurt everything from national defense to education and environmental programs. The legislation also contains crippling cuts."

Well, what we have done in the Congress is we have tried to make sure that government was fully funded. An example of this in this bill, since the time that I have been a Member of Congress, former Speaker Newt Gingrich said it should be a national priority that this Republican Congress would double biomedical research over 5 years. We are now in the very midst of that. In fact, the Republican bill increased funding for the National Institutes of Health by 15 percent, that was in 1999, and 14 percent for the new year's budget.

□ 2100

The President asked for $15.9 billion, and we gave him $17.9 billion. That is $2 billion more.

Mr. HAYWORTH. Mr. Speaker, would my friend please repeat those numbers, because I think it is important; and it is something, given the many curious mathematics of Washington, D.C., and the failure of both accountancy and accountability at the other end of Pennsylvania Avenue. Would my colleague repeat those numbers. That is actually an increase, is it not?

Mr. SESSIONS. Mr. Speaker, it is a huge increase in some of the most fundamental things that are important for biomedical research and things that we are doing, funding in Washington, D.C., to solve medical problems of Americans that would be open then for the world.

What we did is we increased it $2 billion. Yet the President has said it is misguided. When we asked, after fully funding and more than funding this, the President said it is misguided to ask for a .97 percent of the budget to be looked at internally.

Mr. HAYWORTH. Mr. Speaker, reclaiming my time, what we are talking about here, we need to point out facts are stubborn things. And the chart, basically, sums it up right here.

In terms of spending, we see what is going on here. We are just simply talking about reducing spending, realizing savings of 1 cent, 1 cent on every discretionary dollar. My colleague from Texas pointed out the fact, and again, facts are stubborn things despite what some of this town call spin, others would more properly label as propaganda, how can you spend $2 billion additionally funding priorities and at the same time be accused of irresponsibility.

Mr. Speaker, my colleagues remind me of George Orwell's seminal book "1984" where the mythical republic of Oceania embraced slogans such as "Ignorance is strength." "War is peace." Now we are hearing in this town that fully funding, and then some, is a draconian cut. It just does not add up.

Mr. SESSIONS. Mr. Speaker, could it not really be that what has happened is that the priorities that we have had to establish, in other words, "no" means no, no, we are not going to keep spending more and more and more; and, no, we are not going to spend one penny of Social Security, we mean we have to make tough decisions here in Washington, D.C., set priorities, determine what money will be spent on, is it not probably that it is too tough a decision for evidently some people to make?

Let me give my colleagues an example. When asked if there was absolutely no waste in his department, Is there no waste in your department, Bruce Babbitt responded, You got it exactly right, no waste in my department.

The Deputy Attorney General Eric Holder, when asked about the administration's position on, we should not reduce at all the size of the Federal budget, Eric Holder said, That would be my view.

When Joe Lockhart, the President's spokesman, has talked about whether it is okay to spend Social Security, is it dipping into Social Security, should that not be a choice, he said, Listen, if you look at the budget that Congress has produced over the last 15 or 20 years, they have every year dipped into that.

And there is more. The more is, when Secretary of Education Riley was asked about how much money would be given to his department he said, The Republican plan slashes critical resources and schools well below the President's request.

And yet, we gave them our education budget, the Republican budget, $88 million more than what the President was allowing for or asking.

So, in fact, what we are doing is we are making tough decisions. And they want more and more and more.

Mr. Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I think it is ironic that the Education Secretary, the man who is in charge of teaching children math, misunderstands the fact that when our budget is over the President's that we are slashing education. I think there is certainly a math deficiency there. Maybe we should have an investigation of that in itself. I know the Clinton administration loves studies. I am sure they would want to fund it. But it would also be a waste of money, so I am being sarcastic.

I wanted to point out to my colleagues that the Lockhart quote, the White House spokesman, when he said, yeah, Congress should go ahead and spend the Social Security funds because they have done it for 20 years, well, there are a lot of things that have been going on for 20 years in this town that we are slowly putting a stop to.

Now, the three of us wanted to put a stop to it really quickly in 1994 when we became the majority, but we could not. So it is kind of like stopping a runaway train. You just got to go slowly. You just cannot stop these things suddenly.

The gentleman from Arizona (Mr. HAYWORTH) has the same quote, basically, from the Democrat leader, the gentleman from Missouri (Mr. GEPHARDT) saying, just take a little bit out of Social Security.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Georgia for his comments.

Two points. Number one, again, in the vernacular of this town, which some folks who are onlookers call spin, or should properly call spin propaganda, there is also something known as message discipline. And our colleague from Texas recites not only the statements of the White House press secretary but several cabinet officials involved in message discipline, to use the vernacular of the city.

How unfortunate, Mr. Speaker, that they cannot be involved in fiscal discipline, stepping up with us with a 1 percent solution. A penny saved out of every dollar of discretionary spending goes a long way toward protecting the Social Security Trust Fund. It is summed up like this: a penny saved is retirement secured.

My colleague from Georgia alluded to this. This was 2 weeks ago, October 24, of this year, the gentleman from Missouri (Mr. GEPHARDT), the House minority leader, appeared on this week on ABC. The question was, "What's the problem with spending the Social Security Trust Fund? You've been doing it for years," which sounds to me like a set-up question just as an average citizen in addition to a Member of Congress. But here is what the gentleman from Missouri (Mr. GEPHARDT) said: "I understand. But there is a feeling now that since we have a surplus and since we got to get ready for the baby-boomers," and this is the key clause, Mr. Speaker and my colleagues, "that we really ought to try to spend as little of it as possible, none if possible. We really ought to spend as little of it as possible."

This is not rocket science, Mr. Speaker. What you see are two very different visions of government. We believe to help Americans realize the limitless nature of their dreams, we should put limits on wasteful spending in Washington. The other side says, let us never put limits on spending. There is always more and more and more to be spent, and they engage in dubious mathematics and spin.

The President of the United States stood here in January of this year and talked about putting Social Security first and then had the audacity to say let us save 62 percent of the Social Security surplus. Now, a quick check of math, Mr. Speaker, indicates that that evening he was prepared to spend 38 percent of it on other priorities. And that is the operative factor: spend, spend, spend, spend some more.

Mr. SESSIONS. Mr. Speaker, it sounds like to me that it is another example where the truth is held hostage in Washington, D.C., where we have gotten so much into spinning the message that we have forgotten what the truth is.

I would like to go back to the President's letter to the House today upon why he vetoed the bill and then, perhaps, to give the facts of the case.

The President, on page 8 of the veto, says, "This across-the-board cut would result in indiscriminate reductions in important areas such as education, the environment, and law enforcement." In addition, this cut would have an adverse impact on certain national security programs. The indiscriminate nature of the cut would require a reduction of over $700 million for military personnel, which would require the military services to make cuts in recruiting and lose up to 48,000 military personnel.

Let us now do a fact check. A fact check says, despite the 1 percent that we are asking this administration to look internally for efficiency for them to save the money, Congress has appropriated, that is, the Republican Congress has appropriated more money to critical areas of the Government than President Clinton ever even requested.

For example, in defense the President requested $263.3 billion. After the 1 percent savings that we are after, we appropriated $265.1 billion. That is $1.8 billion above what the President even requested.

For education, the President requested $34.71 billion. After the 1 percent savings, we appropriated $34.8 billion. That is $90 million above what the President's request was.

For crime, the President requested $2.854 billion for State and local law enforcement assistance, which includes his COPS programs. After the 1 percent savings that we are after, we appropriated more than $397 million more than the President requested.

And yet, if we look at what the President is saying is that, if he has to make this 1 percent savings within the administration, they will have to take the loss of up to 48,000 military personnel. We are talking about we fully funded above what the President ever even asked for, and he is still going to have to cut.

So it makes us wonder what is the truth and why should it be held hostage in Washington.

Mr. KINGSTON. Mr. Speaker, if the gentleman would continue to yield, what I find ironic is, frankly, these numbers are staggering to me as a conservative, as a Republican. I think that, in many cases, we as a Republican party spend too much money. But I understand we have got to work through the process, we have got to have 218 votes, we have got to have 51 votes in the Senate, we have got to have a bill that the White House will sign. So we, reluctantly sometimes, have to spend more money than our constituencies want us to spend.

But when the Democrats vote no on the appropriations bills because we do not spend enough and then say they do not want to take it out of Social Security, we want to say, okay, I give up. This is some kind of game. Clue me in. What is the missing element here?

The money that my colleague is talking about spending comes out of Social Security. And yet they say they do not want to spend it.

Of course, now the gentleman from Missouri (Mr. GEPHARDT) says go ahead and spend it. Joe Lockhart, the AL GORE spokesperson and administration spokesperson, says go ahead and spend it. And AL GORE's own budget, which he is tooting around the country talking about, spends lots of Social Security money.

I think that is maybe where the hope is that, perhaps because of the presidential year, the Vice President will come to his senses. But the reality is Al Gore is very much in favor of us spending Social Security money. We have got to put a stop to this.

I do not know, I guess this is maybe being an alpha male, you raid your grandmother's trust fund so you can go around telling your friends, I wear opaque shirts, or whatever the color is that alpha males are supposed to wear. I do not keep up with these kind of subliminal things outside the Beltway.

But the reality is, here is a guy running for President who wants to spend Social Security money and is fighting our budget because our budget does not spend enough money.

What we are saying to the Vice President is, hey, look, all we are saying is take a penny out of the dollar. That is all you got to do is take one cent and then you do not have to spend any of the money out of Social Security. Cut out some of the waste.

My colleague talked about Secretary Babbitt saying there was no waste in the Department of Interior, and you may have already mentioned this about the $30 million duck-breeding island in Hawaii. The Department of Interior has bought a $30 million island for ducks to breed on in Hawaii.

I was a honeymooning duck, I might want to go to Hawaii myself if I could fly over there. But the problem is only 10 ducks took them up on the offer.

□ 2115

So now at a cost of $3 million per duck, we have got an island. As the majority leader says, that is a lot of quackery.

Mr. SESSIONS. The gentleman from Georgia is suggesting that the money that has been appropriated is more than what the President asked for in this bill that he vetoed. We have wisely provided it for not only the National Institutes of Health but $88 million more for education, and yet the President and the administration refuses to find one penny of taking out waste, fraud and abuse which we know is rampant, and the administration is even unwilling to look at the $30 million. Yet I know at Glacier National Park this year, the administration put a million-dollar toilet that took 800 trips from a helicopter to place this outhouse at 7,000 feet. It is incredible. One would think that they could utilize some common sense just like what is done at my table, I am sure at your tables, where you have to make decisions just on one penny out of a dollar.

Mr. HAYWORTH. It is amazing the efforts which the left will employ to avoid common sense savings. I was especially surprised and sadly disheartened at the comments of my fellow Arizonan the Secretary of Interior, our one-time governor Mr. Babbitt to now say that there is no waste in that department. I would simply refer the Secretary to a finding made just a few years ago, in my first term in the Congress of the United States when I was privileged to serve on the Committee on Resources and we had the Interior Department's accountant, in Washington, we give accountants fancy names, the Inspector General was there, that is the accountant who takes care of all the books, conducts the audit, and sitting alongside him at that point in time was the director of the National Park Service. The accountant, the Inspector General for the Interior Department, reported to our committee that for that fiscal year, the National Park Service could not account for over $70 million in funds authorized and appropriated to be spent by the National Park Service. They could not account for it.

Mr. Speaker, we have the crown jewels of the Park Service in Arizona, the Grand Canyon, Canyon de Chelly, a variety of amazing sites of natural splendor. We depend on the Park Service to be good stewards of those national treasures. But is it too much to ask the Park Service and other Washington bureaucrats here to also be good stewards of the treasure of the American people, the tax money they send here year in and year out? And so, Mr. Speaker, I would invite my fellow Arizonan to take a very close look, mindful of that report of a few years ago. Certainly there is savings of one cent on every dollar spent, because I know a whole lot of Arizonans who sit down every Sunday with their newspaper and start to clip coupons, because they need to save 50 cents on a box of cereal. This is something that is not foreign. This is something that we do not need any highfalutin economics for. It is just common sense. We can do better.

I yield to my friend from Georgia.

Mr. KINGSTON. The gentleman from Arizona holds up the penny. I have got a dollar here. All we are saying is find a penny. You know about clipping that 50 cents off on the Special-K or the corn flakes made by Kellogg's versus buying the house brand which always is cheaper but not always up to the taste quality. It is not just a matter of having to do it, it is also a matter of wanting to do it, because it is stupid not to. That is the way Americans buy things. We are a country of hardworking, middle-class people. If we can buy gas for $1.12 a gallon, we are going to drive two blocks past the $1.15 a gallon station because we can save the three cents per gallon. If we can buy our clothes cheaper when they are on sale, we are going to wait until the suits go on sale before we buy one. If we go to a restaurant, and I know the gentlemen here are both fathers. When was the last time you bought steak? You always are buying chicken and the first thing your eyes go to in the restaurant is the right side of the menu where the prices are, and then you work your way back to what the food items are you can buy for that price. For the people who have to decide between buying a new piece of furniture or a new dress or probably not buying either because the dryer breaks or you need a new set of tires on your car, or if you are a runner, buying jogging shoes when they are discontinued because they have been marked down 50 percent, if you go to Wal-Mart every Saturday or Sunday to buy anything from shampoo to cleaning fluid for your car or anything else, this is what we are saying, this is all we are talking about, finding that one penny on the dollar.

All over America, it is easy to do, from Maine to Miami to San Francisco. But somehow in this little 50-mile radius of an area of Washington, D.C., and not even that, really just maybe about a five-mile radius in the inner city here of government, it is impossible.

Mr. SESSIONS. We are talking about the things that happen back home. We are talking about decisions that families have to make. Sometimes you sacrifice, perhaps for a child. Sometimes you might sacrifice for a parent. But I would like to give some examples about how Washington, D.C. can make some tough decisions. It started with taking control of the House of Representatives that Republicans did in 1995. I would like to give some information about that.

Since 1995, the legislative branch funding has produced a savings of $1.2 billion below the trend line. In other words, if you had put the trend line of where it was headed from 30 years' worth of Democrat control, we have now reduced that $1.2 billion. This year, for the year 2000, legislative appropriations is $124 million below the current year. That is a 4.8 percent reduction. That means from 1999 to year 2000, the legislative branch, which is run by Republicans, has reduced their budget 4.8 percent. The legislative branch has downsized by 4,380 employees since 1995. That is a 16 percent reduction. We have cut the number of printed daily congressional books by 8,200 copies. We have cut the number of House committee staffs by one-third. We have privatized the House barber shop and beauty shops and custodial care and the parking lot and transferred the House post office to the U.S. Postal Service. We have done things that made sense in Washington, D.C. But those were things that were underneath our own control. That was because we were able to make the hard decisions. That is what we are doing now. That is why Members of Congress, at least Republicans, said we believe that it is so important not to spend Social Security that Members of Congress should take a 1 percent cut in pay next year. Lo and behold, what happens? It gets to the President, wholly unacceptable. So the things that take place every single day back home, somehow is just not acceptable, will not cut it up here.

Mr. KINGSTON. If the gentleman will yield, we are all about the same age, born in the 1950s, raised in the 1960s. Just describing my home, and I know the gentleman from Texas, he may not know this, but I was actually born in Brazos County, Texas, and the gentleman from Arizona and I found out today we have cotton and a lot of other crops in common, and the folks back home live in a world totally different from the spending other people's money philosophy of Washington, D.C.

I was raised in Athens, Georgia, on Plum Nelly Road, plumb out of the city and nelly in the county. In that house, 215 Plum Nelly Road, Ann and Al Kingston did not let children leave the room with the light on. If you left the light on, dad would let you know you were wasting money. We did not pay the power company extra money by leaving a light on in an unoccupied room. If you left the water on when you were brushing your teeth, not after you finished brushing but during the act of brushing your teeth, you were also called to the mat for a little dialogue, and sometimes that dialogue was not always verbal.

Now, you washed your own car. My little sister Jean who had two older sisters, she did not know there were such things as new clothes until she got to be a teenager and was on a clothing allowance. She wore hand-me-downs. That is just the way we were raised. I will never forget walking to the Beachwood Shopping Center from my house with Jimbo Ray, we would pick up Coca-Cola bottles on the way because they were 2 and 3 cent return bottles. We were frugal but it was not because we were poor, it was just that was the culture. You did not waste money. That is the way people did in Arizona and Texas and California and all over. And somehow they come to Washington and forget that whole value system. It is bizarre. Because I know lots of good people in government, Democrats and Republicans.

Yet one of the absurd things, the Pentagon lost two $850,000 tugboats. They lost one $1 million missile launcher. Now, I ask my colleagues, has anybody seen the missile launcher? Who has got it? Come on, fess up. Somebody has got to have it. It just goes on and on and on. A contractor for the Pentagon paid $714 for an electric bell that was only worth $46. It is absurd. We pay $8.5 million to 26,000 dead people for food stamps. Hey, why do we not start paying the money to live people, and we might have less of a need for health care if we start feeding live people. But can you imagine $8.5 million worth of food stamps to dead people? It is unbelievable. And it only happens in Washington, D.C. It does not happen in large businesses, it does not happen in small businesses, it does not happen in Georgia, it does not happen in Arizona, it does not happen in Texas, it does not happen with my family, with your family, with my neighbor's family down the street and turn the corner and go up one, it does not happen in that household, but here in Washington, D.C., it is the rule and not the exception.

Mr. SESSIONS. We were talking about Bruce Babbitt, saying that there was not a penny that he could find in his department. Yet we go back just 4 months to August 11, 1999, and here is the headline out of the Washington Times. Junkets Found in Wildlife Service. Trips to Brazil and Japan to promote a logo cost $26,000. This is very similar to the number of people that this President takes when he travels around the world. We are not saying you cannot travel. We are saying reduce what you are doing. This is $26,000. Here is what it says:

A U.S. Fish and Wildlife Service's employee spent $17,600 to travel from Brazil and Japan, including two junkets to promote the use of the sport fish logo, according to documents found by the Washington Times.

What we found out is that a gentleman made four trips to Rio de Janeiro and Sao Paulo, Brazil in 13 months at a cost of $9,084, according to the travel vouchers. And the director of the institute where they went said there is absolutely no reasonable justification for using the money to travel to these places. Here is what he said. His voucher stated that it was for the purpose of encouraging these manufacturers that he was going to meet with to use the sport fish logo on sport fishing equipment imported into the United States. In other words, he spent $26,000 to travel outside the country so that we could provide information so that our consumers in this country would want to see that sport fish logo. And yet the Secretary says he cannot find a penny.

What really happened here after the Government Accounting Office did this investigation? Mr. Gordon said his organization requested vouchers from other employees after receiving information from agency workers of financial irregularities. "This doesn't surprise me. I find that this is consistent with what we found in our organization." The GAO finds this every single day. Yet the administration refuses to find just one penny on their own and take action about it.

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Mr. HAYWORTH. I would say to my friend from Texas, I am indebted to him for pointing this out, and for my colleague from Georgia, who I think used a term that is all too revealing about the mind set of Washington and the wasteful spending therein and what transpires. The phrase is "other people's money."

Some folks in this town come to view the Federal Treasury as one big piece of pie, or, perhaps more appropriately, as the ultimate lottery winnings of all times, equating with trillions of dollars, rather than realizing this money belongs to the American people we are entrusted with.

While my friends talk about the accountability, we are also indebted to our colleague the gentleman from Michigan (Mr. HOEKSTRA), who serves on the Committee on Education and the Work Force, who has gone back and done some checking, because our good friend, the former Governor of South Carolina, the Secretary of Education, Mr. Riley, has also said that there can be no reductions.

Mr. Speaker, our colleague the gentleman from Michigan (Mr. HOEKSTRA) points out that the Education Department cannot account for $120 billion of taxpayer money. Today, more than 7 months after the March audit deadline, the Department of Education still cannot produce the required paperwork to allow their financial works to be audited by the GAO. In other words, they cannot even supply the information, and they cannot use the excuse that the dog ate the homework.

The Department of Education is the only Federal department that has not been audited for fiscal year 1998. The Department of Education is responsible for distributing $120 billion a year in education spending, $35 billion in appropriated funds and approximately an $85 billion loan portfolio. Unfortunately, they do not know where the money is going.

Mr. Speaker, is it too much to ask for accountability? Is it too much to say based on the fact that the figures are incomplete, that apparently our friends in the Department of Education do not know where the funds are going, could they not at least take the modest step of trying to find one penny in savings out of these $120 billion?

I see we are joined by our colleague from South Carolina, who has helped to make a difference from the low country, who must hear with interest the comments of the former Governor of South Carolina, the current Secretary of Education, about this topic, the out and out refusal of the administration to join with us to find savings of one penny on every dollar. I yield to my friend.

Mr. SANFORD. Mr. Speaker, I thank my colleague for doing so. I was sitting in my office catching up on paperwork and saw you over here and heard what you are talking about, which is this notion is it or is it not impossible to cut one cent out of every dollar spent in Washington? And the answer is a resounding yes based on what I hear from folks back home in South Carolina, and the answer is a resounding yes, in that if we are ever going to get serious about limiting the size of government, about limiting its growth, you have to establish precedent with this idea of a penny on the dollar. I think it is a great idea, and it is something that has got to happen.

One of the things that I think is interesting was I am on the Committee on International Relations, and I remember looking at a GAO report that talked about surplus properties within the inventory of State Department. As you know, we have got embassies around the globe.

Well, they had a surplus list of properties, and I remember in looking at this list, for instance, the State Department had a $90 million residence in Japan that was surplus. In Buenos Aires, the ambassador's residence down there is a $20 million home. You look at this, the State Department just got through selling the residence in Bermuda for I think it was $12 million or $14 million. You look at the amount of money that is out there, and, again, this was a GAO report that said you guys have too much in inventory, you might want to consider a little bit simpler accommodation. A $90 million residence in Tokyo is probably a bit much. It is not necessary to have that to do the job that has to be done.

So, one, there is a lot of fluff in the system, based on the inventory according to the Government Accounting Office.

The second thing that is interesting is this week we had a hearing on our policy with North Korea, and there is a new Government Accounting Office study that shows that over $365 million has been spent by the American taxpayer in food aid to North Korea. Never mind the fact that North Korea is testing missiles over Japan and basically disrupting the neighborhood, but you look at $365 million in food aid, the whole point of the GAO study was they could not quantify where the food was going.

So you have somebody that has declared themselves an enemy of the United States taxpayer, who at the same time is getting over $300 million worth of food aid that the Government Accounting Office says we cannot account for. We do not know if it is going to feed the army or if it is going to feed starving people in Northern Korea.

Mr. SESSIONS. If the gentleman would yield, what we are talking about tonight is waste, fraud and abuse. We are challenging the President to find a way within this administration to find one penny's worth of saving, without spending Social Security, and balancing the budget, and that is what we are asking the President to do.

I would like to go back and give a history of what 30 years of Congressional overspending does. What it does is very clearly seen on this chart. For those of you who might be a few feet away, the lower part here is deficits. This is spending too much money. This part that is on the right is the surplus.

For 30 years, from 1970, when we first put a man on the moon was when we began ending surpluses in this government. For 30 years we have run deficits, and, for the first time, now, we have had 3 years worth of surpluses.

But we Republicans recognize that we should not with a straight face say that the work is done, because we recognize that what has happened is we are operating under rules that even today allow Social Security to be raided and to be used for regular government spending.

Since 1984, $638 billion that was given by people for their retirement, taken by this government, has been spent. So what we are trying to do is to say now that we are at zero in 1999. For the first time in 39 years, Republicans did not spend a penny of Social Security.

We are trying to challenge the President now to say Mr. President, let us put it in writing. Let us have an agreement that we will not spend the Social Security. We provided the President millions of dollars more in many areas as a result of us making tough decisions, but we have had to prioritize. We are going to keep challenging this President and keep showing ways, which there is plenty ways.

Mr. KINGSTON. If the gentleman will yield, I think it is important to say that this is not the President alone, this is the Vice President. Indeed, Mr. GORE's entire proposed budget spends all of the surplus that you are talking about. It goes right through the operating surplus and then goes right into the Social Security surplus. So, you know, this is not a problem that necessarily ends with the Clinton administration should the baton be passed on to the Vice President, because the vice president is very much in favor of spending the surplus.

Mr. HAYWORTH. Or, if my friend would yield, given the rather considerable elector difficulties that this Vice President is encountering, we should point out that our former colleague in the other body, former Senator Bradley, would not end this either.

Indeed, we should point out that the Washington Post, not exactly a bastion of conservative values, the Washington Post in work done in part by reporter C.C. Connelly pointed out 2 weeks ago that the campaign promises of Messrs. Bradley and GORE alone would require all of the surplus funds, including Social Security.

It boils down to a very simple choice, Mr. Speaker: If you want to empower the culture of spending and having Washington take more and more and more of your family's budget to spend on the national budget, well, the standard to follow on the left is pretty clear. It is offered unapologetically by their 2 presidential candidates. If, however, you believe the money you earn and the sacrifices that my colleague from Georgia pointed out as a common notion of light, if you believe for too long you have been asked to sacrifice so that Washington can allegedly do more, and we need to reverse that, as we have done with common sense priorities in this House, and make sure that Washington saves so your family can have more, then, Mr. Speaker, we should invite the American people to join with us to be understandably wary of the bill of goods offered by the left and to point out again the comments of the minority leader of this House, who now tends to hedge and says on national television, "Well, we ought to try to spend as little of the Social Security surplus as possible."

Again, Mr. Speaker, it is a very simple notion: A penny saved, one penny, out of every discretionary dollar spent, one penny saved, is retirement secured.

Mr. SESSIONS. Is it not interesting that as we go about telling the American public that it is their retirement, it is a savings that is for their future, and as we play this scenario out, that all of a sudden we are at zero, and now what we are trying to do is to fight the President, who says we should not spend any Social Security. He wants us to spend more and more and more. And even though this government is at $1.8 trillion, that he cannot find one penny. He will not even accept the challenge. He will not even accept the challenge to find one penny out of a dollar. And yet routinely in our family, and I am sure my colleagues, that happens every day.

It happens in small businesses. It happens all across this country, where families and small businesses and even large businesses have to do this. Exxon. Exxon is one-eighteenth the size of this government, and yet every single year they make tough decisions where they reinvigorate themselves.

I would suggest to you, and I have done this, that when I lost weight, I not only became healthier, but more efficient and things worked better. If this government looked inwardly to itself to take off the bloated fat that is in the bureaucracy, to exercise a little bit, to have to go and do something that it has never done, then I would suggest to you that we would have better employees also.

Can you imagine an employee who may have been with the government for 30 years, never being challenged to have to look for a better way to do his job or her job? Can you imagine the employees that still do have a sense of financial integrity with them, now, for the first time, being able to come to their bosses in the government and say, "I think we should accept this challenge. I think I have found a way," we called it in my company an idea forum, "a good idea. Here is what I think we can do to run ourself more efficiently and to be prepared to meet whatever our mission statement is."

For the first time, Republicans challenged the administration openly, put our paycheck on the line to take a 1 percent pay cut, challenged the government to simply find what it could to eliminate waste, fraud and abuse to find the savings, and the President, our leader, was unwilling to accept this from the get-go.

Unilaterally he said, it is not something I wanted to engage in. Bruce Babbitt, there is no waste, fraud and abuse here. Can you imagine the disappointment on the faces of Federal employees when they came to work and found out that those good ideas that they could be presenting, those good ideas maybe that they had been trying to get up the ladder for a long time, can you imagine now that they were rejected by the President?

Mr. SANFORD. You mentioned the idea again of a penny on a dollar. Again, one of the committees that I serve on is the Committee on International Relations. It was interesting, we had an amendment last year that dealt with a number of these international study organizations that we fund indirectly through the foreign aid bill.

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One of them was the Bureau for International Expositions. Another was the International Lead and Zinc Study Group. Another was the International Rubber Organization. Another was the International Vine and Wine. There are a lot of strange organizations out there that we fund. The idea that there is not a penny worth of waste in maybe some of these studies.

For that matter, we had another amendment that looked at three foundations. There are a lot of foundations around the country are privately funded. They go out there in the marketplace, they compete for funds. Yet, there are three Cold War era foundations that are still funded through the Federal government, and compete with a foundation in any one of the 435 congressional districts for funding.

So we went and said, you cannot have your cake and eat it too, except for in Washington. You cannot be funded through the Federal government and also compete in the private marketplace for research dollars.

A lot of the research topics were bizarre. I remember one of the studies was to identify the causes of premarital sex in Southeast Asia. Call me old-fashioned on this, but I think it has a lot to do with simple attraction. But anyway, there were these bizarre studies. I do not know that there would not be a penny worth of savings out there in one of these studies, much less the overall organizations that were being funded that were, again, offering the research for the studies themselves.

Mr. KINGSTON. If the gentleman will yield, Mr. Speaker, I am on the spending end on that particular Subcommittee on Foreign Operations, Export Financing, and Related Programs, with the foreign aid bill.

If we follow the Clinton travel thing, $42.8 million, taking 1,300 Federal employees to Africa, and $8.8 million to go into China, and $10.5 million to go into Chile.

Mr. SANFORD. Mr. Speaker, could the gentleman tell me the Africa number again?

Mr. KINGSTON. That was $42.8. The gentleman from Texas has a chart on what we are talking about here, just to show the absurdity of this, 1,300 employees who went.

Mr. SANFORD. To me, it would not matter whether it was Africa or whether it was Chile or whether it was Australia or Great Britain, but the notion that there is not a penny worth of savings on one of those trips is just absurd to me.

Mr. KINGSTON. Five hundred people went to China. I do not know why we need five hundred advisors. These are Federal employees, and there are also private citizens who go who allegedly pay back the money.

I called the General Accounting Office, the accountability people in Washington, and I said, how many of the private citizens paid back their money? They said, well, you would have to ask the State Department. The State Department would have to get it from the White House, and we will never find out the answer to that.

If we look at the chart here, tell me, 13 of those people could not have stayed home? That is all we are talking about, 1 percent, 13 of them have to stay home. I would say the mayor of Denver, I know Colorado is very important to our African policy, but if it is the case, why cannot the people in Colorado pay for the mayor of Denver to go on this junket?

That is not even the expensive part. When Vice President GORE and President Clinton travel, the expensive part is the promises they make. In 1993, they promised $1 billion to Russia. In 1999, they urged the International Monetary Fund to release $4.5 billion in aid to Russia, one of the most corrupt countries in the world right now, and $400 million promised to the Ukraine, and then another $5 billion through the International Monetary Fund, and $1.8 billion to close Chernobyl, another $2 billion promised in 1995 by Clinton to Poland.

He promised $260 million to South Africa. He promised them $650 million, and do they not have the largest diamond reserves in the world, and we are going to pay $650 million for infrastructure development? To Costa Rica he promised $2.2 billion to extend the Caribbean Basin initiative, which the gentleman and I both know has absolutely decimated the textile industry in the Southeast United States, basically taken all of our jobs out of South Carolina and Georgia and put them in the Caribbean. He promised $360 billion to train soldiers in Bosnia, even though we have already spent $12 billion in the Balkans. It just goes on and on and on.

When the President travels, yes, it is expensive for his entourage, but it is even more expensive to hear what he promises to people.

Mr. HAYWORTH. If I can just make the point, I thank my colleagues from Georgia and from South Carolina, and our other good friend who serves on the Committee on Appropriations, the gentleman from Oklahoma (Mr. ISTOOK) put pen to paper and started to estimate all the promises in the last 7-plus years.

Mr. Speaker, and I am glad the Speaker is seated, there are $22 billion in promises of American funds to foreign governments on the road, and Mr. Speaker, we ought to issue this travel advisory, the President again, following Veterans Day, November 11, I believe November 12, is scheduled to make another trip to Europe.

Mr. Speaker, we should ask the President to uncharacteristically restrain the price of his promises. We do not need finger wagging or redefinition of the word "is," we need old fashioned fiscal discipline. We invite the President and the administration and our friends on the left to join us in that process.

Mr. SESSIONS. Mr. Speaker, I want to thank my colleagues tonight who have joined me, the gentleman from Georgia, the gentleman from Arizona, the gentleman from South Carolina, for having what I think is a very interesting talk about a way that we can ask this president and challenge this president to save one penny.

We know what happened, today the President vetoed the bill because he wants more and more and more and more spending. He wants less accountability, and the worst part is that what it means is it would be spending our Nation's future social security.

Republicans will not allow this to happen. The gentleman from Texas (Mr. ARMEY) will not allow a bill that places social security in danger. I thank the gentlemen.

AMERICA'S EDUCATION CRISIS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, I am again here to talk about the education crisis and the failure of our elected decision-makers to respond to that crisis.

I have been asked by people, why do you continue to come back and talk about the same subject? Well, I do that because the American people have made it quite clear in poll after poll and focus group after focus group that education is their number one priority.

No matter how we approach it, and I know ABC has now a series on it, because of the fact that they have recognized and want to pay tribute to the fact that continually the American people say education and the problems related to education should receive the highest priority when it comes to government assistance and the attention of our decision-makers in the Nation.

A poll was recently taken for the State of Ohio, and it came up 90 percent of the people said education is the number one priority. No matter how we approach the problem in this democracy, the people speak with one voice, that they understand what the most important priority is.

What is amazing, what I cannot comprehend, is why in this democracy elected officials do not respond to that clearly-designated priority. How many times do the American people have to say it? How many ways do they have to say it? Well, there are some people who say we are responding to the priority, and I want to talk about that mistaken assumption.

I think that there is a lot of activity, a lot of rhetoric, related to education as a result of understanding that the general public, the overwhelming majority of the American people, want some action of great significance on education. Instead of acting, there is a lot of rhetoric. There is a lot of posturing.

I think we might call education the most trivialized priority in the history of political dialogue in this country. Education is the most trivialized priority. That is the response of a collective elected official community.

Too many of our elected officials are like the group of whales that were documented recently. There was a documentary where a group of whales were filmed beneath the ocean tossing a bloody baby seal around as sort of a game. I suppose eventually they ate the seal, but they tossed it around for a long time, and played with it. When we look at what is happening with education, the political functionaries who have the power to do something of great significance, the Governors, the mayors, the Congressmen, the White House, everybody seems to be willing to toss the bloody baby seal, instead of dealing with the problem.

Now, there are some of these whales, and whales come in many species, some whales are truly without vision. They do not understand how to deal with the problem. Some whales do not care. They understand the problem. They do not care about the public school system. Public education in America is like a baby seal bleeding and they do not care whether it bleeds to death or not. They do not care how long they play with it. They really do not intend to do anything about it.

Then there are some other whales that are too cautious, too frightened. They understand the problem but they do not dare venture out and talk about a real solution to the problem. So the bleeding baby seal keeps dying, and we keep tossing him about, but nothing is happening of great significance.

The public school system needs to be saved. We need to do it with some kind of activity comparable to the kind of activity exhibited by Thomas Jefferson when he decided he would purchase a territory which was larger than the United States at that time, it was a big, significant action; or when they decided to build the transcontinental railroad.

The transcontinental railroad was built not by private industry, as most people think, it was built by the government subsidy. The government hired private companies to do it, but the money came from the taxpayers. The initiative came from the government. The transcontinental railroad which linked the East and the West Coast was a monumental undertaking.

The Morrill Act, the Morrill Act which established land grant colleges in every State, it took Morrill a long time to get the idea across, but finally he did. That was a huge undertaking which transformed the American education system in very important ways. Especially, it gave to the agricultural industry a scientific engineering base that has made agriculture in America something that no other Nation has ever been able to get close to, agricultural production in America.

We have undertaken the Marshall Plan. The Marshall Plan was no small, trivialized step toward the rebuilding of Europe. It took billions of dollars. If we look at the Marshall Plan dollars in terms of today's dollars, it was fantastic.

Somebody could have been sitting in the corner saying, look, we cannot solve the problem of the revitalization of the European economies by throwing money at it. Let us not do it. Europe would have probably gone Communist in a few years if they had not moved in a dramatic fashion with an overwhelming amount of aid.

So we know how it is done. There is an American way of approaching the problem if we really want to solve it. But when it comes to education, we seem to think that the American public will soon get tired. There is no issue, there is no phenomenon which maintains and holds onto the attention of the American public indefinitely. There is always the hope that it will go away, that the concern will cease.

I hope not. That is why I make the trip here as often as I can to remind the voters that they are right, and the elected officials and their failure to respond places them in a situation where they are wrong. The American people are right. The American voters, they are right. Their common sense is on target. Do not give up. Do not stop demanding.

At the focus groups when they call you on the phone, keep saying, we want government to provide some significant assistance to education. We want to go on in some overwhelming way and deal with the problem, instead of playing games with it.

There are a lot of things that are happening in the area of education which we have to look at. It is such a complex problem until, like the blind men feeling the elephant, you can get a part of it and tell the truth. If you feel the trunk, you may describe the elephant one way. If you feel the tail, you describe him another way.

It is a complex problem, education. I do not want to belittle any aspect of the problem. They all deserve attention. We have to deal with reading, we have to deal with science laboratories, we have to deal with libraries, we have to deal with certification of teachers, we have to deal with standards, testing, and most of all we need to deal with what I call the opportunities to learn.

We have had some great strides in the establishment of new curriculum standards. We have had some great strides in the area of testing. It is the area of opportunities to learn which seems to be the area where we lose vision, and that is the most important area of all.

The opportunity to learn involves what are you going to do. The question is, what are you going to do to make certain that the students in the schools have what they need to deal with the curriculum that we have established and to be able to pass the tests that we are establishing.

I have served on the Committee on Education and Labor, and what is called now the Committee on Education and the Workforce. I have served on that for the entire time I have been in Congress.

On the occasion of the reauthorization of the Elementary and Secondary Education Assistance Act 5 years ago we had a great debate about this whole matter of establishing curriculum standards and establishing testing standards.

□ 2200

We were, in the case of a group of Democrats on the committee, afraid that if you established curriculum standards that are national, although States have the freedom to deal with their own standards but they do not have to be dragged into it, but if you established models that are replicated State by State and then you established the testing standards and that became some national testing standards that were going to be used all over the country, if you did all of that, there is a danger that you could ruin the lives of youngsters by having these high-stakes tests circulating all over and determining who gets pigeon holed for the time that they are in school and college or for determining their ability to get a job.

There were a number of reasons why we were afraid of testing, but those of us who were afraid of a national testing policy to accompany a national set of curriculum standards agreed that we would accept national testing standards and national curriculum standards if you also had a national opportunity to learn standards. Opportunity to learn standards was the third set of standards. We called it a troika for education reform. And after many weeks of debate, finally we got that passed into the legislation. It was added to the legislation. Of course, Democrats were in control of the House at the time. We had the majority and we were able to prevail, and the opportunities to learn standards are included with the curriculum standards and the testing standards.

The problem now is that our schools are not going forward. We are not getting results, because we have eliminated a part of the troika. Actually, in a back-room deal, the Committee on Appropriations which had no authority to do it but all parties agreed, the administration agreed, both parties agreed, they took out the opportunity to learn standards, and we are zooming forward with the curriculum standards and with the testing standards.

Every State, every local education agency is now dealing with ways to tell the students that you have to measure up to certain standards. The curriculum is going to be tougher, but what the States and local education agencies are not willing to deal with is we are also going to provide you with the opportunities to learn; that what you need, we are going to provide you with whatever you need in order to be able to measure up to these standards; pass the tests. We are going to provide you with decent buildings, decent libraries. We are going to provide you with laboratories. We are going to provide you with necessary books. We are going to provide you with teachers who are able to teach what they are assigned to teach in the classrooms, certified, competent teachers. Those are the things we backed away from.

In New York, you have a new set of tests. All students have to pass certain regents tests. Otherwise, they do not get any type of paper. There was a time when you get what you call a general diploma which said you were sitting in the seats when you were in high school and you attended, you met certain minimal standards, so here is a general high school diploma. That is being eliminated. You have to pass certain tests.

I have no problem with the tests. I have no problem with the curriculum standards, if only we can add some opportunity to learn standards. We do not want children who have to sit in classrooms that are still threatened with asbestos. We do not want children to have to sit in classrooms that have the pollution from coal-burning furnaces. We do not want children who have to sit in overcrowded classrooms where there are too many in there.

We do not want children who have to eat lunch at 10:00 in the morning because the school has twice as many students as it was built for. In order to cycle them through the lunchroom, you have to have three different lunch periods or four different lunch periods. The first lunch period has to begin at 10:00. The last one ends at 1:30 or 2:00. So the children who eat last are very hungry excessively and the children who eat first are being force fed after they have already had breakfast.

We do not want these atrocities to go on. You have to deal with opportunities to learn by guaranteeing the right kinds of facilities and the right kinds of materials and conditions. If you take New York as a case study, and I think that whenever I talk about New York I later on get comments that are e-mailed or faxed or come over the telephone where people indicate that it is not unique to New York.

You have got similar problems in many other places. There are other places where children have to eat lunch at 10:00 in the morning, I found out. There are numerous places where the overcrowding has reached a point where it is almost impossible to conduct classes. Even after the trailers are added and the kids have to walk through the snow to get to the restroom from the trailers, or even after you add trailers in order to bring down the class size, the conditions still continue to be detrimental to learning. It is not just New York. It is not just big cities. The reason we keep getting the polls which show that the American people want education to be treated seriously, as a high priority item from all over the country, is because the situation does exist in most parts of the country; but New York is a good case study.

Whatever I discuss with respect to New York is applicable elsewhere in the country. I got a letter from some people who were working very hard in New York about some of the comments that I have made previously. In essence, a very respected retired judge, Thomas Russell Jones, who is a retired judge who works very hard to try to improve education, he is the president of an organization that he and his wife established called the Children's Times. The Children's Times continues to work away at the problems.

To carry my analogy of the ocean a little further, they are not whales tossing a bloody baby seal. They are people who desperately at the bottom of the sea are searching for pearls, polishing those pearls and trying to in every small way do something significant to help improve education. I applaud all of the efforts, no matter how small they are, to try to come to grips with problems related to our educational system.

I don't mean to say that those people are not serious. I am talking about public officials with power, Members of Congress, governors, mayors, people with power are the whales who are playing with the bloody seal.

We can do far more, and I suppose what Judge Jones was saying to me is that he would like to see me stop talking so much and do more. I agree with the judge's comments in the letter he wrote.

He says of my October speech, he criticizes me for not proposing any real solutions. He must not have listened to the very end because I always propose solutions. The solutions that I propose are not small ones, however. They are not nickel and dime solutions. They are solutions that are worthy of government action, certainly Federal Government action, but I will just quote a little from Judge Jones' letter.

> DEAR CONGRESSMAN OWENS, your October 12 speech to the House of Representatives as the designee of the Democratic minority informs the American people about a number of problems with education. You inform us that 81 percent of the American people favor placing computers in the classrooms of all public schools. You inform us that students in our country are going to have to seek jobs in a world where if one cannot use computers and use them effectively there is little hope for them to make a decent living. You have said that, quote, "black parents do not have any faith left in the public school system. They have given up hope." The Children's Times' directors agree with your findings and conclusions. We congratulate you for focusing attention on the findings of the Washington Post poll released on September 5, 1999, which reports that the American people place the immediate improvement of public schools at the top of their agenda year after year. Your statement, however, does not present any concrete, practical proposals to guarantee a modern education to 1.1 million children who attend public schools in New York City. The Children's Times petitions you to address the critical deficiencies in the elementary schools of New York City with respect of computer equipment in the classrooms and the effective closing of libraries in all public schools. I respectively request that you publicly endorse the statement of United States Senator Edward Kennedy of Massachusetts delivered to the U.S. Senate on July 29, where he reported that the teacher shortage has forced many school districts to hire uncertified teachers or ask certified teachers to teach outside their area of expertise. Each year more than 50,000 underprepared teachers enter the classrooms. One in four new teachers do not meet standard certification requirements. Twelve percent of new teachers have had no teacher training. Students in inner city schools have only a 50 percent chance of being taught by a qualified science or math teacher.

I agree with all of these observations by Judge Jones and his son David Jones, who as the head of the Community Service Society some years ago was responsible for a survey which showed that in two-thirds of the schools in the city, those schools that were serving Hispanic and African American children, practically all the teachers who were teaching science and math had not majored in math and science in college.

So, Judge Jones, you have laid out several different aspects of the problem. I will not belittle any of them. Everything that you point out is correct. I applaud the Children's Times for staying on the case, but listen carefully. I do propose solutions. I propose solutions at all levels. On several previous occasions I said that New York City had part of the solution to the problem in its hands. New York City had a $2 billion surplus last year. Their budget had $2 billion left over after they met all city obligations, and the city could have moved to begin to deal with some of these problems without Federal assistance.

New York State had a $2 billion surplus last year and New York State not only did not do anything about the problem, when the State assembly and the State Senate finally reached agreement that they would appropriate $500 million of that $2 billion for school repairs, the governor of the State vetoed that part of the budget. He would not use $500 million out of the $2 billion for school repairs all across the State.

So these problems deserve attention, and I am a Member of Congress and am here to represent my constituency at the Federal level. The Federal Government must lead the way because that is where most of the money is.

All taxes are local. All the money in Washington came from the local level, and we should not flinch or hesitate to send some of that money back to deal with basic problems like the public school system.

I also received a letter from Mrs. Jones, Bertha Jones, Judge Jones's wife, who is a secretary of the Children's Times, at a later date, and she is talking about our libraries. The Children's Times Associates has launched a campaign to reestablish functioning libraries in the elementary schools of the City of New York.

The facts, the New York State Department of Education Division of Library Development, the State agency which supervises public school libraries throughout the State, informed the Children's Times Associates by a written memorandum dated August 23, 1999, that 550 elementary schools out of a total of 672 schools report a shortage of 550 certified librarians.

The memorandum adds that many public school libraries are presently staffed by teachers who have no library or technological training, or by paraprofessionals who lack expertise of any kind. I would not say para-professionals lack expertise of any kind, but certainly they are not qualified to run school libraries.

The United States Department of Education statistics reported recently that the New York City School System has hired fewer than one library media specialist for every 1,042 students. Library media specialists are trained to provide local media and telecommunications materials and access to experts whose advice and instructions teach children how to prepare classwork and homework on their own.

The Children's Times Associates predict that if children do not learn to read and do basic arithmetic by the fourth grade, they will be playing a losing game of catch-up for the rest of their academic lives, which may not be very long.

When libraries are reestablished in all elementary schools in New York City, under the supervision of library media specialists, in compliance with the New York State education law and the commissioner's regulations, 533,695 students will have access to the instructions and technology they need to work for their livelihoods as adults in 2000 and beyond, and that is signed by Bertha Jones, the secretary of the Children's Times Associates.

□ 2215

Again, as a former public librarian, my profession is library science, I have a master's degree in library science, I wholeheartedly agree that this is a very devastating report of a blind spot in the public school system.

Libraries have always had to fight to exist in elementary schools. It looks as if we are losing that battle in New York City. Nothing is more important than what goes on with respect to libraries and the processes that children learn there about how to learn on their own, how to use the great fountain of knowledge that exists to take care of their own needs and to facilitate ways to educate themselves. Nothing is more important than encouraging youngsters also to do as much reading as possible.

I wholeheartedly agree with Mrs. Jones. I talk a lot about computers. I talk a lot about the need to bring our students to the level where they can run a cyber civilization, where they can deal with the fact that the world is now being more and more digitalized. It is not computer literacy, it is computer competence. The ability to work with imagination dealing with computers and web sites and the whole telecommunications revolution requires very well educated people. I have talked a great deal about that.

But do not misunderstand me. I know that begins with reading. Nobody learns how to deal with the information technology if they do not know how to read, if they do not know basic arithmetic. It all begins with the basics, and I do not want to ever appear to have down played that.

In response to the Children's Times Crusade to provide libraries for the schools in New York City, let me say that I have joined with my colleague in the Senate, JACK REED, and Senator JACK REED was a member of the Committee on Education and the Workforce when we passed the last Elementary and Secondary Assistance Act, and we placed in that act the opportunity to learn standards.

So he knows very well that one of the things we have to do if we are going to improve education in America is to go beyond curriculum standards, go beyond national testing, and deal with providing opportunities to learn.

So Senator REED has already introduced a bill, and I have introduced the same bill, companion piece October 4, a few weeks ago, which provides for amending the Elementary and Secondary Education Act of 1965, to provide up-to-date school library media resources and well-trained professionally certified school library specialists for elementary schools and secondary schools and for other purposes. This bill's number is H.R. 3008, H.R. 3008 in the House. The companion Senate bill is S. 1262. Now, I have just recently put out a Dear Colleague letter asking all of my colleagues to join me on this particular piece of legislation.

Going beyond the statistics which Mrs. Jones cited for New York City, let us talk about the whole country. Looking at libraries in the whole country, we are talking about almost one-third of the U.S. public schools lack a full-time school library media specialist.

The national average is one library media specialist to every 591 students in American elementary and secondary schools. The ratio of students to school library media specialists varies widely from one school library specialist for every 287 public school students in Montana to one library media specialist for every 942 public school students in California.

A 12-State U.S. study found that funding for school library materials annually vary from $15 to $58,874 for elementary school libraries and $155 to $100,810 for secondary school libraries. In other words, the funding for some elementary school libraries as low as $15. For others, for some high school libraries as low as $155, this funding for school library materials. But in some schools, it was as high as $58,874 in some elementary schools and as high as $100,810 in some secondary schools.

So the disparity is obviously there. It is one of the problems which the Federal role in education has always sought to address, the great disparity between the richest districts and the poorest districts.

Reading further in terms of the findings that make this school library bill important, the median per pupil expenditure by school library media centers in America in the 1995–1996 school year was $6.73 for elementary schools. The per pupil expenditure, the median was $6.73 for elementary schools, that is all, and $7.30 for middle schools, $6.25 for senior high schools. In a Nation which is enjoying unprecedented prosperity, we can do better.

Mr. Speaker, I will not read further from this Dear Colleague letter, but I include for the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 3, 1999.

DEAR COLLEAGUE: Almost one-third of U.S. public schools lack a full-time school library media specialist. The national average is one library media specialist to every 591 students in American elementary and secondary schools.

The ratio of students to school library media specialists varies widely: from one school library specialist for every 287 public school students in Montana to one library media specialist for every 942 public school students in California.

A 12-state U.S. study found that funding for school library materials annually varied from $15 to $58,874 for elementary school libraries and $155 to $100,810 for secondary school libraries.

The median per pupil expenditure by school library media centers in America in the 1995–1996 school year was $6.73 for elementary schools, $7.30 for middle schools, and $6.27 for senior high schools.

School libraries have become the heart of the learning experience for students being prepared to enter the Twenty-First Century, the age of almost unlimited information access available at a touch. But many of those children will not be ready for the demands of the third millennium if something is not done to make access to that information equally available to every student in America. As the numbers above show, there is a lot to be done to make that a reality.

That is why I have introduced a bill that will provide the technology and the expertise to all elementary and secondary public schools across the country. H.R. 3008, The Elementary and Secondary School Library Media Resources, Training, and Advanced Technology Assistance Act, which is a companion bill to S. 1262 introduced by Senator Jack Reed, will provide funding for media resources for elementary and secondary school libraries as well as well-trained, certified library specialists for students. Through the establishment of the School Library Access Program, these resources will be available to students during regular school hours, during after-school hours in the evenings, on weekends, and during school breaks. Schools with the greatest need will receive priority funding consideration, as will local educational agencies with a high level of community support, coordinated services, and non-school hour activities for students.

The bill has been endorsed by the American Library Association and retired New York State Supreme Court Justice Thomas Russell Jones, now Chair of the Advisory Committee for CHILDREN'S TIMES Associates.

If the quality of America's future leaders is as important to you as it is to me, please join me in being a cosponsor of the Elementary and Secondary School Library Media Resources, Training, and Advanced Technology Assistance Act. Together, we can help to shape an even stronger, more vibrant nation and maintain America's cutting leadership in the field of information technology. Please contact Beverly Gallimore in my office by Monday, November 15, at 5–6231 to be a cosponsor.

Sincerely yours,

MAJOR R. OWENS,
Member of Congress.

Mr. Speaker, again, I want to congratulate the Children's Times and what they are doing in New York City. As I have just illustrated, the problem is not a New York City problem only. The case history of New York City is relevant for numerous local school districts across the country. New York State is a good case study, though, in many ways. We are having a problem that many other States have faced. We have a problem. We are attacking that problem in a new way. Many other States have done the same thing.

The political situation is such that the whales who play with the baby seals do not play with all the seals in the same way. The whales provide to let some seals go free while others bleed and die. In numerous States, one has drastic unevenness between the funding for certain schools. Some States like New York, the difference may be between $17,000 or $18,000 per pupil funding compared to they say $8,000 in New York City. But in New York City, there are 32 school districts. Within the city, the funding for some school districts is as low as $3,000 per pupil, which means that some districts in the city are getting far more than they should be receiving.

When one averages it all out, it is going to be $8,000 to $9,000 per pupil. That is another problem I am going to deal with in a minute. But in numerous States, rural schools and big city schools face the same problem of not being funded equally with State aid.

In New York City, the problem has been a serious one for a long time. They have many devices that result in some parts of the State getting greater aid per pupil than others. One of the archaic and most devastating devices is the hold-harmless formula where no school district gets less money one year than it got way back 20 years ago.

Each year, the hold-harmless formula says that, no matter what happens, you do not get less. That means that, if the school district gets a reduction in the number of pupil they are going to be receiving as the district, the same amount of money they received when the pupils were much higher, the amount per pupil will go for that reason.

There are many other devices used to produce a result where New York City per-pupil expenditure is about between $450 to $500 less than the per-pupil expenditure average in the rest of the State.

A group called the Campaign for Fiscal Equity has brought a new court suit. We have had a few suits over the last 30, 40 years where court actions, litigation has attempted to try to correct this problem of unequal funding throughout the State.

The new one has been launched by the Campaign for Fiscal Equity. I want to congratulate the Campaign for Fiscal Equity. They are doing something about the problem. The trouble is that what they are doing, as noble and as necessary as it may be, it is still dealing with how are we going to, in a fairer way, divide up the pie that exists already.

I say the pie that exists already is grossly inadequate. We must address both problems, how to divide it up so that you do have equitable funding. But the biggest problem at this point is also how do we use the resources of this Nation in a more creative way, in a more generous way to deal with the problem of funding for schools.

Campaign for Fiscal Equity is suing the State. The trial is under way now in Federal court. In the past, these battles have been fought out in State court because the State has primary responsibility for education in New York State, as is the case in most States.

But the campaign for Fiscal Equity is arguing on the basis of a violation of civil rights, unequal protection under the law. This is going to be a landmark case.

What they are also using now that they did not have before is a definition of what an adequate education is. The State has always in the past argued that, even though one school district may get far more money from the State than another get per pupil, the State is only responsible for doing an adequate job; and that the student receiving the lower amount of money is still getting enough money to provide an adequate education.

How does one define adequate education? Well, prompted by the Federal Government, prompted by our legislation, Elementary and Secondary Education Act, the States have moved to define adequate education. They have established standards. Now we can hold the State to its own standards.

The State of New York has established some curriculum standards. The State of New York has established testing standards. They have said no student in this State will receive a high school diploma unless they measure up to certain standards. They must pass the test to a certain level. So we have a way to measure what is an adequate education.

The next question is: If this is your definition of an adequate education, what does one need, what kinds of materials, what kinds of facilities, what kinds of teachers do you need in order to meet that standard, in order to provide that adequate education.

You cannot play with it anymore. If you are saying that every student has to pass a math test at a certain level, you cannot continue to provide uncertified math teachers in junior high school and high school who did not major in math. Nobody, no matter how smart they are, is going to be able to adequately teach math in junior high school and high school if they did not really major in math in college.

You cannot pretend you are doing that if you are saying that every student, before they get any kind of diploma must meet certain math standards. You provide the teachers who can produce that.

You cannot say that, if you say that every student must meet certain science standards, display certain kinds of knowledge with respect to science, if you do not provide any laboratories in the high schools, if you do not provide adequate laboratories in the high school to deal with what you are going to have on your test.

As I said before, great strides are being made in the establishment of curriculum standards. Great strides are being made, and a lot of this is being driven by elected officials, politicians in testing. We want to hold everybody accountable. I am sorry not everybody. We want to hold students accountable. We do not want to hold the school system accountable. We do not want to hold the State accountable for funding. We do not want to hold the city accountable and say that you should not have neglected to spend some part of your $2 billion surplus on education. We want to hold students accountable. Everybody is focusing on the student and dumping the load, the burden of changing the education standards and system on the students.

New York City recently, and this is an article that appeared in the New York Times yesterday, New York's new curriculum guides set up standards grade by grade. In an effort to help parents hold schools accountable for what children learn or do not learn, the New York City school systems has produced a series of guides to what every child should know from kindergarten through 12th grade. Wonderful.

The guides being distributed to teachers and parents beginning today decree that a fifth grader multiply with speed and accuracy, understand exponents, write a report using three sources of information, and know how to punctuate with quotation marks, commas, and colons.

□ 2230

"A kindergartner should be able to count to 10 and tell a story using letters, drawings, scribbles, and gestures."

I do not know enough to know whether those are reasonable standards or not, but I applaud some kinds of standards.

The school's chancellor, Rudy Crew, said yesterday that the new guides are intended to be so clear and so simple that all parents can understand these guidelines and became partners in their children's education. He said that they would give parents the tools to hold schools responsible for what their children learn and whether they learn it.

Dr. Crew said the pamphlets, one for every grade, are intended to at least implicitly establish a common curriculum. Although he talked about ensuring that children throughout the city are learning the same thing every day, every week, every month, he cannot ensure that; but the guides do set goals like "write daily for extended periods," but not specific content. They do not list books that all children in one grade should read or math problems that they all do. But for the first time there is a consistent framework of student achievement across the whole system regardless of the borough, the district or the classroom, Dr. Crew said.

"In the last few years," again New York is not alone, and I am reading from a New York Times article which appeared yesterday, November 2. "In the last few years, many states, including California, New York, and Virginia, have tried to take a stronger hand in dictating curriculum after years of giving schools and districts control. Indeed, Dr. Crew, at a news conference at the Board of Education Headquarters in Brooklyn, said that New York City is actually entering the game rather late, a decade after the movement to tie the curriculum and standards together actually began in California and other states.

"The project was also clearly intended to fend off lawsuits, one has already been filed, challenging Dr. Crew's plan to end the automatic promotion of failing students. In New York, Florida, and other states parents have argued that it is unfair and even illegal to hold back children if they have not been clearly told what is expected of them and if the curriculum does not reflect the standards.

"In June, thousands of children in New York City were held back based on test scores alone, setting off a lawsuit by some parents who contended that other factors like attendance and classroom work should be considered. Until now, Dr. Crew said yesterday, curriculum was set by a combination of state and city standards, which he criticized as too vague, as well as standards of the textbook publishers.

"Because this is the first year of our new promotional policy, it is very, very important that parents understand what is acceptable grade level work said Judith Rizzo for instruction."

And on and on it goes.

Everybody is in harmony with establishment of these standards. The questions that are not being considered in this article are, what are we going to do to make certain that you have the teachers, the materials, the libraries, the science laboratories which allow the children to measure up to these standards?

Diane Ravitch, an old colleague of ours here in Washington, has certainly pinpointed one the problems. Diane Ravitch, in this same article, says, "the new goals would only be effective if teachers were trained to use them and tests were designed to measure them.

"The board released guides covering English and math in kindergarten through grade 8 yesterday and will add grades 9 through 12 shortly, the officials said. It also plans to issue social studies and science guides. The officials said the guides will be sent home with students in time for parent-teacher conferences this month and will be available in several languages."

I applaud the work of the Board of Education and Dr. Rudy Crew in coming to grips with the need for curriculum guides. Now we can take the curriculum guides and create another column, a column next to each set of measurements for the curriculum standards, and lay out what is needed in order to meet that standard.

If you are teaching science, then we can ask the question, does the school have science laboratories? We can ask the question, does the school, if you want children to read at a certain level and be able to write reports, do they have a library, can they get access to books and be able to be stimulated to read more and learn how to write reports? On and on you can go.

Once you have established standards and curriculum, now you certainly have tests which are serious. Because if children do not pass the test, they are not going to make the next grade.

No social promotion is a policy that everybody has jumped on board. It is a great wonderful policy, no social promotion. We will have a problem with no social promotion because one of the things that happens is you increase the over-crowding in schools. The schools that are already overcrowded are going to be even more crowded. Classrooms are going to be even more crowded if you do not have social promotion, and you will have to deal with that problem.

But the other problem is too often the primary determinant as to whether a youngster is promoted or not is the test. And the test, as administered by the New York City Board of Education last spring, as scored by the firm that they hired to do it, the tests had 20,000 youngsters labeled as being not eligible to move on to the next grade because they made mistakes.

In the computation of the test scores they made mistakes. And large numbers of children had to sit through summer schools in hot buildings that had no air conditioning. They had to go through torture of summer schools when they had not failed, they had passed, and the blunders of the bureaucracy had placed them in this situation.

So it is a high-stakes game. These tests determine what happens grade by grade, and these tests are going to determine what happens in the life of the students that have to go through it. If we are going to have these standards, the Campaign for Fiscal Equity, Incorporated, that has the trial going at Federal courts is on target. If you are going to have these standards, then you have to provide the resources starting with the provision of State aid to the City of New York at the same level per pupil that you have provide to the rest of the State.

Mr. Speaker, I include for the RECORD the article that appeared in the New York Times, November 2, 1999, "New York's New Curriculum Guides Set Up Standards."

[From the New York Times, Nov. 2, 1999]

New York's New Curriculum Guides Set Up Standards, Grade by Grade

(By Anemona Hartocollis)

In an effort to help parents hold schools accountable for what children learn—or don't learn—the New York City school system has produced a series of guides to what every child should know from kindergarten through 12th grade.

The guides, being distributed to teachers and parents beginning today, decree that a fifth grader multiply with speed and accuracy, understand exponents, write a report using three sources of information and know how to punctuate with quotation marks, commas and colons. A kindergartner should be able to count to 10 and tell a story using letters, drawing, scribbles and gestures.

Schools Chancellor Rudy Crew said yesterday that the new guides are intended to be so clear and simple that all parents can understand them and become partners in their children's education. He said that they would give parents a tool to hold schools responsible for what their children learn, and whether they learn it.

Dr. Crew said the pamphets—one for every grade—are intended to at least implicitly establish a common curriculum. Although he talked about ensuring that children throughout the city are learning the same thing every day, every week, every month, the guides set goals, like "write daily for extended periods," but not specific content. They do not list books that all children in one grade should read or math problems that they all should do.

"For the first time, there is a consistent framework for student achievement across the system, regardless of the borough, the district or the classroom," Dr. Crew said.

In the last few years, many states, including California, New York and Virginia, have tried to take a stronger hand in dictating curriculum, after years of giving schools and districts control. Indeed Dr. Crew, at a news conference at Board of Education headquarters in Brooklyn, said that New York City is actually entering the game rather late, a decade after the movement to tie curriculum and standards together actually began in California and other states.

The project was also clearly intended to fend off lawsuits—one has already been filed—challenging Dr. Crew's plan to end the automatic promotion of failing students.

In New York, Florida and other states, parents have argued that it is unfair and even illegal to hold back children if they have not been clearly told what is expected of them, and if the curriculum does not reflect the standards. In June, thousands of children were held back based on test scores alone, setting off a lawsuit by some parents who contended that other factors, like attendance and classroom work, should be considered.

Until now, Dr. Crew said yesterday, curriculum was set by a combination of state and city standards, which he criticized as too vague, as well as standards of the textbook publishers.

"Because this is the first year of our new promotional policy, it is very, very, very important that parents understand what is acceptable grade-level work," said Judith Rizzo, deputy chancellor for instruction.

Randi Weingarten, president of the United Federation of Teachers, said the idea was "terrific," but that the union believes it will not be complete until the school system has a "much more thorough and really core curriculum." The union is working on such a curriculum, to be unveiled next school-year.

But some parents said yesterday that the learning standards were too vague to be useful and feared that the pamphlets would be used to blame children and parents if students did not measure up.

Sylvia Wertheimer, the mother of a fifth grader at Public School 41 in Greenwich Village and an assistant district attorney in Manhattan, said the goals articulated in the pamphlets sounded just like the goals that her school already uses in its report cards. She also fretted that teachers and administrators would be defensive if she tried to use such standards to confront them about their shortcomings.

"More gibberish," she said. "I feel like they want the parents to do everything, whatever deficiencies children have. Why don't they just teach them?"

Diane Ravitch, an education historian, said the new goals would only be effective if teachers were trained to use them, and tests were designed to measure them. "Al Shanker always used to say, 'Does it count?'" Dr. Ravitch said, referring to the former president of the American Federation of Teachers.

Despite his vision of 1,200 schools doing the same thing at the same time, Dr. Crew's plan would not be as regimented as, say, the French school system, where if it is 10 a.m., children everywhere are learning "Phèdre" by Racine.

Neither Dr. Crew nor his aides were able to explain how they would enforce the new learning standards in a system as complex as New York City's, where local districts and schools have historically enjoyed a high degree of autonomy.

For each grade, the new guides describe how the standards will be used to determine whether children go on to the next grade or are held back, and warn that no decision will be made based on one factor alone, like a test score.

The board released guides covering English and math in kindergarten through grade 8 yesterday and will add grades 9 through 12 shortly, officials said. It also plans to issue social studies and science guides. Officials said the guides would be sent home with students in time for parent-teacher conferences this month, and will be available in several languages.

The Campaign for Fiscal Equity is a noble attempt, I said, to deal with the fact that the amount of resources available are not being distributed appropriately. A lot of the activity and energy that has been put forth surrounding education in this House of Representatives for the past few years has dealt with the same problem of no new resources; let us argue about how we use what we have.

One of the big issues that was on the floor of this House a few weeks ago related to the passage of the title I funding out of the committee that I serve on was, shall we take what exists already, title I funding, nearly $8 billion for the whole Nation, shall we take that and change the original target.

The original target for that funding under the original law was that the poorest children in America needed the most help. The school districts where the poorest children resided were not capable of giving the kind of help that they should give, and the Federal Government intervened, just as the Federal Government intervened before in school lunch programs to make sure that every child gets nutritional care in terms of food, and a number of other ways the Federal Government has over the years intervened.

By the way, it even intervenes in the case of highways. We have a national highway system which is fantastic because the Federal Government intervened to provide a highway system. So when we have had needs, the Federal Government has intervened.

A lot of people say, well, there is nothing in the Constitution that makes the Federal Government responsible for education. There is also nothing in the Constitution that makes the Federal Government responsible for railroads, but we built the transcontinental railroad. There is nothing that says the Federal Government is responsible for highways, and yet we spent billions of dollars for a highway system. And recently we authorized $218 billion over a 6-year period to continue to build and refine our highway system.

So the Federal Government, under Lyndon Johnson, decided to intervene and provide education for those schools that need it most. Title I funding is for the poorest schools and the poorest youngsters. The formula for title I is driven by poverty. The measurement for poverty is the number of youngsters who qualify for free school lunches provided by the Federal Government.

We have had situations where the intent of the law, the target population, has been circumvented. Too many districts that did not have poor children were going to receive title I funds, or only had only had a tiny amount. We dealt with that when the law was reauthorized 5 years ago, tightened it up.

But then we had a situation where they wanted to define which schools are eligible to have schoolwide programs. And when you determine who is eligible to have a schoolwide program instead of focusing on individual children, we had a figure of the number of percentage of children who are poor as a factor to decide whether or not they could have a schoolwide program.

If you had 75 percent of the children who were poor, then we could have a schoolwide program that did not have to focus on individual children, but the whole school could benefit from the dollars that the title I program provided.

It started out at 75 percent. Then it was reduced to 50 percent. One of the battles we had a few weeks ago on the floor was the fact that the present majority, Republican majority, decided they wanted to reduce that further to 40 percent. One of the members on the Committee on Education, Republican majority member, also even wanted to go to 25 percent.

Well, if a school qualifies with only 25 percent poverty, you could see how you then have to cover more schools. And many of those schools, with only 25 percent of the children being poor, would absorb dollars and help fewer poor children. So you could describe it accurately as the Robin-Hood-in-reverse approach. Instead of appropriating more money if you want to reach more children, we were going to take money from the poorer children and give it to the children who were better off and the schools that were better off, circumventing and undercutting the intent of the law.

Well, that is going forward. On the floor of this House there was an amendment offered to keep it at 50 percent, where it is now, and that amendment lost. So the legislation that went to the other body contains in it the 40 percent figure. And probably if the Republican majority had their way, they would eliminate any percentage, because they came on the floor shortly after the title I bill was passed with another bill called the Straight A's act.

The Straight A's act says, let us give all money related to education to the governors and the States and let the governors decide how to spend the money, and they probably certainly will not use any 50 percent formula.

The history of the States is that they operate in a way which satisfies the most powerful elements in the State, and poor people are seldom the most powerful elements in the State political arena.

Right now you have large numbers of States that have surplus funds for welfare. They are not providing the funds that they should for day-care and for other kinds of services to welfare recipients, even though it is Federal money. They have saved it in various ways, and they are supposed to provide that money to help train and provide jobs for welfare recipients and day-care services.

New York State is a place where there is a tremendous need, large waiting list for day-care services. There is a surplus now, and the governor and the State have moved so slowly, until you have a surplus but large numbers of unserved families who want day-care and need day-care and cannot get it.

The likelihood is that, the more discretion you give to the State, the fewer poor people would get service. History has demonstrated that the States will not take care of the poor. The Robin Hood approach is to not provide more money but to spread it out.

We have a situation in New York City where the number of poor children drive the formula, determine the amount of money that comes into New York City. New York City is composed of five counties; and in the distribution of money in the counties, we found that the children in some counties were getting far more of the title I funds than others. And we corrected that 5 years ago by changing the formula to make it similar to the formula that applies to the rest of the Nation.

☐ 2245

The formula says that money must come to New York City by county, so that the poorest county, the county with the largest number of poor children, Brooklyn, found that it was getting far less money than it should get if you use the straight formula as was used in the rest of the Nation. So we had a battle and we had forces lined up to challenge that and try to fight again for the pile, the limited pile, how to divide that was going to become a fight. I hope that that fight does not materialize.

I would like to join all my colleagues in New York State, certainly from New York City and take a look at how we can deal with the fact that the city as a whole and the State as a whole does not get the kind of funding from education that it should be receiving per student. We should have a unified effort to try to bring in more funds instead of dividing up the pile. The Robin Hood approach at the local level is no more desirable than the Robin Hood approach at the Federal level. We do not want to have title I formulas distorted. We do not want to have favoritism in the bureaucracy determining that children who are poor in one part of the city will get far more than they deserve while other children are robbed of their fair share of title I funding. We want to deal with that. There are many positive solutions that we can go forward with while we are waiting for reelection by the levels of government that have real power. The Federal Government, State government, governors should stop playing games. I go back to the analogy of the bleeding baby seal. We should stop tossing the bleeding baby seal about and having fun with it, pretending we are going to do something about education while the bleeding baby seal dies. We should do big things to deal with a monumental problem. Education is a monumental problem. It requires a big solution, a big approach.

I understand there are some candidates running for President who say that it is the duty of the Federal Government to deal with big problems with big solutions. The Marshall plan is one example I told you. The Transcontinental Railroad, the Morrill Act which established land grant colleges, the GI bill which provided education for all GIs after World War II. We have numerous examples of how we have dealt with big problems with big solutions.

I want to close by reading a letter I sent to the President to appeal to him to offer leadership in this area. I think that as I have said many times, there are many components of the problem of education reform, many components. They are all important. But the kingpin component is what are you going to do about facilities, what are you going to do about the infrastructure, how are you going to send a message to all the students that we really care about public education by letting them see the highly visible changes that we can make to improve education? I wrote this letter to President Clinton on October 13, and I want to read parts of it. First I am going to read a part which does not relate to education but relates to my great appreciation of President Clinton because I think we need to reestablish a perspective on the man we are dealing with. I do not agree with all the people who seem to say that he has no legacy. I think he has a legacy already, but I would like to see the legacy improved upon.

"Dear President Clinton:

"Let me begin with an expression of my deeply felt admiration of your leadership in a period cluttered with many more political perils than most citizens have realized. Your leadership has been the vital defense against an unprecedented right wing assault on the unique institutions and programs which extend the benefits of our democracy down to the ordinary men and women of our Nation. When all others were traumatized by the Republican blitzkrieg, your maneuvers held their forces in check. Despite the petty problems highlighted by the partisan impeachment effort, Mr. President, you have already established firmly an impressive legacy. For many millions, you already have the unwavering loyalty and heartfelt appreciation that you deserve. You have preserved the conscience of the country. That is a legacy that historians will eventually be compelled to acknowledge.

"But, Mr. President, there is one more vital request we must make on your unique ability to fuse the practical with the idealistic. Now is the time for you to crystallize, solidify, concretize your legacy as the Education President with actions that will catapult our Nation forward. I strongly advise, urge and plead, Mr. President, that you launch an omnibus, cyber-civilization education program to guarantee the brainpower and leadership needed for our present and for the expanding future digitalized economy and high-tech world.

"At the heart of such a comprehensive initiative, we must set the all-important revitalization of the physical infrastructure of America's schools. These necessary brick and mortar creations will long endure not only as highly visible symbols of your overwhelming commitment to education but they will serve also as practical vehicles for the delivery of the kind of high-tech education required in the 21st century. To the working families who depend on public schools, it would be a resounding message that a vital segment of our Nation's children have not been abandoned.

"The message will also state that we are willing to make an overwhelming investment in a workforce which will help to guarantee the viability of Social Security. We are willing to make an investment in a massive student pool that provides the military with the recruits needed to operate a high-tech defense system. We are willing to make an overwhelming investment in a massive body that can produce the full range of geniuses, scientists, engineers, administrators, managers, technicians, mechanics, et cetera, necessary to launch and maintain a cyber-civilization.

"In other words, Mr. President, it is of vital importance that you carry your own movement to a highly visible apex. Please consider the fact that it is not by accident that the most brilliant American President, Thomas Jefferson, chose a message for his tombstone which only noted that he was the founder of the University of Virginia. If there had been no first model State university established by Jefferson, there would have later been no Morrill Act to establish land grant colleges in every State.

"The America of the year 2000 requires from you, Mr. President, a comparable pioneering act to guarantee its brainpower leadership in the world."

Mr. Speaker, I submit the entirety of this letter for the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, DC, October 13, 1999.

Hon. WILLIAM J. CLINTON,
President of the United States,
The White House, Washington, DC.

DEAR PRESIDENT CLINTON: Let me begin with an expression of my deeply felt admiration of your leadership in a period cluttered with many more political perils than most citizens have realized. Your leadership has been the vital defense against an unprecedented right wing assault on the unique institutions and programs which extend the benefits of our democracy down to the ordinary men and women of our nation. When all others were traumatized by Newt Gingrich's blitzkrieg your maneuvers held his forces in check. Despite the petty problems highlighted by the partisan impeachment, Mr. President, you have already firmly established an impressive legacy. From many millions you already have the unwavering loyalty and heartfelt appreciation that you deserve. You have preserved the conscience of the country. That is a legacy that historians will eventually be compelled to acknowledge.

But, Mr. President, there is one more vital request we must make on your unique ability to fuse the practical with the idealistic. Now is the time for you to crystallize, solidify, concertize your legacy as the Education President with actions that will catapult our nation forward. I strongly advise, urge and plead that you launch an Omnibus CYBER-CIVILIZATION Education program to guarantee the brainpower and leadership needed for our present and expanding future digitalized economy and hi-tech world.

At the heart of such a comprehensive initiative we must set the all important revitalization of the physical infrastructure of America's schools. These necessary brick and mortar creations will long endure not only as highly visible symbols of your overwhelming commitment to education; they will also serve as practical vehicles for the delivery of the kind of hi-tech education required in the 21st Century. To the working families who depend on public schools it would be a resounding message that a vital segment of our nation's children have not been abandoned.

The message will also state that we are willing to make an overwhelming investment: in a workforce which will help to guarantee the viability of Social Security; in a massive student pool that provides the military with the recruits able to operate a high-tech defense system; in a massive body that can produce the full range of geniuses, scientists, engineers, administrators, managers, technicians, mechanics, etc. necessary to launch and maintain a global Cyber-Civilization.

All of the most brilliant and visionary education achievements of your administration may be merged and focused through these vital physical edifices: The NET-Day movement for the volunteer wiring of schools; The Technology Literacy Legislation; the Community Technology Centers; the Distance Learning pilot projects; and the widely celebrated and appreciated E-Rate for telecommunications. The lifting of standards, the improvement in school curriculums and the support for smaller class sizes are also initiatives that require the additional classrooms and expanded libraries and laboratories that school modernization will bring.

In other words, Mr. President, it is of vital importance that you carry your own movement to an ultimate highly visible apex. Please consider the fact that it is not by accident that the most brilliant American President, Thomas Jefferson, chose a message for his tombstone which only noted that he was the founder of the University of Virginia. If there had been no first model state university established by Jefferson, there would have later been no Morrill Act to establish land-grant colleges in every state.

The America of the Year 2000 requires from you a comparable pioneering act to guarantee its brainpower leadership in the world. You have the opportunity to bequeath a new system for public education. Highly developed human resources are clearly the key to power and prosperity in the century to come. To minimize the crippling waste of human potential there must be a broad sweeping public school system forever striving toward education excellence. The kingpin for the education improvement effort, the temples for the promotion of excellence are our school buildings.

Mr. President, an adequate and landmark modernization and construction program requires that we move beyond HR 1660, the Rangel Ways and Means payment of the interest on school bonds (3.7 billion over a five year period). For New York and numerous other states which require that voters approve all borrowing for school construction, this legislation will provide zero funding. I strongly urge that you revamp your position and support HR 3071, my bill which provides direct funding at a level commensurate with the magnitude of the problem of school wiring, security, safety, modernization and construction (110 Billion dollars over a ten year period).

On a trip to New York more than a year ago, as your guest aboard Air Force One, I had the privilege of chatting with you about education issues and problems. When you asked my opinion of the growing endorsement of vouchers among African American parents, I replied that our public school reforms were moving too slowly and sometimes even lurching backwards with the results that large numbers of parents have lost hope.

Mr. President, the trip was much too short and when we ended our brief exchange you invited me to forward a more thorough statement of views and vision on the education challenge. Although I have had the pleasure of speaking to you in group meetings since that discussion, I have not until now attempted to offer a thorough summary of my position on the need for an overwhelming campaign to greatly improve public education in America. A massive school construction initiative must be placed at the core of this campaign for a CYBER-CIVILIZATION Education Program.

Sincerely Yours,

MAJOR R. OWENS,
Member of Congress.

CONVICTED MURDERER SEEKS EXECUTIVE CLEMENCY

The SPEAKER pro tempore (Mr. TANCREDO). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, a couple of days ago I was moved by an article that I read about an individual by the name of Leonard Peltier. Mr. Peltier is currently in the penitentiary, Federal penitentiary, for the assassination of two FBI agents. He has been in prison for 25 years.

I need to be fair to all of my colleagues here and give you some disclosures. First of all, I used to be a police officer. As a result of being a police officer, over the years and especially during the time of my tenure as a police officer, I developed a very close relationship with agents of the Federal Bureau of Investigation. Over the years, I have also developed a great deal of respect for the Federal Bureau of Investigation. But I must also tell my colleagues that over these years I have also had an opportunity to carefully scrutinize the Federal Bureau of Investigation, because, you see, I think it is a very important agency for our country. But I think the integrity of the agency is also very, very important.

In the past, I have been very critical of the Federal Bureau of Investigation when they messed up. I can give you an excellent example, Ruby Ridge. The agents involved at Ruby Ridge in my opinion should have been immediately terminated. What happened at Ruby Ridge I will not repeat this evening but I will tell you that the command officer from the Federal Bureau of Investigation was not terminated, in fact the command officer was put on a paid leave of absence for 1 or 2 years and retired and received in my opinion no punishment at all.

I am also looking with a very careful eye at the Federal Bureau of Investigation's role at the Waco, Texas goof-up. That, too, is a very tragic situation in the history of our country, and I think unfortunately, there will be revealed within the report about the incident at Waco, Texas, that the Federal Bureau of Investigation misstated their role, understated their contribution, so to speak, or their involvement in the situation at Waco, Texas.

So I am not necessarily in lockstep with the Federal Bureau of Investigation. But I can tell you, when I look at all of the law enforcement agencies I have seen over the years, and as a former law enforcement officer, I have had the opportunity to be involved with many of them, at the very highest, when you look at the picture as an average, the Federal Bureau of Investigation comes out at the very top. And I think it is incumbent, Mr. Speaker, colleagues, of every one of us when we see an attack launched against the Federal Bureau of Investigation that is launched without justification, or when we see an action being taken against the Federal Bureau of Investigation without justification, we have a commitment to step forward and say something about it.

As I mentioned at the beginning of my comments, I saw an article the other day about this individual. This gentleman's name is Leonard Peltier. I saw today in fact an article in the USA Today. The article is Indians, FBI Face Off in Washington. First of all, I am not sure why the author of the USA Today article uses the word Indians in a broad or general descriptive form. In my particular district, which is the Third Congressional District of the State of Colorado, we have the Indian tribal lands, and I have yet to hear from any of the leaders of those Indian tribes, of which I work with very closely on projects such as the Animus LaPlata, the kind of appeal that may be suggested by all Indians as a result of this particular article. It is my opinion that the Native American involvement in this case is limited. And it is also my opinion that if you sit down with the average Native American in this country and you look at the facts of this case, that there will be very few Native Americans who would step forward and say that this particular convict is a political prisoner.

I think this is a stage being set by the defense attorneys for this convict. Actually using the word convict is somewhat gentle. He is not a convict, he is a murderer, and he is a cold-blooded murderer. He killed two FBI agents in cold blood. Now, 25 years ago, as one defense attorney would suggest, is something that enough time has passed by that perhaps he has served his time for this violent and horrible crime. I will quote exactly from the USA Today.

Peltier, that is the convict, the murderer that I am talking about, has been in prison as long as anyone responsible for similar crimes should be in, attorney Carl Nadler says. Can you believe this? Let me repeat what this defense attorney says. Peltier has been in prison as long as anyone responsible for similar crimes should be in prison. What he is suggesting is that 25 years is enough time for somebody to serve that goes out and in cold blood assassinates two officers of the Federal Bureau of Investigation.

Well, I stand here tonight, colleagues, in deep disagreement with this defense attorney. And I urge that all of my colleagues on the floor take time to review what is going on in the month of November in regard to this case. Now, why have I suggested the month of November? Well, apparently this murderer's defense team has put together a little political show and tell, and they call November the month of publicity or the month to get reprieve for this convicted murderer. What I mean by that, it is this month that they are submitting papers to the President of the United States requesting that clemency be granted to Leonard Peltier, a convicted murderer.

A couple of days ago, I read an open letter. This open letter is a joint letter authored by the Federal Bureau of Investigation Agents Association located in New Rochelle, New York and the Society of Former Special agents of the Federal Bureau of Investigation located in Quantico, Virginia. The above organizations, which are professional, nongovernmental associations, represent over 20,000 active duty and former FBI agents. I was so moved by this letter that I ask my colleagues to follow me closely this evening as I read verbatim that open letter to the American people.

As many of you know, I do not often read from notes when I speak from this podium, but I am going to be very careful this evening that I read this letter verbatim, because I think it is important that every one of us in this room have a clear understanding of the facts of this case before Peltier's defense attorney arrives here in Washington, D.C., sets up this political show and tell, and tries to convince through propaganda that for some reason this convicted murderer deserves clemency from the President of the United States.

We should not take this lightly. We had a very difficult situation about 1 month ago when clemency was given to the Puerto Rican terrorists.

□ 2300

As I pointed out from this House floor, you can look right up in the roof of this fine room and you can see the bullet hole, or I could walk over here to this desk drawer and show you the bullet holes through that desk from the Puerto Rican terrorists who entered this floor many years ago firing weapons.

Well, this case is somewhat similar, except in this case we know, we have the person who conducted two savage, cold blooded murders on these FBI agents.

Let me begin the letter.

June 26, 1975, was a hot, dusty Thursday on the Pine Ridge Indian Reservation in Southwestern South Dakota when two FBI agents arrived from their office in Rapid City. It was about noon when Special Agents Ronald A. Williams, age 27, and Jack R. Coler, age 28, pulled into the Jumping Bull compound area of the remote reservation seeking to arrest a young man in connection with the recent abduction and assault of two young ranchers.

Observing their suspect Peltier's vehicle, the agents pursued it. Unknown to Special Agent Coler and Special Agent Williams, one of the three men in the vehicle was Leonard Peltier, a violent man with a violent past. He was a fugitive, wanted for attempted murder of an off duty Milwaukee police officer.

Knowing that the two vehicles pursuing him were occupied by FBI agents and believing they were seeking to arrest him on that attempted murder case, Peltier and his associates abruptly stopped their vehicle and began firing rifles at the agents. Surprised by the sudden violence, outmanned, outgunned, and at an extreme tactical disadvantage, Coler and Williams were both wounded and defenseless within minutes.

Coler sustained a severe wound, the force of the bullet nearly tearing his right arm off. Williams, wounded in the left shoulder and the right foot, removed his shirt during the hail of incoming rifle fire, and fashioned a tourniquet around the arm of Coler, who had by then fallen unconscious.

Agents Coler and Williams were then at the mercy of Leonard Peltier and his associates. But there was to be no mercy for these fine young law enforcement officers.

Not satisfied with the terrible injuries that they had inflicted, Peltier and the two other men walked down the hill towards the ambushed agents. Three shots were fired from Peltier's rifle. Williams, kneeling and apparently surrendering, was shot in the face directly through his out extended shielding handled. He died instantly. Coler, who was still unconscious, was shot twice in the head at close-range. He died instantly from those shots.

The crime scene examination testified to the brutality of the ambush. Coler and Williams had little chance to defend themselves. They had fired only five shots. In contrast, over 125 bullet holes were found in into the car.

Following the murder, Peltier fled the reservation. In November 1975 an Oregon state trooper stopped a recreational vehicle in which Peltier was hiding. Peltier fired at the trooper and escaped. Coler, the FBI agent who had been assassinated earlier on, his revolver which was stolen when he was murdered, was found in a paper bag under the front seat of the recreational vehicle. Peltier's thumb print was on that bag.

When arrested later in Canada by the Royal Canadian Mounted Police, Peltier remarked that had he known the Royal Canadian Mounted Police officers were there to arrest him, he would have blown them out of their shoes. These are not the comments of an innocent man and they portray the true character and the violent nature of Leonard Peltier.

In April 1977 a jury convicted Peltier of the murders of those two FBI agents, Coler and Williams. A judge sentenced him to two consecutive life sentences. While incarcerated in the Lompoc, California, Federal prison, and, with outside assistance, Peltier shot his way out of jail using a smuggled rifle to make his escape. Several days later, after assaulting a rancher and stealing a pick up, Peltier was captured. He was tried and convicted of escape and of being a felon in possession of a firearm.

Peltier has since appealed his various convictions numerous times. Each time the Federal courts have upheld earlier legal decisions. The United States Supreme Court has twice denied Peltier review without comment.

The record is clear: There were no new facts. There are no new facts. The old facts have not changed, and Peltier is guilty as charged.

Several times on national television Peltier has admitted to firing at the two agents. In his most recent public interview, Peltier has even reluctantly conceded what he had previously denied, that he had in fact gone down to where the agents were executed. Still, he openly states that he feels no guilt, no remorse, nor even any regret for the murders.

Leonard Peltier has lived a life of crime. He has earned and deserves a lifetime of incarceration. Leonard Peltier is a murderer without compassion or feeling towards his fellow man. In turn, he deserves no compassion.

Mr. President, there is no justification for relieving Leonard Peltier from his punishment. Our judicial system has spoken in this case again, again, and again. Leonard Peltier is a vicious, violent and cowardly criminal that hides behind legitimate native American issues. Leonard Peltier was never a leader in the Native American community. He is simply a brute, thug and murderer with no respect, no regard for human life. Our citizens, on and off the reservations, must be protected from predators like Peltier.

Mr. President, since Leonard Peltier could not fool the Federal courts, he is now trying to fool you, to fool the public. He is shading and hiding the facts and playing on sympathy. He and his advocates want to confuse the fact of his guilt with matters completely extraneous to that fact. Do not let him get away with it, Mr. President. Sympathy is appropriate only for dead heroes and surviving families. Do not let their sacrifice be forgotten.

Mr. Speaker, that was somewhat of a lengthy letter, but as you can tell, it is a subject that should be dear to every one of our hearts in this room, to the heart of every American out there that believes in law and justice, to every law enforcement family out there that currently has someone in law enforcement or has had a member of their family in law enforcement.

□ 2310

If we let, if we let this kind of violent assassin out of prison after serving only 24 years, it will in my opinion be a crippling blow to the message that we need to send to the law enforcement in this country.

That message really is fairly simple. That is that you work as a law enforcement officer to provide, as your duty, peace and justice in our system, and that when peace and justice are attacked in our system, our system has a price, it has a consequence, it has a punishment. It is the only way we can uphold the integrity of our system of law enforcement is to have a zero tolerance or a limited tolerance of any type of direct attack against our system of peace and justice.

The assassination of two Federal Bureau of Investigation agents, no matter how many years ago, is a direct attack against the legal and justice process in this country.

Mr. Speaker, I urge all my colleagues to join with me in attempting to be persuasive with the President of the United States and the American public in saying how important it is that this political charade being put on by the defense attorneys for this convicted assassin, that this kind of show be stopped, that this kind of show be denied their goal. Their goal, of course, is to let this convicted assassin walk the streets of America again.

Do not let him hide under the shield of being a Native American. That is a disgrace to the Native Americans. Do not pull Native Americans down to the level of this convicted killer. Do not affiliate this convicted killer with the Native Americans in this country. That is an insult, in my opinion, if we do.

Do not forget the facts of the case. Just so that I can remind the Members, let me go through the facts again in a little briefer form than the letter.

Two FBI agents were assassinated. They attempted to pursue a vehicle which contained this suspect, at the time suspect, now a convicted killer, Leonard Peltier. They were wounded. They were disarmed by the wounds that they had. In other words, they could not fight back. They didn't have any weapons left to fight back with. They were not physically capable. One the FBI agents was unconscious. The other FBI agent was rendering first aid to the unconscious FBI agent.

This convicted killer, who by the way was a fugitive from justice for the attempted assassination of an off-duty police officer in Milwaukee, walked up to these two FBI agents and executed them in cold blood. He was later stopped in a recreational vehicle. In that vehicle they found one of the deceased agent's pistols in a paper bag. That bag had evidence, Peltier's fingerprints on it.

Peltier was captured in Canada. He was convicted of two counts of murder for these FBI agents. He escaped from the Federal prison. Do not let people tell us this guy is a nonviolent guy. He was in Federal prison and he shot his way out of Federal prison. Think of the last time since the John Dillinger days or Bonnie and Clyde and so on that somebody shot their way out of the Federal prison. That is who this individual is.

Now today, now today he is in front of the American people, in front of the President of the United States, asking for mercy. Look, 25 years ago may seem like a long time to some, but it has been a real long time for the families of those young FBI agents that were assassinated in cold blood.

In conclusion on this particular issue, Mr. Speaker, let me ask for Members' support in standing up strong for the law enforcement community of the country, in standing up strong for the families and the agents and professionals of the Federal Bureau of Investigation, in standing up strong for the concept of peace and justice within the boundaries of our country.

Let us all have our voice heard, that in the United States of America, if you assassinate a police officer, or, just as soon, two Federal Bureau of Investigation officers, you will pay a price and we will stick with the punishment that we deal out. We are not a bunch of patsies. Do not come back to us and think you are going to get a free walk 25 years later after that kind of action.

If we fail to do this, if we fail to do this, we are sending the wrong message out there and we are crippling justice and peace in our country.

Mr. Speaker, I would like to do an update on a couple of other subjects this evening while I have the opportunity to visit with the Members.

As Members will recall, about 2 or 3 weeks ago, maybe a month ago, there is a museum in New York City called the Brooklyn Art Museum. The Brooklyn Art Museum, it was discovered, with taxpayer dollars, with taxpayer dollars, was sponsoring an art exhibit that depicted, among other things, a portrait of the Virgin Mary, which is one of the holiest symbols of the Catholic religion throughout the world and of Christianity throughout the world, this art museum was allowing in this art exhibit, with taxpayer dollars, this portrait of the Virgin Mary with elephant dung, as they say, crap, as I say, thrown all over the portrait. Can Members imagine that?

How long do Members think that type of art exhibit would have been tolerated or should have been tolerated in this country at taxpayer dollars if it was an exhibit of Martin Luther King, for example, or if it were an exhibit of an outstanding Jewish rabbi, for example, or if it were an exhibit of some other outstanding leader that meant so much to a religious organization anywhere in this world? They would not put up with that.

But for some reason, there seems to be some justification out there by some people that an attack on Christianity should be separated from an attack, say, on Martin Luther King, or an attack on the image of a Jewish rabbi, and so on and so forth.

What happened is that the mayor of New York City, Mayor Rudy Giuliani, I think had some guts. He stood up and he said, we are drawing the line. That has gone too far. There is a strong freedom of expression in this country. There is a First Amendment in this country, but there is a balance that we have in this country.

Just the same as under the freedom of speech we do not allow individuals to go into a theater and yell "fire, fire, fire," we do not allow that. That is not a violation of your First Amendment rights, but we do not allow you to go into a theater and do that. We draw a line. This thing is not carte blanche, this First Amendment, to do anything that you feel like doing, especially when you do it with taxpayer dollars.

The mayor came under heavy criticism by the very elite that were dealing with the Brooklyn Art Museum, the board of directors, who I think were acting very pompous in somehow defending this disgraceful work of art, not a work of art that is just controversial, that brings up lots of discussion, but a work of art that hit at the very integrity of a large religious group throughout the world, that was the maximum type of insult that you could throw at that particular religion, and did it with American taxpayer dollars.

Why do I keep bringing up the fact of American taxpayer dollars? Because therein lies the distinction as to whether or not this is an issue under the First Amendment of our Constitution.

Under our Constitution, frankly, had the United States taxpayer dollars not been used to fund this portrait of the Virgin Mary of which dung was thrown all over it, had taxpayer dollars not been used, I am afraid to say that this would have been probably protected, or would have been protected under the First Amendment. We can tolerate that.

It is horrible, and I cannot imagine, for example, why the First Lady, Hillary Clinton, stood up for this thing. She said, however, in her comments that while she would not go see it, but she certainly stood up for the right to go around and exhibit this with taxpayer dollars.

I understand where some would say it is a First Amendment right if there is not taxpayer dollars being used, although I can tell the Members that the press in this country and the liberal left in this country would not have stood for 2 seconds if it were Martin Luther King or a Jewish rabbi or some other celebrated figure being treated in that fashion. But the key here is taxpayer dollars.

□ 2320

The point here is very clear, and I think the citizens of this country, Mr. Speaker, I think we need to go out and ask our constituents, do the citizens of this country really think it is a justified and constitutionally protected right under the Constitution to fund this kind of art with taxpayer dollars or should this type of art be denied the access of taxpayer dollars and allowed to be funded in society with private dollars?

Remember that my objection tonight, and the mayor of New York City's objection to this art, was not that the art should not be shown. Now, it is disgraceful. Do not get me wrong. I do not condone this kind of art, but there is a constitutionally protected right to show this art without taxpayer dollars. That argument has some legitimacy but that was not the debate that is being carried forward here.

What the mayor said, what I said and, Mr. Speaker, what I think most of our constituents believe is that this kind of art, i.e., the Virgin Mary with dung splashed all over her, with taxpayer dollars, has gone over that line. You draw a line. You have gone over that line. Do not use taxpayer dollars.

The Brooklyn Art Museum in New York, they could easily fund this through other monies. They just want to try and make an issue. What they want to do is open that door so that taxpayers in this country will have to pay out of their hard-earned dollars, will have to use those taxpayer dollars, to let the so-called art community, especially the elite of the Brooklyn Art Museum, fund anything they would like, no matter how offensive, no matter how derogatory it is. That is wrong. This art museum knows that it is wrong.

Well, there has been a new step, a new report to update you on, and that is that a Federal court judge this week actually came out and said that the art museum has a right to use taxpayer dollars to exhibit this type of art, i.e. the Virgin Mary with dung thrown all over her in very obviously a disgraceful fashion intended to be as derogatory as possible, not only towards Christianity but towards one of the most important symbols of Christianity.

I am telling you, Federal judge, you made a mistake. You are wrong. There is not a constitutionally protected provision that says you can use taxpayer dollars in this country to fund that kind of art. Why do you not use some common sense? Why do you have to offend the people of Christianity? Why do you do an all-out attack? You would not do it with Martin Luther King and the black community. You would not do it in the Jewish community with some rabbi of theirs. You would not do it with some other type of religious entity or important entity in this country with their leader.

Why are you doing this? Why do you decide to use taxpayer dollars to offend every Christian in the world? It is wrong. You have got a temporary victory from this Federal judge but in the end I think the mayor of New York City, one, had a lot of guts to do what he did and, number two, I think he is going to prevail.

I also think that the general opinion in this country is, look, that kind of art, as violent and as horrible and as disgraceful as it is, is protected but not with the use of taxpayer dollars.

Our constituents, Mr. Speaker, I do not believe, are in any way about to buy the argument that we ought to take the tax dollars out of their paycheck every week and put a percentage of that towards the funding of this kind of art.

THE FALL OF THE BERLIN WALL

Mr. McINNIS. Mr. Speaker, this evening we have covered two topics so far. The first topic is the attempted request, well, not the attempted request but the actual request by an assassin, by a convicted murderer of two Federal Bureau of Investigation officers, Leonard Peltier, the convict is submitting to the President of the United States for clemency. I am in hopes with my colleagues that they join me in urging the President to deny that.

The second issue that we have discussed tonight is the Brooklyn Art Museum and the fact that they use taxpayer dollars to fund an art exhibit of the Virgin Mary, a portrait of the Virgin Mary, with elephant dung or elephant crap thrown all over the face of the Virgin Mary.

The third topic, however, is kind of we are changing engines here. I want to talk about, instead of the negative implications of a convicted assassin asking our President to let him walk from prison, get-out-of-jail-free card, instead of talking about the Brooklyn Art Museum and the prima donnas who want to use your taxpayer dollars to fund that kind of obscene art, I want to shift to an accomplishment of this country. Actually it is an accomplishment that should be celebrated, it was celebrated throughout the world, and a lot of credit of this accomplishment goes to the people throughout the world.

When people look back to the accomplishments of this century, they are going to look at one accomplishment which will stand out for many, many centuries to come, and that is the fall of the Berlin Wall. Recently, I had the opportunity to watch the tape on Ronald Reagan. Mr. Speaker, I would urge all of us to watch it. It is put out by the Public Broadcasting System, PBS, on the presidency of Ronald Reagan and it talked about Reagan's great leadership, and I will again disclose that I am a strong admirer of President Reagan, about the difficult transition period he went through in taking this country through a buildup in arms, a buildup in military defense, in order to accomplish a build-down; that how President Reagan, throughout his entire life had one goal, and that is to bring down the destructive society of Communism.

It was interesting the pressure he went through, even within our own boundaries of this great country, about his concept of how to bring down that Berlin Wall.

Now many of those critics, some of who sit on this floor, some of who sit in other chambers of political leadership throughout this country, who criticized President Reagan, we can now look back and see what a feat. Not just with President Reagan but what a feat President Reagan and what a role he played in bringing down that Berlin Wall.

Now, why do I bring it up today? Because in one week, on November 9, on November 9, will be the tenth anniversary of bringing that wall down. Whenever I see pictures of that wall in the history books or I see it in some other type of periodical, I think of President Ronald Reagan standing there and saying, "Mr. Gorbachev, tear that wall down."

□ 2330

What a fascinating time of history and how neat it is that we were able to bring that down. Look at what has happened since. Look at what has happened in Germany. Look at what has happened in Europe. Look at what happened to communism.

Now, there are some tough times still ahead for the countries of Russia and so on. There is a lot of peace and justice that needs to be brought into the country of Russia.

As my colleagues know, one of the big failures of the society today in Russia, in my opinion, is the failure of their justice system, the mob over there. But the fact is, despite all of these painful headaches and this long journey towards capitalism and freedom, it will arrive. It will come to the station. Some people think it is late. But it will arrive at the station due in a large part to the leadership of this country and large part due to the leadership throughout the free world 10 years ago.

Now, Mr. Speaker, if my colleagues have not had an opportunity, I would urge them to take a look at this week's Newsweek. I did. It has an article in there, excellent article written by Newsweek, about the Berlin Wall. I would like to go through. What it did is it picked up some of the conversations during those few critical days of the fall of the Berlin wall. It brings out some of the conversations as reflected by memos written at the time between the President of the United States, George Bush, and the German Chancellor Kohl. I will like to repeat some of those because I think they are pretty fascinating.

This is a conversation that took place between West German Chancellor Helmut Kohl and President George Bush. October 23, 1989, just a little over 10 years ago, 9:02 in the morning. Tens of thousands of East Germans flee via Hungary. Others seek sanctuary in the West German embassy and the Prague. Demonstrators calling for freedom take to the streets of major German cities. Kohl phones Bush to describe the situation, and here is how the conversation took place.

Kohl: The changes in east Germany are quite dramatic. None of us can give a prognosis. There is enormous unrest among the population. Things will become incalculable if there are no reforms. My interest is not to see so many flee Germany because the consequences there would be a disaster.

I am also concerned about the media coverage that, crudely speaking, holds that Germans are now committed in their discussions about reunification and that they are less interested in the West. This is absolute nonsense. Without a strong NATO, none of these developments in the Warsaw Pact would have occurred.

President Bush in response: I could not agree more. We are trying to react very cautiously and carefully to change in East Germany. We are getting criticism in the Congress from liberal Democrats that we ought to be doing more to foster change, but I am not going to go so fast as to be reckless.

November 10, 1989, 3:29 in the afternoon. The previous night the world had watched transfixed as the East Germans stormed the wall.

Kohl to President Bush: I have just arrived from Berlin. It is like witnessing an enormous fair. It has the atmosphere of a festival. The frontiers are absolutely open. At certain points, they are literally taking down the wall and building new check points. This is a dramatic thing, a historic hour. Without the United States, this day would not have been possible. Tell your people that.

President Bush: First, let me say how great is our respect for the way West Germany has handled all of this. I want to see our people continue to avoid especially hot rhetoric that might, by mistake, cause a problem.

Kohl to the President: Thank you. Give my best to Barbara. Tell her that I intend to send sausages for Christmas.

November 17, 1989, 7:55 in the morning, Bush and Kohl discussed the Soviet reaction. They are concerned that Moscow, which still has 390,000 troops in East Germany may panic.

Kohl: I had a long conversation with Gorbachev. Of course the Soviets are concerned. I told Gorbachev that if East German leader Egon Krenz does not carry out reforms, the system will fail.

President Bush: It is important that the Germans see that they have the support and the sympathy of their allies. In spite of congressional posturing, the United States will stay calm and support reforms. The excitement in the United States runs the risk of forcing unforeseen action in the U.S.S.R. or East Germany. We will not be making statements about unification or setting any timetables. We will not exacerbate the problem by having the President of the United States posturing on the Berlin Wall.

February 13, 1990, 1:49 in the afternoon. The East German regime has agreed to free elections in March and Kohl has just returned from a visit to Moscow. Both he and Bush are worried that Gorbachev will demand a neutral Germany as a price for unification.

Kohl to the President: The situation continues to be dramatic. Between January 1 and today, 80,000 have come to the West from the East. That is why I suggested a monetary union and an economic community. We will have to urge the government that comes in after March 18 to go through with these.

Let me say a few words about my talks in Moscow. Gorbachev was very relaxed. But the problems he faces are enormous, nationalities, the food supply situation, and I do not see a light at the end of the tunnel yet. We also discussed that the two German states should be working together with the four powers, the United States, the United Kingdom, France, and the U.S.S.R. I told Gorbachev again that neutralization of Germany is out of the question.

Bush: Did he acquiesce or just listen? How did he react?

Kohl: My impression is that this is a subject about which they want to negotiate but that we can win that point.

March 20th, 1990, 8:31 in the morning. In the March elections, the East Germans overwhelmingly support reunification and democratic change by voting for a coalition of parties led by Kohl's Christian Democrats.

Bush to Kohl: Helmut, you are a hell of a campaigner.

Kohl: Thank you. The results are very important for the NATO question.

Bush: Helmut, your firm stand on a united Germany remaining a full member of NATO is great. We need to continue holding firm. This is vitally important for European security and stability and for the United States.

May 30, 1990, 7:34 in the morning. Gorbachev is due in Washington for his first visit since the fall of the wall. Bush and Kohl discuss that agenda.

Bush to Kohl: I am getting ready for Gorbachev's big visit.

Kohl: That is why I am calling. One thing that is very important for Gorbachev to understand is that, irrespective of the developments, we will stand side by side. And one sign of this cooperation are the links between us by the future membership of the united Germany and NATO without any limitations. You should make this clear to him, but in a friendly way. A second point, we can find a sensible economic arrangement with him. He needs help very much. He should also know that we had no intention of profiting from his weakness.

Bush: I will assure him that we are side by side. We want him to come out feeling that he has had a good summit.

July 17, 1990, 8:48 in the morning. Kohl briefs Bush on his most recent visit to Moscow.

Kohl: George, first of all, Gorbachev is in excellent shape. He is aware of his special situation and of his responsibilities. And he is aware he has to act quickly to get through pluralism to change society and to get through the necessary legislation by the end of this year.

□ 2340

"I told him there would be no chance to receive western aid if he does not get these reforms through. We also discussed extensively his determination to pursue the modernization of his country. He said something I had never heard before. He told me his grandfather was tortured and imprisoned under Stalin. His wife said her grandfather was liquidated under Stalin. It is remarkable."

One other interesting thing. We talked about German-U.S. relationships in our one-on-one. I told him that this relationship was of great importance, and I told him that if the Soviets tried to undermine it, this would affect German relationships with the USSR. His reply will be of interest to you. He said that they learned a lesson, that it was wrong to try to make the United States withdraw from Europe, and that they had not succeeded in this in the past.

Finally, he impresses me as a man who knows himself well and who has a sense of self-irony. He has burned all his bridges behind him. He cannot go back and he must be successful.

August 3, 1990, 9:56 in the morning, nearly a year after the Wall falls, East and West Germany are officially reunited.

Bush: "Helmut, I am in a meeting with members of our Congress and I am calling on this historic day to wish you well."

Kohl: "Things are going very, very well. I am in Berlin. There were one million people here last night at the very spot where the Wall used to stand and where President Reagan called on Mr. Gorbachev to open this gate. Words cannot describe the feeling. American presidents from Harry Truman all the way up to our friend George Bush made this possible."

The Berlin Wall did not come down in a day. It did not come down in a season. What is interesting about these conversations that I just related to you is it is kind of symbolic of the effort that our country made to see that communism fell and that the non-free people of this world were able to enjoy freedom as we have enjoyed our entire life. But it was not without a price.

President Reagan went on a massive military buildup. His concept to build up in order to build down turned out to be correct. But during this massive buildup, he received a lot of criticism. Frankly, the Russians were worried about President Reagan.

I reviewed this tape from Public Broadcasting, and I hope my colleagues take time to take a look at it, it is fascinating. Whether you are Republican or Democrat, this time period sets aside those partisanship contests to take a look at the biggest threat to the world, and that was communism and how this president, President Reagan, really took us right to the brink and the Russians blinked and the Russians disarmed and the Russians allowed that Wall to be taken down.

They pulled out of Hungary. They pulled out of Poland. And today in our history, most of the countries in this world enjoy the freedom that we enjoy as Americans. In 100 years from now, it is my prediction that every country in the world will have some form of capitalism, that the days of communism, even the days of socialism will be days long past. It gives us a lot to be proud of in America.

Colleagues, I know that as United States congressmen we are privileged to be up here to represent what I think is the finest country in the history of the world. And the reason that we came out of this so well, the reason that we have stood strong for such a long time is that we understood America does not have to apologize for being free. America owes nobody in this world an apology for standing up for the abused people of this world.

But the United States of America owes no apology to anybody in this world for strength that we maintain with our defense. Because we understand that if we do not have a strong defense, if we are not the toughest kid on the block, we are going to be in a lot of fights.

I forget the source of the quote. I think it was back in the early days of the country, Jefferson, maybe Washington, who said, "the best way to avoid a war is to be prepared for war."

The best way to protect freedom is to be strong. Every generation will be tested. Freedom will always come with a price and a cost. But in the end, if we pay that cost, if we stand up strong, as this country has done in the past, if we have great leaders like Ronald Reagan and many of the other great leaders this country has had, we can look to the next generation and we can say to that next generation, you too will enjoy a lifetime in the greatest country in the history of the world.

As you can tell from my remarks, I am proud to be an American. And so are every one of you. Next week I hope all of us take just a few minutes outside of our busy schedules and I hope we try and convince our constituents to take a few minutes out of their busy schedules and think of those days 10 years ago when that awful, terrible wall began to crumble. Think of those days when President Reagan stood up there, broad-shouldered, looking them right in the eye and said, Mr. Gorbachev, tear down this wall. Open up this gate.

Take a few moments next week on this tenth anniversary to think of the joy and the excitement and the happiness of those individuals in Germany who now were able to go across that border without being shot, without having to sneak through at night trying to get through the barbed wire.

I can remember 15, 20 years ago, even longer than that, when I was young about reading the Reader's Digest. It seemed to me that twice a year the Reader's Digest would carry a story in there about somebody in East Germany who had that taste of freedom, who wanted to live in a free world, who wanted a Democratic society. They would risk and their family would risk everything they had to get across that Wall.

I remember reading in a study of history when our American planes and our allies went into Germany and past the Wall to bring those in the Berlin airlift. What a great accomplishment that was.

And now, less than 10 years ago, whoever imagined that that horrible Wall would crumble as quickly as it did? You know, it was not a very strong structure. It did not stand up for very long, too long, but not very long. And that credit goes to the American leadership and the leadership of our allies in this world.

Mr. Speaker, let me conclude by just recapping the three things that I discussed this evening.

First of all, I beg my colleagues in here to carefully watch what is going on with this request for clemency by a convicted assassin of two agents of the Federal Bureau of Investigation. This man, Leonard Peltier, will be requesting through a political horse and pony show with the President clemency to let him walk as a free man. He has got a very sharp defense team. But do not let that shield all of us from the fact that in cold blood he killed two FBI agents.

This man should never see the outside of a jail cell for as long as he lives. I hope many of my colleagues will join me in that effort in attempting to convince the President or help persuade the President to ignore that request.

Second of all, let me point out that to you, Brooklyn Art Museum, you are wrong. You will not be able to continue to defy, I think, the taxpayers of this country by using taxpayer dollars to fund your art exhibit of the Virgin Mary with dung slapped all over her. I hope at some point you prima donnas who serve on the board of directors at that Brooklyn Art Museum, I hope really seriously you have a moment to look in the mirror when nobody else is around and you ask yourselves the question, is it right?

□ 2350

Does what we did make me feel good? Have I completed my duty as a trustee of the Brooklyn art museum? Would I have done this to the great leader Martin Luther King? Would I have done this to a great leader in the Jewish community? Would I have done this to a great leader in the Buddhist community? Or should I just pick on Christianity and use taxpayer dollars to do it? The taste of art has gone too far when you use taxpayer dollars for that kind of effort. It is not a protected right in my opinion under the first amendment.

Finally, the day of celebration next week as we are running around this floor, we ought to take a few minutes and just remember what a great day in our history it was to see that Berlin Wall fall, to see those people in East Germany taste freedom, many of them for the first time in their entire life, and to see through the great leadership of the United States of America, through the response of the citizens of the United States of America, through the strength of the military forces of the United States of America, we brought the taste of freedom to millions and millions of people, and we will as the United States of America preserve the taste of freedom for many centuries to come.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SESSIONS). The Chair must remind all Members to direct remarks in debate to the Chair and not to other persons in the second person.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3194. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

The message also announced that the Senate insists upon is amendment to the bill (H.R. 3194) "An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mrs. HUTCHISON, Mr. DOMENICI, Mr. STEVENS, Mr. DURBIN, and Mr. BYRD, to be the conferees on the part of the Senate.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 75, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2000

Mr. GOSS, from the Committee on Rules (during the special order of Mr. MCINNIS), submitted a privileged report (Rept. No. 106–443) on the resolution (H. Res. 358) providing for consideration of the joint resolution (H.J. Res. 75) making further continuing appropriations for the fiscal year 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3196, FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS ACT, 2000

Mr. GOSS, from the Committee on Rules (during the special order of Mr. MCINNIS), submitted a privileged report (Rept. No. 106–444) on the resolution (H. Res. 359) providing for consideration of the bill (H.R. 3196) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION AGREEING TO CONFERENCE REQUESTED BY SENATE ON H.R. 3194, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. GOSS, from the Committee on Rules (during the special order of Mr. MCINNIS), submitted a privileged report (Rept. No. 106–445) on the resolution (H. Res. 360) agreeing to the conference requested by the Senate on the amendment of the Senate to the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. KILPATRICK (at the request of Mr. GEPHARDT) for today after 3:30 p.m. on account of official business.

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today on account of a family medical matter.

Mr. BEREUTER (at the request of Mr. ARMEY) for today after 12:00 p.m. and for the balance of the week on account of offical business.

Mr. HULSHOF (at the request of Mr. ARMEY) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. BLAGOJEVICH, for 5 minutes, today.

Mr. SHOWS, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. THOMPSON of Mississippi, for 5 minutes today.

(The following Members (at the request of Mr. DIAZ-BALART) to revise and extend their remarks and include extraneous material:)

Mr. FOSSELLA, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. BASS, for 5 minutes, November 9.

Mr. DUNCAN, for 5 minutes, today.

Mrs. BIGGERT, for 5 minutes, today.

Mr. MORAN of Kansas, for 5 minutes, November 5.

Mr. METCALF, for 5 minutes, today.

Mr. EHLERS, for 5 minutes, today and November 4 and November 8.

Mr. BURTON of Indiana, for 5 minutes, November 4.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 440. An act to provide support for certain institutes and schools; to the Committee on Education and the Workforce.

S. 1844. An Act to amend part D of title IV of the Social Security Act to provide for an alternative penalty procedure with respect to compliance with requirement for a State disbursement unit; to the Committee on Ways and Means.

S. Con. Res. 66. Concurrent resolution to authorize the printing of "Capitol Builder: The Shorthand Journals of Captain Montgomery C. Meigs, 1853–1861"; to the Committee on House Administration.

S. Con. Res. 67. Concurrent resolution to authorize the printing of "The United States Capitol: A Chronicle of Construction, Design, and Politics"; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 441. An act to amend the Immigration and Nationality Act with respect to the requirements for the admission of nonimmigrant nurses who will practice in health professional shortage areas.

H.R. 974. An act to establish a program to afford high school graduates from the District of Columbia the benefits of in-State tuition at State colleges and universities outside the District of Columbia, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following title:

On November 2, 1999:

H.R. 2303. To direct the Librarian of Congress to prepare the history of the House of Representatives, and for other purposes.

H.R. 3064. Making appropriations for the District of Columbia, and for the Departments of Labor, Health and Human Services, and Education and Related Agencies for the fiscal year ending September 30, 2000, and for other purposes.

ADJOURNMENT

Mr. McINNIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 51 minutes p.m.), the House adjourned until tomorrow, Thursday, November 4, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5133. A letter from the the Director, the Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority, pursuant to 2 U.S.C. 686(a); (H. Doc. No. 106–153); to the Committee on Appropriations and ordered to be printed.

5134. A letter from the Assistant General Counsel for Regulatory Law, Albuquerque Operations Office, Department of Energy, transmitting the Department's final rule—Nuclear Explosive and Weapons Surety Program [AL 452.1A] received August 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5135. A letter from the Assistant General Counsel for Regulatory Law, Albuquerque Operations Office, Department of Energy, transmitting the Department's final rule—Safety of Nuclear Explosive Operations [AL 452.2A] received October 4, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5136. A letter from the Director, Executive Office of the President, Office of Management and Budget, transmitting a report on direct spending or receipts legislation within seven days of enactment; to the Committee on the Budget.

5137. A letter from the Secretary of Education, transmitting Federal Family Education Loan Program and William D. Ford Federal District Loan Program; to the Committee on Education and the Workforce.

5138. A letter from the Secretary of Education, transmitting the Institutional Eligibility Under the Higher Education Act of 1965, as Amended and Student Assistance General Provisions; to the Committee on Education and the Workforce.

5139. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on the nondisclosure of safeguards information for the quarter ending September 30, 1999, pursuant to 42 U.S.C. 2167(e); to the Committee on Commerce.

5140. A letter from the Secretary of Health and Human Services, transmitting the 1999 Biennial Report on the Scientific and Clinical Status of Organ Transplantation; to the Committee on Commerce.

5141. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to the Netherlands for defense articles and services (Transmittal No. 00–20), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5142. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with United Kingdom [Transmittal No. DTC 123-99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5143. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Italy [Transmittal No. DTC 120-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5144. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the Netherlands [Transmittal No. DTC 122–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5145. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 112-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5146. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 129-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5147. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Luxembourg, France [Transmittal No. DTC 127–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5148. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 114-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5149. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Federation of Bosnia and Herzegovina [Transmittal No. DTC 100-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5150. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the United Kingdom [Transmittal No. DTC 92-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5151. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Greece [Transmittal No. DTC 34-99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5152. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 87-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5153. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Technical Assistance agreement with Brazil [Transmittal No. DTC 25-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5154. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Turkey [Transmittal No. DTC 8-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5155. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Luxembourg [Transmittal No. DTC 128-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5156. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 130-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5157. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Technical Assistance agreement with Greece [Transmittal No. DTC 118-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5158. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the Republic of Korea [Transmittal No. DTC 102-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5159. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the United Arab Emirates [Transmittal No. DTC 111-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5160. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with South Africa and Canada [Transmittal No. DTC 113-99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5161. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Turkey [Transmittal No. DTC 137-99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5162. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Canada [Transmittal No. DTC 145-99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5163. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with the United Kingdom [Transmittal No. DTC 117-99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5164. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with the Netherlands [Transmittal No. DTC 105-99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5165. A letter from the the Secretary of Housing and Urban Development, transmitting the A-76/Fair Act Inventory; to the Committee on Government Reform.

5166. A letter from the General Counsel, Office of Management and Budget, Executive Office of the President, transmitting reports on vacancies in Senate confirmed positions; to the Committee on Government Reform.

5167. A letter from the Executive Office of the President, United States Trade Representative, transmitting the inventory of commercial activities; to the Committee on Government Reform.

5168. A letter from the Independent Counsel, transmitting the Consolidated Annual Report on Audit and Investigative Activites and Management Control Systems, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5169. A letter from the Office of the Independent Counsel, transmitting the report from the Independent Counsel Ralph I. Lancaster, Jr., pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5170. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Processors Using Trawl Gear in the Bering Sea and Aleutian Islands [Docket No. 990304063-9063-01; I.D. 092499L] received November 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5171. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Greenland Turbot in the Bering Sea Subarea of the Bering Sea and Aleutian Islands [Docket No. 990304063-9063-01; I.D. 091399A] received November 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5172. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Summer Flounder Fishery; Commercial Quota Harvested for New York [Docket No. 981014259-8312-02; I.D. 101999A] received November 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5173. A letter from the Acting Assistant Secretary of Commerce and Acting Commissioner of Patents and Trademarks, Department of Commerce, transmitting the Department's final rule—Changes to Permit Payment of Patent and Trademark Office Fees by Credit Card [Docket No. 991008272-9272-01] (RIN: 0651-AB07) received October 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5174. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; El Paso, TX [Airspace Docket No. 99-ASW-26] received November 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5175. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Examination of returns and claims for refund, credit or abatement; determination of correct tax liability [Rev. Proc. 99-41] received November 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 2634. A bill to amend the Controlled Substances Act with respect to registration requirements for practitioners who dispense narcotic drugs in schedule IV or V for maintenance treatment or detoxification treatment; with an amendment (Rept. 106-441, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 356. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 106-442). Referred to the House Calendar.

Mr. GOSS: Committee on Rules. House Resolution 358. Resolution providing for consideration of the joint resolution (H.J. Res. 75) making further continuing appropriations for the fiscal year 2000, and for other purposes (Rept. 106-443). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 359. Resolution providing for consideration of the bill (H.R. 3196) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106-444). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 360. Resolution agreeing to the conference requested by the Senate on the amendment of the Senate to the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year September 30, 2000, and for other purposes (Rept. 106–445). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X, the Committee on the Judiciary discharged. H.R. 2634 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 2634. Referral to the Committee on the Judiciary extended for a period ending not later than November 3, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of Michigan (for himself, Mr. Stenholm, Mr. Porter, Mr. Kolbe, Mr. Campbell, Mr. Sanford, Mr. Shadegg, and Mr. Toomey):

H.R. 3206. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1986 to provide prospectively for personalized retirement security through personal retirement savings accounts to allow for more control by individuals over their Social Security retirement income, to amend such title and the Balanced Budget and Emergency Deficit Control Act of 1985 to protect Social Security surpluses, and to provide other reforms relating to benefits under such title II; to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SENSENBRENNER (for himself, Mr. Hall of Texas, Mr. Calvert, and Mr. Costello):

H.R. 3207. A bill to authorize research, development, and demonstration activities under section 311 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 for fiscal years 2000 through 2004; to the Committee on Commerce, and in addition to the Committees on Transportation and Infrastructure, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLAGOJEVICH (for himself, Mr. Berry, Mr. Green of Texas, Ms. Millender-McDonald, Mr. McGovern, Mr. Waxman, and Mr. Rush):

H.R. 3208. A bill to amend the Consumer Product Safety Act to improve the way the Consumer Product Safety Commission handles defective products, and for other purposes; to the Committee on Commerce.

By Mr. BLAGOJEVICH:

H.R. 3209. A bill to provide grants to law enforcement agencies to purchase firearms needed to perform law enforcement duties; to the Committee on the Judiciary.

By Mr. UPTON:

H.R. 3210. A bill to enhance protections against fraud in the offering of financial assistance for college education, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HILLIARD:

H.R. 3211. A bill to provide incentive for United States corporations to invest in developing nations to provide debt relief to poor, emerging, and developing nations, to provide a method of repayment of moneys owed to the United States, and to provide for the reduction of the deficit; to the Committee on Banking and Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MILLER of Florida (for himself, Mr. Schaffer, Mr. Condit, Mr. Goss, Mr. Brady of Texas, Mr. Traficant, and Mr. Mica):

H.R. 3212. A bill to provide for increased cooperation on extradition efforts between the United States and foreign governments, and for other purposes; to the Committee on International Relations, and in addition to the Committees on the Judiciary, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PORTMAN (for himself, Mr. Bishop, Mr. McCollum, Mr. Mica, Ms. Granger, Mr. Peterson of Pennsylvania, Mr. Souder, and Mr. Barton of Texas):

H.R. 3213. A bill to amend the Small Business Act to extend the authorization for the drug-free workplace program; to the Committee on Small Business.

By Mr. RODRIGUEZ (for himself and Mr. Hutchinson):

H.R. 3214. A bill to amend the Public Health Service Act to provide for the establishment of a National Center for Social Work Research; to the Committee on Commerce.

By Mr. SISISKY (for himself, Mr. Pickett, Mr. Scott, and Mr. Bateman):

H.R. 3215. A bill to amend the Internal Revenue Code of 1986 to allow penalty-free distributions from qualified retirement plans of individuals residing in Presidentially declared disaster areas and to allow relief from certain limitations on the deductibility of casualty losses sustained in such disaster areas; to the Committee on Ways and Means.

By Mr. TOOMEY (for himself and Mr. Kanjorski):

H.R. 3216. A bill to amend title XVIII of the Social Security Act to provide that geographic reclassifications of hospitals from one urban area to another urban area do not result in lower wage indexes in the urban area in which the hospital was originally classified; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.J. Res. 75. A joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes; to the Committee on Appropriations.

By Mr. GEPHARDT (for himself, Mr. Frost, Ms. DeLauro, Mr. Bonior, Mr. Menendez, Mr. Hoyer, Mr. Kennedy of Rhode Island, Mr. Conyers, Mr. Rangel, Mr. Ackerman, Mr. Allen, Mr. Baird, Mr. Baldacci, Ms. Baldwin, Mr. Becerra, Ms. Berkley, Mr. Berry, Mr. Bishop, Mr. Boswell, Ms. Brown of Florida, Mr. Brown of Ohio, Mrs. Capps, Mr. Capuano, Mr. Cardin, Ms. Carson, Mrs. Christensen, Mr. Crowley, Mr. Cummings, Mr. DeFazio, Ms. DeGette, Mr. Doyle, Mr. Engel, Mr. Etheridge, Mr. Farr of California, Mr. Forbes, Mr. Gonzalez, Mr. Hastings of Florida, Mr. Hill of Indiana, Mr. Hinojosa, Mr. Hoeffel, Mr. Holt, Ms. Hooley of Oregon, Mr. Inslee, Mr. Jackson of Illinois, Ms. Eddie Bernice Johnson of Texas, Ms. Jackson-Lee of Texas, Mr. Kildee, Ms. Kilpatrick, Mr. Kind, Mr. Lampson, Mr. Larson, Mrs. Lowey, Mr. Luther, Mrs. Maloney of New York, Mrs. McCarthy of New York, Mr. McDermott, Ms. McKinney, Mr. Maloney of Connecticut, Mr. Mascara, Mr. Meehan, Mr. Meeks of New York, Mr. George Miller of California, Ms. Millender-McDonald, Mr. Moore, Mr. Moran of Virginia, Mrs. Napolitano, Mr. Neal of Massachusetts, Ms. Norton, Mr. Oberstar, Mr. Olver, Mr. Owens, Mr. Pallone, Mr. Payne, Ms. Pelosi, Mr. Phelps, Mr. Reyes, Mr. Rodriguez, Mr. Roemer, Mr. Rothman, Ms. Roybal-Allard, Ms. Sanchez, Mr. Sawyer, Ms. Schakowsky, Mr. Scott, Mr. Sherman, Ms. Stabenow, Mr. Stark, Mr. Stupak, Mrs. Tauscher, Mr. Thompson of California, Mrs. Jones of Ohio, Mr. Traficant, Mr. Udall of Colorado, Mr. Udall of New Mexico, Mr. Underwood, Ms. Velázquez, Mr. Visclosky, Mr. Waxman, Mr. Weygand, Mr. Wynn, and Ms. Lee):

H. Res. 357. A resolution expressing the sense of the House of Representatives with respect to youth violence; to the Committee on Education and the Workforce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 125: Ms. Baldwin, Mrs. Morella, and Mr. Ackerman.

H.R. 270: Ms. Schakowsky.

H.R. 274: Mr. Conyers and Mr. Owens.

H.R. 303: Mr. Hastings of Washington, Mr. Whitfield, Mr. Vitter, Mrs. Jones of Ohio, and Mrs. Bono.

H.R. 408: Mr. Oxley and Mr. Schaffer.

H.R. 443: Mr. Kildee.

H.R. 568: Mrs. Lowey.

H.R. 583: Mr. Stupak.

H.R. 598: Mr. Toomey.

H.R. 641: Mr. Sandlin.

H.R. 750: Mr. Hoyer.

H.R. 783: Mr. Lipinski and Mr. Toomey.

H.R. 797: Mr. Filner.

H.R. 809: Mr. Davis of Virginia.

H.R. 1083: Mr. Radanovich.

H.R. 1085: Mr. Payne, Mr. Ford, Mr. Pickering, Mr. Baker, and Mr. Foley.

H.R. 1093: Mr. Shays.

H.R. 1168: Mr. Tauzin and Mr. Underwood.

H.R. 1187: Mr. Sununu.

H.R. 1215: Ms. Hooley of Oregon.

H.R. 1221: Mr. Hoeffel, Mr. Fattah, Mr. Shadegg, and Mr. McNulty.

H.R. 1228: Mr. PALLONE and Mr. ANDREWS.

H.R. 1260: Mr. GREEN of Texas.

H.R. 1275: Ms. HOOLEY of Oregon, Mr. ACKERMAN, Mr. MENENDEZ, Mrs. NAPOLITANO, Mr. KENNEDY of Rhode Island, Ms. DELAURO, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. LOWEY, Ms. WOOLSEY, Ms. SCHAKOWSKY, Mr. OWENS, Mr. ROTHMAN, Mr. SMITH of Washington, Ms. CARSON, Mr. MOAKLEY, Mr. PALLONE, Mr. OLVER, Mr. RAMSTAD, Mr. DELAHUNT, Mr. ENGEL, and Mr. FRANKS of New Jersey.

H.R. 1371: Mr. RANGEL.

H.R. 1388: Mr. MARTINEZ, Mr. SMITH of Texas, Mr. BOEHLERT, and Mr. REYES.

H.R. 1445: Ms. DEGETTE, Mr. MORAN of Virginia, Mr. GRAHAM, and Mrs. MALONEY of New York.

H.R. 1592: Mr. NUSSLE and Mr. ROHRABACHER.

H.R. 1622: Mr. KOLBE.

H.R. 1625: Mr. HOEFFEL and Mr. GEKAS.

H.R. 1667: Mr. BARTON of Texas, Mr. CALVERT, and Mr. KINGSTON.

H.R. 1732: Ms. CARSON, Mr. RANGEL, and Mr. REYES.

H.R. 1771: Mr. ISAKSON and Mr. ADERHOLT.

H.R. 1775: Mr. HOLDEN, Mr. SANDERS, and Mr. ALLEN.

H.R. 1832: Mr. ABERCROMBIE.

H.R. 1838: Mr. ORTIZ and Mr. SHERMAN.

H.R. 2000: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. DEAL of Georgia, and Ms. HOOLEY of Oregon.

H.R. 2021: Mr. HALL of Ohio.

H.R. 2059: Mr. COSTELLO and Mr. FOSSELLA.

H.R. 2162: Mr. GOODLING.

H.R. 2241: Mrs. TAUSCHER.

H.R. 2319: Mr. RANGEL.

H.R. 2499: Mr. ROTHMAN.

H.R. 2538: Mr. SPRATT, Mr. FORD, Mr. WELDON of Pennsylvania, Mr. MARKEY, Mr. ISAKSON, Mr. GILCHREST, Mr. DEUTSCH, Mr. SAWYER, Mr. BALLENGER, Mr. GRAHAM, Mr. GOSS, Mr. FOLEY, Mr. COOKSEY, Mr. LATOURETTE, Mr. METCALF, Mr. ROGAN, Mr. LEVIN, Mr. COYNE, Ms. PRYCE of Ohio, Mr. FILNER, Mr. PICKERING, Ms. DUNN, Mr. CLEMENT, Mr. BORSKI, Mrs. ROUKEMA, Mr. STEARNS, and Mr. RAHALL.

H.R. 2543: Mr. FROST and Mr. BACHUS.

H.R. 2551: Mr. DEFAZIO, Mr. MCINNIS, Mr. PICKERING, Mr. GUTIERREZ, and Ms. SCHAKOWSKY.

H.R. 2554: Ms. BERKLEY.

H.R. 2631: Mr. PAYNE and Mr. MCNULTY.

H.R. 2644: Mr. FILNER and Mr. OBEY.

H.R. 2655: Mr. HALL of Texas and Mr. ROYCE.

H.R. 2722: Mr. BLUMENAUER.

H.R. 2738: Mr. SANDERS.

H.R. 2749: Mr. CRAMER.

H.R. 2814: Mr. SHERMAN.

H.R. 2882: Ms. BALDWIN.

H.R. 2888: Mr. HORN.

H.R. 2895: Mr. LEWIS of Georgia, Ms. LEE, Mr. TIERNEY, Mr. MALONEY of Connecticut, Ms. HOOLEY of Oregon, Mr. BLUMENAUER, Ms. LOFGREN, Mr. DEFAZIO, Mr. KILDEE, Mr. GUTIERREZ, and Mr. THOMPSON of California.

H.R. 2966: Mr. ANDREWS, Mr. COBURN, Ms. LOFGREN, Mr. MCHUGH, Ms. MCKINNEY, Mr. MORAN of Virginia, Mr. SANDLIN, Mr. THOMPSON of California, Mr. UNDERWOOD, and Mr. WHITFIELD.

H.R. 2969: Ms. BALDWIN.

H.R. 3044: Mr. KILDEE.

H.R. 3058: Mr. CUNNINGHAM, Mr. ENGEL, and Mr. WOLF.

H.R. 3073: Mr. GILLMOR.

H.R. 3076: Mr. KINGSTON and Mr. BARR of Georgia.

H.R. 3087: Ms. BERKLEY.

H.R. 3088: Mr. COBURN, Mr. SMITH of New Jersey, Mr. ROYCE, Mr. STEARNS, Mr. BACHUS, Mr. HILLEARY, Mr. PITTS, and Mr. LARGENT.

H.R. 3091: Mr. COSTELLO, Mr. RODRIGUEZ, Mr. GREEN of Texas, Mr. OBERSTAR, Mr. VENTO, Mr. MINGE, Mr. YOUNG of Alaska, Mr. PASTOR, Mr. PETERSON of Minnesota, Mr. SERRANO, Mr. GONZALEZ, Mr. BONIOR, Mr. CLAY, and Mr. SMITH of New Jersey.

H.R. 3110: Mr. EVANS.

H.R. 3115: Mr. SPRATT and Mr. DEMINT.

H.R. 3139: Mr. WAXMAN and Ms. SCHAKOWSKY.

H.R. 3142: Ms. RIVERS.

H.R. 3143: Mr. OWENS.

H.R. 3144: Mr. FARR of California, Mr. DICKS, Mr. FILNER, Mr. DIXON, Mr. KIND, Ms. MILLENDER-MCDONALD, and Ms. PELOSI.

H.R. 3150: Ms. SCHAKOWSKY.

H.R. 3170: Mr. DEAL of Georgia, Mr. LINDER, and Mr. SCHAFFER.

H.R. 3193: Mr. REYES.

H.J. Res. 55: Mr. BLILEY.

H.J. Res. 56: Mr. HOUGHTON.

H. Con. Res. 62: Mr. CAMPBELL, Mr. TURNER, Mr. BOEHLERT, Mr. ADERHOLT, and Mr. STEARNS.

H. Con. Res. 100: Mr. INSLEE.

H. Con. Res. 200: Ms. MCKINNEY.

H. Con. Res. 205: Mr. LEWIS of Georgia, Mr. MCHUGH, Mrs. BIGGERT, Mr. FROST, Mr. MALONEY of Connecticut, Mr. WAXMAN, and Mr. GUTIERREZ.

H. Con. Res. 206: Mr. ENGEL and Ms. MCKINNEY.

H. Con. Res. 209: Ms. WOOLSEY, Mr. KLECZKA, Ms. LEE, Mr. DEFAZIO, Mr. FALEOMAVAEGA, Mr. MALONEY of Connecticut, Mr. NADLER, and Ms. BALDWIN.

H. Con. Res. 212: Mr. HAYES, Mr. ROGAN, Mr. RYUN of Kansas, Mr. NORWOOD, Mr. HANSEN, Mrs. BONO, Mr. BURR of North Carolina, Mr. KUYKENDALL, Mr. CUNNINGHAM, Mr. GRAHAM, Mr. EVERETT, Mr. SHIMKUS, Mr. BEREUTER, Mrs. MYRICK, Mr. HOSTETTLER, Mr. BARTLETT of Maryland, Mr. TALENT, Mr. GIBBONS, Mr. SHERWOOD, Mr. RILEY, Mr. PITTS, Mr. SAXTON, Mr. HILLEARY, Mr. DUNCAN, Mr. MCKEON, and Mr. ISAKSON.

H. Con. Res. 218: Mr. BURR of North Carolina, Ms. SCHAKOWSKY, Ms. ROS-LEHTINEN, Mr. SPRATT, Mr. TALENT, Mr. DIXON, Mr. MCGOVERN, and Mr. KENNEDY of Rhode Island.

H. Res. 298: Mr. TOOMEY, Mr. LEWIS of Kentucky, Mr. DUNCAN, and Mr. GOODE.

H. Res. 325: Mr. PAYNE.

H. Res. 340: Mr. MEEKS of New York and Mr. ENGEL.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 872: Mr. HASTINGS of Washington.

H.R. 1300: Mr. WEINER.

H.R. 1832: Mr. MEEKS of New York.

H.R. 2891: Mr. MORAN of Virginia.

EXTENSIONS OF REMARKS

OBSERVING NATIONAL HOSPICE MONTH

HON. JOE SCARBOROUGH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. SCARBOROUGH. Mr. Speaker, November is National Hospice Month. I rise today to praise the efforts of the associated Hospice programs and the care that they provide to hundreds of thousands of terminally ill patients each year. In the First District of Florida, Hospice of Northwest Florida will celebrate its 15th year of service and will help meet the medical, emotional, and spiritual needs of over 2000 patients this year.

Since the modern Hospice movement began in the early 1970s to mainly care for those with terminal cancer, millions of patients and their families have benefitted from hospice care's unique and compassionate role in America. Hospices have continued to expand and last year alone, hospices served over 300,000 terminally ill people. Ninety percent of all patient care was provided for patients at home.

I recently came across some fascinating numbers on just how important Hospice care has become in America. In 1998, hospices cared for patients in one-in-three-cancer-related deaths and AIDS-related deaths in America. There are about 3,000 Hospices in the U.S., two-thirds of which are Medicare certified. 98% of Hospice programs accept persons with AIDS.

Perhaps the most impressive statistic of all is the tremendous contribution volunteers make to hospice care. In fact, approximately 70,000 people from all walks of life, volunteer with hospice programs, providing over 5 million hours of direct care and services each year. It is these men and women that deserve the lion's share of recognition for the success of hospice care in America.

Mr. Speaker, an increase in public awareness and understanding of Hospice care will better serve the families of our communities who are faced with a life limiting illness. Therefore, I invite all of my colleagues to join the hundreds of cities, counties, and states in observing the month of November as National Hospice Month. We will actively encourage the support of friends, neighbors, family, and fellow citizens in associated Hospice activities and programs now and throughout the year.

TRIBUTE TO ROY AND GEORGETTE ENGLER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Ms. KAPTUR. Mr. Speaker, I rise today to recognize the extraordinary contributions that Roy and Georgette Engler made over the course of their lives to benefit mentally disabled children in Northwest Ohio. Their story poignantly recounts the love and patience that characterized one family's heroic struggle with mental retardation. Though both passed away in the 1970's, their legacy lives on in the form of Sunshine Inc. of Northwest Ohio, a first-rate facility that provides assistance to hundreds of developmentally disabled individuals and their families. Loved and cherished by many, Roy and Georgette are remembered as selfless humanitarians who sought to help those shunned by the rest of society. Their efforts are truly worthy of recognition and praise. On behalf of Ohio's lawmakers and citizens, I invite my colleagues to join me in honoring these two wonderful people.

Roy and Georgette Engler did not have an easy life. Both were high school drop-outs who struggled to make ends meet. Roy worked 12-hour shifts, 7 days a week as a railroad telegraph operator while Georgette, just 16 when she married, helped out at her parents' bar, grille, and country store. The situation became substantially more difficult, though, when it became apparent that all five of their children (two girls and three boys) were mentally retarded. Teachers told the Englers that their 2nd grade daughters would have to leave school because they were simply too slow. The boys, moreover, were less capable than their sisters, even having trouble relating with each other. The situation was bleak. Roy confided in a friend, "No one will ever understand what it is like to sit around the table at meal time and look at your children and know that they will never be independent."

The Engler's visited several institutions but realized it would be best to keep the children at home, where they would be loved and properly cared for. The magnitude of this responsibility took its toll, though. Roy was forced to work night shifts at the telegraph office and take odd jobs in the morning. He was hospitalized seven times for depression and stress. Georgette was thus forced to remain at home, day after day, caring for the five children. She contemplated suicide, though she fortunately never acted on these impulses. The total commitment to their children was robbing them of life. The Engler's had long since abandoned their hopes and dreams, resigning themselves to the fact that they would have to care for their children the rest of their lives. As the children reached their twenties, though, Roy and Georgette realized that they needed to ensure acceptable care for their children when they passed on.

The Engler's knew from experience that institutions were an unacceptable choice. They believed their children, as well as other mentally disabled youths, would benefit from an organization that placed an emphasis on individual care, love and simple pleasures. Roy and Georgette started Sunshine Inc. in 1949 and 50 years later it serves hundreds of developmentally challenged individuals with a budget of over $13 million. Moreover, Sunshine manages 14 group homes, operates a summer day camp and supervises adults that live on their own. The Superintendent of the Lucas County Board of Mental Retardation says they are among the best facilities in Ohio.

John Milton wrote "freely we serve, because we freely love." This is thoroughly exemplified by the actions of Roy and Georgette Engler. Through their unselfish dedication, mankind has advanced and come to understand more about the range of crippling illnesses and brain disorders that afflict millions of people. Let us hope medical science in this generation will unlock the mysteries of human development, but until then, let us be forever grateful for the lifetime of sacrifice Roy and Georgette dedicated through love and uncommon valor. I would also like to extend a warm thanks to Tahree Lane of the Toledo Blade for writing such a wonderful article that brought this touching story to my attention.

TRIBUTE TO THE LATE DAVID PITCAIRN

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. HUNTER. Mr. Speaker, I rise today to pay tribute to a man who dedicated a significant part of his life to the service of our great nation. David Vincent Pitcairn, a devoted husband and father, distinguished himself as a man who repeatedly put the well being of his family and friends before that of his own. Sadly, Mr. Pitcairn passed away on October 19, 1999.

Born in New Haven, Connecticut in 1947, Dave entered the United States Army at an early age and quickly established himself as an exemplary soldier. Sergeant David Pitcairn distinguished himself with the first platoon, B Company, 39th Infantry, 9th Infantry Division near Saigon, Vietnam. Serving as both platoon leader and machine gunner for his platoon, his leadership, extraordinary bravery and repeated exposure to enemy fire served as an inspiration to the entire company. It bears mentioning that while in Vietnam, Dave earned numerous medals and commendations which included: the Bronze Star, the Combat Infantry Badge,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the National Defense Service Medal and the Army Commendation Medal.

More than three decades ago, while maneuvering in the rice paddies of South Vietnam, Dave inspired his fellow soldiers with his unique exuberance for life. To be around Dave was fun and challenging, often exciting, yet always comforting. He had the strength to carry those around him through the turmoil with his bright attitude. His valorous and intrepid conduct reflect the utmost credit on him and upholds the noble traditions of the United States Army.

Mr. Speaker, Dave truly represented the best America has to offer. He will be sorely missed.

PERSONAL EXPLANATION

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. McINTYRE. Mr. Speaker, on Monday, November 1, 1999 I was unavoidably absent and therefore missed rollcall votes 550 through 552. Had I been present I would have voted "yes" on rollcall vote 550, "yes" on rollcall vote 551, and "yes" on rollcall vote 552.

CELEBRATING THE LIFE OF VIRGINIA PRISCILLA WOOTEN

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. GREEN of Texas. Mr. Speaker, it is with great honor and profound sadness that I rise to pay tribute to the life of Virginia Priscilla Wooten of Jacinto City, Texas. After living a remarkably accomplished life that spanned 72 years, Mrs. Wooten passed away on July 1, 1999. She was born in Lynn, Massachusetts, on January 1, 1927.

Even as we mourn her passing, everyone who knew Virginia should take comfort in the truly incredible life she led. We extend our heart-felt sorrow to her loving husband, Hershel Wooten.

Virginia was preceded in death by parents Shirley and Dorothy Bates; sisters Shirley Barbou and Diane Bates; brothers Jack Bates, Lawrence Bates, Aubry Bates, Francis Bates, Edwin Bates and Reginald Bates.

She is survived by husband Hershel Wooten; sons Robert Wooten, Ronnie Wooten and David Wooten; daughters Linda Wooten and Carol Wooten; brother Randy Bates; sisters Irene Poole, Barbara Calef, Sally Brown, Sandra Richards, Ilene Gallo and Joan Bradley; five grandchildren and seven great-grandchildren.

It has been said that the ultimate measure of a person's life is the extent to which they made the world a better place. If this is the measure of worth in life, Virginia Wooten's friends and family can attest to the success of the life she led.

Mr. Speaker, I ask all the Members of the House to join me in paying tribute to the life of Virginia Priscilla Wooten. She touched our lives and our hearts, and she will be greatly missed.

CONGRATULATING JAMES L. ANDERSON

HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. BALDACCI. Mr. Speaker, I rise today to recognize the contributions of James L. Anderson of Maine to the U.S. Coast Guard Auxiliary.

Mr. Anderson is a native of Brewer, Maine, and a graduate of Brewer High School. Like so many other residents of Maine, Mr. Anderson has served countless hours as a member of the U.S. Coast Guard Auxiliary, which was created by Congress in 1939 as a civilian, non-military division of the Coast Guard.

As one of the 35,000 men and women in the U.S. Coast Guard Auxiliary, Mr. Anderson has helped to save lives by teaching boating safety and ensuring that our waterways are secure from hazards.

In recognition of his service, commitment and outstanding leadership skills, Mr. Anderson has been elected Commodore of the Coast Guard Auxiliary's First District, which encompasses New England. The Change of Watch ceremony officially installing him into this prestigious role will be held on January 8, 2000.

For 60 years, the Coast Guard Auxiliary has assisted the Coast Guard and the boating public. The Auxiliary's work is based on four cornerstones: courtesy vessel examinations to ensure safety; educational activities including National Safe Boating week; operations support for the Coast Guard's non-military functions; and the fellowship engendered in the Auxiliary's activities.

Mr. Speaker, I know that I speak on behalf of all Maine citizens and those members of the Auxiliary who serve with him when I salute Mr. Anderson for his service to our nation and for his election as the First District Commodore. He will help to lead the Coast Guard Auxiliary into the 21st Century, and I know that the Auxiliary, the Coast Guard and the boating public will benefit from his efforts.

I am proud of the role that Mr. Anderson will be playing, and am pleased to offer my congratulations to him today. I know that my colleagues join me in saying to Commodore Anderson, "Welcome aboard, Sir."

PERSONAL EXPLANATION

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. SANDLIN. Mr. Speaker, unfortunately, due to unforeseen official business in my district, I was unable to cast my vote yesterday on H.R. 348, H.R. 2737, and H.R. 1710. Had I been present, I would have voted in the following manner: Rollcall vote 550: Yea; Rollcall vote 551: Yea; and Rollcall vote 552: Yea.

PERSONAL EXPLANATION

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. WYNN. Mr. Speaker, on November 1, 1999, I missed rollcall votes 550 to 552, due to a minor illness. Had I been present, I would have voted "aye" on rollcall votes 550 and 551 and "no" on rollcall vote 552.

TRIBUTE TO JAMES ELLIOTT WILLIAMS, AN AMERICAN HERO

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. SPENCE. Mr. Speaker, I rise today to honor the life of a great American, Medal of Honor Recipient James Elliott Williams, who recently passed away at the age of 68. The most decorated American serviceman of the Vietnam Conflict and the most decorated enlisted man in the history of the United States Navy, Petty Officer First Class Williams was truly an American hero.

A native South Carolinian, Elliott Williams began his twenty-year career in the Navy at the age of 16. During the Vietnam Conflict, commanding high-speed river patrol boats, known as PBRs, Elliott Williams exhibited great valor when faced with overwhelming forces. In 1966, Elliott Williams, without reinforcement, led eight men on two boats through intense enemy fire in a three hour firefight that resulted in the destruction of more than fifty-seven enemy boats, more than 1,000 enemy casualties, and the interception of classified documents. In 1967, just four months before Elliott Williams was to retire, the boat under his command and another United States boat was attacked along a branch of the Mekong River by four hundred soldiers from three North Vietnamese heavy weapons companies. While protecting the other boat, which was disabled, Elliott Williams continued to fight, even though he was wounded. The outcome of this incident was nearly forty enemy casualties and nine of their boats being destroyed.

For his service in the Vietnam Conflict, Elliott Williams received the Medal of Honor, the Navy Cross, two Silver Stars, the Navy and Marine Corps Medal, three Bronze Stars, three Purple Hearts, and the Vietnamese Cross of Gallantry. He also served in the Korean Conflict.

After retiring from the Navy, Elliott Williams became the first United States Marshal to be appointed by President Nixon, in 1969. He served in a number of positions with the United States Marshals Service before retiring. He was also a Past President of the Congressional Medal of Honor Society and a former member of the Board of Directors of the Patriots Point Development Authority, in Mount Pleasant, South Carolina. Largely through the efforts of Elliott Williams, the Congressional Medal of Honor Society moved its headquarters from the *Intrepid*, in New York, to the *Yorktown*, at Patriots Point. In 1997, Navy

Special Boat Unit 20, honored Elliott Williams by naming its new headquarters, in Little Creek, Virginia, for him.

Elliott Williams was a member of the American Legion, the Veterans of Foreign Wars, the Purple Heart Club, the Fleet Reserve Association, the Hammerton Masonic Lodge, and the Omar Shrine Temple. He was active in community affairs and enjoyed speaking to civic groups about his experiences during his career in the Navy.

Mr. Speaker, I had the privilege of knowing Elliott Williams for more than thirty years. He was a valiant warrior and a true patriot, who inspired many to do their best. He was also a wonderful husband and father. He will be greatly missed.

CONGRATULATING THE AMERICAN SOCIETY OF NEPHROLOGY

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. DAVIS of Illinois. Mr. Speaker, I rise to recognize the tremendous work performed by a group of dedicated and tireless professionals: the members of the American Society of Nephrology (ASN). Many members, including those from the 7th Congressional District of Illinois, are gathering at the ASN's 32nd Annual Meeting. I rise to congratulate the ASN for its achievements.

For some, Nephrology is not an everyday word. However, there is no doubt that we are all too familiar with terms like "diabetes" and "hypertension." These two diseases, Mr. Speaker, happen to be the leading two causes of total kidney failure, or End Stage Renal Disease (ESRD). In 1997, approximately 361,000 Americans suffered from ESRD and required life-saving dialysis or kidney transplants. While we know the terrible human suffering ESRD imposes on thousands across the country, the economic costs are staggering as well. Recent statistics show that the direct economic cost of health care for kidney failure, stemming largely from the Federal Government, is more than $15 billion per year.

Unfortunately, ESRD represents only the tip of the iceberg. It is estimated that 12.5 million Americans have lost at least 50% of their normal kidney function. Further, it must also be mentioned that renal disease affects certain populations disproportionately. For example, African Americans, Native Americans, Latinos and people over the age of 50 are at higher risk for developing kidney disease. This must change.

There is no cure for kidney disease. But there is room for hope. Medical research offers us great promise to reduce the human suffering and enormous costs imposed by ESRD and kidney disease. As a result, I have long supported increased funding for the National Institutes of Health (NIH). Further, in order to draw attention to important health care issues in my own district, I staged a series of town hall meetings this past summer. These meetings proved that our citizens are actively concerned about issues like health care. Furthermore, my town meetings demonstrated that we owe it to our constituents to continue to work to provide them important information because, as the saying goes, "Knowledge is power." The same is true for research.

While kidney disease does have a devastating impact on our citizens, research has found that the progression of the disease can be slowed if diagnosed and managed early. Some more good news centers on the fact that there are dedicated individuals who are focused on finding ways to beat this disease. Recently, these researchers and experts in the field of Nephrology met to discuss and identify research priorities and obstacles that could impede us from reaching our goals. These discussions were summarized and drafted in the recently released paper, "Progress and Priorities: Renal Disease Research Plan." This project, sponsored by the National Institutes of Health's (NIH) National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), was made possible through the work of the American Society of Nephrology and other members of the Council of American Kidney Societies (CAKS). I urge all my colleagues to read through this seminal report and to share copies with their constituents.

Mr. Speaker, thank you for providing me this opportunity to acknowledge the work performed by the American Society of Nephrology (ASN).

PERSONAL EXPLANATION

HON. RONNIE SHOWS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. SHOWS. Mr. Speaker, because of unanticipated delays in my flight from Jackson, Mississippi, on Monday, November 1, 1999, I was unable to cast recorded votes on rollcalls 550, 551, and 552.

Had I been present for rollcall 550, I would have voted "yea" to suspend the rules and pass H.R. 348, a bill to authorize the construction of a monument to honor those who have served the Nation's civil defense and emergency management programs.

On rollcall 551, I would have voted "yea" to suspend the rules and pass H.R. 2737, a bill to authorize the Secretary of the Interior to convey to the State of Illinois certain Federal land associated with the Lewis and Clark National Historic Trail to be used as an historic and interpretive site along the trail.

On rollcall 552, I would have voted "nay" against suspending the rules and passing H.R. 1714, a bill to facilitate the use of electronic records and signatures in interstate or foreign commerce.

BURNING POPE IN EFFIGY SHOWS INDIA'S RELIGIOUS INTOLERANCE

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. DOOLITTLE. Mr. Speaker, I rise today to condemn the recent act of burning the Pope in effigy by a Hindu fundamentalist group in India. My friend Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, brought this disgraceful act to my attention. It was reported in India Abroad.

An organizer of the march criticized the Delhi Archbishop for contacting the Pope about religious persecution in India. The Pope is visiting India soon and the Hindu militants demand that the Pope declare all religions the same.

This follows the rapes of four nuns in India by individuals described by the Vishwa Hindu Parishad as "patriotic youth." Hindu fundamentalists have murdered four priests. Hindu fundamentalists also killed Australian missionary Graham Staines and his two little boys by surrounding their Jeep and setting it on fire. They have burned churches, prayer halls, and Christian schools.

Sikhs, Muslims, and others have also suffered from similar treatment. They, too, have seen their religious shrines desecrated and attacked and religious leaders kidnapped, tortured, and murdered by the Indian authorities and their Hindu fundamentalist allies. These are people who espouse total Hindu domination of every facet of life in India. In this light, is it any wonder that so many of the minorities in India's multinational empire, such as Christian Nagaland, the Sikhs of Punjab, Khalistan, the Kashmiri Muslims, and so many others seek independence from India?

It is time for Congress to encourage freedom for people of the subcontinent. I submit the Council of Khalistan's press release on the burning of the Pope's effigy into the RECORD.

HINDU ACTIVISTS BURN EFFIGY OF POPE, MARCH TO PROTEST CHRISTIAN ACTIVITY

THERE IS NO RELIGIOUS FREEDOM IN INDIA

WASHINGTON, D.C., October 28, 1999.—Fundamentalist Hindu militants burned an effigy of Pope John Paul II on October 22 during a Goa-to-Delhi march to protest Christian religious activity in India, according to a report in the October 29 issue of India Abroad. The Vishwa Hindu Parishad (VHP), a branch of the Rashteriya Swayamsewak Sangh (RSS), a pro-Fascist, Hindu fundamentalist organization organized the march. The ruling BJP, which leads the 24-party governing coalition in India, is the political arm of the RSS.

Marchers are protesting large-scale conversions by Christians, according to the article. They are demanding that the Pope proclaim all religions equal during his visit to India next month.

Subhash Velingkar, an organizer of the march, condemned religious conversions. In the eyes of many Hindu activists, all conversions from Hinduism are 'forced" conversions. Velingkar attacked the Archbishop of Delhi, Alain de Lastic, for communicating with the Vatican about the persecution of Christians in India. "Why should people from India complain to the Vatican?," he demanded.

Recently a nun named Sister Ruby was abducted by militant Hindus and forced to drink their urine on the threat of being raped. Four other nuns were raped last year. The VHP called the nuns "antinational elements" and described the rapists as "patriotic youth." Another priest was recently murdered in India, joining four other priests who were murdered last year.

Christians have been subjected to a wave of violence since Christmas Day. Churches have been burned and schools and prayer halls have been destroyed. Missionary Graham Staines and his two sons, ages 8 and 10, were burned to death while they slept in their van by a mob of Hindus who surrounded the jeep and chanted "Victory to Lord Ram."

"We strongly condemn this march and the burning in effigy of the Pope," said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, the organization leading the Sikh Nation's struggle for independence from India. "The ordeal that the Christians are enduring is reminiscent of what the Sikhs, Muslims, and other religious minorities in India go through," he said. "There is no religious freedom in India," he said. "The VHp openly proclaimed that anybody living in India should be a Hindu or subservient to the Hindus."

March organizer Velingkar said, "Christians are brothers of the same blood." Dr. Aulakh dismissed that statement. "The Hindu fundamentalists say the same things about Sikhs being brothers of Hindus," he said. "If that is the case, then why do they continue to murder Sikhs, Christians, Muslims, and others in large numbers?"

India has murdered over 250,000 Sikhs since 1984, over 200,000 Christians in Nagaland since 1988, more than 65,000 Muslims in Kashmir since 1988, and tens of thousands of Assamese, Manipuris, Tamils, Dalits, and others. It continues to hold tens of thousands of members of these groups as political prisoners without charge or trial, according to a report by Amnesty International. Thousands have been illegally detained for as long as 15 years.

"Clearly there is no place for religious minorities in democratic, secular India," said Dr. Aulakh. "This only makes the case for freedom for all the minority nations of South Asia stronger," he said. "I call on President Clinton and the Pope to bring up the issues of religious freedom and self-determination on their visits to India," he said.

HONORING BARBARA WHEELER FOR HER SERVICE TO PUBLIC EDUCATION AND PUBLIC SCHOOLS IN DOWNERS GROVE, ILLINOIS

HON. JUDY BIGGERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mrs. BIGGERT. Mr. Speaker, I rise today to congratulate Barbara Wheeler for her invaluable contributions to the children of DuPage County and the State of Illinois over the past 25 years.

Since 1974, Ms. Wheeler has been a dedicated member of the Community High School District Board of Education, DuPage County. She served in leadership roles as president of the school board for 15 years and vice president for 5 years. Throughout her career, she has made it a priority to ensure that the school board sets attainable goals to raise student achievement and to build a consensus among business, educators, and the community at large.

Ms. Wheeler is an active board member of the National School Boards Association (NSBA), serving as chair of the NSBA Central Region, a member of the Policies and Resolutions Committee, Secretary-Treasurer and President Elect. She served as President of the NSBA in 1998, when she championed a nationwide campaign to make our schools safer.

Besides her extensive work in the educational field, Ms. Wheeler is an energetic and committed community leader. She is a volunteer for the Illinois Department on Aging, George Williams College, the Downers Grove Chamber of Commerce, and the Downers Grove YMCA.

An Illinois native, Ms. Wheeler attended St. Dominic College, Northern Illinois University and the DePaul University College of Law. She is an active member of the Chicago and Illinois State Bar Associations and the American Bar Association. She has served as Assistant State's Attorney, Cook County, Illinois, and is in private law practice with the firm Wheeler, Wheeler and Wheeler in Westmont, Illinois.

I have had the privilege to know Barbara Wheeler for many years, and greatly respect her for the unwavering commitment she has made to excellence in education. While I can confidently say that the citizens of DuPage County wish her much success in her future endeavors, we must recognize that her wisdom and years of experience will be sorely missed by the school board, as well as by parents and students. DuPage County, the State of Illinois, and our nation are better places because Ms. Barbara Wheeler dedicated a portion of her life to the education of our children.

CONFERENCE REPORT ON H.R. 3064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

SPEECH OF

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. EVANS. Mr. Speaker, I rise today in opposition to the DC/Labor-HHS Appropriations conference report. There are many reasons to oppose this measure. Among the worst of the provisions contained in this conference report is the irresponsible across-the-board 1-percent cut in discretionary spending fashioned by the House Republican leadership.

It is the worst kind of cynicism to claim that a 1-percent across-the-board cut will correct waste and fraud in government programs. I'm strongly opposed to cutting the funding for veterans' medical care just approved by Congress. The majority whip has issued a press release that claims the cut in Veterans' medical care funding he is recommending would not affect health care for America's veterans. Veterans know better. You can't cut health care funding without cutting health care.

Congressman DELAY sent a press release to the leadership of major veterans service organizations defending the 1.4-percent cut in appropriations he originally supported, which affected veterans, among other discretionary programs. Let me state that three years of straight-line funding for the Department of Veterans Affairs (VA) has left the agency struggling to meet the increasing costs of medical care for the growing number of enrolled veterans it treats.

Now the Republican leadership claims a $190 million cut in veterans' medical care funding would do no harm. They maintain these funds can be squeezed out of the budget and be found in "mismanagement and waste." What the Republican leadership fails to acknowledge is the tremendous changes VA has already made to be more efficient. In the last few years, VA has closed thousands of beds, eliminated thousands of staff positions, and strengthened many of their auditing systems.

House Democrats have strongly supported proposals all year that would have added sums ranging from $2 to $3 billion to the President's initial proposal for veterans' medical care. Indeed we have all worked hard to improve funding for veterans. Veterans service organizations have called on Congress to appropriate up to $3 billion more than the administration's original budget proposal for veterans' health care. Now many veterans services organizations have vehemently denounced the Republican leadership's proposed across-the-board cut. I quote from a letter signed by the executive directors of AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and the Veterans of Foreign Wars of the U.S. regarding these cuts: "It seems disingenuous at best for Congress to recognize a problem in funding for veterans health care, provide the dollars with one hand to help solve that problem, and then take dollars away with the other. No one is fooled by this budget sleight-of-hand."

Mr. Speaker, no one is going to be fooled by this belated and disingenuous concern about government inefficiency. I urge my colleagues to vote "no" on this abrogation of responsibility. Vote "no" on this conference report.

It is already evident VA will struggle, even to deal with the unprecedented increase Congress has enacted and the President has signed into law. How will this affect the VA health care system? In many parts of the country, veterans must wait up to six months just to see a primary care doctor. VA has also unraveled mental health and long-term care programs which were once hallmarks of the VA system. There are now even complaints that VA's highly-regarded special emphasis programs for which there is supposedly congressional protection—such as spinal cord injury and blind rehabilitation—are under attack.

VA has done much to streamline its services in recent years. Over five years, VA has reduced its workforce by almost 10 percent, closed hundreds of beds throughout the system, reduced its inpatient census by almost 30 percent and eliminated 37 percent of its inpatient treatments per year. It has integrated or consolidated 50 medical centers. In testimony before the Veterans' Affairs Committee this April, four Veterans Integrated Service Network (VISN) directors, commenting on the proposed future efficiency-derived savings, concurred that "all the low-hanging fruit has been picked." Savings available to the system in the future, the directors said, will be harder fought and more disruptive.

The Republican leadership has contended that VA could absorb further cuts "without having any effect on health care to veterans," citing figures from studies that were challenged earlier this year. For example, the majority whip's release contended VA could save a million dollars a day by eliminating some of its overhead in capital assets. But whether savings of this magnitude could be realized in the immediate future with significantly uprooting current VA programs is highly questionable. Even without the Republican budget cuts, "there isn't enough money in the budget now to tear down or renovate underutilized buildings, let alone to replace them with new, modern, smaller clinics. Any savings here will require investment, not magic, and will not come quickly."

Likewise, DELAY's release pointed to a report suggesting $17 million is lost each year in fraudulent or improper workers compensation claims. Actually, testimony at the March 24 Subcommittee on Oversight and Investigations hearing demonstrated that VA's workers compensation costs are not unusual, and that the answer is in heading off injuries and helping employees with rehabilitation. In fact, VA has been cutting these costs since 1994, and is completing automation of its claims system for better management, but savings are already part of the FY 2000 budget.

The DeLay release also noted his plan would not affect benefits checks. Of course, it wouldn't. That, at least, is still out of Mr. DELAY's reach. It's troubling that he would even mention compensation for service-connected disabilities and his restraint with regard to compensation for service-connected disabilities.

ON WALTER PAYTON'S PASSING

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. RUSH. Mr. Speaker, I rise today to join in remembering an extraordinary athlete and person, Mr. Walter Payton.

Walter Payton was a hero on and off the football field. Throughout his life, he epitomized courage, determination and dignity. Self-motivated by a standard of excellence, he used his intelligence and God-given ability to excel in his professional and personal life. As you know, this standard of excellence is detailed in the numerous stats, and records he accumulated throughout his football career.

In thirteen years of playing professional football, Walter set 28 Bears records and 7 NFL records. The All time NFL leader in total rushing yards (16,726) and combined net yardage (21,803), Payton was truly one of the greatest running backs who ever played the game. He rushed for 1,000 yards in 10 of his seasons, and set the longstanding record for most rushing yards gained in a single game. I still recall Walter's historic performance against the Minnesota Vikings, where he rushed for 275 yards, and carried the ball 40 times. Furthermore, I am sure that if a record existed for endurance, Walter would have set that as well. Payton only missed one game in his entire career, which spanned 13 seasons and 190 games.

I recall many moments watching Walter and being in awe of his numerous athletic feats. His sheer will, determination and courage will forever be a measure for athletic and personal excellence. Throughout his thirteen stellar years with the Chicago Bears, I cannot recall a single time when Walter chose to run the ball into the sidelines, rather than run straight into an opposing defender or group of defenders. He displayed courage when confronted with any obstacle. Even while facing the toughest obstacle in his life, Walter bravely announced to the world his battle with the liver disorder and cancer, that would claim his life.

On occasions that Walter visited me in my office, his humility and down to earth approach always impressed me. It was refreshing. It was those qualities that became even more evident during these last few months.

"Sweetness," graceful, courageous, electrifying and charming are just a few of the characteristics that Walter embodied throughout his life. I am deeply saddened by Walter Payton's passing. My prayers are with his loving wife and children. In closing, I will forever treasure the many memories Walter Payton has left behind, and I hope his family and his many friends rest assured knowing that he has found comfort in God's hands.

INTRODUCTION OF THE CARTER G. WOODSON HOME NATIONAL HISTORIC SITE STUDY ACT OF 1999

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Ms. NORTON. Mr. Speaker, I rise today to introduce the Carter G. Woodson Home National Historic Site Study Act of 1999. The legislation would honor the great American historian, Dr. Carter G. Woodson, by authorizing the Department of the Interior to study the feasibility and suitability of designating his home at 1538 Ninth Street, NW., Washington, DC, as a national historic site within the National Park Service.

Carter G. Woodson was born on December 19, 1875, in New Canton, VA. Public education was not available to blacks in New Canton, and the young Woodson did not begin his formal education until 1895, after he had relocated to Huntington, West Virginia. Dr. Woodson obtained his high school diploma in 1895 and then entered Berea College in Kentucky, where he received his B.L. degree in 1897. Woodson continued his education at the University of Chicago, where he earned his A.B. and M.A. degrees. In 1912, Woodson earned a Ph.D. degree from Harvard University, following W.E.B. Du Bois as the second black American to receive a doctorate from that institution. During the period between entering Berea College and his Harvard graduation in 1912, Woodson also held several teaching positions in the United States and abroad.

Woodson took a special interest in the widespread ignorance and scanty information concerning African American life and history during his extensive studies. He saw the great need to educate the American public about the contributions of black Americans in the formation of the nation's history and culture, and he especially perceived that a concerted effort was needed to counter the extensive influence of Jim Crow and the pervasively negative portrayals of African Americans prevalent at the time. To correct this situation, on September 9, 1915, Dr. Woodson founded the Association for the Study of Negro Life and History (ASNLH), since renamed the Association for the Study of African-American Life and History. Through ASNLH, Dr. Woodson would dedicate his life to educating the American public about the contributions of black Americans in the formation of the nation's history and culture.

Among its enduring accomplishments, ASNLH instituted Negro History Week in 1926 to enlighten all levels of the general populace regarding the contributions of black Americans to society. Celebrated annually during the second week of February, this weeklong observance gradually gained national support and participation of schools, colleges, and other organizations across the country. Eventually, Negro History Week evolved into Black History Month and is widely celebrated and used to educate Americans about African American life, history, and achievement.

Under Dr. Woodson's stewardship, ASNLH in 1920 also founded the Associated Publishers, Inc. to handle the publication of research on African American history. Dr. Woodson published his seminal work The Negro in Our History (1922) and many others under Associated Publishers, and the publishing company provided an outlet for scholarly works by numerous other black scholars. ASNLH also circulated two periodicals: the Negro History Bulletin, designed for mass consumption, and the Journal of Negro History, which was primarily directed to the academic community.

Dr. Woodson directed ASNLH's operations out of his home at 1538 Ninth Street, NW., Washington, DC. From there, he trained researchers and staff and managed the organization's budget and fundraising efforts, while at the same time pursuing his own study of African American history. This Victorian style house, built in 1890, is already listed as a National Historic Landmark. I am now introducing a bill which I hope will lead to the Woodson home achieving national historic site designation so that the resources of the National Park Service will be available to preserve and maintain this national treasure.

FEMA AND CIVIL DEFENSE MONUMENT ACT

SPEECH OF

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. REYES. Mr. Speaker, I rise today in support of this bill authorizing the construction of a monument honoring those hard-working individuals who have served the nation's civil defense and emergency management programs.

I personally understand their sacrifice and the sacrifice of the thousands of similar individuals who rise to the occasion when called upon by disaster. In my family, there are 16 firefighters. My cousins, uncles, and in-laws who have dedicated their lives to responding to emergencies have set a standard not met by many today.

FEMA, the Federal Emergency Management Agency, has played a key role in assisting Americans in their time of need. Many of us can hardly imagine the emotional and physical devastation a natural disaster reaps upon a community. When we see a news story on television or in the paper, we might pause and feel sorry for the unknown victims who have had their lives ripped apart. But then we move on with our daily lives, never giving a second thought to what these poor individuals and families must go through after we have moved on. There are notable exceptions, of course: the most recent and continuing efforts to help North Carolina flood victims; the outpouring of assistance for the victims of the F–5 tornado that ripped through a small town in central Texas called Jarrell in 1997.

We have memorials that honor a host of wars and conflicts and those men and women who sacrificed their lives for these world-changing events. But there are other individuals, our civil defense and emergency personnel, who make an equally large contribution. These honorable citizens deserve to be recognized, too, for the day-to-day "battles" for which they risk their lives.

H.R. 348 proposes such a monument to be situated upon land owned by FEMA. I think it is appropriate and timely that we authorize this monument as we head into the 21st century. I therefore urge all my colleagues to support this bill.

HONORING DR. GEORGE RIEVESCHL, JR. AS THE CINCINNATI ART MUSEUM INAUGURATES THE GEORGE RIEVESCHL MEDAL FOR DISTINGUISHED SERVICE

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. PORTMAN. Mr. Speaker, I rise today to pay tribute to my friend and distinguished constituent, Dr. George Rieveschl, Jr., as he receives the first George Rieveschl Medal for Distinguished Service from the Cincinnati Art Museum. This important new award will recognize individuals who demonstrate unselfish leadership, philantrophy, advocacy and innovation in service to one of America's premier art museums.

Through Dr. Rieveschl's leadership, the Museum has regained its stature throughout the nation. His influence has touched all areas of the museum—management, governance, fundraising, and acquisitions. Dr. Rieveschl's leadership has resulted in such monumental achievements as the creation of the Founders Society to provide a core group of individual support; the capital campaign for gallery renovations and outreach programs; and the current initiative to acquire important art objects of Cincinnati collectors as millenium gifts. Dr. Rieveschl has led by example, generously assisting the Museum with his own philantrophy.

Dr. Rieveschl graduated from the Ohio Mechanics Institute with a degree in Commercial Art in 1933. He received his A.B. with High Honors in Chemistry from the University of Cincinnati in 1937, and went on to earn his M.S. and Ph.D. from U.C. In 1940, he began as an Instructor in Chemical Engineering at U.C. His loyalty and dedication to U.C. resulted in his selection to be Chairman of the Board of Trustees of the University of Cincinnati Foundation, a position from which he retired in 1981. During his career, Dr. Rieveschl held scientific research positions with Parke, Davis and the Carborundum Company. Dr. Rieveschl's laboratory research at U.C. resulted in the world's first effective antihistamine—named Benadryl by Dr. Rieveschl—which was approved for prescription sale in 1946. By the early 1960s, Benadryl's sales rose to $6 million per year. Benadryl was approved for over-the-counter sale in the 1980s.

In 1970, he returned to the University of Cincinnati to become Vice President for Research and Development and Adjunct Professor of Materials, and in 1972 became Vice President for Special Projects. The University of Cincinnati presented him with an honorary Doctor of Science degree in 1956.

We congratulate Dr. Rieveschl on receiving this landmark honor, and are grateful for his many important contributions to medicine, to the Greater Cincinnati area, and to the Cincinnati Art Museum.

TRIBUTE TO U.S. NAVY FIRE CONTROLMAN CHIEF (SURFACE WARFARE) LAWRENCE ERIC EVANS

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. STENHOLM. Mr. Speaker, I rise today to recognize U.S. Navy Fire Controlman Chief (Surface Warfare) Lawrence Eric Evans upon his retirement from the United States Navy after 24 years of honorable service which will occur on the Thirty-First day of October, Nineteen Hundred Ninety Nine.

Chief Evans has been supported in his service this great nation by his wife, Michele Karen (Gudyka) Evans; his son, Lawrence William Evans and his daughter, Lauryn Michele Evans.

Chief Evans was born 28 June 1956 in Ruislip, England to 1stLT Larry Earl Evans, U.S. Air Force and Ada Mary (Georges) Evans. He graduated from Spring Woods Senior High School in May 1974 and entered Recruit Training Center, Orlando, Florida in August 1975 where he remained until October 1975. He then received basic Fire Control and Advanced Systems training from November 1975 to May 1977. He then served aboard U.S.S. *Saipan* (LHA 2) pre-commissioning command from June 1977 to August 1981 as Work Center Supervisor of AN/SPS–52B RADAR; the ship was commissioned 15 October 1977.

Chief Evans was discharged from the U.S. Navy 15 August 1981. He attended Howard College, Big Spring, Texas in the Fall Semester of 1981 and worked briefly for Sperry Gyroscope in Clearwater, Florida from February 1982 to May 1982. He enlisted in the U.S. Navy Ready Reserves from June 1982 to October 1983 and worked for Vitro Laboratories in Washington, D.C. until October 1983. He attended Montgomery College, Rockville, Maryland in the Fall Semester 1982 and in the Spring Semester 1983.

Chief Evans re-Enlisted in the U.S. Navy (Active) 13 October 1983 and entered the Recruit Training Center, Great Lakes, Illinois in October 1983. He received advanced Fire Control systems training from January 1984 to July 1984. He served aboard U.S.S. *Whidbey Island* (LSD 41) pre-commissioning command from August 1984 to November 1988 as Leading Weapons Petty Officer Navy Close In Weapons System; as the Command Shipboard Non-classified Automated Processing (SNAP) Coordinator; and as a Navy Small Arms and Weapons Instructor. The ship was commissioned 09 February 1985.

Chief Evans earned an Associate of Science degree from Mohegan College, Connecticut in May 1987. He was transferred to Naval Recruiting District at Richmond, Virginia October 1988 to December 1991 and recruited 84 new Sailors from Culpeper & Fredericksburg, Virginia. He then received advanced Fire Control systems training from January 1992 to August 1992.

Chief Evans served aboard U.S.S. *Supply* (AOE 6) pre-commissioning command from 09 September 1992 to August 1996 as Leading Weapons Chief NATO SeaSparrow Guided Missile System, Close In Weapons System, and Target Acquisition System; as the Command Information Systems Security Officer; and as the Command Material Maintenance Management (3M) Coordinator. The ship was Commissioned 26 February 1994.

Finally, Chief Evans transferred to Fleet Combat Training Center, Dam Neck, Virginia from August 1996 to October 1999 as the Command LAN Administrator and Leading Chief of Information Technologies where he ends his career.

Chief Evans is proud to wear many ribbons and medals: Navy "E" (one for each ship on which he served); Sea Service; Meritorious Unit Commendations; Recruiting; Expeditionary; Humanitarian; and National Defense. These are the awards of his teamwork and commitment to his commands' overall missions.

Chief Evans has also personally earned three commendation letters for recruiting excellence; a letter of commendation for his service aboard the U.S.S. *Whidbey Island;* awards for weapons Marksmanship—most notably expert pistol marksmanship; and finally medals for both Achievement and Commendation for service aboard U.S.S. *Supply* (AOE 6).

Chief Evans completes his naval career with many happy memories having served with honor, upholding his oath:

I promise to defend the Constitution of the United States of America against all enemies, foreign and domestic; and hold true allegiance to the same.

It is with great pride that I congratulate Chief Evans upon his retirement, express appreciation for his service and wish him and his family all the best as they move on to face new challenges and rewards in the next exciting chapter in their lives.

INTRODUCTION OF THE EDUCATION FOR DEMOCRACY ACT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. KILDEE. Mr. Speaker, I am pleased to introduce the Education for Democracy Act and have my Subcommittee Chairman, Representative CASTLE, join me in this effort today. The legislation we are introducing would continue two vitally important and highly regarded education programs: The We the People * * * program and the International Education Program. Both of these programs are up for reauthorization this year.

For well over a decade the We the People * * * program has involved elementary, middle and secondary school students throughout America in an innovative approach to learning about the U.S. Constitution, Bill of Rights and the principles of democratic government. More than 26.5 million students in some 24,000 elementary and secondary schools in every congressional district in the United States have participated in this important program. It has directly involved more than 82,000 teachers, and as a result of this program, more than 80,000 sets of civics education textbooks have been distributed free to schools throughout our Nation.

The We the People * * * program is widely acclaimed as a highly successful and effective education program. Washington Post columnist David Broder described its national finals as "the place to have your faith in the younger generation restored." The International Education Program, while only five years old, has produced dramatic results in providing civic education assistance to emerging democracies in Eastern Europe and the former Soviet Union.

Currently, educators in 15 U.S. states are linked with more than 17 fragile democracies in programs on the principles of democracy and the responsibilities of living in a free society. This year alone the program has reached 225,000 students and more than 2,000 educators in the emerging democracies and more than 56,000 students and more than 550 educators here in the United States. As a result, students in the new democracies and here at home learn the importance, difficulties, and rewards of building and sustaining a democratic government.

Mr. Speaker, it is imperative that these programs be continued, and not be allowed to languish. Inclusion in a block grant such as the Dollars to the Classroom Act would be the death knell. While a few districts might spend some of their block grant funds on civic education, the plain fact is that we would lose a national focus and international focus on civic education.

Gone would be the national competition on knowledge and understanding of our Constitution and Bill of Rights; gone would be the free distribution of textbooks; and gone would be the regional teacher training institutes. Gone would be civic education assistance we provide to emerging democracies and gone would be the program where U.S. students learn firsthand about the difficulties of building and sustaining a democracy in the modern world.

As the ranking minority member of the subcommittee that will have the responsibility of reauthorizing these programs, I can assure my colleagues that I will work hard to see that these programs remain where and how they are. They are not large programs, but they are highly effective ones. They are worth the small amount we spend. They are a critically important investment in the future strength and welfare of democracy both here at home and in the emerging democracies abroad. They are worthy of our support.

TEACHER OF THE YEAR

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Ms. BROWN of Florida. Mr. Speaker, I would like to congratulate Professor Marilyn Repsher, a mathematics teacher at the University of Jacksonville, who was awarded the Professor of the year award for 1999. Out of 400 competing professorial nominees representing institutions of higher learning across the nation, and on behalf of the city of Jacksonville, I am proud to commend Professor Repsher of her receipt of this award.

Professor Repsher had been teaching for over a decade when she was honored as one of the four national professors of the Year.

This award, the most prestigious national recognition in college teaching, is granted annually by the Carnegie Foundation for the Advancement of Teaching, and the Council of Advancement and Support of Education.

Marilyn Repsher began her 30 year teaching career at Jacksonville University in 1969. The daughter of a high school math teacher, Professor Repsher was honored and indeed, elated, upon the award announcement.

Presently, even though Professor Repsher serves as the Head of the mathematics department, she still manages to devote 75% of her time to teaching, and interacting directly with students.

A few years ago Professor Repsher decided to change the way she taught math courses. Originating from a desire to teach students in a more down-to-earth fashion after listening to student complaints about their professors' teaching methods, and the lack of practicality of the material being taught, she realized that students were being forced to study theoretical concepts in math before studying math's every day life applications.

With her colleagues and this new way of teaching, Dr. Repsher completely revolutionized the way in which mathematics is taught at Jacksonville University. She now focuses on practical equations in her classes first, and then moves on to theory afterwards, but only after the students already have a grasp of the practical ways in which this material can be applied in concrete situations.

As an example of her new teaching methods can be seen in her introductory Algebra course. In this course, she begins the semester by teaching basic algebraic concepts, while at the same time plotting the growth of a puppy on a computer screen. In more advanced math classes such as calculus, the students use the same technology to create visual displays on the data.

It is for this reason that Dr. Repsher is given credit for being a true innovator in utilizing technology in the classrooms of Jacksonville University, an idea that is quickly catching on in other university departments. In fact, she won two teaching awards at the university, both for projects involving the use of computer technology.

Some of Dr. Repsher's former and current students have described her lectures as "anything but long and arduous," while another said: "she keeps the class involved and is very focused."

I congratulate you, Dr. Repsher, on the receipt of this award, and am proud to have such outstanding role models like yourself in my district in the great state of Florida.

EBENEZER AME CHURCH, 117 YEARS OF COMMUNITY SERVICE AND LEADERSHIP

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Ms. SCHAKOWSKY. Mr. Speaker, it is with great admiration that I rise today to pay tribute to a great institution in my hometown of Evanston, Ebenezer African Methodist Episcopal Church.

Ebenezer AME Church is celebrating its 117 years of worship and service in our community. I want to congratulate Pastor and Mrs. James C. Wade, the congregation, and all those who have helped make Ebenezer a shining light in our community. I also send my best wishes to all those enjoying this year's celebration, "Catch the Vision," especially the young men and women from all across Chicago.

Under Pastor Wade's leadership, the church has reached out to the Evanston community and beyond. Their activities have had a profound impact on the lives of countless individuals. Their commitment to civic service knows no bounds. The church continues to lead by example, helping those in need, including senior citizens who need affordable housing, and positively influencing the lives of our youth.

Having worked closely with Pastor Wade, it is clear to me and to all in our community that the Pastor is an ambassador of good will. He reaches out to all those that he meets and forms lasting bonds that help to strengthen the spiritual bridge between human beings.

The success of Ebenezer and the AME community is a testament to all those who have contributed and continue to give their energy to this worthy cause.

I consider myself blessed to have attended many services at Ebenezer, and I am honored to call Pastor Wade and the Ebenezer community my friends. We have formed close ties over the years and our partnership will only flourish in the next millennium.

PERSONAL EXPLANATION

HON. RUBÉN HINOJOSA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. HINOJOSA. Mr. Speaker, due to the death last week of my mother I missed twenty votes. Had I been present I would have voted on each of these follows:

MONDAY, OCTOBER 25, 1999

Rollcall No. 533. Journal: Agreed to the Speaker's approval of the Journal of Thursday, October 22 by yea and nay vote of 349 yeas to 41 nays with one voting "present." Yea.

Rollcall No. 534. Made in America Information Act: H.R. 754, amended, to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made. (Passed by a yea and nay vote of 390 yeas to 2 nays). Yea.

Rollcall No. 535. History of the House Awareness and Preservation Act: H.R. 2302, amended, to direct the Librarian of Congress to prepare the history of the House of Representatives (passed by a yea and nay vote of 388 yeas to 7 nays). Yea.

Rollcall No. 536. Recognizing the Contributions of 4–H Clubs: H. Con. Res. 194, recognizing the contributions of 4–H Clubs and their members to voluntary community service (agreed to by a yea and nay vote of 391 yeas with none voting "nay"). Yea.

TUESDAY, OCTOBER 26, 1999

Rollcall No. 537. Urging a Moratorium on Tariffs and Taxation of Electronic Commerce: H. Con. Res. 190, amended, urging the United States to seek a global consensus supporting a moratorium on tariffs and on special, multiple, and discriminatory taxation of electronic commerce (agreed to by a yea and nay vote of 423 yeas with 1 voting "nay"). Yea.

Rollcall No. 538. Sense of Congress Against Increasing Federal Taxes to Fund Additional Government Spending: H. Con. Res. 208, expressing the sense of Congress that there should be no increase in Federal taxes in order to fund additional Government spending (agreed to by a yea and nay vote of 371 yeas to 48 nays with 3 voting "present"). Yea.

Rollcall No. 539. Celebrating the 50th Anniversary of the Geneva Convention: H. Con. Res. 102, celebrating the 50th anniversary of the Geneva Conventions in 1949 and recognizing the humanitarian safeguards these treaties provide in times of armed conflict (agreed to by a yea and nay vote of 423 yeas with none voting "nay"). Yea.

Rollcall No. 540. Commending Greece and Turkey for Their Response to the Recent Earthquakes: H. Con. Res. 188, commending Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing to each other humanitarian assistance and rescue relief (agreed to by a yea and nay vote of 424 yeas with none voting "nay"). Yea.

Rollcall No. 541. Locating and Securing the Return of Zachary Baumel and Others: Agreed to the Senate amendments to H.R. 1175, to locate and secure the return of Zachary Baumel, an American citizen, and other Israeli soldiers missing in action (agreed to by a yea and nay vote of 421 yeas with none voting "nay"). Yea.

WEDNESDAY OCTOBER 27, 1999

Rollcall No. 542. The Scott Amendment that sought to strike Section 101 that reinforces the existing standard for the legitimate use of controlled substances (rejected by a recorded vote of 160 ayes to 278 noes). Pain Relief Promotion Act. Yea.

Rollcall No. 543. The Johnson of Connecticut Amendment that sought to enhance professional education in palliative care; reduce excessive regulatory scrutiny; and carry out the Congressional opposition to physician-assisted suicide (rejected by a recorded vote of 188 ayes to 239 noes). Pain Relief Promotion Act. Yea.

Rollcall No. 544. House passed H.R. 2260, to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia by a recorded vote of 271 ayes to 156 noes. Pain Relief Promotion Act. No.

THURSDAY, OCTOBER 28, 1999

Rollcall No. 545. Journal Vote: Agreed to the Speaker's approval of the Journal of Wednesday, October 27, by a yea and nay vote of 370 yeas to 49 nays, with one voting "present." Yea.

Rollcall No. 546. Further Continuing Appropriations. The House passed H.J. Res. 73, making further continuing appropriations for the fiscal year 2000 by a yea and nay vote of 424 yeas to 2 nays. Yea.

Rollcall No. 547. DC/Labor/HHS—H. Res. 345, the rule that waived points of order against the conference report, was agreed to by a yea and nay vote of 221 yeas to 206 nays. Nay.

Rollcall No. 548. CD/Labor/HHS—Rejected the Hoyer motion to recommit the conference report to the committee of conference with instructions to the managers by a yea and nay vote of 11 yeas to 417 nays with 1 voting "present." Nay.

Rollcall No. 549. DC/Labor/HHS—The House agreed to the conference report on H.R. 3064, making appropriations for the District of Columbia, and for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2000 by a yea and nay vote of 218 yeas to 211 nays. Nay.

MONDAY, NOVEMBER 1, 1999

Rollcall No. 550. (Suspension) H.R. 348, to authorize the construction of a monument to honor those who have served the Nation's civil defense and emergency management programs. 349 yeas, 4 nays. Yea.

Rollcall No. 551. (Suspension) H.R. 2737, Land Conveyance, Lewis and Clark National Historic Trail, Illinois. 355 yeas. Yea.

Rollcall No. 552. (Suspension) H.R. 1714, Electronic Signatures in Global and National Commerce Act, 234 yeas to 122 nays. Nay.

INTRODUCTION OF H.R. 3163, THE SURFACE TRANSPORTATION BOARD REAUTHORIZATION ACT OF 1999

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. SHUSTER. Mr. Speaker, today, along with my colleagues Ranking Member JIM OBERSTAR, Chairman of the Subcommittee on Ground Transportation, Mr. TOM PETRI, and Ranking Member Mr. NICK RAHALL, I am introducing, by request, the Administration's proposed legislation to reauthorize the Surface Transportation Board.

I evaluate the Administration's proposed changes to the law governing the Surface Transportation Board against the background of extensive hearings on these issues conducted by my Committee last year—over 1000 pages of testimony in 4 days of hearings.

The two clearest realities to emerge from those hearings were (1) the rail industry's resurgence and traffic growth since deregulation has made capacity constraints on their infrastructure a major problem for the first time in 3 decades; (2) to fund these huge infrastructure needs, the railroads must spend billions of dollars raised in private capital markets, but they are not attracting even the average earnings-multiples of industry at large on Wall Street.

A number of interests, some merely shortsighted and others opportunistic, have tried to use the reauthorization of the STB as a means to force down rail rates by legislative fiat. This effort occurs despite repeated authoritative findings by the General Accounting Office that rail rates have declined sharply, even in constant dollars, in recent years.

I am very disappointed that the Administration seems to have joined this effort. Instead of promoting the capital flow that will benefit both railroads and shippers through improved infrastructure, the Administration has sent to the Congress a bill that includes major portions of the "re-regulation" agenda.

By forcing mandatory access by one railroad over another's tracks in several types of situations, the bill would endanger the vital capital flow upon which the future prosperity of railroads, shippers, and rail labor depends.

Much of the effort that went into the ICC Termination Act four years ago was focused on streamlining federal regulation of railroads. Yet the proposed legislation would take a major step backward; it proposes to balkanize the authority to approve or disapprove rail mergers among multiple federal agencies. Even worse, the Administration's proposal sows the seeds of many debilitating disputes under state and local law, even for mergers that have received full federal approval.

Although the bill pays lip service to "small" shippers, it could literally destroy a major segment of American small business—the shortline railroads that serve so many smaller cities and towns. That is because the Administration wants to fund the entire $17 million STB budget out of the so-called "user fees." The STB already defrays $1.6 million of its costs through filing fees, and we have received numerous complaints about those charges from shippers. Now the Administration would impose more than 10 times that burden on "users." We don't know who the users are, since the bill doesn't even attempt to identify them.

We had some experience with such fees imposed on our small railroads several year ago by the Federal Railroad Administration. Our Committee found that these small companies—the ones that literally are the only way to keep rail service in small communities—were paying up to 17 percent of net income in so-called "user fees"—on top of their state and federal taxes. That's why we ended those FRA fees, and I see no reason to impose a similar burden on struggling small businesses through STB fees, as the Administration now proposes.

While I cannot endorse much of what the Administration has proposed in its STB bill, I remain hopeful that a compromise can be reached on the contentious issues that have prevented an STB reauthorization bill from being enacted.

HONORING JOHN PAKCHOIAN, GROWER OF THE YEAR

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor John Pakchoian, as American Vineyard's Grower of the Year for 1999. Mr. Pakchoian began farming in 1938 in a vineyard near Fowler, California. He is 82 years old and still farming.

John Pakchoian's favorite thing to talk about is farming. He was born into a farming family where he learned the responsibilities of hard work at the young age of six, after his father died. Pakchoian was the oldest child and the only boy. He worked before school and after school to help support the family.

John Pakchoian enlisted in the Marine Corps when World War II broke out. As Private First Class, Pakchoian belonged to the 26th Regiment, 5th Marine Division. His heroic performance in Saesbo, Japan on July 21, 1944 earned him a Bronze Medal.

The raisin industry went through a tough time at the start of World War II, prices were deteriorating and growers were losing hope. Raisin growers were called upon to produce raisins for the troops oversees, which boosted prices. In 1937 under the Federal Marketing Order Act, a federal marketing order for raisins was formed in 1949.

It has been 50 years since the marketing order was formed, and the raisin industry has come a long way, facing many challenges along the way. These challenges prompted Pakchoian to get involved in industry issues. He along with Ernie Bedrosian and Dick Mitchell helped draft the by-laws of the Raisin Bargaining Association, RBA. John Pakchoian was the fifth chairman of RBA and served on the Fresno County Farm Bureau Raisin Committee for 10 years.

John and Clyde Nef were the driving force behind the Raisin Industry Diversion Program in the mid 80's, known as RID. Pakchoian said the industry needed RID because too much raisin tonnage was being sold for cattle feed. In recent years there hasn't been a need for RID. The focus of the market now is to hold on to its markets and explore new ones.

Pakchoian has grown every crop you can grow in the San Joaquin Valley and the only ones that have carried him through were the table grapes, wine grapes and raisins. Raisins have been the one crop that has kept John in business all of there years. Pakchoian likes nothing more than farming.

Mr. Speaker, I want to recognize Mr. John Pakchoian as Grower of the Year, 1999. He has worked hard to promote the raisin industry and bring it to where it is today. I urge my colleagues to join me in wishing John Pakchoian many more years of continued success.

TRIBUTE TO THE LATE FRANCIS WHITAKER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. McINNIS. Mr. Speaker, I rise today to tell you of a man who epitomizes the values and traditions that this country was built upon. Francis Whitaker was known nationally for his accomplishments as a blacksmith and locally for his contributions to the community. Though he is gone, he will live in the hearts of all who knew him and be remembered for many years by those who have heard his amazing story.

The life accomplishments of Francis Whitaker are many. He was named a National Heritage Fellow by the National Endowment of the Arts, the nation's highest traditional arts award. In 1995, he received the Governors Award for Excellence in the Arts as a Master Folk Artist. In 1989, Colorado Rocky Mountain School dedicated the Blacksmithing School with its six forges and library to Francis Whitaker. The former Governor of Colorado, Roy Romer, nominated him for the 1998 National Living Treasure Award, for which he was one three finalists. He has published three books on blacksmithing and has appeared on television several times.

Although his professional accomplishments will long be remembered and admired, most who knew him well will remember Francis Whitaker, above all else, as a friend. It is clear that the multitude of those who have come to know Francis as a friend will be worse off in his absence. However, Mr. Speaker, I am confident that, in spite of this profound loss, the students, family and friends of Francis Whitaker can take solace in the knowledge that each is a better person for having known him.

SUPPORTING GIFTED AND TALENTED PROGRAMS

HON. DAVID M. McINTOSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. McINTOSH. Mr. Speaker, I rise today to commend my colleagues for voting to expand gifted and talented programs. On October 21, we passed H.R. 2, the Student Results Act, which reauthorized the Jacob K. Javits Gifted and Talented Students Education Act.

When I spoke before the Indiana Association for the Gifted last year I stated I was going to make gifted and talented programs one of my highest priorities. I want to thank my colleagues who voted for proposal and pledged their support for gifted and talented children.

The Javits program supports national research efforts and awards grants to school corporations, state departments of education, institutions of higher education, and other public and private agencies and organizations to help meet the needs of gifted and talented students in elementary and secondary schools.

Several of my colleagues and I on the Education Committee led the effort to expand this program and succeeded in adding a significant state component. During the drafting state of the Student Results Act, we included provisions from the Gifted and Talented Students Education Act, a bill we co-sponsored earlier this year. This important legislation provides grants to states to help them implement successful research findings and model projects funded by the Javits program over the past ten years.

Mr. Speaker, gifted and talented programs are a proven method of helping children to meet their potential, while preventing dropouts and other risk behaviors. Gifted children greatly benefit from being exposed to challenging and enriched curricula taught by trained staff who understand their special needs.

In Indiana, we have some very talented educators working with gifted and talented children. Indiana is one of only a few states that has a two year public residential high school for high-ability students, the Indiana Academy for Science, Mathematics and Humanities located at Ball State University in Muncie Indiana. In addition, Indiana has summer and week-end programs for these students.

In several school districts such as Southwest Allen County located in Fort Wayne Indiana we are fortunate to have a comprehensive program for gifted students, beginning in kindergarten. This type of K–12 program is unique and provides a model for other school districts.

While there are many excellent programs in Indiana, not all schools offer programs or services to meet the educational needs of gifted and talented students. The Javits program will provide Hoosiers with additional funds to reach out to students who currently do not have access to gifted and talented programs.

I greatly appreciate those who have joined me in opening up opportunities for gifted children.

CONFERENCE REPORT ON H.R. 3064, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

SPEECH OF

HON. MELVIN L. WATT

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 28, 1999

Mr. WATT of North Carolina. Mr. Speaker, I rise in opposition to the conference report on fiscal year 2000 appropriations bill for the District of Columbia and the Departments of Labor, Health and Human Services, and Education.

Let me first say that the process by which this bill came to the floor is very troubling. We are here today voting on a conference report for fiscal year 2000 for Labor-HHS and Education when the bill was never considered or voted on by the House of Representatives. This unheard of procedure has not provided sufficient time for debate and consideration of amendments to allow us to participate in the process. Bypassing the normal procedures has shut Members out of having any opportunity to assist in crafting and improving this bill.

I am also troubled by some of the funding levels included in this bill. This bill makes funding cuts to programs which are vital to the well being of many American families. The people most hurt by this bill are the very people who need our assistance and support the most. This bill would cut funding by over $1 billion to social service programs for the elderly and low-income Americans; would not provide funding to immunize over 300,000 children against childhood diseases; and would cut funding for over 5,000 teachers who provide educational assistance to disadvantaged children.

Perhaps my biggest concern with this bill is that it does not include emergency assistance for those people in the eastern part of my state who are suffering from the floods of Hurricane Floyd. Thousands of people in North Carolina are still dealing with the aftermath of the floods. Entire towns have been destroyed, thousands have lost their homes, and many farmers have lost all of their crops and livestock. While this bill includes over $2 billion in emergency spending, it cuts out the $508 million in emergency assistance for agricultural damaged caused by Hurricane Floyd. This assistance would have been a start in providing people in North Carolina with the opportunity to begin to rebuild and recover. This bill represents an opportunity lost. I urge my colleagues to oppose the conference report.

WIND HAZARD REDUCTION CAUCUS.

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. HALL of Texas. Mr. Speaker, I would like to alert my colleagues to the formation last month of a very important new organization, the Wind Hazard Reduction Caucus. The caucus is cochaired by our colleagues, Representative DENNIS MOORE of Kansas, and Representative WALTER B. JONES of North Carolina. Both of these gentlemen have a great deal of first hand experience in helping their neighbors recover from the ravages of tornadoes and hurricanes. These Members are to be commended for their efforts to sensitize their colleagues to the extent to which the problems these storms cause are avoidable with proper planning. This caucus will be dedicated to achieving a 75 percent reduction in damage from windstorms by the end of the coming decade. Remarks of Mr. James E. Davis, executive director of the American Society of Civil Engineers and also the remarks of Congressmen JONES and MOORE, which were made last week at a reception celebrating the formation of the caucus are found below.

WIND HAZARD REDUCTION CAUCUS RECEPTION

REMARKS BY REPRESENTATIVE DENNIS MOORE (D–KS) CAUCUS CO-CHAIR

October 27, 1999

To paraphrase Mark Twain, everybody talks about the weather but *this caucus* does something about it. All 50 states are vulnerable to the hazards of windstorms. During Hurricane Floyd alone, North Carolina lost 48 lives, more than twice the number of deaths along the entire Eastern Coast for the 1998 hurricane season and is now faced with staggering economic damages in the billions of dollars. In 1992, Hurricane Andrew resulted in $26.5 billion in losses and 61 fatalities. In 1989, Hurricane Hugo resulted in $7 billion in losses and 86 fatalities. In 1998, a calm year according to experts, due to wind related storms there was more than $5.5 billion in damages, and at least 186 fatalities.

The federal government invests $5 million to develop and promote knowledge, practices, and policies that seek to reduce and where possible eliminate losses from wind related disasters. In contrast the federal government invests nearly $100 million per year in reducing earthquake losses through the National Earthquake Hazards Reduction Program. A federal investment in Wind Hazard Reduction will pay significant dividends in lives saved and decreased property damage.

The Wind Hazard Reduction Caucus or "Big Wind" will develop a program to reduce loss of life and property by 75% by 2010. Damage can be substantially reduced through the development and implementation of an effective National Wind Hazard Reduction Program. This program will address better: design and construction methods and practices; emergency response; use of modern technology for early-warning systems; building codes enforcement; and public education and involvement programs.

We are focused on increasing the awareness of Members of Congress about the public safety and economic loss issues associated with wind, increasing public safety and decreasing the economic losses associated with tropical storms, thunderstorms, and tornadoes.

In my own hometown of Wichita, Kansas, a tornado rated F4 intensity, plowed through the suburb of Haysville on May 3, 1999. It was responsible for 6 deaths, 150 injuries and over 140 million dollars in damage.

Tornadoes are one of nature's most violent storms. in an average year, 800 tornadoes are reported across the United States, resulting in 80 deaths and over 1,500 injuries. A tornado is a violently rotating column of air extending from a thunderstorm to the ground. The most violent tornadoes are capable of tremendous destruction with wind speeds of 250 mph or more. Damage paths can be in excess of one mile wide and 50 miles long.

Through we still can not control the weather, with this caucus we will at least be able to do something about it. Thank you for coming to the kick-off reception for the Wind Hazard Reduction Caucus. I also want to thank the American Society of Civil Engineers especially Brian Pallasch and Martin Hight for their insight into the development of this caucus along with Jim Turner, Democratic staff of the Science Committee. Legislation is not created in a vacuum; Congressman Jones and I look forward to working with all of you in the months to come.

REMARKS BY REPRESENTATIVE WALTER JONES (D–NC)

Thank you for your warm welcome. I am pleased to be a co-chair of the Wind Hazard Reduction Caucus, also known as Big Wind. My district and many other districts in North Carolina are extremely vulnerable to the hazards presented by windstorms. The most recent string of hurricanes to sweep the Eastern seaboard is testament to the severity of these storms.

In North Carolina alone, Hurricane Floyd took 48 lives, more than twice the total number of deaths along the entire eastern coast during the 1998 hurricane season. And it is predicted that the economic damages will reach well into the billions of dollars. Still we have yet to realize the full impact of these hurricanes, both financially and environmentally. For these reasons I am pleased to be part of the Big Wind Caucus. It is vitally important to increase awareness for public safety and decrease the enormous economic loss associated with wind hazards. I look forward to working with Congressman Moore and the members of this caucus to increase public education and the use of effective prevention measures to deal with windstorms.

On that note, I would like to introduce my distinguished colleague and co-chair, Congressman Dennis Moore. He has first hand experience dealing with the devastation of wind hazards, as he represents a district frequently struck by tornadoes. I applaud his efforts and enthusiasm to make this Caucus a reality.

REMARKS BY MR. JAMES E. DAVIS

Good evening, and welcome to the Inaugural Event of the Congressional Wind Hazard Reduction Caucus. I am Jim Davis, Executive director of the American Society of Civil Engineers, one of the sponsors of tonight's event. We are very pleased to be working with the many Members of Congress, here tonight, on reducing the hazards associated with tornadoes, thunderstorms and hurricanes.

Representatives, Walter Jones Jr., of North Carolina and Dennis Moore of Kansas have taken the lead and created the bipartisan Wind Hazard Reduction Caucus of the U.S. House of Representatives. To support the Caucus efforts, ASCE will organize and lead a Wind Hazard Reduction Coalition of related professional societies, research organizations, industry groups and individual companies to leverage research and development activities. These groups to date include the following: Structural Engineering Institute of ASCE, American Iron and Steel Institute, American Portland Cement Alliance, Anderson Window Corporation, Applied Research Associates, Clemson University, International Code Council, and Texas Tech University.

Again, thank you all for being here, and we look forward to working with all of you to increase Congressional awareness of the public safety and economic loss issues associated with tornadoes, hurricanes, tropical storms and thunderstorms, and to develop and implement an effective National Wind Hazard Reduction Program.

TRIBUTE TO THE LATE JOHN VOELKER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. McINNIS. Mr. Speaker, I wanted to ask that we all pause for a moment to remember a man who will live forever in the hearts of all that knew him and many that didn't. John Voelker was a man who stood out to those around him. Friends remember him as a man who gave selflessly to the community. But, most of all, he enjoyed his family and friends. His wife, Louise, and two sons brought him endless joy. He was known as a good and upright man.

People enjoyed working with him. He had many new ideas, he was willing to work hard and was regarded as a first class person in everything he did. Mr. Voelker was a civic leader. He presented new and innovative ideas for ways to make the community a better place. Recently, he had taken on a pet project which would have connected low-income residents to LEAP, a state program which helps them pay for utilities. Charity was his passion. For thirty or so years he has been involved in everything from the local civic boards to environmental groups which fought for preservation and deregulation.

Tragically, when John Voelker was on his way to Egypt for a sightseeing trip, his plane EgyptAir flight 990 crashed just off the coast of Massachusetts.

John Voelker is someone who will be missed by many. His friends and family will miss the man that they all enjoyed spending time with. The rest of us will miss the man who exemplified the selfless dignity that so few truly possess. It is with this, Mr. Speaker, that we say goodbye to a great American. He will be greatly missed.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES ENHANCEMENT ACT

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. POMEROY. Mr. Speaker, I rise today to indicate my intent to cosponsor H.R. 2170, the Empowerment Zones and Enterprise Communities Enhancement Act of 1999. The bill is an important step toward fulfilling the promise made to areas designated as Round II Empowerment Zones and Enterprise Communities.

I strongly support the concept of Empowerment Zones/Enterprise Communities. Empowerment Zones and Enterprise Communities are designed to reverse the downward economic trends in urban and rural areas alike. Through the utilization of tax credits and social service credits, designated areas are able to undertake initiatives to spur long-term economic revitalization. In my state of North Dakota, the Griggs/Steele Empowerment Zone in eastern North Dakota was designated last year as a Round II Empowerment Zone. At that time, a commitment was made by the federal government to assist this area and others in creating jobs and economic opportunity. However, Round II Empowerment Zones and Enterprise Communities have yet to be fully funded, and as a result, these designated areas have been unable to reach their fullest potential.

I believe we have the responsibility to fulfill the commitment by fully funding Round II Empowerment Zones and Enterprise Communities. Even though I have concerns about the differences in funding levels between rural and urban Empowerment Zones, I believe we must move forward to provide these areas with the needed assistance to accomplish economic revitalization. However, I hope that as this legislation moves forward we can address the differences in funding between rural and urban areas to ensure each area is provided with the resources necessary to accomplish the economic revitalization the federal government promised.

LACK OF SLEEP CAN KILL

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Ms. LOFGREN. Mr. Speaker, while physicians and patients now pay attention to the adverse health impacts of poor nutrition and inadequate exercise, too few people pay attention to the harm that can result from inadequate sleep.

Sleep scientists have linked such ailments as high blood pressure, cardiovascular disease, and brain damage to inadequate sleep. We are all aware that drivers who fall asleep at the wheel can kill; not enough of us realize that inadequate sleep can cause severe physical ailments. The article "Can't Sleep," published in the summer 1998 edition of Stanford Today, outlines the severity of that threat. It should be read by every physician and patient in America.

[From Stanford Today, July/Aug. 1998]

CAN'T SLEEP—ONE OF AMERICA'S LEADING SLEEP EXPERTS REVEALS SHOCKING FACTS ABOUT YOUR SLEEPLESS NIGHTS

(By Chris Vaughan)

It was 1972, and the pediatricians at Stanford Hospital were stumped. Raymond S., an 11-year-old boy with an array of odd symptoms, had been referred to Stanford because his doctors in the East Bay didn't know what to do. Raymond's blood pressure was so dangerously—and inexplicably—high that the 6th-grader was in danger of damage to his internal organs. Because the boy was also pathologically sleepy during the day, he was sent over to the Stanford Sleep Disorders Clinic, the first and only one of its kind in the world then.

The clinic directors—Drs. William Dement and Christian Guilleminault—diagnosed the boy's disorder as a condition they had only recently named: sleep apnea. As Raymond slept, he would literally stop breathing for anywhere between 30 and 60 seconds at a time, they found. Worse still, this would happen hundreds of times each night. When the boy stopped breathing, his brain would panic, interpreting his body's action as suffocation. The result: His blood pressure shot up, his heart pounded, and he awoke just enough to begin breathing again, but still not enough to remember the incident in the morning. Hence his excruciating daytime drowsiness. Raymond was always sleepy because he was not getting any real sleep at night.

None of the pediatricians consulted would buy the sleep clinic's diagnosis. Raymond's condition grew worse. When the boy started showing signs of heart and kidney failure, his skeptical doctors finally allowed sleep clinic physicians to cut a breathing hole in the boy's throat. The difference was fast: The boy's blood pressure dropped and his overall condition improved dramatically.

Dement would have counted this as a victory, except that the boy's primary physicians still refused to acknowledge the problem. After a few months, they wanted to close up the hole. "They still didn't understand that the hole was saving his life," Dement said. Raymond kept the breathing hole and Dement kept in touch with him for a few years. Eventually Dement lost track of him, but he expects that current practices must have allowed Raymond to have the hole closed and to use alternate therapies.

Since then Americans have learned a lot more about the importance of sleep and dangers of sleep disorders to the nation's health. Since the discovery of Rapid Eye Movement (REM) sleep 45 years ago, Dement, 69, has played a part in nearly every major development in sleep research and has attracted star students and researchers, and the money to fund their work. Former Stanford students and fellows have spread the gospel and started their own clinics and research centers around the world. Before Congress and corporations, and on national radio and television talk shows, Dement has brought an unwavering message: "Sleep disorders are killing people, and yet they are tremendously under-diagnosed."

In a report for the House Subcommittee on Health and Environment last year, he declared that sleep disorders represent one of the nation's most serious health problems, and that the need for sleep research is virtually ignored.

The numbers are stunning. More than half of Americans have suffered from a sleep disorder at some time, accordingly to a survey ordered last year by the National Sleep Foundation in Washington, D.C. Approximately 30 percent of adult Americans suffer from moderate to severe sleep disorders, and less than 5 percent are diagnosed and treated. More than 18 million people—7 percent of the population—stop breathing or struggle for breath in their sleep more than five times every hour. In the worst cases, sleepers stop breathing more than 30 times each hour, often for more than a minute. Under these conditions the heart can stop beating for 10 or 15 seconds at a time, and blood oxygen can drop to about one-fifth of normal, equivalent to that of a climber at the summit of Mt. Everest. Patients with such severe apnea can get cardiovascular disease and brain damage.

One would think that such a prevalent and dangerous disorder would receive a lot of attention and be treated aggressively. Yet Dement says that when he used a computer to scan 10 million coded patient records, he found a total of only 72 patients who were diagnosed with apnea. "I couldn't believe it," Dement says. "So I hired people to read over 11,000 written patient records." They found not one diagnosed sleep problem.

Apnea is only one of many sleep problems that are unrecognized or ignored. Sleep specialists estimate that physicians detect only about 2 percent of all sleep disorders, and most people have basic misconceptions about the mechanics of their own sleep. Put it in another context and the danger is clear. "It's almost as if no one had every heard of diabetes," Dement says. "What if we didn't know that the blindness, nerve damage and other health problems in one part of the population were due to one treatable disease?"

Hundreds of sleep-disorders sufferers have testified in Congress for the National Commission on Sleep Disorders Research about the shambles made of their lives from apnea, narcolepsy (sudden attacks of sleep and paralysis), insomnia and restless legs syndrome—an infuriatingly frustrating syndrome in which people can't fall asleep because they must constantly stretch their legs. Statistics from a study by the government's National Transportation Safety Board show that sleep deprivation contributes to approximately 72,000 accidents on the roadways each year. The total cost of drowsy driving amounts to $12.4 million a year. The study also established that sleep deprivation was a major cause of the grounding of the *Exxon Valdez* oil tanker in Alaska.

Even without a diagnosis, many people are sleep deprived and never know it. Over millions of years, our bodies have evolved to awaken and to sleep with the rise and fall of the sun. But the invention of electric lights has given us an artificial sun and provided a basis for our busy 24-hour society. As a result, people now get about 20 percent less sleep than they did a century ago. No wonder we're sleepy. A study by the National Sleep Foundation reveals that 64 percent of people in the United States sleep fewer than the recommended 8 hours a night, while 32 percent sleep fewer than 6 hours a night. Not surprisingly, sleep deprivation is extremely high among the nation's college students.

Society has been slow to recognize sleep disorders because of major misconceptions about what sleep exactly is. People traditionally considered sleep a time when the body and brain simply turned off. Physicians thought that nothing happened in sleep; that sleep could not be a source of health problems.

Overturning such scientific and popular misconceptions about sleep has been a major activity for Dement, his colleagues and students since the start of the era of modern sleep research in 1953. In that year, University of Chicago physiologist Nathaniel Kleitman and graduate student Eugene Aserinsky discovered that the body and brain do not shut down during sleep. Instead, they experience periods of rapid eye movement. Dement joined Kleitman's lab shortly after and helped demonstrate that intense brain activity and dreaming accompanied these REM periods of the sleeper. After completing his medical degree, Dement carried on his own research at the Mount Sinai Medical Center in New York where he took the next step, demonstrating that everyone has REM sleep.

By the time Dement moved to Stanford in 1962, he was working on a seemingly rare sort of epilepsy—called narcolepsy—that caused people to feel weak in the knees, collapse or fall instantly asleep when they laughed or got otherwise excited. These narcoleptic patients could even find themselves dreaming while awake, unable to tell which images were real and which were dreams. Dement had come across only five such patients in New York. But when he placed an advertisement in the San Francisco Chronicle describing narcolepsy's symptoms and asking for people to call if they fit that description, he found 50 new patients.

In 1965, sleep apnea had been described in a few obese patients by French researchers, but the discovery had been practically ignored because no one realized that the disorder could be so severe, or that slender people could suffer from it. The disorder was called Pickwickian syndrome after "Joe, the fat boy," a lad in Dickens' The Pickwick Papers who could fall asleep standing up.

Apnea occurs when the muscles relax during sleep, narrowing the throat where the back of the tongue is anchored. As air is pulled into the lungs, the suction collapses the throat and halts breathing. 'When straws were made of paper, I used to say it was like trying to suck a milkshake through a wet straw," Dement says, laughing about his antiquated illustration. "Students now have grown up with plastic straws, and they don't know what I'm talking about."

If the air passage is almost closed off, breathing results in loud snoring as the throat tissue vibrates. Loud snoring (i.e., easily heard through a wall or closed door) is a danger sign that someone has apnea or soon might get it. Apnea is especially debilitating because it deprives the sleeper of the most important phases of sleep—REM sleep and deep non-REM sleep—when the muscles are most relaxed.

Although tracheostomy (a hole in the throat) used to be the only treatment for apnea, there are now a number of treatments, including surgery to trim throat tissue, and machines that provide positive pressure in the airway to keep it open during sleep. A new technique has just received approval from the Food and Drug Administration: zapping the throat with a carefully calibrated dose of microwaves to painlessly shrink the tissue and open the airway.

Research at the Stanford Sleep Center eventually led to the isolation of a gene for narcolepsy in dogs that experts expect will help in the search for a human gene. In 1972, sleep experts realized that when people complained about being sleep during the day, it was their sleep that should be examined. The Stanford Sleep Clinic was opened to diagnose and treat sleep problems.

Dement's terminology is probably his most famous contribution to public awareness of sleep disorders. "Gentlemen," he declared before a House committee in 1985, "the national sleep debt is more important that the national monetary debt." He estimates that sleep disorders cost the economy $100 billion a year in lost productivity.

In the late 1970s, Dement and Stanford researcher Mary Carskadon (now a professor at Brown University) discovered a way to quantify sleepiness. They developed the multiple sleep latency test, still the standard in the field, which proved that sleepiness increased as sleep was curtailed. If they were surprised to find that the body kept track of each hour of sleep missed, they were astonished to realize that the only way to pay back this "sleep debt" and alleviate daytime sleepiness was to get exactly that many hours of extra sleep on subsequent nights.

In addition, we are tremendously bad judges of our own sleep debt's size. A study by Thomas Roth, director of the Henry Ford Sleep Disorders Center at the Henry Ford Hospital in Detroit, revealed that even among average people who are pathologically drowsy, as sleepy as those with narcolepsy, most do not think they have a problem with daytime sleepiness.

Despite advances in the field Dement worries over the inability of general practitioners to recognize and diagnose sleep problems—even among those close to home. Dement tells of a time when he became so frustrated by the lack of referrals from Stanford doctors that he walked into a waiting room at the hospital and offered people sitting there the chance to get a free sleep test worth $1,000. Of the five who accepted, three turned out to have apnea.

Although surveys show that the public is more aware of sleep disorders, they are still tremendously under-diagnosed. Dement is currently studying how primary care doctors recognize and treat sleep disorders in small towns. He still gets shocked by the results: Practically zero cases of apnea were diagnosed by the physicians, although further investigation has shown that one in five patients had apnea. "I had one doctor who had 200 patients with apnea, and he didn't even know it," says Dement with exasperation. "There are 200,000 more doctors like him out there."

The most recent data are even more shocking: 80 percent of those diagnosed with apnea in the survey town of Moscow, Idaho, have a very severe form that usually leads to death from heart attack or stroke within 10 years. "I almost couldn't believe the data myself, but it is solid," Dement says.

"I don't like medical malpractice suits," Dement says with anger, "but some day, some smart lawyer is going to realize all these people are dying because of an obvious, but missed, diagnosis, and is going to make a fortune in wrongful death cases. The signs are so obvious, a 6-year-old could make a diagnosis."

NOISY IS THE NIGHT

(By Lisa Sonne)

Hi, my name is Lisa, and I am married to an apneac.

Don't think I'm unhappy. Victor is a great guy—a Stanford man, smart, funny, kind, a wonderful husband and friend . . . and he did warn me. But for the first six months of our marriage, we have been taking life "one night at a time."

Every evening, we settle in as newlyweds for our sweet dreams. But then the snoring starts. In order to sleep, I create Walter Mitty-like scenarios. My husband is Paul Bunyan—with a power saw—and he's turning already-felled trees into boards for Habitat for Humanity, or my husband is a dentist with an intermittent drill helping the mouths of needy children. I fall asleep with a smile on my face.

Then, his snoring stops with an eerie, breath-defying silence, and I bolt awake in emergency mode with adrenaline pumping. I watch helplessly as he begins his nightly ritual of raspy gasping and groping for air with his whole chest heaving. Just when I'm ready to shake him to make him breathe, he inhales a huge gulp of air and goes back to snoring. I lie there awake, waiting for the next frightening silence.

Apneacs usually don't wake up enough to be cognizant of their body's betrayal, but those sleeping next to them often do. And both have been snatched away from deep rest and finished dreams. I took Dr. Dement's "Sleep and Dreams" class years ago and remember the dangers of sleep deprivation and

REM robbery. In the battle against exhaustion, naps have become acts of survival for us, not lazy indulgences or luxuriant escapes.

Fortunately, my apneac is not in denial. He is tired of being tired, and says he is "willing to do anything to be better in bed." Determined to move beyond apnea, Victor endured laser surgery in the spring of 1997 to reduce soft tissue in his palate that may have been obstructing his night breathing. He then underwent three separate rounds with an experimental procedure called somnoplasty. But in March 1998, another sleep study revealed quantitatively that Victor's apnea had gotten worse. One hundred eighty-four times during the night, his breathing was obstructed enough to disrupt his sleep and threaten the supply of oxygen to his brain. And his was only a "moderate" case. My heart goes out to the apneac and spouse of a "serious" case.

A series of doctors in New York recommended major surgery to further reduce his soft palate, but their predictions for success ranged from a high of 80 percent to a low of 50 percent. How can you decide what to do when your brain is sleep impaired? I wonder if "no rest for the weary" was coined by an apneac. I suggested that Victor try getting some uninterrupted dream time with a CPAP machine. It uses continuous positive airway pressure (CPAP) to force air into your lungs through a face mask while you sleep. This was not the paraphernalia we had imagined during the honeymoon phase of our lives. But sometimes the route to "good dreams" takes a surprising turn.

For me, the CPAP machine's loud hum was a lullaby compared to the usual snoring and gulping, but for my spouse, wearing the mask "is like standing up in a convertible going 80 miles an hour with your mouth open." Exhausted from the apnea, he was able to fall asleep under the air assault, and it worked—for a while. The continuing blast hurt his sinuses and he would rip the mask off in his sleep. Clearly this was not a long-term solution for us.

So, at last, in our quest for deep sleep, we came to Stanford's renowned pioneer in sleep surgery, Dr. Nelson Powell. He spent two hours with us, conducted tests, asked and answered a wide range of questions. We learned that we are part of an unrecognized epidemic. Powell thinks that sleep disorders may be the cause of depression, impotence and accidents for tens of thousands of people. And then there are the spouses. He said motor response tests actually found the spouse worse off than the apneac. Friends of mine started sharing their nocturnal woes (years of spouses sleeping in separate rooms) and diurnal daze (nap fantasies and chronic exhaustion).

We're ready to end this nightmare. My husband is scheduled for surgery at Stanford: Moving his tongue forward to enlarge his airway may be the solution. He should be out of the hospital in two days. Then, when we settle in for sweet dreams—we may finally be able to finish them!

We look at it this way: We spend one-third of our lives (eight of every 24 hours) sleeping . . . or trying to. We hope to be married at least 45 years. That means 15 years of our future will be spent in bed together. We don't want to have to wait until we die to rest in peace.

LET SLEEPING DOGS LIE

Why do we sleep? Believe it or not, the question remains an enigma. Part of the answer, though, may rest with a brood of Dobermans at Stanford University. These dogs are generally energetic and friendly, but if they get excited about special food or a new toy they flop to the ground, completely paralyzed. They suffer from narcolepsy. Their narcoleptic attacks last just minutes, and then they rise as if nothing had happened.

"A normal dog can eat a dish of food in a few minutes, but it might take a narcoleptic dog an hour because he keeps collapsing," says researcher Emmanuel Mignot. The dogs are not hurt or suffering, merely afflicted by cataplexy, a paralysis or muscle weakness that is part of the narcolepsy syndrome. The dogs can fall asleep briefly during this cataplectic attack, or they can remain conscious but unable to move.

Narcolepsy is the only sleeping disorder known to arise from a glitch in a primary sleep mechanism. By looking at the disorder in dogs, scientists hope to discover how the brain puts itself to sleep and what sleep does for the body in humans with narcolepsy. Recently, Mignot isolated the gene for nacolepsy—canarc-1—in these dogs and found that it is a variant of a normal immunoglobin gene. Immunoglobins are proteins that the immune system creates to scavenge invading microbes. At this point, researchers don't know why an immune gene causes sleep attacks. Mignot and colleagues speculate that narcolepsy may be an autoimmune disorder, like lupus or multiple sclerosis. But narcoleptic dogs and people lack other signs that usually accompany autoimmune disorders.

A more tantalizing possibility is that normal sleep is somehow related to the operation of the imune system.

Mignot and his colleagues are now using their work with the dogs and other research to search for a human gene for narcolepsy. Mignot feels he will have it soon, in six months to two years, and hopes that the discovery will clarify what causes narcolepsy and suggest a possible cure.

50TH ANNIVERSARY OF RAC

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to the Raisin Administrative Committee, RAC, for 50 years of service. The California raisin industry members remember trying times after World War II.

During the war, the raisin industry had been given the opportunity to introduce California raisins overseas when the agriculture industry was called upon to produce a plentiful food and fiber supply not only for the United States, but for our allies.

When the war ended, California raisin industry members wanted to maintain the demand for their product overseas, but times were hard. It was time to plan for the future. A. "Sox" Setrakian is a leader in the industry who will forever be remembered for his dedication to the California raisin industry. He was the driving force behind the California Raisin Administrative Committee's implementation.

"Sox" arrived in the United States from Izmir, Turkey, with little more than the clothes on his back. He became one of the most influential raisin industry leaders of all time. He was involved in the grape and raisin industry sharing the concern for more markets to accommodate the raisin production.

Raisin growers agreed that they needed to create a demand for the raisin supply. Things began to change in 1949 when the Agricultural Marketing Agreement Act of 1937, and the California Marketing Act of 1937, the federal marketing order was made effective in August of 1949. It would be managed under its administrative body known as the Raisin Administrative Committee, RAC. This is what the industry needed to expand its presence in the world. The purpose of RAC is to control the administration of California raisins.

It has been 50 years since RAC's implementation and it is stronger than ever. Today the industry credits "Sox" Setrakian who was the first chairman of RAC, leading the industry forward and opening new markets for California raisins.

Mr. Speaker, I want to pay tribute to the Raisin Administrative Committee, RAC, for leading the way for California raisins. I urge my colleagues to join me in wishing RAC many more years of continued success.

TRIBUTE TO THE LATE TOM McCULLOCH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. McINNIS. Mr. Speaker, I wanted to ask that we all pause for a moment to remember a man who will live forever in the hearts of all that knew him and many that didn't. Tom McCulloch was a man who stood out to those around him. Friends remember him as a man who enjoyed the soil and the outdoors. But, most of all, he enjoyed his family and friends. His two sons, Kevin and Lance, and daughter Barbara brought him endless joy. He was known as a good and upright man.

His history in the Durango, Colorado area dates all the way back to the 1890's when his family homesteaded the ranch that is known today as one of the most beautiful in the country. Working the land was his passion; a friend of his, Arthur Isgar, said it was his pride and joy. When he was not working on his ranch he was at his medical practice in Durango. Friends contend that no one knew medicine better than Tom.

Tragically, when Dr. McCulloch was on his way to Egypt for a sightseeing trip, his plane EgyptAir flight 990 crashed just off the coast of Massachusetts.

Tom McCulloch is someone who will be missed by many. His friends and family will miss the man that they all enjoyed spending time with. The rest of us will miss the man who exemplified the selflessness that so few truly possess. It is with this, Mr. Speaker, that I say goodbye to a great American. He will be greatly missed.

ANTITRUST TECHNICAL CORRECTIONS ACT OF 1999

SPEECH OF

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. HYDE. Mr. Speaker, I rise in support of H.R. 1801, the Antitrust Technical Corrections Act of 1999, which I have introduced with Ranking Member CONYERS. H.R. 1801 makes four separate technical corrections to our antitrust laws. Three of these corrections repeal outdated provisions of the law: the requirement that depositions in antitrust cases brought by the government be taken in public; the prohibition on violators of the antitrust laws passing through the Panama Canal; and a redundant and rarely used jurisdiction and venue provision. The last one clarifies a long existing ambiguity regarding the application of Section 2 of the Sherman Act to the District of Columbia and the territories.

The Committee has informally consulted the antitrust enforcement agencies, the antitrust Division of the Department of Justice and the Bureau of Competition of the Federal Trade Commission, and the agencies have indicated that they do not object to any of these changes. In response to written questions following the Committee's November 5, 1997 oversight hearing on the antitrust enforcement agencies, the Department of Justice recommended two of the repeals and the clarification contained in this bill. The other repeal was recommended to the Committee by the House Legislative Counsel. In addition, the Antitrust Section of the American Bar Association supports the bill, and I ask unanimous consent to insert their comments in the RECORD.

First, H.R. 1801 repeals the Act of March 3, 1913. That act requires that all depositions taken in Sherman Act equity cases brought by the government be conducted in public. In the early days, the courts conducted such cases by deposition without any formal trial proceeding. Thus, Congress required that the depositions be open as a trial would be. Under the modern practice of broad discovery, depositions are generally taken in private and then made public if they are used at trial. Under our system, this act causes three problems: (1) it sets up a special rule for a narrow class of cases when the justification for that rule has disappeared; (2) it makes it hard for a court to protect proprietary information that may be at issue in an antitrust case; and (3) it can create a circus atmosphere in the deposition of a high profile figure. In a recent decision, the D.C. Circuit invited Congress to repeal this law.

Second, H.R. 1801 repeals the antitrust provision in the Panama Canal Act. Section 11 of the Panama Canal Act provides that no vessel owned by someone who is violating the antitrust laws may pass through the Panama Canal. The Committee has not been able to determine why this provision was added to the Act or whether it has ever been used. However, with the return of the Canal to Panamanian sovereignty at the end of 1999, it is appropriate to repeal this outdated provision. The Committee has consulted informally with the House Committee on Armed Services, which has jurisdiction over the Panama Canal Act. Chairman SPENCE has indicated that the Committee has no objection to this repeal, and the Committee has waived its secondary referral. I thank Chairman SPENCE for his cooperation.

Third, H.R. 1801 clarifies that Section 2 of the Sherman Act applies to the District and the territories. Two of the primary provisions of antitrust law are Section 1 and Section 2 of the Sherman Act. Section 1 prohibits conspiracies in restraint of trade, and Section 2 prohibits monopolization, attempts to monopolize, and conspiracies to monopolize. Section 3 of the Sherman Act was intended to apply these provisions to the District of Columbia and the various territories of the United States. Unfortunately, however, ambiguous drafting in Section 3 leaves it unclear whether Section 2 applies to those areas. The Committee is aware of at least one instance in which the Department of Justice declined to bring an otherwise meritorious Section 2 claim in a Virgin Island case because of this ambiguity. This bill clarifies that both Section 1 and Section 2 apply to the District and the Territories. All of the congressional representatives of the District and the Territories are cosponsors of the bill.

Finally, H.R. 1801 repeals a redundant antitrust jurisdictional provision in Section 77 of the Wilson Tariff Act. In 1955, Congress modernized the jurisdictional and venue provisions relating to antitrust suits by amending Section 4 of the Clayton Act. At that time, it repealed the redundant jurisdictional provision in Section 7 of the Sherman Act, but not the one contained in Section 77 of the Wilson Tariff Act. It appears that this was an oversight because Section 77 was never codified and has rarely been used. Repealing Section 77 will not diminish any jurisdictional or venue rights because Section 4 of the Clayton Act provides any potential plaintiff with the same jurisdiction and venue rights that Section 77 does and it also provides broader rights. Rather, the repeal simply rids the law of a confusing, redundant, and little used provision.

Since the Committee on the Judiciary ordered this bill reported, we discovered two drafting errors that we have corrected in the current managers' amendment that is before the House. One change corrects an incorrect reference to the United States Code. Secondly, we discovered that the language describing the scope of commerce covered by the territorial provision did not precisely parallel that in the existing section 3 of the Sherman Act, and we have changed that language so that the new subsection 3(b) will parallel the existing law.

In addition, we realized after reporting the bill that it would be helpful to clarify the effect of these changes on pending cases. Because the public deposition matter does not affect the litigants' substantive rights, we have made that change apply to pending cases. The other three changes could affect the substantive rights of litigants. For that reason, we have not made those changes apply to pending cases, although we believe that it is unlikely that there are any pending cases that are affected.

I believe that all of these provisions are noncontroversial, and they will help to clean up some underbrush in the antitrust laws. I recommend that the House suspend the rules and pass the bill as amended by the managers' amendment.

VETERANS DAY, 1999--HONORING THE SERVICE OF VIETNAM AND VIETNAM-ERA VETERANS

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. THOMPSON of California. Mr. Speaker, in a little more than a week, we will once again observe Veterans Day—the date a grateful Nation sets aside to honor the men and women who have served our nation as members of its military forces.

It is particularly poignant that we observe this occasion. First designated to commemorate Armistice Day and the restoration of peace, Veterans Day today is the occasion on which we appreciate the accomplishments and the sacrifices of untold scores of individuals. It is a day on which we acknowledge the role these individuals played in writing the history of the United States—a history that, in this century alone, has evolved from isolation to world leadership.

Underscoring its importance and the value of the ceremonies we observe today is the fact that a smaller percentage of Americans have now served in the Armed Forces of the United States that at any time in our recent history. This of course, reflects the unprecedented peace the United States has enjoyed. But, it also reminds us not to be lulled into complacency—into believing that future generations will not be called to arms.

Though we pray in our hearts they won't be called, we know in our heads that one day they may.

Like others before us, my generation was also called to arms. Most of us responded, notwithstanding the controversy and turmoil the war caused. The images of Vietnam are still vivid in our individual and collective memories. But, what's most surprising is the passage of time since the war and the fact that next year will mark the 25th anniversary of the departure of the last U.S. servicemen from Vietnam—a departure that closed the Vietnam-era and, for many of us, closed an important chapter in our lives.

Between 1961 and 1975, more than 2,590,000 Americans served in the Armed Forces in Vietnam. Untold thousands served in support roles elsewhere in Southeast Asia. At the same time, millions more protected U.S. national security interests in the other far regions of the world. And let us not forget the millions of civilians who also contributed to our nation's defense at a time tensions were growing between world superpowers.

Recently, the Commander's Council, the Allied Council, and the Administration and staff at the California Veterans Home in Yountville suggested to me that our nation celebrate this year's Veterans Day by marking the service of those who served in and during the Vietnam-era. On the eve of the 25th anniversary of that war's end, such a tribute is indeed appropriate and, as such, I would like to read the text of a resolution the Yountville Veterans Home residents and staff suggested:

RESOLUTION ENCOURAGING THE AMERICAN PEOPLE TO COMMEMORATE AND RECOGNIZE THE SERVICE AND SACRIFICE OF THOSE WHO DURING THE VIETNAM ERA SERVED IN THE ARMED FORCES OR IN CIVILIAN CAPACITIES IN SUPPORT OF UNITED STATES MILITARY OPERATIONS IN SOUTHEAST ASIA AND ELSEWHERE IN THE WORLD

Whereas the United States Armed Forces conducted military operations in Southeast Asia during the period (known as the "Vietnam era") from February 28, 1961, to May 7, 1975;

Whereas during the Vietnam era more than 2,590,000 American military personnel served in the Republic of Vietnam or elsewhere in Southeast Asia in support of United States military operations in Vietnam, while millions more provided for the Nation's defense in other parts of the world;

Whereas during the Vietnam era untold numbers of civilian personnel also served in support of United States operations in Southeast Asia and elsewhere in the world;

Whereas May 7, 2000, marks the 25th anniversary of the closing of the period known as the Vietnam era;

Whereas citizens throughout the United States traditionally commemorate the service and sacrifice of the Nation's veterans on November 11th each year, the date designated by law as "Veterans Day", and

Whereas Veterans Day, 1999 would be an appropriate occasion to begin a period for observance of that anniversary and to recognize and appreciate the individuals who served the Nation in Southeast Asia and elsewhere in the world during the Vietnam era: Now, therefore, be it

Resolved, That the American people are encouraged through appropriate ceremonies and activities, to recognize and appreciate the selfless sacrifice of the men and women, both military and civilian, who during the Vietnam era served the Nation in the Republic of Vietnam and elsewhere in Southeast Asia or otherwise served in support of United States operations in Vietnam and in support of United States interests throughout the world.

I commend the resolution to all Americans and thank the individuals at the California Veterans Home in Yountville for proposing it as part of this year's Veterans Day observance.

TRIBUTE TO DANIEL J. "DUKE" McVEY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. SKELTON. Mr. Speaker, today, I wish to recognize the outstanding achievements of Daniel J. "Duke" McVey, of Jefferson City, Missouri. McVey, who has been president of the Missouri AFL–CIO since 1982, will retire at the end of the year.

Duke McVey has been a truly outstanding civic leader for the AFL–CIO and for the State of Missouri. McVey has been a Member of Pipefitters Local 562, St. Louis, Missouri, since 1954. In 1978, he was elected Secretary-Treasury of the Missouri State Labor Council for the AFL–CIO, a position he served until 1982. McVey was then elected President of the Missouri AFL–CIO in 1982. In the 17 years he has headed the Missouri AFL–CIO, he has raised the level of involvement by unions in governmental affairs.

In addition to his service in the AFL–CIO, McVey has been a leader in his community by serving on various councils and committees. He currently serves on the Missouri Training and Employment Council, and has been a member of Trustees of Blue Cross and Blue Shield of Missouri since 1992. McVey serves on the Missouri Business Council, the Missouri Task Force on Workers Compensation, the Commission on Management and Productivity, and the Missouri State Council on Vocational Education. Since 1994, McVey has served on Missourians for Equal Justice, the Governor's partnership on the Transition from School to Work, and Goals 2000 State Panel. McVey served as the Literacy Investment for Tomorrow (LIFT) Board President in 1995, and he is a member of the Missouri Global Partnership, the Children's Trust Fund, and the Commission on the Future of the South.

Duke McVey has been an extraordinary leader for labor, for his community, and for his State. I know the House will join me in paying tribute to this outstanding leader and wishing him and his family—his wife Arlene, and his children, grandchildren, and great grandchildren—all the best in the years ahead.

TRIBUTE TO KATHERINE L. PHELPS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize the career of one of Colorado's leading ladies, and distinguished member of the Bayfield School District Board of Education, Katherine L. Phelps. In doing so, I would like to honor this individual who, for many years, has exhibited dedication and experience in the education system of Bayfield, Colorado.

Throughout the course of her distinguished career, Katherine's dedication to our children has been unparalleled. She has consistently worked with the board, the district, and the community to make the Bayfield schools the best they could be.

Aside from her involvement in the school district, she also takes on an active role in the community. She is a member of the School Accountability Committee, the 4-H club, the booster club, and numerous sports programs.

Together with her husband, Arvin, she has five children: Sharla, Rick, Trent, Dion, and Wendy. She also has seven grandchildren and one on the way. Undoubtedly, these fine young people will carry the torch of dedication and leadership that their mother embraces so diligently.

It is with this, Mr. Speaker, that I say thank you to Katherine Phelps for her exceptional service on the Bayfield School District Board of Education. Because of Mrs. Phelps' dedicated service, it is clear that Colorado is a better place. For many years to come, her legacy of hard work and dedication will be remembered. I wish her all the best in her well deserved retirement and in all future endeavors.

PERSONAL EXPLANATION

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. WATTS of Oklahoma. Mr. Speaker, I was unavoidably detained on personal family business on the evening of November 1, 1999, when the vote on the Lewis and Clark National Historic Trail Land Conveyance Act, H.R. 2737, was cast. Had I been present, I would have voted in favor of this measure.

In addition, I was unavoidably detained on personal family business on the evening of November 1, 1999, when the vote on the FEMA and Civil Defense Monument Act, H.R. 348, was cast. Had I been present, I would have voted in favor of this measure.

In addition, I was unavoidably detained on personal family business on the evening of November 1, 1999, when the vote on the Electronic Signatures in Global and National Commerce Act, H.R. 1714, was cast. Had I been present, I would have voted in favor of this measure.

U.S. POLICY TOWARD NORTH KOREA

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. HALL of Ohio. Mr. Speaker, I rise today to express concern over some of the findings of the Republican task force formed to examine U.S. policy toward North Korea.

Most troubling to me is its assertion that there have been significant diversions of food aid we have donated in response to that country's famine. All evidence suggests that this is just not true. Moreover, it is clear—to me, to our military stationed in South Korea, to policymakers in Washington, Seoul and Toyko, and to attentive observers—that U.S. food aid to North Koreans is thawing 50 years of icy hostility toward Americans. Our wheat and corn, and our aid workers, are putting the lie to decades of Pyongyang's propaganda about American intentions. We are proving by our presence to all who see us and our sacks of food that Americans are compassionate people who will not stand by while innocent Koreans starve and suffer.

As you know, I have visited North Korea five times—not out of any particular interest in the country, but because their people are suffering. It is a famine that, I believe, history will mark as one of this decade's worst.

In my trips, I always have brought my own translator as well as a member of our armed forces. Other members of my delegations have included a Marine who served in the Korean War—Congressional medal of honor winner General Ray Davis; a doctor from the Centers for Disease Control; reporters from USA Today and the Washington Post; an agriculture expert; and a Korean-American economist who specializes in humanitarian aid.

During every trip, I have met with Western aid workers working in North Korea. In all, I have spoken with scores of them over the past three years. These are people with expertise on hunger and the diseases that prey on hungry people—and with experience working in challenging situations. None of them has any cause to lie to me, and every reason to raise concerns that I can use to press North Korea officials on. And yet, in five visits I have not found a single aid worker who said food aid is being diverted from hungry people.

The General Accounting Office report turns up no such diversion either; nor does any other U.S. Government agency. Even counting an incident in early 1998, where food sent to a county that later was closed to monitors, the record in North Korea is well within the two percent average loss rate that the United Nations World Food Programme maintains in its operations worldwide. Compared to other difficult situations—such as in Haiti, where more than 10 percent of food was lost in the last reporting period, or Honduras, where the rate was 6 percent—the 1.7 percent loss rate in North Korea is not bad. That incident should not be dismissed, because it was serious enough to provoke WFP to increase restrictions on its aid. But it should be kept in perspective.

It is not only my own experience, and the experiences of knowledgeable aid workers, that refute the allegation that there have been serious diversions of food. Common sense dictates that such a conclusion is off-base, because North Korea has its own harvest and the considerable gifts it receives from China to draw upon to feed its soldiers and government officials. There simply is no reason for North Korea to raid international aid shipments—and every incentive to see that this food reaches those in need.

Mr. Speaker, I don't doubt the conviction of Members of this task force. Since the United States first began to engage North Korea five years ago, there have been doubts by some in Congress about the wisdom of this initiative. But there is equal conviction by others in Congress and the Administration that engaging North Korea, an approach begun under President Reagan, is the wisest course available to us.

There is also broad support for it among U.S. military leaders, and our South Korean and Japanese allies. And there is support among Korean Americans; I am submitting for inclusion in the RECORD the statement of a group of notable Korean American citizens and organizations whose views have helped to inform our policy and should be respected as we continue to refine it.

The task force's findings on North Korea's involvement in narcotics trafficking, missile proliferation, possible nuclear development in violation of the Agreed Framework, and other activities are serious and deserve our attention. It is tempting to instead focus our attention on concerns about food aid, because that is easier to do something about. But cutting off food aid—whether we do it outright, or by tightening the monitoring requirements so much that the effect is to cut off food aid—would not solve these other problems. All it would do is prevent us from saving millions of lives, and prove to North Korea's people that its government was right about America all along.

Mr. Speaker, I strongly believe the task force's quarrel over U.S. policy toward North Korea does not center on our efforts to feed its suffering people. At a hearing last week. Chairman GILMAN said, "no one—I repeat no one—wants to cut off food aid to North Korea." I share his concerns that our food aid be monitored to ensure it reaches those in need, and his read of public support for a humanitarian policy that refuses to use food as a weapon—even against North Koreans.

Mr. Speaker, I can't tell you and others who would like to see it that, after this crisis passes, North Korea's people will overthrow their government. History shows that people who survive a famine sometimes do that, and sometimes do not. But I can guarantee you that Koreans—in North Korea, in South Korea, and in our own country—will remember how we respond in this time of crisis. They will remember who helped those who were suffering; and they will never forget those who found excuses to do too little to save the many who died.

Mr. Speaker, I urge all of our colleagues to focus on the serious concerns about North Korea that this task force has highlighted; but to remember as we debate our policy toward North Korea, that—in the words of President Reagan—"a hungry child knows no politics."

Our food aid is making the difference between life and death for hundreds of thousands of children and other vulnerable people in North Korea. The private organization's aid workers, and the staff and leaders of the World Food Programme and other U.N. agencies, are doing everything they can to ensure that our food gets to those in need. We should support their work, and seize the historic opportunity that our humanitarian aid has put within our reach: to end the Cold War in this last, desperate outpost, and to secure a lasting peace on the Korean Peninsula.

KOREAN AMERICANS WEIGH IN ON U.S. POLICY TOWARD NORTH KOREA

WASHINGTON.—Korean Americans are important stakeholders in U.S. policy toward North Korea because many in our community still have families, relatives, friends and other interests in the Korean peninsula.

We believe that our voices must be considered in the formulating policy toward North Korea, and set forth positions that we believe must be an integral part of the U.S. policy.

U.S. POLICY MUST FURTHER THE PROSPECT OF LASTING PEACE WHILE AVOIDING THE POSSIBILITY OF ARMED CONFLICT

Korean Americans recognize and appreciate the long history of leadership demonstrated by the United States in tackling difficult foreign policy issues with firm commitment to peace. We first and foremost believe that any U.S. policy on North Korea must be formulated so as to encourage peace and reduce the chance of armed conflicts on the Korean peninsula. Koreans have already experienced decades of devastating losses as a result of military actions on the peninsula. We therefore cannot stand any stronger in opposition to the consideration of military action, no matter how limited in scope, as one of the viable U.S. policy options.

U.S. POLICY SHOULD SUPPORT MONITORED HUMANITARIAN AID TO NORTH KOREA FOR DISTRIBUTION TO THE FAMINE VICTIMS

As we all know, monitoring the distribution of food and medical aid in North Korea is less than satisfactory, due to the unwillingness of North Korean authority to let monitors travel freely. The lack of freedom of travel there, however, is not limited to the monitors but to all people in the country. While it is practically impossible to prove that food aid are not diverted, most documents by U.N. organization and PVOs which provide humanitarian aid report that there is not much evidence that they are diverted. In this regard, we are concerned that the recent report by GAO exaggerates the diversion and their conclusion was based on flimsy and narrowly selected suveys and reports. No policy should be built on a study that is not comprehensive.

U.S. POLICY ON NORTH KOREA SHOULD REFLECT THE RECOMMENDATIONS BY DR. WILLIAM PERRY

Korean Americans believe that Dr. Perry's policy review and evaluation process was comprehensive, produced many beneficial results and his recommendation is fair and well balanced. Throughout the review, Dr. Perry consulted with experts, both in and out of the U.S. Government. He also exchanged views with officials from many countries with interest on the issues. As a result, the review process itself pushed the issues of North Korea as one of the high priority policy agenda of the U.S. and North East Asia. It also developed a close work relationship between the U.S. and key interested parties, particulary our important allies, South Korea and Japan.

Korean Americans believe that Dr. Perry's recommended alternative is a comprehensive and integrated approach to U.S. negotiation with the North Korea. We also believe that his recommendation provides the best choice for the U.S. Government and is consistent with the policies of other interested countries, including South Korea. We therefore recommend his recommendation for the United States to move step-by-step on a path to a comprehensive normalization of relations, including the establishment of a permanent peace in the Korean Peninsula, be given serious consideration.

"Korean American Voice on North Korea Policy" is a coalition formed by concerned Korean American individuals and organizations throughout the United States. Its members are listed on the attached page.

MEMBERS OF KAV (IN ALPHABETICAL ORDER, 10/26/99)

Mrs. Joyce Naomi Ahn; Chairman, Korean Americans for Global Action.

Ms. Mimi Hong Allen; President, Korean Cultural Foundation of Greater Miami.

Ms. Jenniffer Arndt; President, Rainbow World Inc.

Mr. Young-Soo Bahk; Board of Directors, The Peace Corn Foundation.

Mr. Young D. Cha, President, League of Korean Americans.

Mr. Young Chang Chae, Vice President, Korean Literary Association of Washington Metropolitan Area.

Dr. Keum Seop Chin, Board Director, Korean American Sharing Movement-Washington Baltimore; Elder, The Korean Central Presbyterian Church.

Mr. Byung Il Cho, President, The Federation of Korean Dry-Cleaners Associations, USA.

Dr. Man Cho, Director, Korean American Sharing Movement-Washington Baltimore.

Master Soo Se Cho, President, Korean American Association of S. Florida.

Rev. Young Jin Cho, Senior Pastor, Korean United Methodist Church of Greater Washington.

Dr. Scott Cha-Choe, Chairman, Honolulu Korean Junior Chamber.

Mr. Daniel Choi, Senior Vice President, The Federation of Korean Associations, USA.

Dr. Seung Hoon Choi; Executive Director, Korean American Sharing Movement-Boston.

Dr. Dong Yui Chough; Chairman, Korean American Education Foundation.

Rev. Simon Kang H. Chung; Pastor, The Korean Central Presbyterian Church.

Mr. Myong Y. Jueh, Chairman, Korean American Political Action Committee.

Mr. Abraham Kang, Chairman, Korean American Automobile Association.

Dr. Jun Hee Kang, MD, Korean Central Presbyterian Church.

Rev. Paul (Synn Kwon) Kang; President, Cohen University, CA.

Ms. Grace Kim; Executive Secretary, Korean Americans for Global Action New York, NY.

Mr. Hong Kim; Vice President, League of Korean Americans, USA.

Mr. Pyohng Choon Kim; Chief Financial Officer, Central Missionary Fellowship, International; Elder, The Korean Central Presbyterian Church.

Wayne Kim; Elder, Korean Central Presbyterian Church.

Mr. Jong Yui Lee; President, Korean Association of Northern Virginia.

Rev. Oh Yeon Lee; Executive Director, Korean American Sharing Movement—Los Angeles, Los Angeles, CA.

Mr. Sang Hoon Lee; Chairman-elect, Korean American Sharing Movement—USA; Chairman, KASM: Washington-Baltimore.

Mrs. Sook Won Lee; President, Korean American Association of State of Maryland.

Dr. Stephen H. Lee; President, The Society for Korean Root.

Rev. Won Sang Lee; Senior Pastor, The Korean Central Presbyterian Church.

Mr. John Lim, Senator, State of Oregon.

Mrs. Kim Miller, President, League of Korean Americans, USA.

Mr. Myung Kun Moon, President, Miami Korean Chamber of Commerce.

Rev. Do Hyun Paik, President, Korean Pastors Association of South Florida.

Rev. Hee Min Park, Chairman, Korean American Sharing Movement, USA, Los Angeles, CA.

Dr. Jong Ahn Park; Senior Director for Policy and Planning, Korean American Sharing Movement—USA.

Mr. Sang Kuen Park; Attorney at Law, Advocates for the Rights of Korean Americans.

Dr. Chang Mook Sohn, Executive Director, Office of the Forecasting Council, State of Washington.

Rev. Kyung Sup Shin; President, WDCT Radio, Virginia.

Mr. Pauil Shin; Senator, State of Washington.

Mr. Peter Hyun Shin, Chairman, League of Korean Americans, USA.

Rev. Sung John Shin; Chairman, Korean American Sharing Movement—Los Angeles.

Mr. Jie Kyung Song, President, Korean American Association of Washington Metropolitan Area.

Mr. Shin Hern Song, Vice Chairman, Korean American Education Foundation.

Mr. Sang Y. Whang, Chairman, Korean American Community Relations Council.

Ms. Ilyon Woo; Korean Americans for Global Action, New York, NY.

Mr. Ki Ho Yi; President, Royal Food Inc.

Mr. Hee Soon Yim; Hana News; Mr. Howard Pokhyong Yu; President, Yu Farm, Earlimart, California.

SENSE OF CONGRESS THAT THE PRESIDENT SHOULD RECOMMEND ACTIONS FOR RELIEVING VICTIMS OF HURRICANE FLOYD

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 2, 1999

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to thank the gentleman from North Carolina, Mr. TAYLOR, and commend all the Members from the 11 States, which continue to suffer the affects of Hurricane Floyd, who have come together to bring H. Res. 349 to the floor. This measure represents the tragedy that many of us have experienced in our congressional districts; and reflects the dismay of the thousands of suffering individuals, families, businesses and communities, who have been working to rebuild their communities for the past 6 weeks without sufficient Federal aid.

Throughout my home State of New York, the devastating affects of Hurricane Floyd are continuing to be felt. Homes have been flooded, businesses shut down, and the agricultural community, which has been devastated by high winds and drought over three of the past 4 years, is once again struggling to rebound. Numerous municipalities throughout Orange, Rockland and Westchester counties have sustained significant infrastructure damage and are looking to the Federal Government to provide them with assistance.

Accordingly, we have introduced H. Res. 349, to express the sense of the House that the President should immediately recommend to Congress actions, including appropriations offsets, to provide relief and assistance to victims of Hurricane Floyd.

The citizens, who have come together to rebuild their broken communities, deserve our aid. Hurricane Floyd was one of the worst natural disasters in American history. However, we have placed the burden of recovery on those who have suffered the most.

Accordingly, we stand today to send a message to the President and the people that we must address this tragedy and provide adequately for our injured homes.

TRIBUTE TO KEN BECK

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize the career of one of Colorado's most dedicated civic leaders, Ken Beck. In doing so, I would like to honor an individual who, for so many years, has exemplified the notion of public service and civic duty. Soon he will retire from the Bayfield School District Board of Education and it is clear that his leadership on the School Board will be greatly missed and difficult to replace.

While on the board, Ken has had a solid focus on the basics of education: reading, writing, and arithmetic. He felt these were the fundamental aspects of education. The financial status of the school district also improved greatly as the result of his leadership. Also, he has seen to the well being of the faculty. No one has lost their job due to a reduction in force or mismanagement.

Beyond his work on the school board, Ken has put in countless hours in an array of other community activities, including the Boy Scouts of America, Jesus Christ of Latter Day Saints, and the La Plata 4–H.

While his personal accomplishments are many, none are more weighty than the remarkable legacy he has in his family. Together with his wife, Wendy, who is equally distinguished in her reputation, they have five children: Kali, Beau, Sara, Lacy, and Shay. These fine young people will undoubtedly carry on their father's tradition of hard work and dedication well into the future.

Mr. Speaker, very few people serve as selflessly as did Ken Beck. His career embodied so many civic ideals. He is a model that each of us should emulate.

It is with this, Mr. Speaker, that I say thank you to Ken Beck on behalf of the people of western Colorado and wish him well in his much deserved retirement.

CONGRATULATING COMMUNITY MAGNET SCHOOL ON RECEIVING THE NATIONAL BLUE RIBBON SCHOOLS AWARD

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. DIXON. Mr. Speaker, I rise today to extend my heartfelt congratulations to the Community Magnet School on receiving the National Blue Ribbon Schools Award from the United States Department of Education.

Community Magnet School is one of only 226 schools in the nation, and the only school in Los Angeles, to have received this prestigious award in 1999. The award recognizes Community Magnet Schools' exemplary work in student achievement, community and parent involvement, and ongoing teacher and staff training. The school provides its students with a variety of innovative educational experiences, including the Caring Adults Teaching Children How (CATCH) one-on-one academic mentoring program and the Getty-Annenberg Transforming Education Through the Arts Challenge, an integrated arts curriculum.

The 32nd Congressional District of California is fortunate to be home to such an outstanding institution. Community Magnet School's emphasis on the study of the humanities and the social sciences through a multicultural perspective will enrich the lives of its students and our community for years to come. I commend Community Magnet School for being a recipient of the National Blue Ribbon Schools Award and wish them continued success.

RECOGNIZING THE 60TH ANNIVERSARY OF THE CHARTERING OF UAW LOCAL #599 LOCATED IN FLINT, MICHIGAN

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Ms. STABENOW. Mr. Speaker, I rise today to congratulate the members of United Auto Workers (UAW) Local #599, located in Flint, Michigan, on the 60th Anniversary of its charter. I would like to commend the 23 members of the local that received the 19th annual Walter P. Reuther Award for Distinguished Service. I will list the recipients at the end of my remarks.

Local #599 was chartered on January 10, 1939, and has been an integral part of the great accomplishments of the labor movement during this century. It is important to remember that not long ago in this country, laborers, including children, toiled in squalid factory conditions for pitiful wages. Within a generation, dramatic strides were made to greatly improve the quality of life of workers. With continued effort, organized labor has secured numerous important rights, including safe workplaces, decent wages, health and life insurance, worker's and unemployment compensation, and continuing education and training. This progress continues to this day, as the UAW recently completed a new round of contract negotiations with the big three automakers. The labor movement in the United States, led by Local #599, has been at the forefront of progress in the area of civil and human rights, representing one of the great social advances in history.

Mr. Speaker, I am proud to pay tribute to the great contributions that the members of Local #599 have made to Michigan and the country, and I ask my colleagues to do the same. I would specifically like to acknowledge the leadership of Local President Arthur McGee, and recognize the recipients of the Walter P. Reuther Distinguished Service Award. This award is one of two sanctioned by the International Union UAW, and is given for exceptional meritorious service by UAW members and community leaders. The 19th Annual Walter P. Reuther Award Recipients are: Robert Aidif, David Aiken, Dennis Carl, Russell W. Cook. Harvey "Whitey" DeGroot, Patrick Dolan, Larry Farlin, Maurice "Mo" Felling, Ted Henderson, James Yaklin, Ken Mead, Don Wilson, Frank Molina, Shirley Prater, Gene Ridley, John D. Rogers, Dale Scanlon, G. Jean Garza-Smith, Nick Vuckovich, Jerry J. Ward, Greg Wheeler, Tom Worden, and Dale Bingley. I again congratulate these members for their service to the UAW, their communities and their country. It is an honor to represent the members of UAW Local #599 in the United States Congress.

FEMA AND CIVIL DEFENSE MONUMENT ACT

SPEECH OF

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 1, 1999

Mr. GOODLING. Mr. Speaker, as we have seen in vivid detail in just the last month, Mother Nature can and does visit calamity upon us violently and with brief notice. Hurricane Floyd, with all its might and fury, is proof once again how powerless we are against the forces of nature.

The danger comes not just from hurricanes. In the West and South, the constant threat of wildfires from summer's heat often turns the countryside into a tinderbox. In the South and Midwest, steamy afternoons bring forth devastating tornadoes as this Spring's events in Oklahoma and Kansas have shown us.

When these disasters befall us, we must thank God there are dedicated men and women who answer the call, our nation's emergency management professionals. These dedicated individuals respond day or night in any conditions to protect the lives of their fellow citizens at a moment's notice, many of whom are volunteers. In addition to acts of nature, these brave men and women help protect us against manmade threats of terrorism for which we have become all to aware in recent years.

To honor these brave people Mr. BARTLETT and I introduced H.R. 348. This legislation authorizes the Federal Emergency Management Agency (FEMA) to place a monument honoring this nation's emergency management and civil defense workers on the grounds of the National Emergency Training Center (NETC) in Emmitsburg, Maryland. The monument has been offered as a gift by the privately-funded, non-profit National Civil Defense Monument Commission to honor their comrades who have devoted their lives and careers to Emergency Management and Civil Defense.

In closing, Mr. Speaker, I would like to recognize Mr. John Bex, a former Regional Director of the Defense Civil Preparedness Agency, of Mechanicsburg, Pennsylvania, Chairman of the Monument Commission, Alexander Atzert of Gaithersburg, Maryland and all members of National Civil Defense Monument Commission for their work and dedication on behalf of this legislation and I am pleased to support its passage.

A TRIBUTE TO CHARLIE WALLER

HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. RYAN of Wisconsin. Mr. Speaker, I rise today to honor one of my constituents, Charlie Waller. As we near Veterans Day, I feel it is appropriate to point out the achievements of one of our fine servicemen—achievements made while dealing with a unique disability.

You see, Charlie may be the most highly decorated man to serve in the U.S. Armed Forces with the sight of only one eye.

Charlie entered the U.S. Army (Air Corps) as a desk clerk. He was subsequently sent overseas first to Algeria and then to several locations in Europe. He served in the Communications Section of the 725th Squadron, 451st Bomber Group.

While there, it was noted by several of the soldiers in his unit that he was an excellent soldier. He also received several awards, including 10 battle stars, 2 presidential unit citation awards, an Army good Conduct medal, An American Campaign Medal, The European-African Middle Eastern Campaign Medal, 2 Oak Leaf Clusters, & the WWII victory Medal. This information has been verified by the National Personnel Records Center. Eventually, his commanding officers realized that he was not eligible to serve in a combat unit and he was promptly sent back to the states.

In 1997–98, Representative Mark Neumann assisted Charlie in having his records officially changed to reflect that he only had his limited vision of one eye prior to entering the service.

Again, Charlie overcame his disability and served his country with courage and honor. It is for his dedication and achievements that I honor him today.

TRIBUTE TO HITCHINER MANUFACTURING COMPANY, INC.

HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. BASS. Mr. Speaker, I am pleased to have this opportunity to recognize Hitchiner Manufacturing Company, Inc., of Milford, New Hampshire. Hitchiner Manufacturing tomorrow will receive the Employer Support Freedom Award. This award is granted annually to those select companies that distinguish themselves in support of the National Guard and Reserve. Hitchiner Manufacturing will be one of only five companies to be so recognized this year, and will represent the Northeast Region's twelve states including Washington, DC.

Earlier this year, the New Hampshire Committee for the Employer Support of the Guard and Reserve Committee submitted Hitchiner Manufacturing as the state's nominee for this award. Hitchiner Manufacturing is a major New Hampshire-based manufacturing firm. It has more than 1200 employees at three New Hampshire plants and employs 22 members of the National Guard and Reserve. It has always encouraged its employees to volunteer their time to support local and civic organizations, and was the 1998 New Hampshire ESGR Pro Patria Award winner.

For almost 50 years, Hitchiner Manufacturing has had employee policies that far exceed the Uniformed Services Employment and Reemployment Rights Act. It has extended salary and benefit packages during times of national crisis as well as world conflicts, such as Desert Storm, Somalia, Deny Flight and Bosnia. In fact, it has a specific policy to compensate employees for the difference between an employee's civilian and military pay while performing his or her military training. They have also provided professional counseling to soldiers who are going through difficult times.

But the company's good work goes beyond its own employees. At the Annual New Hampshire ESGR Awards luncheon held in January of this year, the Company President and CEO, Mr. John Morison, III, agreed to video tape his comments so that the New Hampshire ESGR Committee could share his thoughts and perspectives with other employers across the state. His presentation is now part of a major statewide Chamber of Commerce initiative. New Hampshire Adjutant General Major General John Blair, along with several key military leaders, are currently reaching out to Chambers of Commerce and other civic organizations across the state through a speakers program. "The Value of Employing Citizen Soldiers in the Workplace". It is clear that Hitchiner Manufacturing has set the pace for other New Hampshire-based companies to follow.

In closing, I wish again to commend Hitchiner Manufacturing President and CEO John Morison and all the company's employees on this proud day.

PERSONAL EXPLANATION

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. SANDERS. Mr. Speaker, I was unavoidably delayed during rollcall vote 504 on October 14, 1999. Had I been present, I would have voted "no".

In addition, I was unavoidably delayed on November 1, 1999 during rollcall votes 550, 551, and 552. Had I been present, I would have voted "yes" on rollcall votes 550 and 551 and "no" on rollcall vote 552.

TRIBUTE TO THE LATE WALTER PAYTON

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. HILLIARD. Mr. Speaker, today I rise with great sadness to recognize the loss of one of this country's greatest athletes—Mr. Walter Payton. As a former football player, I knew from the moment that he touched the field that he would dominate the game and become one of the great heroes of the league. There was a "sweetness," as his nickname suggests, about him that let you know that he was in total control, and would have you wrestling to overpower him until the bitter end. His life is a testament to the American Dream, and embodies the struggles of a soldier at war against himself and his fellow man. Upon entering the league he was told he wouldn't be successful because of his small build, but through a rigorous workout and perseverance he became the best running back ever in the NFL. No other football player since him has brought such style and grace to a game defined by muscles and egos. In a society that is constantly coronating heroes and idols for our youth, I lift up Walter Payton as the epitome of valor, the symbol of truth, and the embodiment of what it means to be an American.

Martin Luther King once challenged us to do our jobs so well that all the hosts of heaven and earth will pause to say, here lived a great man who did his job well. This week, as we continue to reflect upon his career and look to the future, I ask that those of us on earth pause in tribute to a man who not only played football well, but served his people, his family and his country well. May we keep his family in our prayers and his legacy in our hearts.

RECOGNIZING DUVAL COUNTY VETERANS SERVICE OFFICER J. O. BARRERA FOR OUTSTANDING SERVICE

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. RODRIGUEZ. Mr. Speaker, I rise today to pay tribute to Duval County Veterans Service Officer Jose Oscar Barrera. It is with great appreciation that I recognize Mr. Barrera for his many years of dedicated service to the citizens of Duval County.

J.O. Barrera was born and raised in San Diego, TX. After graduating from high school, on November 18, 1942, Mr. Barrera was called to military service in the United States. Mr. Barrera returned to live in San Diego in December 1945. He accepted a job with Duval County in 1946 in the Tax Collector's Office. On February 1, 1955, he was appointed Duval County Veterans Service Officer, a position he continues to hold to this day.

During his tenure as Duval County Veterans Service Officer, Mr. Barrera received recognition for his outstanding service several times. In 1973, he was offered the position of Service Officer for the State Veterans Affairs Commission of Texas in San Antonio. Upon serious consideration of the offer, he declined, preferring to remain in his home town where he could continue to provide needed assistance to the veterans he knew best.

At the 32d annual meeting of the Texas County Service Officers Association held in Dallas in 1979, the membership honored Mr. Barrera with one of the highest awards for veterans service. He was named Outstanding Veterans County Service Officer for the 60-county San Antonio Region. On February 26, 1999, he was presented with AMVETS National Commander's Appreciation Certificate from the AMVETS/American Veterans Organization Office in Houston for his sincere dedication in assisting veterans and their dependents.

At the 52d annual Statewide Conference for Veterans Service Officers held September 28 through October 1, 1999, in Dallas, Mr. Barrera was awarded two certificates for his years of service. State Representative Ignacio Salinas, Jr. awarded Mr. Barrera a certificate recognizing his 44 years of service as Veterans Service Officer for Duval County. He was also awarded a certificate of excellence in service to the veterans of Duval County by State Senator Judith Zafferini.

Mr. Barrera exemplifies what every county should have, a competent Veterans Service Officer who dedicates his life to the veterans of his county. Mr. J.O. Barrera continues to proudly serve the veterans and their dependents in Duval County, TX. It is most appropriate to honor his work, dedication, and commitment to public service.

TRIBUTE TO THE LATE FLETCHER HENDERSON, JR.

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. BISHOP. Mr. Speaker, Fletcher Henderson, Jr. is remembered as one of the great figures in jazz history.

Born in 1898, in the southwest Georgia community of Cuthbert, he pioneered as an arranger, composer and leader of an acclaimed band featuring the likes of Louis Armstrong, Coleman Hawkins and Lester Young.

He has been gone since 1952, but his memory is kept alive by the people of Cuthbert and Randolph County who are restoring the street and home where he was born and raised and who annually stage a jazz festival in his name, which was held for a full week in late October featuring the Fort Benning U.S. Army and Andrew College jazz bands, gospel music, and a variety of activities. Visionary citizenship made all this possible, led by the planning committee of Chairman Mary Kearney, Mayor Willie Martin, Henry Cook, Minnie Lewis, Wesley Shorter, and Thelma Walker.

This is just a start. They are planning even bigger things as a part of this community's tribute to a great American and the art form he helped shape.

Congratulations, Cuthbert.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, November 4, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 5

10 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on the nomination of Gregory A. Baer, of Virginia, to be an Assistant Secretary of the Treasury; and the nomination of Susan M. Wachter, of Pennsylvania, to be an Assistant Secretary of Housing and Urban Development.

SD–538

11 a.m.

Foreign Relations

International Economic Policy, Export and Trade Promotion Subcommittee

To hold hearings to examine issues relating to the International Monetary Fund, focusing on lessons learned from the Asian financial crisis.

SD–419

NOVEMBER 8

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on mergers in the telecommunications industry.

SR–253

2 p.m.

Aging

To hold hearings to examine challenges facing an aging baby boom generation.

SH–216

NOVEMBER 9

9:30 a.m.

Governmental Affairs

Investigations Subcommittee

To hold hearings to examine the vulnerabilities of United States private banks to money laundering.

SD–628

NOVEMBER 10

10 a.m.

Governmental Affairs

Health, Education, Labor, and Pensions

To hold joint hearings on federal contracting and labor policy, focusing on the Administration's change in procurement regulations.

SD–628

1 p.m.

Governmental Affairs

Investigations Subcommittee

To hold hearings to examine the vulnerabilities of United States private banks to money laundering.

SD–628

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